

Senate Community, Economic and Recreational Development
David M. Barasch, Executive Deputy Secretary
Department of Revenue
Wednesday, May 26, 2010

Chairman Earll, Chairman Fontana and members of the committee, my name is David Barasch and with me at the table on behalf of the Department of Revenue is Stacie Amsler, Director of Fiscal Management. Thank you for the opportunity to speak with you today regarding the Department of Revenue's role in Pennsylvania's growing casino industry.

Under Act 71 of 2006, the Department is tasked with the procurement and operation of the Central Control Computer System (CCCS) as well as the collection and distribution of the taxes and assessments imposed under the Act. In addition, the Department performs audits of the venues and provides the Pennsylvania Gaming Control Board with tax clearance checks for all regulated licensees.

The initial appropriation provided by Act 71 provided the Department with \$21.1 million for the first two fiscal years to accomplish these duties. Now with the benefit of experience and an industry that has had time to set its foundation in the Commonwealth, we have found that just over \$10 million, as requested for FY 2010-11, is sufficient to attend to our ongoing statutory duties.

We feel confident that these current funding levels will be sufficient to sustain our gaming-related operations as the gaming industry continues to expand in Pennsylvania. However, I would stress that the retention and eventual hiring of staff for all of the 25 gaming-related positions currently held by the Department will be necessary. While our current 16 employee complement is sufficient at this moment, the Department will need to fully staff the 9 currently vacant positions during the upcoming fiscal year as additional venues open and table gaming becomes fully operational. However, at this time, we do not see any need to expand our gaming-related staff beyond the 25 positions already dedicated to those duties.

Since casino gaming was implemented in the Commonwealth, the Department has enjoyed a close working relationship with all the agencies involved and we look forward to continuing that partnership as Pennsylvania's casinos continue to flourish and grow. Thank you for allowing me to testify here today and I will be happy to answer any questions that you may have.