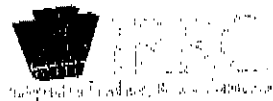


Comments of the Independent Regulatory Review Commission



Pennsylvania Gaming Control Board Regulation #125-189 (IRRC #3112)

Hybrid Gaming Tables and Electronic Wagering Terminals

September 30, 2015

We submit for your consideration the following comments on the proposed rulemaking published in the August 1, 2015 *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. Determining whether the regulation is in the public interest; Clarity.

Section 5.2 of the Regulatory Review Act (71 P.S. § 745.5b) directs this Commission to determine whether a regulation is in the public interest. More specifically, under § 745.5b(b)(3)(iii), the Commission must determine the need for the regulation. To make that determination, the Commission must analyze the text of the proposed rulemaking and the reasons for the new or amended language.

The explanation of the regulation in the Preamble is not sufficient to allow this Commission to determine if the regulation is in the public interest. The Board did not provide detailed explanations for the following amendments where hybrid gaming tables are included:

- § 461a.4 (relating to Submission for testing and approval)
- § 461a.26 (relating to Testing and software installation on the live gaming floor)
- § 465a.11(b)(9) (relating to Slot machine licensee's organization; jobs compendium)
- § 607a.2(a)(6) (relating to Table game device master list)

Also, where the Board excludes hybrid gaming tables from provisions that are being applied to electronic wagering terminals, the Preamble should explain the Board's rationale. For example, the requirements relating to the possession, movement and storage of slot machines and fully automated electronic gaming tables that are being amended to include electronic wagering terminals, would not apply to hybrid gaming tables (§§ 463a.1—463a.5, and 463a.7). Without an explanation of this proposed change to requirements that seemingly should apply to both electronic wagering terminals and hybrid gaming tables, we cannot determine if this regulation is in the public interest. How will the Board address the movement and storage of hybrid gaming tables?

In the Preamble submitted with the final-form regulation, the Board should provide a description of the amendments proposed for each section of the regulation and explain in detail why the amendments are needed. The Board should also clarify the differences between slot machines, fully automated electronic gaming tables, electronic wagering terminals, electronic gaming tables, table games and hybrid gaming tables in the Preamble of the final-form regulation.

2. Miscellaneous Clarity.

- The Preamble states that Section 465a.9 (relating to Surveillance system; surveillance department control; surveillance department restrictions) has been amended to apply to electronic wagering terminals and hybrid gaming tables. However, only electronic wagering terminals have been added to this section. The Board should either revise the Preamble in the final-form regulation or amend the Annex to include hybrid gaming tables.
- In Section 461a.15 (relating to Casino management systems) and Section 461a.16 (relating to Player tracking systems) the Board has added "table games and table game devices" to these sections. Our concern is that "a slot machine licensee" may or may not possess a table games operation certificate. We ask the Board to ensure that terms used throughout the final-form regulation are consistent and appropriate.
- In Section 465a.11 (relating to Slot machine licensee's organization; jobs compendium), the existing language in Paragraph (b)(7) refers to "a slot machine licensee that has a certificate to operate table games" while proposed Paragraph (b)(9) uses the term "certificate holder." Likewise, in Section 465a.19 (relating to Acceptance of tips or gratuities from patrons) proposed Paragraph (g)(2), the term "certificate holder" is also used. The term "certificate holder" is not defined in the proposed regulation. For consistency, the Board should either use the phrase "a slot machine licensee that has a certificate to operate table games" or define the term "certificate holder" in the final-form regulation.
- We recommend the Board amend the titles of Sections 461a.14 (relating to Slot monitoring systems) and 465a.11 (relating to Slot machine licensee's organization; jobs compendium) to reflect the addition of the new gaming technology to the content of the section.