

Small Games of Chance Reporting and Enforcement

April 23, 2015

Testifiers:

Major Marshall Martin, Director of Legislative Affairs, PSP

Lt. James Jones, Western Section Commander, BLCE

Tim Holden, Chairman, PLCB

John Brenner, Deputy Chief Counsel, DOR

Matt DeFrank, Director of the Bureau of Business Trust Fund Taxes, DOR

Kit Watson, State Adjutant, PA American Legion.

Key Points:

- **PSP/BLCE:**
 - There has been confusion amongst organizations licensed to carry out small games of chance due to recent amendments to the LOSGCA.
 - Because of this confusion, the BLCE is focused on educating individuals and organizations, both licensed and non-licensed under the LOSGCA.
 - In the past three years, the BLCE conducted over 96 small games of chance educational presentations and responded to 2,970 direct inquiries requesting guidance relating to small games of chance.
- **PLCB:**
 - To date, the PLCB has approved 40 tavern gaming licenses.
 - While there is interest in tavern gaming, the lower number of applicants is due to:
 - High licensing fees and taxes;
 - Extensive paperwork; and
 - Potential loss of liquor license for gaming violations.
 - The PLCB acknowledged that the additional background check for a tavern gaming license is duplicative because these entities previously underwent a background check for the liquor license.
- **DOR:**
 - DOR provided an overview of their responsibilities under the LOSGCA:
 - Reviewing and approving small games;
 - Licensing small games manufacturers and distributors;
 - Receiving reports from club licensees; and
 - Auditing 5% of club licensees every two years.
 - DOR has addressed complaints about the annual reporting website for club licensees. The new website will be available on June 1st and will be more user-friendly.
- **PA American Legion:**
 - From the Legion's perspective, the final issue that needs to be addressed under LOSGCA is record keeping and reporting requirements.
 - The record keeping and reporting requirements are confusing to many posts, which have resulted in many posts purchasing professional record-keeping services.

- The Legion advocated for an easier reporting system that requires less paperwork. Additionally, they would like a 12 month reporting system instead of the current 13 month reporting system.