

Statement of Policy Office of Chief Counsel

The Office of Chief Counsel is of the opinion that the restrictions set forth under § 1513 of the Act relating to political contribution by applicants, licensees, affiliates and intermediaries, subsidiaries or holding company of a licensee or licensed racing entity, or persons holding a similar gaming license in another gaming jurisdiction do not prohibit contribution to federal elections, including contribution to a federal PAC registered in Pennsylvania.

Support for this position can be seen at § 3253 of the Pennsylvania Election Code, which contains a very similar prohibition to the restriction set forth under § 1513 of the Act, in that § 3253 prohibits banks and corporations from making a “contribution or expenditure in connection with the election of any candidate or any political purpose” The scope of this restriction is limited to only Commonwealth elections and therefore, does not prohibit banks or corporations from contributing to federal elections.

Accordingly, as it would be inconsistent with the Pennsylvania Election Code, the regulatory practices of other similarly situated gaming jurisdictions and federal law the Office of Chief Counsel interprets § 1513 to only prohibit contributions to Commonwealth elections, and thus, permits contributions to federal elections and specifically federal candidates and federal PACs including those registered in Pennsylvania. However, the Office of Chief Counsel would insist that all applicants, licensees, affiliates and intermediaries, subsidiaries or holding company of a licensee or licensed racing entity, or persons holding a similar gaming license in another gaming jurisdiction contributing to a federal election specifically indicate in writing that their contribution may not be transferred or otherwise provided to any candidate for nomination or election to any public office in the Commonwealth, or to any political party committee or other political committee in this Commonwealth or to any group, committee or association organized in support of a candidate, political party committee or other political committee in this Commonwealth and if such a request can not be satisfied that the contribution be returned.

In reaching the above conclusion, the Office of Chief Counsel researched the treatment of federal contributions by the New Jersey Casino Control Commission and Division of Gaming Enforcement, which is the gaming jurisdiction most similar to the strict regulatory environment created in Pennsylvania. In New Jersey, licensees are prohibited from contributing to state elections, candidates or PACs; however, such prohibition does not extend to contribution to federal elections, PACs (even if registered in New Jersey) or to candidates for federal election.

**** Please note that the above “Policy Statement” is merely the interpretation of the Office of Chief Counsel and in no way represents the official position of the Pennsylvania Gaming Control Board. The “Policy Statement” is a non-binding interpretation that is subject to change at any time without advanced notification.**