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June 25, 2010

VIA HAND DELIVERY

Richard Sandusky
Director of Regulatory Review
Pennsylvania Gaming Control Board
303 Walnut Street, Strawberry Square
Verizon Tower, 5th Floor
Harrisburg, PA 17106

Re: Joint Comments to Temporary Table Game Rulemaking No. 125-121

Dear Mr. Sandusky:

Downs Racing, L.P. d/b/a Mohegan Sun at Pocono Downs (“MSPD”), Greenwood Gaming and Entertainment, Inc. d/b/a Parx Casino (“GGE”), Penn National Gaming, Inc. d/b/a Hollywood Casino at Penn National Race Course (“Penn”), Sands Bethworks Gaming d/b/a Sands Casino Resort/Bethlehem (“Sands”), and Washington Trotting Association, Inc. d/b/a The Meadows Racetrack & Casino (“Meadows”) (collectively referred to as the “Operators”) respectfully submit the following Joint Comments in response to the Pennsylvania Gaming Control Board’s (the “Board”) Temporary Table Game Rulemaking No. 125-121 addressing the drop and count for table games.¹ As in previous submissions of Joint Comments, the Operators have considered the Rulemaking in light of their experience and expertise and these Joint Comments represent a collection of their comments, concerns and recommendations.²

INTRODUCTION

As in the past, the Joint Comments advocate the need for additional flexibility in some of the rulemaking requirements. Section 525.18, one of the sections on which these Joint Comments are focused, describes the procedures applicable to the transportation, storage and security of the

¹ Joint Comments are not being submitted to Temporary Table Game Rulemaking No. 125-122. In Rulemaking No. 125-122 the Board adopted amendments to the table game equipment, general licensing requirements, Pai Gow and Pai Gow Poker provisions. The Operators commend the Board for their continued efforts to implement flexibility into the regulations and for responding to the Operators’ suggestions, see Joint Comments to 125-112, 125-113 and 125-116, through these amendments.

² The Operators reiterate that these Joint Comments are being submitted in order to promote their common regulatory positions before the Board consistent with Board established processes. The submission of Joint Comments does not represent a coordination of the Operators internal business practices or business conduct.

table game drop boxes. Section 525.19 addresses the requisite procedures to be followed in the count and recording process and is also discussed in this Joint Comment letter.

COMMENTS TO SECTION 525.18

Section 525.18 requires operators to submit to the Board's Bureau of Compliance for approval a plan for the distribution and collection of table game drop boxes. § 525.18(a). Subsection (c) provides that:

All drop boxes removed from gaming tables shall be transported directly to and secured in the count room by at least one security department employee and one finance department employee.

§ 525.18(c) (emphasis added). Operators point out and recommend that since the count team is not involved with the pulling of table game drop boxes the Board's requirement that at least one finance employee be present at the count room to secure all drop boxes be replaced either by one table games employee or add another security department employee.

Similarly, subsection (e) provides in pertinent part that:

Prior to the movement of a trolley containing table game drop boxes from a table game pit, the count room supervisor shall verify that the number of drop boxes being removed from the pit equals the number of drop boxes that have been loaded on the trolley....

§ 525.18(e) (emphasis added). Again, the count team is not involved with the pulling of the table games drop boxes and it is therefore recommended that the requirement for a count room supervisor be amended to designate a security department supervisor for the position.

The Operators recognize that Section 525.20 permits the submission of alternate procedures for the separate collection, distribution, opening, counting and recording of the contents of nonbanking table game drop boxes. To the extent this section permits operators to deviate from the transportation requirements in Subsections 525.18(c) and (e) the Operators acknowledge the Board's flexibility, however, the Operators are requesting flexibility in the transportation of table games drop boxes for all table games and furthermore without the required submission of alternate procedures as currently required for nonbanking table games.

Subsection (f) provides for the following:

A table game drop box being replaced by an emergency drop box shall be transported, using a trolley, directly to and secured in the count room by at least one security department employee and one finance department employee.

§ 525.18(f). The requirement that a table game drop box being replaced by an emergency drop box be transported 'using a trolley' directly to the count room is onerous and impractical. The industry standard is for the drop box to be carried back to the count room or storage area and by a table games (not finance) and a security employee. Operators request the Board revise subsection (f) to conform with the industry standard.

COMMENTS TO SECTION 525.19

Section 525.19 (n) outlines the circumstances under which the door to the count room can be opened once the Table Games count has commenced. The regulatory language must provide the allowance to open the door to allow the count team completing the slot bill validator drop to place a full cart of hot boxes into the count room and retrieving a trolley of cold bill validator boxes to resume the drop in process on the slot floor. Currently, no provision is written which allows operators to store them elsewhere until the table game count is concluded. It is requested by the Operators that the Board amend the temporary rulemaking as necessary to consider the above scenario.

In Section 525.19 (u) (c) (4) & (5) the regulatory language states that "Counter Checks" are counted in the count room. Counter checks issued at gaming tables are applied to the table game from which they were issued on the Master Game Report at the time of issuance (if the counter check is computer generated) or at the time of input (if the counter check is manually prepared) and subsequently input into the computerized system. The drop box copy of the Counter Check is dropped into the table game drop box, which provides documentation to support the removal of chips from the table inventory in an amount equal to the value of the counter check. The negotiable part of the Counter Check is the original which is paid in the pit or forwarded to the cage; the original of the Counter Check is retained as a receivable until it is redeemed or deposited. There is no value added by having a member of the count team manually record the serial number and amount of each Counter Check in the drop box, The Counter Checks should be forwarded by the Count Room Supervisor, along with the other daily paperwork, to the Revenue Audit department for the daily audit. The process required in the regulation is a revenue audit function and not a function of the count process.

The regulatory language in Section 525.19 (y) states that all cash and Counter Checks shall be presented to a main bank cashier or cashier supervisor to count and total the items and calculate a total independent of the count team totals. The copies of the Counter Checks do not belong in

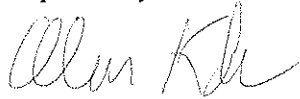
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the main bank, as further explained above. In addition, verification of the total of the counter check issuance copies has no value to the cage representative buying the cash. The verification of counter checks is a revenue audit function.

CONCLUSION

The Operators respectfully request that the Board consider the above Joint Comments to Temporary Table Game Rulemaking No. 125-121, and issue amendments to the Temporary Regulation to address our concerns.

Respectfully submitted,



Alan C. Kohler

cc: Robert DeSalvio (Sands)
Robert Green (GGE)
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