



PENNSYLVANIA GAMING CONTROL BOARD
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Sent via Electronic and U.S. Mail

Ms. Lynette Lee
Compliance Manager
SugarHouse Casino
P.O. Box 8598
Philadelphia, PA 19125

RE: Gaming floor changes

Dear Ms. Lee:

With the implementation of table game operations at licensed facilities in the Commonwealth now complete, I would like to take this opportunity to address each licensee's responsibilities as it relates to gaming floor changes. Licensees must comply with the following regulatory and statutory mandates when requesting changes to their gaming floor: 58 Pa.Code § 467a.1(c), 58 Pa. Code § 467a.1(d), 4 Pa.C.S. § 1317A(2), 58 Pa.Code § 521.11(a), 58 Pa.Code § 521.11(d), and 4 Pa.C.S. § 1207(20)(i). Attached is a copy of each section for your reference. The following letter details the Pennsylvania Gaming Control Board's ("Board") expectations and requirements when a licensee plans to make changes to its gaming floor.

I. Petition

A licensee must file a petition with the Office of Hearings and Appeals ("OHA") if the proposed change calls for an increase or decrease in the square footage of the gaming floor or the number of slot machines on the gaming floor that is greater than 2% of its currently authorized gaming floor or slot machine compliment. The petition must include, at a minimum, the four requirements enumerated in section 467a.1(d).

A licensee must also file a petition with OHA when seeking to increase or decrease the number of approved table games by 10% or more.

When filing a petition, licensees must adhere to the requirements in section 493a.4 (relating to petitions generally).

II. Written Request Involving Slot Machines and Gaming Floor Square Footage

A written request filed with OHA must be submitted if the licensee plans to increase or decrease the square footage of the gaming floor or the number of slot machines on its gaming floor by 2% or less of the currently authorized gaming floor or slot machine compliment. In addition, the following alterations to a licensee's gaming floor are considered a "change" pursuant to section 467a.1(c) and require a written request:

Relocation and addition of slot machines

A licensee must file a written request if it plans to relocate a slot machine currently on the gaming floor, or add a slot machine to the floor, to a location where a slot machine previously had not been placed. For example, a formal request is needed if a licensee plans to rearrange a bank of slot machines from a row formation to a diamond formation, or add a slot machine to the end of a bank of slot machines. These changes will alter the footprint of the licensee's gaming floor plan and will require Board staff to verify that the affected slot machine(s) has sufficient surveillance coverage, is connected to the Central Control Computer System ("CCCS"), and has been inspected by the Bureau of Gaming Laboratory Operations' Technical Field Representative. You should note that the Board's regulations do not establish a limit on the number of slot machines that may be relocated at any given time. However, the time for inspection and authorization of relocated slot machines will be affected by the number of slot machines moved, the scope of the move, and Board staff's schedules.

Simple alteration of the footprint of the gaming floor

An alteration to the footprint of the gaming floor may occur even if there is no increase or decrease in the number of slot machines or square footage. For example, a formal request is needed if a licensee plans to remove five (5) slot machines and install one (1) ShuffleMaster Blackjack unit in their place. Such a move will alter the footprint of the licensee's floor plan and will require Board staff to verify that the affected slot machine(s) has sufficient surveillance coverage, is connected to the CCCS, and has been inspected by the Bureau of Gaming Laboratory Operations' Technical Field Representative.

Other changes

Changes that involve relocating, adding, or removing Ticket Redemption Units and Automated Teller Machines will alter the footprint of gaming floor plan and will require a review of surveillance coverage on each additional or relocated unit or machine. There is no regulatory or statutory limit on the number of Ticket Redemption Units and Automated Teller Machines that may be relocated, added, or removed for any given request.

III. Notification to Bureau of Gaming Laboratory Operations ("GLO")

A formal OHA filing is not required if a licensee is simply installing a slot machine in a location where a slot machine is approved for play. For example, no formal request is needed if the licensee plans to replace a slot machine with a new machine or one from storage in the same location. In addition to the required notification to the operator of the CCCS the licensee must provide GLO with an updated slot master list documenting the new slot machines.

IV. Changes Involving Table Games

The Executive Director may approve changes in the number of table games on the gaming floor as long as the number of tables increased or decreased is not 10% or more of the existing tables games authorized. The Executive Director may also approve requests to change the type of game played at an existing table and changes to the table game configuration. Requests of this nature should be submitted to OHA in accordance with the "Written Request" procedures described above. All other table game changes must be requested by a petition and approved by the Board. Requests for slot and table game changes may be combined.

V. Other Requirements

- * Please submit all floor plan change requests to the Board's Clerk at OHA. OHA will docket the request and disseminate it to appropriate Board staff for review. OHA's address is:

**One Penn Center
2601 N. 3rd Street-5th Floor
Harrisburg, PA 17110
BoardClerk@state.pa.us**

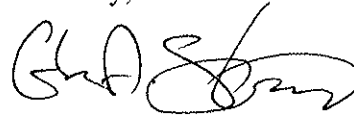
- * Licensees may not make changes to the gaming floor other than those sought, and approved of, in the initial request. If subsequent changes are necessary, the licensee shall submit a supplemental letter requesting to implement the new changes and explaining why the initial plan could not be completed as originally requested.
- * If Board staff finds any inaccuracies in a floor plan change request during its review, Board staff will require the licensee to submit to OHA a supplemental request rectifying the issue. Board staff will not complete its review of any request until all information contained therein is accurate.
- * Please be aware that in some circumstances completion of an approved floor plan change must be finalized before Board staff will consider a subsequent request.
- * Please provide the Bureaus of Gaming Operations and Casino Compliance with an electronic version of the floor plan reflecting the proposed changes.
- * Proposed changes may be completed in weekly phases. If a proposed change will be completed in weekly phases, the licensee must state this intention in its initial request.

- * All petitions and written requests to change the gaming floor should be accompanied by a completed copy of the attached checklist. If a copy of this checklist is not included with the initial request, Board staff will request the checklist be completed. Board staff will not complete its review of the proposed changes until the completed checklist is received.

Board staff recognizes the importance for licensees to be able to make necessary changes to its gaming floor in order to respond to customer demand. As such, it is Board staff's goal to work with the licensees to ensure all floor plan changes can be achieved as expeditiously as possible, while still maintaining strict regulatory oversight of the gaming operations at each licensed facility. To ensure our joint goals are fulfilled, your understanding of, and cooperation with, our procedures as well as the statutory and regulatory requirements is essential. Failure to adhere to these procedures may result in unwanted delay of approval of your request and the ability to make available for play any affected slot machine or table game.

Thank you for your attention to this matter. If you have any questions or concerns, please contact the Bureau of Gaming Operations.

Sincerely,



Glen A. Stuart
Assistant Chief Counsel
Pennsylvania Gaming Control Board

cc: Wendy Hamilton, General Manager, SugarHouse Casino
Rosemarie Cook, Director of Table Games, SugarHouse Casino
George Ciechanowski, Director of Slot Operations, SugarHouse Casino
Kevin F. O'Toole, Executive Director, PGCB
R. Douglas Sherman, Chief Counsel, PGCB
Cyrus Pitre, Chief Enforcement Counsel, PGCB
Gerald Stoll, Director of Casino Compliance, PGCB
Jay Berthelsen, Casino Compliance Senior Supervisor, PGCB
John Sentell, Casino Compliance Senior Supervisor, PGCB
Arthur Watson, Casino Compliance Supervisor, PGCB
Michael Cruz, Director of Gaming Laboratory Operations, PGCB
Carl Dixon, Manager – Technical Field Representatives, PGCB
Shawn Flynn, Technical Field Representative, PGCB
Aaron Zylo, Technical Field Representative, PGCB
Paul Resch, Director of Gaming Operations, PGCB
Kevin Kile, Director of Racetrack Gaming, PGCB
Linda Lloyd, Director of Hearings and Appeals, PGCB
Jeanne Ort-Motto, Gaming Operations Liaison, PGCB
Patty Gustavson, Compliance Manager, PGCB
Kris Semoff, Compliance Examiner, PGCB

Gaming Floor Changes: Statutory and Regulatory Mandates

Slot Machines

4 Pa.C.S. § 1207(19)

The Board shall have the power to . . . [a]uthorize an employee of the board to approve, deny or condition a request to decrease the number of slot machines in operation at a licensed facility. An employee may not approve a requested decrease in the number of slot machines under . . . if the requested decrease exceeds 2% of the total number of slot machines in operation at a licensed facility.

58 Pa.Code § 467a.1(c)

Requests for changes to the gaming floor plan approved under subsection (b) which involve a change of more than 2% of the square footage of the gaming floor or which involve a change of more than 2% in the number of slot machines on the gaming floor require Board approval and must be submitted to the Board as a petition under §493.4 (relating to petitions generally). Requests for all other changes to the gaming floor must be submitted in writing to the Office of the Clerk as a request for changes to the gaming floor and approved by the Board's Executive Director. The approval of the Board or the Executive Director may include conditions that must be met by the slot machine licensee as part of the changes.

58 Pa.Code § 467a.1(d)

A petition or request for changes to the gaming floor must, at a minimum, include:

- (1) A narrative description of the proposed changes.
- (2) A revised gaming floor plan.
- (3) A timetable for completion of the proposed changes.
- (4) An updated slot machine master list as required under § 463a.5 (relating to slot machine master lists).

4 Pa.C.S. § 1207(20)

The Board shall have the power to . . . [a]pprove, or authorize an employee of the board to approve, a temporary reduction in the number of slot machines in operation at a licensed facility under the following circumstances:

- (i) For the duration of any renovation, remodeling or modification of an area of a licensed facility where slot machines are located.
- (ii) To enable the licensed facility to respond to an emergency.

** The Board delegated this approval authority to the Executive Director on February 17, 2010*

Table Games

4 Pa.C.S. § 13A17 (2)

. . . The certificate holder may increase or decrease the number of gaming tables permitted at the licensed facility, change the type of table games played at a particular gaming table or change the configuration of gaming tables upon notice to the board and approval by a designated employee of the board. Unless approved by the board, the total number of gaming tables in operation at the licensed facility may not exceed the number authorized in the table games operation certificate.

** The Board delegated this approval authority to the Executive Director on July 17, 2010. The Board provided the Executive Director the authority to approve changes that involve 10% or less of the total number of table games authorized for play on a licensee's gaming floor.*

58 Pa.Code § 521.11(a)

Requests to increase or decrease the number of approved table games by 10% or more require Board approval and shall be submitted to the Board by way of a petition under §493.4 (relating to petitions generally). All other requests for changes to the table games floor plan, including the type of table games or the configuration of the table games floor plan, shall be submitted in writing and considered for approval by the Board's Executive Director. The approval of the Board or the Executive Director may include conditions that must be met by the certificate holder prior to commencement of operations of the approved gaming tables or floor area.

58 Pa.Code § 521.11(b)

A petition or request for table games floor plan changes must, at a minimum, include:

- (1) A narrative description of the proposed changes.
- (2) The pit number and proposed configuration of any pit affected.
- (3) The type, location and table number of any table affected.
- (4) The proposed amendments to the standard or alternative staffing levels required under §525.6 (relating to personnel assigned to the operations and conduct of table games) for the affected gaming tables or pits.
- (5) The proposed amendments to table games surveillance required under § 521.3 (relating to table games surveillance requirements).
- (6) A timetable for the completion of the proposed changes.



Pennsylvania Gaming Control Board



GAMING FLOOR RECONFIGURATION CHECKLIST

Licensee: _____ Contact Person: _____

Operation Plan Number, if applicable (OP-3, OP-4, etc...) _____

SLOT MACHINES

Number of slot machines authorized for play _____

Number of slot machines *AFTER* changes _____

Net increase/decrease of slot machines _____

Percentage increase/decrease of machines _____

Number of slot machines to be installed in a new location _____

Total number of slot machines involved with this Operation Plan _____

TABLE GAMES

Number of Table Games currently authorized for play _____

Number of Banking Tables _____

Number of Fully Automated Electronic Tables and type (i.e. Blackjack) _____

Number of Electronic Tables and type (i.e. Blackjack) _____

Number of Non-Banking Tables _____

Percentage of Non-Banking Tables _____

Number of Table Games *AFTER* changes _____

Number of Banking Tables _____

Number of Fully Automated Electronic Tables _____

Number of Electronic Tables _____

Number of Non-Banking Tables _____

Percentage of Non-Banking Tables _____

Number Table Games that will be converted to different Table Games
 Table Games to be converted (including Table Identification Number): _____

<u>FROM</u>		<u>TO</u>	
ID#: _____	Type _____	ID# _____	Type _____
ID# _____	Type _____	ID# _____	Type _____
ID# _____	Type _____	ID# _____	Type _____

Numerical increase/decrease of Table Games _____

Percentage increase/decrease of Table Games _____

Number of Table Games to be installed in new locations _____

Number of Table Games to be installed that were previously
 unapproved for play at your facility _____

Name(s) of previously unapproved Table Games _____

Table Game Mix *AFTER* Changes (numerically):

Blackjack: _____	iTable (BJ): _____	Craps: _____
Roulette: _____	Rapid Roulette: _____	Big Six Wheel: _____
Mini-Craps: _____	Sic Bo: _____	Spanish 21: _____
Baccarat: _____	Midibaccarat: _____	Minibaccarat: _____
Pai Gow (tiles): _____	Pai Gow Poker: _____	Casino War: _____
Caribbean Stud Poker: _____	Four Card Poker: _____	Three Card Poker: _____
Texas Hold 'Em Bonus: _____	Let it Ride: _____	Ultimate Texas Hold 'Em: _____
Poker (nonbanking): _____		

TOTAL: _____

Will any of the affected table games involve a progressive meter?

Yes _____ No _____

If yes, please provide the table type and table ID number:

GAMING FLOOR

Current authorized square footage of gaming floor

Gaming floor square footage *AFTER* reconfiguration

Net increase/decrease of gaming floor square footage

Percentage increase/decrease of square footage

SMOKING AREA

Current square footage of the smoking area

Square footage of the smoking area *AFTER* reconfiguration

Current number of slot machines in smoking area

Net increase/decrease in slot machines in the smoking area *AFTER* reconfiguration

Current number of Table Games in smoking area

Net increase/decrease in table games in the smoking area *AFTER* reconfiguration

Please describe any additional changes to the gaming floor for which you are requesting approval (ATMs, ticket redemption units, automated jackpot payout machines, etc...):

DATE: _____