



# PENNSYLVANIA GAMING CONTROL BOARD

## Meeting of the Board

June 28, 2006 Minutes

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A meeting of the Pennsylvania Gaming Control Board was held on June 28, 2006 in Hearing Room 1 of the North Office Building. The meeting began at 10:00 a.m.

***Members in attendance were:***

Thomas Decker, Chairman (via teleconference)  
Raymond S. Angeli  
Mary DiGiacomo Colins  
Jeffrey W. Coy  
Joseph W. Marshall, III  
Kenneth W. McCabe  
Sanford Rivers

***Ex-officio members in attendance were:***

Robert P. Casey, Jr., State Treasurer (via teleconference)  
Gregory C. Fajt, Secretary of Revenue

***Individuals who appeared officially before the Board:***

Anne LaCour Neeb – agency update  
Michael Walsh – administration update  
Frank Donaghue – regulations  
Doug Sherman – insurance services  
Michael Edmiston – petitions for withdrawal  
Mickey Kane – pro hac vice petitions  
Michelle Afragola – regulations  
Richard Sandusky – regulations  
Maureen Williamson – regulations  
Susan Hensel – licensing  
LaMonte Williams – diversity plans  
Michael Schwoyer – licensing

A quorum being present Acting Chairperson Colins called the meeting to order.

### **Transcript**

On a motion by Board Member Marshall, seconded by Board Member McCabe, the transcript of the June 15, 2006 meeting was unanimously approved.

### **Minutes**

On a motion by Board Member Coy, seconded by Board Member Marshall, the minutes of the June 15, 2006 meeting and the minutes of the July 7, July 21, Aug. 4, Aug. 17, Sept. 28, Oct. 6, Oct. 20, Nov. 2, Nov. 17, Dec. 1, and Dec. 15, 2005 meetings were unanimously approved.

### **Administration**

#### **PGCB MOTION NO. 2006-55 HR – Employment**

Motion Made: Board Member Rivers  
Seconded: Board Member Marshall

#### **New Hires:**

Eugene Barry Creany, assistant chief counsel, Office of Chief Counsel  
Tracee Hackett, assistant enforcement counsel, BIE  
Kristen Showers, fiscal analyst

Resolved, the Board hereby approves the hiring of all the above candidates for employment. Permanent status will be contingent upon a satisfactory background check.

Board Decision: Passed by unanimous vote

#### **PGCB MOTION NO. 2006-56 ADM – RFP for insurance brokerage services**

Motion Made: Board Member Coy  
Seconded: Board Member Rivers

Resolved, the Board hereby approves the issuing of a request for proposals for insurance brokerage services and the retention of an insurance broker for the purpose of providing consultation on the Board's insurance needs.

Board Decision: Passed by unanimous vote

### **Hearings and Appeals**

#### **PGCB MOTION NO. 2006-57 BHA – Petitions to Withdraw**

Motion Made: Board Member Marshall

Seconded: Board Member McCabe

Resolved, the Board hereby approves the Orders granting withdrawal of the applications of Wesley D. Allison, Michael Francis Cirino, Sr., Tatsuo Hikiji, Joseph Nolan, Hiroomi Nabeshima, Hideaki Ohashi, Pattison Packer, Walter B. Stowe, Jr., William J. Velardo and Douglas Meredith Young.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-58 BHA – Pro Hac Vice Petitions**

Motion Made: Board Member McCabe

Seconded: Board Member Marshall

Resolved, the Board hereby approves the Orders granting the pro hac vice petitions of Robert J. Carroll, Nicholas Casiello, Jr., John M. Donnelly, Guy S. Michael and Michael D. Sklar.

Board Decision: Passed by unanimous vote

**Regulations**

**PGCB RESOLUTION NO. 2006-18 REG – Adoption of the Temporary Regulations for Emergency Board Orders**

Motion Made: Board Member Marshall

Seconded: Board Member McCabe

Whereas On July 5, 2004, the Pennsylvania General Assembly enacted the Pennsylvania Race Horse Development and Gaming Act, establishing the Pennsylvania Gaming Control Board as the primary regulatory agency charged with the responsibility of implementing and overseeing slot machine gaming in the Commonwealth; and

Whereas The Act authorizes the Board to adopt “temporary” regulations in order to facilitate the prompt implementation of the Act during the two years following the Act’s effective date; and

Whereas The Board has developed draft temporary regulations for emergency orders; and

Whereas The public has had an opportunity to comment on the draft temporary regulations; and

Whereas The Board's final temporary regulations are designated as Title 58 Recreation, Part VII Gaming Control Board:

Subpart A. General Provisions;  
Chapter 403, Board Operations and Organization  
§ 403.6; and

Whereas The Board reserves the right to amend the temporary regulations as it deems necessary in accordance with the purpose of the Act and in order to further the intent of the Act; be it

RESOLVED That the Board adopts the revised draft regulations as its temporary regulations for emergency orders.

Board Decision: Passed by unanimous vote

**PGCB RESOLUTION NO. 2006-19 REG – Adoption of the Temporary Regulations for Labor Organizations**

Motion Made: Board Member Coy  
Seconded: Board Member Rivers

Whereas On July 5, 2004, the Pennsylvania General Assembly enacted the Pennsylvania Race Horse Development and Gaming Act, establishing the Pennsylvania Gaming Control Board as the primary regulatory agency charged with the responsibility of implementing and overseeing slot machine gaming in the Commonwealth; and

Whereas The Act authorizes the Board to adopt "temporary" regulations in order to facilitate the prompt implementation of the Act during the two years following the Act's effective date; and

Whereas The Board has developed draft temporary regulations for labor organizations; and

Whereas The public has had an opportunity to comment on the draft temporary regulations; and

Whereas The Board's final temporary regulations are designated as Title 58 Recreation, Part VII Gaming Control Board:

Subpart B. Licensing, Registering, Certifying and Permitting;  
Chapter 438, Labor Organizations

Whereas The Board reserves the right to amend the temporary regulations as it deems necessary in accordance with the purpose of the Act and in order to further the intent of the Act; be it

RESOLVED That the Board adopts the revised draft regulations as its temporary regulations for labor organizations.

Board Decision: Passed by unanimous vote

**PGCB RESOLUTION NO. 2006-20 REG – Adoption of the Temporary Regulations for Employee Status Reports**

Motion Made: Board Member Marshall  
Seconded: Board Member Coy

Whereas On July 5, 2004, the Pennsylvania General Assembly enacted the Pennsylvania Race Horse Development and Gaming Act, establishing the Pennsylvania Gaming Control Board as the primary regulatory agency charged with the responsibility of implementing and overseeing slot machine gaming in the Commonwealth; and

Whereas The Act authorizes the Board to adopt “temporary” regulations in order to facilitate the prompt implementation of the Act during the two years following the Act’s effective date; and

Whereas The Board has developed draft temporary regulations for employee status reports; and

Whereas The public has had an opportunity to comment on the draft temporary regulations; and

Whereas The Board’s final temporary regulations are designated as Title 58 Recreation, Part VII Gaming Control Board:

Subpart C. Slot Machine Licensing;  
Chapter 441, Slot Machine Licenses  
§§ 441.21 & 441.22; and

Whereas The Board reserves the right to amend the temporary regulations as it deems necessary in accordance with the purpose of the Act and in order to further the intent of the Act; be it

RESOLVED That the Board adopts the revised draft regulations as its temporary regulations for employee status reports.

Board Decision: Passed by unanimous vote

**PGCB RESOLUTION NO. 2006-21 REG – Adoption of the Temporary Regulations for Omnibus Regulations Changes**

Motion Made: Board Member McCabe

Seconded: Board Member Marshall

Whereas On July 5, 2004, the Pennsylvania General Assembly enacted the Pennsylvania Race Horse Development and Gaming Act, establishing the Pennsylvania Gaming Control Board as the primary regulatory agency charged with the responsibility of implementing and overseeing slot machine gaming in the Commonwealth; and

Whereas The Act authorizes the Board to adopt “temporary” regulations in order to facilitate the prompt implementation of the Act during the two years following the Act’s effective date; and

Whereas The Board has developed draft temporary regulations for delegation of powers, investigatory subpoena, burden of proof, wagering by employees, service by the Board, formal complaints, discovery and consent agreements; and

Whereas The public has had an opportunity to comment on the draft temporary regulations; and

Whereas The Board’s final temporary regulations are designated as Title 58 Recreation, Part VII Gaming Control Board:

Subpart A. General Provisions;

Chapters 403 and 405

§§ 403.5 and 405.6

Subpart B. Licensing, Registering, Certifying and Permitting

Chapter 421 and 435

§§ 421.1 and 435.1

Subpart H Practice and Procedure

Chapters 491 and 493

§§ 491.3, 493.2, 493.12 and 493.14; and

Whereas The Board reserves the right to amend the temporary regulations as it deems necessary in accordance with the purpose of the Act and in order to further the intent of the Act; be it

**RESOLVED** That the Board adopts the revised draft regulations as its temporary regulations for delegation of powers, investigatory subpoena, burden of

proof, wagering by employees, service by the Board, formal complaints, discovery and consent agreements.

Board Decision: Passed by unanimous vote

**PGCB RESOLUTION NO. 2006-22 REG – Adoption of the Temporary Regulations for Multiple Regulations Changes**

Motion Made: Board Member Rivers

Seconded: Board Member Marshall

Whereas On July 5, 2004, the Pennsylvania General Assembly enacted the Pennsylvania Race Horse Development and Gaming Act, establishing the Pennsylvania Gaming Control Board as the primary regulatory agency charged with the responsibility of implementing and overseeing slot machine gaming in the Commonwealth; and

Whereas The Act authorizes the Board to adopt “temporary” regulations in order to facilitate the prompt implementation of the Act during the two years following the Act’s effective date; and

Whereas The Board has developed temporary regulations for enforcement actions, monopolization of economic opportunities and control, restrictions on reapplications and slot machine license agreements; and

Whereas The Board’s final temporary regulations are designated as Title 58 Recreation, Part VII Gaming Control Board:

Subpart A. General Provisions

Chapter 405

§ 405.7

Subpart B. Licensing, Registering, Certifying and Permitting

Chapter 421

§ 421.5

Chapter 423

§ 423.6

Subpart C. Slot Machine Licensing

Chapter 441

§ 441.23; and

Whereas The Board reserves the right to amend the temporary regulations as it deems necessary in accordance with the purpose of the Act and in order to further the intent of the Act; be it

RESOLVED That the Board adopts the above regulations as its temporary regulations for enforcement actions, monopolization of economic opportunities and control, restrictions on reapplications and slot machine license agreements.

Board Decision: Passed by unanimous vote

**PGCB RESOLUTION NO. 2006-23 REG – Adoption of the Temporary Regulations for Slot Machine Testing, Internal Controls and Commencement of Operations**

Motion Made: Board Member Angeli  
Seconded: Board Member Marshall

Whereas On July 5, 2004, the Pennsylvania General Assembly enacted the Pennsylvania Race Horse Development and Gaming Act, establishing the Pennsylvania Gaming Control Board as the primary regulatory agency charged with the responsibility of implementing and overseeing slot machine gaming in the Commonwealth; and

Whereas The Act authorizes the Board to adopt “temporary” regulations in order to facilitate the prompt implementation of the Act during the two years following the Act’s effective date; and

Whereas The Board has developed temporary regulations for slot machines and associated equipment, accounting and internal controls and commencement of slot operations; and

Whereas The Board’s final temporary regulations are designated as Title 58 Recreation, Part VII Gaming Control Board:

Subpart E. Slot Machine Testing, Certification and Control;  
Chapter 461  
§§ 461.4, 461.7, 461.19 and 461.23  
Chapter 465  
§§ 465.21 – 465.31  
Chapter 467  
§§ 467.1 – 467.2; and

Whereas The Board reserves the right to amend the temporary regulations as it deems necessary in accordance with the purpose of the Act and in order to further the intent of the Act; be it

RESOLVED That the Board adopts the above regulations as its temporary regulations for slot machines and associated equipment, accounting and internal controls and commencement of slot operations.



Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-59 REG – Adoption of Amendments to Statement of Policy**

Motion Made: Board Member Marshall  
Seconded: Board Member Rivers

Resolved, that the Board hereby adopts the amendments to the Statement of Policy on Chapter 461a.2 and directs that the amendments be published in the Pennsylvania Bulletin.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-60 REG – Adoption of Technical Changes to Existing Regulations**

Motion Made: Board Member Coy  
Seconded: Board Member Marshall

Resolved, that the Board hereby adopts the editorial amendments to Chapters 401, 405, 421, 435, 441 and 493 of the temporary regulations and that the amendments be published in the Pennsylvania Bulletin.

Board Decision: Passed by unanimous vote

**Licensing**

**PGCB MOTION NO. 2006-61 LIC – Adoption of the Order to Approve a Manufacturer License for Bally Gaming Inc., and its key employee qualifiers**

Motion Made: Board Member Marshall  
Seconded: Board Member McCabe

Resolved, the Board hereby approves the Order issuing a Manufacturer License to Bally Gaming Inc. and its key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-62 LIC – Adoption of the Order to Approve a Manufacturer License for Spielo Manufacturing ULC, and its key employee qualifiers**

Motion Made: Board Member McCabe

Seconded: Board Member Coy

Resolved, the Board hereby approves the Order issuing a Manufacturer License to Spielo Manufacturing ULC and its key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-63 LIC – Adoption of the Order to Approve a Manufacturer License for GTECH Corp., and its key employee qualifiers**

Motion Made: Board Member Rivers  
Seconded: Board Member Angeli

Resolved, the Board hereby approves the Order issuing a Manufacturer License to GTECH Corp., and its key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-64 LIC – Adoption of the Orders Considering the Remaining Applicants for Manufacturer Licenses**

Motion Made: Board Member Angeli  
Seconded: Board Member Marshall

Resolved, the Board hereby approves the Orders considering the manufacturer applications of Ainsworth Game Technology Ltd., Aruze Corp., Aruze Gaming America, Cadillac Jack Inc., Cyberscan Technologies Inc., DigiDeal Corp., Mikohn Gaming Corp, and North American Gaming Inc. and directs that the applications be returned to staff to provide the applicants further opportunity to establish their suitability and/or the suitability of their key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-65 REG – Division of the State into Two Supplier Regions**

Motion Made: Board Member Coy  
Seconded: Board Member Marshall

Motion to amend the proposed supplier rules to provide that the Board divide the state into two regions for the purposes of licensing suppliers.

Board Decision: Motion fails 5 to 2 on the basis of a qualified majority not being attained. Board Members Coy, Colins, Decker, Marshall and Rivers voted yes. Board Members Angeli and McCabe voted no.

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**PGCB RESOLUTION NO. 2006-9 REG – Adoption of the Temporary Regulations for Suppliers**

Motion Made: Board Member Marshall  
Seconded: Board Member McCabe

Whereas On July 5, 2004, the Pennsylvania General Assembly enacted the Pennsylvania Race Horse Development and Gaming Act, establishing the Pennsylvania Gaming Control Board as the primary regulatory agency charged with the responsibility of implementing and overseeing slot machine gaming in the Commonwealth; and

Whereas The Act authorizes the Board to adopt “temporary” regulations in order to facilitate the prompt implementation of the Act during the two years following the Act’s effective date; and

Whereas The Board has developed draft temporary regulations for supplier licenses; and

Whereas The public has had an opportunity to comment on the draft temporary regulations; and

Whereas The Board’s final temporary regulations are designated as Title 58 Recreation, Part VII Gaming Control Board:

Subpart B. Licensing, Registering, Certifying and Permitting;  
Chapter 431, Supplier Licenses; and

Whereas The Board reserves the right to amend the temporary regulations as it deems necessary in accordance with the purpose of the Act and in order to further the intent of the Act; be it

RESOLVED That the Board adopts the revised draft regulations as its temporary regulations for supplier licenses.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-66 LIC – Adoption of the Order to Approve a Supplier License for Advanced Gaming Associates, and its key employee qualifiers**

Motion Made: Board Member Angeli  
Seconded: Board Member Coy

Resolved, the Board hereby approves the Order issuing a Supplier License to Advanced Gaming Associates, and its key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-67 LIC – Adoption of the Order to Approve a Supplier License for Betson Coin-OP Distribution Co., and its key employee qualifiers**

Motion Made: Board Member Marshall  
Seconded: Board Member McCabe

Resolved, the Board hereby approves the Order issuing a Supplier License to Betson Coin-OP Distribution Co., and its key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-68 LIC – Adoption of the Order to Approve a Supplier License for Currency Counting Consultants, and its key employee qualifiers**

Motion Made: Board Member Coy  
Seconded: Board Member Marshall

Resolved, the Board hereby approves the Order issuing a Supplier License to Currency Counting Consultants, and its key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-69 LIC – Adoption of the Order to Approve a Supplier License for Lucky Sevens Distributing LLC, and its key employee qualifiers**

Motion Made: Board Member Marshall  
Seconded: Board Member McCabe

Resolved, the Board hereby approves the Order issuing a Supplier License to Lucky Sevens Distributing LLC, and its key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-70 LIC – Adoption of the Order to Approve a Supplier License for Modern Gaming Pennsylvania, and its key employee qualifiers**

Motion Made: Board Member McCabe  
Seconded: Board Member Coy

Resolved, the Board hereby approves the Order issuing a Supplier License to Modern Gaming Pennsylvania, and its key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-71 LIC – Adoption of the Order to Approve a Supplier License for PA Gaming Supply Co., Inc., and its key employee qualifiers**

Motion Made: Board Member Rivers  
Seconded: Board Member Marshall

Resolved, the Board hereby approves the Order issuing a Supplier License to PA Gaming Supply Co., Inc., and its key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-72 LIC – Adoption of the Order to Approve a Supplier License for PAP Security Printing, Inc. and its key employee qualifiers**

Motion Made: Board Member McCabe  
Seconded: Board Member Coy

Resolved, the Board hereby approves the Order issuing a Supplier License to PAP Security Printing, Inc, and its key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-73 LIC – Adoption of the Order to Approve a Supplier License for Parkside Gaming LLC and its key employee qualifiers**

Motion Made: Board Member Marshall  
Seconded: Board Member McCabe

Resolved, the Board hereby approves the Order issuing a Supplier License to Parkside Gaming LLC and its key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-74 LIC – Adoption of the Order to Approve a Supplier License for Patriot Gaming & Electronics, Inc. and its key employee qualifiers**

Motion Made: Board Member Coy  
Seconded: Board Member Angeli

Resolved, the Board hereby approves the Order issuing a Supplier License to Patriot Gaming & Electronics, Inc. and its key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-75 LIC – Adoption of the Order to Approve a Supplier License for PENNSLOT, Inc. and its key employee qualifiers**

Motion Made: Board Member Marshall  
Seconded: Board Member McCabe

Resolved, the Board hereby approves the Order issuing a Supplier License to PENNSLOT, Inc. and its key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-76 LIC – Adoption of the Order to Approve a Supplier License for Pennsylvania Coin & Slot LLC and its key employee qualifiers**

Motion Made: Board Member Coy  
Seconded: Board Member Angeli

Resolved, the Board hereby approves the Order issuing a Supplier License to Pennsylvania Coin & Slot LLC and its key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-77 LIC – Adoption of the Order to Approve a Supplier License for TDN Money Systems and its key employee qualifiers**

Motion Made: Board Member Rivers  
Seconded: Board Member McCabe

Resolved, the Board hereby approves the Order issuing a Supplier License to TDN Money Systems and its key employee qualifiers.

Board Decision: Passed by unanimous vote

**PGCB MOTION NO. 2006-78 LIC – Adoption of the Orders Considering the Remaining Applicants for Supplier Licenses**

Motion Made: Board Member Marshall  
Seconded: Board Member McCabe

Resolved, the Board hereby approves the Orders considering the supplier applications of CGR Gaming Associates LP, Gaming Ventures LLC, JSL Distributors Inc., KGM Gaming LLC, Liberty Gaming Distributors LP, New Century Entertainment LLC, Power Gaming LLC, RDA Casino Supply LLC, Revenco Gaming LLC, and Winner Security LLC and directs that the applications be returned to staff to provide the applicants further opportunity to establish their suitability and/or the suitability of their key employee qualifiers.

Board Decision:        Passed by unanimous vote

**Adjournment**

There being no further business before the Board, on a motion by Board Member Rivers seconded by Board Member McCabe, the meeting was adjourned.