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VIA FEDERAL EXPRESS

Richard Sandusky
Director of Regulatory Review
Pennsylvania Gaming Control Board
303 Walnut Street
P.O. Box 69060
Harrisburg, PA 17106-9060

Attn: Public Comment on Rulemaking #125-100

RE: Comments to Proposed Rulemaking #125-100

Dear Mr. Sandusky:

Greenwood Gaming and Entertainment, Inc. ("GGE") is the holder of a Category 1 slot machine license which authorizes GGE to operate Philadelphia Park Casino & Racetrack in Bensalem, Pennsylvania. GGE respectfully submits the following comments to the Pennsylvania Gaming Control Board (the "Board") in connection with the Board's proposed rulemaking, as captioned above, which was published in the *Pennsylvania Bulletin* at 39 Pa.B. 4894, on August 15, 2009.

The proposed rulemaking at issue amends various regulations that affect the Board's licensing of vendors. The proposed rulemaking impacts many aspects of the vendor registration and certification process. Most of these proposed changes are well-conceived regulatory revisions. This rulemaking represents an attempt by the Board to reduce inefficiencies in the oversight of the gaming industry—in particular, the licensing of vendors. GGE strongly endorses the proposed revisions of the threshold amounts for vendor registration and certification (58 Pa. Code 437a.1(a)-(b)), the development of the Publicly Traded Company Exemption Notification Form (58 Pa. Code 437a.1(d)(15)), and the creation of the Notification of Intent to Conduct Business Form for vendors conducting small amounts of business with slot machine licensees (58 Pa. Code 437a.1(h)). These revisions significantly improve the efficiency of the Board's oversight of vendors in the Pennsylvania gaming industry. However, GGE must question and object to some of the changes in the proposed rulemaking. GGE believes that the Board can further clarify the licensing process for vendors.

For example, section 437a.1(c) of the proposed rulemaking addresses the indirect provision of goods and services to Pennsylvania casinos. Under this proposed section, a vendor that provides goods or services to an intermediary company of a slot machine licensee must be vendor registered or certified if those goods or services are ultimately used at a licensed facility in Pennsylvania. Although the proposed regulation contemplates a slot machine licensee with multiple casino operations, the regulation is unclear as to how the various thresholds for registration and certification will be applied to the vendor in question. Will the value of the contract between the intermediary company and the vendor be used to measure the threshold amount? Or will the value of only those good and services that are actually attributable to the licensed facility in Pennsylvania be used to measure the threshold amount? GGE believes that this ambiguity makes it impossible to properly determine when a vendor conducting business with an intermediary should be licensed. GGE respectfully request that the Board further clarify this section and provide more details regarding how it will determine the threshold amounts for vendors under proposed section 437a.1(c).

In addition, section 437a.8 of the proposed rulemaking addresses the creation of an authorized vendor list that includes registered vendors, certified vendors and applicants that have been granted interim approval to conduct business. In particular, section 437a.8(b) limits slot machine licensees to conduct business with only those vendors on the authorized list. This section would preclude slot machine licensees from using a business or company that has not yet applied for vendor registration and/or certification. The proposed rulemaking would unnecessarily restrict and limit a slot machine licensee's flexibility in choosing a vendor. Moreover, any interim approval to conduct business could take weeks to complete. This could result in slot machine licensees waiting weeks to use a vendor that is not on the authorized list. GGE respectfully requests that the Board remove the restriction that slot machine licensees may only conduct business with vendors on the authorized list. Due to the time sensitive nature of certain vendor businesses, the authorized list in the proposed rulemaking should be updated at least twice a day to ensure the most recent information is available to slot machine licensees.

Section 437a.9(a)(3)-(4) allows the Bureau of Licensing to grant interim authority to slot machine licensees to conduct business with vendors. Currently, a slot machine licensee can begin to conduct business with a vendor if (i) vendors completed the vendor registration or certification application and (ii) the slot machine licensee certified that it conducted its due diligence. However, the proposed regulation would now require two additional, time-consuming steps. First, vendors must agree in writing that its right to conduct business may be rescinded at any time without notice to the vendor and/or the slot machine licensee. 58 Pa Code § 437a.9(a)(3) *as proposed in 39 Pa. Bulletin 4894*. Second, each qualifier (officer, director, or employee) of the vendor must submit their fingerprints to the Bureau of Investigation. 58 Pa Code § 437a.9(a)(4) *as proposed in 39 Pa. Bulletin 4894*.

These new requirements substantially increase the time frame for a vendor to receive authorization to conduct business in Pennsylvania. Due to time constraints in various operational matters, including promotions and special events, slot machine licensees will be forced to use only those vendors already licensed by the Board. This will severely limit the ability for new and competing businesses to enter the Pennsylvania gaming market. Finally, proposed section

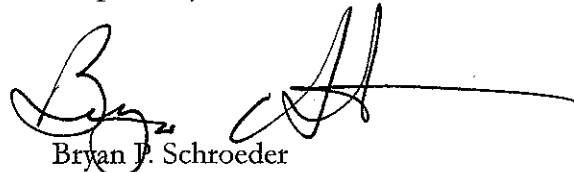
Richard Sandusky
Director of Regulatory Review
Pennsylvania Gaming Control Board
Page 3

437a.9(a)(3) does not address recent rulemaking #125-97, which created the Notice of Recommendation for Denial. See 58 Pa. Code § 437a.9(b). Under Rulemaking #125-97, the Board acknowledged that vendor and slot machine licensees would have a winding up period to address issues regarding the cancellation of interim authority to conduct business. As a result, GGE respectfully request that the Board modify proposed section 437a.9(a)(3) to take into account the winding up period discussed in 58 Pa. Code § 437a.9(b) from Rulemaking #125-97.

Finally, section 435a.9b creates a temporary access credential that enables construction vendor employees to avoid licensing if they are completing work in restricted areas under the original contract. According to the proposed rulemaking, such temporary access credentials may not be issued for more than 12 days in a 12 month period. This limitation could unnecessarily limit the effectiveness of the proposed changes. The temporary access credential is already significantly limited by restricting it to construction vendors whose employees would be working on maintenance under an original contract. Moreover, construction vendors maintaining work under an original contract may need more than 12 days to complete the work at issue. As a result, GGE respectfully requests that the 12 day limitation during a 12 month period be expand to a 20 day limitation during a 12 month period.

Thank you for considering the comments of GGE in connection with the proposed regulation. GGE will be happy to answer any questions that the Board may have on these comments.

Respectfully submitted,



Bryan J. Schroeder
Assistant General Counsel
Greenwood Gaming & Entertainment, Inc.

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cc: Arthur Coccodrilli, Independent Regulatory Review Commission (via Federal Express)