



Licensing

Lynn Stelle

Consultant to

Department of Revenue





Licensing

1. Pennsylvania will utilize a system of licenses and permits to qualify the entities and individuals necessary to operate gaming facilities specified within the act.
2. The Board must establish the requirements and processes for the investigation and issuance of licenses and permits for everyone from the facility owners to the facility support personnel.



Licensing Requirements

- Who needs to be licensed?
- What are the licensing requirements?
- What is the licensing timeframe?
- What is the proposed workflow?

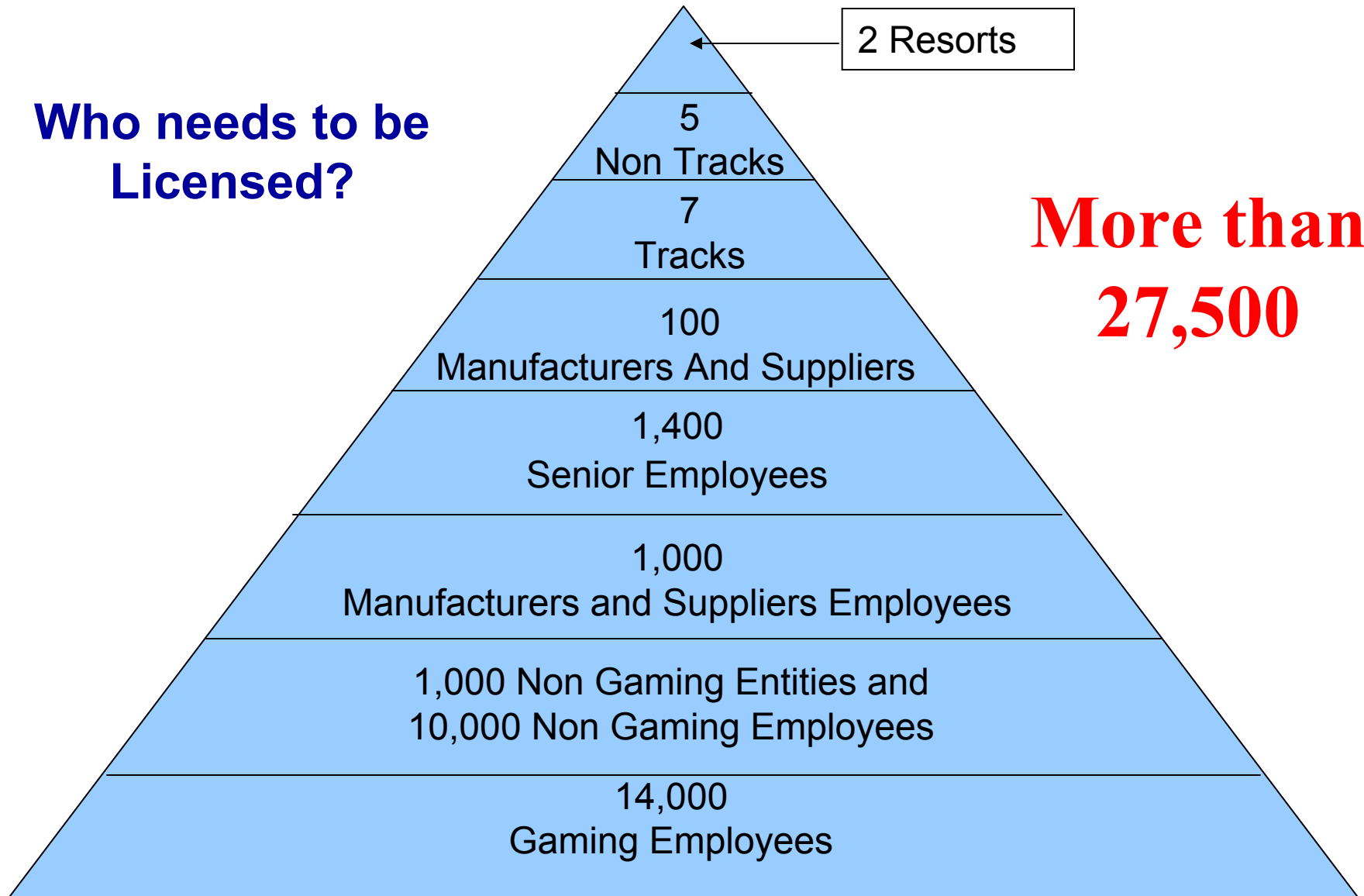


Who needs to be Licensed?





Who needs to be Licensed?



**More than
27,500**

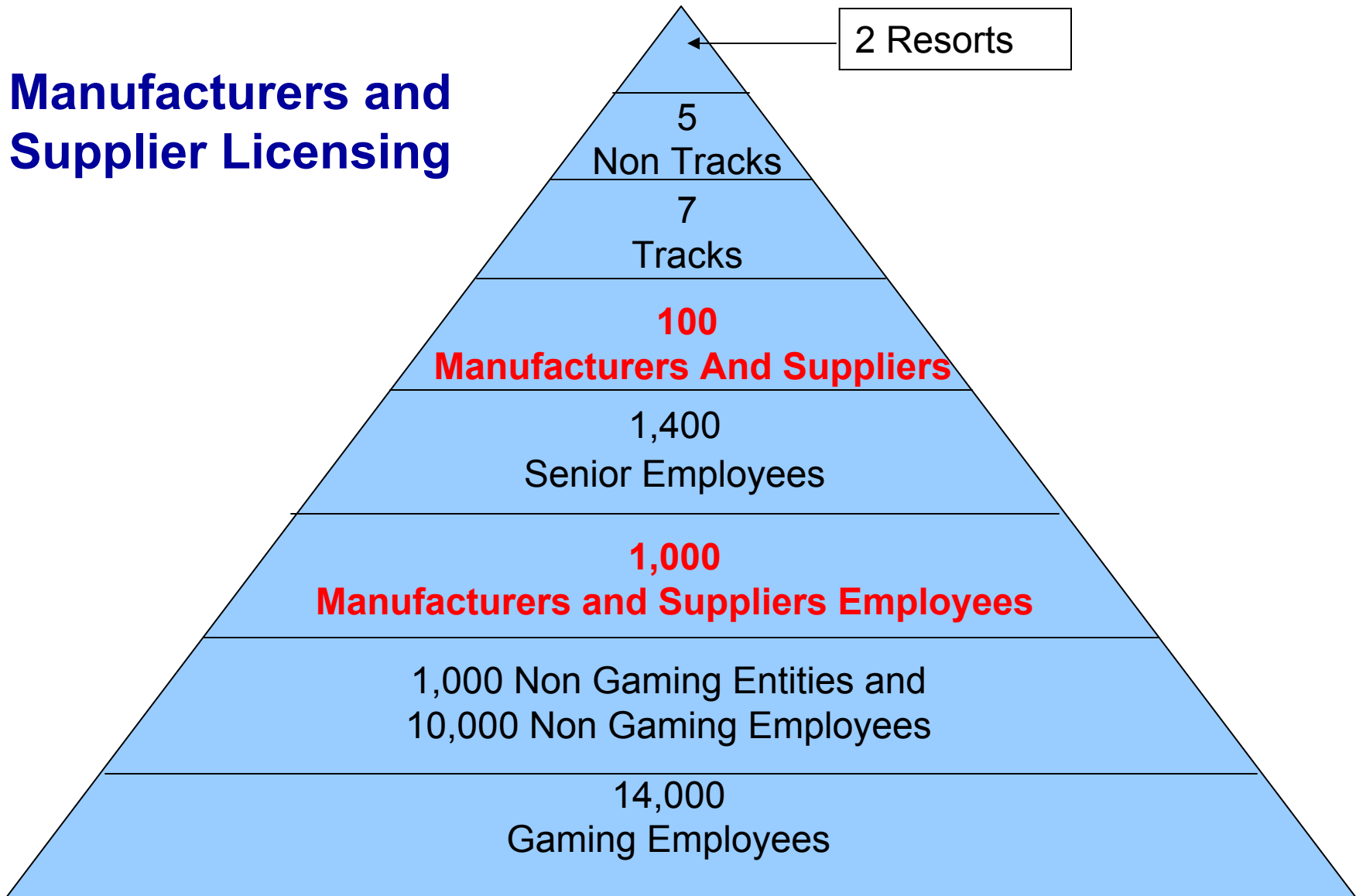


Gaming Facility Licensing





Manufacturers and Supplier Licensing





Non Gaming Entities and Employees





Collectively and Together

- It is mandatory that the Board shall consider, approve, condition or deny the approval of all initial applications for each and every category of slot machine licenses **COLLECTIVELY** and **TOGETHER**, in a comprehensive statewide manner, **WITHIN** 12 months following the time set by the Board for submission of applications.



Collectively and Together

- Manufacturers and Suppliers
 - Gaming Equipment
- Category 1
 - Existing Track Operators
 - New Track Licensees
- Category 2
 - Non Track Venues
- Category 3
 - Resorts
- Non Gaming Entities and Staff



Manufacturer and Supplier Licensing

- Slot machine and associated equipment must be sold to slot machine licensees through suppliers.
- Suppliers must have a principle place of business in Pennsylvania within one year.
- Slot machines licensees must work through suppliers
- Exceptions – Monitoring systems, casino management systems, player tracking systems and wide area progressives.



Order of Initial License Issuance

- Manufacturers/Suppliers as soon as administratively possible and three months prior any other Licenses and as soon as administratively possible.
- Category 1, 2, 3 entities, owners, key staff.
- Other gaming employees
- Non gaming entities and employees



Manufacturer and Supplier Application and License Requirements

- Manufacturers and Category 1, 2, and 3 licensees cannot be Suppliers.
- Supplier must establish business in PA.
- Slot machine licensees must purchase through suppliers.
- Application Requirements:
 - Name and address of applicant,
 - Background investigation,
 - Other jurisdictions,
 - Type of goods or services to be offered, and
 - Other information as determined by the Board.



Licensing Work Flow

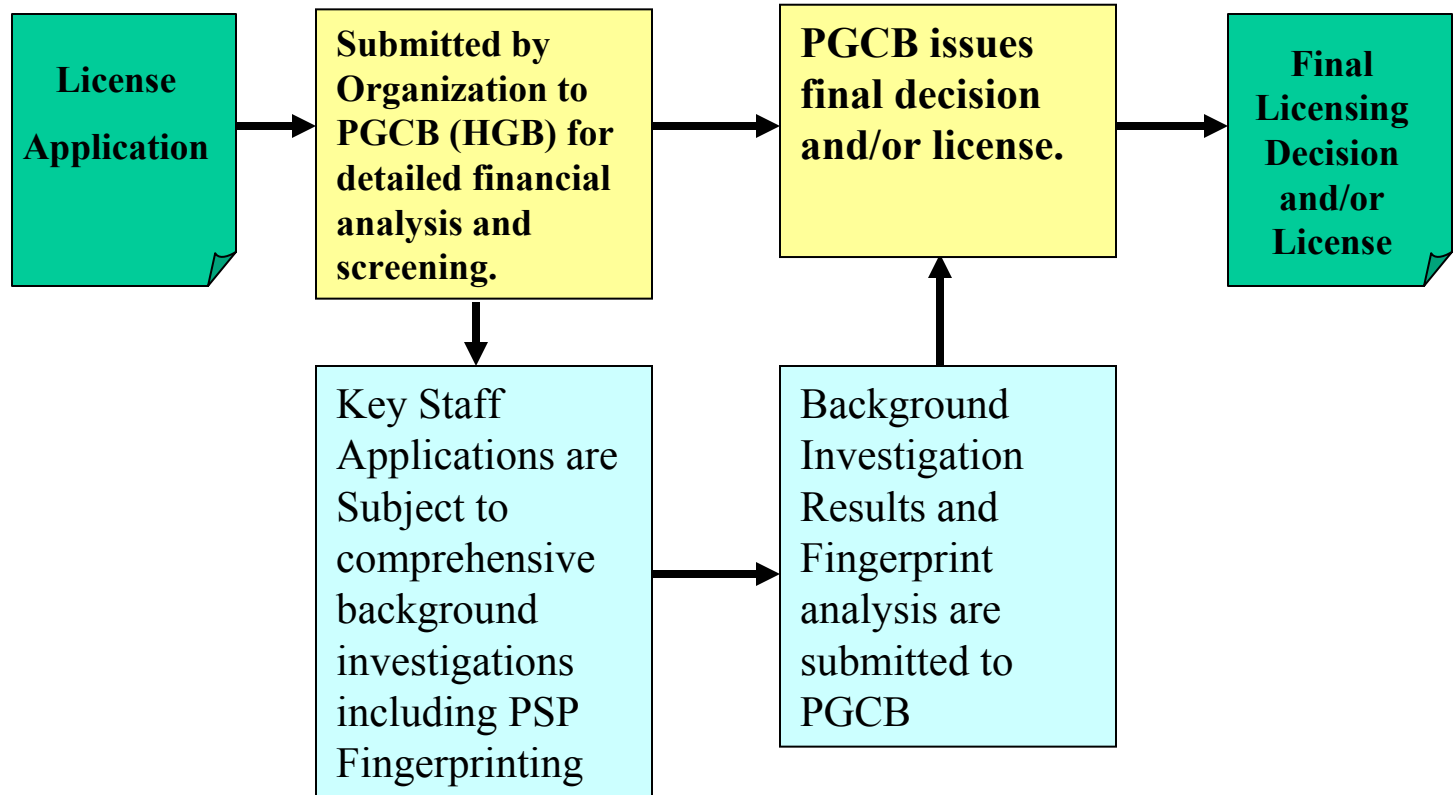
Centralized vs. Distributed

- It is desirable to centralize as much of the licensing process as possible. The fingerprinting process and initially the staff necessary to complete the interview process of the background investigations should be localized.
- As quickly as possible forms and documentation should be reduced to an electronic format.
- PGCB will need to perform electronic screenings on both the financial and criminal qualifications.



Licensing Work Flow

Organizations and Key Staff

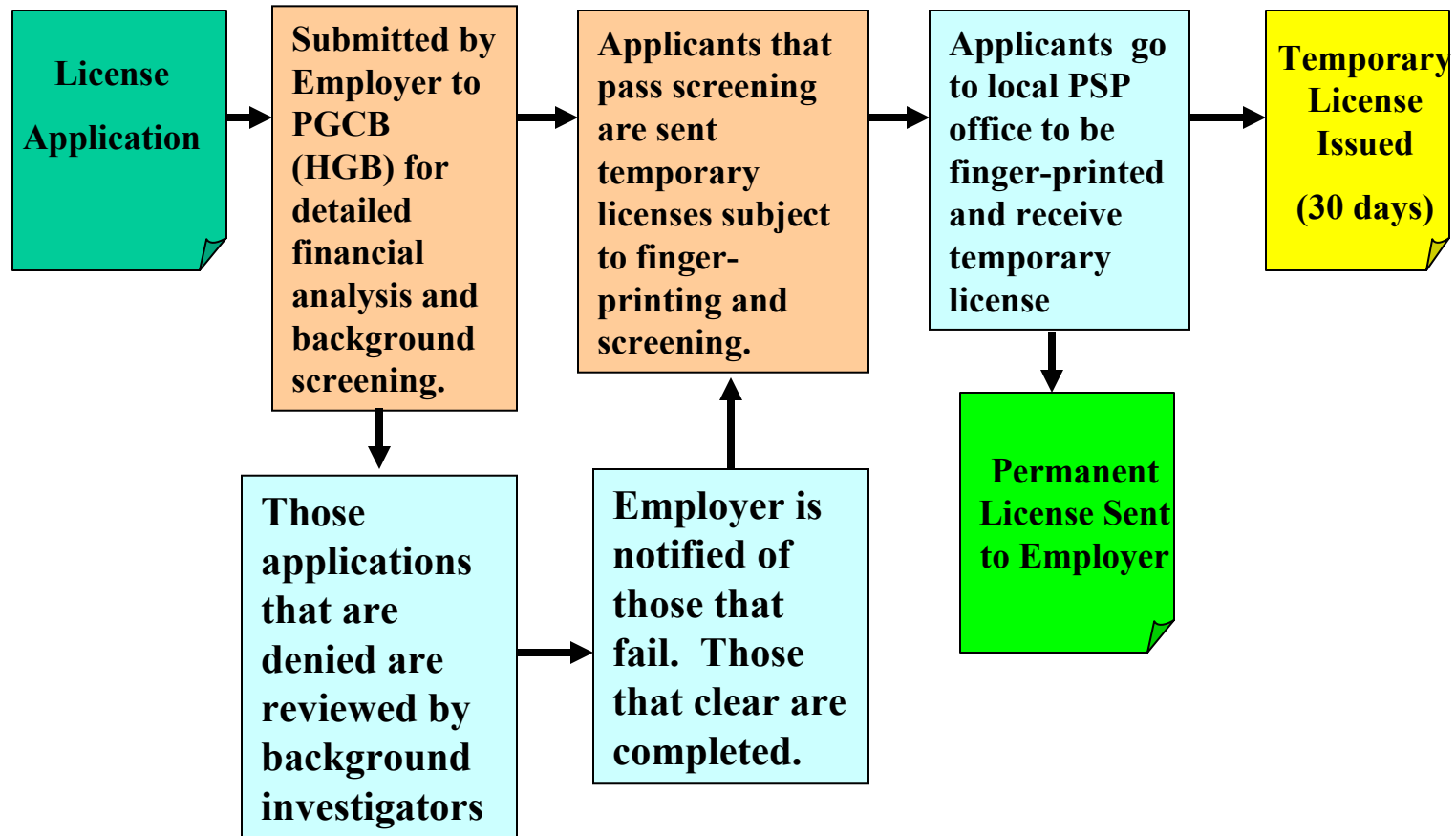


Key Staff will present themselves to local PSP offices for Fingerprinting.



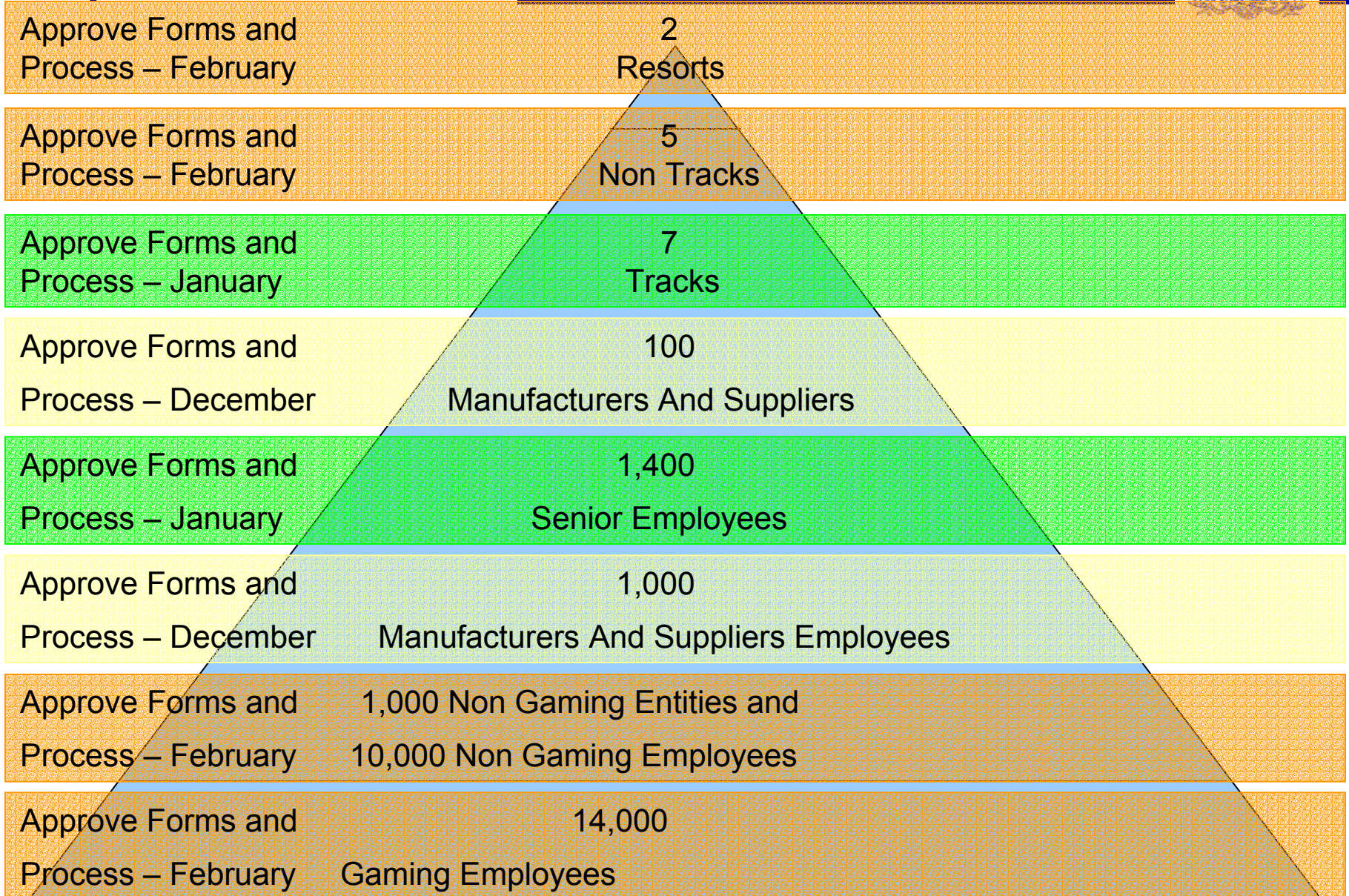
Licensing Work Flow

Non Key Staff and Non Gaming Staff



Proposed Work Flow

Pennsylvania Gaming Control Board





Licensing Fees For Manufacturers and Suppliers

- **Application Fee** (Per the Act)
 - Manufacturer \$50,000
 - Supplier \$25,000
- **Proposed Non Refundable Background Investigation Fee**
 - Key Employees \$5,000 deposit from the licensed entity plus all associated costs incurred during investigation of all key staff and qualifiers.



Proposed Licensing Key Tasks

- Review and approval of manufacturer and supplier forms.
- Review and approval of manufacturer and supplier timetable.
- Authorization of PSP to perform initial backgrounds for manufacturers and suppliers.