

# RULES AND REGULATIONS

## Title 58—RECREATION

### PENNSYLVANIA GAMING CONTROL BOARD

#### [ 58 PA. CODE CHS. 461a AND 463a ]

#### Slot Machine Master Lists

The Pennsylvania Gaming Control Board (Board), under its general authority in 4 Pa.C.S. § 1202(b)(30) (relating to general and specific powers) and the specific authority in 4 Pa.C.S. § 1207 (relating to regulatory authority of board) amends §§ 461a.1, 463a.3 and 463a.5 (relating to definitions; slot machine location; and slot machine master lists) as set forth at 39 Pa.B. 423 (January 24, 2009).

#### *Purpose of the Final-Form Rulemaking*

This final-form rulemaking updates the requirements for filing slot machine master lists by renaming each list, revising the lists of required information for each list and requiring that all of these lists be submitted electronically.

#### *Explanation of Amendments to Chapters 461a and 463a.*

In § 461a.1 (relating to definitions) definitions of the terms “machine displayed payout percentage” and “minimum payout percentage” have been added. Additionally, the definition of the term “paytable” has been amended to replace the word “payback” with “payout” which is the word that is used throughout the Board’s regulations.

Revisions to § 463a.3 (relating to slot machine location) delete unnecessary language and replace the old list name “Slot Machine Master List” with the new list name “Gaming Floor Slot Machine Master List.”

In § 463a.5 (relating to slot machine master lists), numerous revisions have been made to enhance the clarity of this section and to update the various reporting requirements. The generic references to the slot machine master list have been replaced with more descriptive names for each list. The slot machine master list for games on the gaming floor is now called the gaming floor slot machine master list, the list for slot machines in the possession of a slot machine licensee that are not on the gaming floor is called the Restricted Area/Off-Premises Slot Machine Master List and the list for non-slot machine licensees authorized to possess slot machines will retain the name Slot Machine Master List.

The list of items required to be included in the Gaming Floor Slot Machine Master List has been updated and expanded to include additional information that the Bureau of Gaming Laboratory Operations needs to monitor the operation of slot machines on the gaming floor and protect the integrity of gaming. The items required in the Restricted Area/Off-Premises Slot Machine Master List and the Slot Machine Master List consist of subsets of the items required for the Gaming Floor Slot Machine Master List. Less information is needed about these slot machines because they are not being used for gaming.

Finally, all of these reports will now be required to be submitted electronically using formats approved by the Bureau of Gaming Laboratory Operations. To simplify the submission process, the Bureau of Gaming Laboratory Operations has developed Excel templates that can be used for each of the required reports.

#### *Comment and Response Summary*

Notice of proposed rulemaking was published at 39 Pa.B. 423.

The Board received comments from Greenwood Gaming and Entertainment, Inc. (Greenwood) and Downs Racing, LP (Downs). On March 25, 2009, the Independent Regulatory Review Commission (IRRC) notified the Board that it had no objections, comments or recommendations to offer on the proposed rulemaking. All of the comments received were reviewed by the Board and are discussed in detail as follows.

In its comments, Greenwood had no objections to the proposed rulemaking, but asked for clarification of other requirements. More specifically, if Greenwood made certain changes to the Slot Machine Modification Request form, would it be sufficient to also meet the requirements for the Slot Machine Movement Log in § 463a.5(e) and (f).

The Board appreciates Greenwood’s expression of support for the proposed rulemaking. Concerning the related question raised in Greenwood’s comments, the Bureau of Gaming Laboratory Operations is reviewing the suggestion offered. If the Bureau of Gaming Laboratory Operations believes that the suggestion has merit, revisions will be proposed as part of a new rulemaking.

Downs suggested that the Board delete subsection (b)(2)(xi). Downs stated that the minimum payout percentage in subparagraph (xi) is already included in the payable ID in subparagraph (xii); accordingly there is no need to also report the minimum payout percentage.

The Board has not adopted this recommendation. As a general rule, paytables have multiple payout percentages. Only knowing what payable is being used, won’t tell you which payout percentage has been selected. Additionally, the Bureau of Gaming Laboratory Operations has reviewed paytables that have payout percentages above and below the required 85% level. While these paytables have been approved, the approval only applies the portions of paytables that have payout percentages of 85% or more. Accordingly, listing the payout percentage that has been selected is necessary to ensure that an allowable percentage is being used.

#### *Affected Parties*

This final-form rulemaking alters what information is required to be included in the reports that slot machine licensees and other entities that are authorized by the Board to possess slot machines currently file.

#### *Fiscal Impact*

##### *Commonwealth*

Under this final-form rulemaking, the Board will receive all of this information electronically which should reduce administrative costs. However, the reduction in costs is not anticipated to be significant.

##### *Political Subdivisions*

This final-form rulemaking will have no fiscal impact on political subdivisions of this Commonwealth.

##### *Private Sector*

There may be some minor cost to slot machine licensees and other entities required to file these reports because of the additional information that must be provided. However, these costs may be offset by the savings that will

result from the reduction in the amount of information that must be provided for slot machines that are not on the gaming floor and the use of electronic filing.

*General Public*

This final-form rulemaking will have no fiscal impact on the general public.

*Paperwork Requirements*

Slot machine licensees and other entities required to file these reports will be able to reduce paperwork through the use of electronic filing.

*Effective Date*

This final-form rulemaking will become effective September 23, 2009.

*Contact Person*

The contact person for questions about this final-form rulemaking is Richard Sandusky, Director of Regulatory Review at (717) 214-8111.

*Regulatory Review*

Under section 5(a) and (f) of the Regulatory Review Act (71 P.S. § 745.5(a) and (f)), on January 9, 2009, the Board submitted a copy of this proposed rulemaking, published at 39 Pa.B. 423, and a copy of the Regulatory Analysis Form to IRRC. In accordance with section 5(f) of the Regulatory Review Act, on February 11, 2009, the Board submitted the proposed rulemaking and required material to the Chairpersons of the House Gaming Oversight Committee and the Senate Community, Economic and Recreational Development Committee (Committees).

Under section 5(c) of the Regulatory Review Act, IRRC and the Committees were provided with copies of the comments received during the public comment period, as well as other documents when requested. In preparing the final-form rulemaking, the Board has considered all comments received from IRRC, the Committees and the public.

Under section 5.1(j.2) of the Regulatory Review Act (71 P.S. § 745.5a(j.2)), the final-form rulemaking was

deemed approved by the Committees on June 10, 2009. Under section 5(g) of the Regulatory Review Act the final-form rulemaking was deemed approved by IRRC effective June 10, 2009.

*Findings*

The Board finds that:

(1) Public notice of intention to adopt these amendments was given under sections 201 and 202 of the act of July 31, 1968 (P.L. 769, No. 240) (45 P.S. §§ 1201 and 1202) and the regulations thereunder, 1 Pa. Code §§ 7.1 and 7.2 (relating to notice of proposed rulemaking required; and adoption of regulations).

(2) The final-form rulemaking is necessary and appropriate for the administration and enforcement of 4 Pa.C.S. Part II (relating to gaming).

*Order*

The Board, acting under 4 Pa.C.S. Part II, orders that:

(a) The regulations of the Board, 58 Pa. Code Chapters 461a and 463a, are amended by amending §§ 461a.1, 463a.3 to read as set forth at 39 Pa.B. 423.

(b) The Chairperson of the Board shall certify this order, 39 Pa.B. 423 and deposit them with the Legislative Reference Bureau as required by law.

(c) This order shall take effect September 23, 2009.

MARY DIGIACOMO COLINS,  
*Chairperson*

*(Editor's Note:* For the text of the order of the Independent Regulatory Review Commission relating to this document, see 39 Pa.B. 3297 (June 27, 2009).)

**Fiscal Note:** Fiscal Note 125-94 remains valid for the final adoption of the subject regulations.

[Pa.B. Doc. No. 09-1319. Filed for public inspection July 24, 2009, 9:00 a.m.]