

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1887 Session of
2015

INTRODUCED BY ORTITAY, BAKER, V. BROWN, D. COSTA, ENGLISH,
PHILLIPS-HILL, JOZWIAK, KAUFER, KAUFFMAN, KLUNK, KOTIK,
MILLARD, MURT, NEILSON, O'BRIEN, QUIGLEY, RADER, SAYLOR,
STAATS, THOMAS, WARD, ROZZI, KORTZ, D. PARKER, MICCARELLI AND
NELSON, MARCH 10, 2016

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, OCTOBER 26, 2016

AN ACT

1 Amending Title 4 (Amusements) of the Pennsylvania Consolidated
2 Statutes, IN LICENSEES, PROVIDING FOR SLOT MACHINE LICENSE <--
3 OPERATION FEE; IN TABLE GAMES, FURTHER PROVIDING FOR LOCAL
4 SHARE ASSESSMENT; IN REVENUES, FURTHER PROVIDING FOR
5 ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE
6 REVENUE DISTRIBUTION; ~~AND~~, in administration and enforcement <--
7 relating to gaming, further providing for compulsive and
8 problem gambling program; AND MAKING A RELATED REPEAL. <--

9 The General Assembly of the Commonwealth of Pennsylvania
10 hereby enacts as follows:

11 ~~Section 1. Section 1509 of Title 4 of the Pennsylvania~~ <--

12 ~~Consolidated Statutes is amended to read:~~

13 SECTION 1. TITLE 4 OF THE PENNSYLVANIA CONSOLIDATED STATUTES <--

14 IS AMENDED BY ADDING A SECTION TO READ:

15 § 1326.1. SLOT MACHINE LICENSE OPERATION FEE.

16 (A) IMPOSITION.--BEGINNING JANUARY 1, 2017, THE BOARD SHALL
17 IMPOSE AN ANNUAL SLOT MACHINE LICENSE OPERATION FEE ON EACH
18 CATEGORY 1 AND CATEGORY 2 LICENSED GAMING ENTITY, OTHER THAN A
19 CATEGORY 1 OR CATEGORY 2 LICENSED GAMING ENTITY OPERATING IN A

1 COUNTY OF THE FIRST CLASS, IN AN AMOUNT EQUAL TO 20% OF THE SLOT
2 MACHINE LICENSE FEE PAID AT THE TIME OF ISSUANCE UNDER SECTION
3 1209(A) (RELATING TO SLOT MACHINE LICENSE FEE). THE SLOT MACHINE
4 LICENSE OPERATION FEE SHALL BE PAID BY EACH CATEGORY 1 AND
5 CATEGORY 2 LICENSED GAMING ENTITY, OTHER THAN A CATEGORY 1 OR
6 CATEGORY 2 LICENSED GAMING ENTITY OPERATING IN A COUNTY OF THE
7 FIRST CLASS, IN EQUAL INSTALLMENTS ON A MONTHLY BASIS.

8 (B) PAYMENT OF FEE.--THE SLOT MACHINE LICENSE OPERATION FEE
9 IMPOSED UNDER SUBSECTION (A) SHALL BE PAID ON OR BEFORE THE
10 FIRST DAY OF EACH MONTH.

11 (C) FAILURE TO PAY.--THE BOARD MAY AT THE BOARD'S DISCRETION
12 SUSPEND, REVOKE OR DENY ANY PERMIT OR LICENSE ISSUED UNDER THIS
13 PART IF A CATEGORY 1 OR CATEGORY 2 LICENSED GAMING ENTITY, OTHER <--
14 THAN A CATEGORY 1 OR CATEGORY 2 LICENSED GAMING ENTITY OPERATING
15 IN A COUNTY OF THE FIRST CLASS, FAILS TO PAY THE SLOT MACHINE
16 LICENSE OPERATION FEE IMPOSED UNDER SUBSECTION (A).

17 (D) DEPOSIT OF SLOT MACHINE LICENSE OPERATION FEE.--THE
18 TOTAL AMOUNT OF ALL LICENSE OPERATION FEES IMPOSED AND COLLECTED
19 BY THE BOARD UNDER THIS SECTION SHALL BE DEPOSITED IN THE FUND
20 AND SHALL BE APPROPRIATED TO THE DEPARTMENT ON A CONTINUING
21 BASIS FOR THE PURPOSES UNDER SECTION 1403(C) (3) (RELATING TO
22 ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE REVENUE
23 DISTRIBUTION).

24 (E) EXPIRATION.--THIS SECTION SHALL EXPIRE MAY 1, 2017.

25 SECTION 2. SECTION 13A63(B) (3) (III) (A) AND (C) OF TITLE 4
26 ARE AMENDED TO READ:

27 § 13A63. LOCAL SHARE ASSESSMENT.

28 * * *

29 (B) DISTRIBUTIONS TO COUNTIES.--THE DEPARTMENT SHALL MAKE
30 QUARTERLY DISTRIBUTIONS FROM THE LOCAL SHARE ASSESSMENTS

1 DEPOSITED INTO THE FUND UNDER SUBSECTION (A) TO COUNTIES,
2 INCLUDING HOME RULE COUNTIES, HOSTING A LICENSED FACILITY
3 AUTHORIZED TO CONDUCT TABLE GAMES UNDER THIS CHAPTER IN
4 ACCORDANCE WITH THE FOLLOWING:

5 * * *

6 (3) IF THE FACILITY IS A CATEGORY 2 LICENSED FACILITY
7 AND IF THE COUNTY IN WHICH THE LICENSED FACILITY IS LOCATED
8 IS:

9 * * *

10 (III) A COUNTY OF THE THIRD CLASS WHERE A CITY OF
11 THE THIRD CLASS HOSTING THE LICENSED FACILITY IS LOCATED
12 IN TWO COUNTIES OF THE THIRD CLASS: 50% OF THE LICENSED
13 FACILITY'S LOCAL SHARE ASSESSMENT SHALL BE DISTRIBUTED AS
14 FOLLOWS:

15 (A) SIXTY PERCENT TO THE COUNTY IN WHICH THE
16 LICENSED FACILITY IS LOCATED, WHICH SHALL BE
17 DEPOSITED INTO A RESTRICTED RECEIPTS ACCOUNT TO BE
18 ESTABLISHED IN THE COMMONWEALTH FINANCING AUTHORITY
19 TO BE USED EXCLUSIVELY FOR ECONOMIC DEVELOPMENT
20 PROJECTS, COMMUNITY IMPROVEMENT PROJECTS AND OTHER
21 PROJECTS IN THE PUBLIC INTEREST WITHIN THE COUNTY.

22 * * *

23 (C) TWENTY PERCENT TO THE NONHOST COUNTY IN
24 WHICH THE HOST CITY IS LOCATED, OF WHICH 50% SHALL BE
25 DEPOSITED INTO A RESTRICTED RECEIPTS ACCOUNT TO BE
26 ESTABLISHED IN THE COMMONWEALTH FINANCING AUTHORITY
27 TO BE USED [SOLELY] EXCLUSIVELY FOR GRANTS TO
28 MUNICIPALITIES [THAT ARE CONTIGUOUS TO THE HOST CITY]
29 WITHIN THE NONHOST COUNTY FOR ECONOMIC DEVELOPMENT
30 PROJECTS, COMMUNITY IMPROVEMENT PROJECTS AND OTHER

1 PROJECTS IN THE PUBLIC INTEREST.

2 * * *

3 SECTION 3. SECTIONS 1403 AND 1509 OF TITLE 4 ARE AMENDED TO
4 READ:

5 § 1403. ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE
6 REVENUE DISTRIBUTION.

7 (A) FUND ESTABLISHED.--THERE IS HEREBY ESTABLISHED THE STATE
8 GAMING FUND WITHIN THE STATE TREASURY.

9 (B) SLOT MACHINE TAX.--THE DEPARTMENT SHALL DETERMINE AND
10 EACH SLOT MACHINE LICENSEE SHALL PAY A DAILY TAX OF 34% FROM ITS
11 DAILY GROSS TERMINAL REVENUE FROM THE SLOT MACHINES IN OPERATION
12 AT ITS FACILITY AND A LOCAL SHARE ASSESSMENT AS PROVIDED IN
13 SUBSECTION (C). ALL FUNDS OWED TO THE COMMONWEALTH, A COUNTY OR
14 A MUNICIPALITY UNDER THIS SECTION SHALL BE HELD IN TRUST BY THE
15 LICENSED GAMING ENTITY FOR THE COMMONWEALTH, THE COUNTY AND THE
16 MUNICIPALITY UNTIL THE FUNDS ARE PAID OR TRANSFERRED TO THE
17 FUND. UNLESS OTHERWISE AGREED TO BY THE BOARD, A LICENSED GAMING
18 ENTITY SHALL ESTABLISH A SEPARATE BANK ACCOUNT TO MAINTAIN
19 GROSS TERMINAL REVENUE UNTIL SUCH TIME AS THE FUNDS ARE PAID OR
20 TRANSFERRED UNDER THIS SECTION. MONEYS IN THE FUND ARE HEREBY
21 APPROPRIATED TO THE DEPARTMENT ON A CONTINUING BASIS FOR THE
22 PURPOSES SET FORTH IN SUBSECTION (C).

23 (C) TRANSFERS AND DISTRIBUTIONS.--THE DEPARTMENT SHALL:

24 (1) TRANSFER THE SLOT MACHINE TAX AND ASSESSMENT IMPOSED
25 IN SUBSECTION (B) TO THE FUND.

26 (2) FROM THE LOCAL SHARE ASSESSMENT ESTABLISHED IN
27 SUBSECTION (B), MAKE QUARTERLY DISTRIBUTIONS AMONG THE
28 COUNTIES HOSTING A LICENSED FACILITY IN ACCORDANCE WITH THE
29 FOLLOWING SCHEDULE:

30 (I) IF THE LICENSED FACILITY IS A CATEGORY 1

1 LICENSED FACILITY THAT IS LOCATED AT A HARNESS RACETRACK
2 AND THE COUNTY, INCLUDING A HOME RULE COUNTY, IN WHICH
3 THE LICENSED FACILITY IS LOCATED IS:

4 (A) A COUNTY OF THE FIRST CLASS: 4% OF THE
5 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
6 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
7 NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY,
8 FUNDS FROM LICENSED GAMING ENTITIES LOCATED WITHIN A
9 COUNTY OF THE FIRST CLASS SHALL NOT BE DISTRIBUTED
10 OUTSIDE OF A COUNTY OF THE FIRST CLASS.

11 (B) A COUNTY OF THE SECOND CLASS: 2% OF THE
12 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
13 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.

14 (C) A COUNTY OF THE SECOND CLASS A: 1% OF THE
15 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
16 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
17 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
18 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
19 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
20 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

21 (D) (I) A COUNTY OF THE THIRD CLASS: EXCEPT AS
22 PROVIDED IN SUBCLAUSE (II), 2% OF THE GROSS
23 TERMINAL REVENUE FROM EACH SUCH LICENSED FACILITY
24 SHALL BE DEPOSITED INTO A RESTRICTED RECEIPTS
25 ACCOUNT TO BE ESTABLISHED IN THE COMMONWEALTH
26 FINANCING AUTHORITY TO BE USED EXCLUSIVELY FOR
27 GRANTS FOR PROJECTS IN THE PUBLIC INTEREST TO
28 MUNICIPALITIES WITHIN THE COUNTY WHERE THE
29 LICENSED FACILITY IS LOCATED.

30 (I.1) PRIORITY SHALL BE GIVEN TO MULTIYEAR

1 PROJECTS APPROVED OR AWARDED BY THE DEPARTMENT OF
2 COMMUNITY AND ECONOMIC DEVELOPMENT UNDER
3 SUBCLAUSE (I) ON OR BEFORE THE EFFECTIVE DATE OF
4 THIS SUBCLAUSE.

5 (I.2) IN ADDITION TO MUNICIPALITIES THAT ARE
6 ELIGIBLE TO RECEIVE GRANT FUNDING UNDER SUBCLAUSE
7 (I), A COUNTY REDEVELOPMENT AUTHORITY WITHIN THE
8 COUNTY SHALL ALSO BE ELIGIBLE TO RECEIVE GRANT
9 FUNDING TO BE USED EXCLUSIVELY FOR ECONOMIC
10 DEVELOPMENT PROJECTS OR INFRASTRUCTURE. A COUNTY
11 REDEVELOPMENT AUTHORITY SHALL NOT BE ELIGIBLE TO
12 RECEIVE MORE THAN 10% OF THE TOTAL GRANT FUNDS
13 AWARDED.

14 (I.3) NOTWITHSTANDING THE ACT OF FEBRUARY 9,
15 1999 (P.L.1, NO.1), KNOWN AS THE CAPITAL
16 FACILITIES DEBT ENABLING ACT, GRANTS MADE UNDER
17 SUBCLAUSE (I) MAY BE UTILIZED AS LOCAL MATCHING
18 FUNDS FOR OTHER GRANTS OR LOANS FROM THE
19 COMMONWEALTH.

20 (II) IF A LICENSED FACILITY IS LOCATED IN
21 ONE OF TWO COUNTIES OF THE THIRD CLASS WHERE A
22 CITY OF THE THIRD CLASS IS LOCATED IN BOTH
23 COUNTIES OF THE THIRD CLASS, THE COUNTY IN WHICH
24 THE LICENSED FACILITY IS LOCATED SHALL RECEIVE
25 1.2% OF THE GROSS TERMINAL REVENUE TO BE
26 DISTRIBUTED AS FOLLOWS: 20% TO THE HOST CITY,
27 30% TO THE HOST COUNTY AND 50% TO THE HOST COUNTY
28 FOR THE PURPOSE OF MAKING MUNICIPAL GRANTS WITHIN
29 THE COUNTY, WITH PRIORITY GIVEN TO MUNICIPALITIES
30 CONTIGUOUS TO THE HOST CITY. THE COUNTY OF THE

1 THIRD CLASS, WHICH INCLUDES A CITY OF THE THIRD
2 CLASS THAT IS LOCATED IN TWO COUNTIES OF THE
3 THIRD CLASS AND IS NOT THE HOST COUNTY FOR THE
4 LICENSED FACILITY, SHALL RECEIVE .8% OF THE GROSS
5 TERMINAL REVENUE TO BE DISTRIBUTED AS FOLLOWS:
6 60% TO A NONHOST CITY OF THE THIRD CLASS LOCATED
7 SOLELY IN THE NONHOST COUNTY IN WHICH THE HOST
8 CITY OF THE THIRD CLASS IS ALSO LOCATED OR 60% TO
9 THE NONHOST CITY OF THE THIRD CLASS LOCATED BOTH
10 IN THE HOST AND NONHOST COUNTIES OF THE THIRD
11 CLASS, 35% TO THE NONHOST COUNTY AND 5% TO THE
12 NONHOST COUNTY FOR THE PURPOSE OF MAKING
13 MUNICIPAL GRANTS WITHIN THE COUNTY.

14 (E) A COUNTY OF THE FOURTH CLASS: 2% OF THE
15 GROSS TERMINAL REVENUE FROM EACH SUCH LICENSED
16 FACILITY SHALL BE DISTRIBUTED AS FOLLOWS:

17 (I) THE DEPARTMENT SHALL MAKE DISTRIBUTIONS
18 DIRECTLY TO EACH MUNICIPALITY WITHIN THE COUNTY,
19 EXCEPT THE HOST MUNICIPALITY, BY USING A FORMULA
20 EQUAL TO THE SUM OF \$25,000 PLUS \$10 PER RESIDENT
21 OF THE MUNICIPALITY USING THE MOST RECENT
22 POPULATION FIGURES PROVIDED BY THE DEPARTMENT OF
23 COMMUNITY AND ECONOMIC DEVELOPMENT, PROVIDED,
24 HOWEVER, THAT THE AMOUNT SO DISTRIBUTED TO ANY
25 MUNICIPALITY SHALL NOT EXCEED 50% OF ITS TOTAL
26 BUDGET FOR FISCAL YEAR 2009 OR 2013, WHICHEVER IS
27 GREATER, ADJUSTED FOR INFLATION IN SUBSEQUENT
28 FISCAL YEARS BY AN AMOUNT NOT TO EXCEED AN ANNUAL
29 COST-OF-LIVING ADJUSTMENT CALCULATED BY APPLYING
30 ANY UPWARD PERCENTAGE CHANGE IN THE CONSUMER

1 PRICE INDEX IMMEDIATELY PRIOR TO THE DATE THE
2 ADJUSTMENT IS DUE TO TAKE EFFECT. DISTRIBUTIONS
3 TO A MUNICIPALITY IN ACCORDANCE WITH THIS
4 SUBCLAUSE SHALL BE DEPOSITED INTO A SPECIAL FUND
5 WHICH SHALL BE ESTABLISHED BY THE MUNICIPALITY.
6 THE GOVERNING BODY OF THE MUNICIPALITY SHALL HAVE
7 THE RIGHT TO DRAW UPON THE SPECIAL FUND FOR ANY
8 LAWFUL PURPOSE PROVIDED THAT THE MUNICIPALITY
9 IDENTIFIES THE FUND AS THE SOURCE OF THE
10 EXPENDITURE. EACH MUNICIPALITY SHALL ANNUALLY
11 SUBMIT A REPORT TO THE DEPARTMENT OF COMMUNITY
12 AND ECONOMIC DEVELOPMENT DETAILING THE AMOUNT AND
13 PURPOSE OF EACH EXPENDITURE MADE FROM THE SPECIAL
14 FUND DURING THE PRIOR FISCAL YEAR.

15 (II) ANY FUNDS NOT DISTRIBUTED UNDER
16 SUBCLAUSE (I) SHALL BE DEPOSITED INTO A
17 RESTRICTED RECEIPTS ACCOUNT ESTABLISHED IN THE
18 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
19 TO BE USED EXCLUSIVELY FOR GRANTS TO THE COUNTY,
20 TO ECONOMIC DEVELOPMENT AUTHORITIES OR
21 REDEVELOPMENT AUTHORITIES WITHIN THE COUNTY FOR
22 GRANTS FOR ECONOMIC DEVELOPMENT PROJECTS,
23 INFRASTRUCTURE PROJECTS, JOB TRAINING, COMMUNITY
24 IMPROVEMENT PROJECTS, OTHER PROJECTS IN THE
25 PUBLIC INTEREST, AND NECESSARY AND REASONABLE
26 ADMINISTRATIVE COSTS. NOTWITHSTANDING THE
27 PROVISIONS OF THE ACT OF FEBRUARY 9, 1999 (P.L.1,
28 NO.1), KNOWN AS THE CAPITAL FACILITIES DEBT
29 ENABLING ACT, GRANTS MADE UNDER THIS CLAUSE MAY
30 BE UTILIZED AS LOCAL MATCHING FUNDS FOR OTHER

1 GRANTS OR LOANS FROM THE COMMONWEALTH.

2 (F) COUNTIES OF THE FIFTH THROUGH EIGHTH
3 CLASSES:

4 (I) EXCEPT AS SET FORTH IN SUBCLAUSE (II),
5 2% OF THE GROSS TERMINAL REVENUE FROM EACH SUCH
6 LICENSED FACILITY SHALL BE DEPOSITED INTO A
7 RESTRICTED ACCOUNT ESTABLISHED IN THE DEPARTMENT
8 OF COMMUNITY AND ECONOMIC DEVELOPMENT TO BE USED
9 EXCLUSIVELY FOR GRANTS TO THE COUNTY.

10 (II) IF THE LICENSED FACILITY IS LOCATED IN
11 A SECOND CLASS TOWNSHIP IN A COUNTY OF THE FIFTH
12 CLASS, 2% OF THE GROSS TERMINAL REVENUE FROM THE
13 LICENSED FACILITY SHALL BE DISTRIBUTED AS
14 FOLLOWS:

15 (A) 1% SHALL BE DEPOSITED INTO A
16 RESTRICTED RECEIPTS ACCOUNT TO BE ESTABLISHED
17 IN THE COMMONWEALTH FINANCING AUTHORITY TO BE
18 USED EXCLUSIVELY FOR GRANTS FOR PROJECTS IN
19 THE PUBLIC INTEREST TO MUNICIPALITIES WITHIN
20 THE COUNTY WHERE THE LICENSED FACILITY IS
21 LOCATED.

22 (B) 1% SHALL BE DISTRIBUTED TO THE COUNTY
23 FOR PROJECTS IN THE PUBLIC INTEREST IN THE
24 COUNTY.

25 (G) ANY COUNTY NOT SPECIFICALLY ENUMERATED IN
26 CLAUSES (A) THROUGH (F), 2% OF THE GROSS TERMINAL
27 REVENUE TO THE COUNTY HOSTING THE LICENSED FACILITY
28 FROM EACH SUCH LICENSED FACILITY.

29 (II) IF THE LICENSED FACILITY IS A CATEGORY 1
30 LICENSED FACILITY AND IS LOCATED AT A THOROUGHbred

1 RACETRACK AND THE COUNTY IN WHICH THE LICENSED FACILITY
2 IS LOCATED IS:

3 (A) A COUNTY OF THE FIRST CLASS: 4% OF THE
4 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
5 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
6 NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY,
7 FUNDS FROM LICENSED GAMING ENTITIES LOCATED WITHIN
8 THE COUNTY OF THE FIRST CLASS SHALL NOT BE
9 DISTRIBUTED OUTSIDE OF A COUNTY OF THE FIRST CLASS.

10 (B) A COUNTY OF THE SECOND CLASS: 2% OF THE
11 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
12 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.

13 (C) A COUNTY OF THE SECOND CLASS A: 1% OF THE
14 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
15 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
16 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
17 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
18 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
19 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

20 (D) A COUNTY OF THE THIRD CLASS: 1% OF THE
21 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
22 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
23 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
24 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
25 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
26 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

27 NOTWITHSTANDING THE PROVISIONS OF THE CAPITAL
28 FACILITIES DEBT ENABLING ACT, GRANTS MADE UNDER THIS
29 CLAUSE MAY BE UTILIZED AS LOCAL MATCHING FUNDS FOR
30 OTHER GRANTS OR LOANS FROM THE COMMONWEALTH.

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1 (E) A COUNTY OF THE FOURTH CLASS: 2% OF THE
2 GROSS TERMINAL REVENUE FROM EACH SUCH LICENSED
3 FACILITY SHALL BE DEPOSITED INTO A RESTRICTED ACCOUNT
4 ESTABLISHED IN THE DEPARTMENT OF COMMUNITY AND
5 ECONOMIC DEVELOPMENT TO BE USED EXCLUSIVELY FOR
6 GRANTS TO THE COUNTY, TO ECONOMIC DEVELOPMENT
7 AUTHORITIES OR REDEVELOPMENT AUTHORITIES WITHIN THE
8 COUNTY FOR GRANTS FOR ECONOMIC DEVELOPMENT PROJECTS,
9 COMMUNITY IMPROVEMENT PROJECTS, JOB TRAINING, OTHER
10 PROJECTS IN THE PUBLIC INTEREST AND REASONABLE
11 ADMINISTRATIVE COSTS. NOTWITHSTANDING THE CAPITAL
12 FACILITIES DEBT ENABLING ACT, GRANTS MADE UNDER THIS
13 CLAUSE MAY BE UTILIZED AS LOCAL MATCHING FUNDS FOR
14 OTHER GRANTS OR LOANS FROM THE COMMONWEALTH.

15 (F) COUNTIES OF THE FIFTH THROUGH EIGHTH
16 CLASSES: 2% OF THE GROSS TERMINAL REVENUE FROM EACH
17 SUCH LICENSED FACILITY SHALL BE DEPOSITED INTO A
18 RESTRICTED ACCOUNT ESTABLISHED IN THE DEPARTMENT OF
19 COMMUNITY AND ECONOMIC DEVELOPMENT TO BE USED
20 EXCLUSIVELY FOR GRANTS TO THE COUNTY.

21 (G) ANY COUNTY NOT SPECIFICALLY ENUMERATED IN
22 CLAUSES (A) THROUGH (F), 2% OF THE GROSS TERMINAL
23 REVENUE TO THE COUNTY HOSTING THE LICENSED FACILITY
24 FROM EACH SUCH LICENSED FACILITY.

25 (III) IF THE FACILITY IS A CATEGORY 2 LICENSED
26 FACILITY AND IF THE COUNTY IN WHICH THE LICENSED FACILITY
27 IS LOCATED IS:

28 (A) A COUNTY OF THE FIRST CLASS: 4% OF THE
29 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
30 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.

1 NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY,
2 FUNDS FROM LICENSED GAMING ENTITIES LOCATED WITHIN A
3 COUNTY OF THE FIRST CLASS SHALL NOT BE DISTRIBUTED
4 OUTSIDE OF A COUNTY OF THE FIRST CLASS. THE FIRST
5 \$5,000,000 OF THE TOTAL AMOUNT DISTRIBUTED ANNUALLY
6 TO THE COUNTY OF THE FIRST CLASS SHALL BE DISTRIBUTED
7 TO THE PHILADELPHIA SCHOOL DISTRICT.

8 (B) A COUNTY OF THE SECOND CLASS: 2% OF THE
9 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
10 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.

11 (C) A COUNTY OF THE SECOND CLASS A: 1% OF THE
12 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
13 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
14 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
15 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
16 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
17 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

18 (D) A COUNTY OF THE THIRD CLASS: 1% OF THE
19 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
20 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
21 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
22 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
23 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
24 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

25 ~~NOTWITHSTANDING THE PROVISIONS OF THE CAPITAL~~ <--
26 ~~FACILITIES DEBT ENABLING ACT, GRANTS MADE UNDER THIS~~
27 ~~CLAUSE MAY BE UTILIZED AS LOCAL MATCHING FUNDS FOR~~
28 ~~OTHER GRANTS OR LOANS FROM THE COMMONWEALTH.~~

29 (D.1) IF A LICENSED FACILITY IS LOCATED IN ONE
30 OF TWO COUNTIES OF THE THIRD CLASS WHERE A CITY OF

1 THE THIRD CLASS IS LOCATED IN BOTH COUNTIES OF THE
2 THIRD CLASS, THE COUNTY IN WHICH THE LICENSED
3 FACILITY IS LOCATED SHALL RECEIVE 1.2% OF THE GROSS
4 TERMINAL REVENUE TO BE DISTRIBUTED AS FOLLOWS: 20%
5 TO THE HOST CITY, 30% TO THE HOST COUNTY AND 50%,
6 WHICH SHALL BE DEPOSITED INTO A RESTRICTED RECEIPTS
7 ACCOUNT TO BE ESTABLISHED IN THE COMMONWEALTH
8 FINANCING AUTHORITY TO BE USED EXCLUSIVELY FOR
9 ECONOMIC DEVELOPMENT PROJECTS, COMMUNITY IMPROVEMENT
10 PROJECTS AND OTHER PROJECTS IN THE PUBLIC INTEREST
11 WITHIN THE COUNTY, TO THE HOST COUNTY [FOR THE
12 PURPOSE OF MAKING MUNICIPAL GRANTS WITHIN THE
13 COUNTY], WITH PRIORITY GIVEN TO MUNICIPALITIES
14 CONTIGUOUS TO THE HOST CITY. THE COUNTY OF THE THIRD
15 CLASS, WHICH INCLUDES A CITY OF THE THIRD CLASS THAT
16 IS LOCATED IN TWO COUNTIES OF THE THIRD CLASS AND IS
17 NOT THE HOST COUNTY FOR THE LICENSED FACILITY, SHALL
18 RECEIVE .8% OF THE GROSS TERMINAL REVENUE TO BE
19 DISTRIBUTED AS FOLLOWS: 60% TO A NONHOST CITY OF THE
20 THIRD CLASS LOCATED SOLELY IN THE NONHOST COUNTY IN
21 WHICH THE HOST CITY OF THE THIRD CLASS IS ALSO
22 LOCATED OR 60% TO THE NONHOST CITY OF THE THIRD CLASS
23 LOCATED BOTH IN THE HOST AND NONHOST COUNTIES OF THE
24 THIRD CLASS, 35% TO THE NONHOST COUNTY AND 5%,
25 WHICH SHALL BE DEPOSITED INTO A RESTRICTED RECEIPTS ACCOUNT
26 TO BE ESTABLISHED IN THE COMMONWEALTH FINANCING
27 AUTHORITY TO BE USED EXCLUSIVELY FOR ECONOMIC
28 DEVELOPMENT PROJECTS, COMMUNITY IMPROVEMENT PROJECTS
29 AND OTHER PROJECTS IN THE PUBLIC INTEREST WITHIN THE
30 COUNTY, TO THE NONHOST COUNTY [FOR THE PURPOSE OF

1 MAKING MUNICIPAL GRANTS WITHIN THE COUNTY].

2 (E) A COUNTY OF THE FOURTH CLASS: 2% OF THE
3 GROSS TERMINAL REVENUE FROM EACH SUCH LICENSED
4 FACILITY SHALL BE DEPOSITED INTO A RESTRICTED ACCOUNT
5 ESTABLISHED IN THE DEPARTMENT OF COMMUNITY AND
6 ECONOMIC DEVELOPMENT TO BE USED EXCLUSIVELY FOR
7 GRANTS TO THE COUNTY, TO ECONOMIC DEVELOPMENT
8 AUTHORITIES OR REDEVELOPMENT AUTHORITIES WITHIN THE
9 COUNTY FOR GRANTS FOR ECONOMIC DEVELOPMENT PROJECTS,
10 COMMUNITY IMPROVEMENT PROJECTS, JOB TRAINING, OTHER
11 PROJECTS IN THE PUBLIC INTEREST AND REASONABLE
12 ADMINISTRATIVE COSTS. NOTWITHSTANDING THE CAPITAL
13 FACILITIES DEBT ENABLING ACT, GRANTS MADE UNDER THIS
14 CLAUSE MAY BE UTILIZED AS LOCAL MATCHING FUNDS FOR
15 OTHER GRANTS OR LOANS FROM THE COMMONWEALTH.

16 (F) COUNTIES OF THE FIFTH CLASS: 2% OF THE
17 GROSS TERMINAL REVENUE FROM EACH SUCH LICENSED
18 FACILITY SHALL BE DEPOSITED AND DISTRIBUTED AS
19 FOLLOWS:

20 (I) ONE PERCENT TO BE DISTRIBUTED AS
21 FOLLOWS:

22 (A) BEGINNING IN 2010, THE SUM OF
23 \$2,400,000 ANNUALLY FOR A PERIOD OF 20 YEARS
24 TO THE COUNTY FOR PURPOSES OF FUNDING DEBT
25 SERVICE RELATED TO THE CONSTRUCTION OF A
26 COMMUNITY COLLEGE CAMPUS LOCATED WITHIN THE
27 COUNTY.

28 (B) ANY FUNDS NOT DISTRIBUTED UNDER
29 SUBCLAUSE (A) SHALL BE DEPOSITED INTO A
30 RESTRICTED RECEIPTS ACCOUNT TO BE ESTABLISHED

1 IN THE COMMONWEALTH FINANCING AUTHORITY TO BE
2 USED EXCLUSIVELY FOR GRANTS WITHIN THE COUNTY
3 FOR ECONOMIC DEVELOPMENT PROJECTS, ROAD
4 PROJECTS LOCATED WITHIN A 20-MILE RADIUS OF
5 THE LICENSED FACILITY AND LOCATED WITHIN THE
6 COUNTY, COMMUNITY IMPROVEMENT PROJECTS AND
7 OTHER PROJECTS IN THE PUBLIC INTEREST WITHIN
8 THE COUNTY. THE AMOUNT UNDER THIS SUBCLAUSE
9 INCLUDES REASONABLE ADMINISTRATIVE COSTS.

10 (II) ONE PERCENT SHALL BE DEPOSITED INTO A
11 RESTRICTED RECEIPTS ACCOUNT TO BE ESTABLISHED IN
12 THE COMMONWEALTH FINANCING AUTHORITY TO BE USED
13 EXCLUSIVELY FOR GRANTS WITHIN CONTIGUOUS COUNTIES
14 FOR ECONOMIC DEVELOPMENT PROJECTS, COMMUNITY
15 IMPROVEMENT PROJECTS AND OTHER PROJECTS IN THE
16 PUBLIC INTEREST WITHIN CONTIGUOUS COUNTIES. THE
17 AMOUNT UNDER THIS SUBCLAUSE INCLUDES REASONABLE
18 ADMINISTRATIVE COSTS. A CONTIGUOUS COUNTY THAT
19 HOSTS A CATEGORY 1 LICENSED FACILITY SHALL BE
20 INELIGIBLE TO RECEIVE GRANTS UNDER THIS
21 SUBCLAUSE.

22 (II.1) PRIORITY SHALL BE GIVEN TO MULTIYEAR
23 PROJECTS APPROVED OR AWARDED BY THE DEPARTMENT OF
24 COMMUNITY AND ECONOMIC DEVELOPMENT UNDER
25 SUBCLAUSE (I) (B) OR (II) ON OR BEFORE THE
26 EFFECTIVE DATE OF THIS SUBCLAUSE.

27 (III) FIFTY PERCENT OF ANY REVENUE REQUIRED
28 TO BE TRANSFERRED UNDER PARAGRAPH (3) (V) SHALL BE
29 DEPOSITED INTO THE RESTRICTED RECEIPTS ACCOUNT
30 ESTABLISHED UNDER SUBCLAUSE (I) (B), AND 50% SHALL

1 BE DEPOSITED INTO THE RESTRICTED RECEIPTS ACCOUNT
2 ESTABLISHED UNDER SUBCLAUSE (II). NOTWITHSTANDING
3 THE CAPITAL FACILITIES DEBT ENABLING ACT, GRANTS
4 MADE UNDER THIS CLAUSE MAY BE UTILIZED AS LOCAL
5 MATCHING FUNDS FOR OTHER GRANTS OR LOANS FROM THE
6 COMMONWEALTH.

7 (G) ANY COUNTY NOT SPECIFICALLY ENUMERATED IN
8 CLAUSES (A) THROUGH (F), 2% OF THE GROSS TERMINAL
9 REVENUE TO THE COUNTY HOSTING THE LICENSED FACILITY
10 FROM EACH SUCH LICENSED FACILITY.

11 (IV) (A) EXCEPT AS PROVIDED IN CLAUSE (B) OR (C),
12 IF THE FACILITY IS A CATEGORY 3 LICENSED FACILITY, 2%
13 OF THE GROSS TERMINAL REVENUE FROM THE LICENSED
14 FACILITY SHALL BE DEPOSITED INTO A RESTRICTED
15 RECEIPTS ACCOUNT ESTABLISHED IN THE DEPARTMENT OF
16 COMMUNITY AND ECONOMIC DEVELOPMENT TO BE USED
17 EXCLUSIVELY FOR GRANTS TO THE COUNTY, TO ECONOMIC
18 DEVELOPMENT AUTHORITIES OR REDEVELOPMENT AUTHORITIES
19 WITHIN THE COUNTY FOR GRANTS FOR ECONOMIC DEVELOPMENT
20 PROJECTS, COMMUNITY IMPROVEMENT PROJECTS AND OTHER
21 PROJECTS IN THE PUBLIC INTEREST.

22 (B) IF THE FACILITY IS A CATEGORY 3 LICENSED
23 FACILITY LOCATED IN A COUNTY OF THE SECOND CLASS A,
24 2% OF THE GROSS TERMINAL REVENUE FROM THE LICENSED
25 FACILITY SHALL BE DEPOSITED INTO A RESTRICTED
26 RECEIPTS ACCOUNT TO BE ESTABLISHED IN THE
27 COMMONWEALTH FINANCING AUTHORITY TO BE USED
28 EXCLUSIVELY FOR GRANTS OR GUARANTEES FOR PROJECTS IN
29 THE HOST COUNTY THAT QUALIFY UNDER 64 PA.C.S. §§ 1551
30 (RELATING TO BUSINESS IN OUR SITES PROGRAM), 1556

1 (RELATING TO TAX INCREMENT FINANCING GUARANTEE
2 PROGRAM) AND 1558 (RELATING TO WATER SUPPLY AND
3 WASTEWATER INFRASTRUCTURE PROGRAM) .

4 (C) IF THE FACILITY IS A CATEGORY 3 LICENSED
5 FACILITY LOCATED IN A COUNTY OF THE FIFTH CLASS THAT
6 IS CONTIGUOUS TO A COUNTY OF THE SEVENTH CLASS, 2% OF
7 THE GROSS TERMINAL REVENUE FROM THE LICENSED FACILITY
8 SHALL BE DEPOSITED INTO A RESTRICTED RECEIPTS ACCOUNT
9 TO BE ESTABLISHED IN THE COMMONWEALTH FINANCING
10 AUTHORITY TO BE USED EXCLUSIVELY FOR GRANTS WITHIN
11 THE COUNTY FOR ECONOMIC DEVELOPMENT PROJECTS,
12 INFRASTRUCTURE PROJECTS, COMMUNITY IMPROVEMENT
13 PROJECTS AND OTHER PROJECTS IN THE PUBLIC INTEREST
14 WITHIN THE COUNTY AND FOR INFRASTRUCTURE PROJECTS
15 WITHIN A 20-MILE RADIUS OF THE LICENSED FACILITY IN A
16 CONTIGUOUS COUNTY OF THE SEVENTH CLASS.

17 (V) UNLESS OTHERWISE SPECIFIED, FOR THE PURPOSES OF
18 THIS PARAGRAPH MONEY DESIGNATED FOR MUNICIPAL GRANTS
19 WITHIN A COUNTY, OTHER THAN A COUNTY OF THE FIRST CLASS,
20 IN WHICH A LICENSED FACILITY IS LOCATED SHALL BE USED TO
21 FUND GRANTS TO THE MUNICIPALITY IN WHICH THE LICENSED
22 FACILITY IS LOCATED, TO THE COUNTY IN WHICH THE LICENSED
23 FACILITY IS LOCATED AND TO THE MUNICIPALITIES WHICH ARE
24 CONTIGUOUS TO THE MUNICIPALITY IN WHICH THE LICENSED
25 FACILITY IS LOCATED AND WHICH ARE LOCATED WITHIN THE
26 COUNTY IN WHICH THE LICENSED FACILITY IS LOCATED. GRANTS
27 SHALL BE ADMINISTERED BY THE COUNTY THROUGH ITS ECONOMIC
28 DEVELOPMENT OR REDEVELOPMENT AUTHORITY IN WHICH THE
29 LICENSED FACILITY IS LOCATED. GRANTS SHALL BE USED TO
30 FUND THE COSTS OF HUMAN SERVICES, INFRASTRUCTURE

1 IMPROVEMENTS, FACILITIES, EMERGENCY SERVICES, HEALTH AND
2 PUBLIC SAFETY EXPENSES ASSOCIATED WITH LICENSED FACILITY
3 OPERATIONS. IF AT THE END OF A FISCAL YEAR UNCOMMITTED
4 FUNDS EXIST, THE COUNTY SHALL PAY TO THE ECONOMIC
5 DEVELOPMENT OR REDEVELOPMENT AUTHORITY OF THE COUNTY IN
6 WHICH THE LICENSED FACILITY IS LOCATED THE UNCOMMITTED
7 FUNDS.

8 (VI) IF THE LICENSED FACILITY IS LOCATED IN MORE
9 THAN ONE COUNTY, THE AMOUNT AVAILABLE SHALL BE
10 DISTRIBUTED ON A PRO RATA BASIS DETERMINED BY THE
11 PERCENTAGE OF ACREAGE LOCATED IN EACH COUNTY TO THE TOTAL
12 ACREAGE OF ALL COUNTIES OCCUPIED BY THE LICENSED
13 FACILITY.

14 (VII) THE DISTRIBUTIONS PROVIDED IN THIS PARAGRAPH
15 SHALL BE BASED UPON COUNTY CLASSIFICATIONS IN EFFECT ON
16 THE EFFECTIVE DATE OF THIS SECTION. ANY RECLASSIFICATION
17 OF COUNTIES AS A RESULT OF A FEDERAL DECENNIAL CENSUS OR
18 OF A STATE STATUTE SHALL NOT APPLY TO THIS SUBPARAGRAPH.

19 (VIII) IF ANY PROVISION OF THIS PARAGRAPH IS FOUND
20 TO BE UNENFORCEABLE FOR ANY REASON, THE DISTRIBUTION
21 PROVIDED FOR IN THE UNENFORCEABLE PROVISION SHALL BE MADE
22 TO THE COUNTY IN WHICH THE LICENSED FACILITY IS LOCATED
23 FOR THE PURPOSES OF GRANTS TO MUNICIPALITIES IN THAT
24 COUNTY, INCLUDING MUNICIPAL GRANTS AS SPECIFIED IN
25 SUBPARAGRAPH (V).

26 (IX) NOTHING IN THIS PARAGRAPH SHALL PREVENT ANY OF
27 THE ABOVE COUNTIES WHICH DIRECTLY RECEIVE A DISTRIBUTION
28 UNDER THIS SECTION FROM ENTERING INTO INTERGOVERNMENTAL
29 COOPERATIVE AGREEMENTS WITH OTHER JURISDICTIONS FOR
30 SHARING THIS MONEY.

1 (3) FROM THE LOCAL SHARE ASSESSMENT ESTABLISHED IN
2 SUBSECTION (B) AND THE SLOT MACHINE OPERATION FEES IMPOSED
3 UNDER SECTION 1326.1 (RELATING TO SLOT MACHINE LICENSE
4 OPERATION FEE) AND DEPOSITED UNDER SECTION 1326.1(D), MAKE
5 QUARTERLY DISTRIBUTIONS AMONG THE MUNICIPALITIES, INCLUDING
6 HOME RULE MUNICIPALITIES, HOSTING A LICENSED FACILITY IN
7 ACCORDANCE WITH THE FOLLOWING SCHEDULE:

8 (I) TO A CITY OF THE SECOND CLASS HOSTING A LICENSED
9 FACILITY, OTHER THAN A CATEGORY 3 LICENSED FACILITY, [2%
10 OF THE GROSS TERMINAL REVENUE OR] \$10,000,000 ANNUALLY[,
11 WHICHEVER IS GREATER, SHALL BE PAID BY EACH LICENSED
12 GAMING ENTITY OPERATING A FACILITY LOCATED IN THAT CITY.
13 IN THE EVENT THAT THE REVENUES GENERATED BY THE 2% DO NOT
14 MEET THE \$10,000,000 MINIMUM SPECIFIED IN THIS
15 SUBPARAGRAPH, THE DEPARTMENT SHALL COLLECT THE REMAINDER
16 OF THE MINIMUM AMOUNT OF \$10,000,000 FROM EACH LICENSED
17 GAMING ENTITY OPERATING A FACILITY IN THE CITY AND
18 DEPOSIT THAT AMOUNT IN THE CITY TREASURY] SHALL BE
19 DISTRIBUTED TO THE CITY TREASURY.

20 (II) TO A CITY OF THE SECOND CLASS A HOSTING A
21 LICENSED FACILITY, OTHER THAN A CATEGORY 3 LICENSED
22 FACILITY, [2% OF THE GROSS TERMINAL REVENUE OR
23 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, SHALL BE PAID
24 BY EACH LICENSED ENTITY OPERATING A LICENSED FACILITY
25 LOCATED IN THAT CITY] \$10,000,000 ANNUALLY SHALL BE
26 DISTRIBUTED TO THE CITY, SUBJECT, HOWEVER, TO THE
27 BUDGETARY LIMITATION IN THIS SUBPARAGRAPH. THE AMOUNT
28 ALLOCATED TO THE DESIGNATED MUNICIPALITIES SHALL NOT
29 EXCEED 50% OF THEIR TOTAL BUDGET FOR FISCAL YEAR 2003-
30 2004, ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY AN

1 AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT
2 CALCULATED BY APPLYING THE PERCENTAGE CHANGE IN THE
3 CONSUMER PRICE INDEX IMMEDIATELY PRIOR TO THE DATE THE
4 ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING MONEYS
5 SHALL BE [COLLECTED BY THE DEPARTMENT FROM EACH LICENSED
6 GAMING ENTITY AND] DISTRIBUTED IN ACCORDANCE WITH
7 PARAGRAPH (2) BASED UPON THE CLASSIFICATION OF COUNTY
8 WHERE THE LICENSED FACILITY IS LOCATED. [IN THE EVENT
9 THAT THE REVENUES GENERATED BY THE 2% DO NOT MEET THE
10 \$10,000,000 MINIMUM SPECIFIED IN THIS SUBPARAGRAPH, THE
11 DEPARTMENT SHALL COLLECT THE REMAINDER OF THE MINIMUM
12 AMOUNT OF \$10,000,000 FROM EACH LICENSED GAMING ENTITY
13 OPERATING A FACILITY IN THE CITY, PAY ANY BALANCE DUE TO
14 THE CITY AND TRANSFER ANY REMAINDER IN ACCORDANCE WITH
15 PARAGRAPH (2).]

16 (III) TO A CITY OF THE THIRD CLASS HOSTING A
17 LICENSED FACILITY, OTHER THAN A CATEGORY 3 LICENSED
18 FACILITY, [2% OF THE GROSS TERMINAL REVENUE OR
19 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, SHALL BE PAID
20 BY EACH LICENSED GAMING ENTITY OPERATING A LICENSED
21 FACILITY LOCATED IN THAT CITY] \$10,000,000 ANNUALLY, LESS <--
22 ANY AMOUNT UP TO \$5,000,000 RECEIVED PURSUANT TO A
23 WRITTEN AGREEMENT WITH A LICENSED GAMING ENTITY EXECUTED
24 PRIOR TO THE EFFECTIVE DATE OF THIS PART, SHALL BE
25 DISTRIBUTED TO THE CITY, SUBJECT, HOWEVER, TO THE
26 BUDGETARY LIMITATION IN THIS SUBPARAGRAPH. [IN THE EVENT <--
27 THAT THE CITY HAS A WRITTEN AGREEMENT WITH A LICENSED
28 GAMING ENTITY EXECUTED PRIOR TO THE EFFECTIVE DATE OF
29 THIS PART, THE AMOUNT PAID UNDER THE AGREEMENT TO THE
30 CITY SHALL BE APPLIED AND CREDITED [TO THE DIFFERENCE <--

1 BETWEEN 2% OF THE GROSS TERMINAL REVENUE AND THE
2 \$10,000,000 OWED UNDER THIS SUBPARAGRAPH IF THE 2% OF THE
3 GROSS TERMINAL REVENUE IS LESS THAN \$10,000,000. IF 2% OF
4 THE GROSS TERMINAL REVENUE IS GREATER THAN THE
5 \$10,000,000 REQUIRED TO BE PAID UNDER THIS SUBPARAGRAPH,
6 THE CREDIT SHALL NOT APPLY. THE AMOUNT OF GROSS TERMINAL
7 REVENUE REQUIRED TO BE PAID PURSUANT TO THE AGREEMENT
8 SHALL BE DEEMED TO BE GROSS TERMINAL REVENUE FOR PURPOSES
9 OF THIS SUBPARAGRAPH.], UP TO \$5,000,000, TO THE SLOT <--
10 MACHINE LICENSE OPERATION FEE OWED UNDER SECTION 1326.1
11 (RELATING TO SLOT MACHINE LICENSE OPERATION FEE). THE
12 AMOUNT ALLOCATED TO THE DESIGNATED MUNICIPALITIES SHALL
13 NOT EXCEED 50% OF THEIR TOTAL BUDGET FOR FISCAL YEAR
14 2003-2004, ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY
15 AN AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING
16 ADJUSTMENT CALCULATED BY APPLYING THE PERCENTAGE CHANGE
17 IN THE CONSUMER PRICE INDEX IMMEDIATELY PRIOR TO THE DATE
18 THE ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING
19 MONEYS SHALL BE [COLLECTED BY THE DEPARTMENT FROM EACH
20 LICENSED GAMING ENTITY AND] DISTRIBUTED IN ACCORDANCE
21 WITH PARAGRAPH (2) BASED UPON THE CLASSIFICATION OF
22 COUNTY WHERE THE LICENSED FACILITY IS LOCATED. [IN THE
23 EVENT THAT THE REVENUES GENERATED BY THE 2% DO NOT MEET
24 THE \$10,000,000 MINIMUM SPECIFIED IN THIS SUBPARAGRAPH,
25 THE DEPARTMENT SHALL COLLECT THE REMAINDER OF THE MINIMUM
26 AMOUNT OF \$10,000,000 FROM EACH LICENSED GAMING ENTITY
27 OPERATING A FACILITY, PAY ANY BALANCE DUE TO THE CITY OF
28 THE THIRD CLASS AND TRANSFER ANY REMAINDER IN ACCORDANCE
29 WITH PARAGRAPH (2).]

30 (III.1) IF A LICENSED FACILITY IS LOCATED IN A CITY

1 OF THE THIRD CLASS AND THE CITY IS LOCATED IN MORE THAN
2 ONE COUNTY OF THE THIRD CLASS, [2% OF THE GROSS TERMINAL
3 REVENUE OR \$10,000,000 ANNUALLY, WHICHEVER IS GREATER,]
4 \$10,000,000 ANNUALLY SHALL BE DISTRIBUTED AS FOLLOWS:
5 80% TO THE HOST CITY AND 20% TO THE CITY OF THE THIRD
6 CLASS LOCATED SOLELY IN A NONHOST COUNTY IN WHICH THE
7 HOST CITY OF THE THIRD CLASS IS ALSO LOCATED. IF A
8 LICENSED FACILITY IS LOCATED IN A CITY OF THE THIRD CLASS
9 AND THAT CITY IS LOCATED SOLELY IN A HOST COUNTY OF THE
10 THIRD CLASS IN WHICH A NONHOST CITY OF THE THIRD CLASS IS
11 ALSO LOCATED[, 2% OF GROSS TERMINAL REVENUE OR
12 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER], \$10,000,000
13 ANNUALLY SHALL BE DISTRIBUTED AS FOLLOWS: 80% TO THE
14 HOST CITY AND 20% TO A CITY OF THE THIRD CLASS LOCATED
15 BOTH IN A NONHOST COUNTY OF THE THIRD CLASS AND IN A HOST
16 COUNTY OF THE THIRD CLASS IN WHICH THE HOST CITY OF THE
17 THIRD CLASS IS LOCATED.

18 (IV) TO A TOWNSHIP OF THE FIRST CLASS HOSTING A
19 LICENSED FACILITY, OTHER THAN A CATEGORY 3 LICENSED
20 FACILITY, [2% OF THE GROSS TERMINAL REVENUE OR
21 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, SHALL BE PAID
22 BY EACH LICENSED GAMING ENTITY OPERATING A LICENSED
23 FACILITY LOCATED IN THE TOWNSHIP] \$10,000,000 ANNUALLY
24 SHALL BE DISTRIBUTED TO THE TOWNSHIP, SUBJECT, HOWEVER,
25 TO THE BUDGETARY LIMITATION IN THIS SUBPARAGRAPH. THE
26 AMOUNT ALLOCATED TO THE DESIGNATED MUNICIPALITIES SHALL
27 NOT EXCEED 50% OF THEIR TOTAL BUDGET FOR FISCAL YEAR
28 2003-2004, ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY
29 AN AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING
30 ADJUSTMENT CALCULATED BY APPLYING THE PERCENTAGE CHANGE

1 IN THE CONSUMER PRICE INDEX IMMEDIATELY PRIOR TO THE DATE
2 THE ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING MONEY
3 SHALL BE [COLLECTED BY THE DEPARTMENT FROM EACH LICENSED
4 GAMING ENTITY AND] DISTRIBUTED IN ACCORDANCE WITH
5 PARAGRAPH (2) BASED UPON THE CLASSIFICATION OF COUNTY
6 WHERE THE LICENSED FACILITY IS LOCATED. [IN THE EVENT
7 THAT THE REVENUES GENERATED BY THE 2% DO NOT MEET THE
8 \$10,000,000 MINIMUM SPECIFIED IN THIS SUBPARAGRAPH, THE
9 DEPARTMENT SHALL COLLECT THE REMAINDER OF THE MINIMUM
10 AMOUNT OF \$10,000,000 FROM EACH LICENSED GAMING ENTITY
11 OPERATING A LICENSED FACILITY IN THE TOWNSHIP, PAY ANY
12 BALANCE DUE TO THE TOWNSHIP AND TRANSFER ANY REMAINDER IN
13 ACCORDANCE WITH PARAGRAPH (2).]

14 (V) TO A TOWNSHIP OF THE SECOND CLASS HOSTING A
15 LICENSED FACILITY:

16 (A) [2% OF THE GROSS TERMINAL REVENUE OR
17 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, SHALL BE
18 PAID BY EACH LICENSED GAMING ENTITY OPERATING A
19 LICENSED FACILITY, OTHER THAN A CATEGORY 3 LICENSED
20 FACILITY OR A LICENSED FACILITY OWNING LAND ADJACENT
21 TO THE LICENSED FACILITY LOCATED IN MORE THAN ONE
22 TOWNSHIP OF THE SECOND CLASS,] \$10,000,000 ANNUALLY
23 SHALL BE DISTRIBUTED TO THE TOWNSHIP OF THE SECOND
24 CLASS HOSTING [THE] A LICENSED FACILITY, OTHER THAN A
25 CATEGORY 3 LICENSED FACILITY OR A LICENSED FACILITY
26 LOCATED IN MORE THAN ONE TOWNSHIP OF THE SECOND
27 CLASS, SUBJECT, HOWEVER, TO THE BUDGETARY LIMITATION
28 IN THIS SUBPARAGRAPH. THE AMOUNT ALLOCATED TO THE
29 DESIGNATED MUNICIPALITIES SHALL NOT EXCEED 50% OF
30 THEIR TOTAL BUDGET FOR FISCAL YEAR 2003-2004,

1 ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY AN
2 AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING
3 ADJUSTMENT CALCULATED BY APPLYING THE PERCENTAGE
4 CHANGE IN THE CONSUMER PRICE INDEX IMMEDIATELY PRIOR
5 TO THE DATE THE ADJUSTMENT IS DUE TO TAKE EFFECT. ANY
6 REMAINING MONEY SHALL BE [COLLECTED BY THE DEPARTMENT
7 FROM EACH LICENSED GAMING ENTITY AND] DISTRIBUTED IN
8 ACCORDANCE WITH PARAGRAPH (2) BASED UPON THE
9 CLASSIFICATION OF COUNTY WHERE THE LICENSED FACILITY
10 IS LOCATED. [IF REVENUES GENERATED BY THE 2% DO NOT
11 MEET THE \$10,000,000 MINIMUM SPECIFIED IN THIS
12 SUBPARAGRAPH, THE DEPARTMENT SHALL COLLECT THE
13 REMAINDER OF THE MINIMUM AMOUNT OF \$10,000,000 FROM
14 EACH LICENSED GAMING ENTITY OPERATING A LICENSED
15 FACILITY IN THE TOWNSHIP, PAY ANY BALANCE DUE TO THE
16 TOWNSHIP AND TRANSFER ANY REMAINDER IN ACCORDANCE
17 WITH PARAGRAPH (2).]

18 (B) [2% OF THE GROSS TERMINAL REVENUE OR
19 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER,]
20 \$10,000,000 ANNUALLY, LESS THE AMOUNT PAID UNDER
21 CLAUSE (C), SHALL BE [PAID BY EACH LICENSED GAMING
22 ENTITY OPERATING A LICENSED FACILITY AND OWNING LAND
23 ADJACENT TO THE LICENSED FACILITY LOCATED IN MORE
24 THAN ONE TOWNSHIP OF THE SECOND CLASS, OTHER THAN A
25 CATEGORY 3 LICENSED FACILITY,] DISTRIBUTED TO THE
26 TOWNSHIP OF THE SECOND CLASS HOSTING [THE] A LICENSED
27 FACILITY WHICH OWNS LAND ADJACENT TO THE LICENSED
28 FACILITY LOCATED IN MORE THAN ONE TOWNSHIP OF THE
29 SECOND CLASS, OTHER THAN A CATEGORY 3 LICENSED
30 FACILITY, SUBJECT, HOWEVER, TO THE BUDGETARY

1 LIMITATION IN THIS SUBPARAGRAPH. THE AMOUNT ALLOCATED
2 TO THE DESIGNATED MUNICIPALITIES MAY NOT EXCEED 50%
3 OF THEIR TOTAL BUDGET FOR THE FISCAL YEAR 2003-2004,
4 ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY AN
5 AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING
6 ADJUSTMENT CALCULATED BY APPLYING THE PERCENTAGE
7 CHANGE IN THE CONSUMER PRICE INDEX IMMEDIATELY PRIOR
8 TO THE DATE THE ADJUSTMENT IS DUE TO TAKE EFFECT. ANY
9 REMAINING MONEY SHALL BE [COLLECTED BY THE DEPARTMENT
10 FROM EACH LICENSED GAMING ENTITY AND] DISTRIBUTED IN
11 ACCORDANCE WITH PARAGRAPH (2) BASED UPON THE
12 CLASSIFICATION OF THE COUNTY WHERE THE LICENSED
13 FACILITY IS LOCATED. THE COUNTY COMMISSIONERS OF A
14 COUNTY OF THE THIRD CLASS IN WHICH THE LICENSED
15 FACILITY IS LOCATED SHALL APPOINT AN ADVISORY
16 COMMITTEE FOR THE PURPOSE OF ADVISING THE COUNTY AS
17 TO THE NEED FOR MUNICIPAL GRANTS FOR HEALTH, SAFETY,
18 TRANSPORTATION AND OTHER PROJECTS IN THE PUBLIC
19 INTEREST TO BE COMPRISED OF TWO INDIVIDUALS FROM THE
20 HOST MUNICIPALITY, TWO FROM CONTIGUOUS MUNICIPALITIES
21 WITHIN THE COUNTY OF THE THIRD CLASS AND ONE FROM THE
22 HOST COUNTY. [IN THE EVENT THAT THE REVENUES
23 GENERATED BY THE 2% DO NOT MEET THE \$10,000,000
24 MINIMUM SPECIFIED IN THIS SUBPARAGRAPH, THE
25 DEPARTMENT SHALL COLLECT THE REMAINDER OF THE MINIMUM
26 AMOUNT OF \$10,000,000 FROM EACH LICENSED GAMING
27 ENTITY OPERATING A LICENSED FACILITY IN THE TOWNSHIP,
28 PAY ANY BALANCE DUE TO THE TOWNSHIP AND TRANSFER ANY
29 REMAINDER IN ACCORDANCE WITH PARAGRAPH (2).]

30 (C) [\$160,000 ANNUALLY SHALL BE PAID BY EACH

1 LICENSED GAMING ENTITY OPERATING A LICENSED FACILITY
2 AND OWNING LAND ADJACENT TO THE LICENSED FACILITY
3 LOCATED IN MORE THAN ONE TOWNSHIP OF THE SECOND
4 CLASS, OTHER THAN A CATEGORY 3 LICENSED FACILITY, TO
5 THE TOWNSHIP OF THE SECOND CLASS THAT IS LOCATED IN A
6 COUNTY OF THE FIFTH CLASS IN WHICH THE ADJACENT LAND
7 IS LOCATED, INCLUDING RACETRACKS, GRAZING FIELDS OR
8 ANY OTHER ADJOINING REAL PROPERTY.] FOR LAND OWNED BY
9 A LICENSED GAMING ENTITY, OTHER THAN A CATEGORY 3
10 LICENSED FACILITY, AND LOCATED IN MORE THAN ONE
11 TOWNSHIP OF THE SECOND CLASS: \$160,000 SHALL BE
12 DISTRIBUTED ANNUALLY TO THE TOWNSHIP OF THE SECOND
13 CLASS WHICH IS LOCATED IN A COUNTY OF THE FIFTH CLASS
14 IF THE LAND OWNED, INCLUDING RACETRACKS, GRAZING
15 FIELDS AND OTHER ADJOINING REAL PROPERTY, IS ADJACENT
16 TO THE LICENSED FACILITY.

17 (VI) TO A BOROUGH HOSTING A LICENSED FACILITY, OTHER
18 THAN A CATEGORY 3 LICENSED FACILITY, [2% OF THE GROSS
19 TERMINAL REVENUE OR \$10,000,000 ANNUALLY, WHICHEVER IS
20 GREATER, SHALL BE PAID BY EACH LICENSED GAMING ENTITY
21 OPERATING A LICENSED FACILITY LOCATED IN THAT BOROUGH,]
22 \$10,000,000 ANNUALLY SHALL BE DISTRIBUTED TO THE BOROUGH,
23 SUBJECT, HOWEVER, TO THE BUDGETARY LIMITATION IN THIS
24 SUBPARAGRAPH. THE AMOUNT ALLOCATED TO THE DESIGNATED
25 MUNICIPALITIES SHALL NOT EXCEED 50% OF THEIR TOTAL BUDGET
26 FOR FISCAL YEAR 2003-2004, ADJUSTED FOR INFLATION IN
27 SUBSEQUENT YEARS BY AN AMOUNT NOT TO EXCEED AN ANNUAL
28 COST-OF-LIVING ADJUSTMENT CALCULATED BY APPLYING THE
29 PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX IMMEDIATELY
30 PRIOR TO THE DATE THE ADJUSTMENT IS DUE TO TAKE EFFECT.

1 ANY REMAINING MONEY SHALL BE [COLLECTED BY THE DEPARTMENT
2 FROM EACH LICENSED GAMING ENTITY AND] DISTRIBUTED IN
3 ACCORDANCE WITH PARAGRAPH (2) BASED UPON THE
4 CLASSIFICATION OF COUNTY WHERE THE LICENSED FACILITY IS
5 LOCATED. [IN THE EVENT THAT THE REVENUES GENERATED BY THE
6 2% DO NOT MEET THE \$10,000,000 MINIMUM SPECIFIED IN THIS
7 SUBPARAGRAPH, THE DEPARTMENT SHALL COLLECT THE REMAINDER
8 OF THE MINIMUM AMOUNT OF \$10,000,000 FROM EACH LICENSED
9 GAMING ENTITY OPERATING A LICENSED FACILITY IN THE
10 BOROUGH, PAY ANY BALANCE DUE TO THE BOROUGH AND TRANSFER
11 ANY REMAINDER IN ACCORDANCE WITH PARAGRAPH (2).]

12 (VII) TO AN INCORPORATED TOWN HOSTING A LICENSED
13 FACILITY, OTHER THAN A CATEGORY 3 LICENSED FACILITY, [2%
14 OF THE GROSS TERMINAL REVENUE OR \$10,000,000 ANNUALLY,
15 WHICHEVER IS GREATER, SHALL BE PAID BY EACH LICENSED
16 ENTITY OPERATING A LICENSED FACILITY LOCATED IN THE
17 TOWN,] \$10,000,000 ANNUALLY SHALL BE DISTRIBUTED TO THE
18 INCORPORATED TOWN, SUBJECT, HOWEVER, TO THE BUDGETARY
19 LIMITATION IN THIS SUBPARAGRAPH. THE AMOUNT ALLOCATED TO
20 THE DESIGNATED MUNICIPALITIES SHALL NOT EXCEED 50% OF
21 THEIR TOTAL BUDGET FOR FISCAL YEAR 2003-2004, ADJUSTED
22 FOR INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO
23 EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED BY
24 APPLYING THE PERCENTAGE CHANGE IN THE CONSUMER PRICE
25 INDEX IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT IS DUE
26 TO TAKE EFFECT. ANY REMAINING MONEY SHALL BE [COLLECTED
27 BY THE DEPARTMENT FROM EACH LICENSED GAMING ENTITY AND]
28 DISTRIBUTED IN ACCORDANCE WITH PARAGRAPH (2) BASED UPON
29 THE CLASSIFICATION OF COUNTY WHERE THE LICENSED FACILITY
30 IS LOCATED. [IN THE EVENT THAT THE REVENUES GENERATED BY

1 THE 2% DO NOT MEET THE \$10,000,000 MINIMUM SPECIFIED IN
2 THIS SUBPARAGRAPH, THE DEPARTMENT SHALL COLLECT THE
3 REMAINDER OF THE MINIMUM AMOUNT OF \$10,000,000 FROM EACH
4 LICENSED GAMING ENTITY OPERATING A LICENSED FACILITY IN
5 THE INCORPORATED TOWN, PAY ANY BALANCE DUE TO THE TOWN
6 AND TRANSFER ANY REMAINDER IN ACCORDANCE WITH PARAGRAPH
7 (2).]

8 (VIII) (A) EXCEPT AS PROVIDED IN CLAUSE (B) OR (C),
9 TO A MUNICIPALITY OF ANY CLASS HOSTING A CATEGORY 3
10 FACILITY, 2% OF THE GROSS TERMINAL REVENUE FROM THE
11 CATEGORY 3 LICENSED FACILITY LOCATED IN THE
12 MUNICIPALITY, SUBJECT, HOWEVER, TO THE BUDGETARY
13 LIMITATION IN THIS CLAUSE. THE AMOUNT ALLOCATED TO
14 THE DESIGNATED MUNICIPALITIES SHALL NOT EXCEED 50% OF
15 THEIR TOTAL BUDGET FOR FISCAL YEAR 2009, ADJUSTED FOR
16 INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO
17 EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED
18 BY APPLYING THE PERCENTAGE CHANGE IN THE CONSUMER
19 PRICE INDEX IMMEDIATELY PRIOR TO THE DATE THE
20 ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING MONEY
21 SHALL BE COLLECTED BY THE DEPARTMENT FROM EACH
22 LICENSED GAMING ENTITY AND DISTRIBUTED IN ACCORDANCE
23 WITH PARAGRAPH (2) BASED UPON THE CLASSIFICATION OF
24 COUNTY WHERE THE LICENSED FACILITY IS LOCATED.

25 (B) IF THE MUNICIPALITY HOSTING A CATEGORY 3
26 LICENSED FACILITY IS A BOROUGH LOCATED IN A COUNTY OF
27 THE THIRD CLASS AND THE BOROUGH IS CONTIGUOUS TO A
28 CITY OF THE THIRD CLASS, 1% OF GROSS TERMINAL REVENUE
29 SHALL BE DISTRIBUTED TO THE HOST BOROUGH AND 1% OF
30 GROSS TERMINAL REVENUE SHALL BE DISTRIBUTED TO THE

1 CITY OF THE THIRD CLASS THAT IS CONTIGUOUS TO THE
2 HOST BOROUGH, SUBJECT, HOWEVER, TO THE BUDGETARY
3 LIMITATION IN THIS CLAUSE. THE AMOUNT ALLOCATED TO
4 EACH DESIGNATED MUNICIPALITY SHALL NOT EXCEED 50% OF
5 ITS TOTAL BUDGET FOR FISCAL YEAR 2009, ADJUSTED FOR
6 INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO
7 EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED
8 BY APPLYING THE PERCENTAGE INCREASE, IF ANY, IN THE
9 CONSUMER PRICE INDEX IMMEDIATELY PRIOR TO THE DATE
10 THE ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING
11 MONEY SHALL BE COLLECTED BY THE DEPARTMENT FROM EACH
12 LICENSED GAMING ENTITY AND DISTRIBUTED IN ACCORDANCE
13 WITH PARAGRAPH (2) BASED UPON THE CLASSIFICATION OF
14 COUNTY WHERE THE LICENSED FACILITY IS LOCATED.

15 (C) IF THE MUNICIPALITY HOSTING A CATEGORY 3
16 LICENSED FACILITY IS A TOWNSHIP OF THE SECOND CLASS
17 IN A COUNTY OF THE FIFTH CLASS WHICH IS CONTIGUOUS TO
18 A COUNTY OF THE SEVENTH CLASS, 2% OF THE GROSS
19 TERMINAL REVENUE FROM THE CATEGORY 3 LICENSED
20 FACILITY LOCATED IN THE MUNICIPALITY SHALL BE
21 DISTRIBUTED TO THE MUNICIPALITY, SUBJECT, HOWEVER, TO
22 THE BUDGETARY LIMITATION IN THIS CLAUSE. THE AMOUNT
23 ALLOCATED TO THE DESIGNATED MUNICIPALITIES SHALL NOT
24 EXCEED THE LESSER OF \$1,000,000 OR 50% OF THEIR TOTAL
25 BUDGET FOR FISCAL YEAR 2009, ADJUSTED FOR INFLATION
26 IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO EXCEED AN
27 ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED BY
28 APPLYING THE PERCENTAGE CHANGE IN THE CONSUMER PRICE
29 INDEX IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT IS
30 DUE TO TAKE EFFECT. ANY REMAINING MONEY SHALL BE

1 COLLECTED BY THE DEPARTMENT FROM EACH LICENSED GAMING
2 ENTITY AND DISTRIBUTED IN EQUAL AMOUNTS TO EACH
3 MUNICIPALITY CONTIGUOUS TO THE HOST MUNICIPALITY.
4 HOWEVER, THE AMOUNT TO BE ALLOCATED TO ANY CONTIGUOUS
5 MUNICIPALITY SHALL NOT EXCEED THE LESSER OF
6 \$1,000,000 OR 50% OF THE MUNICIPALITY'S TOTAL BUDGET
7 FOR FISCAL YEAR 2009, ADJUSTED FOR INFLATION IN
8 SUBSEQUENT YEARS BY AN AMOUNT NOT TO EXCEED AN ANNUAL
9 COST-OF-LIVING ADJUSTMENT CALCULATED BY APPLYING THE
10 PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX
11 IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT IS DUE
12 TO TAKE EFFECT. ANY MONEY REMAINING FOLLOWING
13 DISTRIBUTION TO CONTIGUOUS MUNICIPALITIES SHALL BE
14 COLLECTED BY THE DEPARTMENT AND DISTRIBUTED IN
15 ACCORDANCE WITH PARAGRAPH (2) BASED UPON THE
16 CLASSIFICATION OF COUNTY WHERE THE LICENSED FACILITY
17 IS LOCATED.

18 (IX) [ANY MUNICIPALITY NOT SPECIFICALLY ENUMERATED
19 IN SUBPARAGRAPHS (I) THROUGH (VIII),] TO ANY
20 MUNICIPALITY, EXCEPT FOR A CITY OF THE FIRST CLASS, NOT
21 SPECIFICALLY ENUMERATED IN SUBPARAGRAPHS (I) THROUGH
22 (VIII) HOSTING A LICENSED FACILITY, OTHER THAN A CATEGORY
23 3 LICENSED FACILITY, \$10,000,000 ANNUALLY SHALL BE
24 DISTRIBUTED TO THE HOST MUNICIPALITY. TO ANY MUNICIPALITY
25 NOT ENUMERATED IN SUBPARAGRAPHS (I) THROUGH (VIII)
26 HOSTING A CATEGORY 3 LICENSED FACILITY, 2% OF THE GROSS
27 TERMINAL REVENUE TO THE MUNICIPALITY HOSTING THE CATEGORY
28 3 LICENSED FACILITY FROM EACH SUCH CATEGORY 3 LICENSED
29 FACILITY.

30 (X) IF THE LICENSED FACILITY IS LOCATED IN MORE THAN

1 ONE MUNICIPALITY, THE AMOUNT AVAILABLE SHALL BE
2 DISTRIBUTED ON A PRO RATA BASIS DETERMINED BY THE
3 PERCENTAGE OF ACREAGE LOCATED IN EACH MUNICIPALITY TO THE
4 TOTAL ACREAGE OF ALL MUNICIPALITIES OCCUPIED BY THE
5 LICENSED FACILITY.

6 (XI) IF THE LICENSED FACILITY IS LOCATED AT A RESORT
7 WHICH IS ALSO AN INCORPORATED MUNICIPALITY, SUCH
8 MUNICIPALITY SHALL NOT BE ELIGIBLE TO RECEIVE ANY
9 DISTRIBUTION UNDER THIS PARAGRAPH. THE DISTRIBUTION IT
10 WOULD HAVE OTHERWISE BEEN ENTITLED TO UNDER THIS
11 PARAGRAPH SHALL INSTEAD BE DISTRIBUTED IN ACCORDANCE WITH
12 PARAGRAPH (2) BASED UPON THE COUNTY WHERE THE LICENSED
13 FACILITY IS LOCATED.

14 (XII) THE DISTRIBUTIONS PROVIDED IN THIS PARAGRAPH
15 SHALL BE BASED UPON MUNICIPAL CLASSIFICATIONS IN EFFECT
16 ON THE EFFECTIVE DATE OF THIS SECTION. FOR THE PURPOSES
17 OF THIS PARAGRAPH, ANY RECLASSIFICATION OF MUNICIPALITIES
18 AS A RESULT OF A FEDERAL DECENNIAL CENSUS OR OF A STATE
19 STATUTE SHALL NOT APPLY TO THIS PARAGRAPH.

20 (XIII) IF ANY PROVISION OF THIS PARAGRAPH IS FOUND
21 TO BE UNENFORCEABLE FOR ANY REASON, THE DISTRIBUTION
22 PROVIDED FOR IN SUCH UNENFORCEABLE PROVISION SHALL BE
23 MADE TO THE MUNICIPALITY IN WHICH THE LICENSED FACILITY
24 IS LOCATED.

25 (XIV) NOTHING IN THIS PARAGRAPH SHALL PREVENT ANY OF
26 THE ABOVE MUNICIPALITIES FROM ENTERING INTO
27 INTERGOVERNMENTAL COOPERATIVE AGREEMENTS WITH OTHER
28 JURISDICTIONS FOR SHARING THIS MONEY.

29 (XV) NOTWITHSTANDING ANY OTHER LAW, AGREEMENT OR
30 PROVISION IN THIS PART TO THE CONTRARY, ALL REVENUES

1 PROVIDED, DIRECTED OR EARMARKED UNDER THIS SECTION TO OR
2 FOR THE BENEFIT OF A CITY OF THE SECOND CLASS IN WHICH AN
3 INTERGOVERNMENTAL COOPERATION AUTHORITY HAS BEEN
4 ESTABLISHED AND IS IN EXISTENCE PURSUANT TO THE ACT OF
5 FEBRUARY 12, 2004 (P.L.73, NO.11), KNOWN AS THE
6 INTERGOVERNMENTAL COOPERATION AUTHORITY ACT FOR CITIES OF
7 THE SECOND CLASS, SHALL BE DIRECTED TO AND UNDER THE
8 EXCLUSIVE CONTROL OF SUCH INTERGOVERNMENTAL COOPERATION
9 AUTHORITY TO BE USED:

10 (A) TO REDUCE THE DEBT OF THE SECOND CLASS CITY;

11 (B) TO INCREASE THE LEVEL OF FUNDING OF THE
12 MUNICIPAL PENSION FUNDS OF THE SECOND CLASS CITY; OR

13 (C) FOR ANY OTHER PURPOSES AS DETERMINED TO BE
14 IN THE BEST INTEREST OF THE SECOND CLASS CITY BY SUCH
15 INTERGOVERNMENTAL COOPERATION AUTHORITY. SUCH
16 REVENUES SHALL NOT BE DIRECTED TO OR UNDER THE
17 CONTROL OF SUCH CITY OF THE SECOND CLASS OR ANY
18 COORDINATOR APPOINTED PURSUANT TO THE ACT OF JULY 10,
19 1987 (P.L.246, NO.47), KNOWN AS THE MUNICIPALITIES
20 FINANCIAL RECOVERY ACT, FOR SUCH CITY OF THE SECOND
21 CLASS.

22 (D) CONSUMER PRICE INDEX.--FOR PURPOSES OF SUBSECTION (C),
23 REFERENCES TO THE CONSUMER PRICE INDEX SHALL MEAN THE CONSUMER
24 PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE PENNSYLVANIA, NEW
25 JERSEY, DELAWARE AND MARYLAND AREA FOR THE MOST RECENT 12-MONTH
26 PERIOD FOR WHICH FIGURES HAVE BEEN OFFICIALLY REPORTED BY THE
27 UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS.

28 (E) REPORTING.--

29 (1) IN COOPERATION WITH THE DEPARTMENT AND THE
30 COMMONWEALTH FINANCING AUTHORITY, THE DEPARTMENT OF COMMUNITY

1 AND ECONOMIC DEVELOPMENT SHALL SUBMIT AN ANNUAL REPORT ON ALL
2 DISTRIBUTIONS OF LOCAL SHARE ASSESSMENTS AND SLOT MACHINE
3 LICENSE OPERATION FEES TO COUNTIES AND MUNICIPALITIES UNDER
4 THIS SECTION TO THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
5 APPROPRIATIONS COMMITTEE OF THE SENATE, THE CHAIRMAN AND
6 MINORITY CHAIRMAN OF THE COMMUNITY, ECONOMIC AND RECREATIONAL
7 DEVELOPMENT COMMITTEE OF THE SENATE, THE CHAIRMAN AND
8 MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE
9 HOUSE OF REPRESENTATIVES AND THE CHAIRMAN AND MINORITY
10 CHAIRMAN OF THE GAMING OVERSIGHT COMMITTEE OF THE HOUSE OF
11 REPRESENTATIVES. THE REPORT SHALL BE SUBMITTED BY [AUGUST 31,
12 2010] MARCH 31, 2018, AND BY [AUGUST] MARCH 31 OF EACH YEAR
13 THEREAFTER.

14 (2) ALL COUNTIES AND MUNICIPALITIES RECEIVING
15 DISTRIBUTIONS OF LOCAL SHARE ASSESSMENTS OR SLOT MACHINE
16 LICENSE OPERATION FEES UNDER THIS SECTION SHALL SUBMIT
17 INFORMATION TO THE DEPARTMENT OF COMMUNITY AND ECONOMIC
18 DEVELOPMENT ON A FORM PREPARED BY THE DEPARTMENT OF COMMUNITY
19 AND ECONOMIC DEVELOPMENT THAT SETS FORTH THE AMOUNT AND USE
20 OF THE FUNDS RECEIVED IN THE PRIOR CALENDAR YEAR. THE FORM
21 SHALL SET FORTH WHETHER THE FUNDS RECEIVED WERE DEPOSITED IN
22 THE COUNTY'S OR MUNICIPALITY'S GENERAL FUND OR COMMITTED TO A
23 SPECIFIC PROJECT OR USE.

24 (F) PROHIBITED ACTIVITIES.--

25 (1) A PERSON OR ITS AFFILIATED ENTITY OR A POLITICAL
26 SUBDIVISION SHALL NOT COMPENSATE OR INCUR AN OBLIGATION TO
27 COMPENSATE A PERSON TO ENGAGE IN LOBBYING FOR COMPENSATION
28 CONTINGENT IN WHOLE OR IN PART UPON THE APPROVAL, AWARD,
29 RECEIPT OR DENIAL OF FUNDS UNDER THIS SECTION. A PERSON OR
30 ITS AFFILIATED ENTITY SHALL NOT ENGAGE IN OR AGREE TO ENGAGE

1 IN LOBBYING FOR COMPENSATION CONTINGENT IN WHOLE OR IN PART
2 UPON THE APPROVAL, AWARD, RECEIPT OR DENIAL OF FUNDS UNDER
3 THIS SECTION. THIS SUBSECTION SHALL NOT APPLY TO A COUNTY OR
4 MUNICIPALITY THAT COMPENSATES A PERSON TO PREPARE A GRANT
5 APPLICATION FOR FUNDS UNDER THIS SECTION IF THE FOLLOWING
6 REQUIREMENTS ARE MET:

7 (I) THE PERSON IS NOT IDENTIFIED IN THE APPLICATION.

8 (II) THE PERSON HAS NO DIRECT CONTACT WITH THE
9 AGENCY, COUNTY OR MUNICIPALITY PROVIDING THE FUNDING.

10 (III) THE PERSON IS PAID A FIXED FEE OR PERCENTAGE
11 OF THE AMOUNT OF ANY FUNDS APPROVED, AWARDED OR RECEIVED
12 UP TO .5%.

13 (2) A VIOLATION OF THIS SECTION SHALL BE CONSIDERED AN
14 INTENTIONAL VIOLATION OF 65 PA.C.S. § 13A09(E) (RELATING TO
15 PENALTIES).

16 § 1509. Compulsive and problem gambling program.

17 (a) Establishment of program.--The Department of [Health]
18 Drug and Alcohol Programs, in consultation with organizations
19 similar to the Mid-Atlantic Addiction Training Institute, shall
20 develop program guidelines for public education, awareness and
21 training regarding compulsive and problem gambling and the
22 treatment and prevention of compulsive and problem gambling. The
23 guidelines shall include strategies for the prevention of
24 compulsive and problem gambling. The Department of [Health] Drug
25 and Alcohol Programs may consult with the board and licensed
26 gaming entities to develop such strategies.

27 (a.1) Duties of Department of [Health] Drug and Alcohol
28 Programs.--From funds available in the Compulsive and Problem
29 Gambling Treatment Fund, the Department of [Health] Drug and
30 Alcohol Programs shall:

1 (1) Maintain [a] one compulsive gamblers assistance
2 organization's toll-free problem gambling telephone number,
3 which shall be the number 1-800-GAMBLER, to provide crisis
4 counseling and referral services to individuals and families
5 experiencing difficulty as a result of problem or compulsive
6 gambling. If the Department of Drug and Alcohol Programs
7 determines that it is unable to adopt the number 1-800-
8 GAMBLER, the Department of Drug and Alcohol Programs shall
9 maintain another number.

10 (2) Facilitate, through in-service training and other
11 means, the availability of effective assistance programs for
12 problem and compulsive gamblers and family members affected
13 by problem and compulsive gambling.

14 (3) At its discretion, conduct studies to identify
15 individuals in this Commonwealth who are or are at risk of
16 becoming problem or compulsive gamblers.

17 (4) Provide grants to and contract with single county
18 authorities and other organizations which provide services as
19 set forth in this section.

20 (5) Reimburse organizations for reasonable expenses
21 incurred assisting the Department of [Health] Drug and
22 Alcohol Programs with implementing this section.

23 (a.2) Duties of Department of [Health] Drug and Alcohol
24 Programs and board.--[Within 60 days following the effective
25 date of this subsection, the] The Department of [Health's Bureau
26 of] Drug and Alcohol Programs and the board's Office of
27 Compulsive and Problem Gambling shall jointly collaborate with
28 other appropriate offices and agencies of State or local
29 government, including single county authorities, and providers
30 and other persons, public or private, with expertise in

1 compulsive and problem gambling treatment to do the following:

2 (1) Implement a strategic plan for the prevention and
3 treatment of compulsive and problem gambling.

4 (2) Adopt compulsive and problem gambling treatment
5 standards to be integrated with the [Bureau] Department of
6 Drug and Alcohol Program's uniform Statewide guidelines that
7 govern the provision of addiction treatment services.

8 (3) Develop a method to coordinate compulsive and
9 problem gambling data collection and referral information to
10 crisis response hotlines, child welfare and domestic violence
11 programs and providers and other appropriate programs and
12 providers.

13 (4) Develop and disseminate educational materials to
14 provide public awareness related to the prevention,
15 recognition and treatment of compulsive and problem gambling.

16 (5) Develop demographic-specific compulsive and problem
17 gambling prevention, intervention and treatment programs.

18 (6) Prepare an itemized budget outlining how funds will
19 be allocated to fulfill the responsibilities under this
20 section.

21 (b) Compulsive and Problem Gambling Treatment Fund.--There
22 is hereby established in the State Treasury a special fund to be
23 known as the Compulsive and Problem Gambling Treatment Fund. All
24 moneys in the fund shall be administered by the Department of
25 [Health] Drug and Alcohol Programs and expended solely for
26 programs for the prevention and treatment of gambling addiction
27 and other emotional and behavioral problems associated with or
28 related to gambling addiction and for the administration of the
29 compulsive and problem gambling program, provided that the
30 Department of [Health] Drug and Alcohol Programs shall annually

1 distribute at least 50% of the money in the fund to single
2 county authorities under subsection (d). The fund shall consist
3 of money annually allocated to it from the annual payment
4 established under section 1408(a) (relating to transfers from
5 State Gaming Fund), money which may be allocated by the board,
6 interest earnings on moneys in the fund and any other
7 contributions, payments or deposits which may be made to the
8 fund.

9 (c) Notice of availability of assistance.--

10 (1) [Each] Except as otherwise provided for in paragraph
11 (4), each slot machine licensee shall [obtain a] use the
12 toll-free telephone number [to be used] established by the
13 Department of Drug and Alcohol Programs in subsection (a.1)
14 (1) to provide persons with information on assistance for
15 compulsive or problem gambling. Each licensee shall
16 conspicuously post at least 20 signs similar to the following
17 statement:

18 If you or someone you know has a gambling problem, help
19 is available. Call (Toll-free telephone number).

20 The signs must be posted within 50 feet of each entrance and
21 exit, within 50 feet of each automated teller machine
22 location within the licensed facility and in other
23 appropriate public areas of the licensed facility as
24 determined by the slot machine licensee.

25 (2) Each racetrack where slot machines or table games
26 are operated shall print a statement on daily racing programs
27 provided to the general public that is similar to the
28 following:

29 If you or someone you know has a gambling problem, help
30 is available. Call (Toll-free telephone number).

1 Except as otherwise provided for in paragraph (4), the toll-
2 free telephone number shall be the same telephone number
3 established by the Department of Drug and Alcohol Programs
4 under subsection (a.1)(1).

5 (3) A licensed facility which fails to post or print the
6 warning sign in accordance with paragraph (1) or (2) shall be
7 assessed a fine of \$1,000 a day for each day the minimum
8 number of signs are not posted or the required statement is
9 not printed as provided in this subsection.

10 (4) Slot machine licensees or racetracks utilizing a
11 toll-free telephone number other than the number established
12 by the Department of Drug and Alcohol Programs under
13 subsection (a.1)(1) prior to the effective date of this
14 paragraph may continue to use that number for a period not to
15 exceed three years from the effective date of this paragraph
16 upon showing good cause to the Department of Drug and Alcohol
17 Programs.

18 (d) Single county authorities.--The Department of [Health]
19 Drug and Alcohol Programs shall make grants from the fund
20 established under subsection (b) to single county authorities
21 created pursuant to the act of April 14, 1972 (P.L.221, No.63),
22 known as the Pennsylvania Drug and Alcohol Abuse Control Act,
23 for the purpose of providing compulsive gambling and gambling
24 addiction prevention, treatment and education programs.
25 Treatment may include financial counseling, irrespective of
26 whether the financial counseling is provided by the single
27 county authority, the treatment service provider or
28 subcontracted to a third party. It is the intention of the
29 General Assembly that any grants made by the Department of
30 [Health] Drug and Alcohol Programs to any single county

1 authority in accordance with the provisions of this subsection
2 be used exclusively for the development and implementation of
3 compulsive and problem gambling programs authorized under this
4 section.

5 (d.1) Eligibility.--Eligibility to receive treatment
6 services for treatment of compulsive and problem gambling under
7 this section shall be determined using financial eligibility and
8 other requirements of the single county authorities as approved
9 by the Department of [Health] Drug and Alcohol Programs.

10 (d.2) Report.--[No later than October 1, 2010, and each]
11 Annually on October 1 [thereafter], the Department of [Health]
12 Drug and Alcohol Programs, in consultation with the board, shall
13 prepare and submit a report on the impact of the programs funded
14 by the Compulsive and Problem Gambling Treatment Fund to the
15 Governor and to the members of the General Assembly. The report
16 shall include aggregate demographic-specific data, including
17 race, gender, geography and income of those individuals treated.

18 (e) Definition.--As used in subsection (d), the term "single
19 county authority" means the agency designated by the Department
20 of Health pursuant to the act of April 14, 1972 (P.L.221,
21 No.63), known as the Pennsylvania Drug and Alcohol Abuse Control
22 Act, to plan and coordinate drug and alcohol prevention,
23 intervention and treatment services for a geographic area, which
24 may consist of one or more counties.

25 ~~Section 2. This act shall take effect in 60 days.~~ <--

26 SECTION 4. REPEALS ARE AS FOLLOWS: <--

27 (1) THE GENERAL ASSEMBLY DECLARES THAT THE REPEAL UNDER
28 PARAGRAPH (2) IS NECESSARY TO EFFECTUATE THE ADDITION OF 4
29 PA.C.S. § 1403(C) (2) (I) (D) (I.2) AND (I.3).

30 (2) SECTION 1753-E OF THE ACT OF APRIL 9, 1929 (P.L.343,

1 NO.176), KNOWN AS THE FISCAL CODE, IS REPEALED.

2 SECTION 5. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

3 (1) THE AMENDMENT OF 4 PA.C.S. § 1509 SHALL TAKE EFFECT
4 IN 60 DAYS.

5 (2) THE FOLLOWING PROVISIONS SHALL TAKE EFFECT JANUARY
6 1, 2017:

7 (I) THE ADDITION OF 4 PA.C.S. § 1326.1.

8 (II) THE AMENDMENT OF 4 PA.C.S. § 13A63(B)(3)(III) <--

9 (A) AND (C).

10 ~~(II)~~ (III) THE AMENDMENT OF 4 PA.C.S. § 1403. <--

11 ~~(III)~~ (IV) SECTION 4 OF THIS ACT. <--

12 (3) THE FOLLOWING PROVISIONS SHALL TAKE EFFECT
13 IMMEDIATELY:

14 (I) THIS SECTION.

15 (II) THE REMAINDER OF THIS ACT.