

PENNSYLVANIA GAMING CONTROL BOARD

APRIL 9, 2007, 2:08 P.M.

NORTH OFFICE BUILDING
HEARING ROOM 1
HARRISBURG, PENNSYLVANIA

BEFORE:

TAD DECKER, CHAIRMAN (via teleconference)
RAY ANGELI
MARY DiGIACOMO COLINS, ACTING CHAIRWOMAN
JEFFREY COY
KENNETH McCABE
SANFORD RIVERS
GARY SOJKA
KEITH WELKS, EX-OFFICIO DESIGNEE

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1 ACTING CHAIRWOMAN COLINS: Tad, do you want
2 to call the meeting to order?

3 CHAIRMAN DECKER: Are you all there, Mary?

4 ACTING CHAIRWOMAN COLINS: Yes.

5 CHAIRMAN DECKER: This is the meeting of
6 the Pennsylvania Gaming Control Board. Good
7 afternoon, everyone.

8 I'm not -- I'm going to participate by
9 conference call. So I ask -- we would ask
10 Commissioner Colins to chair the meeting.

11 Mary, why don't I just turn it over to you.

12 ACTING CHAIRWOMAN COLINS: Thank you very
13 much, Tad. I would like to welcome the Board and all
14 of you to this public meeting. A quorum of the Board
15 being present, this meeting is now called to order.

16 Joining us to today are Agricultural
17 Secretary --

18 MR. RESCH: He's not here.

19 ACTING CHAIRWOMAN COLINS: Secretary Wolff
20 is not here. Is Mr. Welks here?

21 MR. WELKS: Yes.

22 ACTING CHAIRWOMAN COLINS: And also Stacy
23 Amsler and Andrea Meade, are they here? They are
24 here on behalf of Acting Revenue Secretary Wolf.
25 Thank you all for joining us.

1 As always, let me ask members of the Board
2 and the audience to turn off your cell phones,
3 blackberries, and other electronic devices because
4 they may interfere with the sound system in this
5 room.

6 We will now begin by standing and saying
7 the Pledge of Allegiance.

8 (Pledge of Allegiance.)

9 ACTING CHAIRWOMAN COLINS: All right.
10 We'll proceed to business. By way of announcements,
11 the Board has held executives sessions on April 5th
12 and today before this meeting to discuss personnel
13 matters. No business was conducted at these
14 sessions.

15 Also, the Category 3 application period,
16 this is a notice that that period will open on April
17 20th and the Category 3 application period will
18 remain open for 60 days closing -- a little more than
19 60 days closing on June the 29th. Applications will
20 be available on the PGCB website on April the 20th.

21 The next order of business will be the
22 transcripts and the minutes. May I have a motion for
23 the Board to approve the transcript and minutes of
24 the February 27th meeting?

25 COMMISSIONER ANGELI: I move that the Board

1 approve the minutes of the meeting of February the
2 27th, 2007 meeting.

3 ACTING CHAIRWOMAN COLINS: Second anyone?

4 CHAIRMAN DECKER: Second.

5 ACTING CHAIRWOMAN COLINS: Any questions or
6 comments from the Board?

7 All in favor?

8 COMMISSIONERS: Aye.

9 ACTING CHAIRWOMAN COLINS: All opposed?
10 Motion carries.

11 New business. First, we will ask our
12 Executive Director Anne Neeb to present new business.

13 MS. LaCOUR NEEB: Thank you, Chairman
14 Colins. Good afternoon, members of the Board. I
15 would like to begin my report today by providing an
16 update on several legislative hearings the Board has
17 participated in over the past two weeks.

18 As you know, the House has formed a new
19 Gaming Oversight Committee and we have been working
20 closely with those Committee members and staff to
21 answer their questions and to provide information
22 about our responsibilities as an active regulatory
23 agency.

24 In addition to Chairman Decker, several of
25 our director level employees, including myself, Frank

1 Donaghue, our Chief Counsel, Eileen McNulty, our
2 Chief Financial Officer, Susan Hensel, our Director
3 of Licensing, have all appeared before the Committee
4 to answer questions and to discuss the agency's
5 ongoing work with regard to licensing and regulation.

6 Nan Horner, our Director of Compulsive and
7 Problem Gaming and Mozelle Daniels, our Chief
8 Diversity Officer, have also provided the Committee
9 with an overview of their responsibilities as they
10 relate to the statutory and regulatory mandates.

11 In addition to our participation with the
12 House Committee, we also participated in Senate
13 hearings as well.

14 We are pleased with this dialogue between
15 the Board and the Legislature and look forward to
16 working with them in the future.

17 Moving along to an update on the casino
18 operations, I'm happy to report that all four of our
19 licensees continue to perform very well in their
20 respective markets.

21 In fact, either today or tomorrow, total
22 wagers will surpass the \$2.5 billion mark, which is a
23 tremendous amount considering that it's just been
24 under five months since our first slots casinos
25 opened.

1 As wages continue to meet and exceed
2 expectations, tax revenue is also coming in at a
3 steady rate. These funds will go toward property tax
4 relief, economic development, the horse racing
5 industry, and local government.

6 We are already starting to see discussions
7 in places such as Erie County about how to invest and
8 use these funds best.

9 Finally, I would like to update you on the
10 enforcement activities that are going on at our four
11 open properties; Mohegan Sun, Philadelphia Park,
12 Harrah's Chester, and Presque Isle Downs.

13 We now have five Bureau of Investigation
14 Enforcement agents at each of these facilities
15 providing 24-hour a day, 7-day a week oversight of
16 all aspects of casino operations.

17 In addition to responding to customer
18 complaints against the property, casino enforcement
19 agents investigate potential regulatory violations,
20 including minors on the gaming floor, intoxicated
21 patrons, violations of the self exclusion list,
22 machine malfunctions, and violation of internal
23 operating controls.

24 These agents also refer any criminal
25 violation to State Police, who maintain an on-site

1 presence.

2 Later on in the agenda, Dale Miller, our
3 Acting Chief Enforcement Counsel, will present two
4 actions for the Board's consideration, both of which
5 involve on-site investigations by casino enforcement
6 agents, as well as our Gaming Lab and Chief
7 Enforcement Counsel staff.

8 In addition today, I only have one matter
9 to present to the Board by way of a motion. This
10 would be a request of the Gaming Control Board to
11 approve minimum standards for licensing independent
12 gaming labs to test gaming equipment and
13 authorization to allow the Pennsylvania Gaming
14 Control Board to issue licenses to independent test
15 labs.

16 So I would move the Board or make a request
17 that the Board authorize us to develop the criteria
18 and procedure to allow this at this time.

19 ACTING CHAIRWOMAN COLINS: May I have a
20 motion?

21 COMMISSIONER COY: Madam Chair, I am
22 pleased to move the motion to approve the minimum
23 licensing standards as outlined by the Executive
24 Director in her report.

25 ACTING CHAIRWOMAN COLINS: Is there a

1 second?

2 COMMISSIONER SOJKA: Second.

3 MS. LaCOUR NEEB: Thank you.

4 ACTING CHAIRWOMAN COLINS: Is there any
5 discussion?

6 All in favor?

7 COMMISSIONERS: Aye.

8 ACTING CHAIRWOMAN COLINS: All opposed?

9 Motion carries.

10 Thank you.

11 MS. LaCOUR NEEB: Thank you. That
12 concludes my report. At this time, I would like to
13 turn over the presentation to Kevin Hayes, who heads
14 up our casino opening team, who has two items for
15 your consideration.

16 MR. HAYES: Thank you, Anne.

17 Madam Chairwoman, members of the Board,
18 good morning. I would like to present for the
19 Board's consideration the internal control systems
20 and audit protocols submitted by Conditional Category
21 I slot machine licensees, Down Racing, LP, doing
22 business as Mohegan Sun at Pocono Downs and Greenwood
23 Gaming and Entertainment, Inc., doing business as
24 Philadelphia Park Casino and Racetrack.

25 The internal control systems, which Downs

1 Racing and Greenwood Gaming have designed and
2 submitted to the Board, meet the minimum requirements
3 set forth in Section 1322 of the Act, including
4 minimum design standards for safeguarding assets and
5 revenues, retaining accurate and reliable financial
6 records and ensuring complete connectivity to the
7 central control computer system.

8 As part of their initial internal control
9 submissions, Downs Racing and Greenwood Gaming
10 provided surveillance system specifications, which
11 provide adequate and effective surveillance of
12 activities inside and outside of their licensed
13 gaming facilities.

14 As a condition to their slot machine
15 licenses, Downs Racing and Greenwood Gaming
16 acknowledge that their initial submission of internal
17 control systems are reviewed and approved in concept
18 form and expressly agreed to immediately implement
19 any procedural revisions in its systems as requested
20 by the Board.

21 After full and careful consideration of the
22 proposed internal controls, the Board authorized
23 Downs Racing and Greenwood Gaming to commence slot
24 operations on November 10th and December 19th, 2006
25 respectively.

1 I would now request the Board entertain a
2 motion adopting the resolution formally approving the
3 internal control systems and audit protocols for
4 Conditional Category I slot machine licensee Downs
5 Racing, LP.

6 ACTING CHAIRWOMAN COLINS: All right. May
7 I have a motion for the Board to approve the proposed
8 internal controls for Downs Racing?

9 COMMISSIONER SOJKA: I move that the Board
10 approve the internal control systems and audit
11 protocols submitted by Downs Racing, LP.

12 COMMISSIONER RIVERS: Second.

13 ACTING CHAIRWOMAN COLINS: Are there any
14 questions or comments?

15 All in favor?

16 COMMISSIONERS: Aye.

17 ACTING CHAIRWOMAN COLINS: All opposed?

18 Motion carries.

19 MR. HAYES: Now, I would respectfully
20 request that the Board entertain a motion adopting
21 the resolution formally approving the internal
22 control systems and audit protocols for Conditional
23 Category I slot machine licensee, Greenwood Gaming
24 and Entertainment, Inc.

25 ACTING CHAIRWOMAN COLINS: Is there a

1 motion?

2 COMMISSIONER RIVERS: Yes. Madam Chair, I
3 move for approval of Resolution 2007-8 to approve the
4 proposed internal controls for Greenwood Gaming and
5 Entertainment, Inc., known as Philadelphia Park.

6 COMMISSIONER COY: Second.

7 ACTING CHAIRWOMAN COLINS: Any questions or
8 comments?

9 All in favor?

10 COMMISSIONERS: Aye.

11 ACTING CHAIRWOMAN COLINS: Opposed?

12 Motion carries.

13 Thank you.

14 MR. HAYES: Thank you.

15 ACTING CHAIRWOMAN COLINS: Next is Chief
16 Counsel Frank Donaghue with agenda items for us to
17 consider.

18 MR. DONAGHUE: Good morning and thank you
19 very much for allowing me to present today. We have
20 a number of temporary regulations that we would like
21 to bring to the Board's consideration, as well as
22 some final regulations.

23 With that, I'll turn the microphone over to
24 Richard Sandusky, who is going to make the first
25 presentation.

1 MR. SANDUSKY: The first item for the
2 Board's consideration today is a temporary amendment
3 package, which amends Chapter 443, Chapter 440,
4 Chapter 461, and Chapter 465.

5 The amendments included in this package do
6 four things. First, they correct a form name in
7 Chapter 443.

8 Next, they replace the term "slot
9 accounting department" with a more common industry
10 recognized term "Finance Department" in Chapters 440,
11 461 and 465.

12 The third revision will shift authority for
13 approval of amendments to slot machine licensees'
14 internal controls from the Board to the Executive
15 Director.

16 Finally, a new technical requirement has
17 been added in Chapter 465.18 to address slot machines
18 that do not have a full door covering on their bill
19 validators.

20 We would ask for a motion for approval.
21 I'm ready to answer any questions that you may have.

22 ACTING CHAIRWOMAN COLINS: May I have a
23 motion for the Board to approve the proposed
24 amendments to Chapters 443, 440, 461, and 465?

25 COMMISSIONER COY: Madam Chair, I move that

1 the Board adopt the amendments to Chapters 443, 440,
2 461, and 465 temporary regulations and that they be
3 published in the Pennsylvania Bulletin and posted on
4 the Board's website.

5 COMMISSIONER McCABE: Second.

6 ACTING CHAIRWOMAN COLINS: Any questions or
7 comments for Richard?

8 All those in favor?

9 COMMISSIONERS: Aye.

10 ACTING CHAIRWOMAN COLINS: Opposed?

11 Motion carries.

12 MR. SANDUSKY: Thank you. The next item is
13 another temporary regulation. This consists of
14 amendments to Chapter 441, which are related to
15 Category III slot machine applicants.

16 Many of these amendments are things that
17 were developed directly out of the hearing that the
18 Board held seeking input on revisions to the Category
19 III regulations.

20 In definitions, the definition of
21 non-de minimis consideration has been amended to
22 replace the \$25 existing threshold in the regulation
23 with language that would require fair market value of
24 not less than \$10.

25 Secondly, the definition of

1 well-established resort hotel is to be amended so
2 that it's clear that the facility must have 275 guest
3 rooms at the time of its application.

4 The third definitional change relates to a
5 new definition. We're adding a new definition of
6 common ownership, which will clarify the time shares,
7 which are owned by the well-established resort hotel
8 and offered for rent to the general public, may be
9 included within the 275 room count.

10 In the substantive provisions of the
11 regulation, we are making minor revisions to
12 Subsection a in 441.23 by adding movie theaters to
13 the list of amenities and removing the requirement
14 that there be at least three.

15 The next thing in that same section, we
16 will be requiring applicants to submit, as part of
17 their application plan and as part of their internal
18 controls, procedures which will explain how they are
19 going to control admission and access to the gaming
20 floor.

21 This will allow the Board to review that,
22 not only as part of the application process but also
23 to make sure that it's used in the enforcement end as
24 well through the internal controls.

25 Additionally, we're adding new provisions

1 to 441.23, which will allow holders of a seasonal or
2 year-round Board-approved membership to one or more
3 of the amenities at the well-established resort to
4 have access to the gaming floor.

5 The Board will review these to make sure
6 that any of these memberships are valued at fair
7 market value.

8 Finally, the Board is adding a provision,
9 which will allow individuals who use one of the
10 resort's amenities 72 hours to use or access the
11 gaming floor one time.

12 At this point, I will answer any questions
13 you may have on these provisions; or I would ask for
14 a motion for approval.

15 COMMISSIONER McCABE: Madam Chair, I move
16 that the Board adopt the amendments to Chapter 441
17 temporary regulations and that they be published in
18 the Pennsylvania Bulletin and be posted on the
19 Board's website.

20 ACTING CHAIRWOMAN COLINS: Is there a
21 second?

22 COMMISSIONER RIVERS: Second.

23 ACTING CHAIRWOMAN COLINS: Are there any
24 questions or comments?

25 All of those in favor?

1 COMMISSIONERS: Aye.

2 ACTING CHAIRWOMAN COLINS: All opposed?

3 Motion carries.

4 Thank you.

5 MR. SANDUSKY: The next package we have for
6 the Board's consideration is a set of proposed
7 regulations. These proposed regulations would cover
8 manufacturer designees, principal licenses,
9 employees, which will include both gaming and
10 non-gaming, and key employees, vendor certification
11 and registration, and slot machine licenses.

12 These proposed regulations are identical to
13 the temporary regulations, which were adopted at the
14 last Board meeting.

15 We are suggesting a 30-day comment period
16 on these. I would be happy to answer any questions
17 the Board might have. Susan is also here if there
18 are any detailed questions.

19 ACTING CHAIRWOMAN COLINS: Did you say that
20 these are identical to the regulations that we
21 adopted at the last meeting?

22 MR. SANDUSKY: Right. In other words, the
23 temporary amendments that we made to these chapters
24 at the last meeting are reflected in these proposals.

25 ACTING CHAIRWOMAN COLINS: I see. I see.

1 Okay. Thank you.

2 All right. May I have a motion to approve
3 the proposed regulations?

4 COMMISSIONER RIVERS: Yes. Madam Chair, I
5 move the Board to adopt the proposed regulations,
6 No. 125-64 pertaining to Subpart D, Chapters 429a,
7 433a, 435a, 437a, and 441a, that the Board establish
8 a public comment period for 30 days and that the
9 Board post these proposed regulations on the Board's
10 website.

11 ACTING CHAIRWOMAN COLINS: Is there a
12 second?

13 COMMISSIONER SOJKA: Second.

14 ACTING CHAIRWOMAN COLINS: Any questions or
15 comments?

16 All in favor?

17 COMMISSIONERS: Aye.

18 ACTING CHAIRWOMAN COLINS: All opposed?

19 Motion carries.

20 Next?

21 MR. SANDUSKY: The final regulatory package
22 for the Board's consideration today is the final-form
23 version of the regulations for Chapters 401, 403,
24 405, and 407.

25 These regulations were adopted as proposed

1 rule makings by the Board and published in the
2 Pennsylvania Bulletin on September 9th of 2006.

3 In response to that publication, two sets
4 of comments were received; one comment during the
5 public comment period from IGT and a second set of
6 comments, which were submitted by the Independent
7 Regulatory Review Commission.

8 The Board staff reviewed these comments and
9 in the final-form regulations has made some
10 adjustments to the language to reflect the
11 suggestions offered by the IRRRC.

12 The staff has also made more extensive
13 changes in these chapters as a result of the passage
14 of Act 135 of 2006, which was passed subsequent to
15 the promulgation of this as a proposed rule.

16 There are a large number of definitions
17 that have been revised to reflect the changes that
18 were in Act 135 and also a few substantive revisions
19 that have been revised in this rule to reflect the
20 changes that were made in Act 135.

21 I would be happy to take any questions the
22 Board may have on this; and if not, ask for a motion
23 for adoption.

24 ACTING CHAIRWOMAN COLINS: Are there any
25 questions?

1 May I have a motion for the Board to adopt
2 the final-form regulations for these chapters?

3 COMMISSIONER SOJKA: Yes. Madam Chair, I
4 move that the Board adopt the final-form regulation
5 No. 125-45 and Subgroup A, Chapters 401a, 403a, 405a,
6 and 407a, and that the Board post this final-form
7 regulation on the Board's website.

8 ACTING CHAIRWOMAN COLINS: Is there a
9 second?

10 COMMISSIONER McCABE: Second.

11 ACTING CHAIRWOMAN COLINS: Any questions or
12 further comments?

13 All those in favor?

14 COMMISSIONERS: Aye.

15 ACTING CHAIRWOMAN: All opposed?

16 Motion carries.

17 Thank you very much.

18 Frank, do you have further business?

19 MR. DONAGHUE: I do, Madam Chair. Just
20 four other items that fall under other business. As
21 the Board is aware, we during the last Board meeting
22 entertained some comments regarding the Category III
23 licensing process.

24 We had received three other submittals
25 regarding the Category III issue. So if the Board

1 would consider taking up a motion to enter into the
2 record the Category III comments of Woodlands
3 Fayette, LLC, WolfBlock, Fox Rothchild, LLP, and
4 Christopher Craig.

5 ACTING CHAIRWOMAN COLINS: May I have a
6 motion?

7 COMMISSIONER ANGELI: Madam Chairwoman, I
8 move that the Board accept into the record the
9 written comments of Woodlands Fayette, LLC,
10 Wolfblock, Fox Rothchild, and Christopher Craig.

11 ACTING CHAIRWOMAN COLINS: Is there a
12 second?

13 COMMISSIONER COY: Second.

14 ACTING CHAIRWOMAN COLINS: Any questions or
15 comments?

16 All of those in favor?

17 COMMISSIONERS: Aye.

18 ACTING CHAIRWOMAN COLINS: All opposed?

19 Motion carries.

20 MR. DONAGHUE: Madam Chair, the second item
21 would be the Board has received a petition from
22 Chester Downs and Marina, LLC to surrender the key
23 employee license of Maria Campbell at the
24 Pennsylvania Gaming Control Board, Office of the
25 Hearing Appeals, Docket No. 10997.

1 With regard to this request, it was
2 reviewed by the Office of Enforcement Counsel, and
3 the Chief Enforcement Counsel has no objection to the
4 withdrawal, as there's no information constituting
5 good cause to deny, condition, or prejudice the
6 petition and all required fees have been paid to
7 date.

8 I reviewed the petition and concur with
9 Enforcement Counsel. This motion would be granted
10 without prejudice.

11 ACTING CHAIRWOMAN COLINS: May I have a
12 motion?

13 COMMISSIONER COY: Madam Chair, I move that
14 the Board grant the petition to surrender the key
15 employee license as described by the Chief Counsel.

16 ACTING CHAIRWOMAN COLINS: Is there a
17 second?

18 COMMISSIONER McCABE: Second.

19 ACTING CHAIRWOMAN COLINS: Any questions or
20 comments?

21 All of those in favor?

22 COMMISSIONERS: Aye.

23 ACTING CHAIRWOMAN COLINS: All opposed?

24 Motion carries.

25 Thank you.

1 MR. DONAGHUE: Madam Chair, the third item,
2 the Board has received the following petitions for
3 withdrawal of key employee qualifiers, waiver
4 applications, key employee qualifier applications,
5 and permittee applications without prejudice, which
6 have been previously presented to the Board for its
7 consideration.

8 With regard to these requests, they were
9 reviewed by the Office of Enforcement Counsel, and
10 the Chief Enforcement Counsel has no objection to the
11 withdrawal as there is no information constituting
12 good cause to deny, condition, or prejudice the
13 withdrawal of the application. All required fees
14 have been paid as of this date. These would all be
15 granted without prejudice.

16 Chief Counsel concurs in the review and
17 submits the following for a motion by the Board to
18 grant the withdrawal petitions without prejudice to
19 the following petitions to withdraw at the following
20 PGCB, Office of Hearing Appeals, Docket Nos. 10962,
21 10961, 10986, 10960, 4057-02-07-P31, 10946, 10945,
22 10939, 10941, 10990, 10988, and 3693-12-06-P189.

23 The Board has also received a petition to
24 withdraw a previously filed petition to withdraw the
25 permitting application of Joseph Shilling.

1 Mr. Shilling's permittee application has already been
2 granted. He has received his credentials.

3 In light of the circumstances, it is the
4 position of the Office of Enforcement Counsel and
5 which I concur that Mr. Shilling be permitted to
6 withdraw his previously filed petition to withdraw,
7 which is currently pending before the Board.

8 Therefore, I submit the following for a
9 motion by the Board to grant the withdrawal of
10 petition at PGCB OHA Docket No. 10719 without
11 prejudice.

12 ACTING CHAIRWOMAN COLINS: All right.
13 Thank you.

14 May I have a motion, please?

15 COMMISSIONER McCABE: Madam Chair, I move
16 that the Board grant the withdrawal petitions without
17 prejudice as described by the Chief Counsel.

18 ACTING CHAIRWOMAN COLINS: Is there a
19 second?

20 COMMISSIONER RIVERS: Second.

21 ACTING CHAIRWOMAN COLINS: Any questions or
22 comments?

23 All of those in favor?

24 COMMISSIONERS: Aye.

25 ACTING CHAIRWOMAN COLINS: All opposed?

1 Motions carries.

2 Thank you.

3 MR. DONAGHUE: Madam Chair, just one more
4 final item. Today, the Board is being presented with
5 exceptions to report and recommendation filed by
6 John B. Staples on application for a gaming employee
7 permit at Chester Downs Casino.

8 A recommendation for denial was made by our
9 Bureau of Investigations and Enforcement due to
10 non-disclosure issues in the application.

11 Following a hearing, the Hearing Officer
12 recommended Mr. Staples' application be denied. Mr.
13 Staples filed exceptions to that report and
14 recommendations.

15 The matter, including the full evidentiary
16 record below, has been presented to the Board for a
17 documentary hearing pursuant to Board regulations and
18 now is ripe for your consideration.

19 It would be my recommendation that the
20 Board overrule the exceptions and adopt the report
21 and the recommendation.

22 ACTING CHAIRWOMAN COLINS: Thank you.

23 May I have a motion for the Board to accept
24 the recommendation of Chief Counsel to deny a gaming
25 employee permit in this matter?

1 COMMISSIONER RIVERS: Yes. Madam Chair,
2 after consideration of the evidentiary record, the
3 Hearing Officer's report and recommendation, and the
4 exceptions to the report and recommendation, I move
5 that the Board override the exceptions and approve an
6 order to deny the application of John B. Staples for
7 a gaming employee permit.

8 ACTING CHAIRWOMAN COLINS: Is there a
9 second?

10 COMMISSIONER McCABE: Second.

11 ACTING CHAIRWOMAN COLINS: Any questions or
12 comments?

13 All in favor?

14 COMMISSIONERS: Aye.

15 ACTING CHAIRWOMAN COLINS: All opposed?

16 Motion carries.

17 Thank you.

18 MR. DONAGHUE: Thank you, Madam Chair.

19 ACTING CHAIRWOMAN COLINS: Susan Hensel,
20 please. Susan is our Director of Licensing. She
21 will present several items for the Board to consider.

22 MS. HENSEL: Thank you, Madam Chair. Good
23 afternoon, members of the Board. I have only a few
24 licensing matters to bring to your attention this
25 afternoon.

1 Prior to this meeting, the Bureau of
2 Licensing provided you with an order and an attached
3 list for two individuals, who the Bureau has granted
4 temporary key employee licenses to and who are now
5 eligible for full licenses. I ask that the Board
6 adopt a motion approving the order.

7 ACTING CHAIRWOMAN COLINS: May I have a
8 motion for us to accept the report regarding the
9 issuance of key employee licenses?

10 COMMISSIONER SOJKA: Madam Chair, I move
11 that the Board adopt the order accepting the report
12 of the Bureau of Licensing regarding the issuance of
13 key employee licenses.

14 ACTING CHAIRWOMAN COLINS: Is there a
15 second?

16 COMMISSIONER ANGELI: Second.

17 ACTING CHAIRWOMAN COLINS: Any questions or
18 comments?

19 All in favor?

20 COMMISSIONERS: Aye.

21 ACTING CHAIRWOMAN COLINS: All opposed?
22 Motion carries.

23 Thank you.

24 MS. HENSEL: Prior to this meeting, the
25 Bureau of Licensing provided you with an order and

1 attached list of 49 individuals, who the Bureau has
2 granted temporary key employee licenses to under the
3 authority delegated to the Director of Licensing. I
4 ask that the Board adopt a motion approving that
5 order.

6 ACTING CHAIRWOMAN COLINS: May I have a
7 motion, please?

8 COMMISSIONER ANGELI: Madam Chair, I move
9 that the Board adopt the order accepting the report
10 of the Bureau of Licensing regarding the issuance of
11 temporary key employee credentials.

12 ACTING CHAIRWOMAN COLINS: Is there a
13 second?

14 COMMISSIONER SOJKA: Second.

15 ACTING CHAIRWOMAN COLINS: Any questions or
16 comments?

17 All those in favor?

18 COMMISSIONERS: Aye.

19 ACTING CHAIRWOMAN COLINS: All opposed?

20 Motion carries.

21 Thank you.

22 MS. HENSEL: The Bureau of Licensing also
23 provided you with an order and list of 181
24 individuals, who the Bureau has granted occupation
25 permits to, and 273 individuals, who the Bureau has

1 granted registrations to under the authority
2 delegated to the Director of Licensing. I ask that
3 the Board adopt a motion to approve that order.

4 ACTING CHAIRWOMAN COLINS: May I have a
5 motion, please?

6 COMMISSIONER COY: Madam Chair, I move that
7 the Board adopt the order accepting the report of the
8 Bureau of Licensing regarding the issuance of
9 employee permits and registrations.

10 ACTING CHAIRWOMAN COLINS: Is there a
11 second?

12 COMMISSIONER McCABE: Second.

13 ACTING CHAIRWOMAN COLINS: Questions or
14 comments?

15 All those in favor?

16 COMMISSIONERS: Aye.

17 ACTING CHAIRWOMAN COLINS: All opposed?

18 Motion carries.

19 Thank you very much.

20 MS. HENSEL: Thank you.

21 ACTING CHAIRWOMAN COLINS: Next is Dale
22 Miller, please, from the Office of Enforcement
23 Counsel.

24 MR. MILLER: Good afternoon, Madam
25 Chairwoman and members of the Board. We have before

1 you for your consideration two related consent
2 agreements. The first is the enforcement action case
3 of the Pennsylvania Gaming Control Board versus
4 Greenwood Gaming, doing business as Philadelphia Park
5 Casino and Racetrack, the Respondent.

6 Philadelphia Park is represented here today
7 by Nicholas Casiello, Jr., who is present in the
8 audience and is available if any questions arise.

9 This action was initiated by a complaint
10 filed on February 8th, 2007, alleging two counts
11 against the Respondent.

12 The complaint was in response to an
13 incident of January 22nd, 2007, wherein a test
14 jackpot of \$102,005 was erroneously registered as a
15 live jackpot on the slot machine.

16 One of the casino employees, who was asked
17 to respond to the jackpot, had not yet received a
18 gaming permit and was not permitted to work on the
19 gaming floor.

20 This case was scheduled for a hearing
21 before a Hearing Officer, but prior to evidence being
22 taken, the parties reached a consent agreement, which
23 is before you today.

24 This consent agreement and stipulation of
25 settlement has been signed by both parties. The

1 stipulation sets out the facts of the case and
2 explains how the test jackpot was erroneously
3 registered on a live machine through a mistaken act
4 of a Philadelphia Park employee.

5 We found no evidence of any criminal act or
6 intentional wrongdoing on the part of the Respondent,
7 Philadelphia Park, with regard to the erroneous
8 jackpot.

9 The Respondent admits that senior employees
10 of the casino did request that an unpermitted gaming
11 employee respond to the jackpot situation. This is,
12 obviously, a serious matter.

13 In reflecting the serious nature of the
14 allegations, the Office of Enforcement Counsel and
15 the Respondent have reached a consent agreement
16 calling for an appropriate penalty.

17 Under the terms of the agreement,
18 Philadelphia Park will pay the cost of the
19 investigation totalling \$9,995, pay a \$10,000 civil
20 penalty, and donate \$10,000 to the Compulsive Gaming
21 and Treatment Fund.

22 We ask that you approve the consent
23 agreement and stipulation of settlement in this
24 matter against Greenwood Gaming doing business as
25 Philadelphia Park Casino and Racetrack.

1 ACTING CHAIRWOMAN COLINS: May I have a
2 motion, please?

3 COMMISSIONER McCABE: Madam Chair, I move
4 to approve the consent agreement and stipulation of
5 settlement in the case of PGCB versus Greenwood
6 Gaming Entertainment, Inc. doing business as
7 Philadelphia Park and to enter an order implementing
8 the terms of the agreement.

9 COMMISSIONER COY: Second.

10 ACTING CHAIRWOMAN COLINS: Any questions or
11 comments?

12 All of those in favor?

13 COMMISSIONERS: Aye.

14 ACTING CHAIRWOMAN COLINS: All opposed?
15 Motion carries.

16 MR. MILLER: Thank you. The second
17 proposed consent agreement before you is the case of
18 gaming employee applicant James L. Minster, Docket
19 No. 100-23-77.

20 Mr. Minster was the employee who was called
21 by Philadelphia Park senior employees to help calm
22 the situation when the test jackpot mentioned above
23 was erroneously registered on January 22nd, 2007.

24 Mr. Minster had been offered a position of
25 player development executive at Philadelphia Park and

1 had applied for a gaming employee permit, but it had
2 not yet been approved or issued on January 22nd.

3 He was, therefore, not permitted on the
4 gaming floor and had been verbally told by our Gaming
5 Control Board BIE agent in the casino.

6 Mr. Minster had been working at the casino
7 in the lobby as a greeter at that time and knew he
8 was not to go on the gaming floor.

9 During the confusion surrounding the
10 jackpot incident, Mr. Minster went on to the gaming
11 floor and helped calm the situation.

12 In mitigation, our investigation clearly
13 showed that Mr. Minster was directed to go on to the
14 floor by senior Philadelphia Park employees and was
15 at all times accompanied by properly licensed
16 employees.

17 After Mr. Minster's action, BIE recommended
18 that his application for a gaming employee permit be
19 denied. A hearing was scheduled before a Hearing
20 Officer; but prior to the hearing, an agreement was
21 reached between Mr. Minster and the Office of
22 Enforcement Counsel and the Bureau of Investigations
23 and Enforcement.

24 That agreement calls for BIE to withdraw
25 its objections to Mr. Minster's application and that

1 Mr. Minister be issued a gaming employee's permit,
2 which will be suspended for 14 days and he will be
3 given credit for 14 days suspension.

4 We respectfully request that this Board
5 approve the consent agreement and sign an order
6 incorporating its terms.

7 ACTING CHAIRWOMAN COLINS: May I have a
8 motion regarding this?

9 COMMISSIONER RIVERS: Yes. Madam Chair, I
10 move to approve the motion in the consent agreement
11 in the case of Pennsylvania Gaming Control Board
12 versus James L. Minster and to enter an order
13 implementing the terms of that agreement.

14 ACTING CHAIRWOMAN COLINS: Is there a
15 second?

16 COMMISSIONER ANGELI: Second.

17 ACTING CHAIRWOMAN COLINS: I have a
18 question. Is the suspension with or without pay?

19 MR. MILLER: The suspension was without
20 pay. Mr. Minster has not been employed, I believe,
21 since February 8th at Philadelphia Park.

22 ACTING CHAIRWOMAN COLINS: Okay. All of
23 those in favor?

24 COMMISSIONERS: Aye.

25 ACTING CHAIRWOMAN COLINS: All opposed?

1 Motion carries.

2 Thank you very much.

3 MR. MILLER: Thank you, Madam Chair.

4 ACTING CHAIRWOMAN COLINS: All right. I
5 believe that concludes the new business. As a
6 reminder, our next meeting will be at noon on April
7 the 19th here in the North Office Building.

8 Are there any comments or questions that
9 any members of the Board would like to make at this
10 time before we adjourn?

11 COMMISSIONER COY: Certainly do run a very
12 smooth meeting, Madam Chair.

13 ACTING CHAIRWOMAN COLINS: Yes. I'll
14 reiterate. I already did announce the Category III
15 application period. I will reiterate since it's so
16 important.

17 The application period will open April 20th
18 and will close June 29th, and the applications are
19 available on the website as of the 20th.

20 All right. That concludes our business.
21 May I have a motion to adjourn the meeting?

22 COMMISSIONER RIVERS: So moved.

23 COMMISSIONER COY: Second.

24 ACTING CHAIRWOMAN COLINS: All right.

25 We're adjourned. Thank you.

1 (The meeting concluded at 2:38 p.m.)
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1 I hereby certify that the proceedings and
2 evidence are contained fully and accurately in the
3 notes taken by me on the within proceedings and that
4 this is a correct transcript of the same.

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Hillary M. Hazlett, Reporter
Notary Public

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