



PENNSYLVANIA GAMING CONTROL BOARD

Meeting of the Board

May 19, 2006 Minutes

A meeting of the Pennsylvania Gaming Control Board was held on May 19, 2006 in the State Museum Auditorium. The meeting began at 10 a.m.

Members in attendance were:

Thomas Decker, Chairman
Raymond S. Angeli
Mary DiGiacomo Colins
Jeffrey W. Coy
Joseph W. Marshall, III (via teleconference)
Kenneth W. McCabe
Sanford Rivers

Ex-officio members in attendance were:

Robert P. Casey, Jr., State Treasurer (via teleconference)
Gregory C. Fajt, Secretary of Revenue

Staff who appeared officially before the Board:

Anne LaCour Neeb – bureau update
Susan Hensel – licensing
Michael Schwoyer – licensing/regulations
David Kwait – bureau update
Michael Walsh – administration update
Jim Buck – information technology project
Frank Donaghue – bureau update/regulations
Michelle Afragola – regulations
Melinda Tucker – regulations
James Doherty – regulations
Don Shiffer – regulations
Richard Williamson – possession of slot machines
Michael Edmiston – petitions for withdrawal
Curtis Haines – central computer system

A quorum being present Chairman Decker called the meeting to order.

Transcript

On a motion by Board Member Coy, seconded by Board Member Colins, the transcript of the May 4, 2006 meeting was unanimously approved.

Executive Director Report

PGCB MOTION NO. 2006-36 ADM – Background investigation referrals

Motion Made: Board Member Colins

Seconded: Board Member Rivers

Resolved, the Board hereby authorizes Chairman Decker and staff to negotiate and enter into new inter-agency agreements or utilize existing contracts to conduct Background Investigations in order to facilitate the efficient and effective administration, supervision, and enforcement of Act 71.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2006-37 ADM – Background investigation RFPs

Motion Made: Board Member Marshall

Seconded: Board Member Angeli

Resolved, the Board hereby approves the issuing of a request for proposals for investigative services for the purpose of conducting background investigations for operators, manufacturers, suppliers and employees.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2006-38 ADM – Review of traffic impact studies

Motion Made: Board Member Marshall

Seconded: Board Member McCabe

Resolved, the Board hereby authorizes Chairman Decker to enter into an agreement with PennDOT and/or its affiliates to review the traffic studies submitted by the applicants for operator licenses.

Board Decision: Passed by unanimous vote

Licensing

PGCB MOTION NO. 2006-39 LIC – Adoption of the Order to Approve the Manufacturers License for Atronic America, LLC, and its key employee qualifiers

Motion Made: Board Member McCabe
Seconded: Board Member Coy

Resolved, the Board hereby approves the Order issuing a Manufacturers License to Atronic America, LLC and its key employee qualifiers.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2006-40 LIC – Adoption of the Order to Approve the Manufacturers License for Konami Gaming, Inc., and its key employee qualifiers

Motion Made: Board Member Angeli
Seconded: Board Member McCabe

Resolved, the Board hereby approves the Order issuing a Manufacturers License to Konami Gaming, Inc. and its key employee qualifiers.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2006-41 LIC – Adoption of the Order to Approve the Manufacturers License for Shuffle Master, Inc., and its key employee qualifiers

Motion Made: Board Member McCabe
Seconded: Board Member Coy

Resolved, the Board hereby approves the Order issuing a Manufacturers License to Shuffle Master, Inc. and its key employee qualifiers.

Board Decision: Passed by unanimous vote

Regulations

PGCB MOTION NO. 2006-42 REG – Posting of Draft Regulations for Public Comment

Motion Made: Board Member Coy
Seconded: Board Member McCabe

Resolved, the Board hereby approves posting the draft regulations pertaining to certification of the vendor key employee qualifiers and key employees through

publication of the regulations on the Pennsylvania Gaming Control Board's website and the accepting of public comment for 10 days. The 10 day comment period would begin May 20, 2006 and end at the close of business May 30, 2006.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2006-43 REG – Posting of Draft Regulations for Public Comment

Motion Made: Board Member McCabe

Seconded: Board Member Colins

Resolved, the Board hereby approves posting the draft regulations pertaining to underage gaming through publication of the regulations on the Pennsylvania Gaming Control Board's website and the accepting of public comment for 10 days. The 10 day comment period would begin May 20, 2006 and end at the close of business May 30, 2006.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2006-44 REG – Posting of Draft Regulations for Public Comment

Motion Made: Board Member Marshall

Seconded: Board Member McCabe

Resolved, the Board hereby approves posting the draft regulations pertaining to horsemen's organizations through publication of the regulations on the Pennsylvania Gaming Control Board's website and the accepting of public comment for 10 days. The 10 day comment period would begin May 20, 2006 and end at the close of business May 30, 2006.

Board Decision: Passed by unanimous vote

PGCB RESOLUTION NO. 2006-6 REG – Adoption of the Temporary Regulations for Employee Credentials

Motion Made: Board Member Rivers

Seconded: Board Member McCabe

Whereas On July 5, 2004, the Pennsylvania General Assembly enacted the Pennsylvania Race Horse Development and Gaming Act, establishing the Pennsylvania Gaming Control Board as the primary regulatory agency charged with the responsibility of implementing and overseeing slot machine gaming in the Commonwealth; and

- Whereas The Act authorizes the Board to adopt “temporary” regulations in order to facilitate the prompt implementation of the Act during the two years following the Act’s effective date; and
- Whereas The Board has developed draft temporary regulations for employee credentials; and
- Whereas The public has had an opportunity to comment on the draft temporary regulations; and
- Whereas The Board’s final temporary regulations are designated as Title 58 Recreation, Part VII Gaming Control Board:
- Subpart B. Licensing, registering, certifying and permitting, Chapter 435, Employees, specifically Sections 435.6 through 435.10; and
- Whereas The Board reserves the right to amend the temporary regulations as it deems necessary in accordance with the purpose of the Act and in order to further the intent of the Act; be it

RESOLVED That the Board adopts the revised draft regulations as its temporary regulations for employee credentials.

Board Decision: Passed by unanimous vote

PGCB RESOLUTION NO. 2006-7 REG – Adoption of the Temporary Regulations for Persons Required to be Excluded

Motion Made: Board Member Angeli
Seconded: Board Member Rivers

- Whereas On July 5, 2004, the Pennsylvania General Assembly enacted the Pennsylvania Race Horse Development and Gaming Act, establishing the Pennsylvania Gaming Control Board as the primary regulatory agency charged with the responsibility of implementing and overseeing slot machine gaming in the Commonwealth; and
- Whereas The Act authorizes the Board to adopt “temporary” regulations in order to facilitate the prompt implementation of the Act during the two years following the Act’s effective date; and
- Whereas The Board has developed draft temporary regulations for persons to be excluded; and

Whereas The public has had an opportunity to comment on the draft temporary regulations; and

Whereas The Board's final temporary regulations are designated as Title 58 Recreation, Part VII Gaming Control Board:

- Subpart J. Exclusion of Persons, Chapter 511, Persons Required to be Excluded; and

Whereas The Board reserves the right to amend the temporary regulations as it deems necessary in accordance with the purpose of the Act and in order to further the intent of the Act; be it

RESOLVED That the Board adopts the revised draft regulations as its temporary regulations for persons required to be excluded.

Board Decision: Passed by unanimous vote

PGCB RESOLUTION NO. 2006-8 REG – Adoption of the Temporary Regulations for Self Exclusion

Motion Made: Board Member Coy
Seconded: Board Member Colins

Whereas On July 5, 2004, the Pennsylvania General Assembly enacted the Pennsylvania Race Horse Development and Gaming Act, establishing the Pennsylvania Gaming Control Board as the primary regulatory agency charged with the responsibility of implementing and overseeing slot machine gaming in the Commonwealth; and

Whereas The Act authorizes the Board to adopt “temporary” regulations in order to facilitate the prompt implementation of the Act during the two years following the Act's effective date; and

Whereas The Board has developed draft temporary regulations for self exclusion; and

Whereas The public has had an opportunity to comment on the draft temporary regulations; and

Whereas The Board's final temporary regulations are designated as Title 58 Recreation, Part VII Gaming Control Board:

- Subpart I. Compulsive and Problem Gambling, Chapter 503, Self Exclusion; and

Whereas The Board reserves the right to amend the temporary regulations as it deems necessary in accordance with the purpose of the Act and in order to further the intent of the Act; be it

RESOLVED That the Board adopts the revised draft regulations as its temporary regulations for self exclusion.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2006-45 REG – Amendment to the Temporary Regulations

Motion Made: Board Member Marshall
Seconded: Board Member Angeli

Resolved, the Board hereby adopts the amendments to 58 Pa. Code §§ 401.4, 401.5, 405.2, 421.1, 421.3, 441.4, 494.1 and 499.1. The amendments will be posted to the Board's website and published by the Pennsylvania Bulletin. The amendments are effective as of May 19, 2006.

Board Decision: Passed by unanimous vote

PGCB RESOLUTION NO. 2006-10 GL – Possession of Slot Machines by GTECH Corp.

Motion Made: Board Member McCabe
Seconded: Board Member Angeli

Whereas Under Section 1202(a) of the Pennsylvania Race Horse Development and Gaming Act, the Pennsylvania Gaming Control Board has general jurisdiction over all gaming activities or related activities pursuant to the act; and

Whereas The Board has adopted temporary regulations governing the possession and movement of slot machines in the Commonwealth, specifically 58 Pa. Code, Chapter 463, Possession of slot machines; and

Whereas Under 58 Pa. Code § 463.1(b)(7), the Board has the authority to allow certain persons, authorized in writing by the Board, to possess slot machines in this Commonwealth upon its finding that the possession of slot machines by such persons in this Commonwealth is not contrary to the goals and objectives of the act; and

Whereas GTech Corporation has submitted a written request to the Board in compliance with the regulations, to possess slot machines at its facility

located at 470 Friendship Road, Suite 130 in Harrisburg, PA for temporary storage of the slot machines while the permanent offices of the central control computer are being completed, which storage will cease upon approval of the permanent facility for the central control computer system; and

Whereas GTech Corporation further agrees to comply with the requirements of Chapter 463 pertaining to possession of slot machines in this Commonwealth; and

Whereas The Board finds that the possession of slot machines by GTech Corporation for the purpose of temporary storage while the permanent facility for the central control computer system is being constructed, is not contrary to the goals and objectives of the act; be it

RESOLVED That the Board authorizes the possession of slot machines by GTech Corporation in compliance with the requirements of 58 Pa. Code, Chapter 463.

Board Decision: Passed by unanimous vote

PGCB RESOLUTION NO. 2006-11 GL – Possession of Slot Machines by Iverson Gaming Systems

Motion Made: Board Member Rivers
Seconded: Board Member McCabe

Whereas Under Section 1202(a) of the Pennsylvania Race Horse Development and Gaming Act, the Pennsylvania Gaming Control Board has general jurisdiction over all gaming activities or related activities pursuant to the act; and

Whereas The Board has adopted temporary regulations governing the possession and movement of slot machines in the Commonwealth, specifically 58 Pa. Code, Chapter 463, Possession of slot machines; and

Whereas Under 58 Pa. Code § 463.1(b)(7), the Board has the authority to allow certain persons, authorized in writing by the Board, to possess slot machines in this Commonwealth upon its finding that the possession of slot machines by such persons in this Commonwealth is not contrary to the goals and objectives of the act; and

Whereas Iverson Gaming Systems, Inc. has submitted a written request to the Board in compliance with the regulations, to possess slot machines at its facility located at 65 Rock Hill Road, Suite 200 in Bala Cynwyd, PA, for the sole

purpose of testing the slot machine system product that Iverson Gaming Systems, Inc. develops and sells exclusively outside of this Commonwealth; and

Whereas Iverson Gaming Systems, Inc. further agrees to comply with the requirements of Chapter 463 pertaining to possession of slot machines in this Commonwealth; and

Whereas The Board finds that the possession of slot machines by Iverson Gaming Systems, Inc. for the sole purpose of testing the slot machine system product that Iverson Gaming Systems, Inc. develops and sells exclusively outside of this Commonwealth is not contrary to the goals and objectives of the act; be it

RESOLVED That the Board authorizes the possession of slot machines by Iverson Gaming Systems, Inc. in compliance with the requirements of 58 Pa. Code, Chapter 463.

Board Decision: Passed by unanimous vote

PGCB RESOLUTION NO. 2006-12 GL – Possession of Slot Machines by MEI

Motion Made: Board Member Angeli
Seconded: Board Member McCabe

Whereas Under Section 1202(a) of the Pennsylvania Race Horse Development and Gaming Act, the Pennsylvania Gaming Control Board has general jurisdiction over all gaming activities or related activities pursuant to the act; and

Whereas The Board has adopted temporary regulations governing the possession and movement of slot machines in the Commonwealth, specifically 58 Pa. Code, Chapter 463, Possession of slot machines; and

Whereas Under 58 Pa. Code § 463.1(b)(7), the Board has the authority to allow certain persons, authorized in writing by the Board, to possess slot machines in this Commonwealth upon its finding that the possession of slot machines by such persons in this Commonwealth is not contrary to the goals and objectives of the act; and

Whereas MEI has submitted a written request to the Board, in compliance with the regulations, to possess slot machines at its facility located at 1301 Wilson Drive in West Chester, PA for the sole purpose of developing bill validator units used in the production of slot machines; and

Whereas MEI further agrees to comply with the requirements of Chapter 463 pertaining to the possession of slot machines in the Commonwealth; and

Whereas The Board finds that the possession of slot machines by MEI for the sole purpose of developing bill validator units used in the production of slot machines is not contrary to the goals and objectives of the act; be it

RESOLVED That the Board authorizes the possession of slot machines by MEI in compliance with the requirements of 58 Pa. Code, Chapter 463.

Board Decision: Passed by unanimous vote

PGCB MOTION NO. 2006-46 BHA – Petitions to Withdraw

Motion Made: Board Member Colins
Seconded: Board Member Rivers

Resolved, the Board hereby approves the Orders granting the withdrawal of Key Employee Qualifier, Management Company, and Gaming Employee Applications of Stephen M. DesChamps, Anthony Dicesare, Richard J. Schneider, Deron James Hunsberger, Gomes Gaming Management, Brian L. Eggiman, William Thomas Hodgson, Drew Martin Shubeck and William C. Bartholomay.

Board Decision: Passed by unanimous vote

Adjournment

There being no further business before the Board, on a motion by Board Member Rivers, the meeting was adjourned.