



Senate of Pennsylvania

July 14, 2008

Via Hand Delivery

The Honorable Mary D. Colins, Chairperson
Pennsylvania Gaming Control Board
5th Floor, Strawberry Square
Harrisburg, Pennsylvania 17101

**Re: Joint Application of PITG Gaming, LLC and Holdings Acquisition Co, LP
for Approval of the Reorganization, Change of Control and Recapitalization of
PITG Gaming LLC and other relief, PGCB Dkt. No. 42028.**

Dear Chairperson Colins:

Attached for the consideration of the Board and to be included as part of the evidentiary record in the above captioned proceeding, are formal comments in opposition to the Joint Application of PITG Gaming, LLC and Holdings Acquisition Co., LP, (hereinafter "Joint Petition") and notice of dispute of claimed confidential documents.

Despite the fact that the Joint Petition was filed only last week, we, as bipartisan members of the Pennsylvania Senate, have taken the extraordinary step of filing the attached detailed response in an effort to prevent a blatant attempt to force this Board into hastily approving a financial bailout without any public scrutiny or input. This last minute bait-and-switch is unacceptable. It is not the responsibility of this Board to save a distressed casino investor and failing casino development project, rather, it is the statutory charge of this Board to protect the public interest and to ensure that the citizens of western Pennsylvania receive the maxim benefits of legalized slot machine gaming and witness the development of a high quality gaming venue.

The PITG casino license is no longer financially viable. The Gaming Act is clear – each license is a conditional privilege, based upon the continued qualification of each licensee. PITG is financially distress, viewed as materially in default of its existing loan obligations and unable to complete the casino development project as originally approved by this Board. Accordingly, the proper response of this Board is to revoke the license issued to PITG and/or re-open the license to a competitive process that will include new applicants.

In an effort to circumvent this result, the Joint Petitioners seek this Board's approval of a reorganization, change of control and recapitalization plan that effectively substitutes the failed licensee with an entirely new licensee. Tantamount to a completely new license, the Joint Petition is a clear attempt to avoid any competitive application process for the Pittsburgh slots license and to save the investments of PITG. This is unacceptable.

Underscoring the temerity of the Joint Petitioners' filing is the attempt to cloak all of the supporting documentation in a shroud of secrecy. The Joint Petitioners have asserted, without any support, a claim of confidentiality to the underlying financial documents detailing the financing terms and conditions, the identity of all of the investors, the percentage equity stakes, the corporate governance agreements and the organizational structure. As a result, it is impossible for the public or governmental leaders to assess the impact of this new proposal upon existing commitments to the region – including but not limited to the new Penguins Sports Arena.

We ask this Board to consider carefully our comments and request for public disclosure of the financial documentation. It is not often that members of the General Assembly provide a bipartisan and substantive response to an administrative agency. As such, it is hoped that this Board take notice of our concerns and objections and act in a matter that is in the best interest of the citizens of western Pennsylvania, not the financial interests of a single casino investor.

Sincerely,



Senator Jane C. Orié
Majority Whip
171 Main Capitol
Harrisburg, PA 17120



Senator James Ferlo
Senate of Pennsylvania
535 Main Capitol
Harrisburg, PA 17120

cc: All members of the Pennsylvania Gaming Control Board