

Statement of Kevin Acklin  
Senior Vice President and General Counsel  
Pittsburgh Penguins

Before the House Gaming and Oversight Committee  
Representative Jim Marshall, Chairman

March 24, 2019

Good morning, Mr. Chairman, distinguished members of the Committee, my name is Kevin Acklin and I am honored to be here today representing the Pittsburgh Penguins, where I serve as Senior Vice President and General Counsel and Member of the Board of Directors of the Pittsburgh Penguins Foundation. On behalf of our principal owners Mario Lemieux and Ron Burkle, our President and CEO David Morehouse, our General Manager Jim Rutherford, and our players, coaches, staff and fans, we thank you for your leadership in considering this important legislation which we believe will improve our charitable impact on the community.

The Penguins Foundation is at the core of our mission to be the best franchise in sports, and is the primary vehicle through which we partner with and improve our impact on the community. For example, with the tragic shooting last October at the Tree of Life synagogue in Pittsburgh, the Penguins Foundation joined with the Steelers and Pirates Charities to support our city during its darkest days. Our Captain Sidney Crosby helped design a patch for players to wear in a home game just days after the tragedy, to show the world that Pittsburgh is and remains "Stronger than Hate." In just a few weeks, sales of these patches generated almost \$700,000 in charitable support, which was directed to the victims and families fund at the Jewish Federation of Greater Pittsburgh and to a public safety fund with the City of Pittsburgh, to honor the sacrifices of our public safety heroes.

The 50/50 Raffle is conducted at every Pittsburgh Penguins home game at PPG Paints Arena, with proceeds funding grants for eligible local 501(c)(3) charities who share our Foundation's mission. Through our online grant application process, local charities are selected to receive these monies to benefit their programs. Over \$1.1 Million in total donations were made during the 2017-18 season thanks to our 50/50 Raffle. Foundation grants typically range on average from \$1,000 to \$20,000, and our focus is on helping smaller, grassroots organizations. Over the past six seasons, the Penguins Foundation has donated over \$5 million to more than 150 local charities in the greater Pittsburgh community due to the tremendous game day support of our fans.

With the proceeds of our 50/50 Raffle and our charitable fundraising efforts at the Penguins Foundation, we build community rinks in neighborhoods where kids have limited opportunities and support equipment, training and programming for youth to learn the game of hockey. We support research to cure child diseases, we invest in educational programs to promote reading in schools, we invest in STEAM education and library programming, and we support smaller non-profits working to improve peoples' lives in our communities. With the continued success of the 50/50 Raffle, the Penguins are able to expand and deepen our impact on Pittsburgh.

While the 50/50 Raffle is the backbone of the Penguins Foundation's charitable efforts, conducting the raffle exclusively on a cash basis poses some significant challenges. As consumer spending patterns change in line with an increasingly cashless economy, we are finding that fans rely more heavily on debit and credit cards to make ticket, food and beverage and merchandise purchases at games. While we take significant measures to assure the safety of our ticket sellers, there are constant security risks to sellers carrying around significant amounts of cash in a crowded arena environment. And while we have never had an issue and our 50/50 Raffle process is audited on an annual basis by an outside audit firm, an exclusive cash raffle is more at risk for fraud and abuse.

The ultimate legislative intent of the original 50/50 Raffle legislation enacted in 2012 was to empower professional sports teams to play a stronger role in being a positive force for charitable investments in our community. By allowing fans to use credit cards and debit cards when purchasing 50/50 chances, we believe you will dramatically improve our capacity to expand our current community impact. In addition, you will improve consumer convenience and reduce the risks of theft, fraud and abuse that are more at risk under an exclusive cash system.

On behalf of the Pittsburgh Penguins, we respectfully encourage your support of this legislation. We thank you for your leadership and service, and look forward to continuing to work with you in the future as we continue to inspire and support our communities.