

1 of OEC. Can you tell us what this document is?

2 A. Yes. You're looking at the reported offenses for  
3 the calendar year of 2011. It also compares it with  
4 the calendar year of 2010 there. Do you want me to  
5 break it down further?

6 Q. If you could, please?

7 A. The first two columns are offenses reported. If  
8 you go over a little bit, you'll see actual offenses.  
9 Sometimes we get an offense reported to us, somebody  
10 might think they have their wallet stolen. They get  
11 home and realize that it's in their purse or in their  
12 back pocket. So, that'll be an offense, but it  
13 wouldn't be an actual offense. Your actual offenses  
14 are always going to be a little bit lower than your  
15 offenses.

16 If you move a little further over, it has  
17 offenses cleared. That's where we solve the crime and  
18 we figure out who did it. It does not necessarily  
19 mean someone's getting arrested for whatever reason.  
20 Sometimes the victim will be reimbursed fully and they  
21 might not want prosecution, so we don't actually make  
22 an arrest, but it counts as a cleared offense for us.  
23 And then it looks like there's juvenile offenses as  
24 well on there.

25 Q. And can you tell me how many offenses were

1 reported for 2011?

2 A. Total offenses in 2011 were 440.

3 Q. And how does that differ from 2010?

4 A. 2010, it looks like there was 673. So, it's down  
5 significantly. It looks like a 34-percent decrease.

6 Q. And I'm going to move to the next slide. And can  
7 you tell me, how has that changed between 2011 and  
8 2012?

9 A. 2011, there was 440, 2012 was down to 417, so a  
10 five-percent decrease.

11 Q. And for year-to-date 2013?

12 A. Currently we're down 44 percent in offenses, from  
13 267 down to 149.

14 Q. And you had mentioned arrests versus reported  
15 offenses. Can you tell us some more about that?

16 A. Yes. Like I said, the offenses are reported, a  
17 trooper does the investigation. Hopefully, we clear  
18 that investigation. That would be your offenses  
19 cleared column. And oftentimes arrests will follow.  
20 And that's on a different page in the uniform crime  
21 report.

22 Q. And on this next slide, can you tell us then for  
23 the year 2013, how many arrests occurred?

24 A. It looks like the --- yeah, the bottom part's cut  
25 off. But there's been 38 arrests so far this year,

1 compared to 77 at this point last year. So, it's  
2 almost a 50-percent decrease.

3 Q. Does voucher theft occur at the casino?

4 A. Yes, it does.

5 Q. And how would that be reported?

6 A. That's reported in the larceny theft column.

7 Q. Are there any significant number of crimes  
8 involving individuals under the age of 21 in the last  
9 year?

10 A. No, it's relatively few.

11 Q. Have there been any noticeable increase in  
12 specific crimes during an individual period?

13 A. No, there has not.

14 Q. Is there anything you'd like to add in your  
15 testimony at this time, any issues or concerns that  
16 would negatively impact Hollywood Casino at this time?

17 A. No.

18 ATTORNEY HOEFLICH:

19 I have no further questions of this  
20 witness.

21 PRESIDING OFFICER:

22 Any questions from Counsel for Penn  
23 National?

24 MR. DONAGHUE:

25 We have no questions.

1                   PRESIDING OFFICER:

2                   Thank you. Mr. Fajt?

3                   MR. FAJT:

4                   Thank you, Jay. Officer, the line 260,  
5 all other offenses, I know we've talked about this in  
6 past hearings. What falls into that category?

7 A. A lot of your trespasses, criminal trespasses  
8 fall into that category.

9                   MR. FAJT:

10                   So somebody who goes in who's on the  
11 exclusion or self-exclusion list?

12 A. Correct.

13                   MR. FAJT:

14                   Yeah. Okay. Any other big offenses  
15 that would be in there?

16 A. I think that's the major part of that.

17                   MR. FAJT:

18                   Okay.

19 A. Yes.

20                   MR. FAJT:

21                   Okay. Thank you.

22                   PRESIDING OFFICER:

23                   Thank you. You may call your next  
24 witness.

25                   ATTORNEY HOEFLICH:

1 OEC would like to call the Director of  
2 the Bureau of Casino Compliance, Gerald Stole. He was  
3 not here at the time when everybody was sworn in, so  
4 we ask that he be sworn in at this time.

5 -----  
6 GERALD STOLL, HAVING FIRST BEEN DULY SWORN, TESTIFIED  
7 AS FOLLOWS:

8 -----  
9 PRESIDING OFFICER:

10 Could you state and spell your name for  
11 the record?

12 A. All right. Gerald, G-E-R-A-L-D, last name is  
13 S-T-O-L-L, Stoll.

14 PRESIDING OFFICER:

15 Thank you. You may proceed, Counsel.

16 DIRECT EXAMINATION

17 BY ATTORNEY HOEFLICH:

18 Q. Mr. Stoll, how are you employed?

19 A. I'm employed by the Commonwealth of Pennsylvania  
20 at the gaming board.

21 Q. And what is your title?

22 A. I'm the Director of Compliance.

23 Q. And how long have you been in this position?

24 A. I was employed in 2006 initially. I've been the  
25 director for approximately three years.

1 Q. And can you tell us your responsibilities as the  
2 Director of Casino Compliance?

3 A. Yes. I'm responsible for the 24/7 oversight of  
4 all the casinos in the Commonwealth. We have a staff  
5 of regularly nine agents plus a supervisor at each  
6 Category 1 and 2 facility. We also have a staff of  
7 six compliance representatives and one supervisor at a  
8 Category 3. What we do is more or less try to support  
9 the property in compliance with the regulations. What  
10 we do is we're the early warning system for  
11 deviations. What we attempt to do is alert the  
12 property when they are deviating and suggest a method  
13 for them to get back into compliance. Since the  
14 inception in Pennsylvania, we've tried to create a  
15 partnership with the casinos to allow them to succeed.  
16 We've tried to, you know, promote reasonable  
17 regulatory oversight and, you know, do the best that  
18 we can to represent the Commonwealth, the patrons and  
19 the casinos.

20 Q. Does your office patrol the gaming floor?

21 A. Yes.

22 Q. And how often does that occur?

23 A. We're a 24/7 operation. When our folks are not  
24 engaged with a particular task, they are --- you know,  
25 most of their time is spent on the floor.

1 Q. Does your office ensure that employees at  
2 Hollywood Casino are properly licensed?

3 A. Yes, we do.

4 Q. And what kind of access does the Bureau of Casino  
5 Compliance have at the casino?

6 A. The regulations afford us unfettered access. But  
7 what we do is try to use that access with a little bit  
8 of temperance. You know, we --- although we can go  
9 anywhere unescorted, it's really not that, you know,  
10 reasonable to just do that. We try to engage the  
11 staff of the property, have them escort us and, you  
12 know, do what we need to do together, collectively.

13 Q. Do you have access to the surveillance room?

14 A. Yes, sir.

15 Q. To the count room?

16 A. Yes, sir.

17 Q. The central control computer room?

18 A. Yes, sir, with notice to the DOR and also the  
19 operator of the central system.

20 Q. Do you ever have any interaction with patrons, or  
21 your agents?

22 A. Always. You know, most of our jobs really  
23 consist of patron complaints, issues, disputes that we  
24 attempt to, you know, mediate between the property and  
25 the patron and try to come to a resolution, you know,

1 applying the regulations that are in place.

2 Q. Does your office conduct self-exclusion intakes?

3 A. Yes, sir.

4 Q. And can you tell us a little bit about what goes  
5 on with those?

6 A. You know, when an individual approaches a casino  
7 employee indicating they want to self-exclude, what  
8 they do is they're directed to our office. And we sit  
9 and go over a, you know, pretty significant process  
10 and, you know, assure that, you know, the individual  
11 is there of his own accord, that there's no coercion  
12 and that, you know, he intends to exclude. And we  
13 submit the paperwork to our Office of Compulsive and  
14 Problem Gaming and, you know, try to assure that those  
15 with a gaming problem, you know, get the help that  
16 they need.

17 Q. Can you describe the relationship between the  
18 Bureau of Casino Compliance and the Pennsylvania State  
19 Police?

20 A. Absolutely. You know, I believe that we're  
21 partners and there is a professional relationship and  
22 mutual respect. You know, we occupy normally the same  
23 footprint in the casino and we do support each other's  
24 responsibilities.

25 Q. Can you describe the relationship between the



1 Bureau of Casino Compliance and Hollywood Casino  
2 staff?

3 A. Yes. It's a very professional relationship, and  
4 they're very compliant with our requests and they're  
5 reasonable.

6 Q. Can you tell us what the biggest or the most  
7 common regulatory issue is at Hollywood Casino?

8 A. The most common regulatory issue probably is an  
9 underage or a self-excluded individual gaining access  
10 to the casino. You know, minor deviations of internal  
11 controls, most of which can be addressed with  
12 training. It's common --- you know, the next common  
13 issue that we deal with.

14 Q. Are there any issues or concerns that would  
15 negatively impact Hollywood Casino's suitability for  
16 continued licensure?

17 A. No, sir.

18 ATTORNEY HOEFLICH:

19 I have no further questions for this  
20 witness.

21 PRESIDING OFFICER:

22 Penn National, any questions?

23 MR. DONAGHUE:

24 No questions.

25 PRESIDING OFFICER:

1 Thank you, sir.

2 A. You're welcome.

3 ATTORNEY HOEFLICH:

4 At this time, the OEC would like to call  
5 the BIE's Central Regional Director, Michael  
6 Rosenberry.

7 -----  
8 MICHAEL ROSENBERRY, HAVING BEEN PREVIOUSLY SWORN,  
9 TESTIFIED AS FOLLOWS:

10 -----  
11 A. Morning.

12 PRESIDING OFFICER:

13 Morning.

14 DIRECT EXAMINATION

15 BY ATTORNEY HOEFLICH:

16 Q. For the record, can you please state your full  
17 name and spell your last name?

18 A. Michael Rosenberry, R-O-S-E-N-B-E-R-R-Y.

19 Q. Mr. Rosenberry, how are you employed?

20 A. I am the Regional Director for the Central  
21 Regional of BIE.

22 Q. And how long have you been in this position?

23 A. I've been in this position for five years. I've  
24 been with the Gaming Control Board for about seven and  
25 half --- a little over seven and half.

1 Q. And what are your responsibilities as Regional  
2 Director of BIE?

3 A. As a Regional Director, I'm responsible for  
4 managing the two offices within the central region of  
5 BIE. I oversee and direct all the investigations  
6 regarding the licensing of the facilities, the  
7 manufacturers, suppliers, vendors, gaming service  
8 providers and all the employees of the casinos. I  
9 review and approve the reports of investigation that  
10 are prepared by the individual investigators.

11 Q. In your professional capacity, have you been  
12 involved in the investigation with Hollywood Casino's  
13 renewal application?

14 A. Yes.

15 Q. And when did BIE's investigation begin?

16 A. The actual investigation into the renewal of Penn  
17 National began in January of this year.

18 Q. And can you describe the scope of that  
19 investigation?

20 A. BIE would review all the applications supplied by  
21 the facility relating to any of the affiliates, the  
22 principal entities and all the principals associated  
23 with the casino. And for that review, criminal  
24 history, civil litigation, tax clearance, financial  
25 suitability is all reviewed for any areas that would

1 indicate an area of interest, area of concern.

2 Q. Has Hollywood Casino been cooperative during the  
3 course of this investigation?

4 A. Yes, they have.

5 Q. Is this investigation concluded?

6 A. Not at this time.

7 Q. At this time has BIE discovered any areas of  
8 interest or areas of concern with the investigation?

9 A. To date there have been no areas of interest or  
10 concern at that property.

11 Q. At this time has BIE discovered anything during  
12 the course of the investigation that would preclude a  
13 finding of suitability for Hollywood Casino?

14 A. Not as of this date.

15 Q. Will BIE's findings be contained in a report of  
16 investigation?

17 A. They will.

18 Q. And is it standard procedure for BIE to submit  
19 its report of investigation to the OEC so that the OEC  
20 can file a recommendation or objection with regard to  
21 the license renewal?

22 A. Yes.

23 ATTORNEY HOEFLICH:

24 I have no further questions at this  
25 time.

1                   PRESIDING OFFICER:

2                   Penn National, any questions?

3                   MR. DONAGHUE:

4                   No, we don't.

5                   PRESIDING OFFICER:

6                   Thank you, sir.

7                   ATTORNEY HOEFLICH:

8                   At this time, ---.

9                   PRESIDING OFFICER:

10                  You may call your next witness.

11                  ATTORNEY HOEFLICH:

12                  We have no further witnesses. But we  
13 would like to introduce nine different exhibits into  
14 the record. The first exhibit is the Uniform Crime  
15 Report of the Pennsylvania State Police. The second  
16 exhibit is a letter from the Pennsylvania Racing  
17 Commission dated July 9th, 2013. The third exhibit is  
18 Pennsylvania --- is a letter from the Pennsylvania  
19 Department of Revenue dated August 6th, 2013. Exhibit  
20 Four is a letter from the Bureau of Liquor Control  
21 Enforcement dated July 9th, 2013 with an attachment of  
22 one citation and one adjudication.

23                  Exhibit Five is the OEC consent  
24 agreements, of which there are four. Exhibit Six is  
25 the OEC's compliance notes, one dated July 10th, 2012

1 and one dated February 9th, 2012. Exhibit Seven is  
2 OEC warning letters consisting of 21 warning letters  
3 and 16 response letters. Exhibit Eight is an OEC  
4 cease and desist letter. And Exhibit Nine is a letter  
5 from the Office of Compulsive and Problem Gambling  
6 dated August 7th, 2013.

7 And at this time we'd like to move these  
8 exhibits into the record. And we would respectfully  
9 request that Exhibits Six, Seven and Eight be marked  
10 confidential.

11 (OEC Exhibits Numbers One through Nine  
12 marked for identification.)

13 PRESIDING OFFICER:

14 Penn National, you had an opportunity to  
15 review these exhibits?

16 MR. DONAGHUE:

17 We have.

18 PRESIDING OFFICER:

19 Is there any objection to them being  
20 moved in and made a part of the record?

21 MR. DONAGHUE:

22 No.

23 PRESIDING OFFICER:

24 That being the case, OEC Exhibits  
25 Numbers One through Nine are moved in and made a part

1 of the record. And it shall be noted that OEC  
2 Exhibits --- of the request for OEC Exhibit Numbers  
3 Six, Seven and Eight --- is that correct, Counsel, ---

4 ATTORNEY HOEFLICH:

5 Yes.

6 PRESIDING OFFICER:

7 --- be marked as confidential.

8 ATTORNEY HOEFLICH:

9 Thank you. We have nothing further.

10 OFF RECORD DISCUSSION

11 PRESIDING OFFICER:

12 Before we go to the public portion of  
13 the meeting, there are three exhibits that I would  
14 like to move into the record. And these were three  
15 letters that were in support of the license renewal  
16 for Penn National. And they will respectively be  
17 marked as Hearing Exhibits Number One, Two and Three.  
18 And they are moved in and made a part of the record.

19 (Hearing Exhibits Numbers One, Two and  
20 Three marked for identification.)

21 PRESIDING OFFICER:

22 We will now begin the public comment  
23 portion of the hearing. As I call your name, please  
24 come forward to the microphone. Each speaker should  
25 begin their remarks by stating and spelling for the

1 court reporter, his or her name. Please also state  
2 the municipality where you reside, and if speaking on  
3 behalf of an entity, the name of that entity. All  
4 speakers will be sworn in as a group shortly. If you  
5 are a speaker today and you have written notes or  
6 testimony which you will read from during this  
7 hearing, when you are finished, if you would please  
8 give a copy of that written testimony to the court  
9 stenographer, that would be very helpful for her.

10 The following time limits apply to the  
11 speakers. Elected officials will have ten minutes,  
12 community groups will have five minutes, and  
13 individuals will have three minutes. To assist all  
14 speakers in adhering to the time limits permitted, if  
15 you are reaching the end of your allotted time, I will  
16 let you know that you need to wrap up your comments.

17 At this time, whoever will be speaking,  
18 please stand and raise your right hand. The court  
19 reporter will now swear you in.

20 -----

21 WITNESSES SWORN EN MASSE

22 -----

23 PRESIDING OFFICER:

24 Thank you. You may be seated. And the  
25 first speaker is Dauphin County Commissioner Mike



1 Pries.

2 MR. PRIES:

3 Good morning, everyone. An honor and a  
4 privilege to be here. My name is Mike Pries. Last  
5 name is spelled P-R-I-E-S. I'm a resident of Derry  
6 Township, which is Hershey, Pennsylvania, right down  
7 the road. And I am here to speak on behalf of the  
8 Dauphin County Board of Commissioners and the 268,000  
9 residents of Dauphin County. I have a written  
10 testimony I'd like to read into the record at this  
11 time, if I may. Thank you.

12 Good morning and thank you for the  
13 opportunity to appear in front of you to discuss the  
14 gaming impacts within Dauphin County. My name is Mike  
15 Pries. I am the Vice Chairman of the Dauphin County  
16 Board of Commissioners, serving alongside Chairman  
17 Jeff Haste and George P. Hartwick, III.

18 As you know, Dauphin County is the host  
19 country for Hollywood Casino at Penn National  
20 Racecourse. The facility is located right here in  
21 East Hanover, Pennsylvania and is not far from  
22 Hershey's attractions right down the road.

23 Since Hollywood Casino opened in  
24 February of 2008, after the passage of the State's  
25 Pennsylvania Race Horse Development and Gaming Act,

1 Dauphin County has used a portion of the local share  
2 monies it receives from Hollywood Casino's revenues  
3 for the purpose of awarding municipal grants, as  
4 required by law. We have established a clearly  
5 defined and transparent review process conducted by a  
6 five-member Gaming Advisory Game to award municipal  
7 grants on an annual basis. Our goal is to ensure that  
8 municipalities within Dauphin County, particularly  
9 those surrounding the casino, have the means to adapt  
10 to increased traffic, water and sewer demands, as well  
11 as public safety needs.

12 Over the past five years, the county has  
13 awarded over \$39 million in grant funds and leveraged  
14 more than a quarter billion dollars in additional  
15 investment in Dauphin County. The benefits, too  
16 numerous to mention today, have touched all parts of  
17 the county, have saved millions in taxpayer dollars.  
18 And that is why I'm here, to testify in support of the  
19 casino license renewal for Mountainview Thoroughbred  
20 Racing Association, operator of Hollywood Casino.

21 From \$1.6 million for East Hanover  
22 Township based Grantville Fire Company's new \$5  
23 million fire station to \$409,000 for the financially  
24 struggling City of Harrisburg to purchase ten new  
25 police cruisers, Dauphin County's local share

1 municipal gaming grant program has greatly improved  
2 public safety throughout the region.

3           Other public safety projects that  
4 benefited from gaming grant monies are the Middle  
5 Paxton Township's new fire station, Derry Township  
6 Police Department's upgraded computer technology,  
7 Harrisburg Area Community College's Shumaker Public  
8 Safety Center expansion, South Hanover Township's new  
9 municipal complex and emergency services center, and  
10 Lower Paxton Township Police Department's in-car  
11 digital video cameras, just to name a few. Over the  
12 past five years grants to improve and promote public  
13 safety alone have totaled nearly \$11 million.

14           In addition to public safety  
15 improvements, gaming has brought more jobs to Dauphin  
16 County. Besides the jobs that were mentioned here  
17 that currently exist at the casino, the many  
18 infrastructure, transportation, public safety and  
19 other projects that have received gaming grant funds  
20 in just the last two years have fostered more than  
21 3,080 jobs, including both temporary construction and  
22 permanent jobs.

23           Gaming revenues have also gone to  
24 projects that will address gambling addiction,  
25 counseling for families, food for the hungry and

1 public health. Gaudenzia, the Hamilton Health Center,  
2 the Grantville Area Food Pantry, Channels Food Rescue,  
3 Dauphin County Area Agency on Aging and other  
4 nonprofit entities have all received funding to  
5 provide services for residents in the area.

6           It has also pumped approximately \$1  
7 million into the county's Violent Crimes Task Force,  
8 chaired by Dauphin County District Attorney Edward,  
9 Ed, Marsico. Funded by table games revenue, the task  
10 force is charged with reducing gang violence, drug  
11 trafficking and violence and drug-related crime  
12 occurring within the county. A portion of the revenue  
13 has funded ten new surveillance cameras to monitor  
14 activities in high-crime areas within the City of  
15 Harrisburg.

16           The District Attorney has also used a  
17 portion of the table games revenue, about \$31,000, to  
18 establish an online public safety tool called  
19 Crimewatch. The goal of the website is to enable the  
20 local law enforcement community to quickly organize  
21 and disseminate information impacting public safety  
22 and to allow the public to report suspected criminal  
23 activity. Municipal police departments throughout  
24 Dauphin County are taking advantage of this technology  
25 as well. And to date, the website has already led to

1 several assists with arrests and tips from the public.

2           As federal and state dollars continue to  
3 shrink, gaming funds provide a critical way for  
4 municipalities to address their important needs. The  
5 municipalities directly bordering the casino's host  
6 municipality, East Hanover Township, have benefited  
7 the most from the local share gaming grant program,  
8 and with good reason, as the casino places some  
9 additional demands on transportation infrastructure,  
10 fire and police, water, sewer and social services.  
11 The dollars that are used to help with the municipal  
12 purchases of equipment, such as fire apparatus, police  
13 cars, roadway improvements and other infrastructure,  
14 are costs that are not being passed on to the local  
15 taxpayers. We are able to provide services and help  
16 the public at no cost to property owners in Dauphin  
17 County.

18           For example, the Derry Township Fire  
19 Company, Hershey Fire Company, put forth a request for  
20 \$1.1 million several years ago for two new fire  
21 apparatus. And they are one of the first responders  
22 to the casino in the event of a situation such as fire  
23 and other hazard. By providing that money to Derry  
24 Township from the gaming dollars, the Derry Township  
25 Supervisors did not have to increase taxes on local

1 residents. So that's a way where it's a win/win for  
2 the locals as well as the county. And the residents  
3 of Derry Township get two brand new fire trucks to  
4 assist there. And within Derry Township, there's a  
5 lot going on there for economic development as well  
6 with the \$8 billion Hershey trust, the multi-billion  
7 dollar Hershey company, Hershey Entertainment Resorts,  
8 the Hershey Medical Center with the expansion of the  
9 children's hospital, which is now the second largest  
10 employer in the entire region.

11                   Gaming has pumped money into the local  
12 economy both directly and indirectly. Directly  
13 through gaming grants specified to develop  
14 infrastructure, libraries, police, fire and more, and  
15 indirectly through the ripple effect of gaming such as  
16 restaurants, hotels and increased shopping.

17                   Hollywood Casino has been and will  
18 continue to be a major contributor to our regional  
19 economy. We truly appreciate Penn National's  
20 investment within our community. They've been a  
21 terrific partner to us. As this Board of  
22 Commissioners has always talked about public-private  
23 partnerships, this has been one of the best that we've  
24 been participating in. And they have been open and  
25 professional in our requests for assistance and when

1 we have asked for additional information on anything  
2 that's taken place.

3 I want to thank you for allowing me to  
4 speak on behalf of my colleagues, Jeff Haste and  
5 George Hartwick, about the far-reaching positive  
6 impacts that Hollywood Casino has in Dauphin County.  
7 And I'd be pleased to answer any questions you have at  
8 this time. I think that Mr. McNally stated that I  
9 would be able to answer a question that was asked as  
10 it relates to any dollars that were given to Dauphin  
11 County by the casino, so I'm here to do that at this  
12 time.

13 MR. MOSCATO:

14 I was just curious how they assisted the  
15 county in their economic development efforts above and  
16 beyond the local share?

17 MR. PRIES:

18 Well, Dauphin County has received \$1,000  
19 from Penn National Gaming in 2011 and 2012 as a  
20 sponsor of annual State of the County address. We  
21 know there were 400 people that attend. We have  
22 sponsors that are far ranging throughout the county,  
23 and they are one of the sponsors, and they provide  
24 those two \$1,000 sponsorships. But I'll tell you  
25 what, with the over quarter billion dollars that we've

1 been able to leverage out there due to the monies that  
2 have come in, it's a certainly a win/win on behalf of  
3 the entire County of Dauphin, without a doubt.

4 MR. MOSCATO:

5 I would agree with you.

6 MR. PRIES:

7 Any other questions at this time?

8 PRESIDING OFFICER:

9 Thank you, Commissioner Pries.

10 MR. PRIES:

11 Thank you. I appreciate all the work  
12 that you do and I thank you for being great partners.

13 PRESIDING OFFICER:

14 The next speaker is Wayne Isett. I  
15 apologize if I didn't quite pronounce it correctly.

16 MR. ISETT:

17 Wayne Isett, representing the --- as  
18 president of the Grantville Volunteer Fire Company.  
19 And it's I-S-E-T-T. And I do not have any paperwork  
20 for you. But I come here mainly just to say --- as a  
21 thank you for this great --- the people at Penn  
22 National. It's been great teamwork from --- I've been  
23 with them since 1982, Penn National working back and  
24 forth with the fire company. It's just been a super  
25 relationship. But it used to be just a common thing.



1 You know, we would do a few fires, we'd do a few --- a  
2 lot of ambulance calls back to the main gate. I  
3 always remembered going to the gate. That's the way  
4 it was. They brought them to the gate and we took  
5 them from there. They did have a major big fire one  
6 time. Thank god that was the only one they ever had.  
7 So we all was there for each other throughout that  
8 process.

9           It seemed like in 2005, it came along  
10 and we started to see some new activity that we, as a  
11 community, wasn't really accustomed to. Mr. Fred  
12 Lipkin at the time, which is our public relations,  
13 came and --- we run an annual carnival, which is quite  
14 a large carnival. And Fred came and said do you want  
15 to want to be part of it, the Penn National thing.  
16 And here he come with all these big banners and  
17 everything and put them across our roofs of our  
18 buildings. This was all a new thing for us, a new  
19 relationship, that became now a very team-like  
20 relationship of friends.

21           And ever since, it's been just a super,  
22 super ride, I'll call it, because they've been for us  
23 and we've been for them. And it's a lot of ---  
24 throughout it's been, of course, monetary great for  
25 the fire company, not only through them. We probably

1 have been over about \$150,000 that they have just  
2 donated to us through different methods, and also  
3 through the Dauphin County CED. We have, as  
4 Commissioner Pries said, a brand new fire station,  
5 which we would have never been able to have without  
6 this process. And we're just ---. Nothing but thank  
7 you and looking forward to working with them again in  
8 the rest of our future. Any questions for me?

9 PRESIDING OFFICER:

10 Thank you, sir.

11 MR. ISETT:

12 Great.

13 PRESIDING OFFICER:

14 The next speaker is Scott Miller.

15 MR. MILLER:

16 Good morning. My name is Scott Miller,  
17 M-I-L-L-E-R. I am actually a current resident of  
18 Carroll Township, which is in York County. I am here  
19 today representing two different organizations. First  
20 of all is the Harrisburg --- the Hershey Harrisburg  
21 Regional Visitors Bureau, of which I am the current  
22 board chair, as well as Harrisburg International  
23 Airport, of which I'm the deputy director for  
24 marketing and public relations.

25 Basically, the Hollywood Casino really

1 has become a valuable asset for our region in terms of  
2 generating new and expanded travel and tourism-related  
3 options. As a result of some funding provided to the  
4 local share program, in partnership with Dauphin  
5 County Commissioners and the tourism organizations,  
6 the casino has been a supportive partner as a number  
7 of safety and infrastructure improvement projects at  
8 the airport, and most importantly, some new and  
9 expanded low fair airline service to the region. That  
10 has been a big benefit of bringing people from the  
11 western part of the United States to visit this region  
12 and generate more hotel stays and attraction of  
13 business and things like that.

14                   For the Bureau, the casino continues to  
15 be an asset for our travel and tourism industry. The  
16 facility in Grantville does some of the following  
17 things for us as a leading tourism destination in the  
18 Mid-Atlantic region. The casino provides  
19 adult-oriented entertainment 24/7 in a region that has  
20 been primarily branded or recognized as a family  
21 destination with Hershey Resort. This is critical in  
22 the summer shoulder seasons and has allowed us to  
23 reach new market segments beyond just families.

24                   The casino also is an asset for our  
25 sales efforts of which makes up one-third of our

1 business, including meetings and conventions, sporting  
2 events and group tours. The casino has been a  
3 valuable venue in our efforts to secure meeting  
4 business, attract new tour groups and recruit event  
5 planners to consider our region for future sports  
6 tournaments.

7           The casino has also been a valuable  
8 partner with the Bureau, working with us to host  
9 special events including client dinners, travel media  
10 business and bureau partnership meeting events and  
11 mixers. The staff at the casino is very well trained,  
12 very well organized, provides excellent customer  
13 service to all of the events that we have had there.

14           The casino also helps us to position our  
15 region as a four-season destination with activities  
16 for all ages. This helps in developing consumer  
17 packages such as Guys' Golf and Gaming Getaways or a  
18 Pampering and Ponies Girlfriend Spa and Casino  
19 packages, which have become very popular. This also  
20 is an asset for attracting and growing a  
21 multi-generational family market segment in our region  
22 when packaged with Hershey Park, the Antique  
23 Automobile Museum at Hershey and the PA Capital Tour,  
24 and other fun and educational attractions.

25           On behalf of the Hershey Harrisburg

1 Regional Visitors Bureau and our 300 partners  
2 throughout Dauphin and Derry Counties, we consider the  
3 Hollywood Casino at Penn National a critical asset for  
4 our consumer tourism industry and truly is a pillar of  
5 our continued success in attracting new meetings,  
6 conventions, groups, sports business to our region.  
7 We are very much in favor of their application being  
8 renewed.

9 PRESIDING OFFICER:

10 Thank you, Mr. Miller. The next public  
11 speaker is Saul Schmoltz.

12 MR. SCHMOLITZ:

13 Good morning, ladies and gentlemen.  
14 Saul Schmoltz. Spelling of the last name is  
15 S-C-H-M-O-L-I-T-Z. I am a resident of East Hanover  
16 Township. I am also the fire chief of Grantville  
17 Volunteer Fire Company and I oversee the operational  
18 side of the fire company. I'd like to support the  
19 casino in all their efforts to continue to move  
20 forward in having the gaming there. They have done  
21 several things for us on the operational side. And  
22 it's always a blessing to deal with them, deal with  
23 Mr. White, with Fred and all with public relations.  
24 As they came to us back in '06 and they  
25 started to build their new facility, they didn't just

1 do it underneath the codes of the Building Code and  
2 everything. They said okay, what do you guys want.  
3 And they've worked with us ever since that way. If we  
4 see something that needs to be changed, something that  
5 needs to be added, something for the fire side, they  
6 have done it, including reaching out to the community.

7           And I said to them, I'd like to see more  
8 hydrants because we do not have running water out  
9 here, being a rural area, and I'd like to see more  
10 hydrants that are accessible to us. And they went  
11 ahead and they put extra hydrants throughout the outer  
12 portion of their facility so we can actually get  
13 access to them for the public safety of our community,  
14 and they've given us additional water sources.

15           I'm sure a lot of you saw the tanker ---  
16 propane tanker that overturned right down the street  
17 from their facility. We used almost 100,000 gallons.  
18 of water from their facility prior to us setting up  
19 other water sources to keep this whole area safe  
20 during that time, so we didn't have to evacuate or  
21 anything else. And it was a blessing to know that we  
22 had that type of resource to us for our community.  
23 Because if it wasn't for them, we could have been  
24 doing evacuations and everything else until we had a  
25 controlled situation.

1                   We joke about it, but it was a  
2 four-alarm potato chip fire in their facility up on  
3 the upper floor. And yeah, we do --- we joke about it  
4 because you never think a small bag of potato chips  
5 would do so much damage, but it was a large crate of  
6 potato chips. And it filled the building with smoke  
7 and everything. They worked with us excellent,  
8 evacuating the building. They didn't push us to put  
9 people back in the building right away. We said that  
10 until the smoke cleared and until we had good readings  
11 on our meters and everything. They understood what I  
12 was looking for, the safety of the residents --- well,  
13 the people that go in and play the slots and games and  
14 everything. They did not push us at all. They didn't  
15 say okay, we got to get it open, we got to get it  
16 open. They were like you do your job, it's fine, it's  
17 great, and when you say it's safe, we'll go back in.  
18 They didn't push at all.

19                   The state employees that work there,  
20 they worked with us with the investigation. The  
21 Pennsylvania State Police fire marshal came up. We  
22 recreated the whole incident prior to letting  
23 everybody come in. We found the cause of the problem.  
24 And with their efforts, they ended up getting an  
25 arrest out of it. Everybody worked as a team and

1 everybody worked very professional. And it's always  
2 been a pleasure to deal with them and I'm looking  
3 forward to the future and what they can do for us.  
4 Thank you for your time.

5 PRESIDING OFFICER:

6 Thank you, Chief Schmolitz. The next  
7 public speaker is Lisa Stokes.

8 MS. STOKES:

9 Good morning. Lisa Stokes, S-T-O-K-E-S.  
10 And I'm here speaking on behalf of my business, BRP  
11 Entertainment. I own and operate BRP Entertainment,  
12 which I purchased 14 years ago. It's located in Derry  
13 Township, Dauphin County. And I also reside in South  
14 Hanover Township, Dauphin County, where I live and  
15 raise my family.

16 My company was 50 years old last year.  
17 And we book entertainment and speakers for corporate,  
18 private and casino events now. I've had the unique  
19 opportunity in that 18 years of my career, I worked  
20 for Penn National Race Course, and later Penn National  
21 Gaming. And so I was able and have been able to watch  
22 the vision of Chairman Carlino from inception when we  
23 had meetings about building out into a gaming company  
24 come to fruition. And it's been an amazing, amazing  
25 opportunity to see it actually happen. I actually



1 think it's a great model that business college folks  
2 could probably use to see how to build out.

3                   So I bought the company 14 years ago.  
4 And I got involved from Fred Lipkin, who was my  
5 counterpart when I was at Penn National. And he said  
6 can you come and help us possibly with our grand  
7 opening. So I came in and I met with the team. And  
8 Fred was the only --- one of the only people that had  
9 been there when I was there. And I was graciously  
10 received. We opened with great entertainment. And  
11 fortunately now I'm able to provide all their  
12 entertainment for everything they do at Hollywood,  
13 which I am glad you were able to see last weekend for  
14 the first time.

15                   It's certainly been beneficial to my  
16 small business. I have hired on a full-time and a  
17 part-time person since we brought on the account for  
18 Penn National. And I've also moved into other markets  
19 through their family of casinos. And we're doing  
20 things in Ohio, and also Maine. So, it's truly been a  
21 benefit. And I'm here again speaking on behalf of my  
22 company, my employees and the hundreds of performers  
23 that we contract with that perform at Hollywood Casino  
24 in this region that are now able to have continuous  
25 employment and be able to show their craft to

1 everybody in the market.

2           So it's truly been terrific for the  
3 economy and certainly for the community. I do serve  
4 on many boards, and there's usually somebody from the  
5 casino that is beside me serving on those boards as  
6 well. So, they are very --- they're terrific  
7 contributing in the community as well. Thank you.  
8 Any questions?

9                           PRESIDING OFFICER:

10           Thank you, Ms. Stokes. Our final public  
11 speaker is David Gooch.

12                           MR. GOOCH:

13           Good afternoon, members of the Board.  
14 My name is David Gooch. I'm representing employees of  
15 table games at Hollywood Casino. First and foremost,  
16 I would thank you for your time to speak on behalf of  
17 Hollywood Casino and its table games department. By  
18 the way, I'm sorry, my last name is spelled G-O-O-C-H.

19           I started in this industry in 2010 when  
20 tables games were just introduced to Penn National in  
21 Grandville, PA. I was hired as a dealer and started  
22 on the ground floor. In 2010, the unemployment rate  
23 at the time was 8.9 percent. In my opinion, it was  
24 very difficult, and still is, to find steady  
25 employment. So I saw this as a great opportunity to

1 find work. And little did I know the benefits that  
2 awaited me and my fellow dealers.

3           At that time table games alone hired  
4 over 200 dealers. The new position throughout Penn  
5 Gaming providing the opportunity for all ages. We  
6 have college students who are now able to have steady  
7 employment while studying in school and all the way up  
8 to senior citizens who wanted to stay active  
9 throughout the week were also given the opportunity to  
10 do so. During this time, I've been able to work  
11 alongside great people from all walks of life. We  
12 have former bankers, stock exchange traders, Penn  
13 State graduates, teachers, and we also have some very  
14 exceptional managers from other casinos to help school  
15 us in the trade. The knowledge that I've learned from  
16 these people is definitely priceless.

17           The people have been very grateful to  
18 Penn Gaming for giving us the opportunity to succeed  
19 that we never thought possible. Since 2010, the table  
20 games department alone has over 270 promotions. These  
21 promotions range anywhere from part-time dealers to  
22 full-time dealers, full-time dealers to managers and  
23 then managers on up. So, it's very comforting and  
24 rewarding to see a company that not only promoted from  
25 within, but also did what was necessary to take care

1 of its employees. I'm just one of the many examples  
2 of people who took full advantage of the opportunity  
3 to work for a great company, and there are definitely  
4 countless others.

5 I would also like to add in my opinion,  
6 Hollywood Casino not only does a great job with  
7 employment, but also does an outstanding job in the  
8 community. You gentlemen got to see some of the stuff  
9 on the board. One of the things in particular, being  
10 prior military, I got to see them host the 82nd  
11 Airborne Wounded Warrior Soldier Project where they  
12 gave them dinner and then live racing for the night.  
13 I thought that was outstanding. I thought that  
14 treating our local military like that shows the true  
15 honest care for the solders and our veterans in our  
16 community. There are countless other acts of  
17 appreciation that Hollywood Casino extends to the  
18 community, ranging from Grantville Fire Company to the  
19 food pantry, to YMCA of Greater Harrisburg. The list  
20 goes on and on.

21 But in conclusion, I say these things  
22 just to show the positive impact that Hollywood Casino  
23 has made in our area. The benefits and opportunity  
24 they brought to Grantville, in my opinion, cannot be  
25 matched. I speak on behalf of tables games saying

1 thank you for giving us the license in the last three  
2 years, but I also ask that you renew it for the  
3 benefit of our employees, our community and our way of  
4 life. So thank you very much for you time.

5 PRESIDING OFFICER:

6 Thank you, Mr. Gooch. At this time I'm  
7 going to provide an opportunity, should you so choose,  
8 for Penn National to present a closing statement.

9 MR. DONAGHUE:

10 Thank you very much. And just very  
11 briefly. I think, you know, most importantly, we at  
12 Penn and Hollywood understand that a gaming license is  
13 a privilege. And we take that privilege very  
14 seriously. Today I think we've demonstrated a  
15 commitment to a first class gaming operation, a  
16 commitment to racing operations, as well as a  
17 commitment to compliance, diversity and responsible  
18 gaming. We are far from perfect, but we are always  
19 striving to do better. And also, a commitment to our  
20 employees, to the State of Pennsylvania, and to the  
21 local community. So, at the appropriate time, we  
22 request a favorable request for re-licensure. Thank  
23 you.

24 PRESIDING OFFICER:

25 OEC, also an opportunity if you so

1 choose to provide any type of closing statement.

2 ATTORNEY HOEFLICH:

3 The OEC has no closing remarks. We'd  
4 just like to note that at a future hearing for the  
5 Hollywood Casino renewal, OEC will present a  
6 suitability report which will contain our  
7 recommendations regarding suitability for Hollywood  
8 Casino to continue with licensure. Thank you.

9 PRESIDING OFFICER:

10 Thank you. Just in case anyone wants to  
11 file briefs or a written memorandum in this matter,  
12 which is not required, but should you so choose, they  
13 will be due to the Board clerk's office before the  
14 close of business on Tuesday, August 27th, 2013. The  
15 record will remain open until the Board hears the  
16 matter at a later public board meeting.

17 I will prepare a report based upon the  
18 testimony and evidence entered into the record today  
19 and the suitability report when it's filed with the  
20 Office of Hearings and Appeals (OHA). The report will  
21 be sent to the Board along with the transcript and all  
22 submitted exhibits and the application. The Board at  
23 its convenience will schedule this matter to be heard  
24 at a future public board meeting.

25 I want to thank all of you for coming

1 here today and for your cooperation in this matter.

2 This hearing is now concluded and adjourned.

3 \* \* \* \* \*

4 HEARING CONCLUDED AT 11:34 A.M.

5 \* \* \* \* \*

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

CERTIFICATE

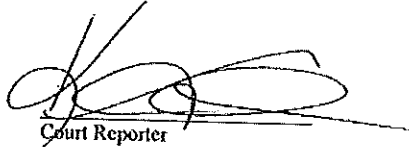
21 I hereby certify that the foregoing proceedings,  
22 hearing held before Hearing Examiner Lantzy was  
23 reported by me on 8/20/2013 and that I, Kimberly A.  
24 Carter, read this transcript and that I attest that  
25 this transcript is a true and accurate record of the

1 proceeding.

2

3

4



Court Reporter

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25