

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

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PUBLIC MEETING

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BEFORE: GREGORY C. FAJT, CHAIRMAN
James B. Ginty, Raymond S. Angeli
(via phone), Jeffrey W. Coy,
Kenneth T. McCabe, Gary A. Sojka,
Kenneth I. Trujillo (via phone); Members
Robert M. McCord, State Treasurer
Robert Coyne, representing Acting Secretary
of the Department of Revenue, Daniel
Meuser; Daniel Tufano, representing Acting
Secretary of Agriculture, George Greig

MEETING: Thursday, February 10, 2011
10:45 a.m.

LOCATION: North Office Building
401 North Street
Harrisburg, PA 17120

Reporter: Cynthia Piro-Simpson

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A P P E A R A N C E S

(Continued)

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CHAIRMAN:

We'll now convene our regular meeting. By way of announcements, since our last meeting, the Board held Executive Sessions yesterday, February 9th, and again, just prior to this meeting. The purpose of yesterday's Executive Session was to discuss personnel matters, pending litigation and to conduct quasi judicial deliberations relating to matters being considered by the Board, including each of the matters coming before the Board today. The Executive Session which just ended was held to conduct quasi judicial deliberations relative to the hearing held earlier today.

The next matter on the agenda is consideration of approval of the Board's minutes and transcripts for the January 6th and January 26th meetings. May I have a motion, please?

MR. MCCABE:

Yes, Mr. Chair. I move that the Board approve the transcripts submitted for the January 6th and January 26th, 2011 meetings.

MR. COY:

Second.

1 CHAIRMAN:

2 All in favor?

3 AYES RESPOND

4 CHAIRMAN:

5 Opposed? Motion passes. The next item
6 of business is human resources. Our Director, Claire
7 Yantis, is here. Claire?

8 MS. YANTIS:

9 You have before you today a motion to
10 consider the hiring of Dennis O'Brien as a Casino
11 Compliance Representative at SugarHouse Casino. Mr.
12 O'Brien has completed the PGCB interview process,
13 background investigation and drug screening, and is
14 being recommended for hire by Director of Casino
15 Compliance, Jerry Stoll. As such, I ask that you
16 consider a motion to hire Mr. O'Brien, as indicated.

17 CHAIRMAN:

18 Thank you. Any questions or comments
19 from the Board? Just for the record, this is not the
20 former Speaker of the House, Dennis O'Brien. I think
21 he has other plans, as I read the papers recently.
22 Anyhow, seeing no questions, can I have a motion,
23 please?

24 MR. COY:

25 Mr. Chairman, I move the Board approve

1 the Applicant as proposed on the condition he complete
2 the necessary background investigation and drug
3 testing.

4 CHAIRMAN:

5 Second?

6 MR. SOJKA:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 AYES RESPOND

11 CHAIRMAN:

12 Opposed? This motion passes.

13 MS. YANTIS:

14 Thank you.

15 CHAIRMAN:

16 Thank you, Claire. Next up is Dave Rhen,
17 presenting our agency financial report. Welcome,
18 Dave.

19 MR. RHEN:

20 Thank you. Today's financial report
21 summarizes expenditures through the end of January.
22 Through January expenditures totaled \$18.9 million, or
23 53 percent of the gross overall appropriation of \$35.8
24 million. For the year expenses totaled \$14.9 million,
25 or 79 percent of total expenditures. And operating

1 expenses totaled \$4 million, or 21 percent of total
2 expenses.

3 For the month of January, expenditures
4 totaled \$2.8 million. Payroll expenses were \$2.2
5 million, and operating expenses encountered were
6 \$629,000. The largest operating category for January
7 was \$213,000 for other operating expenses. This would
8 primarily include ChoicePoint Investigative Research
9 Services in the amount of \$189,000 for information
10 utilized in 1,300 background investigations.

11 The second largest category of operating
12 expenses was services. This category totaled \$167,000
13 and included \$35,000 for computer IT consultants,
14 \$11,000 for legal services and \$23,000 for annual
15 payroll processing services provided by the Budget
16 Office, and \$105,000 for State Police for
17 approximately 2,700 fingerprints of licensed
18 applicants.

19 The third largest operating expense
20 category belongs to rentals and leases. This category
21 totals \$167,000. For the year, rentals and leases,
22 the largest operating expense of \$1.3 million, or 32
23 percent of operating expenses, followed by services at
24 \$965,000, or 24 percent of operating expenses; other
25 operating expenses at \$934,000, or 22 percent;

1 telecommunications at \$340,000, or ten percent of
2 operating expenses; and travel by \$230,000, or six
3 percent. That concludes my remarks.

4 CHAIRMAN:

5 Thank you. Questions from the Board?
6 Just a quick question, Dave. You and I spoke about
7 this yesterday. ChoicePoint, that was a significant
8 portion of our other operating expenses, and it
9 appeared to be pretty high to me, but you had
10 mentioned it was 1,300 background checks, and that was
11 related to the table games and encompassed the what,
12 August/September time frame or July/August time frame?

13 MR. RHEN:

14 The fingerprint fee was the
15 August/September time frame. And then most of the
16 ChoicePoint expenses were from November, although
17 there were some other months that lapsed into that
18 category as well. I think it seems that the activity
19 from table games applicants is starting to wean, but
20 pretty much the first half of the year we've seen a
21 lot of activity and major expenses in that category.

22 CHAIRMAN:

23 Okay. Thank you very much. Thank you.
24 Next up is our Chief Counsel, Doug Sherman. Welcome,
25 Doug.

1 ATTORNEY SHERMAN:

2 Good morning, Chairman, members of the
3 Board. Today the Board has one petition before it for
4 consideration, and that petition was the subject of
5 the hearing earlier this morning. That's Downs
6 Racing's petition for approval of changing its gaming
7 floor.

8 In addition to the hearing today, the
9 evidence presented during that hearing, the Board has,
10 in advance of this proceeding, been provided copies of
11 the petitions, the Answers to the petitions and all
12 other relevant documents which have been filed with
13 the Office of Hearings and Appeals (OHA).

14 As you heard, Downs is requesting to
15 remove 134 slot machines from the gaming floor, and if
16 approved, the number of machines will be reduced from
17 2,465 to 2,331. If the Board is inclined to grant the
18 relief, the Office of Enforcement Counsel has
19 requested that ten conditions be placed on that
20 approval. Those conditions are contained within their
21 Answer to the petition and, again, are before the
22 Board.

23 In addition, Downs Racing has requested
24 that information marked confidential in its petition,
25 which largely is security sensitive information,

1 diagrams of the back of the house area, be maintained
2 as confidential. There's no objection to that
3 request. And we would submit both matters to the
4 Board for consideration at this time.

5 CHAIRMAN:

6 Thank you. Any questions or comments
7 from the Board? If not, can I have a motion, please?

8 MR. GINTY:

9 Mr. Chairman, I move that the Board grant
10 Downs Racing's petition, as described by the Office of
11 Chief Counsel (OCC), subject to the OEC's conditions.

12 CHAIRMAN:

13 Second?

14 MR. MCCABE:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 AYES RESPOND

19 CHAIRMAN:

20 Opposed? Motion passes.

21 ATTORNEY SHERMAN:

22 Next, presenting Withdrawals and Reports
23 and Recommendations is Deputy Chief Counsel Steve
24 Cook.

25 ATTORNEY COOK:

1 Good morning.

2 CHAIRMAN:

3 Welcome, Steve.

4 ATTORNEY COOK:

5 The Board has received five unopposed
6 petitions withdrawing the applications of individuals
7 or businesses, as in each case, regulation of the
8 person or entity is no longer required pursuant to the
9 Board's regulations. The entities and individuals
10 subject to these petitions are as follows: Daniel
11 Fryer, Dennis Gallagher, Hiromi Okada, Richard
12 Sansone, and Sprung Instant Structures, Inc.

13 The OEC has no objection to these
14 withdrawals. However, with respect to the petition of
15 Sprung Instant Structures, Inc., Sprung's withdrawal
16 is conditioned upon the company not doing any business
17 with a slot machine licensee in Pennsylvania for three
18 years. And should the Board grant relief from that
19 three-year prohibition at any point in the future,
20 that interim authorization to conduct business prior
21 to a full background investigation will not be
22 requested.

23 The Board will recall that Sprung was
24 previously on the Prohibited Vendors' List, but was
25 removed after agreeing to undergo a full

1 investigation. Now, Sprung is seeking a withdrawal of
2 its application prior to that full investigation, and
3 as a result, they have agreed to these sanctions in
4 conjunction with the OEC. I don't believe there's any
5 issues with respect to their background from seeking
6 further business in Pennsylvania.

7 CHAIRMAN:

8 Thank you. Any questions? Commissioner
9 Sojka?

10 MR. SOJKA:

11 I just want to make sure, in the case of
12 Sprung Systems (sic), are they completely current in
13 paying the expenses for their background
14 investigation?

15 ATTORNEY COOK:

16 Actually, part of being removed from the
17 Prohibited Vendors' List they were required to pay a
18 civil penalty of \$5,000, which they have paid, as well
19 as \$20,000 in projected investigative costs. About
20 half of that I think has been consumed. The other
21 half will be recouped.

22 MR. SOJKA:

23 Thank you.

24 CHAIRMAN:

25 Can I have a motion, please?

1 MR. MCCABE:

2 Mr. Chairman, I move that the Board issue
3 an order to approve the referral of the surrenders, as
4 described by the OCC.

5 CHAIRMAN:

6 Second?

7 MR. SOJKA:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 AYES RESPOND

12 CHAIRMAN:

13 Opposed? Motion passes.

14 ATTORNEY COOK:

15 Next before the Board for consideration
16 are four Reports and Recommendations received from the
17 OHA relative to two Gaming Employee Permits and two
18 Petitions to be Removed from the Self-Exclusion List.
19 The Reports and Recommendations, along with the
20 complete evidentiary record for each hearing, have
21 been provided to the Board.

22 And additionally, in each case, the
23 people that are subject to these Reports and
24 Recommendations have been notified that the matter is
25 coming before the Board today and that they had the

1 ability to come forward and briefly address the Board.
2 If any such person is here today, they should come
3 forward when their name is announced.

4 The first Report and Recommendation
5 before the Board pertains to Kim Lam. Mr. Lam
6 submitted his application for a Gaming Employee Permit
7 on October 7th, 2010, seeking work as a Table Games
8 Dealer at Parx Casino.

9 The OEC issued a Notice of Recommendation
10 of Denial on November 19th, 2010 based on Mr. Lam's
11 failure to disclose his criminal history, as well as
12 his inability to qualify for a Gaming Employee Permit,
13 having two misdemeanor gambling convictions within the
14 last 15 years.

15 After receiving the Notice of
16 Recommendation of Denial, Mr. Lam requested a hearing,
17 which was held on January 5th, 2011, before the OHA.
18 Both OEC and Mr. Lam appeared at that hearing and
19 offered testimony.

20 As a result of the hearing, the Report
21 and Recommendation presently before the Board was
22 issued. It concluded that Mr. Lam is ineligible to
23 receive a Gaming Employee Permit, given his
24 misdemeanor gaming convictions within the last 15
25 years. And this matter is now before the Board and is

1 ripe for consideration.

2 CHAIRMAN:

3 Thank you. Is Mr. Lam present? Any
4 questions from the Board? Can I have a motion,
5 please?

6 MR. MCCABE:

7 Yes, Mr. Chair. I move that the Board
8 issue an order to adopt the Report and Recommendation
9 of the OHA regarding the Gaming Employee Permit of Kim
10 Lam described by the OCC.

11 CHAIRMAN:

12 Second?

13 MR. COY:

14 Second.

15 CHAIRMAN:

16 All in favor?

17 AYES RESPOND

18 CHAIRMAN:

19 Opposed? Motion passes.

20 ATTORNEY COOK:

21 The next matter before the Board for
22 consideration is the Report and Recommendation
23 pertaining to Robert Smeltzer. I believe Mr. Smeltzer
24 is present.

25 CHAIRMAN:

1 Mr. Smeltzer, do you want to come up and
2 take a seat, please?

3 ATTORNEY COOK:

4 By way of background, Mr. Smeltzer
5 submitted a Gaming Employee Permit to work as a Table
6 Game Dealer at Harrah's. Mr. Smeltzer disclosed three
7 convictions on his application, which were confirmed
8 by the Pennsylvania State Police, specifically a July
9 2001 DUI, an April 2002 arrest and conviction by the
10 New Jersey State Police on one count of driving while
11 suspended and being involved in an accident causing
12 death or serious injury, and a September 2003 retail
13 theft conviction.

14 On July 12th, 2010, the OEC issued a
15 Notice of Recommendation of Denial based upon Mr.
16 Smeltzer's July 26th --- I'm sorry, excuse me, July
17 2006 guilty plea for the driving while suspended and
18 causing an accident involving death or serious injury.
19 The OEC made this recommendation, stating that the
20 crime for which he was convicted was a felony and 15
21 years has not elapsed from the date of conviction.

22 A hearing in this matter was scheduled
23 for and held on October 26th, 2010 before the OHA.
24 Mr. Smeltzer's attorney appeared at that hearing and
25 presented testimony. Mr. Smeltzer --- at that hearing

1 --- or after that hearing a Report and Recommendation
 2 was issued concluding that Mr. Smeltzer had proven by
 3 clear and convincing evidence that the crime, the New
 4 Jersey offense, was not a felony and he is therefore
 5 eligible to be licensed as a gaming employee. The
 6 Hearing Officer further did an analysis as to the
 7 suitability of Mr. Smeltzer and felt that, in fact, he
 8 was suitable to be a gaming employee, given the age of
 9 these convictions, as well as his relative youth at
 10 the time. I believe he was in his early 20s. That
 11 Report and Recommendation which recommends this
 12 gentleman for licensure is before the Board for
 13 consideration.

14 CHAIRMAN:

15 Thank you. Before moving any further,
 16 Mr. Smeltzer, would you please stand and be sworn in
 17 by the stenographer?

18 -----

19 ROBERT SMELTZER, HAVING FIRST BEEN DULY SWORN,
 20 TESTIFIED AS FOLLOWS:

21 -----

22 CHAIRMAN:

23 Mr. Smeltzer, do you have a short
 24 statement or comment to make before the Board? Push
 25 the green button there. It's on. Thank you.

1 A. No. Yes, I'd be glad to answer any questions you
2 guys would have.

3 CHAIRMAN:

4 Great. Okay. Questions or comments from
5 the Board? Mr. Sojka?

6 MR. SOJKA:

7 I'll have a few. It's not entirely clear
8 to me. The one charge where you were driving with a
9 suspended license and the charge had to do with an
10 accident leading to death, did someone die in that
11 accident?

12 A. Yes. I fell asleep behind the wheel. I crossed
13 the yellow line and hit a motorcycle, and somebody
14 passed away.

15 MR. SOJKA:

16 But there were no other charges other
17 than driving without --- there was no DUI there?

18 A. No, no. In fact, I was the designated driver that
19 day. But I couldn't get any sleep that night, so I
20 was extremely tired and fell asleep behind the wheel,
21 unfortunately.

22 MR. SOJKA:

23 There was a subsequent arrest which you
24 indicated, ---

25 A. Yes.

1 MR. SOJKA:

2 --- the retail theft. There was a dollar
3 amount associated with that. Could you expand on
4 that?

5 A. Approximately \$40.

6 MR. SOJKA:

7 Yes.

8 A. \$39.

9 MR. SOJKA:

10 What was it about? What happened?

11 A. I went in to buy a pair of shoes, and I had to be
12 at work in like five minutes and was trying to buy a
13 pair of shoes real quick. And I tried on a pair of
14 shoes and then walked to try them on and then grabbed
15 another pair --- or saw another pair of shoes for \$40,
16 so at that time I grabbed the shoes and walked out
17 with the shoes on. And I actually came back to the
18 store a little bit later and talked to the person, and
19 I was caught then.

20 MR. SOJKA:

21 You went back to the store --- you were
22 going back to tell them you had the extra pair of
23 shoes or you forgot you had them on?

24 A. I didn't even know I had them. I was actually ---
25 I live close to the store. I went to the food court

1 to buy something to eat, and I ran into one of the
2 employees and she said, come back to the store. And I
3 assumed she meant to come back to my store, there was
4 no issue there, and I went back and then I saw my
5 shoes sitting on the counter, and I knew what
6 happened.

7 MR. SOJKA:

8 So you're saying it was retail theft, but
9 it wasn't premeditated? It was an accidental retail
10 theft?

11 A. Right. I didn't really think about it.

12 MR. SOJKA:

13 And all three of these disclosed
14 difficulties, the DUI, the accident resulting in death
15 and the retail theft all occurred within a few years
16 of each other. What was the situation in your life at
17 that point?

18 A. For the DUI, I was just making a lot of mistakes
19 at the time, and the same thing for ---.

20 MR. SOJKA:

21 Were you in school then?

22 A. I was. I was at Penn State, Abington, and ---.

23 MR. SOJKA:

24 Living on campus or living at home?

25 A. I was living at my parents' house at the time.

1 MR. SOJKA:

2 And so you were making numerous mistakes,
3 not just ---?

4 A. I wasn't doing --- the only thing I was doing
5 right was actually going to school and ---.

6 MR. SOJKA:

7 And did you complete your education?

8 A. I did.

9 MR. SOJKA:

10 You have a baccalaureate degree?

11 A. After the accident where there was a death, I
12 actually missed an entire semester. And my dad is a
13 professor at Penn State, Abington, and he actually
14 called me the week before finals and asked me what
15 finals I had coming up. And at that point in time I
16 realized I did miss the entire semester because of the
17 accident, and I actually had to drop the next
18 semester. And then I actually came back and completed
19 it on the Dean's List.

20 MR. SOJKA:

21 Were there any civil actions taken as a
22 result of the death in that accident?

23 A. Yes.

24 MR. SOJKA:

25 Were you sued for wrongful death?

1 A. I was.

2 MR. SOJKA:

3 You were. Were you found guilty of that?

4 A. I believe the insurance company settled. I wasn't
5 really --- I wasn't involved in that. I know there
6 was a settlement, that's all.

7 MR. SOJKA:

8 Thank you.

9 CHAIRMAN:

10 Other questions, comments? Commissioner
11 Ginty?

12 MR. GINTY:

13 What was the background with respect to
14 your suspended license?

15 A. I had I believe it was a speeding ticket, and I
16 don't --- it was a while back, but I would say it was
17 a \$120 fine. I was making installments of \$25. And I
18 made the first four and I assumed it was done, and I
19 had a balance of \$20, whatever it was. And I received
20 a notice in the mail the following day, after the
21 accident, that it was suspended. And then I paid it
22 immediately.

23 MR. GINTY:

24 At the time you didn't realize your
25 license had been suspended?

1 A. No, I did not. Should have, but I did not.

2 CHAIRMAN:

3 Commissioner McCabe?

4 MR. MCCABE:

5 How old were you when this all occurred?

6 A. All these incidents happened between 2001 and
7 2002, all three of them.

8 MR. MCCABE:

9 And how old were you?

10 A. I was between 21 and 23.

11 MR. MCCABE:

12 And how old are you now?

13 A. I am 30, and I'll be 31 March 10th.

14 MR. MCCABE:

15 Where are you living now?

16 A. I live in Hampton, New Jersey.

17 MR. MCCABE:

18 With your parent or --- I'm getting at,
19 are you still living with your parents or are you out
20 on your own?

21 A. I live with my girlfriend that I've been with for
22 three years. We've lived together for two years now.

23 MR. MCCABE:

24 Have you been in any trouble since this
25 incident?

1 A. The only thing that's happened since all of this
2 stuff was I --- the IRS just informed me on December
3 24th that there were winnings on a horseracing that I
4 did not report, so I paid it immediately.

5 MR. MCCABE:

6 What have you been doing for employment
7 for the past six, seven years?

8 A. Basically sales. I'm the director of business
9 development now, and I've been basically a sales rep
10 for the past two years.

11 MR. MCCABE:

12 Thank you.

13 CHAIRMAN:

14 Commissioner Coy?

15 MR. COY:

16 Let me see if we can get the bottom line
17 here. Do you really think you have things
18 straightened out?

19 A. Yes, sir.

20 MR. COY:

21 And you have a job opportunity at
22 Harrah's?

23 A. Yes.

24 MR. COY:

25 And do they know about the various

1 problems you've had?

2 A. Yes.

3 MR. COY:

4 And you've completely disclosed them?

5 A. I completely disclosed everything about that to
6 them, and I even disclosed to my current employer
7 everything about this, the fact that I may be going to
8 another employer. So you can contact the employer,
9 and they know everything.

10 MR. COY:

11 So Harrah's is ready to give you a job
12 pending the Board's approval?

13 A. Yes, sir.

14 MR. COY:

15 What assurance can you give the Board
16 that things have turned around? I mean, the Board in
17 the past has taken chances on folks to give them a new
18 opportunity. And whether there's an inclination or
19 not to do that now, the question I have for you is
20 what assurance do you give us that things are
21 different in your life now?

22 A. Since the events have happened, I totally agree
23 with you and the prosecutor that, you know, back then
24 I was out of line. There was no way, you know, that I
25 should have ever been given a license back in that

1 time. But since then I have been employed and I've
2 been doing everything I'm supposed to be doing. I
3 have not been in trouble since then. And I believe
4 that since 2002 or 2003, so seven or eight years, you
5 know, I haven't run into any incidents. And as you've
6 seen in the report, I've been totally honest about
7 everything that was in the report.

8 MR. COY:

9 Thank you.

10 A. Thank you.

11 CHAIRMAN:

12 Other questions? Enforcement Counsel, do
13 you have any comments?

14 ATTORNEY MATELEVICH-HOANG:

15 Just briefly. Thank you, Chairman Fajt,
16 members of the Board. I am Billie Jo Matelevich-
17 Hoang, M-A-T-E-L-E-V-I-C-H, hyphen, H-O-A-N-G, on
18 behalf of the OEC. It wasn't mentioned, but the OEC
19 did file exceptions to the Report and Recommendation
20 and initially filed briefs. And we still stand behind
21 that exception filed with the briefs, and we do feel
22 that Mr. Smeltzer is not eligible to receive a gaming
23 permit because a third-degree felony conviction in New
24 Jersey would be equal to a felony conviction in
25 Pennsylvania, therefore barring him from receiving a

1 Gaming Permit.

2 CHAIRMAN:

3 Thank you. Chief Counsel, can you
4 address that for us?

5 ATTORNEY COOK:

6 We have looked at that issue as well and
7 we believe that, without getting into a lot of New
8 Jersey legal detail, that the offenses are different.
9 Had Mr. Smeltzer committed this offense in
10 Pennsylvania, he would have been charged likely with a
11 crime that involves --- or requires criminal intent.
12 Whereas, in New Jersey the offense is strict
13 liability, and there's no showing of intent required.
14 So, since the elements of the offense would be
15 different, the conviction --- the convictions are not
16 equivalent, and effectively, it would not be a ---
17 there's no showing on record of him having been
18 required to meet a felony in Pennsylvania.

19 CHAIRMAN:

20 I see. I just have one comment. Mr.
21 Smeltzer had mentioned about the horseracing liens.
22 And I know I'm catching you off guard here, but just
23 for his edification, there are rules about casino
24 employees and betting at their specific casinos and
25 even some of the other casinos. Could you just give

1 us a thumbnail sketch of what those rules are?

2 ATTORNEY SHERMAN:

3 A gaming employee of a casino certainly
4 cannot engage in any type of wagering, whether on
5 table games, slot machines or horses at the casino at
6 which they are employed. Different rules farther up,
7 Licensees, Key Employees that apply for his level
8 certainly are barred from any type of gaming activity
9 at the casino if he were to be approved for the
10 permit.

11 CHAIRMAN:

12 Thank you. Any other questions,
13 comments?

14 MR. SOJKA:

15 Again, I'm sort of where Commissioner Coy
16 is. Our first obligation, unquestionably, is to
17 protect the citizenry of Pennsylvania. You want to be
18 a table game dealer. Clearly, none of these events in
19 your past indicate that you're a violent predator or
20 anything that's going to jump over the table and
21 attack somebody. But I have to tell you I'm a little
22 troubled by your responses and explanations, if you
23 will, to each of these things. You were involved in
24 retail theft because you were unaware you had a pair
25 of shoes on. Somebody died in an accident when you

1 were the designated driver. You fell asleep and you
2 somehow weren't aware that your license was suspended.
3 You had an issue with the IRS, and somehow you didn't
4 know that until, you know --- the lack of awareness
5 and the lack of stepping up to it seems to be
6 different than simply acknowledging these things
7 happened and they're part of the record. You need to
8 know that's why, at least in my case, I'm struggling
9 with this issue. I don't know if there's going to be
10 more commentary or not. I'm impressed by the fact
11 that you stayed out of trouble, but I don't --- I want
12 to know how remorseful you truly are that, for
13 example, someone is dead because you fell asleep
14 driving without a license at a time when your life was
15 messed up because issues can happen in a gaming
16 facility. We need to know something about character.
17 Is there anything you can do to help me with that?
18 A. Again, I don't know if there's much I can say
19 about, you know, how remorseful I am, but certainly
20 --- especially after that incident, I was so troubled
21 by what did happen that I didn't even know a semester
22 happened. I mean, that was always on my mind that
23 entire semester. And I was entirely checked out of
24 life because I was so focused on what happened and so
25 disturbed by what my actions caused. You know, other

1 than telling you that, you know, my life has changed,
2 I do a lot of things differently ---. You know, you
3 did an entire background check, and since these events
4 happened, you know, check my credit, you know, I'm not
5 in trouble there. You know, other than the issue I
6 handled immediately when I just got informed by the
7 IRS. I am keeping on top of things, and I haven't had
8 significant issues with anything. And you know, if
9 you would look back to what I was doing then and what
10 I'm doing now, I think you could see a totally
11 different person. And if you look at my report,
12 credit report and everything else that you're looking
13 at right now, since 2003 every single thing you looked
14 at that looks good now looked horrible then. I think
15 we can all agree that, you know, what you're seeing
16 now in my entire report now is satisfactory.

17 MR. SOJKA:

18 Thank you. Can I just finish, and then
19 I'll be quiet. We've had similar situations in the
20 past where things come down to issues where we
21 ultimately are making a character decision, and people
22 often come well papered with statements from members
23 of the community, members of their church, various
24 persons attesting to the good character of the person.
25 It's a little unfair for me to jump in and ask for

1 that now because I think your whole focus on this
2 issue has been about whether or not that fatal
3 accident was a felony or not, and you weren't focusing
4 on the character thing. Do you think you would be
5 able to produce such documentation, other than the
6 fact that your credit report is now better and that
7 you don't have ---

8 A. Absolutely.

9 MR. SOJKA:

10 --- a criminal record? There would be
11 people to stand up for you?

12 A. There are people that work at Harrah's that ---
13 and I guess the month or so that I worked there that
14 have offered to write a letter of recommendation. I'm
15 sure people at my current work and my pastor would be
16 willing to.

17 CHAIRMAN:

18 Commissioner McCabe?

19 MR. MCCABE:

20 This is hard for me, too, but I know
21 somebody just like you who at that age never thought
22 about the consequences of their actions, didn't think
23 about their future and seven, eight years later is a
24 model citizen and serving his country, and I'm going
25 to take a chance on you.

1 A. Thank you.

2 CHAIRMAN:

3 Thank you. Any other questions?

4 Commissioner Ginty, do you have a question?

5 MR. GINTY:

6 The recommendation here from the Hearing
7 Examiner was to grant the license?

8 ATTORNEY COOK:

9 What we need for this gentleman to be
10 licensed would be a motion to adopt the Report and
11 Recommendation approved by a qualified majority of the
12 Board.

13 MR. GINTY:

14 And if you don't get a qualified
15 majority?

16 ATTORNEY COOK:

17 He would effectively be denied licensure.

18 MR. GINTY:

19 Would he have an opportunity to come
20 back?

21 ATTORNEY COOK:

22 Yes.

23 CHAIRMAN:

24 Okay. No other questions. Motion,
25 please.

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MR. GINTY:

Mr. Chairman, I'm going to move that the Board issue an order to adopt the Report and Recommendation of the OHA regarding the Gaming Employee Permit of Robert Smeltzer, as described by the OCC.

CHAIRMAN:

Second?

MR. COY:

I'll second.

CHAIRMAN:

All in favor?

AYES RESPOND

MR. TRUJILLO:

No.

CHAIRMAN:

Any other nos? One no from ---. Opposed was one. Motion passes. Commissioner Trujillo voted no.

Mr. Smeltzer, let me just say to you what you've heard up here before. We're taking a chance and a leap of faith. And you know, the fact that you did disclose these past crimes was helpful. The fact that you appeared here today was helpful. But we expect you to continue doing what you're doing, and we

1 wish you luck.

2 A. Thank you very much, all of you, for your time.

3 MR. SOJKA:

4 Please don't disappoint us.

5 A. I won't, sir.

6 CHAIRMAN:

7 Thank you. Next.

8 ATTORNEY COOK:

9 The next Report and Recommendation before
10 the Board today pertains to a request to be removed
11 from the Voluntary Self-Exclusion List.

12 On September 12th, 2010, DBS entered
13 Mohegan Sun at Pocono Downs and filed a Request for
14 Voluntary Self-Exclusion from Gaming Activities Form,
15 thereby placing herself on the Self-Exclusion List for
16 a one-year period. On that date, a Casino Compliance
17 representative met with DBS and conducted a mandatory
18 interview with her and completed all the required
19 procedures. At that time, the Casino Compliance
20 representative informed DBS that one may request
21 removal from the Self-Exclusion List only upon the
22 expiration of the term selected, which as I indicated,
23 was one year. Notwithstanding that fact,
24 approximately two months later DBS requested to be
25 removed from the Self-Exclusion List, although one

1 year has not passed.

2 A hearing in this matter was held before
3 the OHA on December 28th, 2010, with both the OEC and
4 DBS appearing and offering testimony and exhibits.

5 The Report and Recommendation that was
6 subsequently issued found that, under the Board's
7 regulations, DBS is not eligible for removal from the
8 list as the one-year term had not yet run. And that
9 Report and Recommendation is presently before the
10 Board.

11 CHAIRMAN:

12 Thank you. Is DBS here, the individual?
13 Okay. Any questions or comments from the Board? Can
14 I have a motion, please?

15 MR. COY:

16 I want to be certain. The recommendation
17 is?

18 ATTORNEY COOK:

19 To deny the petition, and she would
20 remain on the Self-Exclusion List.

21 MR. COY:

22 So in order to deny the petition, the
23 motion would be to approve the recommendation?

24 ATTORNEY COOK:

25 Correct.

1 MR. COY:

2 Mr. Chairman, I move that the Board issue
3 an order to adopt the Report and Recommendation of the
4 OHA regarding the petition of DBS for removal from the
5 List of Self-Excluded Persons, as described by the
6 OCC.

7 CHAIRMAN:

8 Second?

9 MR. GINTY:

10 Second.

11 CHAIRMAN:

12 All in favor?

13 AYES RESPOND

14 CHAIRMAN:

15 Opposed? Motion passes.

16 ATTORNEY COOK:

17 The final Report and Recommendation
18 before the Board today is also a request to be removed
19 from the Voluntary Self-Exclusion List. On June 3rd,
20 2007, JRM entered Parx Casino and filed a Request for
21 Voluntary Self-Exclusion from Gaming Activities,
22 thereby placing himself on the Self-Exclusion List for
23 life. On that date, a Casino Compliance
24 representative met with JRM and conducted a mandatory
25 interview with him and completed all related

1 procedures. During the interview, Casino Compliance
2 representative did not notice any indication that JRM
3 was unable to understand the ramifications of what he
4 was doing or any degree of intoxication. This Casino
5 Compliance representative informed JRM that he could
6 not seek removal from the list because he selected
7 lifetime self-exclusion. JRM is now requesting to be
8 removed from the Self-Exclusion List, claiming that he
9 was in the midst of a panic attack at the time he
10 entered onto the list, and as a result of that panic
11 attack, he did not have all of his faculties.

12 A hearing in this matter was held
13 December 7th, 2010. Both the OEC and JRM appeared and
14 offered testimony.

15 In the Report and Recommendation
16 subsequently issued, the Hearing Officer found that,
17 under the Board's regulations, JRM was not eligible to
18 be removed from the Self-Exclusion List, having
19 selected lifetime self-exclusion and failed to put on
20 adequate evidence to show his incompetence at the time
21 he entered the list. That Report and Recommendation
22 is presently before the Board.

23 CHAIRMAN:

24 Thank you. Is JRM here? Okay. Any
25 questions or comments from the Board? Seeing none,

1 can I have a motion, please?

2 MR. SOJKA:

3 Yes, Mr. Chairman. I move that the Board
4 issue an order to adopt the Report and Recommendation
5 of the OHA regarding the petition of JRM for removal
6 from the List of Self-Excluded Persons, as described
7 by the OCC.

8 MR. MCCABE:

9 Second.

10 CHAIRMAN:

11 All in favor?

12 AYES RESPOND

13 CHAIRMAN:

14 Opposed?

15 MR. GINTY:

16 Mr. Chairman, I want to be reported as
17 voting present. I have a very brief statement, if I
18 can make it.

19 CHAIRMAN:

20 Certainly.

21 MR. GINTY:

22 I'm troubled here primarily by our
23 regulation. I would agree with my colleagues that JRM
24 has not met the very rigid requirements of our
25 regulation. To put this into context, a person walks

1 into our office in one of the casinos, goes through a
2 process with one of our officers there, and puts
3 himself on a list to be excluded for one year, five
4 years, or in Mr. --- in JRM's case, for life. And
5 after that, he basically has --- under our
6 regulations, there's no recourse. Life means life,
7 and our regulation does not permit him the opportunity
8 to petition to basically get off that life exclusion.
9 I realize that gaming is a privilege, not a right, but
10 in my view this process doesn't come close to meeting
11 any minimum standard of due process. And I don't
12 think it would be acceptable in any context, except
13 possibly in gaming. I think we ought to revisit the
14 regulation at some point.

15 CHAIRMAN:

16 Thank you.

17 MR. TRUJILLO:

18 Mr. Chairman?

19 CHAIRMAN:

20 Yes, Commissioner Trujillo.

21 MR. TRUJILLO:

22 I wish to say I disagree completely with
23 my colleague on this issue. It's hardly a death
24 sentence for gaming for this individual or for any
25 other. There are at least, I think, 20 other states

1 in the United States that this individual can game, if
2 he wishes to do so. So, it's not that far away. And
3 so as far as I see this, an individual who comes in
4 and who takes the dramatic step of excluding himself
5 for life probably has reason to do so and good reason
6 to do so, and I'm pleased that our regulations allow
7 that. I've noted in the past that casinos that are
8 close by or in neighborhoods or are not resort casinos
9 are materially different than resort casinos, and so I
10 think that we're doing and our regulation is doing the
11 responsible thing by having us not be part of
12 continuing to create issues when somebody recognizes
13 that they've got an issue. So, I understand
14 Commissioner Ginty's view, but I disagree
15 wholeheartedly and I'm pleased that we have the
16 restrictions that we do.

17 CHAIRMAN:

18 Thank you. Any other questions or
19 comments? Motion, please. I'm sorry, we did. We all
20 voted present and not yes or no, and the motion does
21 pass. Thank you. Next.

22 ATTORNEY COOK:

23 Next for the Board's consideration is an
24 Emergency Suspension. Rachel Bachmann was issued a
25 Gaming Employee Permit on July 13th, 2010, and was

1 employed as a count room attendant at Parx Casino.

2 On December 1st, 2010, Ms. Bachman was
3 charged with theft related criminal offenses
4 consisting of two first-degree misdemeanors, two
5 second-degree misdemeanors and 40 third-degree
6 misdemeanors for allegedly stealing money while
7 performing her duties as a count room attendant. As a
8 result of these charges, the OEC filed a Request for
9 an Emergency Order of Suspension of Ms. Bachmann's
10 Gaming Employee Permit. The order was signed by the
11 Executive Director this week, on February 7th.

12 Board Regulations require that a
13 temporary Emergency Order be presented to the Board
14 for a full evidentiary hearing or that the matter be
15 referred to the OHA for that hearing. In this case,
16 the OCC recommends that the matter be referred to
17 Hearings and Appeals to conduct the full evidentiary
18 hearing to issue a Report and Recommendation which
19 will come before the Board at a subsequent hearing.

20 CHAIRMAN:

21 Thank you. Is Ms. Bachmann here? Okay.
22 Any questions or comments from the Board? Can I have
23 a motion, please?

24 MR. SOJKA:

25 Yes, Mr. Chairman. I'll move that the

1 Board issue an order to extend the Emergency
2 Suspension of Rachel Bachmann's Gaming Employee Permit
3 and that the matter then be referred to the OHA for a
4 hearing to determine the validity of the Emergency
5 Suspension Order.

6 MR. COY:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 AYES RESPOND

11 CHAIRMAN:

12 Opposed? Motion passes.

13 ATTORNEY SHERMAN:

14 Mr. Chairman, that concludes the matters
15 of the OCC.

16 CHAIRMAN:

17 Thank you, Doug. Thank you, Steve. Next
18 up is our Director of Licensing, Susan Hensel.
19 Welcome.

20 MS. HENSEL:

21 Thank you. Thank you, Chairman Fajt and
22 members of the Board. I am joined today by Sean
23 Hannon, Manager of the Enterprise Licensing Unit,
24 which oversees the licensing of entities, including
25 table game manufacturers and suppliers. Sean is here

1 today to share with the Board the Bureau of
2 Licensing's proposal regarding a policy to make
3 recommendations for reduced licensing fees for table
4 game manufacturers and suppliers.

5 As you know, 2010 amendments to the
6 Gaming Act provided for a modification in the
7 licensing fee for table game manufacturers and
8 suppliers if the Board determines that the fees will
9 unreasonably limit the availability of table game
10 devices or associated equipment in the Commonwealth.
11 The licensing fee for a manufacturer's initial license
12 is \$50,000 while the fee for a supplier is \$25,000.
13 The Board has previously waived the manufacturer
14 licensing fee on two occasions and currently has three
15 petitions pending requesting a reduction in the
16 licensing fee.

17 After hearings on two of these petitions,
18 the Board tabled the petitions and asked staff to
19 develop a global approach to respond to the fee
20 reduction requests. The Bureau of Licensing has
21 developed a fee reduction policy that aims to ensure
22 that Pennsylvania will have adequate access to certain
23 table game products while also encouraging smaller
24 businesses to participate in the state's gaming
25 industry. And Sean is going to explain the proposed

1 policy to you. I'm also going to put a slide up on
2 the screen to assist with that explanation.

3 MR. HANNON:

4 Good morning, Chairman Fajt.

5 CHAIRMAN:

6 Do you have a hard copy?

7 MS. HENSEL:

8 There was a hard copy in your packet.

9 MR. HANNON:

10 Good morning, Chairman Fajt, members of
11 the Board. The Gaming Act states that,
12 notwithstanding the fees established, the Board may
13 modify the fee upon the Board's determination that the
14 fee will unreasonably limit the availability of table
15 game devices or associated equipment used in
16 connection with table games or table game devices in
17 this Commonwealth.

18 The Bureau of Licensing proposes a policy
19 that would allow an applicant or a table game
20 manufacturer or a table game supplier license to
21 request a modified license fee so long as the
22 following conditions are met. One, the
23 manufacturer/supplier completes a request for a
24 reduced licensee fee form with its application
25 submission and provide all supplemental documentation

1 to substantiate a request. Two, the request is not
2 objected to by the OEC or the Bureau of Licensing.
3 And Three, the Board approves the recommended fee
4 modification. Any reduction in licensing would have
5 no impact on the required application or investigatory
6 fees. This fee structure will be used by the Bureau
7 of Licensing in making a recommendation for a reduced
8 licensing fee to the Board. Under this policy the
9 Bureau of Licensing and the OEC would take into
10 account the number of other manufacturers or suppliers
11 providing a particular product or service and the
12 manufacturer or supplier projected gross sales revenue
13 for the duration of its license term.

14 The policy contemplates three tiers for
15 each set of criteria. In terms of the number of
16 manufacturers or suppliers providing the product, we
17 will look at whether there was a single seller of a
18 particular product, between two and ten sellers or
19 more than ten sellers. The policy also looks at three
20 gross revenue thresholds, less than \$100,000, between
21 \$100,000 and \$250,000 and more than \$250,000. For
22 example, if a company is the only seller of a
23 particular table game product and projects gross
24 revenue of under \$100,000, the company would pay the
25 licensing fee. If a company is one of several sellers

1 of a product with more than \$250,000 in projected
2 gross revenue, the company would pay the full \$50,000
3 license fee. Should an entity, during its licensing
4 term, surpass the projected dollar threshold, it would
5 be required to pay the next highest license fee as
6 outlined on the fee structure. The Bureau of
7 Licensing will monitor a company's actual sales to
8 determine any additional required payments. This
9 proposed policy would apply to both initial and
10 renewal applications.

11 MS. HENSEL:

12 And under the proposed policy, once the
13 Bureau of Licensing has determined the recommended
14 fee, it will check with the OEC to assure there are no
15 objections to that recommendation. The Bureau of
16 Licensing will then present the recommended fee to the
17 Board as part of the overall initial or renewal
18 licensing of an applicant.

19 The Bureau of Licensing is not today
20 asking for any Board action but would like to invite
21 comments on this proposal. To that end, we would like
22 to open a two-week window to accept public comment and
23 post the proposed fee schedule on the Board's web page
24 by the end of the week. Comments could be submitted
25 to the Bureau of Licensing or through the Agency's

1 website. And we'd be happy to take any questions on
2 the proposal.

3 CHAIRMAN:

4 Commissioner Ginty?

5 MR. GINTY:

6 You know, it was helpful to me the other
7 day when going through these you put this in context
8 of other states who don't have to wrestle with this.
9 And can you just explain why we have to wrestle with
10 it and they don't?

11 MS. HENSEL:

12 We have a substantially higher
13 manufacturing and supplier fee than other states. The
14 average in the United States is about \$5,000 for a
15 manufacturer fee. So, you can see that we have a
16 significantly higher fee structure. And some of these
17 smaller companies --- for instance, you saw the Pai
18 Gow tile producer, they stand to make little money
19 and, if it had to pay that \$50,000 fee, would not
20 offer their product in Pennsylvania. By allowing some
21 accommodation in the fee, as the legislature
22 recommends in the amendments to the Act, we're
23 encouraging those companies to come in and, in the
24 long run, allowing the Commonwealth to make more
25 revenue because a game is being offered that otherwise

1 might not be offered.

2 CHAIRMAN:

3 Thank you. Yeah, Commissioner Sojka?

4 MR. SOJKA:

5 Again, because there is going to be a
6 public comment period, even though you and I have
7 briefly discussed the issue I'm going to bring up, I
8 think we ought to put it on the table here maybe
9 to --- so others could expand upon it or maybe feel
10 that we've had adequate answers.

11 First of all, I echo Commissioner Ginty's
12 comments. I think it's most appropriate to develop
13 this, if you will, global approach so that we don't
14 have to deal with this on an ad hoc basis time after
15 time. But what we've come up with, and I can't think
16 of any better answer, is something that's somewhat
17 akin to marginal tax breaks, if you will. And we know
18 that those tax rates affect behaviors of taxpayers.
19 And I look at the system, which I think is in an
20 effort to be fair, but it concerns me that it may, in
21 fact, affect behavior. And as these suppliers adopt
22 these behaviors for their own benefit, it may, in
23 fact, work to the detriment of the industry that we're
24 trying to help here. Let me give you an example. If
25 there are these steps up, would it not be to the

1 advantage of a supplier to sell right up to the
2 threshold, particularly if they realize that they
3 might gain just a little bit more by an additional
4 sell or two or supplying a little bit more, and
5 they'll simply tell the end user that our licensee is
6 sorry, we're back ordered, sorry, we're out of
7 production, sorry, it will have to be next year,
8 something of that sort, creating, if you will, a
9 temporary but real shortage in supply, which
10 essentially isn't to anybody's advantage. Is there
11 any way that you can try to address that issue that
12 you can share with us here so that others might be
13 able to weigh in on it?

14 MS. HENSEL:

15 Sure. We have built a number of
16 protections into the policy. One is that we are going
17 to look at the average monthly sales during the
18 duration of the license term in calculating what the
19 yearly gross income is. So, that should even out some
20 of the spikes or low points in sales. And secondly,
21 even if someone were to delay a sale on initial
22 licensure, if they want to make it during their
23 renewal term, it's ultimately going to catch up with
24 them. We also have other protections built into this
25 policy in that we are going to be requiring quarterly

1 sales, gross sales figures to be reported to the
2 Bureau of Licensing. We are also going to require
3 audited financials in terms of the sales in
4 Pennsylvania. And we will be reviewing disbursement
5 reports from the casinos that will indicate what the
6 actual sales are. At the end of the day it will be
7 within the Board's discretion to accept or not accept
8 a recommendation. So, if there were some gamesmanship
9 occurring, the Board certainly has the discretion to
10 deal with that.

11 MR. SOJKA:

12 And one problem that we might have if we
13 were to make a decision at that time might be
14 complaints from the industry that suddenly, for
15 reasons they don't understand, a product is not
16 available.

17 MS. HENSEL:

18 Correct.

19 MR. SOJKA:

20 We can connect the dots.

21 MS. HENSEL:

22 And I believe that the market would
23 respond to that. Companies have competitors that
24 could step in.

25 MR. SOJKA:

1 And of course, just to expand on that,
2 this whole thing that I'm concerned with only would
3 apply in a case where there, indeed, aren't
4 competitors, where this is a single-source supplier.
5 In a free market, where there are competitors,
6 obviously this would not be a problem. It's that case
7 where if we had Pai Gow tiles when there's one
8 supplier.

9 MS. HENSEL:

10 Correct.

11 CHAIRMAN:

12 Any other questions or comments? One
13 thing occurred to me on how we can get the word out
14 about this, I mean, does it help to send a letter out
15 to the industry, to the operator themselves, to say,
16 you know, this is a proposal we're going to take up at
17 our next meeting or whatever, just to kind of put them
18 on notice? I mean, obviously, they deal with these
19 entities much more than --- and we know who they are
20 much more than we do.

21 MS. HENSEL:

22 We can certainly do that. We can also
23 reach out to our existing list of manufacturers and
24 suppliers.

25 CHAIRMAN:

1 Whatever you think makes the most sense.
2 But I do worry that if we just put it up on our
3 website, people are going to claim that they didn't
4 understand the policy or didn't know it existed.

5 MS. HENSEL:

6 Sure. We'd be happy to do that.

7 CHAIRMAN:

8 Thank you. All right. Thank you very
9 much.

10 MS. HENSEL:

11 Okay. Moving on, the next matter for
12 your consideration is the approval of Key Employee
13 Licenses. Prior to this meeting, the Bureau of
14 Licensing provided you with a proposed order for one
15 Key Employee for Presque Isle Downs, Inc. I ask that
16 the Board consider the order approving this license.

17 CHAIRMAN:

18 Thank you. Any questions or comments
19 from Enforcement Counsel?

20 ATTORNEY PITRE:

21 We have no objection to the request.

22 CHAIRMAN:

23 Thank you. Questions or comments from
24 the Board? Can I have a motion, please?

25 MR. MCCABE:

1 Yes, Mr. Chair. I move that the Board
2 approve the issuance of a Key Employee License, as
3 described by the Bureau of Licensing.

4 CHAIRMAN:

5 Second?

6 MR. SOJKA:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 AYES RESPOND

11 CHAIRMAN:

12 Opposed? Motion passes.

13 MS. HENSEL:

14 Next for your consideration is the
15 issuance of Temporary Principal and Key Employee
16 Licenses. Prior to this meeting, the Bureau of
17 Licensing provided you with an order regarding the
18 issuance of Temporary Licenses for one Principal and
19 17 Key Employees. I ask that the Board consider the
20 order approving these credentials.

21 CHAIRMAN:

22 Enforcement Counsel, comments or
23 questions?

24 ATTORNEY PITRE:

25 No objection.

1 CHAIRMAN:

2 Thank you. Questions from the Board?
3 Can I have a motion, please?

4 MR. SOJKA:

5 So moved.

6 MR. COY:

7 Second.

8 CHAIRMAN:

9 All in favor?

10 AYES RESPOND

11 CHAIRMAN:

12 Opposed? Motion passes.

13 MS. HENSEL:

14 We also have Gaming Permits and
15 Non-Gaming Registrations. Prior to this meeting, the
16 Bureau of Licensing provided you with a list of 367
17 individuals who the Bureau has granted Occupation
18 Permits to and 114 individuals who the Bureau has
19 granted Registrations to, under the authority
20 delegated to the Bureau of Licensing. I ask that the
21 Board adopt a motion approving the order.

22 CHAIRMAN:

23 Any questions from Enforcement Counsel?

24 ATTORNEY PITRE:

25 No questions. One comment with regard to

1 Mr. Malcolm McCann from Greenwood Gaming &
2 Entertainment. If the Board may remember, this was
3 the individual that came before the Board in the past
4 with the taser incident in the car, and the Board
5 asked that a condition be placed on his license. I
6 just want to reiterate the condition, and that
7 condition, for the record, is that within six months
8 that he register his Driver's License for the State of
9 Pennsylvania. His license number is 47956-1. I just
10 want to put that on the record so the Bureau of
11 Licensing is aware of that.

12 CHAIRMAN:

13 Thank you.

14 ATTORNEY PITRE:

15 Other than that, no objections.

16 CHAIRMAN:

17 Questions or comments from the Board?
18 Commissioner Sojka?

19 MR. SOJKA:

20 Does that need to be redacted now?

21 ATTORNEY PITRE:

22 No, it doesn't.

23 MR. SOJKA:

24 Driver's License's numbers are okay.

25 ATTORNEY PITRE:

1 Everything is fine. We're just going to
2 keep track of him and make sure he does that.

3 MR. SOJKA:

4 I just want to make sure we weren't
5 revealing something we should not.

6 CHAIRMAN:

7 Can I have a motion, please?

8 MR. COY:

9 So moved.

10 CHAIRMAN:

11 Second?

12 MR. GINTY:

13 Second.

14 CHAIRMAN:

15 All in favor?

16 AYES RESPOND

17 CHAIRMAN:

18 Opposed? Motion passes.

19 MS. HENSEL:

20 We also have Recommendations of Denial
21 for nine gaming and three non-gaming employees. Prior
22 to this meeting, the Bureau of Licensing provided you
23 with orders addressing these applicants who the Bureau
24 of Investigations and Enforcement (BIE) has
25 recommended for denial. In each of these the

1 applicant failed to request a hearing in the specified
2 time period. I ask that the Board consider the orders
3 denying the gaming and non-gaming applicants.

4 CHAIRMAN:

5 Any questions from Enforcement Counsel?

6 ATTORNEY PITRE:

7 Enforcement Counsel would recommend
8 denial of each one of those incidents.

9 CHAIRMAN:

10 Thank you. Questions from the Board?
11 Seeing none, could I have a motion, please?

12 MR. SOJKA:

13 So moved.

14 MR. COY:

15 Second.

16 CHAIRMAN:

17 All in favor?

18 AYES RESPOND

19 CHAIRMAN:

20 Opposed? Motion passes.

21 MS. HENSEL:

22 Next, we have withdrawal requests for Key
23 Employees. In each case, the license is no longer
24 required due to such circumstances as the employee
25 failing to report to work or the job offer being

1 rescinded. For today's meeting, I have provided the
2 Board with a list of 24 Key Employees, and I ask that
3 the Board consider the order approving this list of
4 withdrawals.

5 CHAIRMAN:

6 Thank you. Questions from Enforcement
7 Counsel?

8 ATTORNEY PITRE:

9 No objection.

10 CHAIRMAN:

11 Thank you. Any questions from the Board?
12 Can I have a motion, please?

13 MR. COY:

14 So moved.

15 MR. GINTY:

16 Second.

17 CHAIRMAN:

18 All in favor?

19 AYES RESPOND

20 CHAIRMAN:

21 Opposed? Motion passes.

22 MS. HENSEL:

23 Finally, we have an order to certify the
24 following gaming service providers: Absolute
25 Electrical Contracting, Inc., Genesis Associates,

1 McPhee Electric, Limited, Philip M. Casciano
2 Associates, Inc. and R.W. Sidley, Inc. I ask that the
3 board consider the order approving these gaming
4 service providers for certification.

5 CHAIRMAN:

6 Thank you. Any comments from Enforcement
7 Counsel?

8 ATTORNEY PITRE:

9 Enforcement Counsel recommends approval
10 in each one of these.

11 CHAIRMAN:

12 Thank you. Questions from the Board?
13 Can I have a motion?

14 MR. GINTY:

15 So moved.

16 MR. MCCABE:

17 Second.

18 CHAIRMAN:

19 All in favor?

20 AYES RESPOND

21 CHAIRMAN:

22 Opposed? Motion passes.

23 MS. HENSEL:

24 That concludes the Bureau of Licensing's
25 presentation.

1 CHAIRMAN:

2 Thank you very much, Susan. Thank you,
3 Sean. Next up is our Enforcement Counsel, Cyrus
4 Pitre. I see the first matter under OEC is proposed
5 Consent Agreement between the OEC and Washington
6 Trotting Association. And welcome, Counselor. And
7 when you're ready, Enforcement Counsel, you may begin.

8 ATTORNEY POWERS:

9 Thank you, Chairman Fajt, members of the
10 Board. We do, in fact, have a Consent Agreement
11 between the OEC and ---.

12 CHAIRMAN:

13 Counselor, I'm sorry, could you say your
14 name for the stenographer?

15 ATTORNEY POWERS:

16 Sorry. Melissa Powers, P-O-W-E-R-S, from
17 the OEC. We do have a Consent Agreement between OEC
18 and the Meadows Racetrack and Casino. The Agreement
19 involves one incident of underage gaming and two
20 incidents of underage access to the gaming floor.

21 On June 25th, 2010, a 20-year-old patron
22 entered the Meadows gaming floor and placed wagers in
23 a slot machine for approximately one hour. On July
24 24th, 2010, two children, ages 9 and 11, walked past
25 two security officers and entered the gaming floor

1 with their parent. And on November 27th a three-old-
2 child, with their parent, entered the gaming floor,
3 walking past two security officers. Following a
4 period of discussions between the Meadows, the Bureau
5 of Casino Compliance and the OEC, Meadows has taken
6 multiple steps to address these issues, including
7 additional training for its staff and discipline for
8 the employees involved in these incidents. In
9 addition, the parties have agreed that within five
10 days of the Board's order, Meadows shall pay a fine in
11 the amount of \$30,000. The fine is consistent with
12 fines levied against other licensed facilities in the
13 past, and if approved, would be the second fine levied
14 against the Meadows for incidents involving underage
15 violations. The OEC recommends that the Board approve
16 this agreement.

17 CHAIRMAN:

18 Thank you, Counsel. Any questions or
19 comments from the Board? I have one. I saw in the
20 information that we had reviewed, Ms. Jones, that at
21 least one of the women made a reference to a child's
22 party, that she was attending a child's party. We
23 couldn't get confirmation whether that was accurate or
24 not. And she also made a comment that she was going
25 to the Folio Room for this party. I am aware --- the

1 Board's aware that the Meadows does have a bowling
2 alley, which we understand, you know, may be the site
3 of children's parties and other parties, but we
4 weren't sure, number one, whether that was an accurate
5 statement, and number two, whether there is another
6 area where children's parties are held, this Folio
7 Room. Could you expound on that, please?

8 ATTORNEY JONES:

9 The issue, she was trying to cross the
10 floor to go to the bowling alley. She was getting a
11 little confused as to where the party was and was
12 actually a little belligerent with the guards. So,
13 the misunderstanding was that she was providing
14 information to them. As far as my understanding, the
15 bowling alley tried to direct her. It was --- there
16 was an issue there.

17 CHAIRMAN:

18 So you were not aware that this Folio
19 Room is the site of children's parties?

20 ATTORNEY JONES:

21 No, not to my knowledge.

22 CHAIRMAN:

23 Okay. Thank you. Any other questions?
24 Can I have a motion, please?

25 MR. MCCABE:

1 Yes, Mr. Chair. I move the Board issue
2 an order to approve the Consent Agreement between the
3 OEC and Washington Trotting Association, as described
4 by Enforcement Counsel.

5 CHAIRMAN:

6 Second?

7 MR. SOJKA:

8 Second.

9 CHAIRMAN:

10 All in favor?

11 AYES RESPOND

12 CHAIRMAN:

13 Opposed? Motion passes.

14 ATTORNEY POWERS:

15 Thank you.

16 CHAIRMAN:

17 Thank you very much. The second matter
18 is also a proposed Consent Agreement. This one is
19 between an OEC and Holding Acquisition Company, which
20 operates the Rivers Casino. I see Rivers is
21 represented by Counsel. And Enforcement Counsel, you
22 may begin.

23 ATTORNEY POWERS:

24 Thank you. This agreement involves seven
25 incidents where underage patrons entered the gaming

1 floor and placed wagers at Rivers Casino. On June
2 3rd, June 13th, August 21st, September 11th and
3 September 26 in 2010 and on January 1st, 2011 six
4 different patrons under the age of 21 entered the
5 Rivers gaming floor and placed wagers with slot
6 machines. On August 28th, 2010, a 20-year-old patron
7 entered the gaming floor and gamed at two of the
8 Blackjack tables. Following a series of discussions
9 between Rivers, Casino Compliance and the OEC, Rivers
10 has taken multiple steps to address these incidents,
11 including additional training for employees and
12 disciplinary action against the employees involved in
13 these incidents.

14 At the Board meeting of January 6th of
15 2011, the OEC and Rivers presented a Consent Agreement
16 involving six of these incidents, wherein Rivers was
17 going to build a partial wall --- two partial walls at
18 two different entrances in order to narrow the access
19 to the gaming floor. The Board did not approve that
20 agreement. Therefore, we're here today to present an
21 agreement wherein Rivers will pay a monetary fine.
22 The parties have agreed that within five days of the
23 Board's order, Rivers shall pay a fine in the amount
24 of \$105,000 for all seven incidents. The fine is
25 consistent with fines levied against other licensed

1 facilities, and if approved, will be the second fine
2 levied against Rivers for incidents involving underage
3 violations. The OEC recommends approval of the
4 agreement.

5 CHAIRMAN:

6 Thank you. Mr. Sklar, do you have any
7 comments?

8 ATTORNEY SKLAR:

9 I would just refer back to during the
10 January 6th hearing the testimony of Rhonda Gilchrist,
11 who is the Vice-President of Compliance. She went
12 through some of the measures that were instituted
13 since some of these incidents, and they included
14 training with security guards analyzing
15 identifications to flag to what to look for to
16 determine if there's a fake ID and the --- during
17 high-volume days, the Rivers has instituted measures
18 to try to capture people outside before they come into
19 the facility. Otherwise, they were to take this very
20 seriously and were attempting to put measures in to
21 prevent this from happening in the future. But I will
22 say just for the record I don't know --- no matter
23 what measures you put in place, nothing I think is
24 going to be foolproof. And the policy that's in place
25 now is a strict liability, and I think in certain

1 instances there has to be a recognition that these
2 fines are escalating and they're starting to get ---
3 you know, there's a dramatic impact on operations.
4 But at a certain point there has to be a recognition
5 that there's only so much that the operators can do
6 and right now, on the flipside, the punishment that's
7 levied typically is a trespass violation, which I
8 don't think has too much teeth. I don't know that
9 that would necessarily prevent underage individuals
10 from trying to gain access. And maybe if there was a
11 little bit more teeth to the punishment --- for
12 example, I believe the policy in New Jersey the loss
13 of Driver's License. I think that would certainly be
14 helpful to the operator, you know, in terms of trying
15 to minimize and ultimately prevent these types of
16 incidents in the future.

17 CHAIRMAN:

18 Any comments from the Board? Jim?

19 MR. GINTY:

20 You realize we don't have the authority
21 to take away someone's license, so what are you going
22 to go about it?

23 ATTORNEY SKLAR:

24 There's nothing that we can do either in
25 terms of confiscating or taking away a license. But I

1 would hope that some of the district attorneys would
2 take that step and, from our perspective, you know,
3 with the underage individuals who are coming in by
4 themselves, we can only --- there's really not much
5 that we can do to punish them. If they come in with
6 their parents, then, you know, possibly take --- we,
7 as the operator, civilly could potentially try to go
8 against the parent.

9 MR. GINTY:

10 I think it's a great idea. But you know,
11 it's one thing to sit there and say it, but I mean,
12 you have the whole industry out there. If they got
13 behind it, you might get some legislation and you
14 might get some local laws changed to do it. But their
15 saying it doesn't get it done.

16 MR. SOJKA:

17 It seems to me that if you look at the
18 size of these fines, this last one is \$15,000 per
19 incident. And I think you're absolutely correct. If
20 you want to start charting these fees, you can
21 probably count on the fact that they're going to go
22 up. That means that those people have materially
23 damaged your entity. Don't you have some recourse
24 individually against them?

25 ATTORNEY SKLAR:

1 I don't know --- against the minors, I
2 don't know if we would have recourse or not. I'm not
3 sure what we could do. I think certainly the parents
4 who are bringing in an underage --- I think that that
5 would certainly be a --- something to look at. I
6 think that would send a message.

7 MR. SOJKA:

8 But there's a --- again, there's a kind
9 of unusual situation here. Some parents --- this
10 example with the other operator, where a mother has
11 children and she's moving across the floor to do
12 something. I don't think there's any intent to break
13 the law there, and yet you say, well, there's one that
14 we could jump in, whereas if you have a 20-year-old
15 who looks 35 and has a false ID and tries to sneak by
16 you, there's intent there to beat you and to beat us.
17 And I don't know, it seems to me that's the one you go
18 for.

19 ATTORNEY SKLAR:

20 I agree. Personally, the
21 three-month-old --- I don't think --- that's the type
22 of incident where I don't think a fine is warranted in
23 those types of circumstances, you know, if someone
24 made a mistake and went the wrong direction. You
25 know, I think that those kinds of things, I mean, it's

1 difficult for the operators to absolutely positively
2 ensure that, you know, someone with a three-month-old
3 doesn't wander onto the floor.

4 CHAIRMAN:

5 Back to Commissioner Ginty's point, then
6 I'll get off this. I mean, this is a legislative
7 remedy. And certainly, you all have lobbyists and
8 lawyers working for each of the individual operators.
9 And you know, if this is an issue that, you know, you
10 thought was worth pursuing, I would suggest you talk
11 to them. Just as a Board, we also have talked about,
12 you know, increasing somehow the penalties that exist
13 today for trespass, and we're not sure that that's
14 being done. The fines that can be levied are levied.
15 The prosecution that can be taken against these kids
16 are being taken. And we will attempt to do what we
17 can to make sure that's happening. As far as changing
18 the law to, you know, take somebody's license,
19 obviously, as Commissioner Ginty said, that's beyond
20 our pay rate, and it's a legislative problem. So,
21 having said that, if there are no other questions,
22 could I have a motion, please?

23 MR. SOJKA:

24 Yes. Mr. Chairman, I'll move that the
25 Board issue an order to approve the Consent Agreement

1 between the Office of Enforcement Counsel and Holdings
2 Acquisition, as described by Enforcement Counsel.

3 MR. MCCABE:

4 Second.

5 CHAIRMAN:

6 All in favor?

7 AYES RESPOND

8 CHAIRMAN:

9 Opposed? Motion passes. Thank you,
10 Counsel. Cyrus?

11 ATTORNEY PITRE:

12 The next matter will be presented by
13 Dustin Miller. These are two individuals that are
14 seeking to be placed on the Exclusion List.

15 CHAIRMAN:

16 Good morning, Dustin.

17 ATTORNEY MILLER:

18 Good morning, Chairman Fajt, members of
19 the board. Dustin Miller on behalf of the OEC. The
20 next matter is a request for placement on the Board's
21 Excluded Persons List today involving Sharon Balek.
22 If she's here today, she can come forward.

23 CHAIRMAN:

24 Is Sharon Balek here? Okay.

25 ATTORNEY MILLER:

1 The OEC filed a petition to place Ms.
2 Balek on the Exclusion List for leaving her child and
3 her child's half sister inside her car for five hours
4 while she went into the casino and played slot
5 machines at Parx Casino. The petition was filed on
6 October 21st, 2010. The petition was properly served
7 upon Ms. Balek to the address listed on the criminal
8 complaint filed against her by both certified and
9 first-class mail. Ms. Balek did not respond to the
10 filing in any way. Due to Ms. Balek's failure to
11 respond, the averments in the petition are deemed to
12 be admitted as fact and her right to a hearing has
13 been waived.

14 On January 11th, 2010, the OEC filed a
15 request to enter judgment upon default. The matter is
16 now before the Board to consider the placement of Ms.
17 Balek on the Board's Excluded Persons List.

18 CHAIRMAN:

19 Thank you. Any questions or comments
20 from the Board? Could I have a motion, please?

21 MR. MCCABE:

22 Yes, Mr. Chair. I move that the Board
23 issue an order to approve the addition of Sharon Balek
24 to the PGCB Exclusion List, as described by the OEC.

25 MR. COY:

1 Second.

2 CHAIRMAN:

3 All in favor?

4 AYES RESPOND

5 CHAIRMAN:

6 Opposed? Motion passes.

7 ATTORNEY MILLER:

8 The final request for placement on the
9 Board's Excluded Persons List today involves Ryan
10 McCauley. And I do believe Mr. McCauley is here
11 today. He should come forward at this time.

12 CHAIRMAN:

13 Mr. McCauley, ---

14 MR. MCCAULEY:

15 Yeah.

16 CHAIRMAN:

17 --- could you just stand for a second and
18 we'll swear you in?

19 -----

20 RYAN MCCAULEY, HAVING FIRST BEEN DULY SWORN, TESTIFIED
21 AS FOLLOWS:

22 -----

23 CHAIRMAN:

24 Thank you. Please have a seat. OEC, you
25 may begin.

1 ATTORNEY MILLER:

2 Thank you. The OEC filed a petition to
3 place Mr. McCauley on the Excluded List for bet
4 packing while he was playing roulette at Harrah's
5 Chester Casino. A petition was filed on November
6 22nd, 2010. The petition was properly served upon Mr.
7 McCauley to the address listed on the criminal
8 complaint filed against him by both certified and
9 first-class mail. Mr. McCauley did not respond to the
10 filing in any way. Due to Mr. McCauley's failure to
11 respond, the averments in the petition are deemed to
12 be admitted as fact, and his right to a hearing has
13 been waived.

14 On January 27th, 2011, the OEC filed a
15 request to enter judgment upon default. The matter is
16 now before the Board to consider the placement of Mr.
17 McCauley on the Board's Excluded Persons List.

18 CHAIRMAN:

19 Thank you. Mr. McCauley, do you have any
20 statement or comments for the Board?

21 A. Yes. I was in Miami. I'm a salesman, and we just
22 bought a company out down there, so I was down there
23 for a month-and-a-half. And the mailing address for
24 the documents is my parents' house, and I live in
25 Manayunk, which is part of Philadelphia. So, I didn't

1 receive the letters. And as soon as I got it, I
2 called --- I forget the name.

3 CHAIRMAN:

4 Mr. Cook.

5 A. Mr. Cook. I called Mr. Cook to let him know
6 everything. He said to appear here. I went to trial.
7 What happened was I won like \$12,000 at Harrah's, and
8 I paid 517 spins. And they found in one hand I post
9 bet on black. But I had the dealer and the pit bosses
10 took my defense. I wasn't stealing. I'm not a thief,
11 you know. My only wrong action was being at a casino
12 in the middle of the night on a Monday, and I learned
13 my lesson. It was a one-time thing. I'm not like
14 some criminal that was trying to withdraw or steal
15 from a casino. You know, that's what I have to say.

16 CHAIRMAN:

17 Counsel?

18 ATTORNEY MILLER:

19 I mean, the documents were properly
20 served. According to our reports, this actually
21 occurred on two occasions, the same night he post
22 bet --- bet packed four \$500 chips on two occasions
23 after the dealer had said no more bets, which netted
24 in an additional winning of \$4,000. He was charged
25 with a felony theft offense. And according to the

1 criminal records I reviewed, he entered the ARD
2 program on that offense on January 19th, and is in
3 that program for 12 months and must perform community
4 service.

5 CHAIRMAN:

6 Any questions, comments from the Board?
7 Commissioner McCabe?

8 MR. MCCABE:

9 Have you had a hearing yet?

10 ATTORNEY COOK:

11 Mr. Chairman, I think it would be
12 appropriate to remand this matter to the OHA.

13 A. One thing I was going to say, with the felony ---
14 I had two felony charges. The one was withdrawn, was
15 dropped. And the only reason I entered the ARD
16 program was I didn't want to have a record if it went
17 to trial. And with that ARD program, you know, you
18 don't have a record. And I have a pretty good job I'm
19 not trying to lose. So, my future depends on the
20 majority so I'll be able to pay for the fine.

21 CHAIRMAN:

22 Thank you. Mr. McCauley, what I think
23 we're going to do here is to remand this to our OHA.
24 I would like to ask, if the Board agrees to do that,
25 that you make sure we have a current address, current

1 phone number.

2 A. Yes.

3 CHAIRMAN:

4 And if anything changes --- it's up to
5 you to notify us if either that address or that phone
6 number changes until you appear before the OHA and
7 also back before this Board at some subsequent point.
8 So the burden is on you to give them that information
9 today and also to update that information if it
10 changes before this matter is finally determined.

11 Okay?

12 A. Okay.

13 CHAIRMAN:

14 Having said all that, ---.

15 A. I'm moving to Miami in two months for my job, so
16 is that trial going to be sometime ---?

17 CHAIRMAN:

18 That's up to them, so ---

19 A. Okay.

20 CHAIRMAN:

21 --- we're not going to get into that here
22 today. Can I have a motion?

23 MR. COY:

24 Yes. Mr. Chairman, I'll move the Board
25 issue an order to remand this matter to the OHA for a

1 full evidentiary hearing on OEC's petition to place
2 Ryan McCauley on the PGCB Exclusion List.

3 CHAIRMAN:

4 Second?

5 MR. MCCABE:

6 Second.

7 CHAIRMAN:

8 All in favor?

9 AYES RESPOND

10 CHAIRMAN:

11 Opposed? Motion passes. And Mr.
12 McCauley, again, just make sure we have all your
13 updated information.

14 A. Thank you.

15 CHAIRMAN:

16 Our last order of business today is to
17 have Commissioner Coy's replacement on the Board, my
18 friend, Keith McCall, sworn in to become the newest
19 member of the Gaming Control Board. Before we
20 actually do that, I want to formally welcome Keith to
21 the Board. And I think I speak for the entire Board
22 when I say that we look forward to working with you
23 and having you as a member of this body. Having known
24 you for a number of years, I'm quite sure that your
25 intellect and wealth of knowledge not only of the

1 gaming industry and the law and also on how the whole
2 legislative process works will serve the Board well,
3 and I welcome you. Before you do come up, I'd just
4 like to recognize Commissioner Coy.

5 MR. COY:

6 Thank you, Mr. Chairman. I think most
7 people know that I gave some farewell remarks at the
8 last meeting, so I will not repeat those. But the
9 purpose of me to say a few words is to say a few words
10 about Speaker McCall, Representative McCall, my
11 friend, Keith McCall, upon this event.

12 Very candidly, I have read one or two
13 reports recently in the news media which, in sum, may
14 have questioned an appointment or not, but let me say
15 as someone who served with Representative McCall for
16 22 years in the State House of Representatives, and I
17 think the Chairman served for part of that time with
18 both of us also, I just want to say that before
19 anybody rushes to judgment on whether or not Speaker
20 McCall is qualified, I want to point out a couple
21 facts for the record.

22 Fact number one, Keith McCall was elected
23 14 times by the people of Carbon County by wide
24 margins to be their representative. He was
25 unanimously elected Speaker of the House of

1 Representatives by his 202 other colleagues. No one
2 voted no. And after the death of Lieutenant Governor
3 Catherine Baker Knoll, Speaker McCall was third in
4 line of succession to be the Governor of Pennsylvania.
5 Now, I think that should set anybody's record straight
6 about qualifications, if necessary, to serve on this
7 Board. And I aver to all of you, my colleagues, and
8 to all of you who are here in this company that
9 Representative Keith McCall will be a sterling member
10 of this Board and will serve continually, as he has in
11 the past, the best interests of the people of
12 Pennsylvania. Thank you, Mr. Chairman.

13 CHAIRMAN:

14 Thank you, Commissioner Coy. And with
15 that, Keith, if you could please come up in front here
16 of Susan Clock (phonetic), our able administrator,
17 Susan, and Mickey Kane. The floor is yours.

18 OATH ADMINISTERED

19 CHAIRMAN:

20 Thank you. Jeffrey, thank you. Okay.

21 MR. MCCALL:

22 First of all, let me say thank you to
23 Representative Coy for those touching remarks. You're
24 kind of calloused to a lot of the things that get said
25 about you or things that you read about when you serve

1 in public life, but I do appreciate the fact that Jeff
2 came to my defense, so to speak. But I just want to
3 say that I am honored for the privilege to serve on
4 this Board. And I can only really echo the remarks by
5 Commissioner McCabe when he talked about this Board at
6 its infancy, he and many of these members as charter
7 members, but this Board has been the gold standard
8 throughout the country. And I think that is something
9 to say about the character of the men and women who
10 serve on it. And again, I feel honored for the
11 privilege and hope that I can rise to that gold
12 standard with my knowledge and ability and my service
13 in public life in bringing that expertise to this
14 Board to maintain that level of integrity and to
15 maintain that level of regulation that you have
16 established in this Commonwealth that has been the
17 gold standard for the entire country when it comes to
18 gaming. So, with that being said, it is certainly my
19 honor and privilege to join all of you and my hope
20 that I can live up to the tradition that this Board
21 has set in its infancy.

22 CHAIRMAN:

23 Thank you. Commissioner McCall, again,
24 having known you for a number of years, I have no
25 doubt that you will be able to live up to that

1 standard, and thank you and welcome.

2 Before concluding today's business, I'd
3 also be remiss if I didn't publicly recognize a
4 soon-to-be added another Commissioner, Tony Moscato.
5 Tony, if you would please stand to be recognized.

6 Tony has been recently appointed to
7 replace Commissioner McCabe and will be seated at our
8 next meeting. Actually, I think Tony will be
9 unofficially sworn in on Monday and then officially
10 sworn in at our next meeting. And I know you bring
11 years of experience as a County Commissioner and also
12 somebody who has walked the halls of Harrisburg, and
13 we look forward to your experience and insight on the
14 Board.

15 That concludes today's business. In
16 closing, our next scheduled public meeting will be
17 held Thursday, February 24th, in the North Office
18 Building. And that meeting will also start at 9:30
19 a.m. And I believe, Commissioner Sojka, you may have
20 one last comment.

21 MR. SOJKA:

22 Very briefly. But everyone in this room
23 is deeply interested one way or another in gaming,
24 either as a member of government, as a member of the
25 staff, a member of the media, the general public,

1 members of the industry. And I think you probably all
2 realize that this is a watershed moment for this
3 agency because when Commissioners Coy and McCabe leave
4 the dais that will be the termination, if you will, of
5 the founding members of the original Board, the people
6 who put this in motion. So, I would simply remind
7 everyone that though this moment may be the end of the
8 beginning, it definitely is not the beginning of the
9 end.

10 CHAIRMAN:

11 Well said. May I have a motion to
12 adjourn?

13 MR. COY:

14 So moved.

15 CHAIRMAN:

16 Thank you. Second?

17 MR. GINTY:

18 Second.

19 * * * * *

20 MEETING CONCLUDED AT 12:20 P.M.

21 * * * * *

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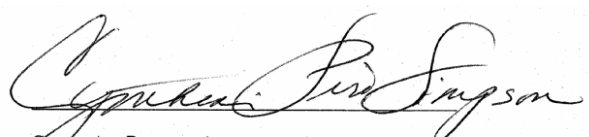
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CERTIFICATE

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I hereby certify that the foregoing proceedings, meeting held before the PA Gaming Control Board, was reported by me on 02/10/2011 and that I Cynthia Piro-Simpson read this transcript and that I attest that this transcript is a true and accurate record of the proceeding.



Cynthia Piro-Simpson
Court Reporter