

Public Hearing-Tavern Gaming
Feb. 26, 2015

Testifiers:

Amy Christie, Executive Director, Pennsylvania Licensed Beverage and Tavern Association
Ronda Zeigler, Tavern Gaming Licensee

Key Points:

- When the SGOC Act was amended in November 2013 to allow for tavern gaming, there was an expectation of \$100 million to be paid to the state in taxes.
- To date, approximately 50 taverns have applied for a tavern gaming license.
- Several factors deter tavern owners from applying for a license:
 - A tedious and time-consuming application process (estimated 2 pounds of paperwork);
 - Excessive application fees (\$2,500 plus background check fees) and license renewal fees (\$1,000); and
 - The threat of losing a liquor license for tavern gaming violations.
- In order for the Commonwealth to receive the estimated \$100 million tax revenue from tavern gaming, the following changes to the SGOC Act should be considered:
 - Decrease and streamline the application process;
 - Lower application and renewal fees;
 - Eliminate FBI background checks and replace with a \$10 State Police background check;
 - Separate tavern gaming penalties from the tavern's liquor license; and
 - Lower the 65% tax rate.