

Secretary Fajt's Opening Remarks

**Common Practices Working Group  
Remarks  
Aug. 4, 2004**

I want to begin by thanking you for coming today, and for agreeing to participate in the Common Practices Working Group. Please note the name change. It has occurred to me, and to some of you, that offering suggestions called "best practices" to the new Gaming Control Board could be presumptuous.

It would be more accurate to say that this group will work to find practices that are common to and have worked in other states that permit gaming. I believe we can provide an important service to the Gaming Control Board if we prepare a summary of those common practices for Board members to review.

This working group is an outgrowth of gaming-related work currently under way in the Department of Revenue and Pennsylvania State Police. As Secretary of Revenue, I am an ex-officio member of the Gaming Control Board, and I supervise a Department with significant responsibilities under Act 71.

The Revenue Department's primary responsibility under Act 71 is procuring and operating a state-of-the-art central control computer system. The Department will also have audit responsibilities and will collect taxes

and assessments for distribution to appropriate parties. The Pennsylvania State Police has been charged with conducting background checks on Gaming Control Board appointees and with providing ongoing security and law-enforcement support at gaming facilities. To help both agencies fulfill their responsibilities, we have retained consultants with extensive experience in the gaming industry. Those consultants will introduce themselves, and briefly summarize their qualifications, in a few minutes.

As you will hear, the professionals who are assisting us have worked in the gaming industry throughout the United States and around the world. They have seen what works, and what doesn't. They know the gaming industry inside and out. And as we worked with them on our specific responsibilities, it became clear that their expertise could also be helpful to the Gaming Control Board.

It is not my intention, or that of the Administration, to dictate policies to the Gaming Control Board. I am a non-voting member of the Board, and as such, my role is to attend meetings and help the Board in any way I can. The Board's voting members will ultimately decide what gaming applications will look like, what regulations are adopted and what staffing levels are appropriate.

Pennsylvania is not, however, breaking new ground. Many other states have created the infrastructure to oversee gaming. We can learn from their mistakes, and from their successes. Representatives of the Department of Revenue have visited other gaming jurisdictions in Atlantic City, Delaware and West Virginia. Gaming authorities in those states told us two things: set the regulatory bar high, and don't try to reinvent the wheel.

I believe the consultants we have retained, who have worked on gaming-related issues in many states, and many foreign countries, can be a valuable resource to help the Revenue Department, State Police and Gaming Control Board make informed, and expeditious, decisions.

We can and we must do this right the first time. We must also move the process forward with all deliberate speed. Pennsylvania residents need jobs. Pennsylvania homeowners need property tax relief. Pennsylvania's horse racing industry needs help to remain competitive with other states.

And Pennsylvania's local governments need financial assistance for economic development. Like it or not, all those things are dependent on gaming. I hope we can use the next few months, while the Gaming Control Board is being appointed and vetted, to lay some of the groundwork for a gaming control system of which we can all be proud.