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MIKE FOLMER
STATE SENATOR



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2692 Senate of Pennsylvania
48TH SENATORIAL DISTRICT

April 17, 2008

Richard Sandusky, Director of Regulatory Review
Pennsylvania Gaming Control Board
303 Walnut Street/Strawberry Square
Verizon Towers - 5th Floor
Harrisburg, PA 17101

RE: Public Comment on Regulation #125-85

Dear Mr. Sandusky:

Enclosed for consideration are my comments regarding the above proposed regulation.

Sincerely,

Mike Folmer
MIKE FOLMER

MF:js:nb
Enclosure

cc: Kim Kaufman, IRRC Executive Director
Senator Jeffrey Piccola
East Hanover Township

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REVIEW COMMISSION

Comments of Senator Mike Folmer

on

Pennsylvania Gaming Control Board Regulation #125-85

§401a.3. Definitions

This amendment revises the definition of the term "licensed facility" to read as follows:

Licensed facility – The Physical land-based location at which a licensed gaming entity is authorized to place and operate slot machines **including the gaming floor and all restricted areas servicing slot operations together with all adjacent and proximate amenities, including but not limited to food, beverage and retail outlets and other areas directly accessible from the gaming floor or the restricted areas servicing slot operations. The term does not encompass areas or amenities exclusive to pari-mutuel activities, hotel activities and other amenities and activities not related to slot machine gaming operations.**

Though well-intentioned with the purpose of providing greater clarity to applicants and holders of slot machine licenses as to what the Board considers to be included (and not included) as part of a licensed facility, this amendment will have a consequence which is fundamentally unfair and financially detrimental to East Hanover Township, Lebanon County, which I represent in the State Senate.

Under the Gaming Law, a Local Share fee is to be paid by gaming facilities to the municipalities in which they are located. If a gaming facility is located within multiple municipalities, the fee is to be paid to the municipalities proportionally by acreage. Therefore, East Hanover Township, Lebanon County, should receive approximately \$350,000 annually from Penn National Race Course's Hollywood Casino (based on estimated revenues of approximately \$10 million).

PGCB's proposed amendment to the definition of "licensed facility," however, would preclude East Hanover Township from collecting the portion of the Local Share fee it is otherwise due. This is profoundly unfair considering that the original intent of the Gaming Law was to compensate municipalities for costs incurred as a result of the gaming facilities being located within their jurisdiction. Consider: Traffic and traffic-related challenges (such as accidents and congestion) have increased significantly in East Hanover Township as a result of Hollywood Casino. Due to anticipated housing development spurred by the casino, the population of the township is expected to rise by one-third or more, creating significantly higher needs for local services. The Ono Fire Company is designated as "first due" for any emergencies at the casino. Patrons of the casino use the roadways in the township extensively, with the fire company fulfilling emergency rescue needs.

I strongly **oppose** Regulation #125-85 because it strips away the means by which East Hanover Township, Lebanon County would be fairly compensated for costs incurred from meeting the challenges associated with operations of the Hollywood Casino.