

## **Statutory & Regulatory Changes to Casino Gaming in PA**

### **May 6, 2015**

#### **Testifiers:**

Eric Shippers, Senior Vice President for Public Affairs, Penn National Gaming

Bob Green, Chairman, Parx Casino

Kevin O'Toole, Executive Director, PGCB

#### **Key Points:**

- Eric Shippers spoke on behalf of Penn National Gaming
  - Cited a March 17 letter to the committee against several potential treats such as video gaming terminals (VGTs), the acceleration of a Category Three resort license, and a potential smoking ban. In addition, the letter request consideration of potential incentives for the industry, such as capital improvement tax credits, similar to a Modernization Fund in West Virginia.
  - Penn National firmly believes Internet gaming is another vital tool to keep the industry competitive and profitable.
  - The 14% tax rate proposal for internet gaming “strikes the right balance” between maximizing revenues for the state and incentivizing operators to invest.
    - Pennsylvania could receive approximately \$49 million in annual tax revenues
- Bob Green spoke on behalf of Parx Casino, which opposes VGTs.
- Kevin O'Toole spoke on behalf of PGCB
  - PGCB's IT Department and Office of Compulsive and Problem Gambling developed software for transmitting self-excluded information to the casinos. It is currently in the testing phase being used by SugarHouse casino.
  - Due to the fact there is a \$2,500 per day cap and customers have the option of using an ATM, cash advance service, or utilize casino credit services, the Board has not chosen to change the check cashing limit that casinos would like raised or eliminated.
  - The Board has considered and approved staffing flexibility on a case by case basis when it is determined table game integrity will not be compromised.
  - Recommend existing licensed casino operators be designated as the authorized providers of internet gaming and the responsibility to regulate be vested with the Gaming Control Board
  - The Board supports extending the renewal period of most licenses and recommends the renewal period be set at a 5 year renewal cycle.