

PENNSYLVANIA GAMING CONTROL BOARD

HEARING ROOM 1
NORTH OFFICE BUILDING
HARRISBURG, PENNSYLVANIA

MARCH 15, 2007

BEFORE :

TAD DECKER, CHAIRMAN

RAY S. ANGELI

MARY DIGIACOMO COLINS

JEFFREY COY (via teleconference)

KENNETH McCABE

SANFORD RIVERS

GARY A. SOJKA

KEITH WELKS - EX OFFICIO DESIGNEE

LORRAINE T. HERMAN, RPR
REPORTER - NOTARY PUBLIC

1 CHAIRMAN DECKER: Good morning, everyone. This is
2 still morning. Right?

3 I am Tad Decker, Chairman of the Pennsylvania
4 Gaming Control Board. I would like to welcome the Board and
5 all of you to this public meeting.

6 A quorum of the Board is present, and therefore we
7 will call the meeting to order. Commissioner Jeff Coy is
8 joining us by telephone today, as is our Executive Director,
9 Ann Neeb.

10 Jeff and Anne, are you on the phone?

11 MS. NEEB: Yes, I am.

12 COMMISSIONER COY: Yes, I am.

13 CHAIRMAN DECKER: Can you hear us okay? That's
14 great.

15 MS. NEEB: Yes.

16 COMMISSIONER COY: I can hear you fine.

17 CHAIRMAN DECKER: Joining us today, as the Treasury
18 Department's representative, is Keith Welks. Keith is the
19 acting deputy state treasurer for fiscal operations. Keith,
20 it is good to have you again.

21 Joining us in the audience, as I understand it, are
22 representatives -- excuse me, representatives of Tom Wolf,
23 Secretary Tom Wolf, from the Department of Revenue. Are
24 Stacy Amsler and Angela Mead here? Thank you. Thank you
25 very much for joining us today. We appreciate that very

1 much.

2 As always, let me ask everyone, as I just did, to
3 turn off their Blackberries and cell phones because
4 apparently it interferes with our sound system.

5 To start off the meeting, will you please join me
6 in the pledge of allegiance.

7 (Pledge of allegiance.)

8 CHAIRMAN DECKER: Thank you.

9 Okay. Announcements and, I guess, old business as
10 well.

11 We have two today. First, we held an executive
12 session on Tuesday, March 13th and also this morning, to
13 discuss various personnel issues. No business was conducted
14 at these sessions.

15 Second, as we indicated at our last meeting, the
16 Board will soon open an application period for the two
17 available Category 3 slot operator licenses.

18 However, we have decided that prior to opening the
19 application period, the Board would like to hear from the
20 public, members of the General Assembly -- excuse me,
21 members of the General Assembly and potential applicants and
22 current licensees, as well, in category ones and twos, as to
23 what their perspective is on the category three license.

24 We believe it is important for everyone -- for
25 these groups to have -- to make us aware of the various

1 issues for this class of license and to allow us to gauge
2 possible changes to our regulations to make those licenses
3 more attractive, if it is at all possible, and attract,
4 again, as large a pool of applicants as we can for these
5 licenses.

6 We are going to have a meeting on March 27th at --
7 is it still 10 a.m.? Mary, is that still good for you?

8 COMMISSIONER COLINS: Yes.

9 CHAIRMAN DECKER: March 27th at the State Museum
10 Auditorium, and we invite all of you to join us. Again,
11 that is not on a meeting that was on our schedule of things
12 that we have published before.

13 Okay. Moving on to the transcripts and minutes.
14 May I have a motion from the Board to approve the transcript
15 and minutes of the February 1 meeting?

16 COMMISSIONER ANGELI: Mr. Chairman, I move the
17 Board approve the transcripts and the minutes of the
18 February 1, 2007 meeting.

19 COMMISSIONER RIVERS: Second.

20 CHAIRMAN DECKER: Thank you.

21 Questions or comments?

22 THE BOARD: [NO RESPONSE]

23 CHAIRMAN DECKER: All in favor, say aye.

24 THE BOARD: Aye.

25 CHAIRMAN DECKER: Any opposed?

1 THE BOARD: [NO RESPONSE]

2 COMMISSIONER DECKER: Motion carries. Thank you
3 very much.

4 Onto new business. We will start with our Chief
5 Financial Officer, Eileen McNulty, who will give a report on
6 various matters. Eileen?

7 MS. McNULTY: Thank you, Mr. Chairman.

8 This report is on our February spending from our
9 general fund account. February spending was \$1.6 million,
10 bringing the year-to-date total spending to \$14.6 million.

11 Personnel expense for February was \$1.3 million or
12 83% of February expenditures. Total Personnel expenditures
13 for the year-to-date are \$10.8 million or 74% of
14 year-to-date spending. February operating expenses were
15 \$270,000, bringing the year-to-date total to \$3.8 million;
16 and 80% of the monthly operating expenses were in four
17 categories: Real estate, specialized services, utilities,
18 and travel.

19 The largest monthly operating expense was for real
20 estate. That expense was \$80,000 in February, bringing the
21 year-to-date total to \$267,000. This category accounts for
22 almost 18% percent of year-to-date operating expenses.

23 Specialized services was the second largest
24 operating expense, accounting for \$62,000 in February and
25 \$439 ,000 year-to-date. The majority of this expense in

1 February was the second fiscal quarter billing from the
2 comptroller. Year to date, this category accounted for
3 almost 12% of operating expenses.

4 Utilities were our third largest operational
5 expense for the month, totalling \$47,700. The majority of
6 this expense was the Telecove bill, which is a phone bill.
7 Year-to-date utility costs were \$359,000 or nine and a half
8 percent of spending.

9 Finally, travel was the fourth-largest expense,
10 accounting for \$25,400 in February; year-to-date travel
11 expenses have been \$306,000 or 8.2% of our operating
12 expenses.

13 That completes my report on our February spending.

14 CHAIRMAN DECKER: Thank you, Eileen. Thank you
15 very much.

16 Any questions from the Board? Chairman McCabe.

17 COMMISSIONER McCABE: I have one.

18 CHAIRMAN DECKER: Please.

19 COMMISSIONER McCABE: Eileen, on the real estate
20 expenses, that is for the three offices or could you explain
21 that a little more because it is such an expense for us?
22 Philadelphia, Harrisburg, we have three floors in
23 Harrisburg, Pittsburgh.

24 MS. McNULTY: And the Conshohocken office and it
25 also includes the rental of parking spaces.

1 COMMISSIONER McCABE: Thank you.

2 COMMISSIONER COLINS: I have a question as well.

3 Travel expenses. Are those travel expenses
4 primarily for investigative purposes, travel used to conduct
5 investigations?

6 MS. McNULTY: No. Primarily these are the expenses
7 of our employees going to the venues to get them up and
8 running, operational.

9 COMMISSIONER COLINS: These are the teams that are
10 starting up the casinos?

11 MS. McNULTY: Yes.

12 COMMISSIONER COLINS: Thank you.

13 CHAIRMAN DECKER: Part of that, the next-biggest
14 category, Eileen, wouldn't it be the expense of
15 investigations or are we talking about something else?

16 The travel expenses of the investigators, right,
17 were included here or were they included in the fees?

18 MS. McNULTY: This is the report on the general
19 fund expenditures.

20 CHAIRMAN DECKER: Right.

21 MS. McNULTY: And those are expended out of the
22 gaming fund, out of the moneys that are charged to the
23 applicants to cover those expenses.

24 CHAIRMAN DECKER: Right. Right. Okay. Thank you.
25 Just to clarify.

1 COMMISSIONER RIVERS: Eileen, I think one of the
2 things that would be of interest to the public is we talk
3 about the opening teams who visit the casinos to get them
4 prepared to open. We talk about what the associated
5 expenses are. I know you have them all lumped together.

6 At some future point could you possibly break it
7 down to say that these were the opening expenses, and show
8 them, casino by casino by casino?

9 MS. McNULTY: We are working on putting that report
10 together.

11 COMMISSIONER RIVERS: Fine. Thank you.

12 CHAIRMAN DECKER: Any other questions?

13 THE BOARD: [NO RESPONSE]

14 CHAIRMAN DECKER: Thank you, Eileen. I appreciate
15 it.

16 Okay. Next is Mike Walsh, our Director of
17 Administration.

18 Mike, I think you have two items for us today? Two
19 items today or more than that?

20 MR. WALSH: Yes, Mr. Chairman.

21 CHAIRMAN DECKER: Thank you.

22 MR. WALSH: The first item on behalf of the
23 Executive Director and the Bureau of Directors, the Bureau
24 of Administration presents seven candidates who are
25 recommended for employment with the agency.

1 As required, these candidates have completed a
2 background investigation and drug screening, the results of
3 which have been approved by the Board. I will read the
4 names and positions of those candidates now.

5 In the office of Financial Management, working for
6 the Chief Financial Officer is Stacey Knavel, as a Budget
7 Manager; in the Office of Hearings and Appeals, Kenneth
8 Zielonis, as a Hearings Officer; in the Bureau of Corporate
9 Compliance, Doug Sipe, as a Compliance Examiner; in the
10 Bureau of Gaming Laboratory Operations we have two, Carl
11 Dixson, as the Manager of Gaming Equipment Inspections and
12 Christopher Kalbarczyk as a Gaming Equipment Field
13 Inspector.

14 In the Bureau of Investigations and Enforcement, at
15 the Erie casino, Penny Guild, as a Casino Enforcement Agent;
16 and in the Bureau of Licensing, Ami Black as Administrative
17 Assistant.

18 Mr. Chairman, I would appreciate a motion by the
19 Board to hire these candidates.

20 MR. RIVERS: Mr. Chairman, based on the
21 recommendation of the Director of Administration, I move
22 that we hire the aforementioned individuals in their
23 respective fashions.

24 COMMISSIONER SOJKA: Second.

25 CHAIRMAN DECKER: Any questions?

1 THE BOARD: [NO RESPONSE]

2 CHAIRMAN DECKER: I have one.

3 The individuals that are retained for surveillance,
4 which casino are they going to go in, Michael?

5 MR. WALSH: A casino -- Penny Guild as A Casino
6 Enforcement Agent in Erie, at Presque Isle.

7 CHAIRMAN DECKER: In Erie. Okay. Great. Just for
8 informational purposes.

9 Any other questions?

10 THE BOARD: [NO RESPONSE]

11 CHAIRMAN DECKER: Thank you. Next item?

12 MR. WALSH: Sure. Thank you, Mr. Chairman.

13 The second item is the presentation --

14 CHAIRMAN DECKER: I'm sorry. We need to vote. I
15 apologize. Thank you.

16 Any more questions?

17 THE BOARD: [NO RESPONSE]

18 CHAIRMAN DECKER: Hearing none, all of those in
19 favor?

20 THE BOARD: Aye.

21 CHAIRMAN DECKER: Any opposed?

22 THE BOARD: [NO RESPONSE]

23 CHAIRMAN DECKER: Motion carries. Thank you, Ken
24 and Sandy.

25 MR. WALSH: Thank you, Mr. Chairman.

1 The second item today is the presentation of the
2 recently-completed classification plan for the agency. I
3 am happy to be joined by our Director of Human Resources,
4 Wendy Chan, and our Deputy Chief Counsel for Administration,
5 Mozelle Daniels.

6 Mr. Chairman and members of the Board, Section
7 1201(a) of 71 states the following: "In order to ensure the
8 ability of the Board to recruit and retain individuals
9 necessary to execute its responsibilities under this part,
10 the Board shall set the classification and compensation of
11 its employees, and shall not be subject to the provisions of
12 the act of April 9th, 1929, known as the Administrative Code
13 of 1929."

14 The amended Gaming Law and the Senate Bill 862
15 amendments to Act 71 further require that we post this
16 classification plan on our website and publish it in the
17 Pennsylvania Bulletin.

18 To accomplish this required task, our human
19 resources staff and legal counsel drafted these aspects
20 after benchmarking positions against other agencies and
21 gaming entities and after meeting with staff from throughout
22 our agency to help develop a meaningful product.

23 The Gaming Control Board classification plan that
24 is presented for your consideration today is truly a
25 collaborative effort and the result of many months of work.

1 This plan has been circulated over the past months with
2 members of the legislature and other outside entities as
3 they have requested it.

4 Over the past two years, this agency has moved from
5 a concept on paper with a draft organizational chart and
6 some general position descriptions to a fully-functioning
7 agency consisting of more than 200 employees requiring the
8 66 unique classifications that now exist.

9 As we have grown, so too has our understanding of
10 the education and expertise required for these very
11 positions. The minimum requirements for many of the
12 positions have been strengthened over time. This is clearly
13 present in the work force now employed.

14 So many of these classifications evolved through
15 four or five stages during this growth period, and the
16 development is reflected in the classification specs that
17 are before the Board today.

18 Wendy Chan will now provide an overview of these
19 class specifications

20 MS. CHAN: Good morning, Mr. Chairman, members of
21 the Board. The Pennsylvania Gaming Control Board consists
22 of 216 employees and 66 unique classifications.

23 CHAIRMAN DECKER: Is that on?

24 MR. WALSH: Yeah.

25 CHAIRMAN DECKER: Okay.

1 MS. CHAN: Because of the number of different
2 positions in the Pennsylvania Gaming Control Board --

3 CHAIRMAN DECKER: Wendy, could you go to that --
4 there are some important numbers there. Why don't you just
5 cover it again.

6 MS. CHAN: The Pennsylvania Gaming Control Board
7 currently has 216 employees and 66 unique classifications.
8 Because of the number of different positions in the
9 Pennsylvania Gaming Control Board, it is necessary to
10 standardize job titles and descriptions.

11 The classification of a position is based upon an
12 evaluation of the type and level of assigned duties and
13 responsibilities in relation to the overall classification
14 specifications. The Office of Human Resources has worked
15 extensively with managers throughout the agency to draft
16 these specifications.

17 This classification system is organized by group or
18 class of employees and by bureau. A class is a group of
19 positions with sufficiently-similar duties and
20 responsibilities that can be described by similar titles and
21 can be treated alike with respect to recruitment, selection,
22 compensation and other personnel purposes.

23 Each class has a classification specification which
24 consists of a class summary, examples of work, minimum
25 experience and training, and other special requirements such

1 as admission to the Pennsylvania Bar for our attorneys.

2 These specifications for each classification were
3 developed by examining all of the duties performed by all
4 employees in that classification, and taking into
5 consideration the change in duties, as this agency grows
6 into a maintenance level. We have also determined the skill
7 sets necessary to complete the work for each class.

8 This classification plan will be updated as
9 necessary to accurately reflect the work being performed in
10 this agency.

11 Thank you.

12 MR. WALSH: Thank you, Mr. Chairman and members of
13 the Board. We would be happy to answer any questions you
14 might have.

15 CHAIRMAN DECKER: The Board has reviewed these
16 classifications. I'm sure we have a few questions. Any
17 questions? No?

18 COMMISSIONER COLINS: Yes.

19 CHAIRMAN DECKER: Please. I have a couple.

20 COMMISSIONER COLINS: I have a question.

21 Regarding these classifications, is this basically
22 a codification of the jobs that have existed since we
23 essentially have been a formed agency or are these new
24 descriptions?

25 Give us some idea of what the process that was

1 involved to get to this.

2 MR. WALSH: I will just give a quick overview and
3 then Wendy can maybe give more detail.

4 I guess since I came on, shortly after the Board
5 was constituted in December of 2004 and I came on in
6 February of 2005, really, since that day, position
7 descriptions were developed, and they were in early form
8 then, obviously.

9 Many of those position descriptions existed two
10 years ago, many of what you see today existed two years ago.
11 Some positions -- maybe Director of Compulsive Gaming
12 Enforcement -- Gambling Enforcement were developed a little
13 later on as we looked at the organization as a whole, as we
14 strengthened bureaus with more positions, certainly new
15 positions were added over the course of the two years.

16 What you see today, in some cases, is the fourth
17 and fifth generation. It is a strengthening of those early
18 positions that existed about two years ago.

19 COMMISSIONER COLINS: Well, if I could lead you a
20 bit.

21 If there was one document that you could point to
22 that was the crux of these position descriptions, that gave
23 the basis for it, what would be it?

24 MS. DANIELS: I can answer that question.

25 Good morning, Commissioner. We use the --

1 CHAIRMAN DECKER: Will you introduce yourself for
2 the record?

3 MS. DANIELS: Good morning. My name is Mozelle
4 Daniels, and I work with the folks from human resources and
5 administration and we use our Act. We use the terminology.
6 We use the language. We looked at what the employees were
7 doing, each and every bureau, and we made a determination
8 that the only way we could best describe what happens here
9 at our agency is to look at what is required under the Act.

10 So what we did was we went through each and every
11 position. We looked through what was required; and we put
12 together the specs. Then, after we did this, we gave the
13 materials to the individuals whose descriptions were
14 involved in this, and we asked them to go over this, and we
15 would discuss them individually. This took us quite a bit
16 of time.

17 Like I said, we had this material for -- like Mike
18 indicated -- since 2004. What we have done over the past
19 couple months is we have refined what we started out with.

20 What we have is what is required under this Act.
21 Under Act 71, we have a description of every single
22 requirement of the employees here at the Board.

23 CHAIRMAN DECKER: So when we hired somebody in the
24 end of 2005, there actually was a job classification for
25 them then. Right?

1 MS. DANIELS: Right.

2 CHAIRMAN DECKER: And there was a salary level. Lo
3 and behold, there was a salary level. Correct?

4 MS. DANIELS: Yes, there was.

5 CHAIRMAN DECKER: Oh, okay. Good.

6 MR. RIVERS: Talk about the benchmarking that went
7 on during this process. Who were -- what were some of the
8 areas that we benchmarked with?

9 MS. CHAN: Well, we looked at other state agencies.
10 We looked at other regulatory agencies like ourselves. We
11 also looked at other gaming jurisdictions.

12 For example, we looked at the classification
13 specifications for the Gaming Operations Inspectors in the
14 New York State Racing and Wagering Board. We have also
15 looked at regulation officers in the Michigan Gaming Control
16 Board. We have looked at attorneys' classifications in the
17 Pennsylvania Attorney General's Office. We have also looked
18 at other general administrative-type of positions commonly
19 used in other Pennsylvania state agencies.

20 MR. RIVERS: And in a comparison of those agencies,
21 in comparing them to where we are, are we basically in line
22 in terms of depth and scope of jobs, as well as salaries?

23 MS. CHAN: Absolutely.

24 MS. DANIELS: Yes, we are.

25 COMMISSIONER SOJKA: Related to that you

1 mentioned --

2 CHAIRMAN DECKER: Is your mike on?

3 COMMISSIONER SOJKA: There it is. Green light.
4 Okay.

5 Related to Commissioner Rivers' point, it was
6 mentioned at various stages of development, these documents
7 were circulated and passed around to other agencies. Did we
8 receive any meaningful or useful feedback as a result of
9 that distribution?

10 MS. DANIELS: Yes, I would say that we received
11 quite a bit of meaningful feedback, but the bottom line, at
12 the end of the day, we could tell that we were doing the
13 right thing, based on the fact that we put these documents
14 together using the Act and looking at what our employees
15 here do on a day-to-day basis.

16 So we would talk to folks when they had questions
17 about job descriptions and what it is that the work
18 descriptions entailed. The bottom line, at the end of the
19 day, it is what we see going on and what is required under
20 the Act of our employees.

21 COMMISSIONER SOJKA: Thank you.

22 MR. WALSH: I think early on, too, we made a
23 decision, being a new state agency, sort of in this
24 independent status, that we would take the best of what we
25 felt existed in other state agencies, other gaming

1 jurisdictions, and add our own flavor where we could to many
2 other positions. I think we have benefited from that, quite
3 frankly, because, you know, we didn't just cut and paste
4 exactly what we saw in other places. We tailored, most of
5 the positions, uniquely to the Gaming Control Board and the
6 environment that we exist as a new regulatory body
7 overseeing a new industry, and it certainly creates a unique
8 situation.

9 MS. DANIELS: And if I may, I would like to say, we
10 really couldn't cut and paste because we are so unique in
11 terms of what it is we had to do, and given the time frame
12 that was expected of many of our employees, and given just
13 the variety of duties that are involved, and the teamwork
14 involved.

15 So I would say, at any given time, for instance,
16 when we look at something from licensing, from our Bureau
17 Directors, and we put something together and we give it --
18 we would have it there, and then a whole slew of other
19 responsibilities would crop up, and we would have to take
20 that into consideration or from the Bureau of Corporate
21 Compliance or from the Bureau of Investigations and
22 Enforcement.

23 So it just constantly was an ongoing process to the
24 point -- that is why I said I use the word refined because I
25 believe what we started out with was really a good product,

1 and the fact that we used our Act to put this together and
2 to watch our employees just work diligently to make it such
3 that we would be able to say this is what we do, plus we do
4 this, and plus we do that; and then we look at all of these
5 other jurisdictions and we say, not only do we do all of
6 those things, but we have a host of other things we have to
7 do in order to make this work, given the deadlines that we
8 were under.

9 CHAIRMAN DECKER: Commissioner McCabe.

10 COMMISSIONER McCABE: Most of my points have been
11 covered by the other Commissioners, but I wanted to
12 emphasize that much adieu has been made about our pay range,
13 our scale.

14 Isn't it a fact that we are in line, our pay ranges
15 and pay scales is in line with the rest of the legislature
16 and people over here?

17 MS. CHAN: Yes, we are. When I looked at the
18 classifications used in other gaming jurisdictions and also
19 similar state agencies in Pennsylvania, our -- I've also
20 compared our compensation levels along with similar
21 positions used elsewhere, and they are right on point. They
22 are very close.

23 MR. WALSH: If I can add --

24 CHAIRMAN DECKER: Are we obligated under the
25 statute to have the same pay ranges? Wasn't there a

1 rationale for not having, necessarily, the same pay ranges
2 as the rest of the state? In other words, I think they
3 wanted us to hire people.

4 The last time I looked, it is pretty hard to get
5 gaming people to leave New Jersey, Michigan and other
6 places, unless they get a bump in salary.

7 MS. DANIELS: Yes, that is true. One of the
8 things --

9 CHAIRMAN DECKER: I think we had 10, 12, 14 at one
10 point in time. I think we have lost a couple to private
11 industries because of higher salaries, and we expect that
12 will continue over a period of time.

13 MS. DANIELS: Yes.

14 CHAIRMAN DECKER: It has happened. I think we have
15 had about 12 or 14 or 15.

16 MS. DANIELS: That's correct.

17 MR. WALSH: The other difference, I think, between
18 our compensation plan, which is not required to be exactly
19 as you said, what other state agencies have, our
20 compensation plan is based on performance. It is based on
21 the employee's performance. Obviously under state agency --

22 CHAIRMAN DECKER: Excuse me. You are talking about
23 salary increases. Correct?

24 MR. WALSH: Compensation and salaries.

25 CHAIRMAN DECKER: It is a performance-based system.

1 I mean, it is not true in the rest of the state.

2 MR. WALSH: In state agencies, they have a union
3 agreement that by and large controls most of the salaries;
4 that agreement that was just passed sets the salary
5 structure for the next four years.

6 For example, if you are an employee in the state,
7 you will get, I believe it is, a \$1250 cash bonus this July,
8 then you are going to get essentially a 20 percent pay
9 increase over the next four years.

10 CHAIRMAN DECKER: If you recall, Mike, what was our
11 pay -- the increase in total compensation last July? Do you
12 remember that?

13 MR. WALSH: It was -- it varied with your time at
14 the agency.

15 CHAIRMAN DECKER: Right.

16 MR. WALSH: So if you had been there, you know, a
17 year and a half or more, you would have had -- I think it
18 was four or five percent down to --

19 CHAIRMAN DECKER: What was the base rate, if you
20 had been there one year? The average?

21 MS. CHAN: Three percent.

22 CHAIRMAN DECKER: It was actually a little less
23 than that, I think, in reality.

24 MR. WALSH: Right. That would be the base, yeah.

25 CHAIRMAN DECKER: Okay.

1 MR. WALSH: So obviously with the other state
2 agencies, we are -- you know, we are not guaranteeing our
3 employees that you are going to get 20% over the next four
4 years or that cash pay-out. We are going to base it on
5 performance each July.

6 MR. RIVERS: Mr. Chairman, speaking of that 3% that
7 we raised salaries back in this past July. I think it was
8 the personnel committee, along with human resources that we
9 talked about how we were going to compensate the employees
10 who had been with the organization for more than a year,
11 because the first year no one received a pay raise.

12 So the second year we decided we would give them a
13 pay raise based on longevity. Once we got beyond that, we
14 were now looking at a performance-based compensation system.

15 CHAIRMAN DECKER: It was performance-based even
16 then.

17 MR. RIVERS: Well, it was more longevity-based than
18 performance-based.

19 MR. WALSH: Right.

20 MR. RIVERS: Now that we are in a more stabilized
21 situation, it is all performance-based. I just wanted to
22 make a clarification on that.

23 COMMISSIONER McCABE: Just in that first year,
24 though, anybody that was with us that first year worked
25 their butts off to get us where we were. So everybody

1 performed.

2 Just to emphasize one more point, this is all going
3 to be posted on our website, the classifications, the salary
4 range, so it's open to the public. Everybody can see this.

5 MS. DANIELS: That's correct.

6 MR. WALSH: Right.

7 MS. CHAN: That's correct. And it will also be
8 published in the PA Bulletin by the end of the month.

9 CHAIRMAN DECKER: What other questions do we have?

10 THE BOARD: [NO RESPONSE]

11 CHAIRMAN DECKER: But there was a rhyme or reason
12 to our hiring even before you finalized it. You did a
13 restatement, if you will.

14 MS. DANIELS: Yes.

15 MR. WALSH: Yes.

16 CHAIRMAN DECKER: How often should we do
17 restatements of these job classifications? How often -- I
18 mean, you two have the experience, and when should we look
19 at this again?

20 I mean, since we have taken on in the last couple
21 months maybe two or three new categories, surveillance at
22 the casinos being one --

23 MR. WALSH: Right.

24 CHAIRMAN DECKER: -- I don't know that we have any
25 new categories. Maybe Susan has something she might want to

1 throw in. But assuming we don't have any new categories,
2 how often should we revisit this?

3 MS. DANIELS: I would like to believe that
4 quarterly to semi-annually review our work because that is
5 how we are working with training. We make sure that
6 everything is reviewed every three to six months so that we
7 make sure that we are in compliance with the law.

8 CHAIRMAN DECKER: Okay.

9 MS. CHAN: Or as needs arise.

10 MS. DANIELS: Right.

11 MS. CHAN: Considering the needs of an agency.

12 CHAIRMAN DECKER: A new job or something. A new
13 person or whatever.

14 MS. CHAN: We are evolving and growing.

15 CHAIRMAN DECKER: Right.

16 If we change the scope of the job, obviously, you
17 would take another look at that. Right?

18 MS. DANIELS: Yes.

19 MS. CHAN: Right.

20 CHAIRMAN DECKER: Any other questions from the
21 Board?

22 THE BOARD: [NO RESPONSE]

23 CHAIRMAN DECKER: If there aren't any, then I have
24 a motion to approve the employee classification
25 specifications as presented and discussed and as contained

1 in your Board package today.

2 COMMISSIONER COLINS: Mr. Chairman, I move that the
3 Board approve the classification system that's been
4 presented today, and as mandated by the amended Gaming Law
5 that these classification specifications be posted on the
6 Board's website and also published in the Pennsylvania
7 Bulletin.

8 CHAIRMAN DECKER: Thank you. Second?

9 MR. RIVERS: Second.

10 CHAIRMAN DECKER: Thank you, Sandy.

11 Anymore questions?

12 THE BOARD: [NO RESPONSE]

13 CHAIRMAN DECKER: All those in favor?

14 THE BOARD: Aye.

15 CHAIRMAN DECKER: Any opposed?

16 THE BOARD: [NO RESPONSE]

17 CHAIRMAN DECKER: Motion carries.

18 You will take care of getting this distributed
19 around, et cetera?

20 MS. DANIELS: Yes.

21 MS. CHAN: Yes.

22 MR. WALSH: Yes.

23 CHAIRMAN DECKER: Thank you very much. Appreciate
24 all of the hard work. We know Mozelle, Wendy and Mike,
25 thanks.

1 Next up is our Chief Counsel, Frank Donaghue.

2 MR. DONAGHUE: Good morning, Mr. Chairman and
3 members of the Board.

4 This morning we have -- Office of Chief Counsel
5 just has two items that we would like to bring to the
6 Board's attention. First, Richard Sandusky, the Director
7 of Regulatory Review is going to be going over --

8 CHAIRMAN DECKER: Welcome, Richard. Thank you for
9 coming.

10 MR. SANDUSKY: Good morning.

11 MR. DONAGHUE: Why don't you just go right in.

12 MR. SANDUSKY: Okay. We just have two items for
13 the Board's consideration pertaining to regulations.

14 The first item is a set of temporary regulations
15 that will amend substantially Chapters 421, 423, 427 and
16 431.

17 These revised temporary regulations will be
18 identical to the proposed rule-making for those chapters
19 that the Board adopted at the last public meeting.

20 The reason why we are asking for these temporary
21 amendments are to allow the Bureau of Licensing to implement
22 these changes immediately and because a number of these
23 revisions are driven by amendments that were made to the Act
24 by Act 135.

25 I would be happy to answer any questions the Board

1 members might have.

2 CHAIRMAN DECKER: Are there any questions -- well,
3 let's maybe get -- do you want us to -- what do you want us
4 to -- are you asking us to approve something today or just
5 in general questions? Why don't we hold our questions about
6 the topics.

7 MR. SANDUSKY: No, this would just be an adoption
8 of the motion to adopt these temporary amendments.

9 CHAIRMAN DECKER: Okay.

10 COMMISSIONER COY: Mr. Chairman, I move that the
11 Board adopt the amendments to the Chapters 421, 423, 427 and
12 431 temporary regs; and that they be published in the
13 Pennsylvania Bulletin and posted on the Board's website.

14 CHAIRMAN DECKER: Thank you, Commissioner Coy.
15 Could I have a second?

16 COMMISSIONER ANGELI: Second.

17 CHAIRMAN DECKER: Thank you. Thank you.

18 Now, any questions on those chapters?

19 THE BOARD: [NO RESPONSE]

20 CHAIRMAN DECKER: Okay. Hearing none, all of those
21 in favor?

22 THE BOARD: Aye.

23 CHAIRMAN DECKER: Any opposed?

24 THE BOARD: [NO RESPONSE]

25 CHAIRMAN DECKER: The motion carries.

1 Back to you, Richard.

2 MR. SANDUSKY: The second item we have is a very
3 small amendment to Chapter 465, which will address the
4 filing time period for audited financial statements. We are
5 requesting that the regulations be amended to read 60 days.

6 CHAIRMAN DECKER: May I have a motion to that
7 effect, please?

8 COMMISSIONER SOJKA: Mr. Chairman, I move that the
9 Board adopt the amendment to Chapter 465, temporary
10 regulations, and that it be published in the Pennsylvania
11 Bulletin and be posted on the Board's website.

12 CHAIRMAN DECKER: Thank you.

13 COMMISSIONER McCABE: Second.

14 CHAIRMAN DECKER: Thank you. Any questions for
15 Richard or Frank?

16 THE BOARD: [NO RESPONSE]

17 CHAIRMAN DECKER: Hearing none, all of those in
18 favor, indicate by saying aye.

19 THE BOARD: Aye.

20 CHAIRMAN DECKER: Any opposed?

21 THE BOARD: [NO RESPONSE]

22 CHAIRMAN DECKER: The motion carries.

23 Richard?

24 MR. SANDUSKY: Thank you. That is all we have for
25 regulations.

1 CHAIRMAN DECKER: Okay. Thank you.

2 MR. DONAGHUE: Mr. Chairman, I will now turn to
3 withdrawal petitions. The Board has received 12 petitions
4 for withdrawal of key employee qualifiers and permittees
5 without prejudice, which have been previously presented to
6 the Board for its consideration.

7 With regard to these requests, they were reviewed
8 by the Office of Enforcement Counsel, and the Chief
9 Enforcement Counsel has no objection to the withdrawal, as
10 there is no information constituting good cause to deny,
11 condition or prejudice the withdrawal of the application,
12 and all required fees have been paid to date. These would
13 all be granted, again, without prejudice.

14 Chief Counsel's Office concurs in this review and
15 submits the following for a motion by the Board to grant the
16 withdrawal petitions without prejudice to the following:
17 Petitions withdrawal at Docket Nos. 4091, 103 -- I'm sorry,
18 1030, 1450, 1451, 2759, 1971, 1978, 1411, 1350-02-07-P26,
19 1350-02-07-P35, 3691 and, finally, 5822.

20 We would like to put that up for a motion.

21 CHAIRMAN DECKER: Thank you.

22 COMMISSIONER COY: Mr. Chairman --

23 CHAIRMAN DECKER: May I have a motion from the
24 Board to approve the proposed amendments to Chapter 46 --
25 excuse me. I apologize.

1 May I have a motion from the Board to grant the
2 withdrawal, I apologize, of the petitions?

3 COMMISSIONER COY: Yes, Mr. Chairman.

4 CHAIRMAN DECKER: Okay.

5 COMMISSIONER COY: I move that the Board grant the
6 withdrawal petitions without prejudice for the Docket Nos.
7 read by Chief Counsel.

8 MR. RIVERS: Second.

9 CHAIRMAN DECKER: Thank you. Any questions?

10 THE BOARD: [NO RESPONSE]

11 CHAIRMAN DECKER: All of those in favor, say aye.

12 THE BOARD: Aye.

13 CHAIRMAN DECKER: Any opposed?

14 THE BOARD: [NO RESPONSE]

15 CHAIRMAN DECKER: Motion carries.

16 MR. DONAGHUE: Thank you. That is all we have
17 today.

18 CHAIRMAN DECKER: Thank you, Richard, for all of
19 your hard work.

20 I think next up is Susan Hensel, our director of
21 our Bureau of Licensing, and Dale Miller who is our Acting
22 Chief Counsel of our Bureau of Investigation.

23 MR. MILLER: A dual presentation.

24 CHAIRMAN DECKER: Okay. Fine.

25 MS. HENSEL: Thank you, Chairman Decker and members

1 of the Board.

2 I have several items to present to you this
3 morning. Dale Miller, Chief Enforcement Counsel, is here to
4 assist in the presentation of some of these matters.

5 The first item is a proposed change to our
6 non-gaming registration process. The proposal would allow
7 for the issuance of temporary credentials to non-gaming
8 workers.

9 As we heard at the last Board meeting, some
10 industry representatives believe that a temporary
11 registration process is critical to their ability to staff
12 their facilities.

13 We have listened to that concern, and the Bureau of
14 Licensing, together with the Office of Chief Enforcement
15 Counsel and the Bureau of Investigations and Enforcement
16 have developed a process over the last few weeks to
17 implement a non-gaming temporary registration system.

18 I want to be clear that what we are proposing does
19 not change the background investigation that the non-gaming
20 employee or non-gaming applicant must undergo. Instead, it
21 allows the applicant to work during the one to two weeks it
22 takes to complete the background investigation.

23 The proposed temporary registration process is in
24 addition to some already-planned changes concerning
25 non-gaming employees. One of these changes is the

1 streamlining of the non-gaming Slots Link application to
2 make it more user friendly.

3 Another change is modification of the definition of
4 non-gaming employee, to ensure that those individuals who
5 have access to the gaming floor or restricted areas or who
6 interact with gaming patrons are properly credentialed.

7 The new definition specifically includes food and
8 beverage workers who work in restaurants that are adjacent
9 to the gaming floor and valet parkers.

10 The new definition does not include dishwashers and
11 cooks in restaurants adjacent to the gaming floor, provided
12 their work is confined to the kitchen, and access to the
13 employee workplace does not require entry to a restricted or
14 gaming floor area.

15 The proposed definition clarifies who must receive
16 a credential from the PGCB. As with our current definition,
17 the Board has discretion to require an employee be
18 classified as a non-gaming employee, based on a review of
19 that employee's job description as provided by the facility.

20 Under the proposed process, employees who fit the
21 definition of non-gaming employees will be eligible to
22 receive temporary credentials, authorizing them to work,
23 providing the following steps are complete:

24 First, the applicant completes a Slots Link
25 non-gaming application; second, the facility submits the

1 application to the PGCB.

2 These first two steps are not a change from our
3 current process. What would change is that, unlike our
4 current process, the facility would no longer have to have
5 extended a job offer to the non-gaming applicant in order to
6 submit the application. Instead, the submission of a
7 non-gaming employee application by a facility would be
8 considered a sponsorship of the employee by the facility.

9 The facility --

10 CHAIRMAN DECKER: Can I interrupt you one second?

11 MS. HENSEL: Yes.

12 CHAIRMAN DECKER: But the application form has been
13 made more user friendly as well, hasn't it?

14 MS. HENSEL: Yes. We are in the process of
15 changing that. We have simplified the application.

16 CHAIRMAN DECKER: That is what I meant. Okay. I
17 just wanted to note that for the record.

18 MS. HENSEL: Yes, those changes are not yet
19 available to facilities.

20 CHAIRMAN DECKER: Okay.

21 MS. HENSEL: We are working on them in Slots Link,
22 but they should be available soon.

23 Under the proposed process, the facility would be
24 permitted to submit an application for an applicant for
25 registration, provided the facility has screened the

1 applicant and determined they are employable.

2 The applicant would then be photographed and
3 fingerprinted by the Pennsylvania State Police, and as part
4 of the fingerprinting process, the Pennsylvania State Police
5 would conduct an outstanding warrant search on the
6 applicant.

7 Once these steps are complete, the facility would
8 advise the applicant that he or she will be contacted when a
9 temporary credential is available for pickup.

10 Each business day, the Bureau of Licensing would
11 then review the submitted applications and confirm that the
12 fingerprints and photographs have been taken.

13 The Bureau of Licensing would next work with the
14 facility to identify those non-gaming applicants who have
15 been or will be hired by the facility and are in need of a
16 temporary credential.

17 The Bureau of Licensing would notify BIE staff in
18 the facility that those individuals identified as employees
19 or potential employees are eligible to pick up temporary
20 credentials.

21 The Bureau of Licensing would continue to process
22 the applications of those employees who are sponsored, but
23 who are not yet slated for employment. These individuals
24 would not be issued temporary credentials unless the
25 facility notified us that their employment status has

1 changed.

2 Applicants who are being hired would be contacted
3 by the facility to pick up a temporary credential from BIE,
4 and would be able to immediately begin working while we
5 process their applications.

6 We anticipate that this entire process would take
7 approximately two business days once the application has
8 been submitted and the fingerprints and photograph have been
9 taken.

10 Throughout this process, we will be heavily relying
11 on the ability of the facilities to be organized and provide
12 us with the correct status information regarding their
13 applicants.

14 Once the criminal background is completed, the
15 employee is -- and the employee is approved for
16 registration, the employee would trade in the temporary
17 credential for a full credential.

18 I will now move to Dale Miller who will explain the
19 changes to the non-gaming background investigation.

20 MR. MILLER: Thank you, Susan.

21 Chairman Decker and members of the Board, the
22 Bureau of Investigation and Enforcement, with the advice of
23 the Office of Enforcement Counsel, reviews employee
24 applications and conducts an investigation on prospective
25 gaming and non-gaming employees.

1 We have worked closely with the Bureau of Licensing
2 in updating our internal procedures to conform with the
3 proposed non-gaming employee registration process.

4 Our investigation for non-gaming employees is
5 limited to a review of national criminal history record
6 information, including Pennsylvania history check wants and
7 warrants listed in the national criminal information center
8 data base.

9 The BIE agent assigned to an application reviews
10 the fingerprint results provided by the Pennsylvania State
11 Police and the Federal Bureau of Investigation, in addition
12 to the wants check.

13 We do no investigation of employees who do not have
14 access to the gaming floor or restricted areas and whose
15 jobs duties do not require interaction with gaming patrons,
16 because they are not required to obtain a registration
17 permit or credential from the Board under the new non-gaming
18 description.

19 If a non-gaming applicant has no criminal history,
20 the Bureau may recommend the individual for approval for a
21 non-gaming employee registration. That recommendation is
22 e-mailed, faxed or entered into Slots Link, where it is
23 quickly available for review by the Bureau of Licensing.

24 If the non-gaming applicant has a criminal history
25 record, we verify if the offense is a felony or gambling

1 offense. A felony or gambling conviction within the last 15
2 years, or beyond, will not automatically disqualify an
3 applicant for a non-gaming employee permit. And I emphasize
4 it will not automatically disqualify an applicant for a
5 non-gaming employee permit, but it will be considered in
6 assessing overall character.

7 When a non-gaming applicant has a felony or
8 gambling conviction, the Bureau of Investigation and
9 Enforcement agent will consider six factors in character
10 assessment. Those factors are, the nature and duties of the
11 applicant's position with the licensed entity, the nature
12 and seriousness of the offense or conduct, the circumstances
13 under which the offense or conduct occurred, the age of the
14 applicant when the offense or conduct was committed, whether
15 the offense or conduct was an isolated or repeated incident,
16 and any evidence of rehabilitation including good conduct in
17 the community, counseling or psychiatric treatment received
18 and the recommendation of persons who have substantial
19 contact with the applicant.

20 At the conclusion of the investigation for
21 non-gaming employees with felony convictions, a three-member
22 board will meet and consider the application prior to
23 recommendation of approval or denial of the registration.

24 That Board will consist of the Director of the
25 Bureau of Investigation and Enforcement, Chief Enforcement

1 Counsel and supervisory agent for BIE central. This will
2 ensure statewide consistency in the evaluation process.

3 I note also, that all stages of the investigation,
4 the assigned BIE agent may confer with an attorney from the
5 Office of Enforcement Counsel to clarify legal issues.

6 I want to note also that we are mindful of the
7 casino's desire to expedite the issuance of licenses,
8 permits and registrations; and to that end, some time ago,
9 we instituted procedures to speed up the investigative
10 process.

11 No longer does a failure to disclose information
12 require an automatic recommendation of denial of an
13 application. Under our current procedures, we look behind
14 the failure to disclose any information, to determine if
15 there was any purposeful intent to deceive on the part of
16 the applicant.

17 We call the applicant on the phone. We provide an
18 investigative conference, if necessary; and if there is no
19 purposeful intent to deceive, the applicant is permitted to
20 amend the application and the investigation continues. This
21 has dramatically reduced our recommendations of denial and
22 subsequent need for hearings.

23 The Bureau of Investigations and Enforcement and
24 Enforcement Counsel will continue to listen to the
25 suggestions of the operators and work closely with the

1 Bureau of Licensing to ensure an efficient process for
2 licensing, permitting and registration that will allow the
3 casinos to operate efficiently and protect the public as
4 required by the Act and regulations.

5 Thank you very much.

6 CHAIRMAN DECKER: That's very good, Dale. Thank
7 you, Susan.

8 Questions?

9 COMMISSIONER McCABE: I have about three.

10 First, where did you get those six criteria or how
11 did you come about the six criteria?

12 MR. MILLER: Those six criteria are right from the
13 Act as amended, the current Act. Those criteria are in the
14 part of the Act dealing with gaming employees where a felony
15 within 15 years since the date of sentencing is an automatic
16 disqualifier; however, if a person has a felony outside of
17 that 15 years, it is still considered in character
18 assessment, and those six factors are stated in the Act that
19 should be looked at in assessing that character.

20 COMMISSIONER McCABE: My second question: Is the
21 failure to disclose, is that at all levels for key
22 employees, gaming and non-gaming, is that going to be the
23 standard now for all levels?

24 MR. MILLER: That is correct. That is correct.

25 When someone files an application, whether it is a

1 gaming employee, non-gaming employee, key employee, they are
2 required to tell the truth, obviously.

3 If they fail to disclose that information, the
4 failure to disclose is an indication that that person has an
5 untruthful character.

6 We do not automatically disqualify someone for
7 failures to disclose. We look behind it to determine if it
8 was an oversight, a mistake or whatever reason it was.

9 If it was not purposeful, then that person's
10 character should not be affected by an inadvertent
11 oversight.

12 COMMISSIONER McCABE: And my last question of the
13 three: Are these changes going to expose the citizens of
14 Pennsylvania to any danger, any unscrupulous people getting
15 into the gaming industry or are we still safeguarding this
16 process?

17 MR. MILLER: We are safeguarding the citizens as
18 best as we possibly can.

19 We look at each individual separately from the
20 others. We use consistent criteria for the evaluation of
21 each individual, and there are levels of evaluation all the
22 way through the process.

23 If an individual is evaluated by an agent, that
24 agent, as I said, could consult with an attorney; and even
25 at the end of the entire investigation, if an agent feels

1 that a person with a felony conviction is appropriate for
2 licensure, that still must be reviewed in Harrisburg by that
3 oversight committee.

4 COMMISSIONER McCABE: So we are not lowering our
5 standards at all?

6 MR. MILLER: Absolutely not.

7 MS. HENSEL: What we are doing is allowing people
8 to work a little earlier than they would have been allowed
9 to work under our previous system, a week or two.

10 If they would have been denied before or
11 recommended for denial before, they will still be
12 recommended for denial under this model and the same thing
13 would go for approvals.

14 CHAIRMAN DECKER: I am just commenting. I think
15 the six standards, I think the legislature did a great job
16 of coming up with those because they seem very comprehensive
17 of things to consider.

18 MR. MILLER: Yes, sir, I agree. I will tell you
19 that the BIE agents who are conducting the investigation are
20 very happy with that procedure.

21 CHAIRMAN DECKER: What other questions do we have
22 for Susan or Dale on the subject? Any others?

23 COMMISSIONER ANGELI: No, Mr. Chairman, if there
24 are no questions --

25 CHAIRMAN DECKER: Please.

1 COMMISSIONER ANGELI: -- I would like to move it
2 first; and that the Board authorize the implementation of
3 the non-gaming employee temporary registration process, as
4 described by the Director of Licensing.

5 CHAIRMAN DECKER: Thank you. May I have a second,
6 please?

7 COMMISSIONER McCABE: Second.

8 CHAIRMAN DECKER: Thank you.

9 Again, any additional questions before we vote?

10 THE BOARD: [NO RESPONSE]

11 CHAIRMAN DECKER: All of those in favor, please
12 indicate by saying aye.

13 THE BOARD: Aye.

14 CHAIRMAN DECKER: Any opposed?

15 THE BOARD: [NO RESPONSE]

16 CHAIRMAN DECKER: Thank you very much for your work
17 here and a quick response.

18 As we have said before, we are going to have
19 learning experiences as we go. The fact that we -- two of
20 our four casino operators brought this to our attention
21 about issues that we were having and our response to it. We
22 appreciate you doing that. It is very good. Hopefully this
23 will solve a lot of the problems. Okay? Thanks.

24 Susan?

25 MS. HENSEL: The next item before you is the

1 application for a manufacturer license for Aruze
2 Corporation.

3 Prior to today's meeting, you were provided with a
4 background investigation and executive summary suitability
5 report for Aruze Corporation. The application was put
6 through our standard licensing procedure, including
7 investigation by the Bureau of Investigation and
8 Enforcement.

9 Should the Board approve licensure for this
10 company, it would be subject to a series of standard
11 conditions. In addition, you have been provided with the
12 proposed order for this applicant.

13 I have conferred with Chief Enforcement Counsel,
14 Dale Miller, with respect to this applicant. The Bureau of
15 Investigations and Enforcement and the Bureau of Licensing
16 have not identified any issues which would preclude
17 licensure. And Dale and I are available to answer any
18 questions you might have.

19 CHAIRMAN DECKER: Thank you. May I have a motion
20 from the Board to adopt an order approving a manufacturer
21 license for Aruze? Am I saying that right? I'm sorry for
22 the mangling of it. Aruze Corp.

23 COMMISSIONER COLINS: So moved, Mr. Chairman.

24 CHAIRMAN DECKER: Second, please?

25 MR. RIVERS: Second.

1 CHAIRMAN DECKER: Thank you. Any additional
2 questions about the application and then the reports, which
3 we have seen?

4 THE BOARD: [NO RESPONSE]

5 CHAIRMAN DECKER: Any other questions about it?

6 THE BOARD: [NO RESPONSE]

7 CHAIRMAN DECKER: All those in favor?

8 THE BOARD: Aye.

9 CHAIRMAN DECKER: Any opposed?

10 THE BOARD: [NO RESPONSE]

11 CHAIRMAN DECKER: The motion carries.

12 Susan?

13 MS. HENSEL: Prior to this meeting, the Bureau of
14 Licensing provided you with an order and an attached list of
15 24 individuals who the Bureau has granted temporary key
16 employee licenses to under the authority delegated to the
17 Director of Licensing. These individuals are employed at
18 department head positions at several of our Category 1
19 facilities, and I ask that the Board adopt a motion
20 approving the order.

21 CHAIRMAN DECKER: May I have a motion to this
22 effect, please?

23 MR. RIVERS: So moved, Mr. Chairman.

24 CHAIRMAN DECKER: Second?

25 THE BOARD: [NO RESPONSE]

1 CHAIRMAN DECKER: May I have a second?

2 COMMISSIONER McCABE: Second.

3 CHAIRMAN DECKER: Thank you.

4 Any questions for Susan about these particular
5 permittees and licensees?

6 THE BOARD: [NO RESPONSE]

7 CHAIRMAN DECKER: All of those in favor?

8 THE BOARD: Aye.

9 CHAIRMAN DECKER: Any opposed?

10 THE BOARD: [NO RESPONSE]

11 CHAIRMAN DECKER: The motion carries.

12 Susan?

13 MS. HENSEL: The Bureau of Licensing also provided
14 you with an order and list of 245 individuals who the
15 Bureau has granted occupation permits to, and 293
16 individuals who the Bureau has granted registrations to
17 under the authority of the director of licensing, and I
18 would ask that you adopt a motion to approve that order.

19 CHAIRMAN DECKER: May I have a motion adopting
20 those particular orders, please?

21 COMMISSIONER McCABE: Mr. Chairman, I move that the
22 Board adopt the order accepting the Bureau of Licensing
23 regarding the issuance of employee permits and
24 registrations.

25 CHAIRMAN DECKER: A second, please?

1 COMMISSIONER SOJKA: Second.

2 CHAIRMAN DECKER: Thank you.

3 Any questions for Susan about this?

4 THE BOARD: [NO RESPONSE]

5 CHAIRMAN DECKER: Thank you. All of those in
6 favor?

7 THE BOARD: Aye.

8 CHAIRMAN DECKER: Any opposed?

9 THE BOARD: [NO RESPONSE]

10 CHAIRMAN DECKER: The motion carries.

11 Okay. Susan, anything else?

12 MS. HENSEL: That concludes our presentation.

13 CHAIRMAN DECKER: Thank you.

14 We have two things. First of all, we are going to
15 go into a five-minute recess about something, but before
16 that, I want to note that Katie Zerfuss -- is Katie here?
17 Thank you, Katie. I wanted you to raise your hand -- is
18 leaving us, unfortunately, to join -- well, it was a
19 positive thing so congratulations -- Representative Keith
20 McCall's office as a research analyst.

21 I want to thank Katie on behalf of our Board and
22 staff for all of your hard work and good things you have
23 done for us in your time with us. Thank you and the best of
24 luck.

25 Before we adjourn, we are going to take a

1 five-minute recess. I would hope you would all stay. It
2 will be five minutes, literally.

3 Can we see some of the staff in the room in the
4 back here? Thank you.

5 (Break.)

6 CHAIRMAN DECKER: We have just -- the reason we
7 took a brief recess is that we have just been informed that
8 City Council has passed an ordinance --

9 COMMISSIONER McCABE: Philadelphia.

10 CHAIRMAN DECKER: Sorry. Philadelphia. I am from
11 Philadelphia, so I refer to them as City Council,
12 unfortunately.

13 But Philadelphia City Council has passed an
14 ordinance which would in essence ban gaming from
15 Philadelphia, directly in contradiction to the specific
16 provisions of the statute, would authorize our organization
17 and the state to have two in Philadelphia.

18 I just wanted to announce that we are going to --
19 we have agreed that we are going to explore our options to
20 file an appropriate action to countermand or reverse this or
21 challenge the effectiveness of that ordinance in light of
22 that contradiction of the statute, that violation of the
23 statute, in our view.

24 We will take a look at that in the coming days. We
25 will be retaining counsel and we will be moving forward on

1 this particular issue. I just wanted to announce that.

2 We are going to ask any interested parties,
3 particularly from the government, state government, who may
4 wish to join us or file an amicus brief. We will be looking
5 at that as well. In any event, we are going to pursue this.

6 Okay. Any other questions from the Board members
7 on this or any other comments?

8 THE BOARD: [NO RESPONSE]

9 CHAIRMAN DECKER: Thank you.

10 I think that wraps us up for today. I guess it is
11 enough for today.

12 As a reminder, our next public meeting will be held
13 in the state auditorium. This is important because we like
14 to get specific comment on this.

15 I can't tell you how much we want comment from our
16 friends in legislature and government and from other
17 licensees, as well as potential applicants for Category 3.

18 Our next meeting will be at 10 a.m., on Tuesday,
19 March 27th, when we would like to again have testimony and
20 really some help on this, on the eligibility criteria for
21 Category 3 licenses.

22 We would ask you, if you want to come, please
23 contact our office -- who would be the appropriate person?
24 Is it Paul Resch?

25 MR. RESCH: Interested applicants should contact --

1 CHAIRMAN DECKER: Okay. Steve Cook or Paul Resch,
2 you know, just line yourselves up. We really like to have
3 testimony on this. We are looking for some help on this.

4 Again, like all meetings, this one will be open to
5 the public and we look forward to seeing all of you there.

6 Let's see, we have made a couple of changes in our
7 meeting schedule so please check -- for April. Just for
8 April -- so please check our website for the most up-to-date
9 meeting information.

10 Do any of the members of the Board have any final
11 questions or comments? Hearing otherwise, without any
12 additional questions, I'd entertain a motion to adjourn.

13 COMMISSIONER McCABE: So moved.

14 COMMISSIONER ANGELI: Second.

15 CHAIRMAN DECKER: All of those in favor?

16 THE BOARD: Aye.

17 CHAIRMAN DECKER: Any opposed?

18 THE BOARD: [NO RESPONSE]

19 CHAIRMAN DECKER: We are adjourned. Thank you very
20 much.

21 (Meeting adjourned at 12:15 p.m.)

22

23

24

25

1 I hereby certify that the proceedings and evidence
2 are contained fully and accurately in the notes taken by me
3 on the within proceedings and that this is a correct
4 transcript of the same.

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Lorraine T. Herman, RPR
Reporter - Notary Public