

BRYAN P. SCHROEDER

ASSISTANT GENERAL COUNSEL

DIRECT DIAL: 267-223-3828

FAX: 215-639-0337

E-MAIL: bschroeder@parxcasino.com

November 26, 2012

## VIA EMAIL & FEDERAL EXPRESS

Susan A. Yocum Assistant Chief Counsel Pennsylvania Gaming Control Board 303 Walnut Street, Strawberry Square P.O. Box 69060 Harrisburg, PA 17106-9060

RE: Public Comment on Regulation # 125-162

Dear Ms. Yocum:

Greenwood Gaming & Entertainment, Inc. ("GGE") is a table games operation certificate holder and the holder of a Category 1 slot machine license that authorize GGE to operate Parx Casino in Bensalem, Pennsylvania. GGE respectfully submits the following questions 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 42 Pa.B. 6761, on October 27, 2012.

The rulemaking at issue proposes modifications to (i) the requirements for terminating, transferring or modifying progressive jackpots on the gaming floor; (ii) the acceptance of winning wagers as gratuities for dealers; and (iii) the addition of a new side wager (i.e., "Panda 8") to baccarat type games. While GGE has no initial objections to the proposed rulemaking, it has a few questions regarding the new process for terminating and transferring progressive jackpots.

According to proposed regulation 58 Pa. Code 461a.12(k)(4), a slot machine licensee "may transfer a progressive jackpot amount" to another progressive slot machine or wide area progressive system if certain conditions are satisfied. See 58 Pa. Code 461a.12(k)(4)(i)-(iii) (Proposed Rulemaking, 42 Pa. B. 6761). This section appears to suggest that the transfer of a progressive jackpot is permissive and not required. In contrast, proposed regulation 58 Pa. Code 461a.12(k)(5) states that "[i]f a transfer cannot be made in accordance with subsection (k)(4), a slot machine licensee may . . . permanently remove" the progressive slot machine. In its preamble to this proposed rulemaking, the Board states that the "amendments to subsection (k)(5) . . . [are] proposed to be amended to ensure that progressive jackpots are not taken off the gaming floor if they can be transferred and not without prior approval from the Bureau." 42 Pa. B. 6761 (October 27, 2012). GGE respectfully request clarification regarding the interaction between subsection (k)(4) and (k)(5).

Susan A. Yocum Assistant Chief Counsel Pennsylvania Gaming Control Board Page 2

Under the current process, a slot machine licensee has the choice to transfer a progressive jackpot to a different slot machine or terminated that jackpot with Board notice and approval. Based on the preamble of this rulemaking and the introductory language to subsection (k)(5), the proposed modifications would eliminate that choice for licensees and force them to transfer the progressive jackpot before considering termination.

GGE respectfully asks the Board to confirm that slot machine licensee must transfer a progressive jackpot, if possible, before seeking permission to terminate said jackpot. If the Board confirms this position, GGE also respectfully request that the Board clarify subsection (k)(4) to emphasize the transfer of a progressive jackpot is mandatory before a progressive jackpot can be terminated. Finally, GGE respectfully request that the Board clarify whether the phrase "Transferred in its entirety" from 58 Pa. Code 461a.12(4)(i) includes the "seed money" from the slot machine licensee for the jackpot in question.

Thank you for considering the questions 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 P. Schroeder

Assistant General Counsel

Greenwood Gaming & Entertainment, Inc.

bps cc:

Silvan B. Lutkewitte, III, Chairman, Independent Regulatory Review Commission Thomas C. Bonner, Esq.