

<h1>Regulatory Analysis Form</h1> <p>(Completed by Promulgating Agency)</p> <p><i>INDEPENDENT REGULATORY REVIEW COMMISSION</i></p>	
<p>(All Comments submitted on this regulation will appear on IRRC's website)</p>	
<p>(1) Agency Pennsylvania Gaming Control Board</p>	
<p>(2) Agency Number: 125 Identification Number: 225</p> <p style="text-align: right;">IRRC Number: 3246</p>	
<p>(3) PA Code Cite: 58 Pa.Code §§ 441a, 465a, 501a, 503a, 603a, and 609a</p>	
<p>(4) Short Title: Slot Machine Licenses; Accounting and Internal Controls; Compulsive and Problem Gambling Requirements; Casino Self-Exclusion; Table Game Equipment; Credit</p>	
<p>(5) Agency Contacts (List Telephone Number and Email Address):</p> <p>Primary Contact: Chad W. Zimmermann Assistant Chief Counsel Pennsylvania Gaming Control Board P.O. Box 69060 Harrisburg, PA 17101-8323 Phone: (717) 265-8356/ Fax: (717) 703-2988 Email: cwzimmerma@pa.gov</p> <p>Secondary Contact:</p>	
<p>(6) Type of Rulemaking (check applicable box):</p> <p><input type="checkbox"/> Proposed Regulation</p> <p><input checked="" type="checkbox"/> Final Regulation</p> <p><input type="checkbox"/> Final Omitted Regulation</p>	<p><input type="checkbox"/> Emergency Certification Regulation;</p> <p><input type="checkbox"/> Certification by the Governor</p> <p><input type="checkbox"/> Certification by the Attorney General</p>
<p>(7) Briefly explain the regulation in clear and nontechnical language. (100 words or less)</p> <p>This final-form rulemaking will revise the existing body of regulations to alter the procedures for a person to self-exclude from gaming activities in the Commonwealth, and specifically delineate that the impacted sections apply only to casino and retail sports wagering self-exclusion. Adding an online option for persons to place themselves on the casino self-exclusion list promotes an efficient option for those seeking to take advantage of the list. Additionally, providing for an individual who self-excludes for lifetime the ability to seek removal from the list under strict parameters recognizes that an individual's circumstances may change such that removal is warranted and equitable.</p>	

(8) State the statutory authority for the regulation. Include specific statutory citation.

The Pennsylvania Gaming Control Board's general authority is in 4 Pa.C.S. § 1202(b)(30) (relating to general and specific powers), the specific authority in 4 Pa.C.S. §§ 13A02(1) and (2), and the specific authority in 4 Pa.C.S. § 1516(a) and (b).

(9) Is the regulation mandated by any federal or state law or court order, or federal regulation? Are there any relevant state or federal court decisions? If yes, cite the specific law, case or regulation as well as, any deadlines for action.

There are no other applicable federal or state statutes, regulations or court decisions that mandate adoption of this rulemaking.

(10) State why the regulation is needed. Explain the compelling public interest that justifies the regulation. Describe who will benefit from the regulation. Quantify the benefits as completely as possible and approximate the number of people who will benefit.

This regulation imparts ease and efficiency to those persons who desire to place themselves on the Board's self-exclusion list, thereby lessening the burden to individuals who seek assistance with problem gaming issues. The Gaming Act recognizes that certain persons having compulsive or problem gaming tendencies may seek assistance to avoid placing themselves in an environment not beneficial to themselves. Making a more accessible avenue for those persons to take advantage of the list promotes the public interest problem and compulsive gaming. To facilitate this goal, this rulemaking will expand the avenues by which a casino patron may exercise to self-exclude from gaming activities at casinos through visiting the Board's website, as opposed to only being able to do so in person at a Board office or at a casino. Additionally, given the expansion of gaming in the Commonwealth, the name of this list of individuals is being changed to the "casino self-exclusion list," as it will only apply to those individuals who wish to be prevented from physically entering and gaming at a licensed facility. Separate lists will be kept for other forms of gaming (Interactive Games and online Sports Wagering, Video Gaming, and Fantasy Contests).

Additionally, provisions have been added to the regulations that will allow a person who has chosen lifetime casino self-exclusion to request removal from the list after a period of 10 years recognizes that no individual's life is stagnant and life circumstances may change such that a lifetime ban from gaming is not warranted for the protection of the person. Importantly, removal of a person from the lifetime list is not automatic but is subject to substantial burden by the individual including that the individual must be able to demonstrate that he or her mental or physical well-being and gaming operations in the Commonwealth will not be negatively impacted.

The number of people who will be impacted is unknown at this time, as it will impact any individual currently on the self-exclusion list and any individual in the future who chooses to be placed on the casino self-exclusion list. At the conclusion of 2020, there were 9,479 individuals on the list with 3664 on for one year, 2,563 on for five years, and 3,252 on for a lifetime ban.

(11) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulations.

There are no corresponding federal standards for any of these provisions in this rulemaking.

(12) How does this regulation compare with those of the other states? How will this affect Pennsylvania's ability to compete with other states?

Pennsylvania's neighbor in the gaming industry, New Jersey, maintains separate lists for casino self-exclusion and interactive gaming self-exclusion. Additionally, New Jersey allows individuals to submit the requests online through the New Jersey Division of Gaming Enforcement website.

Michigan also maintains separate lists for people who want to be classified as "disassociated" from casino gaming and interactive gaming/sports wagering. The application does not have an online component.

New Jersey – <https://www.nj.gov/oag/ge/selfexclusion.html>

Michigan – <https://www.michigan.gov/mgcb/0,4620,7-351-79255-245925--,00.html>

Delaware and West Virginia, two other states that feature interactive gaming, provide only for blanket self-exclusion from all forms of gaming, and no online option to self-exclude exists. Nevada, a state which also has interactive gaming, does not have formal self-exclusion procedures.

Other neighboring jurisdictions, Maryland, Ohio, and New York do not yet have interactive gaming. All three jurisdictions do not offer an online option to self-exclusion from casino gaming.

Issues of self-exclusion do not readily transcend to an analysis of "competing" with other states. Self-exclusion is a tool for those who believe they may have a gambling problem, or who simply want to refrain from gambling due to some circumstance in their life, to assist in mandating separation from a designated form of gambling. Nonetheless, this rulemaking only seeks to make administrative changes to current procedures regarding compulsive and problem gambling at licensed facilities in Pennsylvania, and the regulatory requirements contained in this rulemaking should not negatively impact Pennsylvania's ability to compete with other states.

(13) Will the regulation affect any other regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

This regulation will not affect any other regulations of the PGCB nor any other state agency.

(14) Describe the communications with and solicitation of input from the public, any advisory council/group, small businesses and groups representing small businesses in the development and drafting of the regulation. List the specific persons and/or groups who were involved. (“Small business” is defined in Section 3 of the Regulatory Review Act, Act 76 of 2012.)

The self-exclusion practices and procedures from other jurisdictions that feature multiple forms of gaming, such as interactive gaming, were reviewed during the drafting process of this rulemaking. Additionally, the provisions were drafted in consultation with Liz Lanza, the Director Board’s Office of Compulsive and Problem Gambling. Ms. Lanza is a Gold member of the National Council on Problem Gambling. Ms. Lanza works closely with staff of licensed facilities to facilitate the self-exclusion programs and all other necessary compulsive and problem gaming matters. After adoption of the proposed rulemaking, no comments were received from the regulated community.

(15) Identify the types and number of persons, businesses, small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012) and organizations which will be affected by the regulation. How are they affected?

The number of persons who may be affected by this regulation is indeterminable at this time. Any individual who seeks to self-exclude from gaming activities in casinos in the Commonwealth will be affected, because the process can now be done online, including removal from the list. Additionally, individuals who choose to self-exclude for their lifetime are now given a limited opportunity to request removal from the list. At the conclusion of 2020, there were 9,479 individuals on the list with 3664 on for one year, 2,563 on for five years, and 3,252 on for a lifetime ban. Trends show that over the past 10 years, about 1,200 – 1,500 individuals place their names on the list. Concurrently, persons on the 1 and 5 years lists often request removal from the list at the conclusion of their voluntary self-designated period.

Casinos (which now number 14) are required now to update their self-exclusion list every two business days instead of five, and must pull the information from the self-exclusion system operated by the Board. This is largely an automated function accomplished by internet technology and not a labor-intensive task. Casinos that operate in the Commonwealth of Pennsylvania are not small businesses as defined in the United States Small Business Administration’s Small Business Size Regulations, under 13 C.F.R. Ch. 1 Part 121. Nor is the Board aware of any small businesses or organizations which will be affected by these revisions.

(16) List the persons, groups or entities, including small businesses, that will be required to comply with the regulation. Approximate the number that will be required to comply.

All of the current fourteen slot machine licensees will be required to comply with the requirements of the rulemaking. Any individual seeking to self-exclude from gaming activities at casinos or seeking removal from the self-exclusion list must also comply.

(17) Identify the financial, economic and social impact of the regulation on individuals, small businesses, businesses and labor communities and other public and private organizations. Evaluate the benefits expected as a result of the regulation.

It is not anticipated that this rulemaking will have a negative financial, economic or social impact on the regulated casino community. It will not have a negative financial or economic impact on individuals seeking to self-exclude as the process is free to those persons. The regulation will have a positive social impact on those self-excluding as it will ease the process for those persons to seek self-exclusion and dealing with life circumstances.

(18) Explain how the benefits of the regulation outweigh any cost and adverse effects.

This rulemaking will provide persons who wish to self-exclude from gaming activities at casinos an easier method to do so, by allowing the process to be done online, as well as the ability to request removal from the list online at the expiration of the selected self-exclusion period. This creates a much more efficient process and will not require an individual to travel to a casino or a Board office to self-exclude.

The amended provisions for removal from the casino self-exclusion list for individuals who selected lifetime self-exclusion will allow individuals who have significantly changed their circumstances in the 10 years after self-exclusion to remove themselves from the list. These provisions take into account the fact that not all individuals are the same, and someone who selected lifetime self-exclusion may not experience from the same issues after a 10-year period has elapsed.

There is no anticipated additional costs of the regulatory amendments, and there are protections in place to prevent any adverse effects. An individual seeking removal from lifetime casino self-exclusion must demonstrate that the removal will not have a negative impact on the individual's wellbeing or the integrity of gaming operations in the Commonwealth.

(19) Provide a specific estimate of the costs and/or savings to the **regulated community** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

It is anticipated that there will be no additional costs to the regulated community.

(20) Provide a specific estimate of the costs and/or savings to the **local governments** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

This rulemaking will have no fiscal impact on local governments.

(21) Provide a specific estimate of the costs and/or savings to the **state government** associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required. Explain how the dollar estimates were derived.

The Board does not expect that the requirements of this rulemaking will have any fiscal impact on the Board or any other Commonwealth agency. The process for casino self-exclusion will continue to be handled by existing Board Staff.

(22) For each of the groups and entities identified in items (19)-(21) above, submit a statement of legal, accounting or consulting procedures and additional reporting, recordkeeping or other paperwork, including copies of forms or reports, which will be required for implementation of the regulation and an explanation of measures which have been taken to minimize these requirements.

As stated above, if an individual wishes to self-exclude from gaming activities at casinos, there will now be an online option to do so. This online form will collect biographical and documentary information on the individual who wishes to self-exclude, or remove himself or herself from the casino self-exclusion list. The collection of the information is solely for the purpose of correctly identifying those persons who are restricted from entering a casino.

(22a) Are forms required for implementation of the regulation?

Yes, an online form has been developed to allow for an individual to self-exclude or request removal from the casino self-exclusion list on the Board's website.

(22b) If forms are required for implementation of the regulation, **attach copies of the forms here.** If your agency uses electronic forms, provide links to each form or a detailed description of the information required to be reported. **Failure to attach forms, provide links, or provide a detailed description of the information to be reported will constitute a faulty delivery of the regulation.**

The webform will collect the following information, as dictated by the regulation: Name, date of birth, address, telephone number, social security number, physical description (height, gender, hair color, eye color, other identifiable characteristics), copy of a government-issued photo identification or other document to verify identity, and a photograph of the individual. A copy of the webform that must be filed is attached.

(23) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

It is not anticipated that there will be any discernable fiscal savings and costs associated with implementation of the and compliance for the regulated community, local government, and state government. No additional burdens are placed on the regulated community, and the general public will see no additional cost or expense related to the amended provisions in the regulations.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
SAVINGS:	\$	\$	\$	\$	\$	\$
Regulated Community	\$0	\$0	\$0	\$0	\$0	\$0
Local Government	\$0	\$0	\$0	\$0	\$0	\$0
State Government	\$0	\$0	\$0	\$0	\$0	\$0
Total Savings	\$0	\$0	\$0	\$0	\$0	\$0
COSTS:						
Regulated Community	\$0	\$0	\$0	\$0	\$0	\$0
Local Government	\$0	\$0	\$0	\$0	\$0	\$0
State Government	\$0	\$0	\$0	\$0	\$0	\$0
Total Costs	\$0	\$0	\$0	\$0	\$0	\$0
REVENUE LOSSES:						
Regulated Community	\$0	\$0	\$0	\$0	\$0	\$0
Local Government	\$0	\$0	\$0	\$0	\$0	\$0
State Government	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue Losses	\$0	\$0	\$0	\$0	\$0	\$0

(23a) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY -3	FY -2	FY -1	Current FY 2020/2021
PGCB Overall Budget	\$41,665,000	\$46,153,000	\$46,067,000	\$43,357,000

(24) For any regulation that may have an adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), provide an economic impact statement that includes the following:

- (a) An identification and estimate of the number of small businesses subject to the regulation.

The current slot machine licensees that operate in the Commonwealth of Pennsylvania will be impacted by this rulemaking; however, in accordance with the United States Small Business Administration's Small Business Size Regulations, under 13 CFR Ch. 1 Part 121, none of the casinos qualify as a small business.

(b) The projected reporting, recordkeeping and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record.

It is not anticipated that there will be any significant reporting, recordkeeping or other administrative costs associated with this regulation. The automation of the self-exclusion process by the PGCB actually reduces recordkeeping and administrative costs.

(c) A statement of probable effect on impacted small businesses.

As stated above, none of the fourteen operational slot machine licensees are small businesses.

(d) A description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

Automation of this self-exclusion process reduces costs associated with administering the program. There are no less intrusive or less costly alternatives identified.

(25) List any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, the elderly, small businesses, and farmers.

No special provisions have been added with respect to the groups of persons identified. All provisions meet the needs of those with actual or potential problem or compulsive gaming issues and are directed to easing the burden on them should they desire to take advantage of the voluntary program.

(26) Include a description of any alternative regulatory provisions which have been considered and rejected and a statement that the least burdensome acceptable alternative has been selected.

No alternative regulatory approaches were considered and rejected. This regulation reflects the least burdensome means of maintaining regulatory oversight of this activity.

(27) In conducting a regulatory flexibility analysis, explain whether regulatory methods were considered that will minimize any adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), including:

- a) The establishment of less stringent compliance or reporting requirements for small businesses;
- b) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
- c) The consolidation or simplification of compliance or reporting requirements for small businesses;
- d) The establishment of performance standards for small businesses to replace design or operational standards required in the regulation; and
- e) The exemption of small businesses from all or any part of the requirements contained in the regulation.

The fourteen slot machine licensees that operate in the Commonwealth of Pennsylvania will be impacted by this rulemaking; however, in accordance with the United States Small Business Administration's Small Business Size Regulations, under 13 CFR Ch. 1 Part 121, none of the casinos qualify as a small business.

(28) If data is the basis for this regulation, please provide a description of the data, explain in detail how the data was obtained, and how it meets the acceptability standard for empirical, replicable and testable data that is supported by documentation, statistics, reports, studies or research. Please submit data or supporting materials with the regulatory package. If the material exceeds 50 pages, please provide it in a searchable electronic format or provide a list of citations and internet links that, where possible, can be accessed in a searchable format in lieu of the actual material. If other data was considered but not used, please explain why that data was determined not to be acceptable.

There is no data, as defined under section (3) of the Regulatory Review Act (71 P.S. § 745.3), upon which this rulemaking is based.

(29) Include a schedule for review of the regulation including:

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| A. The length of the public comment period: | N/A |
| B. The date or dates on which any public meetings or hearings will be held: | Held February 10, 2021 |
| C. The expected date of delivery of the final-form regulation: | 1st Quarter - 2021 |
| D. The expected effective date of the final-form regulation: | Upon final publication |
| E. The expected date by which compliance with the final-form regulation will be required: | Upon final publication |
| F. The expected date by which required permits, licenses or other approvals must be obtained: | Ongoing |

(30) Describe the plan developed for evaluating the continuing effectiveness of the regulations after its implementation.

No formal review schedule has been established. Instead, the Board consistently reviews its regulations and proposes amendments as the need arises.