

# Comments of the Independent Regulatory Review Commission

on

## Pennsylvania Gaming Control Board Regulation #125-78 (IRRC #2666)

### Slot Machine Testing and Control

March 20, 2008

We submit for your consideration the following comments on the proposed rulemaking published in the January 19, 2008 *Pennsylvania Bulletin*. Our comments are based on criteria in Section 5.2 of the Regulatory Review Act (71 P.S. § 745.5b). Section 5.1(a) of the Regulatory Review Act (71 P.S. § 745.5a(a)) directs the Pennsylvania Gaming Control Board (Board) to respond to all comments received from us or any other source.

#### **Section 461a.8. Gaming vouchers. – Fiscal impact; Reasonableness; Clarity.**

##### *Expiration dates for gaming vouchers*

The preamble states that the Board recently amended its technical standards to eliminate expiration dates for unredeemed gaming vouchers, and the corresponding amendment to Subsection (b) will maintain consistency between the technical standards and the regulation. However, the preamble does not explain why expiration dates are being eliminated.

In addition, licensees will be required to maintain these unredeemed gaming vouchers as directed in Subsection (d)(10). This would require the licensees to retain them for a period of five years under Article XIII.I of the Fiscal Code (relating to the disposition of abandoned and unclaimed property) at 72 P.S. § 1301.6(3). Commentators are concerned that this will require licensees to store a large number of records and will cause an “extreme administrative burden.”

The Board should clearly state why it is necessary to eliminate expiration dates for gaming vouchers.

##### *Subsection (d)(9)*

This subsection requires slot machine licensees to issue payment to the owners of unredeemed gaming vouchers if the owners can be identified. Commentators assert that the administrative costs that a licensee would incur to make the identification will exceed the value of the vouchers. They suggest that the Board establish a minimum value of vouchers for which owner identification would apply. In addition, it is unclear what methods the Board expects licensees to utilize to determine the owner of the unredeemed vouchers.

The Board should explain why it is reasonable to require licensees to determine the owners of unredeemed gaming vouchers, and why the Board has not imposed a minimum value for vouchers that would trigger the owner identification procedures. The Board should also explain how it anticipates licensees will identify owners of unredeemed vouchers.