

Faith in gaming board grows as it is assigned more tasks

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Pennsylvania legislators are evidently pleased by the work of the state's Gaming Control Board, judging by the additional responsibilities the lawmakers are giving the gambling regulators.

First, the tavern-gambling law approved by Gov. Corbett last month put the gaming board's Bureau of Investigations and Enforcement in charge of background checks on bar owners who apply for a "small games" license.

Legislative leaders also introduced a bill last month to consolidate regulation of horse and harness racing under the seven-member gaming board.

Those changes come less than three years after a scathing grand jury report, released in May 2011, characterized the gaming board as a domain of patronage and backroom deals that failed miserably in its obligation to protect the public's interest during the first round of licensing in 2005 and 2006.

How much has changed?

"It's a different scene now," said State Rep. Mike Vereb (R., Montgomery), who joined the House after the gambling law was enacted in 2004 and was among the leaders of largely unsuccessful efforts to reform the board through legislation.

"This is not the same group of people who were involved in opening up all these casinos, and those casinos that were opening up were all at the demand and push of the legislators that were in those areas," Vereb said.

But a critic said the problems with the Pennsylvania regulators go beyond the selection of license winners to the day-to-day operations.

"I think the public interest should encompass protecting the consumer from predatory tactics by the industry, instead of officially supporting the industry," said Paul Boni, a Philadelphian on the board of the national advocacy group Stop Predatory Gambling.

While doing little to address Boni's concerns, the 102-page grand jury report included 21 recommendations for change, eight of which would have required legislative changes, according

to William H. Ryan Jr., who was appointed chairman of the gaming board three months after the report's release.

Several bills based on grand jury recommendations, including one that would have moved the Bureau of Investigations and Enforcement to the state Attorney General's Office, made it out of the House Gaming Oversight Committee but died in the Senate.

Ryan said there were 13 recommendations the board could implement on its own. It did so for 10, he said. They included posting contracts online, creating "uniform and transparent hiring practices based on merit alone," and developing a standard "practice for the review of suitability reports by applicants."

But the board declined to give up executive, or private, sessions, or take the related step of transcribing the sessions.

Ryan agreed with that: "It's the best way for a quasi-judicial board, which really has some of the functions of a judge, a jury, to promote full and frank discussion of all matters."

However, Ryan said he favored moving the Bureau of Investigations and Enforcement (BIE), which does background checks on individuals and companies. It needs to have significant independence from the board, he said.

In the case of tavern gambling, including daily drawings and lottery-style game cards, the BIE's investigative reports will be turned over to the Liquor Control Board, which will make licensing decisions.

"To me, BIE really would be best in the A.G.'s Office, where the attorney general, elected by the people, would be directly responsible," Ryan said.

Despite those reservations, he said, he is comfortable with the current arrangement, "but I'm comfortable because of the quality of the people we have. I understand that time marches on, people move on. It may not always be that way."

That's troubling to Boni. "It's great that the chairman has confidence, but it would be great if the public did. The system shouldn't be so vague and opaque," he said.