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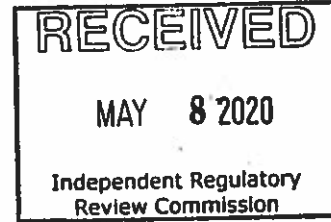
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VIA ELECTRONIC MAIL

David Sumner, Executive Director
Independent Regulatory Review Commission
333 Market Street, 14th Floor
Harrisburg, PA 17101
dsumner@irrc.state.pa.us

Re: Comments on Gaming Control Board Final-Omitted Regulation No. 125-228

Dear Executive Director Sumner,

On behalf of seven of the Pennsylvania Casino Operators, we provide these comments on the Pennsylvania Gaming Control Board’s (“PGCB” or “Gaming Board”) final-omitted regulation 125-228, which will amend chapters of the gaming regulations on table game rules of play found in title 58 of the Pa. Code. While there was no public comment period provided on the above-referenced rulemaking, we respectfully request that you consider the comments contained herein.

Chester Downs and Marina, LLC d/b/a Harrah’s Philadelphia, Downs Racing, LP d/b/a Mohegan Sun Pocono, Greenwood Gaming and Entertainment, Inc. d/b/a Parx Casino, Mountainview Thoroughbred Racing Association, LLC d/b/a Hollywood Casino, Stadium Casino RE, LLC, d/b/a Live! Philadelphia, Washington Trotting Association, Inc., d/b/a The Meadows Casino, and Wind Creek Bethlehem, LLC d/b/a Wind Creek Bethlehem (collectively the “Operators”) have reviewed the PGCB’s rulemaking and collectively support its adoption by the Independent Regulatory Review Commission.

Gaming operations are competitive. Operators are under intense pressure to continuously update their gaming floors by offering the most up-to-date rules of play on existing table games as well as the newest games and side wagers that are available in the market. Presently, the PGCB’s process to update rules or approve new games or features does not lend itself to flexibility or efficiency. An Operator must often wait up to a year, or more, from the time a request is submitted to the PGCB staff for regulations to be promulgated before the updated rules, games or features would be available for play on the gaming floor. This lengthy process places Pennsylvania Operators at a competitive disadvantage from gaming operators in neighboring jurisdictions whose regulators can more adaptively respond to and approve requests.

Added flexibility and efficiency are supportable goals in any economic environment. Pursuit of these objectives is particularly critical in light of the new economic realities facing all licensed facilities in the Commonwealth that closed due to the COVID-19 public health crisis. The result has been the furlough of employees and millions of dollars in lost revenue to date. Modifying the regulations, as outlined in the Board's final-omitted rulemaking, will allow the Operators to be more competitive - ensuring that Pennsylvania casinos will not be in a disadvantaged position versus surrounding jurisdictions, and thus, able to recover more quickly upon reopening.

The procedure proposed by the PGCB in the final-omitted rulemaking will streamline the submission and approval process, which the Operators anticipate will vastly shorten the length of time before the latest rules, games and features are available to patrons. These changes will result in a better patron experience, and thus an increase in play, which benefits the Commonwealth through the generation of enhanced tax revenue for the General Fund and local share funds to host counties for municipal projects.

The proposed process contained in the rulemaking is also consistent with the statutory requirements of the Pennsylvania Race Horse Development and Gaming Act ("Act"). 4 Pa.C.S. 1101 et seq. Specifically, Section 13A02 of the Act requires the Gaming Board to promulgate regulations establishing standards and procedures for the Board to determine that a new table game, alteration or composite is suitable for use under the terms and conditions as the Board may deem appropriate. *Id.* § 13A02. The language of the Act does not require the Board to promulgate regulations on every individual rule of play, but merely requires the Board to promulgate regulations establishing the procedure by which the Board will review and determine whether a rule, game or feature is suitable for play. This rulemaking complies with the Act's requirements.

In addition, this rulemaking is consistent with the primary objectives of the Act – the protection of the public and the integrity of gaming. *Id.* § 1102. First, the PGCB's proposed process will still require review by staff to ensure that amended rules, or a new game or feature proposed would not be inimical to the public interest if approved for play. In addition, the public will be able to participate in the approval process, as the rulemaking contemplates a 30-day comment period before the PGCB would approve any rule change, new game or feature.

If the request were ultimately approved, patrons would be protected, as they are now. Operators would still be required to fully disclose the rules of play on table layouts and provide patrons with access to gaming guides consistent with the requirements contained in Section 601a.8 of the Gaming Board's regulations, which the PGCB is not proposing to amend with this rulemaking.

Finally, the PGCB will still have the ability to enforce the table game rules of play, even if the existing rules of play were deleted from the regulations and if updated rules, new games and features were no longer promulgated through the formal rulemaking process. This can be achieved, as each Operator will continue to be required to submit Rules Submission forms to the

PGCB for approval, which specify the rules of play that the Operator will utilize on the gaming floor. Failure to offer games consistent with Board approved rules and an Operator's approved Rules Submission form can result in an enforcement action being filed against the Operator.

The process outlined in the PGCB's final-omitted rulemaking will enhance flexibility in table game operations and will allow the Gaming Board and the Operators to more efficiently adapt to the demands of an ever-evolving market, which is critical to the viability and long-term growth of gaming in the Commonwealth. The Operators, therefore, respectfully request that IRRC consider the above comments to final-omitted regulation 125-228 and approve the rulemaking. Thank you for your kind consideration in this matter.

Respectfully submitted,



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cc: Senator Thomas H. Killion, Majority Chair, Community, Economic and Recreational
Development Committee
Senator Lindsey M. Williams, Minority Chair, Community, Economic and Recreational
Development Committee
Representative Jim Marshall, Majority Chair, House Gaming Oversight Committee
Representative Scott Conklin, Minority Chair, House Gaming Oversight Committee
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