

Category 4 Casinos

Q: How many of this type of casino could be open?

Up to 10 locations are authorized by law.

Q: Who can own a Category 4 casino?

Through an initial auction process that the Gaming Control Board will hold, the existing Category 1 (horse race track) and Category 2 (Stand Alone) casinos can bid for these facilities. Should these casinos not obtain all 10 available licenses within the initial auction process, other entities may become eligible to obtain a Category 4 license.

Q: Where would they be located?

Generally, a Category 4 facility may not be located within 25 miles of another licensed PA casino (Category 1, 2, or 3), except if the location is within 25 miles of the winning bidder's own licensed facility. Additionally, a Category 4 casino may not be located in a county which hosts a Category 3 "Resort" facility, nor in a sixth-class county contiguous to a county which hosts a Category 2 facility, nor in a municipality that has voted to prohibit a facility in its jurisdiction.

Q: How will the PGCB determine owners and locations?

Ownership of Category 4 licenses will be obtained through an auction process conducted by the Gaming Control Board and in which initially involves only the holders of Category 1 and 2 licenses. In the auction, the highest bidder receives the exclusive right to select a location within a 15-mile radius from a center point. The final physical location of the casino must be within that radius and adhere to the location restrictions outlined in the previous question.

After the initial auction and award, subsequent auctions are held one-by-one to reserve locations. Auctions in this first round, which must begin by January 15, 2018 and conclude by July 31, 2018, continue until all 10 licenses are awarded, or no bids are placed in an auction.

If any licenses remain after the initial round of auctions, subsequent auctions will be held in which all Category 1 and 2, along with the two Category 3 license holders, may bid including licensees who won an earlier auction. This round of auctions must conclude by August 31, 2018.

If any licenses remain after the second round of auctions, the Board may, in its discretion, hold additional auctions at which other qualified entities which meet the licensure requirements and criteria established by the Board may bid.

Q: Can local governments opt out and what is the procedure?

Any municipality in PA can exercise an option to prohibit the siting of a Category 4 casino in that municipality. To do so, the governing body of the municipality must deliver a resolution exercising this power to the Gaming Control Board no later than December 31, 2017.

It is important to note that a municipality that prohibits the location of a Category 4 licensed facility within the municipality through this resolution method may rescind that prohibition at any time by delivering a new resolution of the municipality's governing body to the Board.

However, a municipality that rescinds its prior prohibition may not make any additional changes to subsequently prohibit the location of a Category 4 licensed facility in the municipality.

Q: Is the gambling age in these casinos also 21 as in all other PA casinos?

Yes. These facilities are subject to the same age restriction as all other casinos in Pennsylvania.

Q: When will Category 4 casinos open?

Casinos that obtain a reserved area through the auction process must submit a formal application for the Category 4 Slot Machine license within 6 months of winning the auction bid, unless the Gaming Control Board grants an extension. The Board will then undertake the review of the application materials and upon approval, the licensee is able to commence operations once its facility is built or renovated and the Board signs off on its compliance with Board requirements. The opening dates of any Category 4 facilities are uncertain at this point in the development of this additional casino market.

Q: What is the size of a Category 4 casino?

Each Category 4 casino may operate between 300 and 750 slot machines and 30 table games. The licensee does have the ability after 1 year to petition the Gaming Control Board to add 10 more table games. As a point of reference, the existing Category 3 Resort casinos can have up to 600 slot machines and 50 table games.

Q: Who will receive tax revenues from Category 4 casinos?

From the gross revenue of slot machines:

- 34% goes into the Property Tax Relief Fund
- 6% to the Gaming Economic Development and Tourism Fund for use on projects in the Commonwealth
- 5% to the Commonwealth Finance Agency (CFA) for grants in any county which suffered a decrease in local share assessment funds from slots compared to FY2017-2018
- 5% to be used to match host county FY2017-2018 Local Share Assessment Funding
- 2% for grants through the CFA to the county that hosts the Category 4 casino
- 2% to the municipality that hosts the Category 4 casino

From the gross revenue on table games:

- 14% is deposited into Pennsylvania's General Fund
- 1% for grants through the CFA to the county that hosts the Category 4 casino
- 1% to the municipality that hosts the Category 4 casino

Q: Will there be business and job opportunities stemming from Category 4 casinos?

Yes. Initially, jobs will likely be available in the construction trades as the casino is built and later through other businesses which supply goods or services to the casino, as well as jobs in the casino itself.

If your question was not answered, please e-mail us at

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