

2731



RECEIVED

PENNSYLVANIA GAMING CONTROL BOARD
P O BOX 69060
HARRISBURG, PENNSYLVANIA
17106-9060

MAR 16 AM 9:11

107

RICHARD M SANDUSKY
Director of Regulatory Review
Phone (717) 214 8111
Fax (717) 346-8350
Email rsandusky@state.pa.us

Chairman
MARY DIGIACOMO COLLINS

Commissioners
RAYMOND S ANGLI
JERRY W COY
JAMES B GINLY
KENNETH I MCCABE
SANFORD RIVERS
GARY A SOJKA

Ex Officio Members
ROBERT M MCCORD
STEPHEN STELLER
DENNIS WOLFE

March 13, 2009

The Honorable Curt Schroder
PA House of Representatives
House Box 202155
Harrisburg, PA 17120

Dear Representative Schroder:

I am writing in response to your March 5, 2009 letter to the Independent Regulatory Review Commission (IRRC), which you copied to me. The letter asks that Pennsylvania Gaming Control Board Final-Form Regulation #125-92 be tolled so that it could be revised to address several issues. Although your letter was addressed to IRRC, I wanted to respond to you so that you are aware of the Board's position on the issues you raise.

The Board takes seriously its responsibility to regulate gaming both in accordance with the Pennsylvania Race Horse Development and Gaming Act and the Clean Indoor Air Act. However, neither of those Acts give the Board the authority to direct the placement of specific slot machines at specific locations on a licensee's gaming floor. Those are business and marketing decisions the licensees make based on customer demands. Moreover, the Board has no authority to require that a licensee's smoking area be contiguous. The Clean Indoor Air Act's only initial requirement is that a licensed facility's smoking area be no more than "25% of the gaming floor" and that the Board has the authority to verify the square footage of the smoking area. See Act 27 of 2008, § 3(b)(11). In verifying the floor plan submitted by each licensee that identified the designated smoking area, the Board conducted its review to meet the expressed purpose and direction of the Clean Indoor Air Act. However, as part of its review, the Board did not observe any overt efforts by the slot machine licensees to place all of their high revenue producing machines in the designated smoking areas or to otherwise attempt to circumvent the intent of the Act.

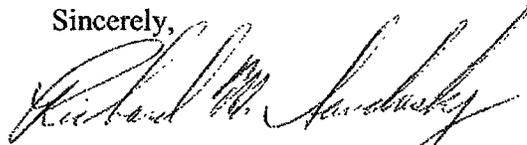
With regard to your suggestion that signage be placed on individual slot machines, identifying them as smoking or non-smoking, the Board raised this possibility with the public and the industry in the preamble of the proposed rulemaking. We heard substantial concern from the industry that such a signage requirement would be burdensome and costly due to the frequent movement of machines on the gaming floor through the normal course of business. As a result, this requirement was not included in the final-form regulation. The Board did, however, reserve the right

Representative Curt Schroder
March 13, 2009
Page 2 of 2

to revisit this issue if our Casino Compliance Officers begin to field a large number of complaints from patrons having a difficult time delineating the smoking and non-smoking areas of the gaming floors. In short, experience will indicate whether the current signs are adequate; and if not, then further measure may be pursued.

I hope this information is helpful to you in understanding the Board's position on its duties under the Clean Indoor Air Act. If you have any questions or would like to discuss this or any other regulatory issue in the future, please feel free to contact our legislative staff; Will Danowski or Dan Stambaugh.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard M. Sandusky". The signature is fluid and cursive, with a large initial "R" and "S".

Richard M. Sandusky
Director of Regulatory Review