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INDEPENDENT REGULATORY REVIEW COMMISSION

333 Market Street, 14th Floor, Harrisburg, PA 17101

June 19, 2013

Kevin O'Toole, Executive Director Pennsylvania Gaming Control Board Strawberry Square Verizon Tower, 5th Floor Harrisburg, PA 17106-9060

Re: Regulation #125-168 (IRRC #3003)
Pennsylvania Gaming Control Board
Gaming Junket Enterprises, Accounting and Internal Controls, Compulsive and Problem
Gambling, Self-Exclusion, Underage Gaming, Equipment, Blackjack

Dear Mr. O'Toole:

Enclosed are the Commission's comments for consideration when you prepare the final version of this regulation. These comments are not a formal approval or disapproval of the regulation. However, they specify the regulatory review criteria that have not been met.

The comments will be available on our website at <u>www.irrc.state.pa.us</u>. If you would like to discuss them, please contact me.

Very truly yours,

David Sumner

Executive Director

sfh

Enclosure

cc: Honorable Kim L. Ward, Majority Chairman, Senate Community, Economic and Recreational Development Committee

Honorable Wayne D. Fontana, Minority Chairman, Senate Community, Economic and Recreational Development Committee

Honorable Tina Pickett, Majority Chairman, House Gaming Oversight Committee Honorable Rosita C. Youngblood, Minority Chairman, House Gaming Oversight Committee Robert A. Mulle, Esq., Office of Attorney General Shawn E. Smith, Esq., Office of General Counsel

Comments of the Independent Regulatory Review Commission



Pennsylvania Gaming Control Board Regulation #125-168 (IRRC #3003)

Gaming Junket Enterprises, Accounting and Internal Controls, Compulsive and Problem Gambling, Self-Exclusion, Underage Gaming, Equipment, Blackjack

June 19, 2013

We submit for your consideration the following comments on the proposed rulemaking published in the April 20, 2013 Pennsylvania Bulletin. Our comments are based on criteria in Section 5.2 of the Regulatory Review Act (71 P.S. § 745.5b). Section 5.1(a) of the Regulatory Review Act (71 P.S. § 745.5a(a)) directs the Pennsylvania Gaming Control Board (Board) to respond to all comments received from us or any other source.

1. Section 501a.7. Advertising. - Economic impact; Protection of the public welfare.

Parx Casino (Parx) commented in support of nearly all of the changes proposed by the Board, but expresses concern with Subparagraph (e)(3)(ii) which states:

The gambling assistance message shall be visible for the entire time the video or television advertisement is displayed.

Parx describes a commercial strategy that creates a back-story to pull the viewer into the commercial and then reveals the highlights of the casino, its amenities, its positive attributes and its branding message. Parx believes the requirement that the gambling assistance message be visible at all times would make this advertising campaign obsolete by requiring the message to be displayed during the back-story portion of the commercial. Consequently, Parx objects to this provision of the regulation. Parx has suggested alternative language. We ask the Board to consider this comment and explain why the Board's proposed language is the best alternative to serve the public interest.

2. Section 513a.1. Definitions. – Clarity.

JUN-19-2013 WED 10:33 AM

This section adds a definition of "underage individual," but upon review we did not find this term used in Chapter 513a. The Board should either use the defined term or delete the definition.