

#2692

MAIN CAPITOL BUILDING  
HARRISBURG, PENNSYLVANIA 17120

April 25, 2008

Paul Resch, Secretary,  
Pennsylvania Gaming Control Board  
P.O. Box 69060  
Harrisburg, PA 17106-9060

Attention: Public Comment on Regulation #125-85.  
Re: Regulation #125-85  
Amendment to the definition of "licensed facility"  
58 PA. Code § 401a.3

Dear Mr. Resch:

As legislators representing both Dauphin and Lebanon Counties, we would like to comment on Regulation #125-85, the Pennsylvania Gaming Control Board's regulation to amend the definition of licensed facility. We have some concerns with this proposed rulemaking.

As you know, under the new proposed definition, the Board expands the definition of the term "licensed facility" to provide what areas are considered to be part of the licensed facility. The new definition is 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.**

This new definition is in obvious contrast to the definition found in Section 1103 of 4 Pa. C.S. (Definitions). We have defined a licensed facility as:

Licensed facility - The physical land-based location at which a licensed gaming entity is authorized to place and operate slot machines.

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The new proposed definition was not the intent of the General Assembly when Act 71 was passed in 2004. Our intention was the land-based location of the facility as defined, whether they are part of the racetrack, part of a hotel, or even the parking lot.

At the time of passage, we knew it could be possible for a licensed facility to be located in two different municipalities or two different counties. We were also aware how this would have a fiscal impact on these political subdivisions and how each of them would be able to receive gaming revenue based upon the percentage of the facility located in each county.

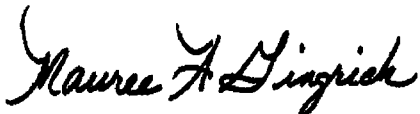
With this new proposed definition, certain counties would not be eligible to split the four percent of casino gross terminal revenue or \$10 million, whichever is greater, with municipalities.

Under the new definition it would mean that the roughly three percent of Penn National's 735 acres that lies within East Hanover Twp., Lebanon County, would not be part of the "licensed facility" that would qualify the county for a share of Hollywood Casino's slots revenues. This was never our intent when passing Act 71.

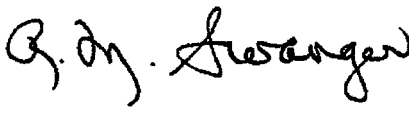
We hope you understand our concerns and make changes to this definition prior to final rulemaking that are more accurate with the intent of the legislation.

Thank you for your time and attention as we share our concerns with you regarding the proposed definition change to licensed facility.


Sincerely,



Mauree Gingrich  
101<sup>st</sup> Legislative District



Rosemarie Swanger  
102<sup>nd</sup> Legislative District



Ronald Marisco  
105<sup>th</sup> Legislative District

CC: Kim Kaufman, Executive Director, Independent Regulatory Review Commission  
Scott Schalles, IRRC  
Richard Sandusky, Pennsylvania Gaming Control Board  
The Honorable Harold James, Majority Chairman, Gaming Oversight Committee  
The Honorable Paul Clymer, Minority Chairman, Gaming Oversight Committee  
Members of the House Gaming Oversight Committee