

ARTHUR COCCODRILLI, CHAIRMAN  
ALVIN C. BUSH, VICE CHAIRMAN  
DAVID J. DEVRIES, ESQ.  
NANCY SABOL FRANTZ, ESQ.  
JOHN F. MIZNER, ESQ.  
KIM KAUFMAN, EXECUTIVE DIRECTOR  
LESLIE A. LEWIS JOHNSON, CHIEF COUNSEL



PHONE: (717) 783-5417  
FAX: (717) 783-2664  
irrc@irrc.state.pa.us  
<http://www.irrc.state.pa.us>

**INDEPENDENT REGULATORY REVIEW COMMISSION**  
333 MARKET STREET, 14TH FLOOR, HARRISBURG, PA 17101

March 20, 2008

Anne LaCour Neeb, Executive Director  
Pennsylvania Gaming Control Board  
Strawberry Square  
Verizon Tower, 5th Floor  
Harrisburg, PA 17106-9060

Re: Regulation #125-78 (IRRC #2666)  
Pennsylvania Gaming Control Board  
Slot Machine Testing and Control

Dear Ms. Neeb:

Enclosed are the Commission's comments for consideration when you prepare the final version of this regulation. These comments are not a formal approval or disapproval of the regulation. However, they specify the regulatory review criteria that have not been met.

The comments will be available on our website at [www.irrc.state.pa.us](http://www.irrc.state.pa.us). If you would like to discuss them, please contact me.

Sincerely,

Kim Kaufman  
Executive Director  
wbg  
Enclosure

cc: Honorable Jane M. Earll, Chairman, Senate Community, Economic and Recreational  
Development Committee  
Honorable Gerald J. LaValle, Minority Chairman, Senate Community, Economic and  
Recreational Development Committee  
Honorable Harold James, Majority Chairman, House Gaming Oversight  
Honorable Paul I. Clymer, Minority Chairman, House Gaming Oversight

# Comments of the Independent Regulatory Review Commission

on

## Pennsylvania Gaming Control Board Regulation #125-78 (IRRC #2666)

### Slot Machine Testing and Control

March 20, 2008

We submit for your consideration the following comments on the proposed rulemaking published in the January 19, 2008 *Pennsylvania Bulletin*. Our comments are based on criteria in Section 5.2 of the Regulatory Review Act (71 P.S. § 745.5b). Section 5.1(a) of the Regulatory Review Act (71 P.S. § 745.5a(a)) directs the Pennsylvania Gaming Control Board (Board) to respond to all comments received from us or any other source.

#### **Section 461a.8. Gaming vouchers. – Fiscal impact; Reasonableness; Clarity.**

##### *Expiration dates for gaming vouchers*

The preamble states that the Board recently amended its technical standards to eliminate expiration dates for unredeemed gaming vouchers, and the corresponding amendment to Subsection (b) will maintain consistency between the technical standards and the regulation. However, the preamble does not explain why expiration dates are being eliminated.

In addition, licensees will be required to maintain these unredeemed gaming vouchers as directed in Subsection (d)(10). This would require the licensees to retain them for a period of five years under Article XIII.I of the Fiscal Code (relating to the disposition of abandoned and unclaimed property) at 72 P.S. § 1301.6(3). Commentators are concerned that this will require licensees to store a large number of records and will cause an “extreme administrative burden.”

The Board should clearly state why it is necessary to eliminate expiration dates for gaming vouchers.

##### *Subsection (d)(9)*

This subsection requires slot machine licensees to issue payment to the owners of unredeemed gaming vouchers if the owners can be identified. Commentators assert that the administrative costs that a licensee would incur to make the identification will exceed the value of the vouchers. They suggest that the Board establish a minimum value of vouchers for which owner identification would apply. In addition, it is unclear what methods the Board expects licensees to utilize to determine the owner of the unredeemed vouchers.

The Board should explain why it is reasonable to require licensees to determine the owners of unredeemed gaming vouchers, and why the Board has not imposed a minimum value for vouchers that would trigger the owner identification procedures. The Board should also explain how it anticipates licensees will identify owners of unredeemed vouchers.

### Facsimile Cover Sheet



Phone: (717) 783-5417  
Fax #: (717) 783-2664  
E-mail: [irrc@irrc.state.pa.us](mailto:irrc@irrc.state.pa.us)  
Website: [www.irrc.state.pa.us](http://www.irrc.state.pa.us)

**INDEPENDENT REGULATORY REVIEW COMMISSION**  
333 MARKET STREET, 14<sup>TH</sup> FLOOR, HARRISBURG, PA 17101

**To:** Cheryl Posavec  
Richard M. Sandusky (214-8111)  
**Agency:** Pa Gaming Control Board  
**Phone:** 346-8319  
**Fax:** 703-2988  
**Date:** March 20, 2008  
**Pages:** 3

**Comments:** We are submitting the Independent Regulatory Review Commission's comments on the Pennsylvania Gaming Control Board's regulation #125-78 (IRRC #2666). Upon receipt, please sign below and return to me immediately at our fax number 783-2664. We have sent the original through interdepartmental mail. You should expect delivery in a few days. Thank you.

Accepted by: *Richard M. Sandusky* Date: 3/20/08