
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 271 Session of
2017

INTRODUCED BY ORTITAY, D. COSTA, DUNBAR, ENGLISH, KORTZ, WARD,
NELSON AND JOZWIAK, JANUARY 31, 2017

AMENDMENTS TO HOUSE AMENDMENTS, IN SENATE, OCTOBER 25, 2017

AN ACT

1 ~~Amending Titles 3 (Agriculture), 4 (Amusements) and 18 (Crimes~~ <--
2 ~~and Offenses) of the Pennsylvania Consolidated Statutes, in~~
3 ~~race horse industry reform, repealing definitions and~~
4 ~~provisions relating to place and manner of conducting pari~~
5 ~~mutuel wagering at racetrack enclosure and to pari mutuel~~
6 ~~wagering at nonprimary locations and further providing for~~
7 ~~licensing costs and fees and for operations; providing for~~
8 ~~fantasy contests, establishing a Lottery Sales Advisory~~
9 ~~Council within the Department of Revenue and providing for~~
10 ~~iLottery; in general provisions, further providing for~~
11 ~~legislative intent and for definitions; in Pennsylvania~~
12 ~~Gaming Control Board, further providing for Pennsylvania~~
13 ~~Gaming Control Board established, for general and specific~~
14 ~~powers, for licensed gaming entity application appeals from~~
15 ~~board, for board minutes and records, for regulatory~~
16 ~~authority of board, for slot machine license fee, for reports~~
17 ~~of board and for diversity goals of board; in licensees,~~
18 ~~further providing for Category 1 slot machine license and for~~
19 ~~Category 3 slot machine license, providing for remaining~~
20 ~~Category 2 licenses, further providing for number of slot~~
21 ~~machine licenses, for slot machine license application, for~~
22 ~~supplier licenses and for manufacturer licenses, providing~~
23 ~~for nongaming service provider, further providing for slot~~
24 ~~machine testing and certification standards and for license~~
25 ~~renewals, providing for slot machine license operation fee~~
26 ~~and further providing for change in ownership or control of~~
27 ~~slot machine licensee; repealing provisions related to~~
28 ~~multiple slot machine license prohibition and prohibiting~~
29 ~~undue economic concentration; in table games, further~~
30 ~~providing for authorization to conduct table games, for table~~
31 ~~game tournaments, for other financial transactions, for table~~
32 ~~game device and associated equipment testing and~~

~~certification standards, for table game authorization fee and for local share assessment; providing for interactive gaming, for sports wagering, sports wagering tax and local fee assessment and for slot machines at nonprimary locations; in revenues, further providing for gross terminal revenue deductions, for establishment of State Gaming Fund and net slot machine revenue distribution and for Pennsylvania Gaming Economic Development and Tourism Fund; in administration and enforcement, further providing for responsibility and authority of the Department of Revenue, for wagering on credit, for compulsive and problem gambling program, for financial and employment interests, for political influence, for regulation requiring exclusion or ejection of certain persons, for repeat offenders excludable from licensed gaming facility, for list of persons self excluded from gaming activities, for investigations and enforcement and for prohibited acts and penalties and providing for casino liquor licenses; in miscellaneous provisions, further providing for appropriations and for repayments to State Gaming Fund; providing for video gaming; establishing the Video Gaming Fund, the Fire Company and Emergency Responder Grant Fund, the City of the First Class Enforcement Fund, the Lottery Stabilization Fund and the Gun Violence Task Force Fund; in riot, disorderly conduct and related offenses, further providing for the offense of gambling devices, gambling, etc.; and making related repeals.~~

AMENDING TITLES 3 (AGRICULTURE) AND 4 (AMUSEMENTS) OF THE PENNSYLVANIA CONSOLIDATED STATUTES, EXTENSIVELY REVISING GAMING PROVISIONS AS FOLLOWS:

<--

IN TITLE 3:

FOR HORSE RACING, IN THE AREA OF RACE HORSE INDUSTRY REFORM.

IN TITLE 4:

FOR AMUSEMENTS GENERALLY, IN THE AREAS OF FANTASY CONTESTS, OF LOTTERY AND OF ILOTTERY;

FOR GAMING, IN THE AREAS OF GENERAL PROVISIONS, OF PENNSYLVANIA GAMING CONTROL BOARD, OF LICENSEES, OF TABLE GAMES, OF INTERACTIVE GAMING, OF REVENUES, OF ADMINISTRATION AND ENFORCEMENT AND OF MISCELLANEOUS PROVISIONS; AND PROVIDING FOR VIDEO GAMING.

PROVIDING, AS TO THE REVISIONS:

FOR RELATED REPEALS.

REPEALING A PROVISION RELATED TO KENO IN THE STATE LOTTERY LAW.

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

~~Section 1. The definitions of "primary market area of a racetrack" and "secondary market of a racetrack" in section 9301 of Title 3 of the Pennsylvania Consolidated Statutes are repealed:~~

<--

1 ~~§ 9301. Definitions.~~

2 ~~The following words and phrases when used in this chapter~~
3 ~~shall have the meanings given to them in this section unless the~~
4 ~~context clearly indicates otherwise:~~

5 ~~***~~

6 ~~["Primary market area of a racetrack." The land area~~
7 ~~included in a circle drawn with the racetrack as the center and~~
8 ~~a radius of 35 land miles.]~~

9 ~~***~~

10 ~~["Secondary market area of a racetrack." The land area~~
11 ~~included in a circle drawn with the racetrack as the center and~~
12 ~~a radius of 50 land miles, not including the primary market area~~
13 ~~of the racetrack.]~~

14 ~~***~~

15 ~~Section 1.1. Section 9330(f) of Title 3 is repealed:~~

16 ~~§ 9330. Place and manner of conducting pari mutuel wagering at~~
17 ~~racetrack enclosure.~~

18 ~~***~~

19 ~~[(f) Primary market area.]~~

20 ~~(1) A licensed racing entity or secondary pari mutuel~~
21 ~~organization may not accept a wager or establish electronic~~
22 ~~wagering or advanced deposit account wagering for any person~~
23 ~~located in the primary market area of a racetrack, other than~~
24 ~~the racetrack at which the licensed racing entity is~~
25 ~~conducting a horse race meeting.~~

26 ~~(2) Nothing in this subsection shall be construed to~~
27 ~~prohibit a licensed racing entity from accepting a wager from~~
28 ~~or establishing an electronic wagering account for any person~~
29 ~~located in the primary market area of the racetrack where the~~
30 ~~licensed racing entity is conducting a horse race meeting. If~~

1 ~~two tracks share the primary market area, both racetracks~~
2 ~~shall have equal rights to the market in the shared area.]~~
3 ~~Section 1.2. Sections 9331(a) (1), (d) (4) and (e), 9352(3)~~
4 ~~and (4) and 9356(b) (2) of Title 3 are amended to read:~~

5 ~~§ 9331. Pari mutuel wagering at nonprimary locations.~~

6 ~~(a) Nonprimary locations. The following shall apply:~~

7 ~~(1) Notwithstanding any other provision of this chapter,~~
8 ~~the commission may approve a licensed racing entity to~~
9 ~~continue to operate a nonprimary location where it has~~
10 ~~conducted pari mutuel wagering on horse races conducted by~~
11 ~~the licensed racing entity. The licensed racing entity may~~
12 ~~continue to conduct pari mutuel wagering at the location on~~
13 ~~horse races conducted by another licensed racing entity,~~
14 ~~which horse races may be televised to the location or on~~
15 ~~horse races simulcast to the location under section 9329~~
16 ~~(relating to interstate simuleasting)[, provided that:~~

17 ~~(i) A licensed racing entity has not established a~~
18 ~~nonprimary location within the primary market area of any~~
19 ~~racetrack other than a racetrack where the licensed~~
20 ~~racing entity conducts horse race meetings. Establishment~~
21 ~~of a nonprimary location by a licensed racing entity~~
22 ~~within the primary market area of a racetrack where the~~
23 ~~licensed racing entity conducts horse race meetings shall~~
24 ~~require approval of the commission.~~

25 ~~(ii) A licensed racing entity has not established a~~
26 ~~nonprimary location within the secondary market area of a~~
27 ~~racetrack if the nonprimary location is approved by the~~
28 ~~commission.~~

29 ~~(iii) A licensed racing entity has not established a~~
30 ~~nonprimary location in an area outside the primary and~~

1 ~~secondary market areas of any racetrack if the location~~
2 ~~is approved by the commission].~~

3 ~~* * *~~

4 ~~(d) Payment of purses. A licensed racing entity conducting~~
5 ~~a horse race meeting where pari-mutuel wagering is conducted at~~
6 ~~one or more nonprimary locations shall distribute money to the~~
7 ~~horsemen's organization, or, in accordance with the practice of~~
8 ~~the parties, to be used for payment of purses at that racetrack,~~
9 ~~as follows:~~

10 ~~* * *~~

11 ~~[(4) Whenever a nonprimary location is within the~~
12 ~~primary market area of a licensed racing entity other than~~
13 ~~the licensed racing entity conducting the races, the~~
14 ~~applicable percentage shall be distributed one half to the~~
15 ~~horsemen's organization at the racetrack or in accordance~~
16 ~~with the practice of the parties.]~~

17 ~~* * *~~

18 ~~[(e) Other payments. Notwithstanding any other provision of~~
19 ~~this chapter, a nonprimary location may be established within~~
20 ~~the primary market area of a racetrack by agreement between the~~
21 ~~licensed racing entity and the horsemen's organization at the~~
22 ~~racetrack specifying the total percentage of handle wagered at~~
23 ~~the nonprimary location to be distributed to the horsemen's~~
24 ~~organization, or, in accordance with the practice of the~~
25 ~~parties, to be used for the payment of purses at that racetrack.~~
26 ~~If no agreement is reached covering the locations, the total~~
27 ~~percentage to be paid for purses shall be the same as that~~
28 ~~applied to on-track wagering at the racetrack located within the~~
29 ~~primary market area.]~~

30 ~~§ 9352. Licensing costs and fees.~~

1 ~~Costs and fees are as follows:~~

2 ~~***~~

3 ~~(3) Initial license fee:~~

4 ~~(i) The fee for an electronic wagering license under~~
5 ~~section 9351(a) (relating to general license~~
6 ~~requirements) shall be [~~\$500,000~~] \$50,000. If an~~
7 ~~applicant that is also a Category 1 slot machine licensee~~
8 ~~or its corporate successor or affiliate paid the license~~
9 ~~fee under 4 Pa.C.S. § 1209 (relating to slot machine~~
10 ~~license fee), the fee required under this paragraph shall~~
11 ~~be deemed paid. A fee paid under this paragraph shall be~~
12 ~~deposited in the State Racing Fund, or, in the case of a~~
13 ~~deemed payment, transferred to the State Racing Fund upon~~
14 ~~certification of the Secretary of the Budget.~~

15 ~~(ii) The fee for an initial totalisator or racing~~
16 ~~vendor license under section 9351(a.1) shall be \$25,000~~
17 ~~and shall be deposited in the State Racing Fund.~~

18 ~~(4) License renewal fee:~~

19 ~~(i) The fee for an electronic wagering license~~
20 ~~renewal under section 9351(b)(2) shall be [~~\$100,000~~]~~
21 \$10,000. If an existing licensee under this section that
22 is also a Category 1 slot machine licensee or its
23 corporate successor or an affiliate paid the license fee
24 under 4 Pa.C.S. § 1209, the fee required under this
25 paragraph shall be deemed paid. A license renewal may not
26 be issued until receipt of the license renewal fee. The
27 license fee shall be deposited into the State Racing
28 Fund, or, in the case of a deemed payment, it shall be
29 transferred to the State Racing Fund.

30 ~~(ii) The fee for the renewal of a totalisator or~~

1 racing vendor license under section 9351(b)(1) shall be
2 \$5,000 and shall be deposited in the State Racing Fund.

3 * * *

4 ~~§ 9356. Operations.~~

5 * * *

6 ~~(b) Requirements.~~

7 * * *

8 ~~(2) A licensee shall [enter into an agreement with each
9 licensed racing entity in this Commonwealth on whose races
10 the licensee offers wagering regarding payment of host fees
11 and any other applicable fees, costs or payments of any kind
12 to be paid to the licensed racing entity. The licensed racing
13 entity and the applicable horsemen's organization shall
14 negotiate a separate agreement for contributions to the purse
15 account.] contribute to the purse account in accordance with
16 section 9331(d) (relating to pari mutuel wagering at
17 nonprimary locations).~~

18 * * *

19 Section 1.3. Title 4 is amended by adding a part to read:

20 PART I

21 AMUSEMENTS GENERALLY

22 Chapter

23 1. Preliminary Provisions (Reserved)

24 3. Fantasy Contests

25 5. Lottery

26 7. iLottery

27 CHAPTER 1

28 PRELIMINARY PROVISIONS

29 (Reserved)

30 CHAPTER 3

1 FANTASY CONTESTS

2 Subchapter

3 A. General Provisions

4 B. Administration

5 C. Licensure

6 D. Fiscal Provisions

7 E. Miscellaneous Provisions

8 SUBCHAPTER A

9 GENERAL PROVISIONS

10 Sec.

11 301. Scope of chapter.

12 302. Definitions.

13 § 301. Scope of chapter.

14 This chapter relates to fantasy contests.

15 § 302. Definitions.

16 The following words and phrases when used in this chapter
17 shall have the meanings given to them in this section unless the
18 context clearly indicates otherwise:

19 "Board." The Pennsylvania Gaming Control Board.

20 "Conduct of gaming." As defined in section 1103 (relating to
21 definitions).

22 "Controlling interest." Either of the following:

23 (1) For a publicly traded domestic or foreign
24 corporation, partnership, limited liability company or other
25 form of publicly traded legal entity, a controlling interest
26 is an interest if a person's sole voting rights under State
27 law or corporate articles or bylaws entitle the person to
28 elect or appoint one or more of the members of the board of
29 directors or other governing board or the ownership or
30 beneficial holding of 5% or more of the securities of the

~~publicly traded corporation, partnership, limited liability company or other form of publicly traded legal entity, unless this presumption of control or ability to elect is rebutted by clear and convincing evidence.~~

~~(2) For a privately held domestic or foreign corporation, partnership, limited liability company or other form of privately held legal entity, a controlling interest is the holding of securities of 15% or more in the legal entity, unless this presumption of control is rebutted by clear and convincing evidence.~~

~~"Department." The Department of Revenue of the Commonwealth.~~

~~"Entry fee." The cash or cash equivalent paid by a participant to a licensed operator in order to participate in a fantasy contest.~~

~~"Fantasy contest." An online fantasy or simulated game or contest with an entry fee and a prize or award administered by a licensed operator in which:~~

~~(1) The value of all prizes or awards offered to winning participants is established and made known to participants in advance of the contest.~~

~~(2) All winning outcomes reflect the relative knowledge and skill of participants and are determined by accumulated statistical results of the performance of individuals, including athletes in the case of sports events.~~

~~(3) No winning outcome is based on the score, point spread or performance of a single actual team or combination of teams or solely on a single performance of an individual athlete or player in a single actual event.~~

~~"Fantasy contest account." The formal electronic system implemented by a licensed operator to record a participant's~~

1 ~~entry fees, prizes or awards and other activities related to~~
2 ~~participation in the licensed operator's fantasy contests.~~

3 ~~"Fantasy contest adjusted revenues." For each fantasy~~
4 ~~contest, the amount equal to the total amount of all entry fees~~
5 ~~collected from all participants entering the fantasy contest~~
6 ~~minus prizes or awards paid to participants in the fantasy~~
7 ~~contest, multiplied by the in State percentage.~~

8 ~~"Fantasy contest license." A license issued by the board~~
9 ~~authorizing a person to offer fantasy contests in this~~
10 ~~Commonwealth in accordance with this chapter.~~

11 ~~"Fantasy contest terminal." A physical, land based~~
12 ~~computerized or electronic terminal or similar device that~~
13 ~~allows participants to:~~

- 14 ~~(1) register for a fantasy contest account;~~
15 ~~(2) pay an entry fee;~~
16 ~~(3) select athletes for a fantasy contest;~~
17 ~~(4) receive winnings; or~~
18 ~~(5) otherwise participate in a fantasy contest.~~

19 ~~"Gaming service provider." As defined in section 1103.~~

20 ~~"In State participant." An individual who participates in a~~
21 ~~fantasy contest conducted by a licensed operator and pays a fee~~
22 ~~to a licensed operator from a location within this Commonwealth.~~
23 ~~The term includes an individual who pays an entry fee through a~~
24 ~~fantasy contest terminal within a licensed facility.~~

25 ~~"In State percentage." For each fantasy contest, the~~
26 ~~percentage, rounded to the nearest tenth of a percent, equal to~~
27 ~~the total entry fees collected from all in State participants~~
28 ~~divided by the total entry fees collected from all participants~~
29 ~~in the fantasy contest.~~

30 ~~"Key employee." An individual who is employed by an~~

1 ~~applicant for a fantasy contest license or a licensed operator~~
2 ~~in a director or department head capacity and who is empowered~~
3 ~~to make discretionary decisions that regulate fantasy contest~~
4 ~~operations as determined by the board.~~

5 ~~"Licensed entity representative." A person, including an~~
6 ~~attorney, agent or lobbyist, acting on behalf of or authorized~~
7 ~~to represent the interest of an applicant, licensee or other~~
8 ~~person authorized by the board to engage in an act or activity~~
9 ~~which is regulated under this chapter regarding a matter before,~~
10 ~~or which may be reasonably be expected to come before, the~~
11 ~~board.~~

12 ~~"Licensed gaming entity." As defined in section 1103.~~

13 ~~"Licensed operator." A person who holds a fantasy contest~~
14 ~~license.~~

15 ~~"Participant." An individual who participates in a fantasy~~
16 ~~contest, whether the individual is located in this Commonwealth~~
17 ~~or another jurisdiction.~~

18 ~~"Person." A natural person, corporation, publicly traded~~
19 ~~corporation, foundation, organization, business trust, estate,~~
20 ~~limited liability company, licensed corporation, trust,~~
21 ~~partnership, limited liability partnership, association or any~~
22 ~~other form of legal business entity.~~

23 ~~"Principal." An officer, director, person who directly holds~~
24 ~~a beneficial interest in or ownership of the securities of an~~
25 ~~applicant for a fantasy contest license or a licensed operator,~~
26 ~~person who has a controlling interest in an applicant for a~~
27 ~~fantasy contest license or a licensed operator or who has the~~
28 ~~ability to elect a majority of the board of directors of a~~
29 ~~licensed operator or to otherwise control a licensed operator,~~
30 ~~lender or other licensed financial institution of an applicant~~

~~1 for a fantasy contest license or a licensed operator, other than
2 a bank or lending institution which makes a loan or holds a
3 mortgage or other lien acquired in the ordinary course of
4 business, underwriter of an applicant for a fantasy contest
5 license or a licensed operator or other person or employee of an
6 applicant for a fantasy contest license or a licensed operator
7 deemed to be a principal by the board.~~

~~8 "Prize or award." Anything of value worth \$100 or more or
9 any amount of cash or cash equivalents.~~

~~10 "Publicly traded corporation." A person, other than an
11 individual, that:~~

~~12 (1) has a class or series of securities registered under
13 the Securities Exchange Act of 1934 (48 Stat. 881, 15 U.S.C.
14 § 78a et seq.);~~

~~15 (2) is a registered management company under the
16 Investment Company Act of 1940 (54 Stat. 789, 15 U.S.C. §
17 80a-1 et seq.); or~~

~~18 (3) is subject to the reporting obligations imposed by
19 section 15(d) of the Securities Exchange Act of 1934 by
20 reason of having filed a registration statement that has
21 become effective under the Securities Act of 1933 (48 Stat.
22 74, 15 U.S.C. § 77a et seq.).~~

~~23 "Script." A list of commands that a fantasy contest related
24 computer program can execute that is created by a participant or
25 third party not approved by the licensed operator to automate
26 processes on a licensed operator's fantasy contest platform.~~

~~27 "Season long fantasy contest." A fantasy contest offered by
28 a licensed operator that is conducted over an entire sports
29 season.~~

30 SUBCHAPTER B

1 ADMINISTRATION

2 Sec.

3 311. General and specific powers of board.

4 312. Temporary regulations.

5 313. Fantasy contest license appeals.

6 314. Board minutes and records.

7 315. Reports of board.

8 § 311. General and specific powers of board.

9 (a) General powers.

10 (1) The board shall have regulatory authority over
11 licensed operators, principals and key employees and shall
12 ensure the integrity of fantasy contests offered in this
13 Commonwealth in accordance with this chapter.

14 (2) The board may employ individuals as necessary to
15 carry out the requirements of this chapter, who shall serve
16 at the board's pleasure. An employee of the board shall be
17 considered a State employee for purposes of 71 Pa.C.S. Pt.
18 XXV (relating to retirement for State employees and
19 officers).

20 (b) Specific powers. The board shall have the following
21 powers:

22 (1) At the board's discretion, to issue, approve, renew,
23 revoke, suspend, condition or deny issuance of licenses.

24 (2) At the board's discretion, to suspend, condition or
25 deny the issuance or renewal of a license or levy fines for
26 any violation of this chapter.

27 (3) To publish each January on the board's publicly
28 accessible Internet website a complete list of all persons
29 who applied for or held a fantasy contest license at any time
30 during the preceding calendar year and the status of the

1 ~~application or fantasy contest license.~~

2 ~~(4) To prepare and, through the Governor, submit~~
3 ~~annually to the General Assembly an itemized budget~~
4 ~~consistent with Article VI of the act of April 9, 1929~~
5 ~~(P.L.177, No.175), known as The Administrative Code of 1929,~~
6 ~~consisting of the amounts necessary to be appropriated by the~~
7 ~~General Assembly out of the accounts established under~~
8 ~~section 332 (relating to licensed operator deposits) required~~
9 ~~to meet the obligations under this chapter accruing during~~
10 ~~the period beginning July 1 of the following fiscal year.~~

11 ~~(5) In the event that, in any year, appropriations for~~
12 ~~the administration of this chapter are not enacted by June~~
13 ~~30, any funds appropriated for the administration of this~~
14 ~~chapter which are unexpended, uncommitted and unencumbered at~~
15 ~~the end of a fiscal year shall remain available for~~
16 ~~expenditure by the board until the enactment of appropriation~~
17 ~~for the ensuing fiscal year.~~

18 ~~(6) To promulgate rules and regulations necessary for~~
19 ~~the administration and enforcement of this chapter. Except as~~
20 ~~provided in section 312 (relating to temporary regulations),~~
21 ~~regulations shall be adopted under the act of July 31, 1968~~
22 ~~(P.L.769, No.240), referred to as the Commonwealth Documents~~
23 ~~Law, and the act of June 25, 1982 (P.L.633, No.181), known as~~
24 ~~the Regulatory Review Act.~~

25 ~~(7) To administer oaths, examine witnesses and issue~~
26 ~~subpoenas compelling the attendance of witnesses or the~~
27 ~~production of documents and records or other evidence or to~~
28 ~~designate officers or employees to perform duties required by~~
29 ~~this chapter.~~

30 ~~(8) At the board's discretion, to delegate any of the~~

~~board's responsibilities under this chapter to the executive director of the board or other designated staff.~~

~~(9) To require licensed operators and applicants for a fantasy contest license to submit any information or documentation necessary to ensure the proper regulation of fantasy contests in accordance with this chapter.~~

~~(10) To require licensed operators, except for a licensed operator operating season long fantasy contests that generate less than \$250,000 in season long fantasy contest adjusted revenue, unless the board determines otherwise, to:~~

~~(i) annually contract with a certified public accountant to conduct an independent audit in accordance with standards adopted by the American Institute of Certified Public Accountants to verify compliance with the provisions of this chapter and board regulations;~~

~~(ii) annually contract with a testing laboratory approved by the board to verify compliance with the provisions of this chapter and board regulations; and~~

~~(iii) annually submit to the board and department a copy of the audit report required by subparagraph (i) and submit to the board a copy of the report of the testing laboratory required by subparagraph (ii).~~

~~(11) In conjunction with the Department of Drug and Alcohol Programs or successor agency, to develop a process by which licensed operators provide participants with a toll-free telephone number that provides individuals with information on how to access appropriate treatment services for compulsive and problem play.~~

~~(12) To promulgate regulations regarding the placement and operation of fantasy contest terminals within licensed~~

~~1 facilities and to ensure the integrity of fantasy contest
2 terminals.~~

~~3 (b.1) Licensed entity representative.~~

~~4 (1) A licensed entity representative shall register with
5 the board, in a manner prescribed by the board. The
6 registration shall include the name, employer or firm,
7 business address and business telephone number of both the
8 licensed entity representative and any licensed operator,
9 applicant for licensure or other person being represented.~~

~~10 (2) A licensed entity representative shall have an
11 affirmative duty to update its registration information on an
12 ongoing basis. Failure to update shall be punishable by the
13 board.~~

~~14 (3) The board shall maintain a list of licensed entity
15 representatives which shall contain the information required
16 under paragraph (1) and shall be available for public
17 inspection at the offices of the board and on the board's
18 publicly accessible Internet website.~~

~~19 (c) Exceptions. Except as provided under section 342
20 (relating to licensed gaming entities), nothing in this section
21 shall be construed to authorize the board:~~

~~22 (1) To require background investigations for employees,
23 other than key employees and principals, of an applicant for
24 a fantasy contest license or a licensed operator.~~

~~25 (2) To require any additional permits or licenses not
26 specifically enumerated in this chapter.~~

~~27 § 312. Temporary regulations.~~

~~28 (a) Promulgation. In order to facilitate the prompt
29 implementation of this chapter, regulations promulgated by the
30 board shall be deemed temporary regulations and shall expire no~~

1 ~~later than two years following the effective date of this~~
2 ~~section. The board may promulgate temporary regulations not~~
3 ~~subject to:~~

4 ~~(1) Sections 201, 202, 203 and 205 of the act of July~~
5 ~~31, 1968 (P.L.769, No.240), referred to as the Commonwealth~~
6 ~~Documents Law.~~

7 ~~(2) Section 204(b) of the act of October 15, 1980~~
8 ~~(P.L.950, No.164), known as the Commonwealth Attorneys Act.~~

9 ~~(3) The act of June 25, 1982 (P.L.633, No.181), known as~~
10 ~~the Regulatory Review Act.~~

11 ~~(b) Expiration. Except for temporary regulations concerning~~
12 ~~network connectivity, security and testing and compulsive and~~
13 ~~problem play, the authority provided to the board to adopt~~
14 ~~temporary regulations in subsection (a) shall expire no later~~
15 ~~than two years following the effective date of this section.~~
16 ~~Regulations adopted after this period shall be promulgated as~~
17 ~~provided by law.~~

18 ~~§ 313. Fantasy contest license appeals.~~

19 ~~An applicant may appeal any final order, determination or~~
20 ~~decision of the board involving the approval, issuance, denial,~~
21 ~~revocation or conditioning of a fantasy contest license in~~
22 ~~accordance with 2 Pa.C.S. Chs. 5 Subch. A (relating to practice~~
23 ~~and procedure of Commonwealth agencies) and 7 Subch. A (relating~~
24 ~~to judicial review of Commonwealth agency action).~~

25 ~~§ 314. Board minutes and records.~~

26 ~~(a) Record of proceedings. The board shall maintain a~~
27 ~~record of all proceedings held at public meetings of the board.~~
28 ~~The verbatim transcript of the proceedings shall be the property~~
29 ~~of the board and shall be prepared by the board upon the request~~
30 ~~of any board member or upon the request of any other person and~~

1 ~~the payment by that person of the costs of preparation.~~

2 ~~(b) Applicant information.~~

3 ~~(1) The board shall maintain a list of all applicants~~
4 ~~for a fantasy contest license. The list shall include a~~
5 ~~record of all actions taken with respect to each applicant.~~
6 ~~The list shall be open to public inspection during the normal~~
7 ~~business hours of the board.~~

8 ~~(2) Information under paragraph (1) regarding an~~
9 ~~applicant whose fantasy contest license has been denied,~~
10 ~~revoked or not renewed shall be removed from the list after~~
11 ~~seven years from the date of the action.~~

12 ~~(c) Other files and records. The board shall maintain such~~
13 ~~other files and records as it may deem appropriate.~~

14 ~~(d) Confidentiality of information.~~

15 ~~(1) The following information submitted by an applicant~~
16 ~~for a fantasy contest license under section 322 (relating to~~
17 ~~application) or otherwise obtained by the board as part of a~~
18 ~~background or other investigation from any source shall be~~
19 ~~confidential and withheld from public disclosure:~~

20 ~~(i) All information relating to character, honesty~~
21 ~~and integrity, including family, habits, reputation,~~
22 ~~history of criminal activity, business activities,~~
23 ~~financial affairs and business, professional and personal~~
24 ~~associations.~~

25 ~~(ii) Nonpublic personal information, including home~~
26 ~~addresses, telephone numbers and other personal contact~~
27 ~~information, Social Security numbers, educational~~
28 ~~records, memberships, medical records, tax returns and~~
29 ~~declarations, actual or proposed compensation, financial~~
30 ~~account records, creditworthiness or financial condition~~

1 ~~relating to an applicant.~~

2 ~~(iii) Information relating to proprietary~~
3 ~~information, trade secrets, patents or exclusive~~
4 ~~licenses, architectural and engineering plans and~~
5 ~~information relating to competitive marketing materials~~
6 ~~and strategies that may include customer identifying~~
7 ~~information or customer prospects for services subject to~~
8 ~~competition.~~

9 ~~(iv) Information with respect to which there is a~~
10 ~~reasonable possibility that public release or inspection~~
11 ~~of the information would constitute an unwarranted~~
12 ~~invasion into personal privacy of an individual as~~
13 ~~determined by the board.~~

14 ~~(v) Records of an applicant for a fantasy contest~~
15 ~~license or a licensed operator not required to be filed~~
16 ~~with the Securities and Exchange Commission by issuers~~
17 ~~that either have securities registered under section 12~~
18 ~~of the Securities Exchange Act of 1934 (48 Stat. 881, 15~~
19 ~~U.S.C. § 781) or are required to file reports under~~
20 ~~section 15(d) of the Securities Exchange Act of 1934 (48~~
21 ~~Stat. 881, 15 U.S.C. § 78o)~~

22 ~~(vi) Records considered nonpublic matters or~~
23 ~~information by the Securities and Exchange Commission as~~
24 ~~provided by 17 CFR 200.80 (relating to commission records~~
25 ~~and information).~~

26 ~~(vii) Financial or security information deemed~~
27 ~~confidential by the board upon a showing of good cause by~~
28 ~~the applicant for a fantasy contest license or licensed~~
29 ~~operator.~~

30 ~~(2) No claim of confidentiality may be made regarding~~

1 ~~any criminal history record information that is available to~~
2 ~~the public under 18 Pa.C.S. § 9121(b) (relating to general~~
3 ~~regulations).~~

4 ~~(3) No claim of confidentiality shall be made regarding~~
5 ~~any record in possession of the board that is otherwise~~
6 ~~publicly available from a Commonwealth agency, local agency~~
7 ~~or another jurisdiction.~~

8 ~~(4) The information made confidential under this section~~
9 ~~shall be withheld from public disclosure, in whole or in~~
10 ~~part, except that any confidential information shall be~~
11 ~~released upon the order of a court of competent jurisdiction~~
12 ~~or, with the approval of the Attorney General, to a duly~~
13 ~~authorized law enforcement agency or shall be released to the~~
14 ~~public, in whole or in part, to the extent that such release~~
15 ~~is requested by an applicant for a fantasy contest license or~~
16 ~~licensed operator and does not otherwise contain confidential~~
17 ~~information about another person.~~

18 ~~(5) The board may seek a voluntary waiver of~~
19 ~~confidentiality from an applicant for a fantasy contest~~
20 ~~license or a licensed operator, but may not require an~~
21 ~~applicant or licensed operator to waive any confidentiality~~
22 ~~provided for in this subsection as a condition for the~~
23 ~~approval of an application, renewal of a fantasy contest~~
24 ~~license or any other action of the board.~~

25 ~~(e) Notice. Notice of the contents of any information,~~
26 ~~except to a duly authorized law enforcement agency under this~~
27 ~~section, shall be given to an applicant or licensee in a manner~~
28 ~~prescribed by the rules and regulations adopted by the board.~~

29 ~~(f) Information held by department. Files, records, reports~~
30 ~~and other information in the possession of the department~~

~~1 pertaining to licensed operators shall be made available to the~~
~~2 board as may be necessary for the effective administration of~~
~~3 this chapter.~~

~~4 § 315. Reports of board.~~

~~5 (a) General rule. The annual report submitted by the board~~
~~6 under section 1211 (relating to reports of board) shall include~~
~~7 the following information on the conduct of fantasy contests:~~

~~8 (1) Total fantasy contest adjusted revenues.~~

~~9 (2) All taxes, fees, fines and other revenue collected~~
~~10 from licensed operators during the previous year. The~~
~~11 department shall collaborate with the board to carry out the~~
~~12 requirements of this section.~~

~~13 (3) At the board's discretion, any other information~~
~~14 related to the conduct of fantasy contests or licensed~~
~~15 operators.~~

~~16 (b) Licensed operators. The board may require licensed~~
~~17 operators to provide information to the board to assist in the~~
~~18 preparation of the report.~~

~~19 SUBCHAPTER C~~

~~20 LICENSURE~~

~~21 Sec.~~

~~22 321. General prohibition.~~

~~23 322. Application.~~

~~24 323. Issuance and denial of license.~~

~~25 324. License renewal.~~

~~26 325. Conditions of licensure.~~

~~27 326. Prohibitions.~~

~~28 327. Change in ownership or control of licensed operators.~~

~~29 328. Penalties.~~

~~30 § 321. General prohibition.~~

1 ~~(a) General rule. Except as provided for in subsection (b),~~
2 ~~no person may offer or otherwise make available for play in this~~
3 ~~Commonwealth a fantasy contest without a fantasy contest license~~
4 ~~issued by the board.~~

5 ~~(b) Existing activity. A person who applies for or renews a~~
6 ~~fantasy contest license in accordance with this chapter may~~
7 ~~operate during the application or renewal period unless:~~

8 ~~(1) The board has reasonable cause to believe the person~~
9 ~~is or may be in violation of the provisions of this chapter.~~

10 ~~(2) The board requires the person to suspend the~~
11 ~~operation of any fantasy contest until the license is issued~~
12 ~~or renewed.~~

13 ~~§ 322. Application.~~

14 ~~(a) Form and information. An application for a license~~
15 ~~shall be submitted on a form and in manner as shall be required~~
16 ~~by the board. An application for a fantasy contest license shall~~
17 ~~contain the following information:~~

18 ~~(1) (i) if an individual, the name, Federal employer~~
19 ~~identification number and principal address of the~~
20 ~~applicant;~~

21 ~~(ii) if a corporation, the state of its~~
22 ~~incorporation, the full name and address of each officer~~
23 ~~and director thereof;~~

24 ~~(iii) if a foreign corporation, whether it is~~
25 ~~qualified to do business in this Commonwealth; and~~

26 ~~(iv) if a partnership or joint venture, the name and~~
27 ~~address of each officer thereof.~~

28 ~~(2) The name and address of the person having custody of~~
29 ~~the applicant's financial records.~~

30 ~~(3) The names and addresses of key employees.~~

1 ~~(4) The names and addresses of each of the applicant's~~
2 ~~principals.~~

3 ~~(5) Information, documentation and assurances related to~~
4 ~~financial and criminal history as the board deems necessary~~
5 ~~to establish by clear and convincing evidence the financial~~
6 ~~stability, integrity and responsibility of the applicant and~~
7 ~~the applicant's key employees and principals.~~

8 ~~(6) Information and documentation necessary to establish~~
9 ~~the applicant's ability to comply with section 325 (relating~~
10 ~~to conditions of licensure).~~

11 ~~(7) Any other information required by the board.~~

12 ~~(b) Nonrefundable application fee. Each application~~
13 ~~submitted under this chapter shall be accompanied by a~~
14 ~~nonrefundable application fee, which shall be established by the~~
15 ~~board, and which may not exceed the amount necessary to~~
16 ~~reimburse the board for all costs incurred by the board for~~
17 ~~fulfilling the requirements of this section and section 323~~
18 ~~(relating to issuance and denial of license).~~

19 ~~(c) Additional information. A person applying for a fantasy~~
20 ~~contest license shall have the continuing duty to provide~~
21 ~~information required by the board and to cooperate in any~~
22 ~~inquiry or investigation.~~

23 ~~(d) Abbreviated application process. The board, at its~~
24 ~~discretion, may establish an abbreviated application process for~~
25 ~~a fantasy contest license for persons that are also licensed~~
26 ~~gaming entities. The abbreviated application may only require~~
27 ~~information not in possession of the board that is necessary to~~
28 ~~fulfill the requirements of this chapter.~~

29 ~~§ 323. Issuance and denial of license.~~

30 ~~(a) Duty to review applications. The board shall review all~~

1 ~~applications for a license and shall issue a license to any~~
2 ~~applicant that:~~

3 ~~(1) Has submitted a completed application and paid the~~
4 ~~nonrefundable application fee as required by the board under~~
5 ~~section 322 (relating to application).~~

6 ~~(2) Has demonstrated that the applicant has the~~
7 ~~financial stability, integrity and responsibility to comply~~
8 ~~with the provisions of this chapter and regulations~~
9 ~~established by the board.~~

10 ~~(3) Has not been denied a license under subsection (b).~~
11 ~~(b) Reasons to deny applications. The board may deny an~~
12 ~~application for a license if the applicant:~~

13 ~~(1) has knowingly made a false statement of material~~
14 ~~fact or has deliberately failed to disclose any information~~
15 ~~requested;~~

16 ~~(2) employs a principal or key employee who has been~~
17 ~~convicted of a felony, a crime of moral turpitude or any~~
18 ~~criminal offense involving dishonesty or breach of trust~~
19 ~~within 10 years prior to the date of the application for~~
20 ~~license;~~

21 ~~(3) has at any time knowingly failed to comply with the~~
22 ~~provisions of this chapter or of any requirements of the~~
23 ~~board;~~

24 ~~(4) has had a registration, permit or license to conduct~~
25 ~~fantasy contests denied or revoked in any other jurisdiction;~~

26 ~~(5) has legally defaulted in the payment of any~~
27 ~~obligation or debt due to the Commonwealth or is not~~
28 ~~compliant with taxes due; or~~

29 ~~(6) is not qualified to do business in this Commonwealth~~
30 ~~or is not subject to the jurisdiction of the courts of the~~

1 ~~Commonwealth.~~

2 ~~(c) Time period for review. The board shall conclude its~~
3 ~~review of an application for a fantasy contest license within~~
4 ~~120 days of receipt of the completed application. If the license~~
5 ~~is not issued, the board shall provide the applicant with the~~
6 ~~justification for not issuing the license with specificity.~~

7 ~~(d) License fee.~~

8 ~~(1) Within 30 days of the board issuing a fantasy~~
9 ~~contest license, an applicant shall pay to the board a~~
10 ~~license fee of \$50,000.~~

11 ~~(2) The license fee collected under this subsection~~
12 ~~shall be deposited into the General Fund.~~

13 ~~(3) If an applicant fails to pay the fee required by~~
14 ~~this subsection, the board shall suspend or revoke the~~
15 ~~applicant's fantasy contest license until payment of the~~
16 ~~license fee is received.~~

17 ~~(e) Abbreviated approval process. The board, at its~~
18 ~~discretion, may establish an abbreviated approval process for~~
19 ~~the issuance of a fantasy contest license to a licensed gaming~~
20 ~~entity whose slot machine license under Chapter 13 (relating to~~
21 ~~licenses) and table game operation certificate under Chapter 13A~~
22 ~~(relating to table games) are in good standing.~~

23 ~~§ 324. License renewal.~~

24 ~~(a) Renewal.~~

25 ~~(1) A license issued under this chapter shall be valid~~
26 ~~for a period of five years.~~

27 ~~(2) Nothing in this subsection shall be construed to~~
28 ~~relieve a licensed operator of the affirmative duty to notify~~
29 ~~the board of any changes relating to the status of its~~
30 ~~fantasy contest license or to any other information contained~~

1 ~~in the application materials on file with the board.~~

2 ~~(3) The application for renewal of a fantasy contest~~
3 ~~license must be submitted at least 90 days prior to the~~
4 ~~expiration of the license and include an update of the~~
5 ~~information contained in the initial application for a~~
6 ~~fantasy contest license. A fantasy contest license for which~~
7 ~~a completed renewal application and fee as required under~~
8 ~~subsection (c) has been received by the board shall continue~~
9 ~~in effect unless and until the board sends written~~
10 ~~notification to the licensed operator that the board has~~
11 ~~denied the renewal of the license.~~

12 ~~(b) Revocation or failure to renew.~~

13 ~~(1) In addition to any other sanction the board may~~
14 ~~impose under this chapter, the board may at its discretion~~
15 ~~suspend, revoke or deny renewal of a fantasy contest license~~
16 ~~issued under this chapter if it receives information that:~~

17 ~~(i) the applicant or any of the applicant's key~~
18 ~~employees or principals are in violation of any provision~~
19 ~~of this chapter;~~

20 ~~(ii) the applicant has furnished the board with~~
21 ~~false or misleading information;~~

22 ~~(iii) the information contained in the applicant's~~
23 ~~initial application or any renewal application is no~~
24 ~~longer true and correct;~~

25 ~~(iv) the applicant has failed to remit taxes or~~
26 ~~assessments required under section 331 (relating to~~
27 ~~fantasy contest tax), 332 (relating to licensed operator~~
28 ~~deposits) or 333 (relating to responsibility and~~
29 ~~authority of department); or~~

30 ~~(v) the applicant has legally defaulted in the~~

~~payment of any obligation or debt due to the
Commonwealth.~~

~~(2) In the event of a revocation or failure to renew,
the applicant's authorization to conduct fantasy contests
shall immediately cease and all fees paid in connection with
the application shall be deemed to be forfeited.~~

~~(3) In the event of a suspension, the applicant's
authorization to conduct fantasy contests shall immediately
cease until the board has notified the applicant that the
suspension is no longer in effect.~~

~~(c) Renewal fee.~~

~~(1) Within 30 days of the board renewing a fantasy
contest license, the licensed operator shall pay to the board
a renewal fee of \$5,000, or an amount equal to 7.5% of the
applicant's fantasy contest adjusted revenue, whichever is
less.~~

~~(2) The renewal fee collected by the board under this
subsection shall be deposited into the General Fund.~~

~~(3) If a licensed operator fails to pay the renewal fee
required under this subsection, the board shall suspend or
revoke the licensed operator's fantasy contest license until
payment of the renewal fee is received.~~

~~§ 325. Conditions of licensure.~~

~~As a condition of licensure, a licensed operator shall
establish and implement the following commercially reasonable
procedures related to conduct of fantasy contests in this
Commonwealth:~~

~~(1) Permit only participants who have established a
fantasy contest account with the licensed operator to
participate in a fantasy contest conducted by the licensed~~

1 ~~operator.~~

2 ~~(2) Verify the age, location and identity of any~~
3 ~~participant prior to making a deposit into a fantasy contest~~
4 ~~account for a participant located in this Commonwealth. No~~
5 ~~participant under 18 years of age may be permitted to~~
6 ~~establish a fantasy contest account with a licensed operator.~~

7 ~~(3) Verify the identity of a participant by requiring~~
8 ~~the participant to provide the licensed operator a unique~~
9 ~~user name and password prior to accessing a fantasy contest~~
10 ~~account.~~

11 ~~(4) Ensure rules and prizes and awards established by~~
12 ~~the licensed operator for a fantasy contest are made known to~~
13 ~~a participant prior to the acceptance of any entry fee.~~

14 ~~(5) Ensure that a player who is the subject of a fantasy~~
15 ~~contest is restricted from entering as a participant in a~~
16 ~~fantasy contest that is determined, in whole or part, on the~~
17 ~~accumulated statistical results of a team of individuals in~~
18 ~~the league in which the player is a member.~~

19 ~~(6) Allow a person to restrict himself from entering a~~
20 ~~fantasy contest or accessing a fantasy contest account for a~~
21 ~~specific period of time as determined by the participant and~~
22 ~~implement reasonable procedures to prevent the individual~~
23 ~~from participating in the licensed operator's fantasy~~
24 ~~contests.~~

25 ~~(7) Allow a person to restrict the total amount of~~
26 ~~deposits that the participant may pay to the licensed~~
27 ~~operator for a specific time period established by the~~
28 ~~participant and implement reasonable procedures to prevent~~
29 ~~the participant from exceeding the limit.~~

30 ~~(8) Conspicuously post compulsive and problem play~~

1 ~~notices at fantasy contest registration points and provide a~~
2 ~~toll free telephone number to participants who have expressed~~
3 ~~to the licensed operator issues with compulsive and problem~~
4 ~~play of fantasy contests. The toll free telephone number and~~
5 ~~the compulsive and problem play notice shall be approved by~~
6 ~~the board, in consultation with the Department of Drug and~~
7 ~~Alcohol Programs or a successor agency.~~

8 ~~(9) Disclose the number of entries a single participant~~
9 ~~may submit to each fantasy contest and take commercially~~
10 ~~reasonable steps to prevent such participants from submitting~~
11 ~~more than the allowable number.~~

12 ~~(10) Prohibit the licensed operator's principals,~~
13 ~~employees and relatives living in the same household of an~~
14 ~~employee or principal from competing in a fantasy contest~~
15 ~~offered by any licensed operator to the general public and in~~
16 ~~which fantasy contest the licensed operator offers a prize or~~
17 ~~award.~~

18 ~~(11) Prevent the sharing of confidential information~~
19 ~~that could affect fantasy contest play with third parties~~
20 ~~until the information is made publicly available.~~

21 ~~(12) Take commercially reasonable steps to maintain the~~
22 ~~confidentiality of a participant's personal and financial~~
23 ~~information.~~

24 ~~(13) Segregate participant funds from operational funds~~
25 ~~in separate accounts and maintain a reserve in the form of~~
26 ~~cash, cash equivalents, security deposits held by banks and~~
27 ~~processors, an irrevocable letter of credit, payment~~
28 ~~processor reserves and receivables, a bond or a combination~~
29 ~~thereof in an amount sufficient to pay all prizes and awards~~
30 ~~offered to winning participants. To satisfy this paragraph, a~~

1 ~~licensed operator that only offers season long fantasy~~
2 ~~contests that generate less than \$250,000 in season long~~
3 ~~fantasy contest adjusted revenue may contract with a third~~
4 ~~party to hold prizes and awards in an escrow account until~~
5 ~~after the season is concluded and prizes and awards are~~
6 ~~distributed.~~

7 ~~(14) Provide winning in State participants with~~
8 ~~information and documentation necessary to ensure the proper~~
9 ~~reporting of winnings by in State participants to the~~
10 ~~department.~~

11 ~~(15) Remit taxes or assessments to the department in~~
12 ~~accordance with sections 331 (relating to fantasy contest~~
13 ~~tax), 332 (relating to licensed operator deposits) and 333~~
14 ~~(relating to responsibility and authority of department).~~

15 ~~(16) Prohibit the use of scripts by participants and~~
16 ~~implement technologies to prevent the use of scripts.~~

17 ~~(17) Monitor fantasy contests for the use of scripts and~~
18 ~~restrict players found to have used such scripts from~~
19 ~~participation in future fantasy contests.~~

20 ~~(18) Establish any other condition deemed appropriate by~~
21 ~~the board.~~

22 ~~§ 326. Prohibitions.~~

23 ~~(a) General rule. No licensed operator may:~~

24 ~~(1) accept an entry fee from or permit a natural person~~
25 ~~under 18 years of age to become a participant in a fantasy~~
26 ~~contest;~~

27 ~~(2) offer a fantasy contest based, in whole or in part,~~
28 ~~on collegiate or high school athletic events or players;~~

29 ~~(3) permit a participant to enter a fantasy contest~~
30 ~~prior to establishing a fantasy contest account, unless the~~

~~licensed operator is also a licensed gaming entity and the participant enters a fantasy contest through a fantasy contest terminal located within the licensed gaming entity's licensed facility;~~

~~(4) establish a fantasy contest account for a person who is not an individual;~~

~~(5) alter rules established for a fantasy contest after a participant has entered the fantasy contest;~~

~~(6) issue credit to a participant to establish or fund a fantasy contest account;~~

~~(7) knowingly directly market to a participant during the time period in which the participant has self excluded from the licensed operator's fantasy contests;~~

~~(8) knowingly permit a participant to enter the licensed operator's fantasy contests during the time period in which the participant has self excluded from the licensed operators' fantasy contests;~~

~~(8.1) knowingly allow a self excluded individual to keep a prize or award.~~

~~(9) knowingly accept a deposit in excess of a limit established by a participant for the specific time period established by the participant;~~

~~(10) share confidential information that could affect fantasy contest play with third parties until the information is made publicly available;~~

~~(11) knowingly permit a principal, an employee or a relative living in the same household of an employee or principal to become a participant in a fantasy contest offered by any licensed operator in which a licensed operator offers a prize or award;~~

1 ~~(12) offer a fantasy contest where:~~

2 ~~(i) the minimum value of all prizes or awards~~
3 ~~offered to winning participants is not established and~~
4 ~~made known to participants in advance of the fantasy~~
5 ~~contest;~~

6 ~~(ii) winning outcomes do not reflect the relative~~
7 ~~knowledge and skill of participants;~~

8 ~~(iii) the winning outcome is based on the score,~~
9 ~~point spread or performance of a single actual team or~~
10 ~~combination of teams or solely on a single performance of~~
11 ~~an individual athlete or player in a single actual event;~~
12 ~~or~~

13 ~~(iv) the winning outcome is not based on statistical~~
14 ~~results accumulated from fully completed athletic sports~~
15 ~~contests or events, except that participants may be~~
16 ~~credited for statistical results accumulated in a~~
17 ~~suspended or shortened sports event which has been~~
18 ~~partially completed on account of weather or other~~
19 ~~natural or unforeseen event;~~

20 ~~(13) fail to remit taxes or assessments to the~~
21 ~~department in accordance with sections 331 (relating to~~
22 ~~fantasy contest tax), 332 (relating to licensed operator~~
23 ~~deposits) and 333 (relating to responsibility and authority~~
24 ~~of department);~~

25 ~~(14) knowingly allow a participant to use a script~~
26 ~~during a fantasy contest;~~

27 ~~(15) except as permitted under section 342 (relating to~~
28 ~~licensed gaming entities), offer or make available in this~~
29 ~~Commonwealth a fantasy contest terminal; and~~

30 ~~(16) perform any other action prohibited by the board.~~

1 ~~(b) Deposit. The licensed operator shall deposit the amount~~
2 ~~of the prize or award under subsection (a) (8.1) in the General~~
3 ~~Fund.~~

4 ~~§ 327. Change in ownership or control of licensed operators.~~

5 ~~(a) Notification and approval.~~

6 ~~(1) A licensed operator shall notify the board upon~~
7 ~~becoming aware of any proposed change of ownership of the~~
8 ~~licensed operator by a person or group of persons acting in~~
9 ~~concert which involves any of the following:~~

10 ~~(i) More than 15% of a licensed operator's~~
11 ~~securities or other ownership interests.~~

12 ~~(ii) The sale other than in the ordinary course of~~
13 ~~business of a licensed operator's assets.~~

14 ~~(iii) Any other transaction or occurrence deemed by~~
15 ~~the board to be relevant to fantasy contest license~~
16 ~~qualifications.~~

17 ~~(2) Notwithstanding the provisions of paragraph (1), a~~
18 ~~licensed operator shall not be required to notify the board~~
19 ~~of any acquisition by an institutional investor under~~
20 ~~paragraph (1)(i) or (ii) if the institutional investor holds~~
21 ~~less than 10% of the securities or other ownership interests~~
22 ~~referred to in paragraph (1)(i) or (ii), the securities or~~
23 ~~interests are publicly traded securities and its holdings of~~
24 ~~such securities were purchased for investment purposes only~~
25 ~~and the institutional investor files with the board a~~
26 ~~certified statement to the effect that the institutional~~
27 ~~investor has no intention of influencing or affecting,~~
28 ~~directly or indirectly, the affairs of the licensed operator.~~
29 ~~However, the institutional investor may vote on matters put~~
30 ~~to the vote of the outstanding security holders. Notice to~~

~~the board shall be required prior to completion of any proposed or contemplated change of ownership of a licensed operator that meets the criteria of this section.~~

~~(b) Qualification of purchaser and change of control.~~

~~(1) A purchaser of the assets, other than in the ordinary course of business, of a licensed operator shall independently qualify for a fantasy contest license in accordance with this chapter and shall pay the application fee and license fee as required by sections 322 (relating to application) and 323 (relating to issuance and denial of license), except that if the purchaser of assets is another licensed operator, the purchaser of assets shall not be required to requalify for a fantasy contest license or pay another application fee and license fee.~~

~~(2) A change in control of any licensed operator shall require that the licensed operator independently qualify for a fantasy contest license in accordance with this chapter, and the licensed operator shall pay a new application and license fee as required by sections 322 and 323, except that if the new controller is another licensed operator, the new controller shall not be required to requalify for a fantasy contest license or pay another application fee and license fee.~~

~~(c) License revocation. Failure to comply with this section may cause the fantasy contest license issued under this chapter to be revoked or suspended by the board unless the purchase of the assets or the change in control that meets the criteria of this section has been independently qualified in advance by the board and any required application or license fee has been paid.~~

~~(d) Definitions. As used in this section, the following~~

1 ~~words and phrases shall have the meanings given to them in this~~
2 ~~subsection unless the context clearly indicates otherwise:~~

3 ~~"Change in control of a licensed operator." The acquisition~~
4 ~~by a person or group of persons acting in concert of more than~~
5 ~~20% of a licensed operator's securities or other ownership~~
6 ~~interests, with the exception of any ownership interest of the~~
7 ~~person that existed at the time of initial licensing and payment~~
8 ~~of the initial fantasy contest license fee, or more than 20% of~~
9 ~~the securities or other ownership interests of a corporation or~~
10 ~~other form of business entity that owns directly or indirectly~~
11 ~~at least 20% of the voting or other securities or other~~
12 ~~ownership interests of the licensed operator.~~

13 ~~§ 328. Penalties.~~

14 ~~(a) Suspension or revocation of license.~~

15 ~~(1) After a public hearing with at least 15 days'~~
16 ~~notice, the board may suspend or revoke a licensed operator's~~
17 ~~fantasy contest license in any case where a violation of this~~
18 ~~chapter has been shown by a preponderance of the evidence.~~

19 ~~(2) The board may revoke a fantasy contest license if~~
20 ~~the board finds that facts not known by the board at the time~~
21 ~~the board considered the application indicate that such~~
22 ~~license should not have been issued.~~

23 ~~(b) Administrative penalties.~~

24 ~~(1) In addition to suspension or revocation of a fantasy~~
25 ~~contest license, the board may impose administrative~~
26 ~~penalties on a licensed operator for violations of this~~
27 ~~chapter.~~

28 ~~(2) A violation of this chapter that is determined to be~~
29 ~~an offense of a continuing nature shall be deemed to be a~~
30 ~~separate offense on each event or day during which the~~

1 ~~violation occurs.~~

2 ~~(3) The licensed operator shall have the right to appeal~~
3 ~~administrative penalties in accordance with 2 Pa.C.S. Chs. 5~~
4 ~~Subch. A (relating to practice and procedure of Commonwealth~~
5 ~~agencies) and 7 Subch. A (relating to judicial review of~~
6 ~~Commonwealth agency action).~~

7 ~~(4) Penalties imposed under this subsection shall be~~
8 ~~deposited into the General Fund.~~

9 ~~(c) Civil penalties.~~

10 ~~(1) In addition to the provisions of this section, a~~
11 ~~person who knowingly violates a provision of this chapter~~
12 ~~shall be liable for a civil penalty of not more than \$1,000~~
13 ~~for each such violation.~~

14 ~~(2) The civil penalty shall be recovered in a civil~~
15 ~~action brought by the board and shall be paid into the~~
16 ~~General Fund.~~

17 SUBCHAPTER D

18 FISCAL PROVISIONS

19 Sec.

20 ~~331. Fantasy contest tax.~~

21 ~~332. Licensed operator deposits.~~

22 ~~333. Responsibility and authority of department.~~

23 ~~§ 331. Fantasy contest tax.~~

24 ~~(a) Imposition. Each licensed operator shall report to the~~
25 ~~department and pay from its monthly fantasy contest adjusted~~
26 ~~revenues, on a form and in the manner prescribed by the~~
27 ~~department, a tax of 19% of its monthly fantasy contest adjusted~~
28 ~~revenues.~~

29 ~~(b) Deposits and distributions.~~

30 ~~(1) The tax imposed under subsection (a) shall be~~

1 ~~payable to the department on a monthly basis and shall be~~
2 ~~based upon monthly fantasy contest adjusted revenue derived~~
3 ~~during the previous month.~~

4 ~~(2) All funds owed to the Commonwealth under this~~
5 ~~section shall be held in trust for the Commonwealth by the~~
6 ~~licensed operator until the funds are paid to the department.~~

7 ~~(3) The tax imposed under subsection (a) shall be~~
8 ~~deposited into the General Fund.~~

9 ~~(c) Penalty.—~~

10 ~~(1) A licensed operator who fails to timely remit to the~~
11 ~~department amounts required under this section shall be~~
12 ~~liable, in addition to any liability imposed elsewhere in~~
13 ~~this chapter, to a penalty of 5% per month up to a maximum of~~
14 ~~25% of the amounts ultimately found to be due, to be~~
15 ~~recovered by the department.~~

16 ~~(2) Penalties imposed under this subsection shall be~~
17 ~~deposited in the General Fund.~~

18 ~~§ 332. Licensed operator deposits.~~

19 ~~(a) Accounts established.—The State Treasurer shall~~
20 ~~establish within the State Treasury an account for each licensed~~
21 ~~operator for the deposit required under subsection (b) to:~~

22 ~~(1) recover costs or expenses incurred by the board and~~
23 ~~the department in carrying out their powers and duties under~~
24 ~~this chapter based upon a budget submitted by the board and~~
25 ~~the department under subsection (c); and~~

26 ~~(2) repay any loans made by the General Fund to the~~
27 ~~board or the department in connection with carrying out its~~
28 ~~powers and duties under this chapter.~~

29 ~~(b) Deposits.—~~

30 ~~(1) The department shall determine the appropriate~~

1 ~~assessment amount for each licensed operator, which shall be~~
2 ~~a percentage assessed on the licensed operator's fantasy~~
3 ~~contest adjusted revenues. Each licensed operator shall~~
4 ~~deposit funds into its account on a quarterly basis.~~

5 ~~(2) The percentage assessed shall not exceed an amount~~
6 ~~necessary to:~~

7 ~~(i) recover costs or expenses incurred by the board~~
8 ~~and the department in carrying out their powers and~~
9 ~~duties under this chapter based on a budget submitted by~~
10 ~~the board and the department under subsection (c); and~~

11 ~~(ii) repay any loans made from the General Fund to~~
12 ~~the board in connection with carrying out its powers and~~
13 ~~duties under this chapter.~~

14 ~~(c) Itemized budget reporting.~~

15 ~~(1) The board and the department shall prepare and~~
16 ~~annually submit to the chairperson and minority chairperson~~
17 ~~of the Appropriations Committee of the Senate and the~~
18 ~~chairperson and minority chairperson of the Appropriations~~
19 ~~Committee of the House of Representatives an itemized budget~~
20 ~~consisting of amounts to be appropriated out of the accounts~~
21 ~~established under this section necessary to administer this~~
22 ~~chapter.~~

23 ~~(2) As soon as practicable after submitting copies of~~
24 ~~the itemized budget, the department shall submit to the~~
25 ~~chairperson and minority chairperson of the Appropriations~~
26 ~~Committee of the Senate and the chairperson and minority~~
27 ~~chairperson of the Appropriations Committee of the House of~~
28 ~~Representatives analyses of and recommendations regarding the~~
29 ~~itemized budget.~~

30 ~~(3) The itemized budget required under paragraph (1)~~

~~shall be submitted in conjunction with the budget required to be submitted under section 1202(b)(28) (relating to general and specific powers).~~

~~(d) Appropriation. Costs and expenses from accounts established under subsection (a) shall only be disbursed upon appropriation by the General Assembly.~~

~~(e) Penalty.~~

~~(1) A licensed operator who fails to timely remit to the department amounts required under this section shall be liable, in addition to any liability imposed elsewhere in this chapter, to a penalty of 5% per month up to a maximum of 25% of the amounts ultimately found to be due, to be recovered by the department.~~

~~(2) Penalties imposed under this subsection shall be deposited into the General Fund.~~

~~§ 333. Responsibility and authority of department.~~

~~(a) General rule. The department may administer and collect taxes imposed under section 331 (relating to fantasy contest tax) and interest imposed under section 806 of the act of April 9, 1929 (P.L. 343, No. 176), known as The Fiscal Code, and promulgate and enforce rules and regulations to carry out its prescribed duties in accordance with sections 331 and 332 (relating to licensed operator deposits), including the collection of taxes, penalties, assessments and interest.~~

~~(b) Procedure. For purposes of implementing sections 331 and 332, the department may promulgate regulations in the same manner in which the board is authorized as provided in section 312 (relating to temporary regulations).~~

SUBCHAPTER E

MISCELLANEOUS PROVISIONS

1 ~~Sec.~~

2 ~~341. Applicability of other statutes.~~

3 ~~342. Licensed gaming entities.~~

4 ~~§ 341. Applicability of other statutes.~~

5 ~~(a) Unlawful gambling. The provisions of 18 Pa.C.S. § 5513~~
6 ~~(relating to gambling devices, gambling, etc.) shall not apply~~
7 ~~to a fantasy contest conducted in accordance with this chapter.~~

8 ~~(b) Pool selling and bookmaking. The provisions of 18~~
9 ~~Pa.C.S. § 5514 (relating to pool selling and bookmaking) shall~~
10 ~~not apply to a fantasy contest conducted in accordance with this~~
11 ~~chapter.~~

12 ~~(c) Lotteries. The provisions of 18 Pa.C.S. § 5512~~
13 ~~(relating to lotteries, etc.) shall not apply to a fantasy~~
14 ~~contest conducted in accordance with this chapter.~~

15 ~~(d) State Lottery Law. This chapter shall not apply to a~~
16 ~~fantasy contest or similar product authorized under the act of~~
17 ~~August 26, 1971 (P.L.351, No.91), known as the State Lottery~~
18 ~~Law, and authorized solely by the department and the Division of~~
19 ~~the State Lottery.~~

20 ~~§ 342. Licensed gaming entities.~~

21 ~~(a) Scope. This section shall apply to a licensed gaming~~
22 ~~entity that holds a fantasy contest license.~~

23 ~~(b) Applicability. Nothing in this chapter shall be~~
24 ~~construed to limit the board's general and sole regulatory~~
25 ~~authority over the conduct of gaming or related activities under~~
26 ~~Part II (relating to gaming), including, but not limited to, the~~
27 ~~certification, registration and regulation of gaming service~~
28 ~~providers and individuals and entities associated with them.~~

29 ~~(c) Restricted contests. A licensed gaming entity may offer~~
30 ~~fantasy contests that are exclusive to participants who are at~~

1 ~~least 21 years of age.~~

2 ~~(d) Promotional play. For a restricted contest under~~
3 ~~subsection (c), a licensed gaming entity may offer slot machine~~
4 ~~or table game promotional play to a participant who is at least~~
5 ~~21 years of age as a prize or award or for participating in a~~
6 ~~fantasy contest conducted by the licensed gaming entity.~~

7 ~~(e) Gaming service providers. A licensed operator who is~~
8 ~~not a licensed gaming entity may, at the discretion of the~~
9 ~~board, be certificated or registered as a gaming service~~
10 ~~provider under section 1317.2 (relating to gaming service~~
11 ~~provider) in order to operate fantasy contests subject to the~~
12 ~~restrictions of subsections (c) and (f) on behalf of a licensed~~
13 ~~gaming entity.~~

14 ~~(f) Fantasy contest terminals.~~

15 ~~(1) A licensed gaming entity may petition the board, on~~
16 ~~a form and in a manner as required by the board, to place and~~
17 ~~operate fantasy contest terminals within the licensed gaming~~
18 ~~entity's licensed facility.~~

19 ~~(2) The board may, according to regulations adopted by~~
20 ~~the board, approve the placement and operation of fantasy~~
21 ~~contest terminals at one or more locations within a licensed~~
22 ~~facility, provided that fantasy contest terminals may not be~~
23 ~~placed on the gaming floor.~~

24 ~~(3) The board may not require a participant to establish~~
25 ~~a fantasy contest account prior to entering a fantasy contest~~
26 ~~through a fantasy contest terminal.~~

27 ~~CHAPTER 5~~

28 ~~LOTTERY~~

29 ~~Sec.~~

30 ~~501. Definitions.~~

1 ~~502. Sales agent compensation.~~

2 ~~503. Lottery Sales Advisory Council.~~

3 ~~§ 501. Definitions.~~

4 ~~The following words and phrases when used in this chapter~~
5 ~~shall have the meanings given to them in this section unless the~~
6 ~~context clearly indicates otherwise:~~

7 ~~"Cash bonus." Compensation paid to a licensed lottery sales~~
8 ~~agent for issuing prizes to players for winning lottery tickets~~
9 ~~or shares, the amount of which compensation is a percentage~~
10 ~~amount of the prize awarded by the licensed lottery sales agent~~
11 ~~to a player for a winning ticket or share.~~

12 ~~"Commission." Compensation paid to a licensed lottery sales~~
13 ~~agent for the sale of lottery tickets or shares to the public,~~
14 ~~the amount of which compensation is a percentage amount of the~~
15 ~~retail price of a ticket or share sold by a licensed lottery~~
16 ~~sales agent.~~

17 ~~"Department." The Department of Revenue of the Commonwealth.~~

18 ~~"Secretary." The Secretary of Revenue of the Commonwealth.~~

19 ~~§ 502. Sales agent compensation.~~

20 ~~(a) Commission required.~~

21 ~~(1) Notwithstanding section 303 of the act of August 26,~~
22 ~~1971 (P.L.351, No.91), known as the State Lottery Law, and~~
23 ~~subject to paragraph (2), the secretary shall provide a~~
24 ~~commission to licensed lottery sales agents that shall be no~~
25 ~~less than 5.5%.~~

26 ~~(2) Beginning one year after the effective date of this~~
27 ~~section, the secretary shall provide a commission to licensed~~
28 ~~lottery sales agents in an amount that shall be no less than~~
29 ~~6%.~~

30 ~~(b) Cash bonus required.~~

1 ~~(1) Notwithstanding section 303 of the State Lottery~~
2 ~~Law, the secretary shall provide a cash bonus to licensed~~
3 ~~lottery sales agents in an amount that shall be no less than~~
4 ~~1%.~~

5 ~~(2) The secretary shall permit a licensed lottery sales~~
6 ~~agent to redeem a winning ticket or share for a prize amount~~
7 ~~of \$2,500 or less.~~

8 ~~§ 503. Lottery Sales Advisory Council.~~

9 ~~(a) Establishment.~~

10 ~~(1) The department shall establish a Lottery Sales~~
11 ~~Advisory Council which shall be comprised of the secretary,~~
12 ~~the Director of the Division of the State Lottery, a~~
13 ~~representative from the Department of Aging or a successor~~
14 ~~agency, representatives from a Statewide food merchants~~
15 ~~association, licensed lottery sales agents and any other~~
16 ~~individual, at the discretion of the department.~~

17 ~~(2) The Lottery Sales Advisory Council shall meet at~~
18 ~~times and in a manner at the department's discretion for the~~
19 ~~purposes of increasing the partnership between the State~~
20 ~~Lottery and licensed lottery sales agents and developing~~
21 ~~policy recommendations for increased lottery sales.~~

22 ~~(3) The Lottery Sales Advisory Council shall operate in~~
23 ~~an advisory, nonbinding capacity.~~

24 ~~(b) Compensation. No member of the Lottery Sales Advisory~~
25 ~~Council shall be entitled to any form of compensation from the~~
26 ~~Commonwealth for the performance of any duty that may be~~
27 ~~required by the Lottery Sales Advisory Council.~~

28 ~~CHAPTER 7~~

29 ~~iLOTTERY~~

30 ~~Sec.~~

1 ~~701. Scope of chapter.~~

2 ~~702. Definitions.~~

3 ~~703. iLottery authorization.~~

4 ~~§ 701. Scope of chapter.~~

5 ~~This chapter relates to iLottery.~~

6 ~~§ 702. Definitions.~~

7 ~~The following words and phrases when used in this chapter~~
8 ~~shall have the meanings given to them in this section unless the~~
9 ~~context clearly indicates otherwise:~~

10 ~~"Department." The Department of Revenue of the Commonwealth.~~

11 ~~"iLottery." A digital system that provides for the~~
12 ~~distribution of lottery products through numerous channels that~~
13 ~~include, but are not limited to, web applications, mobile~~
14 ~~applications, mobile web, tablets and social media platforms~~
15 ~~that allows players to interface through a portal for the~~
16 ~~purpose of obtaining lottery products and ancillary services,~~
17 ~~such as account management, game purchase, game play and prize~~
18 ~~redemption. The term does not include games that represent~~
19 ~~physical, Internet based or monitor based interactive lottery~~
20 ~~games which simulate casino style lottery games, specifically~~
21 ~~including poker, roulette, slot machines or blackjack.~~

22 ~~"Internet instant game." A lottery game of chance in which,~~
23 ~~by the use of a computer, tablet computer or other mobile~~
24 ~~device, a player purchases a lottery play, with the result of~~
25 ~~play being a reveal on the device of numbers, letters or symbols~~
26 ~~indicating whether a lottery prize has been won according to an~~
27 ~~established methodology as provided by the lottery.~~

28 ~~"Lottery products." Plays, shares or chances offered by the~~
29 ~~lottery as well as lottery property that may be exchanged for~~
30 ~~plays, shares or chances. The term includes instant tickets,~~

1 ~~terminal based tickets, raffle games, Internet instant tickets,~~
2 ~~iLottery games, play for fun games, lottery vouchers,~~
3 ~~subscription services and gift cards.~~

4 ~~"Secretary." The Secretary of Revenue of the Commonwealth.~~

5 ~~"Subscription services." A payment, advance payment or~~
6 ~~promise of payment for multiple lottery products over a~~
7 ~~specified period of time, including payment through iLottery.~~

8 ~~§ 703. iLottery authorization.~~

9 ~~(a) Authority. Notwithstanding any provision of law to the~~
10 ~~contrary, the department may operate iLottery and Internet~~
11 ~~instant games.~~

12 ~~(b) Temporary regulatory authority.~~

13 ~~(1) In order to facilitate the prompt implementation of~~
14 ~~iLottery products or new sales methods of existing lottery~~
15 ~~products over the Internet, regulations promulgated by the~~
16 ~~secretary shall be deemed temporary regulations which shall~~
17 ~~expire not later than two years following the publication of~~
18 ~~the temporary regulations. The secretary may promulgate~~
19 ~~temporary regulations not subject to:~~

20 ~~(i) Sections 201, 202, 203, 204 and 205 of the act~~
21 ~~of July 31, 1968 (P.L.769, No.240), referred to as the~~
22 ~~Commonwealth Documents Law.~~

23 ~~(ii) Sections 204(b) and 301(10) of the act of~~
24 ~~October 15, 1980 (P.L.950, No.164), known as the~~
25 ~~Commonwealth Attorneys Act.~~

26 ~~(iii) The act of June 25, 1982 (P.L.633, No.181),~~
27 ~~known as the Regulatory Review Act.~~

28 ~~(2) Regulations adopted after the two year time period~~
29 ~~shall be promulgated as provided by law.~~

30 ~~(c) Prompt implementation. Notwithstanding any other~~

1 ~~provision of law to the contrary and in order to facilitate the~~
2 ~~prompt implementation of iLottery in this Commonwealth, initial~~
3 ~~contracts entered into by the department for iLottery and~~
4 ~~related gaming systems, including any necessary hardware,~~
5 ~~software, licenses or related services, shall not be subject to~~
6 ~~the provisions of 62 Pa.C.S. (relating to procurement).~~
7 ~~Contracts entered into under this subsection may not exceed five~~
8 ~~years.~~

9 ~~(d) Player identifiable information. With the exception of~~
10 ~~certain information released by the department to notify the~~
11 ~~public of the identity of a prize recipient or to perform any~~
12 ~~other obligation of the lottery under laws or regulations~~
13 ~~related to the payment of lottery prizes, personally identifying~~
14 ~~information obtained by the department as a result of a player's~~
15 ~~purchase of lottery products or the claim of a lottery prize,~~
16 ~~such as name, address, telephone number or player financial~~
17 ~~information, shall be considered confidential and otherwise~~
18 ~~exempt from disclosure whether retained by the department, an~~
19 ~~agent of the department or a lottery retailer.~~

20 ~~(e) Lottery proprietary information.~~

21 ~~(1) Information obtained by the department as a result~~
22 ~~of a player's purchase of lottery products or entering a~~
23 ~~lottery drawing, such as aggregate statistical data which may~~
24 ~~include play history or player tendencies, shall be~~
25 ~~considered proprietary information of the department and~~
26 ~~otherwise exempt from disclosure whether retained by the~~
27 ~~department, an agent of the lottery or a lottery retailer.~~

28 ~~(2) Proprietary information shall include any research~~
29 ~~or study conducted by the lottery or a lottery vendor that~~
30 ~~utilizes proprietary information obtained under this section.~~

1 ~~(f) Revenues.~~

2 ~~(1) Notwithstanding any provision of law to the~~
3 ~~contrary, revenues accruing from the sale of lottery products~~
4 ~~under this chapter shall be dedicated to and deposited in the~~
5 ~~State Lottery Fund as provided for in section 311 of the act~~
6 ~~of August 26, 1971 (P.L.351, No.91), known as the State~~
7 ~~Lottery Law. The revenues shall be apportioned as provided~~
8 ~~for in section 303(a)(11) of the State Lottery Law.~~

9 ~~(2) For fiscal years beginning after June 30, 2017,~~
10 ~~revenues raised under this chapter shall not be subject to~~
11 ~~the profit margin limitations specified in section 303(a)(11)~~
12 ~~(iv) of the State Lottery Law.~~

13 ~~(g) Prepaid cards.~~

14 ~~(1) The department shall provide licensed lottery sales~~
15 ~~agents prepaid cards or other mechanisms for sale to the~~
16 ~~public that allow a player to prepurchase lottery products~~
17 ~~offered through iLottery.~~

18 ~~(2) Nothing in this subsection shall be construed to~~
19 ~~require a player to purchase prepaid cards or other~~
20 ~~mechanisms from a licensed lottery sales agent in order to~~
21 ~~engage in iLottery.~~

22 ~~(h) Sales agent compensation. A licensed lottery sales~~
23 ~~agent shall be entitled to no less than 6% of the retail amount~~
24 ~~of a prepaid card or other mechanism authorized under subsection~~
25 ~~(g) that is sold by the licensed lottery sales agent.~~

26 Section 2. Section 1102 of Title 4 is amended to read:

27 § 1102. Legislative intent.

28 The General Assembly recognizes the following public policy
29 purposes and declares that the following objectives of the
30 Commonwealth are to be served by this part:

1 ~~(1) The primary objective of this part to which all~~
2 ~~other objectives and purposes are secondary is to protect the~~
3 ~~public through the regulation and policing of all activities~~
4 ~~involving gaming and practices that continue to be unlawful.~~

5 ~~(2) The authorization of limited gaming by the~~
6 ~~installation and operation of slot machines as authorized in~~
7 ~~this part is intended to enhance live horse racing, breeding~~
8 ~~programs, entertainment and employment in this Commonwealth.~~

9 ~~(2.1) The authorization of table games and interactive~~
10 ~~gaming in this part is intended to supplement slot machine~~
11 ~~gaming by increasing revenues to the Commonwealth and~~
12 ~~providing new employment opportunities by creating skilled~~
13 ~~jobs for individuals related to the conduct of table games at~~
14 ~~licensed facilities in this Commonwealth and related to the~~
15 ~~conduct of interactive gaming.~~

16 ~~(3) The authorization of limited gaming is intended to~~
17 ~~provide a significant source of new revenue to the~~
18 ~~Commonwealth to support property tax relief, wage tax~~
19 ~~reduction, economic development opportunities and other~~
20 ~~similar initiatives.~~

21 ~~(4) The authorization of limited gaming is intended to~~
22 ~~positively assist the Commonwealth's horse racing industry,~~
23 ~~support programs intended to foster and promote horse~~
24 ~~breeding and improve the living and working conditions of~~
25 ~~personnel who work and reside in and around the stable and~~
26 ~~backside areas of racetracks.~~

27 ~~(5) The authorization of limited gaming is intended to~~
28 ~~provide broad economic opportunities to the citizens of this~~
29 ~~Commonwealth and shall be implemented in such a manner as to~~
30 ~~prevent possible monopolization by establishing reasonable~~

1 ~~restrictions on the control of multiple licensed gaming~~
2 ~~facilities in this Commonwealth.~~

3 ~~(6) The authorization of limited gaming is intended to~~
4 ~~enhance the further development of the tourism market~~
5 ~~throughout this Commonwealth, including, but not limited to,~~
6 ~~year round recreational and tourism locations in this~~
7 ~~Commonwealth.~~

8 ~~(7) Participation in limited gaming authorized under~~
9 ~~this part by any licensee [or], permittee, registrant or~~
10 ~~certificate holder shall be deemed a privilege, conditioned~~
11 ~~upon the proper and continued qualification of the licensee~~
12 ~~[or], permittee, registrant or certificate holder and upon~~
13 ~~the discharge of the affirmative responsibility of each~~
14 ~~licensee, permittee, registrant and certificate holder to~~
15 ~~provide the regulatory and investigatory authorities of the~~
16 ~~Commonwealth with assistance and information necessary to~~
17 ~~assure that the policies declared by this part are achieved.~~

18 ~~(8) Strictly monitored and enforced control over all~~
19 ~~limited gaming authorized by this part shall be provided~~
20 ~~through regulation, licensing and appropriate enforcement~~
21 ~~actions of specified locations, persons, associations,~~
22 ~~practices, activities, licensees [and], permittees,~~
23 ~~registrants and certificate holders.~~

24 ~~(9) Strict financial monitoring and controls shall be~~
25 ~~established and enforced by all licensees [or], permittees,~~
26 ~~registrants and certificate holders.~~

27 ~~(10) The public interest of the citizens of this~~
28 ~~Commonwealth and the social effect of gaming shall be taken~~
29 ~~into consideration in any decision or order made pursuant to~~
30 ~~this part.~~

1 ~~(10.1) The General Assembly has a compelling interest in~~
2 ~~protecting the integrity of both the electoral process and~~
3 ~~the legislative process by preventing corruption and the~~
4 ~~appearance of corruption which may arise through permitting~~
5 ~~any type of political campaign contributions by certain~~
6 ~~persons involved in the gaming industry and regulated under~~
7 ~~this part.~~

8 ~~(10.2) Banning all types of political campaign~~
9 ~~contributions by certain persons subject to this part is~~
10 ~~necessary to prevent corruption and the appearance of~~
11 ~~corruption that may arise when political campaign~~
12 ~~contributions and gaming regulated under this part are~~
13 ~~intermingled.~~

14 ~~(11) It is necessary to maintain the integrity of the~~
15 ~~regulatory control and legislative oversight over the~~
16 ~~operation and play of slot machines [and], table games and~~
17 ~~interactive gaming in this Commonwealth; to ensure the~~
18 ~~bipartisan administration of this part; and avoid actions~~
19 ~~that may erode public confidence in the system of~~
20 ~~representative government.~~

21 ~~(12) It is the intent of the General Assembly to~~
22 ~~authorize the operation and play of slot machines [and], table~~
23 ~~games and interactive gaming under a single slot~~
24 ~~machine license issued to a slot machine licensee when a slot~~
25 ~~machine licensee has been issued a table game operation~~
26 ~~certificate and an interactive gaming certificate under this~~
27 ~~part.~~

28 ~~(12.1) The continued growth and success of the~~
29 ~~commercial gaming industry in this Commonwealth is dependent~~
30 ~~upon a regulatory environment which promotes and fosters~~

~~1 technological advances and encourages the development and
2 delivery of innovative gaming products.~~

~~3 (12.2) It is also the intent of the General Assembly to
4 ensure the sustainability and competitiveness of the
5 commercial gaming industry in this Commonwealth by
6 authorizing interactive gaming, the operation of multistate
7 wide area progressive slot machines, skill and hybrid slot
8 machines.~~

~~9 (12.3) It is also the intent of the General Assembly to
10 authorize the operation and play of interactive gaming in
11 conformance with Federal law, including the Unlawful Internet
12 Gambling Enforcement Act of 2006 (Title VIII of Public Law
13 109-347, 31 U.S.C. §§ 5361-5367).~~

~~14 (13) The authorization of limited gaming in this
15 Commonwealth requires the Commonwealth to take steps to
16 increase awareness of compulsive and problem gambling and to
17 develop and implement effective strategies for prevention,
18 assessment and treatment of this behavioral disorder.~~

~~19 (14) Research indicates that [for some individuals]
20 compulsive and problem gambling and drug and alcohol
21 addiction are related. Therefore, the General Assembly
22 intends to establish an approach to compulsive and problem
23 gambling prevention, assessment and treatment that will
24 ensure the provision of adequate resources to identify,
25 assess and treat both compulsive and problem gambling and
26 drug and alcohol addiction.~~

~~27 Section 3. The definitions of "associated equipment," "cash-
28 equivalent," "cheat," "cheating or thieving device,"
29 "commission" or "commissions," "conduct of gaming," "contest,"
30 "counterfeit chip," "fully automated electronic gaming table,"~~

1 ~~"gaming employee," "gaming school," "gaming service provider,"~~
2 ~~"key employee," "licensed facility," "licensed racing entity,"~~
3 ~~"manufacturer," "manufacturer license," "player," "progressive~~
4 ~~payout," "progressive system," "Race Horse Industry Reform Act,"~~
5 ~~"slot machine," "supplier," "supplier license," "table game" and~~
6 ~~"table game device" in section 1103 of Title 4 are amended and~~
7 ~~the section is amended by adding definitions to read:~~

8 ~~§ 1103. Definitions.~~

9 ~~The following words and phrases when used in this part shall~~
10 ~~have the meanings given to them in this section unless the~~
11 ~~context clearly indicates otherwise:~~

12 ~~* * *~~

13 ~~"Airport authority." Any of the following:~~

14 ~~(1) the governing body of a municipal authority~~
15 ~~organized and incorporated to oversee the operations of a~~
16 ~~qualified airport under 53 Pa.C.S. Ch. 56 (relating to~~
17 ~~municipal authorities); or~~

18 ~~(2) a city of the first class that regulates the use and~~
19 ~~control of a qualified airport located partially in a county~~
20 ~~of the first class and partially in a county contiguous to a~~
21 ~~county of the first class.~~

22 ~~"Airport gaming area." A location or locations within a~~
23 ~~qualified airport approved by the airport authority and the~~
24 ~~Pennsylvania Gaming Control Board for the conduct of interactive~~
25 ~~gaming through the use of multi-use computing devices by~~
26 ~~eligible passengers.~~

27 ~~* * *~~

28 ~~"Associated equipment." Any equipment or mechanical,~~
29 ~~electromechanical or electronic contrivance, component or~~
30 ~~machine used in connection with slot machines or table games,~~

1 ~~including linking devices which connect to progressive slot~~
2 ~~machines and multistate wide area progressive slot machines or~~
3 ~~slot [machines, replacement] machine replacement parts,~~
4 ~~equipment which affects the proper reporting and counting of~~
5 ~~gross terminal revenue [and], gross table game revenue and gross~~
6 ~~interactive gaming revenue, computerized systems for controlling~~
7 ~~and monitoring slot machines [or], table games or interactive~~
8 ~~games, including, but not limited to, the central control~~
9 ~~computer to which all slot machines communicate [and], devices~~
10 ~~for weighing or counting money[.] and interactive gaming devices~~
11 ~~necessary for the operation of interactive games as approved by~~
12 ~~the Pennsylvania Gaming Control Board. The term shall not~~
13 ~~include count room equipment.~~

14 * * *

15 ~~"Authorized interactive game." An interactive game approved~~
16 ~~by regulation of the Pennsylvania Gaming Control Board to be~~
17 ~~suitable for interactive gaming offered by an interactive gaming~~
18 ~~certificate holder or an interactive gaming operator on behalf~~
19 ~~of an interactive gaming certificate holder in accordance with~~
20 ~~Chapter 13B (relating to interactive gaming). The term shall~~
21 ~~include any interactive game approved by regulation of the~~
22 ~~Pennsylvania Control Board to be suitable for interactive gaming~~
23 ~~through the use of a multi use computing device.~~

24 * * *

25 ~~"Cash equivalent." An asset that is readily convertible to~~
26 ~~cash, including, but not limited to, any of the following:~~

27 ~~(1) Chips or tokens.~~

28 ~~(2) Travelers checks.~~

29 ~~(3) Foreign currency and coin.~~

30 ~~(4) Certified checks, cashier's checks and money orders.~~

1 ~~(5) Personal checks or drafts.~~

2 ~~(6) A negotiable instrument applied against credit~~
3 ~~extended by a certificate holder, an interactive gaming~~
4 ~~certificate holder, an interactive gaming operator or a~~
5 ~~financial institution.~~

6 ~~(6.1) A prepaid access instrument.~~

7 ~~(7) Any other instrument or representation of value that~~
8 ~~the Pennsylvania Gaming Control Board deems a cash~~
9 ~~equivalent.~~

10 ~~* * *~~

11 ~~"Cheat." To defraud or steal from any player, slot machine~~
12 ~~licensee or the Commonwealth while operating or playing a slot~~
13 ~~machine [or], table game[,] or authorized interactive game,~~
14 ~~including causing, aiding, abetting or conspiring with another~~
15 ~~person to do so. The term shall also mean to alter or causing,~~
16 ~~aiding, abetting or conspiring with another person to alter the~~
17 ~~elements of chance, method of selection or criteria which~~
18 ~~determine:~~

19 ~~(1) The result of a slot machine game [or], table game~~
20 ~~or authorized interactive game.~~

21 ~~(2) The amount or frequency of payment in a slot machine~~
22 ~~game [or], table game or authorized interactive game.~~

23 ~~(3) The value of a wagering instrument.~~

24 ~~(4) The value of a wagering credit.~~

25 ~~The term does not include altering a slot machine, table game~~
26 ~~device or associated equipment or interactive gaming device or~~
27 ~~associated equipment for maintenance or repair with the approval~~
28 ~~of a slot machine licensee.~~

29 ~~"Cheating or thieving device." A device, software or~~
30 ~~hardware used or possessed with the intent to be used to cheat~~

1 ~~during the operation or play of any slot machine [or], table~~
2 ~~game or authorized interactive game.~~ The term shall also include
3 ~~any device used to alter a slot machine [or], a table game~~
4 ~~device or associated equipment, an authorized interactive game~~
5 ~~or interactive gaming device or associated equipment without the~~
6 ~~slot machine licensee's approval.~~

7 * * *

8 ~~["Commission" or "commissions."] "Commission." The State~~
9 ~~Horse Racing Commission [or the State Harness Racing Commission,~~
10 ~~or both as the context may require.] as defined in 3 Pa.C.S. §~~
11 ~~9301 (relating to definitions).~~

12 ~~"Communications technology." Any method used and the~~
13 ~~components employed to facilitate the transmission and receipt~~
14 ~~of information, including transmission and reception by systems~~
15 ~~using wire, wireless, cable, radio, microwave, light, fiber~~
16 ~~optics, satellite or computer data networks, including the~~
17 ~~Internet and intranets.~~

18 * * *

19 ~~"Concession operator." A person engaged in the sale or~~
20 ~~offering for sale of consumer goods or services to the public at~~
21 ~~a qualified airport, or authorized to conduct other commercial~~
22 ~~activities related to passenger services at a qualified airport,~~
23 ~~in accordance with the terms and conditions of an agreement or~~
24 ~~contract with an airport authority, government entity or other~~
25 ~~person.~~

26 ~~"Conduct of gaming." The licensed placement, operation and~~
27 ~~play of slot machines [and], table games and interactive games~~
28 ~~and casino simulcasting under this part, as authorized and~~
29 ~~approved by the Pennsylvania Gaming Control Board. The term~~
30 ~~shall include the licensed placement, operation and play of~~

~~1 authorized interactive games through the use of multi use
2 computing devices at a qualified airport under Subchapter B.1 of
3 Chapter 13B (relating to multi use computing devices).~~

~~4 "Contest." A slot machine, table game or authorized
5 interactive game competition among players for cash, cash-
6 equivalents or prizes.~~

~~7 * * *~~

~~8 "Counterfeit chip." Any object or thing that is:~~

~~9 (1) used or intended to be used to play a table game at
10 a certificate holder's licensed facility and which was not
11 issued by that certificate holder for such use; [or]~~

~~12 (2) presented to a certificate holder for redemption if
13 the object was not issued by the certificate holder[.];~~

~~14 (3) used or intended to be used to play an authorized
15 interactive game which was not approved by the interactive
16 gaming certificate holder for such use; or~~

~~17 (4) presented during play of an authorized interactive
18 game for redemption, if the object or thing was not issued by
19 the interactive gaming certificate holder or interactive
20 gaming operator.~~

~~21 * * *~~

~~22 "Eligible passenger." An individual 21 years of age or older
23 who has cleared security check points with a valid airline
24 boarding pass for travel from one destination to another by
25 airplane.~~

~~26 * * *~~

~~27 "Fully automated electronic gaming table." An electronic
28 gaming table determined by the Pennsylvania Gaming Control Board
29 to be playable or operable as a table game without the
30 assistance or participation of a person acting on behalf of a~~

1 ~~certificate holder. The term shall include a multi-use computing~~
2 ~~device, which through the use of digital, electronic or other~~
3 ~~communications technology, is capable of simulating a table~~
4 ~~game.~~

5 * * *

6 ~~"Gaming employee." Any employee of a slot machine licensee,~~
7 ~~including, but not limited to:~~

8 ~~(1) Cashiers.~~

9 ~~(2) Change personnel.~~

10 ~~(3) Count room personnel.~~

11 ~~(4) Slot attendants.~~

12 ~~(5) Hosts or other individuals authorized to extend~~
13 ~~complimentary services, including employees performing~~
14 ~~functions similar to those performed by a gaming junket~~
15 ~~representative.~~

16 ~~(6) Machine mechanics, computer machine technicians or~~
17 ~~table game device technicians.~~

18 ~~(7) Security personnel.~~

19 ~~(8) Surveillance personnel.~~

20 ~~(9) Promotional play supervisors, credit supervisors,~~
21 ~~pit supervisors, cashier supervisors, shift supervisors,~~
22 ~~table game managers and assistant managers and other~~
23 ~~supervisors and managers, except for those specifically~~
24 ~~identified in this part as key employees.~~

25 ~~(10) Boxmen.~~

26 ~~(11) Dealers or croupiers.~~

27 ~~(12) Floormen.~~

28 ~~(13) Personnel authorized to issue promotional play.~~

29 ~~(14) Personnel authorized to issue credit.~~

30 ~~The term shall include employees of a person holding a~~

1 ~~supplier's license whose duties are directly involved with the~~
2 ~~repair or distribution of slot machines, table game devices or~~
3 ~~associated equipment or interactive gaming devices or associated~~
4 ~~equipment sold or provided to a licensed facility within this~~
5 ~~Commonwealth as determined by the Pennsylvania Gaming Control~~
6 ~~Board. The term shall further include employees of a person~~
7 ~~authorized by the board to supply goods and services related to~~
8 ~~interactive gaming or any subcontractor or an employee of a~~
9 ~~subcontractor that supplies interactive gaming devices,~~
10 ~~including multi use computing devices, or associated equipment~~
11 ~~to an interactive gaming certificate holder or interactive~~
12 ~~gaming operator who are directly involved in the operations of~~
13 ~~interactive gaming. The term does not include bartenders,~~
14 ~~cocktail servers or other persons engaged solely in preparing or~~
15 ~~servicing food or beverages, clerical or secretarial personnel,~~
16 ~~parking attendants, janitorial, stage, sound and light~~
17 ~~technicians and other nongaming personnel as determined by the~~
18 ~~board.~~

19 ~~"Gaming floor." Any portion of a licensed facility where~~
20 ~~slot machines or table games have been installed for use or~~
21 ~~play.~~

22 * * *

23 ~~"Gaming related restricted area." Any room or area of a~~
24 ~~licensed facility which is specifically designated by the~~
25 ~~Pennsylvania Gaming Control Board as restricted or by the slot~~
26 ~~machine licensee as restricted in its board approved internal~~
27 ~~controls.~~

28 * * *

29 ~~"Gaming school." Any educational institution approved by the~~
30 ~~Department of Education as an accredited college or university,~~

1 ~~community college, Pennsylvania private licensed school or its~~
2 ~~equivalent and whose curriculum guidelines are approved by the~~
3 ~~Department of Labor and Industry to provide education and job~~
4 ~~training related to employment opportunities associated with~~
5 ~~slot machines [or], table games or interactive games, including~~
6 ~~slot machine, table game device and associated equipment~~
7 ~~maintenance and repair and interactive gaming devices and~~
8 ~~associated equipment maintenance and repair.~~

9 ~~"Gaming service provider." A person that is not required to~~
10 ~~be licensed as a manufacturer, supplier, management company or~~
11 ~~gaming junket enterprise under this part or regulations of the~~
12 ~~Pennsylvania Gaming Control Board and:~~

13 ~~(1) provides goods or services, including, but not~~
14 ~~limited to, count room equipment, to a slot machine licensee~~
15 ~~or an applicant for a slot machine license for use in the~~
16 ~~operation of a licensed facility; [or] and~~

17 ~~(2) provides goods or services [at] to a slot machine~~
18 ~~licensee or an applicant for a slot machine license that~~
19 ~~requires access to the gaming floor or a gaming related~~
20 ~~restricted area of a licensed facility as determined by the~~
21 ~~Pennsylvania Gaming Control Board.~~

22 ~~"Gross interactive gaming revenue." As follows:~~

23 ~~(1) The total of all cash or cash equivalent wagers paid~~
24 ~~by registered players or eligible passengers to an~~
25 ~~interactive gaming certificate holder in consideration for~~
26 ~~the play of authorized interactive games, minus:~~

27 ~~(i) The total of cash or cash equivalents paid out~~
28 ~~to registered players as winnings.~~

29 ~~(ii) The cash equivalent value of any personal~~
30 ~~property or other noncash items or things of value~~

~~included in a drawing, contest or tournament and distributed to registered players as a result of playing authorized interactive games.~~

~~(iii) Any administrative fee, operations fee or tax paid to another state or jurisdiction pursuant to an interactive gaming reciprocal agreement.~~

~~(2) Amounts deposited with an interactive gaming certificate holder for purposes of interactive gaming and amounts taken in fraudulent acts perpetrated against an interactive gaming certificate holder for which the interactive gaming certificate holder is not reimbursed shall not be considered to have been paid to the interactive gaming certificate holder for purposes of calculating gross interactive gaming revenue. For purposes of calculating the tax imposed under section 13B52 (relating to interactive gaming tax) and the local share assessment imposed under section 13B53 (relating to local share assessment), the term shall not include gross revenue generated from the conduct of interactive gaming through multi-use computing devices at a qualified airport.~~

~~* * *~~

~~"Hybrid slot machine." A slot machine in which a combination of the skill of the player and elements of chance affects the outcome of the game.~~

~~* * *~~

~~"Interactive game." Any gambling game offered through the use of communications technology that allows a person, utilizing money, checks, electronic checks, electronic transfers of money, credit cards or any other instrumentality to transmit electronic information to assist in the placement of a bet or wager and~~

1 ~~corresponding information related to the display of the game,~~
2 ~~game outcomes or other similar information. The term shall not~~
3 ~~include:~~

4 ~~(1) A lottery game or Internet instant game as defined~~
5 ~~in the act of August 26, 1971 (P.L.351, No.91), known as the~~
6 ~~State Lottery Law.~~

7 ~~(2) iLottery under Chapter 7 (relating to iLottery).~~

8 ~~(3) A nongambling game that does not otherwise require a~~
9 ~~license under the laws of this Commonwealth.~~

10 ~~"Interactive gaming." The placing of wagers with an~~
11 ~~interactive gaming certificate holder or interactive gaming~~
12 ~~operator using a computer network of both Federal and non-~~
13 ~~Federal interoperable packet switched data networks through~~
14 ~~which an interactive gaming certificate holder may offer~~
15 ~~authorized interactive games to registered players. The term~~
16 ~~shall include the placing of wagers through the use of a multi-~~
17 ~~use computing device.~~

18 ~~"Interactive gaming account." The formal, electronic system~~
19 ~~implemented by an interactive gaming certificate holder to~~
20 ~~record the balance of a registered player's debits, credits and~~
21 ~~other financial activity related to interactive gaming.~~

22 ~~"Interactive gaming account agreement." An agreement entered~~
23 ~~into between an interactive gaming certificate holder and a~~
24 ~~registered player which governs the terms and conditions of the~~
25 ~~registered player's interactive gaming account and the use of~~
26 ~~the Internet for purposes of placing wagers on authorized~~
27 ~~interactive games operated by an interactive gaming certificate~~
28 ~~holder or interactive gaming operator.~~

29 ~~"Interactive gaming agreement." An agreement entered into by~~
30 ~~or between an interactive gaming certificate holder and an~~

~~1 interactive gaming operator related to the offering or operation
2 of interactive gaming or an interactive gaming system by the
3 interactive gaming operator on behalf of the interactive gaming
4 certificate holder. The term shall include an interactive gaming
5 agreement entered into between an interactive gaming certificate
6 holder and an interactive gaming operator for the conduct of
7 interactive gaming through the use of multi use computing
8 devices at a qualified airport in accordance with Chapter 13B
9 (relating to interactive gaming).~~

~~10 "Interactive gaming certificate." The authorization issued
11 to a slot machine licensee by the Pennsylvania Gaming Control
12 Board authorizing the operation and conduct of interactive
13 gaming by a slot machine licensee in accordance with Chapter 13B
14 (relating to interactive gaming).~~

~~15 "Interactive gaming certificate holder." A slot machine
16 licensee that has been granted authorization by the Pennsylvania
17 Gaming Control Board to operate interactive gaming in accordance
18 with Chapter 13B (relating to interactive gaming).~~

~~19 "Interactive gaming device." All hardware and software and
20 other technology, equipment or device of any kind as determined
21 by the Pennsylvania Gaming Control Board to be necessary for the
22 conduct of authorized interactive games.~~

~~23 "Interactive gaming license." A license issued to an
24 interactive gaming operator by the Pennsylvania Gaming Control
25 Board under Chapter 13B (relating to interactive gaming).~~

~~26 "Interactive gaming operator." A person licensed by the
27 Pennsylvania Gaming Control Board to operate interactive gaming
28 or an interactive gaming system on behalf of an interactive
29 gaming certificate holder. The term shall include a person that
30 has received conditional authorization under section 13B14~~

1 ~~(relating to interactive gaming operators) for so long as such~~
2 ~~authorization is effective.~~

3 ~~"Interactive gaming platform." The combination of hardware~~
4 ~~and software or other technology designed and used to manage,~~
5 ~~conduct and record interactive games and the wagers associated~~
6 ~~with interactive games, as approved by the Pennsylvania Gaming~~
7 ~~Control Board. The term shall include any emerging or new~~
8 ~~technology deployed to advance the conduct and operation of~~
9 ~~interactive gaming, as approved through regulation by the~~
10 ~~Pennsylvania Gaming Control Board.~~

11 ~~"Interactive gaming reciprocal agreement." An agreement~~
12 ~~negotiated by the Pennsylvania Gaming Control Board on behalf of~~
13 ~~the Commonwealth with the regulatory agency of one or more~~
14 ~~states or jurisdictions where interactive gaming is legally~~
15 ~~authorized which will permit the conduct of interactive gaming~~
16 ~~between interactive gaming certificate holders in this~~
17 ~~Commonwealth and gaming entities in the states or jurisdictions~~
18 ~~that are parties to the agreement.~~

19 ~~"Interactive gaming restricted area." Any room or area, as~~
20 ~~approved by the Pennsylvania Gaming Control Board, used by an~~
21 ~~interactive gaming certificate holder or interactive gaming~~
22 ~~operator to manage, control and operate interactive gaming,~~
23 ~~including, where approved by the board, redundancy facilities.~~

24 ~~"Interactive gaming skin or skins." The portal or portals to~~
25 ~~an interactive gaming platform or Internet website through which~~
26 ~~authorized interactive games are made available by an~~
27 ~~interactive gaming certificate holder or interactive gaming~~
28 ~~operator to registered players in this Commonwealth or~~
29 ~~registered players in any other state or jurisdiction which has~~
30 ~~entered into an interactive gaming reciprocal agreement.~~

1 ~~"Interactive gaming system." All hardware, software and~~
2 ~~communications that comprise a type of server based gaming~~
3 ~~system for the purpose of offering authorized interactive games.~~

4 ~~"Internet website." The interactive gaming skin or skins~~
5 ~~through which an interactive gaming certificate holder or other~~
6 ~~person makes authorized interactive games available for play.~~

7 * * *

8 ~~"Key employee." Any individual who is employed in a director~~
9 ~~or department head capacity and who is empowered to make~~
10 ~~discretionary decisions that regulate slot machine [or]~~
11 ~~operations, table game operations, interactive gaming operations~~
12 ~~or casino simulcasting, including the general manager and~~
13 ~~assistant manager of the licensed facility, director of slot~~
14 ~~operations, director of table game operations, director of~~
15 ~~interactive gaming, director of cage and/or credit operations,~~
16 ~~director of surveillance, director of marketing, director of~~
17 ~~management information systems, director of interactive gaming~~
18 ~~system programs or other similar job classifications associated~~
19 ~~with interactive gaming and casino simulcasting, persons who~~
20 ~~manage, control or administer interactive gaming and casino~~
21 ~~simulcasting or the bets and wagers associated with authorized~~
22 ~~interactive games and casino simulcasting, director of security,~~
23 ~~comptroller and any employee who is not otherwise designated as~~
24 ~~a gaming employee and who supervises the operations of these~~
25 ~~departments or to whom these department directors or department~~
26 ~~heads report and such other positions not otherwise designated~~
27 ~~or defined under this part which the Pennsylvania Gaming Control~~
28 ~~Board shall determine based on detailed analyses of job~~
29 ~~descriptions as provided in the internal controls of the~~
30 ~~licensee as approved by the Pennsylvania Gaming Control Board.~~

1 ~~All other gaming employees unless otherwise designated by the~~
2 ~~Pennsylvania Gaming Control Board shall be classified as non-key~~
3 ~~employees.~~

4 * * *

5 ~~"Licensed facility." As follows:~~

6 ~~(1) The physical land based location at which a licensed~~
7 ~~gaming entity is authorized to place and operate slot~~
8 ~~machines and, if authorized by the Pennsylvania Gaming~~
9 ~~Control Board under Chapter 13A (relating to table games), to~~
10 ~~conduct table games and if authorized under Chapter 13B~~
11 ~~(relating to interactive gaming), to conduct interactive~~
12 ~~gaming. The term includes any:~~

13 ~~[(1)] (i) area of a licensed racetrack at which a~~
14 ~~slot machine licensee was previously authorized pursuant~~
15 ~~to section 1207(17) (relating to regulatory authority of~~
16 ~~board) to operate slot machines prior to the effective~~
17 ~~date of this paragraph;~~

18 ~~[(2)] (ii) board approved interim facility or~~
19 ~~temporary facility; [and]~~

20 ~~[(3)] (iii) area of a hotel which the Pennsylvania~~
21 ~~Gaming Control Board determines is suitable to conduct~~
22 ~~table games[.]; and~~

23 ~~(iv) area of a licensed facility where casino~~
24 ~~simuleasting is conducted, as approved by the~~
25 ~~Pennsylvania Gaming Control Board.~~

26 ~~(2) The term shall not include a redundancy facility or~~
27 ~~an interactive gaming restricted area which is not located on~~
28 ~~the premises of a licensed facility as approved by the~~
29 ~~Pennsylvania Gaming Control Board and which is maintained and~~
30 ~~operated by an interactive gaming certificate holder in~~

1 ~~connection with interactive gaming or by a Category 1 slot~~
2 ~~machine licensee in connection with the operation of slot~~
3 ~~machines at a nonprimary location or in connection with~~
4 ~~casino simulcasting.~~

5 * * *

6 ~~"Licensed racing entity." Any legal entity that has obtained~~
7 ~~a license to conduct live thoroughbred or harness horse race~~
8 ~~meetings respectively with pari mutuel wagering from [either]~~
9 ~~the State Horse Racing Commission [or the State Harness Racing~~
10 ~~Commission] pursuant to [the act of December 17, 1981 (P.L.435,~~
11 ~~No.135), known as] the Race Horse Industry Reform Act.~~

12 ~~"Manufacturer." A person who manufactures, builds, rebuilds,~~
13 ~~fabricates, assembles, produces, programs, designs or otherwise~~
14 ~~makes modifications to any slot machine, table game device or~~
15 ~~associated equipment or authorized interactive games for use or~~
16 ~~play of slot machines [or], table games or authorized~~
17 ~~interactive games in this Commonwealth for gaming purposes. The~~
18 ~~term shall not include a person who manufactures, builds,~~
19 ~~rebuilds, fabricates, assembles, produces, programs, designs or~~
20 ~~otherwise makes modifications to multi use computing devices~~
21 ~~used in connection with the conduct of interactive gaming at a~~
22 ~~qualified airport.~~

23 ~~"Manufacturer license." A license issued by the Pennsylvania~~
24 ~~Gaming Control Board authorizing a manufacturer to manufacture~~
25 ~~or produce slot machines, table game devices or associated~~
26 ~~equipment, interactive gaming devices or associated equipment~~
27 ~~for use in this Commonwealth for gaming purposes.~~

28 * * *

29 ~~"Multi use computing device." As follows:~~

30 ~~(1) A computing device, including, but not limited to, a~~

1 ~~tablet computer, that:~~

2 ~~(i) Is located and accessible to eligible passengers~~
3 ~~only in an airport gaming area.~~

4 ~~(ii) Allows an eligible passenger to play an~~
5 ~~authorized interactive game.~~

6 ~~(iii) Communicates with a server that is in a~~
7 ~~location approved by the Pennsylvania Gaming Control~~
8 ~~Board.~~

9 ~~(iv) Is approved by the Pennsylvania Gaming Control~~
10 ~~Board.~~

11 ~~(v) Has the capability of being linked to and~~
12 ~~monitored by the department's central control computer~~
13 ~~system, as applicable for any particular interactive~~
14 ~~game, in accordance with section 1323 (relating to~~
15 ~~central control computer system).~~

16 ~~(vi) Offers a player additional functions which~~
17 ~~shall include Internet browsing, the capability of~~
18 ~~checking flight status and ordering food or beverages.~~

19 ~~(2) The term shall not include any tablet or computing~~
20 ~~device that restricts, prohibits or is incapable of providing~~
21 ~~access to interactive gaming, interactive gaming skins or~~
22 ~~interactive gaming platforms.~~

23 ~~"Multistate agreement." The written agreement between the~~
24 ~~Pennsylvania Gaming Control Board and regulatory agencies in~~
25 ~~other states or jurisdictions for the operation of a multistate~~
26 ~~wide area progressive slot machine system.~~

27 ~~"Multistate wide area progressive slot machine system." The~~
28 ~~linking of slot machines located in this Commonwealth with slot~~
29 ~~machines located in one or more states or jurisdictions whose~~
30 ~~regulatory agencies have entered into written agreements with~~

1 ~~the Pennsylvania Gaming Control Board for the operation of the~~
2 ~~system.~~

3 * * *

4 ~~"Nongaming service provider." A person that is not a gaming~~
5 ~~service provider or required to be licensed as a manufacturer,~~
6 ~~supplier, management company or gaming junket enterprise under~~
7 ~~this part or regulations of the Pennsylvania Gaming Control~~
8 ~~Board and that provides goods or services:~~

9 ~~(1) to a slot machine licensee or applicant for a slot~~
10 ~~machine license for use in the operation of a licensed~~
11 ~~facility; and~~

12 ~~(2) that does not require access to the gaming floor or~~
13 ~~a gaming related restricted area of a licensed facility.~~

14 * * *

15 ~~"Player." An individual wagering cash, a cash equivalent or~~
16 ~~other thing of value in the play or operation of a slot machine~~
17 ~~[or], an authorized interactive game or a table game, including~~
18 ~~during a contest or tournament, the play or operation of which~~
19 ~~may deliver or entitle the individual playing or operating the~~
20 ~~slot machine [or], authorized interactive game or table game to~~
21 ~~receive cash, a cash equivalent or other thing of value from~~
22 ~~another player or a slot machine licensee.~~

23 ~~"Prepaid access instrument." A card, code, electronic serial~~
24 ~~number, mobile identification number, personal identification~~
25 ~~number or similar device that:~~

26 ~~(1) Allows patron access to funds that have been paid in~~
27 ~~advance and can be retrieved or transferred at some point in~~
28 ~~the future through the device.~~

29 ~~(2) Qualifies as an access device for purposes of~~
30 ~~Regulation E issued by the Board of Governors of the Federal~~

~~Reserve System under 12 CFR Pt. 205 (relating to electronic fund transfers (Regulation E));~~

~~(3) Must be distributed by a slot machine licensee or its affiliates in order to be considered a cash equivalent at the slot machine licensee's location or the location of the slot machine licensee's affiliates.~~

~~(4) Must be used in conjunction with an approved cashless wagering system or electronic credit system in order to transfer funds for gaming purposes.~~

~~* * *~~

~~"Progressive payout." A slot machine wager payout that increases in a monetary amount based on the amounts wagered in a progressive system, including a multistate wide area progressive slot machine system.~~

~~"Progressive system." A computerized system linking slot machines in one or more licensed facilities within this Commonwealth and offering one or more common progressive payouts based on the amounts wagered. The term shall include a multistate wide area progressive system.~~

~~* * *~~

~~"Qualified airport." Any of the following:~~

~~(1) A publicly owned commercial service airport that is designated by the Federal Government as an international airport.~~

~~(2) A publicly owned commercial service airport that has at least 50,000 passenger enplanements in any calendar year.~~

~~"Race Horse Industry Reform Act." [The act of December 17, 1981 (P.L.435, No.135), known as the Race Horse Industry Reform Act.] 3 Pa.C.S. Ch. 93 (relating to race horse industry reform).~~

~~* * *~~

1 ~~"Redundancy facilities." Any and all rooms or areas used by~~
2 ~~a slot machine licensee for emergency backup, redundancy or~~
3 ~~secondary operations attendant to interactive gaming as approved~~
4 ~~by the Pennsylvania Gaming Control Board.~~

5 ~~"Registered player." An individual who has entered into an~~
6 ~~interactive gaming account agreement with an interactive gaming~~
7 ~~certificate holder.~~

8 * * *

9 ~~"Skill." The knowledge, dexterity, adroitness, acumen or~~
10 ~~other mental skill of an individual.~~

11 ~~"Skill slot machine." A slot machine in which the skill of~~
12 ~~the player, rather than the elements of chance, is the~~
13 ~~predominant factor in affecting the outcome of the game.~~

14 ~~"Slot machine."—~~

15 ~~(1) The term includes:~~

16 ~~(i) Any mechanical, electrical or computerized~~
17 ~~contrivance, terminal, machine or other device approved~~
18 ~~by the Pennsylvania Gaming Control Board which, upon~~
19 ~~insertion of a coin, bill, ticket, token or similar~~
20 ~~object therein or upon payment of any consideration~~
21 ~~whatsoever, including the use of any electronic payment~~
22 ~~system except a credit card or debit card, is available~~
23 ~~to play or operate, the play or operation of which,~~
24 ~~whether by reason of skill or application of the element~~
25 ~~of chance or both[, may]:~~

26 ~~(A) May deliver or entitle the person or persons~~
27 ~~playing or operating the contrivance, terminal,~~
28 ~~machine or other device to receive cash, billets,~~
29 ~~tickets, tokens or electronic credits to be exchanged~~
30 ~~for cash or to receive merchandise or anything of~~

1 value whatsoever, whether the payoff is made
2 automatically from the machine or manually. [A slot
3 machine:]

4 ~~[(1)] (B) May utilize spinning reels or video
5 displays or both.~~

6 ~~[(2)] (C) May or may not dispense coins, tickets
7 or tokens to winning patrons.~~

8 ~~[(3)] (D) May use an electronic credit system
9 for receiving wagers and making payouts. [The term
10 shall include associated equipment.]~~

11 ~~(ii) Associated equipment necessary to conduct the
12 operation of the contrivance, terminal, machine or other
13 device.~~

14 ~~(iii) A skill slot machine, hybrid slot machine and
15 the devices or associated equipment necessary to conduct
16 the operation of a skill slot machine or hybrid slot
17 machine.~~

18 ~~(iv) A slot machine used in a multistate wide area
19 progressive slot machine system and devices and
20 associated equipment as defined by the Pennsylvania
21 Gaming Control Board through regulations.~~

22 ~~(v) A multi use computing device which is capable of
23 simulating, either digitally or electronically, a slot
24 machine.~~

25 ~~(2) The term does not include a fantasy contest terminal
26 within the meaning of Chapter 3 (relating to fantasy
27 contests).~~

28 * * *

29 ~~"Supplier." A person that sells, leases, offers or otherwise
30 provides, distributes or services any slot machine, table game~~

1 ~~device or associated equipment, or interactive gaming device or~~
2 ~~associated equipment for use or play of slot machines [or],~~
3 ~~table games or interactive games in this Commonwealth. The term~~
4 ~~shall include a person that sells, leases, offers or otherwise~~
5 ~~provides, distributes or services any multi use computing device~~
6 ~~as approved by the Pennsylvania Gaming Control Board.~~

7 ~~"Supplier license." A license issued by the Pennsylvania~~
8 ~~Gaming Control Board authorizing a supplier to provide products~~
9 ~~or services related to slot machines, table game devices or~~
10 ~~associated equipment, interactive gaming devices, including any~~
11 ~~multi use computing device or associated equipment, to slot~~
12 ~~machine licensees for use in this Commonwealth for gaming~~
13 ~~purposes.~~

14 * * *

15 ~~"Table game." Any banking or nonbanking game approved by the~~
16 ~~Pennsylvania Gaming Control Board. The term includes roulette,~~
17 ~~baccarat, blackjack, poker, craps, big six wheel, mini baccarat,~~
18 ~~red dog, pai gow, twenty one, casino war, acey ducey, sic bo,~~
19 ~~ehuck a luck, Panguingue, Fan tan, Asia poker, Boston 5 stud~~
20 ~~poker, Caribbean stud poker, Colorado hold'em poker, double~~
21 ~~attack blackjack, double cross poker, double down stud poker,~~
22 ~~fast action hold'em, flop poker, four card poker, let it ride~~
23 ~~poker, mini craps, mini dice, pai gow poker, pokette, Spanish~~
24 ~~21, Texas hold'em bonus poker, three card poker, two card joker~~
25 ~~poker, ultimate Texas hold'em, winner's pot poker and any other~~
26 ~~banking or nonbanking game. The term shall not include:~~

27 ~~(1) Lottery games of the Pennsylvania State Lottery as~~
28 ~~authorized under the act of August 26, 1971 (P.L.351, No.91),~~
29 ~~known as the State Lottery Law.~~

30 ~~(2) Bingo as authorized under the act of July 10, 1981~~

1 ~~(P.L.214, No.67), known as the Bingo Law.~~

2 ~~(3) Pari-mutuel betting on the outcome of thoroughbred-~~
3 ~~or harness horse racing as authorized under the act of-~~
4 ~~December 17, 1981 (P.L.435, No.135), known as the Race Horse-~~
5 ~~Industry Reform Act.~~

6 ~~(4) Small games of chance as authorized under the act of-~~
7 ~~December 19, 1988 (P.L.1262, No.156), known as the Local-~~
8 ~~Option Small Games of Chance Act.~~

9 ~~(5) Slot machine gaming and progressive slot machine-~~
10 ~~gaming as defined and authorized under this part.~~

11 ~~(6) Keno.~~

12 ~~(7) A fantasy contest terminal within the meaning of-~~
13 ~~Chapter 3 (relating to fantasy contests).~~

14 ~~(8) iLottery under Chapter 7 (relating to iLottery).~~

15 ~~"Table game device." Includes gaming tables, cards, dice,~~
16 ~~chips, shufflers, tiles, dominoes, wheels[, drop boxes] or any-~~
17 ~~mechanical, electrical or computerized contrivance, terminal,~~
18 ~~machine or other device, apparatus, equipment or supplies-~~
19 ~~approved by the Pennsylvania Gaming Control Board and used to-~~
20 ~~conduct a table game or that is capable, through the use of~~
21 ~~digital, electronic or other communications technology, of~~
22 ~~simulating play of a table game.~~

23 ~~* * *~~

24 ~~Section 4. Section 1201(h)(11) of Title 4 is amended to-~~
25 ~~read:~~

26 ~~§ 1201. Pennsylvania Gaming Control Board established.~~

27 ~~* * *~~

28 ~~(h) Qualifications and restrictions.~~

29 ~~* * *~~

30 ~~(11) No member, employee of the board or independent-~~

1 ~~contractor shall accept a complimentary service, wager or be~~
2 ~~paid any prize from any wager at any licensed facility within~~
3 ~~this Commonwealth [or], at any other facility outside this~~
4 ~~Commonwealth which is owned or operated by a licensed gaming~~
5 ~~entity or any of its affiliates, intermediaries, subsidiaries~~
6 ~~or holding companies or as a result of playing an interactive~~
7 ~~game including on a multi use computing device for the~~
8 ~~duration of their term of office, employment or contract with~~
9 ~~the board and for a period of two years from the termination~~
10 ~~of term of office, employment or contract with the board. The~~
11 ~~provisions of this paragraph prohibiting wagering during the~~
12 ~~term of employment shall not apply to employees or~~
13 ~~independent contractors while utilizing slot machines [or],~~
14 ~~table game devices, interactive gaming devices or multi use~~
15 ~~computing devices for testing purposes or while verifying the~~
16 ~~performance of a slot machine [or], table game, interactive~~
17 ~~gaming device or multi use computing device as part of an~~
18 ~~enforcement investigation.~~

19 * * *

20 Section 5. ~~Section 1202(a)(1) and (b)(17), (18), (20) and~~
21 ~~(23) of Title 4 are amended and subsection (b) is amended by~~
22 ~~adding paragraphs to read:~~

23 § 1202. ~~General and specific powers.~~

24 ~~(a) General powers.—~~

25 ~~(1) The board shall have general and sole regulatory~~
26 ~~authority over the conduct of gaming [or] and related~~
27 ~~activities as described in this part. The board shall ensure~~
28 ~~the integrity of the acquisition and operation of slot~~
29 ~~machines, table games, table game devices and associated~~
30 ~~equipment and authorized interactive games and interactive~~

1 ~~gaming devices and associated equipment and shall have sole~~
2 ~~regulatory authority over every aspect of the authorization,~~
3 ~~operation and play of slot machines [and], table games and~~
4 ~~interactive gaming devices and associated equipment and the~~
5 ~~implementation and regulation of airport gaming.~~

6 * * *

7 ~~(b) Specific powers. The board shall have the specific~~
8 ~~power and duty:~~

9 * * *

10 ~~(12.2) At its discretion, to award, revoke, suspend,~~
11 ~~condition or deny an interactive gaming certificate or an~~
12 ~~interactive gaming license in accordance with Chapter 13B-~~
13 ~~(relating to interactive gaming).~~

14 ~~(12.3) To award, revoke, suspend, condition or deny a~~
15 ~~casino simulcasting permit in accordance with Chapter 13F-~~
16 ~~(relating to casino simulcasting).~~

17 * * *

18 ~~(17) To require prospective and existing employees,~~
19 ~~independent contractors, applicants, licensees and permittees~~
20 ~~to submit to fingerprinting by the Pennsylvania State Police~~
21 ~~or an authorized agent of the Pennsylvania State Police. The~~
22 ~~Pennsylvania State Police or an authorized agent of the~~
23 ~~Pennsylvania State Police shall submit the fingerprints to~~
24 ~~the Federal Bureau of Investigation for purposes of verifying~~
25 ~~the identity of the individual and obtaining records of~~
26 ~~criminal arrests and convictions.~~

27 ~~(18) To require prospective and existing employees,~~
28 ~~independent contractors, applicants, licensees and permittees~~
29 ~~to submit photographs consistent with the standards [of the~~
30 ~~Commonwealth Photo Imaging Network] established by the board.~~

1 * * *

2 ~~(20) In addition to the power of the board regarding~~
3 ~~license and permit applicants, to determine at its discretion~~
4 ~~the suitability of any person who furnishes or seeks to~~
5 ~~furnish to a slot machine licensee directly or indirectly any~~
6 ~~goods, services or property related to slot machines, table~~
7 ~~games, table game devices or associated equipment,~~
8 ~~interactive games and interactive gaming devices and~~
9 ~~associated equipment or casino simulcasting technology and~~
10 ~~equipment or through any arrangements under which that person~~
11 ~~receives payment based directly or indirectly on earnings,~~
12 ~~profits or receipts from the slot machines, table games,~~
13 ~~table game devices and associated equipment[.], interactive~~
14 ~~games, interactive gaming devices and associated equipment or~~
15 ~~casino simulcasting technology and equipment. The board may~~
16 ~~require any such person to comply with the requirements of~~
17 ~~this part and the regulations of the board and may prohibit~~
18 ~~the person from furnishing the goods, services or property[.]~~
19 ~~except that, in determining the suitability of a person who~~
20 ~~furnishes or seeks to furnish casino simulcasting technology~~
21 ~~and equipment, the board shall consult the commission.~~

22 * * *

23 ~~(23) The board shall not approve an application for or~~
24 ~~issue or renew a license, certificate, registration or permit~~
25 ~~unless it is satisfied that the applicant has demonstrated by~~
26 ~~clear and convincing evidence that the applicant is a person~~
27 ~~of good character, honesty and integrity and is a person~~
28 ~~whose prior activities, criminal record, if any, reputation,~~
29 ~~habits and associations do not pose a threat to the public~~
30 ~~interest or the effective regulation and control of slot~~

1 ~~machine [or] operations, table game operations, interactive~~
2 ~~gaming operations or casino simulcasting, or create or~~
3 ~~enhance the danger of unsuitable, unfair or illegal~~
4 ~~practices, methods and activities in the conduct of slot~~
5 ~~machine [or] operations, table game operations, interactive~~
6 ~~gaming operations or casino simulcasting or the carrying on~~
7 ~~of the business and financial arrangements incidental~~
8 ~~thereto.~~

9 * * *

10 ~~(27.2) Within six months of the effective date of this~~
11 ~~section, to publish on the board's Internet website a~~
12 ~~complete list of all slot machine licensees who filed a~~
13 ~~petition seeking authorization to conduct interactive gaming~~
14 ~~and the status of each petition or interactive gaming~~
15 ~~certificate.~~

16 * * *

17 ~~(35) To review detailed site plans identifying the~~
18 ~~interactive gaming restricted area or room where a slot~~
19 ~~machine licensee proposes to manage, administer or control~~
20 ~~interactive gaming operations to determine the adequacy of~~
21 ~~the proposed internal and external security and proposed~~
22 ~~surveillance measures.~~

23 ~~(36) To require each slot machine licensee that holds an~~
24 ~~interactive gaming certificate to provide on a quarterly~~
25 ~~basis the following information with respect to interactive~~
26 ~~gaming:~~

27 ~~(i) the name of any person, entity or firm to whom~~
28 ~~any payment, remuneration or other benefit or thing of~~
29 ~~value has been made or conferred for professional~~
30 ~~services, including, but not limited to, interactive~~

~~gaming system operations or management, legal, consulting
and lobbying services;~~

~~(ii) the amount or value of the payments,
remuneration, benefit or thing of value;~~

~~(iii) the date on which the payments, remuneration,
benefit or thing of value was submitted; and~~

~~(iv) the reason or purpose for the procurement of
the services.~~

~~(37) To review and approve detailed site and
architectural plans identifying the area of a licensed
facility where a slot machine licensee proposes to place slot
machines that are or will be used in a multistate wide area
progressive slot machine system, skill slot machines or
hybrid slot machines or administer casino simulcasting and
make them available for play in order to determine the
adequacy of proposed internal and external controls, security
and proposed surveillance measures.~~

~~Section 6. Sections 1204 and 1206(f)(1) of Title 4 are
amended to read:~~

~~§ 1204. Licensed gaming entity application appeals from board.~~

~~The Supreme Court of Pennsylvania shall be vested with
exclusive appellate jurisdiction to consider appeals of any
final order, determination or decision of the board involving
the approval, issuance, denial or conditioning of a slot machine
license [or], the award, denial or conditioning of a table game
operation certificate[.] or the award, denial or conditioning of
an interactive gaming certificate, an interactive gaming license
or a casino simulcasting permit. Notwithstanding the provisions
of 2 Pa.C.S. Ch. 7 Subch. A (relating to judicial review of
Commonwealth agency action) and 42 Pa.C.S. § 763 (relating to~~

1 ~~direct appeals from government agencies), the Supreme Court~~
2 ~~shall affirm all final orders, determinations or decisions of~~
3 ~~the board involving the approval, issuance, denial or~~
4 ~~conditioning of a slot machine license [or], the award, denial~~
5 ~~or conditioning of a table game operation certificate or the~~
6 ~~award, denial or conditioning of an interactive gaming~~
7 ~~certificate, an interactive gaming license or a casino~~
8 ~~simulcasting permit, unless it shall find that the board~~
9 ~~committed an error of law or that the order, determination or~~
10 ~~decision of the board was arbitrary and there was a capricious~~
11 ~~disregard of the evidence.~~

12 ~~§ 1206. Board minutes and records.~~

13 ~~* * *~~

14 ~~(f) Confidentiality of information.~~

15 ~~(1) The following information submitted by an applicant,~~
16 ~~permittee, certificate holder, interactive gaming certificate~~
17 ~~holder or licensee pursuant to section 1310(a) (relating to~~
18 ~~slot machine license application character requirements)~~
19 ~~[or], 1308(a.1) (relating to applications for license or~~
20 ~~permit), 13B12 (relating to interactive gaming certificate~~
21 ~~required and content of petition), 13B14 (relating to~~
22 ~~interactive gaming operators) or 13F12 (relating to casino~~
23 ~~simulcasting permit) or obtained by the board or the bureau~~
24 ~~as part of a background or other investigation from any~~
25 ~~source shall be confidential and withheld from public~~
26 ~~disclosure:~~

27 ~~(i) All information relating to character, honesty~~
28 ~~and integrity, including family, habits, reputation,~~
29 ~~history of criminal activity, business activities,~~
30 ~~financial affairs and business, professional and personal~~

1 ~~associations submitted under section 1310(a) or 1308(a.1)~~
2 ~~or otherwise obtained by the board or the bureau.~~

3 ~~(ii) Nonpublic personal information, including home~~
4 ~~addresses, telephone numbers and other personal contact~~
5 ~~information, Social Security numbers, educational~~
6 ~~records, memberships, medical records, tax returns and~~
7 ~~declarations, actual or proposed compensation, financial~~
8 ~~account records, creditworthiness or financial condition~~
9 ~~relating to an applicant, licensee [or], permittee,~~
10 ~~certificate holder, interactive gaming certificate holder~~
11 ~~or casino simulcasting permit holder, or the immediate~~
12 ~~family thereof.~~

13 ~~(iii) Information relating to proprietary~~
14 ~~information, trade secrets, patents or exclusive~~
15 ~~licenses, architectural and engineering plans and~~
16 ~~information relating to competitive marketing materials~~
17 ~~and strategies, which may include customer identifying~~
18 ~~information or customer prospects for services subject to~~
19 ~~competition.~~

20 ~~(iv) Security information, including risk prevention~~
21 ~~plans, detection and countermeasures, location of count~~
22 ~~rooms, location of interactive gaming restricted areas~~
23 ~~and redundancy facilities, emergency management plans,~~
24 ~~security and surveillance plans, equipment and usage~~
25 ~~protocols and theft and fraud prevention plans and~~
26 ~~countermeasures.~~

27 ~~(v) Information with respect to which there is a~~
28 ~~reasonable possibility that public release or inspection~~
29 ~~of the information would constitute an unwarranted~~
30 ~~invasion into personal privacy of any individual as~~

1 ~~determined by the board.~~

2 ~~(vi) Records of an applicant or licensee not~~
3 ~~required to be filed with the Securities and Exchange~~
4 ~~Commission by issuers that either have securities~~
5 ~~registered under section 12 of the Securities Exchange~~
6 ~~Act of 1934 (48 Stat. 881, 15 U.S.C. § 781) or are~~
7 ~~required to file reports under section 15(d) of the~~
8 ~~Securities Exchange Act of 1934 (48 Stat. 881, 15 U.S.C.~~
9 ~~§ 78o).~~

10 ~~(vii) Records considered nonpublic matters or~~
11 ~~information by the Securities and Exchange Commission as~~
12 ~~provided by 17 CFR 200.80 (relating to commission records~~
13 ~~and information).~~

14 ~~(viii) Any financial information deemed confidential~~
15 ~~by the board upon a showing of good cause by the~~
16 ~~applicant or licensee.~~

17 ~~* * *~~

18 ~~Section 7. Section 1207(1), (5), (6), (8), (9), (10) and~~
19 ~~(21) of Title 4 are amended and the section is amended by adding~~
20 ~~paragraphs to read:~~

21 ~~§ 1207. Regulatory authority of board.~~

22 ~~The board shall have the power and its duties shall be to:~~

23 ~~(1) Deny, deny the renewal, revoke, condition or suspend~~
24 ~~any license [or], permit, certificate, registration or other~~
25 ~~authorization provided for in this part if the board finds in~~
26 ~~its sole discretion that a licensee [or], permittee,~~
27 ~~registrant, certificate holder, or interactive gaming~~
28 ~~certificate holder, under this part, or its officers,~~
29 ~~employees or agents, have furnished false or misleading~~
30 ~~information to the board or failed to comply with the~~

1 ~~provisions of this part or the rules and regulations of the~~
2 ~~board and that it would be in the public interest to deny,~~
3 ~~deny the renewal, revoke, condition or suspend the license~~
4 ~~[or], permit, certificate, registration or other~~
5 ~~authorization.~~

6 * * *

7 ~~(5) Prescribe the procedures to be followed by slot~~
8 ~~machine licensees for any financial event that occurs in the~~
9 ~~operation and play of slot machines [or], table games,~~
10 ~~authorized interactive games, casino simulcasting or multi-~~
11 ~~use computing devices.~~

12 ~~(6) Prescribe criteria and conditions for the operation~~
13 ~~of slot machine progressive systems, including multistate~~
14 ~~wide area progressive slot machine systems. A wide area~~
15 ~~progressive slot system shall be collectively administered by~~
16 ~~participating slot machine licensees in accordance with the~~
17 ~~terms of a written agreement executed by each participating~~
18 ~~slot machine licensee and, in the case of a multistate wide~~
19 ~~area progressive slot machine system, in accordance with the~~
20 ~~multistate agreement, as approved by the board.~~

21 ~~(6.1) Collaborate with the appropriate regulatory~~
22 ~~agencies in other states or jurisdictions to facilitate the~~
23 ~~establishment of multistate wide area progressive slot~~
24 ~~machine systems by slot machine licensees in this~~
25 ~~Commonwealth and, if determined necessary, enter into the~~
26 ~~multistate agreements.~~

27 * * *

28 ~~(7.2) Enforce prescribed hours for the operation of~~
29 ~~authorized interactive games so that an interactive gaming~~
30 ~~certificate holder or interactive gaming operator may conduct~~

1 ~~authorized interactive games on any day during the year in~~
2 ~~order to meet the needs of registered players or to meet~~
3 ~~competition.~~

4 ~~(7.3) In consultation with the commission, enforce~~
5 ~~prescribed hours of operation of casino simulcasting by slot~~
6 ~~machine licensees and the operation of slot machines at a~~
7 ~~nonprimary location by a Category 1 slot machine licensee.~~

8 ~~(8) Require that each licensed gaming entity prohibit~~
9 ~~persons under 21 years of age from operating or using slot~~
10 ~~machines [or], playing table games or participating in~~
11 ~~interactive gaming and casino simulcasting.~~

12 ~~(9) Establish procedures for the inspection and~~
13 ~~certification of compliance of each slot machine, table game,~~
14 ~~table game device and associated equipment, interactive game~~
15 ~~and interactive gaming device and associated equipment and~~
16 ~~casino simulcasting technology and equipment prior to being~~
17 ~~placed into use by a slot machine licensee. However, the~~
18 ~~board shall collaborate with the commission to facilitate the~~
19 ~~inspection and certification of casino simulcasting~~
20 ~~technology and equipment.~~

21 ~~(10) [Require] Subject to paragraph (10.1), require that~~
22 ~~no slot machine or authorized interactive game that~~
23 ~~replicates the play of a slot machine, other than a slot~~
24 ~~machine or authorized interactive game that replicates the~~
25 ~~play of a slot machine that is used in a multistate wide area~~
26 ~~progressive slot machine system, may be set to pay out less~~
27 ~~than the theoretical payout percentage, which shall be no~~
28 ~~less than 85%, as specifically approved by the board. The~~
29 ~~board shall adopt regulations that define the theoretical~~
30 ~~payout percentage [of a slot machine game] based on the total~~

1 value of the jackpots expected to be paid by a play or a slot
2 machine game or an authorized interactive game that
3 replicates the play of a slot machine divided by the total
4 value [of slot machine] wagers expected to be made on that
5 play or slot machine game or an authorized interactive game
6 that replicates the play of a slot machine during the same
7 portion of the game cycle. In so doing, the board shall
8 decide whether the calculation shall include the entire cycle
9 of a slot machine game or an authorized interactive game that
10 replicates the play of a slot machine or any portion thereof.
11 Subject to paragraph (10.1), in the case of a slot machine
12 that is used in a multistate wide area progressive slot
13 machine system, the theoretical payout percentage shall be as
14 set forth in the multistate agreement.

15 (10.1) For each of the following, define the player's
16 win percentage based on the relative skill of the player or
17 the combination of skill and the elements of chance of the
18 game:

19 (i) A skill slot machine or an authorized
20 interactive game that replicates the play of a skill slot
21 machine. For a skill slot machine or authorized
22 interactive game that replicates the play of a skill slot
23 machine that is used in a multistate wide area
24 progressive slot machine system, the player's win
25 percentage shall be as set forth in the multistate
26 agreement.

27 (ii) A hybrid slot machine or an authorized
28 interactive game that replicates the play of a hybrid
29 slot machine. For a hybrid slot machine or an authorized
30 interactive game that replicates the play of a hybrid

1 ~~slot machine that is used in a multistate wide area~~
2 ~~progressive slot machine system, the player's win~~
3 ~~percentage shall be set forth in the multistate~~
4 ~~agreement.~~

5 * * *

6 ~~(21) Authorize, in its discretion, a slot machine~~
7 ~~licensee to conduct slot machine contests or tournaments,~~
8 ~~table game contests or tournaments in accordance with section~~
9 ~~13A22.1 (relating to table game tournaments) or interactive~~
10 ~~gaming contests or tournaments and adopt regulations~~
11 ~~governing the conduct of such contests and tournaments.~~

12 ~~(21.1) Authorize, at its discretion, a slot machine~~
13 ~~licensee to place slot machines that are used in a multistate~~
14 ~~wide area progressive slot machine system, skill slot~~
15 ~~machines or hybrid slot machines and make them available for~~
16 ~~play at licensed facilities.~~

17 ~~(21.2) Adopt and promulgate regulations to govern the~~
18 ~~operation and placement of skill slot machines and hybrid~~
19 ~~slot machines by slot machine licensees at licensed~~
20 ~~facilities in the same manner as provided in section 13B03~~
21 ~~(relating to regulations).~~

22 ~~(22) License, regulate, investigate and take any other~~
23 ~~action determined necessary regarding all aspects of~~
24 ~~interactive gaming and casino simulcasting.~~

25 ~~(23) Define and limit the rules of authorized~~
26 ~~interactive games, including odds, interactive gaming devices~~
27 ~~and associated equipment permitted and the method of~~
28 ~~operation of authorized interactive games and interactive~~
29 ~~gaming devices and associated equipment.~~

30 ~~(24) Require, as applicable, that all wagering offered~~

1 ~~through interactive gaming display online the permissible~~
2 ~~minimum and maximum wagers associated with each authorized~~
3 ~~interactive game.~~

4 ~~(25) Ensure, in consultation with the commission, that~~
5 ~~the wagering at casino simulcasting facilities is conducted~~
6 ~~in conformance with the pari mutuel system of wagering~~
7 ~~regulated by the commission under 3 Pa.C.S. Ch. 93 (relating~~
8 ~~to race horse industry reform).~~

9 ~~(26) Negotiate and enter into interactive gaming~~
10 ~~reciprocal agreements on behalf of the Commonwealth to govern~~
11 ~~the conduct of interactive gaming between interactive gaming~~
12 ~~certificate holders in this Commonwealth and gaming entities~~
13 ~~in other states or jurisdictions. Notwithstanding any~~
14 ~~provision of this part, wagers may be accepted in accordance~~
15 ~~with this part and regulations of the board from persons in~~
16 ~~other states or jurisdictions and wagers from persons in this~~
17 ~~Commonwealth may be made through an interactive gaming~~
18 ~~platform to a state or jurisdiction with which the~~
19 ~~Commonwealth has an interactive gaming reciprocal agreement~~
20 ~~if the board determines that such wagering is not~~
21 ~~inconsistent with Federal law or the law of the state or~~
22 ~~jurisdiction in which the person or gaming entity is located,~~
23 ~~or such wagering is conducted pursuant to an interactive~~
24 ~~gaming reciprocal agreement to which this Commonwealth is a~~
25 ~~party that is not inconsistent with Federal law. The board is~~
26 ~~hereby designated as the agency of the Commonwealth with the~~
27 ~~sole power and authority to enter into interactive gaming~~
28 ~~reciprocal agreements with other states or jurisdictions.~~

29 ~~(27) Enter into multistate agreements with other states~~
30 ~~or jurisdictions for the operation of multistate wide area~~

1 ~~progressive slot machine systems.~~

2 ~~(28) Authorize a Category 2 or Category 3 slot machine~~
3 ~~licensee to enter into an agreement with a Category 1 slot~~
4 ~~machine licensee for the conduct of casino simulcasting under~~
5 ~~the Category 1 slot machine licensee's authority as a~~
6 ~~licensed racing entity, if such agreement is approved by the~~
7 ~~board and by the commission, pursuant to the commission's~~
8 ~~authority under 3 Pa.C.S. Ch. 93.~~

9 ~~(29) Adopt, in consultation with the commission,~~
10 ~~regulations to govern the conduct of casino simulcasting by a~~
11 ~~Category 2 or Category 3 slot machine licensee in accordance~~
12 ~~with paragraph (28).~~

13 ~~(30) Adopt and promulgate regulations to govern the~~
14 ~~installation of video display technology in approved areas of~~
15 ~~a Category 1 licensed facility to enable the delivery of~~
16 ~~simulcast horse race meetings to patrons through video walls~~
17 ~~and other such video display technology. The board may~~
18 ~~consult with the commission to facilitate the installation of~~
19 ~~video display monitors in accordance with this paragraph and~~
20 ~~to facilitate the conduct of casino simulcasting under~~
21 ~~paragraph (28).~~

22 Section 8. Section 1209(b) of Title 4 is amended to read:

23 § 1209. Slot machine license fee.

24 * * *

25 (b) Term. A slot machine license, after payment of the fee,
26 shall be in effect unless suspended, revoked or not renewed by
27 the board upon good cause consistent with the license
28 requirements as provided for in this part. Slot machine
29 licensees shall be required to update the information in their
30 initial applications annually, and the license of a licensee in

1 ~~good standing shall be renewed every [three] five years. Nothing~~
2 ~~in this subsection shall relieve a licensee of the affirmative~~
3 ~~duty to notify the board of any changes relating to the status~~
4 ~~of its license or to any other information contained in the~~
5 ~~application materials on file with the board. As to the renewal~~
6 ~~of a license, except as required in subsection (f) (3), no~~
7 ~~additional license fee pursuant to subsection (a) shall be~~
8 ~~required.~~

9 * * *

10 ~~Section 9. Section 1211 of Title 4 is amended by adding~~
11 ~~subsections to read:~~

12 ~~§ 1211. Reports of board.~~

13 * * *

14 ~~(a.4) Interactive gaming reporting requirements.~~

15 ~~(1) The annual report submitted by the board in~~
16 ~~accordance with subsection (a) shall include information on~~
17 ~~the conduct of interactive games as follows:~~

18 ~~(i) Total gross interactive gaming revenue.~~

19 ~~(ii) The number and win by type of authorized~~
20 ~~interactive game at each licensed facility conducting~~
21 ~~interactive gaming during the previous year.~~

22 ~~(iii) All taxes, fees, fines and other revenue~~
23 ~~collected and, where appropriate, revenue disbursed~~
24 ~~during the previous year. The department shall~~
25 ~~collaborate with the board to carry out the requirements~~
26 ~~of this subparagraph.~~

27 ~~(2) The board may require interactive gaming certificate~~
28 ~~holders and interactive gaming operators to provide~~
29 ~~information to the board to assist in the preparation of the~~
30 ~~report.~~

1 * * *

2 ~~(d.1) Impact of interactive gaming. Commencing one year~~
3 ~~after the issuance of the first interactive gaming certificate~~
4 ~~and continuing annually thereafter, the board shall prepare and~~
5 ~~distribute a report to the Governor and the standing committees~~
6 ~~of the General Assembly with jurisdiction over the board on the~~
7 ~~impact of interactive gaming on compulsive and problem gambling~~
8 ~~and gambling addiction in this Commonwealth. The report shall be~~
9 ~~prepared by a private organization or entity with expertise in~~
10 ~~serving and treating the needs of persons with compulsive~~
11 ~~gambling addictions, which organization or entity shall be~~
12 ~~selected by the Department of Drug and Alcohol Programs. The~~
13 ~~report may be prepared and distributed in coordination with the~~
14 ~~board. Any costs associated with the preparation and~~
15 ~~distribution of the report shall be borne by all interactive~~
16 ~~gaming certificate holders. The board shall be authorized to~~
17 ~~assess a fee against each interactive gaming certificate holder~~
18 ~~for these purposes.~~

19 ~~(d.2) Additional information for annual report.~~

20 ~~(1) One year after the commencement of casino~~
21 ~~simulcasting in accordance with Chapter 13F (relating to~~
22 ~~casino simulcasting), the operation of skill slot machines,~~
23 ~~hybrid slot machines and the operation of a multistate wide~~
24 ~~area slot machine system, the report required under~~
25 ~~subsection (a) shall include information related to the~~
26 ~~following:~~

27 ~~(i) The conduct of casino simulcasting.~~

28 ~~(ii) The operation of skill slot machines and hybrid~~
29 ~~slot machines.~~

30 ~~(iii) The operation of the multistate wide area~~

1 ~~progressive slot machine system.~~

2 ~~(2) Information on revenue, taxes, fees and fines, if~~
3 ~~any, collected during the preceding calendar year and any~~
4 ~~other information, data or recommendations related to the~~
5 ~~conduct of casino simulcasting and the operation of the~~
6 ~~multistate wide area progressive slot machine system, skill~~
7 ~~slot machines and hybrid slot machines as determined by the~~
8 ~~board.~~

9 ~~(d.3) Study. The board shall study and annually report to~~
10 ~~the standing committees of the General Assembly with~~
11 ~~jurisdiction over the board on developments in gaming technology~~
12 ~~and the impact, if any, new technologies are having or are~~
13 ~~expected to have on the sustainability and competitiveness of~~
14 ~~the gaming industry in this Commonwealth. The initial report~~
15 ~~shall be due one year after the effective date of this~~
16 ~~subsection. Each report shall specifically address the~~
17 ~~following:~~

18 ~~(1) Awareness and growth, to the extent known, of any~~
19 ~~unregulated commercial gaming products, such as e Sports and~~
20 ~~other such digital based computer or video technology.~~

21 ~~(2) New gaming products, if any, which have been~~
22 ~~introduced in other states or jurisdictions.~~

23 ~~(3) Any gaming products which the board may authorize~~
24 ~~pursuant to its regulatory authority under this part.~~

25 ~~(4) Any legislative or administrative concerns regarding~~
26 ~~traditional, new or emerging gaming technologies with~~
27 ~~recommendations regarding resolution of such concerns.~~

28 * * *

29 Section 10. Section 1212(e) of Title 4 is amended by adding
30 paragraphs to read:

1 ~~§ 1212. Diversity goals of board.~~

2 ~~* * *~~

3 ~~(c) Definition. As used in this section, the term~~
4 ~~"professional services" means those services rendered to a slot~~
5 ~~machine licensee which relate to a licensed facility in this~~
6 ~~Commonwealth, including, but not limited to:~~

7 ~~* * *~~

8 ~~(9) Technology related to interactive gaming and~~
9 ~~interactive gaming devices and associated equipment.~~

10 ~~(10) Technology related to casino simulcasting.~~

11 ~~Section 11. Section 1302(a) of Title 4 is amended to read:~~

12 ~~§ 1302. Category 1 slot machine license.~~

13 ~~(a) Eligibility. A person may be eligible to apply for a~~
14 ~~Category 1 license to place and operate slot machines at a~~
15 ~~licensed racetrack facility if the person:~~

16 ~~(1) has been issued a license from either the State~~
17 ~~Horse Racing Commission or the State Harness Racing~~
18 ~~Commission to conduct thoroughbred or harness race meetings~~
19 ~~respectively with pari-mutuel wagering and has conducted live~~
20 ~~horse races for not less than two years immediately preceding~~
21 ~~the effective date of this part;~~

22 ~~(2) has been approved or issued a license from either~~
23 ~~the State Horse Racing Commission or the State Harness Racing~~
24 ~~Commission to conduct thoroughbred or harness race meetings~~
25 ~~respectively with pari-mutuel wagering within 18 months~~
26 ~~immediately preceding the effective date of this part and~~
27 ~~will successfully conduct live racing pursuant to the~~
28 ~~requirements of section 1303 (relating to additional Category~~
29 ~~1 slot machine license requirements);~~

30 ~~(3) has been approved by the State Harness Racing~~

1 ~~Commission, after the effective date of this part, to conduct~~
2 ~~harness race meetings with pari-mutuel wagering and will~~
3 ~~conduct live racing pursuant to the requirements of section~~
4 ~~1303; or~~

5 ~~(4) is a successor in interest to persons eligible under~~
6 ~~paragraph (1), (2) or (3) who comply with the requirements of~~
7 ~~section 1328 (relating to change in ownership or control of~~
8 ~~slot machine licensee) or is a successor in interest to~~
9 ~~persons otherwise eligible under paragraph (1), (2) or (3)~~
10 ~~but precluded from eligibility under the provisions of~~
11 ~~section [1330] 1330.1 (relating to undue economic~~
12 ~~concentration prohibited).~~

13 ~~Nothing in this part shall be construed to permit the approval~~
14 ~~or issuance of more than one slot machine license at a licensed~~
15 ~~racetrack facility.~~

16 * * *

17 ~~Section 12. Section 1305(a) and (e) of Title 4 are amended~~
18 ~~and the section is amended by adding subsections to read:~~

19 ~~§ 1305. Category 3 slot machine license.~~

20 ~~(a) Eligibility.~~

21 ~~(1) A person may be eligible to apply for a Category 3~~
22 ~~slot machine license if the applicant, its affiliate,~~
23 ~~intermediary, subsidiary or holding company has not applied~~
24 ~~for or been approved or issued a Category 1 or Category 2~~
25 ~~slot machine license and the person is seeking to locate a~~
26 ~~Category 3 licensed facility in a well-established resort~~
27 ~~hotel having no fewer than 275 guest rooms under common~~
28 ~~ownership and having substantial year-round [recreational]~~
29 ~~guest amenities. The applicant for a Category 3 license shall~~
30 ~~be the owner or be a wholly owned subsidiary of the owner of~~

1 ~~the well established resort hotel. [A Category 3 license may~~
2 ~~only be granted upon the express condition that an individual~~
3 ~~may not enter a gaming area of the licensed facility if the~~
4 ~~individual is not any of the following:~~

5 ~~(i) A registered overnight guest of the well-~~
6 ~~established resort hotel.~~

7 ~~(ii) A patron of one or more of the amenities~~
8 ~~provided by the well established resort hotel.~~

9 ~~(iii) An authorized employee of the slot machine~~
10 ~~licensee, of a gaming service provider, of the board or~~
11 ~~of any regulatory, emergency response or law enforcement~~
12 ~~agency while engaged in the performance of the employee's~~
13 ~~duties.~~

14 ~~(iv) An individual holding a valid membership~~
15 ~~approved in accordance with paragraph (1.1) or a guest of~~
16 ~~such individual.~~

17 ~~(1.1) The board may approve a seasonal or year round~~
18 ~~membership that allows an individual to use one or more of~~
19 ~~the amenities provided by the well established resort hotel~~
20 ~~holding a Category 3 slot machine license. The membership~~
21 ~~shall allow the member and one guest to enter the gaming~~
22 ~~floor at any time as long as the guest is accompanied by the~~
23 ~~individual owning or holding the membership. The board shall~~
24 ~~base its approval of a membership on all of the following:~~

25 ~~(i) The duration of the membership.~~

26 ~~(ii) The amenity covered by the membership.~~

27 ~~(iii) Whether the fee charged for the membership~~
28 ~~represents the fair market value for the use of the~~
29 ~~amenity.]~~

30 ~~(2) Notwithstanding section 1512(a) and (a.1) (relating~~

1 ~~to public official financial interest), if at the time of~~
2 ~~application an applicant has terminated public office or~~
3 ~~employment as an executive level public employee within the~~
4 ~~last calendar year, the applicant shall be eligible to apply~~
5 ~~for a slot machine license under this section but may not be~~
6 ~~issued a license until one year following the date of~~
7 ~~termination as a public official or executive level public~~
8 ~~employee. An application submitted in accordance with this~~
9 ~~paragraph shall not constitute a violation of section 1512(a)~~
10 ~~or (a.1).~~

11 ~~(3) If the person seeking a slot machine license~~
12 ~~proposes to place the licensed facility upon land designated~~
13 ~~a subzone, an expansion subzone or an improvement subzone~~
14 ~~under the act of October 6, 1998 (P.L.705, No.92), known as~~
15 ~~the Keystone Opportunity Zone, Keystone Opportunity Expansion~~
16 ~~Zone and Keystone Opportunity Improvement Zone Act, the~~
17 ~~person shall, at any time prior to the application being~~
18 ~~approved, submit a statement waiving the exemptions,~~
19 ~~deductions, abatements or credits granted under the Keystone~~
20 ~~Opportunity Zone, Keystone Opportunity Expansion Zone and~~
21 ~~Keystone Opportunity Improvement Zone Act if the board~~
22 ~~approves the application.~~

23 ~~* * *~~

24 ~~(c.1) Additional slot machines.~~

25 ~~(1) Upon submission by a Category 3 slot machine~~
26 ~~licensee of a petition to the board, in such form and manner~~
27 ~~as the board may require, the board may authorize the~~
28 ~~Category 3 slot machine licensee to increase the number of~~
29 ~~slot machines at the Category 3 slot machine licensee's~~
30 ~~licensed facility.~~

~~(2) An increase in the number of slot machines by a Category 3 slot machine licensee under paragraph (1) may not, at the discretion of the board, exceed 250 additional slot machines, which shall be in addition to the number of permissible slot machines authorized under subsection (c).~~

~~* * *~~

~~(d.1) Additional fee. Notwithstanding subsection (d), no later than 60 days after the effective date of this subsection, each holder of an existing Category 3 slot machine license issued by the board before January 1, 2017, shall pay a one time fee of \$1,000,000. Each holder of a Category 3 slot machine license issued by the board after January 1, 2017, shall pay a one time fee of \$1,000,000 within 60 days of issuance of the slot machine license. The fee shall be deposited in the General Fund.~~

~~(d.2) Fee for additional slot machines. Notwithstanding subsection (d), no later than 60 days after the board approves a request for an increase in the number of slot machines submitted by a Category 3 slot machine licensee in accordance with subsection (c.1), the Category 3 slot machine licensee shall pay a one time fee of \$2,500,000 for deposit into the General Fund.~~

~~{(e) Definitions. For the purpose of subsection (a), the following words and phrases shall have the meaning given to them in this subsection:~~

~~"Amenities." Any ancillary activities, services or facilities in which a registered guest or the transient public, in return for non de minimis consideration as defined by board regulation, may participate at a well established resort hotel, including, but not limited to, sports and recreational activities and facilities such as a golf course or golf driving~~

1 ~~range, tennis courts or swimming pool; health spa; convention,~~
2 ~~meeting and banquet facilities; entertainment facilities; and~~
3 ~~restaurant facilities.~~

4 ~~"Patron of the amenities." Any individual who is a~~
5 ~~registered attendee of a convention, meeting or banquet event or~~
6 ~~a participant in a sport or recreational event or any other~~
7 ~~social, cultural or business event held at a resort hotel or who~~
8 ~~participates in one or more of the amenities provided to~~
9 ~~registered guests of the well established resort hotel.]~~

10 ~~Section 12.1. Title 4 is amended by adding a section to~~
11 ~~read:~~

12 ~~§ 1306.1. Remaining Category 2 licenses.~~

13 ~~Notwithstanding any other provisions of this part, the board~~
14 ~~shall create an expedited approval process that prioritizes the~~
15 ~~issuance of any remaining Category 2 slot machine licenses not~~
16 ~~issued prior to the effective date of this section, provided~~
17 ~~that the expedited approval process shall protect the public~~
18 ~~interest and integrity of gaming. When creating the expedited~~
19 ~~approval process, the board shall include procedures for~~
20 ~~ensuring that a Category 2 slot machine license applied for, the~~
21 ~~application for which is withdrawn after the effective date of~~
22 ~~this section, is eligible to be reapplied for by another~~
23 ~~applicant within 30 days of the withdrawn application. The board~~
24 ~~shall create the expedited approval process within 30 days of~~
25 ~~the effective date of this section.~~

26 ~~Section 12.2. Section 1307 of Title 4 is amended to read:~~

27 ~~§ 1307. Number of slot machine licenses.~~

28 ~~(a) Limitation. The board may license no more than seven~~
29 ~~Category 1 licensed facilities and no more than five Category 2~~
30 ~~licensed facilities, as it may deem appropriate, as long as two,~~

1 ~~and not more, Category 2 licensed facilities are located by the~~
2 ~~board within the city of the first class and that one, and not~~
3 ~~more, Category 2 licensed facility is located by the board~~
4 ~~within the city of the second class. The board may at its~~
5 ~~discretion increase the total number of Category 2 licensed~~
6 ~~facilities permitted to be licensed by the board by an amount~~
7 ~~not to exceed the total number of Category 1 licenses not~~
8 ~~applied for within five years following the effective date of~~
9 ~~this part. Except as permitted by section 1328 (relating to~~
10 ~~change in ownership or control of slot machine licensee), any~~
11 ~~Category 1 license may be reissued by the board at its~~
12 ~~discretion as a Category 2 license if an application for~~
13 ~~issuance of such license has not been made to the board. The~~
14 ~~board may license no more than [three] two Category 3 licensed~~
15 ~~facilities.~~

16 ~~(b) Delay of issuance. Notwithstanding subsection (a) or~~
17 ~~any other provisions of this part, the board may not:~~

18 ~~(1) Accept an application for a Category 1 slot machine~~
19 ~~license for a period starting on the effective date of this~~
20 ~~subsection through July 1, 2020.~~

21 ~~(2) Issue a Category 1 slot machine license for a period~~
22 ~~starting on the effective date of this subsection through~~
23 ~~July 1, 2020.~~

24 ~~(c) Applicability. Subsection (b) shall not apply to a~~
25 ~~change of ownership or control of a Category 1 slot machine~~
26 ~~license as permitted by section 1328.~~

27 ~~Section 13. Section 1309(a.1) heading of Title 4 is amended~~
28 ~~and the subsection is amended by adding a paragraph to read:~~
29 ~~§ 1309. Slot machine license application.~~

30 ~~* * *~~

1 ~~(a.1) Table games and interactive gaming information.~~

2 * * *

3 ~~(3) The board may permit an applicant for a slot machine~~
4 ~~license that has an application under paragraph (1) or (2)~~
5 ~~pending before the board to supplement its application with~~
6 ~~all information required under Chapter 13B (relating to~~
7 ~~interactive gaming) and to request that the board consider~~
8 ~~its application for a slot machine license, a table game~~
9 ~~operation certificate and an interactive gaming certificate~~
10 ~~concurrently. All fees for an interactive gaming certificate~~
11 ~~shall be paid by the applicant in accordance with the~~
12 ~~requirements of this part.~~

13 * * *

14 Section 14. Sections 1317(a) and (c) and 1317.1(a), (b),
15 (c), (c.1), (d.1) and (e) of Title 4 are amended and the
16 sections are amended by adding subsections to read:

17 § 1317. Supplier licenses.

18 (a) Application. A manufacturer that elects to contract
19 with a supplier under section 1317.1(d.1) (relating to
20 manufacturer licenses) shall ensure that the supplier is
21 appropriately licensed under this section. A person seeking to
22 provide slot machines, table game devices or associated
23 equipment, ~~interactive gaming devices or associated equipment or~~
24 ~~multi use computing devices~~ to a slot machine licensee, an
25 ~~interactive gaming certificate holder or an interactive gaming~~
26 ~~operator~~ within this Commonwealth through a contract with a
27 licensed manufacturer shall apply to the board for the
28 appropriate supplier license.

29 * * *

30 (c) Review and approval. Upon being satisfied that the

1 ~~requirements of subsection (b) have been met, the board may~~
2 ~~approve the application and issue the applicant a supplier~~
3 ~~license consistent with all of the following:~~

4 ~~(1) The [initial license shall be for a period of one~~
5 ~~year, and, if renewed under subsection (d), the] license~~
6 ~~shall be issued for a period of [three] five years and shall~~
7 ~~be renewed in accordance with subsection (d). Nothing in this~~
8 ~~paragraph shall relieve a licensee of the affirmative duty to~~
9 ~~notify the board of any changes relating to the status of its~~
10 ~~license or to any information contained in the application~~
11 ~~materials on file with the board.~~

12 ~~(2) The license shall be nontransferable.~~

13 ~~(3) Any other condition established by the board.~~

14 ~~* * *~~

15 ~~(c.2) Abbreviated process for supplier.~~

16 ~~(1) Notwithstanding subsection (c.1)(1) or any~~
17 ~~regulations of the board to the contrary, the board may~~
18 ~~extend the use of the abbreviated process authorized under~~
19 ~~subsection (c.1) to an applicant for a supplier license to~~
20 ~~supply slot machines used in a multistate wide area~~
21 ~~progressive slot machine system, skill slot machines, hybrid~~
22 ~~slot machines and devices or associated equipment used in~~
23 ~~connection with multistate wide area progressive slot machine~~
24 ~~systems, skill slot machines or hybrid slot machines,~~
25 ~~interactive gaming devices or associated equipment used in~~
26 ~~connection with interactive gaming, including multi-use~~
27 ~~computing devices, if the applicant holds a valid supplier~~
28 ~~license issued by the board to supply slot machines or~~
29 ~~associated equipment or table games or table game devices or~~
30 ~~associated equipment. The requirements of subsection (c.1)(2)~~

1 ~~and (3) shall apply to this subsection.~~

2 ~~(2) An applicant for a supplier's license to supply slot~~
3 ~~machines used in a multistate wide area progressive systems,~~
4 ~~skill slot machines or hybrid slot machines or associated~~
5 ~~equipment or interactive gaming devices or associated~~
6 ~~equipment shall be subject to the applicable provisions of~~
7 ~~this part.~~

8 * * *

9 ~~§ 1317.1. Manufacturer licenses.~~

10 ~~(a) Application. A person seeking to manufacture slot~~
11 ~~machines, table game devices and associated equipment or~~
12 ~~interactive gaming devices and associated equipment for use in~~
13 ~~this Commonwealth shall apply to the board for a manufacturer~~
14 ~~license.~~

15 ~~(b) Requirements. An application for a manufacturer license~~
16 ~~shall be on the form required by the board, accompanied by the~~
17 ~~application fee, and shall include all of the following:~~

18 ~~(1) The name and business address of the applicant and~~
19 ~~the applicant's affiliates, intermediaries, subsidiaries and~~
20 ~~holding companies; the principals and key employees of each~~
21 ~~business; and a list of employees and their positions within~~
22 ~~each business, as well as any financial information required~~
23 ~~by the board.~~

24 ~~(2) A statement that the applicant and each affiliate,~~
25 ~~intermediary, subsidiary or holding company of the applicant~~
26 ~~are not slot machine licensees.~~

27 ~~(3) The consent to a background investigation of the~~
28 ~~applicant, its principals and key employees or other persons~~
29 ~~required by the board and a release to obtain any and all~~
30 ~~information necessary for the completion of the background~~

1 ~~investigation.~~

2 ~~(4) The details of any equivalent license granted or~~
3 ~~denied by other jurisdictions where gaming activities as~~
4 ~~authorized by this part are permitted and consent for the~~
5 ~~board to acquire copies of applications submitted or licenses~~
6 ~~issued in connection therewith.~~

7 ~~(5) The type of slot machines, table game devices or~~
8 ~~associated equipment or interactive gaming devices or~~
9 ~~associated equipment to be manufactured or repaired.~~

10 ~~(6) Any other information determined by the board to be~~
11 ~~appropriate.~~

12 ~~(c) Review and approval. Upon being satisfied that the~~
13 ~~requirements of subsection (b) have been met, the board may~~
14 ~~approve the application and grant the applicant a manufacturer~~
15 ~~license consistent with all of the following:~~

16 ~~(1) The [initial license shall be for a period of one~~
17 ~~year, and, if renewed under subsection (d), the] license~~
18 ~~shall be issued for a period of [three] five years and shall~~
19 ~~be renewed in accordance with subsection (d). Nothing in this~~
20 ~~paragraph shall relieve the licensee of the affirmative duty~~
21 ~~to notify the board of any changes relating to the status of~~
22 ~~its license or to any other information contained in~~
23 ~~application materials on file with the board.~~

24 ~~(2) The license shall be nontransferable.~~

25 ~~(3) Any other condition established by the board.~~

26 ~~(c.1) Abbreviated process. In the event an applicant for a~~
27 ~~manufacturer license to manufacture table game devices or~~
28 ~~associated equipment used in connection with table games is~~
29 ~~licensed by the board under this section to manufacture slot~~
30 ~~machines or associated equipment used in connection with slot~~

1 ~~machines, the board may determine to use an abbreviated process~~
2 ~~requiring only that information determined by the board to be~~
3 ~~necessary to consider the issuance of a license to manufacture~~
4 ~~table game devices or associated equipment used in connection~~
5 ~~with table games, including financial viability of the~~
6 ~~applicant. Nothing in this section shall be construed to waive~~
7 ~~any fees associated with obtaining a license, certificate or~~
8 ~~permit through the normal application process. The board may~~
9 ~~only use the abbreviated process if all of the following apply:~~

10 ~~(1) The manufacturer license was issued by the board~~
11 ~~within a 36 month period immediately preceding the date the~~
12 ~~manufacturer licensee files an application to manufacture~~
13 ~~table game devices or associated equipment.~~

14 ~~(2) The person to whom the manufacturer license was~~
15 ~~issued affirms there has been no material change in~~
16 ~~circumstances relating to the license.~~

17 ~~(3) The board determines, in its sole discretion, that~~
18 ~~there has been no material change in circumstances relating~~
19 ~~to the licensee that necessitates that the abbreviated~~
20 ~~process not be used.~~

21 ~~(c.2) Abbreviated process for manufacturer.~~

22 ~~(1) Notwithstanding subsection (c.1)(1) or any~~
23 ~~regulations of the board to the contrary, the board may~~
24 ~~extend the use of the abbreviated process authorized under~~
25 ~~subsection (c.1) to an applicant for a manufacturer license~~
26 ~~to manufacture slot machines used in multistate wide area~~
27 ~~progressive slot machine systems, skill slot machines, hybrid~~
28 ~~slot machines or associated equipment used in connection with~~
29 ~~multistate wide area progressive slot machine systems, skill~~
30 ~~slot machines or hybrid slot machines or interactive gaming~~

~~1 devices or associated equipment used in connection with
2 interactive gaming, if the applicant holds a valid
3 manufacturer license issued by the board to manufacturer slot
4 machines or associated equipment or table games or table game
5 devices or associated equipment. The requirements of
6 subsection (c.1) (2) and (3) shall apply to this subsection.~~

~~7 (2) An applicant for a manufacturer license to
8 manufacture slot machines used in a multistate wide area
9 progressive system, skill or hybrid slot machines or
10 associated equipment or interactive gaming devices or
11 associated equipment shall be subject to the applicable
12 provisions of this part.~~

~~13 * * *~~

~~14 (d.1) Authority. The following shall apply to a licensed
15 manufacturer:~~

~~16 (1) A manufacturer or its designee, as licensed by the
17 board, may supply or repair any slot machine, table game
18 device or associated equipment or interactive gaming device
19 or associated equipment manufactured by the manufacturer,
20 provided the manufacturer holds the appropriate manufacturer
21 license.~~

~~22 (2) A manufacturer of slot machines may contract with a
23 supplier under section 1317 (relating to supplier licenses)
24 to provide slot machines or associated equipment to a slot
25 machine licensee within this Commonwealth, provided the
26 supplier is licensed to supply slot machines or associated
27 equipment used in connection with slot machines.~~

~~28 (3) A manufacturer may contract with a supplier under
29 section 1317 to provide table game devices or associated
30 equipment to a certificate holder, provided the supplier is~~

1 ~~licensed to supply table game devices or associated equipment~~
2 ~~used in connection with table games.~~

3 ~~(4) A manufacturer may contract with a supplier under~~
4 ~~section 1317 to provide slot machines used in a multistate~~
5 ~~wide area progressive system, skill slot machines or hybrid~~
6 ~~slot machines or associated equipment, interactive gaming~~
7 ~~devices or associated equipment, provided that the~~
8 ~~manufacturer is licensed to manufacture slot machines used in~~
9 ~~a multistate wide area progressive slot machine system, skill~~
10 ~~slot machines or hybrid slot machines or associated equipment~~
11 ~~or interactive gaming devices or associated equipment used in~~
12 ~~connection with interactive games.~~

13 ~~(c) Prohibitions.—~~

14 ~~(1) No person may manufacture slot machines, table game~~
15 ~~devices or associated equipment or interactive gaming devices~~
16 ~~or associated equipment for use within this Commonwealth [by~~
17 ~~a slot machine licensee] unless the person has been issued~~
18 ~~the appropriate manufacturer license under this section.~~

19 ~~(2) Except as permitted in section 13A23.1 (relating to~~
20 ~~training equipment), no [slot machine licensee] person may~~
21 ~~use slot machines, table game devices or associated~~
22 ~~equipment, authorized interactive games or interactive gaming~~
23 ~~devices or associated equipment unless the slot machines,~~
24 ~~table game devices or associated equipment, interactive games~~
25 ~~or interactive gaming devices or associated equipment were~~
26 ~~manufactured by a person that has been issued the appropriate~~
27 ~~manufacturer license under this section.~~

28 ~~(3) No person issued a license under this section shall~~
29 ~~apply for or be issued a license under section 1317.~~

30 ~~(4) No limitation shall be placed on the number of~~

~~manufacturer licenses issued or the time period to submit applications for licensure, except as required to comply with section 1306 (relating to order of initial license issuance).~~

~~Section 15. Title 4 is amended by adding a section to read:~~

~~§ 1317.3. Nongaming service provider.~~

~~(a) Notification required.~~

~~(1) A slot machine licensee or applicant for a slot machine license that contracts with or otherwise engages in business with a nongaming service provider shall provide notification to the board prior to:~~

~~(i) the nongaming service provider's provision of goods or services at the slot machine licensee's licensed facility; or~~

~~(ii) the provision of goods or services for use in the operation of the slot machine licensee's licensed facility.~~

~~(2) Notification under this section shall be on a form and in a manner as determined by the board. The board may impose a fee, not to exceed \$100, which must accompany the notification.~~

~~(b) Contents of notification. Notification under this section shall include:~~

~~(1) The name and business address of the nongaming service provider.~~

~~(2) A description of the type or nature of the goods or services to be provided.~~

~~(3) An affirmation from the slot machine licensee or applicant for a slot machine license that the goods or services to be provided by the nongaming service provider will not require access to the gaming floor or a gaming~~

1 ~~related restricted area of a licensed facility.~~

2 ~~(4) An affirmation from the slot machine licensee or~~
3 ~~applicant for a slot machine license certifying that the~~
4 ~~licensee or applicant has performed due diligence regarding~~
5 ~~the nongaming service provider and believes that neither the~~
6 ~~nongaming service provider nor its employees will adversely~~
7 ~~affect the public interest or integrity of gaming.~~

8 ~~(5) Any other information that the board may require.~~

9 ~~(c) Duration of notification. The nongaming service~~
10 ~~provider notification required under subsection (a) may be valid~~
11 ~~for three years unless modified by the board. In determining the~~
12 ~~duration of a nongaming service provider notification, the board~~
13 ~~shall consider the following:~~

14 ~~(1) The type or nature of the goods or services.~~

15 ~~(2) The frequency of business transactions related to~~
16 ~~the provision of such goods or services.~~

17 ~~(3) Any other information the board deems necessary and~~
18 ~~appropriate.~~

19 ~~(d) Conditions. A slot machine licensee or applicant for a~~
20 ~~slot machine license that contracts or otherwise engages in~~
21 ~~business with a nongaming service provider shall be subject to~~
22 ~~the following conditions:~~

23 ~~(1) The nongaming service provider and its employees~~
24 ~~shall only provide the goods and services described in the~~
25 ~~notification under this section.~~

26 ~~(2) The slot machine licensee or applicant for a slot~~
27 ~~machine license shall notify the board of any material change~~
28 ~~in the information provided in the notification under this~~
29 ~~section. No fee shall be required for a subsequent change~~
30 ~~during the time for which the notification remains valid~~

1 ~~under subsection (c).~~

2 ~~(3) The slot machine licensee or applicant for a slot~~
3 ~~machine license shall ensure that employees of the nongaming~~
4 ~~service provider do not enter the gaming floor or a gaming~~
5 ~~related restricted area of the licensed facility.~~

6 ~~(4) The slot machine licensee or applicant for a slot~~
7 ~~machine license shall report to the board an employee of a~~
8 ~~nongaming service provider that does any of the following:~~

9 ~~(i) Enters the gaming floor or a gaming related~~
10 ~~restricted area of the licensed facility.~~

11 ~~(ii) Commits an act that adversely affects the~~
12 ~~public interest or integrity of gaming.~~

13 ~~(5) The board may prohibit a nongaming service provider~~
14 ~~or any of its employees from providing goods or services to a~~
15 ~~slot machine licensee or applicant for a slot machine license~~
16 ~~at a licensed facility if the board determines the~~
17 ~~prohibition is necessary to protect the public interest or~~
18 ~~integrity of gaming.~~

19 ~~(c) Authority to exempt. The board may exempt a slot~~
20 ~~machine licensee or applicant for a slot machine license from~~
21 ~~the notification requirements of this section if the board~~
22 ~~determines any of the following:~~

23 ~~(1) The nongaming service provider or the type or nature~~
24 ~~of the nongaming service provider's business is regulated by~~
25 ~~an agency of the Federal Government, an agency of the~~
26 ~~Commonwealth or the Pennsylvania Supreme Court.~~

27 ~~(2) Notification is not necessary to protect the public~~
28 ~~interest or integrity of gaming.~~

29 ~~(f) (Reserved).~~

30 ~~(g) Criminal history record information. Notwithstanding~~

~~any other provision of this part or regulation of the board, a nongaming service provider shall obtain from the Pennsylvania State Police and provide to the board the results of a criminal history record information check under 18 Pa.C.S. Ch. 91 (relating to criminal history record information).~~

~~(h) Emergency notification.~~

~~(1) A slot machine licensee may use a nongaming service provider prior to the board receiving notification under this section when a threat to public health, welfare or safety exists or circumstances outside the control of the slot machine licensee require immediate action to mitigate damage or loss to the slot machine licensee's licensed facility or to the Commonwealth.~~

~~(2) A slot machine licensee that uses a nongaming service provider in accordance with paragraph (1) shall:~~

~~(i) Notify the board immediately upon engaging a nongaming service provider for which the board has not previously received notification in accordance with subsection (a).~~

~~(ii) Provide the notification required under subsection (a) within a reasonable time as established by the board.~~

~~(i) Nongaming service provider list.~~

~~(1) The board shall have the authority to prohibit a nongaming service provider from engaging in business with a slot machine licensee upon a finding by the board that the prohibition is necessary to protect the public interest and the integrity of gaming.~~

~~(2) The board shall develop and maintain a list of prohibited nongaming service providers and make it available~~

1 ~~upon request to a slot machine licensee or an applicant for a~~
2 ~~slot machine license.~~

3 ~~(3) A slot machine licensee or applicant for a slot~~
4 ~~machine license may not enter into an agreement or engage in~~
5 ~~business with a nongaming service provider appearing on the~~
6 ~~list described in paragraph (2).~~

7 ~~(j) Duties of nongaming service provider. A nongaming~~
8 ~~service provider shall:~~

9 ~~(1) Cooperate with the board and bureau regarding an~~
10 ~~investigation, hearing, enforcement action or disciplinary~~
11 ~~action.~~

12 ~~(2) Comply with each condition, restriction,~~
13 ~~requirement, order or ruling of the board issued under this~~
14 ~~part or regulation of the board.~~

15 ~~(3) Report any change in circumstances to the slot~~
16 ~~machine licensee or applicant for a slot machine license that~~
17 ~~may render the nongaming service provider ineligible,~~
18 ~~unqualified or unsuitable for the provision of goods or~~
19 ~~services at a licensed facility or use in the operation of a~~
20 ~~licensed facility. The slot machine licensee or applicant for~~
21 ~~a slot machine license shall report any change in~~
22 ~~circumstances to the board in such form and manner as the~~
23 ~~board may establish.~~

24 ~~(k) Construction. Nothing in this section shall be~~
25 ~~construed to limit the powers and authority of the board under~~
26 ~~section 1202 (relating to general and specific powers) or the~~
27 ~~regulatory authority of the board under section 1207 (relating~~
28 ~~to regulatory authority of board).~~

29 Section 16. Section 1320(a) of Title 4 is amended and the
30 section is amended by adding a subsection to read:

1 ~~§ 1320. Slot machine testing and certification standards.~~
2 ~~(a) Use of other state standards. [Until such time as the~~
3 ~~board establishes an independent testing and certification~~
4 ~~facility pursuant to subsection (b), the] The board may~~
5 ~~determine, at its discretion, whether the slot machine testing~~
6 ~~and certification standards of another jurisdiction within the~~
7 ~~United States in which an applicant for a manufacturer license~~
8 ~~is licensed are comprehensive and thorough and provide similar~~
9 ~~adequate safeguards as those required by this part. If the board~~
10 ~~makes that determination, it may permit a manufacturer through a~~
11 ~~licensed supplier as provided in section 1317 (relating to~~
12 ~~supplier [and manufacturer licenses application] licenses) to~~
13 ~~deploy those slot machines which have met the slot machine~~
14 ~~testing and certification standards in such other jurisdictions~~
15 ~~without undergoing the full testing and certification process by~~
16 ~~a board established independent facility. In the event slot~~
17 ~~machines of an applicant for a manufacturer license are licensed~~
18 ~~in such other jurisdiction, the board may determine to use an~~
19 ~~abbreviated process requiring only that information determined~~
20 ~~by the board to be necessary to consider the issuance of a slot~~
21 ~~machine certification to such an applicant. [Alternatively, the~~
22 ~~board in its discretion may also rely upon the certification of~~
23 ~~a slot machine that has met the testing and certification~~
24 ~~standards of a board approved private testing and certification~~
25 ~~facility until such time as the board establishes an independent~~
26 ~~testing and certification facility pursuant to subsection (b).]~~
27 ~~Nothing in this section shall be construed to waive any fees~~
28 ~~associated with obtaining a license through the normal~~
29 ~~application process.]~~

30 * * *

1 ~~(b.1) Use of private testing and certification facilities.~~

2 ~~Notwithstanding any other provisions of this part or regulation~~
3 ~~of the board, if a slot machine is tested and certified by a~~
4 ~~private testing and certification facility registered with the~~
5 ~~board, the board shall use an abbreviated certification process~~
6 ~~requiring only that information determined by it to be necessary~~
7 ~~to consider the issuance of a slot machine certification under~~
8 ~~this section. Within one year of the effective date of this~~
9 ~~subsection, the board shall promulgate regulations that:~~

10 ~~(1) Provide for the registration of private testing and~~
11 ~~certification facilities. Persons seeking registration under~~
12 ~~this subsection shall be subject to section 1202(b)(9)~~
13 ~~(relating to general and specific powers).~~

14 ~~(2) Specify the form and content of the application for~~
15 ~~registration.~~

16 ~~(3) Establish and collect an application fee for persons~~
17 ~~seeking registration. The application fee shall include the~~
18 ~~costs of all background investigations as determined~~
19 ~~necessary and appropriate by the bureau.~~

20 ~~(4) Establish uniform procedures and standards which~~
21 ~~private testing and certification facilities must comply with~~
22 ~~during the testing and certification of slot machines.~~

23 ~~(5) Utilize information provided by private testing and~~
24 ~~certification facilities for the abbreviated certification of~~
25 ~~slot machines.~~

26 ~~(6) Establish an abbreviated certification process that~~
27 ~~may be used by registered private testing and certification~~
28 ~~facilities to test and certify slot machines.~~

29 ~~(7) Establish fees that must be paid by licensed~~
30 ~~manufacturers.~~

1 ~~(8) Require slot machines submitted for abbreviated~~
2 ~~certification to be approved or denied by the board within 30~~
3 ~~days from the date of submission to the board. If the board~~
4 ~~fails to act within the 30 day period, the abbreviated~~
5 ~~certification shall be deemed conditionally approved.~~

6 ~~(9) Provide procedures and standards for the suspension~~
7 ~~and revocation of the registration of a private testing and~~
8 ~~certification facility and the reinstatement of a suspended~~
9 ~~or revoked registration, as determined appropriate by the~~
10 ~~board.~~

11 * * *

12 Section 17. Section 1326 of Title 4 is amended to read:

13 ~~§ 1326. [License renewals] Renewals.~~

14 ~~(a) Renewal. All permits [and], licenses, registrations or~~
15 ~~certificates issued under this part unless otherwise provided~~
16 ~~shall be subject to renewal every [three] five years. Nothing in~~
17 ~~this subsection shall relieve a licensee, permittee or holder of~~
18 ~~a certificate or registration of the affirmative duty to notify~~
19 ~~the board of any changes relating to the status of its license,~~
20 ~~permit, certificate or registration or to any other information~~
21 ~~contained in the application materials on file with the board.~~
22 ~~The application for renewal shall be submitted at least [60] 180~~
23 ~~days prior to the expiration of the permit [or], license,~~
24 ~~registration or certificate and shall include an update of the~~
25 ~~information contained in the initial and any prior renewal~~
26 ~~applications and the payment of any renewal fee required by this~~
27 ~~part. Unless otherwise specifically provided in this part, the~~
28 ~~amount of any renewal fee shall be calculated by the board to~~
29 ~~reflect the longer renewal period. A permit [or], license,~~
30 ~~registration or certificate for which a completed renewal~~

1 ~~application and fee, if required, has been received by the board~~
2 ~~will continue in effect unless and until the board sends written~~
3 ~~notification to the holder of the permit [or], license,~~
4 ~~registration or certificate that the board has denied the~~
5 ~~renewal of such permit [or], license, registration or~~
6 ~~certificate.~~

7 ~~(b) Revocation or failure to renew. In addition to any~~
8 ~~other sanctions the board may impose under this part, the board~~
9 ~~may at its discretion suspend, revoke or deny renewal of any~~
10 ~~permit [or], license, registration or certificate issued under~~
11 ~~this part if it receives any information from any source that~~
12 ~~the applicant or any of its officers, directors, owners or key~~
13 ~~employees is in violation of any provision of this part, that~~
14 ~~the applicant has furnished the board with false or misleading~~
15 ~~information or that the information contained in the applicant's~~
16 ~~initial application or any renewal application is no longer true~~
17 ~~and correct. In the event of a revocation or failure to renew,~~
18 ~~the applicant's authorization to conduct the previously approved~~
19 ~~activity shall immediately cease, and all fees paid in~~
20 ~~connection therewith shall be deemed to be forfeited. In the~~
21 ~~event of a suspension, the applicant's authorization to conduct~~
22 ~~the previously approved activity shall immediately cease until~~
23 ~~the board has notified the applicant that the suspension is no~~
24 ~~longer in effect.~~

25 ~~Section 18. Title 4 is amended by adding a section to read:~~
26 ~~§ 1326.1. Slot machine license operation fee.~~

27 ~~(a) Imposition. Beginning January 1, 2017, each Category 1~~
28 ~~and Category 2 licensed gaming entity, except a Category 1 or~~
29 ~~Category 2 licensed gaming entity located in a city of the first~~
30 ~~class, shall pay to the board an annual slot machine license~~

1 ~~operation fee in an amount equal to 20% of the slot machine~~
2 ~~license fee paid at the time of issuance under section 1209(a)~~
3 ~~(relating to slot machine license fee).~~

4 ~~(b) Payment of fee. The slot machine license operation fee~~
5 ~~imposed under subsection (a) shall be paid in equal monthly~~
6 ~~installments on or before the first day of each month.~~

7 ~~(c) Failure to pay. The board may at the board's discretion~~
8 ~~suspend, revoke or deny any permit or license issued under this~~
9 ~~part to a Category 1 licensed gaming entity or Category 2~~
10 ~~licensed gaming entity that fails to pay the slot machine~~
11 ~~license operation fee imposed under subsection (a).~~

12 ~~(d) Deposit. The slot machine license operation fees~~
13 ~~collected by the board under this section shall be deposited in~~
14 ~~the fund and shall be appropriated to the department on a~~
15 ~~continuing basis for the purposes under section 1403(c)(3)~~
16 ~~(relating to establishment of State Gaming Fund and net slot~~
17 ~~machine revenue distribution).~~

18 ~~Section 19. Section 1328(d) of Title 4 is amended and the~~
19 ~~section is amended by adding a subsection to read:~~

20 ~~§ 1328. Change in ownership or control of slot machine~~
21 ~~licensee.~~

22 ~~* * *~~

23 ~~(d) Fee reduction. The board may in its discretion~~
24 ~~eliminate the need for qualification and/or proportionately~~
25 ~~reduce[, but not eliminate,] the new license fee otherwise~~
26 ~~required pursuant to this section in connection with a change of~~
27 ~~control of a licensee, provided that the reduced minimum license~~
28 ~~fee for a Category 1 or Category 2 slot machine license shall~~
29 ~~not be less than \$15,000,000 and the reduced minimum license fee~~
30 ~~for a Category 3 slot machine license shall not be less than~~

1 ~~\$1,000,000,~~ depending upon the type of transaction, the relevant
2 ownership interests and changes thereto resulting from the
3 transaction and other considerations deemed relevant by the
4 board.

5 * * *

6 ~~(f) Undue economic concentration prohibited. A change in~~
7 ~~ownership or control of a slot machine licensee shall comply~~
8 ~~with section 1330.1 (relating to undue economic concentration~~
9 ~~prohibited).~~

10 Section 20. Section 1330 of Title 4 is repealed:

11 ~~{§ 1330. Multiple slot machine license prohibition.~~

12 ~~No slot machine licensee, its affiliate, intermediary,~~
13 ~~subsidiary or holding company may possess an ownership or~~
14 ~~financial interest that is greater than 33.3% of another slot~~
15 ~~machine licensee or person eligible to apply for a Category 1~~
16 ~~license, its affiliate, intermediary, subsidiary or holding~~
17 ~~company. The board shall approve the terms and conditions of any~~
18 ~~divestiture under this section. Under no circumstances shall any~~
19 ~~such divestiture be approved by the board if the compensation~~
20 ~~for the divested interest in a person eligible to apply for a~~
21 ~~Category 1 license exceeds the greater of the original cost of~~
22 ~~the interest, the book value of the interest or an independently~~
23 ~~assessed value of the interest one month prior to the effective~~
24 ~~date of this part and, in the case of a person eligible to apply~~
25 ~~for a Category 1 license, unless the person acquiring the~~
26 ~~divested interest is required to continue conducting live racing~~
27 ~~at the location where live racing is currently being conducted~~
28 ~~in accordance with section 1303 (relating to additional Category~~
29 ~~1 slot machine license requirements) and be approved for a~~
30 ~~Category 1 slot machine license. No such slot machine license~~

1 ~~applicant shall be issued a slot machine license until the~~
2 ~~applicant has completely divested its ownership or financial~~
3 ~~interest that is in excess of 33.3% in another slot machine~~
4 ~~licensee or person eligible to apply for a Category 1 license,~~
5 ~~its affiliate, intermediary, subsidiary or holding company.]~~

6 Section 21. Title 4 is amended by adding a section to read:
7 § 1330.1. Undue economic concentration prohibited.

8 (a) General rule. No slot machine licensee, its affiliate,
9 intermediary, subsidiary or holding company may possess an
10 ownership or financial interest of another slot machine licensee
11 or person eligible to apply for a Category 1 license, its
12 affiliate, intermediary, subsidiary or holding company if the
13 ownership or financial interest would result in undue economic
14 concentration in this Commonwealth.

15 (b) Board to establish criteria. The board shall establish
16 through regulation criteria for determining whether the issuance
17 of a slot machine license or a change in ownership or control of
18 a slot machine licensee occurring under section 1328 (relating
19 to change in ownership or control of slot machine licensee)
20 constitutes undue economic concentration. The criteria shall
21 include:

22 (1) The percentage share of the market presently
23 controlled by the applicant.

24 (2) The estimated increase in the market share if the
25 applicant is issued the slot machine license.

26 (3) The relative position of other slot machine
27 licensees.

28 (4) The current and projected financial condition of the
29 gaming industry in this Commonwealth.

30 (5) Current market conditions, including level of

~~competition, consumer demand, market concentration, any consolidation trends in the industry and any other relevant characteristics of the market.~~

~~(6) Whether the applicant has separate organizational structures or other independent obligations.~~

~~(7) Potential impact on the projected future growth and development of the gaming industry in this Commonwealth.~~

~~(8) Whether the issuance or holding of the slot machine license by the applicant will adversely impact consumer interests.~~

~~(9) Any other criteria the board may require.~~

~~(c) Divestiture. No applicant shall be issued a slot machine license or approved for a change in ownership or control until the applicant has completely divested a portion of ownership or financial interest of another slot machine licensee. The board shall approve the terms and conditions of any divestiture that may be required under this section.~~

~~(d) Definition. For the purpose of this section, "undue economic concentration" means that a slot machine licensee, its affiliate, intermediary, subsidiary or holding company would have such actual or potential domination of the gaming market in this Commonwealth as to substantially impede or suppress competition among slot machine licensees or adversely impact the economic stability of the gaming industry in this Commonwealth.~~

~~Section 22. Sections 13A11(b), 13A22.1(c) and 13A27(a) and (c) of Title 4 are amended to read:~~

~~§ 13A11. Authorization to conduct table games.~~

~~* * *~~

~~(b) Number of authorized gaming tables.~~

~~(1) A Category 1 and Category 2 slot machine licensee~~

1 ~~awarded a table game operation certificate may operate up to~~
2 ~~250 gaming tables at any one time at its licensed facility.~~
3 ~~No more than 30% of these gaming tables may be used to play~~
4 ~~nonbanking games at any one time. Six months following the~~
5 ~~date of commencement of table game operations, the board may~~
6 ~~permit a Category 1 or Category 2 certificate holder to~~
7 ~~increase the number of gaming tables above the number~~
8 ~~authorized under this paragraph. The certificate holder shall~~
9 ~~petition the board for the increase at its licensed facility.~~
10 ~~The board, in considering the petition, shall take into~~
11 ~~account the appropriateness of the physical space where the~~
12 ~~gaming tables will be located and the convenience of the~~
13 ~~public attending the facility. The board may also take into~~
14 ~~account the potential benefit to the Commonwealth.~~

15 ~~(2) A Category 3 slot machine licensee awarded a table~~
16 ~~game operation certificate may operate up to 50 gaming tables~~
17 ~~at any one time at its licensed facility. [No more than 30%~~
18 ~~of these gaming tables may be used to play nonbanking games~~
19 ~~at any one time.]~~

20 ~~(2.1) A Category 3 slot machine licensee awarded a table~~
21 ~~game operation certificate may petition the board for~~
22 ~~additional table games at its licensed facility. The board~~
23 ~~may authorize up to 15 additional gaming tables. The~~
24 ~~additional tables shall be used to play nonbanking games. The~~
25 ~~board, in considering the petition, shall take into account~~
26 ~~the appropriateness of the physical space where the gaming~~
27 ~~tables will be located and the convenience of the public~~
28 ~~attending the facility. The board may also take into account~~
29 ~~the potential benefit to the Commonwealth.~~

30 ~~(3) Nonbanking gaming tables shall seat a maximum of ten~~

1 ~~players.~~

2 ~~§ 13A22.1. Table game tournaments.~~

3 ~~* * *~~

4 ~~(c) Exemptions and additional tables. The following shall~~
5 ~~apply:~~

6 ~~(1) For a Category 1 or Category 2 licensed facility,~~
7 ~~gaming tables used in tournaments shall be exempt from~~
8 ~~section 13A11 (b) (1) (relating to authorization to conduct~~
9 ~~table games) and shall not be used in any calculation of the~~
10 ~~total number of gaming tables authorized in the table game~~
11 ~~authorization certificate.~~

12 ~~(2) For a Category 3 licensed facility, the executive~~
13 ~~director may authorize the licensed facility to operate up to~~
14 ~~15 additional gaming tables for use in tournaments. [The~~
15 ~~executive director may grant the use of the additional gaming~~
16 ~~tables for tournaments authorized under this paragraph only~~
17 ~~one day per month.] Additional gaming tables for use in~~
18 ~~tournaments at a Category 3 licensed facility shall be exempt~~
19 ~~from section 13A11(b) (2) and shall not be used in any~~
20 ~~calculation of the total number of gaming tables authorized~~
21 ~~in the table game authorization certificate. The executive~~
22 ~~director may grant the use of additional gaming tables on the~~
23 ~~dates and times listed in the proposed schedule of~~
24 ~~tournaments submitted by the Category 3 slot machine licensee~~
25 ~~in accordance with subsection (b).~~

26 ~~* * *~~

27 ~~§ 13A27. Other financial transactions.~~

28 ~~(a) Credit.—~~

29 ~~(1) Notwithstanding section 1504 (relating to wagering~~
30 ~~on credit), a certificate holder may extend interest free,~~

1 unsecured credit to patrons for the purpose of playing slot
2 machines or table games in accordance with this section;
3 however, a certificate holder shall not accept credit cards,
4 charge cards or debit cards from a patron or player for the
5 exchange or purchase of chips, slot machine or table game
6 credits or for an advance of coins or currency to be utilized
7 by a player to play slot machine or table games. No credit
8 card advance machine may be placed on the gaming floor.

9 ~~(2) Prepaid access instruments are not deemed to be a~~
10 ~~credit card, charge card, debit card or any other instrument~~
11 ~~of credit and are not prohibited under this section. A device~~
12 ~~or other mechanism that allows or facilitates the funding of~~
13 ~~a prepaid access instrument shall not be deemed a credit card~~
14 ~~advance machine under this section.~~

15 * * *

16 ~~(c) Credit application verification. Prior to approving an~~
17 ~~application for credit, a certificate holder shall verify:~~

18 ~~(1) The identity, creditworthiness and indebtedness~~
19 ~~information of the applicant by conducting a comprehensive~~
20 ~~review of the information submitted with the application and~~
21 ~~any information regarding the applicant's credit activity at~~
22 ~~other licensed facilities which the certificate holder may~~
23 ~~obtain through a casino credit bureau and, if appropriate,~~
24 ~~through direct contact with other slot machine licensees.~~

25 ~~(2) That the applicant's name is not included on an~~
26 ~~exclusion list under section 1514 (relating to regulation~~
27 ~~requiring exclusion [or], ejection or denial of access of~~
28 ~~certain persons) or 1516 (relating to list of persons self-~~
29 ~~excluded from gaming activities) or the voluntary credit~~
30 ~~suspension list under subsection (h).~~

1 * * *

2 Section 23. ~~Section 13A41 of Title 4 is amended by adding a~~
3 ~~subsection to read:~~

4 ~~§ 13A41. Table game device and associated equipment testing and~~
5 ~~certification standards.~~

6 * * *

7 ~~(b.1) Use of private testing and certification facilities.~~

8 ~~Notwithstanding any provision of this part or regulation of the~~
9 ~~board, if a table game device or associated equipment is tested~~
10 ~~and certified by a private testing and certification facility~~
11 ~~registered with the board, the board shall use an abbreviated~~
12 ~~certification process requiring only that information determined~~
13 ~~by it to be necessary to consider the issuance of a table game~~
14 ~~device or associated equipment certification under this section.~~
15 ~~Within one year of the effective date of this subsection, the~~
16 ~~board shall promulgate regulations that:~~

17 ~~(1) Provide for the registration of private testing and~~
18 ~~certification facilities. Persons seeking registration under~~
19 ~~this subsection shall be subject to section 1202(b)(9)~~
20 ~~(relating to general and specific powers).~~

21 ~~(2) Specify the form and content of the application for~~
22 ~~registration.~~

23 ~~(3) Establish and collect an application fee for persons~~
24 ~~seeking registration. The application fee shall include the~~
25 ~~costs of all background investigations as determined~~
26 ~~necessary and appropriate by the board.~~

27 ~~(4) Establish uniform procedures and standards which~~
28 ~~private testing and certification facilities must comply with~~
29 ~~during the testing and certification of table game devices~~
30 ~~and associated equipment.~~

1 ~~(5) Utilize information provided by private testing and~~
2 ~~certification facilities for the abbreviated certification of~~
3 ~~table game devices or associated equipment.~~

4 ~~(6) Establish an abbreviated certification process that~~
5 ~~may be used by registered private testing and certification~~
6 ~~facilities to test and certify table game devices or~~
7 ~~associated equipment.~~

8 ~~(7) Establish fees that must be paid by a licensed~~
9 ~~manufacturer.~~

10 ~~(8) Require table game devices and associated equipment~~
11 ~~submitted for abbreviated certification to be approved or~~
12 ~~denied by the board within 30 days from the date of~~
13 ~~submission to the board. If the board fails to act within the~~
14 ~~30 day period, the abbreviated certification shall be deemed~~
15 ~~conditionally approved.~~

16 ~~(9) Provide procedures and standards for the suspension~~
17 ~~and revocation of the registration of a private testing and~~
18 ~~certification facility and the reinstatement of a suspended~~
19 ~~or revoked registration.~~

20 Section 23.1. Section 13A61(a) of Title 4 is amended by
21 adding a paragraph to read:

22 § 13A61. Table game authorization fee.

23 (a) Amount of authorization fee.

24 * * *

25 ~~(3.1) Notwithstanding any other provision of this part,~~
26 ~~no later than 60 days after the board approves a request for~~
27 ~~additional table games in accordance with section 13A11~~
28 ~~(relating to authorization to conduct table games) submitted~~
29 ~~by a Category 3 slot machine licensee, the Category 3 slot~~
30 ~~machine licensee shall pay a one time nonrefundable fee in~~

~~the amount of \$1,000,000. The fee shall be deposited into the
General Fund.~~

~~* * *~~

~~Section 24. Section 13A63(b)(3)(iii)(C) and (4) of Title 4
are amended to read:~~

~~§ 13A63. Local share assessment.~~

~~* * *~~

~~(b) Distributions to counties. The department shall make
quarterly distributions from the local share assessments
deposited into the fund under subsection (a) to counties,
including home rule counties, hosting a licensed facility
authorized to conduct table games under this chapter in
accordance with the following:~~

~~* * *~~

~~(3) If the facility is a Category 2 licensed facility
and if the county in which the licensed facility is located
is:~~

~~* * *~~

~~(iii) A county of the third class where a city of
the third class hosting the licensed facility is located
in two counties of the third class: 50% of the licensed
facility's local share assessment shall be distributed as
follows:~~

~~* * *~~

~~(C) Twenty percent to the nonhost county in
which the host city is located, of which 50% shall be
deposited into a restricted receipts account to be
established in the Commonwealth Financing Authority
to be used [solely for grants to municipalities [that
are contiguous to the host city] exclusively for~~

1 ~~economic development projects, community improvement~~
2 ~~projects and other projects in the public interest~~
3 ~~within the nonhost county, with priority given to~~
4 ~~municipalities contiguous to the host city.~~

5 * * *

6 ~~(4) The following apply:~~

7 ~~(i) If the facility is a Category 3 licensed~~
8 ~~facility located in a county of the second class A: 50%~~
9 ~~of the licensed facility's local share assessment shall~~
10 ~~be [deposited into a restricted receipts account to be~~
11 ~~established in the Commonwealth Financing Authority to be~~
12 ~~used exclusively for grants or guarantees for projects in~~
13 ~~the county that qualify under 64 Pa.C.S. §§ 1551~~
14 ~~(relating to Business in Our Sites Program), 1556~~
15 ~~(relating to Tax Increment Financing Guarantee Program)~~
16 ~~and 1558 (relating to Water Supply and Waste Water~~
17 ~~Infrastructure Program).] distributed as follows:~~

18 ~~(A) Seventy five percent shall be distributed to~~
19 ~~the county hosting the licensed facility from each~~
20 ~~such licensed facility for the purpose of supporting~~
21 ~~the maintenance and refurbishment of the Parks and~~
22 ~~Heritage sites throughout the county in which the~~
23 ~~licensee is located.~~

24 ~~(B) Twelve and one half percent shall be~~
25 ~~distributed to the county hosting the licensed~~
26 ~~facility from each such licensed facility for the~~
27 ~~purpose of supporting a child advocacy center located~~
28 ~~within the county in which the licensee is located.~~

29 ~~(C) Twelve and one half percent shall be~~
30 ~~distributed to the county hosting the licensed~~

~~facility from each such licensed facility for the purpose of supporting an organization providing comprehensive support services to victims of domestic violence, including legal and medical aid, shelters, transitional housing and counseling located within the county in which the licensee is located.~~

~~(ii) Except as provided in subparagraph (i), if the facility is a Category 3 licensed facility in a county of any class: 50% of the licensed facility's local share assessment shall be added to the funds in the restricted receipts account established under section 1403(c)(2)(iv) for distribution with those funds.~~

~~* * *~~

~~Section 25. Title 4 is amended by adding chapters to read:~~

~~CHAPTER 13B~~

~~INTERACTIVE GAMING~~

~~Subchapter~~

~~A. General Provisions~~

~~B. Interactive Gaming Authorized~~

~~B.1. Multi use Computing Devices~~

~~C. Conduct of Interactive Gaming~~

~~D. Facilities and Equipment~~

~~E. Testing and Certification~~

~~F. Taxes and Fees~~

~~G. Miscellaneous Provisions~~

~~SUBCHAPTER A~~

~~GENERAL PROVISIONS~~

~~Sec.~~

~~13B01. (Reserved).~~

~~13B02. Regulatory authority.~~

1 ~~13B03. Regulations.~~

2 ~~§ 13B01. (Reserved).~~

3 ~~§ 13B02. Regulatory authority.~~

4 ~~(a) Authority. The board shall promulgate and adopt rules~~
5 ~~and regulations to govern the conduct of interactive gaming in~~
6 ~~order to ensure that it will be implemented in a manner that~~
7 ~~provides for the security and effective management,~~
8 ~~administration and control of interactive gaming, including, but~~
9 ~~not limited to, regulations:~~

10 ~~(1) Ensuring that interactive gaming is offered for play~~
11 ~~in this Commonwealth in a manner that is consistent with~~
12 ~~Federal law and the provisions of this chapter.~~

13 ~~(2) Establishing standards and procedures for testing~~
14 ~~and approving interactive games and interactive gaming~~
15 ~~devices and associated equipment, and any variations or~~
16 ~~composites of authorized interactive games, provided that the~~
17 ~~board determines that the interactive games and any new~~
18 ~~interactive games or any variations or composites are~~
19 ~~suitable for use after a test or experimental period under~~
20 ~~any terms and conditions as the board may deem appropriate.~~
21 ~~The board may give priority to the testing of interactive~~
22 ~~games, interactive gaming devices and associated equipment or~~
23 ~~other gaming equipment which a slot machine licensee or an~~
24 ~~applicant for an interactive gaming license has certified~~
25 ~~that it will use to conduct interactive gaming in this~~
26 ~~Commonwealth. Nothing in this paragraph shall be construed to~~
27 ~~prohibit the board from using the testing and certification~~
28 ~~standards of another state or jurisdiction in which~~
29 ~~interactive gaming is conducted, if it determines that the~~
30 ~~standards of the jurisdiction are comprehensive, thorough and~~

~~provide similar and adequate safeguards as those required under this part. If the board makes such a determination and the slot machine licensee or applicant for an interactive gaming license is licensed in another state or jurisdiction to operate interactive gaming or an interactive gaming system, it may use an abbreviated process requiring only the information determined by it to be necessary to consider the issuance of an interactive gaming certificate or interactive gaming license under this chapter. The board, in its discretion, may also rely upon the certification of interactive games that have met the testing and certification standards of a board approved private testing and certification facility.~~

~~(3) Establishing standards and rules to govern the conduct of interactive gaming and the system of and wagering associated with interactive gaming, including internal controls and accounting controls, and the type, number, payout, wagering limits and rules for interactive games.~~

~~(4) Establishing the method for calculating gross interactive gaming revenue and standards for the daily counting and recording of cash and cash equivalents received in the conduct of authorized interactive games and ensure that internal controls and accounting controls are followed, including the maintenance of financial books and records and the conduct of audits. The board shall consult with the department in establishing these regulations.~~

~~(5) Establishing notice requirements pertaining to minimum and maximum wagers on authorized interactive games.~~

~~(6) Ensuring that all facilities and interactive gaming devices and associated equipment are arranged in a manner to~~

1 ~~promote appropriate security for interactive gaming.~~

2 ~~(7) Establishing technical standards for the approval of~~
3 ~~interactive games, interactive gaming devices and associated~~
4 ~~equipment, including mechanical, electrical or program~~
5 ~~reliability, security against tampering and any other~~
6 ~~standards as it may deem necessary to protect registered~~
7 ~~players from fraud or deception.~~

8 ~~(8) Governing the creation, ownership and utilization of~~
9 ~~interactive gaming accounts by registered players, including~~
10 ~~the following:~~

11 ~~(i) Requiring that an interactive gaming account be~~
12 ~~created, owned and utilized by a natural person and not~~
13 ~~in the name of any beneficiary, custodian, joint trust,~~
14 ~~corporation, partnership or other organization or entity.~~

15 ~~(ii) Prohibiting the assignment or other transfer of~~
16 ~~an interactive gaming account.~~

17 ~~(iii) Prohibiting the creation, ownership or~~
18 ~~utilization of an interactive gaming account by an~~
19 ~~individual under 21 years of age.~~

20 ~~(9) Establishing procedures for a registered player to~~
21 ~~log into the registered player's interactive gaming account,~~
22 ~~authenticate the registered player's identity, agree to~~
23 ~~terms, conditions and rules applicable to authorized~~
24 ~~interactive games and log out of the registered player's~~
25 ~~interactive gaming account, including procedures for~~
26 ~~automatically logging off a registered player from an~~
27 ~~interactive game after a specified period of inactivity.~~

28 ~~(10) Establishing procedures for:~~

29 ~~(i) Depositing funds in an interactive gaming~~
30 ~~account by cash, transfer or other means, as approved by~~

1 ~~the board.~~

2 ~~(ii) The withdrawal of funds from an interactive~~
3 ~~gaming account.~~

4 ~~(iii) The suspension of interactive gaming account~~
5 ~~activity for security reasons.~~

6 ~~(iv) The termination of an interactive gaming~~
7 ~~account and disposition of funds in the account.~~

8 ~~(v) The disposition of unclaimed funds in a dormant~~
9 ~~interactive gaming account.~~

10 ~~(11) Establishing mechanisms by which a registered~~
11 ~~player may place a limit on the amount of money being wagered~~
12 ~~on an authorized interactive game or during any specified~~
13 ~~time period or the amount of money lost during any specified~~
14 ~~time period.~~

15 ~~(12) Establishing mechanisms to exclude from interactive~~
16 ~~gaming persons not eligible to play by reason of age,~~
17 ~~identity or location or inclusion on a list of persons denied~~
18 ~~access to interactive gaming activities in accordance with~~
19 ~~sections 1514 (relating to regulation requiring exclusion,~~
20 ~~ejection or denial of access of certain persons), 1515~~
21 ~~(relating to repeat offenders excludable from licensed gaming~~
22 ~~facility) and 1516 (relating to list of persons self excluded~~
23 ~~from gaming activities).~~

24 ~~(13) Establishing procedures for the protection,~~
25 ~~security and reliability of interactive gaming accounts,~~
26 ~~authorized interactive games, interactive gaming devices and~~
27 ~~associated equipment and mechanisms to prevent tampering or~~
28 ~~utilization by unauthorized persons.~~

29 ~~(14) Establishing data security standards to govern age,~~
30 ~~identity and location verification of persons engaged in~~

1 ~~interactive gaming activity.~~

2 ~~(15) Requiring each interactive gaming certificate~~
3 ~~holder to:~~

4 ~~(i) Provide written information on its interactive~~
5 ~~gaming skin or Internet website, which explains the rules~~
6 ~~for each authorized interactive game, payoffs or winning~~
7 ~~wagers and other information as the board may require.~~

8 ~~(ii) Designate one or more interactive gaming~~
9 ~~restricted areas where interactive gaming will be~~
10 ~~managed, administered or controlled.~~

11 ~~(iii) Provide the board with access to the~~
12 ~~interactive gaming skin or website, interactive gaming~~
13 ~~platform, signal or transmission used in connection with~~
14 ~~interactive gaming and interactive gaming restricted~~
15 ~~areas.~~

16 ~~(iv) Adopt procedures for the recordation,~~
17 ~~replication and storage of all play and transactions for~~
18 ~~a period to be determined by the board.~~

19 ~~(v) Provide statements on its interactive gaming~~
20 ~~skin or website about the permissible minimum and maximum~~
21 ~~wagers for each authorized interactive game, as~~
22 ~~applicable.~~

23 ~~(vi) Adopt policies or procedures to prohibit any~~
24 ~~unauthorized person from having access to interactive~~
25 ~~gaming devices and associated equipment.~~

26 ~~(vii) Adopt data security standards to verify the~~
27 ~~age, identity and location of persons engaged in~~
28 ~~interactive gaming and prevent unauthorized access by any~~
29 ~~person whose age, identity and location have not been~~
30 ~~verified or whose age, identity and location cannot be~~

1 ~~verified in accordance with regulations adopted by the~~
2 ~~board.~~

3 ~~(viii) Adopt standards to protect the privacy and~~
4 ~~security of registered players engaged in interactive~~
5 ~~gaming.~~

6 ~~(ix) Collect, report and pay any and all applicable~~
7 ~~taxes and fees and maintain all books, records and~~
8 ~~documents related to the interactive gaming certificate~~
9 ~~holder's interactive gaming activities in a manner and in~~
10 ~~a location within this Commonwealth as approved by the~~
11 ~~board or the department. All books, records and documents~~
12 ~~shall be immediately available for inspection during all~~
13 ~~hours of operation in accordance with the regulations of~~
14 ~~the board and shall be maintained in a manner and during~~
15 ~~periods of time as the board shall by regulation require.~~

16 ~~(b) Additional authority.~~

17 ~~(1) At its discretion, the board may determine whether~~
18 ~~persons that provide the following goods or services shall be~~
19 ~~required to obtain a license, permit or other authorization:~~

20 ~~(i) Payment processing and related money~~
21 ~~transmitting and services.~~

22 ~~(ii) Identity, location or age verification and~~
23 ~~geospatial technology services.~~

24 ~~(iii) General telecommunications services, which are~~
25 ~~not specifically designed for or related to interactive~~
26 ~~gaming.~~

27 ~~(iv) Other goods or services that are not~~
28 ~~specifically designed for use with interactive gaming if~~
29 ~~the persons providing the goods or services are not paid~~
30 ~~a percentage of gaming revenue or of money wagered on~~

~~interactive games or of any fees, not including fees to financial institutions and payment providers for facilitating a deposit by an interactive gaming account holder.~~

~~(v) Any other goods or services related to interactive gaming as the board may determine.~~

~~(2) The board shall develop a classification system for the licensure, permitting or other authorization of persons that provide the following goods or services related to interactive gaming:~~

~~(i) Persons that provide interactive games and interactive gaming devices and associated equipment.~~

~~(ii) Persons that manage, control or administer the interactive games or the wagers associated with interactive games.~~

~~(iii) Providers of customer lists comprised of persons identified or selected, in whole or in part, because they placed or may place wagers on interactive gaming.~~

~~§ 13B03. Regulations.~~

~~(a) Promulgation.~~

~~(1) In order to facilitate the prompt implementation of this chapter, the board shall have the authority to promulgate temporary regulations which shall expire not later than two years following the publication of the temporary regulation in the Pennsylvania Bulletin and on the board's publicly accessible Internet website.~~

~~(2) The board may promulgate temporary regulations not subject to:~~

~~(i) Sections 201, 202, 203, 204 and 205 of the act~~

1 ~~of July 31, 1968 (P.L.769, No.240), referred to as the~~
2 ~~Commonwealth Documents Law.~~

3 ~~(ii) Sections 204(b) and 301(10) of the act of~~
4 ~~October 15, 1980 (P.L.950, No.164), known as the~~
5 ~~Commonwealth Attorneys Act.~~

6 ~~(iii) The act of June 25, 1982 (P.L.633, No.181),~~
7 ~~known as the Regulatory Review Act.~~

8 ~~(b) Publications. The board shall begin publishing~~
9 ~~temporary regulations governing the rules for interactive~~
10 ~~gaming, the issuance of interactive gaming certificates and~~
11 ~~interactive gaming licenses, standards for approving~~
12 ~~manufacturers, suppliers and other persons seeking to provide~~
13 ~~interactive games, interactive gaming devices and associated~~
14 ~~equipment, including age, identity and location verification~~
15 ~~software or system programs and security and surveillance~~
16 ~~standards in the Pennsylvania Bulletin within 30 days of the~~
17 ~~effective date of this subsection.~~

18 ~~(c) Expiration of temporary regulations. Except for~~
19 ~~temporary regulations governing the rules for issuing~~
20 ~~certificates and licenses under this chapter, for new~~
21 ~~interactive games, for approving interactive games or variations~~
22 ~~thereof, interactive gaming devices and associated equipment and~~
23 ~~for approving manufacturers, suppliers and other persons seeking~~
24 ~~to provide interactive games, interactive gaming devices and~~
25 ~~associated equipment, the board's authority to adopt temporary~~
26 ~~regulations under subsection (a) shall expire two years after~~
27 ~~the effective date of this section. Regulations adopted after~~
28 ~~this period shall be promulgated as provided by law.~~

29 ~~SUBCHAPTER B~~

30 ~~INTERACTIVE GAMING AUTHORIZED~~

1 ~~Sec.~~

2 ~~13B11. Authorization to conduct interactive gaming.~~

3 ~~13B12. Interactive gaming certificate required and content of~~
4 ~~petition.~~

5 ~~13B13. Issuance of interactive gaming certificate.~~

6 ~~13B14. Interactive gaming operators.~~

7 ~~13B15. Interactive gaming certificate and interactive gaming~~
8 ~~license.~~

9 ~~13B16. Timing of initial interactive gaming authorizations.~~

10 ~~§ 13B11. Authorization to conduct interactive gaming.~~

11 ~~(a) Authority of board. The board may authorize a slot~~
12 ~~machine licensee:~~

13 ~~(1) To conduct interactive gaming directly or through an~~
14 ~~interactive gaming operator under an interactive gaming~~
15 ~~agreement, including contests and tournaments and any other~~
16 ~~game which is determined by the board to be suitable for~~
17 ~~interactive gaming.~~

18 ~~(2) To deploy interactive gaming skins or Internet~~
19 ~~websites to facilitate the conduct of interactive gaming~~
20 ~~activities.~~

21 ~~(b) Authority to play interactive games. Notwithstanding~~
22 ~~any other provision of law, an individual who is 21 years of age~~
23 ~~or older is hereby permitted to participate as a registered~~
24 ~~player in interactive gaming and wagering associated with~~
25 ~~playing an authorized interactive game offered by an interactive~~
26 ~~gaming certificate holder in accordance with this chapter and~~
27 ~~regulations of the board. Except as provided in Subchapter G~~
28 ~~(relating to miscellaneous provisions), a registered player must~~
29 ~~be physically located within this Commonwealth in order to~~
30 ~~participate in interactive gaming.~~

1 ~~§ 13B12. Interactive gaming certificate required and content of~~
2 ~~petition.~~

3 ~~(a) Certificate required. No person shall operate or~~
4 ~~conduct or attempt to operate or conduct interactive gaming,~~
5 ~~except for test purposes as approved by the board, or offer open~~
6 ~~interactive gaming for play by the public in this Commonwealth~~
7 ~~without first obtaining an interactive gaming certificate or an~~
8 ~~interactive gaming license from the board. A slot machine~~
9 ~~licensee may seek approval to conduct interactive gaming by~~
10 ~~filing a petition for an interactive gaming certificate with the~~
11 ~~board. The board shall prescribe the form and the manner in~~
12 ~~which it shall be filed.~~

13 ~~(b) Content of petition. In addition to information and~~
14 ~~documentation demonstrating that the slot machine licensee is~~
15 ~~qualified for an interactive gaming certificate under this~~
16 ~~chapter, a petition for an interactive gaming certificate shall~~
17 ~~include the following:~~

18 ~~(1) The name, business address and contact information~~
19 ~~of the slot machine licensee.~~

20 ~~(2) The name, business address and contact information~~
21 ~~of any affiliate or other person that will be a party to an~~
22 ~~agreement with the slot machine licensee related to the~~
23 ~~operation of interactive gaming or an interactive gaming~~
24 ~~system on behalf of the slot machine licensee, including a~~
25 ~~person applying for an interactive gaming license.~~

26 ~~(3) The name and business address, job title and a~~
27 ~~photograph of each principal and key employee of the slot~~
28 ~~machine licensee who will be involved in the conduct of~~
29 ~~interactive gaming, whether or not the principal or key~~
30 ~~employee is currently licensed by the board, if known.~~

1 ~~(4) The name and business address, job title and a~~
2 ~~photograph of each principal and key employee of the~~
3 ~~interactive gaming operator, if any, who will conduct~~
4 ~~interactive gaming or an interactive gaming system on behalf~~
5 ~~of the slot machine licensee, whether or not the principal or~~
6 ~~key employee is currently licensed by the board, if known.~~

7 ~~(5) An itemized list of the interactive games and any~~
8 ~~other game or games the slot machine licensee plans to offer~~
9 ~~over the Internet for which authorization is being sought.~~
10 ~~The slot machine licensee shall, in accordance with~~
11 ~~regulations promulgated by the board, file with the board any~~
12 ~~changes in the number of authorized interactive games offered~~
13 ~~through interactive gaming.~~

14 ~~(6) The estimated number of full time and part time~~
15 ~~employment positions that will be created at the slot machine~~
16 ~~licensee's licensed facility or at any interactive gaming~~
17 ~~restricted area if an interactive gaming certificate is~~
18 ~~issued and an updated hiring plan under section 1510(a)~~
19 ~~(relating to labor hiring preferences) which outlines the~~
20 ~~slot machine licensee's plan to promote the representation of~~
21 ~~diverse groups and Commonwealth residents in the employment~~
22 ~~positions.~~

23 ~~(7) A brief description of the economic benefits~~
24 ~~expected to be realized by the Commonwealth, the host~~
25 ~~municipalities and residents if an interactive gaming~~
26 ~~certificate is issued.~~

27 ~~(8) The details of any financing obtained or that will~~
28 ~~be obtained to fund an expansion or modification of the slot~~
29 ~~machine licensee's licensed facility to accommodate~~
30 ~~interactive gaming and to otherwise fund the cost of~~

1 ~~commencing interactive gaming.~~

2 ~~(9) Information and documentation concerning financial~~
3 ~~background and resources, as the board may require, to~~
4 ~~establish by clear and convincing evidence the financial~~
5 ~~stability, integrity and responsibility of the slot machine~~
6 ~~licensee, and information or documentation concerning any~~
7 ~~person that will operate interactive gaming or an interactive~~
8 ~~gaming system on behalf of the slot machine licensee as an~~
9 ~~interactive gaming operator, as the board may require. The~~
10 ~~interactive gaming agreement with such person shall be~~
11 ~~subject to the review and approval of the board.~~

12 ~~(10) Information and documentation, as the board may~~
13 ~~require, to establish by clear and convincing evidence that~~
14 ~~the slot machine licensee has sufficient business ability and~~
15 ~~experience to conduct a successful interactive gaming~~
16 ~~operation. In making this determination, the board may~~
17 ~~consider the results of the slot machine licensee's slot~~
18 ~~machine and table game operations, including financial~~
19 ~~information, employment data and capital investment.~~

20 ~~(11) Information and documentation, as the board may~~
21 ~~require, to establish by clear and convincing evidence that~~
22 ~~the slot machine licensee has or will have the financial~~
23 ~~ability to pay the interactive gaming authorization fee.~~

24 ~~(12) Detailed site plans identifying the proposed~~
25 ~~interactive gaming restricted area where interactive gaming~~
26 ~~operations will be managed, administered or controlled as~~
27 ~~approved by the board.~~

28 ~~(13) A detailed description of all of the following:~~

29 ~~(i) The slot machine licensee's initial system of~~
30 ~~internal and accounting controls applicable to~~

1 ~~interactive gaming.~~

2 ~~(ii) The slot machine licensee's proposed standards~~
3 ~~to protect, with a reasonable degree of certainty, the~~
4 ~~privacy and security of its registered players.~~

5 ~~(iii) How the slot machine licensee will facilitate~~
6 ~~compliance with all of the requirements set forth in this~~
7 ~~chapter and in section 802(a) of the Unlawful Internet~~
8 ~~Gambling Enforcement Act of 2006 (Public Law 109-347, 31-~~
9 ~~U.S.C. § 5362(10)(B)), including, but not limited to, all~~
10 ~~of the following:~~

11 ~~(A) Age, identity and location verification~~
12 ~~requirements.~~

13 ~~(B) Appropriate data security standards to~~
14 ~~prevent unauthorized access by any person whose age,~~
15 ~~identity or location have not been verified or cannot~~
16 ~~be verified in accordance with this chapter and~~
17 ~~applicable regulations of the board.~~

18 ~~(C) Except as provided in Subchapter G (relating~~
19 ~~to miscellaneous provisions), the requirement that~~
20 ~~all wagers made in the conduct of interactive gaming~~
21 ~~be initiated and received or otherwise made~~
22 ~~exclusively within this Commonwealth.~~

23 ~~(iv) The slot machine licensee's proposed age,~~
24 ~~identity and location verification standards designed to~~
25 ~~block access to persons under 21 years of age and other~~
26 ~~persons excluded or prohibited from participating in~~
27 ~~interactive gaming under this chapter.~~

28 ~~(v) The procedures the slot machine licensee will~~
29 ~~use to register individuals as registered players.~~

30 ~~(vi) The procedures the slot machine licensee will~~

1 ~~use to establish interactive gaming accounts for~~
2 ~~registered players.~~

3 ~~(vii) The interactive games and services the slot~~
4 ~~machine licensee proposes to offer to registered players.~~

5 ~~(viii) Documentation and information relating to~~
6 ~~known proposed contractors of the slot machine licensee~~
7 ~~and subcontractors of the contractors.~~

8 ~~(14) The interactive gaming devices and associated~~
9 ~~equipment and interactive gaming system or systems, that the~~
10 ~~slot machine licensee plans to or will utilize to manage,~~
11 ~~administer or control its interactive gaming operations.~~

12 ~~(15) Compliance certification of the slot machine~~
13 ~~licensee's proposed interactive gaming devices and associated~~
14 ~~equipment, including interactive gaming software and~~
15 ~~hardware, by a board approved gaming laboratory to ensure~~
16 ~~that the gaming software and hardware comply with the~~
17 ~~requirements of this chapter and regulations of the board.~~

18 ~~(16) Detailed description of accounting systems,~~
19 ~~including, but not limited to, accounting systems for all of~~
20 ~~the following:~~

21 ~~(i) Interactive gaming accounts.~~

22 ~~(ii) Per hand charges, if applicable.~~

23 ~~(iii) Transparency and reporting to the board and~~
24 ~~the department.~~

25 ~~(iv) Distribution of revenue to the Commonwealth and~~
26 ~~winnings to registered players.~~

27 ~~(v) Ongoing auditing and internal control compliance~~
28 ~~reviews.~~

29 ~~(17) Detailed information on security systems to protect~~
30 ~~the interactive gaming skins or Internet website from~~

1 ~~internal and external breaches and threats.~~

2 ~~(18) Any other information the board may require.~~

3 ~~(c) Confidentiality. Information submitted to the board~~
4 ~~under subsection (b) may be considered confidential by the board~~
5 ~~if the information would be confidential under section 1206(f)~~
6 ~~(relating to board minutes and records).~~

7 ~~§ 13B13. Issuance of interactive gaming certificate.~~

8 ~~(a) Requirements for approval of petition.~~

9 ~~(1) The board may approve a petition under section 13B12~~
10 ~~(relating to interactive gaming certificate required and~~
11 ~~content of petition) upon finding clear and convincing~~
12 ~~evidence of all of the following:~~

13 ~~(i) The slot machine licensee's proposed conduct of~~
14 ~~interactive gaming complies in all respects with the~~
15 ~~requirements of this chapter and regulations promulgated~~
16 ~~by the board.~~

17 ~~(ii) Age, identity and location verification~~
18 ~~requirements designed to block access to individuals~~
19 ~~under 21 years of age and persons otherwise excluded or~~
20 ~~prohibited from engaging in interactive gaming in~~
21 ~~accordance with this chapter, as approved by the board,~~
22 ~~have been implemented by the slot machine licensee.~~

23 ~~(iii) The slot machine licensee has implemented or~~
24 ~~will implement appropriate data security standards to~~
25 ~~prevent unauthorized access by any person whose age,~~
26 ~~identity and location has not been verified or cannot be~~
27 ~~verified in accordance with the regulations promulgated~~
28 ~~by the board.~~

29 ~~(iv) The slot machine licensee has implemented or~~
30 ~~will implement appropriate standards to protect the~~

1 ~~privacy and security of registered players with a~~
2 ~~reasonable degree of certainty.~~

3 ~~(v) The slot machine licensee's initial system of~~
4 ~~internal and accounting controls applicable to~~
5 ~~interactive gaming, and the security and integrity of all~~
6 ~~financial transactions in connection with the system,~~
7 ~~complies with this chapter and regulations promulgated by~~
8 ~~the board.~~

9 ~~(vi) The slot machine licensee is in good standing~~
10 ~~with the board.~~

11 ~~(vii) The slot machine licensee agrees that the~~
12 ~~number of slot machines and table games in operation at~~
13 ~~its licensed facility, as of the effective date of this~~
14 ~~section, will not be reduced as a result of the~~
15 ~~authorization and commencement of interactive gaming.~~

16 ~~(2) It shall be an express condition of the issuance and~~
17 ~~continued validity of an interactive gaming certificate that~~
18 ~~a slot machine licensee shall collect, report and pay all~~
19 ~~applicable taxes and fees and shall maintain all books,~~
20 ~~records and documents pertaining to the slot machine~~
21 ~~licensee's interactive gaming operations in a manner and~~
22 ~~location within this Commonwealth as approved by the board.~~
23 ~~All books, records and documents shall be immediately~~
24 ~~available for inspection by the board and the department~~
25 ~~during all hours of operation in accordance with the~~
26 ~~regulations of the board and shall be maintained in a manner~~
27 ~~and during periods of time as the board shall require.~~

28 ~~(b) Issuance of interactive gaming certificate.~~

29 ~~(1) Upon approval of a petition for an interactive~~
30 ~~gaming certificate, the board shall issue an interactive~~

~~gaming certificate to the slot machine licensee. The issuance of an interactive gaming certificate prior to the full payment of the authorization fee required under section 13B51 (relating to interactive gaming authorization fee) shall not relieve the slot machine licensee from the obligation to pay the authorization fee in accordance with the requirements of section 13B51.~~

~~(2) Upon issuing an interactive gaming certificate, the board shall amend the slot machine licensee's statement of conditions to include conditions pertaining to the requirements of this chapter.~~

~~(c) Term of interactive gaming certificate. Subject to the power of the board to deny, revoke or suspend an interactive gaming certificate, an interactive gaming certificate shall be valid for five years from the date of issuance and may be renewed in accordance with the requirements of section 1326 (relating to renewals).~~

~~(d) Sanctions. An interactive gaming certificate holder that fails to abide by the requirements of this chapter or regulations of the board or any condition contained in the interactive gaming certificate holder's statement of conditions governing the operation of interactive gaming shall be subject to board imposed administrative sanctions or other penalties authorized under this part.~~

~~(e) Background investigations. Each petition for an interactive gaming certificate shall be accompanied by a nonrefundable fee established by the board to cover the cost of background investigations. The board shall determine by regulation the persons who shall be subject to background investigation. Any additional costs and expenses incurred in any~~

1 ~~background investigation or other investigation or proceeding~~
2 ~~under this chapter shall be reimbursed to the board.~~

3 ~~§ 13B14. Interactive gaming operators.~~

4 ~~(a) License required. No person shall serve or attempt to~~
5 ~~serve as an interactive gaming operator without first obtaining~~
6 ~~an interactive gaming license from the board for each~~
7 ~~interactive gaming certificate holder the applicant proposes to~~
8 ~~operate interactive gaming or an interactive gaming system on~~
9 ~~behalf of. A person may seek approval to serve as an interactive~~
10 ~~gaming operator by filing an application with the board. The~~
11 ~~board shall prescribe the form of the application and the manner~~
12 ~~in which it shall be filed. The board shall:~~

13 ~~(1) Determine suitability of the person filing an~~
14 ~~application under this section. The board shall determine~~
15 ~~suitability in accordance with the same requirements of this~~
16 ~~part applicable to the determination of suitability of the~~
17 ~~issuance of an interactive gaming certificate to a slot~~
18 ~~machine licensee. Notwithstanding the provisions of this~~
19 ~~paragraph, the board may consider a holder of a valid~~
20 ~~license, permit, registration, certificate or other~~
21 ~~authorization approved and issued under this part, which is~~
22 ~~in good standing, as suitable under this section without~~
23 ~~additional investigation. The consideration shall not relieve~~
24 ~~the applicant for an interactive gaming license from payment~~
25 ~~of all fees imposed under this chapter.~~

26 ~~(2) Provide for the approval of the terms and conditions~~
27 ~~of all agreements entered into by or between an interactive~~
28 ~~gaming certificate holder and a person applying for an~~
29 ~~interactive gaming license.~~

30 ~~(b) Classification and approval of employees.~~

1 ~~(1) The board shall establish a classification system~~
2 ~~for employees of interactive gaming operators or other~~
3 ~~persons who provide products or services associated with or~~
4 ~~related to interactive gaming, interactive gaming platforms~~
5 ~~and interactive gaming systems.~~

6 ~~(2) The board shall provide for the licensure,~~
7 ~~permitting, registration or certification, as it deems~~
8 ~~appropriate, of employees in each employee classification~~
9 ~~established by it in accordance with paragraph (1).~~

10 ~~(c) Applicability of certain provisions. Interactive gaming~~
11 ~~operators shall be subject to the applicable provisions of this~~
12 ~~part that apply to interactive gaming certificate holders, as~~
13 ~~determined by the board, including the provisions of section~~
14 ~~13B13(d) (relating to issuance of interactive gaming~~
15 ~~certificate).~~

16 ~~(d) Term of interactive gaming license. Subject to the~~
17 ~~power of the board to deny, revoke or suspend an interactive~~
18 ~~gaming license, an interactive gaming license shall be valid for~~
19 ~~five years from the date of issuance and may be renewed in~~
20 ~~accordance with the requirements of section 1326 (relating to~~
21 ~~renewals).~~

22 ~~(e) Interactive gaming license and conditional~~
23 ~~authorization.~~

24 ~~(1) The following shall apply:~~

25 ~~(i) During the first 18 months after the effective~~
26 ~~date of this section, the board may issue conditional~~
27 ~~authorization to a person applying for an interactive~~
28 ~~gaming license.~~

29 ~~(ii) Conditional authorization issued under this~~
30 ~~subsection shall remain in effect until the earlier of~~

~~the date occurring 12 months after the issuance of the authorization or the date upon which the board makes a final determination on the person's application.~~

~~(iii) The effectiveness of a conditional authorization may be extended by the board not more than once, upon a showing of good cause.~~

~~(iv) Conditional authorization shall allow an applicant for an interactive gaming license to engage in all of the functions of a licensed interactive gaming operator for the duration of the conditional authorization.~~

~~(2) A conditional authorization may not be issued unless:~~

~~(i) The applicant has submitted a complete application for an interactive gaming license to the board.~~

~~(ii) The applicant agrees to pay or has paid the fee prescribed in section 13B51 (relating to interactive gaming authorization fee) prior to the issuance of conditional authorization.~~

~~(iii) The bureau has no objection to the issuance of a conditional authorization to the applicant.~~

~~(3) Within 45 days of the date that the bureau receives the completed application for an interactive gaming license from an applicant for investigation, the bureau shall conduct a preliminary investigation of the applicant and any employee of the applicant determined by the board to be included in the investigation, which shall include a criminal background investigation.~~

~~(4) If the bureau's preliminary investigation discloses~~

~~no adverse information that would impact suitability for licensure, the bureau shall provide the board with a statement of no objection to the issuance of conditional authorization to the applicant.~~

~~(5) If the bureau's preliminary investigation discloses adverse information that would impact suitability for licensure, it shall register an objection, and a conditional authorization may not be issued until the bureau's concerns are resolved.~~

~~(6) A conditional authorization approved and issued to an applicant for an interactive gaming license under this subsection may be suspended or withdrawn by the board upon a showing of good cause by the bureau.~~

~~§ 13B15. Interactive gaming certificate and interactive gaming license.~~

~~The following shall apply:~~

~~(1) An interactive gaming certificate and an interactive gaming license issued to an interactive gaming operator conducting interactive gaming or an interactive gaming system on behalf of the interactive gaming certificate holder shall be valid unless not renewed in accordance with the provisions of this chapter or:~~

~~(i) The certificate or license is suspended or revoked by the board as permitted by this part and regulations of the board.~~

~~(ii) The interactive gaming certificate holder's slot machine license is suspended, revoked or not renewed by the board as permitted by this part and regulations of the board.~~

~~(iii) The interactive gaming certificate holder~~

1 ~~licensee relinquishes or does not seek renewal of its~~
2 ~~slot machine license.~~

3 ~~(iv) The interactive gaming certificate holder does~~
4 ~~not seek renewal of its interactive gaming certificate.~~

5 ~~(2) The interactive gaming certificate may include an~~
6 ~~initial itemized list by number and type of authorized~~
7 ~~interactive games for interactive gaming to be conducted by~~
8 ~~the interactive gaming certificate holder or interactive~~
9 ~~gaming operator. The interactive gaming certificate holder~~
10 ~~may increase or decrease the number of interactive games~~
11 ~~authorized for play on its interactive gaming skin or~~
12 ~~Internet website or change the type of authorized interactive~~
13 ~~games played on its interactive gaming skin or Internet~~
14 ~~website upon notice, if required by the board, to the board~~
15 ~~and approval by the board or a designated employee of the~~
16 ~~board. Unless approved by the board or a designated employee~~
17 ~~of the board, the total number and type of authorized~~
18 ~~interactive games offered for play by an interactive gaming~~
19 ~~certificate holder may not differ from the number and type~~
20 ~~approved by the board and authorized in the interactive~~
21 ~~gaming certificate.~~

22 ~~(3) A slot machine licensee shall be required to update~~
23 ~~the information in its petition for an interactive gaming~~
24 ~~certificate at times and in the form and manner prescribed by~~
25 ~~the board.~~

26 ~~(4) A valid interactive gaming certificate or~~
27 ~~interactive gaming license may be renewed in accordance with~~
28 ~~the procedures set forth in section 1326 (relating to~~
29 ~~renewals) and upon the payment of the applicable renewal fee~~
30 ~~required by section 13B51(c) (relating to interactive gaming~~

1 ~~authorization fee).~~

2 ~~§ 13B16. Timing of initial interactive gaming authorizations.~~

3 ~~The board shall prescribe the date on which petitions for an~~
4 ~~interactive gaming certificate and applications for an~~
5 ~~interactive gaming license must be filed with the board and~~
6 ~~shall approve or deny a petition or application within 90 days~~
7 ~~following receipt.~~

8 ~~SUBCHAPTER B.1~~

9 ~~MULTI USE COMPUTING DEVICES~~

10 ~~Sec.~~

11 ~~13B20. Authorization.~~

12 ~~13B20.1. (Reserved).~~

13 ~~13B20.2. (Reserved).~~

14 ~~13B20.3. Fee.~~

15 ~~13B20.4. Multi use gaming device tax.~~

16 ~~13B20.5. Local share assessment.~~

17 ~~13B20.6. Regulations.~~

18 ~~13B20.7. Construction.~~

19 ~~§ 13B20. Authorization.~~

20 ~~(a) Authority. The board may authorize an interactive~~
21 ~~gaming certificate holder to provide for the conduct of~~
22 ~~interactive gaming, either directly or through an interactive~~
23 ~~gaming operator under an interactive gaming agreement, at a~~
24 ~~qualified airport through the use of multi use computing devices~~
25 ~~by eligible passengers in accordance with this subchapter and~~
26 ~~the regulations of the board. The following shall apply:~~

27 ~~(1) If the interactive gaming certificate holder intends~~
28 ~~to operate interactive gaming under an interactive gaming~~
29 ~~agreement, the interactive gaming operator that is a party to~~
30 ~~the interactive gaming agreement shall have been issued an~~

1 ~~interactive gaming license or will be issued an interactive~~
2 ~~gaming license prior to the commencement of operations under~~
3 ~~the interactive gaming agreement. The interactive gaming~~
4 ~~agreement shall be subject to the review and approval of the~~
5 ~~board.~~

6 ~~(2) The interactive gaming certificate holder or the~~
7 ~~interactive gaming operator, as the case may be, shall enter~~
8 ~~into written agreements with the airport authority and the~~
9 ~~concession operator at the qualified airport or, for~~
10 ~~operation at a qualified airport which is not located~~
11 ~~primarily within a city of the first class, a written~~
12 ~~agreement with the airport authority that permits the conduct~~
13 ~~of interactive gaming through the use of multi use computing~~
14 ~~devices within the airport gaming area. The agreements shall~~
15 ~~be subject to the review and approval of the board.~~

16 ~~(3) Notwithstanding any provision to the contrary~~
17 ~~contained in this part or regulation of the board, an~~
18 ~~eligible passenger does not need to be a registered player.~~

19 ~~(b) Petition. An interactive gaming certificate holder~~
20 ~~desiring to provide interactive gaming at a qualified airport~~
21 ~~under subsection (a) shall submit a petition for approval to the~~
22 ~~board. The petition shall be in the form and submitted in the~~
23 ~~manner prescribed by the board.~~

24 ~~(c) Requirements. The petition filed under subsection (b)~~
25 ~~shall include the following:~~

26 ~~(1) The name, business address and contact information~~
27 ~~of the interactive gaming certificate holder and the name,~~
28 ~~business address and contact information of the interactive~~
29 ~~gaming operator, if applicable.~~

30 ~~(2) The name and business address, job title and a~~

1 ~~photograph of each principal and key employee, if known, of~~
2 ~~the interactive gaming certificate holder and the interactive~~
3 ~~gaming operator, if applicable, who will be directly involved~~
4 ~~in the conduct of the authorized interactive games at the~~
5 ~~qualified airport and who are not currently licensed by the~~
6 ~~board.~~

7 ~~(3) The name and job title of the person or persons who~~
8 ~~will be responsible for ensuring the operation and integrity~~
9 ~~of the conduct of interactive gaming at the qualified airport~~
10 ~~and for reviewing reports of suspicious transactions.~~

11 ~~(4) A copy of the interactive gaming agreement, if~~
12 ~~applicable.~~

13 ~~(5) The location of the qualified airport together with~~
14 ~~detailed site plans indicating the location of the proposed~~
15 ~~airport gaming area.~~

16 ~~(6) Except as provided in paragraph (7), the name and~~
17 ~~business address of the airport authority governing the~~
18 ~~qualified airport and the names of the members of the~~
19 ~~governing body of the airport authority.~~

20 ~~(7) If the use and control of the qualified airport is~~
21 ~~regulated by a city of the first class, an identification of~~
22 ~~the municipal agency and primary officials of the city of the~~
23 ~~first class.~~

24 ~~(8) Copies of the agreements required under subsection~~
25 ~~(a) (2).~~

26 ~~(9) The brand name of the multi-use computing devices~~
27 ~~that will be placed in operation at the qualified airport and~~
28 ~~any information required by the board, in its discretion,~~
29 ~~regarding persons that manufacture or will supply the multi-~~
30 ~~use computing devices as it deems necessary.~~

1 ~~(10) The interactive games the interactive gaming~~
2 ~~certificate holder or the interactive gaming operator, as~~
3 ~~applicable, intends to offer for play at the qualified~~
4 ~~airport.~~

5 ~~(11) Information, as the board may require, on any~~
6 ~~computer applications, including gaming applications, that~~
7 ~~can be accessed on the multi use computing devices to be~~
8 ~~placed into operation at the qualified airport.~~

9 ~~(12) Information and documentation evidencing the~~
10 ~~financial stability, integrity and responsibility of the~~
11 ~~interactive gaming certificate holder and the interactive~~
12 ~~gaming operator, if applicable.~~

13 ~~(13) The agreement of the interactive gaming certificate~~
14 ~~holder to pay the fee required by section 13B20.3 (relating~~
15 ~~to fee).~~

16 ~~(14) Any other information required by the board.~~

17 ~~(d) Confidentiality. Information submitted to the board~~
18 ~~under subsection (c) may be considered confidential by the board~~
19 ~~if the information would be confidential under section 1206(f)~~
20 ~~(relating to board minutes and records).~~

21 ~~(e) Approval. The board shall approve the petition~~
22 ~~submitted under subsection (b) upon review and approval of the~~
23 ~~information submitted under subsection (c) and a determination~~
24 ~~by the board by clear and convincing evidence that:~~

25 ~~(1) The interactive gaming certificate holder and the~~
26 ~~interactive gaming operator, if applicable, have paid all~~
27 ~~required fees and taxes payable under provisions of this part~~
28 ~~other than this subchapter to the date of submission of the~~
29 ~~petition.~~

30 ~~(2) The interactive gaming certificate holder, or the~~

1 ~~interactive gaming operator, as the case may be, possesses~~
2 ~~the necessary funds or has secured adequate financing to~~
3 ~~commence the conduct of interactive gaming at the qualified~~
4 ~~airport.~~

5 ~~(3) The proposed internal and external security and~~
6 ~~surveillance measures at the qualified airport and within the~~
7 ~~airport gaming area are adequate.~~

8 ~~(4) Interactive gaming at the qualified airport will be~~
9 ~~conducted and operated in accordance with this part and~~
10 ~~regulations of the board.~~

11 ~~§ 13B20.1. (Reserved).~~

12 ~~§ 13B20.2. (Reserved).~~

13 ~~§ 13B20.3. Fee.~~

14 ~~(a) Required fee.~~

15 ~~(1) An interactive gaming certificate holder shall pay a~~
16 ~~one time, nonrefundable fee upon the authorization to conduct~~
17 ~~interactive gaming at a qualified airport through the use of~~
18 ~~multi use computing devices in accordance with this~~
19 ~~subchapter.~~

20 ~~(2) The amount of the fee shall be as follows:~~

21 ~~(i) If the airport is an international airport~~
22 ~~located partially in a county of the first class and~~
23 ~~partially in a county contiguous to a county of the first~~
24 ~~class, the amount of the fee shall be \$5,000,000.~~

25 ~~(ii) If the airport is an international airport~~
26 ~~located in a county of the second class, the amount of~~
27 ~~the fee shall be \$2,500,000.~~

28 ~~(iii) If the airport is an international airport~~
29 ~~located in a county other than a county of the first or~~
30 ~~second class, the amount of the fee shall be \$1,000,000.~~

1 ~~(iv) If the airport is a qualified airport that has~~
2 ~~not been designated an international airport, the amount~~
3 ~~of the fee shall be \$250,000.~~

4 ~~(b) Deposit of fees. Notwithstanding section 1208 (relating~~
5 ~~to collection of fees and fines), all fees or penalties received~~
6 ~~by the board under this subchapter shall be deposited in the~~
7 ~~General Fund.~~

8 ~~§ 13B20.4. Multi use gaming device tax.~~

9 ~~(a) Imposition.~~

10 ~~(1) Each interactive gaming certificate holder~~
11 ~~authorized to conduct interactive gaming at a qualified~~
12 ~~airport in accordance with the provisions of this subchapter~~
13 ~~shall report to the department and pay from its daily gross~~
14 ~~interactive gaming revenue generated from the conduct of~~
15 ~~interactive gaming through multi use computing devices at the~~
16 ~~qualified airport, on a form and in the manner prescribed by~~
17 ~~the department, a tax of 16% of its daily gross interactive~~
18 ~~gaming revenue generated from multi use computing devices at~~
19 ~~the qualified airport.~~

20 ~~(2) The tax imposed under subsection (a) shall be~~
21 ~~payable to the department on a daily basis and shall be based~~
22 ~~upon the gross interactive gaming revenue generated from~~
23 ~~multi use computing devices at the qualified airport derived~~
24 ~~during the previous day.~~

25 ~~(3) All funds owed to the Commonwealth under this~~
26 ~~section shall be held in trust for the Commonwealth by the~~
27 ~~interactive gaming certificate holder until the funds are~~
28 ~~paid to the department. An interactive gaming certificate~~
29 ~~holder shall establish a separate bank account into which~~
30 ~~gross interactive gaming revenue from multi use computing~~

~~1 devices at a qualified airport shall be deposited and
2 maintained until such time as the funds are paid to the
3 department under this section.~~

~~4 (4) The department shall transfer the funds collected
5 under this section to the General Fund.~~

~~6 § 13B20.5. Local share assessment.~~

~~7 (a) Required payment. In addition to the tax imposed under
8 section 13B20.4 (relating to multi use gaming device tax), each
9 interactive gaming certificate holder authorized to conduct
10 interactive gaming at a qualified airport shall pay, on a form
11 and in a manner prescribed by the department, a local share
12 assessment equal to 20% of the interactive gaming certificate
13 holder's daily gross interactive gaming revenue from multi use
14 devices at the qualified airport. The funds shall be payable to
15 the department on a weekly basis and shall be based upon the
16 revenue generated during the previous week. The funds shall be
17 paid into a restricted receipts account established by the
18 department in the fund. All funds owed to the Commonwealth under
19 this section shall be held in trust by the interactive gaming
20 certificate holder until the funds are paid to the department.
21 Funds in the account are hereby appropriated to the department
22 on a continuing basis for the purposes set forth in this
23 section.~~

~~24 (b) Distributions to qualified airports.~~

~~25 (1) Except as provided in paragraph (2), the department
26 shall make quarterly distributions from the local share
27 assessments deposited into the restricted receipts account
28 under subsection (a) to each airport authority regulating the
29 use and control of a qualified airport where interactive
30 gaming is conducted under this subchapter. The amount~~

~~distributed to an airport authority under this subsection shall be equal to the funds deposited into the restricted receipts account by the interactive gaming certificate holder authorized to conduct interactive gaming at the qualified airport regulated by the airport authority.~~

~~(2) (Reserved).~~

~~§ 13B20.6. Regulations.~~

~~The board shall promulgate regulations related to the operation of authorized interactive games through the use of multi use computing devices at qualified airports, including, but not limited to:~~

~~(1) Procedures for the creation of temporary or provisional interactive gaming accounts that take into consideration the nature of interactive gaming through multi use computing devices at qualified airports.~~

~~(2) Procedures to govern credits, debits, deposits and payments to interactive gaming accounts.~~

~~(3) In consultation with the department, procedures to govern financial transactions between an interactive gaming certificate holder, an interactive gaming operator or other persons that relates to the reporting of gross interactive gaming revenue generated through the use of multi use computing devices at qualified airports.~~

~~§ 13B20.7. Construction.~~

~~Nothing in this subchapter shall be construed to:~~

~~(1) Create a separate license governing the use of multi use computing devices for the conduct of interactive games at eligible airports by interactive gaming certificate holders within this Commonwealth.~~

~~(2) Limit the board's authority to determine the~~

~~suitability of any person who may be directly or indirectly involved in or associated with the operation of interactive gaming at a qualified airport or to ensure the integrity of interactive gaming and protect the public interest.~~

~~SUBCHAPTER C~~

~~CONDUCT OF INTERACTIVE GAMING~~

~~Sec.~~

~~13B21. Situs of interactive gaming operations.~~

~~13B22. Establishment of interactive gaming accounts.~~

~~13B23. Interactive gaming account credits, debits, deposits and payments.~~

~~13B24. Acceptance of wagers.~~

~~13B25. Dormant interactive gaming accounts.~~

~~13B26. Log in procedure required.~~

~~13B27. Information provided at login.~~

~~13B28. Prohibitions.~~

~~13B29. Commencement of interactive gaming operations.~~

~~§ 13B21. Situs of interactive gaming operations.~~

~~Except as provided in Subchapter G (relating to miscellaneous provisions), all wagers made through interactive gaming shall be deemed to be initiated, received or otherwise made within the geographic boundaries of this Commonwealth. The intermediate routing of electronic data associated or in connection with interactive gaming shall not determine the location or locations in which a bet or wager is initiated, received or otherwise made.~~

~~§ 13B22. Establishment of interactive gaming accounts.~~

~~(a) Registration restrictions. Only a registered player who has first established an interactive gaming account shall be permitted to play an authorized interactive game or place a~~

1 ~~wager associated with an authorized interactive game. The~~
2 ~~interactive gaming account shall be in the name of a registered~~
3 ~~player and may not be in the name of any beneficiary, custodian,~~
4 ~~joint trust, corporation, partnership or other organization or~~
5 ~~entity. An eligible passenger is not required to comply with~~
6 ~~this section in order to play or place a wager associated with~~
7 ~~an interactive game through the use of a multi use computing~~
8 ~~device at a qualified airport.~~

9 ~~(b) Establishment of interactive gaming accounts.~~

10 ~~(1) An interactive gaming account may be established in~~
11 ~~person, provided that the board shall, through regulations,~~
12 ~~provide procedures for the establishment of interactive~~
13 ~~gaming accounts over the Internet through the interactive~~
14 ~~gaming certificate holder's interactive gaming skin or~~
15 ~~Internet website. Each interactive gaming account shall~~
16 ~~comply with the internal controls of the interactive gaming~~
17 ~~certificate holder that, at a minimum, require the following:~~

18 ~~(i) The filing and execution of an interactive~~
19 ~~gaming account application, the form of which has been~~
20 ~~preapproved by the board.~~

21 ~~(ii) Proof of age, identity and physical address of~~
22 ~~the principal residence of the prospective interactive~~
23 ~~gaming account holder in a method approved by the board~~
24 ~~through regulation.~~

25 ~~(iii) Electronic mail address and other contact~~
26 ~~information of the prospective account holder, as the~~
27 ~~board or interactive gaming certificate holder may~~
28 ~~require.~~

29 ~~(iv) Password or other secured identification~~
30 ~~provided by the interactive gaming certificate holder to~~

1 ~~access the interactive gaming account or some other~~
2 ~~mechanism approved by the board to authenticate the~~
3 ~~registered player as the holder to the interactive gaming~~
4 ~~account.~~

5 ~~(v) An acknowledgment under penalty of perjury that~~
6 ~~false or misleading statements made in regard to an~~
7 ~~application for an interactive gaming account may subject~~
8 ~~the applicant to civil and criminal penalties.~~

9 ~~(2) The interactive gaming certificate holder may accept~~
10 ~~or reject an application after receipt and review of the~~
11 ~~application and verification of age, identity and physical~~
12 ~~address for compliance with the provisions of this chapter.~~
13 ~~The interactive gaming certificate holder shall have the~~
14 ~~right, at any time with or without cause, to suspend or close~~
15 ~~any interactive gaming account at its sole discretion.~~

16 ~~(3) The address provided by the applicant in the~~
17 ~~application for an interactive gaming account shall be deemed~~
18 ~~the address of record for the purposes of mailing checks,~~
19 ~~account withdrawals, notices and other materials to the~~
20 ~~prospective interactive gaming account holder.~~

21 ~~(4) An interactive gaming account shall be a noninterest~~
22 ~~bearing account and shall not be assignable or otherwise~~
23 ~~transferable.~~

24 ~~(c) Password required. As part of the application process,~~
25 ~~the interactive gaming certificate holder shall provide the~~
26 ~~prospective interactive gaming account holder with a password to~~
27 ~~access the interactive gaming account or shall establish some~~
28 ~~other method approved by the board to authenticate the~~
29 ~~registered player as the holder of the interactive gaming~~
30 ~~account and allow the registered player access to the~~

1 ~~interactive gaming account.~~

2 ~~(d) Grounds for rejection. Any individual who provides~~
3 ~~false or misleading information in the application for an~~
4 ~~interactive gaming account may be subject to rejection of the~~
5 ~~application or cancellation of the account by the interactive~~
6 ~~gaming certificate holder.~~

7 ~~(e) Suspension of interactive gaming account. The~~
8 ~~interactive gaming certificate holder shall have the right to~~
9 ~~suspend or close any interactive gaming account or declare all~~
10 ~~or any part of an interactive gaming account closed for wagering~~
11 ~~at its discretion.~~

12 ~~(f) Persons prohibited from establishing or maintaining an~~
13 ~~interactive gaming account. The following persons shall not be~~
14 ~~entitled to establish or maintain an interactive gaming account:~~

15 ~~(1) A person under 21 years of age.~~

16 ~~(2) A person on the list of persons who are or will be~~
17 ~~excluded or ejected from or denied access to any licensed~~
18 ~~facility under section 1514 (relating to regulation requiring~~
19 ~~exclusion, ejection or denial of access of certain persons),~~
20 ~~1515 (relating to repeat offenders excludable from licensed~~
21 ~~gaming facility) or 1516 (relating to list of persons self-~~
22 ~~excluded from gaming activities).~~

23 ~~(3) A gaming employee, key employee or principal~~
24 ~~employee of a slot machine licensee and any employee or key~~
25 ~~employee of an interactive gaming operator.~~

26 ~~§ 13B23. Interactive gaming account credits, debits, deposits~~
27 ~~and payments.~~

28 ~~(a) Duty of board. The board shall, by regulation, develop~~
29 ~~procedures to govern credits, debits and deposits to interactive~~
30 ~~gaming accounts. Notwithstanding any provision of this part to~~

~~1 the contrary, all credits, debits and deposits to interactive
2 gaming accounts shall be made in accordance with regulations
3 promulgated by the board, in consultation with the department,
4 and all payments of winnings shall be made in accordance with
5 the rules of each authorized interactive game.~~

~~6 (b) Rights of interactive gaming certificate holder. An
7 interactive gaming certificate holder shall have the right to:~~

~~8 (1) Credit an interactive gaming account as part of a
9 promotion.~~

~~10 (2) Refuse all or part of any wager or deposit to the
11 interactive gaming account of a registered player.~~

~~12 § 13B24. Acceptance of wagers.~~

~~13 (a) Acceptance. An interactive gaming certificate holder
14 may accept wagers only as follows:~~

~~15 (1) The wager shall be placed directly with the
16 interactive gaming certificate holder by the registered
17 player, after the interactive gaming certificate holder has
18 verified the identity of the individual seeking to place the
19 wager.~~

~~20 (2) The registered player provides the interactive
21 gaming certificate holder with the correct password or other
22 authentication information for access to the interactive
23 gaming account.~~

~~24 (b) Nonacceptance. An interactive gaming certificate holder
25 may not accept a wager in an amount in excess of funds on
26 deposit in the interactive gaming account of the registered
27 player placing the wager. Funds on deposit include amounts
28 credited to a registered player's interactive gaming account in
29 accordance with regulations of the board and any funds in the
30 account at the time the wager is placed.~~

1 ~~§ 13B25. Dormant interactive gaming accounts.~~

2 ~~Before closing a dormant interactive gaming account, the~~
3 ~~interactive gaming certificate holder shall attempt to contact~~
4 ~~the interactive gaming account holder by mail and phone or e-~~
5 ~~mail to inform the account holder that the interactive gaming~~
6 ~~account is inactive and may be subject to termination. The time~~
7 ~~and manner of terminating a dormant interactive gaming account~~
8 ~~shall be prescribed by regulation of the board.~~

9 ~~§ 13B26. Log in procedure required.~~

10 ~~Each interactive gaming certificate holder shall establish a~~
11 ~~log in procedure for a registered player to access interactive~~
12 ~~gaming. The log in procedure shall include the provision of the~~
13 ~~appropriate authentication information by the registered player~~
14 ~~for access to the registered player's interactive gaming~~
15 ~~account. The interactive gaming certificate holder shall not~~
16 ~~allow a registered player to log in and access an interactive~~
17 ~~gaming account unless the correct password or other~~
18 ~~authentication information is provided.~~

19 ~~§ 13B27. Information provided at login.~~

20 ~~The interactive gaming certificate holder shall configure its~~
21 ~~interactive gaming skin to include a link that, upon login, will~~
22 ~~allow a registered player to access all of the following~~
23 ~~information:~~

24 ~~(1) The current amount of funds in the registered~~
25 ~~player's interactive gaming account.~~

26 ~~(2) The wins and losses since the registered player's~~
27 ~~interactive gaming account was established.~~

28 ~~(3) The wins and losses at the beginning of the current~~
29 ~~gaming session and the wins and losses at the end of the~~
30 ~~current gaming session.~~

~~(4) The complete text in searchable format of the rules of each authorized interactive game offered by the interactive gaming certificate holder and any other information as the board may require.~~

~~§ 13B28. Prohibitions.~~

~~Except as provided in this part, no interactive gaming certificate holder or any person licensed under this part to operate interactive gaming or an interactive gaming system and no person acting on behalf of, or under any arrangement with, an interactive gaming certificate holder or other person licensed under this part shall:~~

~~(1) Make any loan to any person for the purpose of crediting an interactive gaming account.~~

~~(2) Release or discharge any debt, either in whole or in part, or make any loan which represents any losses incurred by any registered player while playing an authorized interactive game without maintaining a written record thereof in accordance with regulations of the board.~~

~~§ 13B29. Commencement of interactive gaming operations.~~

~~An interactive gaming certificate holder may not operate or offer interactive games for play on its interactive gaming skin until the board determines that:~~

~~(1) The interactive gaming certificate holder is in compliance with the requirements of this chapter.~~

~~(2) The interactive gaming certificate holder's internal, administrative and accounting controls are sufficient to meet the requirements of section 13B32 (relating to internal, administrative and accounting controls) and have been implemented.~~

~~(3) The interactive gaming certificate holder's~~

~~interactive gaming employees, where applicable, are licensed, permitted, registered, certified or otherwise authorized by the board to perform their respective duties.~~

~~(4) The employees of the interactive gaming operator, if any, that is conducting interactive gaming on behalf of the interactive gaming certificate holder are, where applicable, licensed, permitted or otherwise authorized by the board to perform their duties.~~

~~(5) The interactive gaming certificate holder is prepared in all respects to offer interactive gaming to the public over its interactive gaming skin.~~

~~(6) The interactive gaming certificate holder has implemented necessary security arrangements and surveillance systems for the operation of interactive gaming.~~

~~(7) The interactive gaming certificate holder is in compliance with or will comply with section 13B31 (relating to responsibilities of interactive gaming certificate holder).~~

~~(8) The board has approved the interactive gaming agreement between the interactive gaming certificate holder and the interactive gaming operator, if applicable.~~

SUBCHAPTER D

FACILITIES AND EQUIPMENT

Sec.

~~13B31. Responsibilities of interactive gaming certificate holder.~~

~~13B32. Internal, administrative and accounting controls.~~

~~§ 13B31. Responsibilities of interactive gaming certificate holder.~~

~~(a) Facilities and equipment. All facilities and~~

1 ~~interactive gaming devices and associated equipment shall:~~

2 ~~(1) Be arranged in a manner promoting appropriate~~
3 ~~security for interactive gaming.~~

4 ~~(2) Include a closed circuit video monitoring system~~
5 ~~according to rules or specifications approved by the board,~~
6 ~~with board absolute access to the interactive gaming~~
7 ~~certificate holder's interactive gaming skin, Internet~~
8 ~~website and platform, signal or transmission used in~~
9 ~~connection with interactive gaming.~~

10 ~~(3) Not be designed in any way that might interfere with~~
11 ~~or impede the board in its regulation of interactive gaming.~~

12 ~~(4) Comply in all respects with regulations of the~~
13 ~~board.~~

14 ~~(b) Location of equipment and interactive gaming restricted~~
15 ~~areas.~~

16 ~~(1) All interactive gaming devices and associated~~
17 ~~equipment used by an interactive gaming certificate holder or~~
18 ~~an interactive gaming licensee to conduct interactive gaming~~
19 ~~may be located, with the prior approval of the board, in an~~
20 ~~interactive gaming restricted area on the premises of the~~
21 ~~licensed facility, in an interactive gaming restricted area~~
22 ~~within the geographic limits of the county in this~~
23 ~~Commonwealth where the licensed facility is situated or in~~
24 ~~any other area approved by the board.~~

25 ~~(2) All wagers associated with interactive gaming shall~~
26 ~~be deemed to be placed, initiated and received when received~~
27 ~~by the interactive gaming certificate holder.~~

28 ~~§ 13B32. Internal, administrative and accounting controls.~~

29 ~~(a) Submissions to board. Notwithstanding any provision of~~
30 ~~this part, each slot machine licensee who holds or has applied~~

1 ~~for an interactive gaming certificate in accordance with this~~
2 ~~chapter shall submit a description of its system of internal~~
3 ~~procedures and administrative and accounting controls for~~
4 ~~interactive gaming to the board, including provisions that~~
5 ~~provide for real time monitoring, recordation or storage of all~~
6 ~~interactive games and a description of any changes to its~~
7 ~~procedures and controls. The submission shall be made at least~~
8 ~~90 days before interactive gaming is to commence or at least 90~~
9 ~~days before any change in those procedures or controls is to~~
10 ~~take effect, unless otherwise directed by the board.~~

11 ~~(b) Filing. Notwithstanding subsection (a), the procedures~~
12 ~~and controls may be implemented by an interactive gaming~~
13 ~~certificate holder upon the filing of the procedures and~~
14 ~~controls with the board. Each procedure or control submission~~
15 ~~shall contain both narrative and diagrammatic representations of~~
16 ~~the system to be utilized and shall include but need not be~~
17 ~~limited to:~~

18 ~~(1) Accounting controls, including the standardization~~
19 ~~of forms and definition of terms to be utilized in the~~
20 ~~interactive gaming operations.~~

21 ~~(2) Procedures, forms and, where appropriate, formulas~~
22 ~~to govern the following:~~

- 23 ~~(i) calculation of hold percentages;~~
- 24 ~~(ii) revenue drops;~~
- 25 ~~(iii) expense and overhead schedules;~~
- 26 ~~(iv) complimentary services; and~~
- 27 ~~(v) cash equivalent transactions.~~

28 ~~(3) Job descriptions and the system of personnel and~~
29 ~~chain of command, establishing a diversity of responsibility~~
30 ~~among employees engaged in interactive gaming operations,~~

1 ~~including employees of an interactive gaming operator, and~~
2 ~~identifying primary and secondary management and supervisory~~
3 ~~positions for areas of responsibility, salary structure and~~
4 ~~personnel practices.~~

5 ~~(4) Procedures for the registration of players and~~
6 ~~establishment of interactive gaming accounts, including a~~
7 ~~procedure for authenticating the age, identity and physical~~
8 ~~address of an applicant for an interactive gaming account and~~
9 ~~whether the applicant is a person prohibited from~~
10 ~~establishing or maintaining an account under section 13B22~~
11 ~~(relating to establishment of interactive gaming accounts).~~

12 ~~(5) Procedures for terminating a registered player's~~
13 ~~interactive gaming account and the return of any funds~~
14 ~~remaining in the interactive gaming account to the registered~~
15 ~~player.~~

16 ~~(6) Procedures for suspending or terminating a dormant~~
17 ~~interactive gaming account and the return of any funds~~
18 ~~remaining in the dormant interactive gaming account to the~~
19 ~~registered player.~~

20 ~~(7) Procedures for the logging in and authentication of~~
21 ~~a registered player in order to enable the player to commence~~
22 ~~interactive gaming and the logging off of the registered~~
23 ~~player when the player has completed play, including a~~
24 ~~procedure to automatically log a registered player out of the~~
25 ~~player's interactive gaming account after a specified period~~
26 ~~of inactivity.~~

27 ~~(8) Procedures for the crediting and debiting of a~~
28 ~~registered player's interactive gaming account.~~

29 ~~(9) Procedures for cashing checks, receiving electronic~~
30 ~~negotiable instruments and for redeeming chips, tokens or~~

1 ~~other cash equivalents.~~

2 ~~(10) Procedures for withdrawing funds from an~~
3 ~~interactive gaming account by the registered player.~~

4 ~~(11) Procedures for the protection of a registered~~
5 ~~player's funds, including the segregation of a registered~~
6 ~~player's funds from operating funds of the interactive gaming~~
7 ~~certificate holder.~~

8 ~~(12) Procedures for recording transactions pertaining to~~
9 ~~interactive gaming.~~

10 ~~(13) Procedures for the security and sharing of personal~~
11 ~~identifiable information of a registered player, funds in an~~
12 ~~interactive gaming account and other information as required~~
13 ~~by the board. The procedures shall include the means by which~~
14 ~~an interactive gaming certificate holder or interactive~~
15 ~~gaming operator will provide notice to a registered player~~
16 ~~related to the sharing of personal identifiable information.~~
17 ~~For the purpose of this paragraph, "personal identifiable~~
18 ~~information" shall mean any data or information that can be~~
19 ~~used, on its own or with other data or information, to~~
20 ~~identify, contact or otherwise locate a registered player,~~
21 ~~including a registered player's name, address, date of birth~~
22 ~~and Social Security number.~~

23 ~~(14) Procedures and security for the calculation and~~
24 ~~recordation of revenue.~~

25 ~~(15) Procedures for the security of interactive gaming~~
26 ~~devices and associated equipment.~~

27 ~~(16) Procedures and security standards as to receipt,~~
28 ~~handling and storage of interactive gaming devices and~~
29 ~~associated equipment.~~

30 ~~(17) Procedures and security standards to protect the~~

1 ~~interactive gaming certificate holder's interactive gaming~~
2 ~~skin or Internet website and interactive gaming devices and~~
3 ~~associated equipment from hacking or tampering by any person.~~

4 ~~(18) Procedures for responding to suspected or actual~~
5 ~~hacking or tampering with an interactive gaming certificate~~
6 ~~holder's interactive gaming skin or Internet website and~~
7 ~~interactive gaming devices and associated equipment,~~
8 ~~including partial or complete suspension of interactive~~
9 ~~gaming or the suspension of any or all interactive gaming~~
10 ~~accounts when warranted.~~

11 ~~(19) Procedures to verify each registered player's~~
12 ~~physical location each time a registered player logs into his~~
13 ~~or her interactive gaming account and at appropriate~~
14 ~~intervals thereafter as determined by the board.~~

15 ~~(20) Procedures to ensure, to a reasonable degree of~~
16 ~~certainty, that the interactive games are fair and honest and~~
17 ~~that appropriate measures are in place to deter, detect and,~~
18 ~~to the extent reasonably possible, to prevent cheating,~~
19 ~~including collusion, and use of cheating devices, including~~
20 ~~the use of software programs that make wagers according to~~
21 ~~algorithms.~~

22 ~~(21) Procedures to assist problem and compulsive~~
23 ~~gamblers, including procedures reasonably intended to prevent~~
24 ~~a person from participating in interactive gaming activities~~
25 ~~in accordance with sections 1514 (relating to regulation~~
26 ~~requiring exclusion, ejection or denial of access of certain~~
27 ~~persons), 1515 (relating to repeat offenders excludable from~~
28 ~~licensed gaming facility) and 1516 (relating to list of~~
29 ~~persons self excluded from gaming activities).~~

30 ~~(22) Procedures to govern emergencies, including~~

1 ~~suspected or actual cyber attacks, hacking or tampering with~~
2 ~~the interactive gaming certificate holder's interactive~~
3 ~~gaming skin, platform or Internet website.~~

4 ~~(c) Review of submissions.~~

5 ~~(1) The board shall review each submission required by~~
6 ~~subsections (a) and (b) and shall determine whether the~~
7 ~~submission conforms to the requirements of this chapter and~~
8 ~~regulations promulgated by the board and whether the system~~
9 ~~submitted provides adequate and effective controls for~~
10 ~~interactive gaming of the interactive gaming certificate~~
11 ~~holder making the submission.~~

12 ~~(2) If the board determines that the submission is not~~
13 ~~sufficient, it shall specify the insufficiencies in writing~~
14 ~~to the interactive gaming certificate holder, who shall make~~
15 ~~appropriate alterations to ensure compliance with the~~
16 ~~requirements of this chapter and regulations of the board.~~
17 ~~When the board determines a submission to be adequate in all~~
18 ~~respects, it shall notify the interactive gaming certificate~~
19 ~~holder.~~

20 ~~(3) Except as otherwise provided in subsection (a) or an~~
21 ~~emergency situation threatening the integrity of the~~
22 ~~interactive gaming platform, no interactive gaming~~
23 ~~certificate holder, interactive gaming operator or other~~
24 ~~person shall commence or alter interactive gaming operations~~
25 ~~unless and until the system of procedures, controls and~~
26 ~~alternations is submitted to and approved by the board.~~

SUBCHAPTER E

TESTING AND CERTIFICATION

29 Sec.

30 13B41. Interactive games and interactive gaming devices and

~~associated equipment testing and certification standards.~~

~~§ 13B41. Interactive games and interactive gaming devices and associated equipment testing and certification standards.~~

~~(a) Testing required.~~

~~(1) No interactive game or interactive gaming device or associated equipment shall be used to conduct interactive gaming unless it has been tested and approved by the board.~~

~~The board may, in its discretion and for the purpose of expediting the approval process, refer testing to any testing laboratory as approved by the board.~~

~~(2) The board shall establish, by regulation, technical standards for approval of interactive games and interactive gaming devices and associated equipment, including standards to govern mechanical, electrical or program reliability and security against tampering and threats, as it may deem necessary to protect a registered player from fraud or deception and to ensure the integrity of interactive gaming.~~

~~(b) Cost of testing and certification. Any costs associated with the board's testing and certification under this section shall be assessed on persons authorized by the board to manufacture, supply, distribute or otherwise provide interactive games and interactive gaming devices and associated equipment to interactive gaming certificate holders or to interactive gaming operators in this Commonwealth. The costs shall be assessed in accordance with a schedule adopted by the board.~~

~~(c) Use of other state standards. The board may determine whether the testing and certification standards for interactive games and interactive gaming devices and associated equipment as~~

1 ~~adopted by another jurisdiction within the United States are~~
2 ~~comprehensive and thorough and provide similar and adequate~~
3 ~~safeguards as those required by this chapter and regulations of~~
4 ~~the board. If the board makes that determination, it may permit~~
5 ~~the person authorized to manufacture, supply, distribute or~~
6 ~~otherwise provide interactive games and interactive gaming~~
7 ~~devices or associated equipment that have met the testing and~~
8 ~~certification standard in such other jurisdiction to furnish~~
9 ~~interactive games or interactive gaming devices and associated~~
10 ~~equipment to interactive gaming certificate holders in this~~
11 ~~Commonwealth without undergoing the full testing and~~
12 ~~certification under this section.~~

13 ~~SUBCHAPTER F~~

14 ~~TAXES AND FEES~~

15 ~~Sec.~~

16 ~~13B51. Interactive gaming authorization fee.~~

17 ~~13B52. Interactive gaming tax.~~

18 ~~13B53. Local share assessment.~~

19 ~~13B54. Compulsive and problem gambling.~~

20 ~~§ 13B51. Interactive gaming authorization fee.~~

21 ~~(a) Amount of authorization fee.—~~

22 ~~(1) Each slot machine licensee that is issued an~~
23 ~~interactive gaming certificate to conduct interactive gaming~~
24 ~~in accordance with section 13B11 (relating to authorization~~
25 ~~to conduct interactive gaming) shall pay a one time~~
26 ~~nonrefundable authorization fee in the amount of \$8,000,000.~~

27 ~~(2) Each interactive gaming operator shall pay a one~~
28 ~~time nonrefundable authorization fee in the amount of~~
29 ~~\$2,000,000.~~

30 ~~(3) Each interactive gaming operator that has been~~

1 ~~approved by the board to provide for the conduct of~~
2 ~~interactive gaming on behalf of an interactive gaming~~
3 ~~certificate holder at a qualified airport shall pay a one-~~
4 ~~time nonrefundable authorization fee in the amount of~~
5 ~~\$1,000,000.~~

6 ~~(b) Payment of fee. Persons required to pay the~~
7 ~~authorization fee under subsection (a) shall remit the fee to~~
8 ~~the board within 60 days of the board's approval of its~~
9 ~~petition, license or conditional authorization.~~

10 ~~(c) Renewal fee.~~

11 ~~(1) Notwithstanding any other provision of this chapter,~~
12 ~~an interactive gaming certificate holder shall pay a renewal~~
13 ~~fee in the amount of \$250,000 upon the renewal of its~~
14 ~~interactive gaming certificate.~~

15 ~~(2) Each interactive gaming operator shall pay a renewal~~
16 ~~fee of \$100,000 upon the renewal of its interactive gaming~~
17 ~~license.~~

18 ~~(d) Deposit of fees. The fees imposed and collected under~~
19 ~~this section shall be deposited in the General Fund.~~

20 ~~§ 13B52. Interactive gaming tax.~~

21 ~~(a) Imposition of tax. Each interactive gaming certificate~~
22 ~~holder that conducts interactive gaming shall report to the~~
23 ~~department and pay from its daily gross interactive gaming~~
24 ~~revenue, on a form and in the manner prescribed by the~~
25 ~~department, a tax of 16% of its daily gross interactive gaming~~
26 ~~revenue.~~

27 ~~(b) Deposits and distributions.~~

28 ~~(1) The tax imposed under subsection (a) shall be~~
29 ~~payable to the department on a weekly basis and shall be~~
30 ~~based upon gross interactive gaming revenue derived during~~

1 ~~the previous week.~~

2 ~~(2) An interactive gaming certificate holder shall~~
3 ~~establish a separate bank account into which gross~~
4 ~~interactive gaming revenue shall be deposited and maintained~~
5 ~~until such time as the funds are paid to the department under~~
6 ~~this section.~~

7 ~~(c) Taxes on out of State wagering. The tax rate which~~
8 ~~shall be assessed and collected by the department with respect~~
9 ~~to wagers placed by registered players located in this~~
10 ~~Commonwealth with an interactive gaming operator located outside~~
11 ~~of this Commonwealth, but authorized under an interactive gaming~~
12 ~~reciprocal agreement, shall be governed by the agreement but may~~
13 ~~not exceed 19% of gross interactive gaming revenue derived from~~
14 ~~registered players located in this Commonwealth.~~

15 ~~(d) Deposit of funds. The tax imposed under subsection (a)~~
16 ~~shall be collected by the department and deposited in the~~
17 ~~General Fund.~~

18 ~~§ 13B53. Local share assessment.~~

19 ~~(a) Required payment.~~

20 ~~(1) In addition to the tax imposed under section 13B52~~
21 ~~(relating to interactive gaming tax), each interactive gaming~~
22 ~~certificate holder that conducts interactive gaming shall pay~~
23 ~~on a weekly basis, on a form and in a manner prescribed by~~
24 ~~the department, a local share assessment equal to 3% of the~~
25 ~~interactive gaming certificate holder's daily gross~~
26 ~~interactive gaming revenue.~~

27 ~~(2) One third of the local share assessment under~~
28 ~~paragraph (1) of each interactive gaming certificate holder's~~
29 ~~daily gross interactive gaming revenue shall be provided to~~
30 ~~the county hosting the interactive gaming certificate~~

~~holder's licensed facility and the remaining funds shall be paid into a restricted receipt account established in the Department of Community and Economic Development to be used exclusively for grants to all counties in this Commonwealth, to economic development authorities or redevelopment authorities within each county, for grants for economic development projects, community improvement projects and other projects in the public interest. Funds in the account are hereby appropriated to the Department of Community and Economic Development on a continuing basis for the purposes specified in this paragraph.~~

~~(b) Distribution of grants. The Department of Community and Economic Development shall develop policies and procedures to govern the distribution of grants from the local share assessment established under subsection (a). The policies and procedures shall be of sufficient scope to ensure equal access to grant funds by all counties in this Commonwealth.~~

~~§ 13B54. Compulsive and problem gambling.~~

~~The following shall apply:~~

~~(1) Each year, from the tax imposed in section 13B52 (relating to interactive gaming tax), \$2,000,000 or an amount equal to .002 multiplied by the total gross interactive gaming revenue of all active and operating interactive gaming certificate holders, whichever is greater, shall be transferred into the Compulsive and Problem Gambling Treatment Fund established in section 1509 (relating to compulsive and problem gambling program).~~

~~(2) Each year, from the tax imposed in section 13B52, \$2,000,000 or an amount equal to .002 multiplied by the total gross interactive gaming revenue of all active and operating~~

~~interactive gaming certificate holders, whichever is greater,
shall be transferred to the Department of Drug and Alcohol
Programs to be used for drug and alcohol addiction treatment
services, including treatment for drug and alcohol addiction
related to compulsive and problem gambling, as set forth in
section 1509.1 (relating to drug and alcohol treatment).~~

~~§ 13B55. Certificate holder deposits.~~

~~(a) Accounts established. except for an interactive gaming
certificate holder that already has an account established under
section 1401 (relating to slot machine licensee deposits), the
State Treasurer shall establish within the State Treasury an
account for each interactive gaming certificate holder for the
deposit of sums required under subsection (b) to recover costs
or expenses incurred by the board and the department in carrying
out their powers and duties under this chapter based upon a
budget submitted by the board and the department under
subsection (c).~~

~~(b) Deposits.~~

~~(1) The department shall determine the appropriate
assessment amount for each interactive gaming certificate
holder, which amount shall be a percentage assessed on the
interactive gaming certificate holder's gross interactive
gaming revenues. Each interactive gaming certificate holder
shall deposit funds into its account established under this
section or under section 1401 on a quarterly basis.~~

~~(2) The percentage assessed shall not exceed an amount
necessary to recover costs or expenses incurred by the board
and the department in carrying out powers and duties under
this chapter based on a budget submitted by the board and the
department under subsection (c).~~

1 ~~(c) Itemized budget reporting.~~

2 ~~(1) The board and the department shall prepare and~~
3 ~~annually submit to the chairperson and minority chairperson~~
4 ~~of the Appropriations Committee of the Senate and the~~
5 ~~chairperson and minority chairperson of the Appropriations~~
6 ~~Committee of the House of Representatives an itemized budget~~
7 ~~consisting of amounts to be appropriated out of the accounts~~
8 ~~established under this section as necessary to administer~~
9 ~~this chapter.~~

10 ~~(2) As soon as practicable after submitting copies of~~
11 ~~the itemized budget, the department shall submit to the~~
12 ~~chairperson and minority chairperson of the Appropriations~~
13 ~~Committee of the Senate and the chairperson and minority~~
14 ~~chairperson of the Appropriations Committee of the House of~~
15 ~~Representatives analyses of and recommendations regarding the~~
16 ~~itemized budget.~~

17 ~~(3) The itemized budget required under paragraph (1)~~
18 ~~shall be submitted in conjunction with the budget required to~~
19 ~~be submitted under section 1202(b)(28) (relating to general~~
20 ~~and specific powers).~~

21 ~~(d) Appropriation. Costs and expenses from accounts~~
22 ~~established under subsection (a) or under section 1401 shall~~
23 ~~only be disbursed upon appropriation by the General Assembly.~~

24 ~~(e) Penalty.~~

25 ~~(1) An interactive gaming certificate holder that fails~~
26 ~~to timely remit to the department amounts required under this~~
27 ~~section shall be subject to, in addition to liability imposed~~
28 ~~in this chapter, a penalty of 5% per month up to a maximum of~~
29 ~~25% of the amounts ultimately found to be due. The penalty~~
30 ~~shall be recovered by the department.~~

1 ~~(2) Penalties imposed under this subsection shall be~~
2 ~~deposited into the General Fund.~~

3 SUBCHAPTER G

4 MISCELLANEOUS PROVISIONS

5 Sec.

6 13B61. Participation in interactive gaming outside
7 Commonwealth.

8 13B62. Institutional investors.

9 13B63. Internet cafes and prohibition.

10 § 13B61. Participation in interactive gaming outside
11 Commonwealth.

12 Notwithstanding any other provision of this chapter to the
13 contrary, an interactive gaming certificate holder may accept
14 interactive gaming wagers from a person who is not physically
15 located in this Commonwealth or may accept interactive gaming
16 wagers from a person physically present in this Commonwealth and
17 transmit such wagers to an interactive gaming platform operated
18 by one or more operators licensed in a foreign jurisdiction
19 where interactive gaming is permitted, if the board determines
20 the following:

21 (1) participation in interactive gaming and acceptance
22 of wagers associated with interactive gaming from a person
23 not physically located in this Commonwealth or accepting
24 interactive gaming wagers from a person physically present in
25 this Commonwealth and transmitting such wagers to an
26 interactive gaming platform operated by one or more operators
27 licensed in a foreign jurisdiction where interactive gaming
28 is permitted is not inconsistent with Federal law or
29 regulation or the law or regulation of the state or
30 jurisdiction in which the person or operator is located; and

~~(2) participation in interactive gaming is conducted pursuant to an interactive gaming reciprocal agreement with the state or jurisdiction where the person is located and the interactive gaming reciprocal agreement is not inconsistent with Federal law or regulation.~~

~~§ 13B62. Institutional investors.~~

~~(a) Declaration of investment intent. Notwithstanding any other provision of this part, the following shall apply:~~

~~(1) An institutional investor holding 20% or less of the equity securities of an interactive gaming certificate holder's, interactive gaming operator's or applicant's holding, subsidiary or intermediary companies shall be granted a waiver of any investigation of suitability or other requirement if the securities are those of a corporation, whether publicly traded or privately held, and the holdings of the securities were purchased for investment purposes only. The institutional investor shall file a certified statement that it has no intention of influencing or affecting the affairs of the interactive gaming certificate holder, interactive gaming operator, applicant or any holding, subsidiary or intermediary company of an interactive gaming certificate holder, interactive gaming operator or applicant. However, an institutional investor shall be permitted to vote on matters put to the vote of the outstanding security holders.~~

~~(2) The board may grant a waiver to an institutional investor holding a higher percentage of securities upon a showing of good cause and if the other conditions specified in paragraph (1) are met.~~

~~(3) An institutional investor granted a waiver under~~

~~1 this subsection who subsequently decides to influence or
2 affect the affairs of an interactive gaming certificate
3 holder, interactive gaming operator or applicant's holding,
4 subsidiary or intermediary company of an interactive gaming
5 certificate holder, interactive gaming operator or applicant
6 shall provide not less than 30 days' notice of intent and
7 shall file with the board a request for determination of
8 suitability before taking any action that may influence or
9 affect such affairs. An institutional investor shall be
10 permitted to vote on matters put to the vote of the
11 outstanding security holders.~~

~~12 (4) If an institutional investor changes its investment
13 intent or if the board finds reasonable cause to believe that
14 the institutional investor may be found unsuitable, no action
15 other than divestiture shall be taken by the institutional
16 investor with respect to its security holdings until there
17 has been compliance with any requirements established by the
18 board, which may include the execution of a trust agreement
19 in accordance with section 1332 (relating to appointment of
20 trustee).~~

~~21 (5) The interactive gaming certificate holder or
22 interactive gaming operator or applicant or any holding,
23 intermediary or subsidiary company of an interactive gaming
24 certificate holder, interactive gaming operator or applicant
25 shall notify the board immediately of any information about,
26 or actions of, an institutional investor holding its equity
27 securities where the information or action may impact the
28 eligibility of the institutional investor for a waiver under
29 this subsection.~~

~~30 (b) Failure to declare. If the board finds:~~

~~(1) that an institutional investor holding any security of a holding or intermediary company of an interactive gaming certificate holder or interactive gaming operator or applicant or, where relevant, of another subsidiary company of a holding or intermediary company of an interactive gaming certificate holder or interactive gaming operator or applicant which is related in any way to the financing of the interactive gaming certificate holder or interactive gaming operator or applicant, fails to comply with the provisions of subsection (a); or~~

~~(2) by reason of the extent or nature of its holdings, an institutional investor is in a position to exercise such a substantial impact upon the controlling interests of an interactive gaming certificate holder or interactive gaming operator or applicant that investigation and determination of suitability of the institutional investor is necessary to protect the public interest;~~

~~then the board may take any necessary action otherwise authorized under this chapter to protect the public interest.~~

~~§ 13B63. Internet cafes and prohibition.~~

~~(a) General rule. No person shall operate a place of public accommodation, club, including a club or association limited to dues paying members or similar restricted groups, or similar establishment in which computer terminals or similar access devices are advertised or made available to be used principally for the purpose of accessing authorized interactive games. No interactive gaming certificate holder or interactive gaming operator shall offer or make available computer terminals or similar access devices to be used principally for the purpose of accessing interactive games within a licensed facility.~~

1 ~~(b) Construction. Nothing in this section shall be~~
2 ~~construed to:~~

3 ~~(1) require the owner or operator of a hotel or motel or~~
4 ~~other public place of general use in this Commonwealth to~~
5 ~~prohibit or block guests from playing authorized interactive~~
6 ~~games on their own computers or other devices; or~~

7 ~~(2) require an interactive gaming certificate holder or~~
8 ~~an interactive gaming operator to prohibit registered players~~
9 ~~within a licensed facility from playing authorized~~
10 ~~interactive games on their own computers or other devices.~~

11 ~~CHAPTER 13C~~

12 ~~SPORTS WAGERING~~

13 ~~Subchapter~~

14 ~~A. General Provisions~~

15 ~~B. Sports Wagering Authorized~~

16 ~~C. Conduct of Sports Wagering~~

17 ~~D. Sports Wagering Taxes and Fees~~

18 ~~E. Miscellaneous Provisions~~

19 ~~SUBCHAPTER A~~

20 ~~GENERAL PROVISIONS~~

21 ~~Sec.~~

22 ~~13C01. Definitions.~~

23 ~~13C02. Regulatory authority.~~

24 ~~13C03. Temporary sports wagering regulations.~~

25 ~~13C04. Unauthorized sports wagering.~~

26 ~~§ 13C01. Definitions.~~

27 ~~The following words and phrases when used in this chapter~~
28 ~~shall have the meanings given to them in this section unless the~~
29 ~~context clearly indicates otherwise:~~

30 ~~"Certificate holder." A person to whom the board has awarded~~

1 ~~a sports wagering certificate.~~

2 ~~"Gross sports wagering revenue."~~

3 ~~(1) The total of cash or cash equivalents received from~~
4 ~~sports wagering minus the total of:~~

5 ~~(i) Cash or cash equivalents paid to players as a~~
6 ~~result of sports wagering.~~

7 ~~(ii) Cash or cash equivalents paid to purchase~~
8 ~~annuities to fund prizes payable to players over a period~~
9 ~~of time as a result of sports wagering.~~

10 ~~(iii) The actual cost paid by the certificate holder~~
11 ~~for any personal property distributed to a player as a~~
12 ~~result of sports wagering. This subparagraph does not~~
13 ~~include travel expenses, food, refreshments, lodging or~~
14 ~~services.~~

15 ~~(2) The term does not include any of the following:~~

16 ~~(i) Counterfeit cash or chips.~~

17 ~~(ii) Coins or currency of other countries received~~
18 ~~as a result of sports wagering, except to the extent that~~
19 ~~the coins or currency are readily convertible to cash.~~

20 ~~(iii) Cash taken in a fraudulent act perpetrated~~
21 ~~against a certificate holder for which the certificate~~
22 ~~holder is not reimbursed.~~

23 ~~"Sporting event." A professional or collegiate sports or~~
24 ~~athletic event or a motor race event.~~

25 ~~"Sports wagering." The business of accepting wagers on~~
26 ~~sporting events or on the individual performance statistics of~~
27 ~~athletes in a sporting event or combination of sporting events~~
28 ~~by any system or method of wagering, including over the Internet~~
29 ~~through websites and mobile applications. The term includes, but~~
30 ~~is not limited to, exchange wagering, parlays, over under,~~

1 ~~moneyline, pools and straight bets. The term does not include:~~

2 ~~(1) Pari-mutuel betting on the outcome of thoroughbred~~
3 ~~or harness horse racing as authorized under 3 Pa.C.S. Ch. 93~~
4 ~~(relating to race horse industry reform).~~

5 ~~(2) Lottery games of the Pennsylvania State Lottery as~~
6 ~~authorized under the act of August 26, 1971 (P.L.351, No.91),~~
7 ~~known as the State Lottery Law.~~

8 ~~(3) Bingo as authorized under the act of July 10, 1981~~
9 ~~(P.L.214, No.67), known as the Bingo Law.~~

10 ~~(4) Small games of chance as authorized under the act of~~
11 ~~December 19, 1988 (P.L.1262, No.156), known as the Local~~
12 ~~Option Small Games of Chance Act.~~

13 ~~(5) Slot machine gaming and progressive slot machine~~
14 ~~gaming as defined and authorized under this part.~~

15 ~~(6) Keno.~~

16 ~~(7) Fantasy sports contests.~~

17 ~~(8) iLottery under Chapter 7 (relating to iLottery).~~

18 ~~"Sports wagering certificate." A certificate awarded by the~~
19 ~~board under this chapter that authorizes a slot machine licensee~~
20 ~~to conduct sports wagering in accordance with this chapter.~~

21 ~~"Sports wagering device." The term includes any mechanical,~~
22 ~~electrical or computerized contrivance, terminal, machine or~~
23 ~~other device, apparatus, equipment or supplies approved by the~~
24 ~~board and used to conduct sports wagering.~~

25 ~~§ 13C02. Regulatory authority.~~

26 ~~The board shall promulgate regulations:~~

27 ~~(1) Establishing standards and procedures for sports~~
28 ~~wagering. The standards and procedures shall provide for the~~
29 ~~conduct and implementation of sports wagering within licensed~~
30 ~~facilities, including any new sports wagering or variations~~

~~1 or composites of approved sports wagering, provided that the
2 board determines that the new sports wagering or any
3 variations or composites or other approved sports wagering
4 are suitable for use after a test or experimental period
5 under the terms and conditions as the board may deem
6 appropriate.~~

~~7 (2) Establishing standards and rules to govern the
8 conduct of sports wagering and the system of wagering,
9 including the manner in which wagers are received, payouts
10 are remitted and point spreads, lines and odds are
11 determined. The board may also establish standards and rules
12 to govern the conduct of sports wagering and the system of
13 wagering as a form of interactive gaming authorized by the
14 Commonwealth.~~

~~15 (3) Establishing the method for calculating gross sports
16 wagering revenue and standards for the daily counting and
17 recording of cash and cash equivalents received in the
18 conduct of sports wagering, including ensuring that internal
19 controls are followed and how financial books and records are
20 maintained and audits are conducted. The board shall consult
21 with the department in establishing the regulations under
22 this paragraph.~~

~~23 (4) Establishing notice requirements pertaining to
24 minimum and maximum wagers on sports wagering.~~

~~25 (5) Establishing compulsive and problem gambling
26 standards pertaining to sports wagering consistent with this
27 part.~~

~~28 (6) Establishing standards prohibiting persons under 21
29 years of age from participating in sports wagering.~~

~~30 (7) Providing information pertaining to sports wagering~~

~~in the board's annual report required under section 1211(a.1)
(relating to reports of board).~~

~~(8) Requiring each certificate holder to:~~

~~(i) Provide written information about sports
wagering rules, payouts or winning wagers and other
information as the board may require.~~

~~(ii) Provide specifications approved by the board
under section 1207(11) (relating to regulatory authority
of board) to integrate and update the licensed facility's
surveillance system to cover all areas where sports
wagering is conducted. The specifications shall include
provisions providing the board and other persons
authorized by the board with onsite access to the system
or its signal.~~

~~(iii) Designate one or more locations within the
licensed facility of the certificate holder to conduct
sports wagering.~~

~~(iv) Ensure that visibility in the licensed facility
of the certificate holder is not obstructed in any way
that could interfere with the ability of the certificate
holder, the board and other persons authorized under this
part or by the board to oversee the surveillance of the
conduct of sports wagering.~~

~~(v) Integrate the licensed facility's count room to
ensure maximum security of the counting and storage of
cash and cash equivalents.~~

~~(vi) Equip each designated location within the
licensed facility providing sports wagering with a sign
indicating the permissible sports wagering minimum and
maximum wagers.~~

~~(vii) Ensure that no person under 21 years of age participates in sports wagering.~~

~~§ 13C03. Temporary sports wagering regulations.~~

~~(a) Promulgation. In order to facilitate the prompt implementation of this chapter, regulations promulgated by the board shall be deemed temporary regulations which shall expire not later than two years following the publication of the temporary regulations. The board may promulgate temporary regulations not subject to:~~

~~(1) Sections 201, 202, 203, 204 and 205 of the act of July 31, 1968 (P.L.769, No.240), referred to as the Commonwealth Documents Law.~~

~~(2) Sections 204(b) and 301(10) of the act of October 15, 1980 (P.L.950, No.164), known as the Commonwealth Attorneys Act.~~

~~(3) The act of June 25, 1982 (P.L.633, No.181), known as the Regulatory Review Act.~~

~~(b) Expiration. Except for temporary regulations governing the rules of new sports wagering approved by the board, the board's authority to adopt temporary regulations under subsection (a) shall expire two years after the effective date of this section. Regulations adopted after this period shall be promulgated as provided by law.~~

~~§ 13C04. Unauthorized sports wagering.~~

~~(a) Offense defined.~~

~~(1) It shall be unlawful for any person to willfully and knowingly operate, carry on, offer or expose for play any sports wagering or to accept a bet or wager associated with sports wagering from any person physically located in this Commonwealth at the time of play that is not within the scope~~

~~of a valid and current sports wagering certificate issued by the board under this chapter or by another state, territory or possession of the United States with which the Commonwealth has a sports wagering agreement.~~

~~(2) It shall be unlawful for any person to willfully and knowingly provide services with respect to any sports wagering or bet or wager specified in paragraph (1).~~

~~(b) Grading of offense. A person who violates subsection (a) commits a misdemeanor of the first degree. For a second or subsequent violation of subsection (a), a person commits a felony of the second degree.~~

~~(c) Penalties.~~

~~(1) For a first violation of subsection (a), a person shall be sentenced to pay a fine of:~~

~~(i) not less than \$75,000 nor more than \$150,000, if the person is an individual;~~

~~(ii) not less than \$150,000 nor more than \$300,000, if the person is a licensed manufacturer or supplier; or~~

~~(iii) not less than \$300,000 nor more than \$600,000, if the person is a licensed gaming entity.~~

~~(2) For a second or subsequent violation of subsection (a), a person shall be sentenced to pay a fine of:~~

~~(i) not less than \$150,000 nor more than \$300,000, if the person is an individual;~~

~~(ii) not less than \$300,000 nor more than \$600,000, if the person is a licensed manufacturer or supplier; or~~

~~(iii) not less than \$600,000 nor more than \$1,200,000, if the person is a licensed gaming entity.~~

~~(d) Forfeiture. If a person engages in sports wagering from a location in which the activity is unauthorized, the person~~

1 ~~shall forfeit all entitlement to any winnings and the money~~
2 ~~associated with any forfeited winnings shall be deposited into~~
3 ~~the Compulsive and Problem Gambling Treatment Fund established~~
4 ~~under section 1509(b) (relating to compulsive and problem~~
5 ~~gambling program).~~

6 ~~(c) Tax liability.~~

7 ~~(1) An unlicensed person who offers sports wagering to~~
8 ~~persons in this Commonwealth shall be liable for all taxes~~
9 ~~required by this chapter in the same manner and amounts as if~~
10 ~~the person were a licensee.~~

11 ~~(2) Timely payment of the taxes may not constitute a~~
12 ~~defense to any prosecution or other proceeding in connection~~
13 ~~with unauthorized sports wagering, except for a prosecution~~
14 ~~or proceeding alleging failure to make such payment.~~

15 SUBCHAPTER B

16 SPORTS WAGERING AUTHORIZED

17 Sec.

18 13C11. Authorization to conduct sports wagering.

19 13C12. Petition requirements.

20 13C13. Standard for review of petitions.

21 13C14. Award of certificate.

22 13C15. Sports wagering certificate.

23 13C16. Sports wagering by suppliers and manufacturers.

24 § 13C11. Authorization to conduct sports wagering.

25 ~~(a) Persons who may be authorized.~~

26 ~~(1) (i) The board may authorize a slot machine licensee~~
27 ~~to conduct sports wagering and to operate a system of~~
28 ~~wagering associated with the conduct of sports wagering~~
29 ~~at the slot machine licensee's licensed facility, a~~
30 ~~temporary facility authorized under section 13C21(b).~~

1 ~~(relating to authorized locations for operation), an area~~
2 ~~authorized under section 13C21(c) or through an Internet-~~
3 ~~based system.~~

4 ~~(ii) Authorization shall be contingent upon the slot~~
5 ~~machine licensee's agreement to ensure that sports-~~
6 ~~wagering will be conducted in accordance with this part-~~
7 ~~and any other conditions established by the board.~~

8 ~~(iii) Nothing in this part shall be construed to~~
9 ~~create a separate license governing the conduct of sports-~~
10 ~~wagering by slot machine licensees within this-~~
11 ~~Commonwealth.~~

12 ~~(2) The board may authorize a sports wagering-~~
13 ~~certificate holder to conduct sports wagering and to operate-~~
14 ~~a system of wagering associated with the conduct of sports-~~
15 ~~wagering as a form of interactive gaming authorized by the-~~
16 ~~Commonwealth.~~

17 ~~(3) (i) Except as provided in this part, all-~~
18 ~~individuals wagering on sporting events through-~~
19 ~~authorized sports wagering must be physically located-~~
20 ~~within this Commonwealth or within a state or-~~
21 ~~jurisdiction with which the board has entered a sports-~~
22 ~~wagering agreement.~~

23 ~~(ii) No individual under 21 years of age may make a-~~
24 ~~wager or bet on sporting events through authorized sports-~~
25 ~~wagering or have access to the designated area of the-~~
26 ~~licensed facility authorized to host sports wagering.~~

27 ~~(b) Federal authorization.~~

28 ~~(1) The Secretary of the Commonwealth shall, when-~~
29 ~~Federal law is enacted or repealed or a Federal court-~~
30 ~~decision is filed that affirms the authority of a state to-~~

1 ~~regulate sports wagering, publish a notice in the~~
2 ~~Pennsylvania Bulletin certifying the enactment or repeal or~~
3 ~~the filing of the decision.~~

4 ~~(2) The board may not authorize the conduct of sports~~
5 ~~wagering in this Commonwealth until the notice is published~~
6 ~~as prescribed in paragraph (1).~~

7 ~~§ 13C12. Petition requirements.~~

8 ~~(a) General rule. Unless otherwise prohibited under section~~
9 ~~13A13 (relating to prohibitions), a slot machine licensee may~~
10 ~~seek approval to conduct sports wagering by filing a petition~~
11 ~~with the board.~~

12 ~~(b) Petition contents. A petition seeking authorization to~~
13 ~~conduct sports wagering shall include the following:~~

14 ~~(1) The name, business address and contact information~~
15 ~~of the petitioner.~~

16 ~~(2) The name, business address, job title and a~~
17 ~~photograph of each principal and key employee of the~~
18 ~~petitioner who will be involved in the conduct of sports~~
19 ~~wagering and who is not currently licensed by the board, if~~
20 ~~known.~~

21 ~~(3) A brief description of the economic benefits~~
22 ~~expected to be realized by the Commonwealth, its~~
23 ~~municipalities and its residents if sports wagering is~~
24 ~~authorized at the petitioner's licensed facility.~~

25 ~~(4) The details of any financing obtained or that will~~
26 ~~be obtained to fund an expansion or modification of the~~
27 ~~licensed facility to accommodate sports wagering and to~~
28 ~~otherwise fund the cost of commencing sports wagering.~~

29 ~~(5) Information and documentation concerning financial~~
30 ~~background and resources, as the board may require, to~~

~~1 establish by clear and convincing evidence the financial
2 stability, integrity and responsibility of the petitioner.~~

~~3 (6) Information and documentation, as the board may
4 require, to establish by clear and convincing evidence that
5 the petitioner has sufficient business ability and experience
6 to create and maintain a successful sports wagering
7 operation. In making this determination, the board may
8 consider the performance of the petitioner's slot machine and
9 table game operation, including financial information,
10 employment data and capital investment.~~

~~11 (7) Information and documentation, as the board may
12 require, to establish by clear and convincing evidence that
13 the petitioner has or will have the financial ability to pay
14 the authorization fee under section 13C61 (relating to sports
15 wagering authorization fee).~~

~~16 (8) Detailed site plans identifying the petitioner's
17 proposed sports wagering area within the licensed facility.~~

~~18 (9) Other information as the board may require.~~

~~19 (c) Confidentiality. Information submitted to the board
20 under subsection (b) (4), (5), (6), (7) and (8) may be considered
21 confidential by the board if the information would be
22 confidential under section 1206(f) (relating to board minutes
23 and records).~~

~~24 § 13C13. Standard for review of petitions.~~

~~25 (a) General rule. The board shall approve a petition if the
26 petitioner establishes, by clear and convincing evidence, all of
27 the following:~~

~~28 (1) The petitioner's slot machine license is in good
29 standing with the board.~~

~~30 (2) The conduct of sports wagering at the petitioner's~~

~~licensed facility will have a positive economic impact on the Commonwealth, its municipalities and residents through increased revenues and employment opportunities.~~

~~(3) The petitioner possesses adequate funds or has secured adequate financing to:~~

~~(i) Fund any necessary expansion or modification of the petitioner's licensed facility to accommodate the conduct of sports wagering.~~

~~(ii) Pay the authorization fee in accordance with section 13C61 (relating to sports wagering authorization fee).~~

~~(iii) Commence sports wagering operations at its licensed facility.~~

~~(4) The petitioner has the financial stability, integrity and responsibility to conduct sports wagering.~~

~~(5) The petitioner has sufficient business ability and experience to create and maintain a successful sports wagering operation.~~

~~(6) The petitioner's proposed internal and external security and proposed surveillance measures within the area of the licensed facility where the petitioner seeks to conduct sports wagering are adequate.~~

~~(7) The petitioner has satisfied the petition application requirements and provided any other information required by section 13C12(b) (relating to petition requirements).~~

~~(b) Timing of approval. The board shall approve or deny a petition within 90 days following receipt of the petition.~~

~~§ 13C14. Award of certificate.~~

~~(a) General rule. Upon approval of a petition, the board~~

1 ~~shall award a sports wagering certificate to the petitioner. The~~
2 ~~award of a sports wagering certificate prior to the payment in~~
3 ~~full of the authorization fee required by section 13C61~~
4 ~~(relating to sports wagering authorization fee) shall not~~
5 ~~relieve the petitioner from complying with the provisions of~~
6 ~~section 13C61.~~

7 ~~(b) Statement of conditions. Upon awarding a sports~~
8 ~~wagering operation certificate, the board shall amend the slot~~
9 ~~machine licensee's statement of conditions pertaining to the~~
10 ~~requirements of this chapter.~~

11 ~~(c) Term of sports wagering certificate. Subject to the~~
12 ~~power of the board to deny, revoke or suspend a sports wagering~~
13 ~~certificate issued in accordance with the requirements of this~~
14 ~~section, a sports wagering certificate shall be renewed every~~
15 ~~five years and shall be subject to the requirements of section~~
16 ~~1326 (relating to renewals).~~

17 ~~§ 13C15. Sports wagering certificate.~~

18 ~~The following shall apply:~~

19 ~~(1) A sports wagering certificate shall be in effect~~
20 ~~unless:~~

21 ~~(i) suspended or revoked by the board consistent~~
22 ~~with the requirements of this part;~~

23 ~~(ii) the slot machine license held by the~~
24 ~~certificate holder is suspended, revoked or not renewed~~
25 ~~by the board consistent with the requirements of this~~
26 ~~part; or~~

27 ~~(iii) the certificate holder relinquishes or does~~
28 ~~not seek renewal of its slot machine license.~~

29 ~~(2) A certificate holder that fails to abide by this~~
30 ~~chapter or any condition contained in the slot machine~~

~~licensee's statement of conditions governing the conduct of sports wagering shall be subject to board imposed administrative sanctions or other penalties authorized under this part.~~

~~§ 13C16. Sports wagering by suppliers and manufacturers.~~

~~(a) Suppliers. A person that sells, leases, offers or otherwise provides, distributes or services any sports wagering device or associated equipment for use or operation in this Commonwealth for sports wagering purposes shall be licensed by the board under section 1317 (relating to supplier licenses) and shall be subject to application and licensure fees and fines as prescribed under section 1208 (relating to collection of fees and fines), as determined by the board.~~

~~(b) Manufacturers. A person who manufactures, builds, rebuilds, fabricates, assembles, produces, programs, designs or otherwise makes modifications to any sports wagering device or associated equipment for use or operation in this Commonwealth for sports wagering purposes shall be licensed by the board under section 1317.1 (relating to manufacturer licenses) and shall be subject to application and licensure fees and fines as prescribed under section 1208, as determined by the board.~~

SUBCHAPTER C

CONDUCT OF SPORTS WAGERING

Sec.

~~13C21. Authorized locations for operation.~~

~~13C22. Commencement of sports wagering operations.~~

~~13C23. Condition of continued operation.~~

~~13C24. Key employees and occupation permits.~~

~~13C25. Application of Clean Indoor Air Act.~~

~~13C26. Application of Liquor Code.~~

1 ~~§ 13C21. Authorized locations for operation.~~

2 ~~(a) Restriction. A certificate holder may only be permitted~~
3 ~~to conduct sports wagering at the licensed facility, a temporary~~
4 ~~facility authorized under subsection (b), an area authorized~~
5 ~~under subsection (c) or through an Internet based system.~~

6 ~~(b) Temporary facilities. The board may permit a~~
7 ~~certificate holder to conduct sports wagering at a temporary~~
8 ~~facility that is physically connected to, attached to or~~
9 ~~adjacent to a licensed facility for a period not to exceed 24~~
10 ~~months.~~

11 ~~(c) Powers and duties of board.~~

12 ~~(1) Upon request made by a certificate holder, the board~~
13 ~~may determine the suitability of a Category 1 licensed gaming~~
14 ~~entity that is also a licensed racing entity authorized to~~
15 ~~conduct pari mutuel wagering at nonprimary locations under 3-~~
16 ~~Pa.C.S. Ch. 93 (relating to race horse industry reform) to~~
17 ~~conduct sports wagering at nonprimary locations.~~

18 ~~(2) No certificate holder may be approved to conduct~~
19 ~~sports wagering in a nonprimary location unless the areas are~~
20 ~~equipped with adequate security and surveillance equipment to~~
21 ~~ensure the integrity of the conduct of sports wagering.~~

22 ~~(3) An authorization granted under this subsection may~~
23 ~~not:~~

24 ~~(i) Impose any criteria or requirements regarding~~
25 ~~the contents or structure of a nonprimary location that~~
26 ~~are unrelated to the conduct of sports wagering.~~

27 ~~(ii) Authorize the placement or operation of slot~~
28 ~~machines or table games in a nonprimary location.~~

29 ~~§ 13C22. Commencement of sports wagering operations.~~

30 ~~No certificate holder may operate or offer sports wagering~~

1 ~~until the board determines that:~~

2 ~~(1) The certificate holder is in compliance with the~~
3 ~~requirements of this part.~~

4 ~~(2) The certificate holder is prepared in all respects~~
5 ~~to offer sports wagering play to the public at the licensed~~
6 ~~facility.~~

7 ~~(3) The certificate holder has implemented necessary~~
8 ~~internal and management controls and security arrangements~~
9 ~~and surveillance systems for the conduct of sports wagering.~~

10 ~~(4) The certificate holder is in compliance with or has~~
11 ~~complied with section 13C61 (relating to sports wagering~~
12 ~~authorization fee).~~

13 ~~(5) Other conditions as the board may require to~~
14 ~~implement the conduct of sports wagering.~~

15 ~~§ 13C23. Condition of continued operation.~~

16 ~~As a condition of continued operation, a certificate holder~~
17 ~~shall agree to maintain all books, records and documents~~
18 ~~pertaining to sports wagering in a manner and location within~~
19 ~~this Commonwealth as approved by the board. All books, records~~
20 ~~and documents related to sports wagering shall be:~~

21 ~~(1) segregated by separate accounts within the~~
22 ~~certificate holder's books, records and documents, except for~~
23 ~~any books, records or documents that are common to slot~~
24 ~~machine, table game and sports wagering operations;~~

25 ~~(2) immediately available for inspection upon request of~~
26 ~~the board, the bureau, the department, the Pennsylvania State~~
27 ~~Police or the Attorney General, or agents thereof, during all~~
28 ~~hours of operation of the certificate holder in accordance~~
29 ~~with regulations promulgated by the board; and~~

30 ~~(3) maintained for a period as the board, by regulation,~~

1 ~~may require.~~

2 ~~§ 13C24. Key employees and occupation permits.~~

3 ~~Nothing in this part shall be construed to require any~~
4 ~~individual who holds a principal license, a key employee license~~
5 ~~or a gaming employee occupation permit under Chapter 13~~
6 ~~(relating to licensees) to obtain a separate license or permit~~
7 ~~to be employed in a certificate holder's sports wagering~~
8 ~~operation authorized under this chapter.~~

9 ~~§ 13C25. Application of Clean Indoor Air Act.~~

10 ~~For the purpose of section 3(b)(11) of the act of June 13,~~
11 ~~2008 (P.L.182, No.27), known as the Clean Indoor Air Act, the~~
12 ~~term "gaming floor" shall include the areas of any facility~~
13 ~~where the certificate holder is authorized to conduct sports~~
14 ~~wagering, except such areas off the gaming floor where contests~~
15 ~~or tournaments are conducted unless smoking is otherwise~~
16 ~~permitted in such areas.~~

17 ~~§ 13C26. Application of Liquor Code.~~

18 ~~The provisions of section 493(24)(ii) of the act of April 12,~~
19 ~~1951 (P.L.90, No.21), known as the Liquor Code, shall also apply~~
20 ~~to sports wagering.~~

21 ~~SUBCHAPTER D~~

22 ~~SPORTS WAGERING TAXES AND FEES~~

23 ~~Sec.~~

24 ~~13C61. Sports wagering authorization fee.~~

25 ~~13C62. Sports wagering tax.~~

26 ~~13C63. Local share assessment.~~

27 ~~13C64. Compulsive and problem gambling.~~

28 ~~§ 13C61. Sports wagering authorization fee.~~

29 ~~(a) Amount. Each slot machine licensee that is issued a~~
30 ~~sports wagering certificate to conduct sports wagering in~~

1 ~~accordance with section 13C11 (relating to authorization to~~
2 ~~conduct sports wagering) shall pay a one time nonrefundable~~
3 ~~authorization fee in the amount of \$10,000,000.~~

4 ~~(b) Payment of fee. A slot machine licensee shall remit the~~
5 ~~authorization fee under subsection (a) to the board within 60~~
6 ~~days of the approval of a petition to conduct sports wagering.~~
7 ~~The board may allow the fee to be paid in installments, provided~~
8 ~~all installments are paid within the 60 day period. In that~~
9 ~~event, the board and the slot machine licensee shall enter into~~
10 ~~a written agreement setting forth the terms of payment. Sports~~
11 ~~wagering may not be conducted until the fee under subsection (a)~~
12 ~~is paid in full.~~

13 ~~(c) Renewal fee. Notwithstanding any other provision of~~
14 ~~this chapter, a slot machine licensee that is issued a sports~~
15 ~~wagering certificate shall pay a renewal fee in the amount of~~
16 ~~\$250,000 upon the renewal of its sports wagering certificate in~~
17 ~~accordance with sections 1326 (relating to renewals) and~~
18 ~~13C14(c) (relating to award of certificate).~~

19 ~~(d) Failure to pay by deadline. If a petitioner or~~
20 ~~certificate holder fails to pay the required authorization fee~~
21 ~~in full within the 60 day time period, the board shall impose a~~
22 ~~penalty and may grant the petitioner or certificate holder up to~~
23 ~~a six month extension to pay the authorization fee or any~~
24 ~~remaining portion of the authorization fee and the penalty.~~

25 ~~(e) Suspension of certificate. The board shall suspend the~~
26 ~~sports wagering certificate if the certificate holder fails to~~
27 ~~pay the total authorization fee and the penalty prior to the~~
28 ~~expiration of an extension period granted under subsection (d).~~
29 ~~The suspension shall remain in effect until final payment is~~
30 ~~made.~~

1 ~~(f) Deposit of fees. Notwithstanding section 1208 (relating~~
2 ~~to collection of fees and fines), all sports wagering~~
3 ~~authorization fees or penalties received by the board under this~~
4 ~~subchapter, all sports wagering device and associated equipment~~
5 ~~manufacturer and supplier license fees, all sports wagering~~
6 ~~device or associated equipment manufacturer and supplier renewal~~
7 ~~fees and all fees for licenses issued under Chapter 16 (relating~~
8 ~~to junkets) shall be deposited into the General Fund.~~

9 ~~§ 13C62. Sports wagering tax.~~

10 ~~(a) Imposition. Each certificate holder shall report to the~~
11 ~~department and pay from its daily gross sports wagering revenue,~~
12 ~~on a form and in the manner prescribed by the department, a tax~~
13 ~~of 16% of its daily gross sports wagering revenue.~~

14 ~~(b) Deposits and distributions.~~

15 ~~(1) The tax imposed under subsection (a) shall be~~
16 ~~payable to the department on a weekly basis and shall be~~
17 ~~based upon gross sports wagering revenue derived during the~~
18 ~~previous week.~~

19 ~~(2) All funds owed to the Commonwealth under this~~
20 ~~section shall be held in trust for the Commonwealth by the~~
21 ~~certificate holder until the funds are paid to the~~
22 ~~department. Unless otherwise agreed to by the board, a~~
23 ~~certificate holder shall establish a separate bank account~~
24 ~~into which gross sports wagering revenue shall be deposited~~
25 ~~and maintained until such time as the funds are paid to the~~
26 ~~department under this section or paid into the fund under~~
27 ~~section 13C63(a) (relating to local share assessment).~~

28 ~~(3) The tax imposed under subsection (a) shall be~~
29 ~~deposited into the General Fund.~~

30 ~~§ 13C63. Local share assessment.~~

1 ~~(a) Required payment. In addition to the tax imposed under~~
2 ~~section 13C62 (relating to sports wagering tax), each~~
3 ~~certificate holder shall pay on a weekly basis, on a form and in~~
4 ~~the manner prescribed by the department, a local share~~
5 ~~assessment into a restricted receipts account established within~~
6 ~~the fund. All money owed under this section shall be held in~~
7 ~~trust by the certificate holder until the money is paid into the~~
8 ~~restricted account. Funds in the restricted account are hereby~~
9 ~~appropriated to the department on a continuing basis for the~~
10 ~~purposes set forth under this section.~~

11 ~~(b) Distributions. The department shall make quarterly~~
12 ~~distributions from the local share assessments deposited into~~
13 ~~the restricted account under subsection (a) to counties,~~
14 ~~including home rule counties, and to municipalities, including~~
15 ~~home rule municipalities, in accordance with the following:~~

16 ~~(1) For sports wagering conducted at licensed~~
17 ~~facilities, the local share assessment shall be distributed~~
18 ~~as follows:~~

19 ~~(i) Fifty percent to the county in which the~~
20 ~~licensed facility is located.~~

21 ~~(ii) Fifty percent to the municipality in which the~~
22 ~~licensed facility is located.~~

23 ~~(2) For sports wagering conducted at nonprimary~~
24 ~~locations, the local share assessment shall be distributed as~~
25 ~~follows:~~

26 ~~(i) Fifty percent to the county in which the~~
27 ~~nonprimary location is located.~~

28 ~~(ii) Fifty percent to the municipality in which the~~
29 ~~nonprimary location is located.~~

30 ~~(c) Definitions. As used in this section, the following~~

1 ~~words and phrases shall have the meanings given to them in this~~
2 ~~subsection unless the context clearly indicates otherwise:~~

3 ~~"Local share assessment." Two percent of a certificate~~
4 ~~holder's daily gross sports wagering revenue.~~

5 ~~§ 13C64. Compulsive and problem gambling.~~

6 ~~The following shall apply:~~

7 ~~(1) Each year, from the tax imposed under section 13C62~~
8 ~~(relating to sports wagering tax), \$2,000,000 or an amount~~
9 ~~equal to 0.002 multiplied by the total gross sports wagering~~
10 ~~revenue of all active and operating sports wagering~~
11 ~~certificate holders, whichever is greater, shall be~~
12 ~~transferred into the Compulsive and Problem Gambling~~
13 ~~Treatment Fund established under section 1509 (relating to~~
14 ~~compulsive and problem gambling program).~~

15 ~~(2) Each year, from the tax imposed under section 13C62,~~
16 ~~\$2,000,000 or an amount equal to 0.002 multiplied by the~~
17 ~~total gross sports wagering revenue of all active and~~
18 ~~operating sports wagering certificate holders, whichever is~~
19 ~~greater, shall be transferred to the Department of Health to~~
20 ~~be used for drug and alcohol addiction treatment services,~~
21 ~~including treatment for drug and alcohol addiction related to~~
22 ~~compulsive and problem gambling, as set forth under section~~
23 ~~1509.1 (relating to drug and alcohol treatment).~~

24 ~~SUBCHAPTER E~~

25 ~~MISCELLANEOUS PROVISIONS~~

26 ~~Sec.~~

27 ~~13C71. Criminal activity.~~

28 ~~§ 13C71. Criminal activity.~~

29 ~~Sports wagering conducted by a certificate holder in~~
30 ~~accordance with this chapter shall not constitute a criminal~~

1 ~~activity under 18 Pa.C.S. § 5514 (relating to pool selling and~~
2 ~~bookmaking).~~

3 ~~CHAPTER 13D~~

4 ~~SLOT MACHINES AT NONPRIMARY LOCATIONS~~

5 ~~Subchapter~~

6 ~~A. General Provisions~~

7 ~~B. Category 1 Licensed Gaming Entities and Nonprimary~~
8 ~~Locations~~

9 ~~C. Application and Issuance of Nonprimary Location Permit~~

10 ~~D. Fees and Taxes~~

11 ~~SUBCHAPTER A~~

12 ~~GENERAL PROVISIONS~~

13 ~~Sec.~~

14 ~~13D01. Definitions.~~

15 ~~13D02. Authority to place slot machines at nonprimary~~
16 ~~locations.~~

17 ~~13D03. Temporary regulations.~~

18 ~~§ 13D01. Definitions.~~

19 ~~The following words and phrases when used in this chapter~~
20 ~~shall have the meanings given to them in this section unless the~~
21 ~~context clearly indicates otherwise:~~

22 ~~"Consumer price index." The Consumer Price Index for All~~
23 ~~Urban Consumers for the Pennsylvania, New Jersey, Delaware and~~
24 ~~Maryland area for the most recent 12 month period for which~~
25 ~~figures have been officially reported by the United States~~
26 ~~Department of Labor, Bureau of Labor Statistics.~~

27 ~~"Nonprimary location." As defined in 3 Pa.C.S. § 9301~~
28 ~~(relating to definitions).~~

29 ~~"Nonprimary location permit." The permit issued to a~~
30 ~~Category 1 slot machine licensee authorizing the placement and~~

1 ~~operation of slot machines at a nonprimary location.~~

2 ~~"Nonprimary location permit holder." A Category 1 slot~~
3 ~~machine licensee that has been approved for and issued a permit~~
4 ~~to place and make slot machines available for play at a~~
5 ~~nonprimary location.~~

6 ~~"Primary market area." An area within 35 linear miles of a~~
7 ~~licensed facility or another nonprimary location.~~

8 ~~§ 13D02. Authority to place slot machines at nonprimary~~
9 ~~locations.~~

10 ~~(a) Placement of slot machines at nonprimary locations.~~

11 ~~Notwithstanding any other provision of this part, 3 Pa.C.S. Ch.~~
12 ~~93 (relating to race horse industry reform), or any other law or~~
13 ~~regulation to the contrary, a Category 1 licensed gaming entity~~
14 ~~that is a licensed racing entity under 3 Pa.C.S. Ch. 93 may~~
15 ~~apply to the board for a nonprimary location permit.~~

16 ~~(b) Duty of the board and commission.~~

17 ~~(1) Subject to the provisions of paragraph (2), the~~
18 ~~board shall have general and sole regulatory authority over~~
19 ~~the placement and operation of slot machines at nonprimary~~
20 ~~locations and shall, in consultation with the commission,~~
21 ~~promulgate regulations to govern the placement and operation~~
22 ~~of slot machines at nonprimary locations.~~

23 ~~(2) Any regulations specific to the operation of~~
24 ~~nonprimary locations by licensed racing entities promulgated~~
25 ~~under 58 Pa. Code Ch. 171 (relating to nonprimary locations)~~
26 ~~or any regulations related to the operation of nonprimary~~
27 ~~locations that may be adopted by the commission subsequent to~~
28 ~~the effective date of this section shall be adopted as~~
29 ~~regulations under this chapter, unless the board, in~~
30 ~~consultation with the commission, determine that the~~

~~1 regulations are not sufficient for the administration and
2 enforcement of this chapter.~~

~~3 (3) In that event, the board, in consultation with the
4 commission, shall promulgate such regulations specific to the
5 operation of slot machines at nonprimary locations as the
6 board and commission deem necessary to facilitate the
7 administration and enforcement of this chapter.~~

~~8 § 13D03. Temporary regulations.~~

~~9 (a) Promulgation. In order to facilitate the prompt
10 implementation of this chapter, regulations promulgated by the
11 board or commission under this chapter shall be deemed temporary
12 regulations which shall expire not later than two years after
13 the publication of the temporary regulation in the Pennsylvania
14 Bulletin. The board may promulgate temporary regulations not
15 subject to:~~

~~16 (1) Sections 201, 202, 203, 204 and 205 of the act of
17 July 31, 1968 (P.L.769, No.240), referred to as the
18 Commonwealth Documents Law.~~

~~19 (2) Sections 204(b) and 301(10) of the act of October
20 15, 1980 (P.L.950, No.164), known as the Commonwealth
21 Attorneys Act.~~

~~22 (3) The act of June 25, 1982 (P.L.633, No.181), known as
23 the Regulatory Review Act.~~

~~24 (b) Expiration. The authority of the board and the
25 commission to adopt temporary regulations under subsection (a)
26 shall expire two years after the effective date of this section.
27 Regulations adopted after this period shall be promulgated as
28 provided by law.~~

~~29 (c) Temporary regulations. The board, in consultation with
30 the commission, shall begin publishing temporary regulations~~

1 ~~governing placement and operation of slot machines at nonprimary~~
2 ~~locations in the Pennsylvania Bulletin within 60 days of the~~
3 ~~effective date of this section.~~

4 SUBCHAPTER B

5 CATEGORY 1 LICENSED GAMING ENTITIES

6 AND NONPRIMARY LOCATIONS

7 Sec.

8 ~~13D07. Category 1 licensed gaming entity and operation of slot~~
9 ~~machines at nonprimary locations.~~

10 ~~§ 13D07. Category 1 licensed gaming entity and operation of~~
11 ~~slot machines at nonprimary locations.~~

12 ~~(a) Requirements.~~

13 ~~(1) Each Category 1 licensed gaming entity referred to~~
14 ~~under section 13D02 (relating to authority to place slot~~
15 ~~machines at nonprimary locations) and is authorized to hold~~
16 ~~horse race meetings at a racetrack at which more than one~~
17 ~~license is authorized may be granted approval to place and~~
18 ~~make slot machines available for play at four nonprimary~~
19 ~~locations, if the board, in consultation with the commission,~~
20 ~~determines that a nonprimary location newly proposed or~~
21 ~~approved by the commission in accordance with 3 Pa.C.S. Ch.~~
22 ~~93 (relating to race horse industry reform) and regulations~~
23 ~~of the commission will benefit economic development,~~
24 ~~employment, tourism, the race horse industry and result in~~
25 ~~enhanced revenues to the Commonwealth and the municipality~~
26 ~~where the newly proposed or approved nonprimary location will~~
27 ~~be or is situated.~~

28 ~~(2) Each Category 1 licensed gaming entity under section~~
29 ~~13D02 that is authorized to hold horse race meetings at a~~
30 ~~racetrack at which only one license is authorized may be~~

~~1 granted approval to place and make slot machines available
2 for play at four nonprimary locations, if the board, in
3 consultation with the commission, determines that a
4 nonprimary location newly proposed or approved by the
5 commission in accordance with 3 Pa.C.S. Ch. 93 and
6 regulations of the commission will benefit economic
7 development, employment, tourism, the race horse industry and
8 result in enhanced revenues to the Commonwealth and the
9 municipality where the newly proposed or approved nonprimary
10 location will be or is situated.~~

~~11 (3) No Category 1 licensed gaming entity referred to
12 under section 13D02(a), may place and make slot machines
13 available for play at any nonprimary location that is within
14 the primary market area of another licensed racing entity,
15 regardless of whether the licensed racing entity is
16 authorized to conduct horse race meetings or harness horse
17 race meetings, or both, at the racetrack.~~

~~18 (4) No Category 1 licensed gaming entity referred to
19 under section 13D02(a), may place and make slot machines
20 available for play at a nonprimary location that is located
21 within the primary market area of another licensed facility
22 or another nonprimary location.~~

~~23 (5) A nonprimary location may be located within the
24 primary market area of a licensed facility if the Category 1
25 licensed gaming entity owns the nonprimary location, the
26 licensed gaming entity enters into an agreement with the
27 affected licensed gaming entity or entities and the agreement
28 is filed with the commission and the board.~~

~~29 (6) A Category 1 licensed gaming entity that places and
30 makes slot machines available for play at a nonprimary~~

~~location shall be subject to the requirements of section 1303(a), (b) and (d) (relating to additional Category 1 slot machine license requirements).~~

~~(b) Existing and newly established nonprimary locations.~~

~~Notwithstanding any provision of 3 Pa.C.S. Ch. 93 or any other law or regulation to the contrary:~~

~~(1) A licensed racing entity that operated nonprimary locations prior to the effective date of this section shall not be prohibited from reopening a previously closed nonprimary location or relocating an existing nonprimary location in order to place and make slot machines available for play in a reopened or relocated nonprimary location, Provided, that, the previously closed or relocated nonprimary location is approved by the commission in accordance with 3 Pa.C.S. Ch. 93 and regulations adopted by the commission pursuant to 3 Pa.C.S. Ch. 93 and complies with the location requirements specified in subsection (a) (3), (4) and (5).~~

~~(2) A licensed racing entity may establish a new nonprimary location in accordance with 3 Pa.C.S. Ch. 93 and regulations of the commission in order to place and make slot machines available for play and operate race horse simulcasting, Provided, that, the new nonprimary location is approved by the commission in accordance with 3 Pa.C.S. Ch. 93 and regulations adopted by the commission pursuant to 3 Pa.C.S. Ch. 93 and complies with the location requirements set forth in subsection (a) (3), (4) and (5).~~

~~(c) Permissible number of slot machines.~~

~~(1) Notwithstanding section 1210 (relating to number of slot machines), a Category 1 licensed gaming entity, upon approval of the board and remittance of the fee under section~~

~~13D17 (relating to nonprimary location permit fee), may place and make available for play no more than 250 slot machines at a nonprimary location.~~

~~(2) The permissible number of slot machines that may be placed and made available for play at a nonprimary location under this subsection shall not be included in the complement of slot machines authorized for a category 1 licensed facility under section 1210.~~

~~(3) In determining the permissible number of slot machines that may be placed at a nonprimary location in accordance with this subsection, the board shall consider the appropriateness of the physical space of the nonprimary location where the slot machines will be placed and the convenience of the public patronizing the nonprimary location. The board may also consider the potential benefit to economic development, employment, tourism, the race horse industry and enhanced revenues to the Commonwealth and the municipality where the nonprimary location is situated.~~

SUBCHAPTER C

APPLICATION AND ISSUANCE OF NONPRIMARY LOCATION PERMIT

~~Sec.~~

~~13D11. Application for nonprimary location permit.~~

~~13D12. Issuance and terms of nonprimary location permit.~~

~~13D13. Confidentiality.~~

~~13D14. Key employees and occupation permits.~~

~~§ 13D11. Application for nonprimary location permit.~~

~~(a) Application. An application for a nonprimary location permit to place and make slot machines available for play at a nonprimary location must be submitted on a form and in a manner~~

1 ~~as required by the board. In reviewing and approving each~~
2 ~~application, the board shall:~~

3 ~~(1) Ensure that the proposed location of the nonprimary~~
4 ~~location is approved by the commission in accordance with~~
5 ~~section 13D07 (relating to Category 1 licensed gaming entity~~
6 ~~and operation of slot machines at nonprimary locations) and~~
7 ~~complies with the location requirements specified in section~~
8 ~~13D07(a)(3), (4) and (5).~~

9 ~~(2) Confirm that the nonprimary location permit fee~~
10 ~~under section 13D17 (relating to nonprimary location permit~~
11 ~~fee) has been paid or will be paid in accordance with section~~
12 ~~13D17.~~

13 ~~(b) Required information. An application for a nonprimary~~
14 ~~location permit shall include, at a minimum:~~

15 ~~(1) The name of the Category 1 slot machine licensee and~~
16 ~~the licensed racing entity and location of the existing~~
17 ~~nonprimary location, if any, or the location of any proposed~~
18 ~~relocated or new nonprimary location approved by the~~
19 ~~commission.~~

20 ~~(2) The name, address and current photograph of the~~
21 ~~applicant and of all directors and owners and key employees~~
22 ~~and their positions within the licensed racing entity, if~~
23 ~~required by the board.~~

24 ~~(3) The proposed location of the slot machine area or~~
25 ~~areas in the nonprimary location, if known.~~

26 ~~(4) Detailed site and architectural plans of the~~
27 ~~proposed area or areas within the nonprimary location where~~
28 ~~slot machines will be placed and made available for play.~~

29 ~~(5) The number of slot machines requested.~~

30 ~~(6) The current status of the licensed racing entity's~~

1 ~~horse racing license, if required by the board.~~

2 ~~(7) The current status of the slot machine license~~
3 ~~issued under this part, if required by the board.~~

4 ~~(8) The details of any loan or other financing obtained~~
5 ~~or that will be obtained to fund an expansion, modification~~
6 ~~or construction project at an existing nonprimary location, a~~
7 ~~relocated nonprimary location or a proposed or newly approved~~
8 ~~nonprimary location to accommodate slot machines at the~~
9 ~~nonprimary location.~~

10 ~~(9) The consent to conduct a background investigation by~~
11 ~~the bureau, the scope of which investigation shall be~~
12 ~~determined by the bureau at its discretion consistent with~~
13 ~~the provisions of this part, and a release signed by all~~
14 ~~persons subject to the investigation of all information~~
15 ~~required to complete the investigation, if the bureau, at its~~
16 ~~discretion, determines that a background investigation is~~
17 ~~necessary under this chapter.~~

18 ~~(10) Other information determined to be necessary and~~
19 ~~appropriate by the board.~~

20 ~~§ 13D12. Issuance and terms of nonprimary location permit.~~

21 ~~(a) Issuance of permit. Upon approval of an application for~~
22 ~~a nonprimary location permit and payment of the nonprimary~~
23 ~~location permit fee under section 13D17 (relating to nonprimary~~
24 ~~location permit fee), the board shall issue a nonprimary~~
25 ~~location permit to a category 1 licensed gaming entity~~
26 ~~authorizing the Category 1 licensed gaming entity to place and~~
27 ~~make slot machines available for play at a nonprimary location.~~

28 ~~(b) Terms of permit. A nonprimary location permit approved~~
29 ~~and issued by the board in accordance with subsection (a) shall~~
30 ~~be in effect unless suspended or revoked by the board upon good~~

1 ~~cause consistent with the requirements of this part, regulations~~
2 ~~promulgated under this part or regulations of the commission.~~

3 ~~(c) Notification of change in status. Nothing in this~~
4 ~~section shall be construed to relieve a nonprimary location~~
5 ~~permit holder of the affirmative duty to notify the board of any~~
6 ~~change relating to the status of its nonprimary location permit,~~
7 ~~its horse racing license or to other information contained in~~
8 ~~the application materials on file with the board.~~

9 ~~§ 13D13. Confidentiality.~~

10 ~~Information submitted to the board under section 13D11~~
11 ~~(relating to application for nonprimary location permit) may be~~
12 ~~considered confidential by the board if the information would be~~
13 ~~confidential under section 1206(f) (relating to board minutes~~
14 ~~and records).~~

15 ~~§ 13D14. Key employees and occupation permits.~~

16 ~~Nothing in this subchapter shall be construed to require an~~
17 ~~individual who holds a principal license, a key employee license~~
18 ~~or gaming employee license under Chapters 13 (relating to~~
19 ~~licensees) and 13A (relating to table games) or who holds a~~
20 ~~license, permit or registration under 3 Pa.C.S. Ch. 93 (relating~~
21 ~~to race horse industry reform) to obtain a separate license,~~
22 ~~permit or registration to be employed in a slot machine~~
23 ~~licensee's slot machine operation at a nonprimary location under~~
24 ~~this chapter, if the board determines, in consultation with the~~
25 ~~commission, that licensure under the provisions of this part or~~
26 ~~3 Pa.C.S. Ch. 93 is sufficient and will not compromise the~~
27 ~~integrity of the operation of slot machines at nonprimary~~
28 ~~locations.~~

29 ~~SUBCHAPTER D~~

30 ~~FEEES AND TAXES~~

1 ~~Sec.~~

2 ~~13D17. Nonprimary location permit fee.~~

3 ~~13D18. Nonprimary location taxes, imposition, deposits and~~
4 ~~distributions.~~

5 ~~13D19. Local share.~~

6 ~~§ 13D17. Nonprimary location permit fee.~~

7 ~~(a) Amount of fee. At the time a nonprimary location permit~~
8 ~~is issued under section 13D12(a) (relating to issuance and terms~~
9 ~~of nonprimary location permit), the board shall impose a one~~
10 ~~time fee of \$5,000,000 to be paid by the Category 1 licensed~~
11 ~~gaming entity for each nonprimary location where it will place~~
12 ~~and make slot machines available for play.~~

13 ~~(b) Renewal fee not required. A nonprimary location permit~~
14 ~~shall not be subject to renewal or payment of a nonprimary~~
15 ~~location permit renewal fee.~~

16 ~~(c) Deposit of fee into General Fund. Notwithstanding~~
17 ~~section 1208 (relating to collection of fees and fines), all~~
18 ~~nonprimary location permit fees and penalties collected by the~~
19 ~~board under this section shall be deposited in the General Fund.~~

20 ~~§ 13D18. Nonprimary location taxes, imposition, deposits and~~
21 ~~distributions.~~

22 ~~(a) Tax and assessment. The department shall determine and~~
23 ~~each nonprimary location permit holder shall pay on a weekly~~
24 ~~basis:~~

25 ~~(1) A tax of 50% from its gross terminal revenue from~~
26 ~~the slot machines in operation at the nonprimary location~~
27 ~~permit holder's nonprimary location.~~

28 ~~(2) A 4% local share assessment from the nonprimary~~
29 ~~location permit holder's gross terminal revenue from the slot~~
30 ~~machines in operation at its nonprimary location.~~

1 ~~(b) Deposit. The department shall deposit the tax imposed~~
2 ~~and assessment under subsection (a) into the General Fund. From~~
3 ~~the local share assessment established under subsection (a), the~~
4 ~~department shall make distributions among the counties and~~
5 ~~municipalities that host nonprimary locations in accordance with~~
6 ~~section 13D19 (relating to local share).~~

7 ~~(c) Trust required. All money owed to the Commonwealth, a~~
8 ~~county or a municipality under this section shall be held in~~
9 ~~trust by the licensed racing entity or licensed gaming entity~~
10 ~~for the Commonwealth, county or municipality until all funds are~~
11 ~~deposited with and distributed by the department in accordance~~
12 ~~with this chapter.~~

13 ~~(d) Applicability. Chapter 14 (relating to revenues) shall~~
14 ~~not apply to slot machines operated at nonprimary locations in~~
15 ~~accordance with this chapter.~~

16 ~~§ 13D19. Local share.~~

17 ~~(a) Distribution.~~

18 ~~(1) Subject to the limitation under subsection (b), the~~
19 ~~department shall distribute, in a manner and according to a~~
20 ~~schedule adopted by the department, to each municipality 2%~~
21 ~~of the gross terminal revenue of slot machines operating at a~~
22 ~~nonprimary location within the municipality.~~

23 ~~(2) The department shall on a quarterly basis deposit 2%~~
24 ~~of the gross terminal revenue of slot machines operating at a~~
25 ~~nonprimary location within the county into a restricted~~
26 ~~receipts account to be established in the Commonwealth~~
27 ~~Financing Authority to be used exclusively for grants for~~
28 ~~projects in the public interest within the host county.~~

29 ~~(b) Limitation. The department may not distribute a local~~
30 ~~share amount to a municipality in excess of 50% of the~~

1 ~~municipality's total budget for fiscal year 2017, adjusted for~~
2 ~~inflation in subsequent fiscal years by an amount not to exceed~~
3 ~~an annual cost of living adjustment calculated by applying an~~
4 ~~upward percentage change in the Consumer Price Index immediately~~
5 ~~prior to the date the adjustment is due to take effect.~~

6 ~~(c) Alternate distribution. Local share amounts not~~
7 ~~distributed by the department to a municipality due to the~~
8 ~~limitation established under subsection (b) shall be distributed~~
9 ~~to the host county in accordance with subsection (a)(2).~~

10 ~~(d) Use of assessments.~~

11 ~~(1) A municipality that receives assessments from the~~
12 ~~department under subsection (a) may use the funds for any~~
13 ~~purpose.~~

14 ~~(2) A county that receives assessments from the~~
15 ~~department under subsection (a) may use the funds as local~~
16 ~~matching funds for other grants or loans from the~~
17 ~~Commonwealth.~~

18 ~~(e) Reporting.~~

19 ~~(1) In cooperation with the department and the~~
20 ~~Commonwealth Financing Authority, the Department of Community~~
21 ~~and Economic Development shall submit an annual report on all~~
22 ~~distributions of local share assessments to municipalities~~
23 ~~and counties under this section to the chairperson and~~
24 ~~minority chairperson of the Appropriations Committee of the~~
25 ~~Senate, the chairperson and minority chairperson of the~~
26 ~~Community, Economic and Recreational Development Committee of~~
27 ~~the Senate, the chairperson and minority chairperson of the~~
28 ~~Appropriations Committee of the House of Representatives and~~
29 ~~the chairperson and minority chairperson of the Gaming~~
30 ~~Oversight Committee of the House of Representatives. The~~

~~report shall be submitted by August 31, 2018, and by August 31 of each year thereafter.~~

~~(2) A municipality or county that receives distributions of local share assessments under this section shall submit information to the Department of Community and Economic Development on a form prepared by the Department of Community and Economic Development that states the amount and use of the funds received in the prior fiscal year. The form shall specify whether the funds received were deposited in the municipality's or county's general fund or committed to a specific project or use.~~

~~CHAPTER 13E~~

~~(Reserved)~~

~~CHAPTER 13F~~

~~CASINO SIMULCASTING~~

~~Subchapter~~

~~A. General Provisions~~

~~B. Casino Simulcasting Authorized~~

~~C. Application and Issuance of Permit and Establishment of Simulcasting Facility~~

~~D. Conduct of Casino Simulcasting~~

~~E. Fees and Taxes~~

~~SUBCHAPTER A~~

~~GENERAL PROVISIONS~~

~~Sec.~~

~~13F01. Legislative intent and purpose.~~

~~13F02. Definitions.~~

~~§ 13F01. Legislative intent and purpose.~~

~~The General Assembly finds as follows:~~

~~(1) The people of this Commonwealth have a vital~~

~~1 economic interest in the continued success of this
2 Commonwealth's gaming industry, including the race horse
3 industry. Due to this economic interest, enhancements to
4 current gaming activities must be authorized to ensure the
5 ongoing competitiveness, viability and stability of the
6 gaming industry in this Commonwealth.~~

~~7 (2) A primary intent of the Race Horse Development and
8 Gaming Act, as codified in this part, is to enhance live
9 horse racing. However, the legalization of commercial gaming
10 in states on the geographic borders of this Commonwealth
11 makes it imperative to authorize new and innovative gaming
12 activities related to horse racing and commercial casino
13 style gaming, which could be implemented by licensed gaming
14 entities, and which could help ensure the viability of both
15 horse racing and commercial gaming.~~

~~16 (3) The intent of this chapter is to give licensed
17 gaming entities the authority to conduct casino simulcasting
18 at Category 2 and Category 3 licensed facilities in order to
19 expand horse racing opportunities through simulcasting and,
20 thereby, enhancing the viability of this Commonwealth's race
21 horse and commercial gaming industry.~~

~~22 § 13F02. Definitions.~~

~~23 The following words and phrases when used in this chapter
24 shall have the meanings given to them in this section unless the
25 context clearly indicates otherwise:~~

~~26 "Casino simulcasting." The simultaneous transmission of live
27 thoroughbred or harness horse race meetings from an in State
28 sending track, out of State sending track or a satellite
29 facility, regardless of licensure status or whether the horse
30 race meetings originate within this Commonwealth or any other~~

1 ~~state or jurisdiction, to a simulcasting facility in this~~
2 ~~Commonwealth by satellite devices, television cables, telephone~~
3 ~~lines or any other telecommunications technology for the~~
4 ~~purposes of conducting pari mutuel wagering.~~

5 ~~"Casino simulcasting permit" or "simulcasting permit." A~~
6 ~~permit awarded by the board under section 13F12 (relating to~~
7 ~~casino simulcasting permit) which authorizes a licensed gaming~~
8 ~~entity to conduct casino simulcasting.~~

9 ~~"Casino simulcasting permit holder." A licensed gaming~~
10 ~~entity that holds a casino simulcasting permit issued by the~~
11 ~~board in accordance with section 13F12.~~

12 ~~"In State sending track." A racetrack within this~~
13 ~~Commonwealth which is operated by a licensed racing entity and~~
14 ~~is permitted to conduct casino simulcasting.~~

15 ~~"Licensed gaming entity." A person who has been approved for~~
16 ~~and issued a Category 2 slot machine license or a Category 3~~
17 ~~slot machine license in accordance with sections 1304 (relating~~
18 ~~to Category 2 slot machine license), 1305 (relating to Category~~
19 ~~3 slot machine license) and 1325 (relating to license or permit~~
20 ~~issuance) and who holds a casino simulcasting permit.~~

21 ~~"Out of State sending track." An interstate or international~~
22 ~~racetrack in a state or jurisdiction of than this Commonwealth~~
23 ~~which is equipped to conduct casino simulcasting and the~~
24 ~~operator of which is lawfully permitted to conduct horse race~~
25 ~~meetings and to provide simulcast horse races to slot machine~~
26 ~~licensees in this Commonwealth.~~

27 ~~"Simulcast horse race." A thoroughbred or harness horse race~~
28 ~~meeting conducted at a racetrack, whether within or outside this~~
29 ~~Commonwealth, which is simultaneously transmitted by an approved~~
30 ~~telecommunications technology to racetracks or simulcasting~~

1 ~~facilities in this Commonwealth in accordance with regulations~~
2 ~~of the commission.~~

3 ~~"Simulcasting facility." An area of a licensed facility~~
4 ~~established and maintained by a slot machine licensee for the~~
5 ~~conduct of casino simulcasting in accordance with this chapter,~~
6 ~~3 Pa.C.S. Ch. 93 (relating to race horse industry reform) and~~
7 ~~regulations of the board and the commission.~~

8 SUBCHAPTER B

9 CASINO SIMULCASTING AUTHORIZED

10 Sec.

11 13F05. Authorization to conduct simulcasting.

12 13F06. Regulations.

13 13F07. Temporary regulations.

14 13F08. Simulcast agreements.

15 § 13F05. Authorization to conduct simulcasting.

16 ~~(a) Authority to conduct. Notwithstanding any other~~
17 ~~provision of law or regulation, it shall be lawful for a~~
18 ~~licensed gaming entity to conduct casino simulcasting or enter~~
19 ~~into an agreement or agreements with a licensed racing entity or~~
20 ~~other person for the conduct of casino simulcasting in~~
21 ~~accordance with the provisions of this chapter, 3 Pa.C.S. Ch. 93~~
22 ~~(relating to race horse industry reform) and the applicable~~
23 ~~regulations of the board and the commission promulgated under~~
24 ~~this chapter.~~

25 ~~(b) Administration and enforcement. The board shall~~
26 ~~administer and enforce the provisions of this chapter as they~~
27 ~~relate to the conduct of casino simulcasting by a slot machine~~
28 ~~licensee and, except as provided in this chapter, shall adopt~~
29 ~~and promulgate regulations to carry out and enforce the~~
30 ~~provisions of this chapter.~~

1 ~~§ 13F06. Regulations.~~

2 ~~(a) Adoption of regulations. The board, in consultation~~
3 ~~with the commission, shall adopt and promulgate regulations to~~
4 ~~govern the conduct of casino simulcasting by licensed gaming~~
5 ~~entities in this Commonwealth. Such regulations shall establish~~
6 ~~the following:~~

7 ~~(1) The method and form of the application which a~~
8 ~~licensed gaming entity must follow and complete before~~
9 ~~consideration of the licensed gaming entity's application to~~
10 ~~conduct casino simulcasting.~~

11 ~~(2) The permissible communications technology which must~~
12 ~~be used to facilitate the conduct of casino simulcasting in~~
13 ~~accordance with regulations of the board, the commission and~~
14 ~~applicable Federal law and regulations.~~

15 ~~(3) The times during which a licensed gaming entity may~~
16 ~~conduct casino simulcasting shall be the same as the times~~
17 ~~authorized for the conduct of casino simulcasting by Category~~
18 ~~1 slot machine licensees.~~

19 ~~(4) The approval of the terms and conditions of any~~
20 ~~agreement between a licensed gaming entity and a licensed~~
21 ~~racing entity or other person related to the management or~~
22 ~~operation of casino simulcasting and the pari mutuel system~~
23 ~~of wagering, including the percentage of the money retained~~
24 ~~by a licensed racing entity for pari mutuel pools which may~~
25 ~~be distributed to the licensed gaming entity.~~

26 ~~(5) The required contents of agreements entered into~~
27 ~~between a licensed gaming entity, a licensed racing entity or~~
28 ~~other person for the management or operation of casino~~
29 ~~simulcasting and the pari mutuel system of wagering.~~

30 ~~(6) A requirement that wagering on simulcast horse race~~

1 ~~meetings shall only be conducted within an enclosed location~~
2 ~~of an authorized licensed gaming entity's licensed facility~~
3 ~~which has been approved by the board, in consultation with~~
4 ~~the commission.~~

5 ~~(7) The standards and rules to govern the conduct of~~
6 ~~casino simulcasting and the system of pari mutuel wagering~~
7 ~~associated with race horse simulcasting.~~

8 ~~(8) The reporting procedures and records which will be~~
9 ~~required from a licensed gaming entity to ensure that all~~
10 ~~money generated from casino simulcasting is accounted for and~~
11 ~~winners' names, when required under applicable Federal or~~
12 ~~State law, are filed with the appropriate taxing authorities.~~

13 ~~(9) Notwithstanding 3 Pa.C.S. § 9340 (relating to~~
14 ~~prohibition of wagering) or any other provision of law or~~
15 ~~regulation, the policies and procedures which will be~~
16 ~~adopted, implemented and followed to ensure that individuals~~
17 ~~under 21 years of age will be prohibited from participating~~
18 ~~in casino simulcasting or entering simulcasting areas of~~
19 ~~licensed facilities.~~

20 ~~(10) Any other requirements, conditions or controls~~
21 ~~which the board, in consultation with the commission, deems~~
22 ~~necessary and appropriate to administer and enforce the~~
23 ~~provisions of this chapter and to facilitate the~~
24 ~~implementation of this chapter.~~

25 ~~(b) Uniform regulation. In adopting regulations under this~~
26 ~~chapter, the commission shall cooperate and work with the board~~
27 ~~to develop uniform regulations to govern the operation of casino~~
28 ~~simulcasting in this Commonwealth. Except as herein provided,~~
29 ~~the provisions of this chapter and any regulations promulgated~~
30 ~~under this chapter shall be considered as establishing uniform~~

1 ~~requirements and regulations for casino simulcasting at licensed~~
2 ~~facilities in this Commonwealth.~~

3 ~~(c) Adoption of existing regulations. Notwithstanding~~
4 ~~subsection (b) or any other law or regulation to the contrary,~~
5 ~~the provisions of 3 Pa.C.S. § 9335 (relating to pari mutuel pool~~
6 ~~distribution) and all regulations and supplements thereto or~~
7 ~~revisions thereof adopted by the commission under 3 Pa.C.S. §~~
8 ~~9335, which relate to the retention of money in pari mutuel~~
9 ~~pools and the pari mutuel system of wagering on, before or after~~
10 ~~the effective date of this chapter are adopted as regulations~~
11 ~~under this chapter and shall remain in effect unless~~
12 ~~subsequently modified or superseded by regulations promulgated~~
13 ~~by the commission.~~

14 ~~§ 13F07. Temporary regulations.~~

15 ~~(a) Promulgation. In order to facilitate the prompt~~
16 ~~implementation of this chapter, regulations promulgated by the~~
17 ~~board shall be deemed temporary regulations which shall expire~~
18 ~~not later than two years following the publication of the~~
19 ~~temporary regulation. The board may promulgate temporary~~
20 ~~regulations not subject to:~~

21 ~~(1) Sections 201, 202, 203, 204 and 205 of the act of~~
22 ~~July 31, 1968 (P.L.769, No.240), referred to as the~~
23 ~~Commonwealth Documents Law.~~

24 ~~(2) Sections 204(b) and 301(10) of the act of October~~
25 ~~15, 1980 (P.L.950, No.164), known as the Commonwealth~~
26 ~~Attorneys Act.~~

27 ~~(3) The act of June 25, 1982 (P.L.633, No.181), known as~~
28 ~~the Regulatory Review Act.~~

29 ~~(b) Expiration. The authority to adopt temporary~~
30 ~~regulations under subsection (a) shall expire two years after~~

1 ~~the effective date of this section. Regulations adopted by the~~
2 ~~board and commission after the two year period shall be~~
3 ~~promulgated as provided by law.~~

4 ~~(c) Publication of temporary regulations. The board and the~~
5 ~~commission shall begin publishing temporary regulations~~
6 ~~governing casino simulcasting in the Pennsylvania Bulletin no~~
7 ~~later than February 1, 2018.~~

8 ~~§ 13F08. Simulcast agreements.~~

9 ~~(a) Manner of agreement. Any agreement entered into between~~
10 ~~a licensed gaming entity and a licensed racing entity or other~~
11 ~~person to facilitate casino simulcasting shall be in writing and~~
12 ~~shall be filed with and approved by the board and the commission~~
13 ~~in accordance with regulations promulgated by the board in~~
14 ~~consultation with the commission.~~

15 ~~(b) Wager provisions. Notwithstanding 3 Pa.C.S. § 9334~~
16 ~~(relating to State Racing Fund and tax rate) or 9335 (relating~~
17 ~~to pari mutuel pool distribution), the following shall apply:~~

18 ~~(1) If a licensed gaming entity offers casino~~
19 ~~simulcasting at its licensed facility through an agreement~~
20 ~~with a licensed racing entity, the agreement shall specify~~
21 ~~the percentage of the money wagered each racing day at the~~
22 ~~casino simulcasting facility and remaining in the wagering~~
23 ~~pools after the required distributions under 3 Pa.C.S. §~~
24 ~~9335, that will be paid to the licensed gaming entity. The~~
25 ~~amount retained by a licensed gaming entity shall not exceed~~
26 ~~25% of the money retained by the licensed racing entity under~~
27 ~~3 Pa.C.S. § 9335.~~

28 ~~(2) If a licensed gaming entity chooses to offer casino~~
29 ~~simulcasting through its own resources or through an~~
30 ~~agreement with another person, as approved by the board and~~

~~the commission, the board, in consultation with the
commission, shall, through regulation, establish the
percentage of money wagered each racing day at the casino
simulcasting facility and remaining in the wagering pools
after the required distributions under 3 Pa.C.S. § 9334 that
will be paid to the licensed gaming entity or other person,
provided that the percentage of money to be paid to a
licensed gaming entity or other person under this paragraph
shall be, if determined appropriate by the board and the
commission, the same percentage of money remaining in the
wagering pools that is retained by a licensed racing entity
in accordance with 3 Pa.C.S. § 9335.~~

~~(c) Regulations. The board, in consultation with the
commission, shall establish regulations to administer the
retention requirements under this section.~~

SUBCHAPTER C

APPLICATION AND ISSUANCE OF PERMIT AND ESTABLISHMENT OF SIMULCASTING FACILITY

Sec.

~~13F11. Application for permit and requirements.~~

~~13F12. Casino simulcasting permit.~~

~~13F13. Casino simulcasting facilities.~~

~~13F14. License or registration of employees required.~~

~~13F15. Key employees and occupation permits.~~

~~§ 13F11. Application for permit and requirements.~~

~~(a) Applications. A licensed gaming entity shall file an
application for a casino simulcasting permit with the board. The
application shall include the following:~~

~~(1) The name, business address and contact information
of the applicant.~~

1 ~~(2) The name and location of the applicant's licensed~~
2 ~~facility.~~

3 ~~(3) The name and business address, job title and a~~
4 ~~photograph of each principal and key employee of the~~
5 ~~applicant who will be involved in the conduct of casino~~
6 ~~simulcasting and who is not currently licensed by the board~~
7 ~~or the commission, if known.~~

8 ~~(4) The estimated number of full time and part time~~
9 ~~employment positions that will be created at the licensed~~
10 ~~facility if casino simulcasting is authorized and an updated~~
11 ~~hiring plan under section 1510(a) (relating to labor hiring~~
12 ~~preferences) which outlines the applicant's plan to promote~~
13 ~~the representation of diverse groups and Commonwealth~~
14 ~~residents in the employment positions.~~

15 ~~(5) A brief description of the economic benefits~~
16 ~~expected to be realized by the Commonwealth, the Department~~
17 ~~of Agriculture and the race horse industry in this~~
18 ~~Commonwealth if casino simulcasting is authorized at the~~
19 ~~applicant's licensed facility.~~

20 ~~(6) The details of any financing, if applicable,~~
21 ~~obtained or that will be obtained to fund an expansion or~~
22 ~~modification of the licensed facility to accommodate casino~~
23 ~~simulcasting or construct a simulcasting facility or to~~
24 ~~otherwise fund the cost of commencing casino simulcasting~~
25 ~~operations.~~

26 ~~(7) Information and documentation concerning financial~~
27 ~~background and resources, as the board may require, to~~
28 ~~establish by clear and convincing evidence the financial~~
29 ~~stability, integrity and responsibility of the applicant.~~

30 ~~(8) A copy of or a detailed description of the terms and~~

~~conditions of any agreement or agreements the licensed gaming entity has entered into or will enter into with a licensed corporation or other person to facilitate the conduct of casino simulcasting.~~

~~(9) A detailed description of any financial arrangements between a licensed gaming entity and a licensed racing entity or other person related to the conduct of casino simulcasting.~~

~~(10) Detailed site and architectural plans of the proposed simulcasting facility within the applicant's licensed facility.~~

~~(11) Any other information as the board may require.~~

~~(b) Review and approval of application. The board shall review and approve an application for a simulcasting permit if the applicant establishes, by clear and convincing evidence, all of the following:~~

~~(1) The applicant's slot machine license is in good standing with the board.~~

~~(2) The conduct of casino simulcasting at the applicant's licensed facility will have a positive economic impact on the Commonwealth and the race horse industry in this Commonwealth through increased revenues, increased purses and employment opportunities.~~

~~(3) The applicant possesses adequate funds or has secured adequate financing to:~~

~~(i) Fund any necessary expansion or modification of the applicant's licensed facility or to construct a simulcasting facility to accommodate the conduct of casino simulcasting.~~

~~(ii) Pay the costs of establishing, maintaining and~~

1 ~~operating the simulcasting facility.~~

2 ~~(iii) Commence casino simulcasting operations.~~

3 ~~(4) The applicant has entered into or will enter into an~~
4 ~~agreement with a licensed racing entity or other person to~~
5 ~~manage or operate casino simulcasting operations, and the~~
6 ~~agreement has been approved by the commission.~~

7 ~~(5) The applicant has the expertise to manage casino~~
8 ~~simulcasting.~~

9 ~~(6) The applicant has the financial stability, integrity~~
10 ~~and responsibility to conduct casino simulcasting.~~

11 ~~(7) The applicant has sufficient business ability and~~
12 ~~experience to create and maintain a successful casino~~
13 ~~simulcasting operation.~~

14 ~~(8) The applicant's proposed internal and external~~
15 ~~security controls and proposed surveillance measures within~~
16 ~~the area of the licensed facility where the applicant seeks~~
17 ~~to conduct casino simulcasting are adequate.~~

18 ~~(c) Confidentiality. Information submitted to the board~~
19 ~~under subsection (a) (6), (7) and (8) may be considered~~
20 ~~confidential by the board if the information would be~~
21 ~~confidential under section 1206(f) (relating to board minutes~~
22 ~~and records).~~

23 ~~§ 13F12. Casino simulcasting permit.~~

24 ~~(a) Issuance of permit. Upon review and approval of an~~
25 ~~application submitted to the board in accordance with section~~
26 ~~13F11 (relating to application for permit and requirements), the~~
27 ~~board shall issue a casino simulcasting permit to the applicant.~~

28 ~~(b) Content of permit.~~

29 ~~(1) A casino simulcasting permit shall include a list of~~
30 ~~the horse race meetings which are proposed to be simulcast by~~

~~the casino simulcasting permit holder at its simulcasting facility, including the names and locations of the in State sending tracks and out of State sending tracks, and the start date and expiration date of any agreement or agreements the permit holder has entered into or will enter into with a licensed racing entity or other person for the operation of casino simulcasting.~~

~~(2) A casino simulcasting permit holder shall be required to update the initial casino simulcasting application at times prescribed by the board, in consultation with the commission.~~

~~§ 13F13. Casino simulcasting facilities.~~

~~(a) Establishment of simulcasting facility. A licensed gaming entity approved for and issued a permit to operate casino simulcasting under this chapter shall establish a simulcasting facility as part of its licensed facility. The simulcasting facility may be adjacent to, but shall not be part of, any room or location in which slot machines or table games are operated or conducted in accordance with the provisions of this part. The following shall apply:~~

~~(1) The simulcasting facility shall conform to all requirements concerning square footage, equipment, security measures and related matters which the board, in consultation with the commission, shall by regulation prescribe.~~

~~(2) The space or area required for the establishment of a simulcasting facility shall not be used to decrease the number of slot machines or table games in operation at the licensed facility or to reduce the space approved by the board for the operation of slot machines and the conduct of table games.~~

1 ~~(3) The cost of establishing, maintaining and operating~~
2 ~~a simulcasting facility shall be the sole responsibility of~~
3 ~~the licensed gaming entity.~~

4 ~~(b) Video display monitors. Notwithstanding 3 Pa.C.S. Ch.~~
5 ~~93 (relating to race horse industry reform) or regulations~~
6 ~~promulgated pursuant to 3 Pa.C.S. Ch. 93, the regulations~~
7 ~~promulgated by the board shall provide for the installation of~~
8 ~~video display technology in approved areas of licensed~~
9 ~~facilities to deliver simulcast horse race meetings to patrons~~
10 ~~via video walls and other such innovative video display~~
11 ~~technology. The board may collaborate with the commission in~~
12 ~~developing regulations to govern the installation and operation~~
13 ~~of video display monitors in accordance with this subsection.~~

14 ~~§ 13F14. License or registration of employees required.~~

15 ~~Except as provided in this part, all persons engaged directly~~
16 ~~in wagering related activities at a simulcasting facility,~~
17 ~~whether employed by the licensed gaming entity, licensed racing~~
18 ~~entity or by a person or entity conducting casino simulcasting~~
19 ~~in the simulcasting facility under an agreement with the~~
20 ~~licensed gaming entity and all other employees of the licensed~~
21 ~~gaming entity, licensed racing entity or of the person or entity~~
22 ~~conducting casino simulcasting who work or will work in the~~
23 ~~simulcasting facility, shall be licensed or registered in~~
24 ~~accordance with regulations promulgated by the board in~~
25 ~~collaboration with the commission.~~

26 ~~§ 13F15. Key employees and occupation permits.~~

27 ~~Nothing in this subchapter shall be construed to require any~~
28 ~~individual who holds a principal license, a key employee license~~
29 ~~or gaming employee license under Chapters 13 (relating to~~
30 ~~licensees) and 13A (relating to table games) or who holds a~~

~~1 license under 3 Pa.C.S. Ch. 93 (relating to race horse industry~~
~~2 reform) to obtain a separate license, permit or registration to~~
~~3 be employed in a casino simulcasting permit holder's casino~~
~~4 simulcasting operation authorized under this chapter, if the~~
~~5 board, in consultation with the commission, determines that~~
~~6 licensure under the provisions of this part or 3 Pa.C.S. Ch. 93~~
~~7 is sufficient and will not compromise the integrity of casino~~
~~8 simulcasting.~~

~~9 SUBCHAPTER D~~

~~10 CONDUCT OF CASINO SIMULCASTING~~

~~11 Sec.~~

~~12 13F31. Conduct of casino simulcasting.~~

~~13 13F32. Transmission of live races.~~

~~14 13F33. Accounting controls and audit protocols.~~

~~15 13F34. Condition of continued operation.~~

~~16 13F35. Application of Liquor Code.~~

~~17 § 13F31. Conduct of casino simulcasting.~~

~~18 (a) Wagering. Wagering on simulcast horse races shall be~~
~~19 conducted only in the simulcasting facility.~~

~~20 (b) Required security.~~

~~21 (1) The security measures for a simulcasting facility~~
~~22 shall include, but may not be limited to, the installation by~~
~~23 the licensed gaming entity of a closed circuit television~~
~~24 system according to specifications promulgated by the board,~~
~~25 in consultation with the commission.~~

~~26 (2) The board and the commission shall have access to~~
~~27 the simulcast system or its signal in accordance with~~
~~28 regulations promulgated by the board, in consultation with~~
~~29 the commission.~~

~~30 § 13F32. Transmission of live races.~~

1 ~~The following shall apply:~~

2 ~~(1) A licensed racing entity which operates interstate~~
3 ~~or international simulcasting of horse race meetings in this~~
4 ~~Commonwealth shall have discretion to transmit all or some of~~
5 ~~the live races conducted at the racetrack to the licensed~~
6 ~~facility of a licensed gaming entity which has established a~~
7 ~~simulcasting facility under this chapter. Any race which is~~
8 ~~transmitted from an in State sending track shall be~~
9 ~~transmitted to all licensed gaming entities which have~~
10 ~~established simulcasting facilities.~~

11 ~~(2) A licensed gaming entity which establishes a~~
12 ~~simulcasting facility and conducts casino simulcasting in~~
13 ~~accordance with this chapter shall, as a condition of~~
14 ~~continued operation of casino simulcasting, receive all live~~
15 ~~races which are transmitted by in State sending tracks.~~

16 ~~§ 13F33. Accounting controls and audit protocols.~~

17 ~~(a) Approval. Prior to the commencement of casino~~
18 ~~simulcasting, a casino simulcasting permit holder shall submit~~
19 ~~to the board for approval all proposed site and architectural~~
20 ~~plans, internal control systems and audit protocols for the~~
21 ~~permit holder's casino simulcasting operations.~~

22 ~~(b) Minimum requirements. A casino simulcasting permit~~
23 ~~holder's internal controls and audit protocols shall:~~

24 ~~(1) Provide for reliable records, accounts and reports~~
25 ~~of any financial event that occurs in the conduct of casino~~
26 ~~simulcasting, including reports to the board and commission~~
27 ~~related to casino simulcasting, as may be required by~~
28 ~~regulation of the board, in consultation with the commission.~~

29 ~~(2) Provide for accurate and reliable financial records~~
30 ~~related to the conduct of casino simulcasting and the pari-~~

1 ~~mutuel system of wagering.~~

2 ~~(3) Establish procedures and security for the counting,~~
3 ~~recording and storage of money generated from the conduct of~~
4 ~~casino simulcasting.~~

5 ~~(4) Establish procedures and security standards for the~~
6 ~~maintenance of telecommunications equipment and video display~~
7 ~~technology used in connection with the conduct of casino~~
8 ~~simulcasting.~~

9 ~~(5) Establish procedures and rules to govern the conduct~~
10 ~~of casino simulcasting and the responsibility of employees~~
11 ~~related to casino simulcasting.~~

12 ~~(6) Establish procedures for the collection, recording~~
13 ~~and deposit of revenue from the conduct of casino~~
14 ~~simulcasting, including the roles of the commission, the~~
15 ~~department, licensed racing entities and licensed gaming~~
16 ~~entities in the collection and recording of the revenue.~~

17 ~~(7) Ensure that the system of pari mutuel wagering used~~
18 ~~in the conduct of casino simulcasting is in accordance with 3~~
19 ~~Pa.C.S. Ch. 93 (relating to race horse industry reform) and~~
20 ~~regulations of the commission promulgated under 3 Pa.C.S.~~
21 ~~(relating to agriculture).~~

22 ~~(8) Ensure, in consultation with the commission, the~~
23 ~~proper and timely accounting for and retention of percentages~~
24 ~~for pari mutuel pools and the proper and timely distribution~~
25 ~~of money in any pari mutuel pool generated from casino~~
26 ~~simulcasting.~~

27 ~~(9) Ensure that all functions, duties and~~
28 ~~responsibilities related to casino simulcasting are~~
29 ~~appropriately segregated and performed in accordance with~~
30 ~~sound financial practices by qualified employees.~~

1 ~~(10) Permit use of its casino simulcasting facility by~~
2 ~~the board, the bureau, the commission and other persons~~
3 ~~authorized under this part or by the board and the commission~~
4 ~~to facilitate their ability to perform regulatory and~~
5 ~~oversight functions under this chapter.~~

6 ~~(c) Submission to board. The submission required under~~
7 ~~subsection (a) shall include a detailed description of the~~
8 ~~casino simulcasting permit holder's administrative and~~
9 ~~accounting procedures related to casino simulcasting, including~~
10 ~~its written system of internal controls. Each written system of~~
11 ~~internal controls shall include:~~

12 ~~(1) An organizational chart depicting appropriate~~
13 ~~functions and responsibilities of employees involved in~~
14 ~~casino simulcasting.~~

15 ~~(2) A description of the duties and responsibilities of~~
16 ~~each position shown on the organizational chart.~~

17 ~~(3) The record retention policy of the permit holder.~~

18 ~~(4) The procedure to be utilized to ensure that money~~
19 ~~generated from the conduct of casino simulcasting is~~
20 ~~safeguarded, including mandatory counting and recording~~
21 ~~procedures.~~

22 ~~(5) A statement signed by the casino simulcasting permit~~
23 ~~holder's chief financial officer or other competent person~~
24 ~~attesting that the signatory believes, in good faith, that~~
25 ~~the system satisfies the requirements of this section.~~

26 ~~(d) Review. Prior to authorizing a permit holder to conduct~~
27 ~~casino simulcasting, the board, in consultation with the~~
28 ~~commission, shall review the system of internal controls~~
29 ~~submitted under subsection (c) to determine whether it conforms~~
30 ~~to the requirements of this subchapter and whether it provides~~

1 ~~adequate and effective controls for the conduct of casino-~~
2 ~~simulcasting.~~

3 ~~(c) License or registration of employees required. Except~~
4 ~~as provided in section 13F15 (relating to key employees and~~
5 ~~occupation permits), persons engaged directly in wagering-~~
6 ~~related activities at a simulcasting facility, whether employed~~
7 ~~by the licensed gaming entity, a licensed racing entity or by a~~
8 ~~person or entity conducting casino simulcasting under an~~
9 ~~agreement with the licensed gaming entity, licensed racing~~
10 ~~entity and all other employees of the licensed gaming entity or~~
11 ~~of the person or entity conducting casino simulcasting who work~~
12 ~~or will work in the simulcasting facility shall be licensed or~~
13 ~~registered in accordance with regulations promulgated by the~~
14 ~~board in collaboration with the commission.~~

15 ~~§ 13F34. Condition of continued operation.~~

16 ~~As a condition of continued operation, a casino simulcasting~~
17 ~~permit holder shall agree to maintain all books, records and~~
18 ~~documents pertaining to casino simulcasting in a manner and~~
19 ~~location within this Commonwealth as approved by the board, in~~
20 ~~consultation with the commission. All books, records and~~
21 ~~documents related to casino simulcasting shall:~~

22 ~~(1) Be organized in a manner to clearly depict by~~
23 ~~separate record the total amount of money contributed to~~
24 ~~every pari mutuel pool in accordance with the applicable~~
25 ~~provisions of 3 Pa.C.S. Ch. 93 (relating to race horse~~
26 ~~industry reform) and any regulation promulgated under 3-~~
27 ~~Pa.C.S. Ch. 93.~~

28 ~~(2) Be segregated by separate accounts within the~~
29 ~~licensed gaming entity's books, records and documents, except~~
30 ~~for any books, records or documents that are common to slot~~

~~1 machine operations, table game operations and casino
2 simulcasting, as determined by the board in consultation with
3 the commission.~~

~~4 (3) Be immediately available for inspection upon request
5 of the board, the commission, the bureau, the department, the
6 Pennsylvania State Police or the Attorney General, or agents
7 thereof, during all hours of operation of the permit holder's
8 simulcasting facility in accordance with regulations
9 promulgated by the board in consultation with the commission.~~

~~10 (4) Be maintained for a specific period of time as the
11 board, in consultation with the commission, by regulation,
12 may require.~~

~~13 § 13F35. Application of Liquor Code.~~

~~14 The provisions of section 493(24)(ii) of the act of April 12,
15 1951 (P.L.90, No.21), known as the Liquor Code, shall also apply
16 to casino simulcasting.~~

~~17 SUBCHAPTER E~~

~~18 FEES AND TAXES~~

~~19 Sec.~~

~~20 13F41. Casino simulcasting authorization fee.~~

~~21 13F42. Retention and distribution of money and pari mutuel
22 pools.~~

~~23 13F43. Casino simulcasting taxes.~~

~~24 13F44. Construction.~~

~~25 § 13F41. Casino simulcasting authorization fee.~~

~~26 A casino simulcasting permit shall not be subject to the
27 payment of an authorization fee, renewal or a renewal fee or the
28 payment of an additional permit fee.~~

~~29 § 13F42. Retention and distribution of money and pari mutuel
30 pools.~~

1 ~~(a) Wagers included in pari mutuel pools.~~

2 ~~(1) Sums wagered at a simulcasting facility on the~~
3 ~~results of a simulcast horse race shall be included in the~~
4 ~~appropriate pari mutuel pool generated for the race being~~
5 ~~transmitted in accordance with 3 Pa.C.S. § 9335 (relating to~~
6 ~~pari mutuel pool distribution) and shall be distributed in~~
7 ~~accordance with 3 Pa.C.S. § 9335 or any regulations~~
8 ~~promulgated under 3 Pa.C.S. § 9335. All remaining money shall~~
9 ~~be paid to the General Fund.~~

10 ~~(2) Payments to persons holding winning tickets at a~~
11 ~~licensed facility shall be made according to the same odds as~~
12 ~~those generated at the in State sending track.~~

13 ~~(3) A person placing a wager on a simulcast horse race~~
14 ~~at a simulcasting facility shall not be charged a fee for~~
15 ~~placing the wager in addition to the amount wagered.~~

16 ~~(b) Computation of money wagered. All money wagered by~~
17 ~~players on horse race meetings at a simulcasting facility shall~~
18 ~~be computed in the amount of money wagered each racing day for~~
19 ~~purposes of taxation under 3 Pa.C.S. § 9334 (relating to State~~
20 ~~Racing Fund and tax rate), all thoroughbred races shall be~~
21 ~~considered a part of a thoroughbred horse race meeting and all~~
22 ~~harness races shall be considered a part of a harness horse race~~
23 ~~meeting for purposes of 3 Pa.C.S. § 9334.~~

24 ~~§ 13F43. Casino simulcasting taxes.~~

25 ~~(a) Imposition.~~

26 ~~(1) All licensed gaming entities that conduct casino~~
27 ~~simulcasting shall pay a tax through the department for~~
28 ~~credit to the General Fund.~~

29 ~~(2) The tax imposed on all licensed gaming entities~~
30 ~~shall be a percentage tax in the amount of 2% of the amount~~

~~wagered each racing day on casino simulcasting and shall be paid from the money retained by the licensed gaming entity. The tax imposed under this paragraph shall be paid to the department on a form and in the manner prescribed by the department for deposit into the General Fund.~~

~~(3) The casino simulcasting tax imposed under this section shall be paid to the department by the casino simulcasting permit holder for deposit into the General Fund.~~

~~(b) Deposits and distributions.~~

~~(1) The tax imposed under subsection (a) shall be payable to the department on a weekly basis and shall be based upon the amounts retained by the casino simulcasting permit holder from the amount wagered on casino simulcasting each racing day during the previous week.~~

~~(2) All money owed to the Commonwealth under this section shall be held in trust for the Commonwealth by the permit holder until the funds are paid to the department. Unless otherwise agreed to by the board, a casino simulcasting permit holder shall establish a separate bank account into which casino simulcasting revenue shall be deposited and maintained until such time as the funds are paid to the department under this section.~~

~~§ 13F44. Construction.~~

~~Nothing in this chapter and section 1207 (relating to regulatory authority of board), as it relates to casino simulcasting, shall be construed to alter, preempt or otherwise impinge the authority of the commission under 3 Pa.C.S. Ch. 93 (relating to race horse industry reform).~~

~~Section 26. Section 1402(b) of Title 4 is amended to read:~~

~~§ 1402. Gross terminal revenue deductions.~~

1 ~~***~~

2 ~~(b) [(Reserved).] Assessment limitation.~~

3 ~~(1) Beginning July 1, 2017, the assessment rate~~
4 ~~determined by the department under subsection (a) shall not~~
5 ~~exceed an amount equal to 1.7% of the slot machine licensee's~~
6 ~~gross terminal revenue.~~

7 ~~(2) Beginning July 1, 2018, and each year thereafter,~~
8 ~~the assessment rate determined by the department under~~
9 ~~subsection (a) shall not exceed an amount equal to 1.5% of~~
10 ~~the slot machine licensee's gross terminal revenue.~~

11 ~~Section 27. Section 1403 of Title 4 is reenacted and amended~~
12 ~~to read:~~

13 ~~§ 1403. Establishment of State Gaming Fund and net slot machine~~
14 ~~revenue distribution.~~

15 ~~(a) Fund established. There is hereby established the State~~
16 ~~Gaming Fund within the State Treasury.~~

17 ~~(b) Slot machine tax. The department shall determine and~~
18 ~~each slot machine licensee shall pay a daily tax of 34% from its~~
19 ~~daily gross terminal revenue from the slot machines in operation~~
20 ~~at its facility and a local share assessment as provided in~~
21 ~~subsection (c). All funds owed to the Commonwealth, a county or~~
22 ~~a municipality under this section shall be held in trust by the~~
23 ~~licensed gaming entity for the Commonwealth, the county and the~~
24 ~~municipality until the funds are paid or transferred to the~~
25 ~~fund. Unless otherwise agreed to by the board, a licensed gaming~~
26 ~~entity shall establish a separate bank account to maintain~~
27 ~~gross terminal revenue until such time as the funds are paid or~~
28 ~~transferred under this section. Moneys in the fund are hereby~~
29 ~~appropriated to the department on a continuing basis for the~~
30 ~~purposes set forth in subsection (c).~~

1 ~~(c) Transfers and distributions. The department shall:~~

2 ~~(1) Transfer the slot machine tax and assessment imposed~~
3 ~~in subsection (b) to the fund.~~

4 ~~(2) From the local share assessment established in~~
5 ~~subsection (b), make quarterly distributions among the~~
6 ~~counties hosting a licensed facility in accordance with the~~
7 ~~following schedule:~~

8 ~~(i) If the licensed facility is a Category 1-~~
9 ~~licensed facility that is located at a harness racetrack-~~
10 ~~and the county, including a home rule county, in which~~
11 ~~the licensed facility is located is:~~

12 ~~(A) A county of the first class: 4% of the~~
13 ~~gross terminal revenue to the county hosting the~~
14 ~~licensed facility from each such licensed facility.~~
15 ~~Notwithstanding any other provision to the contrary,~~
16 ~~funds from licensed gaming entities located within a~~
17 ~~county of the first class shall not be distributed~~
18 ~~outside of a county of the first class.~~

19 ~~(B) A county of the second class: 2% of the~~
20 ~~gross terminal revenue to the county hosting the~~
21 ~~licensed facility from each such licensed facility.~~

22 ~~(C) A county of the second class A: 1% of the~~
23 ~~gross terminal revenue to the county hosting the~~
24 ~~licensed facility from each such licensed facility.~~
25 ~~An additional 1% of the gross terminal revenue to the~~
26 ~~county hosting the licensed facility from each such~~
27 ~~licensed facility for the purpose of municipal grants~~
28 ~~within the county in which the licensee is located.~~

29 ~~(D) (I) A county of the third class: Except as~~
30 ~~provided in subclause (II), 2% of the gross~~

1 ~~terminal revenue from each such licensed facility~~
2 ~~shall be deposited into a restricted receipts~~
3 ~~account to be established in the Commonwealth~~
4 ~~Financing Authority to be used exclusively for~~
5 ~~grants for projects in the public interest to~~
6 ~~municipalities within the county where the~~
7 ~~licensed facility is located.~~

8 ~~(I.1) Priority shall be given to multiyear~~
9 ~~projects approved or awarded by the Department of~~
10 ~~Community and Economic Development under~~
11 ~~subclause (I) on or before the effective date of~~
12 ~~this subclause.~~

13 ~~(I.2) In addition to municipalities that are~~
14 ~~eligible to receive grant funding under subclause~~
15 ~~(I), a county redevelopment authority within the~~
16 ~~county shall also be eligible to receive grant~~
17 ~~funding to be used exclusively for economic~~
18 ~~development projects or infrastructure. A county~~
19 ~~redevelopment authority shall not be eligible to~~
20 ~~receive more than 10% of the total grant funds~~
21 ~~awarded.~~

22 ~~(I.3) Notwithstanding the act of February 9,~~
23 ~~1999 (P.L.1, No.1), known as the Capital~~
24 ~~Facilities Debt Enabling Act, grants made under~~
25 ~~subclause (I) may be utilized as local matching~~
26 ~~funds for other grants or loans from the~~
27 ~~Commonwealth.~~

28 ~~(II) If a licensed facility is located in~~
29 ~~one of two counties of the third class where a~~
30 ~~city of the third class is located in both~~

1 ~~counties of the third class, the county in which~~
2 ~~the licensed facility is located shall receive~~
3 ~~1.2% of the gross terminal revenue to be~~
4 ~~distributed as follows: 20% to the host city,~~
5 ~~30% to the host county and 50% to the host county~~
6 ~~for the purpose of making municipal grants within~~
7 ~~the county, with priority given to municipalities~~
8 ~~contiguous to the host city. The county of the~~
9 ~~third class, which includes a city of the third~~
10 ~~class that is located in two counties of the~~
11 ~~third class and is not the host county for the~~
12 ~~licensed facility, shall receive .8% of the gross~~
13 ~~terminal revenue to be distributed as follows:~~
14 ~~60% to a nonhost city of the third class located~~
15 ~~solely in the nonhost county in which the host~~
16 ~~city of the third class is also located or 60% to~~
17 ~~the nonhost city of the third class located both~~
18 ~~in the host and nonhost counties of the third~~
19 ~~class, 35% to the nonhost county and 5% to the~~
20 ~~nonhost county for the purpose of making~~
21 ~~municipal grants within the county.~~

22 ~~(E) A county of the fourth class: 2% of the~~
23 ~~gross terminal revenue from each such licensed~~
24 ~~facility shall be distributed as follows:~~

25 ~~(I) The department shall make distributions~~
26 ~~directly to each municipality within the county,~~
27 ~~except the host municipality, by using a formula~~
28 ~~equal to the sum of \$25,000 plus \$10 per resident~~
29 ~~of the municipality using the most recent~~
30 ~~population figures provided by the Department of~~

1 Community and Economic Development, provided,
2 however, that the amount so distributed to any
3 municipality shall not exceed 50% of its total
4 budget for fiscal year 2009 or 2013, whichever is
5 greater, adjusted for inflation in subsequent
6 fiscal years by an amount not to exceed an annual
7 cost of living adjustment calculated by applying
8 any upward percentage change in the Consumer
9 Price Index immediately prior to the date the
10 adjustment is due to take effect. Distributions
11 to a municipality in accordance with this
12 subclause shall be deposited into a special fund
13 which shall be established by the municipality.
14 The governing body of the municipality shall have
15 the right to draw upon the special fund for any
16 lawful purpose provided that the municipality
17 identifies the fund as the source of the
18 expenditure. Each municipality shall annually
19 submit a report to the Department of Community
20 and Economic Development detailing the amount and
21 purpose of each expenditure made from the special
22 fund during the prior fiscal year.

23 (II) Any funds not distributed under
24 subclause (I) shall be deposited into a
25 restricted receipts account established in the
26 Department of Community and Economic Development
27 to be used exclusively for grants to the county,
28 to economic development authorities or
29 redevelopment authorities within the county for
30 grants for economic development projects,

1 ~~infrastructure projects, job training, community~~
2 ~~improvement projects, other projects in the~~
3 ~~public interest, and necessary and reasonable~~
4 ~~administrative costs. Notwithstanding the~~
5 ~~provisions of the act of February 9, 1999 (P.L.1,~~
6 ~~No.1), known as the Capital Facilities Debt~~
7 ~~Enabling Act, grants made under this clause may~~
8 ~~be utilized as local matching funds for other~~
9 ~~grants or loans from the Commonwealth.~~

10 ~~(F) Counties of the fifth through eighth~~
11 ~~classes:~~

12 ~~(I) Except as set forth in subclause (II),~~
13 ~~2% of the gross terminal revenue from each such~~
14 ~~licensed facility shall be deposited into a~~
15 ~~restricted account established in the Department~~
16 ~~of Community and Economic Development to be used~~
17 ~~exclusively for grants to the county.~~

18 ~~(II) If the licensed facility is located in~~
19 ~~a second class township in a county of the fifth~~
20 ~~class, 2% of the gross terminal revenue from the~~
21 ~~licensed facility shall be distributed as~~
22 ~~follows:~~

23 ~~(a) 1% shall be deposited into a~~
24 ~~restricted receipts account to be established~~
25 ~~in the Commonwealth Financing Authority to be~~
26 ~~used exclusively for grants for projects in~~
27 ~~the public interest to municipalities within~~
28 ~~the county where the licensed facility is~~
29 ~~located.~~

30 ~~(b) 1% shall be distributed to the county~~

1 ~~for projects in the public interest in the~~
2 ~~county.~~

3 ~~(G) Any county not specifically enumerated in~~
4 ~~clauses (A) through (F), 2% of the gross terminal~~
5 ~~revenue to the county hosting the licensed facility~~
6 ~~from each such licensed facility.~~

7 ~~(ii) If the licensed facility is a Category 1~~
8 ~~licensed facility and is located at a thoroughbred~~
9 ~~racetrack and the county in which the licensed facility~~
10 ~~is located is:~~

11 ~~(A) A county of the first class: 4% of the~~
12 ~~gross terminal revenue to the county hosting the~~
13 ~~licensed facility from each such licensed facility.~~
14 ~~Notwithstanding any other provision to the contrary,~~
15 ~~funds from licensed gaming entities located within~~
16 ~~the county of the first class shall not be~~
17 ~~distributed outside of a county of the first class.~~

18 ~~(B) A county of the second class: 2% of the~~
19 ~~gross terminal revenue to the county hosting the~~
20 ~~licensed facility from each such licensed facility.~~

21 ~~(C) A county of the second class A: 1% of the~~
22 ~~gross terminal revenue to the county hosting the~~
23 ~~licensed facility from each such licensed facility.~~
24 ~~An additional 1% of the gross terminal revenue to the~~
25 ~~county hosting the licensed facility from each such~~
26 ~~licensed facility for the purpose of municipal grants~~
27 ~~within the county in which the licensee is located.~~

28 ~~(D) A county of the third class which is also a~~
29 ~~home rule county: 1% of the gross terminal revenue~~
30 ~~to the county hosting the licensed facility from each~~

1 such licensed facility. An additional 1% of the gross
2 terminal revenue minus the amount contained in
3 clauses (D.1) and (D.2) to the county hosting the
4 licensed facility from each such licensed facility
5 for the purpose of municipal grants within the county
6 in which the licensee is located. Beginning January
7 1, 2018, municipal grants authorized under this
8 clause shall not be awarded through a county economic
9 development or redevelopment authority and shall only
10 be awarded by the county through an official action
11 of the county council and the county executive
12 governing the county of the third class which is also
13 a home rule county. Notwithstanding the provisions of
14 the Capital Facilities Debt Enabling Act, grants made
15 under this clause may be utilized as local matching
16 funds for other grants or loans from the
17 Commonwealth.

18 (D.1) \$500,000 of the gross terminal revenue to
19 a city of the third class with a population of not
20 less than 80,000 located within a county of the third
21 class that is also a home rule county to be used
22 exclusively for police, fire and other emergency
23 services or infrastructure projects. Notwithstanding
24 the provisions of the Capital Facilities Debt
25 Enabling Act, funds distributed under this clause may
26 be utilized as local matching funds for other grants
27 or loans from the Commonwealth.

28 (D.2) \$1,500,000 of the gross terminal revenue
29 annually to a land bank jurisdiction established by a
30 county of the third class which is also a home rule

1 ~~county. Until a land bank jurisdiction is established~~
2 ~~by a county of the third class which is also a home~~
3 ~~rule county after the effective date of this~~
4 ~~subclause, \$1,500,000 to the county redevelopment~~
5 ~~authority.~~

6 ~~(D.3) A county of the third class which is not a~~
7 ~~home rule county: 1% of the gross terminal revenue~~
8 ~~to the county hosting the licensed facility from each~~
9 ~~such licensed facility minus amounts in clauses~~
10 ~~(D.4), (D.5) and (D.6). An additional 1% of the gross~~
11 ~~terminal revenue to the county hosting the licensed~~
12 ~~facility from each such licensed facility for the~~
13 ~~purpose of municipal grants within the county in~~
14 ~~which the licensee is located. Notwithstanding the~~
15 ~~provisions of the Capital Facilities Debt Enabling~~
16 ~~Act, grants made under this clause may be utilized as~~
17 ~~local matching funds for other grants or loans from~~
18 ~~the Commonwealth.~~

19 ~~(D.4) \$220,000 of the gross terminal revenue~~
20 ~~annually to a contiguous county containing a township~~
21 ~~that receives a portion of the licensed facility's~~
22 ~~slot machine operation fee under paragraph (3)(v)(C)~~
23 ~~for the purpose of municipal grants within the~~
24 ~~county. Notwithstanding the provisions of the Capital~~
25 ~~Facilities Debt Enabling Act, grants made under this~~
26 ~~clause may be utilized as local matching funds for~~
27 ~~other grants or loans from the Commonwealth.~~

28 ~~(D.5) \$50,000 of the gross terminal revenue~~
29 ~~annually to a contiguous county of the fourth class~~
30 ~~for fire and emergency services and economic~~

1 ~~development. Notwithstanding the provisions of the~~
2 ~~Capital Facilities Debt Enabling Act, grants made~~
3 ~~under this clause may be utilized as local matching~~
4 ~~funds for other grants or loans from the~~
5 ~~Commonwealth.~~

6 ~~(D.6) \$30,000 of the gross terminal revenue~~
7 ~~annually to a township of the second class with a~~
8 ~~population between 2,000 and 2,500 as of the 2010~~
9 ~~decennial census that is contiguous to a township in~~
10 ~~a county of the fifth class that receives a portion~~
11 ~~of the licensed facility's slot machine operation fee~~
12 ~~under paragraph (3) (v) (C).~~

13 ~~(E) A county of the fourth class: 2% of the~~
14 ~~gross terminal revenue from each such licensed~~
15 ~~facility shall be deposited into a restricted account~~
16 ~~established in the Department of Community and~~
17 ~~Economic Development to be used exclusively for~~
18 ~~grants to the county, to economic development~~
19 ~~authorities or redevelopment authorities within the~~
20 ~~county for grants for economic development projects,~~
21 ~~community improvement projects, job training, other~~
22 ~~projects in the public interest and reasonable~~
23 ~~administrative costs. Notwithstanding the Capital~~
24 ~~Facilities Debt Enabling Act, grants made under this~~
25 ~~clause may be utilized as local matching funds for~~
26 ~~other grants or loans from the Commonwealth.~~

27 ~~(F) Counties of the fifth through eighth~~
28 ~~classes: 2% of the gross terminal revenue from each~~
29 ~~such licensed facility shall be deposited into a~~
30 ~~restricted account established in the Department of~~

1 ~~Community and Economic Development to be used~~
2 ~~exclusively for grants to the county.~~

3 ~~(G) Any county not specifically enumerated in~~
4 ~~clauses (A) through (F), 2% of the gross terminal~~
5 ~~revenue to the county hosting the licensed facility~~
6 ~~from each such licensed facility.~~

7 ~~(iii) If the facility is a Category 2 licensed~~
8 ~~facility and if the county in which the licensed facility~~
9 ~~is located is:~~

10 ~~(A) A county of the first class: 4% of the~~
11 ~~gross terminal revenue to the county hosting the~~
12 ~~licensed facility from each such licensed facility.~~
13 ~~Notwithstanding any other provision to the contrary,~~
14 ~~funds from licensed gaming entities located within a~~
15 ~~county of the first class shall not be distributed~~
16 ~~outside of a county of the first class. The first~~
17 ~~\$5,000,000 of the total amount distributed annually~~
18 ~~to the county of the first class shall be distributed~~
19 ~~to the Philadelphia School District.~~

20 ~~(B) A county of the second class: 2% of the~~
21 ~~gross terminal revenue to the county hosting the~~
22 ~~licensed facility from each such licensed facility.~~

23 ~~(C) A county of the second class A: 1% of the~~
24 ~~gross terminal revenue to the county hosting the~~
25 ~~licensed facility from each such licensed facility.~~
26 ~~An additional 1% of the gross terminal revenue to the~~
27 ~~county hosting the licensed facility from each such~~
28 ~~licensed facility for the purpose of municipal grants~~
29 ~~within the county in which the licensee is located.~~

30 ~~(D) A county of the third class: 1% of the~~

1 ~~gross terminal revenue to the county hosting the~~
2 ~~licensed facility from each such licensed facility.~~
3 ~~An additional 1% of the gross terminal revenue to the~~
4 ~~county hosting the licensed facility from each such~~
5 ~~licensed facility for the purpose of municipal grants~~
6 ~~within the county in which the licensee is located.~~

7 ~~(D.1) If a licensed facility is located in one~~
8 ~~of two counties of the third class where a city of~~
9 ~~the third class is located in both counties of the~~
10 ~~third class, the following shall apply:~~

11 ~~(I) The county in which the licensed~~
12 ~~facility is located shall receive 1.2% of the~~
13 ~~gross terminal revenue to be distributed as~~
14 ~~follows: [20% to the host city, 30% to the host~~
15 ~~county and 50% to the host county for the purpose~~
16 ~~of making municipal grants within the county,~~
17 ~~with priority given to municipalities contiguous~~
18 ~~to the host city.]~~

19 ~~(a) 20% shall be distributed to the host~~
20 ~~city.~~

21 ~~(b) 30% shall be distributed to the host~~
22 ~~county.~~

23 ~~(c) 50% shall be distributed as follows:~~

24 ~~(1) Beginning January 1, 2018, the~~
25 ~~sum of \$250,000 shall be distributed~~
26 ~~annually for a period of 20 years to a~~
27 ~~city of the third class located in two~~
28 ~~counties of the third class for~~
29 ~~purposes of funding the redevelopment~~
30 ~~of an existing arts and education~~

1 ~~center that has professional artist~~
2 ~~space and studios and is located within~~
3 ~~the city of the third class that is~~
4 ~~located in two counties of the third~~
5 ~~class, and the sum of \$250,000 annually~~
6 ~~for a period of 20 years to the host~~
7 ~~county for the purpose of funding the~~
8 ~~construction of a pool and indoor~~
9 ~~recreation facility at an existing~~
10 ~~nonprofit recreation center in a~~
11 ~~borough with a population between 3,400~~
12 ~~and 3,800 at the 2010 decennial census.~~

13 ~~(2) After the distribution under~~
14 ~~subunit (1), the remaining funds shall~~
15 ~~be deposited into a restricted receipts~~
16 ~~account to be established in the~~
17 ~~Commonwealth Financing Authority for~~
18 ~~distribution within the host county to~~
19 ~~be used exclusively for economic~~
20 ~~development projects, community~~
21 ~~improvement projects and other projects~~
22 ~~in the public interest within the host~~
23 ~~county, with priority given to~~
24 ~~municipalities contiguous to the host~~
25 ~~city.~~

26 ~~(II) The county of the third class, which~~
27 ~~includes a city of the third class that is~~
28 ~~located in two counties of the third class and is~~
29 ~~not the host county for the licensed facility,~~
30 ~~shall receive .8% of the gross terminal revenue~~

1 to be distributed as follows: [60% to a nonhost
2 city of the third class located solely in the
3 nonhost county in which the host city of the
4 third class is also located or 60% to the nonhost
5 city of the third class located both in the host
6 and nonhost counties of the third class, 35% to
7 the nonhost county and 5% to the nonhost county
8 for the purpose of making municipal grants within
9 the county.]

10 ~~(a) 60% shall be distributed to a~~
11 ~~nonhost city of the third class located~~
12 ~~solely in the nonhost county in which the~~
13 ~~host city of the third class is also located~~
14 ~~or 60% to the nonhost city of the third class~~
15 ~~located both in the host and nonhost counties~~
16 ~~of the third class.~~

17 ~~(b) 35% shall be distributed to the~~
18 ~~nonhost county.~~

19 ~~(c) 5% shall be deposited into a~~
20 ~~restricted receipts account to be established~~
21 ~~in the Commonwealth Financing Authority for~~
22 ~~distribution within the nonhost county to be~~
23 ~~used exclusively for economic development~~
24 ~~projects, community improvement projects and~~
25 ~~other projects in the public interest within~~
26 ~~the nonhost county, with priority given to~~
27 ~~municipalities contiguous to the host city.~~

28 ~~(E) A county of the fourth class: 2% of the~~
29 ~~gross terminal revenue from each such licensed~~
30 ~~facility shall be deposited into a restricted account~~

1 ~~established in the Department of Community and~~
2 ~~Economic Development to be used exclusively for~~
3 ~~grants to the county, to economic development~~
4 ~~authorities or redevelopment authorities within the~~
5 ~~county for grants for economic development projects,~~
6 ~~community improvement projects, job training, other~~
7 ~~projects in the public interest and reasonable~~
8 ~~administrative costs. Notwithstanding the Capital~~
9 ~~Facilities Debt Enabling Act, grants made under this~~
10 ~~clause may be utilized as local matching funds for~~
11 ~~other grants or loans from the Commonwealth.~~

12 ~~(F) Counties of the fifth class: 2% of the~~
13 ~~gross terminal revenue from each such licensed~~
14 ~~facility shall be deposited and distributed as~~
15 ~~follows:~~

16 ~~(I) One percent to be distributed as~~
17 ~~follows:~~

18 ~~(a) Beginning in 2010, the sum of~~
19 ~~\$2,400,000 annually for a period of 20 years~~
20 ~~to the county for purposes of funding debt~~
21 ~~service related to the construction of a~~
22 ~~community college campus located within the~~
23 ~~county.~~

24 ~~(b) Any funds not distributed under~~
25 ~~subclause (a) shall be deposited into a~~
26 ~~restricted receipts account to be established~~
27 ~~in the Commonwealth Financing Authority to be~~
28 ~~used exclusively for grants within the county~~
29 ~~for economic development projects, road~~
30 ~~projects located within a 20 mile radius of~~

1 ~~the licensed facility and located within the~~
2 ~~county, community improvement projects and~~
3 ~~other projects in the public interest within~~
4 ~~the county. The amount under this subclause~~
5 ~~includes reasonable administrative costs.~~

6 ~~(II) One percent shall be deposited into a~~
7 ~~restricted receipts account to be established in~~
8 ~~the Commonwealth Financing Authority to be used~~
9 ~~exclusively for grants within contiguous counties~~
10 ~~for economic development projects, community~~
11 ~~improvement projects and other projects in the~~
12 ~~public interest within contiguous counties. The~~
13 ~~amount under this subclause includes reasonable~~
14 ~~administrative costs. A contiguous county that~~
15 ~~hosts a Category 1 licensed facility shall be~~
16 ~~ineligible to receive grants under this~~
17 ~~subclause.~~

18 ~~(II.1) Priority shall be given to multiyear~~
19 ~~projects approved or awarded by the Department of~~
20 ~~Community and Economic Development under~~
21 ~~subclause (I) (b) or (II) on or before the~~
22 ~~effective date of this subclause.~~

23 ~~(III) Fifty percent of any revenue required~~
24 ~~to be transferred under paragraph (3) (v) shall be~~
25 ~~deposited into the restricted receipts account~~
26 ~~established under subclause (I) (b), and 50% shall~~
27 ~~be deposited into the restricted receipts account~~
28 ~~established under subclause (II). Notwithstanding~~
29 ~~the Capital Facilities Debt Enabling Act, grants~~
30 ~~made under this clause may be utilized as local~~

1 ~~matching funds for other grants or loans from the~~
2 ~~Commonwealth.~~

3 ~~(G) Any county not specifically enumerated in~~
4 ~~clauses [(A)] (B) through (F), 2% of the gross~~
5 ~~terminal revenue to the county hosting the licensed~~
6 ~~facility from each such licensed facility.~~

7 ~~(iv) (A) Except as provided in clause (B) or (C),~~
8 ~~if the facility is a Category 3 licensed facility, 2%~~
9 ~~of the gross terminal revenue from the licensed~~
10 ~~facility shall be deposited into a restricted~~
11 ~~receipts account established in the Department of~~
12 ~~Community and Economic Development to be used~~
13 ~~exclusively for grants to the county, to economic~~
14 ~~development authorities or redevelopment authorities~~
15 ~~within the county for grants for economic development~~
16 ~~projects, community improvement projects and other~~
17 ~~projects in the public interest.~~

18 ~~(B) If the facility is a Category 3 licensed~~
19 ~~facility located in a county of the second class A,~~
20 ~~2% of the gross terminal revenue [from the licensed~~
21 ~~facility shall be deposited into a restricted~~
22 ~~receipts account to be established in the~~
23 ~~Commonwealth Financing Authority to be used~~
24 ~~exclusively for grants or guarantees for projects in~~
25 ~~the host county that qualify under 64 Pa.C.S. §§ 1551~~
26 ~~(relating to Business in Our Sites Program), 1556~~
27 ~~(relating to Tax Increment Financing Guarantee~~
28 ~~Program) and 1558 (relating to Water Supply and~~
29 ~~Wastewater Infrastructure Program).] to the county~~
30 ~~hosting the licensed facility from each such licensed~~

1 ~~facility shall be deposited as follows:~~

2 ~~(I) Seventy five percent shall be deposited~~
3 ~~for the purpose of supporting the maintenance and~~
4 ~~refurbishment of the parks and heritage sites~~
5 ~~throughout the county in which the licensed~~
6 ~~facility is located.~~

7 ~~(II) Twelve and one half percent shall be~~
8 ~~deposited for the purpose of supporting a child~~
9 ~~advocacy center located within the county in~~
10 ~~which the licensed facility is located.~~

11 ~~(III) Twelve and one half percent shall be~~
12 ~~deposited for the purpose of supporting an~~
13 ~~organization providing comprehensive support~~
14 ~~services to victims of domestic violence,~~
15 ~~including legal and medical aid, shelters,~~
16 ~~transitional housing and counseling located~~
17 ~~within the county in which the licensed facility~~
18 ~~is located.~~

19 ~~(C) If the facility is a Category 3 licensed~~
20 ~~facility located in a county of the fifth class that~~
21 ~~is contiguous to a county of the seventh class, 2% of~~
22 ~~the gross terminal revenue from the licensed facility~~
23 ~~shall be deposited into a restricted receipts account~~
24 ~~to be established in the Commonwealth Financing~~
25 ~~Authority to be used exclusively for grants within~~
26 ~~the county for economic development projects,~~
27 ~~infrastructure projects, community improvement~~
28 ~~projects and other projects in the public interest~~
29 ~~within the county and for infrastructure projects~~
30 ~~within a 20 mile radius of the licensed facility in a~~

1 ~~contiguous county of the seventh class.~~

2 ~~(v) Unless otherwise specified, for the purposes of~~
3 ~~this paragraph money designated for municipal grants~~
4 ~~within a county, other than a county of the first class,~~
5 ~~in which a licensed facility is located shall be used to~~
6 ~~fund grants to the municipality in which the licensed~~
7 ~~facility is located, to the county in which the licensed~~
8 ~~facility is located and to the municipalities which are~~
9 ~~contiguous to the municipality in which the licensed~~
10 ~~facility is located and which are located within the~~
11 ~~county in which the licensed facility is located. Grants~~
12 ~~shall be administered by the county through its economic~~
13 ~~development or redevelopment authority in which the~~
14 ~~licensed facility is located. Grants shall be used to~~
15 ~~fund the costs of human services, infrastructure~~
16 ~~improvements, facilities, emergency services, health and~~
17 ~~public safety expenses associated with licensed facility~~
18 ~~operations. If at the end of a fiscal year uncommitted~~
19 ~~funds exist, the county shall pay to the economic~~
20 ~~development or redevelopment authority of the county in~~
21 ~~which the licensed facility is located the uncommitted~~
22 ~~funds.~~

23 ~~(vi) If the licensed facility is located in more~~
24 ~~than one county, the amount available shall be~~
25 ~~distributed on a pro rata basis determined by the~~
26 ~~percentage of acreage located in each county to the total~~
27 ~~acreage of all counties occupied by the licensed~~
28 ~~facility.~~

29 ~~(vii) The distributions provided in this paragraph~~
30 ~~shall be based upon county classifications in effect on~~

1 ~~the effective date of this section. Any reclassification~~
2 ~~of counties as a result of a Federal decennial census or~~
3 ~~of a State statute shall not apply to this subparagraph.~~

4 ~~(viii) If any provision of this paragraph is found~~
5 ~~to be unenforceable for any reason, the distribution~~
6 ~~provided for in the unenforceable provision shall be made~~
7 ~~to the county in which the licensed facility is located~~
8 ~~for the purposes of grants to municipalities in that~~
9 ~~county, including municipal grants as specified in~~
10 ~~subparagraph (v).~~

11 ~~(ix) Nothing in this paragraph shall prevent any of~~
12 ~~the above counties which directly receive a distribution~~
13 ~~under this section from entering into intergovernmental~~
14 ~~cooperative agreements with other jurisdictions for~~
15 ~~sharing this money.~~

16 ~~(3) From [the local share assessment established in~~
17 ~~subsection (b)] the slot machine operation fees deposited~~
18 ~~into the fund under section 1326.1(d) (relating to slot~~
19 ~~machine license operation fee), make quarterly distributions~~
20 ~~among the municipalities, including home rule municipalities,~~
21 ~~hosting a licensed facility in accordance with the following~~
22 ~~schedule:~~

23 ~~(i) To a city of the second class hosting a licensed~~
24 ~~facility, other than a Category 3 licensed facility, [2%~~
25 ~~of the gross terminal revenue or] \$10,000,000 annually[,~~
26 ~~whichever is greater, shall be paid by each licensed~~
27 ~~gaming entity operating a facility located in that city.~~
28 ~~In the event that the revenues generated by the 2% do not~~
29 ~~meet the \$10,000,000 minimum specified in this~~
30 ~~subparagraph, the department shall collect the remainder~~

1 ~~of the minimum amount of \$10,000,000 from each licensed~~
2 ~~gaming entity operating a facility in the city and~~
3 ~~deposit that amount in the city treasury.] shall be~~
4 ~~distributed to the city treasury.~~

5 ~~(ii) To a city of the second class A hosting a~~
6 ~~licensed facility, other than a Category 3 licensed~~
7 ~~facility, [2% of the gross terminal revenue or~~
8 ~~\$10,000,000 annually, whichever is greater, shall be paid~~
9 ~~by each licensed entity operating a licensed facility~~
10 ~~located in that city] \$10,000,000 annually shall be~~
11 ~~distributed to the city, subject, however, to the~~
12 ~~budgetary limitation in this subparagraph. The amount~~
13 ~~allocated to the designated municipalities shall not~~
14 ~~exceed 50% of their total budget for fiscal year 2003~~
15 ~~2004, adjusted for inflation in subsequent years by an~~
16 ~~amount not to exceed an annual cost of living adjustment~~
17 ~~calculated by applying the percentage change in the~~
18 ~~Consumer Price Index immediately prior to the date the~~
19 ~~adjustment is due to take effect. Any remaining moneys~~
20 ~~shall be [collected by the department from each licensed~~
21 ~~gaming entity and] distributed in accordance with~~
22 ~~paragraph (2) based upon the classification of county~~
23 ~~where the licensed facility is located. [In the event~~
24 ~~that the revenues generated by the 2% do not meet the~~
25 ~~\$10,000,000 minimum specified in this subparagraph, the~~
26 ~~department shall collect the remainder of the minimum~~
27 ~~amount of \$10,000,000 from each licensed gaming entity~~
28 ~~operating a facility in the city, pay any balance due to~~
29 ~~the city and transfer any remainder in accordance with~~
30 ~~paragraph (2).]~~

1 ~~(iii) To a city of the third class hosting a~~
2 ~~licensed facility, other than a Category 3 licensed~~
3 ~~facility, [2% of the gross terminal revenue or~~
4 ~~\$10,000,000 annually, whichever is greater, shall be paid~~
5 ~~by each licensed gaming entity operating a licensed~~
6 ~~facility located in that city] \$10,000,000 annually, less~~
7 ~~any amount up to \$5,000,000 received pursuant to a~~
8 ~~written agreement with a licensed gaming entity executed~~
9 ~~prior to the effective date of this part, shall be~~
10 ~~distributed to the city, subject, however, to the~~
11 ~~budgetary limitation in this subparagraph. In the event~~
12 ~~that the city has a written agreement with a licensed~~
13 ~~gaming entity executed prior to the effective date of~~
14 ~~this part, the amount paid under the agreement to the~~
15 ~~city shall be applied and credited [to the difference~~
16 ~~between 2% of the gross terminal revenue and the~~
17 ~~\$10,000,000 owed under this subparagraph if the 2% of the~~
18 ~~gross terminal revenue is less than \$10,000,000. If 2% of~~
19 ~~the gross terminal revenue is greater than the~~
20 ~~\$10,000,000 required to be paid under this subparagraph,~~
21 ~~the credit shall not apply. The amount of gross terminal~~
22 ~~revenue required to be paid pursuant to the agreement~~
23 ~~shall be deemed to be gross terminal revenue for purposes~~
24 ~~of this subparagraph.], up to \$5,000,000, to the slot~~
25 ~~machine license operation fee owed under section 1326.1.~~
26 ~~The amount allocated to the designated municipalities~~
27 ~~shall not exceed 50% of their total budget for fiscal~~
28 ~~year 2003-2004, adjusted for inflation in subsequent~~
29 ~~years by 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~~
3 ~~moneys shall be [collected by the department from each~~
4 ~~licensed gaming entity and] distributed in accordance~~
5 ~~with paragraph (2) based upon the classification of~~
6 ~~county where the licensed facility is located. [In the~~
7 ~~event that the revenues generated by the 2% do not meet~~
8 ~~the \$10,000,000 minimum specified in this subparagraph,~~
9 ~~the department shall collect the remainder of the minimum~~
10 ~~amount of \$10,000,000 from each licensed gaming entity~~
11 ~~operating a facility, pay any balance due to the city of~~
12 ~~the third class and transfer any remainder in accordance~~
13 ~~with paragraph (2).]~~

14 ~~(iii.1) If a licensed facility, other than a~~
15 ~~Category 3 licensed facility, is located in a city of the~~
16 ~~third class and the city is located in more than one~~
17 ~~county of the third class, [2% of the gross terminal~~
18 ~~revenue or \$10,000,000 annually, whichever is greater,]~~
19 ~~\$10,000,000 annually shall be distributed as follows:~~
20 ~~80% to the host city and 20% to the city of the third~~
21 ~~class located solely in a nonhost county in which the~~
22 ~~host city of the third class is also located. If a~~
23 ~~licensed facility, other than a Category 3 licensed~~
24 ~~facility, is located in a city of the third class and~~
25 ~~that city is located solely in a host county of the third~~
26 ~~class in which a nonhost city of the third class is also~~
27 ~~located[, 2% of gross terminal revenue or \$10,000,000~~
28 ~~annually, whichever is greater], \$10,000,000 annually~~
29 ~~shall be distributed as follows: 80% to the host city~~
30 ~~and 20% to a city of the third class located both in a~~

1 ~~nonhost county of the third class and in a host county of~~
2 ~~the third class in which the host city of the third class~~
3 ~~is located.~~

4 ~~(iv) To a township of the first class hosting a~~
5 ~~licensed facility, other than a Category 3 licensed~~
6 ~~facility, [2% of the gross terminal revenue or~~
7 ~~\$10,000,000 annually, whichever is greater, shall be paid~~
8 ~~by each licensed gaming entity operating a licensed~~
9 ~~facility located in the township] \$10,000,000 annually~~
10 ~~shall be distributed to the township, subject, however,~~
11 ~~to the budgetary limitation in this subparagraph. 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 money~~
19 ~~shall be [collected by the department from each licensed~~
20 ~~gaming entity and] distributed in accordance with~~
21 ~~paragraph (2) based upon the classification of county~~
22 ~~where the licensed facility is located. [In the event~~
23 ~~that the revenues generated by the 2% do not meet the~~
24 ~~\$10,000,000 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 entity~~
27 ~~operating a licensed facility in the township, pay any~~
28 ~~balance due to the township and transfer any remainder in~~
29 ~~accordance with paragraph (2).]~~

30 ~~(v) To a township of the second class hosting a~~

1 licensed facility:

2 ~~(A) [2% of the gross terminal revenue or~~
3 ~~\$10,000,000 annually, whichever is greater, shall be~~
4 ~~paid by each licensed gaming entity operating a~~
5 ~~licensed facility, other than a Category 3 licensed~~
6 ~~facility or a licensed facility owning land adjacent~~
7 ~~to the licensed facility located in more than one~~
8 ~~township of the second class,] \$10,000,000 annually~~
9 ~~shall be distributed to the township of the second~~
10 ~~class hosting [the] a licensed facility, other than a~~
11 ~~Category 3 licensed facility or a licensed facility~~
12 ~~located in more than one township of the second~~
13 ~~class, subject, however, to the budgetary limitation~~
14 ~~in this subparagraph. The amount allocated to the~~
15 ~~designated municipalities shall not exceed 50% of~~
16 ~~their total budget for fiscal year 2003-2004,~~
17 ~~adjusted for inflation in subsequent years by an~~
18 ~~amount not to exceed an annual cost of living~~
19 ~~adjustment calculated by applying the percentage~~
20 ~~change in the Consumer Price Index immediately prior~~
21 ~~to the date the adjustment is due to take effect. Any~~
22 ~~remaining money shall be [collected by the department~~
23 ~~from each licensed gaming entity and] distributed in~~
24 ~~accordance with paragraph (2) based upon the~~
25 ~~classification of county where the licensed facility~~
26 ~~is located. [If revenues generated by the 2% do not~~
27 ~~meet the \$10,000,000 minimum specified in this~~
28 ~~subparagraph, the department shall collect the~~
29 ~~remainder of the minimum amount of \$10,000,000 from~~
30 ~~each licensed gaming entity operating a licensed~~

1 facility in the township, pay any balance due to the
2 township and transfer any remainder in accordance
3 with paragraph (2).]

4 (B) ~~[2% of the gross terminal revenue or~~
5 ~~\$10,000,000 annually, whichever is greater,]~~
6 ~~\$10,000,000 annually, less the amount paid under~~
7 ~~clause (C), shall be [paid by each licensed gaming~~
8 ~~entity operating a licensed facility and owning land~~
9 ~~adjacent to the licensed facility located in more~~
10 ~~than one township of the second class, other than a~~
11 ~~Category 3 licensed facility,] distributed to the~~
12 ~~township of the second class hosting [the] a licensed~~
13 ~~facility which owns land adjacent to the licensed~~
14 ~~facility located in more than one township of the~~
15 ~~second class, other than a Category 3 licensed~~
16 ~~facility, subject, however, to the budgetary~~
17 ~~limitation in this subparagraph. The amount allocated~~
18 ~~to the designated municipalities may not exceed 50%~~
19 ~~of their total budget for the fiscal year 2003-2004,~~
20 ~~adjusted for inflation in subsequent years by an~~
21 ~~amount not to exceed an annual cost of living~~
22 ~~adjustment calculated by applying the percentage~~
23 ~~change in the Consumer Price Index immediately prior~~
24 ~~to the date the adjustment is due to take effect. Any~~
25 ~~remaining money shall be [collected by the department~~
26 ~~from each licensed gaming entity and] distributed in~~
27 ~~accordance with paragraph (2) based upon the~~
28 ~~classification of the county where the licensed~~
29 ~~facility is located. The county commissioners of a~~
30 ~~county of the third class in which the licensed~~

1 facility is located shall appoint an advisory
2 committee for the purpose of advising the county as
3 to the need for municipal grants for health, safety,
4 transportation and other projects in the public
5 interest to be comprised of two individuals from the
6 host municipality, two from contiguous municipalities
7 within the county of the third class and one from the
8 host county. [In the event that the revenues
9 generated by the 2% do not meet the \$10,000,000
10 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
13 entity operating a licensed facility in the township,
14 pay any balance due to the township and transfer any
15 remainder in accordance with paragraph (2).]

16 (C) [~~\$160,000 annually shall be paid by each~~
17 ~~licensed gaming entity operating a licensed facility~~
18 ~~and owning land adjacent to the licensed facility~~
19 ~~located in more than one township of the second~~
20 ~~class, other than a Category 3 licensed facility, to~~
21 ~~the township of the second class that is located in a~~
22 ~~county of the fifth class in which the adjacent land~~
23 ~~is located, including racetracks, grazing fields or~~
24 ~~any other adjoining real property.] For land owned by
25 a licensed gaming entity, other than a Category 3
26 licensed facility, and located in more than one
27 township of the second class: \$160,000 shall be
28 distributed annually to the township of the second
29 class which is located in a county of the fifth class
30 if the land owned, including racetracks, grazing~~

~~fields and other adjoining real property, is adjacent to the licensed facility.~~

~~(vi) To a borough hosting a licensed facility, other than a Category 3 licensed facility, [2% of the gross terminal revenue or \$10,000,000 annually, whichever is greater, shall be paid by each licensed gaming entity operating a licensed facility located in that borough,] \$10,000,000 annually shall be distributed to the borough, subject, however, to the budgetary limitation in this subparagraph. The amount allocated to the designated municipalities shall not exceed 50% of their total budget for fiscal year 2003-2004, adjusted for inflation in subsequent years by an amount not to exceed an annual cost of living adjustment calculated by applying the percentage change in the Consumer Price Index immediately prior to the date the adjustment is due to take effect. Any remaining money shall be [collected by the department from each licensed gaming entity and] distributed in accordance with paragraph (2) based upon the classification of county where the licensed facility is located. [In the event that the revenues generated by the 2% do not meet the \$10,000,000 minimum specified in this subparagraph, the department shall collect the remainder of the minimum amount of \$10,000,000 from each licensed gaming entity operating a licensed facility in the borough, pay any balance due to the borough and transfer any remainder in accordance with paragraph (2).]~~

~~(vii) To an incorporated town hosting a licensed facility, other than a Category 3 licensed facility, [2% of the gross terminal revenue or \$10,000,000 annually,~~

1 ~~whichever is greater, shall be paid by each licensed~~
2 ~~entity operating a licensed facility located in the~~
3 ~~town,] \$10,000,000 annually shall be distributed to the~~
4 ~~incorporated town, subject, however, to the budgetary~~
5 ~~limitation in this subparagraph. The amount allocated to~~
6 ~~the designated municipalities shall not exceed 50% of~~
7 ~~their total budget for fiscal year 2003-2004, adjusted~~
8 ~~for inflation in subsequent years by an amount not to~~
9 ~~exceed an annual cost of living adjustment calculated by~~
10 ~~applying the percentage change in the Consumer Price~~
11 ~~Index immediately prior to the date the adjustment is due~~
12 ~~to take effect. Any remaining money shall be [collected~~
13 ~~by the department from each licensed gaming entity and]~~
14 ~~distributed in accordance with paragraph (2) based upon~~
15 ~~the classification of county where the licensed facility~~
16 ~~is located. [In the event that the revenues generated by~~
17 ~~the 2% do not meet the \$10,000,000 minimum specified in~~
18 ~~this subparagraph, the department shall collect the~~
19 ~~remainder of the minimum amount of \$10,000,000 from each~~
20 ~~licensed gaming entity operating a licensed facility in~~
21 ~~the incorporated town, pay any balance due to the town~~
22 ~~and transfer any remainder in accordance with paragraph~~
23 ~~(2).~~

24 ~~(viii) (A) Except as provided in clause (B) or (C),~~
25 ~~to a municipality of any class hosting a Category 3~~
26 ~~facility, 2% of the gross terminal revenue from the~~
27 ~~Category 3 licensed facility located in the~~
28 ~~municipality, subject, however, to the budgetary~~
29 ~~limitation in this clause. The amount allocated to~~
30 ~~the designated municipalities shall not exceed 50% of~~

1 ~~their total budget for fiscal year 2009, adjusted for~~
2 ~~inflation in subsequent years by an amount not to~~
3 ~~exceed an annual cost of living adjustment calculated~~
4 ~~by applying the percentage change in the Consumer~~
5 ~~Price Index immediately prior to the date the~~
6 ~~adjustment is due to take effect. Any remaining money~~
7 ~~shall be collected by the department from each~~
8 ~~licensed gaming entity and distributed in accordance~~
9 ~~with paragraph (2) based upon the classification of~~
10 ~~county where the licensed facility is located.~~

11 ~~(B) If the municipality hosting a Category 3~~
12 ~~licensed facility is a borough located in a county of~~
13 ~~the third class and the borough is contiguous to a~~
14 ~~city of the third class, 1% of gross terminal revenue~~
15 ~~shall be distributed to the host borough and 1% of~~
16 ~~gross terminal revenue shall be distributed to the~~
17 ~~city of the third class that is contiguous to the~~
18 ~~host borough, subject, however, to the budgetary~~
19 ~~limitation in this clause. The amount allocated to~~
20 ~~each designated municipality shall not exceed 50% of~~
21 ~~its total budget for fiscal year 2009, adjusted for~~
22 ~~inflation in subsequent years by an amount not to~~
23 ~~exceed an annual cost of living adjustment calculated~~
24 ~~by applying the percentage increase, if any, in the~~
25 ~~Consumer Price Index immediately prior to the date~~
26 ~~the adjustment is due to take effect. Any remaining~~
27 ~~money shall be collected by the department from each~~
28 ~~licensed gaming entity and distributed in accordance~~
29 ~~with paragraph (2) based upon the classification of~~
30 ~~county where the licensed facility is located.~~

~~(C) If the municipality hosting a Category 3 licensed facility is a township of the second class in a county of the fifth class which is contiguous to a county of the seventh class, 2% of the gross terminal revenue from the Category 3 licensed facility located in the municipality shall be distributed to the municipality, subject, however, to the budgetary limitation in this clause. The amount allocated to the designated municipalities shall not exceed the lesser of \$1,000,000 or 50% of their total budget for fiscal year 2009, adjusted for inflation in subsequent years by an amount not to exceed an annual cost of living adjustment calculated by applying the percentage change in the Consumer Price Index immediately prior to the date the adjustment is due to take effect. Any remaining money shall be collected by the department from each licensed gaming entity and distributed in equal amounts to each municipality contiguous to the host municipality. However, the amount to be allocated to any contiguous municipality shall not exceed the lesser of \$1,000,000 or 50% of the municipality's total budget for fiscal year 2009, adjusted for inflation in subsequent years by an amount not to exceed an annual cost of living adjustment calculated by applying the percentage change in the Consumer Price Index immediately prior to the date the adjustment is due to take effect. Any money remaining following distribution to contiguous municipalities shall be collected by the department and distributed in~~

1 ~~accordance with paragraph (2) based upon the~~
2 ~~classification of county where the licensed facility~~
3 ~~is located.~~

4 ~~(ix) Any municipality not specifically enumerated in~~
5 ~~subparagraphs (i) through (viii), 2% of the gross~~
6 ~~terminal revenue to the municipality hosting the licensed~~
7 ~~facility from each such licensed facility.~~

8 ~~(x) If the licensed facility is located in more than~~
9 ~~one municipality, the amount available shall be~~
10 ~~distributed on a pro rata basis determined by the~~
11 ~~percentage of acreage located in each municipality to the~~
12 ~~total acreage of all municipalities occupied by the~~
13 ~~licensed facility.~~

14 ~~(xi) If the licensed facility is located at a resort~~
15 ~~which is also an incorporated municipality, such~~
16 ~~municipality shall not be eligible to receive any~~
17 ~~distribution under this paragraph. The distribution it~~
18 ~~would have otherwise been entitled to under this~~
19 ~~paragraph shall instead be distributed in accordance with~~
20 ~~paragraph (2) based upon the county where the licensed~~
21 ~~facility is located.~~

22 ~~(xii) The distributions provided in this paragraph~~
23 ~~shall be based upon municipal classifications in effect~~
24 ~~on the effective date of this section. For the purposes~~
25 ~~of this paragraph, any reclassification of municipalities~~
26 ~~as a result of a Federal decennial census or of a State~~
27 ~~statute shall not apply to this paragraph.~~

28 ~~(xiii) If any provision of this paragraph is found~~
29 ~~to be unenforceable for any reason, the distribution~~
30 ~~provided for in such unenforceable provision shall be~~

1 ~~made to the municipality in which the licensed facility~~
2 ~~is located.~~

3 ~~(xiv) Nothing in this paragraph shall prevent any of~~
4 ~~the above municipalities from entering into~~
5 ~~intergovernmental cooperative agreements with other~~
6 ~~jurisdictions for sharing this money.~~

7 ~~(xv) Notwithstanding any other law, agreement or~~
8 ~~provision in this part to the contrary, all revenues~~
9 ~~provided, directed or earmarked under this section to or~~
10 ~~for the benefit of a city of the second class in which an~~
11 ~~intergovernmental cooperation authority has been~~
12 ~~established and is in existence pursuant to the act of~~
13 ~~February 12, 2004 (P.L.73, No.11), known as the~~
14 ~~Intergovernmental Cooperation Authority Act for Cities of~~
15 ~~the Second Class, shall be directed to and under the~~
16 ~~exclusive control of such intergovernmental cooperation~~
17 ~~authority to be used:~~

18 ~~(A) to reduce the debt of the second class city;~~

19 ~~(B) to increase the level of funding of the~~
20 ~~municipal pension funds of the second class city; or~~

21 ~~(C) for any other purposes as determined to be~~
22 ~~in the best interest of the second class city by such~~
23 ~~intergovernmental cooperation authority. Such~~
24 ~~revenues shall not be directed to or under the~~
25 ~~control of such city of the second class or any~~
26 ~~coordinator appointed pursuant to the act of July 10,~~
27 ~~1987 (P.L.246, No.47), known as the Municipalities~~
28 ~~Financial Recovery Act, for such city of the second~~
29 ~~class.]~~

30 ~~(4) From the local share assessment established in~~

1 ~~subsection (b), make quarterly distributions among the~~
2 ~~municipalities, including home rule municipalities, hosting a~~
3 ~~licensed facility in accordance with the following schedule:~~

4 ~~(i) Except as provided in subparagraph (ii) or~~
5 ~~(iii), to a municipality of any class hosting a Category~~
6 ~~3 facility, 2% of the gross terminal revenue from the~~
7 ~~Category 3 licensed facility located in the municipality,~~
8 ~~subject, however, to the budgetary limitation in this~~
9 ~~subparagraph. The amount allocated to the designated~~
10 ~~municipalities shall not exceed 50% of their total budget~~
11 ~~for fiscal year 2009, adjusted for inflation in~~
12 ~~subsequent years by an amount not to exceed an annual~~
13 ~~cost of living adjustment calculated by applying the~~
14 ~~percentage change in the Consumer Price Index immediately~~
15 ~~prior to the date the adjustment is due to take effect.~~
16 ~~Any remaining money shall be collected by the department~~
17 ~~from each licensed gaming entity and distributed in~~
18 ~~accordance with paragraph (2) based upon the~~
19 ~~classification of county where the licensed facility is~~
20 ~~located.~~

21 ~~(ii) If the municipality hosting a Category 3~~
22 ~~licensed facility is a borough located in a county of the~~
23 ~~third class and the borough is contiguous to a city of~~
24 ~~the third class, 1% of gross terminal revenue shall be~~
25 ~~distributed to the host borough and 1% of gross terminal~~
26 ~~revenue shall be distributed to the city of the third~~
27 ~~class that is contiguous to the host borough, subject,~~
28 ~~however, to the budgetary limitation in this~~
29 ~~subparagraph. The amount allocated to each designated~~
30 ~~municipality shall not exceed 50% of its total budget for~~

~~fiscal year 2009, adjusted for inflation in subsequent years by an amount not to exceed an annual cost of living adjustment calculated by applying the percentage increase, if any, in the Consumer Price Index immediately prior to the date the adjustment is due to take effect. Any remaining money shall be collected by the department from each licensed gaming entity and distributed in accordance with paragraph (2) based upon the classification of county where the licensed facility is located.~~

~~(iii) If the municipality hosting a Category 3 licensed facility is a township of the second class in a county of the fifth class which is contiguous to a county of the seventh class, 2% of the gross terminal revenue from the Category 3 licensed facility located in the municipality shall be distributed to the municipality, subject, however, to the budgetary limitation in this subparagraph. The amount allocated to the designated municipalities shall not exceed the lesser of \$1,000,000 or 50% of their total budget for fiscal year 2009, adjusted for inflation in subsequent years by an amount not to exceed an annual cost of living adjustment calculated by applying the percentage change in the Consumer Price Index immediately prior to the date the adjustment is due to take effect. Any remaining money shall be collected by the department from each licensed gaming entity and distributed in equal amounts to each municipality contiguous to the host municipality. The amount to be allocated to any contiguous municipality shall not exceed the lesser of \$1,000,000 or 50% of the~~

1 ~~municipality's total budget for fiscal year 2009,~~
2 ~~adjusted for inflation in subsequent years by an amount~~
3 ~~not to exceed an annual cost of living adjustment~~
4 ~~calculated by applying the percentage change in the~~
5 ~~Consumer Price Index immediately prior to the date the~~
6 ~~adjustment is due to take effect. Any money remaining~~
7 ~~following distribution to contiguous municipalities shall~~
8 ~~be collected by the department and distributed in~~
9 ~~accordance with paragraph (2) based upon the~~
10 ~~classification of county where the licensed facility is~~
11 ~~located.~~

12 ~~(5) From the slot machine operation fees deposited in~~
13 ~~the fund under section 1326.1(d), make quarterly~~
14 ~~distributions to any municipality not specifically enumerated~~
15 ~~in paragraph (3) or (4) hosting a Category 1 or a Category 2~~
16 ~~licensed facility, other than a Category 1 or Category 2~~
17 ~~licensed facility located in a city of the first class, equal~~
18 ~~to \$10,000,000 annually.~~

19 ~~(6) From the local share assessment established in~~
20 ~~subsection (b), make quarterly distributions to any~~
21 ~~municipality not enumerated in paragraph (3) or (4) hosting a~~
22 ~~Category 3 licensed facility: 2% of the gross terminal~~
23 ~~revenue paid by each licensed gaming entity operating a~~
24 ~~Category 3 licensed facility.~~

25 ~~(7) If a licensed facility is located in more than one~~
26 ~~municipality, the amount available shall be distributed on a~~
27 ~~pro rata basis determined by the percentage of acreage~~
28 ~~located in each municipality to the total acreage of all~~
29 ~~municipalities occupied by the licensed facility.~~

30 ~~(8) If a licensed facility is located at a resort which~~

1 ~~is also an incorporated municipality, the municipality shall~~
2 ~~not be eligible to receive any distribution under paragraph~~
3 ~~(3), (4), (5) or (6). The distribution it would have~~
4 ~~otherwise been entitled to under paragraph (3), (4), (5) or~~
5 ~~(6) shall instead be distributed in accordance with paragraph~~
6 ~~(2) based upon the classification of county where the~~
7 ~~licensed facility is located.~~

8 ~~(9) The distributions provided in paragraph (3), (4),~~
9 ~~(5) or (6) shall be based upon municipal classifications in~~
10 ~~effect on July 5, 2004. For the purposes of paragraphs (3),~~
11 ~~(4), (5) and (6), any reclassification of municipalities as a~~
12 ~~result of a Federal decennial census or of a State statute~~
13 ~~shall not apply to paragraphs (3), (4), (5) and (6).~~

14 ~~(10) If any provision of paragraph (3), (4), (5) or (6)~~
15 ~~is found to be unenforceable for any reason, the distribution~~
16 ~~provided for in the unenforceable provision shall be made to~~
17 ~~the municipality in which the licensed facility is located.~~

18 ~~(11) Nothing in paragraph (3), (4), (5) or (6) shall be~~
19 ~~construed to prevent any of the above municipalities from~~
20 ~~entering into intergovernmental cooperative agreements with~~
21 ~~other jurisdictions for sharing the funds distributed to~~
22 ~~them.~~

23 ~~(12) Notwithstanding any other law, agreement or~~
24 ~~provision in this part to the contrary, all revenues~~
25 ~~provided, directed or earmarked under this section to or for~~
26 ~~the benefit of a city of the second class in which an~~
27 ~~intergovernmental cooperation authority has been established~~
28 ~~and is in existence under the act of February 12, 2004~~
29 ~~(P.L.73, No.11), known as the Intergovernmental Cooperation~~
30 ~~Authority Act for Cities of the Second Class, shall be~~

~~directed to and under the exclusive control of the
intergovernmental cooperation authority to be used:~~

~~(i) to reduce the debt of the city of the second
class;~~

~~(ii) to increase the level of funding of the
municipal pension funds of the city of the second class;~~

~~or~~

~~(iii) for any other purposes as determined to be in
the best interest of the city of the second class by the
intergovernmental cooperation authority. The revenues
shall not be directed to or under the control of the city
of the second class or any coordinator appointed under
the act of July 10, 1987 (P.L.246, No.47), known as the
Municipalities Financial Recovery Act, for the city of
the second class.~~

~~(d) Consumer Price Index. For purposes of subsection (c),
references to the Consumer Price Index shall mean the Consumer
Price Index for All Urban Consumers for the Pennsylvania, New
Jersey, Delaware and Maryland area for the most recent 12-month
period for which figures have been officially reported by the
United States Department of Labor, Bureau of Labor Statistics.~~

~~(e) Reporting.~~

~~(1) In cooperation with the department and the
Commonwealth Financing Authority, the Department of Community
and Economic Development shall submit an annual report on all
distributions of local share assessments and slot machine
license operation fees to counties and municipalities under
this section to the chairman and minority chairman of the
Appropriations Committee of the Senate, the chairman and
minority chairman of the Community, Economic and Recreational~~

1 ~~Development Committee of the Senate, the chairman and~~
2 ~~minority chairman of the Appropriations Committee of the~~
3 ~~House of Representatives and the chairman and minority~~
4 ~~chairman of the Gaming Oversight Committee of the House of~~
5 ~~Representatives. The report shall be submitted by [August 31,~~
6 ~~2010] March 31, 2018, and by [August] March 31 of each year~~
7 ~~thereafter.~~

8 ~~(2) All counties and municipalities receiving~~
9 ~~distributions of local share assessments or slot machine~~
10 ~~license operation fees under this section shall submit~~
11 ~~information to the Department of Community and Economic~~
12 ~~Development on a form prepared by the Department of Community~~
13 ~~and Economic Development that sets forth the amount and use~~
14 ~~of the funds received in the prior calendar year. The form~~
15 ~~shall set forth whether the funds received were deposited in~~
16 ~~the county's or municipality's General Fund or committed to a~~
17 ~~specific project or use.~~

18 ~~(f) Prohibited activities.~~

19 ~~(1) A person or its affiliated entity or a political~~
20 ~~subdivision shall not compensate or incur an obligation to~~
21 ~~compensate a person to engage in lobbying for compensation~~
22 ~~contingent in whole or in part upon the approval, award,~~
23 ~~receipt or denial of funds under this section. A person or~~
24 ~~its affiliated entity shall not engage in or agree to engage~~
25 ~~in lobbying for compensation contingent in whole or in part~~
26 ~~upon the approval, award, receipt or denial of funds under~~
27 ~~this section. This subsection shall not apply to a county or~~
28 ~~municipality that compensates a person to prepare a grant~~
29 ~~application for funds under this section if the following~~
30 ~~requirements are met:~~

1 ~~(i) The person is not identified in the application.~~

2 ~~(ii) The person has no direct contact with the~~
3 ~~agency, county or municipality providing the funding.~~

4 ~~(iii) The person is paid a fixed fee or percentage~~
5 ~~of the amount of any funds approved, awarded or received~~
6 ~~up to .5%.~~

7 ~~(2) A violation of this section shall be considered an~~
8 ~~intentional violation of 65 Pa.C.S. § 13A09(e) (relating to~~
9 ~~penalties).~~

10 ~~Section 28. Sections 1407(d) introductory paragraph and~~
11 ~~(d.1) heading and (1), 1501(b), 1504 and 1509 of Title 4 are~~
12 ~~amended to read:~~

13 ~~§ 1407. Pennsylvania Gaming Economic Development and Tourism~~
14 ~~Fund.~~

15 ~~* * *~~

16 ~~(d) Restrictions on projects for certain counties and~~
17 ~~cities. Except as set forth in subsection (d.1), [for a ten~~
18 ~~year period beginning with the first fiscal year during which~~
19 ~~deposits are made into this fund,] no moneys from the~~
20 ~~Pennsylvania Gaming Economic Development and Tourism Fund shall~~
21 ~~be distributed for any project located in a city or county of~~
22 ~~the first or second class except as authorized by this~~
23 ~~subsection. Moneys not used for the authorized projects in~~
24 ~~cities and counties of the first and second classes may be used~~
25 ~~throughout this Commonwealth. Moneys from the fund for projects~~
26 ~~within cities and counties of the first and second classes may~~
27 ~~only be used for the following projects [during this ten year~~
28 ~~period]:~~

29 ~~* * *~~

30 ~~(d.1) Community infrastructure and economic development.~~

1 ~~(1) Notwithstanding subsection (b) or any other~~
2 ~~provision of law to the contrary, the money authorized but~~
3 ~~not expended under former subsection (d) (7) as of the~~
4 ~~effective date of this subsection and money authorized but~~
5 ~~not expended under subsection (d) (5) shall be deposited into~~
6 ~~a restricted receipts account to be established in the~~
7 ~~Commonwealth Financing Authority exclusively for eligible~~
8 ~~applications submitted by the redevelopment authority of a~~
9 ~~county of the second class created pursuant to the act of May~~
10 ~~24, 1945 (P.L. 991, No. 385), known as the Urban Redevelopment~~
11 ~~Law, for economic development, infrastructure development,~~
12 ~~job training, community improvement, public safety or other~~
13 ~~projects in the public interest located in a county of the~~
14 ~~second class. Community development corporations, political~~
15 ~~subdivisions, urban redevelopment authorities, municipal~~
16 ~~authorities, for profit entities and nonprofit entities~~
17 ~~located in a county of the second class shall be eligible to~~
18 ~~receive funds made available under this paragraph.~~

19 ~~* * *~~

20 ~~§ 1501. Responsibility and authority of department.~~

21 ~~* * *~~

22 ~~(b) Application of rules and regulations. The department~~
23 ~~may prescribe the extent, if any, to which any rules and~~
24 ~~regulations shall be applied without retroactive effect. The~~
25 ~~department shall have authority to prescribe the forms and the~~
26 ~~system of accounting and recordkeeping to be employed and~~
27 ~~through its representative shall at all times have power of~~
28 ~~access to and examination and audit of any equipment and records~~
29 ~~relating to all aspects of the operation of slot machines [and],~~
30 ~~table games and interactive gaming under this part.~~

1 ~~***~~

2 ~~§ 1504. Wagering on credit.~~

3 ~~(a) General rule. Except as otherwise provided in this~~
4 ~~section, slot machine licensees shall not extend credit. Slot~~
5 ~~machine licensees shall not accept credit cards, charge cards or~~
6 ~~debit cards from a patron or a player for the exchange or~~
7 ~~purchase of slot machine credits or for an advance of coins or~~
8 ~~currency to be utilized by a player to play slot machine games~~
9 ~~or extend credit in any manner to a player so as to enable the~~
10 ~~player to play slot machines. Slot machine licensees who hold a~~
11 ~~table game operation certificate may extend credit for slot~~
12 ~~machine gaming in accordance with section 13A26 (relating to~~
13 ~~cash equivalents).~~

14 ~~(b) Prepaid access instruments. Prepaid access instruments~~
15 ~~are not deemed to be a credit card, charge card, debit card or~~
16 ~~any other instrument of credit and are not prohibited under this~~
17 ~~section.~~

18 ~~§ 1509. Compulsive and problem gambling program.~~

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

30 ~~(a.1) Duties of Department of [Health] Drug and Alcohol~~

~~1 Programs or successor agency. From funds available in the~~
~~2 Compulsive and Problem Gambling Treatment Fund, the Department~~
~~3 of [Health] Drug and Alcohol Programs or successor agency shall:~~

~~4 (1) Maintain [a] one compulsive gamblers assistance~~
~~5 organization's toll free problem gambling telephone number,~~
~~6 which shall be the number 1 800 GAMBLER, to provide crisis~~
~~7 counseling and referral services to individuals and families~~
~~8 experiencing difficulty as a result of problem or compulsive~~
~~9 gambling. If the Department of Drug and Alcohol Programs or~~
~~10 successor agency determines that it is unable to adopt the~~
~~11 number 1 800 GAMBLER, the Department of Drug and Alcohol~~
~~12 Programs or successor agency shall maintain another number.~~

~~13 (2) Facilitate, through in service training and other~~
~~14 means, the availability of effective assistance programs for~~
~~15 problem and compulsive gamblers and family members affected~~
~~16 by problem and compulsive gambling.~~

~~17 (3) At its discretion, conduct studies to identify~~
~~18 individuals in this Commonwealth who are or are at risk of~~
~~19 becoming problem or compulsive gamblers.~~

~~20 (4) Provide grants to and contract with single county~~
~~21 authorities and other organizations which provide services as~~
~~22 set forth in this section.~~

~~23 (5) Reimburse organizations for reasonable expenses~~
~~24 incurred assisting the Department of [Health] Drug and~~
~~25 Alcohol Programs or successor agency with implementing this~~
~~26 section.~~

~~27 (a.2) Duties of Department of [Health] Drug and Alcohol~~
~~28 Programs or successor agency and board. [Within 60 days~~
~~29 following the effective date of this subsection, the] The~~
~~30 Department of [Health's Bureau of] Drug and Alcohol Programs or~~

1 ~~successor agency and the board's Office of Compulsive and~~
2 ~~Problem Gambling shall jointly collaborate with other~~
3 ~~appropriate offices and agencies of State or local government,~~
4 ~~including single county authorities, and providers and other~~
5 ~~persons, public or private, with expertise in compulsive and~~
6 ~~problem gambling treatment to do the following:~~

7 ~~(1) Implement a strategic plan for the prevention and~~
8 ~~treatment of compulsive and problem gambling.~~

9 ~~(2) Adopt compulsive and problem gambling treatment~~
10 ~~standards to be integrated with the [Bureau] Department of~~
11 ~~Drug and Alcohol Program's or successor agency's uniform~~
12 ~~Statewide guidelines that govern the provision of addiction~~
13 ~~treatment services.~~

14 ~~(3) Develop a method to coordinate compulsive and~~
15 ~~problem gambling data collection and referral information to~~
16 ~~crisis response hotlines, child welfare and domestic violence~~
17 ~~programs and providers and other appropriate programs and~~
18 ~~providers.~~

19 ~~(4) Develop and disseminate educational materials to~~
20 ~~provide public awareness related to the prevention,~~
21 ~~recognition and treatment of compulsive and problem gambling.~~

22 ~~(5) Develop demographic specific compulsive and problem~~
23 ~~gambling prevention, intervention and treatment programs.~~

24 ~~(6) Prepare an itemized budget outlining how funds will~~
25 ~~be allocated to fulfill the responsibilities under this~~
26 ~~section.~~

27 ~~(b) Compulsive and Problem Gambling Treatment Fund. There~~
28 ~~is hereby established in the State Treasury a special fund to be~~
29 ~~known as the Compulsive and Problem Gambling Treatment Fund. All~~
30 ~~moneys in the fund shall be administered by the Department of~~

1 ~~{Health} Drug and Alcohol Programs or successor agency and~~
2 ~~expended solely for programs for the prevention and treatment of~~
3 ~~gambling addiction and other emotional and behavioral problems~~
4 ~~associated with or related to gambling addiction and for the~~
5 ~~administration of the compulsive and problem gambling program,~~
6 ~~provided that the Department of {Health} Drug and Alcohol~~
7 ~~Programs or successor agency shall annually distribute at least~~
8 ~~50% of the money in the fund to single county authorities under~~
9 ~~subsection (d). The fund shall consist of money annually~~
10 ~~allocated to it from the annual payment established under~~
11 ~~section 1408(a) (relating to transfers from State Gaming Fund),~~
12 ~~money which may be allocated by the board, interest earnings on~~
13 ~~moneys in the fund and any other contributions, payments or~~
14 ~~deposits which may be made to the fund.~~

15 ~~(c) Notice of availability of assistance.~~

16 ~~(1) {Each} Except as otherwise provided for in paragraph~~
17 ~~(4), each slot machine licensee shall [obtain a] use the~~
18 ~~toll free telephone number [to be used] established by the~~
19 ~~Department of Drug and Alcohol Programs or successor agency~~
20 ~~in subsection (a.1)(1) to provide persons with information on~~
21 ~~assistance for compulsive or problem gambling. Each licensee~~
22 ~~shall conspicuously post at least 20 signs similar to the~~
23 ~~following statement:~~

24 ~~If you or someone you know has a gambling problem, help~~
25 ~~is available. Call (Toll free telephone number).~~

26 ~~The signs must be posted within 50 feet of each entrance and~~
27 ~~exit, within 50 feet of each automated teller machine~~
28 ~~location within the licensed facility and in other~~
29 ~~appropriate public areas of the licensed facility as~~
30 ~~determined by the slot machine licensee.~~

1 ~~(2) Each racetrack where slot machines or table games~~
2 ~~are operated shall print a statement on daily racing programs~~
3 ~~provided to the general public that is similar to the~~
4 ~~following:~~

5 ~~If you or someone you know has a gambling problem, help~~
6 ~~is available. Call (Toll free telephone number).~~

7 ~~Except as otherwise provided for in paragraph (4), the toll-~~
8 ~~free telephone number shall be the same telephone number~~
9 ~~established by the Department of Drug and Alcohol Programs or~~
10 ~~successor agency under subsection (a.1)(1).~~

11 ~~(2.1) Each interactive gaming certificate holder and~~
12 ~~interactive gaming operator:~~

13 ~~(i) Shall cause the words:~~

14 ~~If you or someone you know has a gambling problem,~~
15 ~~help is available. Call (Toll free telephone number).~~
16 ~~or some comparable language approved by the board, which~~
17 ~~language shall include the words "gambling problem" and~~
18 ~~"call 1-800-XXXX," to be prominently displayed to any~~
19 ~~person visiting or logging onto the interactive gaming~~
20 ~~certificate holder's interactive gaming skin or Internet~~
21 ~~website.~~

22 ~~(ii) Shall provide a mechanism by which an~~
23 ~~interactive gaming account holder may establish the~~
24 ~~following controls on wagering activity through the~~
25 ~~interactive gaming account:~~

26 ~~(A) A limit on the amount of money lost within a~~
27 ~~specified period of time and the length of time the~~
28 ~~account holder will be unable to participate in~~
29 ~~gaming if the holder reaches the established loss~~
30 ~~limit.~~

1 ~~(B) A limit on the maximum amount of any single~~
2 ~~wager on any interactive game.~~

3 ~~(C) A temporary suspension of interactive gaming~~
4 ~~through the account for any number of hours or days.~~

5 ~~(iii) Shall not knowingly mail or otherwise forward~~
6 ~~any gaming related promotional material or e mail to a~~
7 ~~registered player during any period in which interactive~~
8 ~~gaming through the registered players' interactive gaming~~
9 ~~account has been suspended or terminated. The interactive~~
10 ~~gaming certificate holder shall provide a mechanism by~~
11 ~~which a registered player may change the controls.~~

12 ~~Notwithstanding any other provision of this subparagraph,~~
13 ~~while interactive gaming through the interactive gaming~~
14 ~~account is suspended, the registered player may not~~
15 ~~change gaming controls until the suspension expires, but~~
16 ~~the registered player shall continue to have access to~~
17 ~~the account and shall be permitted to withdraw funds from~~
18 ~~the account upon proper application for the funds to the~~
19 ~~interactive gaming certificate holder.~~

20 ~~(3) A [licensed facility] licensed gaming entity,~~
21 ~~interactive gaming certificate holder or interactive gaming~~
22 ~~operator, as the case may be, which fails to post or print~~
23 ~~the warning sign in accordance with paragraph (1) [or] (2)~~
24 ~~or (2.1) (i) shall be assessed a fine of \$1,000 a day for each~~
25 ~~day the minimum number of signs are not posted or the~~
26 ~~required statement is not printed as provided in this~~
27 ~~subsection.~~

28 ~~(3.1) An interactive gaming certificate holder or~~
29 ~~interactive gaming operator, as the case may be, that fails~~
30 ~~to establish the mechanisms, controls and systems in~~

1 ~~accordance with paragraph (2.1) (ii) and (iii) shall be~~
2 ~~assessed a fine of not less than \$5,000 per day for each day~~
3 ~~the mechanisms, controls and systems are not available to~~
4 ~~interactive gaming account holders.~~

5 ~~(4) Slot machine licensees or racetracks utilizing a~~
6 ~~toll free telephone number other than the number established~~
7 ~~by the Department of Drug and Alcohol Programs or successor~~
8 ~~agency under subsection (a.1) (1) prior to the effective date~~
9 ~~of this paragraph may continue to use that number for a~~
10 ~~period not to exceed three years from the effective date of~~
11 ~~this paragraph upon showing good cause to the Department of~~
12 ~~Drug and Alcohol Programs or successor agency.~~

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

30 ~~(d.1) Eligibility. Eligibility to receive treatment~~

1 ~~services for treatment of compulsive and problem gambling under~~
2 ~~this section shall be determined using financial eligibility and~~
3 ~~other requirements of the single county authorities as approved~~
4 ~~by the Department of [Health] Drug and Alcohol Programs or~~
5 ~~successor agency.~~

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

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

22 ~~Section 29. Section 1512 of Title 4 is amended by adding a~~
23 ~~subsection to read:~~

24 ~~§ 1512. Financial and employment interests.~~

25 ~~* * *~~

26 ~~(a.6) Prohibition related to interactive gaming.~~

27 ~~(1) Except as may be provided by rule or order of the~~
28 ~~Pennsylvania Supreme Court and except as provided in section~~
29 ~~1202.1 (relating to code of conduct) or 1512.1 (relating to~~
30 ~~additional restrictions), no executive level public employee,~~

~~public official or party officer or immediate family member thereof shall hold, directly or indirectly, a financial interest in, be employed by or represent, appear for, or negotiate on behalf of, or derive any remuneration, payment, benefit or any other thing of value for any services, including, but not limited to, consulting or similar services from any holder of or applicant for an interactive gaming certificate, holder of or applicant for an interactive gaming license or other authorization to conduct interactive gaming or any holding, subsidiary or intermediary company with respect thereto, or any business, association, enterprise or other entity that is organized in whole or in part for the purpose of promoting, advocating for or advancing the interests of the interactive gaming industry generally or any interactive gaming related business or businesses in connection with any cause, application or matter. The financial interest and employment prohibitions under this paragraph shall remain in effect for one year following termination of the individual's status as an executive level public employee, public official or party officer.~~

~~(2) Notwithstanding paragraph (1), a member of the immediate family of an executive level public employee, public official or party officer may hold employment with the holder of or applicant for an interactive gaming certificate, holder of or applicant for an interactive gaming license or other authorization to conduct interactive gaming or any holding, subsidiary or intermediary company with respect thereto, if in the judgment of the State Ethics Commission or the Supreme Court, as appropriate, employment will not interfere with the responsibilities of the executive level~~

~~public employee, public official or party officer and will not create a conflict of interest or reasonable risk of the public perception of a conflict of interest on the part of the executive level public employee, public official or party officer.~~

~~* * *~~

~~Section 30. Sections 1513(a), 1514 heading, (a), (d), (e) and (f), 1515, 1516 and 1517(b)(1), (c)(6) and (12) and (e)(1) of Title 4 are amended to read:~~

~~§ 1513. Political influence.~~

~~(a) Contribution restriction. The following persons shall be prohibited from contributing any money or in kind contribution to a candidate for nomination or election to any public office in this Commonwealth, or to any political party committee or other political committee in this Commonwealth or to any group, committee or association organized in support of a candidate, political party committee or other political committee in this Commonwealth:~~

~~(1) An applicant for a slot machine license, manufacturer license, supplier license, principal license, key employee license, interactive gaming license or horse or harness racing license.~~

~~(2) A slot machine licensee, licensed manufacturer, licensed supplier, interactive gaming operator or licensed racing entity.~~

~~(3) A licensed principal or licensed key employee of a slot machine licensee, licensed manufacturer, licensed supplier, interactive gaming operator or licensed racing entity.~~

~~(4) An affiliate, intermediary, subsidiary or holding~~

1 ~~company of a slot machine licensee, licensed manufacturer,~~
2 ~~licensed supplier, interactive gaming operator or licensed~~
3 ~~racing entity.~~

4 ~~(5) A licensed principal or licensed key employee of an~~
5 ~~affiliate, intermediary, subsidiary or holding company of a~~
6 ~~slot machine licensee, licensed manufacturer, licensed~~
7 ~~supplier, interactive gaming operator or licensed racing~~
8 ~~entity.~~

9 ~~(6) A person who holds a similar gaming license in~~
10 ~~another jurisdiction and the affiliates, intermediaries,~~
11 ~~subsidiaries, holding companies, principals or key employees~~
12 ~~thereof.~~

13 ~~***~~

14 ~~§ 1514. Regulation requiring exclusion [or], ejection or denial~~
15 ~~of access of certain persons.~~

16 ~~(a) General rule. The board shall by regulation provide for~~
17 ~~the establishment of a list of persons who are to be excluded or~~
18 ~~ejected from any licensed facility or who may be denied access~~
19 ~~to interactive gaming. The provisions shall define the standards~~
20 ~~for exclusion and shall include standards relating to persons~~
21 ~~who are career or professional offenders as defined by~~
22 ~~regulations of the board or whose presence in a licensed~~
23 ~~facility or whose access to interactive gaming would, in the~~
24 ~~opinion of the board, be inimical to the interest of the~~
25 ~~Commonwealth or of licensed gaming therein, or both.~~

26 ~~***~~

27 ~~(d) Sanctions. The board may impose sanctions upon a~~
28 ~~licensed gaming entity or interactive gaming operator in~~
29 ~~accordance with this part if the licensed gaming entity~~
30 ~~knowingly fails to exclude or eject from the premises of any~~

1 ~~licensed facility or deny access to interactive gaming any~~
2 ~~person placed by the board on the list of persons to be excluded~~
3 ~~for], ejected or denied access.~~

4 ~~(e) List not all inclusive. Any list compiled by the board~~
5 ~~of persons to be excluded [or], ejected or denied access shall~~
6 ~~not be deemed an all inclusive list, and a licensed gaming~~
7 ~~entity shall have a duty to keep from the licensed facility and~~
8 ~~from interactive gaming persons known to it to be within the~~
9 ~~classifications declared in this section and the regulations~~
10 ~~promulgated under this section whose presence in a licensed~~
11 ~~facility or whose participation in interactive gaming would be~~
12 ~~inimical to the interest of the Commonwealth or of licensed~~
13 ~~gaming therein, or both, as defined in standards established by~~
14 ~~the board.~~

15 ~~(f) Notice. Whenever the bureau seeks to place the name of~~
16 ~~any person on a list pursuant to this section, the bureau shall~~
17 ~~serve notice of this fact to such person by personal service or~~
18 ~~certified mail at the last known address of the person. The~~
19 ~~notice shall inform the person of the right to request a hearing~~
20 ~~under subsection (g). The bureau may also provide notice by~~
21 ~~electronic mail, if the electronic mail address of the person is~~
22 ~~known to the bureau.~~

23 * * *

24 ~~§ 1515. Repeat offenders excludable from licensed gaming~~
25 ~~facility.~~

26 ~~A licensed gaming entity may exclude or eject from its~~
27 ~~licensed facility or deny access to interactive gaming any~~
28 ~~person who is known to it to have been convicted of a~~
29 ~~misdemeanor or felony committed in or on the premises of any~~
30 ~~licensed facility. Nothing in this section or in any other law~~

~~1 of this Commonwealth shall limit the right of a licensed gaming
2 entity to exercise its common law right to exclude or eject
3 permanently from its licensed facility or permanently deny
4 access to its interactive gaming any person who disrupts the
5 operations of its premises or its interactive gaming, threatens
6 the security of its premises or its occupants or is disorderly
7 or intoxicated[.] or who threatens the security of its licensed
8 facility or the area of a licensed facility where interactive
9 gaming operations are managed, administered or controlled.~~

10 ~~§ 1516. List of persons self excluded from gaming activities.~~

11 ~~(a) General rule. The board shall provide by regulation for
12 the establishment of a list of persons self excluded from gaming
13 activities, including interactive gaming, at all licensed
14 facilities. Any person may request placement on the list of
15 self excluded persons by acknowledging in a manner to be
16 established by the board that the person is a problem gambler
17 and by agreeing that, during any period of voluntary exclusion,
18 the person may not collect any winnings or recover any losses
19 resulting from any gaming activity at licensed facilities, —
20 including interactive gaming.~~

21 ~~(b) Regulations. The regulations of the board shall
22 establish procedures for placements on and removals from the
23 list of self excluded persons. The regulations shall establish
24 procedures for the transmittal to licensed gaming entities of
25 identifying information concerning self excluded persons and
26 shall require licensed gaming entities to establish procedures
27 designed at a minimum to deny self excluded persons access to
28 interactive gaming and to remove self excluded persons from
29 targeted mailings or other forms of advertising or promotions
30 and deny self excluded persons access to complimentaries, check~~

1 ~~cashing privileges, club programs and other similar benefits.~~

2 ~~(c) Liability. A licensed gaming entity or employee thereof~~
3 ~~shall not be liable to any self-excluded person or to any other~~
4 ~~party in any judicial proceeding for any harm, monetary or~~
5 ~~otherwise, which may arise as a result of:~~

6 ~~(1) the failure of a licensed gaming entity to withhold~~
7 ~~gaming privileges from or restore gaming privileges to a~~
8 ~~self-excluded person; [or]~~

9 ~~(1.1) the failure of an interactive gaming certificate~~
10 ~~holder or interactive gaming operator to withhold interactive~~
11 ~~gaming privileges from or restore interactive gaming~~
12 ~~privileges to a self-excluded person; or~~

13 ~~(2) otherwise permitting or not permitting a self-~~
14 ~~excluded person to engage in gaming activity in the facility~~
15 ~~or participate in interactive gaming while on the list of~~
16 ~~self-excluded persons.~~

17 ~~(d) Disclosure. Notwithstanding any other law to the~~
18 ~~contrary, the board's list of self-excluded persons shall not be~~
19 ~~open to public inspection. Nothing in this section, however,~~
20 ~~shall be construed to prohibit a licensed gaming entity from~~
21 ~~disclosing the identity of persons self-excluded pursuant to~~
22 ~~this section to affiliated gaming entities in this Commonwealth~~
23 ~~or other jurisdictions for the limited purpose of assisting in~~
24 ~~the proper administration of responsible gaming programs~~
25 ~~operated by affiliated licensed gaming entities.~~

26 ~~§ 1517. Investigations and enforcement.~~

27 ~~* * *~~

28 ~~(b) Powers and duties of department.~~

29 ~~(1) The department shall at all times have the power of~~
30 ~~access to examine and audit equipment and records relating to~~

1 ~~all aspects of the operation of slot machines [or], table~~
2 ~~games or interactive games under this part.~~

3 * * *

4 ~~(c) Powers and duties of the Pennsylvania State Police. The~~
5 ~~Pennsylvania State Police shall have the following powers and~~
6 ~~duties:~~

7 * * *

8 ~~(6) Enforce the criminal provisions of this part and all~~
9 ~~other criminal laws of the Commonwealth[.], including, but~~
10 ~~not limited to, within a licensed facility and parking lots~~
11 ~~under control of a slot machine licensee adjacent to a~~
12 ~~licensed facility.~~

13 * * *

14 ~~(12) Conduct audits or verification of information of~~
15 ~~slot machine [or], table game operations, including the~~
16 ~~operation of slot machines used in a multistate wide area~~
17 ~~progressive slot machine system and in the operation of skill~~
18 ~~or hybrid slot machines and interactive gaming operations at~~
19 ~~such times, under such circumstances and to such extent as~~
20 ~~the bureau determines. This paragraph includes reviews of~~
21 ~~accounting, administrative and financial records and~~
22 ~~management control systems, procedures and records utilized~~
23 ~~by a slot machine licensee.~~

24 * * *

25 ~~(e) Inspection, seizure and warrants.~~

26 ~~(1) The bureau, the department and the Pennsylvania~~
27 ~~State Police shall have the authority without notice and~~
28 ~~without warrant to do all of the following in the performance~~
29 ~~of their duties:~~

30 ~~(i) Inspect and examine all premises where slot~~

1 ~~machine [or], table game and interactive gaming~~
2 ~~operations are conducted, slot machines, table game~~
3 ~~devices and associated equipment, interactive gaming~~
4 ~~devices and associated equipment are manufactured, sold,~~
5 ~~distributed or serviced or where records of these~~
6 ~~activities are prepared or maintained.~~

7 ~~(ii) Inspect all equipment and supplies in, about,~~
8 ~~upon or around premises referred to in subparagraph (i).~~

9 ~~(iii) Seize, summarily remove and impound equipment~~
10 ~~and supplies from premises referred to in subparagraph~~
11 ~~(i) for the purposes of examination and inspection.~~

12 ~~(iv) Inspect, examine and audit all books, records~~
13 ~~and documents pertaining to a slot machine licensee's~~
14 ~~operation.~~

15 ~~(v) Seize, impound or assume physical control of any~~
16 ~~book, record, ledger, game, device, cash box and its~~
17 ~~contents, count room or its equipment, interactive gaming~~
18 ~~devices and associated equipment or slot machine [or],~~
19 ~~table game or interactive gaming operations.~~

20 * * *

21 ~~Section 31. Section 1518(a)(1), (2), (3), (4), (5), (7.1),~~
22 ~~(11), (13), (13.1), (15) and (17) and (b)(1), (2) and (3) of~~
23 ~~Title 4 are amended and subsections (a) and (b) are amended by~~
24 ~~adding paragraphs to read:~~

25 ~~§ 1518. Prohibited acts; penalties.~~

26 ~~(a) Criminal offenses.—~~

27 ~~(1) The provisions of 18 Pa.C.S. § 4902 (relating to~~
28 ~~perjury), 4903 (relating to false swearing) or 4904 (relating~~
29 ~~to unsworn falsification to authorities) shall apply to any~~
30 ~~person providing information or making any statement, whether~~

1 ~~written or oral, to the board, the commission, the bureau,~~
2 ~~the department, the Pennsylvania State Police or the Office~~
3 ~~of Attorney General, as required by this part.~~

4 ~~(2) It shall be unlawful for a person to willfully:~~

5 ~~(i) fail to report, pay or truthfully account for~~
6 ~~and pay over any license fee, authorization fee, permit~~
7 ~~fee, tax or assessment imposed under this part; or~~

8 ~~(ii) attempt in any manner to evade or defeat any~~
9 ~~license fee, authorization fee, permit fee, registration~~
10 ~~fee, tax or assessment or any other fee imposed under~~
11 ~~this part.~~

12 ~~(3) It shall be unlawful for any licensed entity, gaming~~
13 ~~employee, key employee or any other person to permit a slot~~
14 ~~machine, table game or table game device, interactive game or~~
15 ~~interactive gaming device or associated equipment to be~~
16 ~~operated, transported, repaired or opened on the premises of~~
17 ~~a licensed facility by a person other than a person licensed~~
18 ~~or permitted by the board pursuant to this part.~~

19 ~~(3.1) It shall be unlawful for any person who does not~~
20 ~~possess a valid and then effective interactive gaming~~
21 ~~certificate or interactive gaming license to accept any wager~~
22 ~~associated with any authorized interactive game from any~~
23 ~~individual without verifying the age, identity and physical~~
24 ~~location of the player at the time of play or wager.~~

25 ~~(4) It shall be unlawful for any licensed entity or~~
26 ~~other person to manufacture, supply or place slot machines,~~
27 ~~table games, table game devices or associated equipment,~~
28 ~~authorized interactive game or interactive gaming devices or~~
29 ~~associated equipment into play or display slot machines,~~
30 ~~table games, table game devices or associated equipment on~~

1 ~~the premises of a licensed facility without the authority of~~
2 ~~the board.~~

3 ~~(4.1) It shall be unlawful for any slot machine licensee~~
4 ~~to offer interactive games into play or display such games on~~
5 ~~its interactive gaming skin or Internet website without the~~
6 ~~approval of the board.~~

7 ~~(4.2) It shall be unlawful for any licensed entity or~~
8 ~~other person to manufacture, supply or place interactive~~
9 ~~gaming devices or associated equipment into operation at a~~
10 ~~licensed facility without the approval of the board.~~

11 ~~(5) Except as provided for in section 1326 (relating to~~
12 ~~[license] renewals), it shall be unlawful for a licensed~~
13 ~~entity or other person to manufacture, supply, operate, carry~~
14 ~~on or expose for play any slot machine, table game, table~~
15 ~~game device or associated equipment, interactive game or~~
16 ~~interactive gaming device or associated equipment after the~~
17 ~~person's license has expired and prior to the actual renewal~~
18 ~~of the license.~~

19 * * *

20 ~~(7.1) It shall be unlawful for an individual to do any~~
21 ~~of the following:~~

22 ~~(i) Use or possess counterfeit, marked, loaded or~~
23 ~~tampered with table game devices or associated equipment,~~
24 ~~chips or other cheating devices in the conduct of gaming~~
25 ~~under this part, except that an authorized employee of a~~
26 ~~licensee or an authorized employee of the board may~~
27 ~~possess and use counterfeit chips or table game devices~~
28 ~~or associated equipment that have been marked, loaded or~~
29 ~~tampered with, or other cheating devices or any~~
30 ~~unauthorized interactive gaming device or associated~~

1 ~~equipment in performance of the duties of employment for~~
2 ~~training, investigative or testing purposes only.~~

3 ~~(ii) Knowingly, by a trick or sleight of hand~~
4 ~~performance or by fraud or fraudulent scheme, or~~
5 ~~manipulation, table game device or other device, or~~
6 ~~interactive gaming device for himself or for another, win~~
7 ~~or attempt to win any cash, property or prize at a~~
8 ~~licensed facility or to reduce or attempt to reduce a~~
9 ~~losing wager.~~

10 ~~(7.2) It shall be unlawful for a person to knowingly~~
11 ~~alter, tamper or manipulate interactive gaming devices or~~
12 ~~associated equipment, including software, system programs,~~
13 ~~hardware and any other device or associated equipment used in~~
14 ~~interactive gaming operations, in order to alter the odds or~~
15 ~~the payout of an interactive game or to disable the~~
16 ~~interactive game from operating according to the rules of the~~
17 ~~game as authorized by the board.~~

18 ~~(7.3) It shall be unlawful for a person to knowingly~~
19 ~~offer or allow to be offered any authorized interactive game~~
20 ~~that has been altered, tampered with or manipulated in a way~~
21 ~~that affects the odds or the payout of an authorized~~
22 ~~interactive game or disables the interactive game from~~
23 ~~operating according to the authorized rules of the game as~~
24 ~~authorized by the board.~~

25 * * *

26 ~~(11) It shall be unlawful for a licensed gaming entity~~
27 ~~that is a licensed racing entity and that has lost the~~
28 ~~license issued to it by [either] the State Horse Racing~~
29 ~~Commission or the State Harness Racing Commission under the~~
30 ~~Race Horse Industry Reform Act or that has had that license~~

1 ~~suspended to operate slot machines [or], table games or~~
2 ~~authorized interactive games at the racetrack for which its~~
3 ~~slot machine license was issued unless the license issued to~~
4 ~~it by either the State Horse Racing Commission or the State~~
5 ~~Harness Racing Commission will be subsequently reissued or~~
6 ~~reinstated within 30 days after the loss or suspension.~~

7 * * *

8 ~~(13) It shall be unlawful for an individual under 21~~
9 ~~years of age to enter and remain in any area of a licensed~~
10 ~~facility where slot machines are operated or the play of~~
11 ~~table games is conducted, except that an individual 18 years~~
12 ~~of age or older employed by a slot machine licensee, a gaming~~
13 ~~service provider, the board or any other regulatory or~~
14 ~~emergency response agency may enter and remain in any such~~
15 ~~area while engaged in the performance of the individual's~~
16 ~~employment duties.~~

17 ~~(13.1) It shall be unlawful for an individual under 21~~
18 ~~years of age to wager, play or attempt to play a slot machine~~
19 ~~or table game at a licensed facility or to wager, play or~~
20 ~~attempt to play an interactive game.~~

21 ~~(13.2) It shall be unlawful to allow a person under 21~~
22 ~~years of age to open, maintain or use in any way an~~
23 ~~interactive gaming account. Any interactive gaming~~
24 ~~certificate holder, interactive gaming operator or employee~~
25 ~~of an interactive gaming certificate holder or interactive~~
26 ~~gaming operator or other such person who knowingly allows a~~
27 ~~person under 21 years of age to open, maintain or use an~~
28 ~~interactive gaming account shall be subject to the penalty~~
29 ~~set forth in this section, except that the establishment of~~
30 ~~all of the following facts by an interactive gaming~~

~~certificate holder, interactive gaming operator or employee
of an interactive gaming certificate holder, interactive
gaming operator or other such person shall constitute a
defense to any regulatory action by the board or the penalty
authorized under this section:~~

~~(i) the underage person falsely represented that the
person was at least 21 years of age in the application
for an interactive gaming account; and~~

~~(ii) the establishment of the interactive gaming
account was made in good faith reliance upon such
representation and in the reasonable belief that the
underage person was at least 21 years of age.~~

~~* * *~~

~~(15) It shall be unlawful for a licensed gaming entity
to require a wager to be greater than the stated minimum
wager or less than the stated maximum wager. However, a wager
made by a player and not rejected by a licensed gaming entity
prior to commencement of play shall be treated as a valid
wager. A wager accepted by a dealer or through an authorized
interactive game shall be paid or lost in its entirety in
accordance with the rules of the game, notwithstanding that
the wager exceeded the current table maximum wager or
authorized interactive game wager or was lower than the
current table minimum wager or minimum interactive game
wager.~~

~~* * *~~

~~(17) It shall be unlawful for an individual to claim,
collect or take, or attempt to claim, collect or take, money
or anything of value in or from a slot machine, gaming table
or other table game device, interactive game or interactive~~

1 ~~gaming device with the intent to defraud, or to claim,~~
2 ~~collect or take an amount greater than the amount won, or to~~
3 ~~manipulate with the intent to cheat, any component of any~~
4 ~~slot machine, table game or table game device, interactive~~
5 ~~game or interactive gaming device in a manner contrary to the~~
6 ~~designed and normal operational purpose.~~

7 ~~(b) Criminal penalties and fines.~~

8 ~~(1) (i) A person that commits a first offense in~~
9 ~~violation of 18 Pa.C.S. § 4902, 4903 or 4904 in~~
10 ~~connection with providing information or making any~~
11 ~~statement, whether written or oral, to the board, the~~
12 ~~bureau, the department, the Pennsylvania State Police,~~
13 ~~the Office of Attorney General or a district attorney as~~
14 ~~required by this part commits an offense to be graded in~~
15 ~~accordance with the applicable section violated. A person~~
16 ~~that is convicted of a second or subsequent violation of~~
17 ~~18 Pa.C.S. § 4902, 4903 or 4904 in connection with~~
18 ~~providing information or making any statement, whether~~
19 ~~written or oral, to the board, the bureau, the~~
20 ~~department, the Pennsylvania State Police, the Office of~~
21 ~~Attorney General or a district attorney as required by~~
22 ~~this part commits a felony of the second degree.~~

23 ~~(ii) A person that violates subsection (a) (2), (3)~~
24 ~~and (4) through (12) or (17) commits a misdemeanor of the~~
25 ~~first degree. A person that is convicted of a second or~~
26 ~~subsequent violation of subsection (a) (2), (3) and (4)~~
27 ~~through (12) or (17) commits a felony of the second~~
28 ~~degree.~~

29 ~~(2) (i) For a first violation of subsection (a) (1)~~
30 ~~through (12) or (17), a person shall be sentenced to pay~~

1 a fine of:

2 ~~(A) not less than \$75,000 nor more than \$150,000~~
3 ~~if the person is an individual;~~

4 ~~(B) not less than \$300,000 nor more than~~
5 ~~\$600,000 if the person is a licensed gaming entity or~~
6 ~~an interactive gaming operator; or~~

7 ~~(C) not less than \$150,000 nor more than~~
8 ~~\$300,000 if the person is a licensed manufacturer or~~
9 ~~supplier.~~

10 ~~(ii) For a second or subsequent violation of~~
11 ~~subsection (a) (1), (2), (3) and (4) through (12) or (17),~~
12 ~~a person shall be sentenced to pay a fine of:~~

13 ~~(A) not less than \$150,000 nor more than~~
14 ~~\$300,000 if the person is an individual;~~

15 ~~(B) not less than \$600,000 nor more than~~
16 ~~\$1,200,000 if the person is a licensed gaming entity;~~
17 ~~or~~

18 ~~(C) not less than \$300,000 nor more than~~
19 ~~\$600,000 if the person is a licensed manufacturer or~~
20 ~~supplier.~~

21 ~~(2.1) A person that commits an offense in violation of~~
22 ~~subsection (a) (3.1) commits a felony and, upon conviction,~~
23 ~~shall be sentenced to pay a fine of not less than \$500,000~~
24 ~~nor more than \$1,000,000. A person that is convicted of a~~
25 ~~second or subsequent violation of subsection (a) (3.1) commits~~
26 ~~a felony of the first degree and shall be sentenced to pay a~~
27 ~~fine of not less than \$1,000,000 nor more than \$2,500,000.~~

28 ~~(3) An individual who commits an offense in violation of~~
29 ~~subsection (a) (13) [or], (13.1) or (13.2) commits a~~
30 ~~nongambling summary offense and upon conviction of a first~~

1 ~~offense shall be sentenced to pay a fine of not less than~~
2 ~~\$200 nor more than \$1,000. An individual that is convicted of~~
3 ~~a second or subsequent offense under subsection (a) (13) [or],~~
4 ~~(13.1) or (13.2) shall be sentenced to pay a fine of not less~~
5 ~~than \$500 nor more than \$1,500. In addition to the fine~~
6 ~~imposed, an individual convicted of an offense under~~
7 ~~subsection (a) (13) [or], (13.1) or (13.2) may be sentenced to~~
8 ~~perform a period of community service not to exceed 40 hours.~~

9 * * *

10 Section 31.1. Title 4 is amended by adding a section to
11 read:

12 ~~§ 1521.1. Casino liquor license.~~

13 ~~(a) Application. Notwithstanding section 1521 (relating to~~
14 ~~liquor licenses at licensed facilities) or any provision of law~~
15 ~~or regulation to the contrary, a slot machine licensee holding a~~
16 ~~restaurant liquor or eating place retail dispenser license under~~
17 ~~the act of April 12, 1951 (P.L.90, No.21), known as the Liquor~~
18 ~~Code, may apply to the Pennsylvania Liquor Control Board for a~~
19 ~~casino liquor license. The Pennsylvania Liquor Control Board may~~
20 ~~issue a casino liquor license to a slot machine licensee for use~~
21 ~~at its licensed facility in accordance with this section.~~

22 ~~(b) Fees. Each application for a casino license under this~~
23 ~~section shall be accompanied by a fee of \$1,000,000.~~

24 ~~(c) Renewal.—~~

25 ~~(1) The license must be renewed on an annual basis.~~

26 ~~(2) For the first five years after the initial issuance~~
27 ~~of the license, the license shall not be subject to an annual~~
28 ~~renewal fee.~~

29 ~~(3) Thereafter, the licensee shall be subject to an~~
30 ~~annual renewal fee of \$50,000.~~

1 ~~(4) All fees collected or received by the Pennsylvania~~
2 ~~Liquor Control Board under this subsection shall be paid into~~
3 ~~the State Treasury through the Department of Revenue for~~
4 ~~deposit into the General Fund.~~

5 ~~(d) Disposition of restaurant liquor or eating place retail~~
6 ~~dispenser license.~~

7 ~~(1) An applicant under this section that currently holds~~
8 ~~a restaurant liquor or eating place retail dispenser license~~
9 ~~issued under the authority of the Liquor Code may continue to~~
10 ~~utilize that license until such time as the casino liquor~~
11 ~~license is issued by the Pennsylvania Liquor Control Board.~~
12 ~~Upon the issuance of a license under this section, the~~
13 ~~applicant must surrender the restaurant liquor or eating~~
14 ~~place retail dispenser license to the Pennsylvania Liquor~~
15 ~~Control Board.~~

16 ~~(2) An applicant under this section that currently holds~~
17 ~~a restaurant liquor or eating place retail dispenser license~~
18 ~~purchased through private sale may continue to utilize that~~
19 ~~license until such time as the casino liquor license is~~
20 ~~issued by the Pennsylvania Liquor Control Board. Upon~~
21 ~~issuance of a license under this section, the applicant may~~
22 ~~sell the previously purchased restaurant liquor or eating~~
23 ~~place retail dispenser license.~~

24 ~~(e) Hours of operation. Notwithstanding any other provision~~
25 ~~of law to the contrary, a holder of a casino liquor license may~~
26 ~~sell or serve liquor and malt or brewed beverages 24 hours a~~
27 ~~day, seven days a week.~~

28 ~~(f) Transfers.~~

29 ~~(1) Licenses issued under this section are~~
30 ~~nontransferable.~~

1 ~~(2) Nothing in this subsection shall be construed to~~
2 ~~preclude a transfer of ownership of a casino liquor license~~
3 ~~to another eligible person to be used at the same licensed~~
4 ~~facility.~~

5 ~~(g) Expiration. Licenses under this section shall expire~~
6 ~~under the following circumstances:~~

7 ~~(1) revocation by an administrative law judge under~~
8 ~~section 471 of the Liquor Code;~~

9 ~~(2) nonrenewal by the Pennsylvania Liquor Control Board~~
10 ~~under section 470 of the Liquor Code;~~

11 ~~(3) nonrenewal of the license by the slot machine~~
12 ~~licensee; or~~

13 ~~(4) upon request by the slot machine licensee.~~

14 ~~(h) New applicant. The Pennsylvania Liquor Control Board~~
15 ~~may issue a license under this section at any time to a new~~
16 ~~applicant even if the previous license has:~~

17 ~~(1) been revoked by an administrative law judge under~~
18 ~~section 471 of the Liquor Code;~~

19 ~~(2) not been renewed by the Pennsylvania Liquor Control~~
20 ~~Board under section 470 of the Liquor Code;~~

21 ~~(3) not been renewed by the slot machine licensee; or~~

22 ~~(4) expired upon request by the slot machine licensee.~~

23 ~~(i) Restrictions and privileges. Licenses issued under this~~
24 ~~section are subject to the following additional restrictions and~~
25 ~~privileges:~~

26 ~~(1) Sales may be made at any time the facility is open~~
27 ~~to the public.~~

28 ~~(2) Liquor or malt or brewed beverages may be~~
29 ~~transported and consumed off the gaming floor so long as the~~
30 ~~liquor or malt or brewed beverages remain within the premises~~

1 ~~of the licensed facility.~~

2 ~~(3) Sales of malt or brewed beverages for off premises~~
3 ~~consumption are prohibited.~~

4 ~~(4) In addition to the provisions of section 493(24)(ii)~~
5 ~~of the Liquor Code, the holder of a casino license may give~~
6 ~~liquor and malt or brewed beverages free of charge to any~~
7 ~~person attending an invitation only event held anywhere on~~
8 ~~the premises of the licensed facility.~~

9 ~~(5) Licenses issued under this section shall not be~~
10 ~~subject to:~~

11 ~~(i) The proximity provisions of sections 402 and 404~~
12 ~~of the Liquor Code.~~

13 ~~(ii) The restrictions on discount pricing practices~~
14 ~~specified in section 406(g) of the Liquor Code.~~

15 ~~(iii) The quota restrictions of section 461 of the~~
16 ~~Liquor Code.~~

17 ~~(iv) The provisions of section 493(10) of the Liquor~~
18 ~~Code, except as they relate to lewd, immoral or improper~~
19 ~~entertainment.~~

20 ~~(v) The prohibition against minors frequenting as~~
21 ~~described in section 493(14) of the Liquor Code.~~

22 ~~(vi) The cost and total display area limitations of~~
23 ~~section 493(20)(i) of the Liquor Code.~~

24 ~~(vii) The restrictions on events, tournaments or~~
25 ~~contests specified in 40 Pa. Code § 5.32 (relating to~~
26 ~~restrictions/exceptions).~~

27 ~~(viii) The restrictions on the awarding of trophies,~~
28 ~~prizes or premiums set forth in 40 Pa. Code § 5.32.~~

29 ~~(6) The authorization to sell or serve liquor and malt~~
30 ~~or brewed beverages by a holder of a casino liquor license~~

~~under subsection (e) shall not apply to the operation of slot machines at a nonprimary location or at a qualified airport.~~

~~(j) Multiple licenses.~~

~~(1) Subject to paragraph (2), more than one license issued by the Pennsylvania Liquor Control Board may be in effect at a licensed facility at any one time.~~

~~(2) No more than one license issued under this section shall be in effect at any specific location within the premises of a licensed facility at the same time.~~

~~Section 32. Sections 1901 and 1901.1 of Title 4 are amended to read:~~

~~§ 1901. Appropriations.~~

~~(a) Appropriation to board.~~

~~(1) The sum of \$7,500,000 is hereby appropriated to the Pennsylvania Gaming Control Board for the fiscal period July 1, 2004, to June 30, 2006, to implement and administer the provisions of this part. The money appropriated in this subsection shall be considered a loan from the General Fund [and shall be repaid to the General Fund quarterly commencing with the date slot machine licensees begin operating slot machines under this part]. This appropriation shall be a two-year appropriation and shall not lapse until June 30, 2006.~~

~~(2) The sum of \$2,100,000 is hereby appropriated from the State Gaming Fund to the Pennsylvania Gaming Control Board for salaries, wages and all necessary expenses for the proper operation and administration of the Pennsylvania Gaming Control Board for the expansion of gaming associated with table games. This appropriation shall be a supplemental appropriation for fiscal year 2009-2010 and shall be in addition to the appropriation contained in the act of August~~

1 ~~19, 2009 (P.L. 777, No. 9A), known as the Gaming Control~~
2 ~~Appropriation Act of 2009.~~

3 ~~(b) Appropriation to department. The sum of \$21,100,000 is~~
4 ~~hereby appropriated from the General Fund to the Department of~~
5 ~~Revenue for the fiscal period July 1, 2004, to June 30, 2006, to~~
6 ~~prepare for, implement and administer the provisions of this~~
7 ~~part. The money appropriated under this subsection shall be~~
8 ~~considered a loan from the General Fund [and shall be repaid to~~
9 ~~the General Fund quarterly commencing with the date slot machine~~
10 ~~licensees begin operating slot machines under this part]. This~~
11 ~~appropriation shall be a two year appropriation and shall not~~
12 ~~lapse until June 30, 2006.~~

13 ~~(c) Appropriation to Pennsylvania State Police. The sum of~~
14 ~~\$7,500,000 is hereby appropriated from the General Fund to the~~
15 ~~Pennsylvania State Police for the fiscal period July 1, 2004, to~~
16 ~~June 30, 2006, to prepare for, implement and administer the~~
17 ~~provisions of this part. The money appropriated under this~~
18 ~~subsection shall be considered a loan from the General Fund [and~~
19 ~~shall be repaid to the General Fund quarterly commencing when~~
20 ~~all slot machine licensees begin operating slot machines under~~
21 ~~this part]. This appropriation shall be a two year appropriation~~
22 ~~and shall not lapse until June 30, 2006.~~

23 ~~§ 1901.1. Repayments to [State Gaming] General Fund.~~

24 ~~{The board shall defer assessing slot machine licensees for~~
25 ~~payments to the State Gaming Fund for any loans made to the~~
26 ~~State Gaming Fund until such time as all slot machine licenses~~
27 ~~have been issued and all licensed gaming entities have commenced~~
28 ~~the operation of slot machines. The board shall adopt a~~
29 ~~repayment schedule that assesses to each slot machine licensee~~
30 ~~costs for the repayment of any such loans in an amount that is~~

1 ~~proportional to each slot machine licensee's gross terminal~~
2 ~~revenue.]~~

3 ~~(a) Establishment of repayment schedule.~~

4 ~~(1) No later than September 30, 2017, the Pennsylvania~~
5 ~~Gaming Control Board, in consultation with all licensed~~
6 ~~gaming entities, shall establish a schedule governing the~~
7 ~~repayment by licensed gaming entities of loans provided under~~
8 ~~section 1901 (relating to appropriations).~~

9 ~~(2) The repayment of loans provided under section 1901~~
10 ~~by licensed gaming entities shall begin no later than January~~
11 ~~1, 2018.~~

12 ~~(3) The repayment schedule shall, at a minimum:~~

13 ~~(i) Specify the dates upon which the repayments~~
14 ~~shall be due. Payments may be required on a quarterly,~~
15 ~~semiannual or annual basis.~~

16 ~~(ii) Assess each slot machine licensee's costs for~~
17 ~~repayment of loans under section 1901 in an amount that~~
18 ~~is proportional to each slot machine licensee's gross~~
19 ~~terminal revenue.~~

20 ~~(iii) Result in the total amounts loaned under~~
21 ~~section 1901 being repaid by June 30, 2019.~~

22 ~~(b) Deposit. Payments received under subsection (a) shall~~
23 ~~be deposited into the General Fund.~~

24 Section 33. Title 4 is amended by adding a part to read:

25 PART III

26 VIDEO GAMING

27 Chapter

28 31. General Provisions

29 33. Administration

30 35. Application and Licensure

- 1 ~~37. Operation~~
- 2 ~~39. Enforcement~~
- 3 ~~41. Revenues~~
- 4 ~~43. Ethics~~
- 5 ~~45. Miscellaneous Provisions~~

6 ~~CHAPTER 31~~

7 ~~GENERAL PROVISIONS~~

8 ~~Sec.~~

9 ~~3101. Scope of part.~~

10 ~~3102. Definitions.~~

11 ~~§ 3101. Scope of part.~~

12 ~~This part relates to video gaming terminals.~~

13 ~~§ 3102. Definitions.~~

14 ~~The following words and phrases when used in this part shall~~
 15 ~~have the meanings given to them in this section unless the~~
 16 ~~context clearly indicates otherwise:~~

17 ~~"Affiliate," "affiliate of" or "person affiliated with." A~~
 18 ~~person who directly or indirectly, through one or more~~
 19 ~~intermediaries, controls, is controlled by or is under common~~
 20 ~~control with a specified person.~~

21 ~~"Applicant." A person who, on his own behalf or on behalf of~~
 22 ~~another, applies for permission to engage in an act or activity~~
 23 ~~that is regulated under the provisions of this part.~~

24 ~~"Associated equipment." Equipment or a mechanical,~~
 25 ~~electromechanical or electronic contrivance, component or~~
 26 ~~machine used in connection with video gaming terminals or~~
 27 ~~redemption terminals, including replacement parts, hardware and~~
 28 ~~software.~~

29 ~~"Background investigation." A security, criminal, credit and~~
 30 ~~suitability investigation of a person as provided for in this~~

1 ~~part that includes the status of taxes owed to the United~~
2 ~~States, the Commonwealth and its political subdivisions. All~~
3 ~~costs associated with a background investigation, except for a~~
4 ~~background investigation conducted on an establishment license~~
5 ~~applicant, shall be paid by the applicant and shall be in~~
6 ~~addition to the application fee in section 4101 (relating to~~
7 ~~fees).~~

8 ~~"Board." The Pennsylvania Gaming Control Board established~~
9 ~~under section 1201 (relating to Pennsylvania Gaming Control~~
10 ~~Board established).~~

11 ~~"Bowling center establishment." A premises that is open to~~
12 ~~the public, has no less than 16 lanes for the game of bowling~~
13 ~~and has been in existence for at least five years prior to being~~
14 ~~eligible for receiving an establishment licensed under this~~
15 ~~part.~~

16 ~~"Bureau." The Bureau of Investigations and Enforcement of~~
17 ~~the board.~~

18 ~~"Cash." United States currency and coin.~~

19 ~~"Cash equivalent." A ticket, token, chip, card or other~~
20 ~~similar instrument or representation of value that the board~~
21 ~~deems a cash equivalent in accordance with this part.~~

22 ~~"Central control computer." A central site computer~~
23 ~~controlled by the department and accessible by the board to~~
24 ~~which all video gaming terminals communicate for the purpose of~~
25 ~~auditing capacity, real time information retrieval of the~~
26 ~~details of any financial event that occurs in the operation of a~~
27 ~~video gaming terminal or redemption terminal, including, but not~~
28 ~~limited to, coin in, coin out, ticket in, ticket out, jackpots,~~
29 ~~video gaming terminal and redemption terminal door openings and~~
30 ~~power failure and remote video gaming terminal or redemption~~

1 ~~terminal activation and disabling of video gaming terminals or~~
2 ~~redemption terminals.~~

3 "Cheat."

4 ~~(1) Any of the following:~~

5 ~~(i) To defraud or steal from a player, terminal~~
6 ~~operator licensee, establishment licensee or the~~
7 ~~Commonwealth while operating or playing a video gaming~~
8 ~~terminal, including causing, aiding, abetting or~~
9 ~~conspiring with another person to do so.~~

10 ~~(ii) To alter or causing, aiding, abetting or~~
11 ~~conspiring with another person to alter the elements of~~
12 ~~chance, method of selection or criteria that determine:~~

13 ~~(A) The result of a video gaming terminal game.~~

14 ~~(B) The amount or frequency of payment in a~~
15 ~~video gaming terminal game.~~

16 ~~(C) The value of a wagering instrument.~~

17 ~~(D) The value of a wagering credit.~~

18 ~~(iii) The term does not include altering a video~~
19 ~~gaming terminal or associated equipment for maintenance~~
20 ~~or repair with the approval of a terminal operator~~
21 ~~licensee.~~

22 "Cheating or thieving device." A device:

23 ~~(1) used or possessed with the intent to be used to~~
24 ~~cheat during the operation or play of a video gaming~~
25 ~~terminal; or~~

26 ~~(2) used to alter a video gaming terminal without the~~
27 ~~terminal operator licensee's approval.~~

28 "City of the First Class Enforcement Fund." The fund
29 established in section 4107 (relating to City of the First Class
30 Enforcement Fund).

1 ~~"Coin operated amusement game." A machine that requires the~~
2 ~~insertion of a coin, currency or token to play or activate a~~
3 ~~game the outcome of which is predominantly and primarily~~
4 ~~determined by the skill of the player.~~

5 ~~"Compensation." Anything of value, money or a financial~~
6 ~~benefit conferred on or received by a person in return for~~
7 ~~services rendered or to be rendered whether by the person or~~
8 ~~another.~~

9 ~~"Complimentary service." A lodging, service or item that is~~
10 ~~provided to an individual at no cost or at a reduced cost that~~
11 ~~is not generally available to the public under similar~~
12 ~~circumstances. Group rates, including convention and government~~
13 ~~rates, shall be deemed to be generally available to the public.~~

14 ~~"Conduct of video gaming." The licensed placement, operation~~
15 ~~and play of video gaming terminals under this part, as~~
16 ~~authorized and approved by the board.~~

17 ~~"Controlling interest." Any of the following:~~

18 ~~(1) For a publicly traded domestic or foreign~~
19 ~~corporation, the term means a person has a controlling~~
20 ~~interest in a legal entity, applicant or licensee if a~~
21 ~~person's sole voting rights under State law or corporate~~
22 ~~articles or bylaws entitle the person to elect or appoint one~~
23 ~~or more of the members of the board of directors or other~~
24 ~~governing board or the person holds an ownership or~~
25 ~~beneficial holding of 5% or more of the securities of the~~
26 ~~publicly traded corporation, partnership, limited liability~~
27 ~~company or other form of publicly traded legal entity, unless~~
28 ~~this presumption of control or ability to elect is rebutted~~
29 ~~by clear and convincing evidence.~~

30 ~~(2) For a privately held domestic or foreign~~

1 ~~corporation, partnership, limited liability company or other~~
2 ~~form of privately held legal entity, the term means the~~
3 ~~holding of any securities in the legal entity, unless this~~
4 ~~presumption of control is rebutted by clear and convincing~~
5 ~~evidence.~~

6 ~~"Conviction." A finding of guilt or a plea of guilty or nolo~~
7 ~~contendere, whether or not a judgment of sentence has been~~
8 ~~imposed as determined by the law of the jurisdiction in which~~
9 ~~the prosecution was held. The term does not include a conviction~~
10 ~~that has been expunged or overturned or for which an individual~~
11 ~~has been pardoned or had an order of Accelerated Rehabilitative~~
12 ~~Disposition entered.~~

13 ~~"Corporation." The term includes a publicly traded~~
14 ~~corporation.~~

15 ~~"Department." The Department of Revenue of the Commonwealth.~~

16 ~~"Establishment." A liquor establishment or truck stop~~
17 ~~establishment.~~

18 ~~"Establishment license." A license issued by the board~~
19 ~~authorizing an establishment to permit a terminal operator~~
20 ~~licensee to place and operate video gaming terminals on the~~
21 ~~establishment's premises pursuant to this part and the rules and~~
22 ~~regulations promulgated under this part.~~

23 ~~"Establishment licensee." An establishment that holds an~~
24 ~~establishment license.~~

25 ~~"Executive level public employee." The term shall include~~
26 ~~the following:~~

27 ~~(1) A deputy secretary of the Commonwealth and the~~
28 ~~Governor's Office executive staff.~~

29 ~~(2) An employee of the executive branch whose duties~~
30 ~~substantially involve licensing or enforcement under this~~

~~part, who has discretionary power that may affect or influence the outcome of a Commonwealth agency's action or decision or who is involved in the development of regulations or policies relating to a licensed entity. The term includes an employee with law enforcement authority.~~

~~(3) An employee of a county or municipality with discretionary powers that may affect or influence the outcome of the county's or municipality's action or decision related to this part or who is involved in the development of law, regulation or policy relating to matters regulated under this part. The term includes an employee with law enforcement authority.~~

~~(4) An employee of a department, agency, board, commission, authority or other governmental body not included in paragraph (1), (2) or (3) with discretionary power that may affect or influence the outcome of the governmental body's action or decision related to this part or who is involved in the development of regulation or policy relating to matters regulated under this part. The term includes an employee with law enforcement authority.~~

~~"Financial backer." An investor, mortgagee, bondholder, noteholder or other sources of equity or capital provided to an applicant or licensed entity.~~

~~"Fire Company and Emergency Responder Grant Fund." The fund established in section 4106 (relating to Fire Company and Emergency Responder Grant Fund).~~

~~"Gambling game." A game that plays or simulates the play of video poker, bingo, keno, reel games, blackjack or other similar game authorized by the board.~~

~~"Gaming employee."~~

1 ~~(1) Any of the following:~~

2 ~~(i) An employee of a terminal operator licensee or~~
3 ~~supplier licensee that is not a key employee but has~~
4 ~~direct contact with establishment licensees or is~~
5 ~~otherwise involved in the conduct of video gaming.~~

6 ~~(ii) An employee of a supplier licensee whose duties~~
7 ~~are directly involved with the repair or distribution of~~
8 ~~video gaming terminals or associated equipment sold or~~
9 ~~provided to a terminal operator licensee within this~~
10 ~~Commonwealth as determined by the board.~~

11 ~~(2) The term does not include nongaming personnel as~~
12 ~~determined by the board or an employee of an establishment~~
13 ~~licensee.~~

14 ~~"Gaming school." An educational institution approved by the~~
15 ~~Department of Education as an accredited college or university,~~
16 ~~community college, Pennsylvania private licensed school or its~~
17 ~~equivalent and whose curriculum guidelines are approved by the~~
18 ~~Department of Labor and Industry to provide education and job~~
19 ~~training related to employment opportunities associated with~~
20 ~~video gaming terminals and associated equipment maintenance and~~
21 ~~repair.~~

22 ~~"Gaming service provider." A person that is not required to~~
23 ~~be licensed as a terminal operator, manufacturer, supplier or~~
24 ~~establishment licensee and provides goods or services to a~~
25 ~~terminal operator licensee that directly relates to the~~
26 ~~operation and security of a video gaming terminal or redemption~~
27 ~~terminal. The term shall not include a person that supplies~~
28 ~~goods or services that, at the discretion of the board, does not~~
29 ~~impact the integrity of video gaming, video gaming terminals or~~
30 ~~the connection of video gaming terminals to the central control~~

1 ~~computer system, including:~~

2 ~~(1) Seating to accompany video gaming terminals.~~

3 ~~(2) Structural or cosmetic renovations, improvements or~~
4 ~~other alterations to a video gaming area.~~

5 ~~"Gross terminal revenue." The total of cash or cash~~
6 ~~equivalents received by a video gaming terminal minus the total~~
7 ~~of cash or cash equivalents paid out to players as a result of~~
8 ~~playing a video gaming terminal. The term does not include~~
9 ~~counterfeit cash or cash taken in a fraudulent act perpetrated~~
10 ~~against a terminal operator licensee for which the terminal~~
11 ~~operator licensee is not reimbursed.~~

12 ~~"Holding company." A person, other than an individual,~~
13 ~~which, directly or indirectly, owns or has the power or right to~~
14 ~~control or to vote a significant part of the outstanding voting~~
15 ~~securities of a corporation or other form of business~~
16 ~~organization. A holding company indirectly has, holds or owns~~
17 ~~any such power, right or security if it does so through an~~
18 ~~interest in a subsidiary or successive subsidiaries.~~

19 ~~"Incentive." Consideration, including a promotion or prize,~~
20 ~~provided to a player or potential player as an enticement to~~
21 ~~play a video gaming terminal. The term shall not include~~
22 ~~consideration, promotions, prizes or complimentary play provided~~
23 ~~to a player or potential player through a customer loyalty or~~
24 ~~rewards card program approved by the board.~~

25 ~~"Inducement."~~

26 ~~(1) Any of the following:~~

27 ~~(i) Consideration paid directly or indirectly, from~~
28 ~~a manufacturer, supplier, terminal operator, procurement~~
29 ~~agent, gaming employee, employee or another person on~~
30 ~~behalf of an applicant or licensee, to an establishment,~~

1 ~~establishment licensee, establishment licensee owner or~~
2 ~~an employee of the establishment licensee, directly or~~
3 ~~indirectly as an enticement to solicit or maintain the~~
4 ~~establishment licensee or establishment licensee owner's~~
5 ~~business.~~

6 ~~(ii) Cash, incentive, marketing and advertising~~
7 ~~cost, gift, food, beverage, loan, prepayment of gross~~
8 ~~terminal revenue and other contribution or payment that~~
9 ~~offsets an establishment licensee's operational costs, or~~
10 ~~as otherwise determined by the board.~~

11 ~~(2) The term shall not include costs paid by a terminal~~
12 ~~operator applicant or licensee related to:~~

13 ~~(i) Structural changes necessary to segregate the~~
14 ~~video gaming area or maintain the security of video~~
15 ~~gaming terminals and redemption terminals as required by~~
16 ~~the board that do not exceed \$2,500, provided, however~~
17 ~~that any changes in excess of \$2,500 may be shared~~
18 ~~equally between the terminal applicant or licensee and~~
19 ~~the establishment applicant or licensee.~~

20 ~~(ii) Surveillance technology to monitor only the~~
21 ~~video gaming area.~~

22 ~~(iii) Making video gaming terminals operate at a~~
23 ~~licensed establishment, including wiring and rewiring,~~
24 ~~software updates, ongoing video gaming terminal~~
25 ~~maintenance, redemption terminals, network connections,~~
26 ~~site controllers and costs associated with communicating~~
27 ~~with the central control computer system.~~

28 ~~(iv) Installation of security and alarm system at an~~
29 ~~establishment licensee's premises that are reasonably~~
30 ~~necessary to protect video gaming terminals and~~

~~redemption terminals outside normal business hours,
provided that the cost does not exceed \$1,000.~~

~~(v) Any requirement established by the board
regarding minimum standards for a video gaming area.~~

~~(vi) Any cosmetic renovations or improvements within
a video gaming area that are reasonably necessary, as
determined by the board.~~

~~(vii) Fees established by the board to cover costs
associated with the mandatory employee training program
established under section 3706 (relating to compulsive
and problem gambling).~~

~~"Institutional investor." A retirement fund administered by
a public agency for the exclusive benefit of Federal, State or
local public employees, investment company registered under the
Investment Company Act of 1940 (54 Stat. 789, 15 U.S.C. § 80a 1
et seq.), collective investment trust organized by banks under
Part Nine of the Rules of the Comptroller of the Currency,
closed end investment trust, chartered or licensed life
insurance company or property and casualty insurance company,
banking and other chartered or licensed lending institution,
investment advisor registered under The Investment Advisers Act
of 1940 (54 Stat. 847, 15 U.S.C. § 80b 1 et seq.) and such other
person as the board may determine consistent with this part.~~

~~"Intermediary." A person, other than an individual, that:~~

~~(1) is a holding company with respect to a corporation
or other form of business organization, that holds or applies
for a license under this part; and~~

~~(2) is a subsidiary with respect to a holding company.~~

~~"Key employee." An individual employed by a manufacturer
licensee, supplier licensee, terminal operator licensee or~~

~~1 establishment licensee that is determined by the board to be a~~
~~2 director or department head or otherwise empowered to make~~
~~3 discretionary decisions that regulate the conduct of video~~
~~4 gaming.~~

~~5 "Law enforcement authority." The power to conduct~~
~~6 investigations of or to make arrests for criminal offenses.~~

~~7 "Licensed entity." A terminal operator licensee,~~
~~8 establishment licensee, manufacturer licensee or supplier~~
~~9 licensee.~~

~~10 "Licensed entity representative." A person, including an~~
~~11 attorney, agent or lobbyist, acting on behalf of or authorized~~
~~12 to represent the interest of an applicant, licensee or other~~
~~13 person authorized by the board to engage in an act or activity~~
~~14 that is regulated under this part regarding a matter before or~~
~~15 that may reasonably be expected to come before the board.~~

~~16 "Licensed facility." As defined in section 1103 (relating to~~
~~17 definitions).~~

~~18 "Licensed gaming entity." As defined in section 1103.~~

~~19 "Liquor establishment." A person that operates under a valid~~
~~20 liquor license. The term excludes:~~

~~21 (1) A person who operates under a liquor license and the~~
~~22 person's licensed premises is located within a licensed~~
~~23 facility.~~

~~24 (2) A person who operates under a liquor license and the~~
~~25 person's licensed premises has an interior connection to an~~
~~26 unlicensed business that is not a bowling center~~
~~27 establishment.~~

~~28 (3) A nonprimary location.~~

~~29 "Liquor license." Any of the following licenses issued by~~
~~30 the Pennsylvania Liquor Control Board under Article IV of the~~

1 ~~act of April 12, 1951 (P.L.90, No.21), known as the Liquor Code:~~

2 ~~(1) Catering club.~~

3 ~~(2) Club liquor.~~

4 ~~(3) Club retail dispenser.~~

5 ~~(4) Eating place retail dispenser.~~

6 ~~(5) Hotel liquor.~~

7 ~~(6) Hotel retail dispenser.~~

8 ~~(7) Municipal golf course liquor.~~

9 ~~(8) Municipal golf course retail dispenser.~~

10 ~~(9) Privately owned private golf course club liquor.~~

11 ~~(10) Privately owned private golf course catering club~~
12 ~~liquor.~~

13 ~~(11) Privately owned public golf course retail~~
14 ~~dispenser.~~

15 ~~(12) Privately owned public golf course restaurant~~
16 ~~liquor.~~

17 ~~(13) Restaurant liquor.~~

18 ~~"Manufacturer." A person that manufactures, builds,~~
19 ~~rebuilt, fabricates, assembles, produces, programs, designs or~~
20 ~~otherwise makes modifications to a video gaming terminal,~~
21 ~~redemption terminal or associated equipment for use or play in~~
22 ~~this Commonwealth for gaming purposes and provides such products~~
23 ~~to a supplier.~~

24 ~~"Manufacturer license." A license issued by the board~~
25 ~~authorizing a manufacturer to manufacture or produce video~~
26 ~~gaming terminals, redemption terminals or associated equipment~~
27 ~~for use in this Commonwealth for gaming purposes.~~

28 ~~"Manufacturer licensee." A person that obtains a~~
29 ~~manufacturer license.~~

30 ~~"Municipality." A city, township, borough or incorporated~~

1 ~~town.~~

2 ~~"Non key employee." An individual employed by a terminal~~
3 ~~operator licensee who, unless otherwise designated by the board,~~
4 ~~is not a key employee.~~

5 ~~"Nonprimary location." As defined in 3 Pa.C.S. § 9301.~~

6 ~~"Occupation permit." A permit authorizing an individual to~~
7 ~~be employed or to work as a gaming employee.~~

8 ~~"Party." The bureau or an applicant, licensee, registrant or~~
9 ~~other person appearing of record in any proceeding before the~~
10 ~~board.~~

11 ~~"Permittee." A holder of a permit issued under this part.~~

12 ~~"Person." A natural person, corporation, foundation,~~
13 ~~organization, business trust, estate, limited liability company,~~
14 ~~licensed corporation, trust, partnership, limited liability~~
15 ~~partnership, association or other form of legal business entity.~~

16 ~~"Player." An individual who wagers cash or a cash equivalent~~
17 ~~in the play or operation of a video gaming terminal and the play~~
18 ~~or operation of which may deliver or entitle the individual~~
19 ~~playing or operating the video gaming terminal to receive cash~~
20 ~~or a cash equivalent from a terminal operator licensee.~~

21 ~~"Principal." An officer, director, person who directly holds~~
22 ~~a beneficial interest in or ownership of the securities of an~~
23 ~~applicant or licensee, person who has a controlling interest in~~
24 ~~an applicant or licensee or has the ability to elect a majority~~
25 ~~of the board of directors of a licensee or to otherwise control~~
26 ~~a licensee, lender or other licensed financial institution of an~~
27 ~~applicant or licensee, other than a bank or lending institution~~
28 ~~which makes a loan or holds a mortgage or other lien acquired in~~
29 ~~the ordinary course of business, underwriter of an applicant or~~
30 ~~licensee or other person or employee of an applicant, terminal~~

1 ~~operator licensee, manufacturer licensee or supplier licensee~~
2 ~~deemed to be a principal by the board, including a procurement~~
3 ~~agent.~~

4 ~~"Procurement agent." A person that shares in the gross~~
5 ~~terminal revenue or is otherwise compensated for the purpose of~~
6 ~~soliciting or procuring a terminal placement agreement.~~

7 ~~"Progressive payout." A video game terminal wager payout~~
8 ~~that increases in a monetary amount based on the amounts wagered~~
9 ~~in a progressive system.~~

10 ~~"Progressive system." A computerized system linking video~~
11 ~~game terminals at an establishment licensee and offering one or~~
12 ~~more common progressive payouts based on the amounts wagered.~~

13 ~~"Publicly traded corporation." A person, other than an~~
14 ~~individual, that:~~

15 ~~(1) has a class or series of securities registered under~~
16 ~~the Securities Exchange Act of 1934 (48 Stat. 881, 15 U.S.C.~~
17 ~~§ 78a et seq.);~~

18 ~~(2) is a registered management company under the~~
19 ~~Investment Company Act of 1940; or~~

20 ~~(3) is subject to the reporting obligations imposed by~~
21 ~~section 15(d) of the Securities Exchange Act of 1934 by~~
22 ~~reason of having filed a registration statement that has~~
23 ~~become effective under the Securities Act of 1933 (48 Stat.~~
24 ~~74, 15 U.S.C. § 77a et seq.).~~

25 ~~"Redemption terminal." The collective hardware, software,~~
26 ~~communications technology and other ancillary equipment used to~~
27 ~~facilitate the payment of cash or a cash equivalent to a player~~
28 ~~as a result of playing a video gaming terminal.~~

29 ~~"Security." As defined in the act of December 5, 1972~~
30 ~~(P.L.1280, No.284), known as the Pennsylvania Securities Act of~~

1 ~~1972.~~

2 ~~"Slot machine." As defined in section 1103.~~

3 ~~"State Treasurer." The State Treasurer of the Commonwealth.~~

4 ~~"Supplier." A person that sells, leases, offers or otherwise~~
5 ~~provides, distributes or services any video gaming terminal,~~
6 ~~redemption terminal or associated equipment to a terminal~~
7 ~~operator licensee for use or play in this Commonwealth.~~

8 ~~"Supplier license." A license issued by the board~~
9 ~~authorizing a supplier to provide products or services related~~
10 ~~to video gaming terminals, redemption terminals or associated~~
11 ~~equipment to terminal operator licensees for use in this~~
12 ~~Commonwealth for video gaming.~~

13 ~~"Supplier licensee." A person that holds a supplier license.~~

14 ~~"Terminal operator." A person that owns, services or~~
15 ~~maintains video gaming terminals for placement and operation in~~
16 ~~an establishment licensee.~~

17 ~~"Terminal operator license." A license issued by the board~~
18 ~~authorizing a terminal operator to place and operate video~~
19 ~~gaming terminals in an establishment licensee's premises~~
20 ~~pursuant to this part and the rules and regulations promulgated~~
21 ~~under this part.~~

22 ~~"Terminal operator licensee." A person that holds a terminal~~
23 ~~operator license.~~

24 ~~"Terminal placement agreement." The formal written agreement~~
25 ~~or contract between a terminal operator applicant or licensee~~
26 ~~and an establishment applicant or licensee that establishes the~~
27 ~~terms and conditions regarding the conduct of video gaming.~~

28 ~~"Truck stop establishment." A premises that:~~

29 ~~(1) Is equipped with diesel islands used for fueling~~
30 ~~commercial motor vehicles.~~

1 ~~(2) Has sold on average 50,000 gallons of diesel or~~
2 ~~biodiesel fuel each month for the previous 12 months or is~~
3 ~~projected to sell an average of 50,000 gallons of diesel or~~
4 ~~biodiesel fuel each month for the next 12 months.~~

5 ~~(3) Has parking spaces dedicated for commercial motor~~
6 ~~vehicles.~~

7 ~~(4) Has a convenience store.~~

8 ~~(5) Is situated on a parcel of land of not less than~~
9 ~~three acres that the truck stop establishment owns or leases.~~

10 ~~"Video gaming area." The area of an establishment licensee's~~
11 ~~premises where video gaming terminals are installed for~~
12 ~~operation and play.~~

13 ~~"Video gaming employees." The term includes key employees~~
14 ~~and non key employees.~~

15 ~~"Video Gaming Fund." The fund established in section 4102~~
16 ~~(relating to taxes and assessments).~~

17 ~~"Video gaming terminal."~~

18 ~~(1) A mechanical or electrical contrivance, terminal,~~
19 ~~machine or other device approved by the board that, upon~~
20 ~~insertion of cash or cash equivalents, is available to play~~
21 ~~or operate one or more gambling games, the play of which~~
22 ~~utilizes a random number generator and:~~

23 ~~(i) May award a winning player either a free game or~~
24 ~~credit that shall only be redeemable for cash or cash~~
25 ~~equivalents at a redemption terminal.~~

26 ~~(ii) May utilize video displays.~~

27 ~~(iii) May use an electronic credit system for~~
28 ~~receiving wagers and making payouts that are only~~
29 ~~redeemable at a redemption terminal.~~

30 ~~(2) Associated equipment necessary to conduct the~~

~~operation of the contrivance, terminal, machine or other device.~~

~~(3) The term does not include a slot machine operated at a licensed facility in accordance with Part II (relating to gaming) or a coin-operated amusement game.~~

CHAPTER 33

ADMINISTRATION

Sec.

~~3301. Powers of board.~~

~~3302. Regulatory authority of board.~~

~~3303. Temporary regulations.~~

~~3304. Appeals.~~

~~3305. Records and confidentiality of information.~~

~~3306. Reporting.~~

~~3307. Diversity.~~

~~3308. Authority of department.~~

~~3309. Central control computer system.~~

~~3310. Department of Drug and Alcohol Programs.~~

~~§ 3301. Powers of board.~~

~~(a) General powers.~~

~~(1) The board shall have general and sole regulatory authority over the conduct of video gaming terminal or related activities as described in this part. The board shall ensure the integrity of the acquisition and operation of video gaming terminals, redemption terminals and associated equipment and shall have sole regulatory authority over every aspect of the conduct of video gaming.~~

~~(2) The board may employ individuals as necessary to carry out the requirements of this part who shall serve at the board's pleasure.~~

1 ~~(b) Specific powers. The board shall have the power and~~
2 ~~duty:~~

3 ~~(1) To require background investigations on applicants,~~
4 ~~licensees, principals, key employees, procurement agents or~~
5 ~~gaming employees under the jurisdiction of the board.~~

6 ~~(2) At its discretion, to issue, approve, renew, revoke,~~
7 ~~suspend, condition or deny issuance or renewal of terminal~~
8 ~~operator licenses.~~

9 ~~(3) At its discretion, to award, revoke, suspend,~~
10 ~~condition or deny issuance or renewal of establishment~~
11 ~~licenses.~~

12 ~~(4) At its discretion, to issue, approve, renew, revoke,~~
13 ~~suspend, condition or deny issuance or renewal of supplier~~
14 ~~and manufacturer licenses.~~

15 ~~(5) At its discretion, to issue, approve, renew, revoke,~~
16 ~~suspend, condition or deny issuance or renewal of a license~~
17 ~~or permit for various classes of employees as required under~~
18 ~~this part.~~

19 ~~(6) At its discretion, to issue, approve, renew, revoke,~~
20 ~~suspend, condition or deny issuance or renewal of additional~~
21 ~~licenses or permits that may be required by the board under~~
22 ~~this part.~~

23 ~~(7) At its discretion, to suspend, condition or deny the~~
24 ~~issuance or renewal of a license or permit or levy a fine or~~
25 ~~other sanction for a violation of this part.~~

26 ~~(8) To require prospective and existing video gaming~~
27 ~~employees, independent contractors, applicants, permittees~~
28 ~~and licensees to submit to fingerprinting by the Pennsylvania~~
29 ~~State Police or its authorized designee. The Pennsylvania~~
30 ~~State Police or its authorized designee shall submit the~~

1 ~~fingerprints to the Federal Bureau of Investigation for~~
2 ~~purposes of verifying the identity of the individual and~~
3 ~~obtaining records of criminal arrests and convictions.~~

4 ~~(9) To require prospective and existing video gaming~~
5 ~~employees, independent contractors, applicants, permittees~~
6 ~~and licensees to submit photographs consistent with a~~
7 ~~statement of policy developed by the board.~~

8 ~~(10) In addition to the power of the board relating to~~
9 ~~license and permit applicants, to determine at its discretion~~
10 ~~the suitability of a person who furnishes or seeks to furnish~~
11 ~~to a terminal operator licensee directly or indirectly goods,~~
12 ~~services or property related to video gaming terminals,~~
13 ~~redemption terminals or associated equipment.~~

14 ~~(11) To approve an application for or issue or renew a~~
15 ~~license, certificate, registration or permit if the board is~~
16 ~~satisfied that the person has demonstrated by clear and~~
17 ~~convincing evidence that the person is of good character,~~
18 ~~honesty and integrity whose prior activities, criminal~~
19 ~~record, if any, reputation, habits and associations do not~~
20 ~~pose a threat to the public interest or the effective~~
21 ~~regulation and control of video gaming terminal operations or~~
22 ~~create or enhance the danger of unsuitable, unfair or illegal~~
23 ~~practices, methods and activities in the conduct of video~~
24 ~~gaming or the carrying on of the business and financial~~
25 ~~arrangements incidental thereto.~~

26 ~~(12) To publish on the board's publicly accessible~~
27 ~~Internet website a complete list of persons or entities who~~
28 ~~applied for or held a terminal operator license,~~
29 ~~establishment license, manufacturer license or supplier~~
30 ~~license at any time during the preceding calendar year and~~

1 ~~affiliates, intermediaries, subsidiaries and holding~~
2 ~~companies thereof and the status of the application or~~
3 ~~license.~~

4 ~~(13) To prepare and, through the Governor, submit~~
5 ~~annually to the General Assembly an itemized budget~~
6 ~~consistent with Article VI of the act of April 9, 1929~~
7 ~~(P.L.177, No.175), known as The Administrative Code of 1929,~~
8 ~~consisting of the amounts necessary to be appropriated by the~~
9 ~~General Assembly out of the accounts established under~~
10 ~~section 4104 (relating to regulatory assessments) required to~~
11 ~~meet the obligations under this part accruing during the~~
12 ~~fiscal period beginning July 1 of the following year.~~

13 ~~(14) In the event that appropriations for the~~
14 ~~administration of this part are not enacted by June 30 of any~~
15 ~~year, funds appropriated for the administration of this part~~
16 ~~which are unexpended, uncommitted and unencumbered at the end~~
17 ~~of a fiscal year shall remain available for expenditure by~~
18 ~~the board or other agency to which they were appropriated~~
19 ~~until the enactment of an appropriation for the ensuing~~
20 ~~fiscal year.~~

21 ~~(15) To collect and post information on the board's~~
22 ~~publicly accessible Internet website with sufficient detail~~
23 ~~to inform the public of persons with a controlling interest~~
24 ~~or ownership interest in an applicant for a terminal operator~~
25 ~~license or terminal operator licensee or affiliate,~~
26 ~~intermediary, subsidiary or holding company of an applicant~~
27 ~~for a terminal operator license. The posting shall include:~~

28 ~~(i) If the applicant for a terminal operator license~~
29 ~~or terminal operator licensee or an affiliate,~~
30 ~~intermediary, subsidiary or holding company of the~~

~~applicant for a terminal operator license or terminal operator licensee is a publicly traded domestic or foreign corporation, partnership, limited liability company or other legal entity, the names of persons with a controlling interest.~~

~~(ii) If the applicant for a terminal operator license or terminal operator licensee or an affiliate, intermediary, subsidiary or holding company of the applicant for a terminal operator license or terminal operator licensee is a privately held domestic or foreign corporation, partnership, limited liability company or other legal entity, the names of all persons with an ownership interest equal to or greater than 1%.~~

~~(iii) The name of a person entitled to cast the vote of a person named under subparagraph (i) or (ii).~~

~~(iv) The names of officers, directors and principals of the applicant for a terminal operator license or terminal operator licensee.~~

~~(16) Determine, designate and classify employees of a terminal operator licensee as key employees and non key employees.~~

~~§ 3302. Regulatory authority of board.~~

~~(a) General rule. The board shall have the power and duty:~~

~~(1) To deny, deny the renewal, revoke, condition or suspend a license provided for in this part if the board finds in its sole discretion that a licensee under this part or its officers, employees or agents have intentionally furnished false or misleading information to the board or failed to comply with the provisions of this part or the rules and regulations of the board and that it would be in~~

1 ~~the public interest to deny, deny the renewal, revoke,~~
2 ~~condition or suspend the license.~~

3 ~~(2) To restrict access to confidential information in~~
4 ~~the possession of the board that has been obtained under this~~
5 ~~part and ensure that the confidentiality of information is~~
6 ~~maintained and protected.~~

7 ~~(3) To prescribe and require periodic financial~~
8 ~~reporting and internal control requirements for terminal~~
9 ~~operator licensees.~~

10 ~~(4) To require that each terminal operator licensee~~
11 ~~provide to the board its annual financial statements, with~~
12 ~~such additional detail as the board shall require, which~~
13 ~~shall be submitted not later than 180 days after the end of~~
14 ~~the licensee's fiscal year.~~

15 ~~(5) To prescribe the procedures to be followed by~~
16 ~~terminal operator licensees for a financial event that occurs~~
17 ~~in the operation and play of video gaming terminals.~~

18 ~~(6) To require that each establishment licensee~~
19 ~~prohibits minors from operating or using video gaming~~
20 ~~terminals or redemption terminals.~~

21 ~~(7) To establish procedures for the inspection and~~
22 ~~certification of compliance of video gaming terminals,~~
23 ~~redemption terminals and associated equipment prior to being~~
24 ~~placed into use by a terminal operator licensee.~~

25 ~~(8) To require that no video gaming terminal may be set~~
26 ~~to pay out less than the theoretical payout percentage, which~~
27 ~~percentage shall be no less than 85%, as specifically~~
28 ~~approved by the board. The board shall adopt regulations that~~
29 ~~define the theoretical payout percentage of a video gaming~~
30 ~~terminal game based on the total value of the jackpots~~

1 ~~expected to be paid by a play on a video gaming terminal game~~
2 ~~divided by the total value of video gaming terminals wagers~~
3 ~~expected to be made on that play or video gaming terminal~~
4 ~~game during the same portion of the game cycle. In so doing,~~
5 ~~the board shall specify whether the calculation includes a~~
6 ~~portion of or the entire cycle of a video gaming terminal~~
7 ~~game.~~

8 ~~(9) To require that an establishment license applicant~~
9 ~~provide detailed site plans of its proposed video gaming area~~
10 ~~for review and approval by the board for the purpose of~~
11 ~~determining the adequacy of the proposed security and~~
12 ~~surveillance measures. The applicant shall cooperate with the~~
13 ~~board in making changes to the plans suggested by the board~~
14 ~~and shall ensure that the plans as modified and approved are~~
15 ~~implemented. The board may not require a floor to ceiling~~
16 ~~wall to segregate the video gaming area, but may adopt rules~~
17 ~~to establish segregation requirements.~~

18 ~~(10) To promulgate rules and regulations governing the~~
19 ~~advertisement of video gaming terminals, provided that the~~
20 ~~board shall require all advertisements to display or~~
21 ~~reference the toll free problem gambling telephone number~~
22 ~~maintained by the Department of Drug and Alcohol Programs~~
23 ~~under section 3310(b) (relating to duties of Department of~~
24 ~~Drug and Alcohol Programs).~~

25 ~~(11) To enter into contracts with persons for the~~
26 ~~purposes of carrying out the powers and duties of the board~~
27 ~~under this part.~~

28 ~~(12) To adopt regulations governing the postemployment~~
29 ~~limitations and restrictions applicable to members and~~
30 ~~employees of the board subject to section 4302 (relating to~~

1 ~~additional board restrictions). In developing the~~
2 ~~regulations, the board may consult with the State Ethics~~
3 ~~Commission, governmental agencies and the disciplinary board~~
4 ~~of the Supreme Court regarding postemployment limitations and~~
5 ~~restrictions on members and employees of the board who are~~
6 ~~members of the Pennsylvania Bar.~~

7 ~~(13) To review and approve all cash handling policies~~
8 ~~and procedures employed by terminal operator licensees.~~

9 ~~(14) To promulgate rules and regulations governing the~~
10 ~~placement of automated teller machines within video gaming~~
11 ~~areas.~~

12 ~~(15) To establish reasonable age verification procedures~~
13 ~~for establishment licensees and their employees to ensure~~
14 ~~minors do not access a video gaming area or terminal,~~
15 ~~provided that the board may not require video gaming~~
16 ~~terminals to be equipped with identification card reading~~
17 ~~devices or require establishment licensees to purchase~~
18 ~~identification card reading devices.~~

19 ~~(16) To promulgate rules and regulations governing~~
20 ~~player loyalty or rewards card programs.~~

21 ~~(17) To promulgate rules and regulations governing the~~
22 ~~interconnection of video gaming terminals with a single~~
23 ~~establishment for a progressive system.~~

24 ~~(18) To promulgate rules and regulations necessary for~~
25 ~~the administration and enforcement of this part.~~

26 ~~(19) To limit the total number of video gaming terminals~~
27 ~~in operation within this Commonwealth as follows:~~

28 ~~(i) No more than 30,000 video gaming terminals by~~
29 ~~December 31, 2018.~~

30 ~~(ii) No more than 35,000 video gaming terminals by~~

~~December 31, 2019.~~

~~(iii) No more than 40,000 video gaming terminals by
December 31, 2020, and thereafter.~~

~~(b) Applicable law. Except as provided in section 3303
(relating to temporary regulations), regulations shall be
adopted the act of July 31, 1968 (P.L.769, No.240), referred to
as the Commonwealth Documents Law, and the act of June 25, 1982
(P.L.633, No.181), known as the Regulatory Review Act.~~

~~§ 3303. Temporary regulations.~~

~~(a) Promulgation. In order to facilitate the prompt
implementation of this part, regulations promulgated by the
board shall be deemed temporary regulations which shall expire
no later than three years following the effective date of this
section. The board may promulgate temporary regulations not
subject to:~~

~~(1) Sections 201, 202, 203 and 205 of the act of July
31, 1968 (P.L.769, No.240), referred to as the Commonwealth
Documents Law.~~

~~(2) Section 204(b) of the act of October 15, 1980
(P.L.950, No.164), known as the Commonwealth Attorneys Act.~~

~~(3) The act of June 25, 1982 (P.L.633, No.181), known as
the Regulatory Review Act.~~

~~(b) Expiration. Except for temporary regulations related to
security and surveillance, the authority provided to the board
to adopt temporary regulations in subsection (a) shall expire
July 1, 2020. Regulations adopted after that date shall be
promulgated as provided by law.~~

~~(c) Special consideration. When promulgating temporary
regulations regarding the application, background investigation
and renewal process for an establishment license or regulations~~

~~1 regarding an establishment licensee's duties and
2 responsibilities regarding the conduct of video gaming under
3 this part, the board shall consider promulgating regulations
4 that minimize the regulatory burden on establishment licensees
5 and establishment license applicants to the extent that:~~

~~6 (1) All requirements, duties and responsibilities are
7 fulfilled under this part.~~

~~8 (2) The temporary regulations adequately protect the
9 public interest and integrity of video gaming.~~

~~10 § 3304. Appeals.~~

~~11 An applicant or licensee may appeal a final order,
12 determination or decision of the board involving the approval,
13 issuance, denial, revocation, nonrenewal, suspension or
14 conditioning, including any disciplinary actions, of a license,
15 permit or authorization under this part in accordance with 2
16 Pa.C.S. Chs. 5 Subch. A (relating to practice and procedure of
17 Commonwealth agencies) and 7 Subch. A (relating to judicial
18 review of Commonwealth agency action).~~

~~19 § 3305. Records and confidentiality of information.~~

~~20 (a) Records. The board shall maintain files and records
21 deemed necessary for the administration and enforcement of this
22 part.~~

~~23 (b) Confidentiality of information.~~

~~24 (1) The following information submitted by an applicant
25 or licensee under Chapter 35 (relating to application and
26 licensure) or obtained by the board or the bureau as part of
27 a background or other investigation from any source shall be
28 confidential and withheld from public disclosure:~~

~~29 (i) Information relating to character, honesty and
30 integrity, including family, habits, reputation, history~~

1 ~~of criminal activity, business activities, financial~~
2 ~~affairs and business, professional and personal~~
3 ~~associations submitted to or otherwise obtained by the~~
4 ~~board or the bureau.~~

5 ~~(ii) Nonpublic personal information, including home~~
6 ~~addresses, telephone numbers and other personal contact~~
7 ~~information, Social Security numbers, educational~~
8 ~~records, memberships, medical records, tax returns and~~
9 ~~declarations, actual or proposed compensation, financial~~
10 ~~account records, creditworthiness or financial condition~~
11 ~~relating to an applicant or licensee or the immediate~~
12 ~~family thereof.~~

13 ~~(iii) Information relating to proprietary~~
14 ~~information, trade secrets, patents or exclusive~~
15 ~~licenses, architectural and engineering plans and~~
16 ~~information relating to competitive marketing materials~~
17 ~~and strategies, including customer identifying~~
18 ~~information or customer prospects for services subject to~~
19 ~~competition.~~

20 ~~(iv) Security information, including risk prevention~~
21 ~~plans, detection and countermeasures, location of count~~
22 ~~rooms, emergency management plans, security and~~
23 ~~surveillance plans, equipment and usage protocols and~~
24 ~~theft and fraud prevention plans and countermeasures.~~

25 ~~(v) Information with respect to which there is a~~
26 ~~reasonable possibility that public release or inspection~~
27 ~~of the information would constitute an unwarranted~~
28 ~~invasion into personal privacy of an individual as~~
29 ~~determined by the board.~~

30 ~~(vi) Records of an applicant or licensee not~~

1 ~~required to be filed with the Securities and Exchange~~
2 ~~Commission by issuers that either have securities~~
3 ~~registered under section 12 of the Securities Exchange~~
4 ~~Act of 1934 (48 Stat. 881, 15 U.S.C. § 781) or are~~
5 ~~required to file reports under section 15(d) of the~~
6 ~~Securities Exchange Act of 1934 (48 Stat. 881, 15 U.S.C.~~
7 ~~§ 78o).~~

8 ~~(vii) Records considered nonpublic matters or~~
9 ~~information by the Securities and Exchange Commission as~~
10 ~~provided by 17 CFR 200.80 (relating to commission records~~
11 ~~and information).~~

12 ~~(viii) Financial information provided to the board~~
13 ~~by an applicant or licensee.~~

14 ~~(2) No claim of confidentiality may be made regarding~~
15 ~~criminal history record information that is available to the~~
16 ~~public under 18 Pa.C.S. § 9121(b) (relating to general~~
17 ~~regulations).~~

18 ~~(3) No claim of confidentiality may be made regarding a~~
19 ~~record in possession of the board that is otherwise publicly~~
20 ~~available from a Commonwealth agency, local agency or another~~
21 ~~jurisdiction.~~

22 ~~(4) Except as provided in section 3904(h) (relating to~~
23 ~~investigations and enforcement), the information made~~
24 ~~confidential under this section shall be withheld from public~~
25 ~~disclosure in whole or in part, except that confidential~~
26 ~~information shall be released upon the order of a court of~~
27 ~~competent jurisdiction or, with the approval of the Attorney~~
28 ~~General, to a duly authorized law enforcement agency or shall~~
29 ~~be released to the public, in whole or in part, to the extent~~
30 ~~that the release is requested by an applicant or licensee and~~

1 ~~does not otherwise contain confidential information about~~
2 ~~another person.~~

3 ~~(5) The board may seek a voluntary waiver of~~
4 ~~confidentiality from an applicant or licensee but may not~~
5 ~~require an applicant or licensee to waive the confidentiality~~
6 ~~provided under this subsection as a condition for the~~
7 ~~approval of an application, renewal of a license or other~~
8 ~~action of the board.~~

9 ~~(6) (i) No current or former member and no current or~~
10 ~~former employee, agent or independent contractor of the~~
11 ~~board, the department, the Pennsylvania State Police, the~~
12 ~~Office of Attorney General or other executive branch~~
13 ~~office who has obtained confidential information in the~~
14 ~~performance of duties under this part shall intentionally~~
15 ~~and publicly disclose the information to a person,~~
16 ~~knowing that the information being disclosed is~~
17 ~~confidential under this subsection, unless the person is~~
18 ~~authorized by law to receive it.~~

19 ~~(ii) A violation of this subsection shall constitute~~
20 ~~a misdemeanor of the third degree.~~

21 ~~(iii) In addition to any penalty under subparagraph~~
22 ~~(ii), an employee, agent or independent contractor who~~
23 ~~violates this subsection shall be administratively~~
24 ~~disciplined by discharge, suspension, termination of~~
25 ~~contract or other formal disciplinary action as~~
26 ~~appropriate. If a current member violates this paragraph,~~
27 ~~the other members shall refer the matter to the current~~
28 ~~member's appointing authority.~~

29 ~~(c) Notice. Notice of the contents of information, except~~
30 ~~to a duly authorized law enforcement agency pursuant to this~~

1 ~~section, shall be given to an applicant or licensee in a manner~~
2 ~~prescribed by the rules and regulations adopted by the board.~~

3 ~~(d) Information held by other agencies. Files, records,~~
4 ~~reports and other information in the possession of the~~
5 ~~department or the Pennsylvania Liquor Control Board pertaining~~
6 ~~to a licensee shall be made available to the board as may be~~
7 ~~necessary to the effective administration of this part.~~

8 ~~§ 3306. Reporting.~~

9 ~~(a) Report by board. Beginning October 1, 2018, and every~~
10 ~~year thereafter, the annual report submitted to the Governor and~~
11 ~~the General Assembly by the board under section 1211 (relating~~
12 ~~to reports of board) shall include information on the conduct of~~
13 ~~video gaming terminals for the previous calendar year:~~

14 ~~(1) Total gross terminal revenue.~~

15 ~~(2) Total number of terminal operator licensees and~~
16 ~~establishment licensees.~~

17 ~~(3) All taxes, fees, fines and other revenue collected~~
18 ~~and, where appropriate, revenue disbursed. The department~~
19 ~~shall collaborate with the board to carry out the~~
20 ~~requirements of this paragraph.~~

21 ~~(4) Other information related to the conduct of video~~
22 ~~gaming terminals that the board deems appropriate.~~

23 ~~(b) Participation. The board may require terminal operator~~
24 ~~licensees to provide information to the board to assist in the~~
25 ~~preparation of the report under subsection (a).~~

26 ~~(c) Report by department. No later than June 1, 2018, and~~
27 ~~each year thereafter until June 1, 2020, the department shall~~
28 ~~provide an annual report to the Governor and the General~~
29 ~~Assembly regarding the impact of legalized video gaming~~
30 ~~terminals on the State Lottery Fund.~~

1 ~~§ 3307. Diversity.~~

2 ~~(a) Intent. It is the intent and goal of the General~~
3 ~~Assembly that the board promote and ensure diversity in all~~
4 ~~aspects of the gaming activities authorized under this part.~~

5 ~~(b) Reports by applicants. An applicant for a terminal~~
6 ~~operator license shall submit a diversity plan to the board. At~~
7 ~~a minimum, the diversity plan shall contain a summary of:~~

8 ~~(1) All employee recruitment and retention efforts~~
9 ~~undertaken to promote the participation of diverse groups in~~
10 ~~employment with the applicant if issued a terminal operator~~
11 ~~license.~~

12 ~~(2) Other information deemed necessary by the board to~~
13 ~~assess the diversity plan.~~

14 ~~(c) Review. The board shall conduct a review of a diversity~~
15 ~~plan. When reviewing the adequacy of a diversity plan, the board~~
16 ~~shall take into consideration the total number of video gaming~~
17 ~~terminals the applicant proposes to operate within the~~
18 ~~Commonwealth.~~

19 ~~(d) Periodic review. Upon an applicant receiving a terminal~~
20 ~~operator license, the board, in its discretion, may periodically~~
21 ~~review the terminal operator licensee's diversity plan and~~
22 ~~recommend changes to the diversity plan.~~

23 ~~(e) Terminal operator responsibility. An applicant for a~~
24 ~~terminal operator license or a terminal operator licensee shall~~
25 ~~provide information as required by the board to enable the board~~
26 ~~to complete the reviews required under subsections (c) and (d).~~

27 ~~§ 3308. Authority of department.~~

28 ~~(a) General rule. The department shall administer and~~
29 ~~collect taxes imposed under this part and interest imposed under~~
30 ~~section 806 of the act of April 9, 1929 (P.L.343, No.176), known~~

1 ~~as The Fiscal Code, and promulgate and enforce rules and~~
2 ~~regulations to carry out its prescribed duties in accordance~~
3 ~~with this part, including the collection of taxes, penalties and~~
4 ~~interest imposed by this part.~~

5 ~~(b) Application of rules and regulations. The department~~
6 ~~may prescribe the extent, if any, to which any rules and~~
7 ~~regulations shall be applied without retroactive effect. The~~
8 ~~department shall prescribe the forms and the system of~~
9 ~~accounting and recordkeeping to be employed and through its~~
10 ~~representative shall at all times have power of access to and~~
11 ~~examination and audit of any equipment and records relating to~~
12 ~~all aspects of the operation of video gaming terminals and~~
13 ~~redemption terminals under this part.~~

14 ~~(c) Procedure. For purposes of implementing this part, the~~
15 ~~department may promulgate regulations in the same manner in~~
16 ~~which the board is authorized as provided in section 3303~~
17 ~~(relating to temporary regulations).~~

18 ~~(d) Additional penalty. A person who fails to timely remit~~
19 ~~to the department or the State Treasurer amounts required under~~
20 ~~this part shall be liable, in addition to liability imposed~~
21 ~~elsewhere in this part, to a penalty of 5% per month up to a~~
22 ~~maximum of 25% of the amounts ultimately found to be due, to be~~
23 ~~recovered by the department.~~

24 ~~(e) Liens and suits for taxes. The provisions of this part~~
25 ~~shall be subject to the provisions of sections 242 and 243 of~~
26 ~~the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform~~
27 ~~Code of 1971.~~

28 ~~§ 3309. Central control computer system.~~

29 ~~(a) General rule. To facilitate the auditing and security~~
30 ~~programs critical to the integrity of video gaming terminals in~~

1 ~~this Commonwealth, the department shall have overall control of~~
2 ~~video gaming terminals that:~~

3 ~~(1) Shall be linked, at an appropriate time to be~~
4 ~~determined by the department, to a central control computer~~
5 ~~under the control of the department and accessible by the~~
6 ~~board to provide auditing program capacity and individual~~
7 ~~terminal information as approved by the department.~~

8 ~~(2) Shall include real time information retrieval and~~
9 ~~terminal activation and disabling programs.~~

10 ~~(b) System requirements. The central control computer~~
11 ~~employed by the department shall provide:~~

12 ~~(1) A fully operational Statewide video gaming terminal~~
13 ~~control system that has the capability of supporting up to~~
14 ~~the maximum number of video gaming terminals that is~~
15 ~~permitted to be in operation under this part.~~

16 ~~(2) The employment of a widely accepted gaming industry~~
17 ~~protocol to facilitate a video gaming terminal manufacturers'~~
18 ~~ability to communicate with the Statewide system.~~

19 ~~(3) The delivery of a system that has the ability to~~
20 ~~verify software, detect alterations in payout and detect~~
21 ~~other methods of fraud in all aspects of the operation of~~
22 ~~video gaming terminals.~~

23 ~~(4) The delivery of a system that has the capability to~~
24 ~~support progressive video gaming terminals as approved by the~~
25 ~~board.~~

26 ~~(5) The delivery of a system that does not alter the~~
27 ~~statistical awards of video gaming terminal games as designed~~
28 ~~by the manufacturer and approved by the board.~~

29 ~~(6) The delivery of a system that provides redundancy so~~
30 ~~that each component of the network is capable of operating~~

1 ~~independently by the department if any component of the~~
2 ~~network, including the central control computer, fails or~~
3 ~~cannot be operated for any reason as determined by the~~
4 ~~department, and to assure that all transactional data is~~
5 ~~captured and secured. Costs associated with a computer system~~
6 ~~required by the department to operate within a video gaming~~
7 ~~area, whether independent or as part of the central control~~
8 ~~computer, shall be paid by the terminal operator licensee.~~
9 ~~The computer system shall be controlled by the department and~~
10 ~~accessible to the board.~~

11 ~~(7) The ability to meet all reporting and control~~
12 ~~requirements as prescribed by the board and department.~~

13 ~~(8) The delivery of a system that provides centralized~~
14 ~~issuance of cash redemption tickets and facilitates the~~
15 ~~acceptance of the tickets by video gaming terminals and~~
16 ~~redemption terminals.~~

17 ~~(9) Other capabilities as determined by the department~~
18 ~~in consultation with the board.~~

19 ~~(c) Personal information. The central control computer may~~
20 ~~not provide for the monitoring or reading of personal or~~
21 ~~financial information concerning a patron of a terminal operator~~
22 ~~licensee.~~

23 ~~(d) Initial acquisition of central control computer.~~

24 ~~(1) Notwithstanding any other provision of law to the~~
25 ~~contrary and in order to facilitate the prompt implementation~~
26 ~~of this part, initial contracts entered into by the~~
27 ~~department for a central control computer, including~~
28 ~~necessary computer hardware, software, licenses or related~~
29 ~~services shall not be subject to the provisions of 62 Pa.C.S.~~
30 ~~(relating to procurement).~~

1 ~~(2) Contracts made pursuant to the provisions of this~~
2 ~~section may not exceed five years.~~

3 ~~(c) Resolution of contract disputes. The process specified~~
4 ~~in 62 Pa.C.S. Ch. 17 Subch. B (relating to prelitigation~~
5 ~~resolution of controversies) shall be the sole means of~~
6 ~~resolution for controversies arising with respect to contracts~~
7 ~~executed under this section.~~

8 ~~(f) Existing central control computer system. The~~
9 ~~department, in its discretion, may alter or utilize the central~~
10 ~~control computer system controlled by the department under~~
11 ~~section 1323 (relating to central control computer system) to~~
12 ~~fulfill the requirements of this section.~~

13 ~~§ 3310. Department of Drug and Alcohol Programs or successor~~
14 ~~agency.~~

15 ~~(a) Program update.~~

16 ~~(1) The Department of Drug and Alcohol Programs or~~
17 ~~successor agency shall update the compulsive and problem~~
18 ~~gambling program established in section 1509 (relating to~~
19 ~~compulsive and problem gambling program) to address public~~
20 ~~education, awareness and training regarding compulsive and~~
21 ~~problem gambling and the treatment and prevention of~~
22 ~~compulsive and problem gambling related to video gaming~~
23 ~~terminals.~~

24 ~~(2) The updated guidelines shall include strategies for~~
25 ~~the prevention of compulsive and problem gambling related to~~
26 ~~video gaming terminals.~~

27 ~~(3) The Department of Drug and Alcohol Programs or~~
28 ~~successor agency may consult with the board and terminal~~
29 ~~operator licensee to develop the strategies.~~

30 ~~(b) Duties of Department of Drug and Alcohol Programs or~~

1 ~~successor agency. From funds available in the Compulsive and~~
2 ~~Problem Gambling Treatment Fund, the Department of Drug and~~
3 ~~Alcohol Programs or successor agency shall with respect to video~~
4 ~~gaming terminals.~~

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

14 ~~(2) Maintain one compulsive gambler's assistance~~
15 ~~organization's telephone number, which shall be accessible~~
16 ~~via a free text message service, to provide crisis counseling~~
17 ~~and referral services to individuals and families~~
18 ~~experiencing difficulty as a result of problem or compulsive~~
19 ~~gambling.~~

20 ~~(3) Facilitate, through in service training and other~~
21 ~~means, the availability of effective assistance programs for~~
22 ~~problem and compulsive gamblers and family members affected~~
23 ~~by problem and compulsive gambling.~~

24 ~~(4) At its discretion, conduct studies to identify~~
25 ~~individuals in this Commonwealth who are or are at risk of~~
26 ~~becoming problem or compulsive gamblers.~~

27 ~~(5) Provide grants to and contract with single county~~
28 ~~authorities and other organizations that provide services~~
29 ~~specified in this section.~~

30 ~~(6) Reimburse organizations for reasonable expenses~~

1 ~~incurred assisting the Department of Drug and Alcohol~~
2 ~~Programs with implementing this section.~~

3 ~~(c) Additional duties. Within 60 days following the~~
4 ~~effective date of this section, the Department of Drug and~~
5 ~~Alcohol Programs or successor agency and the board's Office of~~
6 ~~Compulsive and Problem Gambling shall jointly collaborate with~~
7 ~~other appropriate offices and agencies of State or local~~
8 ~~government, including single county authorities and providers~~
9 ~~and other persons, public or private, with expertise in~~
10 ~~compulsive and problem gambling treatment with respect to video~~
11 ~~gaming terminals:~~

12 ~~(1) Implement a strategic plan for the prevention and~~
13 ~~treatment of compulsive and problem gambling.~~

14 ~~(2) Adopt compulsive and problem gambling treatment~~
15 ~~standards to be integrated with the Department of Drug and~~
16 ~~Alcohol Programs' or successor agency's uniform Statewide~~
17 ~~guidelines that govern the provision of addiction treatment~~
18 ~~services.~~

19 ~~(3) Develop a method to coordinate compulsive and~~
20 ~~problem gambling data collection and referral information to~~
21 ~~crisis response hotlines, child welfare and domestic violence~~
22 ~~programs and providers and other appropriate programs and~~
23 ~~providers.~~

24 ~~(4) Develop and disseminate educational materials to~~
25 ~~provide public awareness related to the prevention,~~
26 ~~recognition and treatment of compulsive and problem gambling.~~

27 ~~(5) Develop demographic specific compulsive and problem~~
28 ~~gambling prevention, intervention and treatment programs.~~

29 ~~(6) Prepare an itemized budget outlining how funds will~~
30 ~~be allocated to fulfill the responsibilities under this~~

1 ~~section.~~

2 ~~(d) Report. The Department of Drug and Alcohol Programs or~~
3 ~~successor agency shall include in the report required under~~
4 ~~section 1509 information involving video gaming terminals.~~

5 ~~CHAPTER 35~~

6 ~~APPLICATION AND LICENSURE~~

7 ~~Sec.~~

8 ~~3501. General prohibition.~~

9 ~~3502. Terminal operator licenses.~~

10 ~~3503. (Reserved).~~

11 ~~3504. Principal licenses.~~

12 ~~3505. Key employee licenses.~~

13 ~~3506. Divestiture of disqualifying applicant.~~

14 ~~3507. Supplier licenses.~~

15 ~~3508. Manufacturer licenses.~~

16 ~~3509. Gaming service provider.~~

17 ~~3510. Occupation permit.~~

18 ~~3511. Alternative terminal operator licensing standards.~~

19 ~~3512. Alternative manufacturer licensing standards.~~

20 ~~3513. Alternative supplier licensing standards.~~

21 ~~3514. Establishment licenses.~~

22 ~~3515. License or permit prohibition.~~

23 ~~3516. Issuance and renewal.~~

24 ~~3517. Change in ownership or control of terminal operator~~
25 ~~licensee.~~

26 ~~3518. Video gaming accounting controls and audits.~~

27 ~~3519. Multiple licenses prohibited.~~

28 ~~3520. Conditional licenses.~~

29 ~~§ 3501. General prohibition.~~

30 ~~No person may offer or otherwise make available for play in~~

1 ~~this Commonwealth a video gaming terminal unless the person is~~
2 ~~licensed under this part and according to regulations~~
3 ~~promulgated by the board under this part.~~

4 ~~§ 3502. Terminal operator licenses.~~

5 ~~(a) General requirements. An application for a terminal~~
6 ~~operator license shall be on the form required by the board and~~
7 ~~shall include, at a minimum, all of the following:~~

8 ~~(1) The name, address and photograph of the applicant~~
9 ~~and of all directors and owners and key employees and their~~
10 ~~positions within the corporation or organization, as well as~~
11 ~~additional financial information required by the board.~~

12 ~~(2) A current tax lien certificate issued by the~~
13 ~~department.~~

14 ~~(3) The details of any gaming license applied for,~~
15 ~~granted to or denied to the applicant by another jurisdiction~~
16 ~~where the form of gaming is legal and the consent for the~~
17 ~~board to acquire copies of the application submitted or~~
18 ~~license issued in connection with the application.~~

19 ~~(4) The details of any loan obtained from a financial~~
20 ~~institution or not obtained from a financial institution.~~

21 ~~(5) The consent to conduct a background investigation by~~
22 ~~the board, the scope of which investigation shall be~~
23 ~~determined by the board in its discretion consistent with the~~
24 ~~provisions of this part, and a release signed by all persons~~
25 ~~subject to the investigation of all information required to~~
26 ~~complete the investigation.~~

27 ~~(6) The details of the applicant's diversity plan to~~
28 ~~assure that all persons are accorded equality of opportunity~~
29 ~~in employment and contracting by the applicant, its~~
30 ~~contractors, subcontractors, assignees, lessees, agents,~~

1 ~~vendors and suppliers.~~

2 ~~(7) Any other information determined to be appropriate~~
3 ~~by the board.~~

4 ~~(b) Character requirements. An application for a terminal~~
5 ~~operator license shall include such information, documentation~~
6 ~~and assurances as may be required to establish by clear and~~
7 ~~convincing evidence of the applicant's suitability, including~~
8 ~~good character, honesty and integrity. The application shall~~
9 ~~include, without limitation, information pertaining to family,~~
10 ~~habits, character, reputation, criminal history background,~~
11 ~~business activities, financial affairs and business,~~
12 ~~professional and personal associates, covering at least the 10-~~
13 ~~year period immediately preceding the filing date of the~~
14 ~~application.~~

15 ~~(c) Civil judgments. An applicant shall notify the board of~~
16 ~~any civil judgment obtained against the applicant pertaining to~~
17 ~~laws of the Federal Government, this Commonwealth or another~~
18 ~~state, jurisdiction, province or country.~~

19 ~~(d) (Reserved).~~

20 ~~(e) (Reserved).~~

21 ~~(f) Additional eligibility requirements. In order to be~~
22 ~~eligible for a terminal operator license under this part, the~~
23 ~~principals and key employees of the applicant must obtain a~~
24 ~~license to meet the character requirements of this section or~~
25 ~~other eligibility requirements established by the board.~~

26 ~~(g) Classification system. The board shall develop a~~
27 ~~classification system for other agents, employees or persons who~~
28 ~~directly or indirectly hold or are deemed to be holding debt or~~
29 ~~equity securities or other financial interest in the applicant~~
30 ~~and for other persons that the board considers appropriate for~~

1 ~~review under this section.~~

2 ~~(h) Related entities.~~

3 ~~(1) Except as provided in paragraph (2), no person shall~~
4 ~~be eligible to receive a terminal operator license unless the~~
5 ~~principals and key employees of each intermediary or holding~~
6 ~~company of the person meet the requirements of subsection~~
7 ~~(f).~~

8 ~~(2) The board may require that lenders and underwriters~~
9 ~~of intermediaries, subsidiaries or holding companies of a~~
10 ~~terminal operator license applicant meet the requirements of~~
11 ~~subsection (f) if the board determines that the suitability~~
12 ~~of a lender or underwriter is at issue and necessary to~~
13 ~~consider a pending application for a terminal operator~~
14 ~~license.~~

15 ~~(i) Revocable privilege. The issuance or renewal of a~~
16 ~~license or other authorization by the board under this section~~
17 ~~shall be a revocable privilege.~~

18 ~~(j) Waiver for publicly traded corporations. The board may~~
19 ~~waive the requirements of subsection (f) for a person directly~~
20 ~~or indirectly holding ownership of securities in a publicly~~
21 ~~traded corporation if the board determines that the holder of~~
22 ~~the securities does not have the ability to control the~~
23 ~~corporation or elect one or more directors thereof.~~

24 ~~(k) (Reserved).~~

25 ~~(l) Ongoing duty. A person applying for a license or other~~
26 ~~authorization under this part shall continue to provide~~
27 ~~information required by the board or the bureau and cooperate in~~
28 ~~any inquiry or investigation.~~

29 ~~(m) Criminal history record check. The board may conduct a~~
30 ~~criminal history record check on a person for whom a waiver is~~

1 ~~granted under this section.~~

2 ~~(n) Applicant financial information.~~

3 ~~(1) The board shall require an applicant for a terminal~~
4 ~~operator license to produce the information, documentation~~
5 ~~and assurances concerning financial background and resources~~
6 ~~as the board deems necessary to establish by clear and~~
7 ~~convincing evidence the financial stability, integrity and~~
8 ~~responsibility of the applicant, its affiliate, intermediary,~~
9 ~~subsidiary or holding company, including, but not limited to,~~
10 ~~bank references, business and personal income and~~
11 ~~disbursement schedules, tax returns and other reports filed~~
12 ~~with governmental agencies and business and personal~~
13 ~~accounting and check records and ledgers.~~

14 ~~(2) An applicant shall in writing authorize the~~
15 ~~examination of all bank accounts and records as may be deemed~~
16 ~~necessary by the board.~~

17 ~~(o) Financial backer information.~~

18 ~~(1) The board shall require an applicant for a terminal~~
19 ~~operator license to produce the information, documentation~~
20 ~~and assurances as may be necessary to establish by clear and~~
21 ~~convincing evidence the integrity of all financial backers,~~
22 ~~investors, mortgagees, bondholders and holders of indentures,~~
23 ~~notes or other evidences of indebtedness, either in effect or~~
24 ~~proposed.~~

25 ~~(2) The board may waive the qualification requirements~~
26 ~~for banking or lending institution and institutional~~
27 ~~investors.~~

28 ~~(3) A banking or lending institution or institutional~~
29 ~~investor shall produce for the board upon request any~~
30 ~~document or information that bears relation to the proposal~~

1 ~~submitted by the applicant or applicants.~~

2 ~~(4) The integrity of the financial sources shall be~~
3 ~~judged upon the same standards as the applicant. Any such~~
4 ~~person or entity shall produce for the board upon request any~~
5 ~~document or information which bears any relation to the~~
6 ~~application.~~

7 ~~(5) The applicant shall produce whatever information,~~
8 ~~documentation or assurances the board requires to establish~~
9 ~~by clear and convincing evidence the adequacy of financial~~
10 ~~resources.~~

11 ~~(p) Applicant's business experience.~~

12 ~~(1) The board shall require an applicant for a terminal~~
13 ~~operator license to produce the information, documentation~~
14 ~~and assurances as the board may require to establish by clear~~
15 ~~and convincing evidence that the applicant has sufficient~~
16 ~~business ability and experience to create and maintain a~~
17 ~~successful, efficient operation.~~

18 ~~(2) An applicant shall produce the names of all proposed~~
19 ~~key employees and a description of their respective or~~
20 ~~proposed responsibilities as they become known.~~

21 ~~(q) Additional information. In addition to other~~
22 ~~information required by this part, a person applying for a~~
23 ~~terminal operator license shall provide the following~~
24 ~~information:~~

25 ~~(1) The organization, financial structure and nature of~~
26 ~~all businesses operated by the person, including any~~
27 ~~affiliate, intermediary, subsidiary or holding companies, the~~
28 ~~names and personal employment and criminal histories of all~~
29 ~~officers, directors and key employees of the corporation; the~~
30 ~~names of all holding, intermediary, affiliate and subsidiary~~

~~companies of the corporation; and the organization, financial structure and nature of all businesses operated by such holding, intermediary and subsidiary companies as the board may require, including names and personal employment and criminal histories of such officers, directors and principal employees of such corporations and companies as the board may require.~~

~~(2) The extent of securities held in the corporation by all officers, directors and underwriters and their remuneration in the form of salary, wages, fees or otherwise.~~

~~(3) Copies of all management and service contracts.~~

~~(r) Review and approval. Upon being satisfied that the requirements of subsections (a), (b), (c), (d), (e), (f), (g), (h), (i), (j), (k), (l), (m), (n), (o), (p) and (q) have been met, the board may approve the application and issue the applicant a terminal operator license consistent with all of the following:~~

~~(1) (i) The license shall be for a period of five years.~~

~~(ii) Nothing in this paragraph shall be construed to relieve a licensee of the affirmative duty to notify the board of any changes relating to the status of its license or to any information contained in the application materials on file with the board.~~

~~(2) The license shall be nontransferable.~~

~~(3) Any other condition established by the board.~~

~~(s) Renewal.~~

~~(1) At least six months prior to expiration of a terminal operator license, the terminal operator licensee seeking renewal of its license shall submit a renewal~~

1 ~~application to the board.~~

2 ~~(2) If the renewal application satisfies the~~
3 ~~requirements of subsections (a), (b), (c), (d), (e), (f),~~
4 ~~(g), (h), (i), (j), (k), (l), (m), (n), (o), (p) and (q), the~~
5 ~~board may renew the licensee's terminal operator license.~~

6 ~~(3) If the board receives a complete renewal application~~
7 ~~but fails to act upon the renewal application prior to the~~
8 ~~expiration of the terminal operator license, the terminal~~
9 ~~operator license shall continue in effect until acted upon by~~
10 ~~the board.~~

11 ~~§ 3503. (Reserved).~~

12 ~~§ 3504. Principal licenses.~~

13 ~~(a) License required. All principals shall obtain a~~
14 ~~principal license from the board.~~

15 ~~(b) Application. A principal license application shall be~~
16 ~~in a form prescribed by the board and shall include the~~
17 ~~following:~~

18 ~~(1) Verification of status as a principal from a~~
19 ~~terminal operator licensee, manufacturer licensee or supplier~~
20 ~~licensee.~~

21 ~~(2) A description of responsibilities as a principal.~~

22 ~~(3) All releases necessary to obtain information from~~
23 ~~governmental agencies, employers and other organizations.~~

24 ~~(4) Details relating to a similar license, permit or~~
25 ~~other authorization obtained in another jurisdiction.~~

26 ~~(5) Additional information required by the board.~~

27 ~~(c) Issuance. Following review of the application and the~~
28 ~~background investigation, the board may issue a principal~~
29 ~~license if the applicant has proven by clear and convincing~~
30 ~~evidence that the applicant is a person of good character,~~

1 ~~honesty and integrity and is eligible and suitable to be~~
2 ~~licensed as a principal.~~

3 ~~(d) Nontransferability. A license issued under this section~~
4 ~~shall be nontransferable.~~

5 ~~(e) Principals. An individual who receives a principal~~
6 ~~license need not obtain a key employee license.~~

7 ~~§ 3505. Key employee licenses.~~

8 ~~(a) License required. All key employees shall obtain a key~~
9 ~~employee license from the board.~~

10 ~~(b) Application. A key employee license application shall~~
11 ~~be in a form prescribed by the board and shall include the~~
12 ~~following:~~

13 ~~(1) Verification of status as a key employee from a~~
14 ~~terminal operator licensee, manufacturer licensee or supplier~~
15 ~~licensee.~~

16 ~~(2) A description of employment responsibilities.~~

17 ~~(3) All releases necessary to obtain information from~~
18 ~~governmental agencies, employers and other organizations.~~

19 ~~(4) Details relating to a similar license or other~~
20 ~~authorization obtained in another jurisdiction.~~

21 ~~(5) Additional information required by the board.~~

22 ~~(c) Issuance. Following review of the application and the~~
23 ~~background investigation, the board may issue a key employee~~
24 ~~license if the applicant has proven by clear and convincing~~
25 ~~evidence that the applicant is a person of good character,~~
26 ~~honesty and integrity and is eligible and suitable to be~~
27 ~~licensed as a key employee.~~

28 ~~(d) Nontransferability. A license issued under this section~~
29 ~~shall be nontransferable.~~

30 ~~§ 3506. Divestiture of disqualifying applicant.~~

1 ~~(a) Board power to require.~~

2 ~~(1) In the event that any establishment license~~
3 ~~application, terminal operator license application, supplier~~
4 ~~license application or manufacturer license application is~~
5 ~~not approved by the board based on a finding that an~~
6 ~~individual who is a principal or has an interest in the~~
7 ~~person applying for the license does not meet the character~~
8 ~~requirements of this part or any of the eligibility~~
9 ~~requirements under this part or a person who purchases a~~
10 ~~controlling interest in the applicant in violation of section~~
11 ~~3517 (relating to change in ownership or control of terminal~~
12 ~~operator licensee), the board may afford the individual the~~
13 ~~opportunity to completely divest his interest in the person,~~
14 ~~its affiliate, intermediary, subsidiary or holding company~~
15 ~~seeking the license and, after such divestiture, reconsider~~
16 ~~the person's or applicant's suitability for licensure in an~~
17 ~~expedited proceeding and may, after such proceeding, issue~~
18 ~~the person or applicant a terminal operator license.~~

19 ~~(2) The board shall approve the terms and conditions of~~
20 ~~any divestiture under this section.~~

21 ~~(b) Limitation. Under no circumstances shall any~~
22 ~~divestiture be approved by the board if the compensation for the~~
23 ~~divested interest exceeds the cost of the interest.~~

24 ~~§ 3507. Supplier licenses.~~

25 ~~(a) Application.~~

26 ~~(1) A manufacturer that elects to contract with a~~
27 ~~supplier under section 3508 (relating to manufacturer~~
28 ~~licenses) shall ensure that the supplier is appropriately~~
29 ~~licensed under this section.~~

30 ~~(2) A person seeking to provide video gaming terminals,~~

~~redemption terminals or associated equipment to a terminal operator licensee within this Commonwealth through a contract with a licensed manufacturer must apply to the board for the appropriate supplier license.~~

~~(b) Requirements. An application for a supplier license shall be on the form required by the board and shall include all of the following:~~

~~(1) The name and business address of the applicant and the applicant's affiliates, intermediaries, subsidiaries and holding companies; the principals and key employees of each business; and a list of employees and their positions within each business, as well as financial information required by the board.~~

~~(2) A statement that the applicant and each affiliate, intermediary, subsidiary or holding company of the applicant are not terminal operator licensees.~~

~~(3) Proof that the applicant has or will establish a place of business in this Commonwealth. A supplier licensee shall maintain its place of business in this Commonwealth to remain eligible for licensure.~~

~~(4) The consent to a background investigation by the bureau of the applicant, its principals and key employees or other persons required by the board and a release to obtain the information necessary for the completion of the background investigation.~~

~~(5) The details of any supplier license issued by the board to the applicant under section 1317 (relating to supplier licenses), if applicable.~~

~~(6) The details of any equivalent license granted or denied by other jurisdictions where gaming activities as~~

1 ~~authorized by this part are permitted.~~

2 ~~(7) The type of goods and services to be supplied and~~
3 ~~whether those goods and services will be provided through~~
4 ~~purchase, lease, contract or otherwise.~~

5 ~~(8) Other information determined by the board to be~~
6 ~~appropriate.~~

7 ~~(c) Review and approval. Upon being satisfied that the~~
8 ~~requirements of subsection (b) have been met, the board may~~
9 ~~approve the application and issue the applicant a supplier~~
10 ~~license consistent with all of the following:~~

11 ~~(1) (i) The license shall be for a period of five~~
12 ~~years.~~

13 ~~(ii) Nothing in this paragraph shall be construed to~~
14 ~~relieve a licensee of the affirmative duty to notify the~~
15 ~~board of a change relating to the status of its license~~
16 ~~or to information contained in the application materials~~
17 ~~on file with the board.~~

18 ~~(2) The license shall be nontransferable.~~

19 ~~(3) Other conditions established by the board.~~

20 ~~(d) Renewal.~~

21 ~~(1) At least six months prior to expiration of a~~
22 ~~supplier license, the supplier licensee seeking renewal of~~
23 ~~its license shall submit a renewal application to the board.~~

24 ~~(2) If the renewal application satisfies the~~
25 ~~requirements of subsection (b), the board may renew the~~
26 ~~licensee's supplier license.~~

27 ~~(3) If the board receives a complete renewal application~~
28 ~~but fails to act upon the renewal application prior to the~~
29 ~~expiration of the supplier license, the supplier license~~
30 ~~shall continue in effect until acted upon by the board.~~

1 ~~§ 3508. Manufacturer licenses.~~

2 ~~(a) Application. A person seeking to manufacture video~~
3 ~~gaming terminals, redemption terminals and associated equipment~~
4 ~~for use in this Commonwealth must apply to the board for a~~
5 ~~manufacturer license.~~

6 ~~(b) Requirements. An application for a manufacturer license~~
7 ~~shall be on the form required by the board and shall include all~~
8 ~~of the following:~~

9 ~~(1) The name and business address of the applicant and~~
10 ~~the applicant's affiliates, intermediaries, subsidiaries and~~
11 ~~holding companies; the principals and key employees of each~~
12 ~~business; and a list of employees and their positions within~~
13 ~~each business, as well as financial information required by~~
14 ~~the board.~~

15 ~~(2) A statement that the applicant and each affiliate,~~
16 ~~intermediary, subsidiary or holding company of the applicant~~
17 ~~are not terminal operator licensees.~~

18 ~~(3) The consent to a background investigation by the~~
19 ~~bureau of the applicant, its principals, its key employees,~~
20 ~~its intermediaries, its subsidiaries or other persons~~
21 ~~required by the board and a release to obtain the information~~
22 ~~necessary for the completion of the background investigation.~~

23 ~~(4) The details of any equivalent license granted or~~
24 ~~denied by other jurisdictions where gaming activities as~~
25 ~~authorized by this part are permitted.~~

26 ~~(5) The details of any manufacturer license issued by~~
27 ~~the board to the applicant under section 1317.1 (relating to~~
28 ~~manufacturer licenses), if applicable.~~

29 ~~(6) The type of video gaming terminals, redemption~~
30 ~~terminals or associated equipment to be manufactured or~~

1 ~~repaired.~~

2 ~~(7) Other information determined by the board to be~~
3 ~~appropriate.~~

4 ~~(c) Review and approval. Upon being satisfied that the~~
5 ~~requirements of subsection (b) have been met, the board may~~
6 ~~approve the application and grant the applicant a manufacturer~~
7 ~~license consistent with all of the following:~~

8 ~~(1) (i) The license shall be for a period of five~~
9 ~~years.~~

10 ~~(ii) Nothing in this paragraph shall be construed to~~
11 ~~relieve the licensee of the affirmative duty to notify~~
12 ~~the board of a change relating to the status of its~~
13 ~~license or to other information contained in application~~
14 ~~materials on file with the board.~~

15 ~~(2) The license shall be nontransferable.~~

16 ~~(3) Other conditions established by the board.~~

17 ~~(d) Renewal.~~

18 ~~(1) At least six months prior to expiration of a~~
19 ~~manufacturer license, the manufacturer licensee seeking~~
20 ~~renewal of its license shall submit a renewal application~~
21 ~~accompanied by the renewal fee to the board.~~

22 ~~(2) If the renewal application satisfies the~~
23 ~~requirements of subsection (b), the board may renew the~~
24 ~~licensee's manufacturer license.~~

25 ~~(3) If the board receives a complete renewal application~~
26 ~~but fails to act upon the renewal application prior to the~~
27 ~~expiration of the manufacturer license, the manufacturer~~
28 ~~license shall continue in effect until acted upon by the~~
29 ~~board.~~

30 ~~(e) Authority. The following shall apply to a licensed~~

1 manufacturer:

2 ~~(1) A manufacturer or its designee, as licensed by the~~
3 ~~board, may supply or repair a video gaming terminal,~~
4 ~~redemption terminal or associated equipment manufactured by~~
5 ~~the manufacturer, provided the manufacturer holds the~~
6 ~~appropriate manufacturer license.~~

7 ~~(2) A manufacturer of video gaming terminals or~~
8 ~~redemption terminals may contract with a supplier under~~
9 ~~section 3507 (relating to supplier licenses) to provide video~~
10 ~~gaming terminals, redemption terminals or associated~~
11 ~~equipment to a terminal operator licensee within this~~
12 ~~Commonwealth, provided the supplier is licensed to supply~~
13 ~~video gaming terminals, redemption terminals or associated~~
14 ~~equipment.~~

15 ~~(f) Prohibitions.~~

16 ~~(1) No person may manufacture video gaming terminals,~~
17 ~~redemption terminals or associated equipment for use within~~
18 ~~this Commonwealth by a terminal operator licensee unless the~~
19 ~~person has been issued the appropriate manufacturer license~~
20 ~~under this section.~~

21 ~~(2) No person issued a license under this section may~~
22 ~~apply for or be issued a terminal operator license under~~
23 ~~section 3502 (relating to terminal operator licenses) or~~
24 ~~establishment license under section 3514 (relating to~~
25 ~~establishment licenses).~~

26 ~~§ 3509. Gaming service provider.~~

27 ~~(a) Development of classification system. The board shall~~
28 ~~develop a classification system governing the certification,~~
29 ~~registration and regulation of gaming service providers and~~
30 ~~individuals and entities associated with them. The~~

1 ~~classification system shall be based upon the following:~~

2 ~~(1) Whether the employees of the gaming service provider~~
3 ~~will have access to the video gaming area of an establishment~~
4 ~~or the video gaming terminals or redemption terminals prior~~
5 ~~to or after installation.~~

6 ~~(2) Whether the goods or services provided or to be~~
7 ~~provided by the gaming service provider would impact the~~
8 ~~integrity of video gaming terminals, redemption terminals or~~
9 ~~the conduct of video gaming.~~

10 ~~(b) Authority to exempt. The board may exempt a person or~~
11 ~~type of business from the requirements of this section if the~~
12 ~~board determines:~~

13 ~~(1) the person or type of business is regulated by an~~
14 ~~agency of the Federal Government, an agency of the~~
15 ~~Commonwealth or the Pennsylvania Supreme Court; or~~

16 ~~(2) the regulation of the person or type of business is~~
17 ~~determined not to be necessary in order to protect the public~~
18 ~~interest or the integrity of gaming.~~

19 ~~(c) Duties of gaming service providers. A gaming service~~
20 ~~provider shall have a continuing duty to:~~

21 ~~(1) Provide all information, documentation and~~
22 ~~assurances as the board may require.~~

23 ~~(2) Cooperate with the board in investigations, hearings~~
24 ~~and enforcement and disciplinary actions.~~

25 ~~(3) Comply with all conditions, restrictions,~~
26 ~~requirements, orders and rulings of the board in accordance~~
27 ~~with this part.~~

28 ~~(4) Report a change in circumstances that may render the~~
29 ~~gaming service provider ineligible, unqualified or unsuitable~~
30 ~~for continued registration or certification.~~

1 ~~(d) Requirement for permit. The board may require employees~~
2 ~~of a gaming service provider to obtain a permit or other~~
3 ~~authorization if, after an analysis of duties, responsibilities~~
4 ~~and functions, the board determines that a permit or other~~
5 ~~authorization is necessary to protect the integrity of gaming.~~

6 ~~(e) Interim authorization. The board or a designated~~
7 ~~employee of the board may permit a gaming service provider~~
8 ~~applicant to engage in business with an applicant for a terminal~~
9 ~~operator license or a terminal operator licensee prior to~~
10 ~~approval of the gaming service provider application if the~~
11 ~~following criteria have been satisfied:~~

12 ~~(1) A completed application has been filed with the~~
13 ~~board by the gaming service provider.~~

14 ~~(2) The terminal operator license applicant or terminal~~
15 ~~operator licensee contracting or doing business with the~~
16 ~~gaming service provider certifies that it has performed due~~
17 ~~diligence on the gaming service provider and believes that~~
18 ~~the applicant meets the qualification to be a gaming service~~
19 ~~provider pursuant to this section.~~

20 ~~(3) The gaming service provider applicant agrees in~~
21 ~~writing that the grant of interim authorization to conduct~~
22 ~~business prior to board approval of the application does not~~
23 ~~create a right to continue to engage in business if the board~~
24 ~~determines that the applicant is not suitable or continued~~
25 ~~authorization is not in the public interest.~~

26 ~~(f) Construction. Nothing in this section shall be~~
27 ~~construed to prohibit the board from rescinding a grant of~~
28 ~~interim authorization if, at any time, the suitability of the~~
29 ~~person subject to interim authorization is at issue or if the~~
30 ~~person fails to cooperate with the board, the bureau or an agent~~

1 ~~of the board or bureau.~~

2 ~~(g) Gaming service provider lists.~~

3 ~~(1) The board shall:~~

4 ~~(i) Develop and maintain a list of approved gaming~~
5 ~~service providers who are authorized to provide goods or~~
6 ~~services whether under a grant of interim or continued~~
7 ~~authorization.~~

8 ~~(ii) Develop and maintain a list of prohibited~~
9 ~~gaming service providers.~~

10 ~~(2) An applicant for a terminal operator license or a~~
11 ~~terminal operator licensee may not enter into an agreement or~~
12 ~~engage in business with a gaming service provider listed on~~
13 ~~the prohibited gaming service provider list.~~

14 ~~(h) Emergency authorization.~~

15 ~~(1) A terminal operator licensee may utilize a gaming~~
16 ~~service provider that has not been approved by the board when~~
17 ~~a threat to public health, welfare or safety exists or~~
18 ~~circumstances outside the control of the terminal operator~~
19 ~~licensee require immediate action to mitigate damage or loss~~
20 ~~to the licensee's video gaming terminals.~~

21 ~~(2) The board shall promulgate regulations to govern the~~
22 ~~use of gaming service providers under emergency~~
23 ~~circumstances. The regulations shall include a requirement~~
24 ~~that the terminal operator licensee contact the board~~
25 ~~immediately upon utilizing a gaming service provider that has~~
26 ~~not been approved by the board.~~

27 ~~(i) Criminal history record information. If the~~
28 ~~classification system developed by the board in accordance with~~
29 ~~subsection (a) requires a gaming service provider or an~~
30 ~~individual or entity associated with the gaming service provider~~

1 ~~to submit to or provide the bureau with criminal history record~~
2 ~~information under 18 Pa.C.S. Ch. 91 (relating to criminal~~
3 ~~history record information), the bureau shall notify a terminal~~
4 ~~operator licensee that submitted a certification under~~
5 ~~subsection (e) (2) whether the applicant has been convicted of a~~
6 ~~felony or misdemeanor gambling offense.~~

7 ~~§ 3510. Occupation permit.~~

8 ~~(a) Application.~~

9 ~~(1) A person who desires to be a gaming employee and has~~
10 ~~a bona fide offer of employment from a terminal operator~~
11 ~~licensee shall apply to the board for an occupation permit.~~

12 ~~(2) A person may not be employed as a gaming employee~~
13 ~~unless and until that person holds an appropriate occupation~~
14 ~~permit issued under this section.~~

15 ~~(3) The board may promulgate regulations to reclassify a~~
16 ~~category of nongaming employees or gaming employees upon a~~
17 ~~finding that the reclassification is in the public interest~~
18 ~~and consistent with the objectives of this part.~~

19 ~~(b) Requirements. The application for an occupation permit~~
20 ~~shall include, at a minimum:~~

21 ~~(1) The name and home address of the person.~~

22 ~~(2) The previous employment history of the person.~~

23 ~~(3) The criminal history record of the person, as well~~
24 ~~as the person's consent for the Pennsylvania State Police to~~
25 ~~conduct a background investigation.~~

26 ~~(4) A photograph of the person.~~

27 ~~(5) Evidence of the offer of employment and the nature~~
28 ~~and scope of the proposed duties of the person, if known.~~

29 ~~(6) The details of an occupation permit or similar~~
30 ~~license granted or denied to the applicant in other~~

1 ~~jurisdictions.~~

2 ~~(7) Other information determined by the board to be~~
3 ~~appropriate.~~

4 ~~(c) Prohibition. No terminal operator licensee may employ~~
5 ~~or permit a person under 18 years of age to render service in a~~
6 ~~video gaming area.~~

7 ~~§ 3511. Alternative terminal operator licensing standards.~~

8 ~~(a) Determination.~~

9 ~~(1) The board may determine whether the licensing~~
10 ~~standards of another jurisdiction within the United States or~~
11 ~~Canada in which an applicant, its affiliate, intermediary,~~
12 ~~subsidiary or holding company for a terminal operator license~~
13 ~~is similarly licensed are comprehensive and thorough and~~
14 ~~provide similar adequate safeguards as those required by this~~
15 ~~part.~~

16 ~~(2) If the board makes that determination, it may issue~~
17 ~~a terminal operator license to an applicant who holds a~~
18 ~~terminal operator license in the other jurisdiction after~~
19 ~~conducting an evaluation of the information relating to the~~
20 ~~applicant from the other jurisdictions, as updated by the~~
21 ~~board, and evaluating other information related to the~~
22 ~~applicant received from that jurisdiction and other~~
23 ~~jurisdictions where the applicant may be licensed, the board~~
24 ~~may incorporate such information in whole or in part into the~~
25 ~~board's evaluation of the applicant.~~

26 ~~(b) Abbreviated process.~~

27 ~~(1) In the event an applicant for a terminal operator~~
28 ~~license is licensed in another jurisdiction, the board may~~
29 ~~determine to use an alternate process requiring only that~~
30 ~~information determined by the board to be necessary to~~

1 ~~consider the issuance of a license, including financial~~
2 ~~viability of the licensee, to such an applicant.~~

3 ~~(2) Nothing in this section shall be construed to waive~~
4 ~~fees associated with obtaining a license through the normal~~
5 ~~application process.~~

6 ~~(c) Current license holders. In the event an applicant for~~
7 ~~a terminal operator license under this part holds a slot machine~~
8 ~~license under Part II (relating to gaming), the board may~~
9 ~~determine to use an abbreviated process requiring only that~~
10 ~~information determined by the board to be necessary to consider~~
11 ~~the issuance of a license, including financial viability of the~~
12 ~~applicant.~~

13 ~~§ 3512. Alternative manufacturer licensing standards.~~

14 ~~(a) Determination.—~~

15 ~~(1) The board may determine whether the licensing~~
16 ~~standards of another jurisdiction within the United States in~~
17 ~~which an applicant for a manufacturer license is similarly~~
18 ~~licensed are comprehensive and thorough and provide similar~~
19 ~~adequate safeguards as those required by this part.~~

20 ~~(2) If the board makes that determination, it may issue~~
21 ~~a manufacturer license to an applicant who holds a similar~~
22 ~~manufacturer license in the other jurisdiction after~~
23 ~~conducting an evaluation of the information relating to the~~
24 ~~applicant from the other jurisdictions, as updated by the~~
25 ~~board, and evaluating other information related to the~~
26 ~~applicant received from that jurisdiction and other~~
27 ~~jurisdictions where the applicant may be licensed, the board~~
28 ~~may incorporate such information in whole or in part into the~~
29 ~~board's evaluation of the applicant.~~

30 ~~(b) Abbreviated process.—~~

1 ~~(1) In the event an applicant for a manufacturer license~~
2 ~~is licensed in another jurisdiction, the board may determine~~
3 ~~to use an abbreviated process requiring only that information~~
4 ~~determined by the board to be necessary to consider the~~
5 ~~issuance of a license, including financial viability of the~~
6 ~~applicant.~~

7 ~~(2) Nothing in this section shall be construed to waive~~
8 ~~fees associated with obtaining a license through the normal~~
9 ~~application process.~~

10 ~~(c) Current license holders. In the event an applicant for~~
11 ~~a manufacturer license under this part holds a manufacturer~~
12 ~~license under section 1317.1 (relating to manufacturer~~
13 ~~licenses), the board may determine to use an abbreviated process~~
14 ~~requiring only that information determined by the board to be~~
15 ~~necessary to consider the issuance of a license, including~~
16 ~~financial viability of the applicant.~~

17 ~~§ 3513. Alternative supplier licensing standards.~~

18 ~~(a) Determination.~~

19 ~~(1) The board may determine whether the licensing~~
20 ~~standards of another jurisdiction within the United States in~~
21 ~~which an applicant for a supplier's license is similarly~~
22 ~~licensed are comprehensive and thorough and provide similar~~
23 ~~adequate safeguards as required by this part.~~

24 ~~(2) If the board makes that determination, it may issue~~
25 ~~a supplier license to an applicant who holds a similar~~
26 ~~supplier license in another jurisdiction after conducting an~~
27 ~~evaluation of the information relating to the applicant from~~
28 ~~the other jurisdictions, as updated by the board, and~~
29 ~~evaluating other information related to the applicant~~
30 ~~received from that jurisdiction and other jurisdictions where~~

~~the applicant may be licensed. The board may incorporate the information in whole or in part into its evaluation of the applicant.~~

~~(b) Abbreviated process.~~

~~(1) In the event an applicant for a supplier license is licensed in another jurisdiction, the board may determine to use an abbreviated process requiring only that information determined by the board to be necessary to consider the issuance of a license, including financial viability of the applicant.~~

~~(2) Nothing in this section shall be construed to waive any fees associated with obtaining a license through the normal application process.~~

~~(c) Current license holders. In the event an applicant for a supplier license under this part holds a supplier license under section 1317 (relating to supplier licenses), the board may determine to use an abbreviated process requiring only that information determined by the board to be necessary to consider the issuance of a license, including financial viability of the applicant.~~

~~§ 3514. Establishment licenses.~~

~~(a) General requirements. An establishment that submits an application for an establishment license shall include at a minimum:~~

~~(1) The name, address and photograph of the applicant and additional financial information required by the board.~~

~~(2) A description of the proposed surveillance and security measures to ensure the security of the proposed video gaming area.~~

~~(3) A current tax lien certificate issued by the~~

1 ~~department.~~

2 ~~(4) The criminal history record of the applicant,~~
3 ~~principal and key employees and a consent for the bureau to~~
4 ~~conduct a background investigation on the applicant,~~
5 ~~principals and key employees.~~

6 ~~(5) If the applicant is a liquor establishment,~~
7 ~~documentation showing that the establishment's liquor license~~
8 ~~is valid and is in good standing with the Pennsylvania Liquor~~
9 ~~Control Board.~~

10 ~~(6) If the applicant is a liquor establishment,~~
11 ~~disclosure of conditional license agreements entered into~~
12 ~~under the act of April 12, 1951 (P.L.90, No.21), known as the~~
13 ~~Liquor Code.~~

14 ~~(7) Other information determined to be appropriate by~~
15 ~~the board.~~

16 ~~(b) Nontransferability. A license issued under this section~~
17 ~~shall be nontransferable.~~

18 ~~(c) Ongoing duty. An establishment applying for a license~~
19 ~~under this section shall continue to provide information~~
20 ~~required by the board or the bureau and cooperate in any inquiry~~
21 ~~or investigation.~~

22 ~~(d) Review and approval. Upon being satisfied that the~~
23 ~~requirements of subsection (a) have been met, the board may~~
24 ~~approve the application and issue the applicant an establishment~~
25 ~~license consistent with all of the following:~~

26 ~~(1) (i) The license shall be for a period of five~~
27 ~~years.~~

28 ~~(ii) Nothing in this paragraph shall be construed to~~
29 ~~relieve a licensee of the affirmative duty to notify the~~
30 ~~board of a change relating to the status of its license~~

~~or to information contained in application materials on file with the board.~~

~~(2) The license shall be nontransferable.~~

~~(3) Other conditions established by the board.~~

~~(e) Inspection required.~~

~~(1) If the board receives an application under subsection (a) from an applicant that is a liquor establishment whose licensed premises is less than 1,000 square feet, the board shall request the Bureau of Liquor Control Enforcement of the Pennsylvania State Police to inspect the liquor establishment's licensed premises to ensure compliance with the Liquor Code. The Bureau of Liquor Control Enforcement of the Pennsylvania State Police shall inspect the liquor establishment's licensed premises upon receiving the request for the board.~~

~~(2) The Bureau of Liquor Control Enforcement of the Pennsylvania State Police shall transmit the findings of the inspection required in paragraph (1) to the Pennsylvania Liquor Control Board and the Pennsylvania Liquor Control Board shall provide to the board a report containing the following information:~~

~~(i) Violations of the Liquor Code found as a result of the inspection.~~

~~(ii) Whether the violations are of a continuing nature.~~

~~(iii) Severity of the violations and potential sanctions against the liquor establishment.~~

~~(iv) Whether, according to the discretion of the Pennsylvania Liquor Control Board, the liquor establishment is suitable to receive an establishment~~

1 ~~license from the board.~~

2 ~~(v) Other information determined by the Pennsylvania~~
3 ~~Liquor Control Board to be appropriate regarding the~~
4 ~~suitability of the liquor establishment to participate in~~
5 ~~video gaming.~~

6 ~~(3) The board shall require a fee from the liquor~~
7 ~~establishment to reimburse the Bureau of Liquor Control~~
8 ~~Enforcement of the Pennsylvania State Police and the~~
9 ~~Pennsylvania Liquor Control Board for any costs incurred as a~~
10 ~~result of fulfilling the requirements of paragraphs (1) and~~
11 ~~(2). The fee shall not be subject to fee limitations~~
12 ~~contained in section 4101 (relating to fees).~~

13 ~~(f) Renewal.~~

14 ~~(1) At least three months prior to expiration of an~~
15 ~~establishment license, the establishment licensee seeking~~
16 ~~renewal of its license shall submit a renewal application~~
17 ~~accompanied by the renewal fee to the board.~~

18 ~~(2) If the renewal application satisfies the~~
19 ~~requirements of subsection (b), the board may renew the~~
20 ~~licensee's establishment license.~~

21 ~~(3) If the board receives a complete renewal application~~
22 ~~but fails to act upon the renewal application prior to the~~
23 ~~expiration of the manufacturer license, the establishment~~
24 ~~license shall continue in effect until acted upon by the~~
25 ~~board.~~

26 ~~§ 3515. License or permit prohibition.~~

27 ~~The following apply:~~

28 ~~(1) The board shall be prohibited from granting a~~
29 ~~license under this part to any applicant who has been~~
30 ~~convicted of a felony offense in any jurisdiction.~~

1 ~~(2) In addition to the prohibition under paragraph (1),~~
2 ~~the board shall be prohibited from granting the following:~~

3 ~~(i) A principal license or key employee license to~~
4 ~~an individual who has been convicted in a jurisdiction of~~
5 ~~a misdemeanor gambling offense, unless 15 years have~~
6 ~~elapsed from the date of conviction for the offense.~~

7 ~~(ii) A gaming employee permit or a license other~~
8 ~~than a principal license or key employee license to an~~
9 ~~individual who has been convicted in a jurisdiction of a~~
10 ~~misdemeanor gambling offense, unless 15 years have~~
11 ~~elapsed from the date of conviction for the offense.~~

12 ~~(iii) An establishment license to an applicant who~~
13 ~~has been convicted in a jurisdiction of a misdemeanor~~
14 ~~gambling offense, unless three years have elapsed from~~
15 ~~the date of conviction for the offense.~~

16 ~~(iv) An establishment license to an applicant that~~
17 ~~is a liquor establishment whose liquor license is not in~~
18 ~~good standing with the Pennsylvania Liquor Control Board.~~

19 ~~(v) An establishment license to an applicant that is~~
20 ~~a liquor establishment that is declared a nuisance under~~
21 ~~section 611 of the act of April 12, 1951 (P.L.90, No.21),~~
22 ~~known as the Liquor Code, or has been declared a nuisance~~
23 ~~within the past three years.~~

24 ~~(vi) An establishment license to an applicant that~~
25 ~~is a liquor establishment with a conditional license~~
26 ~~agreement entered into under the Liquor Code unless the~~
27 ~~agreement has been amended to allow for video gaming.~~

28 ~~(vii) An establishment license to an applicant that~~
29 ~~is a liquor establishment whose liquor license has been~~
30 ~~suspended, unless three years have elapsed from the date~~

1 ~~of suspension.~~

2 ~~(3) Following the expiration of any prohibition period~~
3 ~~applicable to an applicant under paragraph (2), in~~
4 ~~determining whether to issue a license or permit, the board~~
5 ~~shall consider the following factors:~~

6 ~~(i) The nature and duties of the applicant's~~
7 ~~position with the licensed entity.~~

8 ~~(ii) The nature and seriousness of the offense or~~
9 ~~conduct.~~

10 ~~(iii) The circumstances under which the offense or~~
11 ~~conduct occurred.~~

12 ~~(iv) The age of the applicant when the offense or~~
13 ~~conduct was committed.~~

14 ~~(v) Whether the offense or conduct was an isolated~~
15 ~~or a repeated incident.~~

16 ~~(vi) Evidence of rehabilitation, including good~~
17 ~~conduct in the community, counseling or psychiatric~~
18 ~~treatment received and the recommendation of persons who~~
19 ~~have substantial contact with the applicant.~~

20 ~~(4) For purposes of this section, a felony offense is~~
21 ~~any of the following:~~

22 ~~(i) An offense punishable under the laws of this~~
23 ~~Commonwealth by imprisonment for more than five years.~~

24 ~~(ii) An offense which, under the laws of another~~
25 ~~jurisdiction, is:~~

26 ~~(A) classified as a felony; or~~

27 ~~(B) punishable by imprisonment for more than~~
28 ~~five years.~~

29 ~~(iii) An offense under the laws of another~~
30 ~~jurisdiction which, if committed in this Commonwealth,~~

1 ~~would be subject to imprisonment for more than five~~
2 ~~years.~~

3 ~~§ 3516. Issuance and renewal.~~

4 ~~(a) Issuance.~~

5 ~~(1) In addition to any other criteria provided under~~
6 ~~this part, any terminal operator, establishment, supplier,~~
7 ~~manufacturer, gaming employee or other person that the board~~
8 ~~approves as qualified to receive a license or a permit under~~
9 ~~this part shall be issued a license or permit upon the~~
10 ~~payment of a fee required in section 4101 (relating to fees)~~
11 ~~and upon the fulfillment of conditions required by the board~~
12 ~~or provided for in this part.~~

13 ~~(2) Nothing contained in this part is intended or shall~~
14 ~~be construed to create an entitlement to a license or permit~~
15 ~~by a person.~~

16 ~~(b) Renewal.~~

17 ~~(1) All permits and licenses issued under this part~~
18 ~~unless otherwise provided shall be subject to renewal every~~
19 ~~five years.~~

20 ~~(2) The application for renewal, unless otherwise~~
21 ~~provided, shall be submitted at least 180 days prior to the~~
22 ~~expiration of the permit or license and shall include an~~
23 ~~update of the information contained in the initial and any~~
24 ~~prior renewal applications and the payment of any renewal fee~~
25 ~~required by section 4101.~~

26 ~~(3) Nothing in this subsection shall be construed to~~
27 ~~relieve a licensee of the affirmative duty to notify the~~
28 ~~board of a change relating to the status of its license or to~~
29 ~~other information contained in the application materials on~~
30 ~~file with the board.~~

~~1 (c) Revocation or failure to renew.~~

~~2 (1) In addition to other sanctions the board may impose
3 under this part, the board may at its discretion suspend,
4 revoke or deny renewal of a permit or license issued under
5 this part if it receives information from any source that the
6 applicant or any of its officers, directors, owners or key
7 employees is in violation of any provision of this part, that
8 the applicant has furnished the board with false or
9 misleading information or that the information contained in
10 the applicant's initial application or renewal application is
11 no longer true and correct such that the applicant is no
12 longer eligible.~~

~~13 (2) In the event of a revocation or failure to renew,
14 the applicant's authorization to conduct the previously
15 approved activity shall immediately cease upon receipt of a
16 final adjudication under 2 Pa.C.S. Chs. 5 Subch. A (relating
17 to practice and procedure of Commonwealth agencies) and 7
18 Subch. A (relating to judicial review of Commonwealth agency
19 action), and all fees paid in connection with the application
20 shall be deemed to be forfeited.~~

~~21 (3) In the event of a suspension, the applicant's
22 authorization to conduct the previously approved activity
23 shall immediately cease until the board has notified the
24 applicant that the suspension is no longer in effect.~~

~~25 (d) Nontransferability of licenses.~~

~~26 (1) A license issued by the board is a grant of the
27 privilege to conduct a business in this Commonwealth.~~

~~28 (2) Except as permitted by section 3517 (relating to
29 change in ownership or control of terminal operator
30 licensee), no license granted or renewed pursuant to this~~

1 ~~part may be sold, transferred or assigned to another person.~~

2 ~~(3) No licensee may pledge or otherwise grant a security~~
3 ~~interest in or lien on the license.~~

4 ~~(4) The board has the sole discretion to issue, renew,~~
5 ~~condition or deny the issuance of a terminal operator license~~
6 ~~based upon the requirements of this part.~~

7 ~~(5) Nothing contained in this part is intended or shall~~
8 ~~be construed to create in any person an entitlement to a~~
9 ~~license.~~

10 ~~§ 3517. Change in ownership or control of terminal operator~~
11 ~~licensee.~~

12 ~~(a) Notification and approval.~~

13 ~~(1) A terminal operator licensee shall promptly notify~~
14 ~~the board of a proposed or contemplated change of ownership~~
15 ~~of the terminal operator licensee by a person or group of~~
16 ~~persons acting in concert which involves any of the~~
17 ~~following:~~

18 ~~(i) More than 5% of a terminal operator licensee's~~
19 ~~securities or other ownership interests.~~

20 ~~(ii) More than 5% of the securities or other~~
21 ~~ownership interests of a corporation or other form of~~
22 ~~business entity that owns directly or indirectly at least~~
23 ~~20% of the voting or other securities or other ownership~~
24 ~~interests of the licensee.~~

25 ~~(iii) The sale of all or substantially all of a~~
26 ~~licensee's assets.~~

27 ~~(iv) Other transaction or occurrence deemed by the~~
28 ~~board to be relevant to license qualifications.~~

29 ~~(2) (i) Notwithstanding the provisions of paragraph~~
30 ~~(1), no terminal operator licensee may be required to~~

~~notify the board of an acquisition by an institutional investor under paragraph (1) (i) or (ii) if the institutional investor holds less than 10% of the securities or other ownership interests referred to in paragraph (1) (i) or (ii), the securities or interests are publicly traded securities and its holdings of the securities were purchased for investment purposes only and the institutional investor files with the board a certified statement to the effect that it has no intention of influencing or affecting, directly or indirectly, the affairs of the licensee, provided, however, that it shall be permitted to vote on matters put to the vote of the outstanding security holders.~~

~~(ii) Notice to the board and board approval shall be required prior to completion of any proposed or contemplated change of ownership of a terminal operator licensee that meets the criteria of this section.~~

~~(b) Qualification of purchaser of terminal operator licensee; change of control.~~

~~(1) The purchaser of all or substantially all of the assets of a terminal operator licensee shall, if not already a terminal operator licensee, independently qualify for a license in accordance with this part and shall pay the license fee as required by section 4101 (relating to fees).~~

~~(2) A change in control of a terminal operator licensee shall require that the terminal operator licensee independently qualify for a license in accordance with this part, and the terminal operator licensee shall pay a new license fee as required by section 4101, except as otherwise required by the board pursuant to this section.~~

1 ~~(3) The new license fee shall be paid upon the~~
2 ~~assignment and actual change of control or ownership of the~~
3 ~~terminal operator license.~~

4 ~~(c) Change in control defined. For purposes of this~~
5 ~~section, a change in control of a terminal operator licensee~~
6 ~~shall mean the acquisition by a person or group of persons~~
7 ~~acting in concert of more than 20% of a terminal operator~~
8 ~~licensee's securities or other ownership interests, with the~~
9 ~~exception of any ownership interest of the person that existed~~
10 ~~at the time of initial licensing and payment of the initial slot~~
11 ~~machine license fee, or more than 20% of the securities or other~~
12 ~~ownership interests of a corporation or other form of business~~
13 ~~entity that owns directly or indirectly at least 20% of the~~
14 ~~voting or other securities or other ownership interests of the~~
15 ~~licensee.~~

16 ~~(d) Fee reduction. The board may in its discretion~~
17 ~~eliminate the need for qualification or proportionately reduce,~~
18 ~~but not eliminate, the new license fee otherwise required~~
19 ~~pursuant to this section in connection with a change of control~~
20 ~~of a licensee, depending upon the type of transaction, the~~
21 ~~relevant ownership interests and changes to the interests~~
22 ~~resulting from the transaction and other considerations deemed~~
23 ~~relevant by the board.~~

24 ~~(e) License revocation. Failure to comply with this section~~
25 ~~may cause the license issued under this part to be revoked or~~
26 ~~suspended by the board unless the purchase of the assets or the~~
27 ~~change in control that meets the criteria of this section has~~
28 ~~been independently qualified in advance by the board and any~~
29 ~~required license fee has been paid.~~

30 ~~§ 3518. Video gaming accounting controls and audits.~~

1 ~~(a) Approval. Except as otherwise provided by this part, a~~
2 ~~terminal operator license applicant shall, in addition to~~
3 ~~obtaining a terminal operator license, obtain approval from the~~
4 ~~board in consultation with the department of its internal~~
5 ~~control systems and audit protocols prior to the installation~~
6 ~~and operation of video gaming terminals at licensed~~
7 ~~establishments.~~

8 ~~(b) Minimum requirements. At a minimum, the applicant's~~
9 ~~proposed internal controls and audit protocols shall:~~

10 ~~(1) Safeguard its assets and revenues, including, but~~
11 ~~not limited to, the recording of cash and evidences of~~
12 ~~indebtedness related to the video gaming terminals.~~

13 ~~(2) Provide for reliable records, accounts and reports~~
14 ~~of a financial event that occurs in the operation of a video~~
15 ~~gaming terminal, including reports to the board related to~~
16 ~~the video gaming terminals.~~

17 ~~(3) Ensure that each video gaming terminal directly~~
18 ~~provides or communicates all required activities and~~
19 ~~financial details to the central control computer system as~~
20 ~~set by the board.~~

21 ~~(4) Provide for accurate and reliable financial records.~~

22 ~~(5) Ensure a financial event that occurs in the~~
23 ~~operation of a video gaming terminal is performed only in~~
24 ~~accordance with the management's general or specific~~
25 ~~authorization, as approved by the board.~~

26 ~~(6) Ensure that a financial event that occurs in the~~
27 ~~operation of a video gaming terminal is recorded adequately~~
28 ~~to permit proper and timely reporting of gross revenue and~~
29 ~~the calculation thereof and of fees and taxes and to maintain~~
30 ~~accountability for assets.~~

1 ~~(7) Ensure that access to assets is permitted only in~~
2 ~~accordance with management's specific authorization, as~~
3 ~~approved by the board.~~

4 ~~(8) Ensure that recorded accountability for assets is~~
5 ~~compared with actual assets at intervals as required by the~~
6 ~~board and appropriate action is taken with respect to~~
7 ~~discrepancies.~~

8 ~~(9) Ensure that all functions, duties and~~
9 ~~responsibilities are appropriately segregated and performed~~
10 ~~in accordance with sound financial practices by competent,~~
11 ~~qualified personnel.~~

12 ~~(10) Any other requirement of the board.~~

13 ~~(c) Internal control. A terminal operator license applicant~~
14 ~~shall submit to the board and department, in such manner as the~~
15 ~~board requires, a description of its administrative and~~
16 ~~accounting procedures in detail, including its written system of~~
17 ~~internal control. The written system of internal control shall~~
18 ~~include:~~

19 ~~(1) Records of direct and indirect ownership in the~~
20 ~~proposed terminal operator licensee, its affiliate,~~
21 ~~intermediary, subsidiary or holding company.~~

22 ~~(2) An organizational chart depicting appropriate~~
23 ~~segregation of functions and responsibilities.~~

24 ~~(3) A description of the duties and responsibilities of~~
25 ~~each position shown on the organizational chart.~~

26 ~~(4) A detailed narrative description of the~~
27 ~~administrative and accounting procedures designed to satisfy~~
28 ~~the requirements of this section.~~

29 ~~(5) Record retention policy.~~

30 ~~(6) Procedure to ensure that assets are safeguarded,~~

1 ~~including mandatory count procedures.~~

2 ~~(7) A statement signed by the chief financial officer of~~
3 ~~the terminal operator license applicant or other competent~~
4 ~~person and the chief executive officer of the terminal~~
5 ~~operator license applicant or other competent person~~
6 ~~attesting that the officer believes, in good faith, that the~~
7 ~~system satisfies the requirements of this section.~~

8 ~~(8) Other items that the board may require in its~~
9 ~~discretion.~~

10 ~~§ 3519. Multiple licenses prohibited.~~

11 ~~(a) Manufacturer restriction. A manufacturer may not be~~
12 ~~licensed as a terminal operator or own, manage or control an~~
13 ~~establishment licensee, but may also be licensed as a supplier.~~

14 ~~(b) Supplier restriction. A supplier may not be licensed as~~
15 ~~a terminal operator or own, manage or control an establishment~~
16 ~~licensee or terminal operator licensee.~~

17 ~~(c) Terminal operator restriction. A terminal operator may~~
18 ~~not be licensed as a manufacturer or supplier or own, manage or~~
19 ~~control an establishment licensee or own, manage or control~~
20 ~~premises used by an establishment licensee.~~

21 ~~(d) Establishment restriction. An establishment licensee~~
22 ~~may not be licensed as a manufacturer, supplier, terminal~~
23 ~~operator or procurement agent.~~

24 ~~§ 3520. Conditional licenses.~~

25 ~~(a) Conditional establishment licenses.~~

26 ~~(1) Within 90 days after the effective date of this~~
27 ~~section, the board shall make applications for establishment~~
28 ~~licenses available to applicants.~~

29 ~~(2) The board shall issue a conditional license to an~~
30 ~~applicant for an establishment license if the applicant~~

1 ~~satisfies, as determined by the board, all of the following~~
2 ~~criteria:~~

3 ~~(i) The applicant has never been convicted of a~~
4 ~~felony in any jurisdiction.~~

5 ~~(ii) The applicant is current on all State taxes.~~

6 ~~(iii) The applicant has submitted a completed~~
7 ~~application for an establishment license in accordance~~
8 ~~with this part, which may be submitted concurrently with~~
9 ~~the applicant's request for a conditional license.~~

10 ~~(iv) For liquor establishment applicants, the~~
11 ~~applicant held a valid liquor license on the date of~~
12 ~~application and such license is in good standing.~~

13 ~~(v) The applicant has never been convicted of a~~
14 ~~gambling law violation in any jurisdiction.~~

15 ~~(vi) For an applicant that is a liquor establishment~~
16 ~~whose licensed premises is less than 1,000 square feet,~~
17 ~~the report required under section 3514(d.1) (relating to~~
18 ~~establishment licenses) has been received and reviewed by~~
19 ~~the board.~~

20 ~~(3) (i) The board shall issue a conditional license to~~
21 ~~an applicant for an establishment license, within 60 days~~
22 ~~after the completed application has been received by the~~
23 ~~board, provided that the board determines that the~~
24 ~~criteria contained in paragraph (2) has been satisfied.~~

25 ~~(ii) If the board determines that the criteria~~
26 ~~contained in paragraph (2) has not been satisfied, the~~
27 ~~board shall give a written explanation to the applicant~~
28 ~~as to why it has determined the criteria has not been~~
29 ~~satisfied.~~

30 ~~(4) A conditional license shall be valid until:~~

1 ~~(i) the board either approves or denies the~~
2 ~~applicant's application for licensure;~~

3 ~~(ii) the conditional license is terminated for a~~
4 ~~violation of this part; or~~

5 ~~(iii) one calendar year has passed since the~~
6 ~~conditional license was issued.~~

7 ~~(5) The board may extend the duration of the conditional~~
8 ~~license for one calendar year.~~

9 ~~(6) An applicant shall attest by way of affidavit under~~
10 ~~penalty of perjury that the applicant is not otherwise~~
11 ~~prohibited from licensure according to the requirements of~~
12 ~~this section or any other provision of this part.~~

13 ~~(7) A request for conditional licensure under this~~
14 ~~subsection shall include payment of a \$100 fee, which fee~~
15 ~~shall be in addition to the applicable fee required under~~
16 ~~section 4101 (relating to fees).~~

17 ~~(b) Conditional terminal operator licenses.~~

18 ~~(1) Within 90 days after the effective date of this~~
19 ~~section, the board shall make applications for terminal~~
20 ~~operator licenses available to applicants.~~

21 ~~(2) The board shall issue a conditional license to an~~
22 ~~applicant for a terminal operator license if the applicant~~
23 ~~satisfies, as determined by the board, all of the following~~
24 ~~criteria:~~

25 ~~(i) The applicant has never been convicted of a~~
26 ~~felony in any jurisdiction.~~

27 ~~(ii) The applicant is current on all State taxes.~~

28 ~~(iii) The applicant has submitted a completed~~
29 ~~application for a terminal operator license which may be~~
30 ~~submitted concurrently with the applicant's request for a~~

1 ~~conditional license.~~

2 ~~(iv) The applicant has never had its terminal-~~
3 ~~operator license or similar gaming license denied or-~~
4 ~~revoked in another jurisdiction.~~

5 ~~(v) The applicant has never been convicted of a~~
6 ~~gambling law violation in any jurisdiction.~~

7 ~~(3) (i) The board shall issue a conditional license to-~~
8 ~~an applicant for a terminal operator license, within 60-~~
9 ~~days after the completed application has been received by-~~
10 ~~the board, provided that the board determines that the-~~
11 ~~criteria contained in paragraph (3) has been satisfied.~~

12 ~~(ii) If the board determines that the criteria-~~
13 ~~contained in paragraph (3) has not been satisfied, the-~~
14 ~~board shall give a written explanation to the applicant-~~
15 ~~as to why it has determined the criteria has not been-~~
16 ~~satisfied.~~

17 ~~(4) A conditional license shall be valid until:~~

18 ~~(i) the board either approves or denies the-~~
19 ~~applicant's application for licensure;~~

20 ~~(ii) the conditional license is terminated for a-~~
21 ~~violation of this chapter; or~~

22 ~~(iii) one calendar year has passed since the-~~
23 ~~conditional license was issued.~~

24 ~~(5) The board may extend the duration of the conditional-~~
25 ~~license for one calendar year.~~

26 ~~(6) An applicant shall attest by way of affidavit under-~~
27 ~~penalty of perjury that the applicant is not otherwise-~~
28 ~~prohibited from licensure according to the requirements of-~~
29 ~~this subsection or any other provision of this part.~~

30 ~~(7) A request for conditional licensure under this-~~

~~subsection shall include payment of a \$100 fee, which fee shall be in addition to the applicable fee required under section 4101.~~

~~(c) Conditional manufacturer and supplier licenses.~~

~~(1) Within 90 days after the effective date of this section, the board shall make applications available for manufacturer and supplier license.~~

~~(2) The board shall issue a conditional license to an applicant for a manufacturer or supplier license if the applicant satisfies, as determined by the board, all of the following criteria:~~

~~(i) The applicant has never been convicted of a felony.~~

~~(ii) The applicant is current on all State taxes.~~

~~(iii) The applicant has submitted a completed application a manufacturer or supplier license, which may be submitted concurrently with the applicant's request for a conditional license.~~

~~(iv) The applicant has never had its manufacturer, supplier or similar gaming license denied or revoked in another jurisdiction.~~

~~(v) The applicant has never been convicted of a gambling law violation in any jurisdiction.~~

~~(3) (i) The board shall issue a conditional license to an applicant for a manufacturer or supplier license within 60 days after the completed application has been received by the board, provided that the board determines that the criteria contained in paragraph (2) has been satisfied.~~

~~(ii) If the board determines that the criteria~~

1 ~~contained in paragraph (2) has not been satisfied, the~~
2 ~~board shall give a written explanation to the applicant~~
3 ~~as to why it has determined the criteria has not been~~
4 ~~satisfied.~~

5 ~~(4) A conditional license shall be valid until:~~

6 ~~(i) the board either approves or denies the~~
7 ~~applicant's application for licensure;~~

8 ~~(ii) the conditional license is terminated for a~~
9 ~~violation of this part; or~~

10 ~~(iii) one calendar year has passed since the~~
11 ~~conditional license was issued.~~

12 ~~(5) The board may extend the duration of the conditional~~
13 ~~license for one calendar year.~~

14 ~~(6) An applicant shall attest by way of affidavit under~~
15 ~~penalty of perjury that the applicant is not otherwise~~
16 ~~prohibited from licensure according to the requirements of~~
17 ~~this subsection or any other provision of this part.~~

18 ~~(7) A request for a conditional license under this~~
19 ~~subsection shall include payment of a \$1,000 fee, which fee~~
20 ~~shall be in addition to the applicable fee required under~~
21 ~~section 4101.~~

22 ~~(d) Other conditional licenses.—~~

23 ~~(1) Within 90 days after the effective date of this~~
24 ~~section, the board shall make applications available for any~~
25 ~~other license required under this part.~~

26 ~~(2) The board shall issue a conditional license to an~~
27 ~~applicant if the applicant satisfies, as determined by the~~
28 ~~board, all of the following criteria:~~

29 ~~(i) The applicant has never been convicted of a~~
30 ~~felony in any jurisdiction.~~

1 ~~(ii) The applicant is current on all State taxes.~~

2 ~~(iii) The applicant has submitted a completed~~
3 ~~application for licensure, which may be submitted~~
4 ~~concurrently with the applicant's request for a~~
5 ~~conditional license.~~

6 ~~(iv) The applicant has never been convicted of a~~
7 ~~gambling law violation in any jurisdiction.~~

8 ~~(3) (i) The board shall issue a conditional license to~~
9 ~~an applicant within 60 days after the completed~~
10 ~~application has been received by the board, provided that~~
11 ~~the board determines that the criteria contained in~~
12 ~~paragraph (2) has been satisfied.~~

13 ~~(ii) If the board determines that the criteria~~
14 ~~contained in paragraph (2) has not been satisfied, the~~
15 ~~board shall give a written explanation to the applicant~~
16 ~~as to why it has determined the criteria has not been~~
17 ~~satisfied.~~

18 ~~(4) A conditional license shall be valid until:~~

19 ~~(i) the board either approves or denies the~~
20 ~~applicant's application for licensure;~~

21 ~~(ii) the conditional license is terminated for a~~
22 ~~violation of this part; or~~

23 ~~(iii) one calendar year has passed since the~~
24 ~~conditional license was issued.~~

25 ~~(5) The board may extend the duration of the conditional~~
26 ~~license for one calendar year.~~

27 ~~(6) An applicant shall attest by way of affidavit under~~
28 ~~penalty of perjury that the applicant is not otherwise~~
29 ~~prohibited from licensure according to the requirements of~~
30 ~~this subsection or any other provision of this part.~~

1 ~~(7) A request for conditional licensure under this~~
2 ~~subsection shall include payment of a \$100 fee, which fee~~
3 ~~shall be in addition to the applicable fee required under~~
4 ~~section 4101.~~

5 ~~(c) Prioritization prohibited.~~

6 ~~(1) The board may not utilize the alternative licensing~~
7 ~~standards for a terminal operator license, manufacturer~~
8 ~~license or a supplier license under sections 3511 (relating~~
9 ~~to alternative terminal operator licensing standards), 3512~~
10 ~~(relating to alternative manufacturer licensing standards)~~
11 ~~and 3513 (relating to alternative supplier licensing~~
12 ~~standards) to prioritize the issuance of a terminal operator,~~
13 ~~manufacturer or supplier license under this chapter.~~

14 ~~(2) The board shall ensure that applications made to the~~
15 ~~board according to the alternative standards under sections~~
16 ~~3511, 3512 and 3513 are not approved or denied in a time~~
17 ~~period that is less than the time period in which an~~
18 ~~application for a conditional license is approved or denied~~
19 ~~under this section.~~

20 ~~(f) Incomplete applications. If the board receives an~~
21 ~~application that is incomplete, the board shall, within seven~~
22 ~~days of receiving the incomplete application, notify the~~
23 ~~applicant of additional information required by the board.~~

24 ~~CHAPTER 37~~

25 ~~OPERATION~~

26 ~~3701. Testing and certification of terminals.~~

27 ~~3702. Video gaming limitations.~~

28 ~~3703. Hours of operation.~~

29 ~~3704. Terminal placement agreements.~~

30 ~~3705. Duties of licensees.~~

1 ~~3706. Compulsive and problem gambling.~~

2 ~~§ 3701. Testing and certification of terminals.~~

3 ~~(a) General rule. No video gaming terminal or redemption~~
4 ~~terminal or associated equipment may be made available for use~~
5 ~~in this Commonwealth prior to being tested and certified by the~~
6 ~~board in accordance with this section.~~

7 ~~(b) Video gaming terminal specifications. Video gaming~~
8 ~~terminals shall be tested and certified to meet the following~~
9 ~~specifications:~~

10 ~~(1) The video gaming terminal shall have the ability to~~
11 ~~be linked to the central control computer.~~

12 ~~(2) The video gaming terminal shall be marked with an~~
13 ~~irremovable identification plate that is placed in a~~
14 ~~conspicuous location on the exterior of the video gaming~~
15 ~~terminal. The identification plate shall contain the name of~~
16 ~~the manufacturer and the serial and model numbers of the~~
17 ~~video gaming terminal.~~

18 ~~(3) The video gaming terminal shall prominently display~~
19 ~~the rules of play either on the video gaming terminal face or~~
20 ~~screen.~~

21 ~~(4) The video gaming terminal may not have the ability~~
22 ~~to dispense cash, tokens or anything of value, except~~
23 ~~redemption tickets which shall only be exchangeable for cash~~
24 ~~at a redemption terminal or reinserted into another video~~
25 ~~gaming terminal located in the same video gaming area as the~~
26 ~~video gaming terminal.~~

27 ~~(5) The cost of a credit shall only be 1¢, 5¢, 10¢ or~~
28 ~~25¢.~~

29 ~~(6) The maximum wager per individual game shall not~~
30 ~~exceed \$5.~~

1 ~~(7) The maximum prize per individual game shall not~~
2 ~~exceed \$1,000.~~

3 ~~(8) The video gaming terminal shall be designed and~~
4 ~~manufactured with total accountability to include gross~~
5 ~~proceeds, net profits, winning percentages and other~~
6 ~~information the board requires.~~

7 ~~(9) The video gaming terminal shall pay out a minimum of~~
8 ~~85% of the amount wagered.~~

9 ~~(10) Other specifications the board requires.~~

10 ~~(c) Redemption terminal specifications. Redemption~~
11 ~~terminals shall be tested and certified to meet the following~~
12 ~~specifications:~~

13 ~~(1) The redemption terminal shall be marked with an~~
14 ~~irremovable identification plate that is placed in a~~
15 ~~conspicuous location on the exterior of the redemption~~
16 ~~terminal. The identification plate shall contain the name of~~
17 ~~the manufacturer and the serial and model numbers of the~~
18 ~~redemption terminal.~~

19 ~~(2) The redemption terminal shall only accept redemption~~
20 ~~tickets from video gaming terminals located in the same video~~
21 ~~gaming area.~~

22 ~~(3) The redemption terminal shall be designed and~~
23 ~~manufactured with total accountability to record information~~
24 ~~the board requires.~~

25 ~~(4) Other specifications the board requires.~~

26 ~~(d) Use of other state standards.~~

27 ~~(1) The board may determine, in its discretion, whether~~
28 ~~the video gaming terminal or redemption terminal testing and~~
29 ~~certification standards of another jurisdiction within the~~
30 ~~United States in which a manufacturer licensee is licensed~~

1 ~~are comprehensive and thorough and provide similar adequate~~
2 ~~safeguards as those required by this part.~~

3 ~~(2) If the board makes that determination, the board may~~
4 ~~permit a manufacturer licensee through a licensed supplier to~~
5 ~~deploy those video gaming terminals or redemption terminals~~
6 ~~which have met the video gaming terminal or redemption~~
7 ~~terminal testing and certification standards in such other~~
8 ~~jurisdictions without undergoing the full testing and~~
9 ~~certification process by the board's testing facility.~~

10 ~~(3) In the event video gaming terminals or redemption~~
11 ~~terminals of a manufacturer licensee are licensed in the~~
12 ~~other jurisdiction, the board may determine to use an~~
13 ~~abbreviated process requiring only that information~~
14 ~~determined by the board to be necessary to consider the~~
15 ~~issuance of a video gaming terminal or redemption terminal~~
16 ~~certification to such an applicant.~~

17 ~~(e) Private testing. The board may, in its discretion, rely~~
18 ~~upon the certification of a video gaming terminal or redemption~~
19 ~~terminal that has met the testing and certification standards of~~
20 ~~one or more board approved independent private testing and~~
21 ~~certification facilities.~~

22 ~~(f) Testing and certification fee.~~

23 ~~(1) A fee for the testing and certification of a video~~
24 ~~gaming terminal or redemption terminal shall be paid by the~~
25 ~~manufacturer licensee submitting the terminal, which fee~~
26 ~~shall be an amount established by the board according to a~~
27 ~~schedule adopted by the board.~~

28 ~~(2) Fees established by the board shall be exempt from~~
29 ~~any fee limitation contained in section 4101 (relating to~~
30 ~~fees).~~

1 ~~(g) Central control computer compatibility. The board shall~~
2 ~~ensure that all video gaming terminals certified and approved~~
3 ~~for use in this Commonwealth are compatible and comply with the~~
4 ~~central control computer and protocol specifications approved by~~
5 ~~the department.~~

6 ~~§ 3702. Video gaming limitations.~~

7 ~~(a) Establishment licensee limitations. An establishment~~
8 ~~licensee may offer video gaming terminals for play within its~~
9 ~~premises, subject to the following:~~

10 ~~(1) No more than the following number of video gaming~~
11 ~~terminals may be placed on the premises of the establishment~~
12 ~~licensee:~~

13 ~~(i) For an establishment licensee that is a truck~~
14 ~~stop establishment, no more than 10 video gaming~~
15 ~~terminals.~~

16 ~~(ii) For an establishment licensee that is not a~~
17 ~~truck stop establishment or nonprimary location, no more~~
18 ~~than five video gaming terminals.~~

19 ~~(2) Redemption tickets shall only be exchanged for cash~~
20 ~~through a redemption terminal or reinserted into another~~
21 ~~video gaming terminal in the same video gaming area or as~~
22 ~~otherwise authorized by the board in the event of a failure~~
23 ~~or malfunction in a redemption terminal, and at least one~~
24 ~~redemption terminal shall be located in the video gaming~~
25 ~~area.~~

26 ~~(3) Video gaming terminals located on the premises of~~
27 ~~the establishment licensee shall be placed and operated by a~~
28 ~~terminal operator licensee pursuant to a terminal placement~~
29 ~~agreement.~~

30 ~~(4) No video gaming area may be located in an area that~~

1 ~~is not properly segregated from minors.~~

2 ~~(5) The entrance to the video gaming area shall be~~
3 ~~secure and easily seen and observed by at least one employee.~~

4 ~~(6) The video gaming area shall at all times be~~
5 ~~monitored by an employee of the establishment licensee either~~
6 ~~directly or through live monitoring of video surveillance.~~
7 ~~The employee must be at least 18 years of age and have~~
8 ~~completed the mandatory training program required in section~~
9 ~~3706 (relating to compulsive and problem gambling).~~

10 ~~(7) No establishment licensee may provide an incentive.~~

11 ~~(8) No minor shall be permitted to play a video gaming~~
12 ~~terminal or enter the video gaming area.~~

13 ~~(9) No visibly intoxicated person shall be permitted to~~
14 ~~play a video gaming terminal.~~

15 ~~(10) No establishment licensee may extend credit or~~
16 ~~accept a credit card or debit card for play of a video gaming~~
17 ~~terminal.~~

18 ~~(11) No establishment licensee may make structural~~
19 ~~alterations or significant renovations to a video gaming area~~
20 ~~unless the establishment licensee has notified the terminal~~
21 ~~operator licensee and obtained prior approval from the board.~~

22 ~~(12) No establishment licensee may move a video gaming~~
23 ~~terminal or redemption terminal after installation by a~~
24 ~~terminal operator licensee.~~

25 ~~(b) Terminal operator licensee limitations. A terminal~~
26 ~~operator licensee may place and operate video gaming terminals~~
27 ~~on the premises of an establishment licensee, subject to the~~
28 ~~following:~~

29 ~~(1) No more than the following number of video gaming~~
30 ~~terminals may be placed on the premises of the establishment~~

1 licensee:

2 ~~(i) For an establishment licensee that is a truck~~
3 ~~stop establishment, no more than 10 video gaming~~
4 ~~terminals.~~

5 ~~(ii) For an establishment licensee that is not a~~
6 ~~truck stop establishment or nonprimary location, no more~~
7 ~~than five video gaming terminals.~~

8 ~~(2) Redemption tickets shall only be exchanged for cash~~
9 ~~through a redemption terminal located within the same video~~
10 ~~gaming area or reinserted into another video gaming terminal~~
11 ~~located in the same video gaming area as the video gaming~~
12 ~~terminal.~~

13 ~~(3) Video gaming terminals located on the premises of~~
14 ~~the establishment licensee shall be placed and operated~~
15 ~~pursuant to a terminal placement agreement.~~

16 ~~(4) No terminal operator licensee may provide an~~
17 ~~incentive.~~

18 ~~(5) No terminal operator licensee may place and operate~~
19 ~~video gaming terminals within a licensed facility.~~

20 ~~(6) No terminal operator licensee may extend credit or~~
21 ~~accept a credit card or debit card for play of a video gaming~~
22 ~~terminal.~~

23 ~~(7) No terminal operator licensee may give or offer to~~
24 ~~give, directly or indirectly, any type of inducement to an~~
25 ~~establishment to secure or maintain a terminal placement~~
26 ~~agreement.~~

27 ~~(8) No terminal operator licensee may give an~~
28 ~~establishment licensee a percentage of gross terminal revenue~~
29 ~~other than 26% of the gross terminal revenue of the video~~
30 ~~gaming terminals operating in the establishment licensee's~~

1 ~~premises.~~

2 ~~(9) A terminal operator licensee shall only operate,~~
3 ~~install or otherwise make available for public use a video~~
4 ~~gaming terminal or redemption terminal that has been obtained~~
5 ~~from a supplier licensee.~~

6 ~~(10) No terminal operator licensee may make structural~~
7 ~~alterations or significant renovations to a video gaming area~~
8 ~~unless the terminal operator licensee has notified the~~
9 ~~establishment licensee and obtained prior approval from the~~
10 ~~board.~~

11 ~~(11) No terminal operator licensee may move a video~~
12 ~~gaming terminal or redemption terminal after installation~~
13 ~~unless prior approval is obtained from the board.~~

14 ~~§ 3703. Hours of operation.~~

15 ~~(a) Liquor establishments. An establishment licensee that~~
16 ~~is also a liquor establishment may only permit the play of video~~
17 ~~gaming terminals during the hours in which the liquor~~
18 ~~establishment is authorized by the Pennsylvania Liquor Control~~
19 ~~Board to sell alcoholic beverages.~~

20 ~~(b) Other establishments. An establishment licensee that is~~
21 ~~also a truck stop establishment may permit play of video gaming~~
22 ~~terminals during normal business hours.~~

23 ~~§ 3704. Terminal placement agreements.~~

24 ~~(a) General rule. Except as provided for in subsection (j),~~
25 ~~no terminal operator licensee may place and operate video gaming~~
26 ~~terminals on the premises of an establishment licensee unless~~
27 ~~pursuant to a terminal placement agreement approved by the~~
28 ~~board. Approval shall be presented upon connection of one or~~
29 ~~more video gaming terminals at the establishment licensee to the~~
30 ~~central control computer.~~

1 ~~(b) Form of agreement. The board shall establish through~~
2 ~~regulation minimum standards for terminal placement agreements.~~

3 ~~(c) Length of agreement. Terminal placement agreements~~
4 ~~shall be valid for a minimum 60 month term but shall not exceed~~
5 ~~a 120 month term.~~

6 ~~(d) Provisions required. A terminal placement agreement~~
7 ~~shall include a provision that:~~

8 ~~(1) Renders the agreement invalid if either the terminal~~
9 ~~operator license or terminal operator application or the~~
10 ~~establishment license or establishment licensee application~~
11 ~~is denied, revoked, not renewed, withdrawn or surrendered.~~

12 ~~(2) Provides the establishment licensee no more or less~~
13 ~~than 26% of gross terminal revenue from each video gaming~~
14 ~~terminal located on the premises of the establishment~~
15 ~~licensee.~~

16 ~~(3) Identifies who solicited the terminal placement~~
17 ~~agreement on behalf of a terminal operator licensee or~~
18 ~~applicant.~~

19 ~~(e) Procurement agent. No person may be compensated for the~~
20 ~~solicitation or procurement of a terminal placement agreement on~~
21 ~~behalf of a terminal operator licensee or applicant.~~

22 ~~(f) Parties to agreement. Only an establishment licensee or~~
23 ~~applicant may sign or agree to sign a terminal placement~~
24 ~~agreement with an applicant for a terminal operator license or a~~
25 ~~terminal operator licensee.~~

26 ~~(g) Void agreements. An agreement entered into by an~~
27 ~~establishment prior to the effective date of this section with a~~
28 ~~person or entity for the placement, operation, service or~~
29 ~~maintenance of video gaming terminals, including an agreement~~
30 ~~granting a person or entity the right to enter into an agreement~~

1 ~~or match any offer made after the effective date of this section~~
2 ~~shall be void and may not be approved by the board.~~

3 ~~(h) Transferability of agreements. No terminal placement~~
4 ~~agreement may be transferred or assigned unless the individual~~
5 ~~or entity making the assignment is either a terminal operator~~
6 ~~applicant or licensee and the individual or entity receiving the~~
7 ~~assignment of the terminal placement agreement is either a~~
8 ~~terminal operator applicant or licensee under this chapter.~~

9 ~~§ 3705. Duties of licensees.~~

10 ~~A person issued a license under this part shall:~~

11 ~~(1) Provide assistance or information required by the~~
12 ~~board, the bureau or the Pennsylvania State Police and to~~
13 ~~cooperate in inquiries, investigations and hearings.~~

14 ~~(2) Consent to inspections, searches and seizures.~~

15 ~~(3) Inform the board of actions that the person believes~~
16 ~~would constitute a violation of this part.~~

17 ~~(4) Inform the board of arrests for violations of~~
18 ~~offenses enumerated under 18 Pa.C.S. (relating to crimes and~~
19 ~~offenses).~~

20 ~~§ 3706. Compulsive and problem gambling.~~

21 ~~(a) Required posting.~~

22 ~~(1) An establishment licensee shall conspicuously post~~
23 ~~signs similar to the following statement:~~

24 ~~If you or someone you know has a gambling problem,~~
25 ~~help is available. Call (Toll free telephone number)~~
26 ~~or Text (Toll free telephone number).~~

27 ~~(2) At least one sign shall be posted within the video~~
28 ~~gaming area and at least one sign shall be posted within five~~
29 ~~feet of each automated teller machine located within the~~
30 ~~establishment licensee's premises, if applicable.~~

1 ~~(b) Toll free telephone number. The toll free telephone~~
2 ~~number required to be posted in subsection (a) shall be the same~~
3 ~~number maintained by the Department of Drug and Alcohol Programs~~
4 ~~or successor agency under section 3310 (relating to Department~~
5 ~~of Drug and Alcohol Programs).~~

6 ~~(c) Problem gambling information.~~

7 ~~(1) An establishment licensee shall have available in~~
8 ~~its establishment access to materials regarding compulsive~~
9 ~~and problem gambling assistance.~~

10 ~~(2) The available materials required by paragraph (1)~~
11 ~~shall be a uniform, Statewide handout developed by the board~~
12 ~~in consultation with the Department of Drug and Alcohol~~
13 ~~Programs or successor agency.~~

14 ~~(3) The available materials required by paragraph (1)~~
15 ~~shall be displayed conspicuously at least within the video~~
16 ~~gaming area.~~

17 ~~(d) Mandatory training.~~

18 ~~(1) The board's Office of Compulsive and Problem~~
19 ~~Gambling, in consultation with the Department of Drug and~~
20 ~~Alcohol Programs or successor agency, shall develop a~~
21 ~~mandatory training program for employees and management of an~~
22 ~~establishment licensee who oversee the licensee's video~~
23 ~~gaming area. The training program shall address responsible~~
24 ~~gaming and other compulsive and problem gambling issues~~
25 ~~related to video gaming terminals.~~

26 ~~(2) The board shall establish a fee to cover the cost of~~
27 ~~the mandatory training program.~~

28 ~~(3) At least one employee of the establishment licensee~~
29 ~~who has successfully completed the training program shall be~~
30 ~~located on the premises and supervising the video gaming area~~

1 ~~during all times video gaming terminals are available for~~
2 ~~play.~~

3 ~~(c) Penalty. An establishment licensee that fails to~~
4 ~~fulfill the requirements of subsection (a), (b), (c) or (d)~~
5 ~~shall be assessed by the board an administrative penalty and may~~
6 ~~have its establishment license suspended. When determining the~~
7 ~~penalty and number of suspension days, the board shall consider~~
8 ~~the length of time in which the materials were not available or~~
9 ~~a trained employee was not located on the premises as required~~
10 ~~by subsection (d) (3).~~

11 ~~CHAPTER 39~~

12 ~~ENFORCEMENT~~

13 ~~Sec.~~

14 ~~3901. Exclusion or ejection of certain persons.~~

15 ~~3902. Repeat offenders.~~

16 ~~3903. Self exclusion.~~

17 ~~3904. Investigations and enforcement.~~

18 ~~3905. Prohibited acts and penalties.~~

19 ~~3906. Report of suspicious transactions.~~

20 ~~3907. Additional authority.~~

21 ~~3908. Detention.~~

22 ~~§ 3901. Exclusion or ejection of certain persons.~~

23 ~~(a) General rule. The board shall by regulation provide for~~
24 ~~the establishment of a list of persons who are to be excluded or~~
25 ~~ejected from the video gaming area of an establishment licensee.~~
26 ~~The provisions shall define the standards for exclusion and~~
27 ~~shall include standards relating to persons who are career or~~
28 ~~professional offenders as defined by regulations of the board or~~
29 ~~whose presence in a video gaming area would, in the opinion of~~
30 ~~the board, be inimical to the interest of the Commonwealth or of~~

1 ~~licensed video gaming in this Commonwealth, or both.~~

2 ~~(b) Categories to be defined. The board shall promulgate~~
3 ~~definitions establishing categories of persons who shall be~~
4 ~~excluded or ejected pursuant to this section, including cheats~~
5 ~~and persons whose privileges for licensure, certification,~~
6 ~~permit or registration have been revoked.~~

7 ~~(c) Discrimination prohibited. Race, color, creed, national~~
8 ~~origin or ancestry or sex shall not be a reason for placing the~~
9 ~~name of a person upon a list under this section.~~

10 ~~(d) Prevention of access. The board shall, in consultation~~
11 ~~with terminal operator licensees and establishment licensees,~~
12 ~~develop policies and procedures to reasonably prevent persons on~~
13 ~~the list required by this section from entering a video gaming~~
14 ~~area.~~

15 ~~(e) Sanctions. The board may impose sanctions upon an~~
16 ~~establishment licensee in accordance with this part if the~~
17 ~~establishment licensee knowingly fails to implement the policies~~
18 ~~and procedures established by the board under paragraph (d).~~

19 ~~(f) List not all inclusive. A list compiled by the board~~
20 ~~under this section shall not be deemed an all inclusive list,~~
21 ~~and an establishment licensee shall keep from the video gaming~~
22 ~~area persons known to the establishment licensee to be within~~
23 ~~the classifications declared in this section and the regulations~~
24 ~~promulgated under this section whose presence in a video gaming~~
25 ~~area would be inimical to the interest of the Commonwealth or of~~
26 ~~licensed video gaming in this Commonwealth, or both, as defined~~
27 ~~in standards established by the board.~~

28 ~~(g) Notice. If the bureau decides to place the name of a~~
29 ~~person on a list pursuant to this section, the bureau shall~~
30 ~~serve notice of the decision to the person by personal service~~

~~1 or certified mail at the last known address of the person. The
2 notice shall inform the person of the right to request a hearing
3 under subsection (h).~~

~~4 (h) Hearing.~~

~~5 (1) Within 30 days after receipt of notice in accordance
6 with subsection (g), the person named for exclusion or
7 ejection may demand a hearing before the board, at which
8 hearing the bureau must demonstrate that the person named for
9 exclusion or ejection satisfies the criteria for exclusion or
10 ejection established by this section and the board's
11 regulations.~~

~~12 (2) Failure of the person to demand a hearing within 30
13 days after service shall be deemed an admission of all
14 matters and facts alleged in the bureau's notice and shall
15 preclude the person from having an administrative hearing,
16 but shall in no way affect the right to judicial review as
17 provided in this section.~~

~~18 (i) Review.~~

~~19 (1) If, upon completion of a hearing on the notice of
20 exclusion or ejection, the board determines that placement of
21 the name of the person on the exclusion or ejection list is
22 appropriate, the board shall make and enter an order to that
23 effect.~~

~~24 (2) The order shall be subject to review by the
25 Commonwealth Court in accordance with the rules of court.~~

~~26 § 3902. Repeat offenders.~~

~~27 (a) Discretion to exclude or eject. An establishment
28 licensee may exclude or eject from the establishment licensee's
29 video gaming area or premises a person who is known to it to
30 have been convicted of a misdemeanor or felony committed in or~~

1 ~~on the premises of a licensed establishment.~~

2 ~~(b) Construction. Nothing in this section or in any other~~
3 ~~law of this Commonwealth shall be construed to limit the right~~
4 ~~of an establishment licensee to exercise its common law right to~~
5 ~~exclude or eject permanently from its video gaming area or~~
6 ~~premises a person who:~~

7 ~~(1) disrupts the operations of its premises;~~

8 ~~(2) threatens the security of its premises or its~~
9 ~~occupants; or~~

10 ~~(3) is disorderly or intoxicated.~~

11 ~~§ 3903. Self exclusion.~~

12 ~~(a) Establishment of list.~~

13 ~~(1) The board shall provide by regulation for the~~
14 ~~establishment of a list of persons self excluded from video~~
15 ~~gaming activities within specific establishment licensees or~~
16 ~~establishment licensees in geographic areas of the~~
17 ~~Commonwealth.~~

18 ~~(2) A person may request placement on the list of self~~
19 ~~excluded persons by:~~

20 ~~(i) acknowledging in a manner to be established by~~
21 ~~the board that the person is a problem gambler;~~

22 ~~(ii) agreeing that, during any period of voluntary~~
23 ~~exclusion, the person may not collect any winnings or~~
24 ~~recover any losses resulting from any video gaming~~
25 ~~activity within establishment licensees and that person~~
26 ~~may be subject to arrest for trespass; and~~

27 ~~(iii) agreeing to another condition established by~~
28 ~~the board.~~

29 ~~(b) Regulations. The regulations of the board shall~~
30 ~~establish:~~

1 ~~(1) Procedures for placement on and removal from the~~
2 ~~list of a self excluded person.~~

3 ~~(2) Procedures for the transmittal to establishment~~
4 ~~licensees of identifying information concerning a self-~~
5 ~~excluded person and shall require establishment licensees to~~
6 ~~establish reasonable procedures designed at a minimum to~~
7 ~~prevent entry of a self excluded person into the video gaming~~
8 ~~area of an establishment licensee, provided that the board~~
9 ~~may not require video gaming terminals to be equipped with~~
10 ~~identification card reading devices or require establishment~~
11 ~~licensees to purchase identification card reading devices.~~

12 ~~(3) Procedures for the transmittal to terminal operator~~
13 ~~licensees of identifying information concerning a self-~~
14 ~~excluded person and shall require terminal operator licensees~~
15 ~~to establish procedures to remove self excluded persons from~~
16 ~~customer loyalty or reward card programs and targeted~~
17 ~~mailings or other forms of advertising or promotions;~~
18 ~~provided that the board may not require video gaming~~
19 ~~terminals to be equipped with identification card reading~~
20 ~~devices or require establishment licensees to purchase~~
21 ~~identification card reading devices.~~

22 ~~(c) Liability. An establishment licensee or employee~~
23 ~~thereof shall not be liable to a self excluded person or to~~
24 ~~another party in a judicial proceeding for harm, monetary or~~
25 ~~otherwise, which may arise as a result of:~~

26 ~~(1) the failure of the establishment licensee to~~
27 ~~withhold video gaming privileges from or restore video gaming~~
28 ~~privileges to the self excluded person; or~~

29 ~~(2) otherwise permitting or not permitting the self-~~
30 ~~excluded person to engage in video gaming activity within the~~

1 ~~establishment licensee's premises while on the list of self-~~
2 ~~excluded persons.~~

3 ~~(d) Nondisclosure. Notwithstanding any other law to the~~
4 ~~contrary, the board's list of self excluded persons shall not be~~
5 ~~open to public inspection.~~

6 ~~§ 3904. Investigations and enforcement.~~

7 ~~(a) Powers and duties of bureau. The bureau shall have the~~
8 ~~following powers and duties:~~

9 ~~(1) Enforce the provisions of this part.~~

10 ~~(2) Investigate and review applicants and applications~~
11 ~~for a license or registration. The bureau shall be prohibited~~
12 ~~from disclosing any portion of a background investigation~~
13 ~~report to a member of the board prior to the submission of~~
14 ~~the bureau's final background investigation report relating~~
15 ~~to the applicant's suitability for licensure to the board.~~
16 ~~The Office of Enforcement Counsel, on behalf of the bureau,~~
17 ~~shall prepare the final background investigation report for~~
18 ~~inclusion in a final report relating to the applicant's~~
19 ~~suitability for licensure.~~

20 ~~(3) Investigate licensees, registrants and other persons~~
21 ~~regulated by the board under this part for noncriminal~~
22 ~~violations of this part, including potential violations~~
23 ~~referred to the bureau by the board or other person.~~

24 ~~(4) Monitor video gaming operations to ensure compliance~~
25 ~~with this part.~~

26 ~~(5) Inspect and examine licensed entities. Inspections~~
27 ~~may include the review and reproduction of documents or~~
28 ~~records.~~

29 ~~(6) Conduct reviews of a licensed entity as necessary to~~
30 ~~ensure compliance with this part. A review may include the~~

1 ~~review of accounting, administrative and financial records,~~
2 ~~management control systems, procedures and other records~~
3 ~~utilized by a licensed entity.~~

4 ~~(7) Refer possible criminal violations to the~~
5 ~~Pennsylvania State Police. The bureau shall not have the~~
6 ~~power of arrest.~~

7 ~~(8) Cooperate in the investigation and prosecution of~~
8 ~~criminal violations related to this part.~~

9 ~~(9) Be a criminal justice agency under 18 Pa.C.S. Ch. 91~~
10 ~~(relating to criminal history record information).~~

11 ~~(b) Office of Enforcement Counsel. The board's Office of~~
12 ~~Enforcement Counsel shall act as the prosecutor in all~~
13 ~~noncriminal enforcement actions initiated by the bureau under~~
14 ~~this part and shall have the following powers and duties:~~

15 ~~(1) Advise the bureau on all matters, including the~~
16 ~~granting of licenses or registrations, the conduct of~~
17 ~~background investigations, audits and inspections and the~~
18 ~~investigation of potential violations of this part.~~

19 ~~(2) File on behalf of the bureau recommendations and~~
20 ~~objections relating to the issuance of licenses and~~
21 ~~registrations.~~

22 ~~(3) Initiate, in its sole discretion, proceedings for~~
23 ~~noncriminal violations of this part by filing a complaint or~~
24 ~~other pleading with the board.~~

25 ~~(c) Powers and duties of department.~~

26 ~~(1) The department shall at all times have the power of~~
27 ~~access to examine and audit equipment and records relating to~~
28 ~~all aspects of the operation of video gaming terminals and~~
29 ~~redemption terminals under this part.~~

30 ~~(2) Notwithstanding the provisions of section 353(f) of~~

1 ~~the act of March 4, 1971 (P.L. 6, No.2), known as the Tax~~
2 ~~Reform Code of 1971, the department shall supply the board,~~
3 ~~the bureau, the Pennsylvania State Police and the Office of~~
4 ~~Attorney General with information concerning the status of~~
5 ~~delinquent taxes owned by applicants or licensees.~~

6 ~~(d) Powers and duties of the Pennsylvania State Police. The~~
7 ~~Pennsylvania State Police shall have the following powers and~~
8 ~~duties:~~

9 ~~(1) Promptly conduct background investigations on~~
10 ~~persons as directed by the board under this part. The~~
11 ~~Pennsylvania State Police may contract with other law~~
12 ~~enforcement annuitants to assist in the conduct of~~
13 ~~investigations under this paragraph.~~

14 ~~(2) Initiate proceedings for criminal violations of this~~
15 ~~part.~~

16 ~~(3) Provide the board with all information necessary for~~
17 ~~all actions under this part for all proceedings involving~~
18 ~~criminal enforcement of this part.~~

19 ~~(4) Inspect, when appropriate, a licensee's person and~~
20 ~~personal effects present within an establishment licensee's~~
21 ~~premises under this part while that licensee is present.~~

22 ~~(5) Enforce the criminal provisions of this part and all~~
23 ~~other criminal laws of this Commonwealth.~~

24 ~~(6) Fingerprint applicants.~~

25 ~~(7) Exchange fingerprint data with and receive national~~
26 ~~criminal history record information from the Federal Bureau~~
27 ~~of Investigation for use in background investigations~~
28 ~~performed by the bureau under this part.~~

29 ~~(8) Receive and take appropriate action on any referral~~
30 ~~from the bureau relating to criminal conduct.~~

1 ~~(9) Conduct administrative inspections on the premises~~
2 ~~of an establishment licensee at such times, under such~~
3 ~~circumstances and to such extent as the bureau determines to~~
4 ~~ensure compliance with this part and the regulations of the~~
5 ~~board and, in the course of inspections, review and make~~
6 ~~copies of all documents and records required by the~~
7 ~~inspection through onsite observation and other reasonable~~
8 ~~means to assure compliance with this part and regulations~~
9 ~~promulgated under this part.~~

10 ~~(10) Conduct audits or verification of information of~~
11 ~~video gaming terminal operations at such times, under such~~
12 ~~circumstances and to such extent as the bureau determines.~~
13 ~~This paragraph includes the review of accounting,~~
14 ~~administrative and financial records and management control~~
15 ~~systems, procedures and records utilized by a terminal~~
16 ~~operator licensee.~~

17 ~~(11) Assign members of the Pennsylvania State Police to~~
18 ~~duties of enforcement under this part. Those members shall~~
19 ~~not be counted toward the complement as provided in section~~
20 ~~205 of the act of April 9, 1929 (P.L.177, No.175), known as~~
21 ~~The Administrative Code of 1929.~~

22 ~~(12) Report to the General Assembly. By March 1 of each~~
23 ~~year, the Commissioner of the Pennsylvania State Police shall~~
24 ~~submit a report to the Appropriations Committee of the~~
25 ~~Senate, the Community, Economic and Recreational Development~~
26 ~~Committee of the Senate, the Appropriations Committee of the~~
27 ~~House of Representatives and the Gaming Oversight Committee~~
28 ~~of the House of Representatives. The report shall summarize~~
29 ~~all law enforcement activities at each establishment licensee~~
30 ~~during the previous calendar year and shall include all of~~

1 ~~the following:~~

2 ~~(i) The number of arrests made and citations issued~~
3 ~~at each establishment licensee and the name of the law~~
4 ~~enforcement agency making the arrests or issuing the~~
5 ~~citations.~~

6 ~~(ii) A list of specific offenses charged for each~~
7 ~~arrest made or citation issued.~~

8 ~~(iii) The number of criminal prosecutions resulting~~
9 ~~from arrests made or citations issued.~~

10 ~~(iv) The number of convictions resulting from~~
11 ~~prosecutions reported under subparagraph (iii).~~

12 ~~(13) Report violations of this part to the bureau that~~
13 ~~are found during the normal course of duties required under~~
14 ~~any law of this Commonwealth.~~

15 ~~(14) Require the Bureau of Liquor Control Enforcement to~~
16 ~~report violations of this part to the bureau that are found~~
17 ~~during the normal course of duties required under any law of~~
18 ~~this Commonwealth.~~

19 ~~(c) Powers and duties of Attorney General. The Gaming Unit~~
20 ~~within the Office of Attorney General shall investigate and~~
21 ~~institute criminal proceedings as authorized under subsection~~
22 ~~(f).~~

23 ~~(f) Criminal action.~~

24 ~~(1) The district attorneys of the several counties shall~~
25 ~~have authority to investigate and to institute criminal~~
26 ~~proceedings for a violation of this part.~~

27 ~~(2) In addition to the authority conferred upon the~~
28 ~~Attorney General under the act of October 15, 1980 (P.L.950,~~
29 ~~No.164), known as the Commonwealth Attorneys Act, the~~
30 ~~Attorney General shall have the authority to investigate and,~~

~~following consultation with the appropriate district attorney, to institute criminal proceedings for a violation of this part.~~

~~(3) A person charged with a violation of this part by the Attorney General shall not have standing to challenge the authority of the Attorney General to investigate or prosecute the case, and, if any such challenge is made, the challenge shall be dismissed and no relief shall be available in the courts of this Commonwealth to the person making the challenge.~~

~~(g) Regulatory action. Nothing contained in subsection (e) shall be construed to limit the existing regulatory or investigative authority of an agency or the Commonwealth whose functions relate to persons or matters within the scope of this part.~~

~~(h) Inspection, seizure and warrants.~~

~~(1) The board, the bureau, the department and the Pennsylvania State Police shall have the authority without notice and without warrant to do all of the following in the performance of their duties under this part:~~

~~(i) Inspect and examine all premises where video gaming operations are conducted; where video gaming terminals, redemption terminals and associated equipment are manufactured, sold, distributed or serviced; or where records of these activities are prepared or maintained.~~

~~(ii) Inspect all equipment and supplies in, about, upon or around premises referred to in subparagraph (i).~~

~~(iii) Seize, summarily remove and impound equipment and supplies from premises referred to in subparagraph (i) for the purposes of examination and inspection.~~

1 ~~(iv) Inspect, examine and audit all books, records~~
2 ~~and documents pertaining to a terminal operator~~
3 ~~licensee's video gaming operation.~~

4 ~~(v) Seize, impound or assume physical control of any~~
5 ~~book, record, ledger or device related to video gaming~~
6 ~~operations or the video gaming terminals or redemption~~
7 ~~terminals.~~

8 ~~(2) The provisions of paragraph (1) shall not be~~
9 ~~construed to limit warrantless inspections except in~~
10 ~~accordance with constitutional requirements.~~

11 ~~(3) To further effectuate the purposes of this part, the~~
12 ~~bureau and the Pennsylvania State Police may obtain~~
13 ~~administrative warrants for the inspection and seizure of~~
14 ~~property possessed, controlled, bailed or otherwise held by~~
15 ~~an applicant, licensee, intermediary, subsidiary, affiliate~~
16 ~~or holding company.~~

17 ~~(i) Information sharing and enforcement referral. With~~
18 ~~respect to the administration, supervision and enforcement of~~
19 ~~this part, the bureau, the department, the Pennsylvania State~~
20 ~~Police or the Office of Attorney General may obtain or provide~~
21 ~~pertinent information regarding applicants or licensees from or~~
22 ~~to law enforcement entities or gaming authorities of the~~
23 ~~Commonwealth and other domestic, foreign or federally approved~~
24 ~~jurisdictions, including the Federal Bureau of Investigation,~~
25 ~~and may transmit the information to each other electronically.~~

26 ~~(j) Pennsylvania Liquor Control Board. Nothing in this part~~
27 ~~shall be construed as conferring on the Pennsylvania Liquor~~
28 ~~Control Board the authority to assess penalties under the act of~~
29 ~~April 12, 1951 (P.L.90, No.21), known as the Liquor Code,~~
30 ~~against a liquor establishment that holds an establishment~~

1 ~~license for violations of this part that are not a criminal~~
2 ~~offense.~~

3 ~~(k) Information sharing and enforcement referral. With~~
4 ~~respect to the administration, supervision and enforcement of~~
5 ~~this part, the bureau, the department, the Pennsylvania State~~
6 ~~Police or the Office of Attorney General may obtain or provide~~
7 ~~pertinent information regarding applicants or licensees from or~~
8 ~~to law enforcement entities or gaming authorities of the~~
9 ~~Commonwealth and other domestic, foreign or federally approved~~
10 ~~jurisdictions, including the Federal Bureau of Investigation,~~
11 ~~and may transmit such information to each other electronically.~~
12 ~~§ 3905. Prohibited acts and penalties.~~

13 ~~(a) Criminal offenses.~~

14 ~~(1) The provisions of 18 Pa.C.S. § 4902 (relating to~~
15 ~~perjury), 4903 (relating to false swearing) or 4904 (relating~~
16 ~~to unsworn falsification to authorities) shall apply to a~~
17 ~~person providing information or making a statement, whether~~
18 ~~written or oral, to the board, the bureau, the department,~~
19 ~~the Pennsylvania State Police or the Office of Attorney~~
20 ~~General, as required by this part.~~

21 ~~(2) It shall be unlawful for a person to willfully:~~

22 ~~(i) fail to report, pay or truthfully account for~~
23 ~~and pay over a license fee, authorization fee, tax or~~
24 ~~assessment imposed under this part; or~~

25 ~~(ii) attempt in any manner to evade or defeat a~~
26 ~~license fee, authorization fee, tax or assessment imposed~~
27 ~~under this part.~~

28 ~~(3) It shall be unlawful for a licensed entity, gaming~~
29 ~~employee, key employee or any other person to permit a video~~
30 ~~gaming terminal to be operated, transported, repaired or~~

1 ~~opened on the premises of an establishment licensee by a~~
2 ~~person other than a person licensed or permitted by the board~~
3 ~~pursuant to this part.~~

4 ~~(4) It shall be unlawful for a licensed entity or other~~
5 ~~person to manufacture, supply or place video gaming~~
6 ~~terminals, redemption terminals or associated equipment into~~
7 ~~play or display video gaming terminals, redemption terminals~~
8 ~~or associated equipment on the premises of an establishment~~
9 ~~licensee without the authority of the board.~~

10 ~~(5) It shall be unlawful for a licensed entity or other~~
11 ~~person to manufacture, supply, operate, carry on or expose~~
12 ~~for play a video gaming terminal or associated equipment~~
13 ~~after the person's license has expired or failed to be~~
14 ~~renewed in accordance with this part.~~

15 ~~(6) It shall be unlawful for an individual while on the~~
16 ~~premises of an establishment licensee to knowingly use~~
17 ~~currency other than lawful coin or legal tender of the United~~
18 ~~States or a coin not of the same denomination as the coin~~
19 ~~intended to be used in the video gaming terminal or use a~~
20 ~~counterfeit or altered redemption tickets with the intent to~~
21 ~~cheat or defraud a terminal operator licensee or the~~
22 ~~Commonwealth or damage the video gaming terminal or~~
23 ~~redemption terminal.~~

24 ~~(7) (i) Except as set forth in subparagraph (ii), it~~
25 ~~shall be unlawful for an individual to use or possess a~~
26 ~~cheating or thieving device, counterfeit or altered~~
27 ~~billet, ticket, token or similar object accepted by a~~
28 ~~video gaming terminal or counterfeit or altered~~
29 ~~redemption ticket on the premises of an establishment~~
30 ~~licensee.~~

1 ~~(ii) An authorized employee of a licensee or an~~
2 ~~employee of the board may possess and use a cheating or~~
3 ~~thieving device, counterfeit or altered billet, ticket,~~
4 ~~token or similar object accepted by a video gaming~~
5 ~~terminal or counterfeit or altered redemption ticket in~~
6 ~~performance of the duties of employment.~~

7 ~~(8) (i) Except as set forth in subparagraph (ii), it~~
8 ~~shall be unlawful for an individual to knowingly possess~~
9 ~~or use while on the premises of an establishment licensee~~
10 ~~a key or device designed for the purpose of and suitable~~
11 ~~for opening or entering a video gaming terminal or~~
12 ~~redemption terminal that is located on the premises of~~
13 ~~the establishment licensee.~~

14 ~~(ii) An authorized employee of a licensee or a~~
15 ~~member of the board may possess and use a device referred~~
16 ~~to in subparagraph (i) in the performance of the duties~~
17 ~~of employment.~~

18 ~~(9) It shall be unlawful for a person or licensed entity~~
19 ~~to possess a device, equipment or material which the person~~
20 ~~or licensed entity knows has been manufactured, distributed,~~
21 ~~sold, tampered with or serviced in violation of this part~~
22 ~~with the intent to use the device, equipment or material as~~
23 ~~though it had been manufactured, distributed, sold, tampered~~
24 ~~with or serviced pursuant to this part.~~

25 ~~(10) It shall be unlawful for a person to sell, offer~~
26 ~~for sale, represent or pass off as lawful any device,~~
27 ~~equipment or material that the person or licensed entity~~
28 ~~knows has been manufactured, distributed, sold, tampered with~~
29 ~~or serviced in violation of this part.~~

30 ~~(11) It shall be unlawful for an individual to work or~~

1 ~~be employed in a position the duties of which would require~~
2 ~~licensing under this part without first obtaining the~~
3 ~~requisite license issued under this part.~~

4 ~~(12) It shall be unlawful for a licensed entity to~~
5 ~~employ or continue to employ an individual in a position the~~
6 ~~duties of which require a license under this part if the~~
7 ~~individual:~~

8 ~~(i) Is not licensed under this part.~~

9 ~~(ii) Is prohibited from accepting employment from a~~
10 ~~licensee.~~

11 ~~(13) It shall be unlawful for a minor to enter and~~
12 ~~remain in any video gaming area, except that an individual at~~
13 ~~least 18 years of age employed by a terminal operator~~
14 ~~licensee, a gaming service provider, an establishment~~
15 ~~licensee, the board or another regulatory or emergency~~
16 ~~response agency may enter and remain in the area while~~
17 ~~engaged in the performance of the individual's employment~~
18 ~~duties.~~

19 ~~(14) It shall be unlawful for a minor to wager, play or~~
20 ~~attempt to play a video gaming terminal or submit a~~
21 ~~redemption ticket into a redemption terminal.~~

22 ~~(15) It shall be unlawful for a terminal operator~~
23 ~~licensee to require a video gaming terminal wager to be~~
24 ~~greater than the stated minimum wager or greater than the~~
25 ~~stated maximum wager.~~

26 ~~(16) An individual who engages in conduct prohibited by~~
27 ~~18 Pa.C.S. § 6308 (relating to purchase, consumption,~~
28 ~~possession or transportation of liquor or malt or brewed~~
29 ~~beverages) on the premises of an establishment licensee~~
30 ~~commits a nongambling offense.~~

1 ~~(17) It shall be unlawful for an individual to claim,~~
2 ~~collect or take, or attempt to claim, collect or take, money~~
3 ~~or anything of value in or from a video gaming terminal or~~
4 ~~redemption terminal with the intent to defraud, or to claim,~~
5 ~~collect or take an amount greater than the amount won, or to~~
6 ~~manipulate with the intent to cheat, a component of a video~~
7 ~~gaming terminal or redemption terminal in a manner contrary~~
8 ~~to the designed and normal operational purpose.~~

9 ~~(b) Criminal penalties and fines.~~

10 ~~(1) (i) A person that commits a first offense in~~
11 ~~violation of 18 Pa.C.S. § 4902, 4903 or 4904 in~~
12 ~~connection with providing information or making any~~
13 ~~statement, whether written or oral, to the board, the~~
14 ~~bureau, the department, the Pennsylvania State Police,~~
15 ~~the Office of Attorney General or a district attorney as~~
16 ~~required by this part commits an offense to be graded in~~
17 ~~accordance with the applicable section violated. A person~~
18 ~~that is convicted of a second or subsequent violation of~~
19 ~~18 Pa.C.S. § 4902, 4903 or 4904 in connection with~~
20 ~~providing information or making any statement, whether~~
21 ~~written or oral, to the board, the bureau, the~~
22 ~~department, the Pennsylvania State Police, the Office of~~
23 ~~Attorney General or a district attorney as required by~~
24 ~~this part commits a felony of the second degree.~~

25 ~~(ii) A person that violates subsection (a) (2), (3),~~
26 ~~(4), (5), (6), (7), (8), (9), (10), (11), (12) or (17)~~
27 ~~commits a misdemeanor of the first degree. A person that~~
28 ~~is convicted of a second or subsequent violation of~~
29 ~~subsection (a) (2), (3), (4), (5), (6), (7), (8), (9),~~
30 ~~(10), (11), (12) or (17) commits a felony of the second~~

1 degree.

2 ~~(2) (i) For a first violation of subsection (a) (1),~~
3 ~~(2), (3), (4), (5), (6), (7), (8), (9), (10), (11), (12)~~
4 ~~or (17), a person shall be sentenced to pay a fine of:~~

5 ~~(A) not less than \$75,000 nor more than \$150,000~~
6 ~~if the person is an individual or establishment~~
7 ~~licensee;~~

8 ~~(B) not less than \$300,000 nor more than~~
9 ~~\$600,000 if the person is a terminal operator~~
10 ~~licensee; or~~

11 ~~(C) not less than \$150,000 nor more than~~
12 ~~\$300,000 if the person is a licensed manufacturer or~~
13 ~~supplier.~~

14 ~~(ii) For a second or subsequent violation of~~
15 ~~subsection (a) (1), (2), (3), (4), (5), (6), (7), (8),~~
16 ~~(9), (10), (11), (12) or (17), a person shall be~~
17 ~~sentenced to pay a fine of:~~

18 ~~(A) not less than \$150,000 nor more than~~
19 ~~\$300,000 if the person is an individual or~~
20 ~~establishment licensee;~~

21 ~~(B) not less than \$600,000 nor more than~~
22 ~~\$1,200,000 if the person is a terminal operator~~
23 ~~licensee; or~~

24 ~~(C) not less than \$300,000 nor more than~~
25 ~~\$600,000 if the person is a licensed manufacturer or~~
26 ~~supplier.~~

27 ~~(3) An individual who commits an offense in violation of~~
28 ~~subsection (a) (13) or (14) commits a nongambling summary~~
29 ~~offense and upon conviction of a first offense shall be~~
30 ~~sentenced to pay a fine of not less than \$200 nor more than~~

1 ~~\$1,000. An individual who is convicted of a second or~~
2 ~~subsequent offense under subsection (a) (13) or (14) shall be~~
3 ~~sentenced to pay a fine of not less than \$500 nor more than~~
4 ~~\$1,500. In addition to the fine imposed, an individual~~
5 ~~convicted of an offense under subsection (a) (13) or (14) may~~
6 ~~be sentenced to perform a period of community service not to~~
7 ~~exceed 40 hours.~~

8 ~~(4) An individual who commits an offense in violation of~~
9 ~~subsection (a) (16) commits a nongambling offense to be graded~~
10 ~~in accordance with 18 Pa.C.S. § 6308 and shall be subject to~~
11 ~~the same penalties imposed pursuant to 18 Pa.C.S. §§ 6308 and~~
12 ~~6310.4 (relating to restriction of operating privileges)~~
13 ~~except that the fine imposed for a violation of subsection~~
14 ~~(a) (16) shall be not less than \$350 nor more than \$1,000.~~
15 ~~(c) Board imposed administrative sanctions.~~

16 ~~(1) In addition to any other penalty authorized by law,~~
17 ~~the board may impose without limitation the following~~
18 ~~sanctions:~~

19 ~~(i) Revoke the license of a person convicted of a~~
20 ~~criminal offense under this part or regulations~~
21 ~~promulgated under this part or committing any other~~
22 ~~offense or violation of this part or applicable law that~~
23 ~~would otherwise disqualify the person from holding the~~
24 ~~license.~~

25 ~~(ii) Revoke the license of a person determined to~~
26 ~~have violated a provision of this part or regulations~~
27 ~~promulgated under this part that would otherwise~~
28 ~~disqualify the person from holding the license.~~

29 ~~(iii) Revoke the license of a person for willfully~~
30 ~~and knowingly violating or attempting to violate an order~~

1 ~~of the board directed to the person.~~

2 ~~(iv) Subject to subsection (g), assess~~
3 ~~administrative penalties as necessary to punish~~
4 ~~violations of this part.~~

5 ~~(v) Order restitution of money or property~~
6 ~~unlawfully obtained or retained by a licensee.~~

7 ~~(vi) Enter cease and desist orders which specify the~~
8 ~~conduct which is to be discontinued, altered or~~
9 ~~implemented by a licensee.~~

10 ~~(vii) Issue letters of reprimand or censure, which~~
11 ~~letters shall be made a permanent part of the file of the~~
12 ~~licensee so sanctioned.~~

13 ~~(2) (i) If the board refuses to issue or renew a~~
14 ~~license, suspends or revokes a license, assesses civil~~
15 ~~penalties, orders restitution, enters a cease and desist~~
16 ~~order or issues a letter of reprimand or censure, the~~
17 ~~board shall provide the applicant or licensee with~~
18 ~~written notification of its decision, including a~~
19 ~~statement of the reasons for its decision, by certified~~
20 ~~mail within five business days of the decision of the~~
21 ~~board.~~

22 ~~(ii) The applicant or licensee shall have the right~~
23 ~~to appeal the decision in accordance with 2 Pa.C.S. Chs.~~
24 ~~5 Subch. A (relating to practice and procedure of~~
25 ~~Commonwealth agencies) and 7 Subch. A (relating to~~
26 ~~judicial review of Commonwealth agency action).~~

27 ~~(d) Aiding and abetting. A person who aids, abets,~~
28 ~~counsels, commands, induces, procures or causes another person~~
29 ~~to violate this part shall be subject to all sanctions and~~
30 ~~penalties, both civil and criminal, provided under this part.~~

1 ~~(e) Continuing offenses. A violation of this part that is~~
2 ~~determined to be an offense of a continuing nature shall be~~
3 ~~deemed to be a separate offense on each event or day during~~
4 ~~which the violation occurs.~~

5 ~~(f) Property subject to seizure, confiscation, destruction~~
6 ~~or forfeiture. Any equipment, device or apparatus, money,~~
7 ~~material, gaming proceeds or substituted proceeds or real or~~
8 ~~personal property used, obtained or received or an attempt to~~
9 ~~use, obtain or receive the device, apparatus, money, material,~~
10 ~~proceeds or real or personal property in violation of this part~~
11 ~~shall be subject to seizure, confiscation, destruction or~~
12 ~~forfeiture.~~

13 ~~(g) Penalty limitation.~~

14 ~~(1) Administrative penalties assessed by the board on an~~
15 ~~establishment licensee shall not exceed \$5,000 for each~~
16 ~~noncriminal violation of this part.~~

17 ~~(2) When imposing an administrative penalty on an~~
18 ~~establishment licensee for a noncriminal violation of this~~
19 ~~part, the board shall take into consideration the~~
20 ~~establishment licensee's annual taxable income and whether~~
21 ~~the penalty amount would cause the establishment licensee to~~
22 ~~cease non video gaming operations.~~

23 ~~(h) Deposit of fines. Fines imposed and collected by the~~
24 ~~board under subsection (c) shall be deposited into the General~~
25 ~~Fund.~~

26 ~~§ 3906. Report of suspicious transactions.~~

27 ~~(a) Duty. An establishment licensee or terminal operator~~
28 ~~licensee or a person acting on behalf of an establishment~~
29 ~~licensee or terminal operator licensee shall, on a form and in a~~
30 ~~manner as required by the bureau, notify the bureau of a~~

1 ~~suspicious transaction.~~

2 ~~(b) Failure to report.~~

3 ~~(1) A person that is required to file a report of a~~
4 ~~suspicious transaction under this section and knowingly fails~~
5 ~~to file the report or that knowingly causes another person~~
6 ~~having that responsibility to fail to file the report commits~~
7 ~~a misdemeanor of the third degree.~~

8 ~~(2) A person required to file a report of a suspicious~~
9 ~~transaction under this section and fails to file the report~~
10 ~~or a person that causes another person required under this~~
11 ~~section to file the report to fail to file the report shall~~
12 ~~be strictly liable for the person's actions and may be~~
13 ~~subject to sanction under section 3905(c) (relating to~~
14 ~~prohibited acts and penalties).~~

15 ~~(c) Bureau. The bureau shall maintain a record of all~~
16 ~~reports made under this section for a period of five years. The~~
17 ~~bureau shall make the reports available to any Federal or State~~
18 ~~law enforcement agency upon written request and without~~
19 ~~necessity of subpoena.~~

20 ~~(d) Notice prohibited.~~

21 ~~(1) A person that is required to file a report of a~~
22 ~~suspicious transaction under this section may not notify an~~
23 ~~individual suspected of committing the suspicious transaction~~
24 ~~that the transaction has been reported.~~

25 ~~(2) A person that violates this subsection commits a~~
26 ~~misdemeanor of the third degree and may be subject to~~
27 ~~sanction under section 3905(c).~~

28 ~~(e) Immunity. A person that is required to file a report of~~
29 ~~a suspicious transaction under this section and in good faith~~
30 ~~makes the report shall not be liable in any civil action brought~~

1 ~~by a person for making the report, regardless of whether the~~
2 ~~transaction is later determined to be a suspicious transaction.~~

3 ~~(f) Sanctions.~~

4 ~~(1) In considering appropriate administrative sanctions~~
5 ~~against a person for violating this section, the board shall~~
6 ~~consider all of the following:~~

7 ~~(i) The risk to the public and to the integrity of~~
8 ~~gaming operations created by the conduct of the person.~~

9 ~~(ii) The seriousness of the conduct of the person~~
10 ~~and whether the conduct was purposeful and with knowledge~~
11 ~~that it was in contravention of the provisions of this~~
12 ~~part or regulations promulgated under this part.~~

13 ~~(iii) Justification or excuse for the conduct by the~~
14 ~~person.~~

15 ~~(iv) The prior history of the particular licensee or~~
16 ~~person involved with respect to video gaming terminal~~
17 ~~activity.~~

18 ~~(v) The corrective action taken by the establishment~~
19 ~~licensee or terminal operator licensee to prevent future~~
20 ~~misconduct of a like nature from occurring.~~

21 ~~(vi) In the case of a monetary penalty, the amount~~
22 ~~of the penalty in relation to the severity of the~~
23 ~~misconduct and the financial means of the licensee or~~
24 ~~person. The board may impose any schedule or terms of~~
25 ~~payment of such penalty as it may deem appropriate.~~

26 ~~(2) It shall be no defense to disciplinary action before~~
27 ~~the board that a person inadvertently, unintentionally or~~
28 ~~unknowingly violated this section. The factors enumerated~~
29 ~~under paragraph (1) shall only apply to the degree of the~~
30 ~~penalty to be imposed by the board and not to a finding of a~~

1 ~~violation itself.~~

2 ~~(g) Regulations.—The board shall promulgate regulations to~~
3 ~~effectuate the purposes of this section.~~

4 ~~§ 3907. Additional authority.~~

5 ~~(a) Petition for access to agency information.—~~

6 ~~(1) The director of the Office of Enforcement Counsel~~
7 ~~within the bureau may petition a court of record having~~
8 ~~jurisdiction over information in the possession of an agency~~
9 ~~in this Commonwealth or, if there is no such court, then the~~
10 ~~Commonwealth Court for authorization to review or obtain~~
11 ~~information in the possession of an agency in this~~
12 ~~Commonwealth by averring specific facts demonstrating that:~~

13 ~~(i) The agency has in its possession information~~
14 ~~material to a pending investigation or inquiry being~~
15 ~~conducted by the bureau pursuant to this part.~~

16 ~~(ii) Disclosure or release of the information is in~~
17 ~~the best interest of the Commonwealth.~~

18 ~~(2) The petition shall request that the court enter a~~
19 ~~rule upon the agency to show cause why the agency should not~~
20 ~~be directed to disclose to the bureau, or identified agents~~
21 ~~thereof, information in the agency's possession about any~~
22 ~~pending matter under the jurisdiction of the bureau pursuant~~
23 ~~to this part.~~

24 ~~(3) If the respondent is a local agency, a copy of a~~
25 ~~rule issued pursuant to this section shall be provided to the~~
26 ~~district attorney of the county in which the local agency is~~
27 ~~located and the Office of Attorney General.~~

28 ~~(4) Upon request of a local agency, the district~~
29 ~~attorney or the Attorney General may elect to enter an~~
30 ~~appearance to represent the local agency in the proceedings.~~

1 ~~(b) Procedure.~~

2 ~~(1) The filing of a petition pursuant to this section~~
3 ~~and related proceedings shall be in accordance with court~~
4 ~~rule, including issuance as of course.~~

5 ~~(2) A party to the proceeding may not disclose the~~
6 ~~filing of a petition or answer or the receipt, content or~~
7 ~~disposition of a rule or order issued pursuant to this~~
8 ~~section, without leave of court.~~

9 ~~(3) A party to the proceedings may request that the~~
10 ~~record be sealed and proceedings be closed. The court shall~~
11 ~~grant the request if it is in the best interest of a person~~
12 ~~or the Commonwealth to do so.~~

13 ~~(c) Court determination.~~

14 ~~(1) Following review of the record, the court shall~~
15 ~~grant the relief sought by the director of the Office of~~
16 ~~Enforcement Counsel if the court determines that:~~

17 ~~(i) The agency has in its possession information~~
18 ~~material to the investigation or inquiry.~~

19 ~~(ii) Disclosure or release of the information is in~~
20 ~~the best interest of the Commonwealth.~~

21 ~~(iii) The disclosure or release of the information~~
22 ~~is not otherwise prohibited by statute or regulation.~~

23 ~~(iv) The disclosure or release of the information~~
24 ~~would not inhibit an agency in the performance of the~~
25 ~~agency's duties.~~

26 ~~(2) If the court so determines, the court shall enter an~~
27 ~~order authorizing and directing the information be made~~
28 ~~available for review in camera.~~

29 ~~(d) Release of materials or information.~~

30 ~~(1) If, after an in camera review by the court, the~~

~~1 director of the Office of Enforcement Counsel seeks to obtain
2 copies of materials in the agency's possession, the court
3 may, if not otherwise prohibited by statute or regulation,
4 enter an order that the requested materials be provided.~~

~~5 (2) An order authorizing the release of materials or
6 other information shall contain direction regarding the
7 safekeeping and use of the materials or other information
8 sufficient to satisfy the court that the materials or
9 information will be sufficiently safeguarded.~~

~~10 (3) In making the determination under paragraph (2) the
11 court shall consider input of the agency in possession of the
12 information and input from any agency with which the
13 information originated concerning a pending investigation or
14 ongoing matter and the safety of person and property.~~

~~15 (c) Modification of order.~~

~~16 (1) If subsequent investigation or inquiry by the bureau
17 warrants modification of an order entered pursuant to this
18 section, the director of the Office of Enforcement Counsel
19 may petition to request modification of the order.~~

~~20 (2) Upon the request, the court may modify the order at
21 any time and in any manner it deems necessary and
22 appropriate.~~

~~23 (3) The agency named in the original petition shall be
24 given notice and an opportunity to be heard.~~

~~25 (f) Use of information or materials. A person who, by any
26 means authorized by this section, has obtained knowledge of
27 information or materials solely pursuant to this section may use
28 the information or materials in a manner consistent with any
29 direction imposed by the court and appropriate to the proper
30 performance of the person's duties under this part.~~

1 ~~(g) Violation. In addition to the remedies and penalties~~
2 ~~provided in this part, a violation of the provisions of this~~
3 ~~section may be punished as contempt of court.~~

4 ~~(h) Definition. As used in this section, the term "agency"~~
5 ~~shall mean a "Commonwealth agency" or a "local agency" as those~~
6 ~~terms are defined in section 102 of the act of February 14, 2008~~
7 ~~(P.L.6, No.3), known as the Right to Know Law.~~

8 ~~§ 3908. Detention.~~

9 ~~(a) General rule. A peace officer who has probable cause to~~
10 ~~believe that criminal violation of this part has occurred or is~~
11 ~~occurring on or about an establishment licensee's premises and~~
12 ~~who has probable cause to believe that a specific individual has~~
13 ~~committed or is committing the criminal violation may detain the~~
14 ~~individual in a reasonable manner for a reasonable time on the~~
15 ~~premises of the establishment licensee to require the suspect to~~
16 ~~identify himself, to verify such identification or to inform a~~
17 ~~peace officer.~~

18 ~~(b) Immunity. A peace officer shall not be subject to civil~~
19 ~~or criminal liability for detention of an individual in~~
20 ~~accordance with subsection (a).~~

21 ~~CHAPTER 41~~

22 ~~REVENUES~~

23 ~~Sec.~~

24 ~~4101. Fees.~~

25 ~~4102. Taxes and assessments.~~

26 ~~4103. Distribution of local share.~~

27 ~~4104. Regulatory assessments.~~

28 ~~4105. Transfers from Video Gaming Fund.~~

29 ~~4106. Fire Company and Emergency Responder Grant Fund.~~

30 ~~4107. City of the First Class Enforcement Fund.~~

1 ~~4108. Lottery Stabilization Fund.~~

2 ~~4109. Gun Violence Task Force Fund.~~

3 ~~§ 4101. Fees.~~

4 ~~(a) Application fees. The following nonrefundable~~
5 ~~application fees shall accompany an application for the~~
6 ~~following licenses or permits applied for under Chapter 35~~
7 ~~(relating to application and licensure):~~

8 ~~(1) For a manufacturer or supplier license, \$50,000.~~

9 ~~(2) For a terminal operator license, \$25,000.~~

10 ~~(3) For an establishment license, \$100.~~

11 ~~(4) For a key employee or principal license, \$500.~~

12 ~~(5) For any other authorization or permit authorized by~~
13 ~~this part, an amount established by the board, through~~
14 ~~regulation, which may not exceed \$100.~~

15 ~~(b) Initial license and renewal fees. The following~~
16 ~~nonrefundable fees shall be required upon issuance of an initial~~
17 ~~license and shall accompany an application for renewal for the~~
18 ~~following licenses or permits under Chapter 35:~~

19 ~~(1) For a manufacturer or supplier license, \$10,000.~~

20 ~~(2) For a terminal operator license, \$5,000.~~

21 ~~(3) For an establishment license, an amount equal to~~
22 ~~\$250 per each video gaming terminal in operation at the~~
23 ~~premises of the establishment licensee.~~

24 ~~(4) For a key employee, procurement agent license or~~
25 ~~principal license, \$500.~~

26 ~~(5) For any other authorization or license authorized by~~
27 ~~this part, an amount established by the board, through~~
28 ~~regulation, which may not exceed \$100.~~

29 ~~(c) Terminal increase fee. An establishment licensee that~~
30 ~~increases the total number of video gaming terminals within the~~

1 ~~establishment after submission of the renewal fee required in~~
2 ~~subsection (b) shall provide the board with a \$250 renewal fee~~
3 ~~for each additional video gaming terminal added to the~~
4 ~~establishment within 60 days of installation of each additional~~
5 ~~video gaming terminal.~~

6 ~~(d) Deposit of fees. Fees collected under this section~~
7 ~~shall be deposited into the General Fund.~~

8 ~~§ 4102. Taxes and assessments.~~

9 ~~(a) Fund established. The Video Gaming Fund is established~~
10 ~~in the State Treasury. Money in the fund is hereby appropriated~~
11 ~~to the department on a continuing basis for the purposes under~~
12 ~~subsection (c).~~

13 ~~(b) Video gaming terminal tax and assessments.~~

14 ~~(1) The department shall determine and each terminal~~
15 ~~operator licensee shall pay on a bimonthly basis:~~

16 ~~(i) A tax of 37.5% of its gross terminal revenue~~
17 ~~from all video gaming terminals operated by the terminal~~
18 ~~operator licensee within this Commonwealth.~~

19 ~~(ii) A 4% local share assessment from its gross~~
20 ~~terminal revenue.~~

21 ~~(iii) A regulatory assessment established in section~~
22 ~~4104 (relating to regulatory assessments) from the~~
23 ~~terminal operator licensee's weekly gross terminal~~
24 ~~revenue.~~

25 ~~(2) All money owed under this section shall be held in~~
26 ~~trust by the terminal operator licensee until the money is~~
27 ~~paid or transferred to the Video Gaming Fund.~~

28 ~~(3) Unless otherwise agreed to by the board, a terminal~~
29 ~~operator licensee shall establish a separate bank account to~~
30 ~~maintain gross terminal revenue until such time as the money~~

1 ~~is paid or transferred under this section.~~

2 ~~(c) Transfers and distributions. The department shall:~~

3 ~~(1) Transfer the tax imposed under subsection (b) to the~~
4 ~~Video Gaming Fund.~~

5 ~~(2) From the local share assessment established under~~
6 ~~subsection (b), make distributions among the municipalities~~
7 ~~that host establishment licensees in accordance with section~~
8 ~~4103 (relating to distribution of local share).~~

9 ~~(3) Transfer the regulatory assessment imposed under~~
10 ~~subsection (b) in accordance with section 4104.~~

11 ~~§ 4103. Distribution of local share.~~

12 ~~(a) Distribution.~~

13 ~~(1) Subject to the limitation under subsection (c), the~~
14 ~~department shall distribute, in a manner and according to a~~
15 ~~schedule adopted by the department, to each municipality 2%~~
16 ~~of the gross terminal revenue of each video gaming terminal~~
17 ~~operating within the municipality.~~

18 ~~(2) The department shall on a quarterly basis deposit 2%~~
19 ~~of the gross terminal revenue of each video gaming terminal~~
20 ~~operating within the county into a restricted receipts~~
21 ~~account to be established in the Commonwealth Financing~~
22 ~~Authority to be used exclusively for grants for projects in~~
23 ~~the public interest within the host county.~~

24 ~~(b) Duty of terminal operator. A terminal operator licensee~~
25 ~~shall continuously provide the department with records,~~
26 ~~documents or other information necessary to effectuate the~~
27 ~~requirements of subsection (a).~~

28 ~~(c) Limitation. The department may not distribute a local~~
29 ~~share amount to a municipality in excess of 50% of the~~
30 ~~municipality's total budget for fiscal year 2017, adjusted for~~

1 ~~inflation in subsequent fiscal years by an amount not to exceed~~
2 ~~an annual cost of living adjustment calculated by applying an~~
3 ~~upward percentage change in the Consumer Price Index immediately~~
4 ~~prior to the date the adjustment is due to take effect.~~

5 ~~(d) Transfers to fund. Local share amounts not distributed~~
6 ~~by the department to a municipality due to the limitation~~
7 ~~established under subsection (c) shall be distributed to the~~
8 ~~host county in accordance with subsection (a) (2).~~

9 ~~(e) Use of assessments.~~

10 ~~(1) A municipality that receives assessments from the~~
11 ~~department under subsection (a) may use the funds for the~~
12 ~~following purposes:~~

13 ~~(i) Economic development.~~

14 ~~(ii) Combating blight and the funding of land bank~~
15 ~~jurisdictions.~~

16 ~~(iii) Local law enforcement funding.~~

17 ~~(iv) Grants to volunteer ambulance services and fire~~
18 ~~companies.~~

19 ~~(2) A county may use the funds as local matching funds~~
20 ~~for other grants or loans from the Commonwealth.~~

21 ~~(f) Reporting.~~

22 ~~(1) In cooperation with the department and the~~
23 ~~Commonwealth Financing Authority, the Department of Community~~
24 ~~and Economic Development shall submit an annual report on all~~
25 ~~distributions of local share assessments to municipalities~~
26 ~~and counties under this section to the chairperson and~~
27 ~~minority chairperson of the Appropriations Committee of the~~
28 ~~Senate, the chairperson and minority chairperson of the~~
29 ~~Community, Economic and Recreational Development Committee of~~
30 ~~the Senate, the chairperson and minority chairperson of the~~

~~Appropriations Committee of the House of Representatives and the chairperson and minority chairperson of the Gaming Oversight Committee of the House of Representatives. The report shall be submitted by August 31, 2018, and by August 31 of each year thereafter.~~

~~(2) A municipality or county that receives distributions of local share assessments under this section shall submit information to the Department of Community and Economic Development on a form prepared by the Department of Community and Economic Development that states the amount and use of the funds received in the prior fiscal year. The form shall specify whether the funds received were deposited in the municipality's or county's General Fund or committed to a specific project or use.~~

~~(g) Definitions. As used in this section, the following words and phrases shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:~~

~~"Consumer Price Index." The Consumer Price Index for All Urban Consumers for the Pennsylvania, New Jersey, Delaware and Maryland area for the most recent 12 month period for which figures have been officially reported by the United States Department of Labor, Bureau of Labor Statistics.~~

~~"Municipality." The term does not include a county.~~

~~§ 4104. Regulatory assessments.~~

~~(a) Accounts established. The State Treasurer shall establish within the State Treasury an account for each terminal operator for the deposit of a regulatory assessment amount required under subsection (b) to recover costs or expenses incurred by the board, the department, the Pennsylvania State Police and the Office of Attorney General in carrying out their~~

1 ~~powers and duties under this part based upon a budget submitted~~
2 ~~by the department under subsection (c).~~

3 ~~(b) Bi monthly deposits.~~

4 ~~(1) The department shall determine the appropriate~~
5 ~~assessment amount for each terminal operator licensee, which~~
6 ~~shall be a percentage assessed on the terminal operator~~
7 ~~licensee's bi monthly gross terminal revenue.~~

8 ~~(2) The percentage assessed shall not exceed an amount~~
9 ~~equal to the lesser of:~~

10 ~~(i) the costs or expenses incurred by the board, the~~
11 ~~department, the Pennsylvania State Police or the Office~~
12 ~~of Attorney General in carrying out their powers and~~
13 ~~duties under this part based upon a budget submitted by~~
14 ~~the department under subsection (c); or~~

15 ~~(ii) one and one half percent of the terminal~~
16 ~~operator licensee's weekly gross terminal revenue.~~

17 ~~(c) Itemized budget reporting.~~

18 ~~(1) The department shall prepare and annually submit to~~
19 ~~the chairperson and minority chairperson of the~~
20 ~~Appropriations Committee of the Senate and the chairperson~~
21 ~~and minority chairperson of the Appropriations Committee of~~
22 ~~the House of Representatives an itemized budget consisting of~~
23 ~~amounts to be appropriated out of the accounts established~~
24 ~~under this section necessary to administer this part.~~

25 ~~(2) As soon as practicable after submitting copies of~~
26 ~~the itemized budget, the department shall submit to the~~
27 ~~chairperson and minority chairperson of the Appropriations~~
28 ~~Committee of the Senate and the chairperson and minority~~
29 ~~chairperson of the Appropriations Committee of the House of~~
30 ~~Representatives analyses of and recommendations regarding the~~

1 ~~itemized budget.~~

2 ~~(3) The itemized budget required under paragraph (1)~~
3 ~~shall be submitted in conjunction with the budget required to~~
4 ~~be submitted under section 1202(b)(28) (relating to general~~
5 ~~and specific powers).~~

6 ~~(d) Appropriation.~~

7 ~~(1) Costs and expenses may be paid from the accounts~~
8 ~~established under subsection (a) only upon appropriation by~~
9 ~~the General Assembly.~~

10 ~~(2) If the total costs or expenses incurred by the~~
11 ~~board, the department, the Pennsylvania State Police or the~~
12 ~~Office of Attorney General exceed the amounts available in~~
13 ~~the accounts established under subsection (a), the General~~
14 ~~Assembly may appropriate additional amounts to the board, the~~
15 ~~department, the Pennsylvania State Police or the Office of~~
16 ~~Attorney General from the Video Gaming Fund.~~

17 ~~§ 4105. Transfers from Video Gaming Fund.~~

18 ~~(a) Transfer for compulsive and problem gambling~~
19 ~~treatment. On June 30, 2018, and on the last day of each fiscal~~
20 ~~year thereafter, the State Treasurer shall transfer from the~~
21 ~~Video Gaming Fund the sum of \$2,500,000 or an amount equal to~~
22 ~~0.002 multiplied by the total gross terminal revenue of all~~
23 ~~terminal operator licensees, whichever is greater, to the~~
24 ~~Compulsive and Problem Gambling Treatment Fund established in~~
25 ~~section 1509 (relating to compulsive and problem gambling~~
26 ~~program).~~

27 ~~(b) Transfer to Fire Company and Emergency Responder Grant~~
28 ~~Fund. On June 30, 2018, and on the last day of each fiscal year~~
29 ~~thereafter, the State Treasurer shall transfer from the Video~~
30 ~~Gaming Fund the sum of \$2,500,000 to the Fire Company and~~

1 ~~Emergency Responder Grant Fund established in section 4106~~
2 ~~(relating to Fire Company and Emergency Responder Grant Fund).~~

3 ~~(c) Transfer for drug and alcohol treatment. On June 30,~~
4 ~~2018, and on the last day of each fiscal year thereafter, the~~
5 ~~State Treasurer shall transfer from the Video Gaming Fund the~~
6 ~~sum of \$2,500,000 to the Department of Drug and Alcohol Programs~~
7 ~~to be used to provide drug and alcohol addiction treatment~~
8 ~~services, including treatment for drug and alcohol addiction~~
9 ~~related to compulsive and problem gambling, as set forth in~~
10 ~~section 1509.1 (relating to drug and alcohol treatment).~~

11 ~~(d) Transfer to City of the First Class Enforcement Fund.~~
12 ~~On June 30, 2018, and on the last day of each fiscal year~~
13 ~~thereafter, the State Treasurer shall transfer from the Video~~
14 ~~Gaming Fund the sum of \$3,000,000 to the City of the First Class~~
15 ~~Enforcement Fund established in section 4107 (relating to City~~
16 ~~of the First Class Enforcement Fund).~~

17 ~~(e) Transfer to the State Lottery Fund. On June 30, 2018,~~
18 ~~the State Treasurer shall transfer from the Video Gaming Fund~~
19 ~~the sum of \$38,000,000 to the State Lottery Fund. On June 30,~~
20 ~~2019, and on the last day of each fiscal year thereafter, an~~
21 ~~amount, to be determined through an appropriation by the General~~
22 ~~Assembly, to make the amount of money in the State Lottery Fund~~
23 ~~equal to amounts in the State Lottery Fund for the previous~~
24 ~~fiscal year.~~

25 ~~(f) Transfer to the Lottery Stabilization Fund. On June 30,~~
26 ~~2019, and on the last day of each fiscal year thereafter, the~~
27 ~~State Treasurer shall transfer from the Video Gaming Fund 3.5%~~
28 ~~of the gross terminal revenue of all video gaming terminals~~
29 ~~operating within this Commonwealth for the current fiscal year~~
30 ~~to the Lottery Stabilization Fund established in section 4108~~

1 ~~(relating to Lottery Stabilization Fund).~~

2 ~~(g) Transfer to Gun Violence Task Force Fund. On June 30,~~
3 ~~2018, and on the last day of each fiscal year thereafter, the~~
4 ~~State Treasurer shall transfer from the Video Gaming Fun the sum~~
5 ~~of \$2,000,000 to the Gun Violence Task Force Fund established in~~
6 ~~section 4109 (relating to Gun Violence Task Force Fund).~~

7 ~~(h) General Fund transfer. On June 30, 2018, and on the~~
8 ~~last day of each fiscal year thereafter, the State Treasurer~~
9 ~~shall transfer the remaining balance in the Video Gaming Fund~~
10 ~~that is not transferred under subsections (a), (b), (c), (d),~~
11 ~~(e), (f) and (g) to the General Fund.~~

12 ~~§ 4106. Fire Company and Emergency Responder Grant Fund.~~

13 ~~(a) Establishment. The Fire Company and Emergency Responder~~
14 ~~Grant Fund is established in the State Treasury. The fund shall~~
15 ~~receive money from the Video Gaming Fund in accordance with~~
16 ~~section 4105 (relating to transfers from Video Gaming Fund).~~

17 ~~(b) Use of fund. Half of the money in the fund shall be~~
18 ~~used to fund programs that provide grants to volunteer ambulance~~
19 ~~services and the remaining money in the fund shall be used to~~
20 ~~fund programs that provide grants to fire companies and other~~
21 ~~emergency responders as specified through separate act of the~~
22 ~~General Assembly.~~

23 ~~§ 4107. City of the First Class Enforcement Fund.~~

24 ~~(a) Establishment. The City of the First Class Enforcement~~
25 ~~Fund is established in the State Treasury. The fund shall~~
26 ~~receive money from the Video Gaming Fund in accordance with~~
27 ~~section 4105 (relating to transfers from Video Gaming Fund).~~

28 ~~(b) Use of money. Money in the fund shall be used solely~~
29 ~~for the assignment and related costs of additional agents to~~
30 ~~Liquor Code enforcement and the reporting to the bureau of~~

1 ~~violations of this part within a city of the first class.~~

2 ~~§ 4108. Lottery Stabilization Fund.~~

3 ~~(a) Establishment. The Lottery Stabilization Fund is~~
4 ~~established in the State Treasury. The fund shall receive money~~
5 ~~from the Video Gaming Fund in accordance with section 4105~~
6 ~~(relating to transfers from Video Gaming Fund).~~

7 ~~(b) Use of money. Money in the fund shall be used to~~
8 ~~transfer funds to the State Lottery Fund in order to ensure the~~
9 ~~stability and maintenance of adequate funding to the State~~
10 ~~Lottery Fund as specified through a separate act of the General~~
11 ~~Assembly.~~

12 ~~§ 4109. Gun Violence Task Force Fund.~~

13 ~~(a) Establishment. The Gun Violence Task Force Fund is~~
14 ~~established in the State Treasury. The fund shall receive money~~
15 ~~from the Video Gaming Fund in accordance with section 4105~~
16 ~~(relating to transfers from Video Gaming Fund).~~

17 ~~(b) Use of money. Money in the fund shall be used by a task~~
18 ~~force on gun violence as specified through a separate act of the~~
19 ~~General Assembly.~~

20 ~~CHAPTER 43~~

21 ~~ETHICS~~

22 ~~Sec.~~

23 ~~4301. Board code of conduct.~~

24 ~~4302. Additional board restrictions.~~

25 ~~4303. Financial and employment interests.~~

26 ~~4304. Additional restrictions.~~

27 ~~4305. Political influence.~~

28 ~~§ 4301. Board code of conduct.~~

29 ~~(a) Update required. The board shall update the~~
30 ~~comprehensive code of conduct established under section 1202.1~~

1 ~~(relating to code of conduct) prior to the consideration of a~~
2 ~~license, permit or other authorization under this part in order~~
3 ~~to avoid a perceived or actual conflict of interest and to~~
4 ~~promote public confidence in the integrity and impartiality of~~
5 ~~the board as related to video gaming. At a minimum, the updated~~
6 ~~code of conduct adopted under this section shall include~~
7 ~~registration of licensed entity representatives under subsection~~
8 ~~(b) and the restrictions under subsection (c) as they relate to~~
9 ~~video gaming.~~

10 ~~(b) Registration.~~

11 ~~(1) A licensed entity representative shall register with~~
12 ~~the board in a manner prescribed by the board. The~~
13 ~~registration shall include the name, employer or firm,~~
14 ~~business address and business telephone number of both the~~
15 ~~licensed entity representative and any licensed entity,~~
16 ~~applicant for licensure or other person being represented.~~

17 ~~(2) A licensed entity representative shall update the~~
18 ~~registration information on an ongoing basis and failure to~~
19 ~~do so shall be punishable by the board.~~

20 ~~(3) The board shall maintain a registration list that~~
21 ~~contains the information required under paragraph (1). The~~
22 ~~list shall be available on the board's publicly accessible~~
23 ~~Internet website.~~

24 ~~(c) Restrictions. In addition to the other prohibitions~~
25 ~~contained in this part, a member of the board shall:~~

26 ~~(1) Not accept a discount, gift, gratuity, compensation,~~
27 ~~travel, lodging or other thing of value, directly or~~
28 ~~indirectly, from an applicant, licensed entity, affiliate,~~
29 ~~subsidiary or intermediary of an applicant or a licensed~~
30 ~~entity, registrant or licensed entity representative.~~

1 ~~(2) Disclose and recuse himself from a hearing or other~~
2 ~~proceeding in which the member's objectivity, impartiality,~~
3 ~~integrity or independence of judgment may be reasonably~~
4 ~~questioned due to the member's relationship or association~~
5 ~~with a party connected to a hearing or proceeding or a person~~
6 ~~appearing before the board.~~

7 ~~(3) Refrain from financial or business dealing that~~
8 ~~would tend to reflect adversely on the member's objectivity,~~
9 ~~impartiality or independence of judgment.~~

10 ~~(4) (i) Not solicit funds for a charitable,~~
11 ~~educational, religious, health, fraternal, civic or other~~
12 ~~nonprofit entity from an applicant, licensed entity,~~
13 ~~party, registrant or licensed entity representative or~~
14 ~~from an affiliate, subsidiary, intermediary or holding~~
15 ~~company of an applicant, licensed entity, party or~~
16 ~~licensed entity representative.~~

17 ~~(ii) Subject to the provisions of section 1201(h)~~
18 ~~(4.1) (relating to Pennsylvania Gaming Control Board~~
19 ~~established), a member may serve as an officer, employee~~
20 ~~or member of the governing body of a nonprofit entity and~~
21 ~~may attend, make personal contributions to and plan or~~
22 ~~preside over the entity's fundraising events.~~

23 ~~(iii) A member may permit their name to appear on~~
24 ~~the letterhead used for fundraising events if the~~
25 ~~letterhead contains only the member's name and position~~
26 ~~with the nonprofit entity.~~

27 ~~(5) (i) Not meet or engage in discussions with an~~
28 ~~applicant, licensed entity, registrant, licensed entity~~
29 ~~representative, person who provides goods, property or~~
30 ~~services to a terminal operator licensee or another~~

~~person or entity under the jurisdiction of the board unless the meeting or discussion occurs on the business premises of the board and is recorded in a log.~~

~~(ii) The log shall be posted on the board's publicly accessible Internet website.~~

~~(iii) The log must include the date and time of the meeting or discussion, the names of the participants and the subject discussed.~~

~~(iv) The provisions of this paragraph shall not apply to a meeting that considers matters requiring the physical inspection of the equipment or premises of an applicant or a licensed entity, if the meeting is entered in the log.~~

~~(6) Avoid impropriety and the appearance of impropriety at all times and observe standards and conduct that promote public confidence in the oversight of video gaming.~~

~~(7) Comply with other laws, rules or regulations relating to the conduct of a member.~~

~~§ 4302. Additional board restrictions.~~

~~(a) Board restrictions. The following shall apply to a board member or employee of the board whose duties substantially involve licensing, enforcement, development of law, promulgation of regulations or development of policy relating to gaming under this part or who has other discretionary authority which may affect or influence the outcome of an action, proceeding or decision under this part:~~

~~(1) The individual may not, for a period of two years following termination of employment, accept employment with or be retained by an applicant or a licensed entity or by an affiliate, intermediary, subsidiary or holding company of an~~

1 ~~applicant or a licensed entity.~~

2 ~~(2) The individual may not, for a period of two years~~
3 ~~following termination of employment, appear before the board~~
4 ~~in a hearing or proceeding or participate in activity on~~
5 ~~behalf of an applicant, licensee or licensed entity or on~~
6 ~~behalf of an affiliate, intermediary, subsidiary or holding~~
7 ~~company of an applicant, licensee or licensed entity.~~

8 ~~(3) (i) An applicant or a licensed entity or an~~
9 ~~affiliate, intermediary, subsidiary or holding company of~~
10 ~~an applicant or a licensed entity may not, until the~~
11 ~~expiration of two years following termination of~~
12 ~~employment, employ or retain the individual.~~

13 ~~(ii) Violation of this subparagraph shall result in~~
14 ~~termination of the individual's employment and subject~~
15 ~~the violator to section 3905(c) (relating to prohibited~~
16 ~~acts and penalties).~~

17 ~~(4) (i) A prospective employee who, upon employment,~~
18 ~~would be subject to this subsection must, as a condition~~
19 ~~of employment, sign an affidavit that the prospective~~
20 ~~employee will not violate paragraph (1) or (2).~~

21 ~~(ii) If the prospective employee fails to sign the~~
22 ~~affidavit, the board shall rescind an offer of employment~~
23 ~~and may not employ the individual.~~

24 ~~(b) Contractor restrictions. The following shall apply to~~
25 ~~an independent contractor of the board and to an employee of an~~
26 ~~independent contractor whose duties substantially involve~~
27 ~~consultation relating to licensing, enforcement, development of~~
28 ~~law, promulgation of regulations or development of policy~~
29 ~~relating to video gaming under this part:~~

30 ~~(1) The person may not, for a period of one year~~

~~1 following termination of the contract with the board, be
2 retained by an applicant or a licensed entity or by an
3 affiliate, intermediary, subsidiary or holding company of an
4 applicant or a licensed entity.~~

~~5 (2) The person may not, for a period of two years
6 following termination of the contract with the board, appear
7 before the board in a hearing or proceeding or participate in
8 activity on behalf of an applicant, licensee or licensed
9 entity or on behalf of an affiliate, intermediary, subsidiary
10 or holding company of an applicant, licensee or licensed
11 entity.~~

~~12 (3) (i) An applicant or a licensed entity or an
13 affiliate, intermediary, subsidiary or holding company of
14 an applicant or a licensee may not, until the expiration
15 of one year following termination of the contract with
16 the board, employ or retain the person.~~

~~17 (ii) A knowing violation of this subparagraph shall
18 result in termination of the person's employment and
19 subject the violator to section 3905(c).~~

~~20 (4) (i) Each contract between the board and an
21 independent contractor that involves the duties specified
22 in this subsection shall contain a provision requiring
23 the independent contractor to sign an affidavit that the
24 independent contractor will not violate paragraph (1) or
25 (2).~~

~~26 (ii) If the independent contractor fails to sign the
27 affidavit, the board may not enter into the contract or
28 must terminate the contract.~~

~~29 (5) (i) An independent contractor shall require a
30 prospective employee whose employment would involve the~~

~~duties specified in this subsection to sign an affidavit that the prospective employee will not violate paragraph (1) or (2).~~

~~(ii) If the prospective employee fails to sign the affidavit, the independent contractor shall rescind an offer of employment and may not employ the individual.~~

~~(c) Construction. Nothing under subsection (a) or (b) shall be construed to prevent a current or former employee of the board, a current or former independent contractor or a current or former employee of an independent contractor from appearing before the board in a hearing or proceeding as a witness or testifying as to any fact or information.~~

~~(d) Ethics commission.~~

~~(1) The State Ethics Commission shall issue a written determination of whether a person is subject to subsection (a) or (b) upon the written request of the person or the person's employer or potential employer. A person that relies in good faith on a determination issued under this paragraph shall not be subject to a penalty for an action taken, provided that all material facts specified in the request for the determination are correct.~~

~~(2) (i) The State Ethics Commission shall publish a list of all employment positions within the board and employment positions within independent contractors whose duties would subject the individuals in those positions to the provisions of subsections (a) and (b).~~

~~(ii) The board and each independent contractor shall assist the State Ethics Commission in the development of the list, which shall be published by the State Ethics Commission in the Pennsylvania Bulletin biennially and~~

1 ~~posted by the board on the board's publicly accessible~~
2 ~~Internet website.~~

3 ~~(iii) Upon request, employees of the board and each~~
4 ~~independent contractor shall provide the State Ethics~~
5 ~~Commission with adequate information to accurately~~
6 ~~develop and maintain the list.~~

7 ~~(iv) The State Ethics Commission may impose a civil~~
8 ~~penalty under 65 Pa.C.S. § 1109(f) (relating to~~
9 ~~penalties) upon an individual who fails to cooperate with~~
10 ~~the State Ethics Commission under this paragraph.~~

11 ~~(v) An individual who relies in good faith on the~~
12 ~~list published by the State Ethics Commission shall not~~
13 ~~be subject to a penalty for a violation of subsection (a)~~
14 ~~or (b).~~

15 ~~§ 4303. Financial and employment interests.~~

16 ~~(a) Financial interests. Except as may be provided for the~~
17 ~~judiciary by rule or order of the Pennsylvania Supreme Court, an~~
18 ~~executive level public employee, public official or party~~
19 ~~officer, or an immediate family member thereof, shall not~~
20 ~~intentionally or knowingly hold a financial interest in an~~
21 ~~applicant or a licensee, or in a holding company, affiliate,~~
22 ~~intermediary or subsidiary thereof, while the individual is an~~
23 ~~executive level public employee, public official or party~~
24 ~~officer and for one year following termination of the~~
25 ~~individual's status as an executive level public employee,~~
26 ~~public official or party officer.~~

27 ~~(b) Employment. Except as may be provided by rule or order~~
28 ~~of the Pennsylvania Supreme Court and except as provided in~~
29 ~~section 1202.1 (relating to code of conduct) or 4304 (relating~~
30 ~~to additional restrictions), no executive level public employee,~~

~~1 public official or party officer, or an immediate family member
2 thereof, shall be employed by an applicant or licensee, or by a
3 holding company, affiliate, intermediary or subsidiary thereof,
4 while the individual is an executive level public employee,
5 public official or party officer and for one year following
6 termination of the individual's status as an executive level
7 public employee, public official or party officer.~~

~~8 (c) Complimentary services.—~~

~~9 (1) No executive level public employee, public official
10 or party officer, or an immediate family member thereof,
11 shall solicit or accept a complimentary service from an
12 applicant or licensee, or from an affiliate, intermediary,
13 subsidiary or holding company thereof, which the executive
14 level public employee, public official or party officer, or
15 an immediate family member thereof, knows or has reason to
16 know is other than a service or discount which is offered to
17 members of the general public in like circumstances.~~

~~18 (2) No applicant or licensee, or an affiliate,
19 intermediary, subsidiary or holding company thereof, shall
20 offer or deliver to an executive level public employee,
21 public official or party officer, or an immediate family
22 member thereof, a complimentary service from the applicant or
23 licensee, or an affiliate, intermediary, subsidiary or
24 holding company thereof, that the applicant or licensee, or
25 an affiliate, intermediary, subsidiary or holding company
26 thereof, knows or has reason to know is other than a service
27 or discount that is offered to members of the general public
28 in like circumstances.~~

~~29 (d) Grading. An individual who violates this section
30 commits a misdemeanor of the third degree and shall, upon~~

~~conviction, be sentenced to pay a fine of not more than \$1,000 or to imprisonment for not more than one year, or both.~~

~~(c) Divestiture.~~

~~(1) An executive level public employee, public official or party officer, or an immediate family member thereof, who holds a financial interest prohibited by this section shall divest the financial interest within three months of the effective date of this section, as applicable.~~

~~(2) An executive level public employee, public official, party officer or immediate family member shall have 30 days from the date the individual knew or had reason to know of the violation or 30 days from the publication in the Pennsylvania Bulletin under section 3301(b)(12) (relating to powers of board) of the application or licensure of the executive level public employee, public official, party officer or immediate family member, whichever occurs earlier, to divest the financial interest.~~

~~(3) The State Ethics Commission may, for good cause, extend the time period under this subsection.~~

~~(f) State Ethics Commission. The State Ethics Commission shall do all of the following:~~

~~(1) (i) Issue a written determination of whether a person is subject to subsection (a), (b) or (c) upon the written request of the person or another person that may have liability for an action taken with respect to the person.~~

~~(ii) A person that relies in good faith on a determination made under this paragraph shall not be subject to penalty for an action taken, provided that all material facts specified in the request for the~~

~~determination are correct.~~

~~(2) (i) Publish a list of all State, county, municipal and other government positions that meet the definitions of "public official" as defined under subsection (g) or "executive level public employee" as defined under section 3102 (relating to definitions).~~

~~(ii) The Office of Administration shall assist the State Ethics Commission in the development of the list, which list shall be published by the State Ethics Commission in the Pennsylvania Bulletin biennially and posted by the board on the board's publicly accessible Internet website.~~

~~(iii) Upon request, a public official shall provide the State Ethics Commission with adequate information to accurately develop and maintain the list.~~

~~(iv) The State Ethics Commission may impose a civil penalty under 65 Pa.C.S. § 1109(f) (relating to penalties) upon an individual, including a public official or executive level public employee, who fails to cooperate with the State Ethics Commission under this subsection.~~

~~(v) A person that relies in good faith on the list published by the State Ethics Commission shall not be subject to penalty for a violation of this section.~~

~~(g) Definitions. As used in this section, the following words and phrases shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:~~

~~"Applicant." A person applying for a manufacturer license, supplier license or terminal operator license under this part.~~

~~"Financial interest." Owning or holding, or being deemed to~~

~~1 hold, debt or equity securities or other ownership interest or
2 profits interest. A financial interest shall not include a debt
3 or equity security, or other ownership interest or profits
4 interest, which is held or deemed to be held in any of the
5 following:~~

~~6 (1) A blind trust over which the executive level public
7 employee, public official, party officer or immediate family
8 member thereof may not exercise any managerial control or
9 receive income during the tenure of office and the period
10 under subsection (a). The provisions of this paragraph shall
11 apply only to blind trusts established prior to the effective
12 date of this section.~~

~~13 (2) Securities that are held in a pension plan, profit
14 sharing plan, individual retirement account, tax sheltered
15 annuity, a plan established pursuant to section 457 of the
16 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §
17 1 et seq.) or a successor provision deferred compensation
18 plan whether qualified or not qualified under the Internal
19 Revenue Code of 1986 or any successor provision or other
20 retirement plan that:~~

~~21 (i) is not self directed by the individual; and~~

~~22 (ii) is advised by an independent investment adviser
23 who has sole authority to make investment decisions with
24 respect to contributions made by the individual to these
25 plans.~~

~~26 (3) A tuition account plan organized and operated under
27 section 529 of the Internal Revenue Code of 1986 that is not
28 self directed by the individual.~~

~~29 (4) A mutual fund where the interest owned by the mutual
30 fund in a licensed entity does not constitute a controlling~~

1 ~~interest as defined in this part.~~

2 ~~"Immediate family." A spouse, minor child or unemancipated~~
3 ~~child.~~

4 ~~"Licensee." A manufacturer licensee, supplier licensee or a~~
5 ~~terminal operator licensee.~~

6 ~~"Party officer." A member of a national committee; a~~
7 ~~chairperson, vice chairperson, secretary, treasurer or counsel~~
8 ~~of a State committee or member of the executive committee of a~~
9 ~~State committee; a county chairperson, vice chairperson,~~
10 ~~counsel, secretary or treasurer of a county committee in which a~~
11 ~~licensed facility is located; or a city chairperson, vice~~
12 ~~chairperson, counsel, secretary or treasurer of a city committee~~
13 ~~of a city in which a licensed facility is located.~~

14 ~~"Public official." The term shall include the following:~~

15 ~~(1) The Governor, Lieutenant Governor, a member of the~~
16 ~~Governor's cabinet, State Treasurer, Auditor General and~~
17 ~~Attorney General of the Commonwealth.~~

18 ~~(2) A member of the Senate or House of Representatives~~
19 ~~of the Commonwealth.~~

20 ~~(3) An individual elected or appointed to an office of a~~
21 ~~county or municipality that directly receives a distribution~~
22 ~~of revenue under this part.~~

23 ~~(4) An individual elected or appointed to a department,~~
24 ~~agency, board, commission, authority or other governmental~~
25 ~~body not included in paragraph (1), (2) or (3) that directly~~
26 ~~receives a distribution of revenue under this part.~~

27 ~~(5) An individual elected or appointed to a department,~~
28 ~~agency, board, commission, authority, county, municipality or~~
29 ~~other governmental body not included in paragraph (1), (2) or~~
30 ~~(3) with discretionary power that may influence or affect the~~

~~outcome of an action or decision and who is involved in the development of regulation or policy relating to a licensed entity or is involved in other matters under this part.~~

~~§ 4304. Additional restrictions.~~

~~(a) Restrictions.~~

~~(1) No individual trooper or employee of the Pennsylvania State Police or employee of the Office of Attorney General or the department whose duties substantially involve licensing or enforcement, the development of laws or the development or adoption of regulations or policy related to gaming under this part or who has other discretionary authority that may affect or influence the outcome of an action, proceeding or decision under this part may do any of the following:~~

~~(i) Accept employment with or be retained by an applicant or licensed entity, or an affiliate, intermediary, subsidiary or holding company of an applicant or licensed entity, for a period of two years after the termination of employment.~~

~~(ii) (A) Appear before the board in a hearing or proceeding or participate in other activity on behalf of an applicant, licensee or licensed entity, or an affiliate, intermediary, subsidiary or holding company of an applicant, licensee or licensed entity, for a period of two years after termination of employment.~~

~~(B) Nothing in this paragraph shall be construed to prevent a current or former trooper or employee of the Pennsylvania State Police, the Office of Attorney General or the department from appearing before the~~

1 ~~board in a proceeding or hearing as a witness or~~
2 ~~testifying as to a fact or information.~~

3 ~~(2) As a condition of employment, a potential employee~~
4 ~~who would be subject to this subsection shall sign an~~
5 ~~affidavit that the individual will not accept employment with~~
6 ~~or be retained by an applicant or licensed entity, or an~~
7 ~~affiliate, intermediary, subsidiary or holding company of an~~
8 ~~applicant or licensed entity, for a period of two years after~~
9 ~~the termination of employment.~~

10 ~~(b) Employment or retention.~~

11 ~~(1) No applicant or licensed entity or an affiliate,~~
12 ~~intermediary, subsidiary or holding company of an applicant~~
13 ~~or licensed entity may employ or retain an individual subject~~
14 ~~to subsection (a) until the expiration of the period required~~
15 ~~in subsection (a)(1)(i).~~

16 ~~(2) An applicant or licensed entity, or an affiliate,~~
17 ~~intermediary, subsidiary or holding company of an applicant~~
18 ~~or licensed entity, that knowingly employs or retains an~~
19 ~~individual in violation of this subsection shall terminate~~
20 ~~the employment of the individual and be subject to penalty~~
21 ~~under section 1518(c) (relating to prohibited acts;~~
22 ~~penalties).~~

23 ~~(c) Violation. If an individual subject to subsection (a)~~
24 ~~refuses or otherwise fails to sign an affidavit, the~~
25 ~~individual's potential employer shall rescind the offer of~~
26 ~~employment.~~

27 ~~(d) Code of conduct.~~

28 ~~(1) The Pennsylvania State Police, Office of Attorney~~
29 ~~General and department each shall adopt a comprehensive code~~
30 ~~of conduct that supplements all other requirements under this~~

~~part and 65 Pa.C.S. Pt. II (relating to accountability), as applicable, and shall provide guidelines applicable to troopers, employees, independent contractors of the agency whose duties substantially involve licensing or enforcement, the development of laws or the development or adoption of regulations or policy related to video gaming under this part or who have other discretionary authority that may affect the outcome of an action, proceeding or decision under this part, and the immediate families of these individuals to enable them to avoid a perceived or actual conflict of interest and to promote public confidence in the integrity and impartiality of video gaming enforcement and regulation.~~

~~(2) At a minimum, the code of conduct adopted under this section shall apply the types of restrictions applicable to members under section 1202.1(c) (relating to code of conduct), except that the restrictions under section 1202.1(c) (5) shall not apply to an elected Attorney General.~~

~~(c) State Ethics Commission. The State Ethics Commission shall do all of the following:~~

~~(1) (i) Issue a written determination of whether an individual is subject to subsection (a) upon the written request of the individual or the individual's employer or potential employer.~~

~~(ii) A person that relies in good faith on a determination made under this paragraph shall not be subject to penalty for an action taken, provided that all material facts specified in the request for the determination are correct.~~

~~(2) (i) Publish a list of all positions within the Pennsylvania State Police, the Office of Attorney General~~

1 ~~and the department the duties of which would subject the~~
2 ~~individuals in those positions to the provisions of~~
3 ~~subsection (a).~~

4 ~~(ii) Each agency subject to this subsection shall~~
5 ~~assist the State Ethics Commission in the development of~~
6 ~~the list, which list shall be published by the State~~
7 ~~Ethics Commission in the Pennsylvania Bulletin~~
8 ~~biennially, shall be posted by the board on the board's~~
9 ~~publicly accessible Internet website and shall be posted~~
10 ~~by each agency on the agency's publicly accessible~~
11 ~~Internet website.~~

12 ~~(iii) Upon request by the State Ethics Commission,~~
13 ~~members and employees of each agency subject to this~~
14 ~~subsection shall provide the State Ethics Commission with~~
15 ~~adequate information to accurately develop and maintain~~
16 ~~the list.~~

17 ~~(iv) The State Ethics Commission may impose a civil~~
18 ~~penalty under 65 Pa.C.S. § 1109(f) (relating to~~
19 ~~penalties) upon an individual who fails to cooperate with~~
20 ~~the State Ethics Commission under this subsection.~~

21 ~~(v) A person who relies in good faith on the list~~
22 ~~published by the State Ethics Commission shall not be~~
23 ~~subject to penalty for a violation of subsection (a).~~

24 ~~§ 4305. Political influence.~~

25 ~~(a) Contribution restriction. The following persons shall~~
26 ~~be prohibited from contributing money or an in kind contribution~~
27 ~~to a candidate for nomination or election to a public office in~~
28 ~~this Commonwealth, to a political party committee or other~~
29 ~~political committee in this Commonwealth or to a group,~~
30 ~~committee or association organized in support of a candidate,~~

1 ~~political party committee or other political committee in this~~
2 ~~Commonwealth.~~

3 ~~(1) An applicant for a terminal operator license,~~
4 ~~manufacturer license, supplier license, principal license or~~
5 ~~a key employee license.~~

6 ~~(2) A terminal operator licensee, manufacturer licensee~~
7 ~~or supplier licensee.~~

8 ~~(3) A licensed principal or licensed key employee of a~~
9 ~~terminal operator licensee, manufacturer licensee or supplier~~
10 ~~licensee.~~

11 ~~(4) An affiliate, intermediary, subsidiary or holding~~
12 ~~company of a terminal operator licensee, manufacturer~~
13 ~~licensee or supplier licensee.~~

14 ~~(5) A licensed principal or licensed key employee of an~~
15 ~~affiliate, intermediary, subsidiary or holding company of a~~
16 ~~terminal operator licensee, manufacturer licensee or supplier~~
17 ~~licensee.~~

18 ~~(6) A person who holds a similar video gaming license in~~
19 ~~another jurisdiction and the affiliates, intermediaries,~~
20 ~~subsidiaries, holding companies, principals or key employees~~
21 ~~thereof.~~

22 ~~(b) Contributions to certain associations and organizations~~
23 ~~barred. No individual prohibited from making political~~
24 ~~contributions under subsection (a) may make a political~~
25 ~~contribution of money or an in kind contribution to an~~
26 ~~association or organization, including a nonprofit organization,~~
27 ~~that has been solicited by, or knowing that the contribution or~~
28 ~~a portion thereof will be contributed to, the elected official,~~
29 ~~executive level public employee or candidate for nomination or~~
30 ~~election to a public office in this Commonwealth.~~

1 ~~(c) Internet website.~~

2 ~~(1) The board shall establish a publicly accessible~~
3 ~~Internet website that includes a list of all applicants for~~
4 ~~and holders of a terminal operator license, manufacturer~~
5 ~~license or supplier license and the affiliates,~~
6 ~~intermediaries, holding companies, principals and key~~
7 ~~employees thereof, all persons holding a similar video gaming~~
8 ~~license in another jurisdiction, and the affiliates,~~
9 ~~intermediaries, holding companies, principals and key~~
10 ~~employees thereof, and other entity in which the applicant or~~
11 ~~licensee has a debt or an equity security or other ownership~~
12 ~~or profits interest. An applicant or licensee shall notify~~
13 ~~the board within seven days of the discovery of a change in~~
14 ~~or addition to the information.~~

15 ~~(2) No individual who acts in good faith and in reliance~~
16 ~~on the information on the board's publicly accessible~~
17 ~~Internet website shall be subject to penalty or liability~~
18 ~~imposed for a violation of this section.~~

19 ~~(3) The board shall request the information required~~
20 ~~under paragraph (1) from a person licensed in another~~
21 ~~jurisdiction who does not hold a license in this Commonwealth~~
22 ~~and from regulatory agencies in the other jurisdiction. If a~~
23 ~~person who is a licensee in another jurisdiction refuses to~~
24 ~~provide the information required under paragraph (1), the~~
25 ~~person and its officers, directors or persons with a~~
26 ~~controlling interest shall be ineligible to receive a license~~
27 ~~under this part.~~

28 ~~(d) Annual certification. The chief executive officer, or~~
29 ~~other appropriate individual, of each applicant for a terminal~~
30 ~~operator license, manufacturer license or supplier license, or~~

1 ~~manufacturer licensee, supplier licensee or terminal operator~~
2 ~~licensee, shall annually certify under oath to the board and the~~
3 ~~Department of State that the applicant or supplier licensee,~~
4 ~~manufacturer licensee or terminal operator licensee has~~
5 ~~developed and implemented internal safeguards and policies~~
6 ~~intended to prevent a violation of this provision and that the~~
7 ~~applicant or supplier licensee, manufacturer licensee or~~
8 ~~terminal operator licensee has conducted a good faith~~
9 ~~investigation that has not revealed a violation of this~~
10 ~~subsection during the past year.~~

11 ~~(c) Penalties.~~

12 ~~(1) A violation of this section by a terminal operator~~
13 ~~licensee or a person that holds a controlling interest in the~~
14 ~~license, or a subsidiary company thereof, or an officer,~~
15 ~~director or management level employee of the licensee shall~~
16 ~~be punishable as follows:~~

17 ~~(i) A first violation of this section shall be~~
18 ~~punishable by a fine equal to an amount not less than the~~
19 ~~average single day gross terminal revenue of the terminal~~
20 ~~operator licensee.~~

21 ~~(ii) A second violation of this section, within five~~
22 ~~years of the first violation, shall be punishable by at~~
23 ~~least a one day suspension of the license held by the~~
24 ~~terminal operator licensee and a fine equal to an amount~~
25 ~~not less than two times the average single day gross~~
26 ~~terminal revenue of the terminal operator licensee.~~

27 ~~(iii) A third violation of this section within five~~
28 ~~years of the second violation shall be punishable by the~~
29 ~~immediate revocation of the license held by the terminal~~
30 ~~operator licensee.~~

1 ~~(2) A violation of this section by a manufacturer or~~
2 ~~supplier licensed under this part or by a person that holds a~~
3 ~~controlling interest in such manufacturer or supplier, or a~~
4 ~~subsidiary company thereof, or an officer, a director or~~
5 ~~management level employee of such a licensee shall be~~
6 ~~punishable as follows:~~

7 ~~(i) A first violation of this section shall be~~
8 ~~punishable by a fine equal to an amount not less than a~~
9 ~~single day average of the gross profit from sales made by~~
10 ~~the manufacturer or supplier in this Commonwealth during~~
11 ~~the preceding 12 month period or portion thereof in the~~
12 ~~event the manufacturer or supplier has not operated in~~
13 ~~this Commonwealth for 12 months.~~

14 ~~(ii) A second or subsequent violation of this~~
15 ~~section within five years of a prior violation shall be~~
16 ~~punishable by a one month suspension of the license held~~
17 ~~by the manufacturer or supplier and a fine equal to an~~
18 ~~amount not less than two times a single day average of~~
19 ~~the gross profit from sales made by the manufacturer or~~
20 ~~supplier in this Commonwealth during the preceding 12~~
21 ~~month period or portion thereof in the event the~~
22 ~~manufacturer or supplier has not operated in this~~
23 ~~Commonwealth for 12 months.~~

24 ~~(3) In no event shall the fine imposed under this~~
25 ~~section be an amount less than \$100,000 for each violation.~~
26 ~~In addition to a fine or sanction that may be imposed by the~~
27 ~~board under this subsection, an individual who makes a~~
28 ~~contribution in violation of this section commits a~~
29 ~~misdemeanor of the third degree.~~

30 ~~(d) Definitions. As used in this section, the following~~

1 ~~words and phrases shall have the meanings given to them in this~~
2 ~~subsection:~~

3 ~~"Contribution." A payment, gift, subscription, assessment,~~
4 ~~contract, payment for services, dues, loan, forbearance, advance~~
5 ~~or deposit of money or a valuable thing made to a candidate or~~
6 ~~political committee for the purpose of influencing an election~~
7 ~~in this Commonwealth or for paying debts incurred by or for a~~
8 ~~candidate or committee before or after an election. The term~~
9 ~~includes:~~

10 ~~(1) The purchase of tickets for events, including~~
11 ~~dinner, luncheon, rallies and other fundraising events.~~

12 ~~(2) The granting of discounts or rebates not available~~
13 ~~to the general public.~~

14 ~~(3) The granting of discounts or rebates by television~~
15 ~~and radio stations and newspapers not extended on an equal~~
16 ~~basis to all candidates for the same office.~~

17 ~~(4) A payment provided for the benefit of a candidate,~~
18 ~~including payment for the services of a person serving as an~~
19 ~~agent of a candidate or committee by a person other than the~~
20 ~~candidate or committee or person whose expenditures the~~
21 ~~candidate or committee must report.~~

22 ~~(5) The receipt or use of anything of value by a~~
23 ~~political committee from another political committee and a~~
24 ~~return on investments by a political committee.~~

25 ~~"Political committee." A committee, club, association or~~
26 ~~other group of persons that receives contributions or makes~~
27 ~~expenditures.~~

28 ~~CHAPTER 45~~

29 ~~MISCELLANEOUS PROVISIONS~~

30 ~~Sec.~~

1 ~~4501. Gaming schools.~~

2 ~~4502. Declaration of exemption from Federal laws prohibiting~~
3 ~~video gaming terminals.~~

4 ~~4503. Preemption of local taxes and license fees.~~

5 ~~4504. Exclusive jurisdiction of Supreme Court.~~

6 ~~4505. Funding.~~

7 ~~4506. Commonwealth Financing Authority.~~

8 ~~§ 4501. Gaming schools.~~

9 ~~(a) Curriculum. The Department of Labor and Industry, in~~
10 ~~consultation with the Department of Education and the board,~~
11 ~~shall, within 60 days following the effective date of this~~
12 ~~section, develop curriculum guidelines, including minimum~~
13 ~~proficiency requirements established by the board, for gaming~~
14 ~~school instruction related to video gaming terminals. The~~
15 ~~guidelines shall, at a minimum, establish courses of instruction~~
16 ~~that will provide individuals with adequate job training~~
17 ~~necessary to obtain employment as video gaming employees.~~

18 ~~(b) Gaming equipment. All gaming equipment utilized by a~~
19 ~~gaming school, including video gaming and associated equipment~~
20 ~~and all representations of value, shall be used for training,~~
21 ~~instructional and practice purposes only. The use of the gaming~~
22 ~~equipment for actual gaming by a person is prohibited.~~

23 ~~(c) Possession, removal and transport of equipment. No~~
24 ~~gaming school shall possess, remove or transport, or cause to be~~
25 ~~removed or transported, a video gaming terminal or associated~~
26 ~~equipment except in accordance with this part.~~

27 ~~(d) Serial numbers. Each video gaming terminal and~~
28 ~~associated equipment on the premises of a gaming school shall~~
29 ~~have permanently affixed on it a serial number that, together~~
30 ~~with the location of the video gaming terminal, is filed with~~

1 ~~the board.~~

2 ~~(e) Security. Each gaming school shall provide adequate~~
3 ~~security for video gaming terminals and associated equipment on~~
4 ~~the gaming school premises.~~

5 ~~(f) Notice to board and bureau. No gaming school shall sell~~
6 ~~or transfer a video gaming terminal or associated equipment~~
7 ~~except upon prior written notice to the board and the bureau.~~

8 ~~§ 4502. Declaration of exemption from Federal laws prohibiting~~
9 ~~video gaming terminals.~~

10 ~~(a) Declaration. Under the Gambling Devices Transportation~~
11 ~~Act (64 Stat. 1134, 15 U.S.C. § 1171 et seq.), the Commonwealth~~
12 ~~declares that it is exempt from section 2 of that act.~~

13 ~~(b) Legal shipments. All shipments of gambling devices, as~~
14 ~~defined in section 1 of the Gambling Devices Transportation Act,~~
15 ~~into this Commonwealth, the registering, recording and labeling~~
16 ~~of which has been effected by the manufacturer and supplier of~~
17 ~~those devices in accordance with sections 3 and 4 of the~~
18 ~~Gambling Devices Transportation Act, shall be deemed legal~~
19 ~~shipments of gambling devices into this Commonwealth.~~

20 ~~§ 4503. Preemption of local taxes and license fees.~~

21 ~~(a) Statutes. Video gaming terminals shall be exempt from~~
22 ~~taxes levied under the following:~~

23 ~~(1) The act of August 5, 1932 (Sp.Sess., P.L.45, No.45),~~
24 ~~referred to as the Sterling Act.~~

25 ~~(2) The act of December 31, 1965 (P.L.1257, No.511),~~
26 ~~known as The Local Tax Enabling Act.~~

27 ~~(3) 53 Pa.C.S. Pt. III Subpt. E (relating to home rule~~
28 ~~and optional plan government).~~

29 ~~(4) Any statute that confers taxing authority to a~~
30 ~~political subdivision.~~

1 ~~(b) Licensing fees. Video gaming terminals are exempt from~~
2 ~~local licensing fees.~~

3 ~~§ 4504. Exclusive jurisdiction of Supreme Court.~~

4 ~~The Pennsylvania Supreme Court shall have exclusive~~
5 ~~jurisdiction to hear a challenge to or to render a declaratory~~
6 ~~judgment concerning the constitutionality of this part. The~~
7 ~~Pennsylvania Supreme Court may take such action as it deems~~
8 ~~appropriate, consistent with the Pennsylvania Supreme Court~~
9 ~~retaining jurisdiction over the matter, to find facts or to~~
10 ~~expedite a final judgment in connection with a challenge or~~
11 ~~request for declaratory relief.~~

12 ~~§ 4505. Funding.~~

13 ~~(a) Appropriation. The General Assembly appropriates the~~
14 ~~following:~~

15 ~~(1) The sum of \$5,000,000 is hereby appropriated to the~~
16 ~~board for the fiscal period July 1, 2017, to June 30, 2018,~~
17 ~~to implement and administer the provisions of this part.~~

18 ~~(2) The sum of \$3,000,000 is hereby appropriated from~~
19 ~~the General Fund to the department for the fiscal period July~~
20 ~~1, 2017, to June 30, 2018, to prepare for, implement and~~
21 ~~administer the provisions of this part.~~

22 ~~(3) The sum of \$2,000,000 is hereby appropriated from~~
23 ~~the General Fund to the Pennsylvania State Police for the~~
24 ~~fiscal period July 1, 2017, to June 30, 2018, to prepare for,~~
25 ~~implement and administer the provisions of this part.~~

26 ~~(b) Repayment required. The money appropriated under this~~
27 ~~section shall be repaid to the General Fund by terminal operator~~
28 ~~licensees according to subsection (c).~~

29 ~~(c) Repayment schedule. Beginning two years from the date~~
30 ~~the board authorizes the first video gaming terminal to be~~

1 ~~connected to the central control computer system and is made~~
2 ~~available for public use, the department shall collect an~~
3 ~~assessment of .05% of gross terminal revenue on a bi monthly~~
4 ~~basis from each terminal operator licensee for deposit into the~~
5 ~~General Fund. The department shall continue to collect the~~
6 ~~assessment until the amounts under subsection (a) are repaid to~~
7 ~~the General Fund.~~

8 ~~(d) Unused amounts. On July 1, 2018, any portion of amounts~~
9 ~~appropriated under this section that are unexpended,~~
10 ~~unencumbered or uncommitted as of June 30 of the prior fiscal~~
11 ~~year shall automatically be transferred to the General Fund.~~

12 ~~§ 4506. Commonwealth Financing Authority.~~

13 ~~The Commonwealth Financing Authority shall establish~~
14 ~~accounts, administer and distribute the funds deposited into the~~
15 ~~accounts and perform all other duties required of it under this~~
16 ~~part.~~

17 ~~Section 34. Section 5513 of Title 18 is amended to read:~~

18 ~~§ 5513. Gambling devices, gambling, etc.~~

19 ~~(a) Offense defined. [A] Except as otherwise provided for~~
20 ~~in subsections (a.1) and (a.2), a person is guilty of a~~
21 ~~misdemeanor of the first degree if he:~~

22 ~~(1) intentionally or knowingly makes, assembles, sets~~
23 ~~up, maintains, sells, lends, leases, gives away, or offers~~
24 ~~for sale, loan, lease or gift, any punch board, drawing~~
25 ~~card[, slot machine] or any device to be used for gambling~~
26 ~~purposes, except playing cards;~~

27 ~~(2) allows persons to collect and assemble for the~~
28 ~~purpose of unlawful gambling at any place under his control;~~

29 ~~(3) solicits or invites any person to visit any unlawful~~
30 ~~gambling place for the purpose of gambling; or~~

1 ~~(4) being the owner, tenant, lessee or occupant of any~~
2 ~~premises, knowingly permits or suffers the same, or any part~~
3 ~~thereof, to be used for the purpose of unlawful gambling.~~

4 ~~(a.1) Electronic video monitor. A person commits a~~
5 ~~[misdemeanor of the first] felony of the third degree if he~~
6 ~~owns, operates, maintains, places into operation or has a~~
7 ~~financial interest in an electronic video monitor or business~~
8 ~~that owns, operates, maintains or places into operation or has a~~
9 ~~financial interest in an electronic video monitor:~~

10 ~~(1) which is offered or made available to persons to~~
11 ~~play or participate in a simulated gambling program for~~
12 ~~direct or indirect consideration, including consideration~~
13 ~~associated with a related product, service or activity; and~~

14 ~~(2) for which the person playing the simulated gambling~~
15 ~~program may become eligible for a cash or cash equivalent~~
16 ~~prize, whether or not the eligibility for or value of the~~
17 ~~cash or cash equivalent prize is determined by or has any~~
18 ~~relationship to the outcome of or play of the simulated~~
19 ~~gambling program.~~

20 ~~(a.2) Gaming machine. A person commits a felony of the~~
21 ~~third degree if he owns, operates, maintains, places into~~
22 ~~operation or has a financial interest in a gaming machine or~~
23 ~~business that owns, operates, maintains or places into~~
24 ~~operation or has a financial interest in a gaming machine.~~

25 ~~(b) Confiscation of gambling devices. Any gambling device~~
26 ~~or gaming machine possessed or used in violation of the~~
27 ~~provisions of [subsection (a)] subsections (a), (a.1) and (a.2)~~
28 ~~of this section shall be seized and forfeited to the~~
29 ~~Commonwealth. All provisions of law relating to the seizure,~~
30 ~~summary and judicial forfeiture, and condemnation of~~

1 ~~intoxicating liquor shall apply to seizures and forfeitures~~
2 ~~under the provisions of this section.~~

3 ~~(c) Antique slot machines.—~~

4 ~~(1) [A slot machine shall be established as an] An~~
5 ~~antique slot machine shall not be considered a gaming machine~~
6 ~~or an illegal gambling device if the defendant shows by a~~
7 ~~preponderance of the evidence that it was manufactured at~~
8 ~~least 25 years before the current year and that it was not~~
9 ~~used or attempted to be used for any unlawful purposes.—~~
10 ~~Notwithstanding subsection (b), no antique slot machine~~
11 ~~seized from any defendant shall be destroyed or otherwise~~
12 ~~altered until the defendant is given an opportunity to~~
13 ~~establish that the slot machine is an antique slot machine.—~~
14 ~~After a final court determination that the slot machine is an~~
15 ~~antique slot machine, the slot machine shall be returned~~
16 ~~pursuant to the provisions of law providing for the return of~~
17 ~~property; otherwise, the slot machine shall be destroyed.~~

18 ~~(2) It is the purpose of this subsection to protect the~~
19 ~~collection and restoration of antique slot machines not~~
20 ~~presently utilized for gambling purposes.—~~

21 ~~(d) Shipbuilding business.— Notwithstanding any other~~
22 ~~provisions of this section, a person may construct, deliver,~~
23 ~~convert or repair a vessel that is equipped with gambling~~
24 ~~devices if all of the following conditions are satisfied:~~

25 ~~(1) The work performed on the vessel is ordered by a~~
26 ~~customer who uses or possesses the vessel outside of this~~
27 ~~Commonwealth in a locality where the use or possession of the~~
28 ~~gambling devices on the vessel is lawful.—~~

29 ~~(2) The work performed on the vessel that is equipped~~
30 ~~with gambling devices is performed at a shipbuilding or~~

1 ~~repair yard located within a port facility under the~~
2 ~~jurisdiction of any port authority organized under the act of~~
3 ~~December 6, 1972 (P.L.1392, No.298), known as the Third Class~~
4 ~~City Port Authority Act.~~

5 ~~(3) The person provides the Office of Attorney General,~~
6 ~~prior to the importation of the gambling devices into this~~
7 ~~Commonwealth, records that account for the gambling devices,~~
8 ~~including the identification number affixed to each gambling~~
9 ~~device by the manufacturer, and that identify the location~~
10 ~~where the gambling devices will be stored prior to the~~
11 ~~installation of the gambling devices on the vessel.~~

12 ~~(4) The person stores the gambling devices at a secured~~
13 ~~location and permits any person authorized to enforce the~~
14 ~~gambling laws to inspect the location where the gambling~~
15 ~~devices are stored and records relating to the storage of the~~
16 ~~gambling devices.~~

17 ~~(5) If the person removes used gambling devices from a~~
18 ~~vessel, the person shall provide the Office of Attorney~~
19 ~~General of Pennsylvania with an inventory of the used~~
20 ~~gambling devices prior to their removal from the vessel. The~~
21 ~~inventory shall include the identification number affixed to~~
22 ~~each gambling device by the manufacturer.~~

23 ~~(6) The person submits documentation to the Office of~~
24 ~~Attorney General of Pennsylvania no later than 30 days after~~
25 ~~the date of delivery that the vessel equipped with gambling~~
26 ~~devices has been delivered to the customer who ordered the~~
27 ~~work performed on the vessel.~~

28 ~~(7) The person does not sell a gambling device to any~~
29 ~~other person except to a customer who shall use or possess~~
30 ~~the gambling device outside of this Commonwealth in a~~

1 ~~locality where the use or possession of the gambling device~~
2 ~~is lawful. If a person sells a gambling device to such a~~
3 ~~customer, the person shall submit documentation to the Office~~
4 ~~of Attorney General of Pennsylvania no later than 30 days~~
5 ~~after the date of delivery that the gambling device has been~~
6 ~~delivered to the customer.~~

7 ~~(e) Penalty. Any person who fails to provide records as~~
8 ~~provided in subsection (d) commits a summary offense.~~

9 ~~(e.1) Construction. Nothing in this section shall be~~
10 ~~construed to prohibit any activity that is lawfully conducted~~
11 ~~under any of the following:~~

12 ~~(1) The act of August 26, 1971 (P.L.351, No.91), known~~
13 ~~as the State Lottery Law.~~

14 ~~(2) The act of July 10, 1981 (P.L.214, No.67), known as~~
15 ~~the Bingo Law.~~

16 ~~(3) The act of December 19, 1988 (P.L.1262, No.156),~~
17 ~~known as the Local Option Small Games of Chance Act.~~

18 ~~(4) 4 Pa.C.S. (relating to amusements).~~

19 ~~(f) Definitions. The following words and phrases when used~~
20 ~~in this section shall have the meanings given to them in this~~
21 ~~subsection unless the context clearly indicates otherwise:~~

22 ~~"Consideration associated with a related product, service or~~
23 ~~activity." Money or other value collected for a product,~~
24 ~~service or activity which is offered in any direct or indirect~~
25 ~~relationship to playing or participating in the simulated~~
26 ~~gambling program. The term includes consideration paid for~~
27 ~~computer time, Internet time, telephone calling cards and a~~
28 ~~sweepstakes entry.~~

29 ~~"Electronic video monitor." An electronic device capable of~~
30 ~~showing moving or still images.~~

1 ~~"Gaming machine." An electronic or mechanical device or game~~
2 ~~that directly or indirectly requires consideration to play, has~~
3 ~~the outcome of play determined primarily by chance and rewards a~~
4 ~~player cash, prize or anything of value. The term includes a~~
5 ~~video gaming terminal as defined in 4 Pa.C.S. § 3102 (relating~~
6 ~~to definitions) that does not contain an irremovable~~
7 ~~identification plate as specified in 4 Pa.C.S. § 3701 (relating~~
8 ~~to testing and certification of terminals).~~

9 ~~"Simulated gambling program." Any method intended to be used~~
10 ~~by a person interacting with an electronic video monitor in a~~
11 ~~business establishment that directly or indirectly implements~~
12 ~~the predetermination of sweepstakes cash or cash equivalent~~
13 ~~prizes or otherwise connects the sweepstakes player or~~
14 ~~participant with the cash or cash equivalent prize.~~

15 ~~Section 35. No person may be charged with a violation of 18-~~
16 ~~Pa.C.S. § 5513 involving a gambling device or gaming machine if~~
17 ~~the person surrenders the gambling device or gaming machine to~~
18 ~~the Pennsylvania State Police within 60 days of the effective~~
19 ~~date of this section.~~

20 ~~Section 36. Licensed gaming entities required to make~~
21 ~~payments under 4 Pa.C.S. § 1326.1 shall:~~

22 ~~(1) receive a credit against payments due in calendar~~
23 ~~year 2017 for any payments made up to the date the first~~
24 ~~payment is due under paragraph (2) under the following:~~

25 ~~(i) 4 Pa.C.S. § 1403(e) (3) (i), (ii), (iii), (iii.1),~~
26 ~~(iv), (v), (vi) and (vii) and 4(i) and (ii), formerly (3)~~
27 ~~(viii) (A) and (B), as those provisions were in existence~~
28 ~~prior to the effective date of the reenactment and~~
29 ~~amendment of 4 Pa.C.S. § 1403;~~

30 ~~(ii) any written agreement between a municipality~~

1 ~~and a licensed gaming entity required to make payments~~
2 ~~under 4 Pa.C.S. § 1326.1 entered into prior to the~~
3 ~~effective date of this section that relates to the~~
4 ~~payments required under 4 Pa.C.S. § 1403(c)(3)(i), (ii),~~
5 ~~(iii), (iii.1), (iv), (v), (vi) and (vii) and 4(i) and~~
6 ~~(ii), formerly (3)(viii)(A) and (B), as those provisions~~
7 ~~existed prior to the effective date of the amendment of 4~~
8 ~~Pa.C.S. § 1403; or~~

9 ~~(iii) any written agreement between a county and a~~
10 ~~licensed gaming entity required to make payments prior to~~
11 ~~the effective date of this section under the provisions~~
12 ~~of 4 Pa.C.S. § 1403(c)(2), as those provisions existed~~
13 ~~prior to the effective date of the amendment of 4 Pa.C.S.~~
14 ~~§ 1403; and~~

15 ~~(2) commence the payments due under this section the~~
16 ~~first day of the first calendar month following the effective~~
17 ~~date of this section.~~

18 ~~Section 37. This act shall apply as follows:~~

19 ~~(1) The following provisions shall apply retroactively~~
20 ~~to January 1, 2017:~~

21 ~~(i) The addition of 4 Pa.C.S. § 1326.1.~~

22 ~~(ii) The amendment of 4 Pa.C.S. § 13A63(b)(3)(iii)~~
23 ~~(A) and (C).~~

24 ~~(iii) The reenactment and amendment of 4 Pa.C.S. §~~
25 ~~1403, except as provided in paragraph (2) of this~~
26 ~~section.~~

27 ~~(iv) Section 36 of this act.~~

28 ~~(2) The reenactment and amendment of 4 Pa.C.S. § 1403(c)~~
29 ~~(2) shall apply retroactively to May 27, 2017.~~

30 ~~Section 38. Repeals are as follows:~~

1 ~~(1) The General Assembly finds that the repeal under~~
2 ~~paragraph (2) is necessary to effectuate the amendment of 4-~~
3 ~~Pa.C.S. § 1307(a).~~

4 ~~(2) Section 21(2) of the act of January 7, 2010 (P.L.1,~~
5 ~~No.1), is repealed.~~

6 ~~(3) The General Assembly declares that the repeal under~~
7 ~~paragraph (4) is necessary to effectuate the addition of 4-~~
8 ~~Pa.C.S. § 1403(c)(2)(i)(D)(I.2) and (I.3).~~

9 ~~(4) Section 1753-E of the act of April 9, 1929 (P.L.343,~~
10 ~~No.176), known as The Fiscal Code, is repealed.~~

11 ~~(5) The General Assembly declares that the repeal under~~
12 ~~paragraph (6) is necessary to effectuate the addition of 4-~~
13 ~~Pa.C.S. § 1521.1.~~

14 ~~(6) Section 416 of the act of April 12, 1951 (P.L.90,~~
15 ~~No.21), known as the Liquor Code.~~

16 Section 39. This act shall take effect as follows:

17 ~~(1) The amendment or addition of 4 Pa.C.S. Chs. 5 and~~
18 ~~13C and 4 Pa.C.S. § 1509 shall take effect in 60 days.~~

19 ~~(2) The addition of 4 Pa.C.S. Ch. 3 shall take effect in~~
20 ~~180 days.~~

21 ~~(3) The remainder of this act shall take effect~~
22 ~~immediately.~~

23 SECTION 1. SECTION 9313 OF TITLE 3 OF THE PENNSYLVANIA <--
24 CONSOLIDATED STATUTES IS AMENDED TO READ:

25 § 9313. BUDGET.

26 BEGINNING JULY 1, 2016, THE COMMISSION AND THE DEPARTMENT OF
27 AGRICULTURE SHALL ANNUALLY SUBMIT A BUDGET REQUEST TO THE
28 SECRETARY OF THE BUDGET IN ACCORDANCE WITH THE PROVISIONS
29 CONTAINED IN SECTION 610 OF THE ACT OF APRIL 9, 1929 (P.L.177,
30 NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929, CONSISTING OF

1 AMOUNTS TO BE APPROPRIATED FROM THE STATE RACING FUND, THE
2 PENNSYLVANIA RACE HORSE DEVELOPMENT TRUST FUND AND THE GENERAL
3 FUND TO ADMINISTER AND ENFORCE THIS CHAPTER AND FOR THE
4 PROMOTION OF HORSE RACING. BEGINNING JULY 1, 2016, AND ANNUALLY
5 THEREAFTER, 1% OF THE PREVIOUS FISCAL YEAR'S DEPOSITS INTO THE
6 PENNSYLVANIA RACE HORSE DEVELOPMENT TRUST FUND SHALL BE
7 TRANSFERRED FROM THE PENNSYLVANIA RACE HORSE DEVELOPMENT TRUST
8 FUND TO THE STATE RACING FUND TO PROVIDE FOR THE PROMOTION OF
9 HORSE RACING.

10 SECTION 1.1. SECTION 9330(F) OF TITLE 3 IS REPEALED:

11 § 9330. PLACE AND MANNER OF CONDUCTING PARI-MUTUEL WAGERING AT
12 RACETRACK ENCLOSURE.

13 * * *

14 [(F) PRIMARY MARKET AREA.--

15 (1) A LICENSED RACING ENTITY OR SECONDARY PARI-MUTUEL
16 ORGANIZATION MAY NOT ACCEPT A WAGER OR ESTABLISH ELECTRONIC
17 WAGERING OR ADVANCED DEPOSIT ACCOUNT WAGERING FOR ANY PERSON
18 LOCATED IN THE PRIMARY MARKET AREA OF A RACETRACK, OTHER THAN
19 THE RACETRACK AT WHICH THE LICENSED RACING ENTITY IS
20 CONDUCTING A HORSE RACE MEETING.

21 (2) NOTHING IN THIS SUBSECTION SHALL BE CONSTRUED TO
22 PROHIBIT A LICENSED RACING ENTITY FROM ACCEPTING A WAGER FROM
23 OR ESTABLISHING AN ELECTRONIC WAGERING ACCOUNT FOR ANY PERSON
24 LOCATED IN THE PRIMARY MARKET AREA OF THE RACETRACK WHERE THE
25 LICENSED RACING ENTITY IS CONDUCTING A HORSE RACE MEETING. IF
26 TWO TRACKS SHARE THE PRIMARY MARKET AREA, BOTH RACETRACKS
27 SHALL HAVE EQUAL RIGHTS TO THE MARKET IN THE SHARED AREA.]

28 SECTION 1.2. SECTIONS 9352(3) AND (4), 9356(B)(2) AND (10)
29 AND 9374(A) OF TITLE 3 ARE AMENDED TO READ:

30 § 9352. LICENSING COSTS AND FEES.

1 COSTS AND FEES ARE AS FOLLOWS:

2 * * *

3 (3) INITIAL LICENSE FEE:

4 (I) THE FEE FOR AN ELECTRONIC WAGERING LICENSE UNDER
5 SECTION 9351(A) (RELATING TO GENERAL LICENSE
6 REQUIREMENTS) SHALL BE [\$500,000] \$50,000. IF AN
7 APPLICANT THAT IS ALSO A CATEGORY 1 SLOT MACHINE LICENSEE
8 OR ITS CORPORATE SUCCESSOR OR AFFILIATE PAID THE LICENSE
9 FEE UNDER 4 PA.C.S. § 1209 (RELATING TO SLOT MACHINE
10 LICENSE FEE), THE FEE REQUIRED UNDER THIS PARAGRAPH SHALL
11 BE DEEMED PAID. A FEE PAID UNDER THIS PARAGRAPH SHALL BE
12 DEPOSITED IN THE STATE RACING FUND, OR, IN THE CASE OF A
13 DEEMED PAYMENT, TRANSFERRED TO THE STATE RACING FUND UPON
14 CERTIFICATION OF THE SECRETARY OF THE BUDGET.

15 (II) THE FEE FOR AN INITIAL TOTALISATOR OR RACING
16 VENDOR LICENSE UNDER SECTION 9351(A.1) SHALL BE \$25,000
17 AND SHALL BE DEPOSITED IN THE STATE RACING FUND.

18 (4) LICENSE RENEWAL FEE:

19 (I) THE FEE FOR AN ELECTRONIC WAGERING LICENSE
20 RENEWAL UNDER SECTION 9351(B)(2) SHALL BE [\$100,000]
21 \$10,000. IF AN EXISTING LICENSEE UNDER THIS SECTION THAT
22 IS ALSO A CATEGORY 1 SLOT MACHINE LICENSEE OR ITS
23 CORPORATE SUCCESSOR OR AN AFFILIATE PAID THE LICENSE FEE
24 UNDER 4 PA.C.S. § 1209, THE FEE REQUIRED UNDER THIS
25 PARAGRAPH SHALL BE DEEMED PAID. A LICENSE RENEWAL MAY NOT
26 BE ISSUED UNTIL RECEIPT OF THE LICENSE RENEWAL FEE. THE
27 LICENSE FEE SHALL BE DEPOSITED INTO THE STATE RACING
28 FUND, OR, IN THE CASE OF A DEEMED PAYMENT, IT SHALL BE
29 TRANSFERRED TO THE STATE RACING FUND.

30 (II) THE FEE FOR THE RENEWAL OF A TOTALISATOR OR

1 RACING VENDOR LICENSE UNDER SECTION 9351(B) (1) SHALL BE
2 \$5,000 AND SHALL BE DEPOSITED IN THE STATE RACING FUND.

3 * * *

4 § 9356. OPERATIONS.

5 * * *

6 (B) REQUIREMENTS.--

7 * * *

8 (2) A LICENSEE SHALL [ENTER INTO AN AGREEMENT WITH EACH
9 LICENSED RACING ENTITY IN THIS COMMONWEALTH ON WHOSE RACES
10 THE LICENSEE OFFERS WAGERING REGARDING PAYMENT OF HOST FEES
11 AND ANY OTHER APPLICABLE FEES, COSTS OR PAYMENTS OF ANY KIND
12 TO BE PAID TO THE LICENSED RACING ENTITY. THE LICENSED RACING
13 ENTITY AND THE APPLICABLE HORSEMEN'S ORGANIZATION SHALL
14 NEGOTIATE A SEPARATE AGREEMENT FOR CONTRIBUTIONS TO THE PURSE
15 ACCOUNT.] CONTRIBUTE TO THE PURSE ACCOUNT IN ACCORDANCE WITH
16 SECTION 9331(D) (RELATING TO PARI-MUTUEL WAGERING AT
17 NONPRIMARY LOCATIONS).

18 * * *

19 (10) THE INFORMATION SUPPLIED BY THE ACCOUNT HOLDER
20 SHALL BE VERIFIED BY THE LICENSEE USING MEANS ACCEPTABLE TO
21 THE COMMISSION. [A SECONDARY PARI-MUTUEL ORGANIZATION MUST
22 VERIFY THAT THE ACCOUNT HOLDER DOES NOT RESIDE WITHIN THE
23 PRIMARY MARKET AREA OF A LICENSED RACING ENTITY.]

24 * * *

25 § 9374. COSTS OF ENFORCEMENT OF MEDICATION RULES OR
26 REGULATIONS.

27 (A) AUTHORIZATION.--BEGINNING JULY 1, 2016, AND EACH YEAR
28 THEREAFTER, THE GENERAL ASSEMBLY SHALL AUTHORIZE THE TRANSFER OF
29 FUNDS FROM THE PENNSYLVANIA RACE HORSE DEVELOPMENT TRUST FUND TO
30 THE STATE RACING FUND TO PROVIDE FOR EACH COST ASSOCIATED WITH

1 THE COLLECTION AND RESEARCH OF AND TESTING FOR MEDICATION, WHICH
2 SHALL INCLUDE THE COST OF NECESSARY PERSONNEL, EQUIPMENT,
3 SUPPLIES AND FACILITIES, EXCEPT HOLDING BARNS OR STABLES, TO BE
4 LOCATED AT HORSE RACE FACILITIES, GROUNDS OR ENCLOSURES OR AT
5 OTHER LOCATIONS DESIGNATED BY THE COMMISSION. ALL SUCH COSTS
6 SHALL BE REVIEWED AND APPROVED BY THE COMMISSION. THE TRANSFER
7 SHALL BE MADE IN 52 EQUAL WEEKLY INSTALLMENTS DURING THE FISCAL
8 YEAR BEFORE ANY OTHER DISTRIBUTION FROM THE PENNSYLVANIA RACE
9 HORSE DEVELOPMENT TRUST FUND.

10 * * *

11 SECTION 1.4. TITLE 4 IS AMENDED BY ADDING A PART TO READ:

12 PART I

13 AMUSEMENTS GENERALLY

14 CHAPTER

15 1. PRELIMINARY PROVISIONS (RESERVED)

16 3. FANTASY CONTESTS

17 5. LOTTERY

18 7. ILOTTERY

19 CHAPTER 1

20 PRELIMINARY PROVISIONS

21 (RESERVED)

22 CHAPTER 3

23 FANTASY CONTESTS

24 SUBCHAPTER

25 A. GENERAL PROVISIONS

26 B. ADMINISTRATION

27 C. LICENSURE

28 D. FISCAL PROVISIONS

29 E. MISCELLANEOUS PROVISIONS

30 SUBCHAPTER A

1 GENERAL PROVISIONS

2 SEC.

3 301. SCOPE OF CHAPTER.

4 302. DEFINITIONS.

5 § 301. SCOPE OF CHAPTER.

6 THIS CHAPTER RELATES TO FANTASY CONTESTS.

7 § 302. DEFINITIONS.

8 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
9 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
10 CONTEXT CLEARLY INDICATES OTHERWISE:

11 "APPLICANT." A PERSON WHO, ON HIS OWN BEHALF OR ON BEHALF OF
12 ANOTHER, IS APPLYING FOR PERMISSION TO ENGAGE IN ANY ACT OR
13 ACTIVITY WHICH IS REGULATED UNDER THE PROVISIONS OF THIS
14 CHAPTER. IF THE APPLICANT IS A PERSON OTHER THAN AN INDIVIDUAL,
15 THE BOARD SHALL DETERMINE THE ASSOCIATED PERSONS WHOSE
16 QUALIFICATIONS ARE NECESSARY AS A PRECONDITION TO THE LICENSING
17 OF THE APPLICANT.

18 "BEGINNER." A PARTICIPANT WHO HAS ENTERED FEWER THAN 51
19 CONTESTS OFFERED BY A SINGLE LICENSED OPERATOR OR WHO DOES NOT
20 MEET THE DEFINITION OF A HIGHLY EXPERIENCED PLAYER.

21 "BOARD." THE PENNSYLVANIA GAMING CONTROL BOARD.

22 "BUREAU." THE BUREAU OF INVESTIGATIONS AND ENFORCEMENT OF
23 THE BOARD.

24 "CONDUCT OF GAMING." AS DEFINED IN SECTION 1103 (RELATING TO
25 DEFINITIONS).

26 "CONTROLLING INTEREST." EITHER OF THE FOLLOWING:

27 (1) FOR A PUBLICLY TRADED DOMESTIC OR FOREIGN
28 CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER
29 FORM OF PUBLICLY TRADED LEGAL ENTITY, A CONTROLLING INTEREST
30 IS AN INTEREST IF A PERSON'S SOLE VOTING RIGHTS UNDER STATE

1 LAW OR CORPORATE ARTICLES OR BYLAWS ENTITLE THE PERSON TO
2 ELECT OR APPOINT ONE OR MORE OF THE MEMBERS OF THE BOARD OF
3 DIRECTORS OR OTHER GOVERNING BOARD OR THE OWNERSHIP OR
4 BENEFICIAL HOLDING OF 5% OR MORE OF THE SECURITIES OF THE
5 PUBLICLY TRADED CORPORATION, PARTNERSHIP, LIMITED LIABILITY
6 COMPANY OR OTHER FORM OF PUBLICLY TRADED LEGAL ENTITY, UNLESS
7 THIS PRESUMPTION OF CONTROL OR ABILITY TO ELECT IS REBUTTED
8 BY CLEAR AND CONVINCING EVIDENCE.

9 (2) FOR A PRIVATELY HELD DOMESTIC OR FOREIGN
10 CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER
11 FORM OF PRIVATELY HELD LEGAL ENTITY, A CONTROLLING INTEREST
12 IS THE HOLDING OF SECURITIES OF 15% OR MORE IN THE LEGAL
13 ENTITY, UNLESS THIS PRESUMPTION OF CONTROL IS REBUTTED BY
14 CLEAR AND CONVINCING EVIDENCE.

15 "DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

16 "ENTRY FEE." THE CASH OR CASH EQUIVALENT PAID BY A
17 PARTICIPANT TO A LICENSED OPERATOR IN ORDER TO PARTICIPATE IN A
18 FANTASY CONTEST.

19 "FANTASY CONTEST." AS FOLLOWS:

20 (1) AN ONLINE FANTASY OR SIMULATED GAME OR CONTEST WITH
21 AN ENTRY FEE AND A PRIZE OR AWARD IN WHICH:

22 (I) THE VALUE OF ALL PRIZES OR AWARDS OFFERED TO
23 WINNING PARTICIPANTS IS ESTABLISHED AND MADE KNOWN TO
24 PARTICIPANTS IN ADVANCE OF THE CONTEST AND THE VALUE IS
25 NOT DETERMINED BY THE NUMBER OF PARTICIPANTS OR THE
26 AMOUNT OF ANY FEES PAID BY THOSE PARTICIPANTS.

27 (II) ALL WINNING OUTCOMES REFLECT THE RELATIVE
28 KNOWLEDGE AND SKILL OF PARTICIPANTS AND ARE DETERMINED BY
29 ACCUMULATED STATISTICAL RESULTS OF THE PERFORMANCE OF
30 INDIVIDUALS, INCLUDING ATHLETES IN THE CASE OF SPORTS

1 EVENTS.

2 (III) NO WINNING OUTCOME IS BASED ON THE SCORE,
3 POINT SPREAD OR PERFORMANCE OF A SINGLE ACTUAL TEAM OR
4 COMBINATION OF TEAMS OR SOLELY ON A SINGLE PERFORMANCE OF
5 AN INDIVIDUAL ATHLETE OR PLAYER IN A SINGLE ACTUAL EVENT.

6 (2) THE TERM DOES NOT INCLUDE SOCIAL FANTASY CONTESTS.

7 "FANTASY CONTEST ACCOUNT." THE FORMAL ELECTRONIC SYSTEM
8 IMPLEMENTED BY A LICENSED OPERATOR TO RECORD A PARTICIPANT'S
9 ENTRY FEES, PRIZES OR AWARDS AND OTHER ACTIVITIES RELATED TO
10 PARTICIPATION IN THE LICENSED OPERATOR'S FANTASY CONTESTS.

11 "FANTASY CONTEST ADJUSTED REVENUES." FOR EACH FANTASY
12 CONTEST, THE AMOUNT EQUAL TO THE TOTAL AMOUNT OF ALL ENTRY FEES
13 COLLECTED FROM ALL PARTICIPANTS ENTERING THE FANTASY CONTEST
14 MINUS PRIZES OR AWARDS PAID TO PARTICIPANTS IN THE FANTASY
15 CONTEST, MULTIPLIED BY THE IN-STATE PERCENTAGE.

16 "FANTASY CONTEST LICENSE." A LICENSE ISSUED BY THE BOARD
17 AUTHORIZING A PERSON TO OFFER FANTASY CONTESTS IN THIS
18 COMMONWEALTH IN ACCORDANCE WITH THIS CHAPTER.

19 "FANTASY CONTEST TERMINAL." A COMPUTERIZED OR ELECTRONIC
20 TERMINAL OR SIMILAR DEVICE WITHIN A LICENSED FACILITY THAT
21 ALLOWS PARTICIPANTS TO:

22 (1) REGISTER FOR A FANTASY CONTEST ACCOUNT;

23 (2) PAY AN ENTRY FEE;

24 (3) SELECT ATHLETES FOR A FANTASY CONTEST;

25 (4) RECEIVE WINNINGS; OR

26 (5) OTHERWISE PARTICIPATE IN A FANTASY CONTEST.

27 "GAMING SERVICE PROVIDER." AS DEFINED IN SECTION 1103.

28 "HIGHLY EXPERIENCED PLAYER." AS FOLLOWS:

29 (1) ANY PARTICIPANT WHO HAS:

30 (I) ENTERED MORE THAN 1,000 FANTASY CONTESTS; OR

1 (II) WON MORE THAN THREE FANTASY CONTEST PRIZES OR
2 AWARDS VALUED AT \$1,000 OR MORE.

3 (2) ONCE A PARTICIPANT IS CLASSIFIED AS A HIGHLY
4 EXPERIENCED PLAYER, A PLAYER SHALL REMAIN CLASSIFIED AS A
5 HIGHLY EXPERIENCED PLAYER.

6 "IN-STATE PARTICIPANT." AN INDIVIDUAL WHO PARTICIPATES IN A
7 FANTASY CONTEST CONDUCTED BY A LICENSED OPERATOR AND PAYS A FEE
8 TO A LICENSED OPERATOR FROM A LOCATION WITHIN THIS COMMONWEALTH.
9 THE TERM INCLUDES AN INDIVIDUAL WHO PAYS AN ENTRY FEE THROUGH A
10 FANTASY CONTEST TERMINAL WITHIN A LICENSED FACILITY.

11 "IN-STATE PERCENTAGE." FOR EACH FANTASY CONTEST, THE
12 PERCENTAGE, ROUNDED TO THE NEAREST TENTH OF A PERCENT, EQUAL TO
13 THE TOTAL ENTRY FEES COLLECTED FROM ALL IN-STATE PARTICIPANTS
14 DIVIDED BY THE TOTAL ENTRY FEES COLLECTED FROM ALL PARTICIPANTS
15 IN THE FANTASY CONTEST.

16 "INSTITUTIONAL INVESTOR." AS DEFINED IN SECTION 1103.

17 "KEY EMPLOYEE." AN INDIVIDUAL WHO IS EMPLOYED BY AN
18 APPLICANT FOR A FANTASY CONTEST LICENSE OR A LICENSED OPERATOR
19 IN A DIRECTOR OR DEPARTMENT HEAD CAPACITY OR WHO IS EMPOWERED TO
20 MAKE DISCRETIONARY DECISIONS THAT REGULATE FANTASY CONTEST
21 OPERATIONS AS DETERMINED BY THE BOARD.

22 "LICENSED ENTITY REPRESENTATIVE." A PERSON, INCLUDING AN
23 ATTORNEY, AGENT OR LOBBYIST, ACTING ON BEHALF OF OR AUTHORIZED
24 TO REPRESENT THE INTEREST OF AN APPLICANT, LICENSEE OR OTHER
25 PERSON AUTHORIZED BY THE BOARD TO ENGAGE IN AN ACT OR ACTIVITY
26 WHICH IS REGULATED UNDER THIS CHAPTER REGARDING A MATTER BEFORE,
27 OR WHICH MAY BE REASONABLY BE EXPECTED TO COME BEFORE, THE
28 BOARD.

29 "LICENSED FACILITY." AS DEFINED IN SECTION 1103.

30 "LICENSED GAMING ENTITY." AS DEFINED IN SECTION 1103.

1 "LICENSED OPERATOR." A PERSON WHO HOLDS A FANTASY CONTEST
2 LICENSE.

3 "LICENSEE." A LICENSED OPERATOR, A PRINCIPAL OR KEY EMPLOYEE
4 OF A LICENSED OPERATOR.

5 "PARTICIPANT." AN INDIVIDUAL WHO PARTICIPATES IN A FANTASY
6 CONTEST, WHETHER THE INDIVIDUAL IS LOCATED IN THIS COMMONWEALTH
7 OR ANOTHER JURISDICTION.

8 "PERSON." A NATURAL PERSON, CORPORATION, PUBLICLY TRADED
9 CORPORATION, FOUNDATION, ORGANIZATION, BUSINESS TRUST, ESTATE,
10 LIMITED LIABILITY COMPANY, LICENSED CORPORATION, TRUST,
11 PARTNERSHIP, LIMITED LIABILITY PARTNERSHIP, ASSOCIATION OR ANY
12 OTHER FORM OF LEGAL BUSINESS ENTITY.

13 "PRINCIPAL." AN OFFICER, DIRECTOR OR PERSON WHO DIRECTLY
14 HOLDS A BENEFICIAL INTEREST IN OR OWNERSHIP OF THE SECURITIES OF
15 AN APPLICANT FOR A FANTASY CONTEST LICENSE OR A LICENSED
16 OPERATOR, A PERSON WHO HAS A CONTROLLING INTEREST IN AN
17 APPLICANT FOR A FANTASY CONTEST LICENSE OR A LICENSED OPERATOR
18 OR WHO HAS THE ABILITY TO ELECT A MAJORITY OF THE BOARD OF
19 DIRECTORS OF A LICENSED OPERATOR OR TO OTHERWISE CONTROL A
20 LICENSED OPERATOR, LENDER OR OTHER LICENSED FINANCIAL
21 INSTITUTION OF AN APPLICANT FOR A FANTASY CONTEST LICENSE OR A
22 LICENSED OPERATOR, OTHER THAN A BANK OR LENDING INSTITUTION
23 WHICH MAKES A LOAN OR HOLDS A MORTGAGE OR OTHER LIEN ACQUIRED IN
24 THE ORDINARY COURSE OF BUSINESS, UNDERWRITER OF AN APPLICANT FOR
25 A FANTASY CONTEST LICENSE OR A LICENSED OPERATOR OR OTHER PERSON
26 OR EMPLOYEE OF AN APPLICANT FOR A FANTASY CONTEST LICENSE OR A
27 LICENSED OPERATOR DEEMED TO BE A PRINCIPAL BY THE BOARD.

28 "PRIZE OR AWARD." ANYTHING OF VALUE WORTH \$100 OR MORE OR
29 ANY AMOUNT OF CASH OR CASH EQUIVALENTS.

30 "PUBLICLY TRADED CORPORATION." A PERSON, OTHER THAN AN

1 INDIVIDUAL, THAT:

2 (1) HAS A CLASS OR SERIES OF SECURITIES REGISTERED UNDER
3 THE SECURITIES EXCHANGE ACT OF 1934 (48 STAT. 881, 15 U.S.C.
4 § 78A ET SEQ.);

5 (2) IS A REGISTERED MANAGEMENT COMPANY UNDER THE
6 INVESTMENT COMPANY ACT OF 1940 (54 STAT. 789, 15 U.S.C. §
7 80A-1 ET SEQ.); OR

8 (3) IS SUBJECT TO THE REPORTING REQUIREMENTS UNDER
9 SECTION 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 BY
10 REASON OF HAVING FILED A REGISTRATION STATEMENT THAT HAS
11 BECOME EFFECTIVE UNDER THE SECURITIES ACT OF 1933 (48 STAT.
12 74, 15 U.S.C. § 77A ET SEQ.).

13 "SCRIPT." A LIST OF COMMANDS THAT A FANTASY-CONTEST-RELATED
14 COMPUTER SOFTWARE PROGRAM CAN EXECUTE THAT IS CREATED BY A
15 PARTICIPANT OR THIRD PARTY NOT APPROVED BY THE LICENSED OPERATOR
16 TO AUTOMATE PROCESSES ON A LICENSED OPERATOR'S FANTASY CONTEST
17 PLATFORM.

18 "SEASON-LONG FANTASY CONTEST." A FANTASY CONTEST OFFERED BY
19 A LICENSED OPERATOR THAT IS CONDUCTED OVER AN ENTIRE SPORTS
20 SEASON.

21 "SOCIAL FANTASY CONTEST." A FANTASY CONTEST WHICH MEETS ONE
22 OR MORE OF THE FOLLOWING CRITERIA:

23 (1) NOTHING IS OFFERED TO PARTICIPANTS OTHER THAN GAME-
24 BASED VIRTUAL CURRENCY THAT CANNOT BE REDEEMED FOR CASH,
25 MERCHANDISE OR ANYTHING OF VALUE OUTSIDE THE CONTEXT OF GAME
26 PLAY.

27 (2) THE CONTEST IS FREE TO ALL PARTICIPANTS.

28 (3) THE ENTITY OFFERING THE CONTEST RECEIVES NO
29 COMPENSATION, OTHER THAN AN ADMINISTRATIVE FEE FOR THE
30 MAINTENANCE OF STATISTICAL INFORMATION, IN CONNECTION WITH

1 THE CONTEST.

2 (4) THE WINNINGS OFFERED ARE OF NO GREATER VALUE THAN
3 THE LOWEST INDIVIDUAL FEE CHARGED TO A SINGLE PARTICIPANT FOR
4 ENTERING OR PARTICIPATING IN THE CONTEST.

5 (5) THE CONTEST ENCOMPASSES AN ENTIRE SEASON OF THE
6 ACTIVITY IN WHICH THE UNDERLYING COMPETITION IS BEING
7 CONDUCTED AND THE WINNINGS OFFERED, IF ANY, ARE DETERMINED BY
8 AGREEMENT OF THE PARTICIPANTS ONLY IN ORDER TO DISTRIBUTE
9 FULLY THE PARTICIPANTS' CONTRIBUTIONS TO A FUND ESTABLISHED
10 TO GRANT THE WINNINGS FOR THE CONTEST.

11 "SUSPICIOUS TRANSACTION." A TRANSACTION BETWEEN A LICENSED
12 OPERATOR OR AN EMPLOYEE OF A LICENSED OPERATOR AND AN INDIVIDUAL
13 THAT INVOLVES THE ACCEPTANCE OR REDEMPTION BY A PERSON OF CASH
14 OR CASH EQUIVALENT INVOLVING OR AGGREGATING \$5,000 OR MORE WHICH
15 A LICENSED OPERATOR OR EMPLOYEE OF A LICENSED OPERATOR KNOWS,
16 SUSPECTS OR HAS REASON TO BELIEVE:

17 (1) INVOLVES FUNDS DERIVED FROM ILLEGAL ACTIVITIES OR IS
18 INTENDED OR CONDUCTED IN ORDER TO CONCEAL OR DISGUISE FUNDS
19 OR ASSETS DERIVED FROM ILLEGAL ACTIVITIES;

20 (2) IS PART OF A PLAN TO VIOLATE OR EVADE A LAW OR
21 REGULATION TO AVOID A TRANSACTION REPORTING REQUIREMENT UNDER
22 THE LAWS OR REGULATIONS OF THE UNITED STATES OR THIS
23 COMMONWEALTH, INCLUDING A PLAN TO STRUCTURE A SERIES OF
24 TRANSACTIONS TO AVOID A TRANSACTION REPORTING REQUIREMENT
25 UNDER THE LAWS OF THE UNITED STATES OR THIS COMMONWEALTH; OR

26 (3) HAD NO APPARENT LAWFUL PURPOSE OR IS NOT THE TYPE OF
27 TRANSACTION IN WHICH A PERSON WOULD NORMALLY BE EXPECTED TO
28 ENGAGE AND THE LICENSED OPERATOR OR EMPLOYEE KNOWS OF NO
29 REASONABLE EXPLANATION FOR THE TRANSACTION AFTER EXAMINING
30 THE AVAILABLE FACTS, INCLUDING THE BACKGROUND AND POSSIBLE

1 PURPOSE OF THE TRANSACTION.

2 SUBCHAPTER B

3 ADMINISTRATION

4 SEC.

5 311. GENERAL AND SPECIFIC POWERS OF BOARD.

6 312. TEMPORARY REGULATIONS.

7 313. FANTASY CONTEST LICENSE APPEALS.

8 314. BOARD MINUTES AND RECORDS.

9 315. REPORTS OF BOARD.

10 § 311. GENERAL AND SPECIFIC POWERS OF BOARD.

11 (A) GENERAL POWERS.--

12 (1) THE BOARD SHALL HAVE GENERAL AND SOLE REGULATORY
13 AUTHORITY OVER THE CONDUCT OF FANTASY CONTESTS AND RELATED
14 ACTIVITIES AS DESCRIBED IN THIS CHAPTER. THE BOARD SHALL
15 ENSURE THE INTEGRITY OF FANTASY CONTESTS OFFERED IN THIS
16 COMMONWEALTH.

17 (2) THE BOARD MAY EMPLOY INDIVIDUALS AS NECESSARY TO
18 CARRY OUT THE REQUIREMENTS OF THIS CHAPTER, WHO SHALL SERVE
19 AT THE BOARD'S PLEASURE. AN EMPLOYEE OF THE BOARD SHALL BE
20 CONSIDERED A STATE EMPLOYEE FOR PURPOSES OF 71 PA.C.S. PT.
21 XXV (RELATING TO RETIREMENT FOR STATE EMPLOYEES AND
22 OFFICERS).

23 (B) SPECIFIC POWERS.--THE BOARD SHALL HAVE THE FOLLOWING
24 SPECIFIC POWERS:

25 (1) AT THE BOARD'S DISCRETION, TO ISSUE, APPROVE, RENEW,
26 REVOKE, SUSPEND, CONDITION OR DENY ISSUANCE OF LICENSES UNDER
27 THIS CHAPTER.

28 (2) AT THE BOARD'S DISCRETION, TO SUSPEND, CONDITION OR
29 DENY THE ISSUANCE OR RENEWAL OF A LICENSE OR LEVY FINES FOR
30 ANY VIOLATION OF THIS CHAPTER.

1 (3) TO PUBLISH EACH JANUARY ON THE BOARD'S PUBLICLY
2 ACCESSIBLE INTERNET WEBSITE A COMPLETE LIST OF ALL PERSONS
3 WHO APPLIED FOR OR HELD A FANTASY CONTEST LICENSE AT ANY TIME
4 DURING THE PRECEDING CALENDAR YEAR AND THE STATUS OF THE
5 APPLICATION OR FANTASY CONTEST LICENSE.

6 (4) TO PREPARE AND, THROUGH THE GOVERNOR, SUBMIT
7 ANNUALLY TO THE GENERAL ASSEMBLY AN ITEMIZED BUDGET
8 CONSISTENT WITH ARTICLE VI OF THE ACT OF APRIL 9, 1929
9 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929,
10 CONSISTING OF THE AMOUNTS NECESSARY TO BE APPROPRIATED BY THE
11 GENERAL ASSEMBLY OUT OF THE ACCOUNTS ESTABLISHED UNDER
12 SECTION 332 (RELATING TO LICENSED OPERATOR DEPOSITS) REQUIRED
13 TO MEET THE OBLIGATIONS UNDER THIS CHAPTER ACCRUING DURING
14 THE PERIOD BEGINNING JULY 1 OF THE FOLLOWING FISCAL YEAR.

15 (5) IN THE EVENT THAT, IN ANY YEAR, APPROPRIATIONS FOR
16 THE ADMINISTRATION OF THIS CHAPTER ARE NOT ENACTED BY JUNE
17 30, ANY FUNDS APPROPRIATED FOR THE ADMINISTRATION OF THIS
18 CHAPTER WHICH ARE UNEXPENDED, UNCOMMITTED AND UNENCUMBERED AT
19 THE END OF A FISCAL YEAR SHALL REMAIN AVAILABLE FOR
20 EXPENDITURE BY THE BOARD UNTIL THE ENACTMENT OF APPROPRIATION
21 FOR THE ENSUING FISCAL YEAR.

22 (6) TO PROMULGATE RULES AND REGULATIONS NECESSARY FOR
23 THE ADMINISTRATION AND ENFORCEMENT OF THIS CHAPTER. EXCEPT AS
24 PROVIDED IN SECTION 312 (RELATING TO TEMPORARY REGULATIONS),
25 REGULATIONS SHALL BE ADOPTED UNDER THE ACT OF JULY 31, 1968
26 (P.L.769, NO.240), REFERRED TO AS THE COMMONWEALTH DOCUMENTS
27 LAW, AND THE ACT OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS
28 THE REGULATORY REVIEW ACT.

29 (7) TO ADMINISTER OATHS, EXAMINE WITNESSES AND ISSUE
30 SUBPOENAS COMPELLING THE ATTENDANCE OF WITNESSES OR THE

1 PRODUCTION OF DOCUMENTS AND RECORDS OR OTHER EVIDENCE OR TO
2 DESIGNATE OFFICERS OR EMPLOYEES TO PERFORM DUTIES REQUIRED BY
3 THIS CHAPTER.

4 (7.1) TO REQUIRE PROSPECTIVE AND EXISTING EMPLOYEES,
5 INDEPENDENT CONTRACTORS, APPLICANTS AND LICENSEES TO SUBMIT
6 TO FINGERPRINTING BY THE PENNSYLVANIA STATE POLICE OR AN
7 AUTHORIZED AGENT OF THE PENNSYLVANIA STATE POLICE. THE
8 PENNSYLVANIA STATE POLICE OR AUTHORIZED AGENT OF THE
9 PENNSYLVANIA STATE POLICE SHALL SUBMIT THE FINGERPRINTS TO
10 THE FEDERAL BUREAU OF INVESTIGATION FOR PURPOSES OF VERIFYING
11 THE IDENTITY OF THE INDIVIDUAL AND OBTAINING RECORDS OF
12 CRIMINAL ARRESTS AND CONVICTIONS.

13 (7.2) TO REQUIRE PROSPECTIVE AND EXISTING EMPLOYEES,
14 INDEPENDENT CONTRACTORS, APPLICANTS AND LICENSEES TO SUBMIT
15 PHOTOGRAPHS CONSISTENT WITH THE STANDARDS ESTABLISHED BY THE
16 BOARD.

17 (7.3) TO REQUIRE LICENSED OPERATORS TO MAINTAIN AN
18 OFFICE OR PLACE OF BUSINESS WITHIN THIS COMMONWEALTH.

19 (7.4) TO EXEMPT CERTAIN PROSPECTIVE AND EXISTING
20 EMPLOYEES OR INDEPENDENT CONTRACTORS FROM THE REQUIREMENTS
21 UNDER PARAGRAPHS (7.1) AND (7.2) THAT ARE NOT INCONSISTENT
22 WITH THE PROPER REGULATION OF FANTASY CONTESTS UNDER THIS
23 CHAPTER.

24 (8) AT THE BOARD'S DISCRETION, TO DELEGATE ANY OF THE
25 BOARD'S RESPONSIBILITIES UNDER THIS CHAPTER TO THE EXECUTIVE
26 DIRECTOR OF THE BOARD OR OTHER DESIGNATED STAFF.

27 (9) TO REQUIRE LICENSED OPERATORS AND APPLICANTS FOR A
28 FANTASY CONTEST LICENSE TO SUBMIT ANY INFORMATION OR
29 DOCUMENTATION NECESSARY TO ENSURE THE PROPER REGULATION OF
30 FANTASY CONTESTS IN ACCORDANCE WITH THIS CHAPTER.

1 (10) TO REQUIRE LICENSED OPERATORS, EXCEPT FOR A
2 LICENSED OPERATOR OPERATING SEASON-LONG FANTASY CONTESTS THAT
3 GENERATE LESS THAN \$250,000 IN SEASON-LONG FANTASY CONTEST
4 ADJUSTED REVENUE, UNLESS THE BOARD DETERMINES OTHERWISE, TO:

5 (I) CONTRACT WITH A CERTIFIED PUBLIC ACCOUNTANT TO
6 CONDUCT AN ANNUAL INDEPENDENT AUDIT IN ACCORDANCE WITH
7 STANDARDS ADOPTED BY THE AMERICAN INSTITUTE OF CERTIFIED
8 PUBLIC ACCOUNTANTS TO VERIFY COMPLIANCE WITH THE
9 PROVISIONS OF THIS CHAPTER AND BOARD REGULATIONS;

10 (II) CONTRACT WITH A TESTING LABORATORY APPROVED BY
11 THE BOARD TO ANNUALLY VERIFY COMPLIANCE WITH THE
12 PROVISIONS OF THIS CHAPTER AND BOARD REGULATIONS; AND

13 (III) ANNUALLY SUBMIT TO THE BOARD AND DEPARTMENT A
14 COPY OF THE AUDIT REPORT REQUIRED BY SUBPARAGRAPH (I) AND
15 SUBMIT TO THE BOARD A COPY OF THE REPORT OF THE TESTING
16 LABORATORY REQUIRED BY SUBPARAGRAPH (II).

17 (11) IN CONJUNCTION WITH THE DEPARTMENT OF DRUG AND
18 ALCOHOL PROGRAMS OR SUCCESSOR AGENCY, TO DEVELOP A PROCESS BY
19 WHICH LICENSED OPERATORS PROVIDE PARTICIPANTS WITH A TOLL-
20 FREE TELEPHONE NUMBER THAT PROVIDES INDIVIDUALS WITH
21 INFORMATION ON HOW TO ACCESS APPROPRIATE TREATMENT SERVICES.

22 (12) TO PROMULGATE REGULATIONS REGARDING THE PLACEMENT
23 AND OPERATION OF FANTASY CONTEST TERMINALS WITHIN LICENSED
24 FACILITIES AND TO ENSURE THE INTEGRITY OF FANTASY CONTEST
25 TERMINALS.

26 (B.1) LICENSED ENTITY REPRESENTATIVE.--

27 (1) A LICENSED ENTITY REPRESENTATIVE SHALL REGISTER WITH
28 THE BOARD, IN A MANNER PRESCRIBED BY THE BOARD. THE
29 REGISTRATION SHALL INCLUDE THE NAME, EMPLOYER OR FIRM,
30 BUSINESS ADDRESS AND BUSINESS TELEPHONE NUMBER OF BOTH THE

1 LICENSED ENTITY REPRESENTATIVE AND ANY LICENSED OPERATOR,
2 APPLICANT FOR LICENSURE OR OTHER PERSON BEING REPRESENTED.

3 (2) A LICENSED ENTITY REPRESENTATIVE SHALL HAVE AN
4 AFFIRMATIVE DUTY TO UPDATE ITS REGISTRATION INFORMATION ON AN
5 ONGOING BASIS. FAILURE TO UPDATE A REGISTRATION SHALL BE
6 PUNISHABLE BY THE BOARD.

7 (3) THE BOARD SHALL MAINTAIN A LIST OF LICENSED ENTITY
8 REPRESENTATIVES WHICH SHALL CONTAIN THE INFORMATION REQUIRED
9 UNDER PARAGRAPH (1) AND SHALL BE AVAILABLE ON THE BOARD'S
10 PUBLICLY ACCESSIBLE INTERNET WEBSITE.

11 (C) EXCEPTIONS.--EXCEPT AS PROVIDED UNDER SECTION 342
12 (RELATING TO LICENSED GAMING ENTITIES), NOTHING IN THIS SECTION
13 SHALL BE CONSTRUED TO AUTHORIZE THE BOARD TO REQUIRE ANY
14 ADDITIONAL PERMITS OR LICENSES NOT SPECIFICALLY ENUMERATED IN
15 THIS CHAPTER.

16 § 312. TEMPORARY REGULATIONS.

17 (A) PROMULGATION.--IN ORDER TO FACILITATE THE PROMPT
18 IMPLEMENTATION OF THIS CHAPTER, REGULATIONS PROMULGATED BY THE
19 BOARD SHALL BE DEEMED TEMPORARY REGULATIONS AND SHALL EXPIRE NO
20 LATER THAN TWO YEARS FOLLOWING THE PUBLICATION OF TEMPORARY
21 REGULATIONS. THE BOARD MAY PROMULGATE TEMPORARY REGULATIONS NOT
22 SUBJECT TO:

23 (1) SECTIONS 201, 202, 203, 204 AND 205 OF THE ACT OF
24 JULY 31, 1968 (P.L.769, NO.240), REFERRED TO AS THE
25 COMMONWEALTH DOCUMENTS LAW.

26 (2) SECTION 204(B) OF THE ACT OF OCTOBER 15, 1980
27 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT.

28 (3) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS
29 THE REGULATORY REVIEW ACT.

30 (B) EXPIRATION.--EXCEPT FOR TEMPORARY REGULATIONS CONCERNING

1 NETWORK CONNECTIVITY, SECURITY AND TESTING AND COMPULSIVE AND
2 PROBLEM PLAY, THE AUTHORITY PROVIDED TO THE BOARD TO ADOPT
3 TEMPORARY REGULATIONS IN SUBSECTION (A) SHALL EXPIRE NO LATER
4 THAN TWO YEARS FOLLOWING THE PUBLICATION OF TEMPORARY
5 REGULATIONS. REGULATIONS ADOPTED AFTER THIS PERIOD SHALL BE
6 PROMULGATED AS PROVIDED BY LAW.

7 § 313. FANTASY CONTEST LICENSE APPEALS.

8 AN APPLICANT MAY APPEAL ANY FINAL ORDER, DETERMINATION OR
9 DECISION OF THE BOARD INVOLVING THE APPROVAL, ISSUANCE, DENIAL,
10 REVOCAION OR CONDITIONING OF A FANTASY CONTEST LICENSE IN
11 ACCORDANCE WITH 2 PA.C.S. CHS. 5 SUBCH. A (RELATING TO PRACTICE
12 AND PROCEDURE OF COMMONWEALTH AGENCIES) AND 7 SUBCH. A (RELATING
13 TO JUDICIAL REVIEW OF COMMONWEALTH AGENCY ACTION).

14 § 314. BOARD MINUTES AND RECORDS.

15 (A) RECORD OF PROCEEDINGS.--THE BOARD SHALL MAINTAIN A
16 RECORD OF ALL PROCEEDINGS HELD AT PUBLIC MEETINGS OF THE BOARD.
17 THE VERBATIM TRANSCRIPT OF THE PROCEEDINGS SHALL BE THE PROPERTY
18 OF THE BOARD AND SHALL BE PREPARED BY THE BOARD UPON THE REQUEST
19 OF ANY PERSON AND THE PAYMENT BY THAT PERSON OF THE COSTS OF
20 PREPARATION.

21 (B) APPLICANT INFORMATION.--

22 (1) THE BOARD SHALL MAINTAIN A LIST OF ALL APPLICANTS
23 FOR A FANTASY CONTEST LICENSE. THE LIST SHALL INCLUDE A
24 RECORD OF ALL ACTIONS TAKEN WITH RESPECT TO EACH APPLICANT.
25 THE LIST SHALL BE AVAILABLE ON THE BOARD'S PUBLICLY
26 ACCESSIBLE INTERNET WEBSITE.

27 (2) INFORMATION UNDER PARAGRAPH (1) REGARDING AN
28 APPLICANT WHOSE FANTASY CONTEST LICENSE HAS BEEN DENIED,
29 REVOKED OR NOT RENEWED SHALL BE REMOVED FROM THE LIST AFTER
30 SEVEN YEARS FROM THE DATE OF THE ACTION.

1 (C) OTHER FILES AND RECORDS.--THE BOARD SHALL MAINTAIN SUCH
2 OTHER FILES AND RECORDS AS IT MAY DEEM APPROPRIATE.

3 (D) CONFIDENTIALITY OF INFORMATION.--

4 (1) THE FOLLOWING INFORMATION SUBMITTED BY AN APPLICANT
5 FOR A FANTASY CONTEST LICENSE UNDER SECTION 322 (RELATING TO
6 APPLICATION) OR OTHERWISE OBTAINED BY THE BOARD OR THE BUREAU
7 AS PART OF A BACKGROUND OR OTHER INVESTIGATION FROM ANY
8 SOURCE SHALL BE CONFIDENTIAL AND WITHHELD FROM PUBLIC
9 DISCLOSURE:

10 (I) ALL INFORMATION RELATING TO CHARACTER, HONESTY
11 AND INTEGRITY, INCLUDING FAMILY, HABITS, REPUTATION,
12 HISTORY OF CRIMINAL ACTIVITY, BUSINESS ACTIVITIES,
13 FINANCIAL AFFAIRS AND BUSINESS, PROFESSIONAL AND PERSONAL
14 ASSOCIATIONS.

15 (II) NONPUBLIC PERSONAL INFORMATION, INCLUDING HOME
16 ADDRESSES, TELEPHONE NUMBERS AND OTHER PERSONAL CONTACT
17 INFORMATION, SOCIAL SECURITY NUMBERS, EDUCATIONAL
18 RECORDS, MEMBERSHIPS, MEDICAL RECORDS, TAX RETURNS AND
19 DECLARATIONS, ACTUAL OR PROPOSED COMPENSATION, FINANCIAL
20 ACCOUNT RECORDS, CREDITWORTHINESS OR FINANCIAL CONDITION
21 RELATING TO AN APPLICANT OR LICENSEE.

22 (III) INFORMATION RELATING TO PROPRIETARY
23 INFORMATION, TRADE SECRETS, PATENTS OR EXCLUSIVE
24 LICENSES, ARCHITECTURAL AND ENGINEERING PLANS AND
25 INFORMATION RELATING TO COMPETITIVE MARKETING MATERIALS
26 AND STRATEGIES THAT MAY INCLUDE CUSTOMER-IDENTIFYING
27 INFORMATION OR CUSTOMER PROSPECTS FOR SERVICES SUBJECT TO
28 COMPETITION.

29 (IV) INFORMATION WITH RESPECT TO WHICH THERE IS A
30 REASONABLE POSSIBILITY THAT PUBLIC RELEASE OR INSPECTION

1 OF THE INFORMATION WOULD CONSTITUTE AN UNWARRANTED
2 INVASION INTO PERSONAL PRIVACY OF AN INDIVIDUAL AS
3 DETERMINED BY THE BOARD.

4 (V) RECORDS OF AN APPLICANT FOR A FANTASY CONTEST
5 LICENSE OR A LICENSED OPERATOR NOT REQUIRED TO BE FILED
6 WITH THE SECURITIES AND EXCHANGE COMMISSION BY ISSUERS
7 THAT EITHER HAVE SECURITIES REGISTERED UNDER SECTION 12
8 OF THE SECURITIES EXCHANGE ACT OF 1934 (48 STAT. 881, 15
9 U.S.C. § 78L) OR ARE REQUIRED TO FILE REPORTS UNDER
10 SECTION 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 (48
11 STAT. 881, 15 U.S.C. § 780)

12 (VI) RECORDS CONSIDERED NONPUBLIC MATTERS OR
13 INFORMATION BY THE SECURITIES AND EXCHANGE COMMISSION AS
14 PROVIDED BY 17 CFR 200.80 (RELATING TO COMMISSION RECORDS
15 AND INFORMATION).

16 (VII) FINANCIAL OR SECURITY INFORMATION DEEMED
17 CONFIDENTIAL BY THE BOARD UPON A SHOWING OF GOOD CAUSE BY
18 THE APPLICANT FOR A FANTASY CONTEST LICENSE OR LICENSED
19 OPERATOR.

20 (2) EXCEPT AS PROVIDED IN PARAGRAPH (1), NO CLAIM OF
21 CONFIDENTIALITY SHALL BE MADE REGARDING ANY CRIMINAL HISTORY
22 RECORD INFORMATION THAT IS AVAILABLE TO THE PUBLIC UNDER 18
23 PA.C.S. § 9121(B) (RELATING TO GENERAL REGULATIONS).

24 (3) EXCEPT AS PROVIDED IN PARAGRAPH (1), NO CLAIM OF
25 CONFIDENTIALITY SHALL BE MADE REGARDING A RECORD IN
26 POSSESSION OF THE BOARD THAT IS OTHERWISE PUBLICLY AVAILABLE
27 FROM THE BOARD UNDER THE ACT OF FEBRUARY 14, 2008 (P.L.6,
28 NO.3), KNOWN AS THE RIGHT-TO-KNOW LAW.

29 (4) THE INFORMATION MADE CONFIDENTIAL UNDER THIS SECTION
30 SHALL BE WITHHELD FROM PUBLIC DISCLOSURE, IN WHOLE OR IN

1 PART, EXCEPT THAT ANY CONFIDENTIAL INFORMATION SHALL BE
2 RELEASED UPON THE ORDER OF A COURT OF COMPETENT JURISDICTION
3 OR, WITH THE APPROVAL OF THE ATTORNEY GENERAL, TO A DULY
4 AUTHORIZED LAW ENFORCEMENT AGENCY OR SHALL BE RELEASED TO THE
5 PUBLIC, IN WHOLE OR IN PART, TO THE EXTENT THAT SUCH RELEASE
6 IS REQUESTED BY AN APPLICANT FOR A FANTASY CONTEST LICENSE OR
7 LICENSED OPERATOR AND DOES NOT OTHERWISE CONTAIN CONFIDENTIAL
8 INFORMATION ABOUT ANOTHER PERSON.

9 (5) THE BOARD MAY SEEK A VOLUNTARY WAIVER OF
10 CONFIDENTIALITY FROM AN APPLICANT FOR A FANTASY CONTEST
11 LICENSE OR A LICENSED OPERATOR, BUT MAY NOT REQUIRE AN
12 APPLICANT OR LICENSED OPERATOR TO WAIVE ANY CONFIDENTIALITY
13 PROVIDED FOR IN THIS SUBSECTION AS A CONDITION FOR THE
14 APPROVAL OF AN APPLICATION, RENEWAL OF A FANTASY CONTEST
15 LICENSE OR ANY OTHER ACTION OF THE BOARD.

16 (E) NOTICE.--NOTICE OF THE CONTENTS OF ANY INFORMATION,
17 EXCEPT TO A DULY AUTHORIZED LAW ENFORCEMENT AGENCY UNDER THIS
18 SECTION, SHALL BE GIVEN TO AN APPLICANT OR LICENSEE IN A MANNER
19 PRESCRIBED BY THE RULES AND REGULATIONS ADOPTED BY THE BOARD.

20 (F) INFORMATION HELD BY DEPARTMENT.--FILES, RECORDS, REPORTS
21 AND OTHER INFORMATION IN THE POSSESSION OF THE DEPARTMENT
22 PERTAINING TO LICENSED OPERATORS OR APPLICANTS SHALL BE MADE
23 AVAILABLE TO THE BOARD AS MAY BE NECESSARY FOR THE EFFECTIVE
24 ADMINISTRATION OF THIS CHAPTER.

25 § 315. REPORTS OF BOARD.

26 (A) GENERAL RULE.--THE ANNUAL REPORT SUBMITTED BY THE BOARD
27 UNDER SECTION 1211 (RELATING TO REPORTS OF BOARD) SHALL INCLUDE
28 THE FOLLOWING INFORMATION ON THE CONDUCT OF FANTASY CONTESTS:

29 (1) TOTAL FANTASY CONTEST ADJUSTED REVENUES.

30 (2) ALL TAXES, FEES, FINES AND OTHER REVENUE COLLECTED

1 FROM LICENSED OPERATORS DURING THE PREVIOUS YEAR. THE
2 DEPARTMENT SHALL COLLABORATE WITH THE BOARD TO CARRY OUT THE
3 REQUIREMENTS OF THIS SECTION.

4 (3) AT THE BOARD'S DISCRETION, ANY OTHER INFORMATION
5 RELATED TO THE CONDUCT OF FANTASY CONTESTS OR LICENSED
6 OPERATORS.

7 (B) LICENSED OPERATORS.--THE BOARD MAY REQUIRE LICENSED
8 OPERATORS TO PROVIDE INFORMATION TO THE BOARD TO ASSIST IN THE
9 PREPARATION OF THE REPORT.

10 SUBCHAPTER C

11 LICENSURE

12 SEC.

13 321. GENERAL PROHIBITION.

14 322. APPLICATION.

15 323. ISSUANCE AND DENIAL OF LICENSE.

16 324. LICENSE RENEWAL.

17 325. CONDITIONS OF LICENSURE.

18 326. PROHIBITIONS.

19 327. CHANGE IN OWNERSHIP OR CONTROL OF LICENSED OPERATORS.

20 328. PENALTIES.

21 § 321. GENERAL PROHIBITION.

22 (A) GENERAL RULE.--EXCEPT AS PROVIDED IN SUBSECTION (B), NO
23 PERSON MAY OFFER OR OTHERWISE MAKE AVAILABLE FOR PLAY IN THIS
24 COMMONWEALTH A FANTASY CONTEST WITHOUT A FANTASY CONTEST
25 LICENSE.

26 (B) EXISTING ACTIVITY.--A PERSON WHO APPLIES FOR OR RENEWS A
27 FANTASY CONTEST LICENSE IN ACCORDANCE WITH THIS CHAPTER MAY
28 OPERATE DURING THE APPLICATION OR RENEWAL PERIOD UNLESS:

29 (1) THE BOARD HAS REASONABLE CAUSE TO BELIEVE THE PERSON
30 OR LICENSED OPERATOR IS OR MAY BE IN VIOLATION OF THE

1 PROVISIONS OF THIS CHAPTER.

2 (2) THE BOARD REQUIRES THE PERSON TO SUSPEND THE
3 OPERATION OF A FANTASY CONTEST UNTIL THE FANTASY CONTEST
4 LICENSE IS ISSUED OR RENEWED.

5 § 322. APPLICATION.

6 (A) FORM AND INFORMATION.--AN APPLICATION FOR A FANTASY
7 CONTEST LICENSE SHALL BE SUBMITTED ON A FORM AND IN MANNER AS
8 SHALL BE REQUIRED BY THE BOARD. AN APPLICATION FOR A FANTASY
9 CONTEST LICENSE SHALL CONTAIN THE FOLLOWING INFORMATION:

10 (1) (I) IF THE APPLICANT IS AN INDIVIDUAL, THE NAME,
11 FEDERAL EMPLOYER IDENTIFICATION NUMBER AND BUSINESS
12 ADDRESS OF THE APPLICANT;

13 (II) IF THE APPLICANT IS A CORPORATION, THE NAME AND
14 BUSINESS ADDRESS OF THE CORPORATION, THE STATE OF ITS
15 INCORPORATION AND THE FULL NAME AND BUSINESS ADDRESS OF
16 EACH OFFICER AND DIRECTOR THEREOF;

17 (III) IF THE APPLICANT IS A FOREIGN CORPORATION, THE
18 NAME AND BUSINESS ADDRESS OF THE CORPORATION, WHETHER IT
19 IS QUALIFIED TO DO BUSINESS IN THIS COMMONWEALTH AND THE
20 FULL NAME AND BUSINESS ADDRESS OF EACH OFFICER AND
21 DIRECTOR THEREOF; AND

22 (IV) IF THE APPLICANT IS A PARTNERSHIP OR JOINT
23 VENTURE, THE NAME AND BUSINESS ADDRESS OF EACH OFFICER
24 THEREOF.

25 (2) THE NAME AND BUSINESS ADDRESS OF THE PERSON HAVING
26 CUSTODY OF THE APPLICANT'S FINANCIAL RECORDS.

27 (3) THE NAMES AND BUSINESS ADDRESSES OF THE APPLICANT'S
28 KEY EMPLOYEES.

29 (4) THE NAMES AND BUSINESS ADDRESSES OF EACH OF THE
30 APPLICANT'S PRINCIPALS.

1 (5) INFORMATION, DOCUMENTATION AND ASSURANCES RELATED TO
2 FINANCIAL AND CRIMINAL HISTORY AS THE BOARD DEEMS NECESSARY
3 TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE FINANCIAL
4 STABILITY, INTEGRITY AND RESPONSIBILITY OF THE APPLICANT AND
5 THE APPLICANT'S KEY EMPLOYEES AND PRINCIPALS.

6 (6) INFORMATION AND DOCUMENTATION NECESSARY TO ESTABLISH
7 THE APPLICANT'S ABILITY TO COMPLY WITH SECTION 325 (RELATING
8 TO CONDITIONS OF LICENSURE).

9 (7) ANY OTHER INFORMATION REQUIRED BY THE BOARD.

10 (B) NONREFUNDABLE APPLICATION FEE.--EACH APPLICATION
11 SUBMITTED UNDER THIS CHAPTER SHALL BE ACCOMPANIED BY A
12 NONREFUNDABLE APPLICATION FEE, WHICH SHALL BE ESTABLISHED BY THE
13 BOARD, AND WHICH MAY NOT EXCEED THE AMOUNT NECESSARY TO
14 REIMBURSE THE BOARD FOR ALL COSTS INCURRED BY THE BOARD FOR
15 FULFILLING THE REQUIREMENTS OF THIS SECTION AND SECTION 323
16 (RELATING TO ISSUANCE AND DENIAL OF LICENSE).

17 (C) ADDITIONAL INFORMATION.--A PERSON APPLYING FOR A FANTASY
18 CONTEST LICENSE SHALL HAVE AN ONGOING DUTY TO PROVIDE
19 INFORMATION REQUIRED BY THE BOARD AND TO COOPERATE IN ANY
20 INQUIRY OR INVESTIGATION.

21 (D) ABBREVIATED APPLICATION PROCESS.--THE BOARD, AT ITS
22 DISCRETION, MAY ESTABLISH AN ABBREVIATED APPLICATION PROCESS FOR
23 A FANTASY CONTEST LICENSE FOR APPLICANTS THAT ARE ALSO LICENSED
24 GAMING ENTITIES. THE ABBREVIATED APPLICATION MAY ONLY REQUIRE
25 INFORMATION NOT IN POSSESSION OF THE BOARD THAT IS NECESSARY TO
26 FULFILL THE REQUIREMENTS OF THIS CHAPTER.

27 § 323. ISSUANCE AND DENIAL OF LICENSE.

28 (A) DUTY TO REVIEW APPLICATIONS.--THE BOARD SHALL REVIEW ALL
29 APPLICATIONS FOR A FANTASY CONTEST LICENSE AND MAY ISSUE A
30 LICENSE TO ANY APPLICANT THAT:

1 (1) HAS SUBMITTED A COMPLETED APPLICATION AND PAID THE
2 NONREFUNDABLE APPLICATION FEE AS REQUIRED BY THE BOARD UNDER
3 SECTION 322 (RELATING TO APPLICATION).

4 (2) HAS DEMONSTRATED THAT THE APPLICANT HAS THE
5 FINANCIAL STABILITY, INTEGRITY AND RESPONSIBILITY TO COMPLY
6 WITH THE PROVISIONS OF THIS CHAPTER AND REGULATIONS
7 ESTABLISHED BY THE BOARD.

8 (3) HAS NOT BEEN DENIED AN APPLICATION FOR A FANTASY
9 CONTEST LICENSE UNDER SUBSECTION (B).

10 (B) REASONS TO DENY APPLICATIONS.--THE BOARD MAY DENY AN
11 APPLICATION FOR A FANTASY CONTEST LICENSE IF THE APPLICANT:

12 (1) HAS KNOWINGLY MADE A FALSE STATEMENT OF MATERIAL
13 FACT IN THE APPLICATION OR HAS DELIBERATELY FAILED TO
14 DISCLOSE ANY INFORMATION REQUESTED;

15 (2) EMPLOYS A PRINCIPAL OR KEY EMPLOYEE WHO HAS BEEN
16 CONVICTED IN ANY JURISDICTION OF ANY OF THE FOLLOWING:

17 (I) A FELONY;

18 (II) AN OFFENSE UNDER THE LAWS OF ANOTHER
19 JURISDICTION WHICH, IF COMMITTED IN THIS COMMONWEALTH,
20 WOULD BE SUBJECT TO IMPRISONMENT FOR MORE THAN FIVE
21 YEARS; OR

22 (III) A MISDEMEANOR GAMBLING OFFENSE, UNLESS 15
23 YEARS HAVE ELAPSED FROM THE DATE OF CONVICTION FOR THE
24 OFFENSE.

25 (3) HAS AT ANY TIME KNOWINGLY FAILED TO COMPLY WITH THE
26 PROVISIONS OF THIS CHAPTER OR OF ANY REQUIREMENTS OF THE
27 BOARD;

28 (4) HAS HAD A REGISTRATION, PERMIT OR LICENSE TO CONDUCT
29 FANTASY CONTESTS DENIED OR REVOKED IN ANY OTHER JURISDICTION;

30 (5) HAS LEGALLY DEFAULTED IN THE PAYMENT OF ANY

1 OBLIGATION OR DEBT DUE TO THE COMMONWEALTH OR IS NOT

2 COMPLIANT WITH TAXES DUE; OR

3 (6) IS NOT QUALIFIED TO DO BUSINESS IN THIS COMMONWEALTH
4 OR IS NOT SUBJECT TO THE JURISDICTION OF THE COURTS OF THE
5 COMMONWEALTH.

6 (7) IS FOUND BY THE BOARD TO BE UNSUITABLE FOR LICENSURE
7 OR INIMICABLE TO THE INTEREST OF THE COMMONWEALTH TO OFFER
8 FANTASY CONTESTS IN THIS COMMONWEALTH.

9 (C) TIME PERIOD FOR REVIEW.--THE BOARD SHALL CONCLUDE ITS
10 REVIEW OF AN APPLICATION FOR A FANTASY CONTEST LICENSE WITHIN
11 120 DAYS OF RECEIPT OF THE COMPLETED APPLICATION. IF THE FANTASY
12 CONTEST LICENSE IS NOT ISSUED, THE BOARD SHALL PROVIDE THE
13 APPLICANT WITH THE JUSTIFICATION FOR NOT ISSUING THE FANTASY
14 CONTEST LICENSE.

15 (D) LICENSE FEE.--

16 (1) WITHIN 30 DAYS OF THE BOARD ISSUING A FANTASY
17 CONTEST LICENSE, A SUCCESSFUL APPLICANT SHALL PAY TO THE
18 BOARD A LICENSE FEE OF \$50,000.

19 (2) THE LICENSE FEE COLLECTED UNDER THIS SUBSECTION
20 SHALL BE DEPOSITED INTO THE GENERAL FUND.

21 (3) IF A LICENSED OPERATOR FAILS TO PAY THE FEE REQUIRED
22 BY THIS SUBSECTION, THE BOARD SHALL SUSPEND OR REVOKE THE
23 LICENSED OPERATOR'S FANTASY CONTEST LICENSE UNTIL PAYMENT OF
24 THE LICENSE FEE IS RECEIVED.

25 (E) ABBREVIATED APPROVAL PROCESS.--THE BOARD, AT ITS
26 DISCRETION, MAY ESTABLISH AN ABBREVIATED APPROVAL PROCESS FOR
27 THE ISSUANCE OF A FANTASY CONTEST LICENSE TO A LICENSED GAMING
28 ENTITY WHOSE SLOT MACHINE LICENSE UNDER CHAPTER 13 (RELATING TO
29 LICENSES) AND TABLE GAME OPERATION CERTIFICATE UNDER CHAPTER 13A
30 (RELATING TO TABLE GAMES) ARE IN GOOD STANDING.

1 § 324. LICENSE RENEWAL.

2 (A) RENEWAL.--

3 (1) A FANTASY CONTEST LICENSE ISSUED UNDER THIS CHAPTER
4 SHALL BE VALID FOR A PERIOD OF FIVE YEARS.

5 (2) NOTHING IN THIS SUBSECTION SHALL BE CONSTRUED TO
6 RELIEVE A LICENSED OPERATOR OF THE AFFIRMATIVE DUTY TO NOTIFY
7 THE BOARD OF ANY CHANGES RELATING TO THE STATUS OF ITS
8 FANTASY CONTEST LICENSE OR TO ANY OTHER INFORMATION CONTAINED
9 IN THE APPLICATION MATERIALS ON FILE WITH THE BOARD.

10 (3) THE APPLICATION FOR RENEWAL OF A FANTASY CONTEST
11 LICENSE MUST BE SUBMITTED AT LEAST 180 DAYS PRIOR TO THE
12 EXPIRATION OF THE FANTASY CONTEST LICENSE AND INCLUDE AN
13 UPDATE OF THE INFORMATION CONTAINED IN THE INITIAL
14 APPLICATION FOR A FANTASY CONTEST LICENSE. A FANTASY CONTEST
15 LICENSE FOR WHICH A COMPLETED RENEWAL APPLICATION AND FEE AS
16 REQUIRED UNDER SUBSECTION (C) HAS BEEN RECEIVED BY THE BOARD
17 SHALL CONTINUE IN EFFECT UNLESS AND UNTIL THE BOARD SENDS
18 WRITTEN NOTIFICATION TO THE LICENSED OPERATOR THAT THE BOARD
19 HAS DENIED THE RENEWAL OF THE FANTASY CONTEST LICENSE.

20 (B) REVOCATION OR FAILURE TO RENEW.--

21 (1) IN ADDITION TO ANY OTHER SANCTION THE BOARD MAY
22 IMPOSE UNDER THIS CHAPTER, THE BOARD MAY AT ITS DISCRETION
23 SUSPEND, REVOKE OR DENY RENEWAL OF A FANTASY CONTEST LICENSE
24 ISSUED UNDER THIS CHAPTER IF IT RECEIVES INFORMATION THAT:

25 (I) THE LICENSED OPERATOR OR THE LICENSED OPERATOR'S
26 KEY EMPLOYEES OR PRINCIPALS ARE IN VIOLATION OF ANY
27 PROVISION OF THIS CHAPTER;

28 (II) THE LICENSED OPERATOR HAS FURNISHED THE BOARD
29 WITH FALSE OR MISLEADING INFORMATION;

30 (III) THE INFORMATION CONTAINED IN THE LICENSED

1 OPERATOR'S INITIAL APPLICATION OR ANY RENEWAL APPLICATION
2 IS NO LONGER TRUE AND CORRECT;

3 (IV) THE LICENSED OPERATOR HAS FAILED TO REMIT TAXES
4 OR ASSESSMENTS REQUIRED UNDER SECTION 331 (RELATING TO
5 FANTASY CONTEST TAX), 332 (RELATING TO LICENSED OPERATOR
6 DEPOSITS) OR 333 (RELATING TO RESPONSIBILITY AND
7 AUTHORITY OF DEPARTMENT); OR

8 (V) THE LICENSED OPERATOR HAS LEGALLY DEFAULTED IN
9 THE PAYMENT OF ANY OBLIGATION OR DEBT DUE TO THE
10 COMMONWEALTH.

11 (2) IN THE EVENT OF A REVOCATION OR FAILURE TO RENEW,
12 THE LICENSED OPERATOR'S AUTHORIZATION TO CONDUCT FANTASY
13 CONTESTS SHALL IMMEDIATELY CEASE AND ALL FEES PAID IN
14 CONNECTION WITH THE APPLICATION SHALL BE DEEMED TO BE
15 FORFEITED.

16 (3) IN THE EVENT OF A SUSPENSION, THE LICENSED
17 OPERATOR'S AUTHORIZATION TO CONDUCT FANTASY CONTESTS SHALL
18 IMMEDIATELY CEASE UNTIL THE BOARD HAS NOTIFIED THE LICENSED
19 OPERATOR THAT THE SUSPENSION IS NO LONGER IN EFFECT.

20 (C) RENEWAL FEE.--

21 (1) WITHIN 30 DAYS OF THE BOARD RENEWING A FANTASY
22 CONTEST LICENSE, THE LICENSED OPERATOR SHALL PAY TO THE BOARD
23 A RENEWAL FEE OF \$10,000.

24 (2) THE RENEWAL FEE COLLECTED BY THE BOARD UNDER THIS
25 SUBSECTION SHALL BE DEPOSITED INTO THE GENERAL FUND.

26 (3) IF A LICENSED OPERATOR FAILS TO PAY THE RENEWAL FEE
27 REQUIRED UNDER THIS SUBSECTION, THE BOARD SHALL SUSPEND OR
28 REVOKE THE LICENSED OPERATOR'S FANTASY CONTEST LICENSE UNTIL
29 PAYMENT OF THE RENEWAL FEE IS RECEIVED.

30 § 325. CONDITIONS OF LICENSURE.

1 AS A CONDITION OF LICENSURE, THE BOARD SHALL REQUIRE EACH
2 LICENSED OPERATOR TO ESTABLISH AND IMPLEMENT PROCEDURES TO
3 GOVERN THE CONDUCT OF FANTASY CONTESTS IN THIS COMMONWEALTH. THE
4 PROCEDURES, AT A MINIMUM, SHALL:

5 (1) PERMIT ONLY PARTICIPANTS WHO HAVE ESTABLISHED A
6 FANTASY CONTEST ACCOUNT WITH THE LICENSED OPERATOR TO
7 PARTICIPATE IN A FANTASY CONTEST CONDUCTED BY THE LICENSED
8 OPERATOR.

9 (2) VERIFY THE AGE, LOCATION AND IDENTITY OF ANY
10 PARTICIPANT PRIOR TO MAKING A DEPOSIT INTO A FANTASY CONTEST
11 ACCOUNT FOR A PARTICIPANT LOCATED IN THIS COMMONWEALTH
12 ACCORDING TO REGULATIONS ESTABLISHED BY THE BOARD. NO
13 PARTICIPANT UNDER 18 YEARS OF AGE MAY BE PERMITTED TO
14 ESTABLISH A FANTASY CONTEST ACCOUNT WITH A LICENSED OPERATOR.

15 (3) VERIFY THE IDENTITY OF A PARTICIPANT BY REQUIRING
16 THE PARTICIPANT TO PROVIDE THE LICENSED OPERATOR A UNIQUE
17 USER NAME AND PASSWORD PRIOR TO ACCESSING A FANTASY CONTEST
18 ACCOUNT.

19 (4) ENSURE RULES AND PRIZES AND AWARDS ESTABLISHED BY
20 THE LICENSED OPERATOR FOR A FANTASY CONTEST ARE MADE KNOWN TO
21 A PARTICIPANT PRIOR TO THE ACCEPTANCE OF ANY ENTRY FEE AND
22 PRIZE AND AWARD VALUES ARE NOT DETERMINED BY THE NUMBER OF
23 PARTICIPANTS NOR THE AMOUNT OF ANY FEES PAID BY THOSE
24 PARTICIPANTS.

25 (4.1) DEVELOP AND OFFER FANTASY CONTESTS THAT ARE
26 LIMITED TO BEGINNERS AS FOLLOWS:

27 (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II), A
28 LICENSED OPERATOR SHALL PROHIBIT PARTICIPANTS WHO ARE NOT
29 BEGINNERS FROM PARTICIPATING, DIRECTLY OR THROUGH ANOTHER
30 PERSON AS A PROXY, IN BEGINNER FANTASY CONTESTS.

1 (II) A LICENSED OPERATOR MAY ALLOW A PARTICIPANT WHO
2 IS NOT A BEGINNER TO ENTER UP TO 10 BEGINNER FANTASY
3 CONTESTS IN ANY SPORT IN WHICH THAT PARTICIPANT HAS NOT
4 ALREADY ENTERED 20 FANTASY CONTESTS.

5 (III) A LICENSED OPERATOR SHALL SUSPEND THE ACCOUNT
6 OF A PARTICIPANT WHO IS NOT A BEGINNER, EXCEPT AS
7 PROVIDED FOR IN SUBPARAGRAPH (II), THAT ENTERS A BEGINNER
8 FANTASY CONTEST AND SHALL BAN THE PARTICIPANT FROM
9 FURTHER PARTICIPATION IN BEGINNER FANTASY CONTESTS
10 OFFERED BY THE LICENSED OPERATOR.

11 (4.2) DEVELOP AND OFFER FANTASY CONTESTS IN WHICH HIGHLY
12 EXPERIENCED PLAYERS CANNOT, EITHER DIRECTLY OR THROUGH
13 ANOTHER PERSON AS A PROXY, PARTICIPATE. A LICENSED OPERATOR
14 SHALL SUSPEND THE ACCOUNT OF ANY HIGHLY EXPERIENCED PLAYER
15 WHO ENTERS A FANTASY CONTEST WHICH EXCLUDES HIGHLY
16 EXPERIENCED PLAYERS, DIRECTLY OR THROUGH ANOTHER PERSON AS A
17 PROXY, AND SHALL BAN THE INDIVIDUAL FROM FURTHER
18 PARTICIPATION IN FANTASY CONTESTS OFFERED BY THE LICENSED
19 OPERATOR.

20 (4.3) ESTABLISH A PROCEDURE FOR RECEIVING AND RESPONDING
21 TO PARTICIPANT COMPLAINTS AND RECONCILING A PARTICIPANT'S
22 FANTASY CONTEST ACCOUNT. THE LICENSED OPERATOR SHALL FORWARD
23 TO THE BOARD ON A QUARTERLY BASIS A COPY OF EACH COMPLAINT
24 RECEIVED.

25 (4.4) SUBMIT, IN THE MANNER AS THE BOARD REQUIRES, A
26 DESCRIPTION OF THE LICENSED OPERATOR'S ADMINISTRATIVE AND
27 ACCOUNTING PROCEDURES IN DETAIL, INCLUDING ITS WRITTEN SYSTEM
28 OF INTERNAL CONTROL. EACH WRITTEN SYSTEM OF INTERNAL CONTROL
29 SHALL INCLUDE:

30 (I) AN ORGANIZATIONAL CHART DEPICTING APPROPRIATE

1 SEGREGATION OF EMPLOYEE FUNCTIONS AND RESPONSIBILITIES.

2 (II) A DESCRIPTION OF THE DUTIES AND
3 RESPONSIBILITIES OF EACH EMPLOYEE POSITION SHOWN ON THE
4 ORGANIZATIONAL CHART.

5 (III) A DETAILED NARRATIVE DESCRIPTION OF THE
6 ADMINISTRATIVE AND ACCOUNTING PROCEDURES DESIGNED TO
7 SATISFY THE REQUIREMENTS OF THIS SECTION.

8 (IV) RECORD RETENTION POLICY.

9 (V) A STATEMENT SIGNED BY THE CHIEF FINANCIAL
10 OFFICER OF THE PROPOSED LICENSED OPERATOR OR OTHER
11 COMPETENT PERSON AND THE CHIEF EXECUTIVE OFFICER OF THE
12 PROPOSED LICENSED OPERATOR OR OTHER COMPETENT PERSON
13 ATTESTING THAT THE OFFICERS BELIEVE, IN GOOD FAITH, THAT
14 THE SYSTEM SATISFIES THE REQUIREMENTS OF THIS SECTION.

15 (VI) ANY OTHER ITEM THAT THE BOARD MAY REQUIRE IN
16 ITS DISCRETION.

17 (4.5) FILE A REPORT OF ANY SUSPICIOUS TRANSACTION WITH
18 THE BUREAU. THE FOLLOWING SHALL APPLY:

19 (I) A LICENSED OPERATOR OR A PERSON ACTING ON BEHALF
20 OF A LICENSED OPERATOR WHO KNOWINGLY FAILS TO FILE A
21 REPORT OF A SUSPICIOUS TRANSACTION COMMITS A MISDEMEANOR
22 OF THE THIRD DEGREE.

23 (II) A LICENSED OPERATOR OR A PERSON ACTING ON
24 BEHALF OF A LICENSED OPERATOR WHO FAILS TO FILE A REPORT
25 OR A PERSON WHO CAUSES ANOTHER PERSON REQUIRED UNDER THIS
26 SECTION TO FAIL TO FILE A REPORT OF A SUSPICIOUS
27 TRANSACTION SHALL BE STRICTLY LIABLE FOR HIS ACTIONS AND
28 MAY BE SUBJECT TO SANCTIONS AS DETERMINED BY THE BOARD.

29 (III) THE BUREAU SHALL MAINTAIN A RECORD OF ALL
30 REPORTS MADE UNDER THIS PARAGRAPH FOR A PERIOD OF FIVE

1 YEARS. THE BUREAU SHALL MAKE THE REPORTS AVAILABLE TO ANY
2 FEDERAL OR STATE LAW ENFORCEMENT AGENCY WITHOUT NECESSITY
3 OF SUBPOENA.

4 (IV) A PERSON WHO IS REQUIRED TO FILE A REPORT OF A
5 SUSPICIOUS TRANSACTION SHALL NOT NOTIFY AN INDIVIDUAL
6 SUSPECTED OF COMMITTING THE SUSPICIOUS TRANSACTION THAT
7 THE TRANSACTION HAS BEEN REPORTED. A PERSON THAT VIOLATES
8 THIS SUBSECTION COMMITS A MISDEMEANOR OF THE THIRD DEGREE
9 AND MAY BE SUBJECT TO SANCTIONS AS DETERMINED BY THE
10 BOARD.

11 (V) A PERSON WHO IS REQUIRED TO FILE A REPORT OF A
12 SUSPICIOUS TRANSACTION WHO IN GOOD FAITH MAKES THE REPORT
13 SHALL NOT BE LIABLE IN ANY CIVIL ACTION BROUGHT BY A
14 PERSON FOR MAKING THE REPORT, REGARDLESS OF WHETHER THE
15 TRANSACTION IS LATER DETERMINED TO BE SUSPICIOUS.

16 (5) ENSURE THAT AN INDIVIDUAL WHO IS THE SUBJECT OF A
17 FANTASY CONTEST IS RESTRICTED FROM ENTERING AS A PARTICIPANT
18 IN A FANTASY CONTEST THAT IS DETERMINED, IN WHOLE OR PART, ON
19 THE ACCUMULATED STATISTICAL RESULTS OF A TEAM OF INDIVIDUALS
20 IN THE SPORT IN WHICH THE INDIVIDUAL IS A MEMBER.

21 (6) ALLOW A PERSON TO RESTRICT HIMSELF FROM ENTERING A
22 FANTASY CONTEST OR ACCESSING A FANTASY CONTEST ACCOUNT FOR A
23 SPECIFIC PERIOD OF TIME AS DETERMINED BY THE PARTICIPANT AND
24 IMPLEMENT PROCEDURES TO PREVENT THE PERSON FROM PARTICIPATING
25 IN THE LICENSED OPERATOR'S FANTASY CONTESTS. THE FOLLOWING
26 SHALL APPLY TO SELF-EXCLUSIONS:

27 (I) A PERSON MAY REQUEST PLACEMENT ON THE LIST OF
28 SELF-EXCLUDED PERSONS AND AGREE THAT, DURING ANY PERIOD
29 OF VOLUNTARY EXCLUSION, THE PERSON MAY NOT COLLECT ANY
30 WINNINGS NOR RECOVER ANY LOSSES RESULTING FROM ANY

1 FANTASY CONTEST ACTIVITY.

2 (II) NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY,
3 THE BOARD'S LIST OF SELF-EXCLUDED PERSONS SHALL NOT BE
4 OPEN TO PUBLIC INSPECTION. NOTHING IN THIS SECTION SHALL
5 BE CONSTRUED TO PROHIBIT A LICENSED OPERATOR FROM
6 DISCLOSING THE IDENTITY OF PERSONS SELF-EXCLUDED UNDER
7 THIS PARAGRAPH TO AFFILIATED LICENSED GAMING ENTITIES OR
8 LICENSED OPERATORS IN THIS COMMONWEALTH OR OTHER
9 JURISDICTIONS FOR THE LIMITED PURPOSE OF ASSISTING IN THE
10 PROPER ADMINISTRATION OF RESPONSIBLE PROGRAMS OPERATED BY
11 AFFILIATED LICENSED GAMING ENTITIES OR LICENSED
12 OPERATORS.

13 (7) ALLOW A PERSON TO RESTRICT THE TOTAL AMOUNT OF
14 DEPOSITS THAT THE PARTICIPANT MAY PAY TO THE LICENSED
15 OPERATOR FOR A SPECIFIC TIME PERIOD ESTABLISHED BY THE
16 PARTICIPANT AND IMPLEMENT PROCEDURES TO PREVENT THE
17 PARTICIPANT FROM EXCEEDING THE LIMIT.

18 (8) CONSPICUOUSLY POST COMPULSIVE AND PROBLEM PLAY
19 NOTICES AT FANTASY CONTEST REGISTRATION POINTS AND PROVIDE
20 THE TOLL-FREE TELEPHONE NUMBER TO PARTICIPANTS. THE TOLL-FREE
21 TELEPHONE NUMBER AND THE COMPULSIVE AND PROBLEM PLAY NOTICE
22 SHALL BE APPROVED BY THE BOARD, IN CONSULTATION WITH THE
23 DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR A SUCCESSOR
24 AGENCY.

25 (9) DISCLOSE THE NUMBER OF ENTRIES A SINGLE PARTICIPANT
26 MAY SUBMIT TO EACH FANTASY CONTEST AND TAKE STEPS TO PREVENT
27 SUCH PARTICIPANTS FROM SUBMITTING MORE THAN THE ALLOWABLE
28 NUMBER.

29 (10) PROHIBIT THE LICENSED OPERATOR'S PRINCIPALS,
30 EMPLOYEES AND RELATIVES LIVING IN THE SAME HOUSEHOLD OF AN

1 EMPLOYEE OR PRINCIPAL FROM COMPETING IN A FANTASY CONTEST
2 OFFERED BY ANY LICENSED OPERATOR TO THE GENERAL PUBLIC AND IN
3 WHICH FANTASY CONTEST THE LICENSED OPERATOR OFFERS A PRIZE OR
4 AWARD.

5 (11) PREVENT THE SHARING OF CONFIDENTIAL INFORMATION
6 THAT COULD AFFECT FANTASY CONTEST PLAY WITH THIRD PARTIES
7 UNTIL THE INFORMATION IS MADE PUBLICLY AVAILABLE.

8 (12) TAKE STEPS TO MAINTAIN THE CONFIDENTIALITY OF A
9 PARTICIPANT'S PERSONAL AND FINANCIAL INFORMATION.

10 (13) SEGREGATE PARTICIPANT FUNDS FROM OPERATIONAL FUNDS
11 IN SEPARATE ACCOUNTS AND MAINTAIN A RESERVE IN THE FORM OF
12 CASH, CASH EQUIVALENTS, SECURITY DEPOSITS HELD BY BANKS AND
13 PROCESSORS, AN IRREVOCABLE LETTER OF CREDIT, PAYMENT
14 PROCESSOR RESERVES AND RECEIVABLES, A BOND OR A COMBINATION
15 THEREOF IN AN AMOUNT SUFFICIENT TO PAY ALL PRIZES AND AWARDS
16 OFFERED TO WINNING PARTICIPANTS. TO SATISFY THIS PARAGRAPH, A
17 LICENSED OPERATOR THAT ONLY OFFERS SEASON-LONG FANTASY
18 CONTESTS THAT GENERATE LESS THAN \$250,000 IN SEASON-LONG
19 FANTASY CONTEST ADJUSTED REVENUE MAY CONTRACT WITH A THIRD
20 PARTY TO HOLD PRIZES AND AWARDS IN AN ESCROW ACCOUNT UNTIL
21 AFTER THE SEASON IS CONCLUDED AND PRIZES AND AWARDS ARE
22 DISTRIBUTED.

23 (14) PROVIDE WINNING IN-STATE PARTICIPANTS WITH
24 INFORMATION AND DOCUMENTATION NECESSARY TO ENSURE THE PROPER
25 REPORTING OF WINNINGS BY IN-STATE PARTICIPANTS TO THE
26 DEPARTMENT.

27 (15) REMIT TAXES OR ASSESSMENTS TO THE DEPARTMENT IN
28 ACCORDANCE WITH SECTIONS 331 (RELATING TO FANTASY CONTEST
29 TAX), 332 (RELATING TO LICENSED OPERATOR DEPOSITS) AND 333
30 (RELATING TO RESPONSIBILITY AND AUTHORITY OF DEPARTMENT).

1 (16) PROHIBIT THE USE OF SCRIPTS BY PARTICIPANTS AND
2 IMPLEMENT TECHNOLOGIES TO PREVENT THE USE OF SCRIPTS.

3 (17) MONITOR FANTASY CONTESTS FOR THE USE OF SCRIPTS AND
4 PROHIBIT PARTICIPANTS FOUND TO HAVE USED SUCH SCRIPTS FROM
5 PARTICIPATION IN FUTURE FANTASY CONTESTS.

6 (18) ESTABLISH ANY OTHER CONDITION DEEMED APPROPRIATE BY
7 THE BOARD.

8 § 326. PROHIBITIONS.

9 (A) GENERAL RULE.--NO LICENSED OPERATOR MAY:

10 (1) ACCEPT AN ENTRY FEE FROM OR PERMIT A NATURAL PERSON
11 UNDER 18 YEARS OF AGE TO BECOME A PARTICIPANT IN A FANTASY
12 CONTEST;

13 (2) OFFER A FANTASY CONTEST BASED, IN WHOLE OR IN PART,
14 ON COLLEGIATE OR HIGH SCHOOL ATHLETIC EVENTS OR PLAYERS;

15 (3) PERMIT A PARTICIPANT TO ENTER A FANTASY CONTEST
16 PRIOR TO ESTABLISHING A FANTASY CONTEST ACCOUNT, UNLESS THE
17 LICENSED OPERATOR IS ALSO A LICENSED GAMING ENTITY AND THE
18 PARTICIPANT ENTERS A FANTASY CONTEST THROUGH A FANTASY
19 CONTEST TERMINAL LOCATED WITHIN THE LICENSED GAMING ENTITY'S
20 LICENSED FACILITY;

21 (4) ESTABLISH A FANTASY CONTEST ACCOUNT FOR A PERSON WHO
22 IS NOT AN INDIVIDUAL;

23 (5) ALTER RULES ESTABLISHED FOR A FANTASY CONTEST AFTER
24 A PARTICIPANT HAS ENTERED THE FANTASY CONTEST;

25 (6) ISSUE CREDIT TO A PARTICIPANT TO ESTABLISH OR FUND A
26 FANTASY CONTEST ACCOUNT;

27 (7) KNOWINGLY MARKET TO A PARTICIPANT DURING THE TIME
28 PERIOD IN WHICH THE PARTICIPANT HAS SELF-EXCLUDED FROM THE
29 LICENSED OPERATOR'S FANTASY CONTESTS;

30 (8) KNOWINGLY PERMIT A PARTICIPANT TO ENTER THE LICENSED

1 OPERATOR'S FANTASY CONTESTS DURING THE TIME PERIOD IN WHICH
2 THE PARTICIPANT HAS SELF-EXCLUDED FROM THE LICENSED
3 OPERATORS' FANTASY CONTESTS;

4 (8.1) KNOWINGLY ALLOW A SELF-EXCLUDED PERSON TO KEEP A
5 PRIZE OR AWARD.

6 (9) KNOWINGLY ACCEPT A DEPOSIT IN EXCESS OF A LIMIT
7 ESTABLISHED BY A PARTICIPANT FOR THE SPECIFIC TIME PERIOD
8 ESTABLISHED BY THE PARTICIPANT;

9 (10) SHARE CONFIDENTIAL INFORMATION THAT COULD AFFECT
10 FANTASY CONTEST PLAY WITH THIRD PARTIES UNTIL THE INFORMATION
11 IS MADE PUBLICLY AVAILABLE;

12 (11) KNOWINGLY PERMIT A PRINCIPAL, AN EMPLOYEE OF A
13 LICENSED OPERATOR OR A RELATIVE LIVING IN THE SAME HOUSEHOLD
14 OF AN EMPLOYEE OR PRINCIPAL OF A LICENSED OPERATOR TO BECOME
15 A PARTICIPANT IN A FANTASY CONTEST OFFERED BY ANY LICENSED
16 OPERATOR IN WHICH A LICENSED OPERATOR OFFERS A PRIZE OR
17 AWARD;

18 (12) OFFER A FANTASY CONTEST WHERE:

19 (I) THE VALUE OF ALL PRIZES OR AWARDS OFFERED TO
20 WINNING PARTICIPANTS IS NOT ESTABLISHED AND MADE KNOWN TO
21 PARTICIPANTS IN ADVANCE OF THE FANTASY CONTEST;

22 (II) THE VALUE OF THE PRIZE OR AWARD IS DETERMINED
23 BY THE NUMBER OF PARTICIPANTS OR THE AMOUNT OF ANY FEES
24 PAID BY THOSE PARTICIPANTS;

25 (III) THE WINNING OUTCOME DOES NOT REFLECT THE
26 RELATIVE KNOWLEDGE AND SKILL OF PARTICIPANTS;

27 (IV) THE WINNING OUTCOME IS BASED ON THE SCORE,
28 POINT SPREAD OR PERFORMANCE OF A SINGLE ACTUAL TEAM OR
29 COMBINATION OF TEAMS OR SOLELY ON A SINGLE PERFORMANCE OF
30 AN INDIVIDUAL ATHLETE OR PLAYER IN A SINGLE ACTUAL EVENT;

1 OR

2 (V) THE WINNING OUTCOME IS NOT BASED ON STATISTICAL
3 RESULTS ACCUMULATED FROM FULLY COMPLETED ATHLETIC SPORTS
4 CONTESTS OR EVENTS, EXCEPT THAT PARTICIPANTS MAY BE
5 CREDITED FOR STATISTICAL RESULTS ACCUMULATED IN A
6 SUSPENDED OR SHORTENED SPORTS EVENT WHICH HAS BEEN
7 PARTIALLY COMPLETED ON ACCOUNT OF WEATHER OR OTHER
8 NATURAL OR UNFORESEEN EVENT;

9 (13) FAIL TO REMIT TAXES OR ASSESSMENTS TO THE
10 DEPARTMENT IN ACCORDANCE WITH SECTIONS 331 (RELATING TO
11 FANTASY CONTEST TAX), 332 (RELATING TO LICENSED OPERATOR
12 DEPOSITS) AND 333 (RELATING TO RESPONSIBILITY AND AUTHORITY
13 OF DEPARTMENT);

14 (14) KNOWINGLY ALLOW A PARTICIPANT TO USE A SCRIPT
15 DURING A FANTASY CONTEST;

16 (15) EXCEPT AS PERMITTED UNDER SECTION 342 (RELATING TO
17 LICENSED GAMING ENTITIES), OFFER OR MAKE AVAILABLE IN THIS
18 COMMONWEALTH A FANTASY CONTEST TERMINAL; AND

19 (16) PERFORM ANY OTHER ACTION PROHIBITED BY THE BOARD.

20 (B) DEPOSIT.--THE LICENSED OPERATOR SHALL FORWARD THE AMOUNT
21 OF THE PRIZE OR AWARD UNDER SUBSECTION (A) (8.1) TO THE BOARD
22 WHICH SHALL TRANSFER THE AMOUNT TO THE STATE TREASURER FOR
23 DEPOSIT IN THE GENERAL FUND.

24 § 327. CHANGE IN OWNERSHIP OR CONTROL OF LICENSED OPERATORS.

25 (A) NOTIFICATION AND APPROVAL.--

26 (1) A LICENSED OPERATOR SHALL NOTIFY THE BOARD UPON
27 BECOMING AWARE OF ANY PROPOSED CHANGE OF OWNERSHIP OF THE
28 LICENSED OPERATOR BY A PERSON OR GROUP OF PERSONS ACTING IN
29 CONCERT WHICH INVOLVES ANY OF THE FOLLOWING:

30 (I) MORE THAN 15% OF A LICENSED OPERATOR'S

1 SECURITIES OR OTHER OWNERSHIP INTERESTS.

2 (II) THE SALE OTHER THAN IN THE ORDINARY COURSE OF
3 BUSINESS OF A LICENSED OPERATOR'S ASSETS.

4 (III) ANY OTHER TRANSACTION OR OCCURRENCE DEEMED BY
5 THE BOARD TO BE RELEVANT TO FANTASY CONTEST LICENSE
6 QUALIFICATIONS.

7 (2) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (1), A
8 LICENSED OPERATOR SHALL NOT BE REQUIRED TO NOTIFY THE BOARD
9 OF ANY ACQUISITION BY AN INSTITUTIONAL INVESTOR UNDER
10 PARAGRAPH (1) (I) OR (II) IF THE INSTITUTIONAL INVESTOR HOLDS
11 LESS THAN 10% OF THE SECURITIES OR OTHER OWNERSHIP INTERESTS
12 REFERRED TO IN PARAGRAPH (1) (I) OR (II), THE SECURITIES OR
13 INTERESTS ARE PUBLICLY TRADED SECURITIES AND ITS HOLDINGS OF
14 SUCH SECURITIES WERE PURCHASED FOR INVESTMENT PURPOSES ONLY
15 AND THE INSTITUTIONAL INVESTOR FILES WITH THE BOARD A
16 CERTIFIED STATEMENT TO THE EFFECT THAT THE INSTITUTIONAL
17 INVESTOR HAS NO INTENTION OF INFLUENCING OR AFFECTING,
18 DIRECTLY OR INDIRECTLY, THE AFFAIRS OF THE LICENSED OPERATOR.
19 HOWEVER, THE INSTITUTIONAL INVESTOR MAY VOTE ON MATTERS PUT
20 TO THE VOTE OF THE OUTSTANDING SECURITY HOLDERS. NOTICE TO
21 THE BOARD SHALL BE REQUIRED PRIOR TO COMPLETION OF ANY
22 PROPOSED OR CONTEMPLATED CHANGE OF OWNERSHIP OF A LICENSED
23 OPERATOR THAT MEETS THE CRITERIA OF THIS SECTION.

24 (B) QUALIFICATION OF PURCHASER AND CHANGE OF CONTROL.--

25 (1) A PURCHASER OF THE ASSETS, OTHER THAN IN THE
26 ORDINARY COURSE OF BUSINESS, OF A LICENSED OPERATOR SHALL
27 INDEPENDENTLY QUALIFY FOR A FANTASY CONTEST LICENSE IN
28 ACCORDANCE WITH THIS CHAPTER AND SHALL PAY THE APPLICATION
29 FEE AND LICENSE FEE AS REQUIRED BY SECTIONS 322 (RELATING TO
30 APPLICATION) AND 323 (RELATING TO ISSUANCE AND DENIAL OF

1 LICENSE), EXCEPT THAT IF THE PURCHASER OF ASSETS IS ANOTHER
2 LICENSED OPERATOR, THE PURCHASER OF ASSETS SHALL NOT BE
3 REQUIRED TO REQUALIFY FOR A FANTASY CONTEST LICENSE OR PAY
4 ANOTHER APPLICATION FEE AND LICENSE FEE.

5 (2) A CHANGE IN CONTROL OF ANY LICENSED OPERATOR SHALL
6 REQUIRE THAT THE LICENSED OPERATOR INDEPENDENTLY QUALIFY FOR
7 A FANTASY CONTEST LICENSE IN ACCORDANCE WITH THIS CHAPTER,
8 AND THE LICENSED OPERATOR SHALL PAY A NEW APPLICATION AND
9 LICENSE FEE AS REQUIRED BY SECTIONS 322 AND 323, EXCEPT THAT
10 IF THE NEW CONTROLLER IS ANOTHER LICENSED OPERATOR, THE NEW
11 CONTROLLER SHALL NOT BE REQUIRED TO REQUALIFY FOR A FANTASY
12 CONTEST LICENSE OR PAY ANOTHER APPLICATION FEE AND LICENSE
13 FEE.

14 (C) LICENSE REVOCATION.--FAILURE TO COMPLY WITH THIS SECTION
15 MAY CAUSE THE FANTASY CONTEST LICENSE ISSUED UNDER THIS CHAPTER
16 TO BE REVOKED OR SUSPENDED BY THE BOARD UNLESS THE PURCHASE OF
17 THE ASSETS OR THE CHANGE IN CONTROL THAT MEETS THE CRITERIA OF
18 THIS SECTION HAS BEEN INDEPENDENTLY QUALIFIED IN ADVANCE BY THE
19 BOARD AND ANY REQUIRED APPLICATION OR LICENSE FEE HAS BEEN PAID.

20 (D) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
21 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
22 SUBSECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

23 "CHANGE IN CONTROL OF A LICENSED OPERATOR." THE ACQUISITION
24 BY A PERSON OR GROUP OF PERSONS ACTING IN CONCERT OF MORE THAN
25 20% OF A LICENSED OPERATOR'S SECURITIES OR OTHER OWNERSHIP
26 INTERESTS, WITH THE EXCEPTION OF ANY OWNERSHIP INTEREST OF THE
27 PERSON THAT EXISTED AT THE TIME OF INITIAL LICENSING AND PAYMENT
28 OF THE INITIAL FANTASY CONTEST LICENSE FEE, OR MORE THAN 20% OF
29 THE SECURITIES OR OTHER OWNERSHIP INTERESTS OF A CORPORATION OR
30 OTHER FORM OF BUSINESS ENTITY THAT OWNS DIRECTLY OR INDIRECTLY

1 AT LEAST 20% OF THE VOTING OR OTHER SECURITIES OR OTHER
2 OWNERSHIP INTERESTS OF THE LICENSED OPERATOR.

3 § 328. PENALTIES.

4 (A) SUSPENSION OR REVOCATION OF LICENSE.--AFTER A PUBLIC
5 HEARING WITH AT LEAST 15 DAYS' NOTICE, THE BOARD MAY SUSPEND OR
6 REVOKE A LICENSED OPERATOR'S FANTASY CONTEST LICENSE IN ANY CASE
7 WHERE A VIOLATION OF THIS CHAPTER HAS BEEN SHOWN BY A
8 PREPONDERANCE OF THE EVIDENCE.

9 (B) ADMINISTRATIVE PENALTIES.--

10 (1) IN ADDITION TO SUSPENSION OR REVOCATION OF A FANTASY
11 CONTEST LICENSE, THE BOARD MAY IMPOSE ADMINISTRATIVE
12 PENALTIES ON A LICENSED OPERATOR FOR VIOLATIONS OF THIS
13 CHAPTER.

14 (2) A VIOLATION OF THIS CHAPTER THAT IS DETERMINED TO BE
15 AN OFFENSE OF A CONTINUING NATURE SHALL BE DEEMED TO BE A
16 SEPARATE OFFENSE ON EACH EVENT OR DAY DURING WHICH THE
17 VIOLATION OCCURS.

18 (3) THE LICENSED OPERATOR SHALL HAVE THE RIGHT TO APPEAL
19 ADMINISTRATIVE PENALTIES IN ACCORDANCE WITH 2 PA.C.S. CHS. 5
20 SUBCH. A (RELATING TO PRACTICE AND PROCEDURE OF COMMONWEALTH
21 AGENCIES) AND 7 SUBCH. A (RELATING TO JUDICIAL REVIEW OF
22 COMMONWEALTH AGENCY ACTION).

23 (4) PENALTIES IMPOSED UNDER THIS SUBSECTION SHALL BE
24 DEPOSITED INTO THE GENERAL FUND.

25 (C) CIVIL PENALTIES.--

26 (1) IN ADDITION TO THE PROVISIONS OF THIS SECTION, A
27 PERSON WHO KNOWINGLY VIOLATES A PROVISION OF THIS CHAPTER
28 SHALL BE LIABLE FOR A CIVIL PENALTY OF NOT MORE THAN \$1,000
29 FOR EACH SUCH VIOLATION.

30 (2) THE CIVIL PENALTY SHALL BE RECOVERED IN A CIVIL

1 ACTION BROUGHT BY THE BOARD AND SHALL BE PAID INTO THE
2 GENERAL FUND.

3 SUBCHAPTER D

4 FISCAL PROVISIONS

5 SEC.

6 331. FANTASY CONTEST TAX.

7 332. LICENSED OPERATOR DEPOSITS.

8 333. RESPONSIBILITY AND AUTHORITY OF DEPARTMENT.

9 334. COMPULSIVE AND PROBLEM GAMBLING.

10 § 331. FANTASY CONTEST TAX.

11 (A) IMPOSITION.--EACH LICENSED OPERATOR SHALL REPORT TO THE
12 DEPARTMENT AND PAY FROM ITS MONTHLY FANTASY CONTEST ADJUSTED
13 REVENUES, ON A FORM AND IN THE MANNER PRESCRIBED BY THE
14 DEPARTMENT, A TAX OF 15% OF ITS MONTHLY FANTASY CONTEST ADJUSTED
15 REVENUES.

16 (B) DEPOSITS AND DISTRIBUTIONS.--

17 (1) THE TAX IMPOSED UNDER SUBSECTION (A) SHALL BE
18 PAYABLE TO THE DEPARTMENT ON A MONTHLY BASIS AND SHALL BE
19 BASED UPON MONTHLY FANTASY CONTEST ADJUSTED REVENUE DERIVED
20 DURING THE PREVIOUS MONTH.

21 (2) ALL FUNDS OWED TO THE COMMONWEALTH UNDER THIS
22 SECTION SHALL BE HELD IN TRUST FOR THE COMMONWEALTH BY THE
23 LICENSED OPERATOR UNTIL THE FUNDS ARE PAID TO THE DEPARTMENT.

24 (3) THE TAX IMPOSED AND COLLECTED BY THE DEPARTMENT
25 UNDER SUBSECTION (A) SHALL BE DEPOSITED INTO THE GENERAL
26 FUND.

27 (C) PENALTY.--

28 (1) A LICENSED OPERATOR WHO FAILS TO TIMELY REMIT TO THE
29 DEPARTMENT THE TAX IMPOSED UNDER THIS SECTION SHALL BE
30 LIABLE, IN ADDITION TO ANY SANCTION OR PENALTY IMPOSED UNDER

1 THIS CHAPTER, FOR THE PAYMENT OF A PENALTY OF 5% PER MONTH UP
2 TO A MAXIMUM OF 25% OF THE AMOUNTS ULTIMATELY FOUND TO BE
3 DUE, TO BE RECOVERED BY THE DEPARTMENT.

4 (2) PENALTIES IMPOSED AND COLLECTED BY THE DEPARTMENT OR
5 THE BOARD UNDER THIS SUBSECTION SHALL BE DEPOSITED IN THE
6 GENERAL FUND.

7 § 332. LICENSED OPERATOR DEPOSITS.

8 (A) ACCOUNTS ESTABLISHED.--THE STATE TREASURER SHALL
9 ESTABLISH WITHIN THE STATE TREASURY AN ACCOUNT FOR EACH LICENSED
10 OPERATOR FOR THE DEPOSIT REQUIRED UNDER SUBSECTION (B) TO
11 RECOVER COSTS OR EXPENSES INCURRED BY THE BOARD AND THE
12 DEPARTMENT IN CARRYING OUT THEIR POWERS AND DUTIES UNDER THIS
13 CHAPTER BASED UPON A BUDGET SUBMITTED BY THE BOARD AND THE
14 DEPARTMENT UNDER SUBSECTION (C).

15 (B) DEPOSITS.--

16 (1) THE DEPARTMENT SHALL DETERMINE THE APPROPRIATE
17 ASSESSMENT AMOUNT FOR EACH LICENSED OPERATOR, WHICH SHALL BE
18 A PERCENTAGE ASSESSED BY THE DEPARTMENT ON THE LICENSED
19 OPERATOR'S FANTASY CONTEST ADJUSTED REVENUES. EACH LICENSED
20 OPERATOR SHALL DEPOSIT FUNDS INTO ITS ACCOUNT ON A MONTHLY
21 BASIS.

22 (2) THE PERCENTAGE ASSESSED BY THE DEPARTMENT SHALL NOT
23 EXCEED AN AMOUNT NECESSARY TO RECOVER COSTS OR EXPENSES
24 INCURRED BY THE BOARD AND THE DEPARTMENT IN CARRYING OUT
25 THEIR POWERS AND DUTIES UNDER THIS CHAPTER BASED ON A BUDGET
26 SUBMITTED BY THE BOARD AND THE DEPARTMENT UNDER SUBSECTION
27 (C).

28 (C) ITEMIZED BUDGET REPORTING.--

29 (1) THE BOARD AND THE DEPARTMENT SHALL PREPARE AND
30 ANNUALLY SUBMIT TO THE CHAIRPERSON AND MINORITY CHAIRPERSON

1 OF THE APPROPRIATIONS COMMITTEE OF THE SENATE AND THE
2 CHAIRPERSON AND MINORITY CHAIRPERSON OF THE APPROPRIATIONS
3 COMMITTEE OF THE HOUSE OF REPRESENTATIVES AN ITEMIZED BUDGET
4 CONSISTING OF AMOUNTS TO BE APPROPRIATED OUT OF THE ACCOUNTS
5 ESTABLISHED UNDER THIS SECTION NECESSARY TO ADMINISTER THIS
6 CHAPTER.

7 (2) THE ITEMIZED BUDGET REQUIRED UNDER PARAGRAPH (1)
8 SHALL BE SUBMITTED IN CONJUNCTION WITH THE BUDGET REQUIRED TO
9 BE SUBMITTED UNDER SECTION 1202(B) (28) (RELATING TO GENERAL
10 AND SPECIFIC POWERS).

11 (D) APPROPRIATION.--COSTS AND EXPENSES FROM ACCOUNTS
12 ESTABLISHED UNDER SUBSECTION (A) SHALL ONLY BE DISBURSED UPON
13 APPROPRIATION BY THE GENERAL ASSEMBLY.

14 (E) PENALTY.--

15 (1) A LICENSED OPERATOR WHO FAILS TO TIMELY REMIT TO THE
16 DEPARTMENT THE TAX IMPOSED UNDER THIS SECTION SHALL BE
17 LIABLE, IN ADDITION TO ANY SANCTION OR PENALTY IMPOSED UNDER
18 THIS CHAPTER, FOR THE PAYMENT OF A PENALTY OF 5% PER MONTH UP
19 TO A MAXIMUM OF 25% OF THE AMOUNTS ULTIMATELY FOUND TO BE
20 DUE, TO BE RECOVERED BY THE DEPARTMENT.

21 (2) PENALTIES IMPOSED AND COLLECTED BY THE DEPARTMENT
22 UNDER THIS SUBSECTION SHALL BE DEPOSITED INTO THE GENERAL
23 FUND.

24 § 333. RESPONSIBILITY AND AUTHORITY OF DEPARTMENT.

25 (A) GENERAL RULE.--THE DEPARTMENT SHALL ADMINISTER AND
26 COLLECT TAXES IMPOSED UNDER SECTION 331 (RELATING TO FANTASY
27 CONTEST TAX) AND INTEREST IMPOSED UNDER SECTION 806 OF THE ACT
28 OF APRIL 9, 1929 (P.L.343, NO.176), KNOWN AS THE FISCAL CODE,
29 AND PROMULGATE AND ENFORCE RULES AND REGULATIONS TO CARRY OUT
30 ITS PRESCRIBED DUTIES IN ACCORDANCE WITH SECTIONS 331 AND 332

1 (RELATING TO LICENSED OPERATOR DEPOSITS), INCLUDING THE
2 COLLECTION OF TAXES, PENALTIES, ASSESSMENTS AND INTEREST.

3 (B) PROCEDURE.--FOR PURPOSES OF IMPLEMENTING SECTIONS 331
4 AND 332, THE DEPARTMENT MAY PROMULGATE REGULATIONS IN THE SAME
5 MANNER IN WHICH THE BOARD IS AUTHORIZED AS PROVIDED IN SECTION
6 312 (RELATING TO TEMPORARY REGULATIONS).
7 § 334. COMPULSIVE AND PROBLEM GAMBLING.

8 EACH YEAR, FROM THE TAX IMPOSED UNDER SECTION 331, THE AMOUNT
9 EQUAL TO .002 MULTIPLIED BY THE TOTAL FANTASY CONTEST ADJUSTED
10 REVENUE OF ALL ACTIVE AND OPERATING LICENSED OPERATORS SHALL BE
11 TRANSFERRED TO THE DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR A
12 SUCCESSOR AGENCY TO BE USED FOR DRUG AND ALCOHOL ADDICTION
13 TREATMENT SERVICES, INCLUDING TREATMENT FOR DRUG AND ALCOHOL
14 ADDICTION RELATED TO COMPULSIVE AND PROBLEM GAMBLING AS PROVIDED
15 UNDER SECTION 1509.1 (RELATING TO DRUG AND ALCOHOL TREATMENT).

16 SUBCHAPTER E

17 MISCELLANEOUS PROVISIONS

18 SEC.

19 341. APPLICABILITY OF OTHER STATUTES.

20 341.1. LIABILITY.

21 342. LICENSED GAMING ENTITIES.

22 § 341. APPLICABILITY OF OTHER STATUTES.

23 (A) UNLAWFUL GAMBLING.--THE PROVISIONS OF 18 PA.C.S. § 5513
24 (RELATING TO GAMBLING DEVICES, GAMBLING, ETC.) SHALL NOT APPLY
25 TO A FANTASY CONTEST CONDUCTED IN ACCORDANCE WITH THIS CHAPTER.

26 (B) POOL SELLING AND BOOKMAKING.--THE PROVISIONS OF 18
27 PA.C.S. § 5514 (RELATING TO POOL SELLING AND BOOKMAKING) SHALL
28 NOT APPLY TO A FANTASY CONTEST CONDUCTED IN ACCORDANCE WITH THIS
29 CHAPTER.

30 (C) LOTTERIES.--THE PROVISIONS OF 18 PA.C.S. § 5512

1 (RELATING TO LOTTERIES, ETC.) SHALL NOT APPLY TO A FANTASY
2 CONTEST CONDUCTED IN ACCORDANCE WITH THIS CHAPTER.

3 (D) STATE LOTTERY LAW.--THIS CHAPTER SHALL NOT APPLY TO A
4 FANTASY CONTEST OR SIMILAR PRODUCT AUTHORIZED UNDER THE ACT OF
5 AUGUST 26, 1971 (P.L.351, NO.91), KNOWN AS THE STATE LOTTERY
6 LAW, AND AUTHORIZED SOLELY BY THE DEPARTMENT AND THE DIVISION OF
7 THE STATE LOTTERY OR ILOTTERY UNDER CHAPTER 5 (RELATING TO
8 LOTTERY).

9 § 341.1. LIABILITY.

10 A LICENSED OPERATOR OR EMPLOYEE OF A LICENSED OPERATOR SHALL
11 NOT BE LIABLE TO ANY SELF-EXCLUDED PERSON OR TO ANY OTHER PARTY
12 IN ANY JUDICIAL PROCEEDING FOR ANY HARM, MONETARY OR OTHERWISE,
13 WHICH MAY ARISE AS A RESULT OF:

14 (1) THE FAILURE OF A LICENSED OPERATOR TO WITHHOLD
15 FANTASY CONTEST PRIVILEGES FROM OR RESTORE FANTASY CONTEST
16 PRIVILEGES TO A SELF-EXCLUDED PERSON; OR

17 (2) OTHERWISE PERMITTING OR NOT PERMITTING A SELF-
18 EXCLUDED PERSON TO ENGAGE IN FANTASY CONTEST ACTIVITY WHILE
19 ON THE LIST OF SELF-EXCLUDED PERSONS.

20 § 342. LICENSED GAMING ENTITIES.

21 (A) SCOPE.--THIS SECTION SHALL APPLY TO A LICENSED GAMING
22 ENTITY THAT HOLDS A FANTASY CONTEST LICENSE.

23 (B) APPLICABILITY.--NOTHING IN THIS CHAPTER SHALL BE
24 CONSTRUED TO LIMIT THE BOARD'S GENERAL AND SOLE REGULATORY
25 AUTHORITY OVER THE CONDUCT OF GAMING OR RELATED ACTIVITIES UNDER
26 PART II (RELATING TO GAMING), INCLUDING, BUT NOT LIMITED TO, THE
27 CERTIFICATION, REGISTRATION AND REGULATION OF GAMING SERVICE
28 PROVIDERS AND INDIVIDUALS AND ENTITIES ASSOCIATED WITH A GAMING
29 SERVICE PROVIDER.

30 (C) RESTRICTED CONTESTS.--A LICENSED GAMING ENTITY MAY OFFER

1 RESTRICTED FANTASY CONTESTS THAT ARE EXCLUSIVE TO PARTICIPANTS
2 WHO ARE AT LEAST 21 YEARS OF AGE.

3 (D) PROMOTIONAL PLAY.--FOR A RESTRICTED FANTASY CONTEST
4 UNDER SUBSECTION (C), A LICENSED GAMING ENTITY MAY OFFER SLOT
5 MACHINE PROMOTIONAL PLAY OR TABLE GAME MATCH PLAY TO A
6 PARTICIPANT WHO IS AT LEAST 21 YEARS OF AGE AS A PRIZE OR AWARD
7 OR FOR PARTICIPATING IN A FANTASY CONTEST CONDUCTED BY THE
8 LICENSED GAMING ENTITY.

9 (E) GAMING SERVICE PROVIDERS.--A LICENSED OPERATOR WHO IS
10 NOT A LICENSED GAMING ENTITY MAY, AT THE DISCRETION OF THE
11 BOARD, BE CERTIFICATED OR REGISTERED AS A GAMING SERVICE
12 PROVIDER UNDER SECTION 1317.2 (RELATING TO GAMING SERVICE
13 PROVIDER) IN ORDER TO OPERATE FANTASY CONTESTS SUBJECT TO THE
14 REQUIREMENTS OF THIS SECTION.

15 (F) FANTASY CONTEST TERMINALS.--

16 (1) A LICENSED GAMING ENTITY MAY PETITION THE BOARD, ON
17 A FORM AND IN A MANNER AS REQUIRED BY THE BOARD, TO PLACE AND
18 OPERATE FANTASY CONTEST TERMINALS WITHIN THE LICENSED GAMING
19 ENTITY'S LICENSED FACILITY.

20 (2) THE BOARD MAY, ACCORDING TO REGULATIONS ADOPTED BY
21 THE BOARD, APPROVE THE PLACEMENT AND OPERATION OF FANTASY
22 CONTEST TERMINALS AT ONE OR MORE LOCATIONS WITHIN A LICENSED
23 FACILITY, PROVIDED THAT FANTASY CONTEST TERMINALS MAY NOT BE
24 PLACED ON THE GAMING FLOOR.

25 (3) THE BOARD MAY NOT REQUIRE A PARTICIPANT TO ESTABLISH
26 A FANTASY CONTEST ACCOUNT PRIOR TO ENTERING A FANTASY CONTEST
27 THROUGH A FANTASY CONTEST TERMINAL.

28 CHAPTER 5

29 LOTTERY

30 SEC.

1 501. SCOPE OF CHAPTER.

2 502. DEFINITIONS.

3 503. ILOTTERY AUTHORIZATION.

4 504. RETAIL INCENTIVE PROGRAM.

5 505. LOTTERY SALES ADVISORY COUNCIL.

6 § 501. SCOPE OF CHAPTER.

7 THIS CHAPTER RELATES TO LOTTERY.

8 § 502. DEFINITIONS.

9 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
10 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
11 CONTEXT CLEARLY INDICATES OTHERWISE:

12 "AGENT" OR "LOTTERY SALES AGENT." A PERSON LICENSED UNDER
13 SECTION 305 OF THE STATE LOTTERY LAW.

14 "DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

15 "ILOTTERY." A SYSTEM THAT PROVIDES FOR THE DISTRIBUTION OF
16 LOTTERY PRODUCTS THROUGH NUMEROUS CHANNELS THAT INCLUDE, BUT ARE
17 NOT LIMITED TO, WEB APPLICATIONS, MOBILE APPLICATIONS, MOBILE
18 WEB, TABLETS AND SOCIAL MEDIA PLATFORMS THAT ALLOWS PLAYERS TO
19 INTERFACE THROUGH A PORTAL FOR THE PURPOSE OF OBTAINING LOTTERY
20 PRODUCTS AND ANCILLARY SERVICES, SUCH AS ACCOUNT MANAGEMENT,
21 GAME PURCHASE, GAME PLAY AND PRIZE REDEMPTION.

22 "ILOTTERY GAME." INTERNET INSTANT GAMES AND OTHER LOTTERY
23 PRODUCTS OFFERED THROUGH ILOTTERY. THE TERM DOES NOT INCLUDE
24 GAMES THAT REPRESENT PHYSICAL, INTERNET-BASED OR MONITOR-BASED
25 INTERACTIVE LOTTERY GAMES WHICH SIMULATE CASINO-STYLE LOTTERY
26 GAMES, SPECIFICALLY INCLUDING POKER, ROULETTE, SLOT MACHINES OR
27 BLACKJACK.

28 "INTERNET INSTANT GAME." A LOTTERY GAME OF CHANCE IN WHICH,
29 BY THE USE OF A COMPUTER, TABLET COMPUTER OR OTHER MOBILE
30 DEVICE, A PLAYER PURCHASES A LOTTERY PLAY, WITH THE RESULT OF

1 PLAY BEING A REVEAL ON THE DEVICE OF NUMBERS, LETTERS OR SYMBOLS
2 INDICATING WHETHER A LOTTERY PRIZE HAS BEEN WON ACCORDING TO AN
3 ESTABLISHED METHODOLOGY AS PROVIDED BY THE LOTTERY.

4 "LOTTERY" OR "STATE LOTTERY." THE LOTTERY ESTABLISHED UNDER
5 THE STATE LOTTERY LAW.

6 "LOTTERY PRODUCTS." PLAYS, SHARES OR CHANCES OFFERED BY THE
7 STATE LOTTERY AS WELL AS LOTTERY PROPERTY THAT MAY BE EXCHANGED
8 FOR PLAYS, SHARES OR CHANCES. THE TERM INCLUDES INSTANT TICKETS,
9 TERMINAL-BASED TICKETS, RAFFLE GAMES, PLAY-FOR-FUN GAMES,
10 LOTTERY VOUCHERS, SUBSCRIPTION SERVICES AND GIFT CARDS
11 AUTHORIZED FOR SALE UNDER THE STATE LOTTERY LAW.

12 "SECRETARY." THE SECRETARY OF REVENUE OF THE COMMONWEALTH.

13 "STATE LOTTERY LAW." THE ACT OF AUGUST 26, 1971 (P.L.351,
14 NO.91), KNOWN AS THE STATE LOTTERY LAW.

15 "SUBSCRIPTION SERVICES." A PAYMENT, ADVANCE PAYMENT OR
16 PROMISE OF PAYMENT FOR MULTIPLE LOTTERY PRODUCTS OVER A
17 SPECIFIED PERIOD OF TIME, INCLUDING PAYMENT THROUGH ILOTTERY.
18 § 503. ILOTTERY AUTHORIZATION.

19 (A) AUTHORITY.--NOTWITHSTANDING ANY PROVISION OF LAW TO THE
20 CONTRARY, THE DEPARTMENT MAY OPERATE ILOTTERY GAMES.

21 (B) TEMPORARY REGULATORY AUTHORITY.--

22 (1) IN ORDER TO FACILITATE THE PROMPT IMPLEMENTATION OF
23 ILOTTERY OR NEW SALES METHODS OF TRADITIONAL LOTTERY PRODUCTS
24 OVER THE INTERNET, REGULATIONS PROMULGATED BY THE SECRETARY
25 SHALL BE DEEMED TEMPORARY REGULATIONS WHICH SHALL EXPIRE NOT
26 LATER THAN TWO YEARS FOLLOWING THE PUBLICATION OF THE
27 TEMPORARY REGULATIONS. THE SECRETARY MAY PROMULGATE TEMPORARY
28 REGULATIONS NOT SUBJECT TO:

29 (I) SECTIONS 201, 202, 203, 204 AND 205 OF THE ACT
30 OF JULY 31, 1968 (P.L.769, NO.240), REFERRED TO AS THE

1 COMMONWEALTH DOCUMENTS LAW.

2 (II) SECTION 204(B) OF THE ACT OF OCTOBER 15, 1980
3 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS
4 ACT.

5 (III) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181),
6 KNOWN AS THE REGULATORY REVIEW ACT.

7 (2) REGULATIONS ADOPTED AFTER THE TWO-YEAR TIME PERIOD
8 SHALL BE PROMULGATED AS PROVIDED BY LAW.

9 (C) PROMPT IMPLEMENTATION.--NOTWITHSTANDING ANY OTHER
10 PROVISION OF LAW TO THE CONTRARY AND IN ORDER TO FACILITATE THE
11 PROMPT IMPLEMENTATION OF ILOTTERY IN THIS COMMONWEALTH, INITIAL
12 CONTRACTS ENTERED INTO BY THE DEPARTMENT FOR ILOTTERY AND
13 RELATED GAMING SYSTEMS, INCLUDING ANY NECESSARY HARDWARE,
14 SOFTWARE, LICENSES OR RELATED SERVICES, SHALL NOT BE SUBJECT TO
15 THE PROVISIONS OF 62 PA.C.S. (RELATING TO PROCUREMENT).
16 CONTRACTS ENTERED INTO UNDER THIS SUBSECTION MAY NOT EXCEED TWO
17 YEARS.

18 (D) PLAYER IDENTIFIABLE INFORMATION.--WITH THE EXCEPTION OF
19 CERTAIN INFORMATION RELEASED BY THE DEPARTMENT TO NOTIFY THE
20 PUBLIC OF THE IDENTITY OF A PRIZE RECIPIENT OR TO PERFORM ANY
21 OTHER OBLIGATION OF THE LOTTERY UNDER LAWS OR REGULATIONS
22 RELATED TO THE PAYMENT OF LOTTERY PRIZES, PERSONAL IDENTIFYING
23 INFORMATION OBTAINED BY THE DEPARTMENT AS A RESULT OF A PLAYER'S
24 PURCHASE OF LOTTERY PRODUCTS OR THE CLAIM OF A LOTTERY PRIZE,
25 SUCH AS NAME, ADDRESS, TELEPHONE NUMBER OR PLAYER FINANCIAL
26 INFORMATION, SHALL BE CONSIDERED CONFIDENTIAL AND OTHERWISE
27 EXEMPT FROM PUBLIC DISCLOSURE WHETHER RETAINED BY THE
28 DEPARTMENT, AN AGENT OF THE DEPARTMENT OR A LOTTERY SALES AGENT.

29 (E) LOTTERY CONFIDENTIAL PROPRIETARY INFORMATION.--

30 (1) INFORMATION OBTAINED BY THE DEPARTMENT AS A RESULT

1 OF A PLAYER'S PURCHASE OF LOTTERY PRODUCTS OR ENTERING A
2 LOTTERY DRAWING, SUCH AS AGGREGATE STATISTICAL DATA WHICH MAY
3 INCLUDE PLAY HISTORY OR PLAYER TENDENCIES, SHALL BE
4 CONSIDERED CONFIDENTIAL PROPRIETARY INFORMATION OF THE
5 DEPARTMENT AND OTHERWISE EXEMPT FROM PUBLIC DISCLOSURE
6 WHETHER RETAINED BY THE DEPARTMENT, AN AGENT OF THE LOTTERY
7 OR A LOTTERY SALES AGENT.

8 (2) CONFIDENTIAL PROPRIETARY INFORMATION SHALL INCLUDE
9 ANY RESEARCH OR STUDY CONDUCTED BY THE LOTTERY OR A LOTTERY
10 VENDOR THAT UTILIZES CONFIDENTIAL PROPRIETARY INFORMATION
11 OBTAINED UNDER THIS SECTION.

12 (F) REVENUES.--

13 (1) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
14 CONTRARY, REVENUES ACCRUING FROM THE SALE OF LOTTERY PRODUCTS
15 UNDER THIS CHAPTER SHALL BE DEDICATED TO AND DEPOSITED IN THE
16 STATE LOTTERY FUND AS PROVIDED FOR IN SECTION 311 OF THE
17 STATE LOTTERY LAW. THE REVENUES SHALL BE APPORTIONED AS
18 PROVIDED FOR IN SECTION 303(A)(11) OF THE STATE LOTTERY LAW.

19 (2) FOR FISCAL YEARS BEGINNING AFTER JUNE 30, 2017,
20 REVENUES RAISED UNDER THIS CHAPTER SHALL NOT BE SUBJECT TO
21 THE PROFIT MARGIN LIMITATIONS SPECIFIED IN SECTION 303(A)(11)
22 (IV) OF THE STATE LOTTERY LAW.

23 (G) ILOTTERY GAME CARDS.--ILOTTERY GAME CARDS OR OTHER
24 SIMILAR MECHANISMS THAT ALLOW PLAYERS TO PREPURCHASE LOTTERY
25 PRODUCTS OFFERED THROUGH ILOTTERY SOLD BY A LOTTERY SALES AGENT
26 SHALL RESULT IN THE LOTTERY SALES AGENT RECEIVING A COMMISSION
27 ON THE SALE AS PROVIDED FOR UNDER THE STATE LOTTERY LAW.

28 (H) RESTRICTIONS.--

29 (1) AN ILOTTERY PLAYER MUST BE AT LEAST 18 YEARS OF AGE
30 TO ESTABLISH AN ACCOUNT WITH THE DEPARTMENT AND MUST BE

1 PHYSICALLY LOCATED WITHIN THE GEOGRAPHICAL BOUNDARIES OF THIS
2 COMMONWEALTH TO PLAY ILOTTERY GAMES. A PLAYER ESTABLISHING AN
3 ACCOUNT MUST AGREE TO THE TERMS AND CONDITIONS PRESENTED BY
4 THE DEPARTMENT WHICH MUST REQUIRE THE PLAYER TO AFFIRM THAT
5 THE ACCOUNT IS LIMITED SOLELY TO THAT PLAYER'S USE FOR
6 ILOTTERY GAMING PURPOSES AND THAT OTHER USE IS UNLAWFUL.

7 (2) NO ILOTTERY GAME SHALL BE SOLD, AND NO PRIZE SHALL
8 BE AWARDED, TO AN OFFICER OR EMPLOYEE OF THE DIVISION OF
9 STATE LOTTERY IN THE DEPARTMENT OR A SPOUSE, CHILD, BROTHER,
10 SISTER OR PARENT RESIDING AS A MEMBER OF THE SAME HOUSEHOLD
11 IN THE PRINCIPAL PLACE OF ABODE OF THE OFFICER OR EMPLOYEE.

12 (I) SELF-EXCLUSION.--THE DEPARTMENT SHALL PROMULGATE
13 REGULATIONS REGARDING THE ESTABLISHMENT OF AN ILOTTERY SELF-
14 EXCLUSION PROGRAM THAT WOULD ALLOW INDIVIDUALS TO VOLUNTARILY
15 EXCLUDE THEMSELVES FROM ILOTTERY.

16 § 504. RETAIL INCENTIVE PROGRAM.

17 (A) ESTABLISHMENT.--THE DEPARTMENT SHALL ESTABLISH A RETAIL
18 INCENTIVE PROGRAM TO REWARD LOTTERY SALES AGENTS THAT ENGAGE IN
19 DEPARTMENT-RECOMMENDED BEST PRACTICES WHICH RESULT IN INCREASED
20 LOTTERY SALES AT THE AGENT'S LOTTERY SALES LOCATION. CONSISTENT
21 WITH THE STATE LOTTERY'S RESPONSIBILITIES TO OLDER
22 PENNSYLVANIANS AND THE LOTTERY'S COMMITMENT TO HELPING AGENTS
23 ACHIEVE SUCCESS IN SELLING LOTTERY PRODUCTS, THE RETAIL
24 INCENTIVE PROGRAM SHALL BE DESIGNED TO GENERATE INCREMENTAL
25 REVENUE THAT EXCEEDS THE COST OF THE PROGRAM. THE PROGRAM SHALL
26 BE REVIEWED ANNUALLY TO DETERMINE THE BENEFIT TO OLDER
27 PENNSYLVANIANS AND THE CONSISTENCY TO THE STATE LOTTERY'S
28 MISSION.

29 (B) FUNDING.--THE DEPARTMENT SHALL FUND THE PROGRAM WITH
30 0.5% OF THE SALE OF TRADITIONAL LOTTERY PRODUCTS AT LOTTERY

1 SALES AGENTS' PHYSICAL LOTTERY SALES LOCATION WITHIN THE PRIOR
2 FISCAL YEAR. THE FUNDS ADMINISTERED UNDER THIS CHAPTER SHALL NOT
3 BE COUNTED TOWARD THE PROFIT MARGIN LIMITATION UNDER SECTION
4 303(A) (11) (IV) OF THE STATE LOTTERY LAW.

5 (C) NOTICE.--PRIOR TO THE COMMENCEMENT OF THE RETAIL
6 INCENTIVE PROGRAM, AND FOR EACH YEAR THEREAFTER THAT THE RETAIL
7 INCENTIVE PROGRAM IS IN EFFECT, THE DEPARTMENT SHALL PUBLISH A
8 NOTICE IN THE PENNSYLVANIA BULLETIN DETAILING THE RETAIL
9 INCENTIVE PROGRAM FOR THAT FISCAL YEAR. THE NOTICE SHALL INCLUDE
10 PROGRAM GOALS, REQUIREMENTS AND THE ASSESSMENT METRICS THAT WILL
11 BE USED FOR MEASURING PROGRAM EFFECTIVENESS. A MODIFICATION IN
12 THE PROGRAM MUST BE SUBMITTED FOR PUBLICATION AS A NOTICE IN THE
13 PENNSYLVANIA BULLETIN.

14 (D) REVIEW.--THE NOTICES UNDER SUBSECTION (C) SHALL NOT BE
15 SUBJECT TO REVIEW UNDER ANY OF THE FOLLOWING:

16 (1) SECTION 205 OF THE ACT OF JULY 31, 1968 (P.L.769,
17 NO.240), REFERRED TO AS THE COMMONWEALTH DOCUMENTS LAW.

18 (2) SECTIONS 204(B) AND 301(10) OF THE ACT OF OCTOBER
19 15, 1980 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH
20 ATTORNEYS ACT.

21 (3) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS
22 THE REGULATORY REVIEW ACT.

23 (E) CONTENTS.--THE RETAIL INCENTIVE PROGRAM SHALL INCLUDE
24 REGULAR AND VARIED INCENTIVES FOR LOTTERY SALES AGENTS TO
25 INCREASE SALES BY A PREDETERMINED PERCENTAGE OVER A BASE PERIOD,
26 INCREASE STATE LOTTERY SIGNAGE, KEEP TICKET DISPLAYS STOCKED,
27 PAY WINNING TICKETS AND ACTIVELY PROMOTE THE SALE OF LOTTERY
28 PRODUCTS.

29 (F) PARTICIPATION.--PARTICIPATION IN THE RETAILER INCENTIVE
30 PROGRAM SHALL BE VOLUNTARY FOR LOTTERY SALES AGENTS.

1 (G) NONLAPSE.--AMOUNTS REMAINING IN THE RETAIL INCENTIVE
2 PROGRAM AT THE END OF A FISCAL YEAR SHALL NOT LAPSE, BUT SHALL
3 BE USED TO FUND RETAIL SALES INITIATIVES, INCLUDING, BUT NOT
4 LIMITED TO, NEW EQUIPMENT, SIGNAGE, TRAINING, COUPONS, CONSUMER
5 AND AGENT IN-STORE PROMOTIONS AND SALES MAKEOVERS, DESIGNED TO
6 IMPROVE IN-STORE MERCHANDISING, FOOT TRAFFIC AND SALES.
7 § 505. LOTTERY SALES ADVISORY COUNCIL.

8 (A) ESTABLISHMENT.--

9 (1) THE DEPARTMENT SHALL ESTABLISH A LOTTERY SALES
10 ADVISORY COUNCIL WHICH SHALL BE COMPRISED OF THE SECRETARY,
11 THE DIRECTOR OF THE DIVISION OF THE STATE LOTTERY, A
12 REPRESENTATIVE FROM THE DEPARTMENT OF AGING OR A SUCCESSOR
13 AGENCY, MEMBERS OF A STATEWIDE FOOD MERCHANTS ASSOCIATION,
14 LOTTERY SALES AGENTS AND ANY OTHER INDIVIDUAL, AT THE
15 DISCRETION OF THE DEPARTMENT.

16 (2) THE LOTTERY SALES ADVISORY COUNCIL SHALL MEET AT
17 TIMES AND IN A MANNER AT THE DEPARTMENT'S DISCRETION FOR THE
18 PURPOSES OF INCREASING THE PARTNERSHIP BETWEEN THE STATE
19 LOTTERY AND LOTTERY SALES AGENTS AND DEVELOPING POLICY
20 RECOMMENDATIONS FOR INCREASED LOTTERY SALES.

21 (3) THE LOTTERY SALES ADVISORY COUNCIL SHALL OPERATE IN
22 AN ADVISORY, NONBINDING CAPACITY.

23 (B) COMPENSATION.--A NON-COMMONWEALTH EMPLOYEE MEMBER OF THE
24 LOTTERY SALES ADVISORY COUNCIL SHALL NOT BE ENTITLED TO ANY FORM
25 OF COMPENSATION FROM THE COMMONWEALTH FOR THE PERFORMANCE OF ANY
26 DUTY THAT MAY BE REQUIRED BY THE LOTTERY SALES ADVISORY COUNCIL.

27 SECTION 2. SECTION 1102 OF TITLE 4 IS AMENDED TO READ:

28 § 1102. LEGISLATIVE INTENT.

29 THE GENERAL ASSEMBLY RECOGNIZES THE FOLLOWING PUBLIC POLICY
30 PURPOSES AND DECLARES THAT THE FOLLOWING OBJECTIVES OF THE

1 COMMONWEALTH ARE TO BE SERVED BY THIS PART:

2 (1) THE PRIMARY OBJECTIVE OF THIS PART TO WHICH ALL
3 OTHER OBJECTIVES AND PURPOSES ARE SECONDARY IS TO PROTECT THE
4 PUBLIC THROUGH THE REGULATION AND POLICING OF ALL ACTIVITIES
5 INVOLVING GAMING AND PRACTICES THAT CONTINUE TO BE UNLAWFUL.

6 (2) THE AUTHORIZATION OF LIMITED GAMING BY THE
7 INSTALLATION AND OPERATION OF SLOT MACHINES AS AUTHORIZED IN
8 THIS PART IS INTENDED TO ENHANCE LIVE HORSE RACING, BREEDING
9 PROGRAMS, ENTERTAINMENT AND EMPLOYMENT IN THIS COMMONWEALTH.

10 (2.1) THE AUTHORIZATION OF TABLE GAMES AND INTERACTIVE
11 GAMING IN THIS PART IS INTENDED TO SUPPLEMENT SLOT MACHINE
12 GAMING BY INCREASING REVENUES TO THE COMMONWEALTH AND
13 PROVIDING NEW EMPLOYMENT OPPORTUNITIES BY CREATING SKILLED
14 JOBS FOR INDIVIDUALS RELATED TO THE CONDUCT OF TABLE GAMES AT
15 LICENSED FACILITIES IN THIS COMMONWEALTH AND RELATED TO THE
16 CONDUCT OF INTERACTIVE GAMING.

17 (3) THE AUTHORIZATION OF LIMITED GAMING IS INTENDED TO
18 PROVIDE A SIGNIFICANT SOURCE OF NEW REVENUE TO THE
19 COMMONWEALTH TO SUPPORT PROPERTY TAX RELIEF, WAGE TAX
20 REDUCTION, ECONOMIC DEVELOPMENT OPPORTUNITIES AND OTHER
21 SIMILAR INITIATIVES.

22 (3.1) THE AUTHORIZATION OF LIMITED GAMING IN THIS
23 COMMONWEALTH IMPACTS THIS COMMONWEALTH AS A WHOLE, INCLUDING
24 THE GEOGRAPHIC REGIONS OF THIS COMMONWEALTH WHERE LICENSED
25 FACILITIES ARE LOCATED. REQUIRING LICENSED FACILITIES TO MAKE
26 ANNUAL PAYMENTS FOR THE PRIVILEGE OF OPERATING IN THIS
27 COMMONWEALTH'S COUNTIES AND MUNICIPALITIES FURTHERS A
28 LEGITIMATE GOVERNMENT INTEREST OF ENSURING BENEFITS TO NOT
29 ONLY THE HOST COUNTY AND HOST MUNICIPALITY BUT THE REGION
30 WHERE THE LICENSED FACILITY IS LOCATED.

1 (3.2) REQUIRING ANNUAL PAYMENTS TO BOTH HOST COUNTIES
2 AND HOST MUNICIPALITIES RECOGNIZES THAT THESE TWO SEPARATE
3 UNITS OF LOCAL GOVERNMENT HAVE SEPARATE GOVERNING BODIES,
4 DIFFERENT JURISDICTIONS AND MAY FACE DISTINCT ISSUES RELATED
5 TO THE AUTHORIZATION OF LIMITED GAMING WITHIN THEIR
6 BOUNDARIES. THIS DISTINCTION APPLIES IN ALL REGIONS, EXCEPT A
7 CITY AND COUNTY OF THE FIRST CLASS, WHICH ARE GOVERNED BY ONE
8 GOVERNING BODY AND WHERE THE TERRITORIAL LIMITS OF THE
9 JURISDICTIONS ARE IDENTICAL AND UNIQUE.

10 (4) THE AUTHORIZATION OF LIMITED GAMING IS INTENDED TO
11 POSITIVELY ASSIST THE COMMONWEALTH'S HORSE RACING INDUSTRY,
12 SUPPORT PROGRAMS INTENDED TO FOSTER AND PROMOTE HORSE
13 BREEDING AND IMPROVE THE LIVING AND WORKING CONDITIONS OF
14 PERSONNEL WHO WORK AND RESIDE IN AND AROUND THE STABLE AND
15 BACKSIDE AREAS OF RACETRACKS.

16 (5) THE AUTHORIZATION OF LIMITED GAMING IS INTENDED TO
17 PROVIDE BROAD ECONOMIC OPPORTUNITIES TO THE CITIZENS OF THIS
18 COMMONWEALTH AND SHALL BE IMPLEMENTED IN SUCH A MANNER AS TO
19 PREVENT POSSIBLE MONOPOLIZATION BY ESTABLISHING REASONABLE
20 RESTRICTIONS ON THE CONTROL OF MULTIPLE LICENSED GAMING
21 FACILITIES IN THIS COMMONWEALTH.

22 (6) THE AUTHORIZATION OF LIMITED GAMING IS INTENDED TO
23 ENHANCE THE FURTHER DEVELOPMENT OF THE TOURISM MARKET
24 THROUGHOUT THIS COMMONWEALTH, INCLUDING, BUT NOT LIMITED TO,
25 YEAR-ROUND RECREATIONAL AND TOURISM LOCATIONS IN THIS
26 COMMONWEALTH.

27 (7) PARTICIPATION IN LIMITED GAMING AUTHORIZED UNDER
28 THIS PART BY ANY LICENSEE [OR], PERMITTEE, REGISTRANT OR
29 CERTIFICATE HOLDER SHALL BE DEEMED A PRIVILEGE, CONDITIONED
30 UPON THE PROPER AND CONTINUED QUALIFICATION OF THE LICENSEE

1 [OR], PERMITTEE, REGISTRANT OR CERTIFICATE HOLDER AND UPON
2 THE DISCHARGE OF THE AFFIRMATIVE RESPONSIBILITY OF EACH
3 LICENSEE, PERMITTEE, REGISTRANT AND CERTIFICATE HOLDER TO
4 PROVIDE THE REGULATORY AND INVESTIGATORY AUTHORITIES OF THE
5 COMMONWEALTH WITH ASSISTANCE AND INFORMATION NECESSARY TO
6 ASSURE THAT THE POLICIES DECLARED BY THIS PART ARE ACHIEVED.

7 (8) STRICTLY MONITORED AND ENFORCED CONTROL OVER ALL
8 LIMITED GAMING AUTHORIZED BY THIS PART SHALL BE PROVIDED
9 THROUGH REGULATION, LICENSING AND APPROPRIATE ENFORCEMENT
10 ACTIONS OF SPECIFIED LOCATIONS, PERSONS, ASSOCIATIONS,
11 PRACTICES, ACTIVITIES, LICENSEES [AND], PERMITTEES,
12 REGISTRANTS AND CERTIFICATE HOLDERS.

13 (9) STRICT FINANCIAL MONITORING AND CONTROLS SHALL BE
14 ESTABLISHED AND ENFORCED BY ALL LICENSEES [OR], PERMITTEES,
15 REGISTRANTS AND CERTIFICATE HOLDERS.

16 (10) THE PUBLIC INTEREST OF THE CITIZENS OF THIS
17 COMMONWEALTH AND THE SOCIAL EFFECT OF GAMING SHALL BE TAKEN
18 INTO CONSIDERATION IN ANY DECISION OR ORDER MADE PURSUANT TO
19 THIS PART.

20 (10.1) THE GENERAL ASSEMBLY HAS A COMPELLING INTEREST IN
21 PROTECTING THE INTEGRITY OF BOTH THE ELECTORAL PROCESS AND
22 THE LEGISLATIVE PROCESS BY PREVENTING CORRUPTION AND THE
23 APPEARANCE OF CORRUPTION WHICH MAY ARISE THROUGH PERMITTING
24 ANY TYPE OF POLITICAL CAMPAIGN CONTRIBUTIONS BY CERTAIN
25 PERSONS INVOLVED IN THE GAMING INDUSTRY AND REGULATED UNDER
26 THIS PART.

27 (10.2) BANNING ALL TYPES OF POLITICAL CAMPAIGN
28 CONTRIBUTIONS BY CERTAIN PERSONS SUBJECT TO THIS PART IS
29 NECESSARY TO PREVENT CORRUPTION AND THE APPEARANCE OF
30 CORRUPTION THAT MAY ARISE WHEN POLITICAL CAMPAIGN

1 CONTRIBUTIONS AND GAMING REGULATED UNDER THIS PART ARE
2 INTERMINGLED.

3 (11) IT IS NECESSARY TO MAINTAIN THE INTEGRITY OF THE
4 REGULATORY CONTROL AND LEGISLATIVE OVERSIGHT OVER THE
5 OPERATION AND PLAY OF SLOT MACHINES [AND], TABLE GAMES AND
6 INTERACTIVE GAMING IN THIS COMMONWEALTH; TO ENSURE THE
7 BIPARTISAN ADMINISTRATION OF THIS PART; AND AVOID ACTIONS
8 THAT MAY ERODE PUBLIC CONFIDENCE IN THE SYSTEM OF
9 REPRESENTATIVE GOVERNMENT.

10 (12) IT IS THE INTENT OF THE GENERAL ASSEMBLY TO
11 AUTHORIZE THE OPERATION AND PLAY OF SLOT MACHINES [AND], TABLE GAMES AND INTERACTIVE GAMING UNDER A SINGLE SLOT
12 MACHINE LICENSE ISSUED TO A SLOT MACHINE LICENSEE WHEN A SLOT
13 MACHINE LICENSEE HAS BEEN ISSUED A TABLE GAME OPERATION
14 CERTIFICATE AND AN INTERACTIVE GAMING CERTIFICATE UNDER THIS
15 PART.
16

17 (12.1) THE CONTINUED GROWTH AND SUCCESS OF THE
18 COMMERCIAL GAMING INDUSTRY IN THIS COMMONWEALTH IS DEPENDENT
19 UPON A REGULATORY ENVIRONMENT WHICH PROMOTES AND FOSTERS
20 TECHNOLOGICAL ADVANCES AND ENCOURAGES THE DEVELOPMENT AND
21 DELIVERY OF INNOVATIVE GAMING PRODUCTS.

22 (12.2) IT IS ALSO THE INTENT OF THE GENERAL ASSEMBLY TO
23 ENSURE THE SUSTAINABILITY AND COMPETITIVENESS OF THE
24 COMMERCIAL GAMING INDUSTRY IN THIS COMMONWEALTH BY
25 AUTHORIZING INTERACTIVE GAMING, THE OPERATION OF MULTISTATE
26 WIDE-AREA PROGRESSIVE SLOT MACHINES, SKILL AND HYBRID SLOT
27 MACHINES.

28 (12.3) IT IS ALSO THE INTENT OF THE GENERAL ASSEMBLY TO
29 AUTHORIZE THE OPERATION AND PLAY OF INTERACTIVE GAMING IN
30 CONFORMANCE WITH FEDERAL LAW, INCLUDING THE UNLAWFUL INTERNET

1 GAMBLING ENFORCEMENT ACT OF 2006 (TITLE VIII OF PUBLIC LAW
2 109-347, 31 U.S.C. §§ 5361-5367).

3 (12.4) IT IS ALSO THE INTENT OF THE GENERAL ASSEMBLY TO
4 AUTHORIZE SPORTS WAGERING WHEN FEDERAL LAW IS ENACTED OR
5 REPEALED OR A FEDERAL COURT DECISION IS FILED THAT PERMITS A
6 STATE TO REGULATE SPORTS WAGERING.

7 (12.5) IT IS FURTHER THE INTENT OF THE GENERAL ASSEMBLY
8 TO:

9 (I) AUCTION CATEGORY 4 LOCATIONS AND THE RIGHT TO
10 APPLY FOR CATEGORY 4 LOCATIONS IN THIS COMMONWEALTH TO
11 ENSURE THE SUSTAINABILITY AND COMPETITIVENESS OF THE
12 COMMERCIAL GAMING INDUSTRY.

13 (II) AUTHORIZE CATEGORY 4 LOCATIONS IN A MANNER TO
14 AVOID THE CANNIBALIZATION OF EXISTING COMMERCIAL GAMING
15 LOCATIONS.

16 (13) THE AUTHORIZATION OF LIMITED GAMING IN THIS
17 COMMONWEALTH REQUIRES THE COMMONWEALTH TO TAKE STEPS TO
18 INCREASE AWARENESS OF COMPULSIVE AND PROBLEM GAMBLING AND TO
19 DEVELOP AND IMPLEMENT EFFECTIVE STRATEGIES FOR PREVENTION,
20 ASSESSMENT AND TREATMENT OF THIS BEHAVIORAL DISORDER.

21 (14) RESEARCH INDICATES THAT [FOR SOME INDIVIDUALS]
22 COMPULSIVE AND PROBLEM GAMBLING AND DRUG AND ALCOHOL
23 ADDICTION ARE RELATED. THEREFORE, THE GENERAL ASSEMBLY
24 INTENDS TO ESTABLISH AN APPROACH TO COMPULSIVE AND PROBLEM
25 GAMBLING PREVENTION, ASSESSMENT AND TREATMENT THAT WILL
26 ENSURE THE PROVISION OF ADEQUATE RESOURCES TO IDENTIFY,
27 ASSESS AND TREAT BOTH COMPULSIVE AND PROBLEM GAMBLING AND
28 DRUG AND ALCOHOL ADDICTION.

29 SECTION 3. THE DEFINITIONS OF "ASSOCIATED EQUIPMENT," "CASH
30 EQUIVALENT," "CHEAT," "CHEATING OR THIEVING DEVICE,"

1 "COMMISSION" OR "COMMISSIONS," "CONDUCT OF GAMING," "CONTEST,"
2 "COUNTERFEIT CHIP," "GAMING EMPLOYEE," "GAMING SCHOOL," "GAMING
3 SERVICE PROVIDER," "KEY EMPLOYEE," "LICENSED FACILITY,"
4 "LICENSED RACING ENTITY," "MANUFACTURER," "MANUFACTURER
5 LICENSE," "NET TERMINAL REVENUE," "PLAYER," "PROGRESSIVE
6 PAYOUT," "PROGRESSIVE SYSTEM," "RACE HORSE INDUSTRY REFORM ACT,"
7 "SLOT MACHINE," "STATE GAMING RECEIPTS," "SUPPLIER," "SUPPLIER
8 LICENSE," "TABLE GAME" AND "TABLE GAME DEVICE" IN SECTION 1103
9 OF TITLE 4 ARE AMENDED AND THE SECTION IS AMENDED BY ADDING
10 DEFINITIONS TO READ:

11 § 1103. DEFINITIONS.

12 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS PART SHALL
13 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
14 CONTEXT CLEARLY INDICATES OTHERWISE:

15 * * *

16 "AIRPORT AUTHORITY." ANY OF THE FOLLOWING:

17 (1) THE GOVERNING BODY OF A MUNICIPAL AUTHORITY
18 ORGANIZED AND INCORPORATED TO OVERSEE THE OPERATIONS OF A
19 QUALIFIED AIRPORT UNDER 53 PA.C.S. CH. 56 (RELATING TO
20 MUNICIPAL AUTHORITIES); OR

21 (2) A CITY OF THE FIRST CLASS THAT REGULATES THE USE AND
22 CONTROL OF A QUALIFIED AIRPORT LOCATED PARTIALLY IN A COUNTY
23 OF THE FIRST CLASS AND PARTIALLY IN A COUNTY CONTIGUOUS TO A
24 COUNTY OF THE FIRST CLASS.

25 "AIRPORT GAMING AREA." A LOCATION OR LOCATIONS WITHIN A
26 QUALIFIED AIRPORT APPROVED BY THE AIRPORT AUTHORITY AND THE
27 PENNSYLVANIA GAMING CONTROL BOARD FOR THE CONDUCT OF INTERACTIVE
28 GAMING THROUGH THE USE OF MULTI-USE COMPUTING DEVICES BY
29 ELIGIBLE PASSENGERS.

30 * * *

1 "ASSOCIATED EQUIPMENT." ANY EQUIPMENT OR MECHANICAL,
2 ELECTROMECHANICAL OR ELECTRONIC CONTRIVANCE, COMPONENT OR
3 MACHINE USED IN CONNECTION WITH SLOT MACHINES OR TABLE GAMES,
4 INCLUDING LINKING DEVICES WHICH CONNECT TO PROGRESSIVE SLOT
5 MACHINES AND MULTISTATE WIDE-AREA PROGRESSIVE SLOT MACHINES OR
6 SLOT [MACHINES, REPLACEMENT] MACHINE REPLACEMENT PARTS,
7 EQUIPMENT WHICH AFFECTS THE PROPER REPORTING AND COUNTING OF
8 GROSS TERMINAL REVENUE [AND] GROSS TABLE GAME REVENUE AND GROSS
9 INTERACTIVE GAMING REVENUE, COMPUTERIZED SYSTEMS FOR CONTROLLING
10 AND MONITORING SLOT MACHINES [OR] TABLE GAMES OR INTERACTIVE
11 GAMES, INCLUDING, BUT NOT LIMITED TO, THE CENTRAL CONTROL
12 COMPUTER TO WHICH ALL SLOT MACHINES COMMUNICATE [AND] DEVICES
13 FOR WEIGHING OR COUNTING MONEY[.] AND INTERACTIVE GAMING DEVICES
14 NECESSARY FOR THE OPERATION OF INTERACTIVE GAMES AS APPROVED BY
15 THE PENNSYLVANIA GAMING CONTROL BOARD. THE TERM SHALL NOT
16 INCLUDE COUNT ROOM EQUIPMENT.

17 "AUCTION." A PUBLIC MEETING OF THE BOARD TO RECEIVE AND OPEN
18 SEALED BIDS SUBMITTED IN ACCORDANCE WITH SECTION 1305.2
19 (RELATING TO CONDUCT OF AUCTIONS).

20 * * *

21 "AUTHORIZED INTERACTIVE GAME." AN INTERACTIVE GAME APPROVED
22 BY REGULATION OF THE PENNSYLVANIA GAMING CONTROL BOARD TO BE
23 SUITABLE FOR INTERACTIVE GAMING OFFERED BY AN INTERACTIVE GAMING
24 CERTIFICATE HOLDER OR AN INTERACTIVE GAMING OPERATOR ON BEHALF
25 OF AN INTERACTIVE GAMING CERTIFICATE HOLDER IN ACCORDANCE WITH
26 CHAPTER 13B (RELATING TO INTERACTIVE GAMING). THE TERM SHALL
27 INCLUDE ANY INTERACTIVE GAME APPROVED BY REGULATION OF THE
28 PENNSYLVANIA CONTROL BOARD TO BE SUITABLE FOR INTERACTIVE GAMING
29 THROUGH THE USE OF A MULTI-USE COMPUTING DEVICE.

30 * * *

1 "BID." AN OFFER TO PAY FOR THE RIGHT TO SELECT A CATEGORY 4
2 LOCATION AND APPLY FOR A CATEGORY 4 SLOT MACHINE LICENSE.

3 * * *

4 "CASH EQUIVALENT." AN ASSET THAT IS READILY CONVERTIBLE TO
5 CASH, INCLUDING, BUT NOT LIMITED TO, ANY OF THE FOLLOWING:

6 (1) CHIPS OR TOKENS.

7 (2) TRAVELERS CHECKS.

8 (3) FOREIGN CURRENCY AND COIN.

9 (4) CERTIFIED CHECKS, CASHIER'S CHECKS AND MONEY ORDERS.

10 (5) PERSONAL CHECKS OR DRAFTS.

11 (6) A NEGOTIABLE INSTRUMENT APPLIED AGAINST CREDIT
12 EXTENDED BY A CERTIFICATE HOLDER, AN INTERACTIVE GAMING
13 CERTIFICATE HOLDER, AN INTERACTIVE GAMING OPERATOR OR A
14 FINANCIAL INSTITUTION.

15 (6.1) A PREPAID ACCESS INSTRUMENT.

16 (7) ANY OTHER INSTRUMENT OR REPRESENTATION OF VALUE THAT
17 THE PENNSYLVANIA GAMING CONTROL BOARD DEEMS A CASH
18 EQUIVALENT.

19 "CATEGORY 4 LOCATION." A SPECIFIC GEOGRAPHIC POINT
20 ESTABLISHED BY GEOGRAPHIC COORDINATES IN THIS COMMONWEALTH WITH
21 A 15-LINEAR MILE RADIUS.

22 * * *

23 "CHEAT." TO DEFRAUD OR STEAL FROM ANY PLAYER, SLOT MACHINE
24 LICENSEE OR THE COMMONWEALTH WHILE OPERATING OR PLAYING A SLOT
25 MACHINE [OR], TABLE GAME[,] OR AUTHORIZED INTERACTIVE GAME,
26 INCLUDING CAUSING, AIDING, ABETTING OR CONSPIRING WITH ANOTHER
27 PERSON TO DO SO. THE TERM SHALL ALSO MEAN TO ALTER OR CAUSING,
28 AIDING, ABETTING OR CONSPIRING WITH ANOTHER PERSON TO ALTER THE
29 ELEMENTS OF CHANCE, METHOD OF SELECTION OR CRITERIA WHICH
30 DETERMINE:

1 (1) THE RESULT OF A SLOT MACHINE GAME [OR] TABLE GAME
2 OR AUTHORIZED INTERACTIVE GAME.

3 (2) THE AMOUNT OR FREQUENCY OF PAYMENT IN A SLOT MACHINE
4 GAME [OR] TABLE GAME OR AUTHORIZED INTERACTIVE GAME.

5 (3) THE VALUE OF A WAGERING INSTRUMENT.

6 (4) THE VALUE OF A WAGERING CREDIT.

7 THE TERM DOES NOT INCLUDE ALTERING A SLOT MACHINE, TABLE GAME
8 DEVICE OR ASSOCIATED EQUIPMENT OR INTERACTIVE GAMING DEVICE OR
9 ASSOCIATED EQUIPMENT FOR MAINTENANCE OR REPAIR WITH THE APPROVAL
10 OF A SLOT MACHINE LICENSEE.

11 "CHEATING OR THIEVING DEVICE." A DEVICE, SOFTWARE OR
12 HARDWARE USED OR POSSESSED WITH THE INTENT TO BE USED TO CHEAT
13 DURING THE OPERATION OR PLAY OF ANY SLOT MACHINE [OR] TABLE
14 GAME OR AUTHORIZED INTERACTIVE GAME. THE TERM SHALL ALSO INCLUDE
15 ANY DEVICE USED TO ALTER A SLOT MACHINE [OR] A TABLE GAME
16 DEVICE OR ASSOCIATED EQUIPMENT, AN AUTHORIZED INTERACTIVE GAME
17 OR INTERACTIVE GAMING DEVICE OR ASSOCIATED EQUIPMENT WITHOUT THE
18 SLOT MACHINE LICENSEE'S APPROVAL.

19 * * *

20 ["COMMISSION" OR "COMMISSIONS."] "COMMISSION." THE STATE
21 HORSE RACING COMMISSION [OR THE STATE HARNESS RACING COMMISSION,
22 OR BOTH AS THE CONTEXT MAY REQUIRE.] AS DEFINED IN 3 PA.C.S. §
23 9301 (RELATING TO DEFINITIONS).

24 "COMMUNICATIONS TECHNOLOGY." ANY METHOD USED AND THE
25 COMPONENTS EMPLOYED TO FACILITATE THE TRANSMISSION AND RECEIPT
26 OF INFORMATION, INCLUDING TRANSMISSION AND RECEPTION BY SYSTEMS
27 USING WIRE, WIRELESS, CABLE, RADIO, MICROWAVE, LIGHT, FIBER
28 OPTICS, SATELLITE OR COMPUTER DATA NETWORKS, INCLUDING THE
29 INTERNET AND INTRANETS.

30 * * *

1 "CONCESSION OPERATOR." A PERSON ENGAGED IN THE SALE OR
2 OFFERING FOR SALE OF CONSUMER GOODS OR SERVICES TO THE PUBLIC AT
3 A QUALIFIED AIRPORT, OR AUTHORIZED TO CONDUCT OTHER COMMERCIAL
4 ACTIVITIES RELATED TO PASSENGER SERVICES AT A QUALIFIED AIRPORT,
5 IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF AN AGREEMENT OR
6 CONTRACT WITH AN AIRPORT AUTHORITY, GOVERNMENT ENTITY OR OTHER
7 PERSON.

8 "CONDUCT OF GAMING." THE LICENSED PLACEMENT, OPERATION AND
9 PLAY OF SLOT MACHINES [AND], TABLE GAMES AND INTERACTIVE GAMES
10 AND CASINO SIMULCASTING UNDER THIS PART, AS AUTHORIZED AND
11 APPROVED BY THE PENNSYLVANIA GAMING CONTROL BOARD. THE TERM
12 SHALL INCLUDE THE LICENSED PLACEMENT, OPERATION AND PLAY OF
13 AUTHORIZED INTERACTIVE GAMES THROUGH THE USE OF MULTI-USE
14 COMPUTING DEVICES AT A QUALIFIED AIRPORT UNDER SUBCHAPTER B.1 OF
15 CHAPTER 13B (RELATING TO MULTI-USE COMPUTING DEVICES).

16 "CONTEST." A SLOT MACHINE, TABLE GAME OR AUTHORIZED
17 INTERACTIVE GAME COMPETITION AMONG PLAYERS FOR CASH, CASH
18 EQUIVALENTS OR PRIZES.

19 * * *

20 "COUNTERFEIT CHIP." ANY OBJECT OR THING THAT IS:

21 (1) USED OR INTENDED TO BE USED TO PLAY A TABLE GAME AT
22 A CERTIFICATE HOLDER'S LICENSED FACILITY AND WHICH WAS NOT
23 ISSUED BY THAT CERTIFICATE HOLDER FOR SUCH USE; [OR]

24 (2) PRESENTED TO A CERTIFICATE HOLDER FOR REDEMPTION IF
25 THE OBJECT WAS NOT ISSUED BY THE CERTIFICATE HOLDER[.];

26 (3) USED OR INTENDED TO BE USED TO PLAY AN AUTHORIZED
27 INTERACTIVE GAME WHICH WAS NOT APPROVED BY THE INTERACTIVE
28 GAMING CERTIFICATE HOLDER FOR SUCH USE; OR

29 (4) PRESENTED DURING PLAY OF AN AUTHORIZED INTERACTIVE
30 GAME FOR REDEMPTION, IF THE OBJECT OR THING WAS NOT ISSUED BY

1 THE INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE
2 GAMING OPERATOR.

3 * * *

4 "ELIGIBLE PASSENGER." AN INDIVIDUAL 21 YEARS OF AGE OR OLDER
5 WHO HAS CLEARED SECURITY CHECK POINTS WITH A VALID AIRLINE
6 BOARDING PASS FOR TRAVEL FROM ONE DESTINATION TO ANOTHER BY
7 AIRPLANE.

8 * * *

9 "GAMING EMPLOYEE." ANY EMPLOYEE OF A SLOT MACHINE LICENSEE,
10 INCLUDING, BUT NOT LIMITED TO:

11 (1) CASHIERS.

12 (2) CHANGE PERSONNEL.

13 (3) COUNT ROOM PERSONNEL.

14 (4) SLOT ATTENDANTS.

15 (5) HOSTS OR OTHER INDIVIDUALS AUTHORIZED TO EXTEND
16 COMPLIMENTARY SERVICES, INCLUDING EMPLOYEES PERFORMING
17 FUNCTIONS SIMILAR TO THOSE PERFORMED BY A GAMING JUNKET
18 REPRESENTATIVE.

19 (6) MACHINE MECHANICS, COMPUTER MACHINE TECHNICIANS OR
20 TABLE GAME DEVICE TECHNICIANS.

21 (7) SECURITY PERSONNEL.

22 (8) SURVEILLANCE PERSONNEL.

23 (9) PROMOTIONAL PLAY SUPERVISORS, CREDIT SUPERVISORS,
24 PIT SUPERVISORS, CASHIER SUPERVISORS, SHIFT SUPERVISORS,
25 TABLE GAME MANAGERS AND ASSISTANT MANAGERS AND OTHER
26 SUPERVISORS AND MANAGERS, EXCEPT FOR THOSE SPECIFICALLY
27 IDENTIFIED IN THIS PART AS KEY EMPLOYEES.

28 (10) BOXMEN.

29 (11) DEALERS OR CROUPIERS.

30 (12) FLOORMEN.

1 (13) PERSONNEL AUTHORIZED TO ISSUE PROMOTIONAL PLAY.

2 (14) PERSONNEL AUTHORIZED TO ISSUE CREDIT.

3 THE TERM SHALL INCLUDE EMPLOYEES OF A PERSON HOLDING A
4 SUPPLIER'S LICENSE WHOSE DUTIES ARE DIRECTLY INVOLVED WITH THE
5 REPAIR OR DISTRIBUTION OF SLOT MACHINES, TABLE GAME DEVICES OR
6 ASSOCIATED EQUIPMENT OR INTERACTIVE GAMING DEVICES OR ASSOCIATED
7 EQUIPMENT SOLD OR PROVIDED TO A LICENSED FACILITY WITHIN THIS
8 COMMONWEALTH AS DETERMINED BY THE PENNSYLVANIA GAMING CONTROL
9 BOARD. THE TERM SHALL FURTHER INCLUDE EMPLOYEES OF A PERSON
10 AUTHORIZED BY THE BOARD TO SUPPLY GOODS AND SERVICES RELATED TO
11 INTERACTIVE GAMING OR ANY SUBCONTRACTOR OR AN EMPLOYEE OF A
12 SUBCONTRACTOR THAT SUPPLIES INTERACTIVE GAMING DEVICES,
13 INCLUDING MULTI-USE COMPUTING DEVICES, OR ASSOCIATED EQUIPMENT
14 TO AN INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE
15 GAMING OPERATOR WHO ARE DIRECTLY INVOLVED IN THE OPERATIONS OF
16 INTERACTIVE GAMING. THE TERM DOES NOT INCLUDE BARTENDERS,
17 COCKTAIL SERVERS OR OTHER PERSONS ENGAGED SOLELY IN PREPARING OR
18 SERVING FOOD OR BEVERAGES, CLERICAL OR SECRETARIAL PERSONNEL,
19 PARKING ATTENDANTS, JANITORIAL, STAGE, SOUND AND LIGHT
20 TECHNICIANS AND OTHER NONGAMING PERSONNEL AS DETERMINED BY THE
21 BOARD.

22 "GAMING FLOOR." ANY PORTION OF A LICENSED FACILITY WHERE
23 SLOT MACHINES OR TABLE GAMES HAVE BEEN INSTALLED FOR USE OR
24 PLAY.

25 * * *

26 "GAMING-RELATED RESTRICTED AREA." ANY ROOM OR AREA OF A
27 LICENSED FACILITY WHICH IS SPECIFICALLY DESIGNATED BY THE
28 PENNSYLVANIA GAMING CONTROL BOARD AS RESTRICTED OR BY THE SLOT
29 MACHINE LICENSEE AS RESTRICTED IN ITS BOARD-APPROVED INTERNAL
30 CONTROLS.

1 * * *

2 "GAMING SCHOOL." ANY EDUCATIONAL INSTITUTION APPROVED BY THE
3 DEPARTMENT OF EDUCATION AS AN ACCREDITED COLLEGE OR UNIVERSITY,
4 COMMUNITY COLLEGE, PENNSYLVANIA PRIVATE LICENSED SCHOOL OR ITS
5 EQUIVALENT AND WHOSE CURRICULUM GUIDELINES ARE APPROVED BY THE
6 DEPARTMENT OF LABOR AND INDUSTRY TO PROVIDE EDUCATION AND JOB
7 TRAINING RELATED TO EMPLOYMENT OPPORTUNITIES ASSOCIATED WITH
8 SLOT MACHINES [OR], TABLE GAMES OR INTERACTIVE GAMES, INCLUDING
9 SLOT MACHINE, TABLE GAME DEVICE AND ASSOCIATED EQUIPMENT
10 MAINTENANCE AND REPAIR AND INTERACTIVE GAMING DEVICES AND
11 ASSOCIATED EQUIPMENT MAINTENANCE AND REPAIR.

12 "GAMING SERVICE PROVIDER." A PERSON THAT IS NOT REQUIRED TO
13 BE LICENSED AS A MANUFACTURER, SUPPLIER, MANAGEMENT COMPANY OR
14 GAMING JUNKET ENTERPRISE UNDER THIS PART AND:

15 (1) PROVIDES GOODS OR SERVICES, INCLUDING, BUT NOT
16 LIMITED TO, COUNT ROOM EQUIPMENT, TO A SLOT MACHINE LICENSEE
17 OR AN APPLICANT FOR A SLOT MACHINE LICENSE FOR USE IN THE
18 OPERATION OF A LICENSED FACILITY; [OR] AND

19 (2) PROVIDES GOODS OR SERVICES [AT] TO A SLOT MACHINE
20 LICENSEE OR AN APPLICANT FOR A SLOT MACHINE LICENSE THAT
21 REQUIRES ACCESS TO THE GAMING FLOOR OR A GAMING-RELATED
22 RESTRICTED AREA OF A LICENSED FACILITY.

23 "GROSS INTERACTIVE AIRPORT GAMING REVENUE." THE FOLLOWING
24 SHALL APPLY:

25 (1) REVENUE SHALL BE THE TOTAL OF ALL CASH OR CASH
26 EQUIVALENT WAGERS PAID BY AN ELIGIBLE PASSENGER TO AN
27 INTERACTIVE GAMING CERTIFICATE HOLDER AT A QUALIFIED AIRPORT
28 THROUGH THE USE OF MULTI-USE COMPUTING DEVICES IN
29 CONSIDERATION FOR THE PLAY OF AUTHORIZED INTERACTIVE GAMES AT
30 A QUALIFIED AIRPORT THROUGH THE USE OF MULTI-USE COMPUTING

1 DEVICES, INCLUDING CASH RECEIVED AS ENTRY FEES FOR CONTESTS
2 OR TOURNAMENTS, MINUS:

3 (I) THE TOTAL OF CASH OR CASH EQUIVALENTS PAID OUT
4 TO AN ELIGIBLE PASSENGER AS WINNINGS.

5 (II) THE ACTUAL COST PAID BY THE INTERACTIVE GAMING
6 CERTIFICATE HOLDER AT A QUALIFIED AIRPORT THROUGH THE USE
7 OF MULTI-USE COMPUTING DEVICES FOR PERSONAL PROPERTY
8 DISTRIBUTED TO A PLAYER AS A RESULT OF PLAYING AN
9 AUTHORIZED INTERACTIVE GAME. THIS SUBPARAGRAPH DOES NOT
10 INCLUDE TRAVEL EXPENSES, FOOD, REFRESHMENTS, LODGING OR
11 SERVICES.

12 (2) AMOUNTS DEPOSITED WITH AN INTERACTIVE GAMING
13 CERTIFICATE HOLDER FOR PURPOSES OF INTERACTIVE GAMING AT A
14 QUALIFIED AIRPORT THROUGH THE USE OF MULTI-USE COMPUTING
15 DEVICES AND AMOUNTS TAKEN IN FRAUDULENT ACTS PERPETRATED
16 AGAINST AN INTERACTIVE GAMING CERTIFICATE HOLDER FOR WHICH
17 THE INTERACTIVE GAMING CERTIFICATE HOLDER IS NOT REIMBURSED
18 AND SHALL NOT BE CONSIDERED TO HAVE BEEN PAID TO THE
19 INTERACTIVE GAMING CERTIFICATE HOLDER FOR PURPOSES OF
20 CALCULATING GROSS INTERACTIVE AIRPORT GAMING REVENUE.
21 "GROSS INTERACTIVE GAMING REVENUE." AS FOLLOWS:

22 (1) THE TOTAL OF ALL CASH OR CASH EQUIVALENT WAGERS PAID
23 BY REGISTERED PLAYERS TO AN INTERACTIVE GAMING CERTIFICATE
24 HOLDER IN CONSIDERATION FOR THE PLAY OF AUTHORIZED
25 INTERACTIVE GAMES, INCLUDING CASH RECEIVED AS ENTRY FEES FOR
26 CONTESTS OR TOURNAMENTS, MINUS:

27 (I) THE TOTAL OF CASH OR CASH EQUIVALENTS PAID OUT
28 TO REGISTERED PLAYERS AS WINNINGS.

29 (II) THE ACTUAL COST PAID BY THE INTERACTIVE GAMING
30 CERTIFICATE HOLDER FOR ANY PERSONAL PROPERTY DISTRIBUTED

1 TO A PLAYER AS A RESULT OF PLAYING AN AUTHORIZED
2 INTERACTIVE GAME. THIS SUBPARAGRAPH DOES NOT INCLUDE
3 TRAVEL EXPENSES, FOOD, REFRESHMENTS, LODGING OR SERVICES.

4 (2) AMOUNTS DEPOSITED WITH AN INTERACTIVE GAMING
5 CERTIFICATE HOLDER FOR PURPOSES OF INTERACTIVE GAMING AND
6 AMOUNTS TAKEN IN FRAUDULENT ACTS PERPETRATED AGAINST AN
7 INTERACTIVE GAMING CERTIFICATE HOLDER FOR WHICH THE
8 INTERACTIVE GAMING CERTIFICATE HOLDER IS NOT REIMBURSED SHALL
9 NOT BE CONSIDERED TO HAVE BEEN PAID TO THE INTERACTIVE GAMING
10 CERTIFICATE HOLDER FOR PURPOSES OF CALCULATING GROSS
11 INTERACTIVE GAMING REVENUE.

12 * * *

13 "HYBRID SLOT MACHINE." A SLOT MACHINE IN WHICH A COMBINATION
14 OF THE SKILL OF THE PLAYER AND ELEMENTS OF CHANCE AFFECTS THE
15 OUTCOME OF THE GAME.

16 * * *

17 "INITIAL AUCTION." AN AUCTION AT WHICH A CATEGORY 1 AND
18 CATEGORY 2 SLOT MACHINE LICENSEE MAY SUBMIT A BID.

19 * * *

20 "INTERACTIVE GAME." ANY GAMBLING GAME OFFERED THROUGH THE
21 USE OF COMMUNICATIONS TECHNOLOGY THAT ALLOWS A PERSON, UTILIZING
22 MONEY, CHECKS, ELECTRONIC CHECKS, ELECTRONIC TRANSFERS OF MONEY,
23 CREDIT CARDS OR ANY OTHER INSTRUMENTALITY TO TRANSMIT ELECTRONIC
24 INFORMATION TO ASSIST IN THE PLACEMENT OF A BET OR WAGER AND
25 CORRESPONDING INFORMATION RELATED TO THE DISPLAY OF THE GAME,
26 GAME OUTCOMES OR OTHER SIMILAR INFORMATION. THE TERM SHALL NOT
27 INCLUDE:

28 (1) A LOTTERY GAME OR INTERNET INSTANT GAME AS DEFINED
29 IN THE ACT OF AUGUST 26, 1971 (P.L.351, NO.91), KNOWN AS THE
30 STATE LOTTERY LAW.

1 (2) ILOTTERY UNDER CHAPTER 5 (RELATING TO LOTTERY).

2 (3) A NONGAMBLING GAME THAT DOES NOT OTHERWISE REQUIRE A
3 LICENSE UNDER THE LAWS OF THIS COMMONWEALTH.

4 (4) A FANTASY CONTEST UNDER CHAPTER 3 (RELATING TO
5 FANTASY CONTESTS).

6 "INTERACTIVE GAMING." THE PLACING OF WAGERS WITH AN
7 INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE GAMING
8 OPERATOR USING A COMPUTER NETWORK OF BOTH FEDERAL AND NON-
9 FEDERAL INTEROPERABLE PACKET SWITCHED DATA NETWORKS THROUGH
10 WHICH AN INTERACTIVE GAMING CERTIFICATE HOLDER MAY OFFER
11 AUTHORIZED INTERACTIVE GAMES TO REGISTERED PLAYERS. THE TERM
12 SHALL INCLUDE THE PLACING OF WAGERS THROUGH THE USE OF A MULTI-
13 USE COMPUTING DEVICE.

14 "INTERACTIVE GAMING ACCOUNT." THE FORMAL, ELECTRONIC SYSTEM
15 IMPLEMENTED BY AN INTERACTIVE GAMING CERTIFICATE HOLDER TO
16 RECORD THE BALANCE OF A REGISTERED PLAYER'S DEBITS, CREDITS AND
17 OTHER FINANCIAL ACTIVITY RELATED TO INTERACTIVE GAMING.

18 "INTERACTIVE GAMING ACCOUNT AGREEMENT." AN AGREEMENT ENTERED
19 INTO BETWEEN AN INTERACTIVE GAMING CERTIFICATE HOLDER AND A
20 REGISTERED PLAYER WHICH GOVERNS THE TERMS AND CONDITIONS OF THE
21 REGISTERED PLAYER'S INTERACTIVE GAMING ACCOUNT AND THE USE OF
22 THE INTERNET FOR PURPOSES OF PLACING WAGERS ON AUTHORIZED
23 INTERACTIVE GAMES OPERATED BY AN INTERACTIVE GAMING CERTIFICATE
24 HOLDER OR INTERACTIVE GAMING OPERATOR.

25 "INTERACTIVE GAMING AGREEMENT." AN AGREEMENT ENTERED INTO BY
26 OR BETWEEN AN INTERACTIVE GAMING CERTIFICATE HOLDER AND AN
27 INTERACTIVE GAMING OPERATOR RELATED TO THE OFFERING OR OPERATION
28 OF INTERACTIVE GAMING OR AN INTERACTIVE GAMING SYSTEM BY THE
29 INTERACTIVE GAMING OPERATOR ON BEHALF OF THE INTERACTIVE GAMING
30 CERTIFICATE HOLDER. THE TERM SHALL INCLUDE AN INTERACTIVE GAMING

1 AGREEMENT ENTERED INTO BETWEEN AN INTERACTIVE GAMING CERTIFICATE
2 HOLDER AND AN INTERACTIVE GAMING OPERATOR FOR THE CONDUCT OF
3 INTERACTIVE GAMING THROUGH THE USE OF MULTI-USE COMPUTING
4 DEVICES AT A QUALIFIED AIRPORT IN ACCORDANCE WITH CHAPTER 13B
5 (RELATING TO INTERACTIVE GAMING).

6 "INTERACTIVE GAMING CERTIFICATE." THE AUTHORIZATION ISSUED
7 TO A SLOT MACHINE LICENSEE BY THE PENNSYLVANIA GAMING CONTROL
8 BOARD AUTHORIZING THE OPERATION AND CONDUCT OF INTERACTIVE
9 GAMING BY A SLOT MACHINE LICENSEE IN ACCORDANCE WITH CHAPTER 13B
10 (RELATING TO INTERACTIVE GAMING).

11 "INTERACTIVE GAMING CERTIFICATE HOLDER." A SLOT MACHINE
12 LICENSEE THAT HAS BEEN GRANTED AUTHORIZATION BY THE PENNSYLVANIA
13 GAMING CONTROL BOARD TO OPERATE INTERACTIVE GAMING IN ACCORDANCE
14 WITH CHAPTER 13B (RELATING TO INTERACTIVE GAMING).

15 "INTERACTIVE GAMING DEVICE." ALL HARDWARE AND SOFTWARE AND
16 OTHER TECHNOLOGY, EQUIPMENT OR DEVICE OF ANY KIND AS DETERMINED
17 BY THE PENNSYLVANIA GAMING CONTROL BOARD TO BE NECESSARY FOR THE
18 CONDUCT OF AUTHORIZED INTERACTIVE GAMES.

19 "INTERACTIVE GAMING LICENSE." A LICENSE ISSUED TO AN
20 INTERACTIVE GAMING OPERATOR BY THE PENNSYLVANIA GAMING CONTROL
21 BOARD UNDER CHAPTER 13B (RELATING TO INTERACTIVE GAMING).

22 "INTERACTIVE GAMING OPERATOR." A PERSON LICENSED BY THE
23 PENNSYLVANIA GAMING CONTROL BOARD TO OPERATE INTERACTIVE GAMING
24 OR AN INTERACTIVE GAMING SYSTEM ON BEHALF OF AN INTERACTIVE
25 GAMING CERTIFICATE HOLDER. THE TERM SHALL INCLUDE A PERSON THAT
26 HAS RECEIVED CONDITIONAL AUTHORIZATION UNDER SECTION 13B14
27 (RELATING TO INTERACTIVE GAMING OPERATORS) FOR SO LONG AS SUCH
28 AUTHORIZATION IS EFFECTIVE.

29 "INTERACTIVE GAMING PLATFORM." THE COMBINATION OF HARDWARE
30 AND SOFTWARE OR OTHER TECHNOLOGY DESIGNED AND USED TO MANAGE,

1 CONDUCT AND RECORD INTERACTIVE GAMES AND THE WAGERS ASSOCIATED
2 WITH INTERACTIVE GAMES, AS APPROVED BY THE PENNSYLVANIA GAMING
3 CONTROL BOARD. THE TERM SHALL INCLUDE ANY EMERGING OR NEW
4 TECHNOLOGY DEPLOYED TO ADVANCE THE CONDUCT AND OPERATION OF
5 INTERACTIVE GAMING, AS APPROVED THROUGH REGULATION BY THE
6 PENNSYLVANIA GAMING CONTROL BOARD.

7 "INTERACTIVE GAMING RECIPROCAL AGREEMENT." AN AGREEMENT
8 NEGOTIATED BY THE PENNSYLVANIA GAMING CONTROL BOARD AND APPROVED
9 BY THE GOVERNOR ON BEHALF OF THE COMMONWEALTH WITH THE
10 REGULATORY AGENCY OF ONE OR MORE STATES OR JURISDICTIONS WHERE
11 INTERACTIVE GAMING IS LEGALLY AUTHORIZED WHICH WILL PERMIT THE
12 CONDUCT OF INTERACTIVE GAMING BETWEEN INTERACTIVE GAMING
13 CERTIFICATE HOLDERS IN THIS COMMONWEALTH AND GAMING ENTITIES IN
14 THE STATES OR JURISDICTIONS THAT ARE PARTIES TO THE AGREEMENT.

15 "INTERACTIVE GAMING RESTRICTED AREA." ANY ROOM OR AREA, AS
16 APPROVED BY THE PENNSYLVANIA GAMING CONTROL BOARD, USED BY AN
17 INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE GAMING
18 OPERATOR TO MANAGE, CONTROL AND OPERATE INTERACTIVE GAMING,
19 INCLUDING, WHERE APPROVED BY THE BOARD, REDUNDANCY FACILITIES.

20 "INTERACTIVE GAMING SKIN OR SKINS." THE PORTAL OR PORTALS TO
21 AN INTERACTIVE GAMING PLATFORM OR INTERACTIVE GAMING WEBSITE
22 THROUGH WHICH AUTHORIZED INTERACTIVE GAMES ARE MADE AVAILABLE BY
23 AN INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE GAMING
24 OPERATOR TO REGISTERED PLAYERS IN THIS COMMONWEALTH OR
25 REGISTERED PLAYERS IN ANY OTHER STATE OR JURISDICTION WHICH HAS
26 ENTERED INTO AN INTERACTIVE GAMING RECIPROCAL AGREEMENT.

27 "INTERACTIVE GAMING SYSTEM." ALL HARDWARE, SOFTWARE AND
28 COMMUNICATIONS THAT COMPRISE A TYPE OF SERVER-BASED GAMING
29 SYSTEM FOR THE PURPOSE OF OFFERING AUTHORIZED INTERACTIVE GAMES.

30 "INTERACTIVE GAMING WEBSITE." THE INTERACTIVE GAMING SKIN OR

1 SKINS THROUGH WHICH AN INTERACTIVE GAMING CERTIFICATE HOLDER OR
2 INTERACTIVE GAMING OPERATOR MAKES AUTHORIZED INTERACTIVE GAMES
3 AVAILABLE FOR PLAY.

4 * * *

5 "KEY EMPLOYEE." ANY INDIVIDUAL WHO IS EMPLOYED IN A DIRECTOR
6 OR DEPARTMENT HEAD CAPACITY AND WHO IS EMPOWERED TO MAKE
7 DISCRETIONARY DECISIONS THAT REGULATE SLOT MACHINE [OR]
8 OPERATIONS, TABLE GAME OPERATIONS, INTERACTIVE GAMING OPERATIONS
9 OR CASINO SIMULCASTING, INCLUDING THE GENERAL MANAGER AND
10 ASSISTANT MANAGER OF THE LICENSED FACILITY, DIRECTOR OF SLOT
11 OPERATIONS, DIRECTOR OF TABLE GAME OPERATIONS, DIRECTOR OF
12 INTERACTIVE GAMING, DIRECTOR OF CAGE AND/OR CREDIT OPERATIONS,
13 DIRECTOR OF SURVEILLANCE, DIRECTOR OF MARKETING, DIRECTOR OF
14 MANAGEMENT INFORMATION SYSTEMS, DIRECTOR OF INTERACTIVE GAMING
15 SYSTEM PROGRAMS OR OTHER SIMILAR JOB CLASSIFICATIONS ASSOCIATED
16 WITH INTERACTIVE GAMING AND CASINO SIMULCASTING, PERSONS WHO
17 MANAGE, CONTROL OR ADMINISTER INTERACTIVE GAMING AND CASINO
18 SIMULCASTING OR THE BETS AND WAGERS ASSOCIATED WITH AUTHORIZED
19 INTERACTIVE GAMES AND CASINO SIMULCASTING, DIRECTOR OF SECURITY,
20 COMPTROLLER AND ANY EMPLOYEE WHO IS NOT OTHERWISE DESIGNATED AS
21 A GAMING EMPLOYEE AND WHO SUPERVISES THE OPERATIONS OF THESE
22 DEPARTMENTS OR TO WHOM THESE DEPARTMENT DIRECTORS OR DEPARTMENT
23 HEADS REPORT AND SUCH OTHER POSITIONS NOT OTHERWISE DESIGNATED
24 OR DEFINED UNDER THIS PART WHICH THE PENNSYLVANIA GAMING CONTROL
25 BOARD SHALL DETERMINE BASED ON DETAILED ANALYSES OF JOB
26 DESCRIPTIONS AS PROVIDED IN THE INTERNAL CONTROLS OF THE
27 LICENSEE AS APPROVED BY THE PENNSYLVANIA GAMING CONTROL BOARD.
28 ALL OTHER GAMING EMPLOYEES UNLESS OTHERWISE DESIGNATED BY THE
29 PENNSYLVANIA GAMING CONTROL BOARD SHALL BE CLASSIFIED AS NON-KEY
30 EMPLOYEES.

1 * * *

2 "LICENSED FACILITY." AS FOLLOWS:

3 (1) THE PHYSICAL LAND-BASED LOCATION AT WHICH A LICENSED
4 GAMING ENTITY IS AUTHORIZED TO PLACE AND OPERATE SLOT
5 MACHINES AND, IF AUTHORIZED BY THE PENNSYLVANIA GAMING
6 CONTROL BOARD UNDER CHAPTER 13A (RELATING TO TABLE GAMES), TO
7 CONDUCT TABLE GAMES AND IF AUTHORIZED UNDER CHAPTER 13B
8 (RELATING TO INTERACTIVE GAMING), TO CONDUCT INTERACTIVE
9 GAMING. THE TERM INCLUDES ANY:

10 [(1)] (I) AREA OF A LICENSED RACETRACK AT WHICH A
11 SLOT MACHINE LICENSEE WAS PREVIOUSLY AUTHORIZED PURSUANT
12 TO SECTION 1207(17) (RELATING TO REGULATORY AUTHORITY OF
13 BOARD) TO OPERATE SLOT MACHINES PRIOR TO THE EFFECTIVE
14 DATE OF THIS PARAGRAPH;

15 [(2)] (II) BOARD-APPROVED INTERIM FACILITY OR
16 TEMPORARY FACILITY; [AND]

17 [(3)] (III) AREA OF A HOTEL WHICH THE PENNSYLVANIA
18 GAMING CONTROL BOARD DETERMINES IS SUITABLE TO CONDUCT
19 TABLE GAMES[.]; AND

20 (IV) AREA OF A LICENSED FACILITY WHERE CASINO
21 SIMULCASTING IS CONDUCTED, AS APPROVED BY THE
22 PENNSYLVANIA GAMING CONTROL BOARD.

23 (2) THE TERM SHALL NOT INCLUDE A REDUNDANCY FACILITY OR
24 AN INTERACTIVE GAMING RESTRICTED AREA WHICH IS NOT LOCATED ON
25 THE PREMISES OF A LICENSED FACILITY AS APPROVED BY THE
26 PENNSYLVANIA GAMING CONTROL BOARD AND WHICH IS MAINTAINED AND
27 OPERATED BY AN INTERACTIVE GAMING CERTIFICATE HOLDER IN
28 CONNECTION WITH INTERACTIVE GAMING OR CASINO SIMULCASTING.

29 * * *

30 "LICENSED RACING ENTITY." ANY LEGAL ENTITY THAT HAS OBTAINED

1 A LICENSE TO CONDUCT LIVE THOROUGHBRED OR HARNESS HORSE RACE
2 MEETINGS RESPECTIVELY WITH PARI-MUTUEL WAGERING FROM [EITHER]
3 THE STATE HORSE RACING COMMISSION [OR THE STATE HARNESS RACING
4 COMMISSION] PURSUANT TO [THE ACT OF DECEMBER 17, 1981 (P.L.435,
5 NO.135), KNOWN AS] THE RACE HORSE INDUSTRY REFORM ACT.

6 "MANUFACTURER." A PERSON WHO MANUFACTURES, BUILDS, REBUILDS,
7 FABRICATES, ASSEMBLES, PRODUCES, PROGRAMS, DESIGNS OR OTHERWISE
8 MAKES MODIFICATIONS TO ANY SLOT MACHINE, TABLE GAME DEVICE OR
9 ASSOCIATED EQUIPMENT OR AUTHORIZED INTERACTIVE GAMES FOR USE OR
10 PLAY OF SLOT MACHINES [OR], TABLE GAMES OR AUTHORIZED
11 INTERACTIVE GAMES IN THIS COMMONWEALTH FOR GAMING PURPOSES. THE
12 TERM SHALL NOT INCLUDE A PERSON WHO MANUFACTURES, BUILDS,
13 REBUILDS, FABRICATES, ASSEMBLES, PRODUCES, PROGRAMS, DESIGNS OR
14 OTHERWISE MAKES MODIFICATIONS TO MULTI-USE COMPUTING DEVICES
15 USED IN CONNECTION WITH THE CONDUCT OF INTERACTIVE GAMING AT A
16 QUALIFIED AIRPORT.

17 "MANUFACTURER LICENSE." A LICENSE ISSUED BY THE PENNSYLVANIA
18 GAMING CONTROL BOARD AUTHORIZING A MANUFACTURER TO MANUFACTURE
19 OR PRODUCE SLOT MACHINES, TABLE GAME DEVICES OR ASSOCIATED
20 EQUIPMENT, INTERACTIVE GAMING DEVICES OR ASSOCIATED EQUIPMENT
21 FOR USE IN THIS COMMONWEALTH FOR GAMING PURPOSES.

22 * * *

23 "MULTI-USE COMPUTING DEVICE." AS FOLLOWS:

24 (1) A COMPUTING DEVICE, INCLUDING, BUT NOT LIMITED TO, A
25 TABLET COMPUTER, THAT:

26 (I) IS LOCATED AND ACCESSIBLE TO ELIGIBLE PASSENGERS
27 ONLY IN AN AIRPORT GAMING AREA.

28 (II) ALLOWS AN ELIGIBLE PASSENGER TO PLAY AN
29 AUTHORIZED INTERACTIVE GAME.

30 (III) COMMUNICATES WITH A SERVER THAT IS IN A

1 LOCATION APPROVED BY THE PENNSYLVANIA GAMING CONTROL
2 BOARD.

3 (IV) IS APPROVED BY THE PENNSYLVANIA GAMING CONTROL
4 BOARD.

5 (V) HAS THE CAPABILITY OF BEING LINKED TO AND
6 MONITORED BY THE DEPARTMENT'S CENTRAL CONTROL COMPUTER
7 SYSTEM, AS APPLICABLE FOR ANY PARTICULAR INTERACTIVE
8 GAME, IN ACCORDANCE WITH SECTION 1323 (RELATING TO
9 CENTRAL CONTROL COMPUTER SYSTEM).

10 (VI) OFFERS A PLAYER ADDITIONAL FUNCTIONS WHICH
11 SHALL INCLUDE INTERNET BROWSING, THE CAPABILITY OF
12 CHECKING FLIGHT STATUS AND ORDERING FOOD OR BEVERAGES.

13 (2) THE TERM SHALL NOT INCLUDE ANY TABLET OR COMPUTING
14 DEVICE THAT RESTRICTS, PROHIBITS OR IS INCAPABLE OF PROVIDING
15 ACCESS TO INTERACTIVE GAMING, INTERACTIVE GAMING SKINS OR
16 INTERACTIVE GAMING PLATFORMS.

17 "MULTISTATE AGREEMENT." THE WRITTEN AGREEMENT, APPROVED BY
18 THE GOVERNOR, BETWEEN THE PENNSYLVANIA GAMING CONTROL BOARD AND
19 REGULATORY AGENCIES IN OTHER STATES OR JURISDICTIONS FOR THE
20 OPERATION OF A MULTISTATE WIDE-AREA PROGRESSIVE SLOT MACHINE
21 SYSTEM.

22 "MULTISTATE WIDE-AREA PROGRESSIVE SLOT MACHINE SYSTEM." THE
23 LINKING OF SLOT MACHINES LOCATED IN THIS COMMONWEALTH WITH SLOT
24 MACHINES LOCATED IN ONE OR MORE STATES OR JURISDICTIONS WHOSE
25 REGULATORY AGENCIES HAVE ENTERED INTO WRITTEN AGREEMENTS WITH
26 THE PENNSYLVANIA GAMING CONTROL BOARD FOR THE OPERATION OF THE
27 SYSTEM.

28 * * *

29 "NET TERMINAL REVENUE." THE NET AMOUNT OF THE GROSS TERMINAL
30 REVENUE LESS THE TAX AND ASSESSMENTS IMPOSED BY SECTIONS 1402

1 (RELATING TO GROSS TERMINAL REVENUE DEDUCTIONS), 1403 (RELATING
2 TO ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE
3 REVENUE DISTRIBUTION), 1405 (RELATING TO PENNSYLVANIA RACE HORSE
4 DEVELOPMENT TRUST FUND) AND 1407 (RELATING TO PENNSYLVANIA
5 GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND).

6 * * *

7 "NONGAMING SERVICE PROVIDER." A PERSON THAT IS NOT A GAMING
8 SERVICE PROVIDER OR REQUIRED TO BE LICENSED AS A MANUFACTURER,
9 SUPPLIER, MANAGEMENT COMPANY OR GAMING JUNKET ENTERPRISE UNDER
10 THIS PART AND THAT PROVIDES GOODS OR SERVICES:

11 (1) TO A SLOT MACHINE LICENSEE OR APPLICANT FOR A SLOT
12 MACHINE LICENSE FOR USE IN THE OPERATION OF A LICENSED
13 FACILITY; AND

14 (2) THAT DOES NOT REQUIRE ACCESS TO THE GAMING FLOOR OR
15 A GAMING-RELATED RESTRICTED AREA.

16 "NON-PEER-TO-PEER INTERACTIVE GAME." AN AUTHORIZED
17 INTERACTIVE GAME IN WHICH THE PLAYER DOES NOT COMPETE AGAINST
18 PLAYERS AND WHICH IS NOT A PEER-TO-PEER INTERACTIVE GAME.

19 * * *

20 "PEER-TO-PEER INTERACTIVE GAME." AN AUTHORIZED INTERACTIVE
21 GAME WHICH IS NONBANKING, IN WHICH A PLAYER COMPETES AGAINST ONE
22 OR MORE PLAYERS AND IN WHICH THE INTERACTIVE GAMING CERTIFICATE
23 HOLDER COLLECTS A RAKE.

24 * * *

25 "PLAYER." AN INDIVIDUAL WAGERING CASH, A CASH EQUIVALENT OR
26 OTHER THING OF VALUE IN THE PLAY OR OPERATION OF A SLOT MACHINE
27 [OR], AN AUTHORIZED INTERACTIVE GAME OR A TABLE GAME, INCLUDING
28 DURING A CONTEST OR TOURNAMENT, THE PLAY OR OPERATION OF WHICH
29 MAY DELIVER OR ENTITLE THE INDIVIDUAL PLAYING OR OPERATING THE
30 SLOT MACHINE [OR], AUTHORIZED INTERACTIVE GAME OR TABLE GAME TO

1 RECEIVE CASH, A CASH EQUIVALENT OR OTHER THING OF VALUE FROM
2 ANOTHER PLAYER OR A SLOT MACHINE LICENSEE.

3 "PREPAID ACCESS INSTRUMENT." A CARD, CODE, ELECTRONIC SERIAL
4 NUMBER, MOBILE IDENTIFICATION NUMBER, PERSONAL IDENTIFICATION
5 NUMBER OR SIMILAR DEVICE THAT:

6 (1) ALLOWS PATRON ACCESS TO FUNDS THAT HAVE BEEN PAID IN
7 ADVANCE AND CAN BE RETRIEVED OR TRANSFERRED THROUGH THE USE
8 OF THE DEVICE.

9 (2) QUALIFIES AS AN ACCESS DEVICE FOR PURPOSES OF
10 REGULATION E ISSUED BY THE BOARD OF GOVERNORS OF THE FEDERAL
11 RESERVE SYSTEM UNDER 12 CFR PT. 205 (RELATING TO ELECTRONIC
12 FUND TRANSFERS (REGULATION E));

13 (3) MUST BE DISTRIBUTED BY A SLOT MACHINE LICENSEE OR
14 ITS AFFILIATES IN ORDER TO BE CONSIDERED A CASH EQUIVALENT AT
15 THE SLOT MACHINE LICENSEE'S LICENSED FACILITY OR THE LOCATION
16 OF THE SLOT MACHINE LICENSEE'S AFFILIATES.

17 (4) MUST BE USED IN CONJUNCTION WITH AN APPROVED
18 CASHLESS WAGERING SYSTEM OR ELECTRONIC CREDIT SYSTEM IN ORDER
19 TO TRANSFER FUNDS FOR GAMING PURPOSES.

20 * * *

21 "PROGRESSIVE PAYOUT." A SLOT MACHINE WAGER PAYOUT THAT
22 INCREASES IN A MONETARY AMOUNT BASED ON THE AMOUNTS WAGERED IN A
23 PROGRESSIVE SYSTEM, INCLUDING A MULTISTATE WIDE-AREA PROGRESSIVE
24 SLOT MACHINE SYSTEM.

25 "PROGRESSIVE SYSTEM." A COMPUTERIZED SYSTEM LINKING SLOT
26 MACHINES IN ONE OR MORE LICENSED FACILITIES WITHIN THIS
27 COMMONWEALTH AND OFFERING ONE OR MORE COMMON PROGRESSIVE PAYOUTS
28 BASED ON THE AMOUNTS WAGERED. THE TERM SHALL INCLUDE A
29 MULTISTATE WIDE-AREA PROGRESSIVE SYSTEM.

30 * * *

1 "QUALIFIED AIRPORT." A PUBLICLY OWNED COMMERCIAL SERVICE
2 AIRPORT.

3 "QUALIFIED ENTITY." AN ENTITY WHICH IS NOT A CATEGORY 1,
4 CATEGORY 2 OR CATEGORY 3 SLOT MACHINE LICENSEE WHO MAY
5 PARTICIPATE IN AN AUCTION UNDER SECTION 1305.2 (B.1) AND WHO HAS
6 SATISFIED THE REQUIREMENTS OF THIS PART AND ANY CRITERIA
7 ESTABLISHED BY THE PENNSYLVANIA GAMING CONTROL BOARD FOR
8 LICENSURE, INCLUDING BUT NOT LIMITED TO, FINANCIAL AND CHARACTER
9 SUITABILITY REQUIREMENTS, AND HAS BEEN APPROVED BY THE BOARD.

10 "RACE HORSE INDUSTRY REFORM ACT." [THE ACT OF DECEMBER 17,
11 1981 (P.L.435, NO.135), KNOWN AS THE RACE HORSE INDUSTRY REFORM
12 ACT.] 3 PA.C.S. CH. 93 (RELATING TO RACE HORSE INDUSTRY REFORM).

13 * * *

14 "REDUNDANCY FACILITIES." ANY AND ALL ROOMS OR AREAS USED BY
15 A SLOT MACHINE LICENSEE FOR EMERGENCY BACKUP, REDUNDANCY OR
16 SECONDARY OPERATIONS ATTENDANT TO INTERACTIVE GAMING AS APPROVED
17 BY THE PENNSYLVANIA GAMING CONTROL BOARD.

18 "REGISTERED PLAYER." AN INDIVIDUAL WHO HAS ENTERED INTO AN
19 INTERACTIVE GAMING ACCOUNT AGREEMENT WITH AN INTERACTIVE GAMING
20 CERTIFICATE HOLDER.

21 * * *

22 "SKILL." THE KNOWLEDGE, DEXTERITY, ADROITNESS, ACUMEN OR
23 OTHER MENTAL SKILL OF AN INDIVIDUAL.

24 "SKILL SLOT MACHINE." A SLOT MACHINE IN WHICH THE SKILL OF
25 THE PLAYER, RATHER THAN THE ELEMENTS OF CHANCE, IS THE
26 PREDOMINANT FACTOR IN AFFECTING THE OUTCOME OF THE GAME.

27 "SLOT MACHINE."

28 (1) THE TERM INCLUDES:

29 (I) ANY MECHANICAL, ELECTRICAL OR COMPUTERIZED
30 CONTRIVANCE, TERMINAL, MACHINE OR OTHER DEVICE APPROVED

1 BY THE PENNSYLVANIA GAMING CONTROL BOARD WHICH, UPON
2 INSERTION OF A COIN, BILL, TICKET, TOKEN OR SIMILAR
3 OBJECT THEREIN OR UPON PAYMENT OF ANY CONSIDERATION
4 WHATSOEVER, INCLUDING THE USE OF ANY ELECTRONIC PAYMENT
5 SYSTEM EXCEPT A CREDIT CARD OR DEBIT CARD, IS AVAILABLE
6 TO PLAY OR OPERATE, THE PLAY OR OPERATION OF WHICH,
7 WHETHER BY REASON OF SKILL OR APPLICATION OF THE ELEMENT
8 OF CHANCE OR BOTH[, MAY]:

9 (A) MAY DELIVER OR ENTITLE THE PERSON OR PERSONS
10 PLAYING OR OPERATING THE CONTRIVANCE, TERMINAL,
11 MACHINE OR OTHER DEVICE TO RECEIVE CASH, BILLETS,
12 TICKETS, TOKENS OR ELECTRONIC CREDITS TO BE EXCHANGED
13 FOR CASH OR TO RECEIVE MERCHANDISE OR ANYTHING OF
14 VALUE WHATSOEVER, WHETHER THE PAYOFF IS MADE
15 AUTOMATICALLY FROM THE MACHINE OR MANUALLY. [A SLOT
16 MACHINE:

17 (1)] (B) MAY UTILIZE SPINNING REELS OR VIDEO
18 DISPLAYS OR BOTH.

19 [(2)] (C) MAY OR MAY NOT DISPENSE COINS, TICKETS
20 OR TOKENS TO WINNING PATRONS.

21 [(3)] (D) MAY USE AN ELECTRONIC CREDIT SYSTEM
22 FOR RECEIVING WAGERS AND MAKING PAYOUTS. [THE TERM
23 SHALL INCLUDE ASSOCIATED EQUIPMENT.]

24 (II) ASSOCIATED EQUIPMENT NECESSARY TO CONDUCT THE
25 OPERATION OF THE CONTRIVANCE, TERMINAL, MACHINE OR OTHER
26 DEVICE.

27 (III) A SKILL SLOT MACHINE, HYBRID SLOT MACHINE AND
28 THE DEVICES OR ASSOCIATED EQUIPMENT NECESSARY TO CONDUCT
29 THE OPERATION OF A SKILL SLOT MACHINE OR HYBRID SLOT
30 MACHINE.

1 (IV) A SLOT MACHINE USED IN A MULTISTATE WIDE-AREA
2 PROGRESSIVE SLOT MACHINE SYSTEM AND DEVICES AND
3 ASSOCIATED EQUIPMENT AS DEFINED BY THE PENNSYLVANIA
4 GAMING CONTROL BOARD THROUGH REGULATIONS.

5 (V) A MULTI-USE COMPUTING DEVICE WHICH IS CAPABLE OF
6 SIMULATING, EITHER DIGITALLY OR ELECTRONICALLY, A SLOT
7 MACHINE.

8 (2) THE TERM DOES NOT INCLUDE A FANTASY CONTEST TERMINAL
9 WITHIN THE MEANING OF CHAPTER 3.

10 * * *

11 "STATE GAMING RECEIPTS." REVENUES AND RECEIPTS REQUIRED BY
12 THIS PART TO BE PAID INTO THE STATE GAMING FUND, THE
13 PENNSYLVANIA RACE HORSE DEVELOPMENT TRUST FUND AND THE
14 PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND, AND
15 ALL RIGHTS, EXISTING ON THE EFFECTIVE DATE OF THIS SECTION OR
16 COMING INTO EXISTENCE LATER, TO RECEIVE ANY OF THOSE REVENUES
17 AND RECEIPTS.

18 * * *

19 "SUBSEQUENT AUCTION." AN AUCTION AT WHICH A CATEGORY 1,
20 CATEGORY 2 AND CATEGORY 3 SLOT MACHINE LICENSEE MAY SUBMIT A BID
21 FOR A CATEGORY 4 LICENSE THAT REMAINS AVAILABLE AFTER AN INITIAL
22 AUCTION.

23 * * *

24 "SUPPLIER." A PERSON THAT SELLS, LEASES, OFFERS OR OTHERWISE
25 PROVIDES, DISTRIBUTES OR SERVICES ANY SLOT MACHINE, TABLE GAME
26 DEVICE OR ASSOCIATED EQUIPMENT, OR INTERACTIVE GAMING DEVICE OR
27 ASSOCIATED EQUIPMENT FOR USE OR PLAY OF SLOT MACHINES [OR],
28 TABLE GAMES OR INTERACTIVE GAMES IN THIS COMMONWEALTH. THE TERM
29 SHALL INCLUDE A PERSON THAT SELLS, LEASES, OFFERS OR OTHERWISE
30 PROVIDES, DISTRIBUTES OR SERVICES ANY MULTI-USE COMPUTING DEVICE

1 AS APPROVED BY THE PENNSYLVANIA GAMING CONTROL BOARD.

2 "SUPPLIER LICENSE." A LICENSE ISSUED BY THE PENNSYLVANIA
3 GAMING CONTROL BOARD AUTHORIZING A SUPPLIER TO PROVIDE PRODUCTS
4 OR SERVICES RELATED TO SLOT MACHINES, TABLE GAME DEVICES OR
5 ASSOCIATED EQUIPMENT, INTERACTIVE GAMING DEVICES, INCLUDING ANY
6 MULTI-USE COMPUTING DEVICE OR ASSOCIATED EQUIPMENT, TO SLOT
7 MACHINE LICENSEES FOR USE IN THIS COMMONWEALTH FOR GAMING
8 PURPOSES.

9 * * *

10 "TABLE GAME." ANY BANKING OR NONBANKING GAME APPROVED BY THE
11 PENNSYLVANIA GAMING CONTROL BOARD. THE TERM INCLUDES ROULETTE,
12 BACCARAT, BLACKJACK, POKER, CRAPS, BIG SIX WHEEL, MINI-BACCARAT,
13 RED DOG, PAI GOW, TWENTY-ONE, CASINO WAR, ACEY-DUCEY, SIC BO,
14 CHUCK-A-LUCK, PANGUINGUE, FAN-TAN, ASIA POKER, BOSTON 5 STUD
15 POKER, CARIBBEAN STUD POKER, COLORADO HOLD'EM POKER, DOUBLE
16 ATTACK BLACKJACK, DOUBLE CROSS POKER, DOUBLE DOWN STUD POKER,
17 FAST ACTION HOLD'EM, FLOP POKER, FOUR CARD POKER, LET IT RIDE
18 POKER, MINI-CRAPS, MINI-DICE, PAI GOW POKER, POKETTE, SPANISH
19 21, TEXAS HOLD'EM BONUS POKER, THREE CARD POKER, TWO CARD JOKER
20 POKER, ULTIMATE TEXAS HOLD'EM, WINNER'S POT POKER AND ANY OTHER
21 BANKING OR NONBANKING GAME. THE TERM SHALL NOT INCLUDE:

22 (1) LOTTERY GAMES OF THE PENNSYLVANIA STATE LOTTERY AS
23 AUTHORIZED UNDER THE ACT OF AUGUST 26, 1971 (P.L.351, NO.91),
24 KNOWN AS THE STATE LOTTERY LAW.

25 (2) BINGO AS AUTHORIZED UNDER THE ACT OF JULY 10, 1981
26 (P.L.214, NO.67), KNOWN AS THE BINGO LAW.

27 (3) PARI-MUTUEL BETTING ON THE OUTCOME OF [THOROUGHBRED
28 OR HARNESS] HORSE [RACING] RACE MEETINGS AS AUTHORIZED UNDER
29 [THE ACT OF DECEMBER 17, 1981 (P.L.435, NO.135), KNOWN AS]
30 THE RACE HORSE INDUSTRY REFORM ACT.

1 (4) SMALL GAMES OF CHANCE AS AUTHORIZED UNDER THE ACT OF
2 DECEMBER 19, 1988 (P.L.1262, NO.156), KNOWN AS THE LOCAL
3 OPTION SMALL GAMES OF CHANCE ACT.

4 (5) SLOT MACHINE GAMING AND PROGRESSIVE SLOT MACHINE
5 GAMING AS DEFINED AND AUTHORIZED UNDER THIS PART.

6 (6) KENO.

7 (7) A FANTASY CONTEST TERMINAL WITHIN THE MEANING OF
8 CHAPTER 3 (RELATING TO FANTASY CONTESTS).

9 (8) ILOTTERY UNDER CHAPTER 5 (RELATING TO LOTTERY).

10 "TABLE GAME DEVICE." INCLUDES GAMING TABLES, CARDS, DICE,
11 CHIPS, SHUFFLERS, TILES, DOMINOES, WHEELS[, DROP BOXES] OR ANY
12 MECHANICAL, ELECTRICAL OR COMPUTERIZED CONTRIVANCE, TERMINAL,
13 MACHINE OR OTHER DEVICE, APPARATUS, EQUIPMENT OR SUPPLIES
14 APPROVED BY THE PENNSYLVANIA GAMING CONTROL BOARD AND USED TO
15 CONDUCT A TABLE GAME OR THAT IS CAPABLE, THROUGH THE USE OF
16 DIGITAL, ELECTRONIC OR OTHER COMMUNICATIONS TECHNOLOGY, OF
17 SIMULATING PLAY OF A TABLE GAME.

18 * * *

19 "WINNING BID." THE SINGLE HIGHEST BID RECEIVED AT AN
20 AUCTION.

21 "WINNING BIDDER." THE SLOT MACHINE LICENSEE OR QUALIFIED
22 ENTITY WITH THE WINNING BID.

23 SECTION 4. SECTION 1201(H)(11) OF TITLE 4 IS AMENDED TO
24 READ:

25 § 1201. PENNSYLVANIA GAMING CONTROL BOARD ESTABLISHED.

26 * * *

27 (H) QUALIFICATIONS AND RESTRICTIONS.--

28 * * *

29 (11) NO MEMBER, EMPLOYEE OF THE BOARD OR INDEPENDENT
30 CONTRACTOR SHALL ACCEPT A COMPLIMENTARY SERVICE, WAGER OR BE

1 PAID ANY PRIZE FROM ANY WAGER AT ANY LICENSED FACILITY WITHIN
2 THIS COMMONWEALTH [OR], AT ANY OTHER FACILITY OUTSIDE THIS
3 COMMONWEALTH WHICH IS OWNED OR OPERATED BY A LICENSED GAMING
4 ENTITY OR ANY OF ITS AFFILIATES, INTERMEDIARIES, SUBSIDIARIES
5 OR HOLDING COMPANIES OR AS A RESULT OF PLAYING AN INTERACTIVE
6 GAME INCLUDING ON A MULTI-USE COMPUTING DEVICE FOR THE
7 DURATION OF THEIR TERM OF OFFICE, EMPLOYMENT OR CONTRACT WITH
8 THE BOARD AND FOR A PERIOD OF TWO YEARS FROM THE TERMINATION
9 OF TERM OF OFFICE, EMPLOYMENT OR CONTRACT WITH THE BOARD. THE
10 PROVISIONS OF THIS PARAGRAPH PROHIBITING WAGERING DURING THE
11 TERM OF EMPLOYMENT SHALL NOT APPLY TO EMPLOYEES OR
12 INDEPENDENT CONTRACTORS WHILE UTILIZING SLOT MACHINES [OR],
13 TABLE GAME DEVICES, INTERACTIVE GAMING DEVICES OR MULTI-USE
14 COMPUTING DEVICES FOR TESTING PURPOSES OR WHILE VERIFYING THE
15 PERFORMANCE OF A SLOT MACHINE [OR], TABLE GAME, INTERACTIVE
16 GAMING DEVICE OR MULTI-USE COMPUTING DEVICE AS PART OF AN
17 ENFORCEMENT INVESTIGATION.

18 * * *

19 SECTION 5. SECTION 1202(A)(1) AND (B)(17), (18), (20) AND
20 (23) OF TITLE 4 ARE AMENDED AND SUBSECTION (B) IS AMENDED BY
21 ADDING PARAGRAPHS TO READ:

22 § 1202. GENERAL AND SPECIFIC POWERS.

23 (A) GENERAL POWERS.--

24 (1) THE BOARD SHALL HAVE GENERAL AND SOLE REGULATORY
25 AUTHORITY OVER THE CONDUCT OF GAMING [OR] AND RELATED
26 ACTIVITIES AS DESCRIBED IN THIS PART. THE BOARD SHALL ENSURE
27 THE INTEGRITY OF THE ACQUISITION AND OPERATION OF SLOT
28 MACHINES, TABLE GAMES, TABLE GAME DEVICES AND ASSOCIATED
29 EQUIPMENT AND AUTHORIZED INTERACTIVE GAMES AND INTERACTIVE
30 GAMING DEVICES AND ASSOCIATED EQUIPMENT AND SHALL HAVE SOLE

1 REGULATORY AUTHORITY OVER EVERY ASPECT OF THE AUTHORIZATION,
2 OPERATION AND PLAY OF SLOT MACHINES [AND], TABLE GAMES AND
3 INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT.

4 * * *

5 (B) SPECIFIC POWERS.--THE BOARD SHALL HAVE THE SPECIFIC
6 POWER AND DUTY:

7 * * *

8 (12.2) AT ITS DISCRETION, TO AWARD, REVOKE, SUSPEND,
9 CONDITION OR DENY AN INTERACTIVE GAMING CERTIFICATE OR AN
10 INTERACTIVE GAMING LICENSE IN ACCORDANCE WITH CHAPTER 13B
11 (RELATING TO INTERACTIVE GAMING).

12 (12.3) AT ITS DISCRETION, TO AWARD, REVOKE, SUSPEND,
13 CONDITION OR DENY A CASINO SIMULCASTING PERMIT IN ACCORDANCE
14 WITH CHAPTER 13F (RELATING TO CASINO SIMULCASTING).

15 (12.4) AT ITS DISCRETION, TO AWARD, REVOKE, SUSPEND,
16 CONDITION OR DENY A SPORTS WAGERING CERTIFICATE IN ACCORDANCE
17 WITH CHAPTER 13C (RELATING TO SPORTS WAGERING).

18 * * *

19 (17) TO REQUIRE PROSPECTIVE AND EXISTING EMPLOYEES,
20 INDEPENDENT CONTRACTORS, APPLICANTS, LICENSEES AND PERMITTEES
21 TO SUBMIT TO FINGERPRINTING BY THE PENNSYLVANIA STATE POLICE
22 OR AN AUTHORIZED AGENT OF THE PENNSYLVANIA STATE POLICE. THE
23 PENNSYLVANIA STATE POLICE OR AN AUTHORIZED AGENT OF THE
24 PENNSYLVANIA STATE POLICE SHALL SUBMIT THE FINGERPRINTS TO
25 THE FEDERAL BUREAU OF INVESTIGATION FOR PURPOSES OF VERIFYING
26 THE IDENTITY OF THE INDIVIDUAL AND OBTAINING RECORDS OF
27 CRIMINAL ARRESTS AND CONVICTIONS.

28 (18) TO REQUIRE PROSPECTIVE AND EXISTING EMPLOYEES,
29 INDEPENDENT CONTRACTORS, APPLICANTS, LICENSEES AND PERMITTEES
30 TO SUBMIT PHOTOGRAPHS CONSISTENT WITH THE STANDARDS [OF THE

1 COMMONWEALTH PHOTO IMAGING NETWORK] ESTABLISHED BY THE BOARD.

2 * * *

3 (20) IN ADDITION TO THE POWER OF THE BOARD REGARDING
4 LICENSE AND PERMIT APPLICANTS, TO DETERMINE AT ITS DISCRETION
5 THE SUITABILITY OF ANY PERSON WHO FURNISHES OR SEEKS TO
6 FURNISH TO A SLOT MACHINE LICENSEE DIRECTLY OR INDIRECTLY ANY
7 GOODS, SERVICES OR PROPERTY RELATED TO SLOT MACHINES, TABLE
8 GAMES, TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT,
9 INTERACTIVE GAMES AND INTERACTIVE GAMING DEVICES AND
10 ASSOCIATED EQUIPMENT, CASINO SIMULCASTING TECHNOLOGY AND
11 EQUIPMENT OR SPORTS WAGERING AND SPORTS WAGERING DEVICES OR
12 THROUGH ANY ARRANGEMENTS UNDER WHICH THAT PERSON RECEIVES
13 PAYMENT BASED DIRECTLY OR INDIRECTLY ON EARNINGS, PROFITS OR
14 RECEIPTS FROM THE SLOT MACHINES, TABLE GAMES, TABLE GAME
15 DEVICES AND ASSOCIATED EQUIPMENT[.], INTERACTIVE GAMES,
16 INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT, CASINO
17 SIMULCASTING TECHNOLOGY AND EQUIPMENT OR SPORTS WAGERING AND
18 SPORTS WAGERING DEVICES. THE BOARD MAY REQUIRE ANY SUCH
19 PERSON TO COMPLY WITH THE REQUIREMENTS OF THIS PART AND THE
20 REGULATIONS OF THE BOARD AND MAY PROHIBIT THE PERSON FROM
21 FURNISHING THE GOODS, SERVICES OR PROPERTY[.] EXCEPT THAT, IN
22 DETERMINING THE SUITABILITY OF A PERSON WHO FURNISHES OR
23 SEEKS TO FURNISH CASINO SIMULCASTING TECHNOLOGY AND
24 EQUIPMENT, THE BOARD SHALL CONSULT THE COMMISSION.

25 * * *

26 (23) THE BOARD SHALL NOT APPROVE AN APPLICATION FOR OR
27 ISSUE OR RENEW A LICENSE, CERTIFICATE, REGISTRATION OR PERMIT
28 UNLESS IT IS SATISFIED THAT THE APPLICANT HAS DEMONSTRATED BY
29 CLEAR AND CONVINCING EVIDENCE THAT THE APPLICANT IS A PERSON
30 OF GOOD CHARACTER, HONESTY AND INTEGRITY AND IS A PERSON

1 WHOSE PRIOR ACTIVITIES, CRIMINAL RECORD, IF ANY, REPUTATION,
2 HABITS AND ASSOCIATIONS DO NOT POSE A THREAT TO THE PUBLIC
3 INTEREST OR THE EFFECTIVE REGULATION AND CONTROL OF SLOT
4 MACHINE [OR] OPERATIONS, TABLE GAME OPERATIONS, INTERACTIVE
5 GAMING OPERATIONS, CASINO SIMULCASTING OR SPORTS WAGERING, OR
6 CREATE OR ENHANCE THE DANGER OF UNSUITABLE, UNFAIR OR ILLEGAL
7 PRACTICES, METHODS AND ACTIVITIES IN THE CONDUCT OF SLOT
8 MACHINE [OR] OPERATIONS, TABLE GAME OPERATIONS, INTERACTIVE
9 GAMING OPERATIONS, CASINO SIMULCASTING OR SPORTS WAGERING OR
10 THE CARRYING ON OF THE BUSINESS AND FINANCIAL ARRANGEMENTS
11 INCIDENTAL THERETO.

12 * * *

13 (27.2) WITHIN SIX MONTHS OF THE EFFECTIVE DATE OF THIS
14 SECTION, TO PUBLISH ON THE BOARD'S PUBLICLY ACCESSIBLE
15 INTERNET WEBSITE A COMPLETE LIST OF ALL SLOT MACHINE
16 LICENSEES WHO FILED A PETITION SEEKING AUTHORIZATION TO
17 CONDUCT INTERACTIVE GAMING AND THE STATUS OF EACH PETITION OR
18 INTERACTIVE GAMING CERTIFICATE.

19 * * *

20 (35) TO REVIEW DETAILED SITE PLANS IDENTIFYING THE
21 INTERACTIVE GAMING RESTRICTED AREA OR ROOM WHERE A SLOT
22 MACHINE LICENSEE PROPOSES TO MANAGE, ADMINISTER OR CONTROL
23 INTERACTIVE GAMING OPERATIONS TO DETERMINE THE ADEQUACY OF
24 THE PROPOSED INTERNAL AND EXTERNAL SECURITY AND PROPOSED
25 SURVEILLANCE MEASURES.

26 (36) TO REQUIRE EACH SLOT MACHINE LICENSEE THAT HOLDS AN
27 INTERACTIVE GAMING CERTIFICATE TO PROVIDE ON A QUARTERLY
28 BASIS THE FOLLOWING INFORMATION WITH RESPECT TO INTERACTIVE
29 GAMING:

30 (I) THE NAME OF ANY PERSON, ENTITY OR FIRM TO WHOM

1 ANY PAYMENT, REMUNERATION OR OTHER BENEFIT OR THING OF
2 VALUE HAS BEEN MADE OR CONFERRED FOR PROFESSIONAL
3 SERVICES, INCLUDING, BUT NOT LIMITED TO, INTERACTIVE
4 GAMING SYSTEM OPERATIONS OR MANAGEMENT, LEGAL, CONSULTING
5 AND LOBBYING SERVICES;

6 (II) THE AMOUNT OR VALUE OF THE PAYMENTS,
7 REMUNERATION, BENEFIT OR THING OF VALUE;

8 (III) THE DATE ON WHICH THE PAYMENTS, REMUNERATION,
9 BENEFIT OR THING OF VALUE WAS SUBMITTED; AND

10 (IV) THE REASON OR PURPOSE FOR THE PROCUREMENT OF
11 THE SERVICES.

12 (37) TO REVIEW AND APPROVE DETAILED SITE AND
13 ARCHITECTURAL PLANS IDENTIFYING THE AREA OF A LICENSED
14 FACILITY WHERE A SLOT MACHINE LICENSEE PROPOSES TO PLACE SLOT
15 MACHINES THAT ARE OR WILL BE USED IN A MULTISTATE WIDE-AREA
16 PROGRESSIVE SLOT MACHINE SYSTEM, SKILL SLOT MACHINES OR
17 HYBRID SLOT MACHINES OR ADMINISTER CASINO SIMULCASTING AND
18 MAKE THEM AVAILABLE FOR PLAY IN ORDER TO DETERMINE THE
19 ADEQUACY OF PROPOSED INTERNAL AND EXTERNAL CONTROLS, SECURITY
20 AND PROPOSED SURVEILLANCE MEASURES.

21 (38) TO CONDUCT AUCTIONS UNDER SECTION 1305.2 (RELATING
22 TO CONDUCT OF AUCTIONS).

23 SECTION 6. SECTIONS 1204 AND 1206(F)(1) OF TITLE 4 ARE
24 AMENDED TO READ:

25 § 1204. LICENSED GAMING ENTITY APPLICATION APPEALS FROM BOARD.

26 THE SUPREME COURT OF PENNSYLVANIA SHALL BE VESTED WITH
27 EXCLUSIVE APPELLATE JURISDICTION TO CONSIDER APPEALS OF ANY
28 FINAL ORDER, DETERMINATION OR DECISION OF THE BOARD INVOLVING
29 THE APPROVAL, ISSUANCE, DENIAL OR CONDITIONING OF A SLOT MACHINE
30 LICENSE [OR] THE AWARD, DENIAL OR CONDITIONING OF A TABLE GAME

1 OPERATION CERTIFICATE[.] OR THE AWARD, DENIAL OR CONDITIONING OF
2 AN INTERACTIVE GAMING CERTIFICATE, AN INTERACTIVE GAMING
3 LICENSE, A CASINO SIMULCASTING PERMIT OR A SPORTS WAGERING
4 CERTIFICATE. NOTWITHSTANDING THE PROVISIONS OF 2 PA.C.S. CH. 7
5 SUBCH. A (RELATING TO JUDICIAL REVIEW OF COMMONWEALTH AGENCY
6 ACTION) AND 42 PA.C.S. § 763 (RELATING TO DIRECT APPEALS FROM
7 GOVERNMENT AGENCIES), THE SUPREME COURT SHALL AFFIRM ALL FINAL
8 ORDERS, DETERMINATIONS OR DECISIONS OF THE BOARD INVOLVING THE
9 APPROVAL, ISSUANCE, DENIAL OR CONDITIONING OF A SLOT MACHINE
10 LICENSE [OR] THE AWARD, DENIAL OR CONDITIONING OF A TABLE GAME
11 OPERATION CERTIFICATE OR THE AWARD, DENIAL OR CONDITIONING OF AN
12 INTERACTIVE GAMING CERTIFICATE, AN INTERACTIVE GAMING LICENSE, A
13 CASINO SIMULCASTING PERMIT OR A SPORTS WAGERING CERTIFICATE,
14 UNLESS IT SHALL FIND THAT THE BOARD COMMITTED AN ERROR OF LAW OR
15 THAT THE ORDER, DETERMINATION OR DECISION OF THE BOARD WAS
16 ARBITRARY AND THERE WAS A CAPRICIOUS DISREGARD OF THE EVIDENCE.
17 § 1206. BOARD MINUTES AND RECORDS.

18 * * *

19 (F) CONFIDENTIALITY OF INFORMATION.--

20 (1) THE FOLLOWING INFORMATION SUBMITTED BY AN APPLICANT,
21 PERMITTEE, CERTIFICATE HOLDER, INTERACTIVE GAMING CERTIFICATE
22 HOLDER OR LICENSEE PURSUANT TO SECTION 1310(A) (RELATING TO
23 SLOT MACHINE LICENSE APPLICATION CHARACTER REQUIREMENTS)
24 [OR] 1308(A.1) (RELATING TO APPLICATIONS FOR LICENSE OR
25 PERMIT), 13B12 (RELATING TO INTERACTIVE GAMING CERTIFICATE
26 REQUIRED AND CONTENT OF PETITION), 13B14 (RELATING TO
27 INTERACTIVE GAMING OPERATORS), 13C12 (RELATING TO PETITION
28 REQUIREMENTS) OR 13F12 (RELATING TO CASINO SIMULCASTING
29 PERMIT) OR OBTAINED BY THE BOARD OR THE BUREAU AS PART OF A
30 BACKGROUND OR OTHER INVESTIGATION FROM ANY SOURCE SHALL BE

1 CONFIDENTIAL AND WITHHELD FROM PUBLIC DISCLOSURE:

2 (I) ALL INFORMATION RELATING TO CHARACTER, HONESTY
3 AND INTEGRITY, INCLUDING FAMILY, HABITS, REPUTATION,
4 HISTORY OF CRIMINAL ACTIVITY, BUSINESS ACTIVITIES,
5 FINANCIAL AFFAIRS AND BUSINESS, PROFESSIONAL AND PERSONAL
6 ASSOCIATIONS SUBMITTED UNDER SECTION 1310(A) OR 1308(A.1)
7 OR OTHERWISE OBTAINED BY THE BOARD OR THE BUREAU.

8 (II) NONPUBLIC PERSONAL INFORMATION, INCLUDING HOME
9 ADDRESSES, TELEPHONE NUMBERS AND OTHER PERSONAL CONTACT
10 INFORMATION, SOCIAL SECURITY NUMBERS, EDUCATIONAL
11 RECORDS, MEMBERSHIPS, MEDICAL RECORDS, TAX RETURNS AND
12 DECLARATIONS, ACTUAL OR PROPOSED COMPENSATION, FINANCIAL
13 ACCOUNT RECORDS, CREDITWORTHINESS OR FINANCIAL CONDITION
14 RELATING TO AN APPLICANT, LICENSEE [OR] PERMITTEE,
15 CERTIFICATE HOLDER, INTERACTIVE GAMING CERTIFICATE
16 HOLDER, INTERACTIVE GAMING OPERATOR, CASINO SIMULCASTING
17 PERMIT HOLDER OR SPORTS WAGERING CERTIFICATE HOLDER, OR
18 THE IMMEDIATE FAMILY THEREOF.

19 (III) INFORMATION RELATING TO PROPRIETARY
20 INFORMATION, TRADE SECRETS, PATENTS OR EXCLUSIVE
21 LICENSES, ARCHITECTURAL AND ENGINEERING PLANS AND
22 INFORMATION RELATING TO COMPETITIVE MARKETING MATERIALS
23 AND STRATEGIES, WHICH MAY INCLUDE CUSTOMER-IDENTIFYING
24 INFORMATION OR CUSTOMER PROSPECTS FOR SERVICES SUBJECT TO
25 COMPETITION.

26 (IV) SECURITY INFORMATION, INCLUDING RISK PREVENTION
27 PLANS, DETECTION AND COUNTERMEASURES, LOCATION OF COUNT
28 ROOMS, LOCATION OF INTERACTIVE GAMING RESTRICTED AREAS
29 AND REDUNDANCY FACILITIES, EMERGENCY MANAGEMENT PLANS,
30 SECURITY AND SURVEILLANCE PLANS, EQUIPMENT AND USAGE

1 PROTOCOLS AND THEFT AND FRAUD PREVENTION PLANS AND
2 COUNTERMEASURES.

3 (V) INFORMATION WITH RESPECT TO WHICH THERE IS A
4 REASONABLE POSSIBILITY THAT PUBLIC RELEASE OR INSPECTION
5 OF THE INFORMATION WOULD CONSTITUTE AN UNWARRANTED
6 INVASION INTO PERSONAL PRIVACY OF ANY INDIVIDUAL AS
7 DETERMINED BY THE BOARD.

8 (VI) RECORDS OF AN APPLICANT OR LICENSEE NOT
9 REQUIRED TO BE FILED WITH THE SECURITIES AND EXCHANGE
10 COMMISSION BY ISSUERS THAT EITHER HAVE SECURITIES
11 REGISTERED UNDER SECTION 12 OF THE SECURITIES EXCHANGE
12 ACT OF 1934 (48 STAT. 881, 15 U.S.C. § 78L) OR ARE
13 REQUIRED TO FILE REPORTS UNDER SECTION 15(D) OF THE
14 SECURITIES EXCHANGE ACT OF 1934 (48 STAT. 881, 15 U.S.C.
15 § 78O).

16 (VII) RECORDS CONSIDERED NONPUBLIC MATTERS OR
17 INFORMATION BY THE SECURITIES AND EXCHANGE COMMISSION AS
18 PROVIDED BY 17 CFR 200.80 (RELATING TO COMMISSION RECORDS
19 AND INFORMATION).

20 (VIII) ANY FINANCIAL INFORMATION DEEMED CONFIDENTIAL
21 BY THE BOARD UPON A SHOWING OF GOOD CAUSE BY THE
22 APPLICANT OR LICENSEE.

23 * * *

24 SECTION 7. SECTION 1207(1), (5), (6), (8), (9), (10) AND
25 (21) OF TITLE 4 ARE AMENDED AND THE SECTION IS AMENDED BY ADDING
26 PARAGRAPHS TO READ:

27 § 1207. REGULATORY AUTHORITY OF BOARD.

28 THE BOARD SHALL HAVE THE POWER AND ITS DUTIES SHALL BE TO:

29 (1) DENY, DENY THE RENEWAL, REVOKE, CONDITION OR SUSPEND
30 ANY LICENSE [OR], PERMIT, CERTIFICATE, REGISTRATION OR OTHER

1 AUTHORIZATION PROVIDED FOR IN THIS PART IF THE BOARD FINDS IN
2 ITS SOLE DISCRETION THAT A LICENSEE [OR], PERMITTEE,
3 REGISTRANT, CERTIFICATE HOLDER, OR INTERACTIVE GAMING
4 CERTIFICATE HOLDER, UNDER THIS PART, OR ITS OFFICERS,
5 EMPLOYEES OR AGENTS, HAVE FURNISHED FALSE OR MISLEADING
6 INFORMATION TO THE BOARD OR FAILED TO COMPLY WITH THE
7 PROVISIONS OF THIS PART OR THE RULES AND REGULATIONS OF THE
8 BOARD AND THAT IT WOULD BE IN THE PUBLIC INTEREST TO DENY,
9 DENY THE RENEWAL, REVOKE, CONDITION OR SUSPEND THE LICENSE
10 [OR], PERMIT, CERTIFICATE, REGISTRATION OR OTHER
11 AUTHORIZATION.

12 * * *

13 (5) PRESCRIBE THE PROCEDURES TO BE FOLLOWED BY SLOT
14 MACHINE LICENSEES FOR ANY FINANCIAL EVENT THAT OCCURS IN THE
15 OPERATION AND PLAY OF SLOT MACHINES [OR], TABLE GAMES,
16 AUTHORIZED INTERACTIVE GAMES, CASINO SIMULCASTING, MULTI-USE
17 COMPUTING DEVICES OR SPORTS WAGERING.

18 (6) PRESCRIBE CRITERIA AND CONDITIONS FOR THE OPERATION
19 OF SLOT MACHINE PROGRESSIVE SYSTEMS, INCLUDING MULTISTATE
20 WIDE-AREA PROGRESSIVE SLOT MACHINE SYSTEMS. A WIDE AREA
21 PROGRESSIVE SLOT SYSTEM SHALL BE COLLECTIVELY ADMINISTERED BY
22 PARTICIPATING SLOT MACHINE LICENSEES IN ACCORDANCE WITH THE
23 TERMS OF A WRITTEN AGREEMENT EXECUTED BY EACH PARTICIPATING
24 SLOT MACHINE LICENSEE AND, IN THE CASE OF A MULTISTATE WIDE-
25 AREA PROGRESSIVE SLOT MACHINE SYSTEM, IN ACCORDANCE WITH THE
26 MULTISTATE AGREEMENT, AS APPROVED BY THE BOARD.

27 (6.1) COLLABORATE WITH THE APPROPRIATE REGULATORY
28 AGENCIES IN OTHER STATES OR JURISDICTIONS TO FACILITATE THE
29 ESTABLISHMENT OF MULTISTATE WIDE-AREA PROGRESSIVE SLOT
30 MACHINE SYSTEMS BY SLOT MACHINE LICENSEES IN THIS

1 COMMONWEALTH AND, IF DETERMINED NECESSARY, ENTER INTO THE
2 MULTISTATE AGREEMENTS.

3 * * *

4 (7.2) ENFORCE PRESCRIBED HOURS FOR THE OPERATION OF
5 AUTHORIZED INTERACTIVE GAMES SO THAT AN INTERACTIVE GAMING
6 CERTIFICATE HOLDER OR INTERACTIVE GAMING OPERATOR MAY CONDUCT
7 AUTHORIZED INTERACTIVE GAMES ON ANY DAY DURING THE YEAR IN
8 ORDER TO MEET THE NEEDS OF REGISTERED PLAYERS OR TO MEET
9 COMPETITION.

10 (7.3) IN CONSULTATION WITH THE COMMISSION, ENFORCE
11 PRESCRIBED HOURS OF OPERATION OF CASINO SIMULCASTING BY SLOT
12 MACHINE LICENSEES.

13 (8) REQUIRE THAT EACH LICENSED GAMING ENTITY PROHIBIT
14 PERSONS UNDER 21 YEARS OF AGE FROM OPERATING OR USING SLOT
15 MACHINES [OR], PLAYING TABLE GAMES OR PARTICIPATING IN
16 INTERACTIVE GAMING, CASINO SIMULCASTING AND SPORTS WAGERING.

17 (9) ESTABLISH PROCEDURES FOR THE INSPECTION AND
18 CERTIFICATION OF COMPLIANCE OF EACH SLOT MACHINE, TABLE GAME,
19 TABLE GAME DEVICE AND ASSOCIATED EQUIPMENT, INTERACTIVE GAME
20 AND INTERACTIVE GAMING DEVICE AND ASSOCIATED EQUIPMENT,
21 CASINO SIMULCASTING TECHNOLOGY AND EQUIPMENT AND SPORTS
22 WAGERING AND SPORTS WAGERING DEVICES PRIOR TO BEING PLACED
23 INTO USE BY A SLOT MACHINE LICENSEE. THE BOARD SHALL
24 COLLABORATE WITH THE COMMISSION TO FACILITATE THE INSPECTION
25 AND CERTIFICATION OF CASINO SIMULCASTING TECHNOLOGY AND
26 EQUIPMENT.

27 (10) [REQUIRE] SUBJECT TO PARAGRAPH (10.1), REQUIRE THAT
28 NO SLOT MACHINE OR AUTHORIZED INTERACTIVE GAME THAT
29 REPLICATES THE PLAY OF A SLOT MACHINE, OTHER THAN A SLOT
30 MACHINE OR AUTHORIZED INTERACTIVE GAME THAT REPLICATES THE

1 PLAY OF A SLOT MACHINE THAT IS USED IN A MULTISTATE WIDE-AREA
2 PROGRESSIVE SLOT MACHINE SYSTEM, MAY BE SET TO PAY OUT LESS
3 THAN THE THEORETICAL PAYOUT PERCENTAGE, WHICH SHALL BE NO
4 LESS THAN 85%, AS SPECIFICALLY APPROVED BY THE BOARD. THE
5 BOARD SHALL ADOPT REGULATIONS THAT DEFINE THE THEORETICAL
6 PAYOUT PERCENTAGE [OF A SLOT MACHINE GAME] BASED ON THE TOTAL
7 VALUE OF THE JACKPOTS EXPECTED TO BE PAID BY A PLAY OR A SLOT
8 MACHINE GAME OR AN AUTHORIZED INTERACTIVE GAME THAT
9 REPLICATES THE PLAY OF A SLOT MACHINE DIVIDED BY THE TOTAL
10 VALUE [OF SLOT MACHINE] WAGERS EXPECTED TO BE MADE ON THAT
11 PLAY OR SLOT MACHINE GAME OR AN AUTHORIZED INTERACTIVE GAME
12 THAT REPLICATES THE PLAY OF A SLOT MACHINE DURING THE SAME
13 PORTION OF THE GAME CYCLE. IN SO DOING, THE BOARD SHALL
14 DECIDE WHETHER THE CALCULATION SHALL INCLUDE THE ENTIRE CYCLE
15 OF A SLOT MACHINE GAME OR AN AUTHORIZED INTERACTIVE GAME THAT
16 REPLICATES THE PLAY OF A SLOT MACHINE OR ANY PORTION THEREOF.
17 SUBJECT TO PARAGRAPH (10.1), IN THE CASE OF A SLOT MACHINE
18 THAT IS USED IN A MULTISTATE WIDE-AREA PROGRESSIVE SLOT
19 MACHINE SYSTEM, THE THEORETICAL PAYOUT PERCENTAGE SHALL BE AS
20 SET FORTH IN THE MULTISTATE AGREEMENT.

21 (10.1) FOR EACH OF THE FOLLOWING, DEFINE THE PLAYER'S
22 WIN PERCENTAGE BASED ON THE RELATIVE SKILL OF THE PLAYER OR
23 THE COMBINATION OF SKILL AND THE ELEMENTS OF CHANCE OF THE
24 GAME:

25 (I) A SKILL SLOT MACHINE OR AN AUTHORIZED
26 INTERACTIVE GAME THAT REPLICATES THE PLAY OF A SKILL SLOT
27 MACHINE. FOR A SKILL SLOT MACHINE OR AUTHORIZED
28 INTERACTIVE GAME THAT REPLICATES THE PLAY OF A SKILL SLOT
29 MACHINE THAT IS USED IN A MULTISTATE WIDE-AREA
30 PROGRESSIVE SLOT MACHINE SYSTEM, THE PLAYER'S WIN

1 PERCENTAGE SHALL BE AS SET FORTH IN THE MULTISTATE
2 AGREEMENT.

3 (II) A HYBRID SLOT MACHINE OR AN AUTHORIZED
4 INTERACTIVE GAME THAT REPLICATES THE PLAY OF A HYBRID
5 SLOT MACHINE. FOR A HYBRID SLOT MACHINE OR AN AUTHORIZED
6 INTERACTIVE GAME THAT REPLICATES THE PLAY OF A HYBRID
7 SLOT MACHINE THAT IS USED IN A MULTISTATE WIDE-AREA
8 PROGRESSIVE SLOT MACHINE SYSTEM, THE PLAYER'S WIN
9 PERCENTAGE SHALL BE SET FORTH IN THE MULTISTATE
10 AGREEMENT.

11 * * *

12 (21) AUTHORIZE, IN ITS DISCRETION, A SLOT MACHINE
13 LICENSEE TO CONDUCT SLOT MACHINE CONTESTS OR TOURNAMENTS,
14 TABLE GAME CONTESTS OR TOURNAMENTS IN ACCORDANCE WITH SECTION
15 13A22.1 (RELATING TO TABLE GAME TOURNAMENTS) OR INTERACTIVE
16 GAMING CONTESTS OR TOURNAMENTS AND ADOPT REGULATIONS
17 GOVERNING THE CONDUCT OF SUCH CONTESTS AND TOURNAMENTS.

18 (21.1) AUTHORIZE, AT ITS DISCRETION, A SLOT MACHINE
19 LICENSEE TO PLACE SLOT MACHINES THAT ARE USED IN A MULTISTATE
20 WIDE-AREA PROGRESSIVE SLOT MACHINE SYSTEM, SKILL SLOT
21 MACHINES OR HYBRID SLOT MACHINES AND MAKE THEM AVAILABLE FOR
22 PLAY AT LICENSED FACILITIES.

23 (21.2) ADOPT AND PROMULGATE REGULATIONS TO GOVERN THE
24 OPERATION AND PLACEMENT OF SKILL SLOT MACHINES AND HYBRID
25 SLOT MACHINES BY SLOT MACHINE LICENSEES AT LICENSED
26 FACILITIES IN THE SAME MANNER AS PROVIDED IN SECTION 13B03
27 (RELATING TO REGULATIONS).

28 (22) LICENSE, REGULATE, INVESTIGATE AND TAKE ANY OTHER
29 ACTION DETERMINED NECESSARY REGARDING ALL ASPECTS OF
30 INTERACTIVE GAMING, CASINO SIMULCASTING AND SPORTS WAGERING.

1 (23) DEFINE AND LIMIT THE RULES OF AUTHORIZED
2 INTERACTIVE GAMES, INCLUDING ODDS, INTERACTIVE GAMING DEVICES
3 AND ASSOCIATED EQUIPMENT PERMITTED AND THE METHOD OF
4 OPERATION OF AUTHORIZED INTERACTIVE GAMES AND INTERACTIVE
5 GAMING DEVICES AND ASSOCIATED EQUIPMENT.

6 (24) REQUIRE, AS APPLICABLE, THAT ALL WAGERING OFFERED
7 THROUGH AN INTERACTIVE GAMING WEBSITE DISPLAY THE PERMISSIBLE
8 MINIMUM AND MAXIMUM WAGERS ASSOCIATED WITH EACH AUTHORIZED
9 INTERACTIVE GAME.

10 (25) ENSURE, IN CONSULTATION WITH THE COMMISSION, THAT
11 THE WAGERING AT CASINO SIMULCASTING FACILITIES IS CONDUCTED
12 IN CONFORMANCE WITH THE PARI-MUTUEL SYSTEM OF WAGERING
13 REGULATED BY THE COMMISSION UNDER 3 PA.C.S. CH. 93 (RELATING
14 TO RACE HORSE INDUSTRY REFORM).

15 (26) NEGOTIATE AND ENTER INTO INTERACTIVE GAMING
16 RECIPROCAL AGREEMENTS ON BEHALF OF THE COMMONWEALTH TO GOVERN
17 THE CONDUCT OF INTERACTIVE GAMING BETWEEN INTERACTIVE GAMING
18 CERTIFICATE HOLDERS IN THIS COMMONWEALTH AND GAMING ENTITIES
19 IN OTHER STATES OR JURISDICTIONS. NOTWITHSTANDING ANY
20 PROVISION OF THIS PART, WAGERS MAY BE ACCEPTED IN ACCORDANCE
21 WITH THIS PART AND REGULATIONS OF THE BOARD FROM PERSONS IN
22 OTHER STATES OR JURISDICTIONS AND WAGERS FROM PERSONS IN THIS
23 COMMONWEALTH MAY BE MADE THROUGH AN INTERACTIVE GAMING
24 PLATFORM TO A STATE OR JURISDICTION WITH WHICH THE
25 COMMONWEALTH HAS AN INTERACTIVE GAMING RECIPROCAL AGREEMENT
26 IF THE BOARD DETERMINES THAT SUCH WAGERING IS NOT
27 INCONSISTENT WITH FEDERAL LAW OR THE LAW OF THE STATE OR
28 JURISDICTION IN WHICH THE PERSON OR GAMING ENTITY IS LOCATED,
29 OR SUCH WAGERING IS CONDUCTED PURSUANT TO AN INTERACTIVE
30 GAMING RECIPROCAL AGREEMENT TO WHICH THIS COMMONWEALTH IS A

1 PARTY THAT IS NOT INCONSISTENT WITH FEDERAL LAW. THE BOARD,
2 WITH THE APPROVAL OF THE GOVERNOR, IS HEREBY DESIGNATED AS
3 THE AGENCY OF THE COMMONWEALTH WITH THE POWER AND AUTHORITY
4 TO ENTER INTO INTERACTIVE GAMING RECIPROCAL AGREEMENTS WITH
5 OTHER STATES OR JURISDICTIONS.

6 (27) ENTER INTO MULTISTATE AGREEMENTS WITH OTHER STATES
7 OR JURISDICTIONS FOR THE OPERATION OF MULTISTATE WIDE-AREA
8 PROGRESSIVE SLOT MACHINE SYSTEMS.

9 (28) AUTHORIZE A CATEGORY 2 OR CATEGORY 3 SLOT MACHINE
10 LICENSEE TO ENTER INTO AN AGREEMENT WITH A CATEGORY 1 SLOT
11 MACHINE LICENSEE FOR THE CONDUCT OF CASINO SIMULCASTING UNDER
12 THE CATEGORY 1 SLOT MACHINE LICENSEE'S AUTHORITY AS A
13 LICENSED RACING ENTITY, IF SUCH AGREEMENT IS APPROVED BY THE
14 BOARD AND BY THE COMMISSION, PURSUANT TO THE COMMISSION'S
15 AUTHORITY UNDER 3 PA.C.S. CH. 93.

16 (29) ADOPT, IN CONSULTATION WITH THE COMMISSION,
17 REGULATIONS TO GOVERN THE CONDUCT OF CASINO SIMULCASTING BY A
18 CATEGORY 2 OR CATEGORY 3 SLOT MACHINE LICENSEE IN ACCORDANCE
19 WITH PARAGRAPH (28).

20 (30) ADOPT AND PROMULGATE REGULATIONS TO GOVERN THE
21 INSTALLATION OF VIDEO DISPLAY TECHNOLOGY IN APPROVED AREAS OF
22 A CATEGORY 1 LICENSED FACILITY TO ENABLE THE DELIVERY OF
23 SIMULCAST HORSE RACE MEETINGS TO PATRONS THROUGH VIDEO WALLS
24 AND OTHER SUCH VIDEO DISPLAY TECHNOLOGY. THE BOARD MAY
25 CONSULT WITH THE COMMISSION TO FACILITATE THE INSTALLATION OF
26 VIDEO DISPLAY MONITORS IN ACCORDANCE WITH THIS PARAGRAPH AND
27 TO FACILITATE THE CONDUCT OF CASINO SIMULCASTING UNDER
28 PARAGRAPH (28).

29 SECTION 7.1. SECTION 1208 OF TITLE 4 IS AMENDED BY ADDING A
30 PARAGRAPH TO READ:

1 § 1208. COLLECTION OF FEES AND FINES.

2 THE BOARD HAS THE FOLLOWING POWERS AND DUTIES:

3 * * *

4 (1.1) TO COLLECT THE PROCEEDS OF AUCTIONS UNDER SECTION
5 1305.2 (RELATING TO CONDUCT OF AUCTIONS).

6 * * *

7 SECTION 8. SECTIONS 1209(A) AND (B) AND 1210 OF TITLE 4 ARE
8 AMENDED TO READ:

9 § 1209. SLOT MACHINE LICENSE FEE.

10 (A) IMPOSITION.--EXCEPT AS PROVIDED FOR A CATEGORY 3
11 LICENSED GAMING ENTITY UNDER SECTION 1305 (RELATING TO CATEGORY
12 3 SLOT MACHINE LICENSE) OR A CATEGORY 4 SLOT MACHINE LICENSEE
13 UNDER SECTION 1305.1 (RELATING TO CATEGORY 4 SLOT MACHINE
14 LICENSE) AND SUBJECT TO THE REQUIREMENTS OF THIS SECTION, AT THE
15 TIME OF LICENSE ISSUANCE THE BOARD SHALL IMPOSE A ONE-TIME SLOT
16 MACHINE LICENSE FEE TO BE PAID BY EACH SUCCESSFUL APPLICANT FOR
17 A CONDITIONAL CATEGORY 1, A CATEGORY 1 OR A CATEGORY 2 LICENSE
18 IN THE AMOUNT OF \$50,000,000 AND DEPOSITED IN THE STATE GAMING
19 FUND. NO FEE SHALL BE IMPOSED BY THE BOARD FOR A CATEGORY 1
20 LICENSE IF THE APPLICANT HAS PAID A \$50,000,000 FEE FOR A
21 CONDITIONAL CATEGORY 1 LICENSE.

22 (B) TERM.--A SLOT MACHINE LICENSE, AFTER PAYMENT OF THE FEE,
23 SHALL BE IN EFFECT UNLESS SUSPENDED, REVOKED OR NOT RENEWED BY
24 THE BOARD UPON GOOD CAUSE CONSISTENT WITH THE LICENSE
25 REQUIREMENTS AS PROVIDED FOR IN THIS PART. SLOT MACHINE
26 LICENSEES SHALL BE REQUIRED TO UPDATE THE INFORMATION IN THEIR
27 INITIAL APPLICATIONS ANNUALLY, AND THE LICENSE OF A LICENSEE IN
28 GOOD STANDING SHALL BE RENEWED EVERY [THREE] FIVE YEARS. NOTHING
29 IN THIS SUBSECTION SHALL RELIEVE A LICENSEE OF THE AFFIRMATIVE
30 DUTY TO NOTIFY THE BOARD OF ANY CHANGES RELATING TO THE STATUS

1 OF ITS LICENSE OR TO ANY OTHER INFORMATION CONTAINED IN THE
2 APPLICATION MATERIALS ON FILE WITH THE BOARD. AS TO THE RENEWAL
3 OF A LICENSE, EXCEPT AS REQUIRED IN SUBSECTION (F) (3), NO
4 ADDITIONAL LICENSE FEE PURSUANT TO SUBSECTION (A) SHALL BE
5 REQUIRED.

6 * * *

7 § 1210. NUMBER OF SLOT MACHINES.

8 (A) INITIAL COMPLEMENT.--EXCEPT AS PROVIDED FOR CATEGORY 3
9 SLOT MACHINE LICENSEES UNDER SECTION 1305 (RELATING TO CATEGORY
10 3 SLOT MACHINE LICENSE) OR A CATEGORY 4 SLOT MACHINE LICENSEE
11 UNDER SECTION 1305.1 (RELATING TO CATEGORY 4 SLOT MACHINE
12 LICENSE), THE FOLLOWING APPLY:

13 (1) ALL SLOT MACHINE LICENSEES SHALL BE PERMITTED TO
14 OPERATE UP TO 3,000 SLOT MACHINES AT ANY ONE LICENSED
15 FACILITY.

16 (2) EACH SLOT MACHINE LICENSEE SHALL BE REQUIRED TO
17 OPERATE AND MAKE AVAILABLE TO PLAY A MINIMUM OF 1,500 SLOT
18 MACHINES AT ITS LICENSED FACILITY WITHIN ONE YEAR OF THE
19 ISSUANCE BY THE BOARD OF A SLOT MACHINE LICENSE TO THE SLOT
20 MACHINE LICENSEE. THE BOARD, UPON APPLICATION AND FOR GOOD
21 CAUSE SHOWN, MAY GRANT AN EXTENSION FOR AN ADDITIONAL PERIOD
22 ENDING ON THE LATER OF 36 MONTHS FROM THE END OF THE INITIAL
23 ONE-YEAR PERIOD OR DECEMBER 31, 2012.

24 (3) A CATEGORY 1 OR CATEGORY 2 SLOT MACHINE LICENSEE
25 THAT IS ALSO A CATEGORY 4 SLOT MACHINE LICENSEE MAY, UPON
26 NOTIFICATION AND RECEIPT OF APPROVAL FROM THE BOARD, INSTALL
27 AND OPERATE SLOT MACHINES FROM THE INITIAL COMPLEMENT
28 AUTHORIZED UNDER SUBSECTION (A) (1) SUBJECT TO THE LIMITATION
29 UNDER SECTION 1305.1(D) (1) AT THE LICENSEE'S CATEGORY 4
30 LICENSED FACILITY.

1 (B) ADDITIONAL SLOT MACHINES.--EXCEPT AS PROVIDED FOR
2 CATEGORY 3 SLOT MACHINE LICENSEES UNDER SECTION 1305, SIX MONTHS
3 FOLLOWING THE DATE OF COMMENCEMENT OF SLOT MACHINE OPERATIONS,
4 THE BOARD MAY PERMIT A SLOT MACHINE LICENSEE TO INSTALL AND
5 OPERATE UP TO 2,000 ADDITIONAL SLOT MACHINES AT ITS LICENSED
6 FACILITY, BEYOND THOSE MACHINES PERMITTED UNDER SUBSECTION (A),
7 UPON APPLICATION BY THE SLOT MACHINE LICENSEE. THE BOARD, IN
8 CONSIDERING SUCH AN APPLICATION, SHALL TAKE INTO ACCOUNT THE
9 APPROPRIATENESS OF THE PHYSICAL SPACE WHERE THE ADDITIONAL SLOT
10 MACHINES WILL BE LOCATED AND THE CONVENIENCE OF THE PUBLIC
11 ATTENDING THE FACILITY. THE BOARD MAY ALSO TAKE INTO ACCOUNT THE
12 POTENTIAL BENEFIT TO ECONOMIC DEVELOPMENT, EMPLOYMENT AND
13 TOURISM, ENHANCED REVENUES TO THE COMMONWEALTH AND OTHER
14 ECONOMIC INDICATORS IT DEEMS APPLICABLE IN MAKING ITS DECISION.
15 SUBJECT TO THE LIMITATION UNDER SECTION 1305.1(D), SLOT MACHINES
16 APPROVED UNDER THIS SUBSECTION MAY BE INSTALLED AND OPERATED AT
17 A CATEGORY 4 LICENSED FACILITY.

18 SECTION 9. SECTION 1211 OF TITLE 4 IS AMENDED BY ADDING
19 SUBSECTIONS TO READ:

20 § 1211. REPORTS OF BOARD.

21 * * *

22 (A.4) INTERACTIVE GAMING REPORTING REQUIREMENTS.--

23 (1) THE ANNUAL REPORT SUBMITTED BY THE BOARD IN
24 ACCORDANCE WITH SUBSECTION (A) SHALL INCLUDE INFORMATION ON
25 THE CONDUCT OF INTERACTIVE GAMES AS FOLLOWS:

26 (I) TOTAL GROSS INTERACTIVE GAMING REVENUE.

27 (II) THE NUMBER AND WIN BY TYPE OF AUTHORIZED
28 INTERACTIVE GAME AT EACH LICENSED FACILITY CONDUCTING
29 INTERACTIVE GAMING DURING THE PREVIOUS YEAR.

30 (III) ALL TAXES, FEES, FINES AND OTHER REVENUE

1 COLLECTED AND, WHERE APPROPRIATE, REVENUE DISBURSED
2 DURING THE PREVIOUS YEAR RELATED TO INTERACTIVE GAMING
3 ACTIVITIES. THE DEPARTMENT SHALL COLLABORATE WITH THE
4 BOARD TO CARRY OUT THE REQUIREMENTS OF THIS SUBPARAGRAPH.

5 (2) THE BOARD MAY REQUIRE INTERACTIVE GAMING CERTIFICATE
6 HOLDERS AND INTERACTIVE GAMING OPERATORS TO PROVIDE
7 INFORMATION TO THE BOARD TO ASSIST IN THE PREPARATION OF THE
8 REPORT.

9 * * *

10 (D.1) IMPACT OF INTERACTIVE GAMING.--

11 (1) COMMENCING ONE YEAR AFTER THE ISSUANCE OF THE FIRST
12 INTERACTIVE GAMING CERTIFICATE AND CONTINUING ANNUALLY
13 THEREAFTER, THE DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR
14 SUCCESSOR AGENCY SHALL PREPARE AND DISTRIBUTE A REPORT TO THE
15 GOVERNOR AND THE STANDING COMMITTEES OF THE GENERAL ASSEMBLY
16 WITH JURISDICTION OVER THE BOARD ON THE IMPACT OF INTERACTIVE
17 GAMING ON COMPULSIVE AND PROBLEM GAMBLING AND GAMBLING
18 ADDICTION IN THIS COMMONWEALTH. THE REPORT SHALL BE PREPARED
19 BY A PRIVATE ORGANIZATION OR ENTITY WITH EXPERTISE IN SERVING
20 AND TREATING THE NEEDS OF PERSONS WITH COMPULSIVE GAMBLING
21 ADDICTIONS, WHICH ORGANIZATION OR ENTITY SHALL BE SELECTED BY
22 THE DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR SUCCESSOR
23 AGENCY. THE REPORT MAY BE PREPARED AND DISTRIBUTED IN
24 COORDINATION WITH THE BOARD. ANY COSTS ASSOCIATED WITH THE
25 PREPARATION AND DISTRIBUTION OF THE REPORT SHALL BE BORNE BY
26 ALL INTERACTIVE GAMING CERTIFICATE HOLDERS. THE BOARD SHALL
27 BE AUTHORIZED TO ASSESS A FEE AGAINST EACH INTERACTIVE GAMING
28 CERTIFICATE HOLDER FOR THESE PURPOSES.

29 (2) COMMENCING ONE YEAR AFTER THE ISSUANCE OF THE FIRST
30 INTERACTIVE GAMING CERTIFICATE AND CONTINUING ANNUALLY

1 THEREAFTER, THE BOARD SHALL PREPARE AND DISTRIBUTE A REPORT
2 TO THE GOVERNOR AND THE STANDING COMMITTEES OF THE GENERAL
3 ASSEMBLY WITH THE JURISDICTION OVER THE BOARD ON THE IMPACT
4 OF INTERACTIVE GAMING ON LICENSED GAMING ENTITIES IN THIS
5 COMMONWEALTH.

6 (D.2) ADDITIONAL INFORMATION FOR ANNUAL REPORT.--

7 (1) ONE YEAR AFTER THE COMMENCEMENT OF CASINO
8 SIMULCASTING IN ACCORDANCE WITH CHAPTER 13F (RELATING TO
9 CASINO SIMULCASTING), THE OPERATION OF SKILL SLOT MACHINES,
10 HYBRID SLOT MACHINES AND THE OPERATION OF A MULTISTATE WIDE-
11 AREA SLOT MACHINE SYSTEM, THE REPORT REQUIRED UNDER
12 SUBSECTION (A) SHALL INCLUDE INFORMATION RELATED TO THE
13 FOLLOWING:

14 (I) THE CONDUCT OF CASINO SIMULCASTING.

15 (II) THE OPERATION OF SKILL SLOT MACHINES AND HYBRID
16 SLOT MACHINES.

17 (III) THE OPERATION OF THE MULTISTATE WIDE-AREA
18 PROGRESSIVE SLOT MACHINE SYSTEM.

19 (2) INFORMATION ON REVENUE, TAXES, FEES AND FINES, IF
20 ANY, COLLECTED DURING THE PRECEDING CALENDAR YEAR AND ANY
21 OTHER INFORMATION, DATA OR RECOMMENDATIONS RELATED TO THE
22 CONDUCT OF CASINO SIMULCASTING AND THE OPERATION OF THE
23 MULTISTATE WIDE-AREA PROGRESSIVE SLOT MACHINE SYSTEM, SKILL
24 SLOT MACHINES AND HYBRID SLOT MACHINES AS DETERMINED BY THE
25 BOARD.

26 (D.3) STUDY.--THE BOARD SHALL STUDY AND ANNUALLY REPORT TO
27 THE STANDING COMMITTEES OF THE GENERAL ASSEMBLY WITH
28 JURISDICTION OVER THE BOARD ON DEVELOPMENTS IN GAMING TECHNOLOGY
29 AND THE IMPACT, IF ANY, NEW TECHNOLOGIES AND EXPANSION OF GAMING
30 ARE HAVING OR ARE EXPECTED TO HAVE ON THE SUSTAINABILITY AND

1 COMPETITIVENESS OF THE GAMING INDUSTRY IN THIS COMMONWEALTH. THE
2 INITIAL REPORT SHALL BE DUE ONE YEAR AFTER THE EFFECTIVE DATE OF
3 THIS SUBSECTION. EACH REPORT SHALL SPECIFICALLY ADDRESS THE
4 FOLLOWING:

5 (1) AWARENESS AND GROWTH, TO THE EXTENT KNOWN, OF ANY
6 UNREGULATED COMMERCIAL GAMING PRODUCTS, SUCH AS E-SPORTS AND
7 OTHER SUCH DIGITAL-BASED COMPUTER OR VIDEO TECHNOLOGY.

8 (2) NEW GAMING PRODUCTS, IF ANY, WHICH HAVE BEEN
9 INTRODUCED IN OTHER STATES OR JURISDICTIONS.

10 (3) ANY GAMING PRODUCTS WHICH THE BOARD MAY AUTHORIZE
11 PURSUANT TO ITS REGULATORY AUTHORITY UNDER THIS PART.

12 (4) ANY LEGISLATIVE OR ADMINISTRATIVE CONCERNS REGARDING
13 TRADITIONAL, NEW OR EMERGING GAMING TECHNOLOGIES WITH
14 RECOMMENDATIONS REGARDING RESOLUTION OF SUCH CONCERNS.

15 (5) ANY CANNIBALIZATION FROM CATEGORY 4 SLOT MACHINE
16 LICENSEES ON CATEGORY 1, CATEGORY 2 OR CATEGORY 3 SLOT
17 MACHINE LICENSEES.

18 * * *

19 SECTION 10. SECTION 1212(E) OF TITLE 4 IS AMENDED BY ADDING
20 PARAGRAPHS TO READ:

21 § 1212. DIVERSITY GOALS OF BOARD.

22 * * *

23 (E) DEFINITION.--AS USED IN THIS SECTION, THE TERM
24 "PROFESSIONAL SERVICES" MEANS THOSE SERVICES RENDERED TO A SLOT
25 MACHINE LICENSEE WHICH RELATE TO A LICENSED FACILITY IN THIS
26 COMMONWEALTH, INCLUDING, BUT NOT LIMITED TO:

27 * * *

28 (9) TECHNOLOGY RELATED TO INTERACTIVE GAMING AND
29 INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT.

30 (10) TECHNOLOGY RELATED TO CASINO SIMULCASTING.

1 (11) TECHNOLOGY RELATED TO SPORTS WAGERING.

2 SECTION 11. SECTIONS 1301 AND 1302(A) (4) OF TITLE 4 ARE
3 AMENDED TO READ:

4 § 1301. AUTHORIZED SLOT MACHINE LICENSES.

5 [THERE] EXCEPT AS PROVIDED UNDER SECTION 1305.1 (RELATING TO
6 CATEGORY 4 SLOT MACHINE LICENSE), THERE SHALL BE THREE DISTINCT
7 CLASSIFICATIONS OF SLOT MACHINE LICENSES, DESIGNATED BY
8 CATEGORY, EACH PERMITTING A LICENSED RACING ENTITY OR PERSON TO
9 APPLY FOR A QUALIFYING LICENSE CATEGORY AND, UPON ISSUANCE BY
10 THE BOARD IN ITS DISCRETION, TO PLACE AND OPERATE SLOT MACHINES
11 AT A LICENSED FACILITY. EXCEPT FOR CONDITIONAL CATEGORY 1
12 LICENSE APPLICATIONS PURSUANT TO SECTION 1315 (RELATING TO
13 CONDITIONAL CATEGORY 1 LICENSES), IT IS MANDATORY THAT THE BOARD
14 SHALL CONSIDER, APPROVE, CONDITION OR DENY THE APPROVAL OF ALL
15 INITIAL APPLICATIONS FOR EACH AND EVERY CATEGORY OF SLOT MACHINE
16 LICENSES COLLECTIVELY AND TOGETHER, IN A COMPREHENSIVE STATEWIDE
17 MANNER, WITHIN 12 MONTHS FOLLOWING THE TIME SET BY THE BOARD AT
18 WHICH ALL APPLICATIONS ARE TO BE FILED AND DEEMED COMPLETE BY
19 THE BOARD. THE BOARD SHALL APPROVE, CONDITION OR DENY THE
20 ISSUANCE OF A SLOT MACHINE LICENSE OF ANY CATEGORY WITHIN THE
21 TIME PERIOD PROVIDED FOR HEREIN. FOLLOWING APPROVAL OF AN
22 APPLICATION FOR A SLOT MACHINE LICENSE, THE APPLICANT SHALL
23 PROVIDE FORMAL NOTIFICATION TO THE BOARD AS SOON AS:

24 (1) IT FULFILLS ALL REQUIRED CONDITIONS FOR ISSUANCE OF
25 THE LICENSE; AND

26 (2) THE BOARD'S DECISION APPROVING THE APPLICATION IS A
27 FINAL, BINDING, NONAPPEALABLE DETERMINATION WHICH IS NOT
28 SUBJECT TO A PENDING LEGAL CHALLENGE.

29 UPON RECEIPT OF SUCH FORMAL NOTIFICATION AND UPON CONDUCTING ANY
30 NECESSARY VERIFICATION, THE BOARD SHALL ISSUE A SLOT MACHINE

1 LICENSE TO THE APPLICANT.

2 § 1302. CATEGORY 1 SLOT MACHINE LICENSE.

3 (A) ELIGIBILITY.--A PERSON MAY BE ELIGIBLE TO APPLY FOR A
4 CATEGORY 1 LICENSE TO PLACE AND OPERATE SLOT MACHINES AT A
5 LICENSED RACETRACK FACILITY IF THE PERSON:

6 * * *

7 (4) IS A SUCCESSOR IN INTEREST TO PERSONS ELIGIBLE UNDER
8 PARAGRAPH (1), (2) OR (3) WHO COMPLY WITH THE REQUIREMENTS OF
9 SECTION 1328 (RELATING TO CHANGE IN OWNERSHIP OR CONTROL OF
10 SLOT MACHINE LICENSEE) [OR IS A SUCCESSOR IN INTEREST TO
11 PERSONS OTHERWISE ELIGIBLE UNDER PARAGRAPH (1), (2) OR (3)
12 BUT PRECLUDED FROM ELIGIBILITY UNDER THE PROVISIONS OF
13 SECTION 1330].

14 * * *

15 SECTION 12. SECTION 1305(A) IS AMENDED BY ADDING A PARAGRAPH
16 AND THE SECTION IS AMENDED BY ADDING SUBSECTIONS TO READ:

17 § 1305. CATEGORY 3 SLOT MACHINE LICENSE.

18 (A) ELIGIBILITY.--

19 * * *

20 (1.2) THE REQUIREMENTS UNDER PARAGRAPH (1) (I), (II) AND
21 (III) AND THE MEMBERSHIP FEE REQUIRED UNDER PARAGRAPHS (1)
22 (IV) AND (1.1) SHALL NOT APPLY TO THE LICENSED FACILITY IF
23 THE CATEGORY 3 SLOT MACHINE LICENSEE MAKES NOTIFICATION TO
24 THE BOARD AND A PAYMENT OF \$1,000,000 TO THE DEPARTMENT FOR
25 DEPOSIT INTO THE GENERAL FUND.

26 * * *

27 (C.1) ADDITIONAL SLOT MACHINES.--

28 (1) UPON SUBMISSION BY A CATEGORY 3 SLOT MACHINE
29 LICENSEE OF A PETITION TO THE BOARD, IN SUCH FORM AND MANNER
30 AS THE BOARD MAY REQUIRE, THE BOARD MAY AUTHORIZE THE

1 CATEGORY 3 SLOT MACHINE LICENSEE TO INCREASE THE NUMBER OF
2 SLOT MACHINES AT THE CATEGORY 3 SLOT MACHINE LICENSEE'S
3 LICENSED FACILITY.

4 (2) AN INCREASE IN THE NUMBER OF SLOT MACHINES BY A
5 CATEGORY 3 SLOT MACHINE LICENSEE UNDER PARAGRAPH (1) MAY NOT
6 EXCEED 250 ADDITIONAL SLOT MACHINES, WHICH SHALL BE IN
7 ADDITION TO THE NUMBER OF PERMISSIBLE SLOT MACHINES
8 AUTHORIZED UNDER SUBSECTION (C).

9 * * *

10 (D.1) FEE FOR ADDITIONAL SLOT MACHINES.--NOTWITHSTANDING
11 SUBSECTION (D), NO LATER THAN 60 DAYS AFTER THE BOARD APPROVES A
12 REQUEST FOR AN INCREASE IN THE NUMBER OF SLOT MACHINES SUBMITTED
13 BY A CATEGORY 3 SLOT MACHINE LICENSEE IN ACCORDANCE WITH
14 SUBSECTION (C.1), THE CATEGORY 3 SLOT MACHINE LICENSEE SHALL PAY
15 A ONE-TIME FEE OF \$2,500,000 FOR DEPOSIT INTO THE GENERAL FUND.

16 * * *

17 SECTION 12.1. TITLE 4 IS AMENDED BY ADDING SECTIONS TO READ:
18 § 1305.1. CATEGORY 4 SLOT MACHINE LICENSE.

19 (A) ELIGIBILITY.--THE FOLLOWING APPLY:

20 (1) A SLOT MACHINE LICENSEE MAY SUBMIT A BID IF:

21 (I) THE SLOT MACHINE LICENSEE'S LICENSE AND TABLE
22 GAME OPERATION CERTIFICATE ARE IN GOOD STANDING WITH THE
23 BOARD; AND

24 (II) THE SLOT MACHINE LICENSEE AGREES TO LOCATE A
25 CATEGORY 4 LICENSED FACILITY AS PROVIDED UNDER SUBSECTION

26 (B).

27 (2) A WINNING BIDDER OF AN AUCTION UNDER SECTION
28 1305.2(A) (RELATING TO CONDUCT OF AUCTIONS) SHALL BE
29 INELIGIBLE TO PARTICIPATE IN AN AUCTION UNTIL AN AUCTION IS
30 CONDUCTED UNDER SECTION 1305.2(B) AND (B.1).

1 (A.1) MUNICIPAL OPTION.--

2 (1) PRIOR TO THE COMMENCEMENT OF AN AUCTION UNDER
3 SECTION 1305.2, EACH MUNICIPALITY SHALL HAVE THE OPTION TO
4 PROHIBIT THE LOCATION OF A CATEGORY 4 LICENSED FACILITY
5 WITHIN THE MUNICIPALITY BY DELIVERING A RESOLUTION OF THE
6 MUNICIPALITY'S GOVERNING BODY TO THE BOARD NO LATER THAN
7 DECEMBER 31, 2017. NO CATEGORY 4 LICENSED FACILITY MAY BE
8 LOCATED IN A MUNICIPALITY WHICH HAS EXERCISED ITS OPTION
9 UNDER THIS PARAGRAPH.

10 (2) A MUNICIPALITY THAT PROHIBITS THE LOCATION OF A
11 CATEGORY 4 LICENSED FACILITY WITHIN THE MUNICIPALITY UNDER
12 SUBSECTION (A) MAY RESCIND THAT PROHIBITION AT ANY TIME BY
13 DELIVERING A NEW RESOLUTION OF THE MUNICIPALITY'S GOVERNING
14 BODY TO THE BOARD. A MUNICIPALITY THAT RESCINDS ITS PRIOR
15 PROHIBITION ACCORDING TO THIS SUBSECTION MAY NOT SUBSEQUENTLY
16 PROHIBIT THE LOCATION OF A CATEGORY 4 LICENSED FACILITY IN
17 THE MUNICIPALITY.

18 (B) LOCATION.--THE FOLLOWING SHALL APPLY:

19 (1) TEN CATEGORY 4 LICENSED FACILITIES MAY BE LOCATED IN
20 THIS COMMONWEALTH.

21 (2) A WINNING BIDDER'S CATEGORY 4 LOCATION MAY NOT BE
22 WITHIN 25 LINEAR MILES OF ANOTHER CATEGORY 1, CATEGORY 2 OR
23 CATEGORY 3 LICENSED FACILITY BUT MAY BE WITHIN 25 LINEAR
24 MILES OF THE WINNING BIDDER'S LICENSED FACILITY.

25 (3) AFTER A WINNING BIDDER SELECTS A CATEGORY 4 LOCATION
26 UNDER SECTION 1305.2(C) (9), THE SELECTED CATEGORY 4 LOCATION
27 IS RESERVED AND ANOTHER CATEGORY 4 LOCATION MAY NOT BE
28 LOCATED WITHIN THAT CATEGORY 4 LOCATION.

29 (4) IF THE WINNING BIDDER APPLYING FOR A CATEGORY 4 SLOT
30 MACHINE LICENSE PROPOSES TO PLACE THE LICENSED FACILITY UPON

1 LAND DESIGNATED A SUBZONE, AN EXPANSION SUBZONE OR AN
2 IMPROVEMENT SUBZONE UNDER THE ACT OF OCTOBER 6, 1998
3 (P.L.705, NO.92), KNOWN AS THE KEYSTONE OPPORTUNITY ZONE,
4 KEYSTONE OPPORTUNITY EXPANSION ZONE AND KEYSTONE OPPORTUNITY
5 IMPROVEMENT ZONE ACT, AND THE APPLICATION IS SUBSEQUENTLY
6 APPROVED BY THE BOARD, THE WINNING BIDDER SHALL SUBMIT A
7 STATEMENT WAIVING THE EXEMPTIONS, DEDUCTIONS, ABATEMENTS OR
8 CREDITS GRANTED UNDER THE KEYSTONE OPPORTUNITY ZONE, KEYSTONE
9 OPPORTUNITY EXPANSION ZONE AND KEYSTONE OPPORTUNITY
10 IMPROVEMENT ZONE ACT.

11 (5) WITHIN FIVE DAYS OF APPROVING A CATEGORY 4 SLOT
12 MACHINE LICENSE FOR A PROPOSED CATEGORY 4 LICENSED FACILITY
13 CONSISTING OF LAND DESIGNATED A SUBZONE, AN EXPANSION SUBZONE
14 OR AN IMPROVEMENT SUBZONE UNDER THE KEYSTONE OPPORTUNITY
15 ZONE, KEYSTONE OPPORTUNITY EXPANSION ZONE AND KEYSTONE
16 OPPORTUNITY IMPROVEMENT ZONE ACT FOR A CATEGORY 4 SLOT
17 MACHINE LICENSE UNDER THIS SECTION, THE BOARD SHALL NOTIFY
18 THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT. THE
19 NOTICE SHALL INCLUDE A DESCRIPTION OF THE LAND WHERE THE
20 PROPOSED CATEGORY 4 LICENSED FACILITY WOULD BE SITUATED WHICH
21 IS DESIGNATED A SUBZONE, AN EXPANSION SUBZONE OR AN
22 IMPROVEMENT SUBZONE. WITHIN FIVE DAYS OF RECEIVING THE NOTICE
23 REQUIRED BY THIS PARAGRAPH, THE SECRETARY OF COMMUNITY AND
24 ECONOMIC DEVELOPMENT SHALL DECERTIFY THE LAND AS BEING A
25 SUBZONE, AN EXPANSION SUBZONE OR AN IMPROVEMENT SUBZONE. UPON
26 DECERTIFICATION IN ACCORDANCE WITH THIS PARAGRAPH AND
27 NOTWITHSTANDING CHAPTER 3 OF THE KEYSTONE OPPORTUNITY ZONE,
28 KEYSTONE OPPORTUNITY EXPANSION ZONE AND KEYSTONE OPPORTUNITY
29 IMPROVEMENT ZONE ACT, A POLITICAL SUBDIVISION MAY AMEND AN
30 ORDINANCE, RESOLUTION OR OTHER REQUIRED ACTION WHICH GRANTED

1 THE EXEMPTIONS, DEDUCTIONS, ABATEMENTS OR CREDITS REQUIRED BY
2 THE KEYSTONE OPPORTUNITY ZONE, KEYSTONE OPPORTUNITY EXPANSION
3 ZONE AND KEYSTONE OPPORTUNITY IMPROVEMENT ZONE ACT TO REPEAL
4 THE EXEMPTIONS, DEDUCTIONS, ABATEMENTS OR CREDITS FOR THE
5 DECERTIFIED LAND.

6 (6) A CATEGORY 4 SLOT MACHINE LICENSE MAY NOT BE LOCATED
7 IN A COUNTY HOSTING A CATEGORY 3 LICENSED FACILITY.

8 (7) A CATEGORY 4 SLOT MACHINE LICENSE MAY NOT BE LOCATED
9 IN A SIXTH CLASS COUNTY WHICH IS CONTIGUOUS TO A COUNTY THAT
10 HOSTS A CATEGORY 2 LICENSED FACILITY.

11 (C) CONDUCT OF GAMING.--A CATEGORY 4 SLOT MACHINE LICENSEE
12 SHALL HAVE THE AUTHORITY TO INSTALL AND MAKE SLOT MACHINES
13 AVAILABLE FOR PLAY AT A CATEGORY 4 LICENSED FACILITY. THE HOLDER
14 OF A TABLE GAME CERTIFICATE THAT IS A CATEGORY 4 SLOT MACHINE
15 LICENSEE MAY INSTALL AND MAKE TABLE GAMES AVAILABLE FOR PLAY AT
16 A CATEGORY 4 LICENSED FACILITY.

17 (D) NUMBER OF SLOT MACHINES.--THE FOLLOWING APPLY:

18 (1) SUBJECT TO PARAGRAPHS (2) AND (3), A CATEGORY 4 SLOT
19 MACHINE LICENSEE MAY OPERATE NOT FEWER THAN 300 AND NOT MORE
20 THAN 750 SLOT MACHINES AT THE CATEGORY 4 LICENSED FACILITY.

21 (2) A CATEGORY 1 OR CATEGORY 2 SLOT MACHINE LICENSEE WHO
22 IS A CATEGORY 4 SLOT MACHINE LICENSEE MAY NOT OPERATE SLOT
23 MACHINES ABOVE THE AUTHORIZED COMPLEMENT UNDER SECTION 1210
24 (RELATING TO NUMBER OF SLOT MACHINES).

25 (3) (I) A CATEGORY 3 SLOT MACHINE LICENSEE WHO IS A
26 CATEGORY 4 SLOT MACHINE LICENSEE MAY SUBMIT A PETITION TO
27 OPERATE SLOT MACHINES ABOVE THE CATEGORY 3 AUTHORIZED
28 COMPLEMENT UNDER SECTION 1305 (RELATING TO CATEGORY 3
29 SLOT MACHINE LICENSE).

30 (II) NO LATER THAN 60 DAYS AFTER THE BOARD APPROVES

1 A PETITION TO OPERATE SLOT MACHINES ABOVE THE CATEGORY 3
2 AUTHORIZED COMPLEMENT IN ACCORDANCE WITH SUBPARAGRAPH
3 (I), THE CATEGORY 3 SLOT MACHINE LICENSEE SHALL PAY A
4 NONREFUNDABLE AUTHORIZATION FEE IN THE AMOUNT OF \$10,000
5 PER AUTHORIZED ADDITIONAL SLOT MACHINE.

6 (III) A QUALIFIED ENTITY WHO IS A CATEGORY 4 SLOT
7 MACHINE LICENSEE SHALL SUBMIT TO THE BOARD A PETITION TO
8 OPERATE SLOT MACHINES NOT TO EXCEED THE LIMIT UNDER
9 PARAGRAPH (1). NO LATER THAN 60 DAYS AFTER THE BOARD
10 APPROVES A PETITION TO OPERATE SLOT MACHINES AT A
11 CATEGORY 4 LICENSED FACILITY, THE QUALIFIED ENTITY MUST
12 PAY A NONREFUNDABLE AUTHORIZATION FEE IN THE AMOUNT OF
13 \$10,000 PER AUTHORIZED SLOT MACHINE.

14 (4) A SLOT MACHINE LICENSEE MAY NOT REDUCE THE NUMBER OF
15 SLOT MACHINES AND TABLE GAMES IN OPERATION AT A CATEGORY 1,
16 CATEGORY 2 OR CATEGORY 3 LICENSED FACILITY, AS OF THE
17 EFFECTIVE DATE OF THIS SECTION, UNLESS THE BOARD APPROVES OF
18 A REDUCTION AND THE REDUCTION IS NOT A RESULT OF THE CONDUCT
19 OF GAMING AT A CATEGORY 4 LICENSED FACILITY.

20 (E) LICENSE FEE.--

21 (1) THE LICENSE FEE FOR A CATEGORY 4 SLOT MACHINE
22 LICENSE SHALL BE DETERMINED PURSUANT TO AN AUCTION UNDER
23 SECTION 1305.2.

24 (2) AN ADDITIONAL LICENSE FEE FOR A CATEGORY 4 SLOT
25 MACHINE LICENSE SHALL NOT BE REQUIRED.

26 (3) THE PROVISIONS OF SECTION 1209(C) (RELATING TO SLOT
27 MACHINE LICENSE FEE) SHALL NOT APPLY TO A CATEGORY 4 LICENSE.

28 (F) TEMPORARY FACILITIES.--THE BOARD, IN ITS DISCRETION AND
29 UPON APPLICATION OR PETITION, MAY PERMIT THE USE OF A TEMPORARY
30 FACILITY WITHIN WHICH SLOT MACHINES AND TABLE GAMES MAY BE MADE

1 AVAILABLE FOR PLAY OR OPERATION AT A CATEGORY 4 LICENSED
2 FACILITY, FOR A PERIOD NOT TO EXCEED 18 MONTHS.

3 (G) PENNSYLVANIA STATE POLICE.--NOTWITHSTANDING SECTION 1517
4 (RELATING TO INVESTIGATIONS AND ENFORCEMENT), THE BOARD MAY NOT
5 REQUIRE THE PENNSYLVANIA STATE POLICE TO HAVE AN OFFICE LOCATED
6 WITHIN A CATEGORY 4 LICENSED FACILITY.

7 § 1305.2. CONDUCT OF AUCTIONS.

8 (A) INITIAL AUCTIONS.--

9 (1) BEGINNING NO LATER THAN JANUARY 15, 2018, AND
10 CONCLUDING BY JULY 31, 2018, THE BOARD SHALL CONDUCT INITIAL
11 AUCTIONS FOR THE 10 AVAILABLE CATEGORY 4 SLOT MACHINE
12 LICENSES.

13 (2) THE BOARD SHALL SET THE DATE, TIME AND LOCATION OF
14 THE INITIAL AUCTIONS AT LEAST THREE WEEKS PRIOR TO THE
15 INITIAL AUCTION AND MAKE THE AUCTION INFORMATION AVAILABLE ON
16 THE BOARD'S PUBLICLY ACCESSIBLE INTERNET WEBSITE.

17 (B) SUBSEQUENT AUCTIONS.--

18 (1) IF A WINNING BID IS NOT AWARDED AT AN INITIAL
19 AUCTION CONDUCTED UNDER SUBSECTION (A), THE BOARD SHALL
20 CONDUCT SUBSEQUENT AUCTIONS.

21 (2) A CATEGORY 1 OR CATEGORY 2 SLOT MACHINE LICENSEE
22 THAT SUBMITTED A WINNING BID IN AN INITIAL AUCTION SHALL BE
23 ELIGIBLE TO SUBMIT A BID IN ALL SUBSEQUENT AUCTIONS.

24 (3) EXCEPT AS PROVIDED UNDER SUBSECTION (C) (10) (II),
25 (11), (12) AND (13), THE BOARD SHALL COMPLETE ALL SUBSEQUENT
26 AUCTIONS NO LATER THAN AUGUST 31, 2018.

27 (B.1) ADDITIONAL AUCTIONS.--IF A SUBSEQUENT AUCTION FAILS TO
28 GENERATE ANY BIDS, THE BOARD, IN ITS DISCRETION, MAY DETERMINE
29 IF IT IS IN THE BEST INTERESTS OF THE COMMONWEALTH WHETHER TO
30 CONDUCT ADDITIONAL AUCTIONS AT WHICH ANY CATEGORY 1, CATEGORY 2

1 OR CATEGORY 3 SLOT MACHINE LICENSEE, OR OTHER QUALIFIED ENTITY,
2 MAY BID. IF THE BOARD INTENDS TO CONDUCT ADDITIONAL AUCTIONS,
3 THE BOARD SHALL FIRST ESTABLISH CRITERIA AND PROCEDURES FOR THE
4 QUALIFICATION OF ENTITIES TO BID AND APPLY FOR A CATEGORY 4
5 LICENSE.

6 (C) AUCTION PROCEDURES.--THE FOLLOWING SHALL APPLY TO THE
7 AUCTIONS CONDUCTED BY THE BOARD:

8 (1) AUCTIONS SHALL BE CONDUCTED USING A COMPETITIVE
9 BIDDING PROCESS.

10 (2) THE BOARD SHALL ADOPT PROCEDURES TO PREVENT BID
11 RIGGING AND COLLUSION AMONG BIDDERS AND ESTABLISH AUCTION
12 CONDITIONS, PROCESSES OR PROCEDURES. THE PROCEDURES SHALL NOT
13 BE SUBJECT TO REVIEW UNDER SECTION 205 OF THE ACT OF JULY 31,
14 1968 (P.L.769, NO.240), REFERRED TO AS THE COMMONWEALTH
15 DOCUMENTS LAW, SECTIONS 204(B) AND 301(10) OF THE ACT OF
16 OCTOBER 15, 1980 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH
17 ATTORNEYS ACT, OR THE ACT OF JUNE 25, 1982 (P.L.633, NO.181),
18 KNOWN AS THE REGULATORY REVIEW ACT.

19 (3) THE BOARD SHALL REQUIRE EACH PROSPECTIVE BIDDER TO
20 SUBMIT A BOND OR LETTER OF CREDIT IN THE AMOUNT OF THE
21 MINIMUM BID UNDER PARAGRAPH (5).

22 (4) EACH AUCTION SHALL BE CONDUCTED SEPARATELY.

23 (5) THE MINIMUM BID SHALL BE \$7,500,000. IN NO CASE MAY
24 THE BOARD ACCEPT A BID THAT IS LESS THAN \$7,500,000.

25 (6) IF THE AUCTION DOES NOT RESULT IN A WINNING BID, THE
26 HIGHEST BIDDERS SHALL HAVE ONE HOUR TO SUBMIT A FINAL AND
27 BEST BID TO THE BOARD AT THE SAME PUBLIC MEETING. IF THE
28 SUBMISSION OF THE FINAL BIDS DOES NOT RESULT IN A WINNING
29 BID, THE HIGHEST BIDDERS SHALL CONTINUE TO SUBMIT FINAL BIDS,
30 IN AN AMOUNT NOT LESS THAN OR EQUAL TO A PRIOR BID

1 SUBMISSION, UNTIL A WINNING BID IS RECEIVED.

2 (7) THE WINNING BIDDER SHALL PAY TO THE BOARD THE BID
3 AMOUNT WITHIN TWO BUSINESS DAYS FOLLOWING THE AUCTION.
4 PAYMENT SHALL BE BY CASHIER'S CHECK, CERTIFIED CHECK OR ANY
5 OTHER METHOD ACCEPTABLE TO THE BOARD.

6 (8) IF THE WINNING BIDDER DOES NOT PAY THE BID AMOUNT
7 WITHIN THE TIME PERIOD REQUIRED UNDER PARAGRAPH (7), THE
8 SECOND HIGHEST BIDDER SHALL BE AWARDED THE RIGHT TO SELECT A
9 CATEGORY 4 LOCATION AND APPLY FOR THE CATEGORY 4 SLOT MACHINE
10 LICENSE, SO LONG AS THE SECOND HIGHEST BIDDER'S BID AMOUNT
11 MEETS THE REQUIREMENTS OF PARAGRAPH (5). IF THE SECOND
12 HIGHEST BIDDER DECLINES THE AWARD OR IS INELIGIBLE TO WIN,
13 THE BOARD SHALL CONDUCT ANOTHER AUCTION.

14 (9) UPON WINNING AN AUCTION, THE WINNING BIDDER AT THE
15 PUBLIC MEETING SHALL SELECT THE CATEGORY 4 LOCATION AT WHICH
16 IT INTENDS TO OPERATE THE CATEGORY 4 LICENSED FACILITY. THE
17 BOARD SHALL POST THE CATEGORY 4 LOCATION SELECTION ON ITS
18 PUBLICLY ACCESSIBLE INTERNET WEBSITE. THE SELECTED CATEGORY 4
19 LOCATION MAY NOT BE SELECTED BY A SUBSEQUENT WINNING BIDDER.

20 (10) (I) THE WINNING BIDDER SHALL SUBMIT AN APPLICATION
21 FOR THE CATEGORY 4 SLOT MACHINE LICENSE WITHIN SIX MONTHS
22 OF THE PAYMENT OF THE WINNING BID AMOUNT. THE BOARD MAY,
23 IN ITS DISCRETION, EXTEND THIS DEADLINE FOR A PERIOD NOT
24 TO EXCEED TWO ADDITIONAL MONTHS.

25 (II) FAILURE OF THE WINNING BIDDER TO SUBMIT AN
26 APPLICATION WITHIN THE TIME UNDER SUBPARAGRAPH (I) SHALL
27 RESULT IN FORFEITURE OF THE BIDDER'S RIGHT TO APPLY FOR
28 THE LICENSE AND FORFEITURE OF THE WINNING BID AMOUNT. THE
29 BOARD SHALL CONDUCT ANOTHER AUCTION AT A TIME DETERMINED
30 BY THE BOARD.

1 (11) ISSUANCE OF A CATEGORY 4 SLOT MACHINE LICENSE BY
2 THE BOARD TO A WINNING BIDDER SHALL BE CONTINGENT UPON THE
3 BIDDER'S ABILITY TO MEET THE REQUIREMENTS OF THIS PART.

4 (12) IN THE EVENT THE BOARD DENIES THE APPLICATION FOR
5 THE CATEGORY 4 SLOT MACHINE LICENSE FILED BY THE WINNING
6 BIDDER, THE WINNING BIDDER SHALL BE ENTITLED TO A RETURN OF
7 75% OF THE WINNING BID AMOUNT THE WINNING BIDDER SUBMITTED
8 UNDER PARAGRAPH (7). A REFUND UNDER THIS PARAGRAPH SHALL BE
9 PAID FROM THE GENERAL FUND. THE BOARD SHALL CONDUCT ANOTHER
10 AUCTION AT A TIME DETERMINED BY THE BOARD.

11 (13) IF THE BOARD APPROVES THE APPLICATION FOR THE
12 CATEGORY 4 SLOT MACHINE LICENSE FILED BY THE WINNING BIDDER
13 AND THE APPLICANT FAILS TO OPEN AND OPERATE THE CATEGORY 4
14 LICENSED FACILITY, THE BID AMOUNT SUBMITTED UNDER PARAGRAPH
15 (7) IS FORFEITED. THE BOARD SHALL CONDUCT ANOTHER AUCTION AT
16 A TIME DETERMINED BY THE BOARD.

17 (D) DEPOSIT OF FEES.--NOTWITHSTANDING SECTION 1209 (RELATING
18 TO SLOT MACHINE LICENSE FEE), ALL CATEGORY 4 SLOT MACHINE
19 LICENSE AUCTION FEES AND AUTHORIZATION FEES SHALL BE DEPOSITED
20 INTO THE GENERAL FUND.

21 SECTION 12.2. SECTION 1307 OF TITLE 4 IS AMENDED TO READ:
22 § 1307. NUMBER OF SLOT MACHINE LICENSES.

23 (A) CATEGORY 1, CATEGORY 2 AND CATEGORY 3 LICENSES.--THE
24 BOARD MAY LICENSE NO MORE THAN SEVEN CATEGORY 1 LICENSED
25 FACILITIES AND NO MORE THAN FIVE CATEGORY 2 LICENSED FACILITIES,
26 AS IT MAY DEEM APPROPRIATE, AS LONG AS TWO, AND NOT MORE,
27 CATEGORY 2 LICENSED FACILITIES ARE LOCATED BY THE BOARD WITHIN
28 THE CITY OF THE FIRST CLASS AND THAT ONE, AND NOT MORE, CATEGORY
29 2 LICENSED FACILITY IS LOCATED BY THE BOARD WITHIN THE CITY OF
30 THE SECOND CLASS. THE BOARD MAY AT ITS DISCRETION INCREASE THE

1 TOTAL NUMBER OF CATEGORY 2 LICENSED FACILITIES PERMITTED TO BE
2 LICENSED BY THE BOARD BY AN AMOUNT NOT TO EXCEED THE TOTAL
3 NUMBER OF CATEGORY 1 LICENSES NOT APPLIED FOR WITHIN FIVE YEARS
4 FOLLOWING THE EFFECTIVE DATE OF THIS PART. EXCEPT AS PERMITTED
5 BY SECTION 1328 (RELATING TO CHANGE IN OWNERSHIP OR CONTROL OF
6 SLOT MACHINE LICENSEE), ANY CATEGORY 1 LICENSE MAY BE REISSUED
7 BY THE BOARD AT ITS DISCRETION AS A CATEGORY 2 LICENSE IF AN
8 APPLICATION FOR ISSUANCE OF SUCH LICENSE HAS NOT BEEN MADE TO
9 THE BOARD. THE BOARD MAY LICENSE NO MORE THAN [THREE] TWO
10 CATEGORY 3 LICENSED FACILITIES.

11 (B) CATEGORY 4 LICENSES.--THE BOARD MAY LICENSE NO MORE THAN
12 10 CATEGORY 4 LICENSED FACILITIES. THE BOARD SHALL CONDUCT
13 AUCTIONS IN ACCORDANCE WITH SECTION 1305.2 (RELATING TO CONDUCT
14 OF AUCTIONS).

15 SECTION 13. SECTION 1309(A.1) HEADING OF TITLE 4 IS AMENDED
16 AND THE SUBSECTION IS AMENDED BY ADDING A PARAGRAPH TO READ:
17 § 1309. SLOT MACHINE LICENSE APPLICATION.

18 * * *

19 (A.1) TABLE GAMES AND INTERACTIVE GAMING INFORMATION.--

20 * * *

21 (3) THE BOARD MAY PERMIT AN APPLICANT FOR A SLOT MACHINE
22 LICENSE THAT HAS AN APPLICATION UNDER PARAGRAPH (1) OR (2)
23 PENDING BEFORE THE BOARD TO SUPPLEMENT ITS APPLICATION WITH
24 ALL INFORMATION REQUIRED UNDER CHAPTER 13B (RELATING TO
25 INTERACTIVE GAMING) AND TO REQUEST THAT THE BOARD CONSIDER
26 ITS APPLICATION FOR A SLOT MACHINE LICENSE, A TABLE GAME
27 OPERATION CERTIFICATE AND AN INTERACTIVE GAMING CERTIFICATE
28 CONCURRENTLY. ALL FEES FOR AN INTERACTIVE GAMING CERTIFICATE
29 SHALL BE PAID BY THE APPLICANT IN ACCORDANCE WITH THE
30 REQUIREMENTS OF THIS PART.

1 * * *

2 SECTION 13.1. SECTION 1313(E) OF TITLE 4 IS AMENDED TO READ:

3 § 1313. SLOT MACHINE LICENSE APPLICATION FINANCIAL FITNESS
4 REQUIREMENTS.

5 * * *

6 (E) APPLICANT'S OPERATIONAL VIABILITY.--IN ASSESSING THE
7 FINANCIAL VIABILITY OF THE PROPOSED LICENSED FACILITY, THE BOARD
8 SHALL MAKE A FINDING, AFTER REVIEW OF THE APPLICATION, THAT THE
9 APPLICANT IS LIKELY TO MAINTAIN A FINANCIALLY SUCCESSFUL, VIABLE
10 AND EFFICIENT BUSINESS OPERATION AND WILL LIKELY BE ABLE TO
11 MAINTAIN A STEADY LEVEL OF GROWTH OF REVENUE TO THE COMMONWEALTH
12 PURSUANT TO SECTION 1403 (RELATING TO ESTABLISHMENT OF STATE
13 GAMING FUND AND NET SLOT MACHINE REVENUE DISTRIBUTION).
14 NOTWITHSTANDING ANY PROVISION OF THIS PART TO THE CONTRARY, AN
15 APPLICANT THAT INCLUDES A COMMITMENT OR PROMISE TO PAY A SLOT
16 MACHINE LICENSE FEE IN EXCESS OF THE AMOUNT PROVIDED IN SECTION
17 1209 OR A DISTRIBUTION OF TERMINAL REVENUE IN EXCESS OF THE
18 AMOUNTS PROVIDED IN SECTIONS 1403, 1405 (RELATING TO
19 PENNSYLVANIA RACE HORSE DEVELOPMENT TRUST FUND) AND 1407
20 (RELATING TO PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND
21 TOURISM FUND) SHALL NOT BE DEEMED A FINANCIALLY SUCCESSFUL,
22 VIABLE OR EFFICIENT BUSINESS OPERATION AND SHALL NOT BE APPROVED
23 FOR A SLOT MACHINE LICENSE.

24 * * *

25 SECTION 14. SECTION 1317(A), (C) AND (D) OF TITLE 4 ARE
26 AMENDED AND THE SECTION IS AMENDED BY ADDING SUBSECTIONS TO
27 READ:

28 § 1317. SUPPLIER LICENSES.

29 (A) APPLICATION.--A MANUFACTURER THAT ELECTS TO CONTRACT
30 WITH A SUPPLIER UNDER SECTION 1317.1(D.1) (RELATING TO

1 MANUFACTURER LICENSES) SHALL ENSURE THAT THE SUPPLIER IS
2 APPROPRIATELY LICENSED UNDER THIS SECTION. A PERSON SEEKING TO
3 PROVIDE SLOT MACHINES, TABLE GAME DEVICES OR ASSOCIATED
4 EQUIPMENT, INTERACTIVE GAMING DEVICES OR ASSOCIATED EQUIPMENT OR
5 MULTI-USE COMPUTING DEVICES TO A SLOT MACHINE LICENSEE, AN
6 INTERACTIVE GAMING CERTIFICATE HOLDER OR AN INTERACTIVE GAMING
7 OPERATOR WITHIN THIS COMMONWEALTH THROUGH A CONTRACT WITH A
8 LICENSED MANUFACTURER SHALL APPLY TO THE BOARD FOR THE
9 APPROPRIATE SUPPLIER LICENSE.

10 * * *

11 (C) REVIEW AND APPROVAL.--UPON BEING SATISFIED THAT THE
12 REQUIREMENTS OF SUBSECTION (B) HAVE BEEN MET, THE BOARD MAY
13 APPROVE THE APPLICATION AND ISSUE THE APPLICANT A SUPPLIER
14 LICENSE CONSISTENT WITH ALL OF THE FOLLOWING:

15 (1) THE [INITIAL LICENSE SHALL BE FOR A PERIOD OF ONE
16 YEAR, AND, IF RENEWED UNDER SUBSECTION (D), THE] LICENSE
17 SHALL BE ISSUED FOR A PERIOD OF [THREE] FIVE YEARS AND SHALL
18 BE RENEWED IN ACCORDANCE WITH SUBSECTION (D). NOTHING IN THIS
19 PARAGRAPH SHALL RELIEVE A LICENSEE OF THE AFFIRMATIVE DUTY TO
20 NOTIFY THE BOARD OF ANY CHANGES RELATING TO THE STATUS OF ITS
21 LICENSE OR TO ANY INFORMATION CONTAINED IN THE APPLICATION
22 MATERIALS ON FILE WITH THE BOARD.

23 (2) THE LICENSE SHALL BE NONTRANSFERABLE.

24 (3) ANY OTHER CONDITION ESTABLISHED BY THE BOARD.

25 * * *

26 (C.2) ABBREVIATED PROCESS FOR SUPPLIER.--

27 (1) NOTWITHSTANDING SUBSECTION (C.1) (1) OR ANY
28 REGULATIONS OF THE BOARD TO THE CONTRARY, THE BOARD MAY
29 EXTEND THE USE OF THE ABBREVIATED PROCESS AUTHORIZED UNDER
30 SUBSECTION (C.1) TO AN APPLICANT FOR A SUPPLIER LICENSE TO

1 SUPPLY SLOT MACHINES USED IN A MULTISTATE WIDE-AREA
2 PROGRESSIVE SLOT MACHINE SYSTEM, SKILL SLOT MACHINES, HYBRID
3 SLOT MACHINES AND DEVICES OR ASSOCIATED EQUIPMENT USED IN
4 CONNECTION WITH MULTISTATE WIDE-AREA PROGRESSIVE SLOT MACHINE
5 SYSTEMS, SKILL SLOT MACHINES OR HYBRID SLOT MACHINES,
6 INTERACTIVE GAMING DEVICES OR ASSOCIATED EQUIPMENT USED IN
7 CONNECTION WITH INTERACTIVE GAMING, INCLUDING MULTI-USE
8 COMPUTING DEVICES, IF THE APPLICANT HOLDS A VALID SUPPLIER
9 LICENSE ISSUED BY THE BOARD TO SUPPLY SLOT MACHINES OR
10 ASSOCIATED EQUIPMENT OR TABLE GAMES OR TABLE GAME DEVICES OR
11 ASSOCIATED EQUIPMENT. THE REQUIREMENTS OF SUBSECTION (C.1) (2)
12 AND (3) SHALL APPLY TO THIS SUBSECTION.

13 (2) AN APPLICANT FOR A SUPPLIER'S LICENSE TO SUPPLY SLOT
14 MACHINES USED IN A MULTISTATE WIDE-AREA PROGRESSIVE SYSTEMS,
15 SKILL SLOT MACHINES OR HYBRID SLOT MACHINES OR ASSOCIATED
16 EQUIPMENT OR INTERACTIVE GAMING DEVICES OR ASSOCIATED
17 EQUIPMENT SHALL BE SUBJECT TO THE APPLICABLE PROVISIONS OF
18 THIS PART.

19 (D) RENEWAL.--

20 (1) [TWO] SIX MONTHS PRIOR TO EXPIRATION OF A SUPPLIER
21 LICENSE, THE SUPPLIER LICENSEE SEEKING RENEWAL OF ITS LICENSE
22 SHALL SUBMIT A RENEWAL APPLICATION ACCOMPANIED BY THE RENEWAL
23 FEE TO THE BOARD.

24 (2) IF THE RENEWAL APPLICATION SATISFIES THE
25 REQUIREMENTS OF SUBSECTION (B), THE BOARD MAY RENEW THE
26 LICENSEE'S SUPPLIER LICENSE.

27 (3) IF THE BOARD RECEIVES A COMPLETE RENEWAL APPLICATION
28 BUT FAILS TO ACT UPON THE RENEWAL APPLICATION PRIOR TO THE
29 EXPIRATION OF THE SUPPLIER LICENSE, THE SUPPLIER LICENSE
30 SHALL CONTINUE IN EFFECT [FOR AN ADDITIONAL SIX-MONTH PERIOD

1 OR] UNTIL ACTED UPON BY THE BOARD[, WHICHEVER OCCURS FIRST].

2 * * *

3 SECTION 14.1. SECTION 1317.1 OF TITLE 4 IS AMENDED TO READ:

4 § 1317.1. MANUFACTURER LICENSES.

5 (A) APPLICATION.--A PERSON SEEKING TO MANUFACTURE SLOT
6 MACHINES, TABLE GAME DEVICES AND ASSOCIATED EQUIPMENT OR
7 INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT FOR USE IN
8 THIS COMMONWEALTH SHALL APPLY TO THE BOARD FOR A MANUFACTURER
9 LICENSE.

10 (B) REQUIREMENTS.--AN APPLICATION FOR A MANUFACTURER LICENSE
11 SHALL BE ON THE FORM REQUIRED BY THE BOARD, ACCOMPANIED BY THE
12 APPLICATION FEE, AND SHALL INCLUDE ALL OF THE FOLLOWING:

13 (1) THE NAME AND BUSINESS ADDRESS OF THE APPLICANT AND
14 THE APPLICANT'S AFFILIATES, INTERMEDIARIES, SUBSIDIARIES AND
15 HOLDING COMPANIES; THE PRINCIPALS AND KEY EMPLOYEES OF EACH
16 BUSINESS; AND A LIST OF EMPLOYEES AND THEIR POSITIONS WITHIN
17 EACH BUSINESS, AS WELL AS ANY FINANCIAL INFORMATION REQUIRED
18 BY THE BOARD.

19 (2) A STATEMENT THAT THE APPLICANT AND EACH AFFILIATE,
20 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF THE APPLICANT
21 ARE NOT SLOT MACHINE LICENSEES.

22 (3) THE CONSENT TO A BACKGROUND INVESTIGATION OF THE
23 APPLICANT, ITS PRINCIPALS AND KEY EMPLOYEES OR OTHER PERSONS
24 REQUIRED BY THE BOARD AND A RELEASE TO OBTAIN ANY AND ALL
25 INFORMATION NECESSARY FOR THE COMPLETION OF THE BACKGROUND
26 INVESTIGATION.

27 (4) THE DETAILS OF ANY EQUIVALENT LICENSE GRANTED OR
28 DENIED BY OTHER JURISDICTIONS WHERE GAMING ACTIVITIES AS
29 AUTHORIZED BY THIS PART ARE PERMITTED AND CONSENT FOR THE
30 BOARD TO ACQUIRE COPIES OF APPLICATIONS SUBMITTED OR LICENSES

1 ISSUED IN CONNECTION THEREWITH.

2 (5) THE TYPE OF SLOT MACHINES, TABLE GAME DEVICES OR
3 ASSOCIATED EQUIPMENT OR INTERACTIVE GAMING DEVICES OR
4 ASSOCIATED EQUIPMENT TO BE MANUFACTURED OR REPAIRED.

5 (6) ANY OTHER INFORMATION DETERMINED BY THE BOARD TO BE
6 APPROPRIATE.

7 (C) REVIEW AND APPROVAL.--UPON BEING SATISFIED THAT THE
8 REQUIREMENTS OF SUBSECTION (B) HAVE BEEN MET, THE BOARD MAY
9 APPROVE THE APPLICATION AND GRANT THE APPLICANT A MANUFACTURER
10 LICENSE CONSISTENT WITH ALL OF THE FOLLOWING:

11 (1) THE [INITIAL LICENSE SHALL BE FOR A PERIOD OF ONE
12 YEAR, AND, IF RENEWED UNDER SUBSECTION (D), THE] LICENSE
13 SHALL BE ISSUED FOR A PERIOD OF [THREE] FIVE YEARS AND SHALL
14 BE RENEWED IN ACCORDANCE WITH SUBSECTION (D). NOTHING IN THIS
15 PARAGRAPH SHALL RELIEVE THE LICENSEE OF THE AFFIRMATIVE DUTY
16 TO NOTIFY THE BOARD OF ANY CHANGES RELATING TO THE STATUS OF
17 ITS LICENSE OR TO ANY OTHER INFORMATION CONTAINED IN
18 APPLICATION MATERIALS ON FILE WITH THE BOARD.

19 (2) THE LICENSE SHALL BE NONTRANSFERABLE.

20 (3) ANY OTHER CONDITION ESTABLISHED BY THE BOARD.

21 (C.1) ABBREVIATED PROCESS.--IN THE EVENT AN APPLICANT FOR A
22 MANUFACTURER LICENSE TO MANUFACTURE TABLE GAME DEVICES OR
23 ASSOCIATED EQUIPMENT USED IN CONNECTION WITH TABLE GAMES IS
24 LICENSED BY THE BOARD UNDER THIS SECTION TO MANUFACTURE SLOT
25 MACHINES OR ASSOCIATED EQUIPMENT USED IN CONNECTION WITH SLOT
26 MACHINES, THE BOARD MAY DETERMINE TO USE AN ABBREVIATED PROCESS
27 REQUIRING ONLY THAT INFORMATION DETERMINED BY THE BOARD TO BE
28 NECESSARY TO CONSIDER THE ISSUANCE OF A LICENSE TO MANUFACTURE
29 TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT USED IN CONNECTION
30 WITH TABLE GAMES, INCLUDING FINANCIAL VIABILITY OF THE

1 APPLICANT. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO WAIVE
2 ANY FEES ASSOCIATED WITH OBTAINING A LICENSE, CERTIFICATE OR
3 PERMIT THROUGH THE NORMAL APPLICATION PROCESS. THE BOARD MAY
4 ONLY USE THE ABBREVIATED PROCESS IF ALL OF THE FOLLOWING APPLY:

5 (1) THE MANUFACTURER LICENSE WAS ISSUED BY THE BOARD
6 WITHIN A 36-MONTH PERIOD IMMEDIATELY PRECEDING THE DATE THE
7 MANUFACTURER LICENSEE FILES AN APPLICATION TO MANUFACTURE
8 TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT.

9 (2) THE PERSON TO WHOM THE MANUFACTURER LICENSE WAS
10 ISSUED AFFIRMS THERE HAS BEEN NO MATERIAL CHANGE IN
11 CIRCUMSTANCES RELATING TO THE LICENSE.

12 (3) THE BOARD DETERMINES, IN ITS SOLE DISCRETION, THAT
13 THERE HAS BEEN NO MATERIAL CHANGE IN CIRCUMSTANCES RELATING
14 TO THE LICENSEE THAT NECESSITATES THAT THE ABBREVIATED
15 PROCESS NOT BE USED.

16 (C.2) ABBREVIATED PROCESS FOR MANUFACTURER.--

17 (1) NOTWITHSTANDING SUBSECTION (C.1) (1) OR ANY
18 REGULATIONS OF THE BOARD TO THE CONTRARY, THE BOARD MAY
19 EXTEND THE USE OF THE ABBREVIATED PROCESS AUTHORIZED UNDER
20 SUBSECTION (C.1) TO AN APPLICANT FOR A MANUFACTURER LICENSE
21 TO MANUFACTURE SLOT MACHINES USED IN MULTISTATE WIDE-AREA
22 PROGRESSIVE SLOT MACHINE SYSTEMS, SKILL SLOT MACHINES, HYBRID
23 SLOT MACHINES OR ASSOCIATED EQUIPMENT USED IN CONNECTION WITH
24 MULTISTATE WIDE-AREA PROGRESSIVE SLOT MACHINE SYSTEMS, SKILL
25 SLOT MACHINES OR HYBRID SLOT MACHINES OR INTERACTIVE GAMING
26 DEVICES OR ASSOCIATED EQUIPMENT USED IN CONNECTION WITH
27 INTERACTIVE GAMING, IF THE APPLICANT HOLDS A VALID
28 MANUFACTURER LICENSE ISSUED BY THE BOARD TO MANUFACTURER SLOT
29 MACHINES OR ASSOCIATED EQUIPMENT OR TABLE GAMES OR TABLE GAME
30 DEVICES OR ASSOCIATED EQUIPMENT. THE REQUIREMENTS OF

1 SUBSECTION (C.1) (2) AND (3) SHALL APPLY TO THIS SUBSECTION.

2 (2) AN APPLICANT FOR A MANUFACTURER LICENSE TO
3 MANUFACTURE SLOT MACHINES USED IN A MULTISTATE WIDE-AREA
4 PROGRESSIVE SYSTEM, SKILL OR HYBRID SLOT MACHINES OR
5 ASSOCIATED EQUIPMENT OR INTERACTIVE GAMING DEVICES OR
6 ASSOCIATED EQUIPMENT SHALL BE SUBJECT TO THE APPLICABLE
7 PROVISIONS OF THIS PART.

8 (D) RENEWAL.--

9 (1) [TWO] SIX MONTHS PRIOR TO EXPIRATION OF A
10 MANUFACTURER LICENSE, THE MANUFACTURER LICENSEE SEEKING
11 RENEWAL OF ITS LICENSE SHALL SUBMIT A RENEWAL APPLICATION
12 ACCOMPANIED BY THE RENEWAL FEE TO THE BOARD.

13 (2) IF THE RENEWAL APPLICATION SATISFIES THE
14 REQUIREMENTS OF SUBSECTION (B), THE BOARD MAY RENEW THE
15 LICENSEE'S MANUFACTURER LICENSE.

16 (3) IF THE BOARD RECEIVES A COMPLETE RENEWAL APPLICATION
17 BUT FAILS TO ACT UPON THE RENEWAL APPLICATION PRIOR TO THE
18 EXPIRATION OF THE MANUFACTURER LICENSE, THE MANUFACTURER
19 LICENSE SHALL CONTINUE IN EFFECT [FOR AN ADDITIONAL SIX-MONTH
20 PERIOD OR] UNTIL ACTED UPON BY THE BOARD[, WHICHEVER OCCURS
21 FIRST].

22 (D.1) AUTHORITY.--THE FOLLOWING SHALL APPLY TO A LICENSED
23 MANUFACTURER:

24 (1) A MANUFACTURER OR ITS DESIGNEE, AS LICENSED BY THE
25 BOARD, MAY SUPPLY OR REPAIR ANY SLOT MACHINE, TABLE GAME
26 DEVICE OR ASSOCIATED EQUIPMENT OR INTERACTIVE GAMING DEVICE
27 OR ASSOCIATED EQUIPMENT MANUFACTURED BY THE MANUFACTURER,
28 PROVIDED THE MANUFACTURER HOLDS THE APPROPRIATE MANUFACTURER
29 LICENSE.

30 (2) A MANUFACTURER OF SLOT MACHINES MAY CONTRACT WITH A

1 SUPPLIER UNDER SECTION 1317 (RELATING TO SUPPLIER LICENSES)
2 TO PROVIDE SLOT MACHINES OR ASSOCIATED EQUIPMENT TO A SLOT
3 MACHINE LICENSEE WITHIN THIS COMMONWEALTH, PROVIDED THE
4 SUPPLIER IS LICENSED TO SUPPLY SLOT MACHINES OR ASSOCIATED
5 EQUIPMENT USED IN CONNECTION WITH SLOT MACHINES.

6 (3) A MANUFACTURER MAY CONTRACT WITH A SUPPLIER UNDER
7 SECTION 1317 TO PROVIDE TABLE GAME DEVICES OR ASSOCIATED
8 EQUIPMENT TO A CERTIFICATE HOLDER, PROVIDED THE SUPPLIER IS
9 LICENSED TO SUPPLY TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT
10 USED IN CONNECTION WITH TABLE GAMES.

11 (4) A MANUFACTURER MAY CONTRACT WITH A SUPPLIER UNDER
12 SECTION 1317 TO PROVIDE SLOT MACHINES USED IN A MULTISTATE
13 WIDE-AREA PROGRESSIVE SYSTEM, SKILL SLOT MACHINES OR HYBRID
14 SLOT MACHINES OR ASSOCIATED EQUIPMENT, INTERACTIVE GAMING
15 DEVICES OR ASSOCIATED EQUIPMENT, PROVIDED THAT THE
16 MANUFACTURER IS LICENSED TO MANUFACTURE SLOT MACHINES USED IN
17 A MULTISTATE WIDE-AREA PROGRESSIVE SLOT MACHINE SYSTEM, SKILL
18 SLOT MACHINES OR HYBRID SLOT MACHINES OR ASSOCIATED EQUIPMENT
19 OR INTERACTIVE GAMING DEVICES OR ASSOCIATED EQUIPMENT USED IN
20 CONNECTION WITH INTERACTIVE GAMES.

21 (E) PROHIBITIONS.--

22 (1) NO PERSON MAY MANUFACTURE SLOT MACHINES, TABLE GAME
23 DEVICES OR ASSOCIATED EQUIPMENT OR INTERACTIVE GAMING DEVICES
24 OR ASSOCIATED EQUIPMENT FOR USE WITHIN THIS COMMONWEALTH [BY
25 A SLOT MACHINE LICENSEE] UNLESS THE PERSON HAS BEEN ISSUED
26 THE APPROPRIATE MANUFACTURER LICENSE UNDER THIS SECTION.

27 (2) EXCEPT AS PERMITTED IN SECTION 13A23.1 (RELATING TO
28 TRAINING EQUIPMENT), NO [SLOT MACHINE LICENSEE] PERSON MAY
29 USE SLOT MACHINES, TABLE GAME DEVICES OR ASSOCIATED
30 EQUIPMENT, AUTHORIZED INTERACTIVE GAMES OR INTERACTIVE GAMING

1 DEVICES OR ASSOCIATED EQUIPMENT UNLESS THE SLOT MACHINES,
2 TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT, INTERACTIVE GAMES
3 OR INTERACTIVE GAMING DEVICES OR ASSOCIATED EQUIPMENT WERE
4 MANUFACTURED BY A PERSON THAT HAS BEEN ISSUED THE APPROPRIATE
5 MANUFACTURER LICENSE UNDER THIS SECTION.

6 (3) NO PERSON ISSUED A LICENSE UNDER THIS SECTION SHALL
7 APPLY FOR OR BE ISSUED A LICENSE UNDER SECTION 1317.

8 (4) NO LIMITATION SHALL BE PLACED ON THE NUMBER OF
9 MANUFACTURER LICENSES ISSUED OR THE TIME PERIOD TO SUBMIT
10 APPLICATIONS FOR LICENSURE, EXCEPT AS REQUIRED TO COMPLY WITH
11 SECTION 1306 (RELATING TO ORDER OF INITIAL LICENSE ISSUANCE).
12 SECTION 15. TITLE 4 IS AMENDED BY ADDING A SECTION TO READ:

13 § 1317.3. NONGAMING SERVICE PROVIDER.

14 (A) NOTIFICATION REQUIRED.--

15 (1) A SLOT MACHINE LICENSEE OR APPLICANT FOR A SLOT
16 MACHINE LICENSE THAT CONTRACTS WITH OR OTHERWISE ENGAGES IN
17 BUSINESS WITH A NONGAMING SERVICE PROVIDER SHALL PROVIDE
18 NOTIFICATION TO THE BOARD PRIOR TO:

19 (I) THE NONGAMING SERVICE PROVIDER'S PROVISION OF
20 GOODS OR SERVICES AT THE SLOT MACHINE LICENSEE'S LICENSED
21 FACILITY; OR

22 (II) THE PROVISION OF GOODS OR SERVICES FOR USE IN
23 THE OPERATION OF THE SLOT MACHINE LICENSEE'S LICENSED
24 FACILITY.

25 (2) NOTIFICATION UNDER THIS SECTION SHALL BE ON A FORM
26 AND IN A MANNER AS DETERMINED BY THE BOARD. THE BOARD MAY
27 IMPOSE A FEE, NOT TO EXCEED \$100, IN CONNECTION WITH THE
28 NOTIFICATION.

29 (B) CONTENTS OF NOTIFICATION.--NOTIFICATION UNDER THIS
30 SECTION SHALL INCLUDE:

1 (1) THE NAME AND BUSINESS ADDRESS OF THE NONGAMING
2 SERVICE PROVIDER.

3 (2) A DESCRIPTION OF THE TYPE OR NATURE OF THE GOODS OR
4 SERVICES TO BE PROVIDED.

5 (3) AN AFFIRMATION FROM THE SLOT MACHINE LICENSEE OR
6 APPLICANT FOR A SLOT MACHINE LICENSE THAT THE GOODS OR
7 SERVICES TO BE PROVIDED BY THE NONGAMING SERVICE PROVIDER
8 WILL NOT REQUIRE ACCESS TO THE GAMING FLOOR OR A GAMING-
9 RELATED RESTRICTED AREA.

10 (4) AN AFFIRMATION FROM THE SLOT MACHINE LICENSEE OR
11 APPLICANT FOR A SLOT MACHINE LICENSE CERTIFYING THAT THE
12 LICENSEE OR APPLICANT HAS PERFORMED DUE DILIGENCE REGARDING
13 THE NONGAMING SERVICE PROVIDER AND BELIEVES THAT NEITHER THE
14 NONGAMING SERVICE PROVIDER NOR ITS EMPLOYEES WILL ADVERSELY
15 AFFECT THE PUBLIC INTEREST OR INTEGRITY OF GAMING.

16 (5) ANY OTHER INFORMATION THAT THE BOARD DEEMS
17 NECESSARY.

18 (C) DURATION OF NOTIFICATION.--SUBJECT TO SUBSECTION (D) (5),
19 THE NONGAMING SERVICE PROVIDER NOTIFICATION REQUIRED UNDER
20 SUBSECTION (A) SHALL BE VALID FOR FIVE YEARS.

21 (D) CONDITIONS.--A SLOT MACHINE LICENSEE OR APPLICANT FOR A
22 SLOT MACHINE LICENSE THAT CONTRACTS OR OTHERWISE ENGAGES IN
23 BUSINESS WITH A NONGAMING SERVICE PROVIDER SHALL BE SUBJECT TO
24 THE FOLLOWING CONDITIONS:

25 (1) THE NONGAMING SERVICE PROVIDER AND ITS EMPLOYEES
26 SHALL ONLY PROVIDE THE GOODS AND SERVICES DESCRIBED IN THE
27 NOTIFICATION UNDER THIS SECTION.

28 (2) THE SLOT MACHINE LICENSEE OR APPLICANT FOR A SLOT
29 MACHINE LICENSE SHALL NOTIFY THE BOARD OF ANY MATERIAL CHANGE
30 IN THE INFORMATION PROVIDED IN THE NOTIFICATION UNDER THIS

1 SECTION. NO FEE SHALL BE REQUIRED FOR A SUBSEQUENT CHANGE
2 DURING THE TIME FOR WHICH THE NOTIFICATION REMAINS VALID
3 UNDER SUBSECTION (C).

4 (3) THE SLOT MACHINE LICENSEE OR APPLICANT FOR A SLOT
5 MACHINE LICENSE SHALL ENSURE THAT EMPLOYEES OF THE NONGAMING
6 SERVICE PROVIDER DO NOT ENTER THE GAMING FLOOR OR A GAMING-
7 RELATED RESTRICTED AREA WHILE PROVIDING THE GOODS OR SERVICES
8 DESCRIBED IN SUBSECTION (B) (2).

9 (4) THE SLOT MACHINE LICENSEE OR APPLICANT FOR A SLOT
10 MACHINE LICENSE SHALL REPORT TO THE BOARD AN EMPLOYEE OF A
11 NONGAMING SERVICE PROVIDER THAT DOES ANY OF THE FOLLOWING:

12 (I) ENTERS THE GAMING FLOOR OR A GAMING-RELATED
13 RESTRICTED AREA OF THE LICENSED FACILITY.

14 (II) COMMITS AN ACT THAT ADVERSELY AFFECTS THE
15 PUBLIC INTEREST OR INTEGRITY OF GAMING.

16 (5) THE BOARD MAY PROHIBIT A NONGAMING SERVICE PROVIDER
17 OR ANY OF ITS EMPLOYEES FROM PROVIDING GOODS OR SERVICES TO A
18 SLOT MACHINE LICENSEE OR APPLICANT FOR A SLOT MACHINE LICENSE
19 AT A LICENSED FACILITY UPON A FINDING BY THE BOARD THAT THE
20 PROHIBITION IS NECESSARY TO PROTECT THE PUBLIC INTEREST OR
21 INTEGRITY OF GAMING.

22 (E) AUTHORITY TO EXEMPT.--THE BOARD MAY EXEMPT A SLOT
23 MACHINE LICENSEE OR APPLICANT FOR A SLOT MACHINE LICENSE FROM
24 THE NOTIFICATION REQUIREMENTS OF THIS SECTION IF THE BOARD
25 DETERMINES ANY OF THE FOLLOWING:

26 (1) THE NONGAMING SERVICE PROVIDER OR THE TYPE OR NATURE
27 OF THE NONGAMING SERVICE PROVIDER'S BUSINESS IS REGULATED BY
28 AN AGENCY OF THE FEDERAL GOVERNMENT, AN AGENCY OF THE
29 COMMONWEALTH OR THE PENNSYLVANIA SUPREME COURT.

30 (2) NOTIFICATION IS NOT NECESSARY TO PROTECT THE PUBLIC

1 INTEREST OR INTEGRITY OF GAMING.

2 (F) (RESERVED).

3 (G) CRIMINAL HISTORY RECORD INFORMATION.--NOTWITHSTANDING
4 ANY OTHER PROVISION OF THIS PART OR REGULATION OF THE BOARD, A
5 NONGAMING SERVICE PROVIDER SHALL OBTAIN FROM THE PENNSYLVANIA
6 STATE POLICE AND PROVIDE TO THE BOARD THE RESULTS OF A CRIMINAL
7 HISTORY RECORD INFORMATION CHECK UNDER 18 PA.C.S. CH. 91
8 (RELATING TO CRIMINAL HISTORY RECORD INFORMATION).

9 (H) EMERGENCY NOTIFICATION.--

10 (1) A SLOT MACHINE LICENSEE MAY USE A NONGAMING SERVICE
11 PROVIDER PRIOR TO THE BOARD RECEIVING NOTIFICATION UNDER THIS
12 SECTION WHEN A THREAT TO PUBLIC HEALTH, WELFARE OR SAFETY
13 EXISTS OR CIRCUMSTANCES OUTSIDE THE CONTROL OF THE SLOT
14 MACHINE LICENSEE REQUIRE IMMEDIATE ACTION TO MITIGATE DAMAGE
15 OR LOSS TO THE SLOT MACHINE LICENSEE'S LICENSED FACILITY OR
16 TO THE COMMONWEALTH.

17 (2) A SLOT MACHINE LICENSEE THAT USES A NONGAMING
18 SERVICE PROVIDER IN ACCORDANCE WITH PARAGRAPH (1) SHALL:

19 (I) NOTIFY THE BOARD IMMEDIATELY UPON ENGAGING A
20 NONGAMING SERVICE PROVIDER FOR WHICH THE BOARD HAS NOT
21 PREVIOUSLY RECEIVED NOTIFICATION IN ACCORDANCE WITH
22 SUBSECTION (A).

23 (II) PROVIDE THE NOTIFICATION REQUIRED UNDER
24 SUBSECTION (A) WITHIN A REASONABLE TIME AS ESTABLISHED BY
25 THE BOARD.

26 (I) NONGAMING SERVICE PROVIDER LIST.--

27 (1) THE BOARD SHALL HAVE THE AUTHORITY TO PROHIBIT A
28 NONGAMING SERVICE PROVIDER FROM ENGAGING IN BUSINESS WITH A
29 SLOT MACHINE LICENSEE UPON A FINDING BY THE BOARD THAT THE
30 PROHIBITION IS NECESSARY TO PROTECT THE PUBLIC INTEREST AND

1 THE INTEGRITY OF GAMING.

2 (2) THE BOARD SHALL DEVELOP AND MAINTAIN A LIST OF
3 PROHIBITED NONGAMING SERVICE PROVIDERS AND MAKE IT AVAILABLE
4 UPON REQUEST TO A SLOT MACHINE LICENSEE OR AN APPLICANT FOR A
5 SLOT MACHINE LICENSE.

6 (3) A SLOT MACHINE LICENSEE OR APPLICANT FOR A SLOT
7 MACHINE LICENSE MAY NOT ENTER INTO AN AGREEMENT OR ENGAGE IN
8 BUSINESS WITH A NONGAMING SERVICE PROVIDER APPEARING ON THE
9 LIST DESCRIBED IN PARAGRAPH (2).

10 (J) DUTIES OF NONGAMING SERVICE PROVIDER.--A NONGAMING
11 SERVICE PROVIDER SHALL:

12 (1) COOPERATE WITH THE BOARD AND BUREAU REGARDING AN
13 INVESTIGATION, HEARING, ENFORCEMENT ACTION OR DISCIPLINARY
14 ACTION.

15 (2) COMPLY WITH EACH CONDITION, RESTRICTION,
16 REQUIREMENT, ORDER OR RULING OF THE BOARD ISSUED UNDER THIS
17 PART OR REGULATION OF THE BOARD.

18 (3) REPORT ANY CHANGE IN CIRCUMSTANCES TO THE SLOT
19 MACHINE LICENSEE OR APPLICANT FOR A SLOT MACHINE LICENSE THAT
20 MAY RENDER THE NONGAMING SERVICE PROVIDER INELIGIBLE,
21 UNQUALIFIED OR UNSUITABLE FOR THE PROVISION OF GOODS OR
22 SERVICES AT A LICENSED FACILITY OR USE IN THE OPERATION OF A
23 LICENSED FACILITY. THE SLOT MACHINE LICENSEE OR APPLICANT FOR
24 A SLOT MACHINE LICENSE SHALL REPORT ANY CHANGE IN
25 CIRCUMSTANCES TO THE BOARD IN SUCH FORM AND MANNER AS THE
26 BOARD MAY ESTABLISH.

27 (K) CONSTRUCTION.--NOTHING IN THIS SECTION SHALL BE
28 CONSTRUED TO LIMIT THE POWERS AND AUTHORITY OF THE BOARD UNDER
29 SECTION 1202 (RELATING TO GENERAL AND SPECIFIC POWERS) OR THE
30 REGULATORY AUTHORITY OF THE BOARD UNDER SECTION 1207 (RELATING

1 TO REGULATORY AUTHORITY OF BOARD).

2 SECTION 16. SECTION 1320(A) OF TITLE 4 IS AMENDED AND THE
3 SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:

4 § 1320. SLOT MACHINE TESTING AND CERTIFICATION STANDARDS.

5 (A) USE OF OTHER STATE STANDARDS.--[UNTIL SUCH TIME AS THE
6 BOARD ESTABLISHES AN INDEPENDENT TESTING AND CERTIFICATION
7 FACILITY PURSUANT TO SUBSECTION (B), THE] THE BOARD MAY
8 DETERMINE, AT ITS DISCRETION, WHETHER THE SLOT MACHINE TESTING
9 AND CERTIFICATION STANDARDS OF ANOTHER JURISDICTION WITHIN THE
10 UNITED STATES IN WHICH AN APPLICANT FOR A MANUFACTURER LICENSE
11 IS LICENSED ARE COMPREHENSIVE AND THOROUGH AND PROVIDE SIMILAR
12 ADEQUATE SAFEGUARDS AS THOSE REQUIRED BY THIS PART. IF THE BOARD
13 MAKES THAT DETERMINATION, IT MAY PERMIT A MANUFACTURER THROUGH A
14 LICENSED SUPPLIER AS PROVIDED IN SECTION 1317 (RELATING TO
15 SUPPLIER [AND MANUFACTURER LICENSES APPLICATION] LICENSES) TO
16 DEPLOY THOSE SLOT MACHINES WHICH HAVE MET THE SLOT MACHINE
17 TESTING AND CERTIFICATION STANDARDS IN SUCH OTHER JURISDICTIONS
18 WITHOUT UNDERGOING THE FULL TESTING AND CERTIFICATION PROCESS BY
19 A BOARD-ESTABLISHED INDEPENDENT FACILITY. IN THE EVENT SLOT
20 MACHINES OF AN APPLICANT FOR A MANUFACTURER LICENSE ARE LICENSED
21 IN SUCH OTHER JURISDICTION, THE BOARD MAY DETERMINE TO USE AN
22 ABBREVIATED PROCESS REQUIRING ONLY THAT INFORMATION DETERMINED
23 BY THE BOARD TO BE NECESSARY TO CONSIDER THE ISSUANCE OF A SLOT
24 MACHINE CERTIFICATION TO SUCH AN APPLICANT. [ALTERNATIVELY, THE
25 BOARD IN ITS DISCRETION MAY ALSO RELY UPON THE CERTIFICATION OF
26 A SLOT MACHINE THAT HAS MET THE TESTING AND CERTIFICATION
27 STANDARDS OF A BOARD-APPROVED PRIVATE TESTING AND CERTIFICATION
28 FACILITY UNTIL SUCH TIME AS THE BOARD ESTABLISHES AN INDEPENDENT
29 TESTING AND CERTIFICATION FACILITY PURSUANT TO SUBSECTION (B).
30 NOTHING IN THIS SECTION SHALL BE CONSTRUED TO WAIVE ANY FEES

1 ASSOCIATED WITH OBTAINING A LICENSE THROUGH THE NORMAL
2 APPLICATION PROCESS.]

3 * * *

4 (B.1) USE OF PRIVATE TESTING AND CERTIFICATION FACILITIES.--
5 NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS PART OR REGULATION
6 OF THE BOARD, IF A SLOT MACHINE IS TESTED AND CERTIFIED BY A
7 PRIVATE TESTING AND CERTIFICATION FACILITY REGISTERED WITH THE
8 BOARD, THE BOARD SHALL USE AN ABBREVIATED CERTIFICATION PROCESS
9 REQUIRING ONLY THAT INFORMATION DETERMINED BY IT TO BE NECESSARY
10 TO CONSIDER THE ISSUANCE OF A SLOT MACHINE CERTIFICATION UNDER
11 THIS SECTION. WITHIN ONE YEAR OF THE EFFECTIVE DATE OF THIS
12 SUBSECTION, THE BOARD SHALL PROMULGATE REGULATIONS THAT:

13 (1) PROVIDE FOR THE REGISTRATION OF PRIVATE TESTING AND
14 CERTIFICATION FACILITIES. PERSONS SEEKING REGISTRATION UNDER
15 THIS SUBSECTION SHALL BE SUBJECT TO SECTION 1202(B)(9)
16 (RELATING TO GENERAL AND SPECIFIC POWERS).

17 (2) SPECIFY THE FORM AND CONTENT OF THE APPLICATION FOR
18 REGISTRATION.

19 (3) ESTABLISH AND COLLECT AN APPLICATION FEE FOR PERSONS
20 SEEKING REGISTRATION. THE APPLICATION FEE SHALL INCLUDE THE
21 COSTS OF ALL BACKGROUND INVESTIGATIONS AS DETERMINED
22 NECESSARY AND APPROPRIATE BY THE BUREAU.

23 (4) ESTABLISH UNIFORM PROCEDURES AND STANDARDS WHICH
24 PRIVATE TESTING AND CERTIFICATION FACILITIES MUST COMPLY WITH
25 DURING THE TESTING AND CERTIFICATION OF SLOT MACHINES.

26 (5) UTILIZE INFORMATION PROVIDED BY PRIVATE TESTING AND
27 CERTIFICATION FACILITIES FOR THE ABBREVIATED CERTIFICATION OF
28 SLOT MACHINES.

29 (6) ESTABLISH AN ABBREVIATED CERTIFICATION PROCESS THAT
30 MAY BE USED BY REGISTERED PRIVATE TESTING AND CERTIFICATION

1 FACILITIES TO TEST AND CERTIFY SLOT MACHINES.

2 (7) ESTABLISH FEES THAT MUST BE PAID BY LICENSED
3 MANUFACTURERS.

4 (8) REQUIRE SLOT MACHINES SUBMITTED FOR ABBREVIATED
5 CERTIFICATION TO BE APPROVED OR DENIED BY THE BOARD WITHIN 30
6 DAYS FROM THE DATE OF SUBMISSION TO THE BOARD. IF THE BOARD
7 FAILS TO ACT WITHIN THE 30-DAY PERIOD, THE ABBREVIATED
8 CERTIFICATION SHALL BE DEEMED CONDITIONALLY APPROVED.

9 (9) PROVIDE PROCEDURES AND STANDARDS FOR THE SUSPENSION
10 AND REVOCATION OF THE REGISTRATION OF A PRIVATE TESTING AND
11 CERTIFICATION FACILITY AND THE REINSTATEMENT OF A SUSPENDED
12 OR REVOKED REGISTRATION, AS DETERMINED APPROPRIATE BY THE
13 BOARD.

14 * * *

15 SECTION 17. SECTION 1326 OF TITLE 4 IS AMENDED TO READ:

16 § 1326. [LICENSE RENEWALS] RENEWALS.

17 (A) RENEWAL.--ALL PERMITS [AND], LICENSES, REGISTRATIONS OR
18 CERTIFICATES ISSUED UNDER THIS PART UNLESS OTHERWISE PROVIDED
19 SHALL BE SUBJECT TO RENEWAL EVERY [THREE] FIVE YEARS. NOTHING IN
20 THIS SUBSECTION SHALL RELIEVE A LICENSEE, PERMITTEE OR HOLDER OF
21 A CERTIFICATE OR REGISTRATION OF THE AFFIRMATIVE DUTY TO NOTIFY
22 THE BOARD OF ANY CHANGES RELATING TO THE STATUS OF ITS LICENSE, ---
23 PERMIT, CERTIFICATE OR REGISTRATION OR TO ANY OTHER INFORMATION
24 CONTAINED IN THE APPLICATION MATERIALS ON FILE WITH THE BOARD.
25 THE APPLICATION FOR RENEWAL SHALL BE SUBMITTED AT LEAST [60] 180
26 DAYS PRIOR TO THE EXPIRATION OF THE PERMIT [OR], ---
27 REGISTRATION OR CERTIFICATE AND SHALL INCLUDE AN UPDATE OF THE
28 INFORMATION CONTAINED IN THE INITIAL AND ANY PRIOR RENEWAL
29 APPLICATIONS AND THE PAYMENT OF ANY RENEWAL FEE REQUIRED BY THIS
30 PART. UNLESS OTHERWISE SPECIFICALLY PROVIDED IN THIS PART, THE

1 AMOUNT OF ANY RENEWAL FEE SHALL BE CALCULATED BY THE BOARD TO
2 REFLECT THE LONGER RENEWAL PERIOD. A PERMIT [OR], LICENSE,
3 REGISTRATION OR CERTIFICATE FOR WHICH A COMPLETED RENEWAL
4 APPLICATION AND FEE, IF REQUIRED, HAS BEEN RECEIVED BY THE BOARD
5 WILL CONTINUE IN EFFECT UNLESS AND UNTIL THE BOARD SENDS WRITTEN
6 NOTIFICATION TO THE HOLDER OF THE PERMIT [OR], LICENSE,
7 REGISTRATION OR CERTIFICATE THAT THE BOARD HAS DENIED THE
8 RENEWAL OF SUCH PERMIT [OR], LICENSE, REGISTRATION OR
9 CERTIFICATE.

10 (B) REVOCATION OR FAILURE TO RENEW.--IN ADDITION TO ANY
11 OTHER SANCTIONS THE BOARD MAY IMPOSE UNDER THIS PART, THE BOARD
12 MAY AT ITS DISCRETION SUSPEND, REVOKE OR DENY RENEWAL OF ANY
13 PERMIT [OR], LICENSE, REGISTRATION OR CERTIFICATE ISSUED UNDER
14 THIS PART IF IT RECEIVES ANY INFORMATION FROM ANY SOURCE THAT
15 THE APPLICANT OR ANY OF ITS OFFICERS, DIRECTORS, OWNERS OR KEY
16 EMPLOYEES IS IN VIOLATION OF ANY PROVISION OF THIS PART, THAT
17 THE APPLICANT HAS FURNISHED THE BOARD WITH FALSE OR MISLEADING
18 INFORMATION OR THAT THE INFORMATION CONTAINED IN THE APPLICANT'S
19 INITIAL APPLICATION OR ANY RENEWAL APPLICATION IS NO LONGER TRUE
20 AND CORRECT. IN THE EVENT OF A REVOCATION OR FAILURE TO RENEW,
21 THE APPLICANT'S AUTHORIZATION TO CONDUCT THE PREVIOUSLY APPROVED
22 ACTIVITY SHALL IMMEDIATELY CEASE, AND ALL FEES PAID IN
23 CONNECTION THEREWITH SHALL BE DEEMED TO BE FORFEITED. IN THE
24 EVENT OF A SUSPENSION, THE APPLICANT'S AUTHORIZATION TO CONDUCT
25 THE PREVIOUSLY APPROVED ACTIVITY SHALL IMMEDIATELY CEASE UNTIL
26 THE BOARD HAS NOTIFIED THE APPLICANT THAT THE SUSPENSION IS NO
27 LONGER IN EFFECT.

28 SECTION 18. TITLE 4 IS AMENDED BY ADDING A SECTION TO READ:
29 § 1326.1. SLOT MACHINE LICENSE OPERATION FEE.

30 (A) IMPOSITION.--BEGINNING JANUARY 1, 2017, THE BOARD SHALL

1 IMPOSE AN ANNUAL SLOT MACHINE LICENSE OPERATION FEE ON EACH
2 CATEGORY 1 AND CATEGORY 2 LICENSED GAMING ENTITY IN AN AMOUNT
3 EQUAL TO 20% OF THE SLOT MACHINE LICENSE FEE PAID AT THE TIME OF
4 ISSUANCE UNDER SECTION 1209(A) (RELATING TO SLOT MACHINE LICENSE
5 FEE).

6 (B) PAYMENT OF FEE.--THE DEPARTMENT SHALL DEVELOP A PAYMENT
7 SCHEDULE FOR THE SLOT MACHINE LICENSE OPERATION FEE IMPOSED
8 UNDER SUBSECTION (A).

9 (C) CREDIT FOR PAYMENT.--THE DEPARTMENT SHALL CREDIT AGAINST
10 THE SLOT MACHINE LICENSE OPERATION FEE IMPOSED UNDER SUBSECTION
11 (A) ANY AMOUNT PAID BY A:

12 (1) EXCEPT AS PROVIDED IN SUBPARAGRAPH (2), CATEGORY 1
13 OR 2 LICENSED GAMING ENTITY:

14 (I) UNDER SECTION 1403(C) (3) (RELATING TO THE
15 ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE
16 REVENUE DISTRIBUTION) BETWEEN JANUARY 1, 2017, AND MAY
17 27, 2017; AND

18 (II) TO A MUNICIPALITY UNDER AN AGREEMENT BETWEEN
19 THE CATEGORY 1 OR 2 LICENSED GAMING ENTITY AND THE
20 MUNICIPALITY IN LIEU OF A PAYMENT UNDER SECTION 1403(C)
21 (3), AS CERTIFIED TO THE DEPARTMENT BY THE MUNICIPALITY
22 RECEIVING THE FUNDS.

23 (2) CATEGORY 2 LICENSED GAMING ENTITY LOCATED IN A CITY
24 OF THE FIRST CLASS:

25 (I) UNDER SECTION 1403(C) (2) BETWEEN JANUARY 1,
26 2017, AND MAY 27, 2017; AND

27 (II) TO A CITY OF THE FIRST CLASS UNDER AN AGREEMENT
28 BETWEEN THE CATEGORY 2 LICENSED GAMING ENTITY AND THE
29 CITY IN LIEU OF A PAYMENT UNDER SECTION 1403(C) (2), AS
30 CERTIFIED TO THE DEPARTMENT BY THE CITY.

1 (D) FAILURE TO PAY.--THE BOARD MAY AT ITS DISCRETION
2 SUSPEND, REVOKE OR DENY A PERMIT OR LICENSE ISSUED UNDER THIS
3 PART IF A CATEGORY 1 OR CATEGORY 2 LICENSED GAMING ENTITY FAILS
4 TO PAY THE SLOT MACHINE LICENSE OPERATION FEE IMPOSED UNDER
5 SUBSECTION (A).

6 (E) DEPOSIT OF SLOT MACHINE LICENSE OPERATION FEE.--THE
7 TOTAL AMOUNT OF ALL SLOT MACHINE LICENSE OPERATION FEES IMPOSED
8 AND COLLECTED BY THE BOARD UNDER THIS SECTION SHALL BE DEPOSITED
9 IN THE FUND AND SHALL BE APPROPRIATED TO THE DEPARTMENT ON A
10 CONTINUING BASIS FOR THE PURPOSES UNDER SECTION 1403(C) (3) AND
11 (4).

12 SECTION 19. SECTION 1330 OF TITLE 4 IS REPEALED:

13 [~~§ 1330. MULTIPLE SLOT MACHINE LICENSE PROHIBITION.~~

14 ~~NO SLOT MACHINE LICENSEE, ITS AFFILIATE, INTERMEDIARY,~~
15 ~~SUBSIDIARY OR HOLDING COMPANY MAY POSSESS AN OWNERSHIP OR~~
16 ~~FINANCIAL INTEREST THAT IS GREATER THAN 33.3% OF ANOTHER SLOT~~
17 ~~MACHINE LICENSEE OR PERSON ELIGIBLE TO APPLY FOR A CATEGORY 1~~
18 ~~LICENSE, ITS AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING~~
19 ~~COMPANY. THE BOARD SHALL APPROVE THE TERMS AND CONDITIONS OF ANY~~
20 ~~DIVESTITURE UNDER THIS SECTION. UNDER NO CIRCUMSTANCES SHALL ANY~~
21 ~~SUCH DIVESTITURE BE APPROVED BY THE BOARD IF THE COMPENSATION~~
22 ~~FOR THE DIVESTED INTEREST IN A PERSON ELIGIBLE TO APPLY FOR A~~
23 ~~CATEGORY 1 LICENSE EXCEEDS THE GREATER OF THE ORIGINAL COST OF~~
24 ~~THE INTEREST, THE BOOK VALUE OF THE INTEREST OR AN INDEPENDENTLY~~
25 ~~ASSESSED VALUE OF THE INTEREST ONE MONTH PRIOR TO THE EFFECTIVE~~
26 ~~DATE OF THIS PART AND, IN THE CASE OF A PERSON ELIGIBLE TO APPLY~~
27 ~~FOR A CATEGORY 1 LICENSE, UNLESS THE PERSON ACQUIRING THE~~
28 ~~DIVESTED INTEREST IS REQUIRED TO CONTINUE CONDUCTING LIVE RACING~~
29 ~~AT THE LOCATION WHERE LIVE RACING IS CURRENTLY BEING CONDUCTED~~
30 ~~IN ACCORDANCE WITH SECTION 1303 (RELATING TO ADDITIONAL CATEGORY~~

1 1 SLOT MACHINE LICENSE REQUIREMENTS) AND BE APPROVED FOR A
2 CATEGORY 1 SLOT MACHINE LICENSE. NO SUCH SLOT MACHINE LICENSE
3 APPLICANT SHALL BE ISSUED A SLOT MACHINE LICENSE UNTIL THE
4 APPLICANT HAS COMPLETELY DIVESTED ITS OWNERSHIP OR FINANCIAL
5 INTEREST THAT IS IN EXCESS OF 33.3% IN ANOTHER SLOT MACHINE
6 LICENSEE OR PERSON ELIGIBLE TO APPLY FOR A CATEGORY 1 LICENSE,
7 ITS AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY.]

8 SECTION 20. (RESERVED).

9 SECTION 21. (RESERVED).

10 SECTION 22. SECTIONS 13A11(B), 13A22.1(C) AND 13A27(A) AND
11 (C) OF TITLE 4 ARE AMENDED TO READ:

12 § 13A11. AUTHORIZATION TO CONDUCT TABLE GAMES.

13 * * *

14 (B) NUMBER OF AUTHORIZED GAMING TABLES.--

15 (1) A CATEGORY 1 AND CATEGORY 2 SLOT MACHINE LICENSEE
16 AWARDED A TABLE GAME OPERATION CERTIFICATE MAY OPERATE UP TO
17 250 GAMING TABLES AT ANY ONE TIME AT ITS LICENSED FACILITY.
18 NO MORE THAN 30% OF THESE GAMING TABLES MAY BE USED TO PLAY
19 NONBANKING GAMES AT ANY ONE TIME. SIX MONTHS FOLLOWING THE
20 DATE OF COMMENCEMENT OF TABLE GAME OPERATIONS, THE BOARD MAY
21 PERMIT A CATEGORY 1 OR CATEGORY 2 CERTIFICATE HOLDER TO
22 INCREASE THE NUMBER OF GAMING TABLES ABOVE THE NUMBER
23 AUTHORIZED UNDER THIS PARAGRAPH. THE CERTIFICATE HOLDER SHALL
24 PETITION THE BOARD FOR THE INCREASE AT ITS LICENSED FACILITY.
25 THE BOARD, IN CONSIDERING THE PETITION, SHALL TAKE INTO
26 ACCOUNT THE APPROPRIATENESS OF THE PHYSICAL SPACE WHERE THE
27 GAMING TABLES WILL BE LOCATED AND THE CONVENIENCE OF THE
28 PUBLIC ATTENDING THE FACILITY. THE BOARD MAY ALSO TAKE INTO
29 ACCOUNT THE POTENTIAL BENEFIT TO THE COMMONWEALTH.

30 (2) A CATEGORY 3 SLOT MACHINE LICENSEE AWARDED A TABLE

1 GAME OPERATION CERTIFICATE MAY OPERATE UP TO 50 GAMING TABLES
2 AT ANY ONE TIME AT ITS LICENSED FACILITY. [NO MORE THAN 30%
3 OF THESE GAMING TABLES MAY BE USED TO PLAY NONBANKING GAMES
4 AT ANY ONE TIME.]

5 (2.1) A CATEGORY 3 SLOT MACHINE LICENSEE AWARDED A TABLE
6 GAME OPERATION CERTIFICATE MAY PETITION THE BOARD FOR
7 ADDITIONAL TABLE GAMES AT ITS LICENSED FACILITY. THE BOARD
8 MAY AUTHORIZE UP TO 15 ADDITIONAL GAMING TABLES. THE
9 ADDITIONAL TABLES SHALL BE USED TO PLAY NONBANKING GAMES. THE
10 BOARD, IN CONSIDERING THE PETITION, SHALL TAKE INTO ACCOUNT
11 THE APPROPRIATENESS OF THE PHYSICAL SPACE WHERE THE GAMING
12 TABLES WILL BE LOCATED AND THE CONVENIENCE OF THE PUBLIC
13 ATTENDING THE FACILITY. THE BOARD MAY ALSO TAKE INTO ACCOUNT
14 THE POTENTIAL BENEFIT TO THE COMMONWEALTH.

15 (2.2) THE FOLLOWING APPLY:

16 (I) A CATEGORY 4 SLOT MACHINE LICENSEE MAY SUBMIT A
17 PETITION FOR A TABLE GAME OPERATION CERTIFICATE AT A
18 CATEGORY 4 LICENSED FACILITY UNDER SECTION 13A12
19 (RELATING TO PETITION REQUIREMENTS). A CATEGORY 4 SLOT
20 MACHINE LICENSEE THAT SUBMITS A PETITION FOR A TABLE GAME
21 OPERATION CERTIFICATE UNDER SECTION 13A12 SHALL PAY, AT
22 THE TIME OF SUBMISSION OF THE PETITION, A ONE-TIME
23 NONREFUNDABLE AUTHORIZATION FEE IN THE AMOUNT OF
24 \$2,500,000.

25 (II) A CATEGORY 4 SLOT MACHINE LICENSEE AWARDED A
26 TABLE GAME OPERATION CERTIFICATE AT A CATEGORY 4 LICENSED
27 FACILITY BY THE BOARD MAY OPERATE UP TO 30 GAMING TABLES
28 AT THE LICENSEE'S LICENSED FACILITY.

29 (III) TWELVE MONTHS FOLLOWING THE DATE OF
30 COMMENCEMENT OF TABLE GAME OPERATIONS UNDER SUBPARAGRAPH

1 (II), A CATEGORY 4 SLOT MACHINE LICENSEE AWARDED A TABLE
2 GAME OPERATION CERTIFICATE MAY PETITION THE BOARD FOR AN
3 INCREASE IN THE NUMBER OF GAMING TABLES AT THE CATEGORY 4
4 LICENSED FACILITY. THE BOARD MAY PERMIT THE CERTIFICATE
5 HOLDER UNDER THIS SECTION TO ADD UP TO 10 ADDITIONAL
6 GAMING TABLES AT A CATEGORY 4 LICENSED FACILITY. THE
7 BOARD, IN CONSIDERING THE PETITION, SHALL TAKE INTO
8 ACCOUNT THE APPROPRIATENESS OF THE PHYSICAL SPACE WHERE
9 THE GAMING TABLES WILL BE LOCATED AND THE CONVENIENCE OF
10 THE PUBLIC ATTENDING THE FACILITY. THE BOARD MAY ALSO
11 TAKE INTO ACCOUNT THE POTENTIAL BENEFIT TO THE
12 COMMONWEALTH.

13 (IV) GAMING TABLES USED IN TOURNAMENTS SHALL NOT BE
14 USED IN THE CALCULATION OF THE TOTAL NUMBER OF GAMING
15 TABLES AUTHORIZED IN A TABLE GAME AUTHORIZATION
16 CERTIFICATE UNDER SUBPARAGRAPHS (II) AND (III).

17 (3) NONBANKING GAMING TABLES SHALL SEAT A MAXIMUM OF TEN
18 PLAYERS.

19 § 13A22.1. TABLE GAME TOURNAMENTS.

20 * * *

21 (C) EXEMPTIONS AND ADDITIONAL TABLES.--THE FOLLOWING SHALL
22 APPLY:

23 (1) FOR A CATEGORY 1 [OR], CATEGORY 2 OR CATEGORY 4
24 LICENSED FACILITY, GAMING TABLES USED IN TOURNAMENTS SHALL BE
25 EXEMPT FROM SECTION 13A11 (B) (1) (RELATING TO AUTHORIZATION
26 TO CONDUCT TABLE GAMES) AND SHALL NOT BE USED IN ANY
27 CALCULATION OF THE TOTAL NUMBER OF GAMING TABLES AUTHORIZED
28 IN THE TABLE GAME AUTHORIZATION CERTIFICATE.

29 (2) FOR A CATEGORY 3 LICENSED FACILITY, THE EXECUTIVE
30 DIRECTOR MAY AUTHORIZE THE LICENSED FACILITY TO OPERATE UP TO

1 15 ADDITIONAL GAMING TABLES FOR USE IN TOURNAMENTS. [THE
2 EXECUTIVE DIRECTOR MAY GRANT THE USE OF THE ADDITIONAL GAMING
3 TABLES FOR TOURNAMENTS AUTHORIZED UNDER THIS PARAGRAPH ONLY
4 ONE DAY PER MONTH.] ADDITIONAL GAMING TABLES FOR USE IN
5 TOURNAMENTS AT A CATEGORY 3 LICENSED FACILITY SHALL BE EXEMPT
6 FROM SECTION 13A11(B) (2) AND SHALL NOT BE USED IN ANY
7 CALCULATION OF THE TOTAL NUMBER OF GAMING TABLES AUTHORIZED
8 IN THE TABLE GAME AUTHORIZATION CERTIFICATE. THE EXECUTIVE
9 DIRECTOR MAY GRANT THE USE OF ADDITIONAL GAMING TABLES ON THE
10 DATES AND TIMES LISTED IN THE PROPOSED SCHEDULE OF
11 TOURNAMENTS SUBMITTED BY THE CATEGORY 3 SLOT MACHINE LICENSEE
12 IN ACCORDANCE WITH SUBSECTION (B).

13 * * *

14 § 13A27. OTHER FINANCIAL TRANSACTIONS.

15 (A) CREDIT.--

16 (1) NOTWITHSTANDING SECTION 1504 (RELATING TO WAGERING
17 ON CREDIT), A CERTIFICATE HOLDER MAY EXTEND INTEREST-FREE,
18 UNSECURED CREDIT TO PATRONS FOR THE PURPOSE OF PLAYING SLOT
19 MACHINES OR TABLE GAMES IN ACCORDANCE WITH THIS SECTION;
20 HOWEVER, A CERTIFICATE HOLDER SHALL NOT ACCEPT CREDIT CARDS,
21 CHARGE CARDS OR DEBIT CARDS FROM A PATRON OR PLAYER FOR THE
22 EXCHANGE OR PURCHASE OR CHIPS, SLOT MACHINE OR TABLE GAME
23 CREDITS OR FOR AN ADVANCE OF COINS OR CURRENCY TO BE UTILIZED
24 BY A PLAYER TO PLAY SLOT MACHINE OR TABLE GAMES. NO CREDIT
25 CARD ADVANCE MACHINE MAY BE PLACED ON THE GAMING FLOOR.

26 (2) PREPAID ACCESS INSTRUMENTS ARE NOT DEEMED TO BE A
27 CREDIT CARD, CHARGE CARD, DEBIT CARD OR ANY OTHER INSTRUMENT
28 OF CREDIT AND ARE NOT PROHIBITED UNDER THIS SECTION. A DEVICE
29 OR OTHER MECHANISM THAT ALLOWS OR FACILITATES THE FUNDING OF
30 A PREPAID ACCESS INSTRUMENT SHALL NOT BE DEEMED A CREDIT CARD

1 ADVANCE MACHINE UNDER THIS SECTION.

2 * * *

3 (C) CREDIT APPLICATION VERIFICATION.---PRIOR TO APPROVING AN
4 APPLICATION FOR CREDIT, A CERTIFICATE HOLDER SHALL VERIFY:

5 (1) THE IDENTITY, CREDITWORTHINESS AND INDEBTEDNESS
6 INFORMATION OF THE APPLICANT BY CONDUCTING A COMPREHENSIVE
7 REVIEW OF THE INFORMATION SUBMITTED WITH THE APPLICATION AND
8 ANY INFORMATION REGARDING THE APPLICANT'S CREDIT ACTIVITY AT
9 OTHER LICENSED FACILITIES WHICH THE CERTIFICATE HOLDER MAY
10 OBTAIN THROUGH A CASINO CREDIT BUREAU AND, IF APPROPRIATE,
11 THROUGH DIRECT CONTACT WITH OTHER SLOT MACHINE LICENSEES.

12 (2) THAT THE APPLICANT'S NAME IS NOT INCLUDED ON AN
13 EXCLUSION LIST UNDER SECTION 1514 (RELATING TO REGULATION
14 REQUIRING EXCLUSION [OR] EJECTION OR DENIAL OF ACCESS OF
15 CERTAIN PERSONS) OR 1516 (RELATING TO LIST OF PERSONS SELF
16 EXCLUDED FROM GAMING ACTIVITIES) OR THE VOLUNTARY CREDIT
17 SUSPENSION LIST UNDER SUBSECTION (H).

18 * * *

19 SECTION 23. SECTION 13A41 OF TITLE 4 IS AMENDED BY ADDING A
20 SUBSECTION TO READ:

21 § 13A41. TABLE GAME DEVICE AND ASSOCIATED EQUIPMENT TESTING AND
22 CERTIFICATION STANDARDS.

23 * * *

24 (B.1) USE OF PRIVATE TESTING AND CERTIFICATION FACILITIES.--
25 NOTWITHSTANDING ANY PROVISION OF THIS PART OR REGULATION OF THE
26 BOARD, IF A TABLE GAME DEVICE OR ASSOCIATED EQUIPMENT IS TESTED
27 AND CERTIFIED BY A PRIVATE TESTING AND CERTIFICATION FACILITY
28 REGISTERED WITH THE BOARD, THE BOARD SHALL USE AN ABBREVIATED
29 CERTIFICATION PROCESS REQUIRING ONLY THAT INFORMATION DETERMINED
30 BY IT TO BE NECESSARY TO CONSIDER THE ISSUANCE OF A TABLE GAME

1 DEVICE OR ASSOCIATED EQUIPMENT CERTIFICATION UNDER THIS SECTION.
2 WITHIN ONE YEAR OF THE EFFECTIVE DATE OF THIS SUBSECTION, THE
3 BOARD SHALL PROMULGATE REGULATIONS THAT:

4 (1) PROVIDE FOR THE REGISTRATION OF PRIVATE TESTING AND
5 CERTIFICATION FACILITIES. PERSONS SEEKING REGISTRATION UNDER
6 THIS SUBSECTION SHALL BE SUBJECT TO SECTION 1202(B)(9)
7 (RELATING TO GENERAL AND SPECIFIC POWERS).

8 (2) SPECIFY THE FORM AND CONTENT OF THE APPLICATION FOR
9 REGISTRATION.

10 (3) ESTABLISH AND COLLECT AN APPLICATION FEE FOR PERSONS
11 SEEKING REGISTRATION. THE APPLICATION FEE SHALL INCLUDE THE
12 COSTS OF ALL BACKGROUND INVESTIGATIONS AS DETERMINED
13 NECESSARY AND APPROPRIATE BY THE BOARD.

14 (4) ESTABLISH UNIFORM PROCEDURES AND STANDARDS WHICH
15 PRIVATE TESTING AND CERTIFICATION FACILITIES MUST COMPLY WITH
16 DURING THE TESTING AND CERTIFICATION OF TABLE GAME DEVICES
17 AND ASSOCIATED EQUIPMENT.

18 (5) UTILIZE INFORMATION PROVIDED BY PRIVATE TESTING AND
19 CERTIFICATION FACILITIES FOR THE ABBREVIATED CERTIFICATION OF
20 TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT.

21 (6) ESTABLISH AN ABBREVIATED CERTIFICATION PROCESS THAT
22 MAY BE USED BY REGISTERED PRIVATE TESTING AND CERTIFICATION
23 FACILITIES TO TEST AND CERTIFY TABLE GAME DEVICES OR
24 ASSOCIATED EQUIPMENT.

25 (7) ESTABLISH FEES THAT MUST BE PAID BY A LICENSED
26 MANUFACTURER.

27 (8) REQUIRE TABLE GAME DEVICES AND ASSOCIATED EQUIPMENT
28 SUBMITTED FOR ABBREVIATED CERTIFICATION TO BE APPROVED OR
29 DENIED BY THE BOARD WITHIN 30 DAYS FROM THE DATE OF
30 SUBMISSION TO THE BOARD. IF THE BOARD FAILS TO ACT WITHIN THE

1 30-DAY PERIOD, THE ABBREVIATED CERTIFICATION SHALL BE DEEMED
2 CONDITIONALLY APPROVED.

3 (9) PROVIDE PROCEDURES AND STANDARDS FOR THE SUSPENSION
4 AND REVOCATION OF THE REGISTRATION OF A PRIVATE TESTING AND
5 CERTIFICATION FACILITY AND THE REINSTATEMENT OF A SUSPENDED
6 OR REVOKED REGISTRATION.

7 SECTION 23.1. SECTION 13A61(A) OF TITLE 4 IS AMENDED BY
8 ADDING A PARAGRAPH TO READ:

9 § 13A61. TABLE GAME AUTHORIZATION FEE.

10 (A) AMOUNT OF AUTHORIZATION FEE.--

11 * * *

12 (3.1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART,
13 NO LATER THAN 60 DAYS AFTER THE BOARD APPROVES A REQUEST FOR
14 ADDITIONAL TABLE GAMES IN ACCORDANCE WITH SECTION 13A11
15 (RELATING TO AUTHORIZATION TO CONDUCT TABLE GAMES) SUBMITTED
16 BY A CATEGORY 3 SLOT MACHINE LICENSEE, THE CATEGORY 3 SLOT
17 MACHINE LICENSEE SHALL PAY A ONE-TIME NONREFUNDABLE FEE IN
18 THE AMOUNT OF \$1,000,000. THE FEE SHALL BE DEPOSITED INTO THE
19 GENERAL FUND.

20 * * *

21 SECTION 24. SECTION 13A62(A) OF TITLE 4 IS AMENDED TO READ:

22 § 13A62. TABLE GAME TAXES.

23 (A) IMPOSITION.--

24 (1) EXCEPT AS PROVIDED IN [PARAGRAPHS (2) AND (3)]
25 PARAGRAPH (2), EACH CERTIFICATE HOLDER AND A CATEGORY 4 SLOT
26 MACHINE LICENSEE WHO IS A HOLDER OF A TABLE GAME OPERATION
27 CERTIFICATE AT A CATEGORY 4 LICENSED FACILITY SHALL REPORT TO
28 THE DEPARTMENT AND PAY FROM ITS DAILY GROSS TABLE GAME
29 REVENUE, ON A FORM AND IN THE MANNER PRESCRIBED BY THE
30 DEPARTMENT, A TAX OF 12% OF ITS DAILY GROSS TABLE GAME

1 REVENUE.

2 (2) IN ADDITION TO THE TAX PAYABLE UNDER PARAGRAPH (1),
3 EACH CERTIFICATE HOLDER AND CATEGORY 4 SLOT MACHINE LICENSEE
4 WHO IS A HOLDER OF A TABLE GAME OPERATION CERTIFICATE AT A
5 CATEGORY 4 LICENSED FACILITY SHALL REPORT TO THE DEPARTMENT
6 AND PAY FROM ITS DAILY GROSS TABLE GAME REVENUE, ON A FORM
7 AND IN THE MANNER PRESCRIBED BY THE DEPARTMENT, A TAX OF 34%
8 OF ITS DAILY GROSS TABLE GAME REVENUE FROM EACH TABLE GAME
9 PLAYED ON A FULLY AUTOMATED ELECTRONIC GAMING TABLE.

10 [(3) THE TAX REPORTED AND PAYABLE UNDER PARAGRAPH (1) BY
11 EACH CERTIFICATE HOLDER SHALL BE 14% OF DAILY GROSS TABLE
12 GAME REVENUE FOR A PERIOD OF TWO YEARS FOLLOWING COMMENCEMENT
13 OF TABLE GAMES OPERATIONS AT ITS LICENSED FACILITY.]

14 * * *

15 SECTION 24.1. SECTION 13A63(B) (1) (I), (3) (I) AND (III) (C)
16 AND (4) OF TITLE 4 ARE AMENDED AND THE SECTION IS AMENDED BY
17 ADDING SUBSECTIONS TO READ:

18 § 13A63. LOCAL SHARE ASSESSMENT.

19 * * *

20 (A.1) REQUIRED PAYMENT FOR CATEGORY 4 LICENSEES.--IN
21 ADDITION TO THE TAX IMPOSED UNDER SECTION 13A62, EACH CATEGORY 4
22 SLOT MACHINE LICENSEE WHO IS A HOLDER OF A TABLE GAME OPERATION
23 CERTIFICATE AT A CATEGORY 4 LICENSED FACILITY SHALL PAY ON A
24 WEEKLY BASIS AND ON A FORM AND IN A MANNER PRESCRIBED BY THE
25 DEPARTMENT A LOCAL SHARE ASSESSMENT INTO A RESTRICTED RECEIPTS
26 ACCOUNT ESTABLISHED WITHIN THE FUND. ALL FUNDS OWED UNDER THIS
27 SECTION SHALL BE HELD IN TRUST BY THE CATEGORY 4 SLOT MACHINE
28 LICENSEE WHO IS A HOLDER OF A TABLE GAME OPERATION CERTIFICATE
29 AT A CATEGORY 4 LICENSED FACILITY UNTIL THE FUNDS ARE PAID INTO
30 THE ACCOUNT. FUNDS IN THE ACCOUNT SHALL BE ADDED TO AND

1 DISTRIBUTED WITH THE FUNDS DISTRIBUTED UNDER SECTION 1403(C.1)
2 (RELATING TO ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT
3 MACHINE REVENUE DISTRIBUTION).

4 (B) DISTRIBUTIONS TO COUNTIES.--THE DEPARTMENT SHALL MAKE
5 QUARTERLY DISTRIBUTIONS FROM THE LOCAL SHARE ASSESSMENTS
6 DEPOSITED INTO THE FUND UNDER SUBSECTION (A) TO COUNTIES,
7 INCLUDING HOME RULE COUNTIES, HOSTING A LICENSED FACILITY
8 AUTHORIZED TO CONDUCT TABLE GAMES UNDER THIS CHAPTER IN
9 ACCORDANCE WITH THE FOLLOWING:

10 (1) IF THE LICENSED FACILITY IS A CATEGORY 1 LICENSED
11 FACILITY LOCATED AT A HARNESS RACETRACK AND THE COUNTY,
12 INCLUDING A HOME RULE COUNTY, IN WHICH THE LICENSED FACILITY
13 IS LOCATED IS:

14 (I) A COUNTY OF THE THIRD CLASS: 50% OF THE
15 LICENSED FACILITY'S LOCAL SHARE ASSESSMENT SHALL BE ADDED
16 TO AND DISTRIBUTED WITH THE FUNDS DISTRIBUTED UNDER
17 SECTION 1403(C) (2) (I) (D) [(RELATING TO ESTABLISHMENT OF
18 STATE GAMING FUND AND NET SLOT MACHINE REVENUE
19 DISTRIBUTION)] .

20 * * *

21 (3) IF THE FACILITY IS A CATEGORY 2 LICENSED FACILITY
22 AND IF THE COUNTY IN WHICH THE LICENSED FACILITY IS LOCATED
23 IS:

24 (I) A COUNTY OF THE FIRST CLASS: 100% OF THE
25 LICENSED FACILITY'S LOCAL SHARE ASSESSMENT SHALL BE
26 [ADDED TO AND] DISTRIBUTED [WITH THE FUNDS DISTRIBUTED
27 UNDER SECTION 1403(C) (2) (III) (A)] TO A CITY OF THE FIRST
28 CLASS.

29 * * *

30 (III) A COUNTY OF THE THIRD CLASS WHERE A CITY OF

1 THE THIRD CLASS HOSTING THE LICENSED FACILITY IS LOCATED
2 IN TWO COUNTIES OF THE THIRD CLASS: 50% OF THE LICENSED
3 FACILITY'S LOCAL SHARE ASSESSMENT SHALL BE DISTRIBUTED AS
4 FOLLOWS:

5 * * *

6 (C) TWENTY PERCENT TO THE NONHOST COUNTY IN
7 WHICH THE HOST CITY IS LOCATED, OF WHICH 50% SHALL BE
8 DEPOSITED INTO A RESTRICTED RECEIPTS ACCOUNT TO BE
9 ESTABLISHED IN THE COMMONWEALTH FINANCING AUTHORITY
10 TO BE USED [SOLELY FOR GRANTS TO MUNICIPALITIES THAT
11 ARE CONTIGUOUS TO THE HOST CITY] EXCLUSIVELY FOR
12 ECONOMIC DEVELOPMENT PROJECTS, COMMUNITY IMPROVEMENT
13 PROJECTS AND OTHER PROJECTS IN THE PUBLIC INTEREST
14 WITHIN THE NONHOST COUNTY, WITH PRIORITY GIVEN TO
15 MUNICIPALITIES CONTIGUOUS TO THE HOST CITY.

16 * * *

17 (4) THE FOLLOWING APPLY:

18 (I) IF THE FACILITY IS A CATEGORY 3 LICENSED
19 FACILITY LOCATED IN A COUNTY OF THE SECOND CLASS A: 50%
20 OF THE LICENSED FACILITY'S LOCAL SHARE ASSESSMENT SHALL
21 BE [DEPOSITED INTO A RESTRICTED RECEIPTS ACCOUNT TO BE
22 ESTABLISHED IN THE COMMONWEALTH FINANCING AUTHORITY TO BE
23 USED EXCLUSIVELY FOR GRANTS OR GUARANTEES FOR PROJECTS IN
24 THE COUNTY THAT QUALIFY UNDER 64 PA.C.S. §§ 1551
25 (RELATING TO BUSINESS IN OUR SITES PROGRAM), 1556
26 (RELATING TO TAX INCREMENT FINANCING GUARANTEE PROGRAM)
27 AND 1558 (RELATING TO WATER SUPPLY AND WASTE WATER
28 INFRASTRUCTURE PROGRAM).] DISTRIBUTED AS FOLLOWS:

29 (A) SEVENTY-FIVE PERCENT SHALL BE DISTRIBUTED TO
30 THE COUNTY HOSTING THE LICENSED FACILITY FROM EACH

1 SUCH LICENSED FACILITY FOR THE PURPOSE OF SUPPORTING
2 THE MAINTENANCE AND REFURBISHMENT OF THE PARKS AND
3 HERITAGE SITES THROUGHOUT THE COUNTY IN WHICH THE
4 LICENSEE IS LOCATED.

5 (B) TWELVE AND ONE-HALF PERCENT SHALL BE
6 DISTRIBUTED TO THE COUNTY HOSTING THE LICENSED
7 FACILITY FROM EACH SUCH LICENSED FACILITY FOR THE
8 PURPOSE OF SUPPORTING A CHILD ADVOCACY CENTER LOCATED
9 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

10 (C) TWELVE AND ONE-HALF PERCENT SHALL BE
11 DISTRIBUTED TO THE COUNTY HOSTING THE LICENSED
12 FACILITY FROM EACH SUCH LICENSED FACILITY FOR THE
13 PURPOSE OF SUPPORTING AN ORGANIZATION PROVIDING
14 COMPREHENSIVE SUPPORT SERVICES TO VICTIMS OF DOMESTIC
15 VIOLENCE, INCLUDING LEGAL AND MEDICAL AID, SHELTERS,
16 TRANSITIONAL HOUSING AND COUNSELING LOCATED WITHIN
17 THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

18 (II) EXCEPT AS PROVIDED IN SUBPARAGRAPH (I), IF THE
19 FACILITY IS A CATEGORY 3 LICENSED FACILITY IN A COUNTY OF
20 ANY CLASS: 50% OF THE LICENSED FACILITY'S LOCAL SHARE
21 ASSESSMENT SHALL BE ADDED TO THE FUNDS IN THE RESTRICTED
22 RECEIPTS ACCOUNT ESTABLISHED UNDER SECTION 1403(C)(2)(IV)
23 FOR DISTRIBUTION WITH THOSE FUNDS.

24 * * *

25 SECTION 25. TITLE 4 IS AMENDED BY ADDING CHAPTERS TO READ:

26 CHAPTER 13B

27 INTERACTIVE GAMING

28 SUBCHAPTER

29 A. GENERAL PROVISIONS

30 B. INTERACTIVE GAMING AUTHORIZED

- 1 B.1. MULTI-USE COMPUTING DEVICES
- 2 C. CONDUCT OF INTERACTIVE GAMING
- 3 D. FACILITIES AND EQUIPMENT
- 4 E. TESTING AND CERTIFICATION
- 5 F. TAXES AND FEES
- 6 G. MISCELLANEOUS PROVISIONS

7 SUBCHAPTER A

8 GENERAL PROVISIONS

9 SEC.

10 13B01. (RESERVED).

11 13B02. REGULATORY AUTHORITY.

12 13B03. REGULATIONS.

13 § 13B01. (RESERVED).

14 § 13B02. REGULATORY AUTHORITY.

15 (A) AUTHORITY.--THE BOARD SHALL PROMULGATE AND ADOPT RULES
16 AND REGULATIONS TO GOVERN THE CONDUCT OF INTERACTIVE GAMING IN
17 ORDER TO ENSURE THAT IT WILL BE IMPLEMENTED IN A MANNER THAT
18 PROVIDES FOR THE SECURITY AND EFFECTIVE MANAGEMENT,
19 ADMINISTRATION AND CONTROL OF INTERACTIVE GAMING, INCLUDING, BUT
20 NOT LIMITED TO, REGULATIONS:

21 (1) ENSURING THAT INTERACTIVE GAMING IS OFFERED FOR PLAY
22 IN THIS COMMONWEALTH IN A MANNER THAT IS CONSISTENT WITH
23 FEDERAL LAW AND THE PROVISIONS OF THIS CHAPTER.

24 (2) ESTABLISHING STANDARDS AND PROCEDURES FOR TESTING
25 AND APPROVING INTERACTIVE GAMES AND INTERACTIVE GAMING
26 DEVICES AND ASSOCIATED EQUIPMENT, AND ANY VARIATIONS OR
27 COMPOSITES OF AUTHORIZED INTERACTIVE GAMES, PROVIDED THAT THE
28 BOARD DETERMINES THAT THE INTERACTIVE GAMES AND ANY NEW
29 INTERACTIVE GAMES OR ANY VARIATIONS OR COMPOSITES ARE
30 SUITABLE FOR USE AFTER A TEST OR EXPERIMENTAL PERIOD UNDER

1 ANY TERMS AND CONDITIONS AS THE BOARD MAY DEEM APPROPRIATE.
2 THE BOARD MAY GIVE PRIORITY TO THE TESTING OF INTERACTIVE
3 GAMES, INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT OR
4 OTHER GAMING EQUIPMENT WHICH A SLOT MACHINE LICENSEE OR AN
5 APPLICANT FOR AN INTERACTIVE GAMING LICENSE HAS CERTIFIED
6 THAT IT WILL USE TO CONDUCT INTERACTIVE GAMING IN THIS
7 COMMONWEALTH. NOTHING IN THIS PARAGRAPH SHALL BE CONSTRUED TO
8 PROHIBIT THE BOARD FROM USING THE TESTING AND CERTIFICATION
9 STANDARDS OF ANOTHER STATE OR JURISDICTION IN WHICH
10 INTERACTIVE GAMING IS CONDUCTED, IF IT DETERMINES THAT THE
11 STANDARDS OF THE JURISDICTION ARE COMPREHENSIVE, THOROUGH AND
12 PROVIDE SIMILAR AND ADEQUATE SAFEGUARDS AS THOSE REQUIRED
13 UNDER THIS PART. IF THE BOARD MAKES SUCH A DETERMINATION AND
14 THE SLOT MACHINE LICENSEE OR APPLICANT FOR AN INTERACTIVE
15 GAMING LICENSE IS LICENSED IN ANOTHER STATE OR JURISDICTION
16 TO OPERATE INTERACTIVE GAMING OR AN INTERACTIVE GAMING
17 SYSTEM, IT MAY USE AN ABBREVIATED PROCESS REQUIRING ONLY THE
18 INFORMATION DETERMINED BY IT TO BE NECESSARY TO CONSIDER THE
19 ISSUANCE OF AN INTERACTIVE GAMING CERTIFICATE OR INTERACTIVE
20 GAMING LICENSE UNDER THIS CHAPTER. THE BOARD, IN ITS
21 DISCRETION, MAY ALSO RELY UPON THE CERTIFICATION OF
22 INTERACTIVE GAMES THAT HAVE MET THE TESTING AND CERTIFICATION
23 STANDARDS OF A BOARD-APPROVED PRIVATE TESTING AND
24 CERTIFICATION FACILITY.

25 (3) ESTABLISHING STANDARDS AND RULES TO GOVERN THE
26 CONDUCT OF INTERACTIVE GAMING AND THE PLATFORM AND SYSTEM OF
27 AND WAGERING ASSOCIATED WITH INTERACTIVE GAMING, INCLUDING
28 INTERNAL CONTROLS AND ACCOUNTING CONTROLS, AND THE TYPE,
29 NUMBER, PAYOUT, WAGERING LIMITS AND RULES FOR INTERACTIVE
30 GAMES.

1 (4) ESTABLISHING THE METHOD FOR CALCULATING GROSS
2 INTERACTIVE GAMING REVENUE AND STANDARDS FOR THE DAILY
3 COUNTING AND RECORDING OF CASH AND CASH EQUIVALENTS RECEIVED
4 IN THE CONDUCT OF AUTHORIZED INTERACTIVE GAMES AND ENSURE
5 THAT INTERNAL CONTROLS AND ACCOUNTING CONTROLS ARE FOLLOWED,
6 INCLUDING THE MAINTENANCE OF FINANCIAL BOOKS AND RECORDS AND
7 THE CONDUCT OF AUDITS. THE BOARD SHALL CONSULT WITH THE
8 DEPARTMENT IN ESTABLISHING THESE REGULATIONS.

9 (5) ESTABLISHING NOTICE REQUIREMENTS PERTAINING TO
10 MINIMUM AND MAXIMUM WAGERS ON AUTHORIZED INTERACTIVE GAMES.

11 (6) ENSURING THAT ALL FACILITIES AND INTERACTIVE GAMING
12 DEVICES AND ASSOCIATED EQUIPMENT ARE ARRANGED IN A MANNER TO
13 PROMOTE APPROPRIATE SECURITY FOR INTERACTIVE GAMING.

14 (7) ESTABLISHING TECHNICAL STANDARDS FOR THE APPROVAL OF
15 INTERACTIVE GAMES, INTERACTIVE GAMING DEVICES AND ASSOCIATED
16 EQUIPMENT, INCLUDING MECHANICAL, ELECTRICAL OR PROGRAM
17 RELIABILITY, SECURITY AGAINST TAMPERING AND ANY OTHER
18 STANDARDS AS IT MAY DEEM NECESSARY TO PROTECT REGISTERED
19 PLAYERS FROM FRAUD OR DECEPTION.

20 (8) GOVERNING THE CREATION, OWNERSHIP AND UTILIZATION OF
21 INTERACTIVE GAMING ACCOUNTS BY REGISTERED PLAYERS, INCLUDING
22 THE FOLLOWING:

23 (I) REQUIRING THAT AN INTERACTIVE GAMING ACCOUNT BE
24 CREATED, OWNED AND UTILIZED BY A NATURAL PERSON AND NOT
25 IN THE NAME OF ANY BENEFICIARY, CUSTODIAN, JOINT TRUST,
26 CORPORATION, PARTNERSHIP OR OTHER ORGANIZATION OR ENTITY.

27 (II) PROHIBITING THE ASSIGNMENT OR OTHER TRANSFER OF
28 AN INTERACTIVE GAMING ACCOUNT.

29 (III) PROHIBITING THE CREATION, OWNERSHIP OR
30 UTILIZATION OF AN INTERACTIVE GAMING ACCOUNT BY AN

1 INDIVIDUAL UNDER 21 YEARS OF AGE.

2 (9) ESTABLISHING PROCEDURES FOR A REGISTERED PLAYER TO
3 LOG INTO THE REGISTERED PLAYER'S INTERACTIVE GAMING ACCOUNT,
4 AUTHENTICATE THE REGISTERED PLAYER'S IDENTITY, AGREE TO
5 TERMS, CONDITIONS AND RULES APPLICABLE TO AUTHORIZED
6 INTERACTIVE GAMES AND LOG OUT OF THE REGISTERED PLAYER'S
7 INTERACTIVE GAMING ACCOUNT, INCLUDING PROCEDURES FOR
8 AUTOMATICALLY LOGGING OFF A REGISTERED PLAYER FROM AN
9 INTERACTIVE GAME AFTER A SPECIFIED PERIOD OF INACTIVITY.

10 (10) ESTABLISHING PROCEDURES FOR:

11 (I) DEPOSITING FUNDS IN AN INTERACTIVE GAMING
12 ACCOUNT BY CASH, TRANSFER OR OTHER MEANS, AS APPROVED BY
13 THE BOARD.

14 (II) THE WITHDRAWAL OF FUNDS FROM AN INTERACTIVE
15 GAMING ACCOUNT.

16 (III) THE SUSPENSION OF INTERACTIVE GAMING ACCOUNT
17 ACTIVITY FOR SECURITY REASONS.

18 (IV) THE TERMINATION OF AN INTERACTIVE GAMING
19 ACCOUNT AND DISPOSITION OF FUNDS IN THE ACCOUNT.

20 (V) THE DISPOSITION OF UNCLAIMED FUNDS IN A DORMANT
21 INTERACTIVE GAMING ACCOUNT.

22 (11) ESTABLISHING MECHANISMS BY WHICH A REGISTERED
23 PLAYER MAY PLACE A LIMIT ON THE AMOUNT OF MONEY BEING WAGERED
24 ON AN AUTHORIZED INTERACTIVE GAME OR DURING ANY SPECIFIED
25 TIME PERIOD OR THE AMOUNT OF MONEY LOST DURING ANY SPECIFIED
26 TIME PERIOD.

27 (12) ESTABLISHING MECHANISMS TO EXCLUDE FROM INTERACTIVE
28 GAMING PERSONS NOT ELIGIBLE TO PLAY BY REASON OF AGE,
29 IDENTITY OR LOCATION OR INCLUSION ON A LIST OF PERSONS DENIED
30 ACCESS TO INTERACTIVE GAMING ACTIVITIES IN ACCORDANCE WITH

1 SECTIONS 1514 (RELATING TO REGULATION REQUIRING EXCLUSION,
2 EJECTION OR DENIAL OF ACCESS OF CERTAIN PERSONS), 1515
3 (RELATING TO REPEAT OFFENDERS EXCLUDABLE FROM LICENSED GAMING
4 FACILITY) AND 1516 (RELATING TO LIST OF PERSONS SELF EXCLUDED
5 FROM GAMING ACTIVITIES).

6 (13) ESTABLISHING PROCEDURES FOR THE PROTECTION,
7 SECURITY AND RELIABILITY OF INTERACTIVE GAMING ACCOUNTS,
8 AUTHORIZED INTERACTIVE GAMES, INTERACTIVE GAMING DEVICES AND
9 ASSOCIATED EQUIPMENT AND MECHANISMS TO PREVENT TAMPERING OR
10 UTILIZATION BY UNAUTHORIZED PERSONS.

11 (14) ESTABLISHING DATA SECURITY STANDARDS TO GOVERN AGE,
12 IDENTITY AND LOCATION VERIFICATION OF PERSONS ENGAGED IN
13 INTERACTIVE GAMING ACTIVITY.

14 (15) REQUIRING EACH INTERACTIVE GAMING CERTIFICATE
15 HOLDER TO:

16 (I) PROVIDE WRITTEN INFORMATION ON ITS INTERACTIVE
17 GAMING SKIN OR INTERACTIVE GAMING WEBSITE, WHICH EXPLAINS
18 THE RULES FOR EACH AUTHORIZED INTERACTIVE GAME, PAYOFFS
19 OR WINNING WAGERS AND OTHER INFORMATION AS THE BOARD MAY
20 REQUIRE.

21 (II) DESIGNATE ONE OR MORE INTERACTIVE GAMING
22 RESTRICTED AREAS WHERE INTERACTIVE GAMING WILL BE
23 MANAGED, ADMINISTERED OR CONTROLLED.

24 (III) PROVIDE THE BOARD WITH ACCESS TO THE
25 INTERACTIVE GAMING SKIN OR INTERACTIVE GAMING WEBSITE,
26 INTERACTIVE GAMING PLATFORM, SIGNAL OR TRANSMISSION USED
27 IN CONNECTION WITH INTERACTIVE GAMING AND INTERACTIVE
28 GAMING RESTRICTED AREAS.

29 (IV) ADOPT PROCEDURES FOR THE RECORDATION,
30 REPLICATION AND STORAGE OF ALL PLAY AND TRANSACTIONS FOR

1 A PERIOD TO BE DETERMINED BY THE BOARD.

2 (V) PROVIDE STATEMENTS ON ITS INTERACTIVE GAMING
3 SKIN OR INTERACTIVE GAMING WEBSITE ABOUT THE PERMISSIBLE
4 MINIMUM AND MAXIMUM WAGERS FOR EACH AUTHORIZED
5 INTERACTIVE GAME, AS APPLICABLE.

6 (VI) ADOPT POLICIES OR PROCEDURES TO PROHIBIT ANY
7 UNAUTHORIZED PERSON FROM HAVING ACCESS TO INTERACTIVE
8 GAMING DEVICES AND ASSOCIATED EQUIPMENT.

9 (VII) ADOPT DATA SECURITY STANDARDS TO VERIFY THE
10 AGE, IDENTITY AND LOCATION OF PERSONS ENGAGED IN
11 INTERACTIVE GAMING AND PREVENT UNAUTHORIZED ACCESS BY ANY
12 PERSON WHOSE AGE, IDENTITY AND LOCATION HAVE NOT BEEN
13 VERIFIED OR WHOSE AGE, IDENTITY AND LOCATION CANNOT BE
14 VERIFIED IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE
15 BOARD.

16 (VIII) ADOPT STANDARDS TO PROTECT THE PRIVACY AND
17 SECURITY OF REGISTERED PLAYERS ENGAGED IN INTERACTIVE
18 GAMING.

19 (IX) COLLECT, REPORT AND PAY ANY AND ALL APPLICABLE
20 TAXES AND FEES AND MAINTAIN ALL BOOKS, RECORDS AND
21 DOCUMENTS RELATED TO THE INTERACTIVE GAMING CERTIFICATE
22 HOLDER'S INTERACTIVE GAMING ACTIVITIES IN A MANNER AND IN
23 A LOCATION WITHIN THIS COMMONWEALTH AS APPROVED BY THE
24 BOARD OR THE DEPARTMENT. ALL BOOKS, RECORDS AND DOCUMENTS
25 SHALL BE IMMEDIATELY AVAILABLE FOR INSPECTION DURING ALL
26 HOURS OF OPERATION IN ACCORDANCE WITH THE REGULATIONS OF
27 THE BOARD AND SHALL BE MAINTAINED IN A MANNER AND DURING
28 PERIODS OF TIME AS THE BOARD SHALL BY REGULATION REQUIRE.

29 (B) ADDITIONAL AUTHORITY.--

30 (1) AT ITS DISCRETION, THE BOARD MAY DETERMINE WHETHER

1 PERSONS THAT PROVIDE THE FOLLOWING GOODS OR SERVICES SHALL BE
2 REQUIRED TO OBTAIN A LICENSE, PERMIT OR OTHER AUTHORIZATION:

3 (I) PAYMENT PROCESSING AND RELATED MONEY
4 TRANSMITTING AND SERVICES.

5 (II) IDENTITY, LOCATION OR AGE VERIFICATION AND
6 GEOSPATIAL TECHNOLOGY SERVICES.

7 (III) GENERAL TELECOMMUNICATIONS SERVICES, WHICH ARE
8 NOT SPECIFICALLY DESIGNED FOR OR RELATED TO INTERACTIVE
9 GAMING.

10 (IV) OTHER GOODS OR SERVICES THAT ARE NOT
11 SPECIFICALLY DESIGNED FOR USE WITH INTERACTIVE GAMING IF
12 THE PERSONS PROVIDING THE GOODS OR SERVICES ARE NOT PAID
13 A PERCENTAGE OF GAMING REVENUE OR OF MONEY WAGERED ON
14 INTERACTIVE GAMES OR OF ANY FEES, NOT INCLUDING FEES TO
15 FINANCIAL INSTITUTIONS AND PAYMENT PROVIDERS FOR
16 FACILITATING A DEPOSIT BY AN INTERACTIVE GAMING ACCOUNT
17 HOLDER.

18 (V) ANY OTHER GOODS OR SERVICES RELATED TO
19 INTERACTIVE GAMING AS THE BOARD MAY DETERMINE.

20 (2) THE BOARD SHALL DEVELOP A CLASSIFICATION SYSTEM FOR
21 THE LICENSURE, PERMITTING OR OTHER AUTHORIZATION OF PERSONS
22 THAT PROVIDE THE FOLLOWING GOODS OR SERVICES RELATED TO
23 INTERACTIVE GAMING:

24 (I) PERSONS THAT PROVIDE INTERACTIVE GAMES AND
25 INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT.

26 (II) PERSONS THAT MANAGE, CONTROL OR ADMINISTER THE
27 INTERACTIVE GAMES OR THE WAGERS ASSOCIATED WITH
28 INTERACTIVE GAMES.

29 (III) PERSONS THAT PROVIDE CUSTOMER LISTS COMPRISED
30 OF PERSONS IDENTIFIED OR SELECTED, IN WHOLE OR IN PART,

1 BECAUSE THEY PLACED OR MAY PLACE WAGERS ON INTERACTIVE
2 GAMING.

3 § 13B03. REGULATIONS.

4 (A) PROMULGATION.--

5 (1) IN ORDER TO FACILITATE THE PROMPT IMPLEMENTATION OF
6 THIS CHAPTER, THE BOARD SHALL HAVE THE AUTHORITY TO
7 PROMULGATE TEMPORARY REGULATIONS WHICH SHALL EXPIRE NOT LATER
8 THAN TWO YEARS FOLLOWING THE PUBLICATION OF THE TEMPORARY
9 REGULATION IN THE PENNSYLVANIA BULLETIN AND ON THE BOARD'S
10 PUBLICLY ACCESSIBLE INTERNET WEBSITE.

11 (2) THE BOARD MAY PROMULGATE TEMPORARY REGULATIONS NOT
12 SUBJECT TO:

13 (I) SECTIONS 201, 202, 203, 204 AND 205 OF THE ACT
14 OF JULY 31, 1968 (P.L.769, NO.240), REFERRED TO AS THE
15 COMMONWEALTH DOCUMENTS LAW.

16 (II) SECTION 204(B) OF THE ACT OF OCTOBER 15, 1980
17 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS
18 ACT.

19 (III) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181),
20 KNOWN AS THE REGULATORY REVIEW ACT.

21 (B) PUBLICATIONS.--THE BOARD SHALL BEGIN PUBLISHING
22 TEMPORARY REGULATIONS GOVERNING THE RULES FOR INTERACTIVE
23 GAMING, THE ISSUANCE OF INTERACTIVE GAMING CERTIFICATES AND
24 INTERACTIVE GAMING LICENSES, STANDARDS FOR APPROVING
25 MANUFACTURERS, SUPPLIERS AND OTHER PERSONS SEEKING TO PROVIDE
26 INTERACTIVE GAMES, INTERACTIVE GAMING DEVICES AND ASSOCIATED
27 EQUIPMENT, INCLUDING AGE, IDENTITY AND LOCATION VERIFICATION
28 SOFTWARE OR SYSTEM PROGRAMS AND SECURITY AND SURVEILLANCE
29 STANDARDS IN THE PENNSYLVANIA BULLETIN WITHIN 45 DAYS OF THE
30 EFFECTIVE DATE OF THIS SUBSECTION.

1 (C) EXPIRATION OF TEMPORARY REGULATIONS.--EXCEPT FOR
2 TEMPORARY REGULATIONS GOVERNING THE RULES FOR ISSUING
3 CERTIFICATES AND LICENSES UNDER THIS CHAPTER, FOR NEW
4 INTERACTIVE GAMES, FOR APPROVING INTERACTIVE GAMES OR VARIATIONS
5 THEREOF, INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT AND
6 FOR APPROVING MANUFACTURERS, SUPPLIERS AND OTHER PERSONS SEEKING
7 TO PROVIDE INTERACTIVE GAMES, INTERACTIVE GAMING DEVICES AND
8 ASSOCIATED EQUIPMENT, THE BOARD'S AUTHORITY TO ADOPT TEMPORARY
9 REGULATIONS UNDER SUBSECTION (A) SHALL EXPIRE TWO YEARS AFTER
10 PUBLICATION OF THE TEMPORARY REGULATIONS. REGULATIONS ADOPTED
11 AFTER THIS PERIOD SHALL BE PROMULGATED AS PROVIDED BY LAW.

12 SUBCHAPTER B

13 INTERACTIVE GAMING AUTHORIZED

14 SEC.

15 13B11. AUTHORIZATION TO CONDUCT INTERACTIVE GAMING.

16 13B12. INTERACTIVE GAMING CERTIFICATE REQUIRED AND CONTENT OF
17 PETITION.

18 13B13. ISSUANCE OF INTERACTIVE GAMING CERTIFICATE.

19 13B14. INTERACTIVE GAMING OPERATORS.

20 13B15. INTERACTIVE GAMING CERTIFICATE AND INTERACTIVE GAMING
21 LICENSE.

22 13B16. TIMING OF INITIAL INTERACTIVE GAMING AUTHORIZATIONS.

23 § 13B11. AUTHORIZATION TO CONDUCT INTERACTIVE GAMING.

24 (A) AUTHORITY OF BOARD.--THE BOARD MAY AUTHORIZE A SLOT
25 MACHINE LICENSEE:

26 (1) TO CONDUCT INTERACTIVE GAMING DIRECTLY OR THROUGH AN
27 INTERACTIVE GAMING OPERATOR UNDER AN INTERACTIVE GAMING
28 AGREEMENT, INCLUDING CONTESTS AND TOURNAMENTS AND ANY OTHER
29 GAME WHICH IS DETERMINED BY THE BOARD TO BE SUITABLE FOR
30 INTERACTIVE GAMING.

1 (2) TO DEPLOY INTERACTIVE GAMING SKINS OR INTERACTIVE
2 GAMING WEBSITES TO FACILITATE THE CONDUCT OF INTERACTIVE
3 GAMING ACTIVITIES.

4 (A.1) ADDITIONAL AUTHORITY OF BOARD.--PURSUANT TO SECTION
5 13B12(A.1) (RELATING TO INTERACTIVE GAMING CERTIFICATE REQUIRED
6 AND CONTENT OF PETITION), THE BOARD MAY AUTHORIZE A QUALIFIED
7 GAMING ENTITY TO:

8 (1) CONDUCT INTERACTIVE GAMING DIRECTLY OR THROUGH AN
9 INTERACTIVE GAMING OPERATOR UNDER AN INTERACTIVE GAMING
10 AGREEMENT, INCLUDING CONTESTS AND TOURNAMENTS AND ANY OTHER
11 GAME WHICH IS DETERMINED BY THE BOARD TO BE SUITABLE FOR
12 INTERACTIVE GAMING.

13 (2) DEPLOY INTERACTIVE GAMING SKINS OR INTERACTIVE
14 GAMING WEBSITES TO FACILITATE THE CONDUCT OF INTERACTIVE
15 GAMING ACTIVITIES.

16 (A.2) CATEGORIZATION.--THE BOARD, IN THE BOARD'S SOLE
17 DISCRETION, SHALL CATEGORIZE EACH AUTHORIZED INTERACTIVE GAME AS
18 ONE OF THE FOLLOWING:

19 (1) A PEER-TO-PEER INTERACTIVE GAME.

20 (2) A NON-PEER-TO-PEER INTERACTIVE GAME WHICH SIMULATES
21 SLOT MACHINES.

22 (3) A NON-PEER-TO-PEER INTERACTIVE GAME WHICH SIMULATES
23 TABLE GAMES.

24 (B) AUTHORITY TO PLAY INTERACTIVE GAMES.--NOTWITHSTANDING
25 ANY OTHER PROVISION OF LAW, AN INDIVIDUAL WHO IS 21 YEARS OF AGE
26 OR OLDER IS HEREBY PERMITTED TO PARTICIPATE AS A REGISTERED
27 PLAYER IN INTERACTIVE GAMING AND WAGERING ASSOCIATED WITH
28 PLAYING AN AUTHORIZED INTERACTIVE GAME OFFERED BY AN INTERACTIVE
29 GAMING CERTIFICATE HOLDER IN ACCORDANCE WITH THIS CHAPTER AND
30 REGULATIONS OF THE BOARD. EXCEPT AS PROVIDED IN SUBCHAPTER G

1 (RELATING TO MISCELLANEOUS PROVISIONS), A REGISTERED PLAYER MUST
2 BE PHYSICALLY LOCATED WITHIN THIS COMMONWEALTH IN ORDER TO
3 PARTICIPATE IN INTERACTIVE GAMING.

4 § 13B12. INTERACTIVE GAMING CERTIFICATE REQUIRED AND CONTENT OF
5 PETITION.

6 (A) CERTIFICATE REQUIRED.--NO PERSON SHALL OPERATE OR
7 CONDUCT OR ATTEMPT TO OPERATE OR CONDUCT INTERACTIVE GAMING,
8 EXCEPT FOR TEST PURPOSES AS APPROVED BY THE BOARD, OR OFFER
9 INTERACTIVE GAMING FOR PLAY BY THE PUBLIC IN THIS COMMONWEALTH
10 WITHOUT FIRST OBTAINING AN INTERACTIVE GAMING CERTIFICATE OR AN
11 INTERACTIVE GAMING LICENSE FROM THE BOARD. A SLOT MACHINE
12 LICENSEE MAY SEEK APPROVAL TO CONDUCT INTERACTIVE GAMING BY
13 FILING A PETITION FOR AN INTERACTIVE GAMING CERTIFICATE WITH THE
14 BOARD. THE BOARD SHALL PRESCRIBE THE FORM AND THE MANNER IN
15 WHICH IT SHALL BE FILED.

16 (A.1) TIMING OF PETITION AND ELIGIBILITY.--THE FOLLOWING
17 SHALL APPLY:

18 (1) NO LATER THAN 90 DAYS AFTER THE DATE THE BOARD
19 BEGINS ACCEPTING PETITIONS UNDER THIS CHAPTER, A SLOT MACHINE
20 LICENSEE MAY FILE A PETITION WITH THE BOARD FOR AN
21 INTERACTIVE GAMING CERTIFICATE. IF THE BOARD APPROVES A
22 PETITION FOR AN INTERACTIVE GAMING CERTIFICATE UNDER THIS
23 PARAGRAPH, THE BOARD SHALL AUTHORIZE THE INTERACTIVE GAMING
24 CERTIFICATE HOLDER TO OFFER ANY CATEGORY OF INTERACTIVE
25 GAMING.

26 (2) BETWEEN 90 DAYS AND 120 DAYS AFTER THE DATE THE
27 BOARD BEGINS ACCEPTING PETITIONS UNDER THIS CHAPTER, A SLOT
28 MACHINE LICENSEE MAY FILE A PETITION WITH THE BOARD FOR AN
29 INTERACTIVE GAMING CERTIFICATE. IF THE BOARD APPROVES A
30 PETITION FOR AN INTERACTIVE GAMING CERTIFICATE UNDER THIS

1 PARAGRAPH, THE BOARD SHALL AUTHORIZE THE INTERACTIVE GAMING
2 CERTIFICATE HOLDER TO OFFER THE CATEGORIES OF INTERACTIVE
3 GAMING IDENTIFIED IN THE SLOT MACHINE LICENSEE'S PETITION
4 UNDER PARAGRAPH (B) (4.1).

5 (3) ONE HUNDRED TWENTY DAYS AFTER THE DATE THE BOARD
6 BEGINS ACCEPTING PETITIONS UNDER THIS CHAPTER, A QUALIFIED
7 GAMING ENTITY MAY FILE A PETITION WITH THE BOARD FOR AN
8 INTERACTIVE GAMING CERTIFICATE. IF THE BOARD APPROVES A
9 PETITION FOR AN INTERACTIVE GAMING CERTIFICATE UNDER THIS
10 PARAGRAPH, THE BOARD SHALL AUTHORIZE THE INTERACTIVE GAMING
11 CERTIFICATE HOLDER TO OFFER THE CATEGORIES OF INTERACTIVE
12 GAMING IDENTIFIED IN THE SLOT MACHINE LICENSEE'S PETITION
13 UNDER PARAGRAPH (B) (4.1).

14 (4) A QUALIFIED GAMING ENTITY WHICH FILES A PETITION FOR
15 AN INTERACTIVE GAMING CERTIFICATE UNDER PARAGRAPH (3) SHALL
16 BE CONSIDERED A SLOT MACHINE LICENSEE FOR THE PURPOSES OF
17 THIS SUBCHAPTER.

18 (5) ANY SLOT MACHINE LICENSEE WHO BECOMES LICENSED AFTER
19 THE EFFECTIVE DATE OF THIS SECTION SHALL HAVE 90 DAYS FROM
20 THE DATE OF LICENSURE TO SUBMIT A PETITION WITH THE BOARD FOR
21 AN INTERACTIVE GAMING CERTIFICATE. IF THE BOARD APPROVES A
22 PETITION FOR AN INTERACTIVE GAMING CERTIFICATE UNDER THIS
23 PARAGRAPH, THE BOARD SHALL AUTHORIZE THE INTERACTIVE GAMING
24 CERTIFICATE HOLDER TO OFFER ANY CATEGORY OF INTERACTIVE
25 GAMING. AFTER 90 DAYS BUT BEFORE 120 DAYS FROM THE DATE OF
26 LICENSURE, THE SLOT MACHINE LICENSEE MAY FILE A PETITION WITH
27 THE BOARD FOR AN INTERACTIVE GAMING CERTIFICATE. IF THE BOARD
28 APPROVES A PETITION FOR AN INTERACTIVE GAMING CERTIFICATE
29 UNDER THIS PARAGRAPH, THE BOARD SHALL AUTHORIZE THE
30 INTERACTIVE GAMING CERTIFICATE HOLDER TO OFFER THE CATEGORIES

1 OF INTERACTIVE GAMING IDENTIFIED IN THE SLOT MACHINE
2 LICENSEE'S PETITION UNDER PARAGRAPH (B) (4.1). AFTER 120 DAYS
3 FROM THE DATE OF LICENSURE, A QUALIFIED GAMING ENTITY MAY
4 FILE A PETITION WITH THE BOARD FOR AN INTERACTIVE GAMING
5 CERTIFICATE IN THE CATEGORIES OF INTERACTIVE GAMES FOR WHICH
6 THE SLOT MACHINE LICENSEE DID NOT SEEK AUTHORIZATION.

7 (6) FOR THE PURPOSES OF THIS SUBSECTION, A "QUALIFIED
8 GAMING ENTITY" SHALL BE A GAMING ENTITY LICENSED IN ANY
9 JURISDICTION WHICH HAS SATISFIED THE REQUIREMENTS OF THIS
10 CHAPTER AND ANY OTHER CRITERIA ESTABLISHED BY THE BOARD,
11 INCLUDING FINANCIAL AND CHARACTER SUITABILITY REQUIREMENTS.

12 (A.2) NUMBER OF INTERACTIVE GAMING CERTIFICATES
13 AUTHORIZED.--

14 (1) THE BOARD MAY ISSUE A MAXIMUM NUMBER OF INTERACTIVE
15 GAMING CERTIFICATES AS PROVIDED UNDER THIS SUBSECTION:

16 (I) AN AMOUNT NOT TO EXCEED ONE CERTIFICATE FOR
17 PEER-TO-PEER INTERACTIVE GAMES PER CATEGORY 1, CATEGORY 2
18 OR CATEGORY 3 SLOT MACHINE LICENSE.

19 (II) AN AMOUNT NOT TO EXCEED ONE CERTIFICATE FOR
20 NON-PEER-TO-PEER INTERACTIVE GAMES WHICH SIMULATE TABLE
21 GAMES PER CATEGORY 1, CATEGORY 2 OR CATEGORY 3 SLOT
22 MACHINE LICENSE.

23 (III) AN AMOUNT NOT TO EXCEED ONE CERTIFICATE FOR
24 NON-PEER-TO-PEER INTERACTIVE GAMES WHICH SIMULATE SLOT
25 MACHINES PER CATEGORY 1, CATEGORY 2 OR CATEGORY 3 SLOT
26 MACHINE LICENSE.

27 (2) AN INTERACTIVE GAMING CERTIFICATE WHICH AUTHORIZES
28 MULTIPLE CATEGORIES OF INTERACTIVE GAMES SHALL COUNT AS AN
29 INTERACTIVE GAMING CERTIFICATE IN EACH CATEGORY OF
30 INTERACTIVE GAME AUTHORIZED UNDER THIS SECTION.

1 (B) CONTENT OF PETITION.--IN ADDITION TO INFORMATION AND
2 DOCUMENTATION DEMONSTRATING THAT THE SLOT MACHINE LICENSEE IS
3 QUALIFIED FOR AN INTERACTIVE GAMING CERTIFICATE UNDER THIS
4 CHAPTER, A PETITION FOR AN INTERACTIVE GAMING CERTIFICATE SHALL
5 INCLUDE THE FOLLOWING:

6 (1) THE NAME, BUSINESS ADDRESS AND CONTACT INFORMATION
7 OF THE SLOT MACHINE LICENSEE.

8 (2) THE NAME, BUSINESS ADDRESS AND CONTACT INFORMATION
9 OF ANY AFFILIATE OR OTHER PERSON THAT WILL BE A PARTY TO AN
10 AGREEMENT WITH THE SLOT MACHINE LICENSEE RELATED TO THE
11 OPERATION OF INTERACTIVE GAMING OR AN INTERACTIVE GAMING
12 SYSTEM ON BEHALF OF THE SLOT MACHINE LICENSEE, INCLUDING A
13 PERSON APPLYING FOR AN INTERACTIVE GAMING LICENSE.

14 (3) THE NAME AND BUSINESS ADDRESS, JOB TITLE AND A
15 PHOTOGRAPH OF EACH PRINCIPAL AND KEY EMPLOYEE OF THE SLOT
16 MACHINE LICENSEE WHO WILL BE INVOLVED IN THE CONDUCT OF
17 INTERACTIVE GAMING, WHETHER OR NOT THE PRINCIPAL OR KEY
18 EMPLOYEE IS CURRENTLY LICENSED BY THE BOARD, IF KNOWN.

19 (4) THE NAME AND BUSINESS ADDRESS, JOB TITLE AND A
20 PHOTOGRAPH OF EACH PRINCIPAL AND KEY EMPLOYEE OF THE
21 INTERACTIVE GAMING OPERATOR, IF ANY, WHO WILL CONDUCT
22 INTERACTIVE GAMING OR AN INTERACTIVE GAMING SYSTEM ON BEHALF
23 OF THE SLOT MACHINE LICENSEE, WHETHER OR NOT THE PRINCIPAL OR
24 KEY EMPLOYEE IS CURRENTLY LICENSED BY THE BOARD, IF KNOWN.

25 (4.1) A STATEMENT IDENTIFYING WHICH CATEGORIES OF
26 INTERACTIVE GAMES THE SLOT MACHINE LICENSEE INTENDS TO OFFER:

27 (I) PEER-TO-PEER INTERACTIVE GAMES;

28 (II) NON-PEER-TO-PEER INTERACTIVE GAMES WHICH
29 SIMULATE SLOT MACHINES; OR

30 (III) NON-PEER-TO-PEER INTERACTIVE GAMES WHICH

1 SIMULATE TABLE GAMES.

2 (5) AN ITEMIZED LIST OF THE INTERACTIVE GAMES, INCLUDING
3 IDENTIFYING WHAT CATEGORY EACH INTERACTIVE GAME FALLS UNDER,
4 AND ANY OTHER GAME OR GAMES THE SLOT MACHINE LICENSEE PLANS
5 TO OFFER THROUGH THE SLOT MACHINE LICENSEE'S INTERACTIVE
6 GAMING WEBSITE FOR WHICH AUTHORIZATION IS BEING SOUGHT. THE
7 SLOT MACHINE LICENSEE SHALL, IN ACCORDANCE WITH REGULATIONS
8 PROMULGATED BY THE BOARD, FILE WITH THE BOARD ANY CHANGES IN
9 THE NUMBER OF AUTHORIZED INTERACTIVE GAMES OFFERED THROUGH
10 INTERACTIVE GAMING.

11 (6) THE ESTIMATED NUMBER OF FULL-TIME AND PART-TIME
12 EMPLOYMENT POSITIONS THAT WILL BE CREATED AT THE SLOT MACHINE
13 LICENSEE'S LICENSED FACILITY OR AT ANY INTERACTIVE GAMING
14 RESTRICTED AREA IF AN INTERACTIVE GAMING CERTIFICATE IS
15 ISSUED AND AN UPDATED HIRING PLAN UNDER SECTION 1510(A)
16 (RELATING TO LABOR HIRING PREFERENCES) WHICH OUTLINES THE
17 SLOT MACHINE LICENSEE'S PLAN TO PROMOTE THE REPRESENTATION OF
18 DIVERSE GROUPS AND COMMONWEALTH RESIDENTS IN THE EMPLOYMENT
19 POSITIONS.

20 (7) A BRIEF DESCRIPTION OF THE ECONOMIC BENEFITS
21 EXPECTED TO BE REALIZED BY THE COMMONWEALTH IF AN INTERACTIVE
22 GAMING CERTIFICATE IS ISSUED.

23 (8) THE DETAILS OF ANY FINANCING OBTAINED OR THAT WILL
24 BE OBTAINED TO FUND AN EXPANSION OR MODIFICATION OF THE SLOT
25 MACHINE LICENSEE'S LICENSED FACILITY TO ACCOMMODATE
26 INTERACTIVE GAMING AND TO OTHERWISE FUND THE COST OF
27 COMMENCING INTERACTIVE GAMING.

28 (9) INFORMATION AND DOCUMENTATION CONCERNING FINANCIAL
29 BACKGROUND AND RESOURCES, AS THE BOARD MAY REQUIRE, TO
30 ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE FINANCIAL

1 STABILITY, INTEGRITY AND RESPONSIBILITY OF THE SLOT MACHINE
2 LICENSEE, AND INFORMATION OR DOCUMENTATION CONCERNING ANY
3 PERSON THAT WILL OPERATE INTERACTIVE GAMING OR AN INTERACTIVE
4 GAMING SYSTEM ON BEHALF OF THE SLOT MACHINE LICENSEE AS AN
5 INTERACTIVE GAMING OPERATOR, AS THE BOARD MAY REQUIRE. THE
6 INTERACTIVE GAMING AGREEMENT WITH SUCH PERSON SHALL BE
7 SUBJECT TO THE REVIEW AND APPROVAL OF THE BOARD.

8 (10) INFORMATION AND DOCUMENTATION, AS THE BOARD MAY
9 REQUIRE, TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT
10 THE SLOT MACHINE LICENSEE HAS SUFFICIENT BUSINESS ABILITY AND
11 EXPERIENCE TO CONDUCT A SUCCESSFUL INTERACTIVE GAMING
12 OPERATION. IN MAKING THIS DETERMINATION, THE BOARD MAY
13 CONSIDER THE RESULTS OF THE SLOT MACHINE LICENSEE'S SLOT
14 MACHINE AND TABLE GAME OPERATIONS, INCLUDING FINANCIAL
15 INFORMATION, EMPLOYMENT DATA AND CAPITAL INVESTMENT.

16 (11) INFORMATION AND DOCUMENTATION, AS THE BOARD MAY
17 REQUIRE, TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT
18 THE SLOT MACHINE LICENSEE HAS OR WILL HAVE THE FINANCIAL
19 ABILITY TO PAY THE INTERACTIVE GAMING AUTHORIZATION FEE.

20 (12) DETAILED SITE PLANS IDENTIFYING THE PROPOSED
21 INTERACTIVE GAMING RESTRICTED AREA WHERE INTERACTIVE GAMING
22 OPERATIONS WILL BE MANAGED, ADMINISTERED OR CONTROLLED AS
23 APPROVED BY THE BOARD.

24 (13) A DETAILED DESCRIPTION OF ALL OF THE FOLLOWING:

25 (I) THE SLOT MACHINE LICENSEE'S INITIAL SYSTEM OF
26 INTERNAL AND ACCOUNTING CONTROLS APPLICABLE TO
27 INTERACTIVE GAMING.

28 (II) THE SLOT MACHINE LICENSEE'S PROPOSED STANDARDS
29 TO PROTECT, WITH A REASONABLE DEGREE OF CERTAINTY, THE
30 PRIVACY AND SECURITY OF ITS REGISTERED PLAYERS.

1 (III) HOW THE SLOT MACHINE LICENSEE WILL FACILITATE
2 COMPLIANCE WITH ALL OF THE REQUIREMENTS SET FORTH IN THIS
3 CHAPTER AND IN SECTION 802(A) OF THE UNLAWFUL INTERNET
4 GAMBLING ENFORCEMENT ACT OF 2006 (PUBLIC LAW 109-347, 31
5 U.S.C. § 5362(10)(B)), INCLUDING, BUT NOT LIMITED TO, ALL
6 OF THE FOLLOWING:

7 (A) AGE, IDENTITY AND LOCATION VERIFICATION
8 REQUIREMENTS.

9 (B) APPROPRIATE DATA SECURITY STANDARDS TO
10 PREVENT UNAUTHORIZED ACCESS BY ANY PERSON WHOSE AGE,
11 IDENTITY OR LOCATION HAVE NOT BEEN VERIFIED OR CANNOT
12 BE VERIFIED IN ACCORDANCE WITH THIS CHAPTER AND
13 APPLICABLE REGULATIONS OF THE BOARD.

14 (C) EXCEPT AS PROVIDED IN SUBCHAPTER G (RELATING
15 TO MISCELLANEOUS PROVISIONS), THE REQUIREMENT THAT
16 ALL WAGERS MADE IN THE CONDUCT OF INTERACTIVE GAMING
17 BE INITIATED AND RECEIVED OR OTHERWISE MADE
18 EXCLUSIVELY WITHIN THIS COMMONWEALTH.

19 (IV) THE SLOT MACHINE LICENSEE'S PROPOSED AGE,
20 IDENTITY AND LOCATION VERIFICATION STANDARDS DESIGNED TO
21 BLOCK ACCESS TO PERSONS UNDER 21 YEARS OF AGE AND OTHER
22 PERSONS EXCLUDED OR PROHIBITED FROM PARTICIPATING IN
23 INTERACTIVE GAMING UNDER THIS CHAPTER.

24 (V) THE PROCEDURES THE SLOT MACHINE LICENSEE WILL
25 USE TO REGISTER INDIVIDUALS AS REGISTERED PLAYERS.

26 (VI) THE PROCEDURES THE SLOT MACHINE LICENSEE WILL
27 USE TO ESTABLISH INTERACTIVE GAMING ACCOUNTS FOR
28 REGISTERED PLAYERS.

29 (VII) THE INTERACTIVE GAMES AND SERVICES THE SLOT
30 MACHINE LICENSEE PROPOSES TO OFFER TO REGISTERED PLAYERS.

1 (VIII) DOCUMENTATION AND INFORMATION RELATING TO
2 KNOWN PROPOSED CONTRACTORS OF THE SLOT MACHINE LICENSEE
3 AND SUBCONTRACTORS OF THE CONTRACTORS.

4 (14) THE INTERACTIVE GAMING DEVICES AND ASSOCIATED
5 EQUIPMENT AND INTERACTIVE GAMING SYSTEM OR SYSTEMS, THAT THE
6 SLOT MACHINE LICENSEE PLANS TO OR WILL UTILIZE TO MANAGE,
7 ADMINISTER OR CONTROL ITS INTERACTIVE GAMING OPERATIONS.

8 (15) COMPLIANCE CERTIFICATION OF THE SLOT MACHINE
9 LICENSEE'S PROPOSED INTERACTIVE GAMING DEVICES AND ASSOCIATED
10 EQUIPMENT, INCLUDING INTERACTIVE GAMING SOFTWARE AND
11 HARDWARE, BY A BOARD-APPROVED GAMING LABORATORY TO ENSURE
12 THAT THE GAMING SOFTWARE AND HARDWARE COMPLY WITH THE
13 REQUIREMENTS OF THIS CHAPTER AND REGULATIONS OF THE BOARD.

14 (16) DETAILED DESCRIPTION OF ACCOUNTING SYSTEMS,
15 INCLUDING, BUT NOT LIMITED TO, ACCOUNTING SYSTEMS FOR ALL OF
16 THE FOLLOWING:

17 (I) INTERACTIVE GAMING ACCOUNTS.

18 (II) PER-HAND CHARGES, IF APPLICABLE.

19 (III) TRANSPARENCY AND REPORTING TO THE BOARD AND
20 THE DEPARTMENT.

21 (IV) DISTRIBUTION OF REVENUE TO THE COMMONWEALTH AND
22 WINNINGS TO REGISTERED PLAYERS.

23 (V) ONGOING AUDITING AND INTERNAL CONTROL COMPLIANCE
24 REVIEWS.

25 (17) DETAILED INFORMATION ON SECURITY SYSTEMS TO PROTECT
26 THE INTERACTIVE GAMING SKINS OR INTERACTIVE GAMING WEBSITE
27 FROM INTERNAL AND EXTERNAL BREACHES AND THREATS.

28 (18) ANY OTHER INFORMATION THE BOARD MAY REQUIRE.

29 (C) CONFIDENTIALITY.--INFORMATION SUBMITTED TO THE BOARD
30 UNDER SUBSECTION (B) MAY BE CONSIDERED CONFIDENTIAL BY THE BOARD

1 IF THE INFORMATION WOULD BE CONFIDENTIAL UNDER SECTION 1206(F)
2 (RELATING TO BOARD MINUTES AND RECORDS).

3 § 13B13. ISSUANCE OF INTERACTIVE GAMING CERTIFICATE.

4 (A) REQUIREMENTS FOR APPROVAL OF PETITION.--

5 (1) THE BOARD MAY APPROVE A PETITION UNDER SECTION 13B12
6 (RELATING TO INTERACTIVE GAMING CERTIFICATE REQUIRED AND
7 CONTENT OF PETITION) UPON FINDING CLEAR AND CONVINCING
8 EVIDENCE OF ALL OF THE FOLLOWING:

9 (I) THE SLOT MACHINE LICENSEE'S PROPOSED CONDUCT OF
10 INTERACTIVE GAMING COMPLIES IN ALL RESPECTS WITH THE
11 REQUIREMENTS OF THIS CHAPTER AND REGULATIONS PROMULGATED
12 BY THE BOARD.

13 (II) AGE, IDENTITY AND LOCATION VERIFICATION
14 REQUIREMENTS DESIGNED TO BLOCK ACCESS TO INDIVIDUALS
15 UNDER 21 YEARS OF AGE AND PERSONS OTHERWISE EXCLUDED OR
16 PROHIBITED FROM ENGAGING IN INTERACTIVE GAMING IN
17 ACCORDANCE WITH THIS CHAPTER, AS APPROVED BY THE BOARD,
18 HAVE BEEN IMPLEMENTED BY THE SLOT MACHINE LICENSEE.

19 (III) THE SLOT MACHINE LICENSEE HAS IMPLEMENTED OR
20 WILL IMPLEMENT APPROPRIATE DATA SECURITY STANDARDS TO
21 PREVENT UNAUTHORIZED ACCESS BY ANY PERSON WHOSE AGE,
22 IDENTITY AND LOCATION HAS NOT BEEN VERIFIED OR CANNOT BE
23 VERIFIED IN ACCORDANCE WITH THE REGULATIONS PROMULGATED
24 BY THE BOARD.

25 (IV) THE SLOT MACHINE LICENSEE HAS IMPLEMENTED OR
26 WILL IMPLEMENT APPROPRIATE STANDARDS TO PROTECT THE
27 PRIVACY AND SECURITY OF REGISTERED PLAYERS WITH A
28 REASONABLE DEGREE OF CERTAINTY.

29 (V) THE SLOT MACHINE LICENSEE'S INITIAL SYSTEM OF
30 INTERNAL AND ACCOUNTING CONTROLS APPLICABLE TO

1 INTERACTIVE GAMING, AND THE SECURITY AND INTEGRITY OF ALL
2 FINANCIAL TRANSACTIONS IN CONNECTION WITH THE SYSTEM,
3 COMPLIES WITH THIS CHAPTER AND REGULATIONS PROMULGATED BY
4 THE BOARD.

5 (VI) THE SLOT MACHINE LICENSEE IS IN GOOD STANDING
6 WITH THE BOARD.

7 (VII) THE SLOT MACHINE LICENSEE AGREES THAT THE
8 NUMBER OF SLOT MACHINES AND TABLE GAMES IN OPERATION AT
9 ITS LICENSED FACILITY, AS OF THE EFFECTIVE DATE OF THIS
10 SECTION, WILL NOT BE REDUCED AS A RESULT OF INTERACTIVE
11 GAMING.

12 (2) IT SHALL BE AN EXPRESS CONDITION OF THE ISSUANCE AND
13 CONTINUED VALIDITY OF AN INTERACTIVE GAMING CERTIFICATE THAT
14 A SLOT MACHINE LICENSEE SHALL COLLECT, REPORT AND PAY ALL
15 APPLICABLE TAXES AND FEES AND SHALL MAINTAIN ALL BOOKS,
16 RECORDS AND DOCUMENTS PERTAINING TO THE SLOT MACHINE
17 LICENSEE'S INTERACTIVE GAMING OPERATIONS IN A MANNER AND
18 LOCATION WITHIN THIS COMMONWEALTH AS APPROVED BY THE BOARD.
19 ALL BOOKS, RECORDS AND DOCUMENTS SHALL BE IMMEDIATELY
20 AVAILABLE FOR INSPECTION BY THE BOARD AND THE DEPARTMENT
21 DURING ALL HOURS OF OPERATION IN ACCORDANCE WITH THE
22 REGULATIONS OF THE BOARD AND SHALL BE MAINTAINED IN A MANNER
23 AND DURING PERIODS OF TIME AS THE BOARD SHALL REQUIRE.

24 (B) ISSUANCE OF INTERACTIVE GAMING CERTIFICATE.--

25 (1) UPON APPROVAL OF A PETITION FOR AN INTERACTIVE
26 GAMING CERTIFICATE, THE BOARD SHALL ISSUE AN INTERACTIVE
27 GAMING CERTIFICATE TO THE SLOT MACHINE LICENSEE. THE ISSUANCE
28 OF AN INTERACTIVE GAMING CERTIFICATE PRIOR TO THE FULL
29 PAYMENT OF THE AUTHORIZATION FEE REQUIRED UNDER SECTION 13B51
30 (RELATING TO INTERACTIVE GAMING AUTHORIZATION FEE) SHALL NOT

1 RELIEVE THE SLOT MACHINE LICENSEE FROM THE OBLIGATION TO PAY
2 THE AUTHORIZATION FEE IN ACCORDANCE WITH THE REQUIREMENTS OF
3 SECTION 13B51.

4 (2) UPON ISSUING AN INTERACTIVE GAMING CERTIFICATE, THE
5 BOARD SHALL AMEND THE SLOT MACHINE LICENSEE'S STATEMENT OF
6 CONDITIONS TO INCLUDE CONDITIONS PERTAINING TO THE
7 REQUIREMENTS OF THIS CHAPTER.

8 (C) TERM OF INTERACTIVE GAMING CERTIFICATE.--SUBJECT TO THE
9 POWER OF THE BOARD TO DENY, REVOKE OR SUSPEND AN INTERACTIVE
10 GAMING CERTIFICATE, AN INTERACTIVE GAMING CERTIFICATE SHALL BE
11 VALID FOR FIVE YEARS FROM THE DATE OF ISSUANCE AND MAY BE
12 RENEWED IN ACCORDANCE WITH THE REQUIREMENTS OF SECTION 1326
13 (RELATING TO RENEWALS).

14 (D) SANCTIONS.--AN INTERACTIVE GAMING CERTIFICATE HOLDER
15 THAT FAILS TO ABIDE BY THE REQUIREMENTS OF THIS CHAPTER OR
16 REGULATIONS OF THE BOARD OR ANY CONDITION CONTAINED IN THE
17 INTERACTIVE GAMING CERTIFICATE HOLDER'S STATEMENT OF CONDITIONS
18 GOVERNING THE OPERATION OF INTERACTIVE GAMING SHALL BE SUBJECT
19 TO BOARD-IMPOSED ADMINISTRATIVE SANCTIONS OR OTHER PENALTIES
20 AUTHORIZED UNDER THIS PART.

21 (E) BACKGROUND INVESTIGATIONS.--EACH PETITION FOR AN
22 INTERACTIVE GAMING CERTIFICATE SHALL BE ACCOMPANIED BY A
23 NONREFUNDABLE FEE ESTABLISHED BY THE BOARD TO COVER THE COST OF
24 BACKGROUND INVESTIGATIONS. THE BOARD SHALL DETERMINE BY
25 REGULATION THE PERSONS WHO SHALL BE SUBJECT TO BACKGROUND
26 INVESTIGATION. ANY ADDITIONAL COSTS AND EXPENSES INCURRED IN ANY
27 BACKGROUND INVESTIGATION OR OTHER INVESTIGATION OR PROCEEDING
28 UNDER THIS CHAPTER SHALL BE REIMBURSED TO THE BOARD BY THE
29 PETITIONER.

30 § 13B14. INTERACTIVE GAMING OPERATORS.

1 (A) LICENSE REQUIRED.--NO PERSON SHALL SERVE OR ATTEMPT TO
2 SERVE AS AN INTERACTIVE GAMING OPERATOR WITHOUT FIRST OBTAINING
3 AN INTERACTIVE GAMING LICENSE FROM THE BOARD. A PERSON MAY SEEK
4 APPROVAL TO SERVE AS AN INTERACTIVE GAMING OPERATOR BY FILING AN
5 APPLICATION WITH THE BOARD. THE BOARD SHALL PRESCRIBE THE FORM
6 OF THE APPLICATION AND THE MANNER IN WHICH IT SHALL BE FILED.
7 THE BOARD SHALL:

8 (1) DETERMINE SUITABILITY OF THE PERSON FILING AN
9 APPLICATION UNDER THIS SECTION. THE BOARD SHALL DETERMINE
10 SUITABILITY IN ACCORDANCE WITH THE SAME REQUIREMENTS OF THIS
11 PART APPLICABLE TO THE DETERMINATION OF SUITABILITY OF THE
12 ISSUANCE OF AN INTERACTIVE GAMING CERTIFICATE TO A SLOT
13 MACHINE LICENSEE. NOTWITHSTANDING THE PROVISIONS OF THIS
14 PARAGRAPH, THE BOARD MAY CONSIDER A HOLDER OF A VALID
15 LICENSE, PERMIT, REGISTRATION, CERTIFICATE OR OTHER
16 AUTHORIZATION APPROVED AND ISSUED UNDER THIS PART, WHICH IS
17 IN GOOD STANDING, AS SUITABLE UNDER THIS SECTION WITHOUT
18 ADDITIONAL INVESTIGATION. THE CONSIDERATION SHALL NOT RELIEVE
19 THE APPLICANT FOR AN INTERACTIVE GAMING LICENSE FROM PAYMENT
20 OF ALL FEES IMPOSED UNDER THIS CHAPTER.

21 (2) PROVIDE FOR THE APPROVAL OF THE TERMS AND CONDITIONS
22 OF ALL AGREEMENTS ENTERED INTO BY OR BETWEEN AN INTERACTIVE
23 GAMING CERTIFICATE HOLDER AND A PERSON APPLYING FOR AN
24 INTERACTIVE GAMING LICENSE.

25 (B) CLASSIFICATION AND APPROVAL OF EMPLOYEES.--

26 (1) THE BOARD SHALL ESTABLISH A CLASSIFICATION SYSTEM
27 FOR EMPLOYEES OF INTERACTIVE GAMING OPERATORS OR OTHER
28 PERSONS WHO PROVIDE PRODUCTS OR SERVICES ASSOCIATED WITH OR
29 RELATED TO INTERACTIVE GAMING, INTERACTIVE GAMING PLATFORMS
30 AND INTERACTIVE GAMING SYSTEMS.

1 (2) THE BOARD SHALL PROVIDE FOR THE LICENSURE,
2 PERMITTING, REGISTRATION OR CERTIFICATION, AS IT DEEMS
3 APPROPRIATE, OF EMPLOYEES IN EACH EMPLOYEE CLASSIFICATION
4 ESTABLISHED BY IT IN ACCORDANCE WITH PARAGRAPH (1).

5 (C) APPLICABILITY OF CERTAIN PROVISIONS.--INTERACTIVE GAMING
6 OPERATORS SHALL BE SUBJECT TO THE APPLICABLE PROVISIONS OF THIS
7 PART THAT APPLY TO INTERACTIVE GAMING CERTIFICATE HOLDERS, AS
8 DETERMINED BY THE BOARD, INCLUDING THE PROVISIONS OF SECTION
9 13B13(D) (RELATING TO ISSUANCE OF INTERACTIVE GAMING
10 CERTIFICATE).

11 (D) TERM OF INTERACTIVE GAMING LICENSE.--SUBJECT TO THE
12 POWER OF THE BOARD TO DENY, REVOKE OR SUSPEND AN INTERACTIVE
13 GAMING LICENSE, AN INTERACTIVE GAMING LICENSE SHALL BE VALID FOR
14 FIVE YEARS FROM THE DATE OF ISSUANCE AND MAY BE RENEWED IN
15 ACCORDANCE WITH THE REQUIREMENTS OF SECTION 1326 (RELATING TO
16 RENEWALS).

17 (E) INTERACTIVE GAMING LICENSE AND CONDITIONAL
18 AUTHORIZATION.--

19 (1) THE FOLLOWING SHALL APPLY:

20 (I) DURING THE FIRST 18 MONTHS AFTER THE EFFECTIVE
21 DATE OF THIS SECTION, THE BOARD MAY ISSUE CONDITIONAL
22 AUTHORIZATION TO A PERSON APPLYING FOR AN INTERACTIVE
23 GAMING LICENSE.

24 (II) CONDITIONAL AUTHORIZATION ISSUED UNDER THIS
25 SUBSECTION SHALL REMAIN IN EFFECT UNTIL THE EARLIER OF
26 THE DATE OCCURRING 12 MONTHS AFTER THE ISSUANCE OF THE
27 AUTHORIZATION OR THE DATE UPON WHICH THE BOARD MAKES A
28 FINAL DETERMINATION ON THE PERSON'S APPLICATION.

29 (III) THE EFFECTIVENESS OF A CONDITIONAL
30 AUTHORIZATION MAY BE EXTENDED BY THE BOARD NOT MORE THAN

1 ONCE, UPON A SHOWING OF GOOD CAUSE.

2 (IV) CONDITIONAL AUTHORIZATION SHALL ALLOW AN
3 APPLICANT FOR AN INTERACTIVE GAMING LICENSE TO ENGAGE IN
4 ALL OF THE FUNCTIONS OF A LICENSED INTERACTIVE GAMING
5 OPERATOR FOR THE DURATION OF THE CONDITIONAL
6 AUTHORIZATION.

7 (2) A CONDITIONAL AUTHORIZATION MAY NOT BE ISSUED
8 UNLESS:

9 (I) THE APPLICANT HAS SUBMITTED A COMPLETE
10 APPLICATION FOR AN INTERACTIVE GAMING LICENSE TO THE
11 BOARD.

12 (II) THE APPLICANT AGREES TO PAY OR HAS PAID THE FEE
13 PRESCRIBED IN SECTION 13B51 (RELATING TO INTERACTIVE
14 GAMING AUTHORIZATION FEE) PRIOR TO THE ISSUANCE OF
15 CONDITIONAL AUTHORIZATION.

16 (III) THE BUREAU HAS NO OBJECTION TO THE ISSUANCE OF
17 A CONDITIONAL AUTHORIZATION TO THE APPLICANT.

18 (3) WITHIN 45 DAYS OF THE DATE THAT THE BUREAU RECEIVES
19 THE COMPLETED APPLICATION FOR AN INTERACTIVE GAMING LICENSE
20 FROM AN APPLICANT FOR INVESTIGATION, THE BUREAU SHALL CONDUCT
21 A PRELIMINARY INVESTIGATION OF THE APPLICANT AND ANY EMPLOYEE
22 OF THE APPLICANT DETERMINED BY THE BOARD TO BE INCLUDED IN
23 THE INVESTIGATION, WHICH SHALL INCLUDE A CRIMINAL BACKGROUND
24 INVESTIGATION.

25 (4) IF THE BUREAU'S PRELIMINARY INVESTIGATION DISCLOSES
26 NO ADVERSE INFORMATION THAT WOULD IMPACT SUITABILITY FOR
27 LICENSURE, THE BUREAU SHALL PROVIDE THE BOARD WITH A
28 STATEMENT OF NO OBJECTION TO THE ISSUANCE OF CONDITIONAL
29 AUTHORIZATION TO THE APPLICANT.

30 (5) IF THE BUREAU'S PRELIMINARY INVESTIGATION DISCLOSES

1 ADVERSE INFORMATION THAT WOULD IMPACT SUITABILITY FOR
2 LICENSURE, IT SHALL REGISTER AN OBJECTION, AND A CONDITIONAL
3 AUTHORIZATION MAY NOT BE ISSUED UNTIL THE BUREAU'S CONCERNS
4 ARE RESOLVED.

5 (6) A CONDITIONAL AUTHORIZATION APPROVED AND ISSUED TO
6 AN APPLICANT FOR AN INTERACTIVE GAMING LICENSE UNDER THIS
7 SUBSECTION MAY BE SUSPENDED OR WITHDRAWN BY THE BOARD UPON A
8 SHOWING OF GOOD CAUSE BY THE BUREAU.

9 § 13B15. INTERACTIVE GAMING CERTIFICATE AND INTERACTIVE GAMING
10 LICENSE.

11 THE FOLLOWING SHALL APPLY:

12 (1) AN INTERACTIVE GAMING CERTIFICATE AND AN INTERACTIVE
13 GAMING LICENSE ISSUED TO AN INTERACTIVE GAMING OPERATOR
14 CONDUCTING INTERACTIVE GAMING OR AN INTERACTIVE GAMING SYSTEM
15 ON BEHALF OF THE INTERACTIVE GAMING CERTIFICATE HOLDER SHALL
16 BE VALID UNLESS NOT RENEWED IN ACCORDANCE WITH THE PROVISIONS
17 OF THIS CHAPTER OR:

18 (I) THE CERTIFICATE OR LICENSE IS SUSPENDED OR
19 REVOKED BY THE BOARD AS PERMITTED BY THIS PART AND
20 REGULATIONS OF THE BOARD.

21 (II) THE INTERACTIVE GAMING CERTIFICATE HOLDER'S
22 SLOT MACHINE LICENSE IS SUSPENDED, REVOKED OR NOT RENEWED
23 BY THE BOARD AS PERMITTED BY THIS PART AND REGULATIONS OF
24 THE BOARD.

25 (III) THE INTERACTIVE GAMING CERTIFICATE HOLDER SLOT
26 MACHINE LICENSEE RELINQUISHES OR DOES NOT SEEK RENEWAL OF
27 ITS SLOT MACHINE LICENSE.

28 (IV) THE INTERACTIVE GAMING CERTIFICATE HOLDER DOES
29 NOT SEEK RENEWAL OF ITS INTERACTIVE GAMING CERTIFICATE.

30 (2) THE INTERACTIVE GAMING CERTIFICATE MAY INCLUDE AN

1 INITIAL ITEMIZED LIST BY NUMBER AND TYPE OF AUTHORIZED
2 INTERACTIVE GAMES TO BE CONDUCTED BY THE INTERACTIVE GAMING
3 CERTIFICATE HOLDER OR INTERACTIVE GAMING OPERATOR. THE
4 INTERACTIVE GAMING CERTIFICATE HOLDER MAY INCREASE OR
5 DECREASE THE NUMBER OF INTERACTIVE GAMES AUTHORIZED FOR PLAY
6 ON ITS INTERACTIVE GAMING SKIN OR INTERACTIVE GAMING WEBSITE
7 OR CHANGE THE TYPE OF AUTHORIZED INTERACTIVE GAMES PLAYED ON
8 ITS INTERACTIVE GAMING SKIN OR INTERACTIVE GAMING WEBSITE
9 CONSISTENT WITH THE TYPES OF INTERACTIVE GAMES AUTHORIZED BY
10 THE INTERACTIVE GAMING CERTIFICATE ISSUED BY THE BOARD, UPON
11 NOTICE, IF REQUIRED BY THE BOARD, TO THE BOARD AND APPROVAL
12 BY THE BOARD OR A DESIGNATED EMPLOYEE OF THE BOARD. UNLESS
13 APPROVED BY THE BOARD OR A DESIGNATED EMPLOYEE OF THE BOARD,
14 THE TOTAL NUMBER AND TYPE OF AUTHORIZED INTERACTIVE GAMES
15 OFFERED FOR PLAY BY AN INTERACTIVE GAMING CERTIFICATE HOLDER
16 MAY NOT DIFFER FROM THE NUMBER AND TYPE APPROVED BY THE BOARD
17 AND AUTHORIZED IN THE INTERACTIVE GAMING CERTIFICATE.

18 (3) A SLOT MACHINE LICENSEE SHALL BE REQUIRED TO UPDATE
19 THE INFORMATION IN ITS PETITION FOR AN INTERACTIVE GAMING
20 CERTIFICATE AT TIMES AND IN THE FORM AND MANNER PRESCRIBED BY
21 THE BOARD.

22 (4) A VALID INTERACTIVE GAMING CERTIFICATE OR
23 INTERACTIVE GAMING LICENSE MAY BE RENEWED IN ACCORDANCE WITH
24 THE PROCEDURES SET FORTH IN SECTION 1326 (RELATING TO
25 RENEWALS) AND UPON THE PAYMENT OF THE APPLICABLE RENEWAL FEE
26 REQUIRED BY SECTION 13B51(C) (RELATING TO INTERACTIVE GAMING
27 AUTHORIZATION FEE).

28 § 13B16. TIMING OF INITIAL INTERACTIVE GAMING AUTHORIZATIONS.

29 THE BOARD SHALL PRESCRIBE THE DATE ON WHICH INITIAL PETITIONS
30 FOR AN INTERACTIVE GAMING CERTIFICATE AND APPLICATIONS FOR AN

1 INTERACTIVE GAMING LICENSE MUST BE FILED WITH THE BOARD AND
2 SHALL APPROVE OR DENY A PETITION OR APPLICATION WITHIN 90 DAYS
3 FOLLOWING RECEIPT.

4 SUBCHAPTER B.1

5 MULTI-USE COMPUTING DEVICES

6 SEC.

7 13B20. AUTHORIZATION.

8 13B20.1. (RESERVED).

9 13B20.2. (RESERVED).

10 13B20.3. FEE.

11 13B20.4. MULTI-USE GAMING DEVICE TAX.

12 13B20.5. MULTI-USE GAMING DEVICE LOCAL SHARE ASSESSMENT.

13 13B20.6. REGULATIONS.

14 13B20.7. CONSTRUCTION.

15 § 13B20. AUTHORIZATION.

16 (A) AUTHORITY.--THE BOARD MAY AUTHORIZE AN INTERACTIVE
17 GAMING CERTIFICATE HOLDER TO PROVIDE FOR THE CONDUCT OF
18 INTERACTIVE GAMING, EITHER DIRECTLY OR THROUGH AN INTERACTIVE
19 GAMING OPERATOR UNDER AN INTERACTIVE GAMING AGREEMENT, AT A
20 QUALIFIED AIRPORT THROUGH THE USE OF MULTI-USE COMPUTING DEVICES
21 BY ELIGIBLE PASSENGERS IN ACCORDANCE WITH THIS SUBCHAPTER AND
22 THE REGULATIONS OF THE BOARD. THE FOLLOWING SHALL APPLY:

23 (1) IF THE INTERACTIVE GAMING CERTIFICATE HOLDER INTENDS
24 TO OPERATE INTERACTIVE GAMING UNDER AN INTERACTIVE GAMING
25 AGREEMENT, THE INTERACTIVE GAMING OPERATOR THAT IS A PARTY TO
26 THE INTERACTIVE GAMING AGREEMENT SHALL HAVE BEEN ISSUED AN
27 INTERACTIVE GAMING LICENSE OR WILL BE ISSUED AN INTERACTIVE
28 GAMING LICENSE PRIOR TO THE COMMENCEMENT OF OPERATIONS UNDER
29 THE INTERACTIVE GAMING AGREEMENT. THE INTERACTIVE GAMING
30 AGREEMENT SHALL BE SUBJECT TO THE REVIEW AND APPROVAL OF THE

1 BOARD.

2 (2) AS FOLLOWS:

3 (I) THE INTERACTIVE GAMING CERTIFICATE HOLDER OR THE
4 INTERACTIVE GAMING OPERATOR, AS APPROPRIATE, SHALL ENTER
5 INTO A WRITTEN AGREEMENT FOR THE CONDUCT OF INTERACTIVE
6 GAMING THROUGH THE USE OF MULTI-USE COMPUTING DEVICES
7 WITHIN THE AIRPORT GAMING AREA AS FOLLOWS:

8 (A) FOR THE CONDUCT OF INTERACTIVE GAMING AT A
9 QUALIFIED AIRPORT WHICH IS LOCATED PARTIALLY IN A
10 COUNTY OF THE FIRST CLASS AND PARTIALLY IN A COUNTY
11 CONTIGUOUS TO A COUNTY OF THE FIRST CLASS, THE
12 WRITTEN AGREEMENT SHALL BE WITH EITHER THE AIRPORT
13 AUTHORITY OR ITS DESIGNEE OR A CONCESSION OPERATOR,
14 EXCEPT THAT, IF THE WRITTEN AGREEMENT IS WITH A
15 CONCESSION OPERATOR, THE AIRPORT AUTHORITY OR ITS
16 DESIGNEE MUST HAVE APPROVED OR CONSENTED TO LAWFUL
17 GAMING WITHIN THE AIRPORT GAMING AREA THROUGH THE
18 CONCESSION OPERATOR'S CONCESSION CONTRACT AND THE
19 AIRPORT AUTHORITY MUST HAVE RECEIVED A COPY OF THE
20 WRITTEN AGREEMENT WITH THE CERTIFICATE HOLDER OR THE
21 INTERACTIVE GAMING OPERATOR.

22 (B) FOR THE CONDUCT OF INTERACTIVE GAMING AT A
23 QUALIFIED AIRPORT WHICH IS NOT LOCATED PARTIALLY
24 WITHIN A COUNTY OF THE FIRST CLASS AND PARTIALLY IN A
25 COUNTY CONTIGUOUS TO A COUNTY OF THE FIRST CLASS, THE
26 WRITTEN AGREEMENT SHALL BE WITH THE AIRPORT AUTHORITY
27 OR ITS DESIGNEE.

28 (II) THE WRITTEN AGREEMENT SHALL BE SUBJECT TO THE
29 REVIEW AND APPROVAL OF THE BOARD.

30 (3) NOTWITHSTANDING ANY PROVISION TO THE CONTRARY

1 CONTAINED IN THIS PART OR REGULATION OF THE BOARD, AN
2 ELIGIBLE PASSENGER DOES NOT NEED TO BE A REGISTERED PLAYER AS
3 PROVIDED FOR IN SECTION 13B22 (RELATING TO ESTABLISHMENT OF
4 INTERACTIVE GAMING ACCOUNTS).

5 (B) PETITION.--AN INTERACTIVE GAMING CERTIFICATE HOLDER
6 DESIRING TO PROVIDE INTERACTIVE GAMING AT A QUALIFIED AIRPORT
7 UNDER SUBSECTION (A) SHALL SUBMIT A PETITION FOR APPROVAL TO THE
8 BOARD. THE PETITION SHALL BE IN THE FORM AND SUBMITTED IN THE
9 MANNER PRESCRIBED BY THE BOARD.

10 (C) REQUIREMENTS.--THE PETITION FILED UNDER SUBSECTION (B)
11 SHALL INCLUDE THE FOLLOWING:

12 (1) THE NAME, BUSINESS ADDRESS AND CONTACT INFORMATION
13 OF THE INTERACTIVE GAMING CERTIFICATE HOLDER AND THE NAME,
14 BUSINESS ADDRESS AND CONTACT INFORMATION OF THE INTERACTIVE
15 GAMING OPERATOR, IF APPLICABLE.

16 (2) THE NAME AND BUSINESS ADDRESS, JOB TITLE AND A
17 PHOTOGRAPH OF EACH PRINCIPAL AND KEY EMPLOYEE, IF KNOWN, OF
18 THE INTERACTIVE GAMING CERTIFICATE HOLDER AND THE INTERACTIVE
19 GAMING OPERATOR, IF APPLICABLE, WHO WILL BE DIRECTLY INVOLVED
20 IN THE CONDUCT OF THE AUTHORIZED INTERACTIVE GAMES AT THE
21 QUALIFIED AIRPORT AND WHO ARE NOT CURRENTLY LICENSED BY THE
22 BOARD.

23 (3) THE NAME AND JOB TITLE OF THE PERSON OR PERSONS WHO
24 WILL BE RESPONSIBLE FOR ENSURING THE OPERATION AND INTEGRITY
25 OF THE CONDUCT OF INTERACTIVE GAMING AT THE QUALIFIED AIRPORT
26 AND FOR REVIEWING REPORTS OF SUSPICIOUS TRANSACTIONS.

27 (4) A COPY OF THE INTERACTIVE GAMING AGREEMENT, IF
28 APPLICABLE.

29 (5) THE LOCATION OF THE QUALIFIED AIRPORT TOGETHER WITH
30 DETAILED SITE PLANS INDICATING THE LOCATION OF THE PROPOSED

1 AIRPORT GAMING AREA.

2 (6) EXCEPT AS PROVIDED IN PARAGRAPH (7), THE NAME AND
3 BUSINESS ADDRESS OF THE AIRPORT AUTHORITY GOVERNING THE
4 QUALIFIED AIRPORT AND THE NAMES OF THE MEMBERS OF THE
5 GOVERNING BODY OF THE AIRPORT AUTHORITY.

6 (7) IF THE USE AND CONTROL OF THE QUALIFIED AIRPORT IS
7 REGULATED BY A CITY OF THE FIRST CLASS, AN IDENTIFICATION OF
8 THE MUNICIPAL AGENCY WITH PRIMARY OVERSIGHT IN THE CITY OF
9 THE FIRST CLASS.

10 (8) COPIES OF THE AGREEMENTS REQUIRED UNDER SUBSECTION
11 (A) (2).

12 (9) THE BRAND NAME OF THE MULTI-USE COMPUTING DEVICES
13 THAT WILL BE PLACED IN OPERATION AT THE QUALIFIED AIRPORT AND
14 ANY INFORMATION REQUIRED BY THE BOARD, IN ITS DISCRETION,
15 REGARDING PERSONS THAT MANUFACTURE OR WILL SUPPLY THE MULTI-
16 USE COMPUTING DEVICES AS IT DEEMS NECESSARY.

17 (10) THE INTERACTIVE GAMES THE INTERACTIVE GAMING
18 CERTIFICATE HOLDER OR THE INTERACTIVE GAMING OPERATOR, AS
19 APPLICABLE, INTENDS TO OFFER FOR PLAY AT THE QUALIFIED
20 AIRPORT.

21 (11) INFORMATION, AS THE BOARD MAY REQUIRE, ON ANY
22 COMPUTER APPLICATIONS, INCLUDING GAMING APPLICATIONS, THAT
23 CAN BE ACCESSED ON THE MULTI-USE COMPUTING DEVICES TO BE
24 PLACED INTO OPERATION AT THE QUALIFIED AIRPORT.

25 (12) INFORMATION AND DOCUMENTATION EVIDENCING THE
26 FINANCIAL STABILITY, INTEGRITY AND RESPONSIBILITY OF THE
27 INTERACTIVE GAMING CERTIFICATE HOLDER AND THE INTERACTIVE
28 GAMING OPERATOR, IF APPLICABLE.

29 (13) THE AGREEMENT OF THE INTERACTIVE GAMING CERTIFICATE
30 HOLDER TO PAY THE FEE REQUIRED BY SECTION 13B20.3 (RELATING

1 TO FEE).

2 (14) ANY OTHER INFORMATION REQUIRED BY THE BOARD.

3 (D) CONFIDENTIALITY.--INFORMATION SUBMITTED TO THE BOARD
4 UNDER SUBSECTION (C) MAY BE CONSIDERED CONFIDENTIAL BY THE BOARD
5 IF THE INFORMATION WOULD BE CONFIDENTIAL UNDER SECTION 1206(F)
6 (RELATING TO BOARD MINUTES AND RECORDS).

7 (E) APPROVAL.--THE BOARD SHALL APPROVE THE PETITION
8 SUBMITTED UNDER SUBSECTION (B) UPON REVIEW AND APPROVAL OF THE
9 INFORMATION SUBMITTED UNDER SUBSECTION (C) AND A DETERMINATION
10 BY THE BOARD BY CLEAR AND CONVINCING EVIDENCE THAT:

11 (1) THE INTERACTIVE GAMING CERTIFICATE HOLDER AND THE
12 INTERACTIVE GAMING OPERATOR, IF APPLICABLE, HAVE PAID ALL
13 REQUIRED FEES AND TAXES PAYABLE UNDER PROVISIONS OF THIS PART
14 OTHER THAN THIS SUBCHAPTER TO THE DATE OF SUBMISSION OF THE
15 PETITION.

16 (2) THE INTERACTIVE GAMING CERTIFICATE HOLDER, OR THE
17 INTERACTIVE GAMING OPERATOR, AS THE CASE MAY BE, POSSESSES
18 THE NECESSARY FUNDS OR HAS SECURED ADEQUATE FINANCING TO
19 COMMENCE THE CONDUCT OF INTERACTIVE GAMING AT THE QUALIFIED
20 AIRPORT.

21 (3) THE PROPOSED INTERNAL AND EXTERNAL SECURITY AND
22 SURVEILLANCE MEASURES AT THE QUALIFIED AIRPORT AND WITHIN THE
23 AIRPORT GAMING AREA ARE ADEQUATE.

24 (4) INTERACTIVE GAMING AT THE QUALIFIED AIRPORT WILL BE
25 CONDUCTED AND OPERATED IN ACCORDANCE WITH THIS PART AND
26 REGULATIONS OF THE BOARD.

27 § 13B20.1. (RESERVED).

28 § 13B20.2. (RESERVED).

29 § 13B20.3. FEE.

30 (A) REQUIRED FEE.--

1 (1) AN INTERACTIVE GAMING CERTIFICATE HOLDER SHALL PAY A
2 ONE-TIME, NONREFUNDABLE FEE UPON THE AUTHORIZATION TO CONDUCT
3 INTERACTIVE GAMING AT A QUALIFIED AIRPORT THROUGH THE USE OF
4 MULTI-USE COMPUTING DEVICES IN ACCORDANCE WITH THIS
5 SUBCHAPTER.

6 (2) THE AMOUNT OF THE FEE SHALL BE AS FOLLOWS:

7 (I) IF THE AIRPORT IS AN INTERNATIONAL AIRPORT
8 LOCATED PARTIALLY IN A COUNTY OF THE FIRST CLASS AND
9 PARTIALLY IN A COUNTY CONTIGUOUS TO A COUNTY OF THE FIRST
10 CLASS, THE AMOUNT OF THE FEE SHALL BE \$2,500,000.

11 (II) IF THE AIRPORT IS AN INTERNATIONAL AIRPORT
12 LOCATED IN A COUNTY OF THE SECOND CLASS, THE AMOUNT OF
13 THE FEE SHALL BE \$1,250,000.

14 (III) IF THE AIRPORT IS AN INTERNATIONAL AIRPORT
15 LOCATED IN A COUNTY OTHER THAN A COUNTY OF THE FIRST OR
16 SECOND CLASS, THE AMOUNT OF THE FEE SHALL BE \$500,000.

17 (IV) IF THE AIRPORT IS A QUALIFIED AIRPORT THAT HAS
18 NOT BEEN DESIGNATED AN INTERNATIONAL AIRPORT, THE AMOUNT
19 OF THE FEE SHALL BE \$125,000.

20 (B) DEPOSIT OF FEES.--NOTWITHSTANDING SECTION 1208 (RELATING
21 TO COLLECTION OF FEES AND FINES), ALL FEES RECEIVED BY THE BOARD
22 UNDER THIS SUBCHAPTER SHALL BE DEPOSITED IN THE GENERAL FUND.

23 § 13B20.4. MULTI-USE GAMING DEVICE TAX.

24 (A) IMPOSITION.--

25 (1) EACH INTERACTIVE GAMING CERTIFICATE HOLDER
26 AUTHORIZED TO CONDUCT INTERACTIVE GAMING AT A QUALIFIED
27 AIRPORT IN ACCORDANCE WITH THE PROVISIONS OF THIS SUBCHAPTER
28 SHALL REPORT TO THE DEPARTMENT AND PAY FROM ITS DAILY GROSS
29 INTERACTIVE AIRPORT GAMING REVENUE GENERATED FROM THE CONDUCT
30 OF INTERACTIVE GAMING THROUGH MULTI-USE COMPUTING DEVICES AT

1 THE QUALIFIED AIRPORT, ON A FORM AND IN THE MANNER PRESCRIBED
2 BY THE DEPARTMENT, A TAX EQUAL TO THE TAX IMPOSED UNDER
3 SECTION 13B52(A) (RELATING TO INTERACTIVE GAMING TAX) OF ITS
4 DAILY GROSS INTERACTIVE AIRPORT GAMING REVENUE GENERATED FROM
5 MULTI-USE COMPUTING DEVICES AT THE QUALIFIED AIRPORT.

6 (2) THE TAX IMPOSED UNDER PARAGRAPH (1) SHALL BE PAYABLE
7 TO THE DEPARTMENT ON A WEEKLY BASIS AND SHALL BE BASED UPON
8 THE GROSS INTERACTIVE AIRPORT GAMING REVENUE GENERATED FROM
9 MULTI-USE COMPUTING DEVICES AT THE QUALIFIED AIRPORT DERIVED
10 DURING THE PREVIOUS WEEK.

11 (3) ALL FUNDS OWED TO THE COMMONWEALTH UNDER THIS
12 SECTION SHALL BE HELD IN TRUST FOR THE COMMONWEALTH BY THE
13 INTERACTIVE GAMING CERTIFICATE HOLDER UNTIL THE FUNDS ARE
14 PAID TO THE DEPARTMENT. AN INTERACTIVE GAMING CERTIFICATE
15 HOLDER SHALL ESTABLISH A SEPARATE BANK ACCOUNT INTO WHICH
16 GROSS INTERACTIVE AIRPORT GAMING REVENUE FROM MULTI-USE
17 COMPUTING DEVICES AT A QUALIFIED AIRPORT SHALL BE DEPOSITED
18 AND MAINTAINED UNTIL SUCH TIME AS THE FUNDS ARE PAID TO THE
19 DEPARTMENT UNDER THIS SECTION.

20 (4) THE DEPARTMENT SHALL TRANSFER THE FUNDS COLLECTED
21 UNDER THIS SECTION TO THE GENERAL FUND.

22 (B) CREDIT AGAINST TAX IMPOSED.--A CREDIT AGAINST THE TAX
23 IMPOSED UNDER SUBSECTION (A) SHALL BE GRANTED IN AN AMOUNT
24 DETERMINED BY THE DEPARTMENT WITH RESPECT TO AN AMOUNT WHICH IS:

25 (1) PAID BY A CONCESSION OPERATOR OR AIRPORT AUTHORITY
26 ON THE DAILY GROSS INTERACTIVE GAMING REVENUE GENERATED FROM
27 THE CONDUCT OF INTERACTIVE GAMING THROUGH MULTI-USE COMPUTING
28 DEVICES AT THE QUALIFIED AIRPORT; AND

29 (2) REQUIRED TO REMAIN AT THE QUALIFIED AIRPORT PURSUANT
30 TO FEDERAL REQUIREMENTS RELATING TO FEDERAL AVIATION

1 ADMINISTRATION FUNDS.

2 § 13B20.5. MULTI-USE GAMING DEVICE LOCAL SHARE ASSESSMENT.

3 (A) REQUIRED PAYMENT.--IN ADDITION TO THE TAX IMPOSED UNDER
4 SECTION 13B20.4 (RELATING TO MULTI-USE GAMING DEVICE TAX), EACH
5 INTERACTIVE GAMING CERTIFICATE HOLDER AUTHORIZED TO CONDUCT
6 INTERACTIVE GAMING AT A QUALIFIED AIRPORT SHALL REPORT TO THE
7 DEPARTMENT AND PAY, ON A FORM AND IN A MANNER PRESCRIBED BY THE
8 DEPARTMENT, A LOCAL SHARE ASSESSMENT EQUAL TO THE LOCAL SHARE
9 ASSESSMENT IMPOSED UNDER SECTION 13B53 (RELATING TO LOCAL SHARE
10 ASSESSMENT) OF THE INTERACTIVE GAMING CERTIFICATE HOLDER'S DAILY
11 GROSS INTERACTIVE AIRPORT GAMING REVENUE FROM MULTI-USE DEVICES
12 AT THE QUALIFIED AIRPORT. THE FUNDS SHALL BE PAYABLE TO THE
13 DEPARTMENT ON A WEEKLY BASIS AND SHALL BE BASED UPON THE REVENUE
14 GENERATED DURING THE PREVIOUS WEEK. THE FUNDS SHALL BE PAID INTO
15 A RESTRICTED RECEIPTS ACCOUNT ESTABLISHED BY THE DEPARTMENT IN
16 THE FUND. ALL FUNDS OWED TO THE COMMONWEALTH UNDER THIS SECTION
17 SHALL BE HELD IN TRUST BY THE INTERACTIVE GAMING CERTIFICATE
18 HOLDER UNTIL THE FUNDS ARE PAID TO THE DEPARTMENT. FUNDS IN THE
19 ACCOUNT ARE HEREBY APPROPRIATED TO THE DEPARTMENT ON A
20 CONTINUING BASIS FOR THE PURPOSES SET FORTH IN THIS SECTION.

21 (B) DISTRIBUTION.--THE DEPARTMENT SHALL MAKE QUARTERLY
22 DISTRIBUTIONS FROM THE LOCAL SHARE ASSESSMENTS IMPOSED UNDER
23 SUBSECTION (A) AS FOLLOWS:

24 (1) EXCEPT AS PROVIDED UNDER PARAGRAPH (2), 50% SHALL BE
25 DEPOSITED INTO A RESTRICTED RECEIPT ACCOUNT TO BE ESTABLISHED
26 IN THE COMMONWEALTH FINANCING AUTHORITY TO BE USED
27 EXCLUSIVELY FOR GRANTS IN THE PUBLIC INTEREST IN A COUNTY
28 HOSTING THE QUALIFIED AIRPORT. IF A QUALIFIED AIRPORT IS
29 LOCATED IN MORE THAN ONE COUNTY, THE GRANTS SHALL BE
30 DISTRIBUTED EQUALLY TO EACH COUNTY HOSTING THE QUALIFIED

1 AIRPORT.

2 (2) FOR AN INTERNATIONAL AIRPORT LOCATED PARTIALLY IN A
3 COUNTY OF THE FIRST CLASS AND PARTIALLY IN A COUNTY
4 CONTIGUOUS TO A COUNTY OF THE FIRST CLASS, 50% SHALL BE
5 DISTRIBUTED AS FOLLOWS:

6 (I) FIFTY PERCENT TO A SCHOOL DISTRICT OF THE FIRST
7 CLASS.

8 (II) FIFTY PERCENT SHALL BE DEPOSITED INTO A
9 RESTRICTED RECEIPT ACCOUNT TO BE ESTABLISHED IN THE
10 COMMONWEALTH FINANCING AUTHORITY TO BE USED EXCLUSIVELY
11 FOR GRANTS IN THE PUBLIC INTEREST IN A COUNTY CONTIGUOUS
12 TO A COUNTY OF THE FIRST CLASS AND IN WHICH AN
13 INTERNATIONAL AIRPORT IS PARTIALLY LOCATED.

14 (3) FIFTY PERCENT SHALL BE ADDED TO AND DISTRIBUTED WITH
15 THE FUNDS DISTRIBUTED UNDER SECTION 13B53(B)(2).

16 § 13B20.6. REGULATIONS.

17 THE BOARD SHALL PROMULGATE REGULATIONS RELATED TO THE
18 OPERATION OF AUTHORIZED INTERACTIVE GAMES THROUGH THE USE OF
19 MULTI-USE COMPUTING DEVICES AT QUALIFIED AIRPORTS, INCLUDING,
20 BUT NOT LIMITED TO:

21 (1) PROCEDURES FOR THE CREATION OF TEMPORARY OR
22 PROVISIONAL INTERACTIVE GAMING ACCOUNTS THAT TAKE INTO
23 CONSIDERATION THE NATURE OF INTERACTIVE GAMING THROUGH MULTI-
24 USE COMPUTING DEVICES AT QUALIFIED AIRPORTS.

25 (2) PROCEDURES TO GOVERN CREDITS, DEBITS, DEPOSITS AND
26 PAYMENTS TO INTERACTIVE GAMING ACCOUNTS.

27 (3) IN CONSULTATION WITH THE DEPARTMENT, PROCEDURES TO
28 GOVERN FINANCIAL TRANSACTIONS BETWEEN AN INTERACTIVE GAMING
29 CERTIFICATE HOLDER, AN INTERACTIVE GAMING OPERATOR OR OTHER
30 PERSONS THAT RELATES TO THE REPORTING OF GROSS INTERACTIVE

1 AIRPORT GAMING REVENUE GENERATED THROUGH THE USE OF MULTI-USE
2 COMPUTING DEVICES AT QUALIFIED AIRPORTS.

3 § 13B20.7. CONSTRUCTION.

4 NOTHING IN THIS SUBCHAPTER SHALL BE CONSTRUED TO:

5 (1) CREATE A SEPARATE LICENSE GOVERNING THE USE OF
6 MULTI-USE COMPUTING DEVICES FOR THE CONDUCT OF INTERACTIVE
7 GAMES AT QUALIFIED AIRPORTS BY INTERACTIVE GAMING CERTIFICATE
8 HOLDERS WITHIN THIS COMMONWEALTH.

9 (2) LIMIT THE BOARD'S AUTHORITY TO DETERMINE THE
10 SUITABILITY OF ANY PERSON WHO MAY BE DIRECTLY OR INDIRECTLY
11 INVOLVED IN OR ASSOCIATED WITH THE OPERATION OF INTERACTIVE
12 GAMING AT A QUALIFIED AIRPORT OR TO ENSURE THE INTEGRITY OF
13 INTERACTIVE GAMING AND PROTECT THE PUBLIC INTEREST.

14 SUBCHAPTER C

15 CONDUCT OF INTERACTIVE GAMING

16 SEC.

17 13B21. SITUS OF INTERACTIVE GAMING OPERATIONS.

18 13B22. ESTABLISHMENT OF INTERACTIVE GAMING ACCOUNTS.

19 13B23. INTERACTIVE GAMING ACCOUNT CREDITS, DEBITS, DEPOSITS AND
20 PAYMENTS.

21 13B24. ACCEPTANCE OF WAGERS.

22 13B25. DORMANT INTERACTIVE GAMING ACCOUNTS.

23 13B26. LOG-IN PROCEDURE REQUIRED.

24 13B27. INFORMATION PROVIDED AT LOGIN.

25 13B28. PROHIBITIONS.

26 13B29. COMMENCEMENT OF INTERACTIVE GAMING OPERATIONS.

27 § 13B21. SITUS OF INTERACTIVE GAMING OPERATIONS.

28 EXCEPT AS PROVIDED IN SUBCHAPTER G (RELATING TO MISCELLANEOUS
29 PROVISIONS), ALL WAGERS MADE THROUGH INTERACTIVE GAMING SHALL BE
30 DEEMED TO BE INITIATED, RECEIVED OR OTHERWISE MADE WITHIN THE

1 GEOGRAPHIC BOUNDARIES OF THIS COMMONWEALTH. THE INTERMEDIATE
2 ROUTING OF ELECTRONIC DATA ASSOCIATED OR IN CONNECTION WITH
3 INTERACTIVE GAMING SHALL NOT DETERMINE THE LOCATION OR LOCATIONS
4 IN WHICH A BET OR WAGER IS INITIATED, RECEIVED OR OTHERWISE
5 MADE.

6 § 13B22. ESTABLISHMENT OF INTERACTIVE GAMING ACCOUNTS.

7 (A) REGISTRATION RESTRICTIONS.--ONLY A REGISTERED PLAYER WHO
8 HAS FIRST ESTABLISHED AN INTERACTIVE GAMING ACCOUNT SHALL BE
9 PERMITTED TO PLAY AN AUTHORIZED INTERACTIVE GAME OR PLACE A
10 WAGER ASSOCIATED WITH AN AUTHORIZED INTERACTIVE GAME. THE
11 INTERACTIVE GAMING ACCOUNT SHALL BE IN THE NAME OF A REGISTERED
12 PLAYER AND MAY NOT BE IN THE NAME OF ANY BENEFICIARY, CUSTODIAN,
13 JOINT TRUST, CORPORATION, PARTNERSHIP OR OTHER ORGANIZATION OR
14 ENTITY. AN ELIGIBLE PASSENGER IS NOT REQUIRED TO COMPLY WITH
15 THIS SECTION IN ORDER TO PLAY OR PLACE A WAGER ASSOCIATED WITH
16 AN INTERACTIVE GAME THROUGH THE USE OF A MULTI-USE COMPUTING
17 DEVICE AT A QUALIFIED AIRPORT.

18 (B) ESTABLISHMENT OF INTERACTIVE GAMING ACCOUNTS.--

19 (1) AN INTERACTIVE GAMING ACCOUNT MAY BE ESTABLISHED IN
20 PERSON, PROVIDED THAT THE BOARD SHALL, THROUGH REGULATIONS,
21 PROVIDE PROCEDURES FOR THE ESTABLISHMENT OF INTERACTIVE
22 GAMING ACCOUNTS OVER THE INTERNET THROUGH THE INTERACTIVE
23 GAMING CERTIFICATE HOLDER'S INTERACTIVE GAMING SKIN OR
24 INTERACTIVE GAMING WEBSITE. EACH INTERACTIVE GAMING ACCOUNT
25 SHALL COMPLY WITH THE INTERNAL CONTROLS OF THE INTERACTIVE
26 GAMING CERTIFICATE HOLDER THAT, AT A MINIMUM, REQUIRE THE
27 FOLLOWING:

28 (I) THE FILING AND EXECUTION OF AN INTERACTIVE
29 GAMING ACCOUNT APPLICATION, THE FORM OF WHICH HAS BEEN
30 PREAPPROVED BY THE BOARD.

1 (II) PROOF OF AGE, IDENTITY AND PHYSICAL ADDRESS OF
2 THE PRINCIPAL RESIDENCE OF THE PROSPECTIVE INTERACTIVE
3 GAMING ACCOUNT HOLDER IN A METHOD APPROVED BY THE BOARD
4 THROUGH REGULATION.

5 (III) ELECTRONIC MAIL ADDRESS AND OTHER CONTACT
6 INFORMATION OF THE PROSPECTIVE ACCOUNT HOLDER, AS THE
7 BOARD OR INTERACTIVE GAMING CERTIFICATE HOLDER MAY
8 REQUIRE.

9 (IV) PASSWORD OR OTHER SECURED IDENTIFICATION
10 PROVIDED BY THE INTERACTIVE GAMING CERTIFICATE HOLDER TO
11 ACCESS THE INTERACTIVE GAMING ACCOUNT OR SOME OTHER
12 MECHANISM APPROVED BY THE BOARD TO AUTHENTICATE THE
13 REGISTERED PLAYER AS THE HOLDER TO THE INTERACTIVE GAMING
14 ACCOUNT.

15 (V) AN ACKNOWLEDGMENT UNDER PENALTY OF PERJURY THAT
16 FALSE OR MISLEADING STATEMENTS MADE IN REGARD TO AN
17 APPLICATION FOR AN INTERACTIVE GAMING ACCOUNT MAY SUBJECT
18 THE APPLICANT TO CIVIL AND CRIMINAL PENALTIES.

19 (2) THE INTERACTIVE GAMING CERTIFICATE HOLDER MAY ACCEPT
20 OR REJECT AN APPLICATION AFTER RECEIPT AND REVIEW OF THE
21 APPLICATION AND VERIFICATION OF AGE, IDENTITY AND PHYSICAL
22 ADDRESS FOR COMPLIANCE WITH THE PROVISIONS OF THIS CHAPTER.
23 THE INTERACTIVE GAMING CERTIFICATE HOLDER SHALL HAVE THE
24 RIGHT, AT ANY TIME WITH OR WITHOUT CAUSE, TO SUSPEND OR CLOSE
25 ANY INTERACTIVE GAMING ACCOUNT AT ITS SOLE DISCRETION.

26 (3) THE ADDRESS PROVIDED BY THE APPLICANT IN THE
27 APPLICATION FOR AN INTERACTIVE GAMING ACCOUNT SHALL BE DEEMED
28 THE ADDRESS OF RECORD FOR THE PURPOSES OF MAILING CHECKS,
29 ACCOUNT WITHDRAWALS, NOTICES AND OTHER MATERIALS TO THE
30 PROSPECTIVE INTERACTIVE GAMING ACCOUNT HOLDER.

1 (4) AN INTERACTIVE GAMING ACCOUNT SHALL BE A NONINTEREST
2 BEARING ACCOUNT AND SHALL NOT BE ASSIGNABLE OR OTHERWISE
3 TRANSFERABLE.

4 (C) PASSWORD REQUIRED.--AS PART OF THE APPLICATION PROCESS,
5 THE INTERACTIVE GAMING CERTIFICATE HOLDER SHALL PROVIDE THE
6 PROSPECTIVE INTERACTIVE GAMING ACCOUNT HOLDER WITH A PASSWORD TO
7 ACCESS THE INTERACTIVE GAMING ACCOUNT OR SHALL ESTABLISH SOME
8 OTHER METHOD APPROVED BY THE BOARD TO AUTHENTICATE THE
9 REGISTERED PLAYER AS THE HOLDER OF THE INTERACTIVE GAMING
10 ACCOUNT AND ALLOW THE REGISTERED PLAYER ACCESS TO THE
11 INTERACTIVE GAMING ACCOUNT.

12 (D) GROUNDS FOR REJECTION.--ANY INDIVIDUAL WHO PROVIDES
13 FALSE OR MISLEADING INFORMATION IN THE APPLICATION FOR AN
14 INTERACTIVE GAMING ACCOUNT MAY BE SUBJECT TO REJECTION OF THE
15 APPLICATION OR CANCELLATION OF THE ACCOUNT BY THE INTERACTIVE
16 GAMING CERTIFICATE HOLDER.

17 (E) SUSPENSION OF INTERACTIVE GAMING ACCOUNT.--THE
18 INTERACTIVE GAMING CERTIFICATE HOLDER SHALL HAVE THE RIGHT TO
19 SUSPEND OR CLOSE ANY INTERACTIVE GAMING ACCOUNT OR DECLARE ALL
20 OR ANY PART OF AN INTERACTIVE GAMING ACCOUNT CLOSED FOR WAGERING
21 AT ITS DISCRETION.

22 (F) PERSONS PROHIBITED FROM ESTABLISHING OR MAINTAINING AN
23 INTERACTIVE GAMING ACCOUNT.--THE FOLLOWING PERSONS SHALL NOT BE
24 ENTITLED TO ESTABLISH OR MAINTAIN AN INTERACTIVE GAMING ACCOUNT:

25 (1) A PERSON UNDER 21 YEARS OF AGE.

26 (2) A PERSON ON THE LIST OF PERSONS WHO ARE OR WILL BE
27 EXCLUDED OR EJECTED FROM OR DENIED ACCESS TO ANY LICENSED
28 FACILITY UNDER SECTION 1514 (RELATING TO REGULATION REQUIRING
29 EXCLUSION, EJECTION OR DENIAL OF ACCESS OF CERTAIN PERSONS),
30 1515 (RELATING TO REPEAT OFFENDERS EXCLUDABLE FROM LICENSED

1 GAMING FACILITY) OR 1516 (RELATING TO LIST OF PERSONS SELF
2 EXCLUDED FROM GAMING ACTIVITIES).

3 (3) A GAMING EMPLOYEE, KEY EMPLOYEE OR PRINCIPAL
4 EMPLOYEE OF A SLOT MACHINE LICENSEE AND ANY EMPLOYEE OR KEY
5 EMPLOYEE OF AN INTERACTIVE GAMING OPERATOR.

6 § 13B23. INTERACTIVE GAMING ACCOUNT CREDITS, DEBITS, DEPOSITS
7 AND PAYMENTS.

8 (A) DUTY OF BOARD.--THE BOARD SHALL, BY REGULATION, DEVELOP
9 PROCEDURES TO GOVERN CREDITS, DEBITS AND DEPOSITS TO INTERACTIVE
10 GAMING ACCOUNTS. NOTWITHSTANDING ANY PROVISION OF THIS PART TO
11 THE CONTRARY, ALL CREDITS, DEBITS AND DEPOSITS TO INTERACTIVE
12 GAMING ACCOUNTS SHALL BE MADE IN ACCORDANCE WITH REGULATIONS
13 PROMULGATED BY THE BOARD, IN CONSULTATION WITH THE DEPARTMENT,
14 AND ALL PAYMENTS OF WINNINGS SHALL BE MADE IN ACCORDANCE WITH
15 THE RULES OF EACH AUTHORIZED INTERACTIVE GAME.

16 (B) RIGHTS OF INTERACTIVE GAMING CERTIFICATE HOLDER.--AN
17 INTERACTIVE GAMING CERTIFICATE HOLDER SHALL HAVE THE RIGHT TO:

18 (1) CREDIT AN INTERACTIVE GAMING ACCOUNT AS PART OF A
19 PROMOTION.

20 (2) REFUSE ALL OR PART OF ANY WAGER OR DEPOSIT TO THE
21 INTERACTIVE GAMING ACCOUNT OF A REGISTERED PLAYER.

22 § 13B24. ACCEPTANCE OF WAGERS.

23 (A) ACCEPTANCE.--AN INTERACTIVE GAMING CERTIFICATE HOLDER
24 MAY ACCEPT WAGERS ONLY AS FOLLOWS:

25 (1) THE WAGER SHALL BE PLACED DIRECTLY WITH THE
26 INTERACTIVE GAMING CERTIFICATE HOLDER BY THE REGISTERED
27 PLAYER, AFTER THE INTERACTIVE GAMING CERTIFICATE HOLDER HAS
28 VERIFIED THE IDENTITY OF THE INDIVIDUAL SEEKING TO PLACE THE
29 WAGER.

30 (2) THE REGISTERED PLAYER PROVIDES THE INTERACTIVE

1 GAMING CERTIFICATE HOLDER WITH THE CORRECT PASSWORD OR OTHER
2 AUTHENTICATION INFORMATION FOR ACCESS TO THE INTERACTIVE
3 GAMING ACCOUNT.

4 (B) NONACCEPTANCE.--AN INTERACTIVE GAMING CERTIFICATE HOLDER
5 MAY NOT ACCEPT A WAGER IN AN AMOUNT IN EXCESS OF FUNDS ON
6 DEPOSIT IN THE INTERACTIVE GAMING ACCOUNT OF THE REGISTERED
7 PLAYER PLACING THE WAGER. FUNDS ON DEPOSIT INCLUDE AMOUNTS
8 CREDITED TO A REGISTERED PLAYER'S INTERACTIVE GAMING ACCOUNT IN
9 ACCORDANCE WITH REGULATIONS OF THE BOARD AND ANY FUNDS IN THE
10 ACCOUNT AT THE TIME THE WAGER IS PLACED.

11 § 13B25. DORMANT INTERACTIVE GAMING ACCOUNTS.

12 BEFORE CLOSING A DORMANT INTERACTIVE GAMING ACCOUNT, THE
13 INTERACTIVE GAMING CERTIFICATE HOLDER SHALL ATTEMPT TO CONTACT
14 THE INTERACTIVE GAMING ACCOUNT HOLDER BY MAIL, PHONE AND E-MAIL
15 TO INFORM THE ACCOUNT HOLDER THAT THE INTERACTIVE GAMING ACCOUNT
16 IS INACTIVE AND MAY BE SUBJECT TO TERMINATION. THE TIME AND
17 MANNER OF TERMINATING A DORMANT INTERACTIVE GAMING ACCOUNT SHALL
18 BE PRESCRIBED BY REGULATION OF THE BOARD.

19 § 13B26. LOG-IN PROCEDURE REQUIRED.

20 EACH INTERACTIVE GAMING CERTIFICATE HOLDER SHALL ESTABLISH A
21 LOG-IN PROCEDURE FOR A REGISTERED PLAYER TO ACCESS INTERACTIVE
22 GAMING. THE LOG-IN PROCEDURE SHALL INCLUDE THE PROVISION OF THE
23 APPROPRIATE AUTHENTICATION INFORMATION BY THE REGISTERED PLAYER
24 FOR ACCESS TO THE REGISTERED PLAYER'S INTERACTIVE GAMING
25 ACCOUNT. THE INTERACTIVE GAMING CERTIFICATE HOLDER SHALL NOT
26 ALLOW A REGISTERED PLAYER TO LOG IN AND ACCESS AN INTERACTIVE
27 GAMING ACCOUNT UNLESS THE CORRECT PASSWORD OR OTHER
28 AUTHENTICATION INFORMATION IS PROVIDED.

29 § 13B27. INFORMATION PROVIDED AT LOGIN.

30 THE INTERACTIVE GAMING CERTIFICATE HOLDER SHALL CONFIGURE ITS

1 INTERACTIVE GAMING SKIN OR INTERACTIVE GAMING WEBSITE TO INCLUDE
2 A LINK THAT, UPON LOGIN, WILL ALLOW A REGISTERED PLAYER TO
3 ACCESS ALL OF THE FOLLOWING INFORMATION:

4 (1) THE CURRENT AMOUNT OF FUNDS IN THE REGISTERED
5 PLAYER'S INTERACTIVE GAMING ACCOUNT.

6 (2) THE WINS AND LOSSES SINCE THE REGISTERED PLAYER'S
7 INTERACTIVE GAMING ACCOUNT WAS ESTABLISHED.

8 (3) THE WINS AND LOSSES AT THE BEGINNING OF THE CURRENT
9 GAMING SESSION AND THE WINS AND LOSSES AT THE END OF THE
10 CURRENT GAMING SESSION.

11 (4) THE COMPLETE TEXT IN SEARCHABLE FORMAT OF THE RULES
12 OF EACH AUTHORIZED INTERACTIVE GAME OFFERED BY THE
13 INTERACTIVE GAMING CERTIFICATE HOLDER AND ANY OTHER
14 INFORMATION AS THE BOARD MAY REQUIRE.

15 § 13B28. PROHIBITIONS.

16 EXCEPT AS PROVIDED IN THIS PART, NO INTERACTIVE GAMING
17 CERTIFICATE HOLDER OR ANY PERSON LICENSED UNDER THIS PART TO
18 OPERATE INTERACTIVE GAMING OR AN INTERACTIVE GAMING SYSTEM AND
19 NO PERSON ACTING ON BEHALF OF, OR UNDER ANY ARRANGEMENT WITH, AN
20 INTERACTIVE GAMING CERTIFICATE HOLDER OR OTHER PERSON LICENSED
21 UNDER THIS PART SHALL:

22 (1) MAKE ANY LOAN TO ANY PERSON FOR THE PURPOSE OF
23 CREDITING AN INTERACTIVE GAMING ACCOUNT.

24 (2) RELEASE OR DISCHARGE ANY DEBT, EITHER IN WHOLE OR IN
25 PART, OR MAKE ANY LOAN WHICH REPRESENTS ANY LOSSES INCURRED
26 BY ANY REGISTERED PLAYER WHILE PLAYING AN AUTHORIZED
27 INTERACTIVE GAME WITHOUT MAINTAINING A WRITTEN RECORD THEREOF
28 IN ACCORDANCE WITH REGULATIONS OF THE BOARD.

29 § 13B29. COMMENCEMENT OF INTERACTIVE GAMING OPERATIONS.

30 AN INTERACTIVE GAMING CERTIFICATE HOLDER MAY NOT OPERATE OR

1 OFFER INTERACTIVE GAMES FOR PLAY ON ITS INTERACTIVE GAMING SKIN
2 OR INTERACTIVE GAMING WEBSITE UNTIL THE BOARD DETERMINES THAT:

3 (1) THE INTERACTIVE GAMING CERTIFICATE HOLDER IS IN
4 COMPLIANCE WITH THE REQUIREMENTS OF THIS CHAPTER.

5 (2) THE INTERACTIVE GAMING CERTIFICATE HOLDER'S
6 INTERNAL, ADMINISTRATIVE AND ACCOUNTING CONTROLS ARE
7 SUFFICIENT TO MEET THE REQUIREMENTS OF SECTION 13B32
8 (RELATING TO INTERNAL, ADMINISTRATIVE AND ACCOUNTING
9 CONTROLS) AND HAVE BEEN IMPLEMENTED.

10 (3) THE INTERACTIVE GAMING CERTIFICATE HOLDER'S
11 INTERACTIVE GAMING EMPLOYEES, WHERE APPLICABLE, ARE LICENSED,
12 PERMITTED, REGISTERED, CERTIFIED OR OTHERWISE AUTHORIZED BY
13 THE BOARD TO PERFORM THEIR RESPECTIVE DUTIES.

14 (4) THE EMPLOYEES OF THE INTERACTIVE GAMING OPERATOR, IF
15 ANY, THAT IS CONDUCTING INTERACTIVE GAMING ON BEHALF OF THE
16 INTERACTIVE GAMING CERTIFICATE HOLDER ARE, WHERE APPLICABLE,
17 LICENSED, PERMITTED OR OTHERWISE AUTHORIZED BY THE BOARD TO
18 PERFORM THEIR DUTIES.

19 (5) THE INTERACTIVE GAMING CERTIFICATE HOLDER IS
20 PREPARED IN ALL RESPECTS TO OFFER INTERACTIVE GAMING TO THE
21 PUBLIC OVER ITS INTERACTIVE GAMING SKIN OR INTERACTIVE GAMING
22 WEBSITE.

23 (6) THE INTERACTIVE GAMING CERTIFICATE HOLDER HAS
24 IMPLEMENTED NECESSARY SECURITY ARRANGEMENTS AND SURVEILLANCE
25 SYSTEMS FOR THE OPERATION OF INTERACTIVE GAMING.

26 (7) THE INTERACTIVE GAMING CERTIFICATE HOLDER IS IN
27 COMPLIANCE WITH OR WILL COMPLY WITH SECTION 13B31 (RELATING
28 TO RESPONSIBILITIES OF INTERACTIVE GAMING CERTIFICATE
29 HOLDER).

30 (8) THE BOARD HAS APPROVED THE INTERACTIVE GAMING

1 AGREEMENT BETWEEN THE INTERACTIVE GAMING CERTIFICATE HOLDER
2 AND THE INTERACTIVE GAMING OPERATOR, IF APPLICABLE.

3 SUBCHAPTER D

4 FACILITIES AND EQUIPMENT

5 SEC.

6 13B31. RESPONSIBILITIES OF INTERACTIVE GAMING CERTIFICATE
7 HOLDER.

8 13B32. INTERNAL, ADMINISTRATIVE AND ACCOUNTING CONTROLS.

9 § 13B31. RESPONSIBILITIES OF INTERACTIVE GAMING CERTIFICATE
10 HOLDER.

11 (A) FACILITIES AND EQUIPMENT.--ALL FACILITIES AND
12 INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT SHALL:

13 (1) BE ARRANGED IN A MANNER PROMOTING APPROPRIATE
14 SECURITY FOR INTERACTIVE GAMING.

15 (2) INCLUDE A CLOSED-CIRCUIT VIDEO MONITORING SYSTEM
16 ACCORDING TO RULES OR SPECIFICATIONS APPROVED BY THE BOARD,
17 WITH BOARD ABSOLUTE ACCESS TO THE INTERACTIVE GAMING
18 CERTIFICATE HOLDER'S INTERACTIVE GAMING SKIN, INTERACTIVE
19 GAMING WEBSITE AND INTERACTIVE GAMING PLATFORM, SIGNAL OR
20 TRANSMISSION USED IN CONNECTION WITH INTERACTIVE GAMING.

21 (3) NOT BE DESIGNED IN ANY WAY THAT MIGHT INTERFERE WITH
22 OR IMPEDE THE BOARD IN ITS REGULATION OF INTERACTIVE GAMING.

23 (4) COMPLY IN ALL RESPECTS WITH REGULATIONS OF THE
24 BOARD.

25 (B) LOCATION OF EQUIPMENT AND INTERACTIVE GAMING RESTRICTED
26 AREAS.--

27 (1) ALL INTERACTIVE GAMING DEVICES AND ASSOCIATED
28 EQUIPMENT USED BY AN INTERACTIVE GAMING CERTIFICATE HOLDER OR
29 AN INTERACTIVE GAMING LICENSEE TO CONDUCT INTERACTIVE GAMING
30 MAY BE LOCATED, WITH THE PRIOR APPROVAL OF THE BOARD, IN AN

1 INTERACTIVE GAMING RESTRICTED AREA ON THE PREMISES OF THE
2 LICENSED FACILITY, IN AN INTERACTIVE GAMING RESTRICTED AREA
3 WITHIN THE GEOGRAPHIC LIMITS OF THE COUNTY IN THIS
4 COMMONWEALTH WHERE THE LICENSED FACILITY IS SITUATED OR IN
5 ANY OTHER AREA APPROVED BY THE BOARD.

6 (2) ALL WAGERS ASSOCIATED WITH INTERACTIVE GAMING SHALL
7 BE DEEMED TO BE PLACED, INITIATED AND RECEIVED WHEN RECEIVED
8 BY THE INTERACTIVE GAMING CERTIFICATE HOLDER.

9 § 13B32. INTERNAL, ADMINISTRATIVE AND ACCOUNTING CONTROLS.

10 (A) SUBMISSIONS TO BOARD.--NOTWITHSTANDING ANY PROVISION OF
11 THIS PART, EACH SLOT MACHINE LICENSEE WHO HOLDS OR HAS APPLIED
12 FOR AN INTERACTIVE GAMING CERTIFICATE IN ACCORDANCE WITH THIS
13 CHAPTER SHALL SUBMIT A DESCRIPTION OF ITS SYSTEM OF INTERNAL
14 PROCEDURES AND ADMINISTRATIVE AND ACCOUNTING CONTROLS FOR
15 INTERACTIVE GAMING TO THE BOARD, INCLUDING PROVISIONS THAT
16 PROVIDE FOR REAL-TIME MONITORING, RECORDATION OR STORAGE OF ALL
17 INTERACTIVE GAMES AND A DESCRIPTION OF ANY CHANGES TO ITS
18 PROCEDURES AND CONTROLS. THE SUBMISSION SHALL BE MADE AT LEAST
19 90 DAYS BEFORE INTERACTIVE GAMING IS TO COMMENCE OR AT LEAST 90
20 DAYS BEFORE ANY CHANGE IN THOSE PROCEDURES OR CONTROLS IS TO
21 TAKE EFFECT, UNLESS OTHERWISE DIRECTED BY THE BOARD.

22 (B) FILING.--NOTWITHSTANDING SUBSECTION (A), THE PROCEDURES
23 AND CONTROLS MAY BE IMPLEMENTED BY AN INTERACTIVE GAMING
24 CERTIFICATE HOLDER UPON THE FILING OF THE PROCEDURES AND
25 CONTROLS WITH THE BOARD. EACH PROCEDURE OR CONTROL SUBMISSION
26 SHALL CONTAIN BOTH NARRATIVE AND DIAGRAMMATIC REPRESENTATIONS OF
27 THE SYSTEM TO BE UTILIZED AND SHALL INCLUDE BUT NEED NOT BE
28 LIMITED TO:

29 (1) ACCOUNTING CONTROLS, INCLUDING THE STANDARDIZATION
30 OF FORMS AND DEFINITION OF TERMS TO BE UTILIZED IN THE

1 INTERACTIVE GAMING OPERATIONS.

2 (2) PROCEDURES, FORMS AND, WHERE APPROPRIATE, FORMULAS
3 TO GOVERN THE FOLLOWING:

4 (I) CALCULATION OF HOLD PERCENTAGES;

5 (II) REVENUE DROPS;

6 (III) EXPENSE AND OVERHEAD SCHEDULES;

7 (IV) COMPLIMENTARY SERVICES; AND

8 (V) CASH-EQUIVALENT TRANSACTIONS.

9 (3) JOB DESCRIPTIONS AND THE SYSTEM OF PERSONNEL AND
10 CHAIN OF COMMAND, ESTABLISHING A DIVERSITY OF RESPONSIBILITY
11 AMONG EMPLOYEES ENGAGED IN INTERACTIVE GAMING OPERATIONS,
12 INCLUDING EMPLOYEES OF AN INTERACTIVE GAMING OPERATOR, AND
13 IDENTIFYING PRIMARY AND SECONDARY MANAGEMENT AND SUPERVISORY
14 POSITIONS FOR AREAS OF RESPONSIBILITY, SALARY STRUCTURE AND
15 PERSONNEL PRACTICES.

16 (4) PROCEDURES FOR THE REGISTRATION OF PLAYERS AND
17 ESTABLISHMENT OF INTERACTIVE GAMING ACCOUNTS, INCLUDING A
18 PROCEDURE FOR AUTHENTICATING THE AGE, IDENTITY AND PHYSICAL
19 ADDRESS OF AN APPLICANT FOR AN INTERACTIVE GAMING ACCOUNT AND
20 WHETHER THE APPLICANT IS A PERSON PROHIBITED FROM
21 ESTABLISHING OR MAINTAINING AN ACCOUNT UNDER SECTION 13B22
22 (RELATING TO ESTABLISHMENT OF INTERACTIVE GAMING ACCOUNTS).

23 (5) PROCEDURES FOR TERMINATING A REGISTERED PLAYER'S
24 INTERACTIVE GAMING ACCOUNT AND THE RETURN OF ANY FUNDS
25 REMAINING IN THE INTERACTIVE GAMING ACCOUNT TO THE REGISTERED
26 PLAYER.

27 (6) PROCEDURES FOR SUSPENDING OR TERMINATING A DORMANT
28 INTERACTIVE GAMING ACCOUNT AND THE RETURN OF ANY FUNDS
29 REMAINING IN THE DORMANT INTERACTIVE GAMING ACCOUNT TO THE
30 REGISTERED PLAYER.

1 (7) PROCEDURES FOR THE LOGGING IN AND AUTHENTICATION OF
2 A REGISTERED PLAYER IN ORDER TO ENABLE THE PLAYER TO COMMENCE
3 INTERACTIVE GAMING AND THE LOGGING OFF OF THE REGISTERED
4 PLAYER WHEN THE PLAYER HAS COMPLETED PLAY, INCLUDING A
5 PROCEDURE TO AUTOMATICALLY LOG A REGISTERED PLAYER OUT OF THE
6 PLAYER'S INTERACTIVE GAMING ACCOUNT AFTER A SPECIFIED PERIOD
7 OF INACTIVITY.

8 (8) PROCEDURES FOR THE CREDITING AND DEBITING OF A
9 REGISTERED PLAYER'S INTERACTIVE GAMING ACCOUNT.

10 (9) PROCEDURES FOR CASHING CHECKS, RECEIVING ELECTRONIC
11 NEGOTIABLE INSTRUMENTS AND FOR REDEEMING CHIPS, TOKENS OR
12 OTHER CASH EQUIVALENTS.

13 (10) PROCEDURES FOR WITHDRAWING FUNDS FROM AN
14 INTERACTIVE GAMING ACCOUNT BY THE REGISTERED PLAYER.

15 (11) PROCEDURES FOR THE PROTECTION OF A REGISTERED
16 PLAYER'S FUNDS, INCLUDING THE SEGREGATION OF A REGISTERED
17 PLAYER'S FUNDS FROM OPERATING FUNDS OF THE INTERACTIVE GAMING
18 CERTIFICATE HOLDER.

19 (12) PROCEDURES FOR RECORDING TRANSACTIONS PERTAINING TO
20 INTERACTIVE GAMING.

21 (13) PROCEDURES FOR THE SECURITY AND SHARING OF PERSONAL
22 IDENTIFIABLE INFORMATION OF A REGISTERED PLAYER, FUNDS IN AN
23 INTERACTIVE GAMING ACCOUNT AND OTHER INFORMATION AS REQUIRED
24 BY THE BOARD. THE PROCEDURES SHALL INCLUDE THE MEANS BY WHICH
25 AN INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE
26 GAMING OPERATOR WILL PROVIDE NOTICE TO A REGISTERED PLAYER
27 RELATED TO THE SHARING OF PERSONAL IDENTIFIABLE INFORMATION.
28 FOR THE PURPOSE OF THIS PARAGRAPH, "PERSONAL IDENTIFIABLE
29 INFORMATION" SHALL MEAN ANY DATA OR INFORMATION THAT CAN BE
30 USED, ON ITS OWN OR WITH OTHER DATA OR INFORMATION, TO

1 IDENTIFY, CONTACT OR OTHERWISE LOCATE A REGISTERED PLAYER,
2 INCLUDING A REGISTERED PLAYER'S NAME, ADDRESS, DATE OF BIRTH
3 AND SOCIAL SECURITY NUMBER.

4 (14) PROCEDURES AND SECURITY FOR THE CALCULATION AND
5 RECORDATION OF REVENUE.

6 (15) PROCEDURES FOR THE SECURITY OF INTERACTIVE GAMING
7 DEVICES AND ASSOCIATED EQUIPMENT.

8 (16) PROCEDURES AND SECURITY STANDARDS AS TO RECEIPT,
9 HANDLING AND STORAGE OF INTERACTIVE GAMING DEVICES AND
10 ASSOCIATED EQUIPMENT.

11 (17) PROCEDURES AND SECURITY STANDARDS TO PROTECT THE
12 INTERACTIVE GAMING CERTIFICATE HOLDER'S INTERACTIVE GAMING
13 SKIN OR INTERACTIVE GAMING WEBSITE AND INTERACTIVE GAMING
14 DEVICES AND ASSOCIATED EQUIPMENT FROM HACKING OR TAMPERING BY
15 ANY PERSON.

16 (18) PROCEDURES FOR RESPONDING TO SUSPECTED OR ACTUAL
17 HACKING OR TAMPERING WITH AN INTERACTIVE GAMING CERTIFICATE
18 HOLDER'S INTERACTIVE GAMING SKIN OR INTERACTIVE GAMING
19 WEBSITE AND INTERACTIVE GAMING DEVICES AND ASSOCIATED
20 EQUIPMENT, INCLUDING PARTIAL OR COMPLETE SUSPENSION OF
21 INTERACTIVE GAMING OR THE SUSPENSION OF ANY OR ALL
22 INTERACTIVE GAMING ACCOUNTS WHEN WARRANTED.

23 (19) PROCEDURES TO VERIFY EACH REGISTERED PLAYER'S
24 PHYSICAL LOCATION EACH TIME A REGISTERED PLAYER LOGS INTO HIS
25 OR HER INTERACTIVE GAMING ACCOUNT AND AT APPROPRIATE
26 INTERVALS THEREAFTER AS DETERMINED BY THE BOARD.

27 (20) PROCEDURES TO ENSURE THAT THE INTERACTIVE GAMES ARE
28 FAIR AND HONEST AND THAT APPROPRIATE MEASURES ARE IN PLACE TO
29 DETER, DETECT AND, TO THE EXTENT POSSIBLE, TO PREVENT
30 CHEATING, INCLUDING COLLUSION, AND USE OF CHEATING DEVICES,

1 INCLUDING THE USE OF SOFTWARE PROGRAMS THAT MAKE WAGERS
2 ACCORDING TO ALGORITHMS.

3 (21) PROCEDURES TO ASSIST PROBLEM AND COMPULSIVE
4 GAMBLERS, INCLUDING PROCEDURES INTENDED TO PREVENT A PERSON
5 FROM PARTICIPATING IN AUTHORIZED INTERACTIVE GAMING IN
6 ACCORDANCE WITH SECTIONS 1514 (RELATING TO REGULATION
7 REQUIRING EXCLUSION, EJECTION OR DENIAL OF ACCESS OF CERTAIN
8 PERSONS), 1515 (RELATING TO REPEAT OFFENDERS EXCLUDABLE FROM
9 LICENSED GAMING FACILITY) AND 1516 (RELATING TO LIST OF
10 PERSONS SELF EXCLUDED FROM GAMING ACTIVITIES).

11 (22) PROCEDURES TO GOVERN EMERGENCIES, INCLUDING
12 SUSPECTED OR ACTUAL CYBER ATTACKS, HACKING OR TAMPERING WITH
13 THE INTERACTIVE GAMING CERTIFICATE HOLDER'S INTERACTIVE
14 GAMING SKIN, INTERACTIVE GAMING PLATFORM OR INTERACTIVE
15 GAMING WEBSITE. THE PROCEDURES SHALL INCLUDE THE PROCESS FOR
16 THE RECONCILIATION OR REPAYMENT OF A REGISTERED PLAYER'S
17 INTERACTIVE GAMING ACCOUNT.

18 (C) REVIEW OF SUBMISSIONS.--

19 (1) THE BOARD SHALL REVIEW EACH SUBMISSION REQUIRED BY
20 SUBSECTIONS (A) AND (B) AND SHALL DETERMINE WHETHER THE
21 SUBMISSION CONFORMS TO THE REQUIREMENTS OF THIS CHAPTER AND
22 REGULATIONS PROMULGATED BY THE BOARD AND WHETHER THE SYSTEM
23 SUBMITTED PROVIDES ADEQUATE AND EFFECTIVE CONTROLS FOR
24 INTERACTIVE GAMING OF THE INTERACTIVE GAMING CERTIFICATE
25 HOLDER MAKING THE SUBMISSION.

26 (2) IF THE BOARD DETERMINES THAT THE SUBMISSION IS NOT
27 SUFFICIENT, IT SHALL SPECIFY THE INSUFFICIENCIES IN WRITING
28 TO THE INTERACTIVE GAMING CERTIFICATE HOLDER, WHO SHALL MAKE
29 APPROPRIATE ALTERATIONS TO ENSURE COMPLIANCE WITH THE
30 REQUIREMENTS OF THIS CHAPTER AND REGULATIONS OF THE BOARD.

1 WHEN THE BOARD DETERMINES A SUBMISSION TO BE ADEQUATE IN ALL
2 RESPECTS, IT SHALL NOTIFY THE INTERACTIVE GAMING CERTIFICATE
3 HOLDER.

4 (3) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (A) OR AN
5 EMERGENCY SITUATION THREATENING THE INTEGRITY OF THE
6 INTERACTIVE GAMING PLATFORM, NO INTERACTIVE GAMING
7 CERTIFICATE HOLDER, INTERACTIVE GAMING OPERATOR OR OTHER
8 PERSON SHALL COMMENCE OR ALTER INTERACTIVE GAMING OPERATIONS
9 UNLESS AND UNTIL THE SYSTEM OF PROCEDURES, CONTROLS AND
10 ALTERNATIONS IS SUBMITTED TO AND APPROVED BY THE BOARD.

11 SUBCHAPTER E

12 TESTING AND CERTIFICATION

13 SEC.

14 13B41. INTERACTIVE GAMES AND INTERACTIVE GAMING DEVICES AND
15 ASSOCIATED EQUIPMENT TESTING AND CERTIFICATION
16 STANDARDS.

17 § 13B41. INTERACTIVE GAMES AND INTERACTIVE GAMING DEVICES AND
18 ASSOCIATED EQUIPMENT TESTING AND CERTIFICATION
19 STANDARDS.

20 (A) TESTING REQUIRED.--

21 (1) NO INTERACTIVE GAME OR INTERACTIVE GAMING DEVICE OR
22 ASSOCIATED EQUIPMENT SHALL BE USED TO CONDUCT INTERACTIVE
23 GAMING UNLESS IT HAS BEEN TESTED AND CERTIFIED BY THE BOARD.
24 THE BOARD MAY, IN ITS DISCRETION AND FOR THE PURPOSE OF
25 EXPEDITING THE APPROVAL PROCESS, REFER TESTING TO ANY TESTING
26 LABORATORY AS APPROVED BY THE BOARD.

27 (2) THE BOARD SHALL ESTABLISH, BY REGULATION, TECHNICAL
28 STANDARDS FOR APPROVAL OF INTERACTIVE GAMES AND INTERACTIVE
29 GAMING DEVICES AND ASSOCIATED EQUIPMENT, INCLUDING STANDARDS
30 TO GOVERN MECHANICAL, ELECTRICAL OR PROGRAM RELIABILITY AND

1 SECURITY AGAINST TAMPERING AND THREATS, AS IT MAY DEEM
2 NECESSARY TO PROTECT A REGISTERED PLAYER FROM FRAUD OR
3 DECEPTION AND TO ENSURE THE INTEGRITY OF INTERACTIVE GAMING.

4 (B) COST OF TESTING AND CERTIFICATION.--ANY COSTS ASSOCIATED
5 WITH THE BOARD'S TESTING AND CERTIFICATION UNDER THIS SECTION
6 SHALL BE ASSESSED ON PERSONS AUTHORIZED BY THE BOARD TO
7 MANUFACTURE, SUPPLY, DISTRIBUTE OR OTHERWISE PROVIDE INTERACTIVE
8 GAMES AND INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT TO
9 INTERACTIVE GAMING CERTIFICATE HOLDERS OR TO INTERACTIVE GAMING
10 OPERATORS IN THIS COMMONWEALTH. THE COSTS SHALL BE ASSESSED IN
11 ACCORDANCE WITH A SCHEDULE ADOPTED BY THE BOARD.

12 (C) USE OF OTHER STATE STANDARDS.--THE BOARD MAY DETERMINE
13 WHETHER THE TESTING AND CERTIFICATION STANDARDS FOR INTERACTIVE
14 GAMES AND INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT AS
15 ADOPTED BY ANOTHER JURISDICTION WITHIN THE UNITED STATES ARE
16 COMPREHENSIVE AND THOROUGH AND PROVIDE SIMILAR AND ADEQUATE
17 SAFEGUARDS AS THOSE REQUIRED BY THIS CHAPTER AND REGULATIONS OF
18 THE BOARD. IF THE BOARD MAKES THAT DETERMINATION, IT MAY PERMIT
19 THE PERSON AUTHORIZED TO MANUFACTURE, SUPPLY, DISTRIBUTE OR
20 OTHERWISE PROVIDE INTERACTIVE GAMES AND INTERACTIVE GAMING
21 DEVICES OR ASSOCIATED EQUIPMENT THAT HAVE MET THE TESTING AND
22 CERTIFICATION STANDARD IN SUCH OTHER JURISDICTION TO FURNISH
23 INTERACTIVE GAMES OR INTERACTIVE GAMING DEVICES AND ASSOCIATED
24 EQUIPMENT TO INTERACTIVE GAMING CERTIFICATE HOLDERS IN THIS
25 COMMONWEALTH WITHOUT UNDERGOING THE FULL TESTING AND
26 CERTIFICATION UNDER THIS SECTION.

27 SUBCHAPTER F

28 TAXES AND FEES

29 SEC.

30 13B51. INTERACTIVE GAMING AUTHORIZATION FEE.

1 13B52. INTERACTIVE GAMING TAX.

2 13B53. LOCAL SHARE ASSESSMENT.

3 13B54. COMPULSIVE AND PROBLEM GAMBLING.

4 13B55. CERTIFICATE HOLDER DEPOSITS.

5 § 13B51. INTERACTIVE GAMING AUTHORIZATION FEE.

6 (A) AMOUNT OF AUTHORIZATION FEE.--

7 (1) EACH SLOT MACHINE LICENSEE THAT IS ISSUED AN
8 INTERACTIVE GAMING CERTIFICATE TO CONDUCT INTERACTIVE GAMING
9 IN ACCORDANCE WITH SECTION 13B11 (RELATING TO AUTHORIZATION
10 TO CONDUCT INTERACTIVE GAMING) SHALL PAY A ONE-TIME
11 NONREFUNDABLE AUTHORIZATION FEE IN THE FOLLOWING AMOUNT:

12 (I) \$10,000,000 IF THE SLOT MACHINE LICENSEE FILED A
13 PETITION UNDER 13B12 (RELATING TO INTERACTIVE GAMING
14 CERTIFICATE REQUIRED AND CONTENT OF PETITION) WITHIN 90
15 DAYS AFTER THE DATE THE BOARD BEGINS ACCEPTING PETITIONS
16 UNDER THIS CHAPTER, OR FOR A SLOT MACHINE LICENSEE
17 LICENSED AFTER THE EFFECTIVE DATE OF THIS SECTION, WITHIN
18 90 DAYS OF THE ISSUANCE OF THE SLOT MACHINE LICENSE.

19 (II) \$4,000,000 FOR EACH CATEGORY OF INTERACTIVE
20 GAME AUTHORIZED BY THE BOARD IF THE SLOT MACHINE LICENSEE
21 FILED A PETITION UNDER 13B12 MORE THAN 90 DAYS BUT NOT
22 MORE THAN 120 DAYS AFTER THE DATE THE BOARD BEGINS
23 ACCEPTING PETITIONS UNDER THIS CHAPTER, OR FOR A SLOT
24 MACHINE LICENSEE LICENSED AFTER THE EFFECTIVE DATE OF
25 THIS SECTION, MORE THAN 90 DAYS BUT NOT MORE THAN 120
26 DAYS AFTER THE ISSUANCE OF THE SLOT MACHINE LICENSE.

27 (2) EACH QUALIFIED GAMING ENTITY THAT IS ISSUED AN
28 INTERACTIVE GAMING CERTIFICATE TO CONDUCT INTERACTIVE GAMING
29 IN ACCORDANCE WITH SECTION 13B11 SHALL PAY A ONE-TIME
30 NONREFUNDABLE AUTHORIZATION FEE IN THE AMOUNT OF \$4,000,000

1 FOR EACH CATEGORY OF INTERACTIVE GAME AUTHORIZED BY THE
2 BOARD.

3 (3) EACH INTERACTIVE GAMING OPERATOR SHALL PAY A ONE-
4 TIME NONREFUNDABLE AUTHORIZATION FEE IN THE AMOUNT OF
5 \$1,000,000.

6 (B) PAYMENT OF FEE.--PERSONS REQUIRED TO PAY THE
7 AUTHORIZATION FEE UNDER SUBSECTION (A) SHALL REMIT THE FEE TO
8 THE BOARD WITHIN 60 DAYS OF THE BOARD'S APPROVAL OF ITS
9 PETITION, LICENSE OR CONDITIONAL AUTHORIZATION.

10 (C) RENEWAL FEE.--

11 (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER,
12 AN INTERACTIVE GAMING CERTIFICATE HOLDER SHALL PAY A RENEWAL
13 FEE IN THE AMOUNT OF \$250,000 UPON THE RENEWAL OF ITS
14 INTERACTIVE GAMING CERTIFICATE.

15 (2) EACH INTERACTIVE GAMING OPERATOR SHALL PAY A RENEWAL
16 FEE OF \$100,000 UPON THE RENEWAL OF ITS INTERACTIVE GAMING
17 LICENSE.

18 (D) DEPOSIT OF FEES.--THE FEES IMPOSED AND COLLECTED UNDER
19 THIS SECTION SHALL BE DEPOSITED IN THE GENERAL FUND.

20 § 13B52. INTERACTIVE GAMING TAX.

21 (A) IMPOSITION OF TAX.--EACH INTERACTIVE GAMING CERTIFICATE
22 HOLDER THAT CONDUCTS INTERACTIVE GAMING SHALL REPORT TO THE
23 DEPARTMENT AND PAY FROM ITS DAILY GROSS INTERACTIVE GAMING
24 REVENUE, ON A FORM AND IN THE MANNER PRESCRIBED BY THE
25 DEPARTMENT, A TAX OF:

26 (1) 14% OF ITS DAILY GROSS INTERACTIVE GAMING REVENUE
27 FROM PEER-TO-PEER INTERACTIVE GAMES;

28 (2) 14% OF ITS DAILY GROSS INTERACTIVE GAMING REVENUE
29 FROM NON-PEER-TO-PEER INTERACTIVE GAMES WHICH SIMULATE TABLE
30 GAMES; AND

1 (3) 52% OF ITS DAILY GROSS INTERACTIVE GAMING REVENUE
2 FROM NON-PEER-TO-PEER INTERACTIVE GAMES WHICH SIMULATE SLOT
3 MACHINES.

4 (B) DEPOSITS AND DISTRIBUTIONS.--

5 (1) THE TAX IMPOSED UNDER SUBSECTION (A) SHALL BE
6 PAYABLE TO THE DEPARTMENT ON A WEEKLY BASIS AND SHALL BE
7 BASED UPON GROSS INTERACTIVE GAMING REVENUE DERIVED DURING
8 THE PREVIOUS WEEK.

9 (2) AN INTERACTIVE GAMING CERTIFICATE HOLDER SHALL
10 ESTABLISH A SEPARATE BANK ACCOUNT INTO WHICH GROSS
11 INTERACTIVE GAMING REVENUE SHALL BE DEPOSITED AND MAINTAINED
12 UNTIL SUCH TIME AS THE FUNDS ARE PAID TO THE DEPARTMENT UNDER
13 THIS SECTION.

14 (C) TAXES ON OUT-OF-STATE WAGERING.--THE TAX RATE WHICH
15 SHALL BE ASSESSED AND COLLECTED BY THE DEPARTMENT WITH RESPECT
16 TO WAGERS PLACED BY REGISTERED PLAYERS LOCATED IN THIS
17 COMMONWEALTH WITH AN INTERACTIVE GAMING OPERATOR LOCATED OUTSIDE
18 OF THIS COMMONWEALTH, BUT AUTHORIZED UNDER AN INTERACTIVE GAMING
19 RECIPROCAL AGREEMENT, SHALL BE GOVERNED BY THE AGREEMENT BUT MAY
20 NOT BE LESS THAN THE TAX IMPOSED UNDER SUBSECTION (A).

21 (D) DEPOSIT OF FUNDS.--FROM THE TAX IMPOSED UNDER
22 SUBSECTIONS (A) AND (C) THE FOLLOWING SHALL APPLY:

23 (1) TAXES IMPOSED UNDER SUBSECTION (A) (1) AND (2) SHALL
24 BE DEPOSITED INTO THE GENERAL FUND.

25 (2) TAXES IMPOSED UNDER SUBSECTION (A) (3) SHALL BE
26 DISTRIBUTED AS FOLLOWS:

27 (I) SIXTY-FIVE PERCENT SHALL BE DEPOSITED INTO THE
28 PROPERTY TAX RELIEF FUND ESTABLISHED UNDER SECTION 1409
29 (RELATING TO PROPERTY TAX RELIEF FUND).

30 (II) TEN PERCENT SHALL BE DEPOSITED INTO A

1 RESTRICTED RECEIPT ACCOUNT WITHIN THE STATE TREASURY.
2 MONEY IN THE RESTRICTED RECEIPT ACCOUNT IS APPROPRIATED
3 TO THE DEPARTMENT ON A CONTINUING BASIS FOR THE PURPOSES
4 UNDER THIS PARAGRAPH. BEGINNING IN FISCAL YEAR 2018-2019
5 AND EACH FISCAL YEAR THEREAFTER, DISTRIBUTIONS FROM THE
6 RESTRICTED RECEIPT ACCOUNT SHALL BE AS FOLLOWS:

7 (A) THE DEPARTMENT SHALL DETERMINE WHETHER A
8 COUNTY HOSTING A LICENSED FACILITY RECEIVED LESS THAN
9 THE AMOUNT THE COUNTY RECEIVED DURING FISCAL YEAR
10 2017-2018 UNDER SECTION 1403(C) (RELATING TO
11 ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT
12 MACHINE REVENUE DISTRIBUTION). IF THE DEPARTMENT
13 DETERMINES THAT THE COUNTY HOSTING A LICENSED
14 FACILITY RECEIVED LESS THAN THE AMOUNT THE COUNTY
15 RECEIVED DURING FISCAL YEAR 2017-2018 UNDER SECTION
16 1403(C), THE DEPARTMENT SHALL CALCULATE THE
17 DIFFERENCE.

18 (B) THE DEPARTMENT SHALL MAKE DISTRIBUTIONS FROM
19 THE RESTRICTED RECEIPT ACCOUNT TO ANY COUNTY
20 DETERMINED UNDER CLAUSE (A) TO RECEIVE LESS IN THE
21 CURRENT FISCAL YEAR THAN THE COUNTY DID IN FISCAL
22 YEAR 2017-2018. THE AMOUNT DISTRIBUTED TO A COUNTY
23 UNDER THIS PARAGRAPH MAY NOT EXCEED THE DIFFERENCE
24 BETWEEN THE AMOUNT RECEIVED UNDER 1403(C) IN THE
25 CURRENT FISCAL YEAR AND THE AMOUNT RECEIVED UNDER
26 1403(C) IN FISCAL YEAR 2017-2018.

27 (C) IF MORE THAN ONE COUNTY IS OWED FUNDS UNDER
28 CLAUSE (B) AND THERE ARE INSUFFICIENT FUNDS IN THE
29 ACCOUNT TO PAY EACH COUNTY THE ENTIRE AMOUNT OF THE
30 DECREASE EXPERIENCED BY THAT COUNTY, EACH COUNTY

1 SHALL RECEIVE FUNDS IN PROPORTION OF THAT COUNTY'S
2 DECREASE TO THE TOTAL AMOUNT OF ALL DECREASES.

3 (D) THE DEPARTMENT SHALL MAKE DISTRIBUTIONS
4 REQUIRED UNDER THIS PARAGRAPH NO LATER THAN WITHIN 60
5 DAYS AFTER THE END OF THE FISCAL YEAR.

6 (E) UNDISTRIBUTED FUNDS SHALL REMAIN IN THE
7 ACCOUNT AND NOT LAPSE.

8 (3) TWENTY-FIVE PERCENT SHALL BE DEPOSITED INTO A
9 RESTRICTED RECEIPTS ACCOUNT TO BE ESTABLISHED IN THE
10 COMMONWEALTH FINANCING AUTHORITY TO BE USED EXCLUSIVELY FOR
11 GRANTS FOR PROJECTS IN THE PUBLIC INTEREST IN THE
12 COMMONWEALTH.

13 § 13B53. LOCAL SHARE ASSESSMENT.

14 (A) REQUIRED PAYMENT.--IN ADDITION TO THE TAX IMPOSED UNDER
15 SECTION 13B52 (RELATING TO INTERACTIVE GAMING TAX), EACH
16 INTERACTIVE GAMING CERTIFICATE HOLDER THAT CONDUCTS INTERACTIVE
17 GAMING SHALL PAY ON A WEEKLY BASIS, ON A FORM AND IN A MANNER
18 PRESCRIBED BY THE DEPARTMENT, A LOCAL SHARE ASSESSMENT EQUAL TO
19 2% OF THE INTERACTIVE GAMING CERTIFICATE HOLDER'S DAILY GROSS
20 INTERACTIVE GAMING REVENUE.

21 (B) DEPOSIT AND DISTRIBUTION.--THE DEPARTMENT SHALL, ON A
22 QUARTERLY BASIS, DEPOSIT THE LOCAL SHARE ASSESSMENT IMPOSED
23 UNDER SUBSECTION (A) AS FOLLOWS:

24 (1) THE FOLLOWING SHALL APPLY:

25 (I) EXCEPT AS PROVIDED UNDER SUBPARAGRAPHS (II),
26 (III) AND (IV), 50% SHALL BE ADDED TO AND DISTRIBUTED
27 ACCORDING TO THE COUNTY CLASSIFICATION OF THE HOST COUNTY
28 AND THE SLOT MACHINE LICENSE CATEGORY OF THE INTERACTIVE
29 GAMING CERTIFICATE HOLDER UNDER SECTION 1403(C) (2)
30 (RELATING TO ESTABLISHMENT OF STATE GAMING FUND AND NET

1 SLOT MACHINE REVENUE DISTRIBUTION).

2 (II) IF A HOST COUNTY IS BOTH A COUNTY OF THE FIRST
3 CLASS AND A CITY OF THE FIRST CLASS WHICH IS COTERMINOUS,
4 50% SHALL BE DISTRIBUTED TO A SCHOOL DISTRICT OF THE
5 FIRST CLASS.

6 (III) IF A HOST COUNTY OF THE INTERACTIVE GAMING
7 CERTIFICATE HOLDER IS A HOME RULE COUNTY OF THE SECOND
8 CLASS A WHERE A CATEGORY 1 SLOT MACHINE LICENSEE IS
9 LOCATED AT A HARNESS RACETRACK, 50% SHALL BE DISTRIBUTED
10 TO AN AUTHORITY CREATED BY THE HOST COUNTY UNDER 53
11 PA.C.S. CH. 56 (RELATING TO MUNICIPAL AUTHORITIES), TO BE
12 USED FOR GRANTS WITHIN THE INTERACTIVE GAMING CERTIFICATE
13 HOLDER'S HOST COUNTY. GRANTS AWARDED BY THE AUTHORITY
14 SHALL BE USED FOR ECONOMIC DEVELOPMENT, MUNICIPAL POLICE
15 AND EMERGENCY SERVICES AND OTHER PURPOSES IN THE PUBLIC
16 INTEREST.

17 (IV) IF AN INTERACTIVE GAMING CERTIFICATE HOLDER
18 DOES NOT HAVE A LICENSED GAMING FACILITY LOCATED IN THIS
19 COMMONWEALTH, 50% SHALL BE ADDED TO AND DISTRIBUTED WITH
20 THE AMOUNT DEPOSITED UNDER SUBSECTION (B) (2).

21 (2) FIFTY PERCENT SHALL BE DEPOSITED INTO A RESTRICTED
22 RECEIPTS ACCOUNT TO BE ESTABLISHED IN THE COMMONWEALTH
23 FINANCING AUTHORITY TO BE USED EXCLUSIVELY FOR GRANTS FOR
24 PROJECTS IN THE PUBLIC INTEREST IN THE COMMONWEALTH.

25 § 13B54. COMPULSIVE AND PROBLEM GAMBLING.

26 THE FOLLOWING SHALL APPLY:

27 (1) EACH YEAR, FROM THE TAX IMPOSED IN SECTION 13B52
28 (RELATING TO INTERACTIVE GAMING TAX), AN AMOUNT EQUAL TO .002
29 MULTIPLIED BY THE TOTAL GROSS INTERACTIVE GAMING REVENUE OF
30 ALL ACTIVE AND OPERATING INTERACTIVE GAMING CERTIFICATE

1 HOLDERS SHALL BE TRANSFERRED INTO THE COMPULSIVE AND PROBLEM
2 GAMBLING TREATMENT FUND ESTABLISHED IN SECTION 1509 (RELATING
3 TO COMPULSIVE AND PROBLEM GAMBLING PROGRAM).

4 (2) EACH YEAR, FROM THE TAX IMPOSED IN SECTION 13B52, AN
5 AMOUNT EQUAL TO .002 MULTIPLIED BY THE TOTAL GROSS
6 INTERACTIVE GAMING REVENUE OF ALL ACTIVE AND OPERATING
7 INTERACTIVE GAMING CERTIFICATE HOLDERS SHALL BE TRANSFERRED
8 TO THE DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR SUCCESSOR
9 AGENCY TO BE USED FOR DRUG AND ALCOHOL ADDICTION TREATMENT
10 SERVICES, INCLUDING TREATMENT FOR DRUG AND ALCOHOL ADDICTION
11 RELATED TO COMPULSIVE AND PROBLEM GAMBLING, AS SET FORTH IN
12 SECTION 1509.1 (RELATING TO DRUG AND ALCOHOL TREATMENT).

13 § 13B55. CERTIFICATE HOLDER DEPOSITS.

14 (A) DEPOSITS.--

15 (1) THE DEPARTMENT SHALL DETERMINE THE APPROPRIATE
16 ASSESSMENT AMOUNT FOR EACH INTERACTIVE GAMING CERTIFICATE
17 HOLDER, WHICH AMOUNT SHALL BE A PERCENTAGE ASSESSED ON THE
18 INTERACTIVE GAMING CERTIFICATE HOLDER'S GROSS INTERACTIVE
19 GAMING REVENUES. EACH INTERACTIVE GAMING CERTIFICATE HOLDER
20 SHALL DEPOSIT FUNDS INTO ITS ACCOUNT UNDER SECTION 1401
21 (RELATING TO SLOT MACHINE LICENSEE DEPOSITS) ON A WEEKLY
22 BASIS.

23 (2) THE PERCENTAGE ASSESSED SHALL NOT EXCEED AN AMOUNT
24 NECESSARY TO RECOVER COSTS OR EXPENSES INCURRED BY THE BOARD
25 AND THE DEPARTMENT IN CARRYING OUT POWERS AND DUTIES UNDER
26 THIS CHAPTER BASED ON A BUDGET SUBMITTED BY THE BOARD AND THE
27 DEPARTMENT UNDER SUBSECTION (B).

28 (B) ITEMIZED BUDGET REPORTING.--

29 (1) THE BOARD AND THE DEPARTMENT SHALL PREPARE AND
30 ANNUALLY SUBMIT TO THE CHAIRPERSON AND MINORITY CHAIRPERSON

1 OF THE APPROPRIATIONS COMMITTEE OF THE SENATE AND THE
2 CHAIRPERSON AND MINORITY CHAIRPERSON OF THE APPROPRIATIONS
3 COMMITTEE OF THE HOUSE OF REPRESENTATIVES AN ITEMIZED BUDGET
4 CONSISTING OF AMOUNTS TO BE APPROPRIATED OUT OF THE ACCOUNTS
5 ESTABLISHED UNDER THIS SECTION AS NECESSARY TO ADMINISTER
6 THIS CHAPTER.

7 (2) THE ITEMIZED BUDGET REQUIRED UNDER PARAGRAPH (1)
8 SHALL BE SUBMITTED IN CONJUNCTION WITH THE BUDGET REQUIRED TO
9 BE SUBMITTED UNDER SECTION 1202(B)(28) (RELATING TO GENERAL
10 AND SPECIFIC POWERS).

11 (C) APPROPRIATION.--COSTS AND EXPENSES FROM ACCOUNTS
12 ESTABLISHED UNDER SECTION 1401 SHALL ONLY BE DISBURSED UPON
13 APPROPRIATION BY THE GENERAL ASSEMBLY.

14 (D) PENALTY.--

15 (1) AN INTERACTIVE GAMING CERTIFICATE HOLDER THAT FAILS
16 TO TIMELY REMIT TO THE DEPARTMENT AMOUNTS REQUIRED UNDER THIS
17 SECTION SHALL BE SUBJECT TO, IN ADDITION TO LIABILITY IMPOSED
18 IN THIS CHAPTER, A PENALTY OF 5% PER MONTH UP TO A MAXIMUM OF
19 25% OF THE AMOUNTS ULTIMATELY FOUND TO BE DUE. THE PENALTY
20 SHALL BE RECOVERED BY THE DEPARTMENT.

21 (2) PENALTIES IMPOSED UNDER THIS SUBSECTION SHALL BE
22 DEPOSITED INTO THE GENERAL FUND.

23 SUBCHAPTER G

24 MISCELLANEOUS PROVISIONS

25 SEC.

26 13B61. PARTICIPATION IN INTERACTIVE GAMING OUTSIDE
27 COMMONWEALTH.

28 13B62. INSTITUTIONAL INVESTORS.

29 13B63. INTERNET CAFES AND PROHIBITION.

30 § 13B61. PARTICIPATION IN INTERACTIVE GAMING OUTSIDE

1 COMMONWEALTH.

2 NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER TO THE
3 CONTRARY, AN INTERACTIVE GAMING CERTIFICATE HOLDER MAY ACCEPT
4 INTERACTIVE GAMING WAGERS FROM A PERSON WHO IS NOT PHYSICALLY
5 LOCATED IN THIS COMMONWEALTH OR MAY ACCEPT INTERACTIVE GAMING
6 WAGERS FROM A PERSON PHYSICALLY PRESENT IN THIS COMMONWEALTH AND
7 TRANSMIT SUCH WAGERS TO AN INTERACTIVE GAMING PLATFORM OPERATED
8 BY ONE OR MORE OPERATORS LICENSED IN A FOREIGN JURISDICTION
9 WHERE INTERACTIVE GAMING IS PERMITTED, IF THE BOARD DETERMINES
10 THE FOLLOWING:

11 (1) PARTICIPATION IN INTERACTIVE GAMING AND ACCEPTANCE
12 OF WAGERS ASSOCIATED WITH INTERACTIVE GAMING FROM A PERSON
13 NOT PHYSICALLY LOCATED IN THIS COMMONWEALTH OR ACCEPTING
14 INTERACTIVE GAMING WAGERS FROM A PERSON PHYSICALLY PRESENT IN
15 THIS COMMONWEALTH AND TRANSMITTING SUCH WAGERS TO AN
16 INTERACTIVE GAMING PLATFORM OPERATED BY ONE OR MORE OPERATORS
17 LICENSED IN A FOREIGN JURISDICTION WHERE INTERACTIVE GAMING
18 IS PERMITTED IS NOT INCONSISTENT WITH FEDERAL LAW OR
19 REGULATION OR THE LAW OR REGULATION OF THE STATE OR
20 JURISDICTION IN WHICH THE PERSON OR OPERATOR IS LOCATED; AND

21 (2) PARTICIPATION IN INTERACTIVE GAMING IS CONDUCTED
22 PURSUANT TO AN INTERACTIVE GAMING RECIPROCAL AGREEMENT WITH
23 THE STATE OR JURISDICTION WHERE THE PERSON IS LOCATED AND THE
24 INTERACTIVE GAMING RECIPROCAL AGREEMENT IS NOT INCONSISTENT
25 WITH FEDERAL LAW OR REGULATION.

26 § 13B62. INSTITUTIONAL INVESTORS.

27 (A) DECLARATION OF INVESTMENT INTENT.--NOTWITHSTANDING ANY
28 OTHER PROVISION OF THIS PART, THE FOLLOWING SHALL APPLY:

29 (1) AN INSTITUTIONAL INVESTOR HOLDING 20% OR LESS OF THE
30 EQUITY SECURITIES OF AN INTERACTIVE GAMING CERTIFICATE

1 HOLDER'S, INTERACTIVE GAMING OPERATOR'S OR APPLICANT'S
2 HOLDING, SUBSIDIARY OR INTERMEDIARY COMPANIES SHALL BE
3 GRANTED A WAIVER OF ANY INVESTIGATION OF SUITABILITY OR OTHER
4 REQUIREMENT IF THE SECURITIES ARE THOSE OF A CORPORATION,
5 WHETHER PUBLICLY TRADED OR PRIVATELY HELD, AND THE HOLDINGS
6 OF THE SECURITIES WERE PURCHASED FOR INVESTMENT PURPOSES
7 ONLY. THE INSTITUTIONAL INVESTOR SHALL FILE A CERTIFIED
8 STATEMENT THAT IT HAS NO INTENTION OF INFLUENCING OR
9 AFFECTING THE AFFAIRS OF THE INTERACTIVE GAMING CERTIFICATE
10 HOLDER, INTERACTIVE GAMING OPERATOR, APPLICANT OR ANY
11 HOLDING, SUBSIDIARY OR INTERMEDIARY COMPANY OF AN INTERACTIVE
12 GAMING CERTIFICATE HOLDER, INTERACTIVE GAMING OPERATOR OR
13 APPLICANT. HOWEVER, AN INSTITUTIONAL INVESTOR SHALL BE
14 PERMITTED TO VOTE ON MATTERS PUT TO THE VOTE OF THE
15 OUTSTANDING SECURITY HOLDERS.

16 (2) THE BOARD MAY GRANT A WAIVER TO AN INSTITUTIONAL
17 INVESTOR HOLDING A HIGHER PERCENTAGE OF SECURITIES UPON A
18 SHOWING OF GOOD CAUSE AND IF THE OTHER CONDITIONS SPECIFIED
19 IN PARAGRAPH (1) ARE MET.

20 (3) AN INSTITUTIONAL INVESTOR GRANTED A WAIVER UNDER
21 THIS SUBSECTION WHO SUBSEQUENTLY DECIDES TO INFLUENCE OR
22 AFFECT THE AFFAIRS OF AN INTERACTIVE GAMING CERTIFICATE
23 HOLDER, INTERACTIVE GAMING OPERATOR OR APPLICANT'S HOLDING,
24 SUBSIDIARY OR INTERMEDIARY COMPANY OF AN INTERACTIVE GAMING
25 CERTIFICATE HOLDER, INTERACTIVE GAMING OPERATOR OR APPLICANT
26 SHALL PROVIDE NOT LESS THAN 30 DAYS' NOTICE OF INTENT AND
27 SHALL FILE WITH THE BOARD A REQUEST FOR DETERMINATION OF
28 SUITABILITY BEFORE TAKING ANY ACTION THAT MAY INFLUENCE OR
29 AFFECT SUCH AFFAIRS. AN INSTITUTIONAL INVESTOR SHALL BE
30 PERMITTED TO VOTE ON MATTERS PUT TO THE VOTE OF THE

1 OUTSTANDING SECURITY HOLDERS.

2 (4) IF AN INSTITUTIONAL INVESTOR CHANGES ITS INVESTMENT
3 INTENT OR IF THE BOARD FINDS REASONABLE CAUSE TO BELIEVE THAT
4 THE INSTITUTIONAL INVESTOR MAY BE FOUND UNSUITABLE, NO ACTION
5 OTHER THAN DIVESTITURE SHALL BE TAKEN BY THE INSTITUTIONAL
6 INVESTOR WITH RESPECT TO ITS SECURITY HOLDINGS UNTIL THERE
7 HAS BEEN COMPLIANCE WITH ANY REQUIREMENTS ESTABLISHED BY THE
8 BOARD, WHICH MAY INCLUDE THE EXECUTION OF A TRUST AGREEMENT
9 IN ACCORDANCE WITH SECTION 1332 (RELATING TO APPOINTMENT OF
10 TRUSTEE).

11 (5) THE INTERACTIVE GAMING CERTIFICATE HOLDER OR
12 INTERACTIVE GAMING OPERATOR OR APPLICANT OR ANY HOLDING,
13 INTERMEDIARY OR SUBSIDIARY COMPANY OF AN INTERACTIVE GAMING
14 CERTIFICATE HOLDER, INTERACTIVE GAMING OPERATOR OR APPLICANT
15 SHALL NOTIFY THE BOARD IMMEDIATELY OF ANY INFORMATION ABOUT,
16 OR ACTIONS OF, AN INSTITUTIONAL INVESTOR HOLDING ITS EQUITY
17 SECURITIES WHERE THE INFORMATION OR ACTION MAY IMPACT THE
18 ELIGIBILITY OF THE INSTITUTIONAL INVESTOR FOR A WAIVER UNDER
19 THIS SUBSECTION.

20 (B) FAILURE TO DECLARE.--IF THE BOARD FINDS:

21 (1) THAT AN INSTITUTIONAL INVESTOR HOLDING ANY SECURITY
22 OF A HOLDING OR INTERMEDIARY COMPANY OF AN INTERACTIVE GAMING
23 CERTIFICATE HOLDER OR INTERACTIVE GAMING OPERATOR OR
24 APPLICANT OR, WHERE RELEVANT, OF ANOTHER SUBSIDIARY COMPANY
25 OF A HOLDING OR INTERMEDIARY COMPANY OF AN INTERACTIVE GAMING
26 CERTIFICATE HOLDER OR INTERACTIVE GAMING OPERATOR OR
27 APPLICANT WHICH IS RELATED IN ANY WAY TO THE FINANCING OF THE
28 INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE GAMING
29 OPERATOR OR APPLICANT, FAILS TO COMPLY WITH THE PROVISIONS OF
30 SUBSECTION (A); OR

1 (2) BY REASON OF THE EXTENT OR NATURE OF ITS HOLDINGS,
2 AN INSTITUTIONAL INVESTOR IS IN A POSITION TO EXERCISE SUCH A
3 SUBSTANTIAL IMPACT UPON THE CONTROLLING INTERESTS OF AN
4 INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE GAMING
5 OPERATOR OR APPLICANT THAT INVESTIGATION AND DETERMINATION OF
6 SUITABILITY OF THE INSTITUTIONAL INVESTOR IS NECESSARY TO
7 PROTECT THE PUBLIC INTEREST;

8 THEN THE BOARD MAY TAKE ANY NECESSARY ACTION OTHERWISE
9 AUTHORIZED UNDER THIS CHAPTER TO PROTECT THE PUBLIC INTEREST.

10 § 13B63. INTERNET CAFES AND PROHIBITION.

11 (A) GENERAL RULE.--NO PERSON SHALL OPERATE A PLACE OF PUBLIC
12 ACCOMMODATION, CLUB, INCLUDING A CLUB OR ASSOCIATION LIMITED TO
13 DUES-PAYING MEMBERS OR SIMILAR RESTRICTED GROUPS, OR SIMILAR
14 ESTABLISHMENT IN WHICH COMPUTER TERMINALS OR SIMILAR ACCESS
15 DEVICES ARE ADVERTISED OR MADE AVAILABLE TO BE USED PRINCIPALLY
16 FOR THE PURPOSE OF ACCESSING AUTHORIZED INTERACTIVE GAMES. NO
17 INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE GAMING
18 OPERATOR SHALL OFFER OR MAKE AVAILABLE COMPUTER TERMINALS OR
19 SIMILAR ACCESS DEVICES TO BE USED PRINCIPALLY FOR THE PURPOSE OF
20 ACCESSING INTERACTIVE GAMES WITHIN A LICENSED FACILITY.

21 (B) CONSTRUCTION.--NOTHING IN THIS SECTION SHALL BE
22 CONSTRUED TO REQUIRE THE OWNER OR OPERATOR OF A HOTEL OR MOTEL
23 OR OTHER PUBLIC PLACE OF GENERAL USE IN THIS COMMONWEALTH TO
24 PROHIBIT OR BLOCK GUESTS FROM PLAYING AUTHORIZED INTERACTIVE
25 GAMES ON THEIR OWN COMPUTERS OR OTHER DEVICES.

26 (C) COMPUTER ACCESS.--AN INTERACTIVE GAMING CERTIFICATE
27 HOLDER OR INTERACTIVE GAMING OPERATOR SHALL PREVENT REGISTERED
28 PLAYERS WITHIN A LICENSED FACILITY FROM ACCESSING AUTHORIZED
29 INTERACTIVE GAMES ON THE REGISTERED PLAYER'S OWN COMPUTERS OR
30 OTHER DEVICES THROUGH THE USE OF GEOSPATIAL TECHNOLOGIES.

1 CHAPTER 13C

2 SPORTS WAGERING

3 SUBCHAPTER

4 A. GENERAL PROVISIONS

5 B. SPORTS WAGERING AUTHORIZED

6 C. CONDUCT OF SPORTS WAGERING

7 D. SPORTS WAGERING TAXES AND FEES

8 E. MISCELLANEOUS PROVISIONS

9 SUBCHAPTER A

10 GENERAL PROVISIONS

11 SEC.

12 13C01. DEFINITIONS.

13 13C02. REGULATORY AUTHORITY.

14 13C03. TEMPORARY SPORTS WAGERING REGULATIONS.

15 13C04. UNAUTHORIZED SPORTS WAGERING.

16 § 13C01. DEFINITIONS.

17 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
18 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
19 CONTEXT CLEARLY INDICATES OTHERWISE:

20 "GROSS SPORTS WAGERING REVENUE."

21 (1) THE TOTAL OF CASH OR CASH EQUIVALENTS RECEIVED FROM
22 SPORTS WAGERING MINUS THE TOTAL OF:

23 (I) CASH OR CASH EQUIVALENTS PAID TO PLAYERS AS A
24 RESULT OF SPORTS WAGERING.

25 (II) CASH OR CASH EQUIVALENTS PAID TO PURCHASE
26 ANNUITIES TO FUND PRIZES PAYABLE TO PLAYERS OVER A PERIOD
27 OF TIME AS A RESULT OF SPORTS WAGERING.

28 (III) THE ACTUAL COST PAID BY THE SPORTS WAGERING
29 CERTIFICATE HOLDER FOR ANY PERSONAL PROPERTY DISTRIBUTED
30 TO A PLAYER AS A RESULT OF SPORTS WAGERING. THIS

1 SUBPARAGRAPH DOES NOT INCLUDE TRAVEL EXPENSES, FOOD,
2 REFRESHMENTS, LODGING OR SERVICES.

3 (2) THE TERM DOES NOT INCLUDE ANY OF THE FOLLOWING:

4 (I) COUNTERFEIT CASH OR CHIPS.

5 (II) COINS OR CURRENCY OF OTHER COUNTRIES RECEIVED
6 AS A RESULT OF SPORTS WAGERING, EXCEPT TO THE EXTENT THAT
7 THE COINS OR CURRENCY ARE READILY CONVERTIBLE TO CASH.

8 (III) CASH TAKEN IN A FRAUDULENT ACT PERPETRATED
9 AGAINST A SPORTS WAGERING CERTIFICATE HOLDER FOR WHICH
10 THE SPORTS WAGERING CERTIFICATE HOLDER IS NOT REIMBURSED.

11 "SPORTING EVENT." A PROFESSIONAL OR COLLEGIATE SPORTS OR
12 ATHLETIC EVENT OR A MOTOR RACE EVENT.

13 "SPORTS WAGERING." THE BUSINESS OF ACCEPTING WAGERS ON
14 SPORTING EVENTS OR ON THE INDIVIDUAL PERFORMANCE STATISTICS OF
15 ATHLETES IN A SPORTING EVENT OR COMBINATION OF SPORTING EVENTS
16 BY ANY SYSTEM OR METHOD OF WAGERING, INCLUDING OVER THE INTERNET
17 THROUGH WEBSITES AND MOBILE APPLICATIONS. THE TERM INCLUDES, BUT
18 IS NOT LIMITED TO, EXCHANGE WAGERING, PARLAYS, OVER-UNDER,
19 MONEYLINE, POOLS AND STRAIGHT BETS. THE TERM DOES NOT INCLUDE:

20 (1) PARI-MUTUEL BETTING ON THE OUTCOME OF THOROUGHBRED
21 OR HARNESS HORSE RACING AS AUTHORIZED UNDER 3 PA.C.S. CH. 93
22 (RELATING TO RACE HORSE INDUSTRY REFORM).

23 (2) LOTTERY GAMES OF THE PENNSYLVANIA STATE LOTTERY AS
24 AUTHORIZED UNDER THE ACT OF AUGUST 26, 1971 (P.L.351, NO.91),
25 KNOWN AS THE STATE LOTTERY LAW.

26 (3) BINGO AS AUTHORIZED UNDER THE ACT OF JULY 10, 1981
27 (P.L.214, NO.67), KNOWN AS THE BINGO LAW.

28 (4) SMALL GAMES OF CHANCE AS AUTHORIZED UNDER THE ACT OF
29 DECEMBER 19, 1988 (P.L.1262, NO.156), KNOWN AS THE LOCAL
30 OPTION SMALL GAMES OF CHANCE ACT.

1 (5) SLOT MACHINE GAMING AND PROGRESSIVE SLOT MACHINE
2 GAMING AS DEFINED AND AUTHORIZED UNDER THIS PART.

3 (6) KENO.

4 (7) FANTASY CONTESTS.

5 (8) ILOTTERY UNDER CHAPTER 5 (RELATING TO LOTTERY).

6 "SPORTS WAGERING CERTIFICATE." A CERTIFICATE AWARDED BY THE
7 BOARD UNDER THIS CHAPTER THAT AUTHORIZES A SLOT MACHINE LICENSEE
8 TO CONDUCT SPORTS WAGERING IN ACCORDANCE WITH THIS CHAPTER.

9 "SPORTS WAGERING CERTIFICATE HOLDER." A SLOT MACHINE
10 LICENSEE TO WHOM THE BOARD HAS AWARDED A SPORTS WAGERING
11 CERTIFICATE.

12 "SPORTS WAGERING DEVICE." THE TERM INCLUDES ANY MECHANICAL,
13 ELECTRICAL OR COMPUTERIZED CONTRIVANCE, TERMINAL, MACHINE OR
14 OTHER DEVICE, APPARATUS, EQUIPMENT OR SUPPLIES APPROVED BY THE
15 BOARD AND USED TO CONDUCT SPORTS WAGERING.

16 § 13C02. REGULATORY AUTHORITY.

17 THE BOARD SHALL PROMULGATE REGULATIONS:

18 (1) ESTABLISHING STANDARDS AND PROCEDURES FOR SPORTS
19 WAGERING. THE STANDARDS AND PROCEDURES SHALL PROVIDE FOR THE
20 CONDUCT AND IMPLEMENTATION OF SPORTS WAGERING BY SLOT MACHINE
21 LICENSEES, INCLUDING ANY NEW SPORTS WAGERING OR VARIATIONS OR
22 COMPOSITES OF APPROVED SPORTS WAGERING, PROVIDED THAT THE
23 BOARD DETERMINES THAT THE NEW SPORTS WAGERING OR ANY
24 VARIATIONS OR COMPOSITES OR OTHER APPROVED SPORTS WAGERING
25 ARE SUITABLE FOR USE AFTER A TEST OR EXPERIMENTAL PERIOD
26 UNDER THE TERMS AND CONDITIONS AS THE BOARD MAY DEEM
27 APPROPRIATE.

28 (2) ESTABLISHING STANDARDS AND PROCEDURES TO GOVERN THE
29 CONDUCT OF SPORTS WAGERING AND THE SYSTEM OF WAGERING,
30 INCLUDING THE MANNER IN WHICH WAGERS ARE RECEIVED, PAYOUTS

1 ARE REMITTED AND POINT SPREADS, LINES AND ODDS ARE
2 DETERMINED. THE BOARD MAY ALSO PROMULGATE REGULATIONS TO
3 GOVERN THE CONDUCT OF SPORTS WAGERING AND THE SYSTEM OF
4 WAGERING AS A FORM OF INTERACTIVE GAMING AUTHORIZED BY THE
5 COMMONWEALTH.

6 (3) ESTABLISHING THE METHOD FOR CALCULATING GROSS SPORTS
7 WAGERING REVENUE AND STANDARDS FOR THE DAILY COUNTING AND
8 RECORDING OF CASH AND CASH EQUIVALENTS RECEIVED IN THE
9 CONDUCT OF SPORTS WAGERING, INCLUDING ENSURING THAT INTERNAL
10 CONTROLS ARE FOLLOWED AND FINANCIAL BOOKS AND RECORDS ARE
11 MAINTAINED AND AUDITS ARE CONDUCTED. THE BOARD SHALL CONSULT
12 WITH THE DEPARTMENT IN ESTABLISHING THE REGULATIONS UNDER
13 THIS PARAGRAPH.

14 (4) ESTABLISHING NOTICE REQUIREMENTS PERTAINING TO
15 MINIMUM AND MAXIMUM WAGERS ON SPORTS WAGERING.

16 (5) ESTABLISHING COMPULSIVE AND PROBLEM GAMBLING
17 STANDARDS PERTAINING TO SPORTS WAGERING CONSISTENT WITH THIS
18 PART.

19 (6) ESTABLISHING STANDARDS PROHIBITING PERSONS UNDER 21
20 YEARS OF AGE FROM PARTICIPATING IN SPORTS WAGERING.

21 (7) PROVIDING INFORMATION PERTAINING TO SPORTS WAGERING
22 IN THE BOARD'S ANNUAL REPORT REQUIRED UNDER SECTION 1211(A.1)
23 (RELATING TO REPORTS OF BOARD).

24 (8) REQUIRING EACH SPORTS WAGERING CERTIFICATE HOLDER
25 TO:

26 (I) PROVIDE WRITTEN INFORMATION ABOUT SPORTS
27 WAGERING RULES, PAYOUTS OR WINNING WAGERS AND OTHER
28 INFORMATION AS THE BOARD MAY REQUIRE.

29 (II) PROVIDE SPECIFICATIONS APPROVED BY THE BOARD
30 UNDER SECTION 1207(11) (RELATING TO REGULATORY AUTHORITY

1 OF BOARD) TO INTEGRATE AND UPDATE THE LICENSED FACILITY'S
2 SURVEILLANCE SYSTEM TO COVER ALL AREAS IN THE LICENSED
3 FACILITY WHERE SPORTS WAGERING IS CONDUCTED. THE
4 SPECIFICATIONS SHALL INCLUDE PROVISIONS PROVIDING THE
5 BOARD AND OTHER PERSONS AUTHORIZED BY THE BOARD WITH
6 ONSITE ACCESS TO THE SURVEILLANCE SYSTEM OR ITS SIGNAL.

7 (III) DESIGNATE ONE OR MORE LOCATIONS WITHIN THE
8 LICENSED FACILITY TO CONDUCT SPORTS WAGERING.

9 (IV) ENSURE THAT VISIBILITY OF EACH SPORTS WAGERING
10 AREA IN THE LICENSED FACILITY OF THE SPORTS WAGERING
11 CERTIFICATE HOLDER IS NOT OBSTRUCTED IN ANY WAY THAT
12 COULD INTERFERE WITH THE ABILITY OF THE SPORTS WAGERING
13 CERTIFICATE HOLDER, THE BOARD AND OTHER PERSONS
14 AUTHORIZED UNDER THIS PART OR BY THE BOARD TO OVERSEE THE
15 SURVEILLANCE OF THE CONDUCT OF SPORTS WAGERING.

16 (V) INTEGRATE THE LICENSED FACILITY'S COUNT ROOM TO
17 ENSURE MAXIMUM SECURITY OF THE COUNTING AND STORAGE OF
18 CASH AND CASH EQUIVALENTS.

19 (VI) EQUIP EACH DESIGNATED SPORTS WAGERING AREA
20 WITHIN THE LICENSED FACILITY WITH A SIGN INDICATING THE
21 PERMISSIBLE SPORTS WAGERING MINIMUM AND MAXIMUM WAGERS.

22 (VII) ENSURE THAT NO PERSON UNDER 21 YEARS OF AGE
23 PARTICIPATES IN SPORTS WAGERING.

24 § 13C03. TEMPORARY SPORTS WAGERING REGULATIONS.

25 (A) PROMULGATION.--IN ORDER TO FACILITATE THE PROMPT
26 IMPLEMENTATION OF THIS CHAPTER, REGULATIONS PROMULGATED BY THE
27 BOARD SHALL BE DEEMED TEMPORARY REGULATIONS WHICH SHALL EXPIRE
28 NOT LATER THAN TWO YEARS FOLLOWING THE PUBLICATION OF THE
29 TEMPORARY REGULATIONS. THE BOARD MAY PROMULGATE TEMPORARY
30 REGULATIONS NOT SUBJECT TO:

1 (1) SECTIONS 201, 202, 203, 204 AND 205 OF THE ACT OF
2 JULY 31, 1968 (P.L.769, NO.240), REFERRED TO AS THE
3 COMMONWEALTH DOCUMENTS LAW.

4 (2) SECTION 204(B) OF THE ACT OF OCTOBER 15, 1980
5 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT.

6 (3) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS
7 THE REGULATORY REVIEW ACT.

8 (B) EXPIRATION.--EXCEPT FOR TEMPORARY REGULATIONS GOVERNING
9 THE RULES OF SPORTS WAGERING APPROVED BY THE BOARD, THE BOARD'S
10 AUTHORITY TO ADOPT TEMPORARY REGULATIONS UNDER SUBSECTION (A)
11 SHALL EXPIRE TWO YEARS AFTER PUBLICATION OF THE TEMPORARY
12 REGULATIONS. REGULATIONS ADOPTED AFTER THIS PERIOD SHALL BE
13 PROMULGATED AS PROVIDED BY LAW.

14 § 13C04. UNAUTHORIZED SPORTS WAGERING.

15 (A) OFFENSE DEFINED.--

16 (1) IT SHALL BE UNLAWFUL FOR ANY PERSON TO OPERATE,
17 CONDUCT, OFFER OR EXPOSE SPORTS WAGERING FOR PLAY OR TO
18 ACCEPT A BET OR WAGER ASSOCIATED WITH SPORTS WAGERING FROM
19 ANY PERSON PHYSICALLY LOCATED IN THIS COMMONWEALTH WHICH AT
20 THE TIME OF PLAY THAT IS NOT WITHIN THE SCOPE OF A VALID
21 SPORTS WAGERING CERTIFICATE ISSUED BY THE BOARD UNDER THIS
22 CHAPTER.

23 (2) IT SHALL BE UNLAWFUL FOR ANY PERSON TO KNOWINGLY
24 PROVIDE SERVICES WITH RESPECT TO ANY SPORTS WAGERING OR BET
25 OR WAGER SPECIFIED IN PARAGRAPH (1).

26 (B) GRADING OF OFFENSE.--A PERSON WHO VIOLATES SUBSECTION
27 (A) COMMITS A MISDEMEANOR OF THE FIRST DEGREE. FOR A SECOND OR
28 SUBSEQUENT VIOLATION OF SUBSECTION (A), A PERSON COMMITS A
29 FELONY OF THE SECOND DEGREE.

30 (C) PENALTIES.--

1 (1) FOR A FIRST VIOLATION OF SUBSECTION (A), A PERSON
2 SHALL BE SENTENCED TO PAY A FINE OF:

3 (I) NOT MORE THAN \$150,000, IF THE PERSON IS AN
4 INDIVIDUAL;

5 (II) NOT LESS THAN \$150,000 NOR MORE THAN \$300,000,
6 IF THE PERSON IS A LICENSED MANUFACTURER OR SUPPLIER; OR

7 (III) NOT LESS THAN \$300,000 NOR MORE THAN \$600,000,
8 IF THE PERSON IS A LICENSED GAMING ENTITY.

9 (2) FOR A SECOND OR SUBSEQUENT VIOLATION OF SUBSECTION
10 (A), A PERSON SHALL BE SENTENCED TO PAY A FINE OF:

11 (I) NOT MORE THAN \$300,000, IF THE PERSON IS AN
12 INDIVIDUAL;

13 (II) NOT LESS THAN \$300,000 NOR MORE THAN \$600,000,
14 IF THE PERSON IS A LICENSED MANUFACTURER OR SUPPLIER; OR

15 (III) NOT LESS THAN \$600,000 NOR MORE THAN
16 \$1,200,000, IF THE PERSON IS A LICENSED GAMING ENTITY.

17 (D) FORFEITURE.--IF A PERSON ENGAGES IN SPORTS WAGERING FROM
18 A LOCATION WHERE SPORTS WAGERING IS UNAUTHORIZED, THE PERSON
19 SHALL FORFEIT ALL WINNINGS AND ANY FORFEITED WINNINGS SHALL BE
20 DEPOSITED INTO THE COMPULSIVE AND PROBLEM GAMBLING TREATMENT
21 FUND ESTABLISHED UNDER SECTION 1509(B) (RELATING TO COMPULSIVE
22 AND PROBLEM GAMBLING PROGRAM).

23 (E) TAX LIABILITY.--A PERSON WHO OFFERS SPORTS WAGERING
24 WITHOUT A VALID SPORT WAGERING CERTIFICATE SHALL BE LIABLE FOR
25 ALL TAXES REQUIRED BY THIS CHAPTER IN THE SAME MANNER AND
26 AMOUNTS AS IF THE PERSON WERE A LICENSEE.

27 SUBCHAPTER B

28 SPORTS WAGERING AUTHORIZED

29 SEC.

30 13C11. AUTHORIZATION TO CONDUCT SPORTS WAGERING.

1 13C12. PETITION REQUIREMENTS.

2 13C13. STANDARD FOR REVIEW OF PETITIONS.

3 13C14. AWARD OF CERTIFICATE.

4 13C15. SPORTS WAGERING CERTIFICATE.

5 13C16. SPORTS WAGERING BY MANUFACTURERS.

6 § 13C11. AUTHORIZATION TO CONDUCT SPORTS WAGERING.

7 (A) PERSONS WHO MAY BE AUTHORIZED.--

8 (1) (I) THE BOARD MAY AUTHORIZE A SLOT MACHINE LICENSEE
9 TO CONDUCT SPORTS WAGERING AND TO OPERATE A SYSTEM OF
10 WAGERING ASSOCIATED WITH THE CONDUCT OF SPORTS WAGERING
11 AT THE SLOT MACHINE LICENSEE'S LICENSED FACILITY, A
12 TEMPORARY FACILITY AUTHORIZED UNDER SECTION 13C21(B)
13 (RELATING TO AUTHORIZED LOCATIONS FOR OPERATION), AN AREA
14 AUTHORIZED UNDER SECTION 13C21(C) OR THROUGH AN INTERNET-
15 BASED SYSTEM.

16 (II) AUTHORIZATION SHALL BE CONTINGENT UPON THE SLOT
17 MACHINE LICENSEE'S AGREEMENT TO ENSURE THAT SPORTS
18 WAGERING WILL BE CONDUCTED IN ACCORDANCE WITH THIS PART
19 AND ANY OTHER CONDITIONS ESTABLISHED BY THE BOARD.

20 (III) NOTHING IN THIS PART SHALL BE CONSTRUED TO
21 CREATE A SEPARATE LICENSE GOVERNING THE CONDUCT OF SPORTS
22 WAGERING BY SLOT MACHINE LICENSEES WITHIN THIS
23 COMMONWEALTH.

24 (2) THE BOARD MAY AUTHORIZE A SPORTS WAGERING
25 CERTIFICATE HOLDER TO CONDUCT SPORTS WAGERING AND TO OPERATE
26 A SYSTEM OF WAGERING ASSOCIATED WITH THE CONDUCT OF SPORTS
27 WAGERING AS A FORM OF INTERACTIVE GAMING AUTHORIZED BY THE
28 COMMONWEALTH.

29 (3) (I) EXCEPT AS PROVIDED IN THIS PART, ALL
30 INDIVIDUALS WAGERING ON SPORTING EVENTS THROUGH

1 AUTHORIZED SPORTS WAGERING MUST BE PHYSICALLY LOCATED
2 WITHIN THIS COMMONWEALTH OR WITHIN A STATE OR
3 JURISDICTION WITH WHICH THE BOARD HAS ENTERED A SPORTS
4 WAGERING AGREEMENT.

5 (II) NO INDIVIDUAL UNDER 21 YEARS OF AGE MAY MAKE A
6 WAGER OR BET ON SPORTING EVENTS THROUGH AUTHORIZED SPORTS
7 WAGERING OR HAVE ACCESS TO THE DESIGNATED SPORTS WAGERING
8 AREA OF THE LICENSED FACILITY.

9 (B) FEDERAL AUTHORIZATION.--

10 (1) THE BOARD SHALL, WHEN FEDERAL LAW IS ENACTED OR
11 REPEALED OR A FEDERAL COURT DECISION IS FILED THAT PERMITS A
12 STATE TO REGULATE SPORTS WAGERING, PUBLISH A NOTICE IN THE
13 PENNSYLVANIA BULLETIN CERTIFYING THE ENACTMENT OR REPEAL OR
14 THE FILING OF THE DECISION.

15 (2) THE BOARD MAY NOT AUTHORIZE THE CONDUCT OF SPORTS
16 WAGERING IN THIS COMMONWEALTH UNTIL THE NOTICE IS PUBLISHED
17 AS PRESCRIBED IN PARAGRAPH (1).

18 § 13C12. PETITION REQUIREMENTS.

19 (A) GENERAL RULE.--UNLESS OTHERWISE PROHIBITED UNDER SECTION
20 13A13 (RELATING TO PROHIBITIONS), A SLOT MACHINE LICENSEE MAY
21 SEEK APPROVAL TO CONDUCT SPORTS WAGERING BY FILING A PETITION
22 WITH THE BOARD, IN A FORM AND IN A MANNER PRESCRIBED BY THE
23 BOARD.

24 (B) PETITION CONTENTS.--A PETITION SEEKING AUTHORIZATION TO
25 CONDUCT SPORTS WAGERING SHALL INCLUDE THE FOLLOWING:

26 (1) THE NAME, BUSINESS ADDRESS AND CONTACT INFORMATION
27 OF THE PETITIONER.

28 (2) THE NAME, BUSINESS ADDRESS, JOB TITLE AND A
29 PHOTOGRAPH OF EACH PRINCIPAL AND KEY EMPLOYEE OF THE
30 PETITIONER WHO WILL BE INVOLVED IN THE CONDUCT OF SPORTS

1 WAGERING AND WHO IS NOT CURRENTLY LICENSED BY THE BOARD, IF
2 KNOWN.

3 (3) A BRIEF DESCRIPTION OF THE ECONOMIC BENEFITS
4 EXPECTED TO BE REALIZED BY THE COMMONWEALTH, ITS
5 MUNICIPALITIES AND ITS RESIDENTS IF SPORTS WAGERING IS
6 AUTHORIZED AT THE PETITIONER'S LICENSED FACILITY.

7 (4) THE DETAILS OF ANY FINANCING OBTAINED OR THAT WILL
8 BE OBTAINED TO FUND AN EXPANSION OR MODIFICATION OF THE
9 LICENSED FACILITY TO ACCOMMODATE SPORTS WAGERING AND TO
10 OTHERWISE FUND THE COST OF COMMENCING SPORTS WAGERING.

11 (5) INFORMATION AND DOCUMENTATION CONCERNING FINANCIAL
12 BACKGROUND AND RESOURCES, AS THE BOARD MAY REQUIRE, TO
13 ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE FINANCIAL
14 STABILITY, INTEGRITY AND RESPONSIBILITY OF THE PETITIONER.

15 (6) INFORMATION AND DOCUMENTATION, AS THE BOARD MAY
16 REQUIRE, TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT
17 THE PETITIONER HAS SUFFICIENT BUSINESS ABILITY AND EXPERIENCE
18 TO CREATE AND MAINTAIN A SUCCESSFUL SPORTS WAGERING
19 OPERATION. IN MAKING THIS DETERMINATION, THE BOARD MAY
20 CONSIDER THE PERFORMANCE OF THE PETITIONER'S SLOT MACHINE AND
21 TABLE GAME OPERATION, INCLUDING FINANCIAL INFORMATION,
22 EMPLOYMENT DATA AND CAPITAL INVESTMENT.

23 (7) INFORMATION AND DOCUMENTATION, AS THE BOARD MAY
24 REQUIRE, TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT
25 THE PETITIONER HAS OR WILL HAVE THE FINANCIAL ABILITY TO PAY
26 THE AUTHORIZATION FEE UNDER SECTION 13C61 (RELATING TO SPORTS
27 WAGERING AUTHORIZATION FEE).

28 (8) DETAILED SITE PLANS IDENTIFYING THE PETITIONER'S
29 PROPOSED SPORTS WAGERING AREA WITHIN THE LICENSED FACILITY.

30 (9) OTHER INFORMATION AS THE BOARD MAY REQUIRE.

1 (C) CONFIDENTIALITY.--INFORMATION SUBMITTED TO THE BOARD
2 UNDER SUBSECTION (B) (4), (5), (6), (7) AND (8) MAY BE CONSIDERED
3 CONFIDENTIAL BY THE BOARD IF THE INFORMATION WOULD BE
4 CONFIDENTIAL UNDER SECTION 1206(F) (RELATING TO BOARD MINUTES
5 AND RECORDS).
6 § 13C13. STANDARD FOR REVIEW OF PETITIONS.

7 (A) GENERAL RULE.--THE BOARD SHALL APPROVE A PETITION IF THE
8 PETITIONER ESTABLISHES, BY CLEAR AND CONVINCING EVIDENCE, ALL OF
9 THE FOLLOWING:

10 (1) THE PETITIONER'S SLOT MACHINE LICENSE AND TABLE GAME
11 OPERATION CERTIFICATE ARE IN GOOD STANDING WITH THE BOARD.

12 (2) THE CONDUCT OF SPORTS WAGERING AT THE PETITIONER'S
13 LICENSED FACILITY WILL INCREASE REVENUES AND EMPLOYMENT
14 OPPORTUNITIES.

15 (3) THE PETITIONER POSSESSES ADEQUATE FUNDS OR HAS
16 SECURED ADEQUATE FINANCING TO:

17 (I) FUND ANY NECESSARY EXPANSION OR MODIFICATION OF
18 THE PETITIONER'S LICENSED FACILITY TO ACCOMMODATE THE
19 CONDUCT OF SPORTS WAGERING.

20 (II) PAY THE AUTHORIZATION FEE IN ACCORDANCE WITH
21 SECTION 13C61 (RELATING TO SPORTS WAGERING AUTHORIZATION
22 FEE).

23 (III) COMMENCE SPORTS WAGERING OPERATIONS AT ITS
24 LICENSED FACILITY.

25 (4) THE PETITIONER HAS THE FINANCIAL STABILITY,
26 INTEGRITY AND RESPONSIBILITY TO CONDUCT SPORTS WAGERING.

27 (5) THE PETITIONER HAS SUFFICIENT BUSINESS ABILITY AND
28 EXPERIENCE TO CREATE AND MAINTAIN A SUCCESSFUL SPORTS
29 WAGERING OPERATION.

30 (6) THE PETITIONER'S PROPOSED INTERNAL AND EXTERNAL

1 SECURITY AND PROPOSED SURVEILLANCE MEASURES WITHIN THE AREA
2 OF THE LICENSED FACILITY WHERE THE PETITIONER SEEKS TO
3 CONDUCT SPORTS WAGERING ARE ADEQUATE.

4 (7) THE PETITIONER HAS SATISFIED THE PETITION
5 APPLICATION REQUIREMENTS AND PROVIDED ANY OTHER INFORMATION
6 REQUIRED BY SECTION 13C12(B) (RELATING TO PETITION
7 REQUIREMENTS).

8 (B) TIMING OF APPROVAL.--THE BOARD SHALL APPROVE OR DENY A
9 PETITION WITHIN 120 DAYS FOLLOWING RECEIPT OF THE COMPLETED
10 PETITION.

11 § 13C14. AWARD OF CERTIFICATE.

12 (A) GENERAL RULE.--UPON APPROVAL OF A PETITION, THE BOARD
13 SHALL AWARD A SPORTS WAGERING CERTIFICATE TO THE PETITIONER. THE
14 AWARD OF A SPORTS WAGERING CERTIFICATE PRIOR TO THE PAYMENT IN
15 FULL OF THE AUTHORIZATION FEE REQUIRED BY SECTION 13C61
16 (RELATING TO SPORTS WAGERING AUTHORIZATION FEE) SHALL NOT
17 RELIEVE THE PETITIONER FROM COMPLYING WITH THE PROVISIONS OF
18 SECTION 13C61.

19 (B) STATEMENT OF CONDITIONS.--UPON AWARDING A SPORTS
20 WAGERING OPERATION CERTIFICATE, THE BOARD SHALL AMEND THE SLOT
21 MACHINE LICENSEE'S STATEMENT OF CONDITIONS PERTAINING TO THE
22 REQUIREMENTS OF THIS CHAPTER.

23 (C) TERM OF SPORTS WAGERING CERTIFICATE.--SUBJECT TO THE
24 POWER OF THE BOARD TO DENY, REVOKE OR SUSPEND A SPORTS WAGERING
25 CERTIFICATE ISSUED IN ACCORDANCE WITH THE REQUIREMENTS OF THIS
26 SECTION, A SPORTS WAGERING CERTIFICATE SHALL BE RENEWED EVERY
27 FIVE YEARS AND SHALL BE SUBJECT TO THE REQUIREMENTS OF SECTION
28 1326 (RELATING TO RENEWALS).

29 § 13C15. SPORTS WAGERING CERTIFICATE.

30 THE FOLLOWING SHALL APPLY:

1 (1) A SPORTS WAGERING CERTIFICATE SHALL BE IN EFFECT
2 UNLESS:

3 (I) SUSPENDED OR REVOKED BY THE BOARD CONSISTENT
4 WITH THE REQUIREMENTS OF THIS PART;

5 (II) THE SLOT MACHINE LICENSE HELD BY THE SPORTS
6 WAGERING CERTIFICATE HOLDER IS SUSPENDED, REVOKED OR NOT
7 RENEWED BY THE BOARD CONSISTENT WITH THE REQUIREMENTS OF
8 THIS PART; OR

9 (III) THE SPORTS WAGERING CERTIFICATE HOLDER
10 RELINQUISHES OR DOES NOT SEEK RENEWAL OF ITS SLOT MACHINE
11 LICENSE.

12 (2) A SPORTS WAGERING CERTIFICATE HOLDER THAT FAILS TO
13 ABIDE BY THIS CHAPTER OR ANY CONDITION CONTAINED IN THE SLOT
14 MACHINE LICENSEE'S STATEMENT OF CONDITIONS GOVERNING THE
15 CONDUCT OF SPORTS WAGERING SHALL BE SUBJECT TO BOARD-IMPOSED
16 ADMINISTRATIVE SANCTIONS OR OTHER PENALTIES AUTHORIZED UNDER
17 THIS PART.

18 § 13C16. SPORTS WAGERING MANUFACTURERS.

19 A PERSON WHO MANUFACTURES, BUILDS, REBUILDS, FABRICATES,
20 ASSEMBLES, PRODUCES, PROGRAMS, DESIGNS, SELLS, LEASES, OFFERS OR
21 OTHERWISE MAKES MODIFICATIONS TO ANY SPORTS WAGERING DEVICE OR
22 ASSOCIATED EQUIPMENT FOR USE OR OPERATION IN THIS COMMONWEALTH
23 FOR SPORTS WAGERING PURPOSES SHALL BE LICENSED BY THE BOARD
24 UNDER SECTION 1317.1 (RELATING TO MANUFACTURER LICENSES) AND
25 SHALL BE SUBJECT TO APPLICATION AND LICENSURE FEES AND FINES AS
26 PRESCRIBED UNDER SECTION 1208, AS DETERMINED BY THE BOARD.

27 SUBCHAPTER C

28 CONDUCT OF SPORTS WAGERING

29 SEC.

30 13C21. AUTHORIZED LOCATIONS FOR OPERATION.

1 13C22. COMMENCEMENT OF SPORTS WAGERING OPERATIONS.

2 13C23. CONDITION OF CONTINUED OPERATION.

3 13C24. PRINCIPALS, KEY EMPLOYEES AND OCCUPATION PERMITS.

4 13C25. APPLICATION OF CLEAN INDOOR AIR ACT.

5 13C26. APPLICATION OF LIQUOR CODE.

6 § 13C21. AUTHORIZED LOCATIONS FOR OPERATION.

7 (A) RESTRICTION.--A SPORTS WAGERING CERTIFICATE HOLDER MAY
8 ONLY BE PERMITTED TO CONDUCT SPORTS WAGERING AT A LICENSED
9 FACILITY, A TEMPORARY FACILITY AUTHORIZED UNDER SUBSECTION (B),
10 AN AREA AUTHORIZED UNDER SUBSECTION (C) OR THROUGH AN INTERNET-
11 BASED SYSTEM.

12 (B) TEMPORARY FACILITIES.--THE BOARD MAY PERMIT A SPORTS
13 WAGERING CERTIFICATE HOLDER TO CONDUCT SPORTS WAGERING AT A
14 TEMPORARY FACILITY THAT IS PHYSICALLY CONNECTED TO, ATTACHED TO
15 OR ADJACENT TO A LICENSED FACILITY, AS APPROVED BY THE BOARD,
16 FOR A PERIOD NOT TO EXCEED 18 MONTHS.

17 (C) POWERS AND DUTIES OF BOARD.--

18 (1) UPON REQUEST MADE BY A SPORTS WAGERING CERTIFICATE
19 HOLDER, THE BOARD, IN CONSULTATION WITH THE COMMISSION, MAY
20 DETERMINE THE SUITABILITY OF A CATEGORY 1 LICENSED GAMING
21 ENTITY THAT IS ALSO A LICENSED RACING ENTITY AUTHORIZED TO
22 CONDUCT PARI-MUTUEL WAGERING AT NONPRIMARY LOCATIONS UNDER 3
23 PA.C.S. CH. 93 (RELATING TO RACE HORSE INDUSTRY REFORM) TO
24 CONDUCT SPORTS WAGERING AT NONPRIMARY LOCATIONS.

25 (2) NO SPORTS WAGERING CERTIFICATE HOLDER MAY BE
26 APPROVED TO CONDUCT SPORTS WAGERING IN A NONPRIMARY LOCATION
27 UNLESS THE AREAS OF THE NONPRIMARY LOCATION WHERE SPORTS
28 WAGERING WILL BE CONDUCTED ARE EQUIPPED WITH ADEQUATE
29 SECURITY AND SURVEILLANCE EQUIPMENT TO ENSURE THE INTEGRITY
30 OF THE CONDUCT OF SPORTS WAGERING.

1 (3) AN AUTHORIZATION GRANTED UNDER THIS SUBSECTION MAY
2 NOT:

3 (I) IMPOSE ANY CRITERIA OR REQUIREMENTS REGARDING
4 THE CONTENTS OR STRUCTURE OF A NONPRIMARY LOCATION THAT
5 ARE UNRELATED TO THE CONDUCT OF SPORTS WAGERING.

6 (II) AUTHORIZE THE PLACEMENT OR OPERATION OF SLOT
7 MACHINES OR TABLE GAMES IN A NONPRIMARY LOCATION.

8 § 13C22. COMMENCEMENT OF SPORTS WAGERING OPERATIONS.

9 NO SPORTS WAGERING CERTIFICATE HOLDER MAY OPERATE OR OFFER
10 SPORTS WAGERING UNTIL THE BOARD DETERMINES THAT:

11 (1) THE SPORTS WAGERING CERTIFICATE HOLDER IS IN
12 COMPLIANCE WITH THE REQUIREMENTS OF THIS PART.

13 (2) THE SPORTS WAGERING CERTIFICATE HOLDER IS PREPARED
14 IN ALL RESPECTS TO OFFER SPORTS WAGERING PLAY TO THE PUBLIC
15 AT THE LICENSED FACILITY.

16 (3) THE SPORTS WAGERING CERTIFICATE HOLDER HAS
17 IMPLEMENTED NECESSARY INTERNAL AND MANAGEMENT CONTROLS AND
18 SECURITY ARRANGEMENTS AND SURVEILLANCE SYSTEMS FOR THE
19 CONDUCT OF SPORTS WAGERING.

20 (4) THE SPORTS WAGERING CERTIFICATE HOLDER IS IN
21 COMPLIANCE WITH OR HAS COMPLIED WITH SECTION 13C61 (RELATING
22 TO SPORTS WAGERING AUTHORIZATION FEE).

23 (5) OTHER CONDITIONS AS THE BOARD MAY REQUIRE TO
24 IMPLEMENT THE CONDUCT OF SPORTS WAGERING.

25 § 13C23. CONDITION OF CONTINUED OPERATION.

26 AS A CONDITION OF CONTINUED OPERATION, A SPORTS WAGERING
27 CERTIFICATE HOLDER SHALL MAINTAIN ALL BOOKS, RECORDS AND
28 DOCUMENTS PERTAINING TO SPORTS WAGERING IN A MANNER AND LOCATION
29 WITHIN THIS COMMONWEALTH AS APPROVED BY THE BOARD. ALL BOOKS,
30 RECORDS AND DOCUMENTS RELATED TO SPORTS WAGERING SHALL BE:

1 (1) SEGREGATED BY SEPARATE ACCOUNTS WITHIN THE SPORTS
2 WAGERING CERTIFICATE HOLDER'S BOOKS, RECORDS AND DOCUMENTS,
3 EXCEPT FOR ANY BOOKS, RECORDS OR DOCUMENTS THAT ARE COMMON TO
4 SLOT MACHINE, TABLE GAME AND SPORTS WAGERING OPERATIONS AND
5 APPROVED BY THE BOARD;

6 (2) IMMEDIATELY AVAILABLE FOR INSPECTION UPON REQUEST OF
7 THE BOARD, THE BUREAU, THE DEPARTMENT, THE PENNSYLVANIA STATE
8 POLICE OR THE ATTORNEY GENERAL, OR AGENTS THEREOF AND, IF THE
9 SPORTS WAGERING CERTIFICATE HOLDER IS CONDUCTING SPORTS
10 WAGERING AT A NONPRIMARY LOCATION, UPON THE REQUEST OF THE
11 COMMISSION, DURING ALL HOURS OF OPERATION OF THE SPORTS
12 WAGERING CERTIFICATE HOLDER IN ACCORDANCE WITH REGULATIONS
13 PROMULGATED BY THE BOARD; AND

14 (3) MAINTAINED FOR A PERIOD AS THE BOARD, BY REGULATION,
15 MAY REQUIRE.

16 § 13C24. PRINCIPALS, KEY EMPLOYEES AND OCCUPATION PERMITS.

17 THE FOLLOWING SHALL APPLY:

18 (1) EXCEPT AS PROVIDED UNDER PARAGRAPH (2), EACH
19 APPLICANT FOR A PRINCIPAL LICENSE, KEY EMPLOYEE LICENSE OR
20 GAMING EMPLOYEE OCCUPATION PERMIT SHALL:

21 (I) CONSENT TO A BACKGROUND INVESTIGATION TO BE
22 CONDUCTED BY THE BUREAU.

23 (II) SUBMIT TO FINGERPRINTING BY THE PENNSYLVANIA
24 STATE POLICE OR AN AUTHORIZED AGENT OF THE PENNSYLVANIA
25 STATE POLICE. THE PENNSYLVANIA STATE POLICE OR THE
26 AUTHORIZED AGENT SHALL SUBMIT THE FINGERPRINTS TO THE
27 FEDERAL BUREAU OF INVESTIGATION FOR PURPOSES OF VERIFYING
28 THE IDENTITY OF THE INDIVIDUAL AND OBTAINING RECORDS OF
29 CRIMINAL ARRESTS AND CONVICTIONS.

30 (III) SUBMIT PHOTOGRAPHS CONSISTENT WITH THE

1 STANDARDS ESTABLISHED BY THE BOARD.

2 (2) NOTHING IN THIS PART SHALL BE CONSTRUED TO REQUIRE
3 ANY INDIVIDUAL WHO HOLDS A PRINCIPAL LICENSE, A KEY EMPLOYEE
4 LICENSE OR A GAMING EMPLOYEE OCCUPATION PERMIT UNDER CHAPTERS
5 13 (RELATING TO LICENSEES), 13A (RELATING TO TABLE GAMES) AND
6 16 (RELATING TO JUNKETS) TO OBTAIN A SEPARATE LICENSE OR
7 PERMIT TO BE EMPLOYED IN A SPORTS WAGERING CERTIFICATE
8 HOLDER'S SPORTS WAGERING OPERATION AUTHORIZED UNDER THIS
9 CHAPTER.

10 § 13C25. APPLICATION OF CLEAN INDOOR AIR ACT.

11 FOR THE PURPOSE OF SECTION 3(B) (11) OF THE ACT OF JUNE 13,
12 2008 (P.L.182, NO.27), KNOWN AS THE CLEAN INDOOR AIR ACT, THE
13 TERM "GAMING FLOOR" SHALL INCLUDE THE AREAS OF ANY FACILITY
14 WHERE THE SPORTS WAGERING CERTIFICATE HOLDER IS AUTHORIZED TO
15 CONDUCT SPORTS WAGERING, EXCEPT SUCH AREAS OFF THE GAMING FLOOR
16 WHERE CONTESTS OR TOURNAMENTS ARE CONDUCTED UNLESS SMOKING IS
17 OTHERWISE PERMITTED IN SUCH AREAS.

18 § 13C26. APPLICATION OF LIQUOR CODE.

19 THE PROVISIONS OF SECTION 493(24) (II) OF THE ACT OF APRIL 12,
20 1951 (P.L.90, NO.21), KNOWN AS THE LIQUOR CODE, SHALL ALSO APPLY
21 TO SPORTS WAGERING.

22 SUBCHAPTER D

23 SPORTS WAGERING TAXES AND FEES

24 SEC.

25 13C61. SPORTS WAGERING AUTHORIZATION FEE.

26 13C62. SPORTS WAGERING TAX.

27 13C63. LOCAL SHARE ASSESSMENT.

28 13C64. COMPULSIVE AND PROBLEM GAMBLING.

29 § 13C61. SPORTS WAGERING AUTHORIZATION FEE.

30 (A) AMOUNT.--EACH SLOT MACHINE LICENSEE THAT IS ISSUED A

1 SPORTS WAGERING CERTIFICATE TO CONDUCT SPORTS WAGERING IN
2 ACCORDANCE WITH SECTION 13C11 (RELATING TO AUTHORIZATION TO
3 CONDUCT SPORTS WAGERING) SHALL PAY A ONE-TIME NONREFUNDABLE
4 AUTHORIZATION FEE IN THE AMOUNT OF \$10,000,000.

5 (B) PAYMENT OF FEE.--A SLOT MACHINE LICENSEE SHALL REMIT THE
6 AUTHORIZATION FEE UNDER SUBSECTION (A) TO THE BOARD WITHIN 60
7 DAYS OF THE APPROVAL OF A PETITION TO CONDUCT SPORTS WAGERING.
8 SPORTS WAGERING MAY NOT BE CONDUCTED UNTIL THE FEE UNDER
9 SUBSECTION (A) IS PAID IN FULL.

10 (C) RENEWAL FEE.--NOTWITHSTANDING ANY OTHER PROVISION OF
11 THIS CHAPTER, A SLOT MACHINE LICENSEE THAT IS ISSUED A SPORTS
12 WAGERING CERTIFICATE SHALL PAY A RENEWAL FEE IN THE AMOUNT OF
13 \$250,000 UPON THE RENEWAL OF ITS SPORTS WAGERING CERTIFICATE IN
14 ACCORDANCE WITH SECTIONS 1326 (RELATING TO RENEWALS) AND
15 13C14 (C) (RELATING TO AWARD OF CERTIFICATE).

16 (D) FAILURE TO PAY BY DEADLINE.--IF A PETITIONER OR SPORTS
17 WAGERING CERTIFICATE HOLDER FAILS TO PAY THE REQUIRED
18 AUTHORIZATION FEE IN FULL WITHIN THE 60-DAY TIME PERIOD, THE
19 BOARD SHALL IMPOSE A PENALTY AND MAY GRANT THE PETITIONER OR
20 SPORTS WAGERING CERTIFICATE HOLDER UP TO A SIX-MONTH EXTENSION
21 TO PAY THE AUTHORIZATION FEE OR ANY REMAINING PORTION OF THE
22 AUTHORIZATION FEE AND THE PENALTY.

23 (E) SUSPENSION OF CERTIFICATE.--THE BOARD SHALL SUSPEND THE
24 SPORTS WAGERING CERTIFICATE IF THE SPORTS WAGERING CERTIFICATE
25 HOLDER FAILS TO PAY THE TOTAL AUTHORIZATION FEE AND THE PENALTY
26 PRIOR TO THE EXPIRATION OF AN EXTENSION PERIOD GRANTED UNDER
27 SUBSECTION (D). THE SUSPENSION SHALL REMAIN IN EFFECT UNTIL
28 FINAL PAYMENT IS MADE.

29 (F) DEPOSIT OF FEES.--NOTWITHSTANDING SECTION 1208 (RELATING
30 TO COLLECTION OF FEES AND FINES), ALL SPORTS WAGERING

1 AUTHORIZATION FEES, MANUFACTURER LICENSE FEES, MANUFACTURER
2 RENEWAL FEES AND ALL FEES FOR LICENSES ISSUED UNDER CHAPTER 16
3 (RELATING TO JUNKETS) AND ALL MONEY COLLECTED BY THE BOARD FOR
4 VIOLATIONS OF THIS SUBCHAPTER SHALL BE DEPOSITED INTO THE
5 GENERAL FUND.

6 § 13C62. SPORTS WAGERING TAX.

7 (A) IMPOSITION.--EACH SPORTS WAGERING CERTIFICATE HOLDER
8 SHALL REPORT TO THE DEPARTMENT AND PAY FROM ITS DAILY GROSS
9 SPORTS WAGERING REVENUE, ON A FORM AND IN THE MANNER PRESCRIBED
10 BY THE DEPARTMENT, A TAX OF 34% OF ITS DAILY GROSS SPORTS
11 WAGERING REVENUE.

12 (B) DEPOSITS AND DISTRIBUTIONS.--

13 (1) THE TAX IMPOSED UNDER SUBSECTION (A) SHALL BE
14 PAYABLE TO THE DEPARTMENT ON A WEEKLY BASIS AND SHALL BE
15 BASED UPON GROSS SPORTS WAGERING REVENUE DERIVED DURING THE
16 PREVIOUS WEEK.

17 (2) ALL FUNDS OWED TO THE COMMONWEALTH UNDER THIS
18 SECTION SHALL BE HELD IN TRUST FOR THE COMMONWEALTH BY THE
19 SPORTS WAGERING CERTIFICATE HOLDER UNTIL THE FUNDS ARE PAID
20 TO THE DEPARTMENT. A SPORTS WAGERING CERTIFICATE HOLDER SHALL
21 ESTABLISH A SEPARATE BANK ACCOUNT INTO WHICH GROSS SPORTS
22 WAGERING REVENUE SHALL BE DEPOSITED AND MAINTAINED UNTIL SUCH
23 TIME AS THE FUNDS ARE PAID TO THE DEPARTMENT UNDER THIS
24 SECTION OR PAID INTO THE FUND UNDER SECTION 13C63(A)
25 (RELATING TO LOCAL SHARE ASSESSMENT).

26 (3) THE TAX IMPOSED UNDER SUBSECTION (A) SHALL BE
27 DEPOSITED INTO THE GENERAL FUND.

28 § 13C63. LOCAL SHARE ASSESSMENT.

29 (A) REQUIRED PAYMENT.--IN ADDITION TO THE TAX IMPOSED UNDER
30 SECTION 13C62 (RELATING TO SPORTS WAGERING TAX), EACH SPORTS

1 WAGERING CERTIFICATE HOLDER SHALL PAY ON A WEEKLY BASIS, ON A
2 FORM AND IN THE MANNER PRESCRIBED BY THE DEPARTMENT, A LOCAL
3 SHARE ASSESSMENT INTO A RESTRICTED RECEIPTS ACCOUNT ESTABLISHED
4 WITHIN THE FUND. ALL MONEY OWED UNDER THIS SECTION SHALL BE HELD
5 IN TRUST BY THE SPORTS WAGERING CERTIFICATE HOLDER UNTIL THE
6 MONEY IS PAID INTO THE RESTRICTED ACCOUNT. FUNDS IN THE
7 RESTRICTED ACCOUNT ARE HEREBY APPROPRIATED TO THE DEPARTMENT ON
8 A CONTINUING BASIS FOR THE PURPOSES SET FORTH UNDER THIS
9 SECTION.

10 (B) DISTRIBUTIONS.--THE DEPARTMENT SHALL, ON A QUARTERLY
11 BASIS, MAKE DISTRIBUTIONS FROM THE LOCAL SHARE ASSESSMENTS
12 DEPOSITED INTO THE RESTRICTED ACCOUNT UNDER SUBSECTION (A) INTO
13 A RESTRICTED RECEIPT ACCOUNT TO BE ESTABLISHED IN THE
14 COMMONWEALTH FINANCING AUTHORITY TO BE USED EXCLUSIVELY FOR
15 GRANTS FOR PROJECTS IN THE PUBLIC INTEREST IN THIS COMMONWEALTH.

16 (C) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
17 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
18 SUBSECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

19 "LOCAL SHARE ASSESSMENT." TWO PERCENT OF A SPORTS WAGERING
20 CERTIFICATE HOLDER'S DAILY GROSS SPORTS WAGERING REVENUE.

21 § 13C64. COMPULSIVE AND PROBLEM GAMBLING.

22 THE FOLLOWING SHALL APPLY:

23 (1) EACH YEAR, FROM THE TAX IMPOSED UNDER SECTION 13C62
24 (RELATING TO SPORTS WAGERING TAX), AN AMOUNT EQUAL TO 0.002
25 MULTIPLIED BY THE TOTAL GROSS SPORTS WAGERING REVENUE OF ALL
26 ACTIVE AND OPERATING SPORTS WAGERING CERTIFICATE HOLDERS
27 SHALL BE TRANSFERRED INTO THE COMPULSIVE AND PROBLEM GAMBLING
28 TREATMENT FUND ESTABLISHED UNDER SECTION 1509 (RELATING TO
29 COMPULSIVE AND PROBLEM GAMBLING PROGRAM).

30 (2) EACH YEAR, FROM THE TAX IMPOSED UNDER SECTION 13C62,

1 AN AMOUNT EQUAL TO 0.002 MULTIPLIED BY THE TOTAL GROSS SPORTS
2 WAGERING REVENUE OF ALL ACTIVE AND OPERATING SPORTS WAGERING
3 CERTIFICATE HOLDERS SHALL BE TRANSFERRED TO THE DEPARTMENT OF
4 DRUG AND ALCOHOL PROGRAMS OR SUCCESSOR AGENCY TO BE USED FOR
5 DRUG AND ALCOHOL ADDICTION TREATMENT SERVICES, INCLUDING
6 TREATMENT FOR DRUG AND ALCOHOL ADDICTION RELATED TO
7 COMPULSIVE AND PROBLEM GAMBLING, AS SET FORTH UNDER SECTION
8 1509.1 (RELATING TO DRUG AND ALCOHOL TREATMENT).

9 SUBCHAPTER E

10 MISCELLANEOUS PROVISIONS

11 SEC.

12 13C71. CRIMINAL ACTIVITY.

13 § 13C71. CRIMINAL ACTIVITY.

14 SPORTS WAGERING CONDUCTED BY A SPORTS WAGERING CERTIFICATE
15 HOLDER IN ACCORDANCE WITH THIS CHAPTER SHALL NOT CONSTITUTE A
16 CRIMINAL ACTIVITY UNDER 18 PA.C.S. § 5514 (RELATING TO POOL
17 SELLING AND BOOKMAKING).

18 CHAPTER 13D

19 (RESERVED)

20 CHAPTER 13E

21 (RESERVED)

22 CHAPTER 13F

23 CASINO SIMULCASTING

24 SUBCHAPTER

25 A. GENERAL PROVISIONS

26 B. CASINO SIMULCASTING AUTHORIZED

27 C. APPLICATION AND ISSUANCE OF PERMIT AND ESTABLISHMENT OF
28 SIMULCASTING FACILITY

29 D. CONDUCT OF CASINO SIMULCASTING

30 E. FEES AND TAXES

1 SUBCHAPTER A

2 GENERAL PROVISIONS

3 SEC.

4 13F01. LEGISLATIVE INTENT AND PURPOSE.

5 13F02. DEFINITIONS.

6 § 13F01. LEGISLATIVE INTENT AND PURPOSE.

7 THE GENERAL ASSEMBLY FINDS AS FOLLOWS:

8 (1) THE PEOPLE OF THIS COMMONWEALTH HAVE A VITAL
9 ECONOMIC INTEREST IN THE CONTINUED SUCCESS OF THIS
10 COMMONWEALTH'S GAMING INDUSTRY, INCLUDING THE RACE HORSE
11 INDUSTRY. DUE TO THIS ECONOMIC INTEREST, ENHANCEMENTS TO
12 CURRENT GAMING ACTIVITIES MUST BE AUTHORIZED TO ENSURE THE
13 ONGOING COMPETITIVENESS, VIABILITY AND STABILITY OF THE
14 GAMING INDUSTRY IN THIS COMMONWEALTH.

15 (2) A PRIMARY INTENT OF THE RACE HORSE DEVELOPMENT AND
16 GAMING ACT, AS CODIFIED IN THIS PART, IS TO ENHANCE LIVE
17 HORSE RACING. HOWEVER, THE LEGALIZATION OF COMMERCIAL GAMING
18 IN STATES ON THE GEOGRAPHIC BORDERS OF THIS COMMONWEALTH
19 MAKES IT IMPERATIVE TO AUTHORIZE NEW AND INNOVATIVE GAMING
20 ACTIVITIES RELATED TO HORSE RACING AND COMMERCIAL CASINO-
21 STYLE GAMING, WHICH COULD BE IMPLEMENTED BY LICENSED GAMING
22 ENTITIES, AND WHICH COULD HELP ENSURE THE VIABILITY OF BOTH
23 HORSE RACING AND COMMERCIAL GAMING.

24 (3) THE INTENT OF THIS CHAPTER IS TO GIVE LICENSED
25 GAMING ENTITIES THE AUTHORITY TO CONDUCT CASINO SIMULCASTING
26 AT CATEGORY 2, CATEGORY 3 AND CATEGORY 4 LICENSED FACILITIES
27 IN ORDER TO EXPAND HORSE RACING OPPORTUNITIES THROUGH
28 SIMULCASTING AND, THEREBY, ENHANCING THE VIABILITY OF THIS
29 COMMONWEALTH'S RACE HORSE AND COMMERCIAL GAMING INDUSTRY.

30 § 13F02. DEFINITIONS.

1 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
2 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
3 CONTEXT CLEARLY INDICATES OTHERWISE:

4 "CASINO SIMULCASTING." THE SIMULTANEOUS TRANSMISSION OF LIVE
5 THOROUGHBRED OR HARNESS HORSE RACE MEETINGS FROM AN IN-STATE
6 SENDING TRACK, OUT-OF-STATE SENDING TRACK OR A SATELLITE
7 FACILITY, REGARDLESS OF LICENSURE STATUS OR WHETHER THE HORSE
8 RACE MEETINGS ORIGINATE WITHIN THIS COMMONWEALTH OR ANY OTHER
9 STATE OR JURISDICTION, TO A SIMULCASTING FACILITY IN THIS
10 COMMONWEALTH BY SATELLITE DEVICES, TELEVISION CABLES, TELEPHONE
11 LINES OR ANY OTHER TELECOMMUNICATIONS TECHNOLOGY FOR THE
12 PURPOSES OF CONDUCTING PARI-MUTUEL WAGERING.

13 "CASINO SIMULCASTING PERMIT" OR "SIMULCASTING PERMIT." A
14 PERMIT AWARDED BY THE BOARD UNDER SECTION 13F12 (RELATING TO
15 CASINO SIMULCASTING PERMIT) WHICH AUTHORIZES A LICENSED GAMING
16 ENTITY TO CONDUCT CASINO SIMULCASTING.

17 "CASINO SIMULCASTING PERMIT HOLDER." A LICENSED GAMING
18 ENTITY THAT HOLDS A CASINO SIMULCASTING PERMIT ISSUED BY THE
19 BOARD IN ACCORDANCE WITH SECTION 13F12.

20 "IN-STATE SENDING TRACK." A RACETRACK WITHIN THIS
21 COMMONWEALTH WHICH IS OPERATED BY A LICENSED RACING ENTITY AND
22 IS PERMITTED TO CONDUCT CASINO SIMULCASTING.

23 "LICENSED GAMING ENTITY." A PERSON WHO HAS BEEN APPROVED FOR
24 AND ISSUED A CATEGORY 2 SLOT MACHINE LICENSE, A CATEGORY 3 SLOT
25 MACHINE LICENSE OR A CATEGORY 4 SLOT MACHINE LICENSE IN
26 ACCORDANCE WITH SECTIONS 1304 (RELATING TO CATEGORY 2 SLOT
27 MACHINE LICENSE), 1305 (RELATING TO CATEGORY 3 SLOT MACHINE
28 LICENSE), 1305.1 (RELATING TO CATEGORY 4 SLOT MACHINE LICENSE)
29 AND 1325 (RELATING TO LICENSE OR PERMIT ISSUANCE) AND WHO HOLDS
30 A CASINO SIMULCASTING PERMIT.

1 "OUT-OF-STATE SENDING TRACK." AN INTERSTATE OR INTERNATIONAL
2 RACETRACK IN A STATE OR JURISDICTION OTHER THAN THIS
3 COMMONWEALTH WHICH IS EQUIPPED TO CONDUCT CASINO SIMULCASTING
4 AND THE OPERATOR OF WHICH IS LAWFULLY PERMITTED TO CONDUCT HORSE
5 RACE MEETINGS AND TO PROVIDE SIMULCAST HORSE RACES TO SLOT
6 MACHINE LICENSEES IN THIS COMMONWEALTH.

7 "SIMULCAST HORSE RACE." A THOROUGHBRED OR HARNESS HORSE RACE
8 MEETING CONDUCTED AT A RACETRACK, WHETHER WITHIN OR OUTSIDE THIS
9 COMMONWEALTH, WHICH IS SIMULTANEOUSLY TRANSMITTED BY AN APPROVED
10 TELECOMMUNICATIONS TECHNOLOGY TO RACETRACKS OR SIMULCASTING
11 FACILITIES IN THIS COMMONWEALTH IN ACCORDANCE WITH REGULATIONS
12 OF THE COMMISSION.

13 "SIMULCASTING FACILITY." AN AREA OF A LICENSED FACILITY
14 ESTABLISHED AND MAINTAINED BY A LICENSED GAMING ENTITY FOR THE
15 CONDUCT OF CASINO SIMULCASTING IN ACCORDANCE WITH THIS CHAPTER,
16 3 PA.C.S. CH. 93 (RELATING TO RACE HORSE INDUSTRY REFORM) AND
17 REGULATIONS OF THE BOARD AND THE COMMISSION.

18 SUBCHAPTER B

19 CASINO SIMULCASTING AUTHORIZED

20 SEC.

21 13F05. AUTHORIZATION TO CONDUCT SIMULCASTING.

22 13F06. REGULATIONS.

23 13F07. TEMPORARY REGULATIONS.

24 13F08. SIMULCAST AGREEMENTS.

25 § 13F05. AUTHORIZATION TO CONDUCT SIMULCASTING.

26 (A) AUTHORITY TO CONDUCT.--NOTWITHSTANDING ANY OTHER
27 PROVISION OF LAW OR REGULATION, IT SHALL BE LAWFUL FOR A
28 LICENSED GAMING ENTITY TO CONDUCT CASINO SIMULCASTING BY
29 AGREEMENT OR AGREEMENTS WITH A LICENSED RACING ENTITY FOR THE
30 CONDUCT OF CASINO SIMULCASTING IN ACCORDANCE WITH THE PROVISIONS

1 OF THIS CHAPTER, 3 PA.C.S. CH. 93 (RELATING TO RACE HORSE
2 INDUSTRY REFORM) AND THE APPLICABLE REGULATIONS OF THE BOARD AND
3 THE COMMISSION PROMULGATED UNDER THIS CHAPTER.

4 (B) ADMINISTRATION AND ENFORCEMENT.--THE BOARD SHALL
5 ADMINISTER AND ENFORCE THE PROVISIONS OF THIS CHAPTER AS THEY
6 RELATE TO THE CONDUCT OF CASINO SIMULCASTING BY A SLOT MACHINE
7 LICENSEE AND, EXCEPT AS PROVIDED IN THIS CHAPTER, SHALL ADOPT
8 AND PROMULGATE REGULATIONS TO CARRY OUT AND ENFORCE THE
9 PROVISIONS OF THIS CHAPTER.

10 § 13F06. REGULATIONS.

11 (A) ADOPTION OF REGULATIONS.--THE BOARD, IN CONSULTATION
12 WITH THE COMMISSION, SHALL ADOPT AND PROMULGATE REGULATIONS TO
13 GOVERN THE CONDUCT OF CASINO SIMULCASTING BY LICENSED GAMING
14 ENTITIES IN THIS COMMONWEALTH. SUCH REGULATIONS SHALL ESTABLISH
15 THE FOLLOWING:

16 (1) THE METHOD AND FORM OF THE APPLICATION WHICH A
17 LICENSED GAMING ENTITY MUST FOLLOW AND COMPLETE BEFORE
18 CONSIDERATION OF THE LICENSED GAMING ENTITY'S APPLICATION TO
19 CONDUCT CASINO SIMULCASTING.

20 (2) THE PERMISSIBLE COMMUNICATIONS TECHNOLOGY WHICH MUST
21 BE USED TO FACILITATE THE CONDUCT OF CASINO SIMULCASTING IN
22 ACCORDANCE WITH REGULATIONS OF THE BOARD, THE COMMISSION AND
23 APPLICABLE FEDERAL LAW AND REGULATIONS.

24 (3) THE TIMES DURING WHICH A LICENSED GAMING ENTITY MAY
25 CONDUCT CASINO SIMULCASTING SHALL BE THE SAME AS THE TIMES
26 AUTHORIZED FOR THE CONDUCT OF CASINO SIMULCASTING BY CATEGORY
27 1 SLOT MACHINE LICENSEES.

28 (4) THE APPROVAL OF THE TERMS AND CONDITIONS OF ANY
29 AGREEMENT BETWEEN A LICENSED GAMING ENTITY AND A LICENSED
30 RACING ENTITY RELATED TO THE MANAGEMENT OR OPERATION OF

1 CASINO SIMULCASTING AND THE PARI-MUTUEL SYSTEM OF WAGERING,
2 INCLUDING THE PERCENTAGE OF THE MONEY RETAINED BY A LICENSED
3 RACING ENTITY FOR PARI-MUTUEL POOLS WHICH MAY BE DISTRIBUTED
4 TO THE LICENSED GAMING ENTITY.

5 (5) THE REQUIRED CONTENTS OF AGREEMENTS ENTERED INTO
6 BETWEEN A LICENSED GAMING ENTITY AND A LICENSED RACING ENTITY
7 FOR THE MANAGEMENT OR OPERATION OF CASINO SIMULCASTING AND
8 THE PARI-MUTUEL SYSTEM OF WAGERING.

9 (6) A REQUIREMENT THAT WAGERING ON SIMULCAST HORSE RACE
10 MEETINGS SHALL ONLY BE CONDUCTED WITHIN A SIMULCASTING
11 FACILITY WHICH HAS BEEN APPROVED BY THE BOARD, IN
12 CONSULTATION WITH THE COMMISSION.

13 (7) THE STANDARDS AND RULES TO GOVERN THE CONDUCT OF
14 CASINO SIMULCASTING AND THE SYSTEM OF PARI-MUTUEL WAGERING
15 ASSOCIATED WITH RACE HORSE SIMULCASTING.

16 (8) THE REPORTING PROCEDURES AND RECORDS WHICH WILL BE
17 REQUIRED FROM A LICENSED GAMING ENTITY TO ENSURE THAT ALL
18 MONEY GENERATED FROM CASINO SIMULCASTING IS ACCOUNTED FOR AND
19 WINNERS' NAMES, WHEN REQUIRED UNDER APPLICABLE FEDERAL OR
20 STATE LAW, ARE FILED WITH THE APPROPRIATE TAXING AUTHORITIES.

21 (9) NOTWITHSTANDING 3 PA.C.S. § 9340 (RELATING TO
22 PROHIBITION OF WAGERING) OR ANY OTHER PROVISION OF LAW OR
23 REGULATION, THE POLICIES AND PROCEDURES WHICH WILL BE
24 ADOPTED, IMPLEMENTED AND FOLLOWED TO ENSURE THAT INDIVIDUALS
25 UNDER 21 YEARS OF AGE WILL BE PROHIBITED FROM PARTICIPATING
26 IN CASINO SIMULCASTING OR ENTERING A SIMULCASTING FACILITY.

27 (10) ANY OTHER REQUIREMENTS, CONDITIONS OR CONTROLS
28 WHICH THE BOARD, IN CONSULTATION WITH THE COMMISSION, DEEMS
29 NECESSARY AND APPROPRIATE TO ADMINISTER AND ENFORCE THE
30 PROVISIONS OF THIS CHAPTER AND TO FACILITATE THE

1 IMPLEMENTATION OF THIS CHAPTER.

2 (B) UNIFORM REGULATION.--IN ADOPTING REGULATIONS UNDER THIS
3 CHAPTER, THE COMMISSION SHALL COOPERATE AND WORK WITH THE BOARD
4 TO DEVELOP UNIFORM REGULATIONS TO GOVERN THE OPERATION OF CASINO
5 SIMULCASTING IN THIS COMMONWEALTH. EXCEPT AS HEREIN PROVIDED,
6 THE PROVISIONS OF THIS CHAPTER AND ANY REGULATIONS PROMULGATED
7 UNDER THIS CHAPTER SHALL BE CONSIDERED AS ESTABLISHING UNIFORM
8 REQUIREMENTS AND REGULATIONS FOR CASINO SIMULCASTING AT LICENSED
9 FACILITIES IN THIS COMMONWEALTH.

10 (C) ADOPTION OF EXISTING REGULATIONS.--NOTWITHSTANDING
11 SUBSECTION (B) OR ANY OTHER LAW OR REGULATION TO THE CONTRARY,
12 THE PROVISIONS OF 3 PA.C.S. § 9335 (RELATING TO PARI-MUTUEL POOL
13 DISTRIBUTION) AND ALL REGULATIONS AND SUPPLEMENTS THERETO OR
14 REVISIONS THEREOF ADOPTED BY THE COMMISSION UNDER 3 PA.C.S. §
15 9335, WHICH RELATE TO THE RETENTION OF MONEY IN PARI-MUTUEL
16 POOLS AND THE PARI-MUTUEL SYSTEM OF WAGERING ON, BEFORE OR AFTER
17 THE EFFECTIVE DATE OF THIS CHAPTER ARE ADOPTED AS REGULATIONS
18 UNDER THIS CHAPTER AND SHALL REMAIN IN EFFECT UNLESS
19 SUBSEQUENTLY MODIFIED OR SUPERSEDED BY REGULATIONS PROMULGATED
20 BY THE COMMISSION.

21 § 13F07. TEMPORARY REGULATIONS.

22 (A) PROMULGATION.--IN ORDER TO FACILITATE THE PROMPT
23 IMPLEMENTATION OF THIS CHAPTER, REGULATIONS PROMULGATED BY THE
24 BOARD AND COMMISSION SHALL BE DEEMED TEMPORARY REGULATIONS WHICH
25 SHALL EXPIRE NOT LATER THAN TWO YEARS FOLLOWING THE PUBLICATION
26 OF THE TEMPORARY REGULATION. THE BOARD MAY PROMULGATE TEMPORARY
27 REGULATIONS NOT SUBJECT TO:

28 (1) SECTIONS 201, 202, 203, 204 AND 205 OF THE ACT OF
29 JULY 31, 1968 (P.L.769, NO.240), REFERRED TO AS THE
30 COMMONWEALTH DOCUMENTS LAW.

1 (2) SECTION 204(B) OF THE ACT OF OCTOBER 15, 1980
2 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT.

3 (3) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS
4 THE REGULATORY REVIEW ACT.

5 (B) EXPIRATION.--THE AUTHORITY TO ADOPT TEMPORARY
6 REGULATIONS UNDER SUBSECTION (A) SHALL EXPIRE TWO YEARS AFTER
7 THE PUBLICATION OF THE TEMPORARY REGULATIONS. REGULATIONS
8 ADOPTED BY THE BOARD AND COMMISSION AFTER THE TWO-YEAR PERIOD
9 SHALL BE PROMULGATED AS PROVIDED BY LAW.

10 (C) PUBLICATION OF TEMPORARY REGULATIONS.--THE BOARD AND THE
11 COMMISSION SHALL BEGIN PUBLISHING TEMPORARY REGULATIONS
12 GOVERNING CASINO SIMULCASTING IN THE PENNSYLVANIA BULLETIN
13 WITHIN 60 DAYS OF THE EFFECTIVE DATE OF THIS SUBSECTION.

14 § 13F08. SIMULCAST AGREEMENTS.

15 (A) MANNER OF AGREEMENT.--ANY AGREEMENT ENTERED INTO BETWEEN
16 A LICENSED GAMING ENTITY AND A LICENSED RACING ENTITY TO
17 FACILITATE CASINO SIMULCASTING SHALL BE IN WRITING AND SHALL BE
18 FILED WITH AND APPROVED BY THE BOARD AND THE COMMISSION IN
19 ACCORDANCE WITH REGULATIONS PROMULGATED BY THE BOARD IN
20 CONSULTATION WITH THE COMMISSION.

21 (B) WAGER PROVISIONS.--NOTWITHSTANDING 3 PA.C.S. § 9334
22 (RELATING TO STATE RACING FUND AND TAX RATE) OR 9335 (RELATING
23 TO PARI-MUTUEL POOL DISTRIBUTION), THE FOLLOWING SHALL APPLY:

24 (1) IF A LICENSED GAMING ENTITY OFFERS CASINO
25 SIMULCASTING AT ITS LICENSED FACILITY THROUGH AN AGREEMENT
26 WITH A LICENSED RACING ENTITY, THE AGREEMENT SHALL SPECIFY
27 THE PERCENTAGE OF THE MONEY WAGERED EACH RACING DAY AT THE
28 SIMULCASTING FACILITY AND REMAINING IN THE WAGERING POOLS
29 AFTER THE REQUIRED DISTRIBUTIONS UNDER 3 PA.C.S. § 9335, THAT
30 WILL BE PAID TO THE LICENSED GAMING ENTITY. THE AMOUNT

1 RETAINED BY A LICENSED GAMING ENTITY SHALL NOT EXCEED 25% OF
2 THE MONEY RETAINED BY THE LICENSED RACING ENTITY UNDER 3
3 PA.C.S. § 9335.

4 (2) (RESERVED).

5 (C) REGULATIONS.--THE BOARD, IN CONSULTATION WITH THE
6 COMMISSION, SHALL ESTABLISH REGULATIONS TO ADMINISTER THE
7 RETENTION REQUIREMENTS UNDER THIS SECTION.

8 SUBCHAPTER C

9 APPLICATION AND ISSUANCE OF PERMIT AND
10 ESTABLISHMENT OF SIMULCASTING FACILITY

11 SEC.

12 13F11. APPLICATION FOR PERMIT AND REQUIREMENTS.

13 13F12. CASINO SIMULCASTING PERMIT.

14 13F13. CASINO SIMULCASTING FACILITIES.

15 13F14. LICENSE, REGISTRATION OR PERMITTING OF EMPLOYEES
16 REQUIRED.

17 13F15. KEY EMPLOYEES AND OCCUPATION PERMITS.

18 § 13F11. APPLICATION FOR PERMIT AND REQUIREMENTS.

19 (A) APPLICATIONS.--A LICENSED GAMING ENTITY SHALL FILE AN
20 APPLICATION FOR A CASINO SIMULCASTING PERMIT WITH THE BOARD. THE
21 APPLICATION SHALL INCLUDE THE FOLLOWING:

22 (1) THE NAME, BUSINESS ADDRESS AND CONTACT INFORMATION
23 OF THE APPLICANT.

24 (2) THE NAME AND LOCATION OF THE APPLICANT'S LICENSED
25 FACILITY.

26 (3) THE NAME AND BUSINESS ADDRESS, JOB TITLE AND A
27 PHOTOGRAPH OF EACH PRINCIPAL AND KEY EMPLOYEE OF THE
28 APPLICANT WHO WILL BE INVOLVED IN THE CONDUCT OF CASINO
29 SIMULCASTING AND WHO IS NOT CURRENTLY LICENSED BY THE BOARD
30 OR THE COMMISSION, IF KNOWN.

1 (4) THE ESTIMATED NUMBER OF FULL-TIME AND PART-TIME
2 EMPLOYMENT POSITIONS THAT WILL BE CREATED AT THE LICENSED
3 FACILITY IF CASINO SIMULCASTING IS AUTHORIZED AND AN UPDATED
4 HIRING PLAN UNDER SECTION 1510(A) (RELATING TO LABOR HIRING
5 PREFERENCES) WHICH OUTLINES THE APPLICANT'S PLAN TO PROMOTE
6 THE REPRESENTATION OF DIVERSE GROUPS AND COMMONWEALTH
7 RESIDENTS IN THE EMPLOYMENT POSITIONS.

8 (5) A BRIEF DESCRIPTION OF THE ECONOMIC BENEFITS
9 EXPECTED TO BE REALIZED BY THE COMMONWEALTH, THE DEPARTMENT
10 OF AGRICULTURE AND THE RACE HORSE INDUSTRY IN THIS
11 COMMONWEALTH IF CASINO SIMULCASTING IS AUTHORIZED AT THE
12 APPLICANT'S LICENSED FACILITY.

13 (6) THE DETAILS OF ANY FINANCING, IF APPLICABLE,
14 OBTAINED OR THAT WILL BE OBTAINED TO FUND AN EXPANSION OR
15 MODIFICATION OF THE LICENSED FACILITY TO ACCOMMODATE CASINO
16 SIMULCASTING OR CONSTRUCT A SIMULCASTING FACILITY OR TO
17 OTHERWISE FUND THE COST OF COMMENCING CASINO SIMULCASTING
18 OPERATIONS.

19 (7) INFORMATION AND DOCUMENTATION CONCERNING FINANCIAL
20 BACKGROUND AND RESOURCES, AS THE BOARD MAY REQUIRE, TO
21 ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE FINANCIAL
22 STABILITY, INTEGRITY AND RESPONSIBILITY OF THE APPLICANT.

23 (8) A COPY OF OR A DETAILED DESCRIPTION OF THE TERMS AND
24 CONDITIONS OF ANY AGREEMENT OR AGREEMENTS THE LICENSED GAMING
25 ENTITY HAS ENTERED INTO OR WILL ENTER INTO WITH A LICENSED
26 RACING ENTITY TO FACILITATE THE CONDUCT OF CASINO
27 SIMULCASTING.

28 (9) A DETAILED DESCRIPTION OF ANY FINANCIAL ARRANGEMENTS
29 BETWEEN A LICENSED GAMING ENTITY AND A LICENSED RACING ENTITY
30 RELATED TO THE CONDUCT OF CASINO SIMULCASTING.

1 (10) DETAILED SITE AND ARCHITECTURAL PLANS OF THE
2 PROPOSED SIMULCASTING FACILITY WITHIN THE APPLICANT'S
3 LICENSED FACILITY.

4 (11) ANY OTHER INFORMATION AS THE BOARD MAY REQUIRE.

5 (B) REVIEW AND APPROVAL OF APPLICATION.--THE BOARD SHALL
6 REVIEW AND APPROVE AN APPLICATION FOR A SIMULCASTING PERMIT IF
7 THE APPLICANT ESTABLISHES, BY CLEAR AND CONVINCING EVIDENCE, ALL
8 OF THE FOLLOWING:

9 (1) THE APPLICANT'S SLOT MACHINE LICENSE AND TABLE GAME
10 OPERATION CERTIFICATE ARE IN GOOD STANDING WITH THE BOARD.

11 (2) THE CONDUCT OF CASINO SIMULCASTING AT THE
12 APPLICANT'S LICENSED FACILITY WILL HAVE A POSITIVE ECONOMIC
13 IMPACT ON THE COMMONWEALTH AND THE RACE HORSE INDUSTRY IN
14 THIS COMMONWEALTH THROUGH INCREASED REVENUES, INCREASED
15 PURSES AND EMPLOYMENT OPPORTUNITIES.

16 (3) THE APPLICANT POSSESSES ADEQUATE FUNDS OR HAS
17 SECURED ADEQUATE FINANCING TO:

18 (I) FUND ANY NECESSARY EXPANSION OR MODIFICATION OF
19 THE APPLICANT'S LICENSED FACILITY OR TO CONSTRUCT A
20 SIMULCASTING FACILITY TO ACCOMMODATE THE CONDUCT OF
21 CASINO SIMULCASTING.

22 (II) PAY THE COSTS OF ESTABLISHING, MAINTAINING AND
23 OPERATING THE SIMULCASTING FACILITY.

24 (III) COMMENCE CASINO SIMULCASTING OPERATIONS.

25 (4) THE APPLICANT HAS ENTERED INTO OR WILL ENTER INTO AN
26 AGREEMENT WITH A LICENSED RACING ENTITY TO MANAGE OR OPERATE
27 CASINO SIMULCASTING OPERATIONS, AND THE AGREEMENT HAS BEEN
28 APPROVED BY THE COMMISSION.

29 (5) THE APPLICANT HAS THE EXPERTISE TO MANAGE CASINO
30 SIMULCASTING.

1 (6) THE APPLICANT HAS THE FINANCIAL STABILITY, INTEGRITY
2 AND RESPONSIBILITY TO CONDUCT CASINO SIMULCASTING.

3 (7) THE APPLICANT HAS SUFFICIENT BUSINESS ABILITY AND
4 EXPERIENCE TO CREATE AND MAINTAIN A SUCCESSFUL CASINO
5 SIMULCASTING OPERATION.

6 (8) THE APPLICANT'S PROPOSED INTERNAL AND EXTERNAL
7 SECURITY CONTROLS AND PROPOSED SURVEILLANCE MEASURES WITHIN
8 THE AREA OF THE LICENSED FACILITY WHERE THE APPLICANT SEEKS
9 TO CONDUCT CASINO SIMULCASTING ARE ADEQUATE.

10 (C) CONFIDENTIALITY.--INFORMATION SUBMITTED TO THE BOARD
11 UNDER SUBSECTION (A) (6), (7) AND (8) MAY BE CONSIDERED
12 CONFIDENTIAL BY THE BOARD IF THE INFORMATION WOULD BE
13 CONFIDENTIAL UNDER SECTION 1206(F) (RELATING TO BOARD MINUTES
14 AND RECORDS).

15 § 13F12. CASINO SIMULCASTING PERMIT.

16 (A) ISSUANCE OF PERMIT.--UPON REVIEW AND APPROVAL OF AN
17 APPLICATION SUBMITTED TO THE BOARD IN ACCORDANCE WITH SECTION
18 13F11 (RELATING TO APPLICATION FOR PERMIT AND REQUIREMENTS), THE
19 BOARD SHALL ISSUE A CASINO SIMULCASTING PERMIT TO THE APPLICANT.

20 (B) CONTENT OF PERMIT.--

21 (1) A CASINO SIMULCASTING PERMIT SHALL INCLUDE A LIST OF
22 THE HORSE RACE MEETINGS WHICH ARE PROPOSED TO BE SIMULCAST BY
23 THE CASINO SIMULCASTING PERMIT HOLDER AT ITS SIMULCASTING
24 FACILITY, INCLUDING THE NAMES AND LOCATIONS OF THE IN-STATE
25 SENDING TRACKS AND OUT-OF-STATE SENDING TRACKS, AND THE START
26 DATE AND EXPIRATION DATE OF ANY AGREEMENT OR AGREEMENTS THE
27 CASINO SIMULCASTING PERMIT HOLDER HAS ENTERED INTO OR WILL
28 ENTER INTO WITH A LICENSED RACING ENTITY FOR THE OPERATION OF
29 CASINO SIMULCASTING.

30 (2) A CASINO SIMULCASTING PERMIT HOLDER SHALL BE

1 REQUIRED TO UPDATE THE INITIAL CASINO SIMULCASTING
2 APPLICATION AT TIMES PRESCRIBED BY THE BOARD, IN CONSULTATION
3 WITH THE COMMISSION.

4 § 13F13. CASINO SIMULCASTING FACILITIES.

5 (A) ESTABLISHMENT OF SIMULCASTING FACILITY.--A LICENSED
6 GAMING ENTITY APPROVED FOR AND ISSUED A PERMIT TO OPERATE CASINO
7 SIMULCASTING UNDER THIS CHAPTER SHALL ESTABLISH A SIMULCASTING
8 FACILITY AS PART OF ITS LICENSED FACILITY. THE SIMULCASTING
9 FACILITY MAY BE ADJACENT TO, BUT SHALL NOT BE PART OF, ANY ROOM
10 OR LOCATION IN WHICH SLOT MACHINES OR TABLE GAMES ARE OPERATED
11 OR CONDUCTED IN ACCORDANCE WITH THE PROVISIONS OF THIS PART. THE
12 FOLLOWING SHALL APPLY:

13 (1) THE SIMULCASTING FACILITY SHALL CONFORM TO ALL
14 REQUIREMENTS CONCERNING SQUARE FOOTAGE, EQUIPMENT, SECURITY
15 MEASURES AND RELATED MATTERS WHICH THE BOARD, IN CONSULTATION
16 WITH THE COMMISSION, SHALL BY REGULATION PRESCRIBE.

17 (2) THE SPACE OR AREA REQUIRED FOR THE ESTABLISHMENT OF
18 A SIMULCASTING FACILITY SHALL NOT BE USED TO DECREASE THE
19 NUMBER OF SLOT MACHINES OR TABLE GAMES IN OPERATION AT THE
20 LICENSED FACILITY OR TO REDUCE THE SPACE APPROVED BY THE
21 BOARD FOR THE OPERATION OF SLOT MACHINES AND THE CONDUCT OF
22 TABLE GAMES.

23 (3) THE COST OF ESTABLISHING, MAINTAINING AND OPERATING
24 A SIMULCASTING FACILITY SHALL BE THE SOLE RESPONSIBILITY OF
25 THE LICENSED GAMING ENTITY.

26 (B) VIDEO DISPLAY MONITORS.--NOTWITHSTANDING 3 PA.C.S. CH.
27 93 (RELATING TO RACE HORSE INDUSTRY REFORM) OR REGULATIONS
28 PROMULGATED PURSUANT TO 3 PA.C.S. CH. 93, THE REGULATIONS
29 PROMULGATED BY THE BOARD SHALL PROVIDE FOR THE INSTALLATION OF
30 VIDEO DISPLAY TECHNOLOGY IN APPROVED AREAS OF LICENSED

1 FACILITIES TO DELIVER SIMULCAST HORSE RACE MEETINGS TO PATRONS
2 VIA VIDEO WALLS AND OTHER SUCH INNOVATIVE VIDEO DISPLAY
3 TECHNOLOGY. THE BOARD MAY COLLABORATE WITH THE COMMISSION IN
4 DEVELOPING REGULATIONS TO GOVERN THE INSTALLATION AND OPERATION
5 OF VIDEO DISPLAY MONITORS IN ACCORDANCE WITH THIS SUBSECTION.
6 § 13F14. LICENSE, REGISTRATION OR PERMITTING OF EMPLOYEES
7 REQUIRED.

8 EXCEPT AS PROVIDED IN THIS PART, ALL PERSONS ENGAGED DIRECTLY
9 IN WAGERING-RELATED ACTIVITIES AT A SIMULCASTING FACILITY,
10 WHETHER EMPLOYED BY THE LICENSED GAMING ENTITY OR LICENSED
11 RACING ENTITY AND ALL OTHER EMPLOYEES OF THE LICENSED GAMING
12 ENTITY OR LICENSED RACING ENTITY WHO WORK OR WILL WORK IN THE
13 SIMULCASTING FACILITY, SHALL BE LICENSED, REGISTERED OR
14 PERMITTED IN ACCORDANCE WITH REGULATIONS PROMULGATED BY THE
15 BOARD IN COLLABORATION WITH THE COMMISSION.

16 § 13F15. KEY EMPLOYEES AND OCCUPATION PERMITS.

17 NOTHING IN THIS SUBCHAPTER SHALL BE CONSTRUED TO REQUIRE ANY
18 INDIVIDUAL WHO HOLDS A PRINCIPAL LICENSE, A KEY EMPLOYEE LICENSE
19 OR GAMING EMPLOYEE LICENSE UNDER CHAPTERS 13 (RELATING TO
20 LICENSEES) AND 13A (RELATING TO TABLE GAMES) OR WHO HOLDS A
21 LICENSE UNDER 3 PA.C.S. CH. 93 (RELATING TO RACE HORSE INDUSTRY
22 REFORM) TO OBTAIN A SEPARATE LICENSE, PERMIT OR REGISTRATION TO
23 BE EMPLOYED IN A CASINO SIMULCASTING PERMIT HOLDER'S CASINO
24 SIMULCASTING OPERATION AUTHORIZED UNDER THIS CHAPTER, IF THE
25 BOARD, IN CONSULTATION WITH THE COMMISSION, DETERMINES THAT
26 LICENSURE UNDER THE PROVISIONS OF THIS PART OR 3 PA.C.S. CH. 93
27 IS SUFFICIENT AND WILL NOT COMPROMISE THE INTEGRITY OF CASINO
28 SIMULCASTING.

29 SUBCHAPTER D

30 CONDUCT OF CASINO SIMULCASTING

1 SEC.

2 13F31. CONDUCT OF CASINO SIMULCASTING.

3 13F32. TRANSMISSION OF LIVE RACES.

4 13F33. ACCOUNTING CONTROLS AND AUDIT PROTOCOLS.

5 13F34. CONDITION OF CONTINUED OPERATION.

6 § 13F31. CONDUCT OF CASINO SIMULCASTING.

7 (A) WAGERING.--WAGERING ON SIMULCAST HORSE RACES SHALL BE
8 CONDUCTED ONLY IN THE SIMULCASTING FACILITY.

9 (B) REQUIRED SECURITY.--

10 (1) THE SECURITY MEASURES FOR A SIMULCASTING FACILITY
11 SHALL INCLUDE, BUT MAY NOT BE LIMITED TO, THE INSTALLATION BY
12 THE LICENSED GAMING ENTITY OF A CLOSED-CIRCUIT TELEVISION
13 SYSTEM ACCORDING TO SPECIFICATIONS PROMULGATED BY THE BOARD,
14 IN CONSULTATION WITH THE COMMISSION.

15 (2) THE BOARD AND THE COMMISSION SHALL HAVE ACCESS TO
16 THE SIMULCAST SYSTEM OR ITS SIGNAL IN ACCORDANCE WITH
17 REGULATIONS PROMULGATED BY THE BOARD, IN CONSULTATION WITH
18 THE COMMISSION.

19 § 13F32. TRANSMISSION OF LIVE RACES.

20 THE FOLLOWING SHALL APPLY:

21 (1) A LICENSED RACING ENTITY WHICH OPERATES INTERSTATE
22 OR INTERNATIONAL SIMULCASTING OF HORSE RACE MEETINGS IN THIS
23 COMMONWEALTH SHALL HAVE DISCRETION TO TRANSMIT ALL OR SOME OF
24 THE LIVE RACES CONDUCTED AT THE RACETRACK TO THE LICENSED
25 FACILITY OF A LICENSED GAMING ENTITY WHICH HAS ESTABLISHED A
26 SIMULCASTING FACILITY UNDER THIS CHAPTER. ANY RACE WHICH IS
27 TRANSMITTED FROM AN IN-STATE SENDING TRACK MAY BE TRANSMITTED
28 TO ALL LICENSED GAMING ENTITIES WHICH HAVE ESTABLISHED
29 SIMULCASTING FACILITIES.

30 (2) A LICENSED GAMING ENTITY WHICH ESTABLISHES A

1 SIMULCASTING FACILITY AND CONDUCTS CASINO SIMULCASTING IN
2 ACCORDANCE WITH THIS CHAPTER SHALL, AS A CONDITION OF
3 CONTINUED OPERATION OF CASINO SIMULCASTING, RECEIVE ALL LIVE
4 RACES WHICH ARE TRANSMITTED BY IN-STATE SENDING TRACKS.

5 § 13F33. ACCOUNTING CONTROLS AND AUDIT PROTOCOLS.

6 (A) APPROVAL.--PRIOR TO THE COMMENCEMENT OF CASINO
7 SIMULCASTING, A CASINO SIMULCASTING PERMIT HOLDER SHALL SUBMIT
8 TO THE BOARD FOR APPROVAL ALL PROPOSED SITE AND ARCHITECTURAL
9 PLANS, INTERNAL CONTROL SYSTEMS AND AUDIT PROTOCOLS FOR THE
10 CASINO SIMULCASTING PERMIT HOLDER'S CASINO SIMULCASTING
11 OPERATIONS.

12 (B) MINIMUM REQUIREMENTS.--A CASINO SIMULCASTING PERMIT
13 HOLDER'S INTERNAL CONTROLS AND AUDIT PROTOCOLS SHALL:

14 (1) PROVIDE FOR RELIABLE RECORDS, ACCOUNTS AND REPORTS
15 OF ANY FINANCIAL EVENT THAT OCCURS IN THE CONDUCT OF CASINO
16 SIMULCASTING, INCLUDING REPORTS TO THE BOARD AND COMMISSION
17 RELATED TO CASINO SIMULCASTING, AS MAY BE REQUIRED BY
18 REGULATION OF THE BOARD, IN CONSULTATION WITH THE COMMISSION.

19 (2) PROVIDE FOR ACCURATE AND RELIABLE FINANCIAL RECORDS
20 RELATED TO THE CONDUCT OF CASINO SIMULCASTING AND THE PARI-
21 MUTUEL SYSTEM OF WAGERING.

22 (3) ESTABLISH PROCEDURES AND SECURITY FOR THE COUNTING,
23 RECORDING AND STORAGE OF MONEY GENERATED FROM THE CONDUCT OF
24 CASINO SIMULCASTING.

25 (4) ESTABLISH PROCEDURES AND SECURITY STANDARDS FOR THE
26 MAINTENANCE OF TELECOMMUNICATIONS EQUIPMENT AND VIDEO DISPLAY
27 TECHNOLOGY USED IN CONNECTION WITH THE CONDUCT OF CASINO
28 SIMULCASTING.

29 (5) ESTABLISH PROCEDURES AND RULES TO GOVERN THE CONDUCT
30 OF CASINO SIMULCASTING AND THE RESPONSIBILITY OF EMPLOYEES

1 RELATED TO CASINO SIMULCASTING.

2 (6) ESTABLISH PROCEDURES FOR THE COLLECTION, RECORDING
3 AND DEPOSIT OF REVENUE FROM THE CONDUCT OF CASINO
4 SIMULCASTING, INCLUDING THE ROLES OF THE COMMISSION, THE
5 DEPARTMENT, LICENSED RACING ENTITIES AND LICENSED GAMING
6 ENTITIES IN THE COLLECTION AND RECORDING OF THE REVENUE.

7 (7) ENSURE THAT THE SYSTEM OF PARI-MUTUEL WAGERING USED
8 IN THE CONDUCT OF CASINO SIMULCASTING IS IN ACCORDANCE WITH 3
9 PA.C.S. CH. 93 (RELATING TO RACE HORSE INDUSTRY REFORM) AND
10 REGULATIONS OF THE COMMISSION PROMULGATED UNDER 3 PA.C.S.
11 (RELATING TO AGRICULTURE).

12 (8) ENSURE, IN CONSULTATION WITH THE COMMISSION, THE
13 PROPER AND TIMELY ACCOUNTING FOR AND RETENTION OF PERCENTAGES
14 FOR PARI-MUTUEL POOLS AND THE PROPER AND TIMELY DISTRIBUTION
15 OF MONEY IN ANY PARI-MUTUEL POOL GENERATED FROM CASINO
16 SIMULCASTING.

17 (9) ENSURE THAT ALL FUNCTIONS, DUTIES AND
18 RESPONSIBILITIES RELATED TO CASINO SIMULCASTING ARE
19 APPROPRIATELY SEGREGATED AND PERFORMED IN ACCORDANCE WITH
20 SOUND FINANCIAL PRACTICES BY QUALIFIED EMPLOYEES.

21 (10) PERMIT USE OF ITS SIMULCASTING FACILITY BY THE
22 BOARD, THE BUREAU, THE COMMISSION AND OTHER PERSONS
23 AUTHORIZED UNDER THIS PART OR BY THE BOARD AND THE COMMISSION
24 TO FACILITATE THEIR ABILITY TO PERFORM REGULATORY AND
25 OVERSIGHT FUNCTIONS UNDER THIS CHAPTER.

26 (C) SUBMISSION TO BOARD.--THE SUBMISSION REQUIRED UNDER
27 SUBSECTION (A) SHALL INCLUDE A DETAILED DESCRIPTION OF THE
28 CASINO SIMULCASTING PERMIT HOLDER'S ADMINISTRATIVE AND
29 ACCOUNTING PROCEDURES RELATED TO CASINO SIMULCASTING, INCLUDING
30 ITS WRITTEN SYSTEM OF INTERNAL CONTROLS. EACH WRITTEN SYSTEM OF

1 INTERNAL CONTROLS SHALL INCLUDE:

2 (1) AN ORGANIZATIONAL CHART DEPICTING APPROPRIATE
3 FUNCTIONS AND RESPONSIBILITIES OF EMPLOYEES INVOLVED IN
4 CASINO SIMULCASTING.

5 (2) A DESCRIPTION OF THE DUTIES AND RESPONSIBILITIES OF
6 EACH POSITION SHOWN ON THE ORGANIZATIONAL CHART.

7 (3) THE RECORD RETENTION POLICY OF THE CASINO
8 SIMULCASTING PERMIT HOLDER.

9 (4) THE PROCEDURE TO BE UTILIZED TO ENSURE THAT MONEY
10 GENERATED FROM THE CONDUCT OF CASINO SIMULCASTING IS
11 SAFEGUARDED, INCLUDING MANDATORY COUNTING AND RECORDING
12 PROCEDURES.

13 (5) A STATEMENT SIGNED BY THE CASINO SIMULCASTING PERMIT
14 HOLDER'S CHIEF FINANCIAL OFFICER OR OTHER COMPETENT PERSON
15 ATTESTING THAT THE SIGNATORY BELIEVES, IN GOOD FAITH, THAT
16 THE SYSTEM SATISFIES THE REQUIREMENTS OF THIS SECTION.

17 (D) REVIEW.--PRIOR TO AUTHORIZING A CASINO SIMULCASTING
18 PERMIT HOLDER TO CONDUCT CASINO SIMULCASTING, THE BOARD, IN
19 CONSULTATION WITH THE COMMISSION, SHALL REVIEW THE SYSTEM OF
20 INTERNAL CONTROLS SUBMITTED UNDER SUBSECTION (C) TO DETERMINE
21 WHETHER IT CONFORMS TO THE REQUIREMENTS OF THIS SUBCHAPTER AND
22 WHETHER IT PROVIDES ADEQUATE AND EFFECTIVE CONTROLS FOR THE
23 CONDUCT OF CASINO SIMULCASTING.

24 (E) LICENSE, REGISTRATION OR PERMITTING OF EMPLOYEES
25 REQUIRED.--EXCEPT AS PROVIDED IN SECTION 13F15 (RELATING TO KEY
26 EMPLOYEES AND OCCUPATION PERMITS), PERSONS ENGAGED DIRECTLY IN
27 WAGERING-RELATED ACTIVITIES AT A SIMULCASTING FACILITY, WHETHER
28 EMPLOYED BY THE LICENSED GAMING ENTITY OR A LICENSED RACING
29 ENTITY AND ALL OTHER EMPLOYEES OF THE LICENSED GAMING ENTITY WHO
30 WORK OR WILL WORK IN THE SIMULCASTING FACILITY SHALL BE

1 LICENSED, REGISTERED OR PERMITTED IN ACCORDANCE WITH REGULATIONS
2 PROMULGATED BY THE BOARD IN COLLABORATION WITH THE COMMISSION.
3 § 13F34. CONDITION OF CONTINUED OPERATION.

4 AS A CONDITION OF CONTINUED OPERATION, A CASINO SIMULCASTING
5 PERMIT HOLDER SHALL AGREE TO MAINTAIN ALL BOOKS, RECORDS AND
6 DOCUMENTS PERTAINING TO CASINO SIMULCASTING IN A MANNER AND
7 LOCATION WITHIN THIS COMMONWEALTH AS APPROVED BY THE BOARD, IN
8 CONSULTATION WITH THE COMMISSION. ALL BOOKS, RECORDS AND
9 DOCUMENTS RELATED TO CASINO SIMULCASTING SHALL:

10 (1) BE ORGANIZED IN A MANNER TO CLEARLY DEPICT BY
11 SEPARATE RECORD THE TOTAL AMOUNT OF MONEY CONTRIBUTED TO
12 EVERY PARI-MUTUEL POOL IN ACCORDANCE WITH THE APPLICABLE
13 PROVISIONS OF 3 PA.C.S. CH. 93 (RELATING TO RACE HORSE
14 INDUSTRY REFORM) AND ANY REGULATION PROMULGATED UNDER 3
15 PA.C.S. CH. 93.

16 (2) BE SEGREGATED BY SEPARATE ACCOUNTS WITHIN THE
17 LICENSED GAMING ENTITY'S BOOKS, RECORDS AND DOCUMENTS, EXCEPT
18 FOR ANY BOOKS, RECORDS OR DOCUMENTS THAT ARE COMMON TO SLOT
19 MACHINE OPERATIONS, TABLE GAME OPERATIONS AND CASINO
20 SIMULCASTING, AS DETERMINED BY THE BOARD IN CONSULTATION WITH
21 THE COMMISSION.

22 (3) BE IMMEDIATELY AVAILABLE FOR INSPECTION UPON REQUEST
23 OF THE BOARD, THE COMMISSION, THE BUREAU, THE DEPARTMENT, THE
24 PENNSYLVANIA STATE POLICE OR THE ATTORNEY GENERAL, OR AGENTS
25 THEREOF, DURING ALL HOURS OF OPERATION OF THE CASINO
26 SIMULCASTING PERMIT HOLDER'S SIMULCASTING FACILITY IN
27 ACCORDANCE WITH REGULATIONS PROMULGATED BY THE BOARD IN
28 CONSULTATION WITH THE COMMISSION.

29 (4) BE MAINTAINED FOR A SPECIFIC PERIOD OF TIME AS THE
30 BOARD, IN CONSULTATION WITH THE COMMISSION, BY REGULATION,

1 MAY REQUIRE.

2 SUBCHAPTER E

3 FEEES AND TAXES

4 SEC.

5 13F41. CASINO SIMULCASTING AUTHORIZATION FEE.

6 13F42. RETENTION AND DISTRIBUTION OF MONEY AND PARI-MUTUEL
7 POOLS.

8 13F43. CASINO SIMULCASTING TAXES.

9 13F44. CONSTRUCTION.

10 § 13F41. CASINO SIMULCASTING AUTHORIZATION FEE.

11 A CASINO SIMULCASTING PERMIT SHALL NOT BE SUBJECT TO THE
12 PAYMENT OF AN AUTHORIZATION FEE, RENEWAL OR A RENEWAL FEE OR THE
13 PAYMENT OF AN ADDITIONAL PERMIT FEE.

14 § 13F42. RETENTION AND DISTRIBUTION OF MONEY AND PARI-MUTUEL
15 POOLS.

16 (A) WAGERS INCLUDED IN PARI-MUTUEL POOLS.--

17 (1) SUMS WAGERED AT A SIMULCASTING FACILITY ON THE
18 RESULTS OF A SIMULCAST HORSE RACE SHALL BE INCLUDED IN THE
19 APPROPRIATE PARI-MUTUEL POOL GENERATED FOR THE RACE BEING
20 TRANSMITTED IN ACCORDANCE WITH 3 PA.C.S. § 9335 (RELATING TO
21 PARI-MUTUEL POOL DISTRIBUTION) AND SHALL BE DISTRIBUTED IN
22 ACCORDANCE WITH 3 PA.C.S. § 9335 OR ANY REGULATIONS
23 PROMULGATED UNDER 3 PA.C.S. § 9335.

24 (2) PAYMENTS TO PERSONS HOLDING WINNING TICKETS AT A
25 LICENSED FACILITY SHALL BE MADE ACCORDING TO THE SAME ODDS AS
26 THOSE GENERATED AT THE IN-STATE SENDING TRACK.

27 (3) A PERSON PLACING A WAGER ON A SIMULCAST HORSE RACE
28 AT A SIMULCASTING FACILITY SHALL NOT BE CHARGED A FEE FOR
29 PLACING THE WAGER IN ADDITION TO THE AMOUNT WAGERED.

30 (B) COMPUTATION OF MONEY WAGERED.--ALL MONEY WAGERED BY

1 PLAYERS ON HORSE RACE MEETINGS AT A SIMULCASTING FACILITY SHALL
2 BE COMPUTED IN THE AMOUNT OF MONEY WAGERED EACH RACING DAY FOR
3 PURPOSES OF TAXATION UNDER 3 PA.C.S. § 9334 (RELATING TO STATE
4 RACING FUND AND TAX RATE), ALL THOROUGHBRED RACES SHALL BE
5 CONSIDERED A PART OF A THOROUGHBRED HORSE RACE MEETING AND ALL
6 HARNESS RACES SHALL BE CONSIDERED A PART OF A HARNESS HORSE RACE
7 MEETING FOR PURPOSES OF 3 PA.C.S. § 9334.

8 § 13F43. CASINO SIMULCASTING TAXES.

9 ALL MONEY WAGERED BY PLAYERS ON HORSE RACE MEETINGS UNDER
10 THIS CHAPTER SHALL BE SUBJECT TO THE TAX IMPOSED UNDER 3 PA.C.S.
11 § 9334 (RELATING TO STATE RACING FUND AND TAX RATE).

12 § 13F44. CONSTRUCTION.

13 NOTHING IN THIS CHAPTER AND SECTION 1207 (RELATING TO
14 REGULATORY AUTHORITY OF BOARD), AS IT RELATES TO CASINO
15 SIMULCASTING, SHALL BE CONSTRUED TO ALTER, PREEMPT OR OTHERWISE
16 IMPINGE THE AUTHORITY OF THE COMMISSION UNDER 3 PA.C.S. CH. 93
17 (RELATING TO RACE HORSE INDUSTRY REFORM).

18 SECTION 26. SECTION 1401(B)(1) AND (2) OF TITLE 4 ARE
19 AMENDED AND THE SUBSECTION IS AMENDED BY ADDING A PARAGRAPH TO
20 READ:

21 § 1401. SLOT MACHINE LICENSEE DEPOSITS.

22 * * *

23 (B) INITIAL DEPOSIT OF FUNDS.--NOT LATER THAN TWO BUSINESS
24 DAYS PRIOR TO THE COMMENCEMENT OF SLOT MACHINE OPERATIONS BY A
25 SLOT MACHINE LICENSEE, A SLOT MACHINE LICENSEE SHALL DEPOSIT AND
26 MAINTAIN THE FOLLOWING SUMS IN ITS ACCOUNT TO GUARANTEE THE
27 PAYMENT OF FUNDS TO THE COMMONWEALTH UNDER THIS PART AND AS
28 SECURITY FOR ITS OBLIGATIONS UNDER SECTION 1405 (RELATING TO
29 PENNSYLVANIA RACE HORSE DEVELOPMENT TRUST FUND):

30 (1) FOR A CATEGORY 1 OR CATEGORY 2 SLOT MACHINE

1 LICENSEE, \$1,500,000.

2 (2) FOR A CATEGORY 3 SLOT MACHINE LICENSEE, \$1,000,000.
3 NO ADDITIONAL MINIMUM DEPOSIT SHALL BE REQUIRED FROM A SLOT
4 MACHINE LICENSEE IF A SLOT MACHINE LICENSEE IS GRANTED A TABLE
5 GAME OPERATION CERTIFICATE UNDER CHAPTER 13A (RELATING TO TABLE
6 GAMES).

7 (3) FOR A CATEGORY 4 SLOT MACHINE LICENSEE, \$1,250,000.

8 * * *

9 SECTION 27. SECTION 1403 OF TITLE 4 IS REENACTED AND AMENDED
10 TO READ:

11 § 1403. ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE
12 REVENUE DISTRIBUTION.

13 (A) FUND ESTABLISHED.--THERE IS HEREBY ESTABLISHED THE STATE
14 GAMING FUND WITHIN THE STATE TREASURY.

15 (B) SLOT MACHINE TAX.--THE DEPARTMENT SHALL DETERMINE AND
16 EACH SLOT MACHINE LICENSEE, OTHER THAN A CATEGORY 4 SLOT MACHINE
17 LICENSEE, SHALL PAY A DAILY TAX OF 34% FROM ITS DAILY GROSS
18 TERMINAL REVENUE FROM THE SLOT MACHINES IN OPERATION AT ITS
19 FACILITY AND A LOCAL SHARE ASSESSMENT AS PROVIDED IN SUBSECTION
20 (C). ALL FUNDS OWED TO THE COMMONWEALTH, A COUNTY OR A

21 MUNICIPALITY UNDER THIS SECTION SHALL BE HELD IN TRUST BY THE
22 LICENSED GAMING ENTITY FOR THE COMMONWEALTH, THE COUNTY AND THE
23 MUNICIPALITY UNTIL THE FUNDS ARE PAID OR TRANSFERRED TO THE
24 FUND. UNLESS OTHERWISE AGREED TO BY THE BOARD, A LICENSED GAMING
25 ENTITY SHALL ESTABLISH A SEPARATE BANK ACCOUNT TO MAINTAIN
26 GROSS TERMINAL REVENUE UNTIL SUCH TIME AS THE FUNDS ARE PAID OR
27 TRANSFERRED UNDER THIS SECTION. MONEYS IN THE FUND ARE HEREBY
28 APPROPRIATED TO THE DEPARTMENT ON A CONTINUING BASIS FOR THE
29 PURPOSES SET FORTH IN SUBSECTION (C).

30 (B.1) SLOT MACHINE TAX AT CATEGORY 4 LICENSED FACILITIES.--

1 (1) THE DEPARTMENT SHALL DETERMINE AND EACH CATEGORY 4
2 SLOT MACHINE LICENSEE SHALL PAY A DAILY TAX OF 50% FROM ITS
3 DAILY GROSS TERMINAL REVENUE FROM THE SLOT MACHINES IN
4 OPERATION AT THE CATEGORY 4 LICENSED FACILITY AND A LOCAL
5 SHARE ASSESSMENT AS PROVIDED IN SUBSECTION (C.1). ALL MONEY
6 OWED TO THE COMMONWEALTH, A COUNTY OR A MUNICIPALITY UNDER
7 THIS SECTION SHALL BE HELD IN TRUST BY THE LICENSED GAMING
8 ENTITY FOR THE COMMONWEALTH, THE COUNTY AND THE MUNICIPALITY
9 UNTIL THE MONEY IS PAID OR TRANSFERRED TO THE FUND. UNLESS
10 OTHERWISE AGREED TO BY THE BOARD, A LICENSED GAMING ENTITY
11 SHALL ESTABLISH A SEPARATE BANK ACCOUNT TO MAINTAIN GROSS
12 TERMINAL REVENUE UNTIL SUCH TIME AS THE MONEY IS PAID OR
13 TRANSFERRED UNDER THIS SECTION. MONEY IN THE FUND IS
14 APPROPRIATED TO THE DEPARTMENT ON A CONTINUING BASIS FOR THE
15 PURPOSES SET FORTH IN PARAGRAPH (2).

16 (2) THE TAX IMPOSED UNDER PARAGRAPH (1) SHALL BE
17 DEPOSITED AS FOLLOWS:

18 (I) SIXTY-EIGHT PERCENT INTO THE PROPERTY TAX RELIEF
19 FUND ESTABLISHED UNDER SECTION 1409 (RELATING TO PROPERTY
20 TAX RELIEF FUND).

21 (II) TEN PERCENT ADDED TO AND DISTRIBUTED UNDER
22 SECTION 13B52(D)(2)(II) (RELATING TO INTERACTIVE GAMING
23 TAX).

24 (III) TEN PERCENT INTO A RESTRICTED RECEIPTS ACCOUNT
25 TO BE ESTABLISHED IN THE COMMONWEALTH FINANCING AUTHORITY
26 TO BE USED EXCLUSIVELY FOR GRANTS FOR PROJECTS IN THE
27 PUBLIC INTEREST IN THE COMMONWEALTH.

28 (IV) TWELVE PERCENT ADDED TO AND DISTRIBUTED UNDER
29 SECTION 1407 (RELATING TO PENNSYLVANIA GAMING ECONOMIC
30 DEVELOPMENT AND TOURISM FUND).

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

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

4 (2) FROM THE LOCAL SHARE ASSESSMENT ESTABLISHED IN
5 SUBSECTION (B), MAKE QUARTERLY DISTRIBUTIONS AMONG THE
6 COUNTIES HOSTING A LICENSED FACILITY IN ACCORDANCE WITH THE
7 FOLLOWING SCHEDULE:

8 (I) IF THE LICENSED FACILITY IS A CATEGORY 1
9 LICENSED FACILITY THAT IS LOCATED AT A HARNESS RACETRACK
10 AND THE COUNTY, INCLUDING A HOME RULE COUNTY, IN WHICH
11 THE LICENSED FACILITY IS LOCATED IS:

12 [(A) A COUNTY OF THE FIRST CLASS: 4% OF THE
13 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
14 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
15 NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY,
16 FUNDS FROM LICENSED GAMING ENTITIES LOCATED WITHIN A
17 COUNTY OF THE FIRST CLASS SHALL NOT BE DISTRIBUTED
18 OUTSIDE OF A COUNTY OF THE FIRST CLASS.]

19 (B) A COUNTY OF THE SECOND CLASS: 2% OF THE
20 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
21 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.

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

29 (D) (I) A COUNTY OF THE THIRD CLASS: EXCEPT AS
30 PROVIDED IN SUBCLAUSE (II), 2% OF THE GROSS

1 TERMINAL REVENUE FROM EACH SUCH LICENSED FACILITY
2 SHALL BE DEPOSITED INTO A RESTRICTED RECEIPTS
3 ACCOUNT TO BE ESTABLISHED IN THE COMMONWEALTH
4 FINANCING AUTHORITY TO BE USED EXCLUSIVELY FOR
5 GRANTS FOR PROJECTS IN THE PUBLIC INTEREST TO
6 MUNICIPALITIES WITHIN THE COUNTY WHERE THE
7 LICENSED FACILITY IS LOCATED.

8 (I.1) PRIORITY SHALL BE GIVEN TO MULTIYEAR
9 PROJECTS APPROVED OR AWARDED BY THE DEPARTMENT OF
10 COMMUNITY AND ECONOMIC DEVELOPMENT UNDER
11 SUBCLAUSE (I) ON OR BEFORE [THE EFFECTIVE DATE OF
12 THIS SUBCLAUSE] JANUARY 7, 2010.

13 (I.2) IN ADDITION TO MUNICIPALITIES THAT ARE
14 ELIGIBLE TO RECEIVE GRANT FUNDING UNDER SUBCLAUSE
15 (I), A COUNTY REDEVELOPMENT AUTHORITY WITHIN THE
16 COUNTY SHALL ALSO BE ELIGIBLE TO RECEIVE GRANT
17 FUNDING TO BE USED EXCLUSIVELY FOR ECONOMIC
18 DEVELOPMENT PROJECTS OR INFRASTRUCTURE. A COUNTY
19 REDEVELOPMENT AUTHORITY SHALL NOT BE ELIGIBLE TO
20 RECEIVE MORE THAN 10% OF THE TOTAL GRANT FUNDS
21 AWARDED.

22 (I.3) NOTWITHSTANDING THE ACT OF FEBRUARY 9,
23 1999 (P.L.1, NO.1), KNOWN AS THE CAPITAL
24 FACILITIES DEBT ENABLING ACT, GRANTS MADE UNDER
25 SUBCLAUSE (I) MAY BE UTILIZED AS LOCAL MATCHING
26 FUNDS FOR OTHER GRANTS OR LOANS FROM THE
27 COMMONWEALTH.

28 (II) IF A LICENSED FACILITY IS LOCATED IN
29 ONE OF TWO COUNTIES OF THE THIRD CLASS WHERE A
30 CITY OF THE THIRD CLASS IS LOCATED IN BOTH

1 COUNTIES OF THE THIRD CLASS, THE COUNTY IN WHICH
2 THE LICENSED FACILITY IS LOCATED SHALL RECEIVE
3 1.2% OF THE GROSS TERMINAL REVENUE TO BE
4 DISTRIBUTED AS FOLLOWS: 20% TO THE HOST CITY,
5 30% TO THE HOST COUNTY AND 50% TO THE HOST COUNTY
6 FOR THE PURPOSE OF MAKING MUNICIPAL GRANTS WITHIN
7 THE COUNTY, WITH PRIORITY GIVEN TO MUNICIPALITIES
8 CONTIGUOUS TO THE HOST CITY. THE COUNTY OF THE
9 THIRD CLASS, WHICH INCLUDES A CITY OF THE THIRD
10 CLASS THAT IS LOCATED IN TWO COUNTIES OF THE
11 THIRD CLASS AND IS NOT THE HOST COUNTY FOR THE
12 LICENSED FACILITY, SHALL RECEIVE .8% OF THE GROSS
13 TERMINAL REVENUE TO BE DISTRIBUTED AS FOLLOWS:
14 60% TO A NONHOST CITY OF THE THIRD CLASS LOCATED
15 SOLELY IN THE NONHOST COUNTY IN WHICH THE HOST
16 CITY OF THE THIRD CLASS IS ALSO LOCATED OR 60% TO
17 THE NONHOST CITY OF THE THIRD CLASS LOCATED BOTH
18 IN THE HOST AND NONHOST COUNTIES OF THE THIRD
19 CLASS, 35% TO THE NONHOST COUNTY AND 5% TO THE
20 NONHOST COUNTY FOR THE PURPOSE OF MAKING
21 MUNICIPAL GRANTS WITHIN THE COUNTY.

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

25 (I) THE DEPARTMENT SHALL MAKE DISTRIBUTIONS
26 DIRECTLY TO EACH MUNICIPALITY WITHIN THE COUNTY,
27 EXCEPT THE HOST MUNICIPALITY, BY USING A FORMULA
28 EQUAL TO THE SUM OF \$25,000 PLUS \$10 PER RESIDENT
29 OF THE MUNICIPALITY USING THE MOST RECENT
30 POPULATION FIGURES PROVIDED BY THE DEPARTMENT OF

1 COMMUNITY AND ECONOMIC DEVELOPMENT, PROVIDED,
2 HOWEVER, THAT THE AMOUNT SO DISTRIBUTED TO ANY
3 MUNICIPALITY SHALL NOT EXCEED 50% OF ITS TOTAL
4 BUDGET FOR FISCAL YEAR 2009 OR 2013, WHICHEVER IS
5 GREATER, ADJUSTED FOR INFLATION IN SUBSEQUENT
6 FISCAL YEARS BY AN AMOUNT NOT TO EXCEED AN ANNUAL
7 COST-OF-LIVING ADJUSTMENT CALCULATED BY APPLYING
8 ANY UPWARD PERCENTAGE CHANGE IN THE CONSUMER
9 PRICE INDEX IMMEDIATELY PRIOR TO THE DATE THE
10 ADJUSTMENT IS DUE TO TAKE EFFECT. DISTRIBUTIONS
11 TO A MUNICIPALITY IN ACCORDANCE WITH THIS
12 SUBCLAUSE SHALL BE DEPOSITED INTO A SPECIAL FUND
13 WHICH SHALL BE ESTABLISHED BY THE MUNICIPALITY.
14 THE GOVERNING BODY OF THE MUNICIPALITY SHALL HAVE
15 THE RIGHT TO DRAW UPON THE SPECIAL FUND FOR ANY
16 LAWFUL PURPOSE PROVIDED THAT THE MUNICIPALITY
17 IDENTIFIES THE FUND AS THE SOURCE OF THE
18 EXPENDITURE. EACH MUNICIPALITY SHALL ANNUALLY
19 SUBMIT A REPORT TO THE DEPARTMENT OF COMMUNITY
20 AND ECONOMIC DEVELOPMENT DETAILING THE AMOUNT AND
21 PURPOSE OF EACH EXPENDITURE MADE FROM THE SPECIAL
22 FUND DURING THE PRIOR FISCAL YEAR.

23 (II) ANY FUNDS NOT DISTRIBUTED UNDER
24 SUBCLAUSE (I) SHALL BE DEPOSITED INTO A
25 RESTRICTED RECEIPTS ACCOUNT ESTABLISHED IN THE
26 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
27 TO BE USED EXCLUSIVELY FOR GRANTS TO THE COUNTY,
28 TO ECONOMIC DEVELOPMENT AUTHORITIES OR
29 REDEVELOPMENT AUTHORITIES WITHIN THE COUNTY FOR
30 GRANTS FOR ECONOMIC DEVELOPMENT PROJECTS,

1 INFRASTRUCTURE PROJECTS, JOB TRAINING, COMMUNITY
2 IMPROVEMENT PROJECTS, OTHER PROJECTS IN THE
3 PUBLIC INTEREST, AND NECESSARY AND REASONABLE
4 ADMINISTRATIVE COSTS. NOTWITHSTANDING THE
5 PROVISIONS OF THE ACT OF FEBRUARY 9, 1999 (P.L.1,
6 NO.1), KNOWN AS THE CAPITAL FACILITIES DEBT
7 ENABLING ACT, GRANTS MADE UNDER THIS CLAUSE MAY
8 BE UTILIZED AS LOCAL MATCHING FUNDS FOR OTHER
9 GRANTS OR LOANS FROM THE COMMONWEALTH.

10 (F) COUNTIES OF THE FIFTH THROUGH EIGHTH
11 CLASSES:

12 (I) EXCEPT AS SET FORTH IN SUBCLAUSE (II),
13 2% OF THE GROSS TERMINAL REVENUE FROM EACH SUCH
14 LICENSED FACILITY SHALL BE DEPOSITED INTO A
15 RESTRICTED ACCOUNT ESTABLISHED IN THE DEPARTMENT
16 OF COMMUNITY AND ECONOMIC DEVELOPMENT TO BE USED
17 EXCLUSIVELY FOR GRANTS TO THE COUNTY.

18 (II) IF THE LICENSED FACILITY IS LOCATED IN
19 A SECOND CLASS TOWNSHIP IN A COUNTY OF THE FIFTH
20 CLASS, 2% OF THE GROSS TERMINAL REVENUE FROM THE
21 LICENSED FACILITY SHALL BE DISTRIBUTED AS
22 FOLLOWS:

23 (A) 1% SHALL BE DEPOSITED INTO A
24 RESTRICTED RECEIPTS ACCOUNT TO BE ESTABLISHED
25 IN THE COMMONWEALTH FINANCING AUTHORITY TO BE
26 USED EXCLUSIVELY FOR GRANTS FOR PROJECTS IN
27 THE PUBLIC INTEREST TO MUNICIPALITIES WITHIN
28 THE COUNTY WHERE THE LICENSED FACILITY IS
29 LOCATED.

30 (B) 1% SHALL BE DISTRIBUTED TO THE COUNTY

1 FOR PROJECTS IN THE PUBLIC INTEREST IN THE
2 COUNTY.

3 (G) ANY COUNTY NOT SPECIFICALLY ENUMERATED IN
4 CLAUSES (A) THROUGH (F), 2% OF THE GROSS TERMINAL
5 REVENUE TO THE COUNTY HOSTING THE LICENSED FACILITY
6 FROM EACH SUCH LICENSED FACILITY.

7 (II) IF THE LICENSED FACILITY IS A CATEGORY 1
8 LICENSED FACILITY AND IS LOCATED AT A THOROUGHBRED
9 RACETRACK AND THE COUNTY IN WHICH THE LICENSED FACILITY
10 IS LOCATED IS:

11 [(A) A COUNTY OF THE FIRST CLASS: 4% OF THE
12 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
13 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
14 NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY,
15 FUNDS FROM LICENSED GAMING ENTITIES LOCATED WITHIN
16 THE COUNTY OF THE FIRST CLASS SHALL NOT BE
17 DISTRIBUTED OUTSIDE OF A COUNTY OF THE FIRST CLASS.]

18 (B) A COUNTY OF THE SECOND CLASS: 2% OF THE
19 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
20 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.

21 (C) A COUNTY OF THE SECOND CLASS A: 1% OF THE
22 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
23 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY[.]
24 FOR THE PURPOSE OF FUNDING NONPROFIT ENTITIES
25 FULFILLING A HUMAN SERVICE, VICTIM ASSISTANCE OR DRUG
26 AND ALCOHOL PREVENTION AND TREATMENT WITHIN THE
27 COUNTY IN WHICH THE LICENSED FACILITY IS LOCATED. AN
28 ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO A
29 REDEVELOPMENT AUTHORITY IN THE COUNTY HOSTING THE
30 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY

1 FOR THE PURPOSE OF MUNICIPAL GRANTS WITHIN THE COUNTY
2 IN WHICH THE LICENSEE IS LOCATED. THE REDEVELOPMENT
3 AUTHORITY SHALL RETAIN 5% OF THE TOTAL FUNDS
4 ADMINISTERED TO COVER THE COSTS AND EXPENSES OF
5 ADMINISTRATION OF THE GRANTS. FOR PURPOSES OF THIS
6 SUBPARAGRAPH, A MUNICIPALITY THAT IS WHOLLY WITHIN
7 THE BOUNDARIES OF A CONTIGUOUS MUNICIPALITY SHALL BE
8 CONSIDERED A CONTIGUOUS MUNICIPALITY AND ELIGIBLE TO
9 RECEIVE MUNICIPAL GRANTS UNDER THIS SUBPARAGRAPH.

10 (D) A COUNTY OF THE THIRD CLASS WHICH IS ALSO A
11 HOME RULE COUNTY: 1% OF THE GROSS TERMINAL REVENUE
12 TO THE COUNTY HOSTING THE LICENSED FACILITY FROM EACH
13 SUCH LICENSED FACILITY. AN ADDITIONAL 1% OF THE GROSS
14 TERMINAL REVENUE MINUS THE AMOUNT CONTAINED IN CLAUSE
15 (D.1) TO THE COUNTY HOSTING THE LICENSED FACILITY
16 FROM EACH SUCH LICENSED FACILITY FOR THE PURPOSE OF
17 MUNICIPAL GRANTS WITHIN THE COUNTY IN WHICH THE
18 LICENSEE IS LOCATED.

19 (D.1) \$1,000,000 OF THE GROSS TERMINAL REVENUE
20 ANNUALLY TO A LAND BANK JURISDICTION ESTABLISHED BY A
21 COUNTY OF THE THIRD CLASS WHICH IS ALSO A HOME RULE
22 COUNTY. UNTIL A LAND BANK JURISDICTION IS ESTABLISHED
23 BY A COUNTY OF THE THIRD CLASS WHICH IS ALSO A HOME
24 RULE COUNTY AFTER THE EFFECTIVE DATE OF THIS
25 SUBCLAUSE, \$1,000,000 TO THE COUNTY REDEVELOPMENT
26 AUTHORITY.

27 (D.2) AN ECONOMIC OR REDEVELOPMENT AUTHORITY
28 WHICH ADMINISTERS LOCAL SHARE ASSESSMENT FUNDS FOR A
29 COUNTY OF THE THIRD CLASS WHICH IS ALSO A HOME RULE
30 COUNTY IN WHICH A CATEGORY 1 LICENSED FACILITY IS

1 LOCATED AT A THOROUGHBRED RACETRACK, SHALL BE SUBJECT
2 TO THE FOLLOWING:

3 (I) EACH EXPENDITURE OF THE LOCAL SHARE
4 ASSESSMENT FUNDS BY THE AUTHORITY SHALL BE
5 DISCLOSED ON THE AUTHORITY'S PUBLICLY ACCESSIBLE
6 INTERNET WEBSITE.

7 (II) LOCAL SHARE ASSESSMENT FUNDS RECEIVED
8 BY THE AUTHORITY MAY NOT BE USED TO PAY FOR
9 TUITION OR OTHER EDUCATIONAL EXPENSES OF AN
10 OFFICER OR EMPLOYEE OF THE AUTHORITY.

11 (III) EACH EXPENDITURE OF LOCAL SHARE
12 ASSESSMENT FUNDS BY THE AUTHORITY SHALL INCLUDE A
13 DISCLOSURE THAT THE FUNDS ORIGINATED FROM
14 LICENSED GAMING ACTIVITIES.

15 (IV) THE AUTHORITY SHALL BE SUBJECT TO AUDIT
16 BY THE AUDITOR GENERAL.

17 (D.3) A COUNTY OF THE THIRD CLASS WHICH IS NOT A
18 HOME RULE COUNTY: 1% OF THE GROSS TERMINAL REVENUE
19 TO THE COUNTY HOSTING THE LICENSED FACILITY FROM EACH
20 SUCH LICENSED FACILITY MINUS AMOUNTS IN CLAUSES
21 (D.4), (D.5), (D.6) AND (D.7). AN ADDITIONAL 1% OF
22 THE GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
23 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY
24 FOR THE PURPOSE OF MUNICIPAL GRANTS WITHIN THE COUNTY
25 IN WHICH THE LICENSEE IS LOCATED. NOTWITHSTANDING THE
26 PROVISIONS OF THE CAPITAL FACILITIES DEBT ENABLING
27 ACT, GRANTS MADE UNDER THIS CLAUSE MAY BE UTILIZED AS
28 LOCAL MATCHING FUNDS FOR OTHER GRANTS OR LOANS FROM
29 THE COMMONWEALTH.

30 (D.4) \$220,000 OF THE GROSS TERMINAL REVENUE

1 ANNUALLY SHALL BE DEPOSITED INTO A RESTRICTED
2 RECEIPTS ACCOUNT TO BE ESTABLISHED IN THE
3 COMMONWEALTH FINANCING AUTHORITY TO BE USED
4 EXCLUSIVELY FOR GRANTS FOR PROJECTS IN THE PUBLIC
5 INTEREST WITHIN A CONTIGUOUS COUNTY CONTAINING A
6 TOWNSHIP THAT RECEIVES A PORTION OF THE LICENSED
7 FACILITY'S SLOT MACHINE OPERATION FEE UNDER PARAGRAPH
8 (3) (V) (C) FOR THE PURPOSE OF MUNICIPAL GRANTS WITHIN
9 THE COUNTY. NOTWITHSTANDING THE PROVISIONS OF THE
10 CAPITAL FACILITIES DEBT ENABLING ACT, GRANTS MADE
11 UNDER THIS CLAUSE MAY BE UTILIZED AS LOCAL MATCHING
12 FUNDS FOR OTHER GRANTS OR LOANS FROM THE
13 COMMONWEALTH.

14 (D.5) \$50,000 OF THE GROSS TERMINAL REVENUE
15 ANNUALLY TO A CONTIGUOUS COUNTY OF THE FOURTH CLASS
16 FOR FIRE AND EMERGENCY SERVICES AND ECONOMIC
17 DEVELOPMENT. NOTWITHSTANDING THE PROVISIONS OF THE
18 CAPITAL FACILITIES DEBT ENABLING ACT, GRANTS MADE
19 UNDER THIS CLAUSE MAY BE UTILIZED AS LOCAL MATCHING
20 FUNDS FOR OTHER GRANTS OR LOANS FROM THE
21 COMMONWEALTH.

22 (D.6) \$30,000 OF THE GROSS TERMINAL REVENUE
23 ANNUALLY TO A TOWNSHIP OF THE SECOND CLASS WITH A
24 POPULATION BETWEEN 2,000 AND 2,500 AS OF THE 2010
25 DECENNIAL CENSUS THAT IS CONTIGUOUS TO A TOWNSHIP IN
26 A COUNTY OF THE FIFTH CLASS THAT RECEIVES A PORTION
27 OF THE LICENSED FACILITY'S SLOT MACHINE OPERATION FEE
28 UNDER PARAGRAPH (3) (V) (C).

29 (D.7) \$30,000 OF THE GROSS TERMINAL REVENUE
30 ANNUALLY TO A TOWNSHIP OF THE SECOND CLASS WITH A

1 POPULATION BETWEEN 8,000 AND 8,100 AS OF THE 2010
2 DECENNIAL CENSUS THAT IS CONTIGUOUS TO A TOWNSHIP IN
3 A COUNTY OF THE FIFTH CLASS THAT RECEIVES A PORTION
4 OF THE LICENSED FACILITY'S SLOT MACHINE OPERATION FEE
5 UNDER PARAGRAPH (3) (V) (C). THE TOWNSHIP MAY USE THE
6 AMOUNT FOR ANY PURPOSE, PROVIDED THAT FUNDING FOR
7 FIRE AND OTHER EMERGENCY SERVICES IS PRIORITIZED.

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

22 (F) COUNTIES OF THE FIFTH THROUGH EIGHTH
23 CLASSES: 2% OF THE GROSS TERMINAL REVENUE FROM EACH
24 SUCH LICENSED FACILITY SHALL BE DEPOSITED INTO A
25 RESTRICTED ACCOUNT ESTABLISHED IN THE DEPARTMENT OF
26 COMMUNITY AND ECONOMIC DEVELOPMENT TO BE USED
27 EXCLUSIVELY FOR GRANTS TO THE COUNTY.

28 (G) ANY COUNTY NOT SPECIFICALLY ENUMERATED IN
29 CLAUSES (A) THROUGH (F), 2% OF THE GROSS TERMINAL
30 REVENUE TO THE COUNTY HOSTING THE LICENSED FACILITY

1 FROM EACH SUCH LICENSED FACILITY.

2 (III) IF THE FACILITY IS A CATEGORY 2 LICENSED
3 FACILITY AND IF THE COUNTY IN WHICH THE LICENSED FACILITY
4 IS LOCATED IS:

5 [(A) A COUNTY OF THE FIRST CLASS: 4% OF THE
6 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
7 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
8 NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY,
9 FUNDS FROM LICENSED GAMING ENTITIES LOCATED WITHIN A
10 COUNTY OF THE FIRST CLASS SHALL NOT BE DISTRIBUTED
11 OUTSIDE OF A COUNTY OF THE FIRST CLASS. THE FIRST
12 \$5,000,000 OF THE TOTAL AMOUNT DISTRIBUTED ANNUALLY
13 TO THE COUNTY OF THE FIRST CLASS SHALL BE DISTRIBUTED
14 TO THE PHILADELPHIA SCHOOL DISTRICT.]

15 (B) A COUNTY OF THE SECOND CLASS: 2% OF THE
16 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
17 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.

18 (C) A COUNTY OF THE SECOND CLASS A: 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 (D) A COUNTY OF THE THIRD CLASS: 1% OF THE
26 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
27 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
28 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
29 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
30 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS

1 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

2 (D.1) IF A LICENSED FACILITY IS LOCATED IN ONE
3 OF TWO COUNTIES OF THE THIRD CLASS WHERE A CITY OF
4 THE THIRD CLASS IS LOCATED IN BOTH COUNTIES OF THE
5 THIRD CLASS, THE FOLLOWING SHALL APPLY:

6 (I) THE COUNTY IN WHICH THE LICENSED
7 FACILITY IS LOCATED SHALL RECEIVE 1.2% OF THE
8 GROSS TERMINAL REVENUE TO BE DISTRIBUTED AS
9 FOLLOWS: [20% TO THE HOST CITY, 30% TO THE HOST
10 COUNTY AND 50% TO THE HOST COUNTY FOR THE PURPOSE
11 OF MAKING MUNICIPAL GRANTS WITHIN THE COUNTY,
12 WITH PRIORITY GIVEN TO MUNICIPALITIES CONTIGUOUS
13 TO THE HOST CITY.]

14 (A) 20% SHALL BE DISTRIBUTED TO THE HOST
15 CITY.

16 (B) 30% SHALL BE DISTRIBUTED TO THE HOST
17 COUNTY.

18 (C) 50% SHALL BE DISTRIBUTED AS FOLLOWS:

19 (1) BEGINNING JANUARY 1, 2018, THE
20 SUM OF \$250,000 SHALL BE DISTRIBUTED
21 ANNUALLY FOR A PERIOD OF 20 YEARS TO A
22 CITY OF THE THIRD CLASS LOCATED IN TWO
23 COUNTIES OF THE THIRD CLASS FOR
24 PURPOSES OF FUNDING THE REDEVELOPMENT
25 OF AN EXISTING ARTS AND EDUCATION
26 CENTER THAT HAS PROFESSIONAL ARTIST
27 SPACE AND STUDIOS AND IS LOCATED WITHIN
28 THE CITY OF THE THIRD CLASS THAT IS
29 LOCATED IN TWO COUNTIES OF THE THIRD
30 CLASS.

1 (2) AFTER THE DISTRIBUTION UNDER
2 SUBUNIT (1), THE REMAINING FUNDS SHALL
3 BE DEPOSITED INTO A RESTRICTED RECEIPTS
4 ACCOUNT TO BE ESTABLISHED IN THE
5 COMMONWEALTH FINANCING AUTHORITY FOR
6 DISTRIBUTION WITHIN THE HOST COUNTY TO
7 BE USED EXCLUSIVELY FOR ECONOMIC
8 DEVELOPMENT PROJECTS, COMMUNITY
9 IMPROVEMENT PROJECTS AND OTHER PROJECTS
10 IN THE PUBLIC INTEREST WITHIN THE HOST
11 COUNTY, WITH PRIORITY GIVEN TO
12 MUNICIPALITIES CONTIGUOUS TO THE HOST
13 CITY.

14 (II) THE COUNTY OF THE THIRD CLASS, WHICH
15 INCLUDES A CITY OF THE THIRD CLASS THAT IS
16 LOCATED IN TWO COUNTIES OF THE THIRD CLASS AND IS
17 NOT THE HOST COUNTY FOR THE LICENSED FACILITY,
18 SHALL RECEIVE .8% OF THE GROSS TERMINAL REVENUE
19 TO BE DISTRIBUTED AS FOLLOWS: [60% TO A NONHOST
20 CITY OF THE THIRD CLASS LOCATED SOLELY IN THE
21 NONHOST COUNTY IN WHICH THE HOST CITY OF THE
22 THIRD CLASS IS ALSO LOCATED OR 60% TO THE NONHOST
23 CITY OF THE THIRD CLASS LOCATED BOTH IN THE HOST
24 AND NONHOST COUNTIES OF THE THIRD CLASS, 35% TO
25 THE NONHOST COUNTY AND 5% TO THE NONHOST COUNTY
26 FOR THE PURPOSE OF MAKING MUNICIPAL GRANTS WITHIN
27 THE COUNTY.]

28 (A) 60% SHALL BE DISTRIBUTED TO A
29 NONHOST CITY OF THE THIRD CLASS LOCATED
30 SOLELY IN THE NONHOST COUNTY IN WHICH THE

1 HOST CITY OF THE THIRD CLASS IS ALSO LOCATED
2 OR 60% TO THE NONHOST CITY OF THE THIRD CLASS
3 LOCATED BOTH IN THE HOST AND NONHOST COUNTIES
4 OF THE THIRD CLASS.

5 (B) 35% SHALL BE DISTRIBUTED TO THE
6 NONHOST COUNTY.

7 (C) 5% SHALL BE DEPOSITED INTO A
8 RESTRICTED RECEIPTS ACCOUNT TO BE ESTABLISHED
9 IN THE COMMONWEALTH FINANCING AUTHORITY FOR
10 DISTRIBUTION WITHIN THE NONHOST COUNTY TO BE
11 USED EXCLUSIVELY FOR ECONOMIC DEVELOPMENT
12 PROJECTS, COMMUNITY IMPROVEMENT PROJECTS AND
13 OTHER PROJECTS IN THE PUBLIC INTEREST WITHIN
14 THE NONHOST COUNTY, WITH PRIORITY GIVEN TO
15 MUNICIPALITIES CONTIGUOUS TO THE HOST CITY.

16 (E) A COUNTY OF THE FOURTH CLASS: 2% OF THE
17 GROSS TERMINAL REVENUE FROM EACH SUCH LICENSED
18 FACILITY SHALL BE DEPOSITED INTO A RESTRICTED ACCOUNT
19 ESTABLISHED IN THE DEPARTMENT OF COMMUNITY AND
20 ECONOMIC DEVELOPMENT TO BE USED EXCLUSIVELY FOR
21 GRANTS TO THE COUNTY, TO ECONOMIC DEVELOPMENT
22 AUTHORITIES OR REDEVELOPMENT AUTHORITIES WITHIN THE
23 COUNTY FOR GRANTS FOR ECONOMIC DEVELOPMENT PROJECTS,
24 COMMUNITY IMPROVEMENT PROJECTS, JOB TRAINING, OTHER
25 PROJECTS IN THE PUBLIC INTEREST AND REASONABLE
26 ADMINISTRATIVE COSTS. NOTWITHSTANDING THE CAPITAL
27 FACILITIES DEBT ENABLING ACT, GRANTS MADE UNDER THIS
28 CLAUSE MAY BE UTILIZED AS LOCAL MATCHING FUNDS FOR
29 OTHER GRANTS OR LOANS FROM THE COMMONWEALTH.

30 (F) COUNTIES OF THE FIFTH CLASS: 2% OF THE

1 GROSS TERMINAL REVENUE FROM EACH SUCH LICENSED
2 FACILITY SHALL BE DEPOSITED AND DISTRIBUTED AS
3 FOLLOWS:

4 (I) ONE PERCENT TO BE DISTRIBUTED AS
5 FOLLOWS:

6 (A) BEGINNING IN 2010, THE SUM OF
7 \$2,400,000 ANNUALLY FOR A PERIOD OF 20 YEARS
8 TO THE COUNTY FOR PURPOSES OF FUNDING DEBT
9 SERVICE RELATED TO THE CONSTRUCTION OF A
10 COMMUNITY COLLEGE CAMPUS LOCATED WITHIN THE
11 COUNTY.

12 (B) ANY FUNDS NOT DISTRIBUTED UNDER
13 SUBCLAUSE (A) SHALL BE DEPOSITED INTO A
14 RESTRICTED RECEIPTS ACCOUNT TO BE ESTABLISHED
15 IN THE COMMONWEALTH FINANCING AUTHORITY TO BE
16 USED EXCLUSIVELY FOR GRANTS WITHIN THE COUNTY
17 FOR ECONOMIC DEVELOPMENT PROJECTS, ROAD
18 PROJECTS LOCATED WITHIN A 20-MILE RADIUS OF
19 THE LICENSED FACILITY AND LOCATED WITHIN THE
20 COUNTY, COMMUNITY IMPROVEMENT PROJECTS AND
21 OTHER PROJECTS IN THE PUBLIC INTEREST WITHIN
22 THE COUNTY. THE AMOUNT UNDER THIS SUBCLAUSE
23 INCLUDES REASONABLE ADMINISTRATIVE COSTS.

24 (II) ONE PERCENT SHALL BE DISTRIBUTED AS
25 FOLLOWS:

26 (A) BEGINNING JANUARY 1, 2018, THE SUM
27 OF \$250,000 SHALL BE DISTRIBUTED ANNUALLY FOR
28 A PERIOD OF 20 YEARS TO A CONTIGUOUS COUNTY
29 OF THE THIRD CLASS THAT HOSTS A CATEGORY 2
30 LICENSED FACILITY, FOR THE PURPOSE OF FUNDING

1 THE CONSTRUCTION OF A POOL AND INDOOR
2 RECREATION FACILITY AT AN EXISTING NONPROFIT
3 RECREATION CENTER WITHIN THE CONTIGUOUS
4 COUNTY IN A BOROUGH WITH A POPULATION BETWEEN
5 3,400 AND 3,800 AT THE 2010 DECENNIAL CENSUS.

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

20 (II.1) PRIORITY SHALL BE GIVEN TO MULTIYEAR
21 PROJECTS APPROVED OR AWARDED BY THE DEPARTMENT OF
22 COMMUNITY AND ECONOMIC DEVELOPMENT UNDER
23 SUBCLAUSE (I) (B) OR (II) ON OR BEFORE [THE
24 EFFECTIVE DATE OF THIS SUBCLAUSE] JANUARY 7,
25 2010.

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

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

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

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

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

1 PROGRAM) AND 1558 (RELATING TO WATER SUPPLY AND
2 WASTEWATER INFRASTRUCTURE PROGRAM).] TO THE COUNTY
3 HOSTING THE LICENSED FACILITY FROM EACH SUCH LICENSED
4 FACILITY SHALL BE DEPOSITED AS FOLLOWS:

5 (I) SEVENTY-FIVE PERCENT SHALL BE DEPOSITED
6 FOR THE PURPOSE OF SUPPORTING THE MAINTENANCE AND
7 REFURBISHMENT OF THE PARKS AND HERITAGE SITES
8 THROUGHOUT THE COUNTY IN WHICH THE LICENSED
9 FACILITY IS LOCATED.

10 (II) TWELVE AND ONE-HALF PERCENT SHALL BE
11 DEPOSITED FOR THE PURPOSE OF SUPPORTING A CHILD
12 ADVOCACY CENTER LOCATED WITHIN THE COUNTY IN
13 WHICH THE LICENSED FACILITY IS LOCATED.

14 (III) TWELVE AND ONE-HALF PERCENT SHALL BE
15 DEPOSITED FOR THE PURPOSE OF SUPPORTING AN
16 ORGANIZATION PROVIDING COMPREHENSIVE SUPPORT
17 SERVICES TO VICTIMS OF DOMESTIC VIOLENCE,
18 INCLUDING LEGAL AND MEDICAL AID, SHELTERS,
19 TRANSITIONAL HOUSING AND COUNSELING LOCATED
20 WITHIN THE COUNTY IN WHICH THE LICENSED FACILITY
21 IS LOCATED.

22 (C) IF THE FACILITY IS A CATEGORY 3 LICENSED
23 FACILITY LOCATED IN A COUNTY OF THE FIFTH CLASS THAT
24 IS CONTIGUOUS TO A COUNTY OF THE SEVENTH CLASS, 2% OF
25 THE GROSS TERMINAL REVENUE FROM THE LICENSED FACILITY
26 SHALL BE DEPOSITED INTO A RESTRICTED RECEIPTS ACCOUNT
27 TO BE ESTABLISHED IN THE COMMONWEALTH FINANCING
28 AUTHORITY TO BE USED EXCLUSIVELY FOR GRANTS WITHIN
29 THE COUNTY FOR ECONOMIC DEVELOPMENT PROJECTS,
30 INFRASTRUCTURE PROJECTS, COMMUNITY IMPROVEMENT

1 PROJECTS AND OTHER PROJECTS IN THE PUBLIC INTEREST
2 WITHIN THE COUNTY AND FOR INFRASTRUCTURE PROJECTS
3 WITHIN A 20-MILE RADIUS OF THE LICENSED FACILITY IN A
4 CONTIGUOUS COUNTY OF THE SEVENTH CLASS.

5 (V) UNLESS OTHERWISE SPECIFIED, FOR THE PURPOSES OF
6 THIS PARAGRAPH MONEY DESIGNATED FOR MUNICIPAL GRANTS
7 WITHIN A COUNTY, OTHER THAN A COUNTY OF THE FIRST CLASS,
8 IN WHICH A LICENSED FACILITY IS LOCATED SHALL BE USED TO
9 FUND GRANTS TO THE MUNICIPALITY IN WHICH THE LICENSED
10 FACILITY IS LOCATED, TO THE COUNTY IN WHICH THE LICENSED
11 FACILITY IS LOCATED AND TO THE MUNICIPALITIES WHICH ARE
12 CONTIGUOUS TO THE MUNICIPALITY IN WHICH THE LICENSED
13 FACILITY IS LOCATED AND WHICH ARE LOCATED WITHIN THE
14 COUNTY IN WHICH THE LICENSED FACILITY IS LOCATED. GRANTS
15 SHALL BE ADMINISTERED BY THE COUNTY THROUGH ITS ECONOMIC
16 DEVELOPMENT OR REDEVELOPMENT AUTHORITY IN WHICH THE
17 LICENSED FACILITY IS LOCATED. GRANTS SHALL BE USED TO
18 FUND THE COSTS OF HUMAN SERVICES, INFRASTRUCTURE
19 IMPROVEMENTS, FACILITIES, EMERGENCY SERVICES, HEALTH AND
20 PUBLIC SAFETY EXPENSES ASSOCIATED WITH LICENSED FACILITY
21 OPERATIONS. IF AT THE END OF A FISCAL YEAR UNCOMMITTED
22 FUNDS EXIST, THE COUNTY SHALL PAY TO THE ECONOMIC
23 DEVELOPMENT OR REDEVELOPMENT AUTHORITY OF THE COUNTY IN
24 WHICH THE LICENSED FACILITY IS LOCATED THE UNCOMMITTED
25 FUNDS.

26 (VI) IF THE LICENSED FACILITY IS LOCATED IN MORE
27 THAN ONE COUNTY, THE AMOUNT AVAILABLE SHALL BE
28 DISTRIBUTED ON A PRO RATA BASIS DETERMINED BY THE
29 PERCENTAGE OF ACREAGE LOCATED IN EACH COUNTY TO THE TOTAL
30 ACREAGE OF ALL COUNTIES OCCUPIED BY THE LICENSED

1 FACILITY.

2 (VII) THE DISTRIBUTIONS PROVIDED IN THIS PARAGRAPH
3 SHALL BE BASED UPON COUNTY CLASSIFICATIONS IN EFFECT ON
4 [THE EFFECTIVE DATE OF THIS SECTION] JULY 5, 2004. ANY
5 RECLASSIFICATION OF COUNTIES AS A RESULT OF A FEDERAL
6 DECENNIAL CENSUS OR OF A STATE STATUTE SHALL NOT APPLY TO
7 THIS SUBPARAGRAPH.

8 (VIII) IF ANY PROVISION OF THIS PARAGRAPH IS FOUND
9 TO BE UNENFORCEABLE FOR ANY REASON, THE DISTRIBUTION
10 PROVIDED FOR IN THE UNENFORCEABLE PROVISION SHALL BE MADE
11 TO THE COUNTY IN WHICH THE LICENSED FACILITY IS LOCATED
12 FOR THE PURPOSES OF GRANTS TO MUNICIPALITIES IN THAT
13 COUNTY, INCLUDING MUNICIPAL GRANTS AS SPECIFIED IN
14 SUBPARAGRAPH (V) .

15 (IX) NOTHING IN THIS PARAGRAPH SHALL PREVENT ANY OF
16 THE ABOVE COUNTIES WHICH DIRECTLY RECEIVE A DISTRIBUTION
17 UNDER THIS SECTION FROM ENTERING INTO INTERGOVERNMENTAL
18 COOPERATIVE AGREEMENTS WITH OTHER JURISDICTIONS FOR
19 SHARING THIS MONEY.

20 (X) THE DEPARTMENT SHALL CREDIT AGAINST THE AMOUNT
21 IMPOSED UNDER THIS PARAGRAPH ANY AMOUNT PAID BY A
22 LICENSED FACILITY FROM MAY 27, 2017, UNTIL THE EFFECTIVE
23 DATE OF THIS PARAGRAPH TO A COUNTY UNDER AN AGREEMENT
24 BETWEEN THE CATEGORY 1, CATEGORY 2 OR CATEGORY 3 LICENSED
25 GAMING ENTITY AND THE COUNTY IN LIEU OF A PAYMENT UNDER
26 THIS PARAGRAPH, AS CERTIFIED TO THE DEPARTMENT BY THE
27 COUNTY RECEIVING THE FUNDS.

28 (3) FROM [THE LOCAL SHARE ASSESSMENT ESTABLISHED IN
29 SUBSECTION (B)] THE SLOT MACHINE LICENSE OPERATION FEES
30 DEPOSITED INTO THE FUND UNDER SECTION 1326.1(E) (RELATING TO

1 SLOT MACHINE LICENSE OPERATION FEE), MAKE QUARTERLY
2 DISTRIBUTIONS AMONG THE MUNICIPALITIES, INCLUDING HOME RULE
3 MUNICIPALITIES, HOSTING A LICENSED FACILITY IN ACCORDANCE
4 WITH THE FOLLOWING SCHEDULE:

5 (I) TO A CITY OF THE SECOND CLASS HOSTING A LICENSED
6 FACILITY, OTHER THAN A CATEGORY 3 OR CATEGORY 4 LICENSED
7 FACILITY, [2% OF THE GROSS TERMINAL REVENUE OR]
8 \$10,000,000 ANNUALLY[, WHICHEVER IS GREATER, SHALL BE
9 PAID BY EACH LICENSED GAMING ENTITY OPERATING A FACILITY
10 LOCATED IN THAT CITY. IN THE EVENT THAT THE REVENUES
11 GENERATED BY THE 2% DO NOT MEET THE \$10,000,000 MINIMUM
12 SPECIFIED IN THIS SUBPARAGRAPH, THE DEPARTMENT SHALL
13 COLLECT THE REMAINDER OF THE MINIMUM AMOUNT OF
14 \$10,000,000 FROM EACH LICENSED GAMING ENTITY OPERATING A
15 FACILITY IN THE CITY AND DEPOSIT THAT AMOUNT IN THE CITY
16 TREASURY.] SHALL BE DISTRIBUTED TO THE CITY TREASURY.

17 (II) TO A CITY OF THE SECOND CLASS A HOSTING A
18 LICENSED FACILITY, OTHER THAN A CATEGORY 3 OR CATEGORY 4
19 LICENSED FACILITY, [2% OF THE GROSS TERMINAL REVENUE OR
20 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, SHALL BE PAID
21 BY EACH LICENSED ENTITY OPERATING A LICENSED FACILITY
22 LOCATED IN THAT CITY] \$10,000,000 ANNUALLY SHALL BE
23 DISTRIBUTED TO THE CITY, SUBJECT, HOWEVER, TO THE
24 BUDGETARY LIMITATION IN THIS SUBPARAGRAPH. THE AMOUNT
25 ALLOCATED TO THE DESIGNATED MUNICIPALITIES SHALL NOT
26 EXCEED 50% OF THEIR TOTAL BUDGET FOR FISCAL YEAR 2003-
27 2004, ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY AN
28 AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT
29 CALCULATED BY APPLYING THE PERCENTAGE CHANGE IN THE
30 CONSUMER PRICE INDEX IMMEDIATELY PRIOR TO THE DATE THE

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

13 (III) TO A CITY OF THE THIRD CLASS HOSTING A
14 LICENSED FACILITY, OTHER THAN A CATEGORY 3 OR CATEGORY 4
15 LICENSED FACILITY, [2% OF THE GROSS TERMINAL REVENUE OR
16 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, SHALL BE PAID
17 BY EACH LICENSED GAMING ENTITY OPERATING A LICENSED
18 FACILITY LOCATED IN THAT CITY] \$10,000,000 ANNUALLY, LESS
19 ANY AMOUNT UP TO \$5,000,000 RECEIVED PURSUANT TO A
20 WRITTEN AGREEMENT WITH A LICENSED GAMING ENTITY EXECUTED
21 PRIOR TO THE EFFECTIVE DATE OF THIS PART, SHALL BE
22 DISTRIBUTED TO THE CITY, SUBJECT, HOWEVER, TO THE
23 BUDGETARY LIMITATION IN THIS SUBPARAGRAPH. IN THE EVENT
24 THAT THE CITY HAS A WRITTEN AGREEMENT WITH A LICENSED
25 GAMING ENTITY EXECUTED PRIOR TO [THE EFFECTIVE DATE OF
26 THIS PART] JULY 5, 2004, THE AMOUNT PAID UNDER THE
27 AGREEMENT TO THE CITY SHALL BE APPLIED AND CREDITED [TO
28 THE DIFFERENCE BETWEEN 2% OF THE GROSS TERMINAL REVENUE
29 AND THE \$10,000,000 OWED UNDER THIS SUBPARAGRAPH IF THE
30 2% OF THE GROSS TERMINAL REVENUE IS LESS THAN

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

26 (III.1) IF A LICENSED FACILITY, OTHER THAN A
27 CATEGORY 3 OR CATEGORY 4 LICENSED FACILITY, IS LOCATED IN
28 A CITY OF THE THIRD CLASS AND THE CITY IS LOCATED IN MORE
29 THAN ONE COUNTY OF THE THIRD CLASS, [2% OF THE GROSS
30 TERMINAL REVENUE OR \$10,000,000 ANNUALLY, WHICHEVER IS

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

16 (IV) TO A TOWNSHIP OF THE FIRST CLASS HOSTING A
17 LICENSED FACILITY, OTHER THAN A CATEGORY 3 OR CATEGORY 4
18 LICENSED 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 THE TOWNSHIP] \$10,000,000 ANNUALLY
22 SHALL BE DISTRIBUTED TO THE TOWNSHIP, SUBJECT, HOWEVER,
23 TO THE BUDGETARY LIMITATION IN THIS SUBPARAGRAPH. THE
24 AMOUNT ALLOCATED TO THE DESIGNATED MUNICIPALITIES SHALL
25 NOT EXCEED 50% OF THEIR TOTAL BUDGET FOR FISCAL YEAR
26 2003-2004, ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY
27 AN AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING
28 ADJUSTMENT CALCULATED BY APPLYING THE PERCENTAGE CHANGE
29 IN THE CONSUMER PRICE INDEX IMMEDIATELY PRIOR TO THE DATE
30 THE ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING MONEY

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

12 (V) TO A TOWNSHIP OF THE SECOND CLASS HOSTING A
13 LICENSED FACILITY:

14 (A) [2% OF THE GROSS TERMINAL REVENUE OR
15 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, SHALL BE
16 PAID BY EACH LICENSED GAMING ENTITY OPERATING A
17 LICENSED FACILITY, OTHER THAN A CATEGORY 3 LICENSED
18 FACILITY OR A LICENSED FACILITY OWNING LAND ADJACENT
19 TO THE LICENSED FACILITY LOCATED IN MORE THAN ONE
20 TOWNSHIP OF THE SECOND CLASS,] \$10,000,000 ANNUALLY
21 SHALL BE DISTRIBUTED TO THE TOWNSHIP OF THE SECOND
22 CLASS HOSTING [THE] A LICENSED FACILITY, OTHER THAN A
23 CATEGORY 3 OR CATEGORY 4 LICENSED FACILITY OR A
24 LICENSED FACILITY LOCATED IN MORE THAN ONE TOWNSHIP
25 OF THE SECOND CLASS, SUBJECT, HOWEVER, TO THE
26 BUDGETARY LIMITATION IN THIS SUBPARAGRAPH. THE AMOUNT
27 ALLOCATED TO THE DESIGNATED MUNICIPALITIES SHALL NOT
28 EXCEED 50% OF THEIR TOTAL BUDGET FOR FISCAL YEAR
29 2003-2004, ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS
30 BY AN AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING

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

16 (B) [2% OF THE GROSS TERMINAL REVENUE OR
17 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER,]
18 \$10,000,000 ANNUALLY, LESS THE AMOUNT PAID UNDER
19 CLAUSE (C), SHALL BE [PAID BY EACH LICENSED GAMING
20 ENTITY OPERATING A LICENSED FACILITY AND OWNING LAND
21 ADJACENT TO THE LICENSED FACILITY LOCATED IN MORE
22 THAN ONE TOWNSHIP OF THE SECOND CLASS, OTHER THAN A
23 CATEGORY 3 LICENSED FACILITY,] DISTRIBUTED TO THE
24 TOWNSHIP OF THE SECOND CLASS HOSTING [THE] A LICENSED
25 FACILITY WHICH OWNS LAND ADJACENT TO THE LICENSED
26 FACILITY LOCATED IN MORE THAN ONE TOWNSHIP OF THE
27 SECOND CLASS, OTHER THAN A CATEGORY 3 OR CATEGORY 4
28 LICENSED FACILITY, SUBJECT, HOWEVER, TO THE BUDGETARY
29 LIMITATION IN THIS SUBPARAGRAPH. THE AMOUNT ALLOCATED
30 TO THE DESIGNATED MUNICIPALITIES MAY NOT EXCEED 50%

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

28 (C) [\$160,000 ANNUALLY SHALL BE PAID BY EACH
29 LICENSED GAMING ENTITY OPERATING A LICENSED FACILITY
30 AND OWNING LAND ADJACENT TO THE LICENSED FACILITY

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

15 (VI) TO A BOROUGH HOSTING A LICENSED FACILITY, OTHER
16 THAN A CATEGORY 3 OR CATEGORY 4 LICENSED FACILITY, [2% OF
17 THE GROSS TERMINAL REVENUE OR \$10,000,000 ANNUALLY,
18 WHICHEVER IS GREATER, SHALL BE PAID BY EACH LICENSED
19 GAMING ENTITY OPERATING A LICENSED FACILITY LOCATED IN
20 THAT BOROUGH,] \$10,000,000 ANNUALLY SHALL BE DISTRIBUTED
21 TO THE BOROUGH, SUBJECT, HOWEVER, TO THE BUDGETARY
22 LIMITATION IN THIS SUBPARAGRAPH. THE AMOUNT ALLOCATED TO
23 THE DESIGNATED MUNICIPALITIES SHALL NOT EXCEED 50% OF
24 THEIR TOTAL BUDGET FOR FISCAL YEAR 2003-2004, ADJUSTED
25 FOR INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO
26 EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED BY
27 APPLYING THE PERCENTAGE CHANGE IN THE CONSUMER PRICE
28 INDEX IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT IS DUE
29 TO TAKE EFFECT. ANY REMAINING MONEY SHALL BE [COLLECTED
30 BY THE DEPARTMENT FROM EACH LICENSED GAMING ENTITY AND]

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

10 (VII) TO AN INCORPORATED TOWN HOSTING A LICENSED
11 FACILITY, OTHER THAN A CATEGORY 3 OR CATEGORY 4 LICENSED
12 FACILITY, [2% OF THE GROSS TERMINAL REVENUE OR
13 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, SHALL BE PAID
14 BY EACH LICENSED ENTITY OPERATING A LICENSED FACILITY
15 LOCATED IN THE TOWN,] \$10,000,000 ANNUALLY SHALL BE
16 DISTRIBUTED TO THE INCORPORATED TOWN, SUBJECT, HOWEVER,
17 TO THE BUDGETARY LIMITATION IN THIS SUBPARAGRAPH. THE
18 AMOUNT ALLOCATED TO THE DESIGNATED MUNICIPALITIES SHALL
19 NOT EXCEED 50% OF THEIR TOTAL BUDGET FOR FISCAL YEAR
20 2003-2004, ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY
21 AN AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING
22 ADJUSTMENT CALCULATED BY APPLYING THE PERCENTAGE CHANGE
23 IN THE CONSUMER PRICE INDEX IMMEDIATELY PRIOR TO THE DATE
24 THE ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING MONEY
25 SHALL BE [COLLECTED BY THE DEPARTMENT FROM EACH LICENSED
26 GAMING ENTITY AND] DISTRIBUTED IN ACCORDANCE WITH
27 PARAGRAPH (2) BASED UPON THE CLASSIFICATION OF COUNTY
28 WHERE THE LICENSED FACILITY IS LOCATED. [IN THE EVENT
29 THAT THE REVENUES GENERATED BY THE 2% DO NOT MEET THE
30 \$10,000,000 MINIMUM SPECIFIED IN THIS SUBPARAGRAPH, THE

1 DEPARTMENT SHALL COLLECT THE REMAINDER OF THE MINIMUM
2 AMOUNT OF \$10,000,000 FROM EACH LICENSED GAMING ENTITY
3 OPERATING A LICENSED FACILITY IN THE INCORPORATED TOWN,
4 PAY ANY BALANCE DUE TO THE TOWN AND TRANSFER ANY
5 REMAINDER IN ACCORDANCE WITH PARAGRAPH (2).

6 (VIII) (A) EXCEPT AS PROVIDED IN CLAUSE (B) OR (C),
7 TO A MUNICIPALITY OF ANY CLASS HOSTING A CATEGORY 3
8 FACILITY, 2% OF THE GROSS TERMINAL REVENUE FROM THE
9 CATEGORY 3 LICENSED FACILITY LOCATED IN THE
10 MUNICIPALITY, SUBJECT, HOWEVER, TO THE BUDGETARY
11 LIMITATION IN THIS CLAUSE. THE AMOUNT ALLOCATED TO
12 THE DESIGNATED MUNICIPALITIES SHALL NOT EXCEED 50% OF
13 THEIR TOTAL BUDGET FOR FISCAL YEAR 2009, ADJUSTED FOR
14 INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO
15 EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED
16 BY APPLYING THE PERCENTAGE CHANGE IN THE CONSUMER
17 PRICE INDEX IMMEDIATELY PRIOR TO THE DATE THE
18 ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING MONEY
19 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.

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

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

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

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

16 (IX) ANY MUNICIPALITY NOT SPECIFICALLY ENUMERATED IN
17 SUBPARAGRAPHS (I) THROUGH (VIII), 2% OF THE GROSS
18 TERMINAL REVENUE TO THE MUNICIPALITY HOSTING THE LICENSED
19 FACILITY FROM EACH SUCH LICENSED FACILITY.

20 (X) IF THE LICENSED FACILITY IS LOCATED IN MORE THAN
21 ONE MUNICIPALITY, THE AMOUNT AVAILABLE SHALL BE
22 DISTRIBUTED ON A PRO RATA BASIS DETERMINED BY THE
23 PERCENTAGE OF ACREAGE LOCATED IN EACH MUNICIPALITY TO THE
24 TOTAL ACREAGE OF ALL MUNICIPALITIES OCCUPIED BY THE
25 LICENSED FACILITY.

26 (XI) IF THE LICENSED FACILITY IS LOCATED AT A RESORT
27 WHICH IS ALSO AN INCORPORATED MUNICIPALITY, SUCH
28 MUNICIPALITY SHALL NOT BE ELIGIBLE TO RECEIVE ANY
29 DISTRIBUTION UNDER THIS PARAGRAPH. THE DISTRIBUTION IT
30 WOULD HAVE OTHERWISE BEEN ENTITLED TO UNDER THIS

1 PARAGRAPH SHALL INSTEAD BE DISTRIBUTED IN ACCORDANCE WITH
2 PARAGRAPH (2) BASED UPON THE COUNTY WHERE THE LICENSED
3 FACILITY IS LOCATED.

4 (XII) THE DISTRIBUTIONS PROVIDED IN THIS PARAGRAPH
5 SHALL BE BASED UPON MUNICIPAL CLASSIFICATIONS IN EFFECT
6 ON THE EFFECTIVE DATE OF THIS SECTION. FOR THE PURPOSES
7 OF THIS PARAGRAPH, ANY RECLASSIFICATION OF MUNICIPALITIES
8 AS A RESULT OF A FEDERAL DECENNIAL CENSUS OR OF A STATE
9 STATUTE SHALL NOT APPLY TO THIS PARAGRAPH.

10 (XIII) IF ANY PROVISION OF THIS PARAGRAPH IS FOUND
11 TO BE UNENFORCEABLE FOR ANY REASON, THE DISTRIBUTION
12 PROVIDED FOR IN SUCH UNENFORCEABLE PROVISION SHALL BE
13 MADE TO THE MUNICIPALITY IN WHICH THE LICENSED FACILITY
14 IS LOCATED.

15 (XIV) NOTHING IN THIS PARAGRAPH SHALL PREVENT ANY OF
16 THE ABOVE MUNICIPALITIES FROM ENTERING INTO
17 INTERGOVERNMENTAL COOPERATIVE AGREEMENTS WITH OTHER
18 JURISDICTIONS FOR SHARING THIS MONEY.

19 (XV) NOTWITHSTANDING ANY OTHER LAW, AGREEMENT OR
20 PROVISION IN THIS PART TO THE CONTRARY, ALL REVENUES
21 PROVIDED, DIRECTED OR EARMARKED UNDER THIS SECTION TO OR
22 FOR THE BENEFIT OF A CITY OF THE SECOND CLASS IN WHICH AN
23 INTERGOVERNMENTAL COOPERATION AUTHORITY HAS BEEN
24 ESTABLISHED AND IS IN EXISTENCE PURSUANT TO THE ACT OF
25 FEBRUARY 12, 2004 (P.L.73, NO.11), KNOWN AS THE
26 INTERGOVERNMENTAL COOPERATION AUTHORITY ACT FOR CITIES OF
27 THE SECOND CLASS, SHALL BE DIRECTED TO AND UNDER THE
28 EXCLUSIVE CONTROL OF SUCH INTERGOVERNMENTAL COOPERATION
29 AUTHORITY TO BE USED:

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

1 (B) TO INCREASE THE LEVEL OF FUNDING OF THE
2 MUNICIPAL PENSION FUNDS OF THE SECOND CLASS CITY; OR
3 (C) FOR ANY OTHER PURPOSES AS DETERMINED TO BE
4 IN THE BEST INTEREST OF THE SECOND CLASS CITY BY SUCH
5 INTERGOVERNMENTAL COOPERATION AUTHORITY. SUCH
6 REVENUES SHALL NOT BE DIRECTED TO OR UNDER THE
7 CONTROL OF SUCH CITY OF THE SECOND CLASS OR ANY
8 COORDINATOR APPOINTED PURSUANT TO THE ACT OF JULY 10,
9 1987 (P.L.246, NO.47), KNOWN AS THE MUNICIPALITIES
10 FINANCIAL RECOVERY ACT, FOR SUCH CITY OF THE SECOND
11 CLASS.]

12 (4) FROM THE SLOT MACHINE LICENSE OPERATION FEE
13 DEPOSITED INTO THE FUND UNDER SECTION 1326.1(E), MAKE
14 QUARTERLY DISTRIBUTIONS TOTALING \$10,000,000 FOR EACH
15 LICENSED FACILITY LOCATED WITHIN A COUNTY AND A CITY OF THE
16 FIRST CLASS WHICH IS COTERMINOUS AS FOLLOWS:

17 (I) IF A LICENSED FACILITY IS A CATEGORY 1 OR
18 CATEGORY 2 LICENSED FACILITY AND IS OPERATING IN A COUNTY
19 AND A CITY OF THE FIRST CLASS WHICH IS COTERMINOUS ON THE
20 EFFECTIVE DATE OF THIS PARAGRAPH, THE FIRST \$5,000,000
21 SHALL BE DISTRIBUTED ANNUALLY TO A SCHOOL DISTRICT OF THE
22 FIRST CLASS. OF THE REMAINING FUNDS, 60% SHALL BE
23 DISTRIBUTED TO THE COUNTY AND CITY OF THE FIRST CLASS
24 WHICH IS COTERMINOUS AND 40% SHALL BE DEPOSITED INTO A
25 RESTRICTED RECEIPTS ACCOUNT ESTABLISHED IN THE DEPARTMENT
26 OF COMMUNITY AND ECONOMIC DEVELOPMENT TO BE USED
27 EXCLUSIVELY FOR GRANTS FOR ECONOMIC DEVELOPMENT PROJECTS,
28 NEIGHBORHOOD REVITALIZATION PROJECTS, COMMUNITY
29 IMPROVEMENT PROJECTS AND OTHER PROJECTS IN THE PUBLIC
30 INTEREST WITHIN THE COUNTY AND CITY OF THE FIRST CLASS

1 WHICH IS COTERMINOUS.

2 (II) IF A LICENSED FACILITY IS A CATEGORY 1 OR
3 CATEGORY 2 LICENSED FACILITY AND BEGINS OPERATING IN A
4 COUNTY AND A CITY OF THE FIRST CLASS WHICH IS COTERMINOUS
5 AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH, 70% OF THE
6 SLOT MACHINE LICENSE OPERATION FEE SHALL BE DISTRIBUTED
7 TO THE COUNTY AND CITY OF THE FIRST CLASS WHICH IS
8 COTERMINOUS AND 30% OF THE SLOT MACHINE LICENSE OPERATION
9 FEE SHALL BE DEPOSITED INTO A RESTRICTED RECEIPTS ACCOUNT
10 ESTABLISHED IN THE DEPARTMENT OF COMMUNITY AND ECONOMIC
11 DEVELOPMENT TO BE USED EXCLUSIVELY FOR GRANTS FOR
12 ECONOMIC DEVELOPMENT PROJECTS, NEIGHBORHOOD
13 REVITALIZATION PROJECTS, COMMUNITY IMPROVEMENT PROJECTS
14 AND OTHER PROJECTS IN THE PUBLIC INTEREST WITHIN THE
15 COUNTY AND CITY OF THE FIRST CLASS WHICH IS COTERMINOUS.

16 (III) NOTWITHSTANDING ANY OTHER PROVISION OF THIS
17 PART TO THE CONTRARY, SLOT MACHINE LICENSE OPERATION FEES
18 FROM LICENSED GAMING ENTITIES LOCATED WITHIN A COUNTY AND
19 CITY OF THE FIRST CLASS SHALL NOT BE DISTRIBUTED OUTSIDE
20 A COUNTY AND CITY OF THE FIRST CLASS.

21 (5) FROM THE LOCAL SHARE ASSESSMENT ESTABLISHED IN
22 SUBSECTION (B), MAKE QUARTERLY DISTRIBUTIONS AMONG THE
23 MUNICIPALITIES, INCLUDING HOME RULE MUNICIPALITIES, HOSTING A
24 LICENSED FACILITY IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

25 (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OR
26 (III), TO A MUNICIPALITY OF ANY CLASS HOSTING A CATEGORY
27 3 FACILITY, 2% OF THE GROSS TERMINAL REVENUE FROM THE
28 CATEGORY 3 LICENSED FACILITY LOCATED IN THE MUNICIPALITY,
29 SUBJECT, HOWEVER, TO THE BUDGETARY LIMITATION IN THIS
30 SUBPARAGRAPH. THE AMOUNT ALLOCATED TO THE DESIGNATED

1 MUNICIPALITIES SHALL NOT EXCEED 50% OF THEIR TOTAL BUDGET
2 FOR FISCAL YEAR 2009, ADJUSTED FOR INFLATION IN
3 SUBSEQUENT YEARS BY AN AMOUNT NOT TO EXCEED AN ANNUAL
4 COST-OF-LIVING ADJUSTMENT CALCULATED BY APPLYING THE
5 PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX IMMEDIATELY
6 PRIOR TO THE DATE THE ADJUSTMENT IS DUE TO TAKE EFFECT.
7 ANY REMAINING MONEY SHALL BE COLLECTED BY THE DEPARTMENT
8 FROM EACH LICENSED GAMING ENTITY AND DISTRIBUTED IN
9 ACCORDANCE WITH PARAGRAPH (2) BASED UPON THE
10 CLASSIFICATION OF COUNTY WHERE THE LICENSED FACILITY IS
11 LOCATED.

12 (II) IF THE MUNICIPALITY HOSTING A CATEGORY 3
13 LICENSED FACILITY IS A BOROUGH LOCATED IN A COUNTY OF THE
14 THIRD CLASS AND THE BOROUGH IS CONTIGUOUS TO A CITY OF
15 THE THIRD CLASS, 1% OF GROSS TERMINAL REVENUE SHALL BE
16 DISTRIBUTED TO THE HOST BOROUGH AND 1% OF GROSS TERMINAL
17 REVENUE SHALL BE DISTRIBUTED TO THE CITY OF THE THIRD
18 CLASS THAT IS CONTIGUOUS TO THE HOST BOROUGH, SUBJECT,
19 HOWEVER, TO THE BUDGETARY LIMITATION IN THIS
20 SUBPARAGRAPH. THE AMOUNT ALLOCATED TO EACH DESIGNATED
21 MUNICIPALITY SHALL NOT EXCEED 50% OF ITS TOTAL BUDGET FOR
22 FISCAL YEAR 2009, ADJUSTED FOR INFLATION IN SUBSEQUENT
23 YEARS BY AN AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING
24 ADJUSTMENT CALCULATED BY APPLYING THE PERCENTAGE
25 INCREASE, IF ANY, IN THE CONSUMER PRICE INDEX IMMEDIATELY
26 PRIOR TO THE DATE THE ADJUSTMENT IS DUE TO TAKE EFFECT.
27 ANY REMAINING MONEY SHALL BE COLLECTED BY THE DEPARTMENT
28 FROM EACH LICENSED GAMING ENTITY AND DISTRIBUTED IN
29 ACCORDANCE WITH PARAGRAPH (2) BASED UPON THE
30 CLASSIFICATION OF COUNTY WHERE THE LICENSED FACILITY IS

1 LOCATED.

2 (III) IF THE MUNICIPALITY HOSTING A CATEGORY 3
3 LICENSED FACILITY IS A TOWNSHIP OF THE SECOND CLASS IN A
4 COUNTY OF THE FIFTH CLASS WHICH IS CONTIGUOUS TO A COUNTY
5 OF THE SEVENTH CLASS, 2% OF THE GROSS TERMINAL REVENUE
6 FROM THE CATEGORY 3 LICENSED FACILITY LOCATED IN THE
7 MUNICIPALITY SHALL BE DISTRIBUTED TO THE MUNICIPALITY,
8 SUBJECT, HOWEVER, TO THE BUDGETARY LIMITATION IN THIS
9 SUBPARAGRAPH. THE AMOUNT ALLOCATED TO THE DESIGNATED
10 MUNICIPALITIES SHALL NOT EXCEED THE LESSER OF \$1,000,000
11 OR 50% OF THEIR TOTAL BUDGET FOR FISCAL YEAR 2009,
12 ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT
13 NOT TO EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT
14 CALCULATED BY APPLYING THE PERCENTAGE CHANGE IN THE
15 CONSUMER PRICE INDEX IMMEDIATELY PRIOR TO THE DATE THE
16 ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING MONEY
17 SHALL BE COLLECTED BY THE DEPARTMENT FROM EACH LICENSED
18 GAMING ENTITY AND DISTRIBUTED IN EQUAL AMOUNTS TO EACH
19 MUNICIPALITY CONTIGUOUS TO THE HOST MUNICIPALITY. THE
20 AMOUNT TO BE ALLOCATED TO ANY CONTIGUOUS MUNICIPALITY
21 SHALL NOT EXCEED THE LESSER OF \$1,000,000 OR 50% OF THE
22 MUNICIPALITY'S TOTAL BUDGET FOR FISCAL YEAR 2009,
23 ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT
24 NOT TO EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT
25 CALCULATED BY APPLYING THE PERCENTAGE CHANGE IN THE
26 CONSUMER PRICE INDEX IMMEDIATELY PRIOR TO THE DATE THE
27 ADJUSTMENT IS DUE TO TAKE EFFECT. ANY MONEY REMAINING
28 FOLLOWING DISTRIBUTION TO CONTIGUOUS MUNICIPALITIES SHALL
29 BE COLLECTED BY THE DEPARTMENT AND DISTRIBUTED IN
30 ACCORDANCE WITH PARAGRAPH (2) BASED UPON THE

1 CLASSIFICATION OF COUNTY WHERE THE LICENSED FACILITY IS
2 LOCATED.

3 (IV) THE DEPARTMENT SHALL CREDIT AGAINST THE AMOUNT
4 IMPOSED UNDER SECTION THIS PARAGRAPH ANY AMOUNT PAID BY A
5 LICENSED FACILITY FROM MAY 27, 2017, UNTIL THE EFFECTIVE
6 DATE OF THIS PARAGRAPH, TO A MUNICIPALITY UNDER AN
7 AGREEMENT BETWEEN A CATEGORY 3 LICENSED GAMING ENTITY AND
8 THE MUNICIPALITY IN LIEU OF A PAYMENT UNDER THIS
9 PARAGRAPH, AS CERTIFIED TO THE DEPARTMENT BY THE
10 MUNICIPALITY RECEIVING THE FUNDS.

11 (6) FROM THE SLOT MACHINE LICENSE OPERATION FEES
12 DEPOSITED IN THE FUND UNDER SECTION 1326.1(E), MAKE QUARTERLY
13 DISTRIBUTIONS TO ANY MUNICIPALITY NOT SPECIFICALLY ENUMERATED
14 IN PARAGRAPH (3) OR (4) HOSTING A CATEGORY 1 OR A CATEGORY 2
15 LICENSED FACILITY, OTHER THAN A CATEGORY 1 OR CATEGORY 2
16 LICENSED FACILITY LOCATED IN A CITY OF THE FIRST CLASS, EQUAL
17 TO \$10,000,000 ANNUALLY.

18 (7) FROM THE LOCAL SHARE ASSESSMENT ESTABLISHED IN
19 SUBSECTION (B), MAKE QUARTERLY DISTRIBUTIONS TO ANY
20 MUNICIPALITY NOT ENUMERATED IN PARAGRAPH (5) HOSTING A
21 CATEGORY 3 LICENSED FACILITY: 2% OF THE GROSS TERMINAL
22 REVENUE PAID BY EACH LICENSED GAMING ENTITY OPERATING A
23 CATEGORY 3 LICENSED FACILITY.

24 (8) IF A LICENSED FACILITY IS LOCATED IN MORE THAN ONE
25 MUNICIPALITY, THE AMOUNT AVAILABLE SHALL BE DISTRIBUTED ON A
26 PRO RATA BASIS DETERMINED BY THE PERCENTAGE OF ACREAGE
27 LOCATED IN EACH MUNICIPALITY TO THE TOTAL ACREAGE OF ALL
28 MUNICIPALITIES OCCUPIED BY THE LICENSED FACILITY.

29 (9) IF A LICENSED FACILITY IS LOCATED AT A RESORT WHICH
30 IS ALSO AN INCORPORATED MUNICIPALITY, THE MUNICIPALITY SHALL

1 NOT BE ELIGIBLE TO RECEIVE ANY DISTRIBUTION UNDER PARAGRAPH
2 (3), (4), (5), (6) OR (7). THE DISTRIBUTION IT WOULD HAVE
3 OTHERWISE BEEN ENTITLED TO UNDER PARAGRAPH (3), (4), (5), (6)
4 OR (7) SHALL INSTEAD BE DISTRIBUTED IN ACCORDANCE WITH
5 PARAGRAPH (2) BASED UPON THE CLASSIFICATION OF COUNTY WHERE
6 THE LICENSED FACILITY IS LOCATED.

7 (10) THE DISTRIBUTIONS PROVIDED IN PARAGRAPH (3), (4),
8 (5), (6) OR (7) SHALL BE BASED UPON MUNICIPAL CLASSIFICATIONS
9 IN EFFECT ON JULY 5, 2004. FOR THE PURPOSES OF PARAGRAPHS
10 (3), (4), (5), (6) AND (7), ANY RECLASSIFICATION OF
11 MUNICIPALITIES AS A RESULT OF A FEDERAL DECENNIAL CENSUS OR
12 OF A STATE STATUTE SHALL NOT APPLY TO PARAGRAPHS (3), (4),
13 (5), (6) AND (7).

14 (11) IF ANY PROVISION OF PARAGRAPH (3), (4), (5), (6) OR
15 (7) IS FOUND TO BE UNENFORCEABLE FOR ANY REASON, THE
16 DISTRIBUTION PROVIDED FOR IN THE UNENFORCEABLE PROVISION
17 SHALL BE MADE TO THE MUNICIPALITY IN WHICH THE LICENSED
18 FACILITY IS LOCATED.

19 (12) NOTHING IN PARAGRAPH (3), (4), (5), (6) OR (7)
20 SHALL BE CONSTRUED TO PREVENT ANY OF THE ABOVE MUNICIPALITIES
21 FROM ENTERING INTO INTERGOVERNMENTAL COOPERATIVE AGREEMENTS
22 WITH OTHER JURISDICTIONS FOR SHARING THE FUNDS DISTRIBUTED TO
23 THEM.

24 (13) NOTWITHSTANDING ANY OTHER LAW, AGREEMENT OR
25 PROVISION IN THIS PART TO THE CONTRARY, ALL REVENUES
26 PROVIDED, DIRECTED OR EARMARKED UNDER THIS SECTION TO OR FOR
27 THE BENEFIT OF A CITY OF THE SECOND CLASS IN WHICH AN
28 INTERGOVERNMENTAL COOPERATION AUTHORITY HAS BEEN ESTABLISHED
29 AND IS IN EXISTENCE UNDER THE ACT OF FEBRUARY 12, 2004
30 (P.L.73, NO.11), KNOWN AS THE INTERGOVERNMENTAL COOPERATION

1 AUTHORITY ACT FOR CITIES OF THE SECOND CLASS, SHALL BE
2 DIRECTED TO AND UNDER THE EXCLUSIVE CONTROL OF THE
3 INTERGOVERNMENTAL COOPERATION AUTHORITY TO BE USED:

4 (I) TO REDUCE THE DEBT OF THE CITY OF THE SECOND
5 CLASS;

6 (II) TO INCREASE THE LEVEL OF FUNDING OF THE
7 MUNICIPAL PENSION FUNDS OF THE CITY OF THE SECOND CLASS;
8 OR

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

17 (C.1) LOCAL SHARE ASSESSMENT.--

18 (1) IN ADDITION TO THE TAX IMPOSED UNDER PARAGRAPH
19 (B.1), EACH CATEGORY 4 SLOT MACHINE LICENSEE SHALL PAY ON A
20 WEEKLY BASIS AND ON A FORM AND IN A MANNER PRESCRIBED BY THE
21 DEPARTMENT A LOCAL SHARE ASSESSMENT INTO A RESTRICTED
22 RECEIPTS ACCOUNT ESTABLISHED WITHIN THE FUND. ALL FUNDS OWED
23 UNDER THIS SECTION SHALL BE HELD IN TRUST BY THE CATEGORY 4
24 SLOT MACHINE LICENSEE UNTIL THE FUNDS ARE PAID INTO THE
25 ACCOUNT. FUNDS IN THE ACCOUNT ARE HEREBY APPROPRIATED TO THE
26 DEPARTMENT ON A CONTINUING BASIS FOR THE PURPOSES SET FORTH
27 IN PARAGRAPH (2).

28 (2) FROM THE LOCAL SHARE ASSESSMENT ESTABLISHED IN
29 PARAGRAPH (1), MAKE QUARTERLY DISTRIBUTIONS AS FOLLOWS:

30 (I) FIFTY PERCENT SHALL BE DEPOSITED INTO A

1 RESTRICTED RECEIPTS ACCOUNT TO BE ESTABLISHED IN THE
2 COMMONWEALTH FINANCING AUTHORITY TO BE USED EXCLUSIVELY
3 FOR GRANTS FOR PROJECTS IN THE PUBLIC INTEREST IN THE
4 COUNTY HOSTING THE CATEGORY 4 LICENSED FACILITY.

5 (II) FIFTY PERCENT TO THE MUNICIPALITY HOSTING THE
6 CATEGORY 4 LICENSED FACILITY FROM EACH CATEGORY 4
7 LICENSED FACILITY SHALL BE PAID BY EACH LICENSED GAMING
8 ENTITY OPERATING A CATEGORY 4 LICENSED FACILITY IN THE
9 MUNICIPALITY, SUBJECT TO THE BUDGETARY LIMITATION IN THIS
10 SUBPARAGRAPH. THE AMOUNT ALLOCATED TO THE DESIGNATED
11 MUNICIPALITIES SHALL NOT EXCEED 50% OF THE MUNICIPALITY'S
12 TOTAL BUDGET FOR FISCAL YEAR 2016-2017, ADJUSTED FOR
13 INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO EXCEED
14 AN ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED BY
15 APPLYING THE PERCENTAGE CHANGE IN THE CONSUMER PRICE
16 INDEX IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT IS DUE
17 TO TAKE EFFECT. ANY REMAINING MONEY SHALL BE COLLECTED BY
18 THE DEPARTMENT FROM EACH LICENSED GAMING ENTITY AND
19 DISTRIBUTED IN ACCORDANCE WITH SUBPARAGRAPH (I).

20 (3) FOR PURPOSES OF THIS SUBSECTION, LOCAL SHARE
21 ASSESSMENT SHALL BE 4% OF THE GROSS TERMINAL REVENUES
22 GENERATED AT A CATEGORY 4 LICENSED FACILITY.

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

29 (E) REPORTING.--

30 (1) IN COOPERATION WITH THE DEPARTMENT AND THE

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

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

25 (F) PROHIBITED ACTIVITIES.--

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

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

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

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

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

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

17 SECTION 27.1. SECTION 1405 OF TITLE 4 IS AMENDED TO READ:
18 § 1405. PENNSYLVANIA RACE HORSE DEVELOPMENT TRUST FUND.

19 (A) FUND ESTABLISHED.--THE PENNSYLVANIA RACE HORSE
20 DEVELOPMENT FUND IS CONVERTED INTO A TRUST FUND AND SHALL BE
21 KNOWN AS THE PENNSYLVANIA RACE HORSE DEVELOPMENT TRUST FUND
22 WITHIN THE STATE TREASURY.

23 (B) PENNSYLVANIA RACE HORSE IMPROVEMENT ASSESSMENT.--EACH
24 ACTIVE AND OPERATING LICENSED GAMING ENTITY, OTHER THAN A
25 CATEGORY 4 SLOT MACHINE LICENSEE, SHALL PAY A DAILY ASSESSMENT
26 TO THE PENNSYLVANIA RACE HORSE DEVELOPMENT TRUST FUND AS
27 DETERMINED BY THE DEPARTMENT. SUBJECT TO THE DAILY ASSESSMENT
28 CAP ESTABLISHED UNDER SUBSECTION (C), THE LICENSED GAMING
29 ENTITY'S ASSESSMENT SHALL BE A PERCENTAGE OF EACH LICENSED
30 GAMING ENTITY'S GROSS TERMINAL REVENUE, EQUAL TO AN AMOUNT

1 CALCULATED AS "A" MULTIPLIED BY "B", WITH "A" BEING EQUAL TO
2 EACH LICENSED GAMING ENTITY'S GROSS TERMINAL REVENUE FOR THAT
3 DAY DIVIDED BY THE TOTAL GROSS TERMINAL REVENUE FOR THAT DAY
4 FROM ALL LICENSED GAMING ENTITIES, AND "B" BEING EQUAL TO 18% OF
5 THAT DAY'S GROSS TERMINAL REVENUE FOR ALL ACTIVE AND OPERATING
6 CATEGORY 1 LICENSEES CONDUCTING LIVE RACING.

7 (C) DAILY ASSESSMENT CAP.--IF THE RESULTING DAILY ASSESSMENT
8 FOR A LICENSED GAMING ENTITY EXCEEDS 12% OF THAT LICENSED GAMING
9 ENTITY'S GROSS TERMINAL REVENUE FOR THE DAY, THE LICENSED GAMING
10 ENTITY SHALL PAY A DAILY ASSESSMENT OF 12% OF ITS GROSS TERMINAL
11 REVENUE FOR THAT DAY.

12 (D) DISTRIBUTIONS.--IN ACCORDANCE WITH SECTION 1406
13 (RELATING TO DISTRIBUTIONS FROM PENNSYLVANIA RACE HORSE
14 DEVELOPMENT TRUST FUND), THE DEPARTMENT SHALL MAKE DISTRIBUTIONS
15 FROM THE PENNSYLVANIA RACE HORSE DEVELOPMENT TRUST FUND TO EACH
16 OF THE ACTIVE AND OPERATING CATEGORY 1 LICENSEES CONDUCTING LIVE
17 RACING.

18 SECTION 27.2. TITLE 4 IS AMENDED BY ADDING A SECTION TO
19 READ:

20 § 1405.1. PROTECTION OF FUNDS.

21 (A) PAYMENT.--DAILY ASSESSMENTS COLLECTED OR RECEIVED BY THE
22 DEPARTMENT UNDER SECTION 1405 (RELATING TO PENNSYLVANIA RACE
23 HORSE DEVELOPMENT TRUST FUND) ARE NOT FUNDS OF THE COMMONWEALTH.
24 THE DAILY ASSESSMENTS SHALL BE PAID BY THE STATE TREASURER AS
25 DIRECTED BY THE DEPARTMENT TO EACH ACTIVE AND OPERATING CATEGORY
26 1 LICENSEE CONDUCTING LIVE RACING FOR THE OBLIGATIONS OF
27 CATEGORY 1 LICENSEES IN ACCORDANCE WITH SECTION 1406 (RELATING
28 TO DISTRIBUTIONS FROM PENNSYLVANIA RACE HORSE DEVELOPMENT TRUST
29 FUND). THE COMMONWEALTH SHALL NOT BE RIGHTFULLY ENTITLED TO ANY
30 MONEY DESCRIBED UNDER THIS SECTION AND SECTIONS 1405 AND 1406.

1 (B) ELIGIBLE RECIPIENTS.--FUNDS ALLOCATED TO THE HORSEMEN'S
2 ORGANIZATION UNDER THIS PART MUST BE USED TO BENEFIT ALL
3 HORSEMEN. FUNDS ACQUIRED FROM OTHER SOURCES SHALL BE KEPT
4 SEPARATE AND APART FROM FUNDS OBTAINED UNDER THIS PART.

5 (C) APPLICABILITY.--THIS SECTION SHALL NOT APPLY TO 3
6 PA.C.S. § 9313 (RELATING TO BUDGET) FOR PROMOTION OF HORSE
7 RACING, 3 PA.C.S. § 9374 (RELATING TO COSTS OF ENFORCEMENT OF
8 MEDICATION RULES OR REGULATIONS) AND THE ANNUAL TRANSFER OF
9 \$19,659,000 UNDER SECTION 1723-A.1 OF THE ACT OF APRIL 9, 1929
10 (P.L.343, NO.176), KNOWN AS THE FISCAL CODE.

11 SECTION 27.3. SECTION 1406(C) OF TITLE 4 IS AMENDED AND THE
12 SECTION IS AMENDED BY ADDING SUBSECTIONS TO READ:

13 § 1406. DISTRIBUTIONS FROM PENNSYLVANIA RACE HORSE DEVELOPMENT
14 TRUST FUND.

15 (A) DISTRIBUTIONS.--FUNDS FROM THE PENNSYLVANIA RACE HORSE
16 DEVELOPMENT TRUST FUND SHALL BE DISTRIBUTED TO EACH ACTIVE AND
17 OPERATING CATEGORY 1 LICENSEE CONDUCTING LIVE RACING IN THE
18 FOLLOWING MANNER:

19 (1) AN AMOUNT EQUAL TO 18% OF THE DAILY GROSS TERMINAL
20 REVENUE OF EACH CATEGORY 1 LICENSEE SHALL BE DISTRIBUTED TO
21 EACH ACTIVE AND OPERATING CATEGORY 1 LICENSEE CONDUCTING LIVE
22 RACING UNLESS THE DAILY ASSESSMENTS ARE AFFECTED BY THE DAILY
23 ASSESSMENT CAP PROVIDED FOR IN SECTION 1405(C) (RELATING TO
24 PENNSYLVANIA RACE HORSE DEVELOPMENT TRUST FUND). IN CASES IN
25 WHICH THE DAILY ASSESSMENT CAP AFFECTS DAILY ASSESSMENTS, THE
26 DISTRIBUTION TO EACH ACTIVE AND OPERATING CATEGORY 1 LICENSEE
27 CONDUCTING LIVE RACING FOR THAT DAY SHALL BE A PERCENTAGE OF
28 THE TOTAL DAILY ASSESSMENTS PAID INTO THE PENNSYLVANIA RACE
29 HORSE DEVELOPMENT TRUST FUND FOR THAT DAY EQUAL TO THE GROSS
30 TERMINAL REVENUE OF EACH ACTIVE AND OPERATING CATEGORY 1

1 LICENSEE CONDUCTING LIVE RACING FOR THAT DAY DIVIDED BY THE
2 TOTAL GROSS TERMINAL REVENUE OF ALL ACTIVE AND OPERATING
3 CATEGORY 1 LICENSEES CONDUCTING LIVE RACING FOR THAT DAY. THE
4 DISTRIBUTIONS TO LICENSED RACING ENTITIES FROM THE
5 PENNSYLVANIA RACE HORSE DEVELOPMENT TRUST FUND SHALL BE
6 ALLOCATED AS FOLLOWS:

7 (I) EIGHTY PERCENT TO BE DEPOSITED WEEKLY INTO A
8 SEPARATE, INTEREST-BEARING PURSE ACCOUNT TO BE
9 ESTABLISHED BY AND FOR THE BENEFIT OF THE HORSEMEN. THE
10 EARNED INTEREST ON THE ACCOUNT SHALL BE CREDITED TO THE
11 PURSE ACCOUNT. LICENSEES SHALL COMBINE THESE FUNDS WITH
12 REVENUES FROM EXISTING PURSE AGREEMENTS TO FUND PURSES
13 FOR LIVE RACES CONSISTENT WITH THOSE AGREEMENTS WITH THE
14 ADVICE AND CONSENT OF THE HORSEMEN.

15 (II) FROM LICENSEES THAT OPERATE AT THOROUGHBRED
16 TRACKS, 16% TO BE DEPOSITED ON A MONTHLY BASIS INTO THE
17 PENNSYLVANIA BREEDING FUND AS DEFINED IN 3 PA.C.S. § 9336
18 (RELATING TO PENNSYLVANIA BREEDING FUND). FROM LICENSEES
19 THAT OPERATE AT STANDARD BRED TRACKS, 8% TO BE DEPOSITED
20 ON A MONTHLY BASIS IN THE PENNSYLVANIA SIRE STAKES FUND
21 AS DEFINED IN 3 PA.C.S. § 9337 (RELATING TO PENNSYLVANIA
22 SIRE STAKES FUND) AND 8% TO BE DEPOSITED ON A MONTHLY
23 BASIS INTO A RESTRICTED ACCOUNT IN THE STATE RACING FUND
24 TO BE KNOWN AS THE PENNSYLVANIA STANDARD BRED BREEDERS
25 DEVELOPMENT TRUST FUND. THE STATE HORSE RACING COMMISSION
26 SHALL, IN CONSULTATION WITH THE SECRETARY OF AGRICULTURE
27 BY RULE OR BY REGULATION, ADOPT A STANDARD BRED BREEDERS
28 PROGRAM THAT WILL INCLUDE THE ADMINISTRATION OF
29 PENNSYLVANIA STALLION AWARD, PENNSYLVANIA BRED AWARD AND
30 A PENNSYLVANIA SIRE AND BRED AWARD.

1 (III) FOUR PERCENT TO BE USED TO FUND HEALTH AND
2 PENSION BENEFITS FOR THE MEMBERS OF THE HORSEMEN'S
3 ORGANIZATIONS REPRESENTING THE OWNERS AND TRAINERS AT THE
4 RACETRACK AT WHICH THE LICENSED RACING ENTITY OPERATES
5 FOR THE BENEFIT OF THE ORGANIZATION'S MEMBERS, THEIR
6 FAMILIES, EMPLOYEES AND OTHERS IN ACCORDANCE WITH THE
7 RULES AND ELIGIBILITY REQUIREMENTS OF THE ORGANIZATION,
8 AS APPROVED BY THE STATE HORSE RACING COMMISSION. THIS
9 AMOUNT SHALL BE DEPOSITED WITHIN FIVE BUSINESS DAYS OF
10 THE END OF EACH MONTH INTO A SEPARATE ACCOUNT TO BE
11 ESTABLISHED BY EACH RESPECTIVE HORSEMEN'S ORGANIZATION AT
12 A BANKING INSTITUTION OF ITS CHOICE. OF THIS AMOUNT,
13 \$250,000 SHALL BE PAID ANNUALLY BY THE HORSEMEN'S
14 ORGANIZATION TO THE THOROUGHBRED JOCKEYS OR STANDARDBRED
15 DRIVERS ORGANIZATION AT THE RACETRACK AT WHICH THE
16 LICENSED RACING ENTITY OPERATES FOR HEALTH INSURANCE,
17 LIFE INSURANCE OR OTHER BENEFITS TO ACTIVE AND DISABLED
18 THOROUGHBRED JOCKEYS OR STANDARDBRED DRIVERS IN
19 ACCORDANCE WITH THE RULES AND ELIGIBILITY REQUIREMENTS OF
20 THAT ORGANIZATION.

21 (2) (RESERVED).

22 * * *

23 [(C) ELIGIBLE RECIPIENTS.--FUNDS ALLOCATED TO THE HORSEMEN'S
24 ORGANIZATION UNDER THIS PART MUST BE USED TO BENEFIT ALL
25 HORSEMEN. FUNDS ACQUIRED FROM OTHER SOURCES SHALL BE KEPT
26 SEPARATE AND APART FROM FUNDS OBTAINED UNDER THIS PART.]

27 * * *

28 (H) UNAUTHORIZED USE OF FUNDS.--IF ANY FUNDS FROM THE
29 PENNSYLVANIA RACE HORSE DEVELOPMENT TRUST FUND ARE DIVERTED,
30 REDIRECTED, TAKEN OR ALLOCATED FOR ANY PURPOSE OTHER THAN THE

1 PURPOSES AUTHORIZED UNDER THIS SECTION THROUGH LEGISLATIVE OR
2 ADMINISTRATIVE ACTION, THE GENERAL ASSEMBLY SHALL WITHIN 30 DAYS
3 OF THE DIVERSION, REDIRECTION, TAKING OR ALLOCATION RESTORE ALL
4 FUNDS THAT HAVE BEEN DIVERTED, REDIRECTED, TAKEN OR ALLOCATED
5 FROM THE PENNSYLVANIA RACE HORSE DEVELOPMENT FUND SINCE 2009 FOR
6 ANY PURPOSE OTHER THAN THE PURPOSES AUTHORIZED UNDER THIS
7 SECTION.

8 SECTION 27.4. SECTION 1407(B), (C) AND (D) INTRODUCTORY
9 PARAGRAPH OF TITLE 4 ARE AMENDED AND THE SECTION IS AMENDED BY
10 ADDING SUBSECTIONS TO READ:

11 § 1407. PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM
12 FUND.

13 * * *

14 (B) FUND ADMINISTRATION AND DISTRIBUTION.--THE PENNSYLVANIA
15 GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND SHALL BE
16 ADMINISTERED BY THE DEPARTMENT OF COMMUNITY AND ECONOMIC
17 DEVELOPMENT. [ALL] EXCEPT AS PROVIDED UNDER SUBSECTION (C.1),
18 ALL MONEYS IN THE PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND
19 TOURISM FUND SHALL BE DISTRIBUTED PURSUANT TO A SUBSEQUENTLY
20 ENACTED ECONOMIC DEVELOPMENT CAPITAL BUDGET THAT APPROPRIATES
21 MONEY FROM THE FUND PURSUANT TO THIS SECTION. THE PROCEDURES FOR
22 ENACTMENT, AUTHORIZATION AND RELEASE OF ECONOMIC DEVELOPMENT AND
23 TOURISM FUNDS AUTHORIZED UNDER THIS SECTION FOR BOTH CAPITAL
24 PROJECTS AND OPERATIONAL EXPENDITURES SHALL BE THE SAME AS THOSE
25 PROVIDED FOR IN SECTIONS 303(A), (B) AND (C) AND 318(A) OF THE
26 ACT OF FEBRUARY 9, 1999 (P.L.1, NO.1), KNOWN AS THE CAPITAL
27 FACILITIES DEBT ENABLING ACT, WITHOUT REFERENCE TO THE NATURE OR
28 PURPOSE OF THE PROJECT, AND ANY OTHER STATUTORY PROVISION, IF
29 ANY, NECESSARY TO EFFECTUATE THE RELEASE OF FUNDS APPROPRIATED
30 IN SUCH ECONOMIC DEVELOPMENT CAPITAL BUDGET.

1 (C) PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM
2 FUND ASSESSMENT.--EACH LICENSED GAMING ENTITY, OTHER THAN A
3 CATEGORY 4 SLOT MACHINE LICENSEE, SHALL PAY A DAILY ASSESSMENT
4 OF [5%] 5.5% OF ITS GROSS TERMINAL REVENUE TO THE PENNSYLVANIA
5 GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND.

6 (C.1) SUPPLEMENTAL PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT
7 AND TOURISM FUND ASSESSMENT.--IN ADDITION TO SUBSECTION (C),
8 BEGINNING JANUARY 1, 2018, EACH LICENSED GAMING ENTITY, OTHER
9 THAN A CATEGORY 4 SLOT MACHINE LICENSEE, SHALL PAY A
10 SUPPLEMENTAL DAILY ASSESSMENT OF 0.5% OF ITS GROSS TERMINAL
11 REVENUE TO THE CASINO MARKETING AND CAPITAL DEVELOPMENT ACCOUNT.
12 THE FOLLOWING SHALL APPLY:

13 (1) THE BOARD SHALL SUBMIT NOTICE TO THE LEGISLATIVE
14 REFERENCE BUREAU FOR PUBLICATION IN THE PENNSYLVANIA BULLETIN
15 WHEN THE GROSS TERMINAL REVENUE FOR EACH CATEGORY 1 AND
16 CATEGORY 2 SLOT MACHINE LICENSEE FOR THE PREVIOUS FISCAL YEAR
17 EXCEEDS \$200,000,000 AND THE GROSS TERMINAL REVENUE FOR EACH
18 CATEGORY 3 SLOT MACHINE LICENSEE FOR THE PREVIOUS FISCAL YEAR
19 EXCEEDS \$50,000,000.

20 (2) THIS SUBSECTION SHALL EXPIRE ON THE EARLIER OF:

21 (I) TEN YEARS AFTER THE EFFECTIVE DATE OF THIS
22 SUBSECTION; OR

23 (II) THE DATE OF PUBLICATION OF THE NOTICE UNDER
24 PARAGRAPH (1).

25 (D) RESTRICTIONS ON PROJECTS FOR CERTAIN COUNTIES AND
26 CITIES.--EXCEPT AS SET FORTH IN [SUBSECTION] SUBSECTIONS (D.1)
27 (D.2), (D.3) AND (D.4), FOR A TEN-YEAR PERIOD BEGINNING WITH THE
28 FIRST FISCAL YEAR DURING WHICH DEPOSITS ARE MADE INTO THIS FUND,
29 NO MONEYS FROM THE PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND
30 TOURISM FUND SHALL BE DISTRIBUTED FOR ANY PROJECT LOCATED IN A

1 CITY OR COUNTY OF THE FIRST OR SECOND CLASS EXCEPT AS AUTHORIZED
2 BY THIS SUBSECTION. MONEYS NOT USED FOR THE AUTHORIZED PROJECTS
3 IN CITIES AND COUNTIES OF THE FIRST AND SECOND CLASSES MAY BE
4 USED THROUGHOUT THIS COMMONWEALTH. MONEYS FROM THE FUND FOR
5 PROJECTS WITHIN CITIES AND COUNTIES OF THE FIRST AND SECOND
6 CLASSES MAY ONLY BE USED FOR THE FOLLOWING PROJECTS DURING THIS
7 TEN-YEAR PERIOD:

8 * * *

9 (D.2) PROJECT EXTENSION.--NOTWITHSTANDING ANY PROVISION OF
10 THIS TITLE OR THE ACT OF JULY 25, 2007 (P.L.342, NO.53), KNOWN
11 AS PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND
12 CAPITAL BUDGET ITEMIZATION ACT OF 2007, THE PROJECTS UNDER
13 SUBSECTIONS (D) (4) AND (5) AND (D.1) SHALL BE AUTHORIZED BEYOND
14 THE EXPIRATION DATE OF EACH OF THE PROJECTS SET FORTH IN THE
15 PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND
16 CAPITAL BUDGET ITEMIZATION ACT OF 2007. THE FOLLOWING SHALL
17 APPLY:

18 (1) ANNUAL ALLOCATIONS FOR PROJECTS UNDER SUBSECTION (D)
19 (4) AND (5), AND UNDER THE FORMER SUBSECTION (D) (7) AS OF THE
20 EFFECTIVE DATE OF SUBSECTION (D.1), SHALL CONTINUE IN
21 ACCORDANCE WITH THE AMOUNTS SET FORTH IN SECTION 4 OF THE
22 PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND
23 CAPITAL BUDGET ITEMIZATION ACT OF 2007.

24 (2) ANNUAL ALLOCATIONS UNDER SUBSECTION (D) (5) SHALL BE
25 DEPOSITED INTO THE RESTRICTED RECEIPTS ACCOUNT ESTABLISHED
26 UNDER SUBSECTION (D.1) AND USED FOR PROJECTS AS SET FORTH IN
27 SUBSECTION (D.1) (1).

28 (D.3) REGIONAL ECONOMIC DEVELOPMENT CORPORATION.--FOR A TEN-
29 YEAR PERIOD BEGINNING WITH FISCAL YEAR 2019-20, THE AMOUNT OF
30 \$2,000,000 ANNUALLY SHALL BE ALLOCATED FROM THE PENNSYLVANIA

1 GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND FOR DISTRIBUTION TO
2 A REGIONAL ECONOMIC DEVELOPMENT CORPORATION IN TWO CONTIGUOUS
3 COUNTIES OF THE THIRD CLASS WHERE A CITY OF THE THIRD CLASS IS
4 LOCATED IN MORE THAN ONE COUNTY OF THE THIRD CLASS FOR DEBT
5 SERVICE ON THE CONSTRUCTION OF A SCIENCE AND EDUCATION CENTER IN
6 A CITY OF THE THIRD CLASS THAT IS ALSO THE COUNTY SEAT LOCATED
7 IN A COUNTY OF THE THIRD CLASS IN WHICH A CATEGORY 2 LICENSED
8 FACILITY IS LOCATED IN A CITY OF THE THIRD CLASS WHICH IS
9 LOCATED IN MORE THAN ONE COUNTY OF THE THIRD CLASS. UNUSED FUNDS
10 FROM THIS ALLOCATION SHALL BE DISTRIBUTED BY THE SAME REGIONAL
11 ECONOMIC DEVELOPMENT CORPORATION LOCATED IN TWO CONTIGUOUS
12 COUNTIES OF THE THIRD CLASS WHERE A CITY OF THE THIRD CLASS IS
13 LOCATED IN MORE THAN ONE COUNTY OF THE THIRD CLASS FOR DEBT
14 SERVICE ON THE CONSTRUCTION OF ONE OR MORE FACILITIES THAT
15 PROVIDE A SCIENCE, EDUCATION, ARTS, TECHNOLOGY OR RECREATIONAL
16 USE IN ONE OR BOTH CONTIGUOUS COUNTIES OF THE THIRD CLASS WHERE
17 A CITY OF THE THIRD CLASS IS LOCATED IN MORE THAN ONE COUNTY OF
18 THE THIRD CLASS. THE FUNDS ALLOCATED UNDER THIS SUBSECTION SHALL
19 BE DISTRIBUTED IN ACCORDANCE WITH SUBSECTION (B).

20 (D.4) REGIONAL SPORTS COMMISSION.--NOTWITHSTANDING ANY
21 PROVISION OF THIS TITLE OR THE ACT OF JULY 25, 2007 (P.L.342,
22 NO.53), KNOWN AS PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND
23 TOURISM FUND CAPITAL BUDGET ITEMIZATION ACT OF 2007, THE ANNUAL
24 ALLOCATION AUTHORIZED UNDER SUBSECTION (D)(10) ON AND AFTER THE
25 EFFECTIVE DATE OF THIS SUBSECTION SHALL CONTINUE IN ACCORDANCE
26 WITH THE AMOUNTS UNDER SECTION 4 OF THE PENNSYLVANIA GAMING
27 ECONOMIC DEVELOPMENT AND TOURISM FUND CAPITAL BUDGET ITEMIZATION
28 ACT OF 2007 AND SHALL BE DEPOSITED INTO A RESTRICTED RECEIPTS
29 ACCOUNT TO BE USED EXCLUSIVELY BY AN AUTHORITY CREATED UNDER
30 ARTICLE XXV-A OF THE ACT OF JULY 28, 1953 (P.L.723, NO.230),

1 KNOWN AS THE SECOND CLASS COUNTY CODE, IN A COUNTY OF THE SECOND
2 CLASS FOR THE ESTABLISHMENT, ADMINISTRATION AND MAINTENANCE OF A
3 REGIONAL SPORTS COMMISSION.

4 * * *

5 SECTION 27.5. TITLE 4 IS AMENDED BY ADDING A SECTION TO
6 READ:

7 § 1407.1. CASINO MARKETING AND CAPITAL DEVELOPMENT ACCOUNT.

8 (A) ESTABLISHMENT.--THERE IS ESTABLISHED IN THE PENNSYLVANIA
9 GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND A RESTRICTED
10 ACCOUNT TO BE KNOWN AS THE CASINO MARKETING AND CAPITAL
11 DEVELOPMENT ACCOUNT.

12 (B) ADMINISTRATION AND DISTRIBUTION.--THE CASINO MARKETING
13 AND CAPITAL DEVELOPMENT ACCOUNT SHALL BE ADMINISTERED BY THE
14 BOARD. ALL MONEY IN THE CASINO MARKETING AND CAPITAL DEVELOPMENT
15 ACCOUNT SHALL BE DISTRIBUTED AS GRANTS IN ACCORDANCE WITH THIS
16 SECTION. THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
17 SHALL MAKE PAYMENTS TO GRANT RECIPIENTS AS DIRECTED BY THE
18 BOARD.

19 (C) GRANT PROCEDURES.--THE BOARD SHALL ESTABLISH PROCEDURES
20 FOR A SLOT MACHINE LICENSEE, OTHER THAN A CATEGORY 4 SLOT
21 MACHINE LICENSEE, TO APPLY FOR GRANTS FROM THE CASINO MARKETING
22 AND CAPITAL DEVELOPMENT ACCOUNT. THE BOARD SHALL DETERMINE THE
23 FORM AND MANNER IN WHICH AN APPLICATION FOR A GRANT MAY BE FILED
24 WITH THE BOARD.

25 (D) PROGRAM GUIDELINES.--THE BOARD SHALL ESTABLISH PROGRAM
26 GUIDELINES. EACH SLOT MACHINE LICENSEE, OTHER THAN A CATEGORY 4
27 SLOT MACHINE LICENSEE, THAT HAS BEEN LICENSED FOR AT LEAST TWO
28 YEARS, MAY APPLY TO THE BOARD FOR A GRANT UNDER THIS SECTION.
29 EACH GRANT AWARDED UNDER THIS SECTION SHALL BE USED BY THE SLOT
30 MACHINE LICENSEE FOR MARKETING OR CAPITAL DEVELOPMENT.

1 (E) DISTRIBUTION OF GRANTS.--

2 (1) EACH YEAR, BEFORE THE BOARD AWARDS A GRANT UNDER
3 THIS SECTION, THE FOLLOWING DISTRIBUTIONS SHALL BE MADE:

4 (I) EACH CATEGORY 1 OR CATEGORY 2 SLOT MACHINE
5 LICENSEE WITH GROSS TERMINAL REVENUES OF \$150,000,000 OR
6 LESS FOR THE PREVIOUS FISCAL YEAR SHALL RECEIVE
7 \$4,000,000.

8 (II) EACH CATEGORY 1 OR CATEGORY 2 SLOT MACHINE
9 LICENSEE WITH GROSS TERMINAL REVENUES OF MORE THAN
10 \$150,000,000 BUT LESS THAN \$200,000,000 FOR THE PREVIOUS
11 FISCAL YEAR SHALL RECEIVE \$2,500,000.

12 (III) EACH CATEGORY 3 SLOT MACHINE LICENSEE WITH
13 GROSS TERMINAL REVENUE OF LESS THAN \$50,000,000 FOR THE
14 PREVIOUS FISCAL YEAR SHALL RECEIVE \$500,000.

15 (IV) IF THERE IS INSUFFICIENT MONEY IN THE CASINO
16 MARKETING AND CAPITAL DEVELOPMENT ACCOUNT TO MAKE THE
17 REQUIRED DISTRIBUTIONS UNDER SUBPARAGRAPHS (I), (II) AND
18 (III), DISTRIBUTIONS SHALL BE MADE IN THE PROPORTION OF:

19 (A) THE ELIGIBLE LICENSEES UNDER EACH
20 SUBPARAGRAPH; TO

21 (B) THE TOTAL AMOUNT OF MONEY IN THE CASINO
22 MARKETING AND CAPITAL DEVELOPMENT ACCOUNT.

23 (2) AFTER DISTRIBUTION UNDER PARAGRAPH (1), REMAINING
24 MONEY IN THE CASINO MARKETING AND CAPITAL DEVELOPMENT ACCOUNT
25 SHALL BE DISTRIBUTED BY THE BOARD TO OTHER SLOT MACHINE
26 LICENSEES, OTHER THAN CATEGORY 4 SLOT MACHINE LICENSEES, THAT
27 HAVE APPLIED FOR GRANTS.

28 (3) (I) NO SLOT MACHINE LICENSEE MAY RECEIVE MORE THAN
29 \$4,000,000 FROM THE CASINO MARKETING AND CAPITAL
30 DEVELOPMENT ACCOUNT IN ONE YEAR.

1 (II) A SLOT MACHINE LICENSEE MAY NOT RECEIVE ANY
2 FUNDS FROM THE CASINO MARKETING AND CAPITAL DEVELOPMENT
3 ACCOUNT DURING THE FIRST TWO YEARS FOLLOWING LICENSURE.

4 (F) EXPIRATION.--

5 (1) THE BOARD SHALL SUBMIT NOTICE TO THE LEGISLATIVE
6 REFERENCE BUREAU FOR PUBLICATION IN THE PENNSYLVANIA BULLETIN
7 WHEN THE GROSS TERMINAL REVENUE FOR EACH CATEGORY 1 AND
8 CATEGORY 2 SLOT MACHINE LICENSEE FOR THE PREVIOUS FISCAL YEAR
9 EXCEEDS \$200,000,000 AND THE GROSS TERMINAL REVENUE FOR EACH
10 CATEGORY 3 SLOT MACHINE LICENSEE FOR THE PREVIOUS FISCAL YEAR
11 EXCEEDS \$50,000,000.

12 (2) THIS SECTION SHALL EXPIRE ON THE EARLIER OF:

13 (I) TEN YEARS AFTER THE EFFECTIVE DATE OF THIS
14 SUBSECTION; OR

15 (II) THE DATE OF PUBLICATION OF THE NOTICE UNDER
16 PARAGRAPH (1).

17 (G) DEFINITION.--AS USED IN THIS SECTION, THE TERM "CAPITAL
18 DEVELOPMENT" SHALL INCLUDE, BUT NOT BE LIMITED TO, EXPANSION OR
19 RENOVATION OF AN EXISTING LICENSED FACILITY OR CONSTRUCTING OR
20 EXPANDING AMENITIES AT A LICENSED FACILITY.

21 SECTION 27.6. SECTION 1408(A) AND (C) OF TITLE 4 ARE AMENDED
22 AND THE SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:

23 § 1408. TRANSFERS FROM STATE GAMING FUND.

24 (A) TRANSFER FOR COMPULSIVE AND PROBLEM GAMBLING
25 TREATMENT.--EACH YEAR, THE SUM OF \$2,000,000 OR AN AMOUNT EQUAL
26 TO .002 MULTIPLIED BY THE TOTAL GROSS TERMINAL REVENUE OF ALL
27 ACTIVE AND OPERATING LICENSED GAMING ENTITIES, WHICHEVER IS
28 GREATER, SHALL BE TRANSFERRED INTO THE COMPULSIVE AND PROBLEM
29 GAMBLING TREATMENT FUND ESTABLISHED IN SECTION 1509 (RELATING TO
30 COMPULSIVE AND PROBLEM GAMBLING PROGRAM). GROSS TERMINAL REVENUE

1 GENERATED AT A CATEGORY 4 LICENSED FACILITY SHALL NOT BE
2 INCLUDED IN CALCULATING THE ASSESSMENT UNDER THIS SUBSECTION.

3 * * *

4 (C) LOCAL LAW ENFORCEMENT GRANTS.--[ANNUALLY] EXCEPT AS
5 PROVIDED IN SUBSECTION (C.1), ANNUALLY, THE SUM OF \$2,000,000
6 SHALL BE TRANSFERRED TO THE BOARD FOR THE PURPOSE OF ISSUING
7 GRANTS TO LOCAL LAW ENFORCEMENT AGENCIES TO INVESTIGATE
8 VIOLATIONS OF AND ENFORCE LAWS RELATING TO UNLAWFUL GAMBLING IN
9 THIS COMMONWEALTH. FOR PURPOSES OF THIS SUBSECTION, THE TERM
10 "LOCAL LAW ENFORCEMENT AGENCY" SHALL INCLUDE THE PENNSYLVANIA
11 STATE POLICE WHEN CONDUCTING UNLAWFUL GAMBLING ENFORCEMENT AND
12 PREVENTION ACTIVITIES IN A MUNICIPALITY WHICH DOES NOT HAVE A
13 MUNICIPAL POLICE DEPARTMENT AND IN WHICH THE PENNSYLVANIA STATE
14 POLICE PROVIDE THE MUNICIPALITY WITH PRIMARY POLICE COVERAGE.

15 (C.1) TRANSFER TO THE CASINO MARKETING AND CAPITAL
16 DEVELOPMENT ACCOUNT.--BEGINNING JULY 1, 2017, AND EACH YEAR
17 THEREAFTER, \$2,000,000 SHALL BE TRANSFERRED TO THE CASINO
18 MARKETING AND CAPITAL DEVELOPMENT ACCOUNT ESTABLISHED IN SECTION
19 1407.1 (RELATING TO CASINO MARKETING AND CAPITAL DEVELOPMENT
20 ACCOUNT). ANY MONEY NOT COMMITTED FOR LOCAL LAW ENFORCEMENT
21 GRANTS UNDER SUBSECTION (C) ON THE EFFECTIVE DATE OF THIS
22 SUBSECTION SHALL BE TRANSFERRED TO THE CASINO MARKETING AND
23 CAPITAL DEVELOPMENT ACCOUNT. THE FOLLOWING SHALL APPLY:

24 (1) THE BOARD SHALL SUBMIT NOTICE TO THE LEGISLATIVE
25 REFERENCE BUREAU FOR PUBLICATION IN THE PENNSYLVANIA BULLETIN
26 WHEN THE GROSS TERMINAL REVENUE FOR EACH CATEGORY 1 AND
27 CATEGORY 2 SLOT MACHINE LICENSEE FOR THE PREVIOUS FISCAL YEAR
28 EXCEEDS \$200,000,000 AND THE GROSS TERMINAL REVENUE FOR EACH
29 CATEGORY 3 SLOT MACHINE LICENSEE FOR THE PREVIOUS FISCAL YEAR
30 EXCEEDS \$50,000,000.

1 (2) THIS SUBSECTION SHALL EXPIRE ON THE EARLIER OF:

2 (I) TEN YEARS AFTER THE EFFECTIVE DATE OF THIS
3 SUBSECTION; OR

4 (II) THE DATE OF PUBLICATION OF THE NOTICE UNDER
5 PARAGRAPH (1).

6 * * *

7 SECTION 28. SECTIONS 1501(B), 1504 AND 1509 OF TITLE 4 ARE
8 AMENDED TO READ:

9 § 1501. RESPONSIBILITY AND AUTHORITY OF DEPARTMENT.

10 * * *

11 (B) APPLICATION OF RULES AND REGULATIONS.--THE DEPARTMENT
12 MAY PRESCRIBE THE EXTENT, IF ANY, TO WHICH ANY RULES AND
13 REGULATIONS SHALL BE APPLIED WITHOUT RETROACTIVE EFFECT. THE
14 DEPARTMENT SHALL HAVE AUTHORITY TO PRESCRIBE THE FORMS AND THE
15 SYSTEM OF ACCOUNTING AND RECORDKEEPING TO BE EMPLOYED AND
16 THROUGH ITS REPRESENTATIVE SHALL AT ALL TIMES HAVE POWER OF
17 ACCESS TO AND EXAMINATION AND AUDIT OF ANY EQUIPMENT AND RECORDS
18 RELATING TO ALL ASPECTS OF THE OPERATION OF SLOT MACHINES [AND],
19 TABLE GAMES AND INTERACTIVE GAMING UNDER THIS PART.

20 * * *

21 § 1504. WAGERING ON CREDIT.

22 (A) GENERAL RULE.--EXCEPT AS OTHERWISE PROVIDED IN THIS
23 SECTION, SLOT MACHINE LICENSEES SHALL NOT EXTEND CREDIT. SLOT
24 MACHINE LICENSEES SHALL NOT ACCEPT CREDIT CARDS, CHARGE CARDS OR
25 DEBIT CARDS FROM A PATRON OR A PLAYER FOR THE EXCHANGE OR
26 PURCHASE OF SLOT MACHINE CREDITS OR FOR AN ADVANCE OF COINS OR
27 CURRENCY TO BE UTILIZED BY A PLAYER TO PLAY SLOT MACHINE GAMES
28 OR EXTEND CREDIT IN ANY MANNER TO A PLAYER SO AS TO ENABLE THE
29 PLAYER TO PLAY SLOT MACHINES. SLOT MACHINE LICENSEES WHO HOLD A
30 TABLE GAME OPERATION CERTIFICATE MAY EXTEND CREDIT FOR SLOT

1 MACHINE GAMING IN ACCORDANCE WITH SECTION 13A26 (RELATING TO
2 CASH EQUIVALENTS).

3 (B) PREPAID ACCESS INSTRUMENTS.--PREPAID ACCESS INSTRUMENTS
4 ARE NOT DEEMED TO BE A CREDIT CARD, CHARGE CARD, DEBIT CARD OR
5 ANY OTHER INSTRUMENT OF CREDIT AND ARE NOT PROHIBITED UNDER THIS
6 SECTION.

7 § 1509. COMPULSIVE AND PROBLEM GAMBLING PROGRAM.

8 (A) ESTABLISHMENT OF PROGRAM.--THE DEPARTMENT OF [HEALTH]
9 DRUG AND ALCOHOL PROGRAMS OR SUCCESSOR AGENCY, IN CONSULTATION
10 WITH ORGANIZATIONS SIMILAR TO THE MID-ATLANTIC ADDICTION
11 TRAINING INSTITUTE, SHALL DEVELOP PROGRAM GUIDELINES FOR PUBLIC
12 EDUCATION, AWARENESS AND TRAINING REGARDING COMPULSIVE AND
13 PROBLEM GAMBLING AND THE TREATMENT AND PREVENTION OF COMPULSIVE
14 AND PROBLEM GAMBLING. THE GUIDELINES SHALL INCLUDE STRATEGIES
15 FOR THE PREVENTION OF COMPULSIVE AND PROBLEM GAMBLING. THE
16 DEPARTMENT OF [HEALTH] DRUG AND ALCOHOL PROGRAMS OR SUCCESSOR
17 AGENCY MAY CONSULT WITH THE BOARD AND LICENSED GAMING ENTITIES
18 TO DEVELOP SUCH STRATEGIES.

19 (A.1) DUTIES OF DEPARTMENT OF [HEALTH] DRUG AND ALCOHOL
20 PROGRAMS OR SUCCESSOR AGENCY .--FROM FUNDS AVAILABLE IN THE
21 COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND, THE DEPARTMENT
22 OF [HEALTH] DRUG AND ALCOHOL PROGRAMS OR SUCCESSOR AGENCY SHALL:

23 (1) MAINTAIN [A] ONE COMPULSIVE GAMBLERS ASSISTANCE
24 ORGANIZATION'S TOLL-FREE PROBLEM GAMBLING TELEPHONE NUMBER,
25 WHICH SHALL BE THE NUMBER 1-800-GAMBLER, TO PROVIDE CRISIS
26 COUNSELING AND REFERRAL SERVICES TO INDIVIDUALS AND FAMILIES
27 EXPERIENCING DIFFICULTY AS A RESULT OF PROBLEM OR COMPULSIVE
28 GAMBLING. IF THE DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR
29 SUCCESSOR AGENCY DETERMINES THAT IT IS UNABLE TO ADOPT THE
30 NUMBER 1-800-GAMBLER, THE DEPARTMENT OF DRUG AND ALCOHOL

1 PROGRAMS OR SUCCESSOR AGENCY SHALL MAINTAIN ANOTHER NUMBER.

2 (2) FACILITATE, THROUGH IN-SERVICE TRAINING AND OTHER
3 MEANS, THE AVAILABILITY OF EFFECTIVE ASSISTANCE PROGRAMS FOR
4 PROBLEM AND COMPULSIVE GAMBLERS AND FAMILY MEMBERS AFFECTED
5 BY PROBLEM AND COMPULSIVE GAMBLING.

6 (3) AT ITS DISCRETION, CONDUCT STUDIES TO IDENTIFY
7 INDIVIDUALS IN THIS COMMONWEALTH WHO ARE OR ARE AT RISK OF
8 BECOMING PROBLEM OR COMPULSIVE GAMBLERS.

9 (4) PROVIDE GRANTS TO AND CONTRACT WITH SINGLE COUNTY
10 AUTHORITIES AND OTHER ORGANIZATIONS WHICH PROVIDE SERVICES AS
11 SET FORTH IN THIS SECTION.

12 (5) REIMBURSE ORGANIZATIONS FOR REASONABLE EXPENSES
13 INCURRED ASSISTING THE DEPARTMENT OF [HEALTH] DRUG AND
14 ALCOHOL PROGRAMS OR SUCCESSOR AGENCY WITH IMPLEMENTING THIS
15 SECTION.

16 (A.2) DUTIES OF DEPARTMENT OF [HEALTH] DRUG AND ALCOHOL
17 PROGRAMS OR SUCCESSOR AGENCY AND BOARD.--[WITHIN 60 DAYS
18 FOLLOWING THE EFFECTIVE DATE OF THIS SUBSECTION, THE] THE
19 DEPARTMENT OF [HEALTH'S BUREAU OF] DRUG AND ALCOHOL PROGRAMS OR
20 SUCCESSOR AGENCY AND THE BOARD'S OFFICE OF COMPULSIVE AND
21 PROBLEM GAMBLING SHALL JOINTLY COLLABORATE WITH OTHER
22 APPROPRIATE OFFICES AND AGENCIES OF STATE OR LOCAL GOVERNMENT,
23 INCLUDING SINGLE COUNTY AUTHORITIES, AND PROVIDERS AND OTHER
24 PERSONS, PUBLIC OR PRIVATE, WITH EXPERTISE IN COMPULSIVE AND
25 PROBLEM GAMBLING TREATMENT TO DO THE FOLLOWING:

26 (1) IMPLEMENT A STRATEGIC PLAN FOR THE PREVENTION AND
27 TREATMENT OF COMPULSIVE AND PROBLEM GAMBLING.

28 (2) ADOPT COMPULSIVE AND PROBLEM GAMBLING TREATMENT
29 STANDARDS TO BE INTEGRATED WITH THE [BUREAU] DEPARTMENT OF
30 DRUG AND ALCOHOL PROGRAM'S OR SUCCESSOR AGENCY'S UNIFORM

1 STATEWIDE GUIDELINES THAT GOVERN THE PROVISION OF ADDICTION
2 TREATMENT SERVICES.

3 (3) DEVELOP A METHOD TO COORDINATE COMPULSIVE AND
4 PROBLEM GAMBLING DATA COLLECTION AND REFERRAL INFORMATION TO
5 CRISIS RESPONSE HOTLINES, CHILD WELFARE AND DOMESTIC VIOLENCE
6 PROGRAMS AND PROVIDERS AND OTHER APPROPRIATE PROGRAMS AND
7 PROVIDERS.

8 (4) DEVELOP AND DISSEMINATE EDUCATIONAL MATERIALS TO
9 PROVIDE PUBLIC AWARENESS RELATED TO THE PREVENTION,
10 RECOGNITION AND TREATMENT OF COMPULSIVE AND PROBLEM GAMBLING.

11 (5) DEVELOP DEMOGRAPHIC-SPECIFIC COMPULSIVE AND PROBLEM
12 GAMBLING PREVENTION, INTERVENTION AND TREATMENT PROGRAMS.

13 (6) PREPARE AN ITEMIZED BUDGET OUTLINING HOW FUNDS WILL
14 BE ALLOCATED TO FULFILL THE RESPONSIBILITIES UNDER THIS
15 SECTION.

16 (B) COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND.--THERE
17 IS HEREBY ESTABLISHED IN THE STATE TREASURY A SPECIAL FUND TO BE
18 KNOWN AS THE COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND. ALL
19 MONEYS IN THE FUND SHALL BE ADMINISTERED BY THE DEPARTMENT OF
20 [HEALTH] DRUG AND ALCOHOL PROGRAMS OR SUCCESSOR AGENCY AND
21 EXPENDED SOLELY FOR PROGRAMS FOR THE PREVENTION AND TREATMENT OF
22 GAMBLING ADDICTION AND OTHER EMOTIONAL AND BEHAVIORAL PROBLEMS
23 ASSOCIATED WITH OR RELATED TO GAMBLING ADDICTION AND FOR THE
24 ADMINISTRATION OF THE COMPULSIVE AND PROBLEM GAMBLING PROGRAM,
25 PROVIDED THAT THE DEPARTMENT OF [HEALTH] DRUG AND ALCOHOL
26 PROGRAMS OR SUCCESSOR AGENCY SHALL ANNUALLY DISTRIBUTE AT LEAST
27 50% OF THE MONEY IN THE FUND TO SINGLE COUNTY AUTHORITIES UNDER
28 SUBSECTION (D). THE FUND SHALL CONSIST OF MONEY ANNUALLY
29 ALLOCATED TO IT FROM THE ANNUAL PAYMENT ESTABLISHED UNDER
30 SECTION 1408(A) (RELATING TO TRANSFERS FROM STATE GAMING FUND),

1 MONEY WHICH MAY BE ALLOCATED BY THE BOARD, INTEREST EARNINGS ON
2 MONEYS IN THE FUND AND ANY OTHER CONTRIBUTIONS, PAYMENTS OR
3 DEPOSITS WHICH MAY BE MADE TO THE FUND.

4 (C) NOTICE OF AVAILABILITY OF ASSISTANCE.--

5 (1) [EACH] EXCEPT AS OTHERWISE PROVIDED FOR IN PARAGRAPH
6 (4), EACH SLOT MACHINE LICENSEE SHALL [OBTAIN A] USE THE
7 TOLL-FREE TELEPHONE NUMBER [TO BE USED] ESTABLISHED BY THE
8 DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR SUCCESSOR AGENCY
9 IN SUBSECTION (A.1) (1) TO PROVIDE PERSONS WITH INFORMATION ON
10 ASSISTANCE FOR COMPULSIVE OR PROBLEM GAMBLING. EACH LICENSEE
11 SHALL CONSPICUOUSLY POST AT LEAST 20 SIGNS SIMILAR TO THE
12 FOLLOWING STATEMENT:

13 IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM, HELP
14 IS AVAILABLE. CALL (TOLL-FREE TELEPHONE NUMBER).
15 THE SIGNS MUST BE POSTED WITHIN 50 FEET OF EACH ENTRANCE AND
16 EXIT, WITHIN 50 FEET OF EACH AUTOMATED TELLER MACHINE
17 LOCATION WITHIN THE LICENSED FACILITY AND IN OTHER
18 APPROPRIATE PUBLIC AREAS OF THE LICENSED FACILITY AS
19 DETERMINED BY THE SLOT MACHINE LICENSEE.

20 (2) EACH RACETRACK WHERE SLOT MACHINES OR TABLE GAMES
21 ARE OPERATED SHALL PRINT A STATEMENT ON DAILY RACING PROGRAMS
22 PROVIDED TO THE GENERAL PUBLIC THAT IS SIMILAR TO THE
23 FOLLOWING:

24 IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM, HELP
25 IS AVAILABLE. CALL (TOLL-FREE TELEPHONE NUMBER).

26 EXCEPT AS OTHERWISE PROVIDED FOR IN PARAGRAPH (4), THE TOLL-
27 FREE TELEPHONE NUMBER SHALL BE THE SAME TELEPHONE NUMBER
28 ESTABLISHED BY THE DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR
29 SUCCESSOR AGENCY UNDER SUBSECTION (A.1) (1).

30 (2.1) EACH INTERACTIVE GAMING CERTIFICATE HOLDER AND

1 INTERACTIVE GAMING OPERATOR:

2 (I) SHALL CAUSE THE WORDS:

3 IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM,
4 HELP IS AVAILABLE. CALL (TOLL-FREE TELEPHONE NUMBER).
5 OR SOME COMPARABLE LANGUAGE APPROVED BY THE BOARD, WHICH
6 LANGUAGE SHALL INCLUDE THE WORDS "GAMBLING PROBLEM" AND
7 "CALL 1-800-XXXX," TO BE PROMINENTLY DISPLAYED TO ANY
8 PERSON VISITING OR LOGGING ONTO THE INTERACTIVE GAMING
9 CERTIFICATE HOLDER'S INTERACTIVE GAMING SKIN OR
10 INTERACTIVE GAMING WEBSITE.

11 (II) SHALL PROVIDE A MECHANISM BY WHICH AN
12 INTERACTIVE GAMING ACCOUNT HOLDER MAY ESTABLISH THE
13 FOLLOWING CONTROLS ON WAGERING ACTIVITY THROUGH THE
14 INTERACTIVE GAMING ACCOUNT:

15 (A) A LIMIT ON THE AMOUNT OF MONEY LOST WITHIN A
16 SPECIFIED PERIOD OF TIME AND THE LENGTH OF TIME THE
17 ACCOUNT HOLDER WILL BE UNABLE TO PARTICIPATE IN
18 GAMING IF THE HOLDER REACHES THE ESTABLISHED LOSS
19 LIMIT.

20 (B) A LIMIT ON THE MAXIMUM AMOUNT OF ANY SINGLE
21 WAGER ON ANY INTERACTIVE GAME.

22 (C) A TEMPORARY SUSPENSION OF INTERACTIVE GAMING
23 THROUGH THE ACCOUNT FOR ANY NUMBER OF HOURS OR DAYS.

24 (III) SHALL NOT KNOWINGLY MAIL OR OTHERWISE FORWARD
25 ANY GAMING-RELATED PROMOTIONAL MATERIAL OR E-MAIL TO A
26 REGISTERED PLAYER DURING ANY PERIOD IN WHICH INTERACTIVE
27 GAMING THROUGH THE REGISTERED PLAYERS' INTERACTIVE GAMING
28 ACCOUNT HAS BEEN SUSPENDED OR TERMINATED. THE INTERACTIVE
29 GAMING CERTIFICATE HOLDER SHALL PROVIDE A MECHANISM BY
30 WHICH A REGISTERED PLAYER MAY CHANGE THE CONTROLS.

1 NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBPARAGRAPH,
2 WHILE INTERACTIVE GAMING THROUGH THE INTERACTIVE GAMING
3 ACCOUNT IS SUSPENDED, THE REGISTERED PLAYER MAY NOT
4 CHANGE GAMING CONTROLS UNTIL THE SUSPENSION EXPIRES, BUT
5 THE REGISTERED PLAYER SHALL CONTINUE TO HAVE ACCESS TO
6 THE ACCOUNT AND SHALL BE PERMITTED TO WITHDRAW FUNDS FROM
7 THE ACCOUNT UPON PROPER APPLICATION FOR THE FUNDS TO THE
8 INTERACTIVE GAMING CERTIFICATE HOLDER.

9 (3) A [LICENSED FACILITY] LICENSED GAMING ENTITY,
10 INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE GAMING
11 OPERATOR, AS THE CASE MAY BE, WHICH FAILS TO POST OR PRINT
12 THE WARNING SIGN IN ACCORDANCE WITH PARAGRAPH (1) [OR], (2)
13 OR (2.1) (I) SHALL BE ASSESSED A FINE OF \$1,000 A DAY FOR EACH
14 DAY THE MINIMUM NUMBER OF SIGNS ARE NOT POSTED OR THE
15 REQUIRED STATEMENT IS NOT PRINTED AS PROVIDED IN THIS
16 SUBSECTION.

17 (3.1) AN INTERACTIVE GAMING CERTIFICATE HOLDER OR
18 INTERACTIVE GAMING OPERATOR, AS THE CASE MAY BE, THAT FAILS
19 TO ESTABLISH THE MECHANISMS, CONTROLS AND SYSTEMS IN
20 ACCORDANCE WITH PARAGRAPH (2.1) (II) AND (III) SHALL BE
21 ASSESSED A FINE OF NOT LESS THAN \$5,000 PER DAY FOR EACH DAY
22 THE MECHANISMS, CONTROLS AND SYSTEMS ARE NOT AVAILABLE TO
23 INTERACTIVE GAMING ACCOUNT HOLDERS.

24 (4) SLOT MACHINE LICENSEES OR RACETRACKS UTILIZING A
25 TOLL-FREE TELEPHONE NUMBER OTHER THAN THE NUMBER ESTABLISHED
26 BY THE DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR SUCCESSOR
27 AGENCY UNDER SUBSECTION (A.1) (1) PRIOR TO THE EFFECTIVE DATE
28 OF THIS PARAGRAPH MAY CONTINUE TO USE THAT NUMBER FOR A
29 PERIOD NOT TO EXCEED THREE YEARS FROM THE EFFECTIVE DATE OF
30 THIS PARAGRAPH UPON SHOWING GOOD CAUSE TO THE DEPARTMENT OF

1 DRUG AND ALCOHOL PROGRAMS OR SUCCESSOR AGENCY.

2 (D) SINGLE COUNTY AUTHORITIES.--THE DEPARTMENT OF [HEALTH]
3 DRUG AND ALCOHOL PROGRAMS OR SUCCESSOR AGENCY SHALL MAKE GRANTS
4 FROM THE FUND ESTABLISHED UNDER SUBSECTION (B) TO SINGLE COUNTY
5 AUTHORITIES CREATED PURSUANT TO THE ACT OF APRIL 14, 1972
6 (P.L.221, NO.63), KNOWN AS THE PENNSYLVANIA DRUG AND ALCOHOL
7 ABUSE CONTROL ACT, FOR THE PURPOSE OF PROVIDING COMPULSIVE
8 GAMBLING AND GAMBLING ADDICTION PREVENTION, TREATMENT AND
9 EDUCATION PROGRAMS. TREATMENT MAY INCLUDE FINANCIAL COUNSELING,
10 IRRESPECTIVE OF WHETHER THE FINANCIAL COUNSELING IS PROVIDED BY
11 THE SINGLE COUNTY AUTHORITY, THE TREATMENT SERVICE PROVIDER OR
12 SUBCONTRACTED TO A THIRD PARTY. IT IS THE INTENTION OF THE
13 GENERAL ASSEMBLY THAT ANY GRANTS MADE BY THE DEPARTMENT OF
14 [HEALTH] DRUG AND ALCOHOL PROGRAMS OR SUCCESSOR AGENCY TO ANY
15 SINGLE COUNTY AUTHORITY IN ACCORDANCE WITH THE PROVISIONS OF
16 THIS SUBSECTION BE USED EXCLUSIVELY FOR THE DEVELOPMENT AND
17 IMPLEMENTATION OF COMPULSIVE AND PROBLEM GAMBLING PROGRAMS
18 AUTHORIZED UNDER THIS SECTION.

19 (D.1) ELIGIBILITY.--ELIGIBILITY TO RECEIVE TREATMENT
20 SERVICES FOR TREATMENT OF COMPULSIVE AND PROBLEM GAMBLING UNDER
21 THIS SECTION SHALL BE DETERMINED USING FINANCIAL ELIGIBILITY AND
22 OTHER REQUIREMENTS OF THE SINGLE COUNTY AUTHORITIES AS APPROVED
23 BY THE DEPARTMENT OF [HEALTH] DRUG AND ALCOHOL PROGRAMS OR
24 SUCCESSOR AGENCY.

25 (D.2) REPORT.--[NO LATER THAN OCTOBER 1, 2010, AND EACH]
26 ANNUALLY ON OCTOBER 1 [THEREAFTER], THE DEPARTMENT OF [HEALTH]
27 DRUG AND ALCOHOL PROGRAMS OR SUCCESSOR AGENCY, IN CONSULTATION
28 WITH THE BOARD, SHALL PREPARE AND SUBMIT A REPORT ON THE IMPACT
29 OF THE PROGRAMS FUNDED BY THE COMPULSIVE AND PROBLEM GAMBLING
30 TREATMENT FUND TO THE GOVERNOR AND TO THE MEMBERS OF THE GENERAL

1 ASSEMBLY. THE REPORT SHALL INCLUDE AGGREGATE DEMOGRAPHIC-
2 SPECIFIC DATA, INCLUDING RACE, GENDER, GEOGRAPHY AND INCOME OF
3 THOSE INDIVIDUALS TREATED.

4 (E) DEFINITION.--AS USED IN SUBSECTION (D), THE TERM "SINGLE
5 COUNTY AUTHORITY" MEANS THE AGENCY DESIGNATED BY THE DEPARTMENT
6 OF HEALTH PURSUANT TO THE ACT OF APRIL 14, 1972 (P.L.221,
7 NO.63), KNOWN AS THE PENNSYLVANIA DRUG AND ALCOHOL ABUSE CONTROL
8 ACT, TO PLAN AND COORDINATE DRUG AND ALCOHOL PREVENTION,
9 INTERVENTION AND TREATMENT SERVICES FOR A GEOGRAPHIC AREA, WHICH
10 MAY CONSIST OF ONE OR MORE COUNTIES.

11 SECTION 28.1. SECTION 1510(A) OF TITLE 4 IS AMENDED TO READ:
12 § 1510. LABOR HIRING PREFERENCES.

13 (A) CATEGORY 1, CATEGORY 2, [AND] CATEGORY 3 AND CATEGORY 4
14 LICENSED FACILITIES, GENERALLY.--EACH LICENSED GAMING ENTITY
15 SHALL PREPARE A HIRING PLAN FOR EMPLOYEES OF ITS RESPECTIVE
16 LICENSED FACILITY WHICH PROMOTES A DIVERSE WORK FORCE, MINORITY
17 PARTICIPATION AND PERSONNEL FROM WITHIN THE SURROUNDING
18 GEOGRAPHICAL AREA. THE HIRING PLAN SHALL BE APPROVED BY THE
19 BOARD AND SHALL BE CONSISTENT WITH THE GOALS OUTLINED IN
20 SECTIONS 1212 (RELATING TO DIVERSITY GOALS OF BOARD) AND 13A04
21 (RELATING TO COMMONWEALTH RESIDENT EMPLOYMENT GOALS) AND SHALL
22 BE UPDATED ANNUALLY.

23 * * *

24 SECTION 29. SECTION 1512 OF TITLE 4 IS AMENDED BY ADDING A
25 SUBSECTION TO READ:

26 § 1512. FINANCIAL AND EMPLOYMENT INTERESTS.

27 * * *

28 (A.6) PROHIBITION RELATED TO INTERACTIVE GAMING.--

29 (1) EXCEPT AS MAY BE PROVIDED BY RULE OR ORDER OF THE
30 PENNSYLVANIA SUPREME COURT AND EXCEPT AS PROVIDED IN SECTION

1 1202.1 (RELATING TO CODE OF CONDUCT) OR 1512.1 (RELATING TO
2 ADDITIONAL RESTRICTIONS), NO EXECUTIVE-LEVEL PUBLIC EMPLOYEE,
3 PUBLIC OFFICIAL OR PARTY OFFICER OR IMMEDIATE FAMILY MEMBER
4 THEREOF SHALL HOLD, DIRECTLY OR INDIRECTLY, A FINANCIAL
5 INTEREST IN, BE EMPLOYED BY OR REPRESENT, APPEAR FOR, OR
6 NEGOTIATE ON BEHALF OF, OR DERIVE ANY REMUNERATION, PAYMENT,
7 BENEFIT OR ANY OTHER THING OF VALUE FOR ANY SERVICES,
8 INCLUDING, BUT NOT LIMITED TO, CONSULTING OR SIMILAR SERVICES
9 FROM ANY HOLDER OF OR APPLICANT FOR AN INTERACTIVE GAMING
10 CERTIFICATE, HOLDER OF OR APPLICANT FOR AN INTERACTIVE GAMING
11 LICENSE OR OTHER AUTHORIZATION TO CONDUCT INTERACTIVE GAMING
12 OR ANY HOLDING, SUBSIDIARY OR INTERMEDIARY COMPANY WITH
13 RESPECT THERETO, OR ANY BUSINESS, ASSOCIATION, ENTERPRISE OR
14 OTHER ENTITY THAT IS ORGANIZED IN WHOLE OR IN PART FOR THE
15 PURPOSE OF PROMOTING, ADVOCATING FOR OR ADVANCING THE
16 INTERESTS OF THE INTERACTIVE GAMING INDUSTRY GENERALLY OR ANY
17 INTERACTIVE GAMING-RELATED BUSINESS OR BUSINESSES IN
18 CONNECTION WITH ANY CAUSE, APPLICATION OR MATTER. THE
19 FINANCIAL INTEREST AND EMPLOYMENT PROHIBITIONS UNDER THIS
20 PARAGRAPH SHALL REMAIN IN EFFECT FOR ONE YEAR FOLLOWING
21 TERMINATION OF THE INDIVIDUAL'S STATUS AS AN EXECUTIVE-LEVEL
22 PUBLIC EMPLOYEE, PUBLIC OFFICIAL OR PARTY OFFICER.

23 (2) NOTWITHSTANDING PARAGRAPH (1), A MEMBER OF THE
24 IMMEDIATE FAMILY OF AN EXECUTIVE-LEVEL PUBLIC EMPLOYEE,
25 PUBLIC OFFICIAL OR PARTY OFFICER MAY HOLD EMPLOYMENT WITH THE
26 HOLDER OF OR APPLICANT FOR AN INTERACTIVE GAMING CERTIFICATE,
27 HOLDER OF OR APPLICANT FOR AN INTERACTIVE GAMING LICENSE OR
28 OTHER AUTHORIZATION TO CONDUCT INTERACTIVE GAMING OR ANY
29 HOLDING, SUBSIDIARY OR INTERMEDIARY COMPANY WITH RESPECT
30 THERE TO, IF IN THE JUDGMENT OF THE STATE ETHICS COMMISSION OR

1 THE SUPREME COURT, AS APPROPRIATE, EMPLOYMENT WILL NOT
2 INTERFERE WITH THE RESPONSIBILITIES OF THE EXECUTIVE-LEVEL
3 PUBLIC EMPLOYEE, PUBLIC OFFICIAL OR PARTY OFFICER AND WILL
4 NOT CREATE A CONFLICT OF INTEREST OR REASONABLE RISK OF THE
5 PUBLIC PERCEPTION OF A CONFLICT OF INTEREST ON THE PART OF
6 THE EXECUTIVE-LEVEL PUBLIC EMPLOYEE, PUBLIC OFFICIAL OR PARTY
7 OFFICER.

8 * * *

9 SECTION 30. SECTIONS 1513(A), 1514 HEADING, (A), (D), (E)
10 AND (F), 1515, 1516 AND 1517(B)(1), (C)(6) AND (12) AND (E)(1)
11 OF TITLE 4 ARE AMENDED TO READ:

12 § 1513. POLITICAL INFLUENCE.

13 (A) CONTRIBUTION RESTRICTION.--THE FOLLOWING PERSONS SHALL
14 BE PROHIBITED FROM CONTRIBUTING ANY MONEY OR IN-KIND
15 CONTRIBUTION TO A CANDIDATE FOR NOMINATION OR ELECTION TO ANY
16 PUBLIC OFFICE IN THIS COMMONWEALTH, OR TO ANY POLITICAL PARTY
17 COMMITTEE OR OTHER POLITICAL COMMITTEE IN THIS COMMONWEALTH OR
18 TO ANY GROUP, COMMITTEE OR ASSOCIATION ORGANIZED IN SUPPORT OF A
19 CANDIDATE, POLITICAL PARTY COMMITTEE OR OTHER POLITICAL
20 COMMITTEE IN THIS COMMONWEALTH:

21 (1) AN APPLICANT FOR A SLOT MACHINE LICENSE,
22 MANUFACTURER LICENSE, SUPPLIER LICENSE, PRINCIPAL LICENSE,
23 KEY EMPLOYEE LICENSE, INTERACTIVE GAMING LICENSE OR HORSE OR
24 HARNESS RACING LICENSE.

25 (2) A SLOT MACHINE LICENSEE, LICENSED MANUFACTURER,
26 LICENSED SUPPLIER, INTERACTIVE GAMING OPERATOR OR LICENSED
27 RACING ENTITY.

28 (3) A LICENSED PRINCIPAL OR LICENSED KEY EMPLOYEE OF A
29 SLOT MACHINE LICENSEE, LICENSED MANUFACTURER, LICENSED
30 SUPPLIER, INTERACTIVE GAMING OPERATOR OR LICENSED RACING

1 ENTITY.

2 (4) AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING
3 COMPANY OF A SLOT MACHINE LICENSEE, LICENSED MANUFACTURER,
4 LICENSED SUPPLIER, INTERACTIVE GAMING OPERATOR OR LICENSED
5 RACING ENTITY.

6 (5) A LICENSED PRINCIPAL OR LICENSED KEY EMPLOYEE OF AN
7 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF A
8 SLOT MACHINE LICENSEE, LICENSED MANUFACTURER, LICENSED
9 SUPPLIER, INTERACTIVE GAMING OPERATOR OR LICENSED RACING
10 ENTITY.

11 (6) A PERSON WHO HOLDS A SIMILAR GAMING LICENSE IN
12 ANOTHER JURISDICTION AND THE AFFILIATES, INTERMEDIARIES,
13 SUBSIDIARIES, HOLDING COMPANIES, PRINCIPALS OR KEY EMPLOYEES
14 THEREOF.

15 * * *

16 § 1514. REGULATION REQUIRING EXCLUSION [OR], EJECTION OR DENIAL
17 OF ACCESS OF CERTAIN PERSONS.

18 (A) GENERAL RULE.--THE BOARD SHALL BY REGULATION PROVIDE FOR
19 THE ESTABLISHMENT OF A LIST OF PERSONS WHO ARE TO BE EXCLUDED OR
20 EJECTED FROM ANY LICENSED FACILITY OR WHO MAY BE DENIED ACCESS
21 TO INTERACTIVE GAMING. THE PROVISIONS SHALL DEFINE THE STANDARDS
22 FOR EXCLUSION AND SHALL INCLUDE STANDARDS RELATING TO PERSONS
23 WHO ARE CAREER OR PROFESSIONAL OFFENDERS AS DEFINED BY
24 REGULATIONS OF THE BOARD OR WHOSE PRESENCE IN A LICENSED
25 FACILITY OR WHOSE ACCESS TO INTERACTIVE GAMING WOULD, IN THE
26 OPINION OF THE BOARD, BE INIMICAL TO THE INTEREST OF THE
27 COMMONWEALTH OR OF LICENSED GAMING THEREIN, OR BOTH.

28 * * *

29 (D) SANCTIONS.--THE BOARD MAY IMPOSE SANCTIONS UPON A
30 LICENSED GAMING ENTITY OR INTERACTIVE GAMING OPERATOR IN

1 ACCORDANCE WITH THIS PART IF THE LICENSED GAMING ENTITY
2 KNOWINGLY FAILS TO EXCLUDE OR EJECT FROM THE PREMISES OF ANY
3 LICENSED FACILITY OR DENY ACCESS TO INTERACTIVE GAMING ANY
4 PERSON PLACED BY THE BOARD ON THE LIST OF PERSONS TO BE EXCLUDED
5 [OR], EJECTED OR DENIED ACCESS.

6 (E) LIST NOT ALL-INCLUSIVE.--ANY LIST COMPILED BY THE BOARD
7 OF PERSONS TO BE EXCLUDED [OR], EJECTED OR DENIED ACCESS SHALL
8 NOT BE DEEMED AN ALL-INCLUSIVE LIST, AND A LICENSED GAMING
9 ENTITY SHALL HAVE A DUTY TO KEEP FROM THE LICENSED FACILITY AND
10 FROM INTERACTIVE GAMING PERSONS KNOWN TO IT TO BE WITHIN THE
11 CLASSIFICATIONS DECLARED IN THIS SECTION AND THE REGULATIONS
12 PROMULGATED UNDER THIS SECTION WHOSE PRESENCE IN A LICENSED
13 FACILITY OR WHOSE PARTICIPATION IN INTERACTIVE GAMING WOULD BE
14 INIMICAL TO THE INTEREST OF THE COMMONWEALTH OR OF LICENSED
15 GAMING THEREIN, OR BOTH, AS DEFINED IN STANDARDS ESTABLISHED BY
16 THE BOARD.

17 (F) NOTICE.--WHENEVER THE BUREAU SEEKS TO PLACE THE NAME OF
18 ANY PERSON ON A LIST PURSUANT TO THIS SECTION, THE BUREAU SHALL
19 SERVE NOTICE OF THIS FACT TO SUCH PERSON BY PERSONAL SERVICE OR
20 CERTIFIED MAIL AT THE LAST KNOWN ADDRESS OF THE PERSON. THE
21 NOTICE SHALL INFORM THE PERSON OF THE RIGHT TO REQUEST A HEARING
22 UNDER SUBSECTION (G). THE BUREAU MAY ALSO PROVIDE NOTICE BY
23 ELECTRONIC MAIL, IF THE ELECTRONIC MAIL ADDRESS OF THE PERSON IS
24 KNOWN TO THE BUREAU.

25 * * *

26 § 1515. REPEAT OFFENDERS EXCLUDABLE FROM LICENSED GAMING
27 FACILITY.

28 A LICENSED GAMING ENTITY MAY EXCLUDE OR EJECT FROM ITS
29 LICENSED FACILITY OR DENY ACCESS TO INTERACTIVE GAMING ANY
30 PERSON WHO IS KNOWN TO IT TO HAVE BEEN CONVICTED OF A

1 MISDEMEANOR OR FELONY COMMITTED IN OR ON THE PREMISES OF ANY
2 LICENSED FACILITY. NOTHING IN THIS SECTION OR IN ANY OTHER LAW
3 OF THIS COMMONWEALTH SHALL LIMIT THE RIGHT OF A LICENSED GAMING
4 ENTITY TO EXERCISE ITS COMMON LAW RIGHT TO EXCLUDE OR EJECT
5 PERMANENTLY FROM ITS LICENSED FACILITY OR PERMANENTLY DENY
6 ACCESS TO ITS INTERACTIVE GAMING ANY PERSON WHO DISRUPTS THE
7 OPERATIONS OF ITS PREMISES OR ITS INTERACTIVE GAMING, THREATENS
8 THE SECURITY OF ITS PREMISES OR ITS OCCUPANTS OR IS DISORDERLY
9 OR INTOXICATED[.] OR WHO THREATENS THE SECURITY OF ITS LICENSED
10 FACILITY OR THE AREA OF A LICENSED FACILITY WHERE INTERACTIVE
11 GAMING OPERATIONS ARE MANAGED, ADMINISTERED OR CONTROLLED.

12 § 1516. LIST OF PERSONS SELF EXCLUDED FROM GAMING ACTIVITIES.

13 (A) GENERAL RULE.--THE BOARD SHALL PROVIDE BY REGULATION FOR
14 THE ESTABLISHMENT OF A LIST OF PERSONS SELF EXCLUDED FROM GAMING
15 ACTIVITIES, INCLUDING INTERACTIVE GAMING, AT ALL LICENSED
16 FACILITIES. ANY PERSON MAY REQUEST PLACEMENT ON THE LIST OF
17 SELF-EXCLUDED PERSONS BY ACKNOWLEDGING IN A MANNER TO BE
18 ESTABLISHED BY THE BOARD THAT THE PERSON IS A PROBLEM GAMBLER
19 AND BY AGREEING THAT, DURING ANY PERIOD OF VOLUNTARY EXCLUSION,
20 THE PERSON MAY NOT COLLECT ANY WINNINGS OR RECOVER ANY LOSSES
21 RESULTING FROM ANY GAMING ACTIVITY AT LICENSED FACILITIES,
22 INCLUDING INTERACTIVE GAMING.

23 (B) REGULATIONS.--THE REGULATIONS OF THE BOARD SHALL
24 ESTABLISH PROCEDURES FOR PLACEMENTS ON AND REMOVALS FROM THE
25 LIST OF SELF-EXCLUDED PERSONS. THE REGULATIONS SHALL ESTABLISH
26 PROCEDURES FOR THE TRANSMITTAL TO LICENSED GAMING ENTITIES OF
27 IDENTIFYING INFORMATION CONCERNING SELF-EXCLUDED PERSONS AND
28 SHALL REQUIRE LICENSED GAMING ENTITIES TO ESTABLISH PROCEDURES
29 DESIGNED AT A MINIMUM TO DENY SELF-EXCLUDED PERSONS ACCESS TO
30 INTERACTIVE GAMING AND TO REMOVE SELF-EXCLUDED PERSONS FROM

1 TARGETED MAILINGS OR OTHER FORMS OF ADVERTISING OR PROMOTIONS
2 AND DENY SELF-EXCLUDED PERSONS ACCESS TO COMPLIMENTARIES, CHECK
3 CASHING PRIVILEGES, CLUB PROGRAMS AND OTHER SIMILAR BENEFITS.

4 (C) LIABILITY.--A LICENSED GAMING ENTITY OR EMPLOYEE THEREOF
5 SHALL NOT BE LIABLE TO ANY SELF-EXCLUDED PERSON OR TO ANY OTHER
6 PARTY IN ANY JUDICIAL PROCEEDING FOR ANY HARM, MONETARY OR
7 OTHERWISE, WHICH MAY ARISE AS A RESULT OF:

8 (1) THE FAILURE OF A LICENSED GAMING ENTITY TO WITHHOLD
9 GAMING PRIVILEGES FROM OR RESTORE GAMING PRIVILEGES TO A
10 SELF-EXCLUDED PERSON; [OR]

11 (1.1) THE FAILURE OF AN INTERACTIVE GAMING CERTIFICATE
12 HOLDER OR INTERACTIVE GAMING OPERATOR TO WITHHOLD INTERACTIVE
13 GAMING PRIVILEGES FROM OR RESTORE INTERACTIVE GAMING
14 PRIVILEGES TO A SELF-EXCLUDED PERSON; OR

15 (2) OTHERWISE PERMITTING OR NOT PERMITTING A SELF-
16 EXCLUDED PERSON TO ENGAGE IN GAMING ACTIVITY IN THE FACILITY
17 OR PARTICIPATE IN INTERACTIVE GAMING WHILE ON THE LIST OF
18 SELF-EXCLUDED PERSONS.

19 (D) DISCLOSURE.--NOTWITHSTANDING ANY OTHER LAW TO THE
20 CONTRARY, THE BOARD'S LIST OF SELF-EXCLUDED PERSONS SHALL NOT BE
21 OPEN TO PUBLIC INSPECTION. NOTHING IN THIS SECTION, HOWEVER,
22 SHALL BE CONSTRUED TO PROHIBIT A LICENSED GAMING ENTITY FROM
23 DISCLOSING THE IDENTITY OF PERSONS SELF EXCLUDED PURSUANT TO
24 THIS SECTION TO AFFILIATED GAMING ENTITIES IN THIS COMMONWEALTH
25 OR OTHER JURISDICTIONS FOR THE LIMITED PURPOSE OF ASSISTING IN
26 THE PROPER ADMINISTRATION OF RESPONSIBLE GAMING PROGRAMS
27 OPERATED BY AFFILIATED LICENSED GAMING ENTITIES.

28 § 1517. INVESTIGATIONS AND ENFORCEMENT.

29 * * *

30 (B) POWERS AND DUTIES OF DEPARTMENT.--

1 (1) THE DEPARTMENT SHALL AT ALL TIMES HAVE THE POWER OF
2 ACCESS TO EXAMINE AND AUDIT EQUIPMENT AND RECORDS RELATING TO
3 ALL ASPECTS OF THE OPERATION OF SLOT MACHINES [OR], TABLE
4 GAMES OR INTERACTIVE GAMES UNDER THIS PART.

5 * * *

6 (C) POWERS AND DUTIES OF THE PENNSYLVANIA STATE POLICE.--THE
7 PENNSYLVANIA STATE POLICE SHALL HAVE THE FOLLOWING POWERS AND
8 DUTIES:

9 * * *

10 (6) ENFORCE THE CRIMINAL PROVISIONS OF THIS PART AND ALL
11 OTHER CRIMINAL LAWS OF THE COMMONWEALTH[.], INCLUDING, BUT
12 NOT LIMITED TO, WITHIN A LICENSED FACILITY AND PARKING LOTS
13 UNDER CONTROL OF A SLOT MACHINE LICENSEE ADJACENT TO A
14 LICENSED FACILITY.

15 * * *

16 (12) CONDUCT AUDITS OR VERIFICATION OF INFORMATION OF
17 SLOT MACHINE [OR], TABLE GAME OPERATIONS, INCLUDING THE
18 OPERATION OF SLOT MACHINES USED IN A MULTISTATE WIDE-AREA
19 PROGRESSIVE SLOT MACHINE SYSTEM AND IN THE OPERATION OF SKILL
20 OR HYBRID SLOT MACHINES AND INTERACTIVE GAMING OPERATIONS AT
21 SUCH TIMES, UNDER SUCH CIRCUMSTANCES AND TO SUCH EXTENT AS
22 THE BUREAU DETERMINES. THIS PARAGRAPH INCLUDES REVIEWS OF
23 ACCOUNTING, ADMINISTRATIVE AND FINANCIAL RECORDS AND
24 MANAGEMENT CONTROL SYSTEMS, PROCEDURES AND RECORDS UTILIZED
25 BY A SLOT MACHINE LICENSEE.

26 * * *

27 (E) INSPECTION, SEIZURE AND WARRANTS.--

28 (1) THE BUREAU, THE DEPARTMENT AND THE PENNSYLVANIA
29 STATE POLICE SHALL HAVE THE AUTHORITY WITHOUT NOTICE AND
30 WITHOUT WARRANT TO DO ALL OF THE FOLLOWING IN THE PERFORMANCE

1 OF THEIR DUTIES:

2 (I) INSPECT AND EXAMINE ALL PREMISES WHERE SLOT
3 MACHINE [OR], TABLE GAME AND INTERACTIVE GAMING
4 OPERATIONS ARE CONDUCTED, SLOT MACHINES, TABLE GAME
5 DEVICES AND ASSOCIATED EQUIPMENT, INTERACTIVE GAMING
6 DEVICES AND ASSOCIATED EQUIPMENT ARE MANUFACTURED, SOLD,
7 DISTRIBUTED OR SERVICED OR WHERE RECORDS OF THESE
8 ACTIVITIES ARE PREPARED OR MAINTAINED.

9 (II) INSPECT ALL EQUIPMENT AND SUPPLIES IN, ABOUT,
10 UPON OR AROUND PREMISES REFERRED TO IN SUBPARAGRAPH (I).

11 (III) SEIZE, SUMMARILY REMOVE AND IMPOUND EQUIPMENT
12 AND SUPPLIES FROM PREMISES REFERRED TO IN SUBPARAGRAPH
13 (I) FOR THE PURPOSES OF EXAMINATION AND INSPECTION.

14 (IV) INSPECT, EXAMINE AND AUDIT ALL BOOKS, RECORDS
15 AND DOCUMENTS PERTAINING TO A SLOT MACHINE LICENSEE'S
16 OPERATION.

17 (V) SEIZE, IMPOUND OR ASSUME PHYSICAL CONTROL OF ANY
18 BOOK, RECORD, LEDGER, GAME, DEVICE, CASH BOX AND ITS
19 CONTENTS, COUNT ROOM OR ITS EQUIPMENT, INTERACTIVE GAMING
20 DEVICES AND ASSOCIATED EQUIPMENT OR SLOT MACHINE [OR],
21 TABLE GAME OR INTERACTIVE GAMING OPERATIONS.

22 * * *

23 SECTION 31. SECTION 1518(A) (1), (2), (3), (4), (5), (7.1),
24 (11), (13), (13.1), (15) AND (17) AND (B) (1), (2) AND (3) OF
25 TITLE 4 ARE AMENDED AND SUBSECTIONS (A) AND (B) ARE AMENDED BY
26 ADDING PARAGRAPHS TO READ:

27 § 1518. PROHIBITED ACTS; PENALTIES.

28 (A) CRIMINAL OFFENSES.--

29 (1) THE PROVISIONS OF 18 PA.C.S. § 4902 (RELATING TO
30 PERJURY), 4903 (RELATING TO FALSE SWEARING) OR 4904 (RELATING

1 TO UNSWORN FALSIFICATION TO AUTHORITIES) SHALL APPLY TO ANY
2 PERSON PROVIDING INFORMATION OR MAKING ANY STATEMENT, WHETHER
3 WRITTEN OR ORAL, TO THE BOARD, THE COMMISSION, THE BUREAU,
4 THE DEPARTMENT, THE PENNSYLVANIA STATE POLICE OR THE OFFICE
5 OF ATTORNEY GENERAL, AS REQUIRED BY THIS [PART] TITLE.

6 (2) IT SHALL BE UNLAWFUL FOR A PERSON TO WILLFULLY:

7 (I) FAIL TO REPORT, PAY OR TRUTHFULLY ACCOUNT FOR
8 AND PAY OVER ANY LICENSE FEE, AUTHORIZATION FEE, PERMIT
9 FEE, TAX OR ASSESSMENT IMPOSED UNDER THIS [PART] TITLE;

10 OR

11 (II) ATTEMPT IN ANY MANNER TO EVADE OR DEFEAT ANY
12 LICENSE FEE, AUTHORIZATION FEE, PERMIT FEE, REGISTRATION
13 FEE, TAX OR ASSESSMENT OR ANY OTHER FEE IMPOSED UNDER
14 THIS [PART] TITLE.

15 (3) IT SHALL BE UNLAWFUL FOR ANY LICENSED ENTITY, GAMING
16 EMPLOYEE, KEY EMPLOYEE OR ANY OTHER PERSON TO PERMIT A SLOT
17 MACHINE, TABLE GAME OR TABLE GAME DEVICE, INTERACTIVE GAME OR
18 INTERACTIVE GAMING DEVICE OR ASSOCIATED EQUIPMENT TO BE
19 OPERATED, TRANSPORTED, REPAIRED OR OPENED ON THE PREMISES OF
20 A LICENSED FACILITY BY A PERSON OTHER THAN A PERSON LICENSED
21 OR PERMITTED BY THE BOARD PURSUANT TO THIS PART.

22 (3.1) IT SHALL BE UNLAWFUL FOR ANY PERSON WHO DOES NOT
23 POSSESS A VALID AND THEN EFFECTIVE INTERACTIVE GAMING
24 CERTIFICATE OR INTERACTIVE GAMING LICENSE TO ACCEPT ANY WAGER
25 ASSOCIATED WITH ANY AUTHORIZED INTERACTIVE GAME FROM ANY
26 INDIVIDUAL WITHOUT VERIFYING THE AGE, IDENTITY AND PHYSICAL
27 LOCATION OF THE PLAYER AT THE TIME OF PLAY OR WAGER.

28 (4) IT SHALL BE UNLAWFUL FOR ANY LICENSED ENTITY OR
29 OTHER PERSON TO MANUFACTURE, SUPPLY OR PLACE SLOT MACHINES,
30 TABLE GAMES, TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT, _____

1 AUTHORIZED INTERACTIVE GAME OR INTERACTIVE GAMING DEVICES OR
2 ASSOCIATED EQUIPMENT INTO PLAY OR DISPLAY SLOT MACHINES,
3 TABLE GAMES, TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT ON
4 THE PREMISES OF A LICENSED FACILITY WITHOUT THE AUTHORITY OF
5 THE BOARD.

6 (4.1) IT SHALL BE UNLAWFUL FOR ANY SLOT MACHINE LICENSEE
7 TO OFFER INTERACTIVE GAMES INTO PLAY OR DISPLAY SUCH GAMES ON
8 ITS INTERACTIVE GAMING SKIN OR INTERNET WEBSITE WITHOUT THE
9 APPROVAL OF THE BOARD.

10 (4.2) IT SHALL BE UNLAWFUL FOR ANY LICENSED ENTITY OR
11 OTHER PERSON TO MANUFACTURE, SUPPLY OR PLACE INTERACTIVE
12 GAMING DEVICES OR ASSOCIATED EQUIPMENT INTO OPERATION AT A
13 LICENSED FACILITY WITHOUT THE APPROVAL OF THE BOARD.

14 (5) EXCEPT AS PROVIDED FOR IN SECTION 1326 (RELATING TO
15 [LICENSE] RENEWALS), IT SHALL BE UNLAWFUL FOR A LICENSED
16 ENTITY OR OTHER PERSON TO MANUFACTURE, SUPPLY, OPERATE, CARRY
17 ON OR EXPOSE FOR PLAY ANY SLOT MACHINE, TABLE GAME, TABLE
18 GAME DEVICE OR ASSOCIATED EQUIPMENT, INTERACTIVE GAME OR
19 INTERACTIVE GAMING DEVICE OR ASSOCIATED EQUIPMENT AFTER THE
20 PERSON'S LICENSE HAS EXPIRED AND PRIOR TO THE ACTUAL RENEWAL
21 OF THE LICENSE.

22 * * *

23 (7.1) IT SHALL BE UNLAWFUL FOR AN INDIVIDUAL TO DO ANY
24 OF THE FOLLOWING:

25 (I) USE OR POSSESS COUNTERFEIT, MARKED, LOADED OR
26 TAMPERED WITH TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT,
27 CHIPS OR OTHER CHEATING DEVICES IN THE CONDUCT OF GAMING
28 UNDER THIS PART, EXCEPT THAT AN AUTHORIZED EMPLOYEE OF A
29 LICENSEE OR AN AUTHORIZED EMPLOYEE OF THE BOARD MAY
30 POSSESS AND USE COUNTERFEIT CHIPS OR TABLE GAME DEVICES

1 OR ASSOCIATED EQUIPMENT THAT HAVE BEEN MARKED, LOADED OR
2 TAMPERED WITH, OR OTHER CHEATING DEVICES OR ANY
3 UNAUTHORIZED INTERACTIVE GAMING DEVICE OR ASSOCIATED
4 EQUIPMENT IN PERFORMANCE OF THE DUTIES OF EMPLOYMENT FOR
5 TRAINING, INVESTIGATIVE OR TESTING PURPOSES ONLY.

6 (II) KNOWINGLY, BY A TRICK OR SLEIGHT OF HAND
7 PERFORMANCE OR BY FRAUD OR FRAUDULENT SCHEME, OR
8 MANIPULATION, TABLE GAME DEVICE OR OTHER DEVICE, OR
9 INTERACTIVE GAMING DEVICE FOR HIMSELF OR FOR ANOTHER, WIN
10 OR ATTEMPT TO WIN ANY CASH, PROPERTY OR PRIZE AT A
11 LICENSED FACILITY OR TO REDUCE OR ATTEMPT TO REDUCE A
12 LOSING WAGER.

13 (7.2) IT SHALL BE UNLAWFUL FOR A PERSON TO KNOWINGLY
14 ALTER, TAMPER OR MANIPULATE INTERACTIVE GAMING DEVICES OR
15 ASSOCIATED EQUIPMENT, INCLUDING SOFTWARE, SYSTEM PROGRAMS,
16 HARDWARE AND ANY OTHER DEVICE OR ASSOCIATED EQUIPMENT USED IN
17 INTERACTIVE GAMING OPERATIONS, IN ORDER TO ALTER THE ODDS OR
18 THE PAYOUT OF AN INTERACTIVE GAME OR TO DISABLE THE
19 INTERACTIVE GAME FROM OPERATING ACCORDING TO THE RULES OF THE
20 GAME AS AUTHORIZED BY THE BOARD.

21 (7.3) IT SHALL BE UNLAWFUL FOR A PERSON TO KNOWINGLY
22 OFFER OR ALLOW TO BE OFFERED ANY AUTHORIZED INTERACTIVE GAME
23 THAT HAS BEEN ALTERED, TAMPERED WITH OR MANIPULATED IN A WAY
24 THAT AFFECTS THE ODDS OR THE PAYOUT OF AN AUTHORIZED
25 INTERACTIVE GAME OR DISABLES THE INTERACTIVE GAME FROM
26 OPERATING ACCORDING TO THE AUTHORIZED RULES OF THE GAME AS
27 AUTHORIZED BY THE BOARD.

28 * * *

29 (11) IT SHALL BE UNLAWFUL FOR A LICENSED GAMING ENTITY
30 THAT IS A LICENSED RACING ENTITY AND THAT HAS LOST THE

1 LICENSE ISSUED TO IT BY [EITHER] THE STATE HORSE RACING
2 COMMISSION OR THE STATE HARNESS RACING COMMISSION UNDER THE
3 RACE HORSE INDUSTRY REFORM ACT OR THAT HAS HAD THAT LICENSE
4 SUSPENDED TO OPERATE SLOT MACHINES [OR], TABLE GAMES OR
5 AUTHORIZED INTERACTIVE GAMES AT THE RACETRACK FOR WHICH ITS
6 SLOT MACHINE LICENSE WAS ISSUED UNLESS THE LICENSE ISSUED TO
7 IT BY EITHER THE STATE HORSE RACING COMMISSION OR THE STATE
8 HARNESS RACING COMMISSION WILL BE SUBSEQUENTLY REISSUED OR
9 REINSTATED WITHIN 30 DAYS AFTER THE LOSS OR SUSPENSION.

10 * * *

11 (13) IT SHALL BE UNLAWFUL FOR AN INDIVIDUAL UNDER 21
12 YEARS OF AGE TO ENTER AND REMAIN IN ANY AREA OF A LICENSED
13 FACILITY WHERE SLOT MACHINES ARE OPERATED OR THE PLAY OF
14 TABLE GAMES IS CONDUCTED, EXCEPT THAT AN INDIVIDUAL 18 YEARS
15 OF AGE OR OLDER EMPLOYED BY A SLOT MACHINE LICENSEE, A GAMING
16 SERVICE PROVIDER, THE BOARD OR ANY OTHER REGULATORY OR
17 EMERGENCY RESPONSE AGENCY MAY ENTER AND REMAIN IN ANY SUCH
18 AREA WHILE ENGAGED IN THE PERFORMANCE OF THE INDIVIDUAL'S
19 EMPLOYMENT DUTIES.

20 (13.1) IT SHALL BE UNLAWFUL FOR AN INDIVIDUAL UNDER 21
21 YEARS OF AGE TO WAGER, PLAY OR ATTEMPT TO PLAY A SLOT MACHINE
22 OR TABLE GAME AT A LICENSED FACILITY OR TO WAGER, PLAY OR
23 ATTEMPT TO PLAY AN INTERACTIVE GAME.

24 (13.2) IT SHALL BE UNLAWFUL TO ALLOW A PERSON UNDER 21
25 YEARS OF AGE TO OPEN, MAINTAIN OR USE IN ANY WAY AN
26 INTERACTIVE GAMING ACCOUNT. ANY INTERACTIVE GAMING
27 CERTIFICATE HOLDER, INTERACTIVE GAMING OPERATOR OR EMPLOYEE
28 OF AN INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE
29 GAMING OPERATOR OR OTHER SUCH PERSON WHO KNOWINGLY ALLOWS A
30 PERSON UNDER 21 YEARS OF AGE TO OPEN, MAINTAIN OR USE AN

1 INTERACTIVE GAMING ACCOUNT SHALL BE SUBJECT TO THE PENALTY
2 SET FORTH IN THIS SECTION, EXCEPT THAT THE ESTABLISHMENT OF
3 ALL OF THE FOLLOWING FACTS BY AN INTERACTIVE GAMING
4 CERTIFICATE HOLDER, INTERACTIVE GAMING OPERATOR OR EMPLOYEE
5 OF AN INTERACTIVE GAMING CERTIFICATE HOLDER, INTERACTIVE
6 GAMING OPERATOR OR OTHER SUCH PERSON SHALL CONSTITUTE A
7 DEFENSE TO ANY REGULATORY ACTION BY THE BOARD OR THE PENALTY
8 AUTHORIZED UNDER THIS SECTION:

9 (I) THE UNDERAGE PERSON FALSELY REPRESENTED THAT THE
10 PERSON WAS AT LEAST 21 YEARS OF AGE IN THE APPLICATION
11 FOR AN INTERACTIVE GAMING ACCOUNT; AND

12 (II) THE ESTABLISHMENT OF THE INTERACTIVE GAMING
13 ACCOUNT WAS MADE IN GOOD FAITH RELIANCE UPON SUCH
14 REPRESENTATION AND IN THE REASONABLE BELIEF THAT THE
15 UNDERAGE PERSON WAS AT LEAST 21 YEARS OF AGE.

16 * * *

17 (15) IT SHALL BE UNLAWFUL FOR A LICENSED GAMING ENTITY
18 TO REQUIRE A WAGER TO BE GREATER THAN THE STATED MINIMUM
19 WAGER OR LESS THAN THE STATED MAXIMUM WAGER. HOWEVER, A WAGER
20 MADE BY A PLAYER AND NOT REJECTED BY A LICENSED GAMING ENTITY
21 PRIOR TO COMMENCEMENT OF PLAY SHALL BE TREATED AS A VALID
22 WAGER. A WAGER ACCEPTED BY A DEALER OR THROUGH AN AUTHORIZED
23 INTERACTIVE GAME SHALL BE PAID OR LOST IN ITS ENTIRETY IN
24 ACCORDANCE WITH THE RULES OF THE GAME, NOTWITHSTANDING THAT
25 THE WAGER EXCEEDED THE CURRENT TABLE MAXIMUM WAGER OR
26 AUTHORIZED INTERACTIVE GAME WAGER OR WAS LOWER THAN THE
27 CURRENT TABLE MINIMUM WAGER OR MINIMUM INTERACTIVE GAME
28 WAGER.

29 * * *

30 (17) IT SHALL BE UNLAWFUL FOR AN INDIVIDUAL TO CLAIM,

1 COLLECT OR TAKE, OR ATTEMPT TO CLAIM, COLLECT OR TAKE, MONEY
2 OR ANYTHING OF VALUE IN OR FROM A SLOT MACHINE, GAMING TABLE
3 OR OTHER TABLE GAME DEVICE, INTERACTIVE GAME OR INTERACTIVE
4 GAMING DEVICE WITH THE INTENT TO DEFRAUD, OR TO CLAIM,
5 COLLECT OR TAKE AN AMOUNT GREATER THAN THE AMOUNT WON, OR TO
6 MANIPULATE WITH THE INTENT TO CHEAT, ANY COMPONENT OF ANY
7 SLOT MACHINE, TABLE GAME OR TABLE GAME DEVICE, INTERACTIVE
8 GAME OR INTERACTIVE GAMING DEVICE IN A MANNER CONTRARY TO THE
9 DESIGNED AND NORMAL OPERATIONAL PURPOSE.

10 (B) CRIMINAL PENALTIES AND FINES.--

11 (1) (I) A PERSON THAT COMMITS A FIRST OFFENSE IN
12 VIOLATION OF 18 PA.C.S. § 4902, 4903 OR 4904 IN
13 CONNECTION WITH PROVIDING INFORMATION OR MAKING ANY
14 STATEMENT, WHETHER WRITTEN OR ORAL, TO THE BOARD, THE
15 BUREAU, THE DEPARTMENT, THE PENNSYLVANIA STATE POLICE,
16 THE OFFICE OF ATTORNEY GENERAL OR A DISTRICT ATTORNEY AS
17 REQUIRED BY THIS PART COMMITS AN OFFENSE TO BE GRADED IN
18 ACCORDANCE WITH THE APPLICABLE SECTION VIOLATED. A PERSON
19 THAT IS CONVICTED OF A SECOND OR SUBSEQUENT VIOLATION OF
20 18 PA.C.S. § 4902, 4903 OR 4904 IN CONNECTION WITH
21 PROVIDING INFORMATION OR MAKING ANY STATEMENT, WHETHER
22 WRITTEN OR ORAL, TO THE BOARD, THE BUREAU, THE
23 DEPARTMENT, THE PENNSYLVANIA STATE POLICE, THE OFFICE OF
24 ATTORNEY GENERAL OR A DISTRICT ATTORNEY AS REQUIRED BY
25 THIS PART COMMITS A FELONY OF THE SECOND DEGREE.

26 (II) A PERSON THAT VIOLATES SUBSECTION (A) (2), (3)
27 AND (4) THROUGH (12) OR (17) COMMITS A MISDEMEANOR OF THE
28 FIRST DEGREE. A PERSON THAT IS CONVICTED OF A SECOND OR
29 SUBSEQUENT VIOLATION OF SUBSECTION (A) (2), (3) AND (4)
30 THROUGH (12) OR (17) COMMITS A FELONY OF THE SECOND

1 DEGREE.

2 (2) (I) FOR A FIRST VIOLATION OF SUBSECTION (A) (1)
3 THROUGH (12) OR (17), A PERSON SHALL BE SENTENCED TO PAY
4 A FINE OF:

5 (A) NOT [LESS THAN \$75,000 NOR] MORE THAN
6 \$150,000 IF THE PERSON IS AN INDIVIDUAL;

7 (B) NOT LESS THAN \$300,000 NOR MORE THAN
8 \$600,000 IF THE PERSON IS A LICENSED GAMING ENTITY OR
9 AN INTERACTIVE GAMING OPERATOR; OR

10 (C) NOT LESS THAN \$150,000 NOR MORE THAN
11 \$300,000 IF THE PERSON IS A LICENSED MANUFACTURER OR
12 SUPPLIER.

13 (II) FOR A SECOND OR SUBSEQUENT VIOLATION OF
14 SUBSECTION (A) (1), (2), (3) AND (4) THROUGH (12) OR (17),
15 A PERSON SHALL BE SENTENCED TO PAY A FINE OF:

16 (A) NOT [LESS THAN \$150,000 NOR] MORE THAN
17 \$300,000 IF THE PERSON IS AN INDIVIDUAL;

18 (B) NOT LESS THAN \$600,000 NOR MORE THAN
19 \$1,200,000 IF THE PERSON IS A LICENSED GAMING ENTITY;
20 OR

21 (C) NOT LESS THAN \$300,000 NOR MORE THAN
22 \$600,000 IF THE PERSON IS A LICENSED MANUFACTURER OR
23 SUPPLIER.

24 (2.1) A PERSON THAT COMMITS AN OFFENSE IN VIOLATION OF
25 SUBSECTION (A) (3.1) COMMITS A FELONY AND, UPON CONVICTION,
26 SHALL BE SENTENCED TO PAY A FINE OF NOT LESS THAN \$500,000
27 NOR MORE THAN \$1,000,000. A PERSON THAT IS CONVICTED OF A
28 SECOND OR SUBSEQUENT VIOLATION OF SUBSECTION (A) (3.1) COMMITS
29 A FELONY OF THE FIRST DEGREE AND SHALL BE SENTENCED TO PAY A
30 FINE OF NOT LESS THAN \$1,000,000 NOR MORE THAN \$2,500,000.

1 (3) AN INDIVIDUAL WHO COMMITS AN OFFENSE IN VIOLATION OF
2 SUBSECTION (A) (13) [OR], (13.1) OR (13.2) COMMITS A
3 NONGAMBLING SUMMARY OFFENSE AND UPON CONVICTION OF A FIRST
4 OFFENSE SHALL BE SENTENCED TO PAY A FINE OF NOT LESS THAN
5 \$200 NOR MORE THAN \$1,000. AN INDIVIDUAL THAT IS CONVICTED OF
6 A SECOND OR SUBSEQUENT OFFENSE UNDER SUBSECTION (A) (13) [OR],
7 (13.1) OR (13.2) SHALL BE SENTENCED TO PAY A FINE OF NOT LESS
8 THAN \$500 NOR MORE THAN \$1,500. IN ADDITION TO THE FINE
9 IMPOSED, AN INDIVIDUAL CONVICTED OF AN OFFENSE UNDER
10 SUBSECTION (A) (13) [OR], (13.1) OR (13.2) MAY BE SENTENCED TO
11 PERFORM A PERIOD OF COMMUNITY SERVICE NOT TO EXCEED 40 HOURS.

12 * * *

13 SECTION 32. SECTIONS 1901, 1901.1 AND 1902 OF TITLE 4 ARE
14 AMENDED TO READ:

15 § 1901. APPROPRIATIONS.

16 (A) APPROPRIATION TO BOARD.--

17 (1) THE SUM OF \$7,500,000 IS HEREBY APPROPRIATED TO THE
18 PENNSYLVANIA GAMING CONTROL BOARD FOR THE FISCAL PERIOD JULY
19 1, 2004, TO JUNE 30, 2006, TO IMPLEMENT AND ADMINISTER THE
20 PROVISIONS OF THIS PART. THE MONEY APPROPRIATED IN THIS
21 SUBSECTION SHALL BE CONSIDERED A LOAN FROM THE GENERAL FUND
22 [AND SHALL BE REPAID TO THE GENERAL FUND QUARTERLY COMMENCING
23 WITH THE DATE SLOT MACHINE LICENSEES BEGIN OPERATING SLOT
24 MACHINES UNDER THIS PART]. THIS APPROPRIATION SHALL BE A TWO-
25 YEAR APPROPRIATION AND SHALL NOT LAPSE UNTIL JUNE 30, 2006.

26 (2) THE SUM OF \$2,100,000 IS HEREBY APPROPRIATED FROM
27 THE STATE GAMING FUND TO THE PENNSYLVANIA GAMING CONTROL
28 BOARD FOR SALARIES, WAGES AND ALL NECESSARY EXPENSES FOR THE
29 PROPER OPERATION AND ADMINISTRATION OF THE PENNSYLVANIA
30 GAMING CONTROL BOARD FOR THE EXPANSION OF GAMING ASSOCIATED

1 WITH TABLE GAMES. THIS APPROPRIATION SHALL BE A SUPPLEMENTAL
2 APPROPRIATION FOR FISCAL YEAR 2009-2010 AND SHALL BE IN
3 ADDITION TO THE APPROPRIATION CONTAINED IN THE ACT OF AUGUST
4 19, 2009 (P.L.777, NO.9A), KNOWN AS THE GAMING CONTROL
5 APPROPRIATION ACT OF 2009.

6 (B) APPROPRIATION TO DEPARTMENT.--THE SUM OF \$21,100,000 IS
7 HEREBY APPROPRIATED FROM THE GENERAL FUND TO THE DEPARTMENT OF
8 REVENUE FOR THE FISCAL PERIOD JULY 1, 2004, TO JUNE 30, 2006, TO
9 PREPARE FOR, IMPLEMENT AND ADMINISTER THE PROVISIONS OF THIS
10 PART. THE MONEY APPROPRIATED UNDER THIS SUBSECTION SHALL BE
11 CONSIDERED A LOAN FROM THE GENERAL FUND [AND SHALL BE REPAID TO
12 THE GENERAL FUND QUARTERLY COMMENCING WITH THE DATE SLOT MACHINE
13 LICENSEES BEGIN OPERATING SLOT MACHINES UNDER THIS PART]. THIS
14 APPROPRIATION SHALL BE A TWO-YEAR APPROPRIATION AND SHALL NOT
15 LAPSE UNTIL JUNE 30, 2006.

16 (C) APPROPRIATION TO PENNSYLVANIA STATE POLICE.--THE SUM OF
17 \$7,500,000 IS HEREBY APPROPRIATED FROM THE GENERAL FUND TO THE
18 PENNSYLVANIA STATE POLICE FOR THE FISCAL PERIOD JULY 1, 2004, TO
19 JUNE 30, 2006, TO PREPARE FOR, IMPLEMENT AND ADMINISTER THE
20 PROVISIONS OF THIS PART. THE MONEY APPROPRIATED UNDER THIS
21 SUBSECTION SHALL BE CONSIDERED A LOAN FROM THE GENERAL FUND [AND
22 SHALL BE REPAID TO THE GENERAL FUND QUARTERLY COMMENCING WHEN
23 ALL SLOT MACHINE LICENSEES BEGIN OPERATING SLOT MACHINES UNDER
24 THIS PART]. THIS APPROPRIATION SHALL BE A TWO-YEAR APPROPRIATION
25 AND SHALL NOT LAPSE UNTIL JUNE 30, 2006.

26 § 1901.1. REPAYMENTS TO [STATE GAMING] GENERAL FUND.

27 [THE BOARD SHALL DEFER ASSESSING SLOT MACHINE LICENSEES FOR
28 PAYMENTS TO THE STATE GAMING FUND FOR ANY LOANS MADE TO THE
29 STATE GAMING FUND UNTIL SUCH TIME AS ALL SLOT MACHINE LICENSEES
30 HAVE BEEN ISSUED AND ALL LICENSED GAMING ENTITIES HAVE COMMENCED

1 THE OPERATION OF SLOT MACHINES. THE BOARD SHALL ADOPT A
2 REPAYMENT SCHEDULE THAT ASSESSES TO EACH SLOT MACHINE LICENSEE
3 COSTS FOR THE REPAYMENT OF ANY SUCH LOANS IN AN AMOUNT THAT IS
4 PROPORTIONAL TO EACH SLOT MACHINE LICENSEE'S GROSS TERMINAL
5 REVENUE.]

6 (A) ESTABLISHMENT OF REPAYMENT SCHEDULE.--

7 (1) NO LATER THAN DECEMBER 1, 2017, THE BOARD, IN
8 CONSULTATION WITH ALL LICENSED GAMING ENTITIES, SHALL
9 ESTABLISH A SCHEDULE GOVERNING THE REPAYMENT BY LICENSED
10 GAMING ENTITIES OF LOANS PROVIDED UNDER SECTION 1901
11 (RELATING TO APPROPRIATIONS).

12 (2) THE REPAYMENT OF LOANS PROVIDED UNDER SECTION 1901
13 BY LICENSED GAMING ENTITIES SHALL BEGIN NO LATER THAN JANUARY
14 1, 2018.

15 (3) THE REPAYMENT SCHEDULE SHALL, AT A MINIMUM:

16 (I) SPECIFY THE DATES UPON WHICH THE REPAYMENTS
17 SHALL BE DUE. PAYMENTS MAY BE REQUIRED ON A QUARTERLY,
18 SEMIANNUAL OR ANNUAL BASIS.

19 (II) ASSESS EACH SLOT MACHINE LICENSEE'S COSTS FOR
20 REPAYMENT OF LOANS UNDER SECTION 1901 IN AN AMOUNT THAT
21 IS PROPORTIONAL TO EACH SLOT MACHINE LICENSEE'S GROSS
22 TERMINAL REVENUE.

23 (III) RESULT IN THE TOTAL AMOUNTS LOANED UNDER
24 SECTION 1901 BEING REPAID BY JUNE 30, 2019.

25 (B) DEPOSIT.--PAYMENTS RECEIVED UNDER SUBSECTION (A) SHALL
26 BE DEPOSITED INTO THE GENERAL FUND.

27 SECTION 32.1. TITLE 4 IS AMENDED BY ADDING A SECTION TO
28 READ:

29 § 1901.3. ADVERSE LITIGATION.

30 NOTWITHSTANDING ANY LAW TO THE CONTRARY, THE BOARD MAY NOT

1 CONSIDER ANY APPLICATION FOR A CATEGORY 4 SLOT MACHINE LICENSE,
2 INTERACTIVE GAMING CERTIFICATE, INTERACTIVE GAMING LICENSE,
3 CASINO SIMULCASTING CERTIFICATE OR SPORTS WAGERING CERTIFICATE
4 IF THE APPLICANT OR ANY PERSON AFFILIATED WITH OR DIRECTLY
5 RELATED TO THE APPLICANT IS A PARTY IN ANY ONGOING CIVIL
6 PROCEEDING IN WHICH THE PARTY IS SEEKING TO OVERTURN OR
7 OTHERWISE CHALLENGE A DECISION OR ORDER OF THE BOARD PERTAINING
8 TO THE APPROVAL, DENIAL OR CONDITIONING OF A LICENSE TO OPERATE
9 SLOT MACHINES. THIS SECTION SHALL NOT BE INTERPRETED TO AFFECT
10 THE RIGHTS OF APPLICANTS TO SEEK JUDICIAL ENFORCEMENT OF
11 MANDATORY OBLIGATIONS OF THE BOARD AS MAY BE REQUIRED BY THIS
12 PART.

13 SECTION 32.2. SECTION 1902 OF TITLE 4 IS AMENDED TO READ:
14 § 1902. SEVERABILITY.

15 (A) GENERAL RULE.--EXCEPT AS PROVIDED IN SUBSECTION (B), THE
16 PROVISIONS OF THIS [PART] TITLE ARE SEVERABLE. IF ANY PROVISION
17 OF THIS [PART] TITLE OR ITS APPLICATION TO ANY PERSON OR
18 CIRCUMSTANCES IS HELD INVALID, THE INVALIDITY SHALL NOT AFFECT
19 OTHER PROVISIONS OR APPLICATIONS OF THIS [PART] TITLE WHICH CAN
20 BE GIVEN EFFECT WITHOUT THE INVALID PROVISION OR APPLICATION.

21 (B) LIMITATION.--IF ANY OF THE PROVISIONS OF SECTION 1201
22 (RELATING TO PENNSYLVANIA GAMING CONTROL BOARD ESTABLISHED) OR
23 1209 (RELATING TO SLOT MACHINE LICENSE FEE) OR THEIR APPLICATION
24 TO ANY PERSON OR CIRCUMSTANCE ARE HELD TO BE INVALID BY ANY
25 COURT, THE REMAINING PROVISIONS OF THIS [PART] TITLE AND ITS
26 APPLICATION SHALL BE VOID.

27 SECTION 32.3. TITLE 4 IS AMENDED BY ADDING A PART TO READ:

28 PART III
29 VIDEO GAMING
30 CHAPTER

- 1 31. GENERAL PROVISIONS
- 2 33. ADMINISTRATION
- 3 35. APPLICATION AND LICENSURE
- 4 37. OPERATION
- 5 39. ENFORCEMENT
- 6 41. REVENUES
- 7 43. ETHICS
- 8 45. MISCELLANEOUS PROVISIONS

9 CHAPTER 31

10 GENERAL PROVISIONS

11 SEC.

12 3101. SCOPE OF PART.

13 3102. DEFINITIONS.

14 § 3101. SCOPE OF PART.

15 THIS PART RELATES TO VIDEO GAMING TERMINALS.

16 § 3102. DEFINITIONS.

17 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS PART SHALL
18 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
19 CONTEXT CLEARLY INDICATES OTHERWISE:

20 "AFFILIATE," "AFFILIATE OF" OR "PERSON AFFILIATED WITH." A
21 PERSON WHO DIRECTLY OR INDIRECTLY, THROUGH ONE OR MORE
22 INTERMEDIARIES, CONTROLS, IS CONTROLLED BY OR IS UNDER COMMON
23 CONTROL WITH A SPECIFIED PERSON.

24 "APPLICANT." A PERSON WHO, ON HIS OWN BEHALF OR ON BEHALF OF
25 ANOTHER, APPLIES FOR PERMISSION TO ENGAGE IN AN ACT OR ACTIVITY
26 THAT IS REGULATED UNDER THE PROVISIONS OF THIS PART.

27 "ASSOCIATED EQUIPMENT." EQUIPMENT OR A MECHANICAL,
28 ELECTROMECHANICAL OR ELECTRONIC CONTRIVANCE, COMPONENT OR
29 MACHINE USED IN CONNECTION WITH VIDEO GAMING TERMINALS OR
30 REDEMPTION TERMINALS, INCLUDING REPLACEMENT PARTS, HARDWARE AND

1 SOFTWARE.

2 "BACKGROUND INVESTIGATION." A SECURITY, CRIMINAL, CREDIT AND
3 SUITABILITY INVESTIGATION OF A PERSON AS PROVIDED FOR IN THIS
4 PART THAT INCLUDES THE STATUS OF TAXES OWED TO THE UNITED
5 STATES, THE COMMONWEALTH AND ITS POLITICAL SUBDIVISIONS.

6 "BOARD." THE PENNSYLVANIA GAMING CONTROL BOARD ESTABLISHED
7 UNDER SECTION 1201 (RELATING TO PENNSYLVANIA GAMING CONTROL
8 BOARD ESTABLISHED).

9 "BUREAU." THE BUREAU OF INVESTIGATIONS AND ENFORCEMENT OF
10 THE BOARD.

11 "CASH." UNITED STATES CURRENCY AND COIN.

12 "CASH EQUIVALENT." A TICKET, TOKEN, CHIP, CARD OR OTHER
13 SIMILAR INSTRUMENT OR REPRESENTATION OF VALUE THAT THE BOARD
14 DEEMS A CASH EQUIVALENT IN ACCORDANCE WITH THIS PART.

15 "CENTRAL CONTROL COMPUTER." A CENTRAL SITE COMPUTER
16 CONTROLLED BY THE DEPARTMENT AND ACCESSIBLE BY THE BOARD TO
17 WHICH ALL VIDEO GAMING TERMINALS COMMUNICATE FOR THE PURPOSE OF
18 AUDITING CAPACITY, REAL-TIME INFORMATION RETRIEVAL OF THE
19 DETAILS OF ANY FINANCIAL EVENT THAT OCCURS IN THE OPERATION OF A
20 VIDEO GAMING TERMINAL OR REDEMPTION TERMINAL, INCLUDING, BUT NOT
21 LIMITED TO, COIN IN, COIN OUT, TICKET IN, TICKET OUT, JACKPOTS,
22 VIDEO GAMING TERMINAL AND REDEMPTION TERMINAL DOOR OPENINGS AND
23 POWER FAILURE AND REMOTE VIDEO GAMING TERMINAL OR REDEMPTION
24 TERMINAL ACTIVATION AND DISABLING OF VIDEO GAMING TERMINALS OR
25 REDEMPTION TERMINALS.

26 "CHEAT."

27 (1) ANY OF THE FOLLOWING:

28 (I) TO DEFRAUD OR STEAL FROM A PLAYER, TERMINAL
29 OPERATOR LICENSEE, ESTABLISHMENT LICENSEE OR THE
30 COMMONWEALTH WHILE OPERATING OR PLAYING A VIDEO GAMING

1 TERMINAL, INCLUDING CAUSING, AIDING, ABETTING OR
2 CONSPIRING WITH ANOTHER PERSON TO DO SO.

3 (II) TO ALTER OR CAUSING, AIDING, ABETTING OR
4 CONSPIRING WITH ANOTHER PERSON TO ALTER THE ELEMENTS OF
5 CHANCE, METHOD OF SELECTION OR CRITERIA THAT DETERMINE:

6 (A) THE RESULT OF A VIDEO GAMING TERMINAL GAME.

7 (B) THE AMOUNT OR FREQUENCY OF PAYMENT IN A
8 VIDEO GAMING TERMINAL GAME.

9 (C) THE VALUE OF A WAGERING INSTRUMENT.

10 (D) THE VALUE OF A WAGERING CREDIT.

11 (III) THE TERM DOES NOT INCLUDE ALTERING A VIDEO
12 GAMING TERMINAL OR ASSOCIATED EQUIPMENT FOR MAINTENANCE
13 OR REPAIR WITH THE APPROVAL OF A TERMINAL OPERATOR
14 LICENSEE AND THE BOARD.

15 "CHEATING OR THIEVING DEVICE." A DEVICE:

16 (1) USED OR POSSESSED WITH THE INTENT TO BE USED TO
17 CHEAT DURING THE OPERATION OR PLAY OF A VIDEO GAMING
18 TERMINAL; OR

19 (2) USED TO ALTER A VIDEO GAMING TERMINAL WITHOUT THE
20 TERMINAL OPERATOR LICENSEE'S AND THE BOARD'S APPROVAL.

21 "COIN-OPERATED AMUSEMENT GAME." A MACHINE THAT REQUIRES THE
22 INSERTION OF A COIN, CURRENCY OR TOKEN TO PLAY OR ACTIVATE A
23 GAME THE OUTCOME OF WHICH IS PREDOMINANTLY AND PRIMARILY
24 DETERMINED BY THE SKILL OF THE PLAYER.

25 "COMPENSATION." ANYTHING OF VALUE, MONEY OR A FINANCIAL
26 BENEFIT CONFERRED ON OR RECEIVED BY A PERSON IN RETURN FOR
27 SERVICES RENDERED OR TO BE RENDERED WHETHER BY THE PERSON OR
28 ANOTHER.

29 "COMPLIMENTARY SERVICE." A LODGING, SERVICE OR ITEM THAT IS
30 PROVIDED TO AN INDIVIDUAL AT NO COST OR AT A REDUCED COST THAT

1 IS NOT GENERALLY AVAILABLE TO THE PUBLIC UNDER SIMILAR
2 CIRCUMSTANCES. GROUP RATES, INCLUDING CONVENTION AND GOVERNMENT
3 RATES, SHALL BE DEEMED TO BE GENERALLY AVAILABLE TO THE PUBLIC.

4 "CONDUCT OF VIDEO GAMING." THE LICENSED PLACEMENT, OPERATION
5 AND PLAY OF VIDEO GAMING TERMINALS UNDER THIS PART, AS
6 AUTHORIZED AND APPROVED BY THE BOARD.

7 "CONTROLLING INTEREST." ANY OF THE FOLLOWING:

8 (1) FOR A PUBLICLY TRADED DOMESTIC OR FOREIGN
9 CORPORATION, THE TERM MEANS A PERSON HAS A CONTROLLING
10 INTEREST IN A LEGAL ENTITY, APPLICANT OR LICENSEE IF A
11 PERSON'S SOLE VOTING RIGHTS UNDER STATE LAW OR CORPORATE
12 ARTICLES OR BYLAWS ENTITLE THE PERSON TO ELECT OR APPOINT ONE
13 OR MORE OF THE MEMBERS OF THE BOARD OF DIRECTORS OR OTHER
14 GOVERNING BOARD OR THE PERSON HOLDS AN OWNERSHIP OR
15 BENEFICIAL HOLDING OF 5% OR MORE OF THE SECURITIES OF THE
16 PUBLICLY TRADED CORPORATION, PARTNERSHIP, LIMITED LIABILITY
17 COMPANY OR OTHER FORM OF PUBLICLY TRADED LEGAL ENTITY, UNLESS
18 THIS PRESUMPTION OF CONTROL OR ABILITY TO ELECT IS REBUTTED
19 BY CLEAR AND CONVINCING EVIDENCE.

20 (2) FOR A PRIVATELY HELD DOMESTIC OR FOREIGN
21 CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER
22 FORM OF PRIVATELY HELD LEGAL ENTITY, THE TERM MEANS THE
23 HOLDING OF ANY SECURITIES IN THE LEGAL ENTITY, UNLESS THIS
24 PRESUMPTION OF CONTROL IS REBUTTED BY CLEAR AND CONVINCING
25 EVIDENCE.

26 "CONVICTION." A FINDING OF GUILT OR A PLEA OF GUILTY OR NOLO
27 CONTENDERE, WHETHER OR NOT A JUDGMENT OF SENTENCE HAS BEEN
28 IMPOSED AS DETERMINED BY THE LAW OF THE JURISDICTION IN WHICH
29 THE PROSECUTION WAS HELD. THE TERM DOES NOT INCLUDE A CONVICTION
30 THAT HAS BEEN EXPUNGED OR OVERTURNED OR FOR WHICH AN INDIVIDUAL

1 HAS BEEN PARDONED OR HAD AN ORDER OF ACCELERATED REHABILITATIVE
2 DISPOSITION ENTERED.

3 "CORPORATION." THE TERM INCLUDES A PUBLICLY TRADED
4 CORPORATION.

5 "DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

6 "ESTABLISHMENT LICENSE." A LICENSE ISSUED BY THE BOARD
7 AUTHORIZING A TRUCK STOP ESTABLISHMENT TO PERMIT A TERMINAL
8 OPERATOR LICENSEE TO PLACE AND OPERATE VIDEO GAMING TERMINALS ON
9 THE TRUCK STOP ESTABLISHMENT'S PREMISES UNDER THIS PART AND THE
10 RULES AND REGULATIONS PROMULGATED UNDER THIS PART.

11 "ESTABLISHMENT LICENSEE." A TRUCK STOP ESTABLISHMENT THAT
12 HOLDS AN ESTABLISHMENT LICENSE.

13 "EXECUTIVE-LEVEL PUBLIC EMPLOYEE." THE TERM SHALL INCLUDE
14 THE FOLLOWING:

15 (1) A DEPUTY SECRETARY OF THE COMMONWEALTH AND THE
16 GOVERNOR'S OFFICE EXECUTIVE STAFF.

17 (2) AN EMPLOYEE OF THE EXECUTIVE BRANCH WHOSE DUTIES
18 SUBSTANTIALLY INVOLVE LICENSING OR ENFORCEMENT UNDER THIS
19 PART, WHO HAS DISCRETIONARY POWER THAT MAY AFFECT OR
20 INFLUENCE THE OUTCOME OF A COMMONWEALTH AGENCY'S ACTION OR
21 DECISION OR WHO IS INVOLVED IN THE DEVELOPMENT OF REGULATIONS
22 OR POLICIES RELATING TO A LICENSED ENTITY. THE TERM INCLUDES
23 AN EMPLOYEE WITH LAW ENFORCEMENT AUTHORITY.

24 (3) AN EMPLOYEE OF A COUNTY OR MUNICIPALITY WITH
25 DISCRETIONARY POWERS THAT MAY AFFECT OR INFLUENCE THE OUTCOME
26 OF THE COUNTY'S OR MUNICIPALITY'S ACTION OR DECISION RELATED
27 TO THIS PART OR WHO IS INVOLVED IN THE DEVELOPMENT OF LAW,
28 REGULATION OR POLICY RELATING TO MATTERS REGULATED UNDER THIS
29 PART. THE TERM INCLUDES AN EMPLOYEE WITH LAW ENFORCEMENT
30 AUTHORITY.

1 (4) AN EMPLOYEE OF A DEPARTMENT, AGENCY, BOARD,
2 COMMISSION, AUTHORITY OR OTHER GOVERNMENTAL BODY NOT INCLUDED
3 IN PARAGRAPH (1), (2) OR (3) WITH DISCRETIONARY POWER THAT
4 MAY AFFECT OR INFLUENCE THE OUTCOME OF THE GOVERNMENTAL
5 BODY'S ACTION OR DECISION RELATED TO THIS PART OR WHO IS
6 INVOLVED IN THE DEVELOPMENT OF REGULATION OR POLICY RELATING
7 TO MATTERS REGULATED UNDER THIS PART. THE TERM INCLUDES AN
8 EMPLOYEE WITH LAW ENFORCEMENT AUTHORITY.

9 "FINANCIAL BACKER." AN INVESTOR, MORTGAGEE, BONDHOLDER,
10 NOTEHOLDER OR OTHER SOURCES OF EQUITY OR CAPITAL PROVIDED TO AN
11 APPLICANT OR LICENSED ENTITY.

12 "GAMBLING GAME." A GAME THAT PLAYS OR SIMULATES THE PLAY OF
13 VIDEO POKER, REEL GAMES, BLACKJACK OR OTHER SIMILAR GAME
14 AUTHORIZED BY THE BOARD.

15 "GAMING EMPLOYEE."

16 (1) ANY OF THE FOLLOWING:

17 (I) AN EMPLOYEE OF A TERMINAL OPERATOR LICENSEE,
18 ESTABLISHMENT LICENSEE OR SUPPLIER LICENSEE THAT IS NOT A
19 KEY EMPLOYEE AND IS INVOLVED IN THE CONDUCT OF VIDEO
20 GAMING.

21 (II) AN EMPLOYEE OF A SUPPLIER LICENSEE WHOSE DUTIES
22 ARE DIRECTLY INVOLVED WITH THE REPAIR OR DISTRIBUTION OF
23 VIDEO GAMING TERMINALS OR ASSOCIATED EQUIPMENT SOLD OR
24 PROVIDED TO A TERMINAL OPERATOR LICENSEE WITHIN THIS
25 COMMONWEALTH AS DETERMINED BY THE BOARD.

26 (2) THE TERM DOES NOT INCLUDE NONGAMING PERSONNEL AS
27 DETERMINED BY THE BOARD OR AN EMPLOYEE OF AN ESTABLISHMENT
28 LICENSEE.

29 "GAMING SERVICE PROVIDER." A PERSON THAT IS NOT REQUIRED TO
30 BE LICENSED AS A TERMINAL OPERATOR, MANUFACTURER, SUPPLIER OR

1 ESTABLISHMENT LICENSEE AND PROVIDES GOODS OR SERVICES TO A
2 TERMINAL OPERATOR LICENSEE THAT DIRECTLY RELATES TO THE
3 OPERATION AND SECURITY OF A VIDEO GAMING TERMINAL OR REDEMPTION
4 TERMINAL. THE TERM SHALL NOT INCLUDE A PERSON THAT SUPPLIES
5 GOODS OR SERVICES THAT, AT THE DISCRETION OF THE BOARD, DOES NOT
6 IMPACT THE INTEGRITY OF VIDEO GAMING, VIDEO GAMING TERMINALS OR
7 THE CONNECTION OF VIDEO GAMING TERMINALS TO THE CENTRAL CONTROL
8 COMPUTER SYSTEM, INCLUDING:

9 (1) SEATING TO ACCOMPANY VIDEO GAMING TERMINALS.

10 (2) STRUCTURAL OR COSMETIC RENOVATIONS, IMPROVEMENTS OR
11 OTHER ALTERATIONS TO A VIDEO GAMING AREA.

12 "GROSS TERMINAL REVENUE." THE TOTAL OF CASH OR CASH
13 EQUIVALENTS RECEIVED BY A VIDEO GAMING TERMINAL MINUS THE TOTAL
14 OF CASH OR CASH EQUIVALENTS PAID OUT TO PLAYERS AS A RESULT OF
15 PLAYING A VIDEO GAMING TERMINAL. THE TERM DOES NOT INCLUDE
16 COUNTERFEIT CASH OR CASH TAKEN IN A FRAUDULENT ACT PERPETRATED
17 AGAINST A TERMINAL OPERATOR LICENSEE FOR WHICH THE TERMINAL
18 OPERATOR LICENSEE IS NOT REIMBURSED.

19 "HOLDING COMPANY." A PERSON, OTHER THAN AN INDIVIDUAL,
20 WHICH, DIRECTLY OR INDIRECTLY, OWNS OR HAS THE POWER OR RIGHT TO
21 CONTROL OR TO VOTE A SIGNIFICANT PART OF THE OUTSTANDING VOTING
22 SECURITIES OF A CORPORATION OR OTHER FORM OF BUSINESS
23 ORGANIZATION. A HOLDING COMPANY INDIRECTLY HAS, HOLDS OR OWNS
24 ANY SUCH POWER, RIGHT OR SECURITY IF IT DOES SO THROUGH AN
25 INTEREST IN A SUBSIDIARY OR SUCCESSIVE SUBSIDIARIES.

26 "INCENTIVE." CONSIDERATION, INCLUDING A PROMOTION OR PRIZE,
27 PROVIDED TO A PLAYER OR POTENTIAL PLAYER AS AN ENTICEMENT TO
28 PLAY A VIDEO GAMING TERMINAL.

29 "INDUCEMENT."

30 (1) ANY OF THE FOLLOWING:

1 (I) CONSIDERATION PAID DIRECTLY OR INDIRECTLY, FROM
2 A MANUFACTURER, SUPPLIER, TERMINAL OPERATOR, PROCUREMENT
3 AGENT, GAMING EMPLOYEE, EMPLOYEE OR ANOTHER PERSON ON
4 BEHALF OF AN APPLICANT OR ANYONE LICENSED UNDER THIS
5 PART, TO A TRUCK STOP ESTABLISHMENT, ESTABLISHMENT
6 LICENSEE, ESTABLISHMENT LICENSEE OWNER OR AN EMPLOYEE OF
7 THE ESTABLISHMENT LICENSEE, DIRECTLY OR INDIRECTLY AS AN
8 ENTICEMENT TO SOLICIT OR MAINTAIN THE ESTABLISHMENT
9 LICENSEE OR ESTABLISHMENT LICENSEE OWNER'S BUSINESS.

10 (II) CASH, INCENTIVE, MARKETING AND ADVERTISING
11 COST, GIFT, FOOD, BEVERAGE, LOAN, PREPAYMENT OF GROSS
12 TERMINAL REVENUE AND OTHER CONTRIBUTION OR PAYMENT THAT
13 OFFSETS AN ESTABLISHMENT LICENSEE'S OPERATIONAL COSTS, OR
14 AS OTHERWISE DETERMINED BY THE BOARD.

15 (2) THE TERM SHALL NOT INCLUDE COSTS PAID BY A TERMINAL
16 OPERATOR APPLICANT OR TERMINAL OPERATOR LICENSEE RELATED TO
17 MAKING VIDEO GAMING TERMINALS OPERATE AT THE PREMISES OF AN
18 ESTABLISHMENT LICENSEE, INCLUDING WIRING AND REWIRING,
19 SOFTWARE UPDATES, ONGOING VIDEO GAMING TERMINAL MAINTENANCE,
20 REDEMPTION TERMINALS, NETWORK CONNECTIONS, SITE CONTROLLERS
21 AND COSTS ASSOCIATED WITH COMMUNICATING WITH THE CENTRAL
22 CONTROL COMPUTER SYSTEM.

23 "INSTITUTIONAL INVESTOR." A RETIREMENT FUND ADMINISTERED BY
24 A PUBLIC AGENCY FOR THE EXCLUSIVE BENEFIT OF FEDERAL, STATE OR
25 LOCAL PUBLIC EMPLOYEES, INVESTMENT COMPANY REGISTERED UNDER THE
26 INVESTMENT COMPANY ACT OF 1940 (54 STAT. 789, 15 U.S.C. § 80A-1
27 ET SEQ.), COLLECTIVE INVESTMENT TRUST ORGANIZED BY BANKS UNDER
28 PART NINE OF THE RULES OF THE COMPTROLLER OF THE CURRENCY,
29 CLOSED-END INVESTMENT TRUST, CHARTERED OR LICENSED LIFE
30 INSURANCE COMPANY OR PROPERTY AND CASUALTY INSURANCE COMPANY,

1 BANKING AND OTHER CHARTERED OR LICENSED LENDING INSTITUTION,
2 INVESTMENT ADVISOR REGISTERED UNDER THE INVESTMENT ADVISERS ACT
3 OF 1940 (54 STAT. 847, 15 U.S.C. § 80B-1 ET SEQ.) AND SUCH OTHER
4 PERSON AS THE BOARD MAY DETERMINE CONSISTENT WITH THIS PART.

5 "INTERMEDIARY." A PERSON, OTHER THAN AN INDIVIDUAL, THAT:

6 (1) IS A HOLDING COMPANY WITH RESPECT TO A CORPORATION
7 OR OTHER FORM OF BUSINESS ORGANIZATION, THAT HOLDS OR APPLIES
8 FOR A LICENSE UNDER THIS PART; AND

9 (2) IS A SUBSIDIARY WITH RESPECT TO A HOLDING COMPANY.

10 "KEY EMPLOYEE." AN INDIVIDUAL EMPLOYED BY A MANUFACTURER
11 LICENSEE, SUPPLIER LICENSEE, TERMINAL OPERATOR LICENSEE OR
12 ESTABLISHMENT LICENSEE THAT IS DETERMINED BY THE BOARD TO BE A
13 DIRECTOR OR DEPARTMENT HEAD OR OTHERWISE EMPOWERED TO MAKE
14 DISCRETIONARY DECISIONS THAT REGULATE THE CONDUCT OF VIDEO
15 GAMING.

16 "KEY EMPLOYEE LICENSEE." AN INDIVIDUAL WHO HOLDS A KEY
17 EMPLOYEE LICENSE.

18 "LAW ENFORCEMENT AUTHORITY." THE POWER TO CONDUCT
19 INVESTIGATIONS OF OR TO MAKE ARRESTS FOR CRIMINAL OFFENSES.

20 "LICENSED ENTITY." A TERMINAL OPERATOR LICENSEE,
21 ESTABLISHMENT LICENSEE, MANUFACTURER LICENSEE OR SUPPLIER
22 LICENSEE UNDER THIS PART.

23 "LICENSED ENTITY REPRESENTATIVE." A PERSON, INCLUDING AN
24 ATTORNEY, AGENT OR LOBBYIST, ACTING ON BEHALF OF OR AUTHORIZED
25 TO REPRESENT THE INTEREST OF AN APPLICANT, LICENSEE OR OTHER
26 PERSON AUTHORIZED BY THE BOARD TO ENGAGE IN AN ACT OR ACTIVITY
27 THAT IS REGULATED UNDER THIS PART REGARDING A MATTER BEFORE OR
28 THAT MAY REASONABLY BE EXPECTED TO COME BEFORE THE BOARD.

29 "LICENSED FACILITY." AS DEFINED IN SECTION 1103 (RELATING TO
30 DEFINITIONS).

1 "LICENSED GAMING ENTITY." AS DEFINED IN SECTION 1103.

2 "LICENSEE." A PERSON LISTED UNDER THIS PART.

3 "MANUFACTURER." A PERSON THAT MANUFACTURES, BUILDS,
4 REBUILDS, FABRICATES, ASSEMBLES, PRODUCES, PROGRAMS, DESIGNS OR
5 OTHERWISE MAKES MODIFICATIONS TO A VIDEO GAMING TERMINAL,
6 REDEMPTION TERMINAL OR ASSOCIATED EQUIPMENT FOR USE OR PLAY OF
7 VIDEO GAMING TERMINALS IN THIS COMMONWEALTH FOR VIDEO GAMING
8 PURPOSES.

9 "MANUFACTURER LICENSE." A LICENSE ISSUED BY THE BOARD
10 AUTHORIZING A MANUFACTURER TO MANUFACTURE OR PRODUCE VIDEO
11 GAMING TERMINALS, REDEMPTION TERMINALS OR ASSOCIATED EQUIPMENT
12 FOR USE IN THIS COMMONWEALTH FOR VIDEO GAMING PURPOSES.

13 "MANUFACTURER LICENSEE." A PERSON THAT HOLDS A MANUFACTURER
14 LICENSE.

15 "MINOR." AN INDIVIDUAL UNDER 21 YEARS OF AGE.

16 "MUNICIPALITY." A CITY, TOWNSHIP, BOROUGH OR INCORPORATED
17 TOWN.

18 "NON-KEY EMPLOYEE." AN INDIVIDUAL EMPLOYED BY A TERMINAL
19 OPERATOR LICENSEE WHO, UNLESS OTHERWISE DESIGNATED BY THE BOARD,
20 IS NOT A KEY EMPLOYEE.

21 "OCCUPATION PERMIT." A PERMIT AUTHORIZING AN INDIVIDUAL TO
22 BE EMPLOYED OR TO WORK AS A GAMING EMPLOYEE.

23 "PARTY." THE BUREAU OR AN APPLICANT, LICENSEE, REGISTRANT OR
24 OTHER PERSON APPEARING OF RECORD IN ANY PROCEEDING BEFORE THE
25 BOARD.

26 "PERMITTEE." A HOLDER OF A PERMIT ISSUED UNDER THIS PART.

27 "PERSON." A NATURAL PERSON, CORPORATION, FOUNDATION,
28 ORGANIZATION, BUSINESS TRUST, ESTATE, LIMITED LIABILITY COMPANY,
29 TRUST, PARTNERSHIP, LIMITED LIABILITY PARTNERSHIP, ASSOCIATION
30 OR OTHER FORM OF LEGAL BUSINESS ENTITY.

1 "PLAYER." AN INDIVIDUAL WHO WAGERS CASH OR A CASH EQUIVALENT
2 IN THE PLAY OR OPERATION OF A VIDEO GAMING TERMINAL AND THE PLAY
3 OR OPERATION OF WHICH MAY DELIVER OR ENTITLE THE INDIVIDUAL
4 PLAYING OR OPERATING THE VIDEO GAMING TERMINAL TO RECEIVE CASH
5 OR A CASH EQUIVALENT FROM A TERMINAL OPERATOR LICENSEE.

6 "PRINCIPAL." AN OFFICER, DIRECTOR, PERSON WHO DIRECTLY HOLDS
7 A BENEFICIAL INTEREST IN OR OWNERSHIP OF THE SECURITIES OF AN
8 APPLICANT OR ANYONE LICENSED UNDER THIS PART, PERSON WHO HAS A
9 CONTROLLING INTEREST IN AN APPLICANT OR ANYONE LICENSED UNDER
10 THIS PART OR HAS THE ABILITY TO ELECT A MAJORITY OF THE BOARD OF
11 DIRECTORS OF A LICENSEE OR TO OTHERWISE CONTROL ANYONE LICENSED
12 UNDER THIS PART, PROCUREMENT AGENT, LENDER OR OTHER LICENSED
13 FINANCIAL INSTITUTION OF AN APPLICANT OR ANYONE LICENSED UNDER
14 THIS PART, OTHER THAN A BANK OR LENDING INSTITUTION WHICH MAKES
15 A LOAN OR HOLDS A MORTGAGE OR OTHER LIEN ACQUIRED IN THE
16 ORDINARY COURSE OF BUSINESS, UNDERWRITER OF AN APPLICANT OR
17 ANYONE LICENSED UNDER THIS PART OR OTHER PERSON OR EMPLOYEE OF
18 AN APPLICANT, TERMINAL OPERATOR LICENSEE, MANUFACTURER LICENSEE
19 OR SUPPLIER LICENSEE DEEMED TO BE A PRINCIPAL BY THE BOARD,
20 INCLUDING A PROCUREMENT AGENT.

21 "PROCUREMENT AGENT." A PERSON THAT SHARES IN THE GROSS
22 TERMINAL REVENUE OR IS OTHERWISE COMPENSATED FOR THE PURPOSE OF
23 SOLICITING OR PROCURING A TERMINAL PLACEMENT AGREEMENT.

24 "PROGRESSIVE PAYOUT." A VIDEO GAME TERMINAL WAGER PAYOUT
25 THAT INCREASES IN A MONETARY AMOUNT BASED ON THE AMOUNTS WAGERED
26 IN A PROGRESSIVE SYSTEM.

27 "PROGRESSIVE SYSTEM." A COMPUTERIZED SYSTEM LINKING VIDEO
28 GAMING TERMINALS ON THE PREMISES OF AN ESTABLISHMENT LICENSEE
29 AND OFFERING ONE OR MORE COMMON PROGRESSIVE PAYOUTS BASED ON THE
30 AMOUNTS WAGERED.

1 "PUBLICLY TRADED CORPORATION." A PERSON, OTHER THAN AN
2 INDIVIDUAL, THAT:

3 (1) HAS A CLASS OR SERIES OF SECURITIES REGISTERED UNDER
4 THE SECURITIES EXCHANGE ACT OF 1934 (48 STAT. 881, 15 U.S.C.
5 § 78A ET SEQ.);

6 (2) IS A REGISTERED MANAGEMENT COMPANY UNDER THE
7 INVESTMENT COMPANY ACT OF 1940; OR

8 (3) IS SUBJECT TO THE REPORTING OBLIGATIONS IMPOSED BY
9 SECTION 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 BY
10 REASON OF HAVING FILED A REGISTRATION STATEMENT THAT HAS
11 BECOME EFFECTIVE UNDER THE SECURITIES ACT OF 1933 (48 STAT.
12 74, 15 U.S.C. § 77A ET SEQ.).

13 "REDEMPTION TERMINAL." THE COLLECTIVE HARDWARE, SOFTWARE,
14 COMMUNICATIONS TECHNOLOGY AND OTHER ANCILLARY EQUIPMENT USED TO
15 FACILITATE THE PAYMENT OF CASH OR A CASH EQUIVALENT TO A PLAYER
16 AS A RESULT OF PLAYING A VIDEO GAMING TERMINAL.

17 "SECURITY." AS DEFINED IN THE ACT OF DECEMBER 5, 1972
18 (P.L.1280, NO.284), KNOWN AS THE PENNSYLVANIA SECURITIES ACT OF
19 1972.

20 "SLOT MACHINE." AS DEFINED IN SECTION 1103.

21 "STATE TREASURER." THE STATE TREASURER OF THE COMMONWEALTH.

22 "SUBSIDIARY." AS DEFINED IN SECTION 1103.

23 "SUPPLIER." A PERSON THAT SELLS, LEASES, OFFERS OR OTHERWISE
24 PROVIDES, DISTRIBUTES OR SERVICES ANY VIDEO GAMING TERMINAL,
25 REDEMPTION TERMINAL OR ASSOCIATED EQUIPMENT TO A TERMINAL
26 OPERATOR LICENSEE FOR USE OR PLAY IN THIS COMMONWEALTH.

27 "SUPPLIER LICENSE." A LICENSE ISSUED BY THE BOARD
28 AUTHORIZING A SUPPLIER TO PROVIDE PRODUCTS OR SERVICES RELATED
29 TO VIDEO GAMING TERMINALS, REDEMPTION TERMINALS OR ASSOCIATED
30 EQUIPMENT TO TERMINAL OPERATOR LICENSEES FOR USE IN THIS

1 COMMONWEALTH FOR THE CONDUCT OF VIDEO GAMING.

2 "SUPPLIER LICENSEE." A PERSON THAT HOLDS A SUPPLIER LICENSE.

3 "TERMINAL OPERATOR." A PERSON THAT OWNS, SERVICES OR

4 MAINTAINS VIDEO GAMING TERMINALS FOR PLACEMENT AND OPERATION ON

5 THE PREMISES OF AN ESTABLISHMENT LICENSEE.

6 "TERMINAL OPERATOR LICENSE." A LICENSE ISSUED BY THE BOARD

7 AUTHORIZING A TERMINAL OPERATOR TO PLACE AND OPERATE VIDEO

8 GAMING TERMINALS IN AN ESTABLISHMENT LICENSEE'S PREMISES

9 PURSUANT TO THIS PART AND THE RULES AND REGULATIONS PROMULGATED

10 UNDER THIS PART.

11 "TERMINAL OPERATOR LICENSEE." A PERSON THAT HOLDS A TERMINAL

12 OPERATOR LICENSE.

13 "TERMINAL PLACEMENT AGREEMENT." THE FORMAL WRITTEN AGREEMENT

14 OR CONTRACT BETWEEN AN APPLICANT FOR A TERMINAL OPERATOR LICENSE

15 OR TERMINAL OPERATOR LICENSEE AND AN APPLICANT FOR AN

16 ESTABLISHMENT LICENSE OR ESTABLISHMENT OR ESTABLISHMENT LICENSEE

17 THAT ESTABLISHES THE TERMS AND CONDITIONS REGARDING THE CONDUCT

18 OF VIDEO GAMING.

19 "TRUCK STOP ESTABLISHMENT." A PREMISES THAT:

20 (1) IS EQUIPPED WITH DIESEL ISLANDS USED FOR FUELING

21 COMMERCIAL MOTOR VEHICLES.

22 (2) HAS SOLD ON AVERAGE 50,000 GALLONS OF DIESEL OR

23 BIODIESEL FUEL EACH MONTH FOR THE PREVIOUS 12 MONTHS OR IS

24 PROJECTED TO SELL AN AVERAGE OF 50,000 GALLONS OF DIESEL OR

25 BIODIESEL FUEL EACH MONTH FOR THE NEXT 12 MONTHS.

26 (3) HAS AT LEAST 20 PARKING SPACES DEDICATED FOR

27 COMMERCIAL MOTOR VEHICLES.

28 (4) HAS A CONVENIENCE STORE.

29 (5) IS SITUATED ON A PARCEL OF LAND OF NOT LESS THAN

30 THREE ACRES THAT THE TRUCK STOP ESTABLISHMENT OWNS OR LEASES.

1 (6) IS NOT LOCATED ON ANY PROPERTY OWNED BY THE
2 PENNSYLVANIA TURNPIKE.
3 "VIDEO GAMING AREA." THE AREA OF AN ESTABLISHMENT LICENSEE'S
4 PREMISES WHERE VIDEO GAMING TERMINALS AND REDEMPTION TERMINALS
5 ARE INSTALLED FOR OPERATION AND PLAY.
6 "VIDEO GAMING EMPLOYEES." THE TERM INCLUDES GAMING
7 EMPLOYEES, KEY EMPLOYEES AND NON-KEY EMPLOYEES.
8 "VIDEO GAMING FUND." THE FUND ESTABLISHED IN SECTION 4102
9 (RELATING TO TAXES AND ASSESSMENTS).
10 "VIDEO GAMING TERMINAL."
11 (1) A MECHANICAL OR ELECTRICAL CONTRIVANCE, TERMINAL,
12 MACHINE OR OTHER DEVICE APPROVED BY THE BOARD THAT, UPON
13 INSERTION OF CASH OR CASH EQUIVALENTS, IS AVAILABLE TO PLAY
14 OR OPERATE ONE OR MORE GAMBLING GAMES, THE PLAY OF WHICH
15 UTILIZES A RANDOM NUMBER GENERATOR AND:
16 (I) MAY AWARD A WINNING PLAYER EITHER A FREE GAME OR
17 CREDIT THAT SHALL ONLY BE REDEEMABLE FOR CASH OR CASH
18 EQUIVALENTS AT A REDEMPTION TERMINAL.
19 (II) MAY UTILIZE VIDEO DISPLAYS.
20 (III) MAY USE AN ELECTRONIC CREDIT SYSTEM FOR
21 RECEIVING WAGERS AND MAKING PAYOUTS THAT ARE ONLY
22 REDEEMABLE AT A REDEMPTION TERMINAL.
23 (2) ASSOCIATED EQUIPMENT NECESSARY TO CONDUCT THE
24 OPERATION OF THE CONTRIVANCE, TERMINAL, MACHINE OR OTHER
25 DEVICE.
26 (3) THE TERM DOES NOT INCLUDE A SLOT MACHINE OPERATED AT
27 A LICENSED FACILITY IN ACCORDANCE WITH PART II (RELATING TO
28 GAMING) OR A COIN-OPERATED AMUSEMENT GAME.
29 (4) THE TERM DOES NOT INCLUDE "LOTTERY" AS DEFINED UNDER
30 THE ACT OF AUGUST 26, 1971 (P.L.351, NO.91), KNOWN AS THE

1 STATE LOTTERY LAW.

2 CHAPTER 33

3 ADMINISTRATION

4 SEC.

5 3301. POWERS OF BOARD.

6 3302. REGULATORY AUTHORITY OF BOARD.

7 3303. TEMPORARY REGULATIONS.

8 3304. APPEALS.

9 3305. RECORDS AND CONFIDENTIALITY OF INFORMATION.

10 3306. REPORTING.

11 3307. DIVERSITY.

12 3308. AUTHORITY OF DEPARTMENT.

13 3309. CENTRAL CONTROL COMPUTER SYSTEM.

14 3310. DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS.

15 § 3301. POWERS OF BOARD.

16 (A) GENERAL POWERS.--

17 (1) THE BOARD SHALL HAVE GENERAL AND SOLE REGULATORY
18 AUTHORITY OVER THE CONDUCT OF VIDEO GAMING OR RELATED
19 ACTIVITIES AS DESCRIBED IN THIS PART. THE BOARD SHALL ENSURE
20 THE INTEGRITY OF THE ACQUISITION AND OPERATION OF VIDEO
21 GAMING TERMINALS, REDEMPTION TERMINALS AND ASSOCIATED
22 EQUIPMENT AND SHALL HAVE SOLE REGULATORY AUTHORITY OVER EVERY
23 ASPECT OF THE CONDUCT OF VIDEO GAMING.

24 (2) THE BOARD MAY EMPLOY INDIVIDUALS AS NECESSARY TO
25 CARRY OUT THE REQUIREMENTS OF THIS PART WHO SHALL SERVE AT
26 THE BOARD'S PLEASURE.

27 (B) SPECIFIC POWERS.--THE BOARD SHALL HAVE THE POWER AND
28 DUTY:

29 (1) TO REQUIRE BACKGROUND INVESTIGATIONS ON APPLICANTS,
30 LICENSEES, PRINCIPALS, KEY EMPLOYEES, PROCUREMENT AGENTS OR

1 GAMING EMPLOYEES UNDER THE JURISDICTION OF THE BOARD.

2 (2) AT ITS DISCRETION, TO ISSUE, APPROVE, RENEW, REVOKE,
3 SUSPEND, CONDITION OR DENY ISSUANCE OR RENEWAL OF TERMINAL
4 OPERATOR LICENSES.

5 (3) AT ITS DISCRETION, TO AWARD, REVOKE, SUSPEND,
6 CONDITION OR DENY ISSUANCE OR RENEWAL OF ESTABLISHMENT
7 LICENSES.

8 (4) AT ITS DISCRETION, TO ISSUE, APPROVE, RENEW, REVOKE,
9 SUSPEND, CONDITION OR DENY ISSUANCE OR RENEWAL OF SUPPLIER
10 AND MANUFACTURER LICENSES.

11 (5) AT ITS DISCRETION, TO ISSUE, APPROVE, RENEW, REVOKE,
12 SUSPEND, CONDITION OR DENY ISSUANCE OR RENEWAL OF A LICENSE
13 OR PERMIT FOR VARIOUS CLASSES OF EMPLOYEES AS REQUIRED UNDER
14 THIS PART.

15 (6) AT ITS DISCRETION, TO ISSUE, APPROVE, RENEW, REVOKE,
16 SUSPEND, CONDITION OR DENY ISSUANCE OR RENEWAL OF ADDITIONAL
17 LICENSES, PERMITS OR OTHER AUTHORIZATION THAT MAY BE REQUIRED
18 BY THE BOARD UNDER THIS PART.

19 (7) AT ITS DISCRETION, TO SUSPEND, CONDITION OR DENY THE
20 ISSUANCE OR RENEWAL OF A LICENSE OR PERMIT OR LEVY A FINE OR
21 OTHER SANCTION FOR A VIOLATION OF THIS PART.

22 (8) TO REQUIRE PROSPECTIVE AND EXISTING VIDEO GAMING
23 EMPLOYEES, INDEPENDENT CONTRACTORS, APPLICANTS, PERMITTEES
24 AND LICENSEES TO SUBMIT TO FINGERPRINTING BY THE PENNSYLVANIA
25 STATE POLICE OR ITS AUTHORIZED DESIGNEE. THE PENNSYLVANIA
26 STATE POLICE OR ITS AUTHORIZED DESIGNEE SHALL SUBMIT THE
27 FINGERPRINTS TO THE FEDERAL BUREAU OF INVESTIGATION FOR
28 PURPOSES OF VERIFYING THE IDENTITY OF THE INDIVIDUAL AND
29 OBTAINING RECORDS OF CRIMINAL ARRESTS AND CONVICTIONS.

30 (9) TO REQUIRE PROSPECTIVE AND EXISTING VIDEO GAMING

1 EMPLOYEES, INDEPENDENT CONTRACTORS, APPLICANTS, PERMITTEES
2 AND LICENSEES TO SUBMIT PHOTOGRAPHS CONSISTENT WITH A
3 STATEMENT OF POLICY DEVELOPED BY THE BOARD.

4 (10) IN ADDITION TO THE POWER OF THE BOARD RELATING TO
5 LICENSE AND PERMIT APPLICANTS, TO DETERMINE AT ITS DISCRETION
6 THE SUITABILITY OF A PERSON WHO FURNISHES OR SEEKS TO FURNISH
7 TO A TERMINAL OPERATOR LICENSEE DIRECTLY OR INDIRECTLY GOODS,
8 SERVICES OR PROPERTY RELATED TO VIDEO GAMING TERMINALS,
9 REDEMPTION TERMINALS OR ASSOCIATED EQUIPMENT.

10 (11) TO APPROVE AN APPLICATION FOR OR ISSUE OR RENEW A
11 LICENSE, CERTIFICATE, REGISTRATION, PERMIT OR OTHER
12 AUTHORIZATION THAT MAY BE REQUIRED BY THE BOARD, IF THE BOARD
13 IS SATISFIED THAT THE PERSON HAS DEMONSTRATED BY CLEAR AND
14 CONVINCING EVIDENCE THAT THE PERSON IS OF GOOD CHARACTER,
15 HONESTY AND INTEGRITY WHOSE PRIOR ACTIVITIES, CRIMINAL
16 RECORD, IF ANY, REPUTATION, HABITS AND ASSOCIATIONS DO NOT
17 POSE A THREAT TO THE PUBLIC INTEREST OR THE EFFECTIVE
18 REGULATION AND CONTROL OF VIDEO GAMING TERMINAL OPERATIONS OR
19 CREATE OR ENHANCE THE DANGER OF UNSUITABLE, UNFAIR OR ILLEGAL
20 PRACTICES, METHODS AND ACTIVITIES IN THE CONDUCT OF VIDEO
21 GAMING OR THE CARRYING ON OF THE BUSINESS AND FINANCIAL
22 ARRANGEMENTS INCIDENTAL THERETO.

23 (12) TO PUBLISH ON THE BOARD'S PUBLICLY ACCESSIBLE
24 INTERNET WEBSITE A COMPLETE LIST OF PERSONS OR ENTITIES WHO
25 APPLIED FOR OR HELD A TERMINAL OPERATOR LICENSE,
26 ESTABLISHMENT LICENSE, MANUFACTURER LICENSE OR SUPPLIER
27 LICENSE AT ANY TIME DURING THE PRECEDING CALENDAR YEAR AND
28 AFFILIATES, INTERMEDIARIES, SUBSIDIARIES AND HOLDING
29 COMPANIES THEREOF AND THE STATUS OF THE APPLICATION OR
30 LICENSE.

1 (13) TO PREPARE AND, THROUGH THE GOVERNOR, SUBMIT
2 ANNUALLY TO THE GENERAL ASSEMBLY AN ITEMIZED BUDGET
3 CONSISTENT WITH ARTICLE VI OF THE ACT OF APRIL 9, 1929
4 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929,
5 CONSISTING OF THE AMOUNTS NECESSARY TO BE APPROPRIATED BY THE
6 GENERAL ASSEMBLY OUT OF THE ACCOUNTS ESTABLISHED UNDER
7 SECTION 4104 (RELATING TO REGULATORY ASSESSMENTS) REQUIRED TO
8 MEET THE OBLIGATIONS UNDER THIS PART ACCRUING DURING THE
9 FISCAL PERIOD BEGINNING JULY 1 OF THE FOLLOWING YEAR.

10 (14) IN THE EVENT THAT APPROPRIATIONS FOR THE
11 ADMINISTRATION OF THIS PART ARE NOT ENACTED BY JUNE 30 OF ANY
12 YEAR, FUNDS APPROPRIATED FOR THE ADMINISTRATION OF THIS PART
13 WHICH ARE UNEXPENDED, UNCOMMITTED AND UNENCUMBERED AT THE END
14 OF A FISCAL YEAR SHALL REMAIN AVAILABLE FOR EXPENDITURE BY
15 THE BOARD OR OTHER AGENCY TO WHICH THEY WERE APPROPRIATED
16 UNTIL THE ENACTMENT OF AN APPROPRIATION FOR THE ENSUING
17 FISCAL YEAR.

18 (15) TO COLLECT AND POST INFORMATION ON THE BOARD'S
19 PUBLICLY ACCESSIBLE INTERNET WEBSITE WITH SUFFICIENT DETAIL
20 TO INFORM THE PUBLIC OF PERSONS WITH A CONTROLLING INTEREST
21 OR OWNERSHIP INTEREST IN AN APPLICANT FOR A TERMINAL OPERATOR
22 LICENSE OR TERMINAL OPERATOR LICENSEE OR AFFILIATE,
23 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF AN APPLICANT
24 FOR A TERMINAL OPERATOR LICENSE. THE POSTING SHALL INCLUDE:

25 (I) IF THE APPLICANT FOR A TERMINAL OPERATOR LICENSE
26 OR TERMINAL OPERATOR LICENSEE OR AN AFFILIATE,
27 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF THE
28 APPLICANT FOR A TERMINAL OPERATOR LICENSE OR TERMINAL
29 OPERATOR LICENSEE IS A PUBLICLY TRADED DOMESTIC OR
30 FOREIGN CORPORATION, PARTNERSHIP, LIMITED LIABILITY

1 COMPANY OR OTHER LEGAL ENTITY, THE NAMES OF PERSONS WITH
2 A CONTROLLING INTEREST.

3 (II) IF THE APPLICANT FOR A TERMINAL OPERATOR
4 LICENSE OR TERMINAL OPERATOR LICENSEE OR AN AFFILIATE,
5 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF THE
6 APPLICANT FOR A TERMINAL OPERATOR LICENSE OR TERMINAL
7 OPERATOR LICENSEE IS A PRIVATELY HELD DOMESTIC OR FOREIGN
8 CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR
9 OTHER LEGAL ENTITY, THE NAMES OF ALL PERSONS WITH AN
10 OWNERSHIP INTEREST EQUAL TO OR GREATER THAN 1%.

11 (III) THE NAME OF A PERSON ENTITLED TO CAST THE VOTE
12 OF A PERSON NAMED UNDER SUBPARAGRAPH (I) OR (II).

13 (IV) THE NAMES OF OFFICERS, DIRECTORS AND PRINCIPALS
14 OF THE APPLICANT FOR A TERMINAL OPERATOR LICENSE OR
15 TERMINAL OPERATOR LICENSEE.

16 (16) DETERMINE, DESIGNATE AND CLASSIFY EMPLOYEES OF A
17 TERMINAL OPERATOR LICENSEE AS KEY EMPLOYEES AND NON-KEY
18 EMPLOYEES.

19 § 3302. REGULATORY AUTHORITY OF BOARD.

20 (A) GENERAL RULE.--THE BOARD SHALL HAVE THE POWER AND DUTY:

21 (1) TO DENY, DENY THE RENEWAL, REVOKE, CONDITION OR
22 SUSPEND A LICENSE OR PERMIT PROVIDED FOR IN THIS PART IF THE
23 BOARD FINDS IN ITS SOLE DISCRETION THAT AN APPLICANT,
24 LICENSEE OR PERMITTEE UNDER THIS PART OR ITS OFFICERS,
25 EMPLOYEES OR AGENTS HAVE FURNISHED FALSE OR MISLEADING
26 INFORMATION TO THE BOARD OR FAILED TO COMPLY WITH THE
27 PROVISIONS OF THIS PART OR THE RULES AND REGULATIONS OF THE
28 BOARD AND THAT IT WOULD BE IN THE PUBLIC INTEREST TO DENY,
29 DENY THE RENEWAL, REVOKE, CONDITION OR SUSPEND THE LICENSE OR
30 PERMIT.

1 (2) TO RESTRICT ACCESS TO CONFIDENTIAL INFORMATION IN
2 THE POSSESSION OF THE BOARD THAT HAS BEEN OBTAINED UNDER THIS
3 PART AND ENSURE THAT THE CONFIDENTIALITY OF INFORMATION IS
4 MAINTAINED AND PROTECTED.

5 (3) TO PRESCRIBE AND REQUIRE PERIODIC FINANCIAL
6 REPORTING AND INTERNAL CONTROL REQUIREMENTS FOR TERMINAL
7 OPERATOR LICENSEES.

8 (4) TO REQUIRE THAT EACH TERMINAL OPERATOR LICENSEE
9 PROVIDE TO THE BOARD ITS ANNUAL FINANCIAL STATEMENTS, WITH
10 SUCH ADDITIONAL DETAIL AS THE BOARD SHALL REQUIRE, WHICH
11 SHALL BE SUBMITTED NOT LATER THAN 180 DAYS AFTER THE END OF
12 THE LICENSEE'S FISCAL YEAR.

13 (5) TO PRESCRIBE THE PROCEDURES TO BE FOLLOWED BY
14 TERMINAL OPERATOR LICENSEES FOR A FINANCIAL EVENT THAT OCCURS
15 IN THE OPERATION AND PLAY OF VIDEO GAMING TERMINALS.

16 (6) TO REQUIRE THAT EACH ESTABLISHMENT LICENSEE
17 PROHIBITS MINORS FROM OPERATING OR USING VIDEO GAMING
18 TERMINALS OR REDEMPTION TERMINALS.

19 (7) TO ESTABLISH PROCEDURES FOR THE INSPECTION AND
20 CERTIFICATION OF COMPLIANCE OF VIDEO GAMING TERMINALS,
21 REDEMPTION TERMINALS AND ASSOCIATED EQUIPMENT PRIOR TO BEING
22 PLACED INTO USE ON THE PREMISES OF AN ESTABLISHMENT LICENSEE
23 BY A TERMINAL OPERATOR LICENSEE.

24 (8) TO REQUIRE THAT NO VIDEO GAMING TERMINAL MAY BE SET
25 TO PAY OUT LESS THAN THE THEORETICAL PAYOUT PERCENTAGE, WHICH
26 PERCENTAGE SHALL BE NO LESS THAN 85%, AS SPECIFICALLY
27 APPROVED BY THE BOARD. THE BOARD SHALL ADOPT REGULATIONS THAT
28 DEFINE THE THEORETICAL PAYOUT PERCENTAGE OF A VIDEO GAMING
29 TERMINAL GAME BASED ON THE TOTAL VALUE OF THE JACKPOTS
30 EXPECTED TO BE PAID BY A PLAY ON A VIDEO GAMING TERMINAL GAME

1 DIVIDED BY THE TOTAL VALUE OF VIDEO GAMING TERMINALS WAGERS
2 EXPECTED TO BE MADE ON THAT PLAY OR VIDEO GAMING TERMINAL
3 GAME DURING THE SAME PORTION OF THE GAME CYCLE. IN SO DOING,
4 THE BOARD SHALL SPECIFY WHETHER THE CALCULATION INCLUDES A
5 PORTION OF OR THE ENTIRE CYCLE OF A VIDEO GAMING TERMINAL
6 GAME.

7 (9) TO REQUIRE THAT AN ESTABLISHMENT LICENSE APPLICANT
8 PROVIDE DETAILED SITE PLANS OF ITS PROPOSED VIDEO GAMING AREA
9 FOR REVIEW AND APPROVAL BY THE BOARD FOR THE PURPOSE OF
10 DETERMINING THE ADEQUACY OF THE PROPOSED SECURITY AND
11 SURVEILLANCE MEASURES. THE APPLICANT SHALL COOPERATE WITH THE
12 BOARD IN MAKING CHANGES TO THE PLANS SUGGESTED BY THE BOARD
13 AND SHALL ENSURE THAT THE PLANS AS MODIFIED AND APPROVED ARE
14 IMPLEMENTED. THE BOARD MAY NOT REQUIRE A FLOOR-TO-CEILING
15 WALL TO SEGREGATE THE VIDEO GAMING AREA, BUT MAY ADOPT RULES
16 TO ESTABLISH SEGREGATION REQUIREMENTS.

17 (10) TO PROMULGATE RULES AND REGULATIONS GOVERNING THE
18 ADVERTISEMENT OF VIDEO GAMING TERMINALS, PROVIDED THAT THE
19 BOARD SHALL REQUIRE ALL ADVERTISEMENTS TO DISPLAY OR
20 REFERENCE THE TOLL-FREE PROBLEM GAMBLING TELEPHONE NUMBER
21 MAINTAINED BY THE DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR
22 SUCCESSOR AGENCY UNDER SECTION 3310(B) (RELATING TO DUTIES OF
23 DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS).

24 (11) TO ENTER INTO CONTRACTS WITH PERSONS FOR THE
25 PURPOSES OF CARRYING OUT THE POWERS AND DUTIES OF THE BOARD
26 UNDER THIS PART.

27 (12) TO ADOPT REGULATIONS GOVERNING THE POSTEMPLOYMENT
28 LIMITATIONS AND RESTRICTIONS APPLICABLE TO MEMBERS AND
29 EMPLOYEES OF THE BOARD SUBJECT TO SECTION 4302 (RELATING TO
30 ADDITIONAL BOARD RESTRICTIONS). IN DEVELOPING THE

1 REGULATIONS, THE BOARD MAY CONSULT WITH THE STATE ETHICS
2 COMMISSION, GOVERNMENTAL AGENCIES AND THE DISCIPLINARY BOARD
3 OF THE SUPREME COURT REGARDING POSTEMPLOYMENT LIMITATIONS AND
4 RESTRICTIONS ON MEMBERS AND EMPLOYEES OF THE BOARD WHO ARE
5 MEMBERS OF THE PENNSYLVANIA BAR.

6 (13) TO REVIEW AND APPROVE ALL CASH AND CASH EQUIVALENT
7 HANDLING POLICIES AND PROCEDURES EMPLOYED BY TERMINAL
8 OPERATOR LICENSEES.

9 (14) TO PROMULGATE RULES AND REGULATIONS GOVERNING THE
10 PLACEMENT OF AUTOMATED TELLER MACHINES WITHIN VIDEO GAMING
11 AREAS.

12 (15) TO ESTABLISH AGE-VERIFICATION PROCEDURES FOR
13 ESTABLISHMENT LICENSEES AND THEIR EMPLOYEES TO ENSURE MINORS
14 DO NOT ACCESS A VIDEO GAMING AREA, VIDEO GAMING TERMINAL OR
15 REDEMPTION TERMINAL.

16 (16) TO PROMULGATE RULES AND REGULATIONS GOVERNING THE
17 INTERCONNECTION OF VIDEO GAMING TERMINALS WITHIN THE PREMISES
18 OF AN ESTABLISHMENT LICENSEE FOR A PROGRESSIVE SYSTEM.

19 (17) TO PROMULGATE RULES AND REGULATIONS NECESSARY FOR
20 THE ADMINISTRATION AND ENFORCEMENT OF THIS PART.

21 (B) APPLICABLE LAW.--EXCEPT AS PROVIDED IN SECTION 3303
22 (RELATING TO TEMPORARY REGULATIONS), REGULATIONS SHALL BE
23 ADOPTED IN ACCORDANCE WITH THE ACT OF JULY 31, 1968 (P.L.769,
24 NO.240), REFERRED TO AS THE COMMONWEALTH DOCUMENTS LAW, AND THE
25 ACT OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS THE REGULATORY
26 REVIEW ACT.

27 § 3303. TEMPORARY REGULATIONS.

28 (A) PROMULGATION.--IN ORDER TO FACILITATE THE PROMPT
29 IMPLEMENTATION OF THIS PART, REGULATIONS PROMULGATED BY THE
30 BOARD SHALL BE DEEMED TEMPORARY REGULATIONS WHICH SHALL EXPIRE

1 NO LATER THAN TWO YEARS FOLLOWING THE PUBLICATION OF THE
2 TEMPORARY REGULATIONS. THE BOARD MAY PROMULGATE TEMPORARY
3 REGULATIONS NOT SUBJECT TO:

4 (1) SECTIONS 201, 202, 203, 204 AND 205 OF THE ACT OF
5 JULY 31, 1968 (P.L.769, NO.240), REFERRED TO AS THE
6 COMMONWEALTH DOCUMENTS LAW.

7 (2) SECTION 204(B) OF THE ACT OF OCTOBER 15, 1980
8 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT.

9 (3) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS
10 THE REGULATORY REVIEW ACT.

11 (B) EXPIRATION.--EXCEPT FOR TEMPORARY REGULATIONS RELATED TO
12 SECURITY AND SURVEILLANCE, THE AUTHORITY PROVIDED TO THE BOARD
13 TO ADOPT TEMPORARY REGULATIONS IN SUBSECTION (A) SHALL EXPIRE
14 TWO YEARS FOLLOWING THE PUBLICATION OF THE TEMPORARY
15 REGULATIONS. REGULATIONS ADOPTED AFTER THAT DATE SHALL BE
16 PROMULGATED AS PROVIDED BY LAW.

17 § 3304. APPEALS.

18 AN APPLICANT, LICENSEE OR PERMITTEE MAY APPEAL A FINAL ORDER,
19 DETERMINATION OR DECISION OF THE BOARD INVOLVING THE APPROVAL,
20 ISSUANCE, DENIAL, REVOCATION, NONRENEWAL, SUSPENSION OR
21 CONDITIONING, INCLUDING ANY DISCIPLINARY ACTIONS, OF A LICENSE,
22 PERMIT OR AUTHORIZATION UNDER THIS PART IN ACCORDANCE WITH 2
23 PA.C.S. CHS. 5 SUBCH. A (RELATING TO PRACTICE AND PROCEDURE OF
24 COMMONWEALTH AGENCIES) AND 7 SUBCH. A (RELATING TO JUDICIAL
25 REVIEW OF COMMONWEALTH AGENCY ACTION).

26 § 3305. RECORDS AND CONFIDENTIALITY OF INFORMATION.

27 (A) RECORDS.--THE BOARD SHALL MAINTAIN FILES AND RECORDS
28 DEEMED NECESSARY FOR THE ADMINISTRATION AND ENFORCEMENT OF THIS
29 PART.

30 (B) CONFIDENTIALITY OF INFORMATION.--

1 (1) THE FOLLOWING INFORMATION SUBMITTED BY AN APPLICANT,
2 LICENSEE OR PERMITTEE UNDER CHAPTER 35 (RELATING TO
3 APPLICATION AND LICENSURE) OR OBTAINED BY THE BOARD OR THE
4 BUREAU AS PART OF A BACKGROUND OR OTHER INVESTIGATION FROM
5 ANY SOURCE SHALL BE CONFIDENTIAL AND WITHHELD FROM PUBLIC
6 DISCLOSURE:

7 (I) INFORMATION RELATING TO CHARACTER, HONESTY AND
8 INTEGRITY, INCLUDING FAMILY, HABITS, REPUTATION, HISTORY
9 OF CRIMINAL ACTIVITY, BUSINESS ACTIVITIES, FINANCIAL
10 AFFAIRS AND BUSINESS, PROFESSIONAL AND PERSONAL
11 ASSOCIATIONS SUBMITTED TO OR OTHERWISE OBTAINED BY THE
12 BOARD OR THE BUREAU.

13 (II) NONPUBLIC PERSONAL INFORMATION, INCLUDING HOME
14 ADDRESSES, TELEPHONE NUMBERS AND OTHER PERSONAL CONTACT
15 INFORMATION, SOCIAL SECURITY NUMBERS, EDUCATIONAL
16 RECORDS, MEMBERSHIPS, MEDICAL RECORDS, TAX RETURNS AND
17 DECLARATIONS, ACTUAL OR PROPOSED COMPENSATION, FINANCIAL
18 ACCOUNT RECORDS, CREDITWORTHINESS OR FINANCIAL CONDITION
19 RELATING TO AN APPLICANT, LICENSEE OR PERMITTEE OR THE
20 IMMEDIATE FAMILY THEREOF.

21 (III) INFORMATION RELATING TO PROPRIETARY
22 INFORMATION, TRADE SECRETS, PATENTS OR EXCLUSIVE
23 LICENSES, ARCHITECTURAL AND ENGINEERING PLANS AND
24 INFORMATION RELATING TO COMPETITIVE MARKETING MATERIALS
25 AND STRATEGIES, INCLUDING CUSTOMER-IDENTIFYING
26 INFORMATION OR CUSTOMER PROSPECTS FOR SERVICES SUBJECT TO
27 COMPETITION.

28 (IV) SECURITY INFORMATION, INCLUDING RISK PREVENTION
29 PLANS, DETECTION AND COUNTERMEASURES, EMERGENCY
30 MANAGEMENT PLANS, SECURITY AND SURVEILLANCE PLANS,

1 EQUIPMENT AND USAGE PROTOCOLS AND THEFT AND FRAUD
2 PREVENTION PLANS AND COUNTERMEASURES.

3 (V) INFORMATION WITH RESPECT TO WHICH THERE IS A
4 REASONABLE POSSIBILITY THAT PUBLIC RELEASE OR INSPECTION
5 OF THE INFORMATION WOULD CONSTITUTE AN UNWARRANTED
6 INVASION INTO PERSONAL PRIVACY OF AN INDIVIDUAL AS
7 DETERMINED BY THE BOARD.

8 (VI) RECORDS OF AN APPLICANT, LICENSEE OR PERMITTEE
9 NOT REQUIRED TO BE FILED WITH THE SECURITIES AND EXCHANGE
10 COMMISSION BY ISSUERS THAT EITHER HAVE SECURITIES
11 REGISTERED UNDER SECTION 12 OF THE SECURITIES EXCHANGE
12 ACT OF 1934 (48 STAT. 881, 15 U.S.C. § 78L) OR ARE
13 REQUIRED TO FILE REPORTS UNDER SECTION 15(D) OF THE
14 SECURITIES EXCHANGE ACT OF 1934 (48 STAT. 881, 15 U.S.C.
15 § 78O).

16 (VII) RECORDS CONSIDERED NONPUBLIC MATTERS OR
17 INFORMATION BY THE SECURITIES AND EXCHANGE COMMISSION AS
18 PROVIDED BY 17 CFR 200.80 (RELATING TO COMMISSION RECORDS
19 AND INFORMATION).

20 (VIII) FINANCIAL INFORMATION PROVIDED TO THE BOARD
21 BY AN APPLICANT, LICENSEE OR PERMITTEE.

22 (2) NO CLAIM OF CONFIDENTIALITY MAY BE MADE REGARDING
23 CRIMINAL HISTORY RECORD INFORMATION THAT IS AVAILABLE TO THE
24 PUBLIC UNDER 18 PA.C.S. § 9121(B) (RELATING TO GENERAL
25 REGULATIONS).

26 (3) EXCEPT AS PROVIDED IN PARAGRAPH (1), NO CLAIM OF
27 CONFIDENTIALITY MAY BE MADE REGARDING A RECORD IN POSSESSION
28 OF THE BOARD THAT IS OTHERWISE PUBLICLY AVAILABLE FROM THE
29 BOARD UNDER THE ACT OF FEBRUARY 14, 2008 (P.L.6, NO.3), KNOWN
30 AS THE RIGHT-TO-KNOW LAW.

1 (4) EXCEPT AS PROVIDED IN SECTION 3904(H) (RELATING TO
2 INVESTIGATIONS AND ENFORCEMENT), THE INFORMATION MADE
3 CONFIDENTIAL UNDER THIS SECTION SHALL BE WITHHELD FROM PUBLIC
4 DISCLOSURE IN WHOLE OR IN PART, EXCEPT THAT CONFIDENTIAL
5 INFORMATION SHALL BE RELEASED UPON THE ORDER OF A COURT OF
6 COMPETENT JURISDICTION OR, WITH THE APPROVAL OF THE ATTORNEY
7 GENERAL, TO A DULY AUTHORIZED LAW ENFORCEMENT AGENCY OR SHALL
8 BE RELEASED TO THE PUBLIC, IN WHOLE OR IN PART, TO THE EXTENT
9 THAT THE RELEASE IS REQUESTED BY AN APPLICANT, LICENSEE OR
10 PERMITTEE AND DOES NOT OTHERWISE CONTAIN CONFIDENTIAL
11 INFORMATION ABOUT ANOTHER PERSON.

12 (5) THE BOARD MAY SEEK A VOLUNTARY WAIVER OF
13 CONFIDENTIALITY FROM AN APPLICANT, LICENSEE OR PERMITTEE BUT
14 MAY NOT REQUIRE AN APPLICANT, LICENSEE OR PERMITTEE TO WAIVE
15 THE CONFIDENTIALITY PROVIDED UNDER THIS SUBSECTION AS A
16 CONDITION FOR THE APPROVAL OF AN APPLICATION, RENEWAL OF A
17 LICENSE OR OTHER ACTION OF THE BOARD.

18 (6) (I) NO CURRENT OR FORMER MEMBER AND NO CURRENT OR
19 FORMER EMPLOYEE, AGENT OR INDEPENDENT CONTRACTOR OF THE
20 BOARD, THE DEPARTMENT, THE PENNSYLVANIA STATE POLICE, THE
21 OFFICE OF ATTORNEY GENERAL OR OTHER EXECUTIVE BRANCH
22 OFFICE WHO HAS OBTAINED CONFIDENTIAL INFORMATION IN THE
23 PERFORMANCE OF DUTIES UNDER THIS PART SHALL INTENTIONALLY
24 DISCLOSE THE INFORMATION TO A PERSON, KNOWING THAT THE
25 INFORMATION BEING DISCLOSED IS CONFIDENTIAL UNDER THIS
26 SUBSECTION, UNLESS THE PERSON IS AUTHORIZED BY LAW TO
27 RECEIVE IT.

28 (II) A VIOLATION OF THIS SUBSECTION SHALL CONSTITUTE
29 A MISDEMEANOR OF THE THIRD DEGREE.

30 (III) IN ADDITION TO ANY PENALTY UNDER SUBPARAGRAPH

1 (II), AN EMPLOYEE, AGENT OR INDEPENDENT CONTRACTOR WHO
2 VIOLATES THIS SUBSECTION SHALL BE ADMINISTRATIVELY
3 DISCIPLINED BY DISCHARGE, SUSPENSION, TERMINATION OF
4 CONTRACT OR OTHER FORMAL DISCIPLINARY ACTION AS
5 APPROPRIATE. IF A CURRENT MEMBER VIOLATES THIS PARAGRAPH,
6 THE OTHER MEMBERS SHALL REFER THE MATTER TO THE CURRENT
7 MEMBER'S APPOINTING AUTHORITY.

8 (C) NOTICE.--NOTICE OF THE CONTENTS OF INFORMATION, EXCEPT
9 TO A DULY AUTHORIZED LAW ENFORCEMENT AGENCY PURSUANT TO THIS
10 SECTION, SHALL BE GIVEN TO AN APPLICANT, LICENSEE OR PERMITTEE
11 IN A MANNER PRESCRIBED BY THE RULES AND REGULATIONS ADOPTED BY
12 THE BOARD.

13 (D) INFORMATION HELD BY OTHER AGENCIES.--FILES, RECORDS,
14 REPORTS AND OTHER INFORMATION IN THE POSSESSION OF THE
15 DEPARTMENT PERTAINING TO AN APPLICANT, LICENSEE OR PERMITTEE
16 SHALL BE MADE AVAILABLE TO THE BOARD AS MAY BE NECESSARY TO THE
17 EFFECTIVE ADMINISTRATION OF THIS PART.

18 § 3306. REPORTING.

19 (A) REPORT BY BOARD.--BEGINNING OCTOBER 1, 2018, AND EVERY
20 YEAR THEREAFTER, THE ANNUAL REPORT SUBMITTED TO THE GOVERNOR AND
21 THE GENERAL ASSEMBLY BY THE BOARD UNDER SECTION 1211 (RELATING
22 TO REPORTS OF BOARD) SHALL INCLUDE INFORMATION ON THE CONDUCT OF
23 VIDEO GAMING FOR THE PREVIOUS CALENDAR YEAR:

24 (1) TOTAL GROSS TERMINAL REVENUE.

25 (2) TOTAL NUMBER OF TERMINAL OPERATOR LICENSEES AND
26 ESTABLISHMENT LICENSEES.

27 (3) ALL TAXES, FEES, FINES AND OTHER REVENUE COLLECTED
28 AND, WHERE APPROPRIATE, REVENUE DISBURSED. THE DEPARTMENT
29 SHALL COLLABORATE WITH THE BOARD TO CARRY OUT THE
30 REQUIREMENTS OF THIS PARAGRAPH.

1 (4) OTHER INFORMATION RELATED TO THE CONDUCT OF VIDEO
2 GAMING THAT THE BOARD DEEMS APPROPRIATE.

3 (B) PARTICIPATION.--THE BOARD MAY REQUIRE TERMINAL OPERATOR
4 LICENSEES TO PROVIDE INFORMATION TO THE BOARD TO ASSIST IN THE
5 PREPARATION OF THE REPORT UNDER SUBSECTION (A).

6 § 3307. DIVERSITY.

7 (A) INTENT.--IT IS THE INTENT AND GOAL OF THE GENERAL
8 ASSEMBLY THAT THE BOARD PROMOTE AND ENSURE DIVERSITY IN ALL
9 ASPECTS OF THE GAMING ACTIVITIES AUTHORIZED UNDER THIS PART.

10 (B) REPORTS BY APPLICANTS.--AN APPLICANT FOR A TERMINAL
11 OPERATOR LICENSE OR ESTABLISHMENT LICENSE SHALL SUBMIT A
12 DIVERSITY PLAN TO THE BOARD. AT A MINIMUM, THE DIVERSITY PLAN
13 SHALL CONTAIN A SUMMARY OF:

14 (1) ALL EMPLOYEE RECRUITMENT AND RETENTION EFFORTS
15 UNDERTAKEN TO PROMOTE THE PARTICIPATION OF DIVERSE GROUPS IN
16 EMPLOYMENT WITH THE APPLICANT IF ISSUED A TERMINAL OPERATOR
17 LICENSE OR ESTABLISHMENT LICENSE.

18 (2) OTHER INFORMATION DEEMED NECESSARY BY THE BOARD TO
19 ASSESS THE DIVERSITY PLAN.

20 (C) REVIEW.--THE BOARD SHALL CONDUCT A REVIEW OF A DIVERSITY
21 PLAN. WHEN REVIEWING THE ADEQUACY OF A DIVERSITY PLAN, THE BOARD
22 SHALL TAKE INTO CONSIDERATION THE TOTAL NUMBER OF VIDEO GAMING
23 TERMINALS THE APPLICANT PROPOSES TO OPERATE WITHIN THE
24 COMMONWEALTH.

25 (D) PERIODIC REVIEW.--THE BOARD SHALL PERIODICALLY REVIEW
26 THE TERMINAL OPERATOR LICENSEE'S OR ESTABLISHMENT LICENSEE'S
27 DIVERSITY PLAN AND RECOMMEND CHANGES.

28 (E) APPLICANT OR LICENSEE RESPONSIBILITY.--AN APPLICANT FOR
29 A TERMINAL OPERATOR LICENSE OR ESTABLISHMENT LICENSE OR A
30 TERMINAL OPERATOR LICENSEE OR ESTABLISHMENT LICENSEE SHALL

1 PROVIDE INFORMATION AS REQUIRED BY THE BOARD TO ENABLE THE BOARD
2 TO COMPLETE THE REVIEWS REQUIRED UNDER SUBSECTIONS (C) AND (D).
3 § 3308. AUTHORITY OF DEPARTMENT.

4 (A) GENERAL RULE.--THE DEPARTMENT SHALL ADMINISTER AND
5 COLLECT TAXES IMPOSED UNDER THIS PART AND INTEREST IMPOSED UNDER
6 SECTION 806 OF THE ACT OF APRIL 9, 1929 (P.L.343, NO.176), KNOWN
7 AS THE FISCAL CODE, AND PROMULGATE AND ENFORCE RULES AND
8 REGULATIONS TO CARRY OUT ITS PRESCRIBED DUTIES IN ACCORDANCE
9 WITH THIS PART, INCLUDING THE COLLECTION OF TAXES, PENALTIES AND
10 INTEREST IMPOSED BY THIS PART.

11 (B) APPLICATION OF RULES AND REGULATIONS.--THE DEPARTMENT
12 MAY PRESCRIBE THE EXTENT, IF ANY, TO WHICH ANY RULES AND
13 REGULATIONS SHALL BE APPLIED WITHOUT RETROACTIVE EFFECT. THE
14 DEPARTMENT SHALL PRESCRIBE THE FORMS AND THE SYSTEM OF
15 ACCOUNTING AND RECORDKEEPING TO BE EMPLOYED AND THROUGH ITS
16 REPRESENTATIVE SHALL AT ALL TIMES HAVE POWER OF ACCESS TO AND
17 EXAMINATION AND AUDIT OF ANY EQUIPMENT AND RECORDS RELATING TO
18 ALL ASPECTS OF THE OPERATION OF VIDEO GAMING TERMINALS AND
19 REDEMPTION TERMINALS UNDER THIS PART.

20 (C) PROCEDURE.--FOR PURPOSES OF IMPLEMENTING THIS PART, THE
21 DEPARTMENT MAY PROMULGATE REGULATIONS IN THE SAME MANNER IN
22 WHICH THE BOARD IS AUTHORIZED AS PROVIDED IN SECTION 3303
23 (RELATING TO TEMPORARY REGULATIONS).

24 (D) ADDITIONAL PENALTY.--A PERSON WHO FAILS TO TIMELY REMIT
25 TO THE DEPARTMENT OR THE STATE TREASURER AMOUNTS REQUIRED UNDER
26 THIS PART SHALL BE LIABLE, IN ADDITION TO LIABILITY IMPOSED
27 ELSEWHERE IN THIS PART, TO A PENALTY OF 5% PER MONTH UP TO A
28 MAXIMUM OF 25% OF THE AMOUNTS ULTIMATELY FOUND TO BE DUE, TO BE
29 RECOVERED BY THE DEPARTMENT.

30 (E) LIENS AND SUITS FOR TAXES.--THE PROVISIONS OF THIS PART

1 SHALL BE SUBJECT TO THE PROVISIONS OF SECTIONS 242 AND 243 OF
2 THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM
3 CODE OF 1971.

4 § 3309. CENTRAL CONTROL COMPUTER SYSTEM.

5 (A) GENERAL RULE.--TO FACILITATE THE AUDITING AND SECURITY
6 PROGRAMS CRITICAL TO THE INTEGRITY OF VIDEO GAMING TERMINALS IN
7 THIS COMMONWEALTH, THE DEPARTMENT SHALL HAVE OVERALL CONTROL OF
8 VIDEO GAMING TERMINALS THAT:

9 (1) SHALL BE LINKED, AT AN APPROPRIATE TIME TO BE
10 DETERMINED BY THE DEPARTMENT, TO A CENTRAL CONTROL COMPUTER
11 UNDER THE CONTROL OF THE DEPARTMENT AND ACCESSIBLE BY THE
12 BOARD TO PROVIDE AUDITING PROGRAM CAPACITY AND INDIVIDUAL
13 TERMINAL INFORMATION AS APPROVED BY THE DEPARTMENT.

14 (2) SHALL INCLUDE REAL-TIME INFORMATION RETRIEVAL AND
15 TERMINAL ACTIVATION AND DISABLING PROGRAMS.

16 (B) SYSTEM REQUIREMENTS.--THE CENTRAL CONTROL COMPUTER
17 EMPLOYED BY THE DEPARTMENT SHALL PROVIDE:

18 (1) A FULLY OPERATIONAL STATEWIDE VIDEO GAMING TERMINAL
19 CONTROL SYSTEM THAT HAS THE CAPABILITY OF SUPPORTING UP TO
20 THE MAXIMUM NUMBER OF VIDEO GAMING TERMINALS THAT IS
21 PERMITTED TO BE IN OPERATION UNDER THIS PART.

22 (2) THE EMPLOYMENT OF A WIDELY ACCEPTED GAMING INDUSTRY
23 PROTOCOL TO FACILITATE A VIDEO GAMING TERMINAL MANUFACTURERS'
24 ABILITY TO COMMUNICATE WITH THE STATEWIDE SYSTEM.

25 (3) THE DELIVERY OF A SYSTEM THAT HAS THE ABILITY TO
26 VERIFY SOFTWARE, DETECT ALTERATIONS IN PAYOUT AND DETECT
27 OTHER METHODS OF FRAUD IN ALL ASPECTS OF THE OPERATION OF
28 VIDEO GAMING TERMINALS.

29 (4) THE DELIVERY OF A SYSTEM THAT HAS THE CAPABILITY TO
30 SUPPORT PROGRESSIVE VIDEO GAMING TERMINALS AS APPROVED BY THE

1 BOARD.

2 (5) THE DELIVERY OF A SYSTEM THAT DOES NOT ALTER THE
3 STATISTICAL AWARDS OF VIDEO GAMING TERMINAL GAMES AS DESIGNED
4 BY THE MANUFACTURER AND APPROVED BY THE BOARD.

5 (6) THE DELIVERY OF A SYSTEM THAT PROVIDES REDUNDANCY SO
6 THAT EACH COMPONENT OF THE NETWORK IS CAPABLE OF OPERATING
7 INDEPENDENTLY BY THE DEPARTMENT IF ANY COMPONENT OF THE
8 NETWORK, INCLUDING THE CENTRAL CONTROL COMPUTER, FAILS OR
9 CANNOT BE OPERATED FOR ANY REASON AS DETERMINED BY THE
10 DEPARTMENT, AND TO ASSURE THAT ALL TRANSACTIONAL DATA IS
11 CAPTURED AND SECURED. COSTS ASSOCIATED WITH A COMPUTER SYSTEM
12 REQUIRED BY THE DEPARTMENT TO OPERATE WITHIN A VIDEO GAMING
13 AREA, WHETHER INDEPENDENT OR AS PART OF THE CENTRAL CONTROL
14 COMPUTER, SHALL BE PAID BY THE TERMINAL OPERATOR LICENSEE.
15 THE COMPUTER SYSTEM SHALL BE CONTROLLED BY THE DEPARTMENT AND
16 ACCESSIBLE TO THE BOARD.

17 (7) THE ABILITY TO MEET ALL REPORTING AND CONTROL
18 REQUIREMENTS AS PRESCRIBED BY THE BOARD AND DEPARTMENT.

19 (8) THE DELIVERY OF A SYSTEM THAT PROVIDES CENTRALIZED
20 ISSUANCE OF CASH REDEMPTION TICKETS AND FACILITATES THE
21 ACCEPTANCE OF THE TICKETS BY VIDEO GAMING TERMINALS AND
22 REDEMPTION TERMINALS.

23 (9) OTHER CAPABILITIES AS DETERMINED BY THE DEPARTMENT
24 IN CONSULTATION WITH THE BOARD.

25 (C) PERSONAL INFORMATION.--THE CENTRAL CONTROL COMPUTER MAY
26 NOT PROVIDE FOR THE MONITORING OR READING OF PERSONAL OR
27 FINANCIAL INFORMATION CONCERNING A PATRON OF A TERMINAL OPERATOR
28 LICENSEE.

29 (D) INITIAL ACQUISITION OF CENTRAL CONTROL COMPUTER.--

30 (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE

1 CONTRARY AND IN ORDER TO FACILITATE THE PROMPT IMPLEMENTATION
2 OF THIS PART, INITIAL CONTRACTS ENTERED INTO BY THE
3 DEPARTMENT FOR A CENTRAL CONTROL COMPUTER, INCLUDING
4 NECESSARY COMPUTER HARDWARE, SOFTWARE, LICENSES OR RELATED
5 SERVICES SHALL NOT BE SUBJECT TO THE PROVISIONS OF 62 PA.C.S.
6 (RELATING TO PROCUREMENT).

7 (2) CONTRACTS MADE PURSUANT TO THE PROVISIONS OF THIS
8 SECTION MAY NOT EXCEED FIVE YEARS.

9 (E) RESOLUTION OF CONTRACT DISPUTES.--THE PROCESS SPECIFIED
10 IN 62 PA.C.S. CH. 17 SUBCH. B (RELATING TO PRELITIGATION
11 RESOLUTION OF CONTROVERSIES) SHALL BE THE SOLE MEANS OF
12 RESOLUTION FOR CONTROVERSIES ARISING WITH RESPECT TO CONTRACTS
13 EXECUTED UNDER THIS SECTION.

14 (F) EXISTING CENTRAL CONTROL COMPUTER SYSTEM.--THE
15 DEPARTMENT, IN ITS DISCRETION, MAY ALTER OR UTILIZE THE CENTRAL
16 CONTROL COMPUTER SYSTEM CONTROLLED BY THE DEPARTMENT UNDER
17 SECTION 1323 (RELATING TO CENTRAL CONTROL COMPUTER SYSTEM) TO
18 FULFILL THE REQUIREMENTS OF THIS SECTION.

19 § 3310. DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR SUCCESSOR
20 AGENCY.

21 (A) PROGRAM UPDATE.--

22 (1) THE DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR
23 SUCCESSOR AGENCY SHALL UPDATE THE COMPULSIVE AND PROBLEM
24 GAMBLING PROGRAM ESTABLISHED IN SECTION 1509 (RELATING TO
25 COMPULSIVE AND PROBLEM GAMBLING PROGRAM) TO ADDRESS PUBLIC
26 EDUCATION, AWARENESS AND TRAINING REGARDING COMPULSIVE AND
27 PROBLEM GAMBLING AND THE TREATMENT AND PREVENTION OF
28 COMPULSIVE AND PROBLEM GAMBLING RELATED TO VIDEO GAMING
29 TERMINALS.

30 (2) THE UPDATED GUIDELINES SHALL INCLUDE STRATEGIES FOR

1 THE PREVENTION OF COMPULSIVE AND PROBLEM GAMBLING RELATED TO
2 VIDEO GAMING TERMINALS.

3 (3) THE DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR
4 SUCCESSOR AGENCY MAY CONSULT WITH THE BOARD AND TERMINAL
5 OPERATOR LICENSEES TO DEVELOP THE STRATEGIES.

6 (B) DUTIES OF DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR
7 SUCCESSOR AGENCY.--FROM FUNDS AVAILABLE IN THE COMPULSIVE AND
8 PROBLEM GAMBLING TREATMENT FUND, THE DEPARTMENT OF DRUG AND
9 ALCOHOL PROGRAMS OR SUCCESSOR AGENCY SHALL WITH RESPECT TO VIDEO
10 GAMING TERMINALS:

11 (1) MAINTAIN ONE COMPULSIVE GAMBLERS ASSISTANCE
12 ORGANIZATION'S TOLL-FREE PROBLEM GAMBLING TELEPHONE NUMBER,
13 WHICH NUMBER SHALL BE 1-800-GAMBLER, TO PROVIDE CRISIS
14 COUNSELING AND REFERRAL SERVICES TO INDIVIDUALS AND FAMILIES
15 EXPERIENCING DIFFICULTY AS A RESULT OF PROBLEM OR COMPULSIVE
16 GAMBLING. IF THE DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR
17 SUCCESSOR AGENCY DETERMINES THAT IT IS UNABLE TO ADOPT THE
18 NUMBER 1-800-GAMBLER, THE DEPARTMENT OF DRUG AND ALCOHOL
19 PROGRAMS OR SUCCESSOR AGENCY SHALL MAINTAIN ANOTHER NUMBER.

20 (2) MAINTAIN ONE COMPULSIVE GAMBLER'S ASSISTANCE
21 ORGANIZATION'S TELEPHONE NUMBER, WHICH SHALL BE ACCESSIBLE
22 VIA A FREE TEXT MESSAGE SERVICE, TO PROVIDE CRISIS COUNSELING
23 AND REFERRAL SERVICES TO INDIVIDUALS AND FAMILIES
24 EXPERIENCING DIFFICULTY AS A RESULT OF PROBLEM OR COMPULSIVE
25 GAMBLING.

26 (3) FACILITATE, THROUGH IN-SERVICE TRAINING AND OTHER
27 MEANS, THE AVAILABILITY OF EFFECTIVE ASSISTANCE PROGRAMS FOR
28 PROBLEM AND COMPULSIVE GAMBLERS AND FAMILY MEMBERS AFFECTED
29 BY PROBLEM AND COMPULSIVE GAMBLING.

30 (4) AT ITS DISCRETION, CONDUCT STUDIES TO IDENTIFY

1 INDIVIDUALS IN THIS COMMONWEALTH WHO ARE OR ARE AT RISK OF
2 BECOMING PROBLEM OR COMPULSIVE GAMBLERS.

3 (5) PROVIDE GRANTS TO AND CONTRACT WITH SINGLE COUNTY
4 AUTHORITIES AND OTHER ORGANIZATIONS THAT PROVIDE SERVICES
5 SPECIFIED IN THIS SECTION.

6 (6) REIMBURSE ORGANIZATIONS FOR REASONABLE EXPENSES
7 INCURRED ASSISTING THE DEPARTMENT OF DRUG AND ALCOHOL
8 PROGRAMS OR SUCCESSOR AGENCY WITH IMPLEMENTING THIS SECTION.

9 (C) ADDITIONAL DUTIES.--WITHIN 60 DAYS FOLLOWING THE
10 EFFECTIVE DATE OF THIS SECTION, THE DEPARTMENT OF DRUG AND
11 ALCOHOL PROGRAMS OR SUCCESSOR AGENCY AND THE BOARD'S OFFICE OF
12 COMPULSIVE AND PROBLEM GAMBLING SHALL JOINTLY COLLABORATE WITH
13 OTHER APPROPRIATE OFFICES AND AGENCIES OF STATE OR LOCAL
14 GOVERNMENT, INCLUDING SINGLE COUNTY AUTHORITIES AND PROVIDERS
15 AND OTHER PERSONS, PUBLIC OR PRIVATE, WITH EXPERTISE IN
16 COMPULSIVE AND PROBLEM GAMBLING TREATMENT WITH RESPECT TO VIDEO
17 GAMING TERMINALS:

18 (1) IMPLEMENT A STRATEGIC PLAN FOR THE PREVENTION AND
19 TREATMENT OF COMPULSIVE AND PROBLEM GAMBLING.

20 (2) ADOPT COMPULSIVE AND PROBLEM GAMBLING TREATMENT
21 STANDARDS TO BE INTEGRATED WITH THE DEPARTMENT OF DRUG AND
22 ALCOHOL PROGRAMS' OR SUCCESSOR AGENCY'S UNIFORM STATEWIDE
23 GUIDELINES THAT GOVERN THE PROVISION OF ADDICTION TREATMENT
24 SERVICES.

25 (3) DEVELOP A METHOD TO COORDINATE COMPULSIVE AND
26 PROBLEM GAMBLING DATA COLLECTION AND REFERRAL INFORMATION TO
27 CRISIS RESPONSE HOTLINES, CHILD WELFARE AND DOMESTIC VIOLENCE
28 PROGRAMS AND PROVIDERS AND OTHER APPROPRIATE PROGRAMS AND
29 PROVIDERS.

30 (4) DEVELOP AND DISSEMINATE EDUCATIONAL MATERIALS TO

1 PROVIDE PUBLIC AWARENESS RELATED TO THE PREVENTION,
2 RECOGNITION AND TREATMENT OF COMPULSIVE AND PROBLEM GAMBLING.

3 (5) DEVELOP DEMOGRAPHIC-SPECIFIC COMPULSIVE AND PROBLEM
4 GAMBLING PREVENTION, INTERVENTION AND TREATMENT PROGRAMS.

5 (6) PREPARE AN ITEMIZED BUDGET OUTLINING HOW FUNDS WILL
6 BE ALLOCATED TO FULFILL THE RESPONSIBILITIES UNDER THIS
7 SECTION.

8 (D) REPORT.--THE DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR
9 SUCCESSOR AGENCY SHALL INCLUDE IN THE REPORT REQUIRED UNDER
10 SECTION 1509 INFORMATION INVOLVING VIDEO GAMING TERMINALS.

11 CHAPTER 35

12 APPLICATION AND LICENSURE

13 SEC.

14 3501. GENERAL PROHIBITION.

15 3502. TERMINAL OPERATOR LICENSES.

16 3503. (RESERVED) .

17 3504. PRINCIPAL LICENSES.

18 3505. KEY EMPLOYEE LICENSES.

19 3506. DIVESTITURE OF DISQUALIFYING APPLICANT.

20 3507. SUPPLIER LICENSES.

21 3508. MANUFACTURER LICENSES.

22 3509. GAMING SERVICE PROVIDER.

23 3510. OCCUPATION PERMIT.

24 3511. ALTERNATIVE TERMINAL OPERATOR LICENSING STANDARDS.

25 3512. ALTERNATIVE MANUFACTURER LICENSING STANDARDS.

26 3513. ALTERNATIVE SUPPLIER LICENSING STANDARDS.

27 3514. ESTABLISHMENT LICENSES.

28 3515. LICENSE OR PERMIT PROHIBITION.

29 3516. ISSUANCE AND RENEWAL.

30 3517. CHANGE IN OWNERSHIP OR CONTROL OF TERMINAL OPERATOR

1 LICENSEE.

2 3518. VIDEO GAMING ACCOUNTING CONTROLS AND AUDITS.

3 3519. MULTIPLE LICENSES PROHIBITED.

4 3520. CONDITIONAL LICENSES.

5 § 3501. GENERAL PROHIBITION.

6 NO PERSON MAY OFFER OR OTHERWISE MAKE AVAILABLE FOR PLAY IN
7 THIS COMMONWEALTH A VIDEO GAMING TERMINAL UNLESS THE PERSON IS
8 LICENSED UNDER THIS PART AND ACCORDING TO REGULATIONS
9 PROMULGATED BY THE BOARD UNDER THIS PART.

10 § 3502. TERMINAL OPERATOR LICENSES.

11 (A) GENERAL REQUIREMENTS.--AN APPLICATION FOR A TERMINAL
12 OPERATOR LICENSE SHALL BE ON THE FORM REQUIRED BY THE BOARD AND
13 SHALL INCLUDE, AT A MINIMUM, ALL OF THE FOLLOWING:

14 (1) THE NAME, ADDRESS AND PHOTOGRAPH OF THE APPLICANT
15 AND OF ALL DIRECTORS AND OWNERS AND KEY EMPLOYEES AND THEIR
16 POSITIONS WITHIN THE CORPORATION OR ORGANIZATION, AS WELL AS
17 ADDITIONAL FINANCIAL INFORMATION REQUIRED BY THE BOARD.

18 (2) A CURRENT TAX LIEN CERTIFICATE ISSUED BY THE
19 DEPARTMENT.

20 (3) THE DETAILS OF ANY GAMING LICENSE APPLIED FOR,
21 GRANTED TO OR DENIED TO THE APPLICANT BY ANOTHER JURISDICTION
22 WHERE THE FORM OF GAMING IS LEGAL AND THE CONSENT FOR THE
23 BOARD TO ACQUIRE COPIES OF THE APPLICATION SUBMITTED OR
24 LICENSE ISSUED IN CONNECTION WITH THE APPLICATION.

25 (4) THE DETAILS OF ANY LOAN OBTAINED FROM A FINANCIAL
26 INSTITUTION OR NOT OBTAINED FROM A FINANCIAL INSTITUTION.

27 (5) THE CONSENT TO CONDUCT A BACKGROUND INVESTIGATION BY
28 THE BOARD, THE SCOPE OF WHICH INVESTIGATION SHALL BE
29 DETERMINED BY THE BUREAU IN ITS DISCRETION CONSISTENT WITH
30 THE PROVISIONS OF THIS PART, AND A RELEASE SIGNED BY ALL

1 PERSONS SUBJECT TO THE INVESTIGATION OF ALL INFORMATION
2 REQUIRED TO COMPLETE THE INVESTIGATION.

3 (6) THE DETAILS OF THE APPLICANT'S DIVERSITY PLAN TO
4 ASSURE THAT ALL PERSONS ARE ACCORDED EQUALITY OF OPPORTUNITY
5 IN EMPLOYMENT AND CONTRACTING BY THE APPLICANT, ITS
6 CONTRACTORS, SUBCONTRACTORS, ASSIGNEES, LESSEES, AGENTS,
7 VENDORS AND SUPPLIERS.

8 (7) ANY INFORMATION CONCERNING MAINTENANCE AND OPERATION
9 OF VIDEO GAMING TERMINALS IN ANY OTHER JURISDICTION.

10 (8) PROOF THAT THE APPLICANT HAS OR WILL ESTABLISH A
11 PLACE OF BUSINESS IN THIS COMMONWEALTH. A TERMINAL OPERATOR
12 LICENSEE SHALL MAINTAIN ITS PLACE OF BUSINESS IN THIS
13 COMMONWEALTH TO REMAIN ELIGIBLE FOR LICENSURE.

14 (9) ANY OTHER INFORMATION DETERMINED TO BE APPROPRIATE
15 BY THE BOARD.

16 (B) CHARACTER REQUIREMENTS.--AN APPLICATION FOR A TERMINAL
17 OPERATOR LICENSE SHALL INCLUDE SUCH INFORMATION, DOCUMENTATION
18 AND ASSURANCES AS MAY BE REQUIRED TO ESTABLISH BY CLEAR AND
19 CONVINCING EVIDENCE OF THE APPLICANT'S SUITABILITY, INCLUDING
20 GOOD CHARACTER, HONESTY AND INTEGRITY. THE APPLICATION SHALL
21 INCLUDE, WITHOUT LIMITATION, INFORMATION PERTAINING TO FAMILY,
22 HABITS, CHARACTER, REPUTATION, CRIMINAL HISTORY BACKGROUND,
23 BUSINESS ACTIVITIES, FINANCIAL AFFAIRS AND BUSINESS,
24 PROFESSIONAL AND PERSONAL ASSOCIATES, COVERING AT LEAST THE 10-
25 YEAR PERIOD IMMEDIATELY PRECEDING THE FILING DATE OF THE
26 APPLICATION.

27 (C) CIVIL JUDGMENTS.--AN APPLICANT SHALL NOTIFY THE BOARD OF
28 ANY CIVIL JUDGMENT OBTAINED AGAINST THE APPLICANT PERTAINING TO
29 LAWS OF THE FEDERAL GOVERNMENT, THIS COMMONWEALTH OR ANOTHER
30 STATE, JURISDICTION, PROVINCE OR COUNTRY.

1 (D) (RESERVED).

2 (E) (RESERVED).

3 (F) ADDITIONAL ELIGIBILITY REQUIREMENTS.--IN ORDER TO BE
4 ELIGIBLE FOR A TERMINAL OPERATOR LICENSE UNDER THIS PART, THE
5 PRINCIPALS AND KEY EMPLOYEES OF THE APPLICANT MUST OBTAIN A
6 LICENSE TO MEET THE CHARACTER REQUIREMENTS OF THIS SECTION OR
7 OTHER ELIGIBILITY REQUIREMENTS ESTABLISHED BY THE BOARD.

8 (G) CLASSIFICATION SYSTEM.--THE BOARD SHALL DEVELOP A
9 CLASSIFICATION SYSTEM FOR OTHER AGENTS, EMPLOYEES OR PERSONS WHO
10 DIRECTLY OR INDIRECTLY HOLD OR ARE DEEMED TO BE HOLDING DEBT OR
11 EQUITY SECURITIES OR OTHER FINANCIAL INTEREST IN THE APPLICANT
12 AND FOR OTHER PERSONS THAT THE BOARD CONSIDERS APPROPRIATE FOR
13 REVIEW UNDER THIS SECTION.

14 (H) RELATED ENTITIES.--

15 (1) EXCEPT AS PROVIDED IN PARAGRAPH (2), NO PERSON SHALL
16 BE ELIGIBLE TO RECEIVE A TERMINAL OPERATOR LICENSE UNLESS THE
17 PRINCIPALS AND KEY EMPLOYEES OF EACH INTERMEDIARY OR HOLDING
18 COMPANY OF THE PERSON MEET THE REQUIREMENTS OF SUBSECTION
19 (F).

20 (2) THE BOARD MAY REQUIRE THAT LENDERS AND UNDERWRITERS
21 OF INTERMEDIARIES, SUBSIDIARIES OR HOLDING COMPANIES OF A
22 TERMINAL OPERATOR LICENSE APPLICANT MEET THE REQUIREMENTS OF
23 SUBSECTION (F) IF THE BOARD DETERMINES THAT THE SUITABILITY
24 OF A LENDER OR UNDERWRITER IS AT ISSUE AND NECESSARY TO
25 CONSIDER A PENDING APPLICATION FOR A TERMINAL OPERATOR
26 LICENSE.

27 (I) REVOCABLE PRIVILEGE.--THE ISSUANCE OR RENEWAL OF A
28 LICENSE OR OTHER AUTHORIZATION BY THE BOARD UNDER THIS SECTION
29 SHALL BE A REVOCABLE PRIVILEGE.

30 (J) WAIVER FOR PUBLICLY TRADED CORPORATIONS.--THE BOARD MAY

1 WAIVE THE REQUIREMENTS OF SUBSECTION (F) FOR A PERSON DIRECTLY
2 OR INDIRECTLY HOLDING OWNERSHIP OF SECURITIES IN A PUBLICLY
3 TRADED CORPORATION IF THE BOARD DETERMINES THAT THE HOLDER OF
4 THE SECURITIES DOES NOT HAVE THE ABILITY TO CONTROL THE
5 CORPORATION OR ELECT ONE OR MORE DIRECTORS THEREOF.

6 (K) (RESERVED).

7 (L) ONGOING DUTY.--A PERSON APPLYING FOR A LICENSE OR OTHER
8 AUTHORIZATION UNDER THIS PART SHALL CONTINUE TO PROVIDE
9 INFORMATION REQUIRED BY THE BOARD OR THE BUREAU AND COOPERATE IN
10 ANY INQUIRY OR INVESTIGATION.

11 (M) CRIMINAL HISTORY RECORD CHECK.--THE BOARD MAY CONDUCT A
12 CRIMINAL HISTORY RECORD CHECK ON A PERSON FOR WHOM A WAIVER IS
13 GRANTED UNDER THIS SECTION.

14 (N) APPLICANT FINANCIAL INFORMATION.--

15 (1) THE BOARD SHALL REQUIRE AN APPLICANT FOR A TERMINAL
16 OPERATOR LICENSE TO PRODUCE THE INFORMATION, DOCUMENTATION
17 AND ASSURANCES CONCERNING FINANCIAL BACKGROUND AND RESOURCES
18 AS THE BOARD DEEMS NECESSARY TO ESTABLISH BY CLEAR AND
19 CONVINCING EVIDENCE THE FINANCIAL STABILITY, INTEGRITY AND
20 RESPONSIBILITY OF THE APPLICANT, ITS AFFILIATE, INTERMEDIARY,
21 SUBSIDIARY OR HOLDING COMPANY, INCLUDING, BUT NOT LIMITED TO,
22 BANK REFERENCES, BUSINESS AND PERSONAL INCOME AND
23 DISBURSEMENT SCHEDULES, TAX RETURNS AND OTHER REPORTS FILED
24 WITH GOVERNMENTAL AGENCIES AND BUSINESS AND PERSONAL
25 ACCOUNTING AND CHECK RECORDS AND LEDGERS.

26 (2) AN APPLICANT SHALL IN WRITING AUTHORIZE THE
27 EXAMINATION OF ALL BANK ACCOUNTS AND RECORDS AS MAY BE DEEMED
28 NECESSARY BY THE BOARD.

29 (O) FINANCIAL BACKER INFORMATION.--

30 (1) THE BOARD SHALL REQUIRE AN APPLICANT FOR A TERMINAL

1 OPERATOR LICENSE TO PRODUCE THE INFORMATION, DOCUMENTATION
2 AND ASSURANCES AS MAY BE NECESSARY TO ESTABLISH BY CLEAR AND
3 CONVINCING EVIDENCE THE INTEGRITY OF ALL FINANCIAL BACKERS,
4 INSTITUTIONAL INVESTORS, INVESTORS, MORTGAGEES, BONDHOLDERS
5 AND HOLDERS OF INDENTURES, NOTES OR OTHER EVIDENCES OF
6 INDEBTEDNESS, EITHER IN EFFECT OR PROPOSED.

7 (2) THE BOARD MAY WAIVE THE QUALIFICATION REQUIREMENTS
8 FOR BANKING OR LENDING INSTITUTION AND INSTITUTIONAL
9 INVESTORS.

10 (3) A BANKING OR LENDING INSTITUTION OR INSTITUTIONAL
11 INVESTOR SHALL PRODUCE FOR THE BOARD UPON REQUEST ANY
12 DOCUMENT OR INFORMATION THAT BEARS RELATION TO THE PROPOSAL
13 SUBMITTED BY THE APPLICANT OR APPLICANTS.

14 (4) THE INTEGRITY OF THE FINANCIAL SOURCES SHALL BE
15 JUDGED UPON THE SAME STANDARDS AS THE APPLICANT. ANY SUCH
16 PERSON OR ENTITY SHALL PRODUCE FOR THE BOARD UPON REQUEST ANY
17 DOCUMENT OR INFORMATION WHICH BEARS ANY RELATION TO THE
18 APPLICATION.

19 (5) THE APPLICANT SHALL PRODUCE WHATEVER INFORMATION,
20 DOCUMENTATION OR ASSURANCES THE BOARD REQUIRES TO ESTABLISH
21 BY CLEAR AND CONVINCING EVIDENCE THE ADEQUACY OF FINANCIAL
22 RESOURCES.

23 (P) APPLICANT'S BUSINESS EXPERIENCE.--

24 (1) THE BOARD SHALL REQUIRE AN APPLICANT FOR A TERMINAL
25 OPERATOR LICENSE TO PRODUCE THE INFORMATION, DOCUMENTATION
26 AND ASSURANCES AS THE BOARD MAY REQUIRE TO ESTABLISH BY CLEAR
27 AND CONVINCING EVIDENCE THAT THE APPLICANT HAS SUFFICIENT
28 BUSINESS ABILITY AND EXPERIENCE TO CREATE AND MAINTAIN A
29 SUCCESSFUL, EFFICIENT OPERATION.

30 (2) AN APPLICANT SHALL PRODUCE THE NAMES OF ALL PROPOSED

1 KEY EMPLOYEES AND A DESCRIPTION OF THEIR RESPECTIVE OR
2 PROPOSED RESPONSIBILITIES AS THEY BECOME KNOWN.

3 (Q) ADDITIONAL INFORMATION.--IN ADDITION TO OTHER
4 INFORMATION REQUIRED BY THIS PART, A PERSON APPLYING FOR A
5 TERMINAL OPERATOR LICENSE SHALL PROVIDE THE FOLLOWING
6 INFORMATION:

7 (1) THE ORGANIZATION, FINANCIAL STRUCTURE AND NATURE OF
8 ALL BUSINESSES OPERATED BY THE PERSON, INCLUDING ANY
9 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANIES, THE
10 NAMES AND PERSONAL EMPLOYMENT AND CRIMINAL HISTORIES OF ALL
11 OFFICERS, DIRECTORS AND KEY EMPLOYEES OF THE CORPORATION; THE
12 NAMES OF ALL HOLDING, INTERMEDIARY, AFFILIATE AND SUBSIDIARY
13 COMPANIES OF THE CORPORATION; AND THE ORGANIZATION, FINANCIAL
14 STRUCTURE AND NATURE OF ALL BUSINESSES OPERATED BY SUCH
15 HOLDING, INTERMEDIARY AND SUBSIDIARY COMPANIES AS THE BOARD
16 MAY REQUIRE, INCLUDING NAMES AND PERSONAL EMPLOYMENT AND
17 CRIMINAL HISTORIES OF SUCH OFFICERS, DIRECTORS AND PRINCIPAL
18 EMPLOYEES OF SUCH CORPORATIONS AND COMPANIES AS THE BOARD MAY
19 REQUIRE.

20 (2) THE EXTENT OF SECURITIES HELD IN THE CORPORATION BY
21 ALL OFFICERS, DIRECTORS AND UNDERWRITERS AND THEIR
22 REMUNERATION IN THE FORM OF SALARY, WAGES, FEES OR OTHERWISE.

23 (3) COPIES OF ALL MANAGEMENT AND SERVICE CONTRACTS.

24 (R) REVIEW AND APPROVAL.--UPON BEING SATISFIED THAT THE
25 REQUIREMENTS OF SUBSECTIONS (A), (B), (C), (F), (G), (H), (I),
26 (J), (L), (M), (N), (O), (P) AND (Q) HAVE BEEN MET, THE BOARD
27 MAY APPROVE THE APPLICATION AND ISSUE THE APPLICANT A TERMINAL
28 OPERATOR LICENSE CONSISTENT WITH ALL OF THE FOLLOWING:

29 (1) (I) THE LICENSE SHALL BE VALID FOR A PERIOD OF FIVE
30 YEARS.

1 (II) NOTHING IN THIS PARAGRAPH SHALL BE CONSTRUED TO
2 RELIEVE A LICENSEE OF THE AFFIRMATIVE DUTY TO NOTIFY THE
3 BOARD OF ANY CHANGES RELATING TO THE STATUS OF ITS
4 LICENSE OR TO ANY INFORMATION CONTAINED IN THE
5 APPLICATION MATERIALS ON FILE WITH THE BOARD.

6 (2) THE LICENSE SHALL BE NONTRANSFERABLE.

7 (3) ANY OTHER CONDITION ESTABLISHED BY THE BOARD.

8 (S) RENEWAL.--

9 (1) AT LEAST SIX MONTHS PRIOR TO EXPIRATION OF A
10 TERMINAL OPERATOR LICENSE, THE TERMINAL OPERATOR LICENSEE
11 SEEKING RENEWAL OF ITS LICENSE SHALL SUBMIT A RENEWAL
12 APPLICATION TO THE BOARD.

13 (2) IF THE RENEWAL APPLICATION SATISFIES THE
14 REQUIREMENTS OF SUBSECTIONS (A), (B), (C), (F), (G), (H),
15 (I), (J), (L), (M), (N), (O), (P) AND (Q), THE BOARD MAY
16 RENEW THE LICENSEE'S TERMINAL OPERATOR LICENSE.

17 (3) IF THE BOARD RECEIVES A COMPLETE RENEWAL APPLICATION
18 BUT FAILS TO ACT UPON THE RENEWAL APPLICATION PRIOR TO THE
19 EXPIRATION OF THE TERMINAL OPERATOR LICENSE, THE TERMINAL
20 OPERATOR LICENSE SHALL CONTINUE IN EFFECT UNTIL ACTED UPON BY
21 THE BOARD.

22 § 3503. (RESERVED).

23 § 3504. PRINCIPAL LICENSES.

24 (A) LICENSE REQUIRED.--ALL PRINCIPALS SHALL OBTAIN A
25 PRINCIPAL LICENSE FROM THE BOARD.

26 (B) APPLICATION.--A PRINCIPAL LICENSE APPLICATION SHALL BE
27 IN A FORM PRESCRIBED BY THE BOARD AND SHALL INCLUDE THE
28 FOLLOWING:

29 (1) VERIFICATION OF STATUS AS A PRINCIPAL FROM A
30 TERMINAL OPERATOR LICENSEE, MANUFACTURER LICENSEE OR SUPPLIER

1 LICENSEE.

2 (2) A DESCRIPTION OF RESPONSIBILITIES AS A PRINCIPAL.

3 (3) ALL RELEASES NECESSARY TO OBTAIN INFORMATION FROM
4 GOVERNMENTAL AGENCIES, EMPLOYERS AND OTHER ORGANIZATIONS.

5 (4) DETAILS RELATING TO A SIMILAR LICENSE, PERMIT OR
6 OTHER AUTHORIZATION OBTAINED IN ANOTHER JURISDICTION.

7 (5) ADDITIONAL INFORMATION REQUIRED BY THE BOARD.

8 (C) ISSUANCE.--FOLLOWING REVIEW OF THE APPLICATION AND THE
9 BACKGROUND INVESTIGATION, THE BOARD MAY ISSUE A PRINCIPAL
10 LICENSE IF THE APPLICANT HAS PROVEN BY CLEAR AND CONVINCING
11 EVIDENCE THAT THE APPLICANT IS A PERSON OF GOOD CHARACTER,
12 HONESTY AND INTEGRITY AND IS ELIGIBLE AND SUITABLE TO BE
13 LICENSED AS A PRINCIPAL.

14 (D) NONTRANSFERABILITY.--A LICENSE ISSUED UNDER THIS SECTION
15 SHALL BE NONTRANSFERABLE.

16 (E) PRINCIPALS.--AN INDIVIDUAL WHO RECEIVES A PRINCIPAL
17 LICENSE NEED NOT OBTAIN A KEY EMPLOYEE LICENSE.

18 § 3505. KEY EMPLOYEE LICENSES.

19 (A) LICENSE REQUIRED.--ALL KEY EMPLOYEES SHALL OBTAIN A KEY
20 EMPLOYEE LICENSE FROM THE BOARD.

21 (B) APPLICATION.--A KEY EMPLOYEE LICENSE APPLICATION SHALL
22 BE IN A FORM PRESCRIBED BY THE BOARD AND SHALL INCLUDE THE
23 FOLLOWING:

24 (1) VERIFICATION OF STATUS AS A KEY EMPLOYEE FROM A
25 TERMINAL OPERATOR LICENSEE, ESTABLISHMENT LICENSEE,
26 MANUFACTURER LICENSEE OR SUPPLIER LICENSEE.

27 (2) A DESCRIPTION OF EMPLOYMENT RESPONSIBILITIES.

28 (3) ALL RELEASES NECESSARY TO OBTAIN INFORMATION FROM
29 GOVERNMENTAL AGENCIES, EMPLOYERS AND OTHER ORGANIZATIONS.

30 (4) DETAILS RELATING TO A SIMILAR LICENSE OR OTHER

1 AUTHORIZATION OBTAINED IN ANOTHER JURISDICTION.

2 (5) ADDITIONAL INFORMATION REQUIRED BY THE BOARD.

3 (C) ISSUANCE.--FOLLOWING REVIEW OF THE APPLICATION AND THE
4 BACKGROUND INVESTIGATION, THE BOARD MAY ISSUE A KEY EMPLOYEE
5 LICENSE IF THE APPLICANT HAS PROVEN BY CLEAR AND CONVINCING
6 EVIDENCE THAT THE APPLICANT IS A PERSON OF GOOD CHARACTER,
7 HONESTY AND INTEGRITY AND IS ELIGIBLE AND SUITABLE TO BE
8 LICENSED AS A KEY EMPLOYEE.

9 (D) NONTRANSFERABILITY.--A LICENSE ISSUED UNDER THIS SECTION
10 SHALL BE NONTRANSFERABLE.

11 § 3506. DIVESTITURE OF DISQUALIFYING APPLICANT.

12 (A) BOARD POWER TO REQUIRE.--

13 (1) IN THE EVENT THAT ANY ESTABLISHMENT LICENSE
14 APPLICATION, TERMINAL OPERATOR LICENSE APPLICATION, SUPPLIER
15 LICENSE APPLICATION OR MANUFACTURER LICENSE APPLICATION IS
16 NOT APPROVED BY THE BOARD BASED ON A FINDING THAT AN
17 INDIVIDUAL WHO IS A PRINCIPAL OR HAS AN INTEREST IN THE
18 PERSON APPLYING FOR THE LICENSE DOES NOT MEET THE CHARACTER
19 REQUIREMENTS OF THIS PART OR ANY OF THE ELIGIBILITY
20 REQUIREMENTS UNDER THIS PART OR A PERSON WHO PURCHASES A
21 CONTROLLING INTEREST IN THE APPLICANT IN VIOLATION OF SECTION
22 3517 (RELATING TO CHANGE IN OWNERSHIP OR CONTROL OF TERMINAL
23 OPERATOR LICENSEE), THE BOARD MAY AFFORD THE INDIVIDUAL THE
24 OPPORTUNITY TO COMPLETELY DIVEST HIS INTEREST IN THE PERSON,
25 ITS AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY
26 SEEKING THE LICENSE AND, AFTER SUCH DIVESTITURE, RECONSIDER
27 THE PERSON'S OR APPLICANT'S SUITABILITY FOR LICENSURE IN AN
28 EXPEDITED PROCEEDING AND MAY, AFTER SUCH PROCEEDING, ISSUE
29 THE PERSON OR APPLICANT A TERMINAL OPERATOR LICENSE.

30 (2) THE BOARD SHALL APPROVE THE TERMS AND CONDITIONS OF

1 ANY DIVESTITURE UNDER THIS SECTION.

2 (B) LIMITATION.--UNDER NO CIRCUMSTANCES SHALL ANY
3 DIVESTITURE BE APPROVED BY THE BOARD IF THE COMPENSATION FOR THE
4 DIVESTED INTEREST EXCEEDS THE COST OF THE INTEREST.

5 § 3507. SUPPLIER LICENSES.

6 (A) APPLICATION.--

7 (1) A MANUFACTURER THAT ELECTS TO CONTRACT WITH A
8 SUPPLIER UNDER SECTION 3508 (RELATING TO MANUFACTURER
9 LICENSES) SHALL ENSURE THAT THE SUPPLIER IS APPROPRIATELY
10 LICENSED UNDER THIS SECTION.

11 (2) A PERSON SEEKING TO PROVIDE VIDEO GAMING TERMINALS,
12 REDEMPTION TERMINALS OR ASSOCIATED EQUIPMENT TO A TERMINAL
13 OPERATOR LICENSEE WITHIN THIS COMMONWEALTH THROUGH A CONTRACT
14 WITH A LICENSED MANUFACTURER MUST APPLY TO THE BOARD FOR THE
15 APPROPRIATE SUPPLIER LICENSE.

16 (B) REQUIREMENTS.--AN APPLICATION FOR A SUPPLIER LICENSE
17 SHALL BE ON THE FORM REQUIRED BY THE BOARD AND SHALL INCLUDE ALL
18 OF THE FOLLOWING:

19 (1) THE NAME AND BUSINESS ADDRESS OF THE APPLICANT AND
20 THE APPLICANT'S AFFILIATES, INTERMEDIARIES, SUBSIDIARIES AND
21 HOLDING COMPANIES; THE PRINCIPALS AND KEY EMPLOYEES OF EACH
22 BUSINESS; AND A LIST OF EMPLOYEES AND THEIR POSITIONS WITHIN
23 EACH BUSINESS, AS WELL AS FINANCIAL INFORMATION REQUIRED BY
24 THE BOARD.

25 (2) A STATEMENT THAT THE APPLICANT AND EACH AFFILIATE,
26 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF THE APPLICANT
27 ARE NOT TERMINAL OPERATOR LICENSEES.

28 (3) PROOF THAT THE APPLICANT HAS OR WILL ESTABLISH A
29 PLACE OF BUSINESS IN THIS COMMONWEALTH. A SUPPLIER LICENSEE
30 SHALL MAINTAIN ITS PLACE OF BUSINESS IN THIS COMMONWEALTH TO

1 REMAIN ELIGIBLE FOR LICENSURE.

2 (4) THE CONSENT TO A BACKGROUND INVESTIGATION BY THE
3 BUREAU OF THE APPLICANT, ITS PRINCIPALS AND KEY EMPLOYEES OR
4 OTHER PERSONS REQUIRED BY THE BOARD AND A RELEASE TO OBTAIN
5 THE INFORMATION NECESSARY FOR THE COMPLETION OF THE
6 BACKGROUND INVESTIGATION.

7 (5) THE DETAILS OF ANY SUPPLIER LICENSE ISSUED BY THE
8 BOARD TO THE APPLICANT UNDER SECTION 1317 (RELATING TO
9 SUPPLIER LICENSES), IF APPLICABLE.

10 (6) THE DETAILS OF ANY EQUIVALENT LICENSE GRANTED OR
11 DENIED BY OTHER JURISDICTIONS WHERE GAMING ACTIVITIES AS
12 AUTHORIZED BY THIS PART ARE PERMITTED.

13 (7) THE TYPE OF GOODS AND SERVICES TO BE SUPPLIED AND
14 WHETHER THOSE GOODS AND SERVICES WILL BE PROVIDED THROUGH
15 PURCHASE, LEASE, CONTRACT OR OTHERWISE.

16 (8) OTHER INFORMATION DETERMINED BY THE BOARD TO BE
17 APPROPRIATE.

18 (C) REVIEW AND APPROVAL.--UPON BEING SATISFIED THAT THE
19 REQUIREMENTS OF SUBSECTION (B) HAVE BEEN MET, THE BOARD MAY
20 APPROVE THE APPLICATION AND ISSUE THE APPLICANT A SUPPLIER
21 LICENSE CONSISTENT WITH ALL OF THE FOLLOWING:

22 (1) (I) THE LICENSE SHALL BE VALID FOR A PERIOD OF FIVE
23 YEARS.

24 (II) NOTHING IN THIS PARAGRAPH SHALL BE CONSTRUED TO
25 RELIEVE A LICENSEE OF THE AFFIRMATIVE DUTY TO NOTIFY THE
26 BOARD OF A CHANGE RELATING TO THE STATUS OF ITS LICENSE
27 OR TO INFORMATION CONTAINED IN THE APPLICATION MATERIALS
28 ON FILE WITH THE BOARD.

29 (2) THE LICENSE SHALL BE NONTRANSFERABLE.

30 (3) OTHER CONDITIONS ESTABLISHED BY THE BOARD.

1 (D) RENEWAL.--

2 (1) AT LEAST SIX MONTHS PRIOR TO EXPIRATION OF A
3 SUPPLIER LICENSE, THE SUPPLIER LICENSEE SEEKING RENEWAL OF
4 ITS LICENSE SHALL SUBMIT A RENEWAL APPLICATION TO THE BOARD.

5 (2) IF THE RENEWAL APPLICATION SATISFIES THE
6 REQUIREMENTS OF SUBSECTION (B), THE BOARD MAY RENEW THE
7 LICENSEE'S SUPPLIER LICENSE.

8 (3) IF THE BOARD RECEIVES A COMPLETE RENEWAL APPLICATION
9 BUT FAILS TO ACT UPON THE RENEWAL APPLICATION PRIOR TO THE
10 EXPIRATION OF THE SUPPLIER LICENSE, THE SUPPLIER LICENSE
11 SHALL CONTINUE IN EFFECT UNTIL ACTED UPON BY THE BOARD.

12 § 3508. MANUFACTURER LICENSES.

13 (A) APPLICATION.--A PERSON SEEKING TO MANUFACTURE VIDEO
14 GAMING TERMINALS, REDEMPTION TERMINALS AND ASSOCIATED EQUIPMENT
15 FOR USE IN THIS COMMONWEALTH MUST APPLY TO THE BOARD FOR A
16 MANUFACTURER LICENSE.

17 (B) REQUIREMENTS.--AN APPLICATION FOR A MANUFACTURER LICENSE
18 SHALL BE ON THE FORM REQUIRED BY THE BOARD AND SHALL INCLUDE ALL
19 OF THE FOLLOWING:

20 (1) THE NAME AND BUSINESS ADDRESS OF THE APPLICANT AND
21 THE APPLICANT'S AFFILIATES, INTERMEDIARIES, SUBSIDIARIES AND
22 HOLDING COMPANIES; THE PRINCIPALS AND KEY EMPLOYEES OF EACH
23 BUSINESS; AND A LIST OF EMPLOYEES AND THEIR POSITIONS WITHIN
24 EACH BUSINESS, AS WELL AS FINANCIAL INFORMATION REQUIRED BY
25 THE BOARD.

26 (2) A STATEMENT THAT THE APPLICANT AND EACH AFFILIATE,
27 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF THE APPLICANT
28 ARE NOT TERMINAL OPERATOR LICENSEES.

29 (3) THE CONSENT TO A BACKGROUND INVESTIGATION BY THE
30 BUREAU OF THE APPLICANT, ITS PRINCIPALS, ITS KEY EMPLOYEES,

1 ITS INTERMEDIARIES, ITS SUBSIDIARIES OR OTHER PERSONS
2 REQUIRED BY THE BOARD AND A RELEASE TO OBTAIN THE INFORMATION
3 NECESSARY FOR THE COMPLETION OF THE BACKGROUND INVESTIGATION.

4 (4) THE DETAILS OF ANY EQUIVALENT LICENSE GRANTED OR
5 DENIED BY OTHER JURISDICTIONS WHERE GAMING ACTIVITIES AS
6 AUTHORIZED BY THIS PART ARE PERMITTED.

7 (5) THE DETAILS OF ANY MANUFACTURER LICENSE ISSUED BY
8 THE BOARD TO THE APPLICANT UNDER SECTION 1317.1 (RELATING TO
9 MANUFACTURER LICENSES), IF APPLICABLE.

10 (6) THE TYPE OF VIDEO GAMING TERMINALS, REDEMPTION
11 TERMINALS OR ASSOCIATED EQUIPMENT TO BE MANUFACTURED OR
12 REPAIRED.

13 (7) OTHER INFORMATION DETERMINED BY THE BOARD TO BE
14 APPROPRIATE.

15 (C) REVIEW AND APPROVAL.--UPON BEING SATISFIED THAT THE
16 REQUIREMENTS OF SUBSECTION (B) HAVE BEEN MET, THE BOARD MAY
17 APPROVE THE APPLICATION AND GRANT THE APPLICANT A MANUFACTURER
18 LICENSE CONSISTENT WITH ALL OF THE FOLLOWING:

19 (1) (I) THE LICENSE SHALL BE VALID FOR A PERIOD OF FIVE
20 YEARS.

21 (II) NOTHING IN THIS PARAGRAPH SHALL BE CONSTRUED TO
22 RELIEVE THE LICENSEE OF THE AFFIRMATIVE DUTY TO NOTIFY
23 THE BOARD OF A CHANGE RELATING TO THE STATUS OF ITS
24 LICENSE OR TO OTHER INFORMATION CONTAINED IN APPLICATION
25 MATERIALS ON FILE WITH THE BOARD.

26 (2) THE LICENSE SHALL BE NONTRANSFERABLE.

27 (3) OTHER CONDITIONS ESTABLISHED BY THE BOARD.

28 (D) RENEWAL.--

29 (1) AT LEAST SIX MONTHS PRIOR TO EXPIRATION OF A
30 MANUFACTURER LICENSE, THE MANUFACTURER LICENSEE SEEKING

1 RENEWAL OF ITS LICENSE SHALL SUBMIT A RENEWAL APPLICATION
2 ACCOMPANIED BY THE RENEWAL FEE TO THE BOARD.

3 (2) IF THE RENEWAL APPLICATION SATISFIES THE
4 REQUIREMENTS OF SUBSECTION (B), THE BOARD MAY RENEW THE
5 LICENSEE'S MANUFACTURER LICENSE.

6 (3) IF THE BOARD RECEIVES A COMPLETE RENEWAL APPLICATION
7 BUT FAILS TO ACT UPON THE RENEWAL APPLICATION PRIOR TO THE
8 EXPIRATION OF THE MANUFACTURER LICENSE, THE MANUFACTURER
9 LICENSE SHALL CONTINUE IN EFFECT UNTIL ACTED UPON BY THE
10 BOARD.

11 (E) AUTHORITY.--THE FOLLOWING SHALL APPLY TO A LICENSED
12 MANUFACTURER:

13 (1) A MANUFACTURER OR ITS DESIGNEE, AS LICENSED BY THE
14 BOARD, MAY SUPPLY OR REPAIR A VIDEO GAMING TERMINAL,
15 REDEMPTION TERMINAL OR ASSOCIATED EQUIPMENT MANUFACTURED BY
16 THE MANUFACTURER, PROVIDED THE MANUFACTURER HOLDS THE
17 APPROPRIATE MANUFACTURER LICENSE.

18 (2) A MANUFACTURER OF VIDEO GAMING TERMINALS OR
19 REDEMPTION TERMINALS MAY CONTRACT WITH A SUPPLIER UNDER
20 SECTION 3507 (RELATING TO SUPPLIER LICENSES) TO PROVIDE VIDEO
21 GAMING TERMINALS, REDEMPTION TERMINALS OR ASSOCIATED
22 EQUIPMENT TO A TERMINAL OPERATOR LICENSEE WITHIN THIS
23 COMMONWEALTH, PROVIDED THE SUPPLIER IS LICENSED TO SUPPLY
24 VIDEO GAMING TERMINALS, REDEMPTION TERMINALS OR ASSOCIATED
25 EQUIPMENT.

26 (F) PROHIBITIONS.--

27 (1) NO PERSON MAY MANUFACTURE VIDEO GAMING TERMINALS,
28 REDEMPTION TERMINALS OR ASSOCIATED EQUIPMENT FOR USE WITHIN
29 THIS COMMONWEALTH BY A TERMINAL OPERATOR LICENSEE UNLESS THE
30 PERSON HAS BEEN ISSUED THE APPROPRIATE MANUFACTURER LICENSE

1 UNDER THIS SECTION.

2 (2) NO PERSON ISSUED A LICENSE UNDER THIS SECTION MAY
3 APPLY FOR OR BE ISSUED A TERMINAL OPERATOR LICENSE UNDER
4 SECTION 3502 (RELATING TO TERMINAL OPERATOR LICENSES) OR
5 ESTABLISHMENT LICENSE UNDER SECTION 3514 (RELATING TO
6 ESTABLISHMENT LICENSES).

7 § 3509. GAMING SERVICE PROVIDER.

8 (A) DEVELOPMENT OF CLASSIFICATION SYSTEM.--THE BOARD SHALL
9 DEVELOP A CLASSIFICATION SYSTEM GOVERNING THE CERTIFICATION,
10 REGISTRATION AND REGULATION OF GAMING SERVICE PROVIDERS AND
11 INDIVIDUALS AND ENTITIES ASSOCIATED WITH THEM. THE
12 CLASSIFICATION SYSTEM SHALL BE BASED UPON THE FOLLOWING:

13 (1) WHETHER THE EMPLOYEES OF THE GAMING SERVICE PROVIDER
14 WILL HAVE ACCESS TO THE VIDEO GAMING AREA OR VIDEO GAMING
15 TERMINALS OR REDEMPTION TERMINALS PRIOR TO OR AFTER
16 INSTALLATION.

17 (2) WHETHER THE GOODS OR SERVICES PROVIDED OR TO BE
18 PROVIDED BY THE GAMING SERVICE PROVIDER WOULD IMPACT THE
19 INTEGRITY OF VIDEO GAMING TERMINALS, REDEMPTION TERMINALS OR
20 THE CONDUCT OF VIDEO GAMING.

21 (B) AUTHORITY TO EXEMPT.--THE BOARD MAY EXEMPT A PERSON OR
22 TYPE OF BUSINESS FROM THE REQUIREMENTS OF THIS SECTION IF THE
23 BOARD DETERMINES:

24 (1) THE PERSON OR TYPE OF BUSINESS IS REGULATED BY AN
25 AGENCY OF THE FEDERAL GOVERNMENT, AN AGENCY OF THE
26 COMMONWEALTH OR THE PENNSYLVANIA SUPREME COURT; OR

27 (2) THE REGULATION OF THE PERSON OR TYPE OF BUSINESS IS
28 DETERMINED NOT TO BE NECESSARY IN ORDER TO PROTECT THE PUBLIC
29 INTEREST OR THE INTEGRITY OF GAMING.

30 (C) DUTIES OF GAMING SERVICE PROVIDERS.--A GAMING SERVICE

1 PROVIDER SHALL HAVE A CONTINUING DUTY TO:

2 (1) PROVIDE ALL INFORMATION, DOCUMENTATION AND
3 ASSURANCES AS THE BOARD MAY REQUIRE.

4 (2) COOPERATE WITH THE BOARD IN INVESTIGATIONS, HEARINGS
5 AND ENFORCEMENT AND DISCIPLINARY ACTIONS.

6 (3) COMPLY WITH ALL CONDITIONS, RESTRICTIONS,
7 REQUIREMENTS, ORDERS AND RULINGS OF THE BOARD IN ACCORDANCE
8 WITH THIS PART.

9 (4) REPORT A CHANGE IN CIRCUMSTANCES THAT MAY RENDER THE
10 GAMING SERVICE PROVIDER INELIGIBLE, UNQUALIFIED OR UNSUITABLE
11 FOR CONTINUED REGISTRATION OR CERTIFICATION.

12 (D) REQUIREMENT FOR PERMIT.--THE BOARD MAY REQUIRE EMPLOYEES
13 OF A GAMING SERVICE PROVIDER TO OBTAIN A PERMIT OR OTHER
14 AUTHORIZATION IF, AFTER AN ANALYSIS OF DUTIES, RESPONSIBILITIES
15 AND FUNCTIONS, THE BOARD DETERMINES THAT A PERMIT OR OTHER
16 AUTHORIZATION IS NECESSARY TO PROTECT THE INTEGRITY OF GAMING.

17 (E) INTERIM AUTHORIZATION.--THE BOARD OR A DESIGNATED
18 EMPLOYEE OF THE BOARD MAY PERMIT A GAMING SERVICE PROVIDER
19 APPLICANT TO ENGAGE IN BUSINESS WITH AN APPLICANT FOR A TERMINAL
20 OPERATOR LICENSE OR A TERMINAL OPERATOR LICENSEE PRIOR TO
21 APPROVAL OF THE GAMING SERVICE PROVIDER APPLICATION IF THE
22 FOLLOWING CRITERIA HAVE BEEN SATISFIED:

23 (1) A COMPLETED APPLICATION HAS BEEN FILED WITH THE
24 BOARD BY THE GAMING SERVICE PROVIDER.

25 (2) THE TERMINAL OPERATOR LICENSE APPLICANT OR TERMINAL
26 OPERATOR LICENSEE CONTRACTING OR DOING BUSINESS WITH THE
27 GAMING SERVICE PROVIDER CERTIFIES THAT IT HAS PERFORMED DUE
28 DILIGENCE ON THE GAMING SERVICE PROVIDER AND BELIEVES THAT
29 THE APPLICANT MEETS THE QUALIFICATION TO BE A GAMING SERVICE
30 PROVIDER PURSUANT TO THIS SECTION.

1 (3) THE GAMING SERVICE PROVIDER APPLICANT AGREES IN
2 WRITING THAT THE GRANT OF INTERIM AUTHORIZATION TO CONDUCT
3 BUSINESS PRIOR TO BOARD APPROVAL OF THE APPLICATION DOES NOT
4 CREATE A RIGHT TO CONTINUE TO ENGAGE IN BUSINESS IF THE BOARD
5 DETERMINES THAT THE APPLICANT IS NOT SUITABLE OR CONTINUED
6 AUTHORIZATION IS NOT IN THE PUBLIC INTEREST.

7 (F) CONSTRUCTION.--NOTHING IN THIS SECTION SHALL BE
8 CONSTRUED TO PROHIBIT THE BOARD FROM RESCINDING A GRANT OF
9 INTERIM AUTHORIZATION IF, AT ANY TIME, THE SUITABILITY OF THE
10 PERSON SUBJECT TO INTERIM AUTHORIZATION IS AT ISSUE OR IF THE
11 PERSON FAILS TO COOPERATE WITH THE BOARD, THE BUREAU OR AN AGENT
12 OF THE BOARD OR BUREAU.

13 (G) GAMING SERVICE PROVIDER LISTS.--

14 (1) THE BOARD SHALL:

15 (I) DEVELOP AND MAINTAIN A LIST OF APPROVED GAMING
16 SERVICE PROVIDERS WHO ARE AUTHORIZED TO PROVIDE GOODS OR
17 SERVICES WHETHER UNDER A GRANT OF INTERIM OR CONTINUED
18 AUTHORIZATION.

19 (II) DEVELOP AND MAINTAIN A LIST OF PROHIBITED
20 GAMING SERVICE PROVIDERS.

21 (2) AN APPLICANT FOR A TERMINAL OPERATOR LICENSE OR A
22 TERMINAL OPERATOR LICENSEE MAY NOT ENTER INTO AN AGREEMENT OR
23 ENGAGE IN BUSINESS WITH A GAMING SERVICE PROVIDER LISTED ON
24 THE PROHIBITED GAMING SERVICE PROVIDER LIST.

25 (H) EMERGENCY AUTHORIZATION.--

26 (1) A TERMINAL OPERATOR LICENSEE MAY UTILIZE A GAMING
27 SERVICE PROVIDER THAT HAS NOT BEEN APPROVED BY THE BOARD WHEN
28 A THREAT TO PUBLIC HEALTH, WELFARE OR SAFETY EXISTS OR
29 CIRCUMSTANCES OUTSIDE THE CONTROL OF THE TERMINAL OPERATOR
30 LICENSEE REQUIRE IMMEDIATE ACTION TO MITIGATE DAMAGE OR LOSS

1 TO THE LICENSEE'S VIDEO GAMING TERMINALS.

2 (2) THE BOARD SHALL PROMULGATE REGULATIONS TO GOVERN THE
3 USE OF GAMING SERVICE PROVIDERS UNDER EMERGENCY
4 CIRCUMSTANCES. THE REGULATIONS SHALL INCLUDE A REQUIREMENT
5 THAT THE TERMINAL OPERATOR LICENSEE CONTACT THE BOARD
6 IMMEDIATELY UPON UTILIZING A GAMING SERVICE PROVIDER THAT HAS
7 NOT BEEN APPROVED BY THE BOARD.

8 (I) CRIMINAL HISTORY RECORD INFORMATION.--IF THE
9 CLASSIFICATION SYSTEM DEVELOPED BY THE BOARD IN ACCORDANCE WITH
10 SUBSECTION (A) REQUIRES A GAMING SERVICE PROVIDER OR AN
11 INDIVIDUAL OR ENTITY ASSOCIATED WITH THE GAMING SERVICE PROVIDER
12 TO SUBMIT TO OR PROVIDE THE BUREAU WITH CRIMINAL HISTORY RECORD
13 INFORMATION UNDER 18 PA.C.S. CH. 91 (RELATING TO CRIMINAL
14 HISTORY RECORD INFORMATION), THE BUREAU SHALL NOTIFY A TERMINAL
15 OPERATOR LICENSEE THAT SUBMITTED A CERTIFICATION UNDER
16 SUBSECTION (E) (2) WHETHER THE APPLICANT HAS BEEN CONVICTED OF A
17 FELONY OR MISDEMEANOR GAMBLING OFFENSE.
18 § 3510. OCCUPATION PERMIT.

19 (A) APPLICATION.--

20 (1) A PERSON WHO DESIRES TO BE A GAMING EMPLOYEE AND HAS
21 A BONA FIDE OFFER OF EMPLOYMENT FROM A TERMINAL OPERATOR
22 LICENSEE, ESTABLISHMENT LICENSEE OR SUPPLIER LICENSEE SHALL
23 APPLY TO THE BOARD FOR AN OCCUPATION PERMIT.

24 (2) A PERSON MAY NOT BE EMPLOYED AS A GAMING EMPLOYEE
25 UNLESS AND UNTIL THAT PERSON HOLDS AN APPROPRIATE OCCUPATION
26 PERMIT ISSUED UNDER THIS SECTION.

27 (3) THE BOARD MAY PROMULGATE REGULATIONS TO RECLASSIFY A
28 CATEGORY OF NONGAMING EMPLOYEES OR GAMING EMPLOYEES UPON A
29 FINDING THAT THE RECLASSIFICATION IS IN THE PUBLIC INTEREST
30 AND CONSISTENT WITH THE OBJECTIVES OF THIS PART.

1 (B) REQUIREMENTS.--THE APPLICATION FOR AN OCCUPATION PERMIT
2 SHALL INCLUDE, AT A MINIMUM:

3 (1) THE NAME AND HOME ADDRESS OF THE PERSON.

4 (2) THE PREVIOUS EMPLOYMENT HISTORY OF THE PERSON.

5 (3) THE CRIMINAL HISTORY RECORD OF THE PERSON, AS WELL
6 AS THE PERSON'S CONSENT FOR THE BUREAU TO CONDUCT A
7 BACKGROUND INVESTIGATION.

8 (4) A PHOTOGRAPH OF THE PERSON.

9 (5) EVIDENCE OF THE OFFER OF EMPLOYMENT AND THE NATURE
10 AND SCOPE OF THE PROPOSED DUTIES OF THE PERSON, IF KNOWN.

11 (6) THE DETAILS OF AN OCCUPATION PERMIT OR SIMILAR
12 LICENSE GRANTED OR DENIED TO THE APPLICANT IN OTHER
13 JURISDICTIONS.

14 (7) OTHER INFORMATION DETERMINED BY THE BOARD TO BE
15 APPROPRIATE.

16 (C) PROHIBITION.--NO TERMINAL OPERATOR LICENSEE MAY EMPLOY
17 OR PERMIT A PERSON UNDER 18 YEARS OF AGE TO RENDER SERVICE IN A
18 VIDEO GAMING AREA.

19 § 3511. ALTERNATIVE TERMINAL OPERATOR LICENSING STANDARDS.

20 (A) DETERMINATION.--

21 (1) THE BOARD MAY DETERMINE WHETHER THE LICENSING
22 STANDARDS OF ANOTHER JURISDICTION WITHIN THE UNITED STATES IN
23 WHICH AN APPLICANT, ITS AFFILIATE, INTERMEDIARY, SUBSIDIARY
24 OR HOLDING COMPANY FOR A TERMINAL OPERATOR LICENSE IS
25 SIMILARLY LICENSED ARE COMPREHENSIVE AND THOROUGH AND PROVIDE
26 SIMILAR ADEQUATE SAFEGUARDS AS THOSE REQUIRED BY THIS PART.

27 (2) IF THE BOARD MAKES THAT DETERMINATION, IT MAY ISSUE
28 A TERMINAL OPERATOR LICENSE TO AN APPLICANT WHO HOLDS A
29 TERMINAL OPERATOR LICENSE IN THE OTHER JURISDICTION AFTER
30 CONDUCTING AN EVALUATION OF THE INFORMATION RELATING TO THE

1 APPLICANT FROM THE OTHER JURISDICTIONS, AS UPDATED BY THE
2 BOARD, AND EVALUATING OTHER INFORMATION RELATED TO THE
3 APPLICANT RECEIVED FROM THAT JURISDICTION AND OTHER
4 JURISDICTIONS WHERE THE APPLICANT MAY BE LICENSED, THE BOARD
5 MAY INCORPORATE SUCH INFORMATION IN WHOLE OR IN PART INTO THE
6 BOARD'S EVALUATION OF THE APPLICANT.

7 (B) ABBREVIATED PROCESS.--

8 (1) IN THE EVENT AN APPLICANT FOR A TERMINAL OPERATOR
9 LICENSE IS LICENSED IN ANOTHER JURISDICTION, THE BOARD MAY
10 DETERMINE TO USE AN ALTERNATE PROCESS REQUIRING ONLY THAT
11 INFORMATION DETERMINED BY THE BOARD TO BE NECESSARY TO
12 CONSIDER THE ISSUANCE OF A LICENSE, INCLUDING FINANCIAL
13 VIABILITY OF THE LICENSEE, TO SUCH AN APPLICANT.

14 (2) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO WAIVE
15 FEES ASSOCIATED WITH OBTAINING A LICENSE THROUGH THE NORMAL
16 APPLICATION PROCESS.

17 (C) CURRENT LICENSE HOLDERS.--IN THE EVENT AN APPLICANT FOR
18 A TERMINAL OPERATOR LICENSE UNDER THIS PART HOLDS A SLOT MACHINE
19 LICENSE UNDER PART II (RELATING TO GAMING), THE BOARD MAY
20 DETERMINE TO USE AN ABBREVIATED PROCESS REQUIRING ONLY THAT
21 INFORMATION DETERMINED BY THE BOARD TO BE NECESSARY TO CONSIDER
22 THE ISSUANCE OF A LICENSE, INCLUDING FINANCIAL VIABILITY OF THE
23 APPLICANT.

24 § 3512. ALTERNATIVE MANUFACTURER LICENSING STANDARDS.

25 (A) DETERMINATION.--

26 (1) THE BOARD MAY DETERMINE WHETHER THE LICENSING
27 STANDARDS OF ANOTHER JURISDICTION WITHIN THE UNITED STATES IN
28 WHICH AN APPLICANT FOR A MANUFACTURER LICENSE IS SIMILARLY
29 LICENSED ARE COMPREHENSIVE AND THOROUGH AND PROVIDE SIMILAR
30 ADEQUATE SAFEGUARDS AS THOSE REQUIRED BY THIS PART.

1 (2) IF THE BOARD MAKES THAT DETERMINATION, IT MAY ISSUE
2 A MANUFACTURER LICENSE TO AN APPLICANT WHO HOLDS A SIMILAR
3 MANUFACTURER LICENSE IN THE OTHER JURISDICTION AFTER
4 CONDUCTING AN EVALUATION OF THE INFORMATION RELATING TO THE
5 APPLICANT FROM THE OTHER JURISDICTIONS, AS UPDATED BY THE
6 BOARD, AND EVALUATING OTHER INFORMATION RELATED TO THE
7 APPLICANT RECEIVED FROM THAT JURISDICTION AND OTHER
8 JURISDICTIONS WHERE THE APPLICANT MAY BE LICENSED, THE BOARD
9 MAY INCORPORATE SUCH INFORMATION IN WHOLE OR IN PART INTO THE
10 BOARD'S EVALUATION OF THE APPLICANT.

11 (B) ABBREVIATED PROCESS.--

12 (1) IN THE EVENT AN APPLICANT FOR A MANUFACTURER LICENSE
13 IS LICENSED IN ANOTHER JURISDICTION, THE BOARD MAY DETERMINE
14 TO USE AN ABBREVIATED PROCESS REQUIRING ONLY THAT INFORMATION
15 DETERMINED BY THE BOARD TO BE NECESSARY TO CONSIDER THE
16 ISSUANCE OF A LICENSE, INCLUDING FINANCIAL VIABILITY OF THE
17 APPLICANT.

18 (2) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO WAIVE
19 FEES ASSOCIATED WITH OBTAINING A LICENSE THROUGH THE NORMAL
20 APPLICATION PROCESS.

21 (C) CURRENT LICENSE HOLDERS.--IN THE EVENT AN APPLICANT FOR
22 A MANUFACTURER LICENSE UNDER THIS PART HOLDS A MANUFACTURER
23 LICENSE UNDER SECTION 1317.1 (RELATING TO MANUFACTURER
24 LICENSES), THE BOARD MAY DETERMINE TO USE AN ABBREVIATED PROCESS
25 REQUIRING ONLY THAT INFORMATION DETERMINED BY THE BOARD TO BE
26 NECESSARY TO CONSIDER THE ISSUANCE OF A LICENSE, INCLUDING
27 FINANCIAL VIABILITY OF THE APPLICANT.

28 § 3513. ALTERNATIVE SUPPLIER LICENSING STANDARDS.

29 (A) DETERMINATION.--

30 (1) THE BOARD MAY DETERMINE WHETHER THE LICENSING

1 STANDARDS OF ANOTHER JURISDICTION WITHIN THE UNITED STATES IN
2 WHICH AN APPLICANT FOR A SUPPLIER'S LICENSE IS SIMILARLY
3 LICENSED ARE COMPREHENSIVE AND THOROUGH AND PROVIDE SIMILAR
4 ADEQUATE SAFEGUARDS AS REQUIRED BY THIS PART.

5 (2) IF THE BOARD MAKES THAT DETERMINATION, IT MAY ISSUE
6 A SUPPLIER LICENSE TO AN APPLICANT WHO HOLDS A SIMILAR
7 SUPPLIER LICENSE IN ANOTHER JURISDICTION AFTER CONDUCTING AN
8 EVALUATION OF THE INFORMATION RELATING TO THE APPLICANT FROM
9 THE OTHER JURISDICTIONS, AS UPDATED BY THE BOARD, AND
10 EVALUATING OTHER INFORMATION RELATED TO THE APPLICANT
11 RECEIVED FROM THAT JURISDICTION AND OTHER JURISDICTIONS WHERE
12 THE APPLICANT MAY BE LICENSED. THE BOARD MAY INCORPORATE THE
13 INFORMATION IN WHOLE OR IN PART INTO ITS EVALUATION OF THE
14 APPLICANT.

15 (B) ABBREVIATED PROCESS.--

16 (1) IN THE EVENT AN APPLICANT FOR A SUPPLIER LICENSE IS
17 LICENSED IN ANOTHER JURISDICTION, THE BOARD MAY DETERMINE TO
18 USE AN ABBREVIATED PROCESS REQUIRING ONLY THAT INFORMATION
19 DETERMINED BY THE BOARD TO BE NECESSARY TO CONSIDER THE
20 ISSUANCE OF A LICENSE, INCLUDING FINANCIAL VIABILITY OF THE
21 APPLICANT.

22 (2) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO WAIVE
23 ANY FEES ASSOCIATED WITH OBTAINING A LICENSE THROUGH THE
24 NORMAL APPLICATION PROCESS.

25 (C) CURRENT LICENSE HOLDERS.--IN THE EVENT AN APPLICANT FOR
26 A SUPPLIER LICENSE UNDER THIS PART HOLDS A SUPPLIER LICENSE
27 UNDER SECTION 1317 (RELATING TO SUPPLIER LICENSES), THE BOARD
28 MAY DETERMINE TO USE AN ABBREVIATED PROCESS REQUIRING ONLY THAT
29 INFORMATION DETERMINED BY THE BOARD TO BE NECESSARY TO CONSIDER
30 THE ISSUANCE OF A LICENSE, INCLUDING FINANCIAL VIABILITY OF THE

1 APPLICANT.

2 § 3514. ESTABLISHMENT LICENSES.

3 (A) GENERAL REQUIREMENTS.--A TRUCK STOP ESTABLISHMENT THAT
4 SUBMITS AN APPLICATION FOR AN ESTABLISHMENT LICENSE SHALL
5 INCLUDE AT A MINIMUM:

6 (1) THE NAME, ADDRESS AND PHOTOGRAPH OF THE APPLICANT
7 AND ADDITIONAL FINANCIAL INFORMATION REQUIRED BY THE BOARD.

8 (2) A DESCRIPTION OF THE PROPOSED SURVEILLANCE AND
9 SECURITY MEASURES TO ENSURE THE SECURITY OF THE PROPOSED
10 VIDEO GAMING AREA.

11 (3) A CURRENT TAX LIEN CERTIFICATE ISSUED BY THE
12 DEPARTMENT.

13 (4) THE CRIMINAL HISTORY RECORD OF THE APPLICANT,
14 PRINCIPAL AND KEY EMPLOYEES AND A CONSENT FOR THE BUREAU TO
15 CONDUCT A BACKGROUND INVESTIGATION ON THE APPLICANT,
16 PRINCIPALS AND KEY EMPLOYEES.

17 (5) OTHER INFORMATION DETERMINED TO BE APPROPRIATE BY
18 THE BOARD.

19 (B) NONTRANSFERABILITY.--A LICENSE ISSUED UNDER THIS SECTION
20 SHALL BE NONTRANSFERABLE.

21 (C) ONGOING DUTY.--AN ESTABLISHMENT APPLYING FOR A LICENSE
22 UNDER THIS SECTION SHALL CONTINUE TO PROVIDE INFORMATION
23 REQUIRED BY THE BOARD OR THE BUREAU AND COOPERATE IN ANY INQUIRY
24 OR INVESTIGATION.

25 (D) REVIEW AND APPROVAL.--UPON BEING SATISFIED THAT THE
26 REQUIREMENTS OF SUBSECTION (A) HAVE BEEN MET, THE BOARD MAY
27 APPROVE THE APPLICATION AND ISSUE THE APPLICANT AN ESTABLISHMENT
28 LICENSE CONSISTENT WITH ALL OF THE FOLLOWING:

29 (1) (I) THE LICENSE SHALL BE VALID FOR A PERIOD OF FIVE
30 YEARS.

1 (II) NOTHING IN THIS PARAGRAPH SHALL BE CONSTRUED TO
2 RELIEVE A LICENSEE OF THE AFFIRMATIVE DUTY TO NOTIFY THE
3 BOARD OF A CHANGE RELATING TO THE STATUS OF ITS LICENSE
4 OR TO INFORMATION CONTAINED IN APPLICATION MATERIALS ON
5 FILE WITH THE BOARD.

6 (2) THE LICENSE SHALL BE NONTRANSFERABLE.

7 (3) OTHER CONDITIONS ESTABLISHED BY THE BOARD.

8 (E) RENEWAL.--

9 (1) AT LEAST THREE MONTHS PRIOR TO EXPIRATION OF AN
10 ESTABLISHMENT LICENSE, THE ESTABLISHMENT LICENSEE SEEKING
11 RENEWAL OF ITS LICENSE SHALL SUBMIT A RENEWAL APPLICATION
12 ACCOMPANIED BY THE RENEWAL FEE TO THE BOARD.

13 (2) IF THE RENEWAL APPLICATION SATISFIES THE
14 REQUIREMENTS OF SUBSECTION (D), THE BOARD MAY RENEW THE
15 LICENSEE'S ESTABLISHMENT LICENSE.

16 (3) IF THE BOARD RECEIVES A COMPLETE RENEWAL APPLICATION
17 BUT FAILS TO ACT UPON THE RENEWAL APPLICATION PRIOR TO THE
18 EXPIRATION OF THE ESTABLISHMENT LICENSE, THE ESTABLISHMENT
19 LICENSE SHALL CONTINUE IN EFFECT UNTIL ACTED UPON BY THE
20 BOARD.

21 (F) REQUIREMENT.--IN ORDER TO BE ELIGIBLE FOR AN
22 ESTABLISHMENT LICENSE, A TRUCK STOP ESTABLISHMENT MUST BE
23 LICENSED AS A LOTTERY SALES AGENT UNDER SECTION 305 OF THE ACT
24 OF AUGUST 26, 1971 (P.L.351, NO.91), KNOWN AS THE STATE LOTTERY
25 LAW, AND LICENSED TO TAKE ANY ACTIONS AUTHORIZED BY THE
26 DESIGNATION.

27 § 3515. LICENSE OR PERMIT PROHIBITION.

28 THE FOLLOWING APPLY:

29 (1) THE BOARD SHALL BE PROHIBITED FROM GRANTING A
30 LICENSE UNDER THIS PART TO ANY APPLICANT WHO HAS BEEN

1 CONVICTED OF A FELONY OFFENSE IN ANY JURISDICTION.

2 (2) IN ADDITION TO THE PROHIBITION UNDER PARAGRAPH (1),
3 THE BOARD SHALL BE PROHIBITED FROM GRANTING THE FOLLOWING:

4 (I) A PRINCIPAL LICENSE OR KEY EMPLOYEE LICENSE TO
5 AN INDIVIDUAL WHO HAS BEEN CONVICTED IN A JURISDICTION OF
6 A MISDEMEANOR GAMBLING OFFENSE, UNLESS 15 YEARS HAVE
7 ELAPSED FROM THE DATE OF CONVICTION FOR THE OFFENSE.

8 (II) A GAMING EMPLOYEE PERMIT OR A LICENSE OTHER
9 THAN A PRINCIPAL LICENSE OR KEY EMPLOYEE LICENSE TO AN
10 INDIVIDUAL WHO HAS BEEN CONVICTED IN A JURISDICTION OF A
11 MISDEMEANOR GAMBLING OFFENSE, UNLESS 15 YEARS HAVE
12 ELAPSED FROM THE DATE OF CONVICTION FOR THE OFFENSE.

13 (III) AN ESTABLISHMENT LICENSE TO AN APPLICANT WHO
14 HAS BEEN CONVICTED IN A JURISDICTION OF A MISDEMEANOR
15 GAMBLING OFFENSE, UNLESS 15 YEARS HAVE ELAPSED FROM THE
16 DATE OF CONVICTION FOR THE OFFENSE.

17 (3) FOLLOWING THE EXPIRATION OF ANY PROHIBITION PERIOD
18 APPLICABLE TO AN APPLICANT UNDER PARAGRAPH (2), IN
19 DETERMINING WHETHER TO ISSUE A LICENSE OR PERMIT, THE BOARD
20 SHALL CONSIDER THE FOLLOWING FACTORS:

21 (I) THE NATURE AND DUTIES OF THE APPLICANT'S
22 POSITION WITH THE LICENSED ENTITY.

23 (II) THE NATURE AND SERIOUSNESS OF THE OFFENSE OR
24 CONDUCT.

25 (III) THE CIRCUMSTANCES UNDER WHICH THE OFFENSE OR
26 CONDUCT OCCURRED.

27 (IV) THE AGE OF THE APPLICANT WHEN THE OFFENSE OR
28 CONDUCT WAS COMMITTED.

29 (V) WHETHER THE OFFENSE OR CONDUCT WAS AN ISOLATED
30 OR A REPEATED INCIDENT.

1 (VI) EVIDENCE OF REHABILITATION, INCLUDING GOOD
2 CONDUCT IN THE COMMUNITY, COUNSELING OR PSYCHIATRIC
3 TREATMENT RECEIVED AND THE RECOMMENDATION OF PERSONS WHO
4 HAVE SUBSTANTIAL CONTACT WITH THE APPLICANT.

5 (4) FOR PURPOSES OF THIS SECTION, A FELONY OFFENSE IS
6 ANY OF THE FOLLOWING:

7 (I) AN OFFENSE CLASSIFIED AS A FELONY OR PUNISHABLE
8 UNDER THE LAWS OF THIS COMMONWEALTH BY IMPRISONMENT FOR
9 MORE THAN FIVE YEARS.

10 (II) AN OFFENSE WHICH, UNDER THE LAWS OF ANOTHER
11 JURISDICTION, IS:

12 (A) CLASSIFIED AS A FELONY; OR

13 (B) PUNISHABLE BY IMPRISONMENT FOR MORE THAN
14 FIVE YEARS.

15 (III) AN OFFENSE UNDER THE LAWS OF ANOTHER
16 JURISDICTION WHICH, IF COMMITTED IN THIS COMMONWEALTH,
17 WOULD BE SUBJECT TO IMPRISONMENT FOR MORE THAN FIVE
18 YEARS.

19 § 3516. ISSUANCE AND RENEWAL.

20 (A) ISSUANCE.--

21 (1) IN ADDITION TO ANY OTHER CRITERIA PROVIDED UNDER
22 THIS PART, ANY TERMINAL OPERATOR, TRUCK STOP ESTABLISHMENT,
23 SUPPLIER, MANUFACTURER, GAMING EMPLOYEE, KEY EMPLOYEE,
24 PRINCIPAL OR OTHER PERSON THAT THE BOARD APPROVES AS
25 QUALIFIED TO RECEIVE A LICENSE, PERMIT OR OTHER AUTHORIZATION
26 UNDER THIS PART SHALL BE ISSUED A LICENSE OR PERMIT UPON THE
27 PAYMENT OF A FEE REQUIRED IN SECTION 4101 (RELATING TO FEES)
28 AND UPON THE FULFILLMENT OF CONDITIONS REQUIRED BY THE BOARD
29 OR PROVIDED FOR IN THIS PART.

30 (2) NOTHING CONTAINED IN THIS PART IS INTENDED OR SHALL

1 BE CONSTRUED TO CREATE AN ENTITLEMENT TO A LICENSE, PERMIT OR
2 OTHER AUTHORIZATION BY A PERSON.

3 (B) RENEWAL.--

4 (1) ALL PERMITS AND LICENSES ISSUED UNDER THIS PART
5 UNLESS OTHERWISE PROVIDED SHALL BE SUBJECT TO RENEWAL EVERY
6 FIVE YEARS.

7 (2) THE APPLICATION FOR RENEWAL OF A LICENSE OR PERMIT,
8 UNLESS OTHERWISE PROVIDED, SHALL BE SUBMITTED AT LEAST 180
9 DAYS PRIOR TO THE EXPIRATION OF THE PERMIT OR LICENSE AND
10 SHALL INCLUDE AN UPDATE OF THE INFORMATION CONTAINED IN THE
11 INITIAL AND ANY PRIOR RENEWAL APPLICATIONS AND THE PAYMENT OF
12 ANY RENEWAL FEE REQUIRED BY SECTION 4101.

13 (3) NOTHING IN THIS SUBSECTION SHALL BE CONSTRUED TO
14 RELIEVE A LICENSEE OR PERMITTEE OF THE AFFIRMATIVE DUTY TO
15 NOTIFY THE BOARD OF A CHANGE RELATING TO THE STATUS OF ITS
16 LICENSE OR PERMIT OR TO OTHER INFORMATION CONTAINED IN THE
17 APPLICATION MATERIALS ON FILE WITH THE BOARD.

18 (C) REVOCATION OR FAILURE TO RENEW.--

19 (1) IN ADDITION TO OTHER SANCTIONS THE BOARD MAY IMPOSE
20 UNDER THIS PART, THE BOARD MAY AT ITS DISCRETION SUSPEND,
21 REVOKE OR DENY RENEWAL OF A PERMIT OR LICENSE ISSUED UNDER
22 THIS PART IF IT RECEIVES INFORMATION FROM ANY SOURCE THAT THE
23 APPLICANT OR ANY OF ITS OFFICERS, DIRECTORS, OWNERS OR KEY
24 EMPLOYEES IS IN VIOLATION OF ANY PROVISION OF THIS PART, THAT
25 THE APPLICANT HAS FURNISHED THE BOARD WITH FALSE OR
26 MISLEADING INFORMATION OR THAT THE INFORMATION CONTAINED IN
27 THE APPLICANT'S INITIAL APPLICATION OR RENEWAL APPLICATION IS
28 NO LONGER TRUE AND CORRECT SUCH THAT THE APPLICANT IS NO
29 LONGER ELIGIBLE.

30 (2) IN THE EVENT OF A REVOCATION OR FAILURE TO RENEW,

1 THE LICENSEE'S AUTHORIZATION TO CONDUCT THE PREVIOUSLY
2 APPROVED ACTIVITY SHALL IMMEDIATELY CEASE THE ACTIVITY AND
3 ALL FEES PAID IN CONNECTION WITH THE LICENSE SHALL BE DEEMED
4 TO BE FORFEITED.

5 (3) IN THE EVENT OF A SUSPENSION, THE APPLICANT'S
6 AUTHORIZATION TO CONDUCT THE PREVIOUSLY APPROVED ACTIVITY
7 SHALL IMMEDIATELY CEASE UNTIL THE BOARD HAS NOTIFIED THE
8 APPLICANT THAT THE SUSPENSION IS NO LONGER IN EFFECT.

9 (D) NONTRANSFERABILITY OF LICENSES.--

10 (1) A LICENSE ISSUED BY THE BOARD IS A GRANT OF THE
11 PRIVILEGE TO CONDUCT A BUSINESS IN THIS COMMONWEALTH.

12 (2) EXCEPT AS PERMITTED BY SECTION 3517 (RELATING TO
13 CHANGE IN OWNERSHIP OR CONTROL OF TERMINAL OPERATOR
14 LICENSEE), NO LICENSE GRANTED OR RENEWED PURSUANT TO THIS
15 PART MAY BE SOLD, TRANSFERRED OR ASSIGNED TO ANOTHER PERSON.

16 (3) NO LICENSEE MAY PLEDGE OR OTHERWISE GRANT A SECURITY
17 INTEREST IN OR LIEN ON THE LICENSE.

18 (4) THE BOARD HAS THE SOLE DISCRETION TO ISSUE, RENEW,
19 CONDITION OR DENY THE ISSUANCE OF A LICENSE BASED UPON THE
20 REQUIREMENTS OF THIS PART.

21 (5) NOTHING CONTAINED IN THIS PART IS INTENDED OR SHALL
22 BE CONSTRUED TO CREATE IN ANY PERSON AN ENTITLEMENT TO A
23 LICENSE.

24 § 3517. CHANGE IN OWNERSHIP OR CONTROL OF TERMINAL OPERATOR
25 LICENSEE.

26 (A) NOTIFICATION AND APPROVAL.--

27 (1) A TERMINAL OPERATOR LICENSEE SHALL PROMPTLY NOTIFY
28 THE BOARD OF A PROPOSED OR CONTEMPLATED CHANGE OF OWNERSHIP
29 OF THE TERMINAL OPERATOR LICENSEE BY A PERSON OR GROUP OF
30 PERSONS ACTING IN CONCERT WHICH INVOLVES ANY OF THE

1 FOLLOWING:

2 (I) MORE THAN 5% OF A TERMINAL OPERATOR LICENSEE'S
3 SECURITIES OR OTHER OWNERSHIP INTERESTS.

4 (II) MORE THAN 5% OF THE SECURITIES OR OTHER
5 OWNERSHIP INTERESTS OF A CORPORATION OR OTHER FORM OF
6 BUSINESS ENTITY THAT OWNS DIRECTLY OR INDIRECTLY AT LEAST
7 20% OF THE VOTING OR OTHER SECURITIES OR OTHER OWNERSHIP
8 INTERESTS OF THE LICENSEE.

9 (III) THE SALE OF ALL OR SUBSTANTIALLY ALL OF A
10 LICENSEE'S ASSETS.

11 (IV) OTHER TRANSACTION OR OCCURRENCE DEEMED BY THE
12 BOARD TO BE RELEVANT TO LICENSE QUALIFICATIONS.

13 (2) (I) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH
14 (1), NO TERMINAL OPERATOR LICENSEE MAY BE REQUIRED TO
15 NOTIFY THE BOARD OF AN ACQUISITION BY AN INSTITUTIONAL
16 INVESTOR UNDER PARAGRAPH (1) (I) OR (II) IF THE
17 INSTITUTIONAL INVESTOR HOLDS LESS THAN 10% OF THE
18 SECURITIES OR OTHER OWNERSHIP INTERESTS REFERRED TO IN
19 PARAGRAPH (1) (I) OR (II), THE SECURITIES OR INTERESTS ARE
20 PUBLICLY TRADED SECURITIES AND ITS HOLDINGS OF THE
21 SECURITIES WERE PURCHASED FOR INVESTMENT PURPOSES ONLY
22 AND THE INSTITUTIONAL INVESTOR FILES WITH THE BOARD A
23 CERTIFIED STATEMENT TO THE EFFECT THAT IT HAS NO
24 INTENTION OF INFLUENCING OR AFFECTING, DIRECTLY OR
25 INDIRECTLY, THE AFFAIRS OF THE LICENSEE, PROVIDED,
26 HOWEVER, THAT IT SHALL BE PERMITTED TO VOTE ON MATTERS
27 PUT TO THE VOTE OF THE OUTSTANDING SECURITY HOLDERS.

28 (II) NOTICE TO THE BOARD AND BOARD APPROVAL SHALL BE
29 REQUIRED PRIOR TO COMPLETION OF ANY PROPOSED OR
30 CONTEMPLATED CHANGE OF OWNERSHIP OF A TERMINAL OPERATOR

1 LICENSEE THAT MEETS THE CRITERIA OF THIS SECTION.

2 (B) QUALIFICATION OF PURCHASER OF TERMINAL OPERATOR

3 LICENSEE; CHANGE OF CONTROL.--

4 (1) THE PURCHASER OF ALL OR SUBSTANTIALLY ALL OF THE
5 ASSETS OF A TERMINAL OPERATOR LICENSEE SHALL, IF NOT ALREADY
6 A TERMINAL OPERATOR LICENSEE, INDEPENDENTLY QUALIFY FOR A
7 LICENSE IN ACCORDANCE WITH THIS PART AND SHALL PAY THE
8 LICENSE FEE AS REQUIRED BY SECTION 4101 (RELATING TO FEES).

9 (2) A CHANGE IN CONTROL OF A TERMINAL OPERATOR LICENSEE
10 SHALL REQUIRE THAT THE TERMINAL OPERATOR LICENSEE
11 INDEPENDENTLY QUALIFY FOR A LICENSE IN ACCORDANCE WITH THIS
12 PART, AND THE TERMINAL OPERATOR LICENSEE SHALL PAY A NEW
13 LICENSE FEE AS REQUIRED BY SECTION 4101, EXCEPT AS OTHERWISE
14 REQUIRED BY THE BOARD PURSUANT TO THIS SECTION.

15 (3) THE NEW LICENSE FEE SHALL BE PAID UPON THE
16 ASSIGNMENT AND ACTUAL CHANGE OF CONTROL OR OWNERSHIP OF THE
17 TERMINAL OPERATOR LICENSE.

18 (C) CHANGE IN CONTROL DEFINED.--FOR PURPOSES OF THIS
19 SECTION, A CHANGE IN CONTROL OF A TERMINAL OPERATOR LICENSEE
20 SHALL MEAN THE ACQUISITION BY A PERSON OR GROUP OF PERSONS
21 ACTING IN CONCERT OF MORE THAN 20% OF A TERMINAL OPERATOR
22 LICENSEE'S SECURITIES OR OTHER OWNERSHIP INTERESTS, WITH THE
23 EXCEPTION OF ANY OWNERSHIP INTEREST OF THE PERSON THAT EXISTED
24 AT THE TIME OF INITIAL LICENSING AND PAYMENT OF THE INITIAL SLOT
25 MACHINE LICENSE FEE, OR MORE THAN 20% OF THE SECURITIES OR OTHER
26 OWNERSHIP INTERESTS OF A CORPORATION OR OTHER FORM OF BUSINESS
27 ENTITY THAT OWNS DIRECTLY OR INDIRECTLY AT LEAST 20% OF THE
28 VOTING OR OTHER SECURITIES OR OTHER OWNERSHIP INTERESTS OF THE
29 LICENSEE.

30 (D) FEE REDUCTION.--THE BOARD MAY IN ITS DISCRETION

1 ELIMINATE THE NEED FOR QUALIFICATION OR PROPORTIONATELY REDUCE,
2 BUT NOT ELIMINATE, THE NEW LICENSE FEE OTHERWISE REQUIRED
3 PURSUANT TO THIS SECTION IN CONNECTION WITH A CHANGE OF CONTROL
4 OF A LICENSEE, DEPENDING UPON THE TYPE OF TRANSACTION, THE
5 RELEVANT OWNERSHIP INTERESTS AND CHANGES TO THE INTERESTS
6 RESULTING FROM THE TRANSACTION AND OTHER CONSIDERATIONS DEEMED
7 RELEVANT BY THE BOARD.

8 (E) LICENSE REVOCATION.--FAILURE TO COMPLY WITH THIS SECTION
9 MAY CAUSE THE LICENSE ISSUED UNDER THIS PART TO BE REVOKED OR
10 SUSPENDED BY THE BOARD UNLESS THE PURCHASE OF THE ASSETS OR THE
11 CHANGE IN CONTROL THAT MEETS THE CRITERIA OF THIS SECTION HAS
12 BEEN INDEPENDENTLY QUALIFIED IN ADVANCE BY THE BOARD AND ANY
13 REQUIRED LICENSE FEE HAS BEEN PAID.

14 § 3518. VIDEO GAMING ACCOUNTING CONTROLS AND AUDITS.

15 (A) APPROVAL.--EXCEPT AS OTHERWISE PROVIDED BY THIS PART, A
16 TERMINAL OPERATOR LICENSE APPLICANT SHALL, IN ADDITION TO
17 OBTAINING A TERMINAL OPERATOR LICENSE, OBTAIN APPROVAL FROM THE
18 BOARD IN CONSULTATION WITH THE DEPARTMENT OF ITS INTERNAL
19 CONTROL SYSTEMS AND AUDIT PROTOCOLS PRIOR TO THE INSTALLATION
20 AND OPERATION OF VIDEO GAMING TERMINALS AT LICENSED
21 ESTABLISHMENTS.

22 (B) MINIMUM REQUIREMENTS.--AT A MINIMUM, THE APPLICANT'S
23 PROPOSED INTERNAL CONTROLS AND AUDIT PROTOCOLS SHALL:

24 (1) SAFEGUARD ITS ASSETS AND REVENUES, INCLUDING, BUT
25 NOT LIMITED TO, THE RECORDING OF CASH AND CASH EQUIVALENTS
26 AND EVIDENCES OF INDEBTEDNESS RELATED TO THE VIDEO GAMING
27 TERMINALS.

28 (2) PROVIDE FOR RELIABLE RECORDS, ACCOUNTS AND REPORTS
29 OF A FINANCIAL EVENT THAT OCCURS IN THE OPERATION OF A VIDEO
30 GAMING TERMINAL, INCLUDING REPORTS TO THE BOARD RELATED TO

1 THE VIDEO GAMING TERMINALS.

2 (3) ENSURE THAT EACH VIDEO GAMING TERMINAL DIRECTLY
3 PROVIDES OR COMMUNICATES ALL REQUIRED ACTIVITIES AND
4 FINANCIAL DETAILS TO THE CENTRAL CONTROL COMPUTER SYSTEM AS
5 SET BY THE BOARD AND THE DEPARTMENT.

6 (4) PROVIDE FOR ACCURATE AND RELIABLE FINANCIAL RECORDS.

7 (5) ENSURE A FINANCIAL EVENT THAT OCCURS IN THE
8 OPERATION OF A VIDEO GAMING TERMINAL IS PERFORMED ONLY IN
9 ACCORDANCE WITH THE MANAGEMENT'S GENERAL OR SPECIFIC
10 AUTHORIZATION, AS APPROVED BY THE BOARD.

11 (6) ENSURE THAT A FINANCIAL EVENT THAT OCCURS IN THE
12 OPERATION OF A VIDEO GAMING TERMINAL IS RECORDED ADEQUATELY
13 TO PERMIT PROPER AND TIMELY REPORTING OF GROSS REVENUE AND
14 THE CALCULATION THEREOF AND OF FEES AND TAXES AND TO MAINTAIN
15 ACCOUNTABILITY FOR ASSETS.

16 (7) ENSURE THAT ACCESS TO ASSETS IS PERMITTED ONLY IN
17 ACCORDANCE WITH MANAGEMENT'S SPECIFIC AUTHORIZATION, AS
18 APPROVED BY THE BOARD.

19 (8) ENSURE THAT RECORDED ACCOUNTABILITY FOR ASSETS IS
20 COMPARED WITH ACTUAL ASSETS AT INTERVALS AS REQUIRED BY THE
21 BOARD AND APPROPRIATE ACTION IS TAKEN WITH RESPECT TO
22 DISCREPANCIES.

23 (9) ENSURE THAT ALL FUNCTIONS, DUTIES AND
24 RESPONSIBILITIES ARE APPROPRIATELY SEGREGATED AND PERFORMED
25 IN ACCORDANCE WITH SOUND FINANCIAL PRACTICES BY COMPETENT,
26 QUALIFIED PERSONNEL.

27 (10) ANY OTHER REQUIREMENT OF THE BOARD OR THE
28 DEPARTMENT.

29 (C) INTERNAL CONTROL.--A TERMINAL OPERATOR LICENSE APPLICANT
30 SHALL SUBMIT TO THE BOARD AND DEPARTMENT, IN SUCH MANNER AS THE

1 BOARD REQUIRES, A DESCRIPTION OF ITS ADMINISTRATIVE AND
2 ACCOUNTING PROCEDURES IN DETAIL, INCLUDING ITS WRITTEN SYSTEM OF
3 INTERNAL CONTROL. THE WRITTEN SYSTEM OF INTERNAL CONTROL SHALL
4 INCLUDE:

5 (1) RECORDS OF DIRECT AND INDIRECT OWNERSHIP IN THE
6 PROPOSED TERMINAL OPERATOR LICENSEE, ITS AFFILIATE,
7 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY.

8 (2) AN ORGANIZATIONAL CHART DEPICTING APPROPRIATE
9 SEGREGATION OF EMPLOYEE FUNCTIONS AND RESPONSIBILITIES.

10 (3) A DESCRIPTION OF THE DUTIES AND RESPONSIBILITIES OF
11 EACH EMPLOYEE POSITION SHOWN ON THE ORGANIZATIONAL CHART.

12 (4) A DETAILED NARRATIVE DESCRIPTION OF THE
13 ADMINISTRATIVE AND ACCOUNTING PROCEDURES DESIGNED TO SATISFY
14 THE REQUIREMENTS OF THIS SECTION.

15 (5) RECORD RETENTION POLICY.

16 (6) PROCEDURE TO ENSURE THAT ASSETS ARE SAFEGUARDED,
17 INCLUDING MANDATORY COUNT PROCEDURES.

18 (7) A STATEMENT SIGNED BY THE CHIEF FINANCIAL OFFICER OF
19 THE TERMINAL OPERATOR LICENSE APPLICANT OR OTHER COMPETENT
20 PERSON AND THE CHIEF EXECUTIVE OFFICER OF THE TERMINAL
21 OPERATOR LICENSE APPLICANT OR OTHER COMPETENT PERSON
22 ATTESTING THAT THE OFFICER BELIEVES, IN GOOD FAITH, THAT THE
23 SYSTEM SATISFIES THE REQUIREMENTS OF THIS SECTION.

24 (8) OTHER ITEMS THAT THE BOARD OR DEPARTMENT MAY REQUIRE
25 IN ITS DISCRETION.

26 § 3519. MULTIPLE LICENSES PROHIBITED.

27 (A) MANUFACTURER RESTRICTION.--A MANUFACTURER MAY NOT BE
28 LICENSED AS A TERMINAL OPERATOR OR OWN, MANAGE OR CONTROL AN
29 ESTABLISHMENT LICENSEE OR TERMINAL OPERATOR LICENSEE, BUT MAY
30 ALSO BE LICENSED AS A SUPPLIER.

1 (B) SUPPLIER RESTRICTION.--A SUPPLIER MAY NOT BE LICENSED AS
2 A TERMINAL OPERATOR OR OWN, MANAGE OR CONTROL AN ESTABLISHMENT
3 LICENSEE OR TERMINAL OPERATOR LICENSEE.

4 (C) TERMINAL OPERATOR RESTRICTION.--A TERMINAL OPERATOR MAY
5 NOT BE LICENSED AS A MANUFACTURER OR SUPPLIER OR OWN, MANAGE OR
6 CONTROL AN ESTABLISHMENT LICENSEE OR OWN, MANAGE OR CONTROL
7 PREMISES USED BY AN ESTABLISHMENT LICENSEE.

8 (D) ESTABLISHMENT RESTRICTION.--AN ESTABLISHMENT LICENSEE
9 MAY NOT BE LICENSED AS A MANUFACTURER, SUPPLIER, TERMINAL
10 OPERATOR.

11 § 3520. CONDITIONAL LICENSES.

12 (A) CONDITIONAL ESTABLISHMENT LICENSES.--

13 (1) WITHIN 90 DAYS AFTER THE EFFECTIVE DATE OF THIS
14 SECTION, THE BOARD SHALL MAKE APPLICATIONS FOR ESTABLISHMENT
15 LICENSES AVAILABLE TO APPLICANTS.

16 (2) THE BOARD SHALL ISSUE A CONDITIONAL LICENSE TO AN
17 APPLICANT FOR AN ESTABLISHMENT LICENSE IF THE APPLICANT
18 SATISFIES, AS DETERMINED BY THE BOARD, ALL OF THE FOLLOWING
19 CRITERIA:

20 (I) THE APPLICANT HAS NEVER BEEN CONVICTED OF A
21 FELONY IN ANY JURISDICTION.

22 (II) THE APPLICANT IS CURRENT ON ALL STATE TAXES.

23 (III) THE APPLICANT HAS SUBMITTED A COMPLETED
24 APPLICATION FOR AN ESTABLISHMENT LICENSE IN ACCORDANCE
25 WITH THIS PART, WHICH MAY BE SUBMITTED CONCURRENTLY WITH
26 THE APPLICANT'S REQUEST FOR A CONDITIONAL LICENSE.

27 (IV) THE APPLICANT HAS NEVER BEEN CONVICTED OF A
28 GAMBLING LAW VIOLATION IN ANY JURISDICTION.

29 (3) (I) THE BOARD SHALL ISSUE A CONDITIONAL LICENSE TO
30 AN APPLICANT FOR AN ESTABLISHMENT LICENSE, WITHIN 60 DAYS

1 AFTER THE COMPLETED APPLICATION HAS BEEN RECEIVED BY THE
2 BOARD, PROVIDED THAT THE BOARD DETERMINES THAT THE
3 CRITERIA CONTAINED IN PARAGRAPH (2) HAS BEEN SATISFIED.

4 (II) IF THE BOARD DETERMINES THAT THE CRITERIA
5 CONTAINED IN PARAGRAPH (2) HAS NOT BEEN SATISFIED, THE
6 BOARD SHALL GIVE A WRITTEN EXPLANATION TO THE APPLICANT
7 AS TO WHY IT HAS DETERMINED THE CRITERIA HAS NOT BEEN
8 SATISFIED.

9 (4) A CONDITIONAL LICENSE SHALL BE VALID UNTIL:

10 (I) THE BOARD EITHER APPROVES OR DENIES THE
11 APPLICANT'S APPLICATION FOR LICENSURE;

12 (II) THE CONDITIONAL LICENSE IS TERMINATED FOR A
13 VIOLATION OF THIS PART; OR

14 (III) ONE CALENDAR YEAR HAS PASSED SINCE THE
15 CONDITIONAL LICENSE WAS ISSUED.

16 (5) THE BOARD MAY EXTEND THE DURATION OF THE CONDITIONAL
17 LICENSE FOR ONE CALENDAR YEAR.

18 (6) AN APPLICANT SHALL ATTEST BY WAY OF AFFIDAVIT UNDER
19 PENALTY OF PERJURY THAT THE APPLICANT IS NOT OTHERWISE
20 PROHIBITED FROM LICENSURE ACCORDING TO THE REQUIREMENTS OF
21 THIS SECTION OR ANY OTHER PROVISION OF THIS PART.

22 (7) A REQUEST FOR CONDITIONAL LICENSURE UNDER THIS
23 SUBSECTION SHALL INCLUDE PAYMENT OF A \$100 FEE, WHICH FEE
24 SHALL BE IN ADDITION TO THE APPLICABLE FEE REQUIRED UNDER
25 SECTION 4101 (RELATING TO FEES).

26 (B) CONDITIONAL TERMINAL OPERATOR LICENSES.--

27 (1) WITHIN 90 DAYS AFTER THE EFFECTIVE DATE OF THIS
28 SECTION, THE BOARD SHALL MAKE APPLICATIONS FOR TERMINAL
29 OPERATOR LICENSES AVAILABLE TO APPLICANTS.

30 (2) THE BOARD SHALL ISSUE A CONDITIONAL LICENSE TO AN

1 APPLICANT FOR A TERMINAL OPERATOR LICENSE IF THE APPLICANT
2 SATISFIES, AS DETERMINED BY THE BOARD, ALL OF THE FOLLOWING
3 CRITERIA:

4 (I) THE APPLICANT HAS NEVER BEEN CONVICTED OF A
5 FELONY IN ANY JURISDICTION.

6 (II) THE APPLICANT IS CURRENT ON ALL STATE TAXES.

7 (III) THE APPLICANT HAS SUBMITTED A COMPLETED
8 APPLICATION FOR A TERMINAL OPERATOR LICENSE WHICH MAY BE
9 SUBMITTED CONCURRENTLY WITH THE APPLICANT'S REQUEST FOR A
10 CONDITIONAL LICENSE.

11 (IV) THE APPLICANT HAS NEVER HAD ITS TERMINAL
12 OPERATOR LICENSE OR SIMILAR GAMING LICENSE DENIED OR
13 REVOKED IN ANOTHER JURISDICTION.

14 (V) THE APPLICANT HAS NEVER BEEN CONVICTED OF A
15 GAMBLING LAW VIOLATION IN ANY JURISDICTION.

16 (3) (I) THE BOARD SHALL ISSUE A CONDITIONAL LICENSE TO
17 AN APPLICANT FOR A TERMINAL OPERATOR LICENSE, WITHIN 60
18 DAYS AFTER THE COMPLETED APPLICATION HAS BEEN RECEIVED BY
19 THE BOARD, PROVIDED THAT THE BOARD DETERMINES THAT THE
20 CRITERIA CONTAINED IN PARAGRAPH (3) HAS BEEN SATISFIED.

21 (II) IF THE BOARD DETERMINES THAT THE CRITERIA
22 CONTAINED IN PARAGRAPH (3) HAS NOT BEEN SATISFIED, THE
23 BOARD SHALL GIVE A WRITTEN EXPLANATION TO THE APPLICANT
24 AS TO WHY IT HAS DETERMINED THE CRITERIA HAS NOT BEEN
25 SATISFIED.

26 (4) A CONDITIONAL LICENSE SHALL BE VALID UNTIL:

27 (I) THE BOARD EITHER APPROVES OR DENIES THE
28 APPLICANT'S APPLICATION FOR LICENSURE;

29 (II) THE CONDITIONAL LICENSE IS TERMINATED FOR A
30 VIOLATION OF THIS CHAPTER; OR

1 (III) ONE CALENDAR YEAR HAS PASSED SINCE THE
2 CONDITIONAL LICENSE WAS ISSUED.

3 (5) THE BOARD MAY EXTEND THE DURATION OF THE CONDITIONAL
4 LICENSE FOR ONE CALENDAR YEAR.

5 (6) AN APPLICANT SHALL ATTEST BY WAY OF AFFIDAVIT UNDER
6 PENALTY OF PERJURY THAT THE APPLICANT IS NOT OTHERWISE
7 PROHIBITED FROM LICENSURE ACCORDING TO THE REQUIREMENTS OF
8 THIS SUBSECTION OR ANY OTHER PROVISION OF THIS PART.

9 (7) A REQUEST FOR CONDITIONAL LICENSURE UNDER THIS
10 SUBSECTION SHALL INCLUDE PAYMENT OF A \$100 FEE, WHICH FEE
11 SHALL BE IN ADDITION TO THE APPLICABLE FEE REQUIRED UNDER
12 SECTION 4101.

13 (C) CONDITIONAL MANUFACTURER AND SUPPLIER LICENSES.--

14 (1) WITHIN 90 DAYS AFTER THE EFFECTIVE DATE OF THIS
15 SECTION, THE BOARD SHALL MAKE APPLICATIONS AVAILABLE FOR
16 MANUFACTURER AND SUPPLIER LICENSE.

17 (2) THE BOARD SHALL ISSUE A CONDITIONAL LICENSE TO AN
18 APPLICANT FOR A MANUFACTURER OR SUPPLIER LICENSE IF THE
19 APPLICANT SATISFIES, AS DETERMINED BY THE BOARD, ALL OF THE
20 FOLLOWING CRITERIA:

21 (I) THE APPLICANT HAS NEVER BEEN CONVICTED OF A
22 FELONY.

23 (II) THE APPLICANT IS CURRENT ON ALL STATE TAXES.

24 (III) THE APPLICANT HAS SUBMITTED A COMPLETED
25 APPLICATION A MANUFACTURER OR SUPPLIER LICENSE, WHICH MAY
26 BE SUBMITTED CONCURRENTLY WITH THE APPLICANT'S REQUEST
27 FOR A CONDITIONAL LICENSE.

28 (IV) THE APPLICANT HAS NEVER HAD ITS MANUFACTURER,
29 SUPPLIER OR SIMILAR GAMING LICENSE DENIED OR REVOKED IN
30 ANOTHER JURISDICTION.

1 (V) THE APPLICANT HAS NEVER BEEN CONVICTED OF A
2 GAMBLING LAW VIOLATION IN ANY JURISDICTION.

3 (3) (I) THE BOARD SHALL ISSUE A CONDITIONAL LICENSE TO
4 AN APPLICANT FOR A MANUFACTURER OR SUPPLIER LICENSE
5 WITHIN 60 DAYS AFTER THE COMPLETED APPLICATION HAS BEEN
6 RECEIVED BY THE BOARD, PROVIDED THAT THE BOARD DETERMINES
7 THAT THE CRITERIA CONTAINED IN PARAGRAPH (2) HAS BEEN
8 SATISFIED.

9 (II) IF THE BOARD DETERMINES THAT THE CRITERIA
10 CONTAINED IN PARAGRAPH (2) HAS NOT BEEN SATISFIED, THE
11 BOARD SHALL GIVE A WRITTEN EXPLANATION TO THE APPLICANT
12 AS TO WHY IT HAS DETERMINED THE CRITERIA HAS NOT BEEN
13 SATISFIED.

14 (4) A CONDITIONAL LICENSE SHALL BE VALID UNTIL:

15 (I) THE BOARD EITHER APPROVES OR DENIES THE
16 APPLICANT'S APPLICATION FOR LICENSURE;

17 (II) THE CONDITIONAL LICENSE IS TERMINATED FOR A
18 VIOLATION OF THIS PART; OR

19 (III) ONE CALENDAR YEAR HAS PASSED SINCE THE
20 CONDITIONAL LICENSE WAS ISSUED.

21 (5) THE BOARD MAY EXTEND THE DURATION OF THE CONDITIONAL
22 LICENSE FOR ONE CALENDAR YEAR.

23 (6) AN APPLICANT SHALL ATTEST BY WAY OF AFFIDAVIT UNDER
24 PENALTY OF PERJURY THAT THE APPLICANT IS NOT OTHERWISE
25 PROHIBITED FROM LICENSURE ACCORDING TO THE REQUIREMENTS OF
26 THIS SUBSECTION OR ANY OTHER PROVISION OF THIS PART.

27 (7) A REQUEST FOR A CONDITIONAL LICENSE UNDER THIS
28 SUBSECTION SHALL INCLUDE PAYMENT OF A \$1,000 FEE, WHICH FEE
29 SHALL BE IN ADDITION TO THE APPLICABLE FEE REQUIRED UNDER
30 SECTION 4101.

1 (D) OTHER CONDITIONAL LICENSES.--

2 (1) WITHIN 90 DAYS AFTER THE EFFECTIVE DATE OF THIS
3 SECTION, THE BOARD SHALL MAKE APPLICATIONS AVAILABLE FOR ANY
4 OTHER LICENSE REQUIRED UNDER THIS PART.

5 (2) THE BOARD SHALL ISSUE A CONDITIONAL LICENSE TO AN
6 APPLICANT IF THE APPLICANT SATISFIES, AS DETERMINED BY THE
7 BOARD, ALL OF THE FOLLOWING CRITERIA:

8 (I) THE APPLICANT HAS NEVER BEEN CONVICTED OF A
9 FELONY IN ANY JURISDICTION.

10 (II) THE APPLICANT IS CURRENT ON ALL STATE TAXES.

11 (III) THE APPLICANT HAS SUBMITTED A COMPLETED
12 APPLICATION FOR LICENSURE, WHICH MAY BE SUBMITTED
13 CONCURRENTLY WITH THE APPLICANT'S REQUEST FOR A
14 CONDITIONAL LICENSE.

15 (IV) THE APPLICANT HAS NEVER BEEN CONVICTED OF A
16 GAMBLING LAW VIOLATION IN ANY JURISDICTION.

17 (3) (I) THE BOARD SHALL ISSUE A CONDITIONAL LICENSE TO
18 AN APPLICANT WITHIN 60 DAYS AFTER THE COMPLETED
19 APPLICATION HAS BEEN RECEIVED BY THE BOARD, PROVIDED THAT
20 THE BOARD DETERMINES THAT THE CRITERIA CONTAINED IN
21 PARAGRAPH (2) HAS BEEN SATISFIED.

22 (II) IF THE BOARD DETERMINES THAT THE CRITERIA
23 CONTAINED IN PARAGRAPH (2) HAS NOT BEEN SATISFIED, THE
24 BOARD SHALL GIVE A WRITTEN EXPLANATION TO THE APPLICANT
25 AS TO WHY IT HAS DETERMINED THE CRITERIA HAS NOT BEEN
26 SATISFIED.

27 (4) A CONDITIONAL LICENSE SHALL BE VALID UNTIL:

28 (I) THE BOARD EITHER APPROVES OR DENIES THE
29 APPLICANT'S APPLICATION FOR LICENSURE;

30 (II) THE CONDITIONAL LICENSE IS TERMINATED FOR A

1 VIOLATION OF THIS PART; OR

2 (III) ONE CALENDAR YEAR HAS PASSED SINCE THE
3 CONDITIONAL LICENSE WAS ISSUED.

4 (5) THE BOARD MAY EXTEND THE DURATION OF THE CONDITIONAL
5 LICENSE FOR ONE CALENDAR YEAR.

6 (6) AN APPLICANT SHALL ATTEST BY WAY OF AFFIDAVIT UNDER
7 PENALTY OF PERJURY THAT THE APPLICANT IS NOT OTHERWISE
8 PROHIBITED FROM LICENSURE ACCORDING TO THE REQUIREMENTS OF
9 THIS SUBSECTION OR ANY OTHER PROVISION OF THIS PART.

10 (7) A REQUEST FOR CONDITIONAL LICENSURE UNDER THIS
11 SUBSECTION SHALL INCLUDE PAYMENT OF A \$100 FEE, WHICH FEE
12 SHALL BE IN ADDITION TO THE APPLICABLE FEE REQUIRED UNDER
13 SECTION 4101.

14 (E) PRIORITIZATION PROHIBITED.--

15 (1) THE BOARD MAY NOT UTILIZE THE ALTERNATIVE LICENSING
16 STANDARDS FOR A TERMINAL OPERATOR LICENSE, MANUFACTURER
17 LICENSE OR A SUPPLIER LICENSE UNDER SECTIONS 3511 (RELATING
18 TO ALTERNATIVE TERMINAL OPERATOR LICENSING STANDARDS), 3512
19 (RELATING TO ALTERNATIVE MANUFACTURER LICENSING STANDARDS)
20 AND 3513 (RELATING TO ALTERNATIVE SUPPLIER LICENSING
21 STANDARDS) TO PRIORITIZE THE ISSUANCE OF A TERMINAL OPERATOR,
22 MANUFACTURER OR SUPPLIER LICENSE UNDER THIS CHAPTER.

23 (2) THE BOARD SHALL ENSURE THAT APPLICATIONS MADE TO THE
24 BOARD ACCORDING TO THE ALTERNATIVE STANDARDS UNDER SECTIONS
25 3511, 3512 AND 3513 ARE NOT APPROVED OR DENIED IN A TIME
26 PERIOD THAT IS LESS THAN THE TIME PERIOD IN WHICH AN
27 APPLICATION FOR A CONDITIONAL LICENSE IS APPROVED OR DENIED
28 UNDER THIS SECTION.

29 (F) INCOMPLETE APPLICATIONS.--IF THE BOARD RECEIVES AN
30 APPLICATION THAT IS INCOMPLETE, THE BOARD SHALL, WITHIN SEVEN

1 DAYS OF RECEIVING THE INCOMPLETE APPLICATION, NOTIFY THE
2 APPLICANT OF ADDITIONAL INFORMATION REQUIRED BY THE BOARD.

3 CHAPTER 37

4 OPERATION

5 3701. TESTING AND CERTIFICATION OF TERMINALS.

6 3702. VIDEO GAMING LIMITATIONS.

7 3703. (RESERVED).

8 3704. TERMINAL PLACEMENT AGREEMENTS.

9 3705. DUTIES OF LICENSEES.

10 3706. COMPULSIVE AND PROBLEM GAMBLING.

11 § 3701. TESTING AND CERTIFICATION OF TERMINALS.

12 (A) GENERAL RULE.--NO VIDEO GAMING TERMINAL OR REDEMPTION
13 TERMINAL OR ASSOCIATED EQUIPMENT MAY BE MADE AVAILABLE FOR USE
14 IN THIS COMMONWEALTH PRIOR TO BEING TESTED AND CERTIFIED BY THE
15 BOARD IN ACCORDANCE WITH THIS SECTION.

16 (B) VIDEO GAMING TERMINAL SPECIFICATIONS.--VIDEO GAMING
17 TERMINALS SHALL BE TESTED AND CERTIFIED TO MEET THE FOLLOWING
18 SPECIFICATIONS:

19 (1) THE VIDEO GAMING TERMINAL SHALL HAVE THE ABILITY TO
20 BE LINKED TO THE CENTRAL CONTROL COMPUTER.

21 (2) THE VIDEO GAMING TERMINAL SHALL BE MARKED WITH AN
22 IRREMOVABLE IDENTIFICATION PLATE THAT IS PLACED IN A
23 CONSPICUOUS LOCATION ON THE EXTERIOR OF THE VIDEO GAMING
24 TERMINAL. THE IDENTIFICATION PLATE SHALL CONTAIN THE NAME OF
25 THE MANUFACTURER AND THE SERIAL AND MODEL NUMBERS OF THE
26 VIDEO GAMING TERMINAL.

27 (3) THE VIDEO GAMING TERMINAL SHALL PROMINENTLY DISPLAY
28 THE RULES OF PLAY EITHER ON THE VIDEO GAMING TERMINAL FACE OR
29 SCREEN.

30 (4) THE VIDEO GAMING TERMINAL MAY NOT HAVE THE ABILITY

1 TO DISPENSE CASH, TOKENS OR ANYTHING OF VALUE, EXCEPT
2 REDEMPTION TICKETS WHICH SHALL ONLY BE EXCHANGEABLE FOR CASH
3 AT A REDEMPTION TERMINAL OR REINSERTED INTO ANOTHER VIDEO
4 GAMING TERMINAL LOCATED IN THE SAME VIDEO GAMING AREA AS THE
5 VIDEO GAMING TERMINAL.

6 (5) THE COST OF A CREDIT SHALL ONLY BE 1¢, 5¢, 10¢ OR
7 25¢.

8 (6) THE MAXIMUM WAGER PER INDIVIDUAL GAME SHALL NOT
9 EXCEED \$5.

10 (7) THE MAXIMUM PRIZE PER INDIVIDUAL GAME SHALL NOT
11 EXCEED \$1,000.

12 (8) THE VIDEO GAMING TERMINAL SHALL BE DESIGNED AND
13 MANUFACTURED WITH TOTAL ACCOUNTABILITY TO INCLUDE GROSS
14 PROCEEDS, NET PROFITS, WINNING PERCENTAGES AND OTHER
15 INFORMATION THE BOARD REQUIRES.

16 (9) THE VIDEO GAMING TERMINAL SHALL PAY OUT A MINIMUM OF
17 85% OF THE AMOUNT WAGERED.

18 (10) OTHER SPECIFICATIONS THE BOARD REQUIRES.

19 (C) REDEMPTION TERMINAL SPECIFICATIONS.--REDEMPTION
20 TERMINALS SHALL BE TESTED AND CERTIFIED TO MEET THE FOLLOWING
21 SPECIFICATIONS:

22 (1) THE REDEMPTION TERMINAL SHALL BE MARKED WITH AN
23 IRREMOVABLE IDENTIFICATION PLATE THAT IS PLACED IN A
24 CONSPICUOUS LOCATION ON THE EXTERIOR OF THE REDEMPTION
25 TERMINAL. THE IDENTIFICATION PLATE SHALL CONTAIN THE NAME OF
26 THE MANUFACTURER AND THE SERIAL AND MODEL NUMBERS OF THE
27 REDEMPTION TERMINAL.

28 (2) THE REDEMPTION TERMINAL SHALL ONLY ACCEPT REDEMPTION
29 TICKETS FROM VIDEO GAMING TERMINALS LOCATED IN THE SAME VIDEO
30 GAMING AREA.

1 (3) THE REDEMPTION TERMINAL SHALL BE DESIGNED AND
2 MANUFACTURED WITH TOTAL ACCOUNTABILITY TO RECORD INFORMATION
3 THE BOARD REQUIRES.

4 (4) OTHER SPECIFICATIONS THE BOARD REQUIRES.

5 (D) USE OF OTHER STATE STANDARDS.--

6 (1) THE BOARD MAY DETERMINE, IN ITS DISCRETION, WHETHER
7 THE VIDEO GAMING TERMINAL OR REDEMPTION TERMINAL TESTING AND
8 CERTIFICATION STANDARDS OF ANOTHER JURISDICTION WITHIN THE
9 UNITED STATES IN WHICH A MANUFACTURER LICENSEE IS LICENSED
10 ARE COMPREHENSIVE AND THOROUGH AND PROVIDE SIMILAR ADEQUATE
11 SAFEGUARDS AS THOSE REQUIRED BY THIS PART.

12 (2) IF THE BOARD MAKES THE DETERMINATION UNDER PARAGRAPH
13 (1), THE BOARD MAY PERMIT A MANUFACTURER LICENSEE TO DEPLOY
14 THOSE VIDEO GAMING TERMINALS OR REDEMPTION TERMINALS WHICH
15 HAVE MET THE VIDEO GAMING TERMINAL OR REDEMPTION TERMINAL
16 TESTING AND CERTIFICATION STANDARDS IN SUCH OTHER
17 JURISDICTIONS WITHOUT UNDERGOING THE FULL TESTING AND
18 CERTIFICATION PROCESS BY THE BOARD'S TESTING FACILITY.

19 (3) IN THE EVENT VIDEO GAMING TERMINALS OR REDEMPTION
20 TERMINALS OF A MANUFACTURER LICENSEE ARE LICENSED IN THE
21 OTHER JURISDICTION, THE BOARD MAY DETERMINE TO USE AN
22 ABBREVIATED PROCESS REQUIRING ONLY THAT INFORMATION
23 DETERMINED BY THE BOARD TO BE NECESSARY TO CONSIDER THE
24 ISSUANCE OF A VIDEO GAMING TERMINAL OR REDEMPTION TERMINAL
25 CERTIFICATION TO SUCH AN APPLICANT.

26 (E) PRIVATE TESTING.--THE BOARD MAY, IN ITS DISCRETION, RELY
27 UPON THE CERTIFICATION OF A VIDEO GAMING TERMINAL OR REDEMPTION
28 TERMINAL THAT HAS MET THE TESTING AND CERTIFICATION STANDARDS OF
29 ONE OR MORE BOARD-APPROVED INDEPENDENT PRIVATE TESTING AND
30 CERTIFICATION FACILITIES.

1 (F) TESTING AND CERTIFICATION FEE.--

2 (1) A FEE FOR THE TESTING AND CERTIFICATION OF A VIDEO
3 GAMING TERMINAL OR REDEMPTION TERMINAL SHALL BE PAID BY THE
4 MANUFACTURER LICENSEE SUBMITTING THE TERMINAL, WHICH FEE
5 SHALL BE AN AMOUNT ESTABLISHED BY THE BOARD ACCORDING TO A
6 SCHEDULE ADOPTED BY THE BOARD.

7 (2) FEES ESTABLISHED BY THE BOARD SHALL BE EXEMPT FROM
8 ANY FEE LIMITATION CONTAINED IN SECTION 4101 (RELATING TO
9 FEES).

10 (G) CENTRAL CONTROL COMPUTER COMPATIBILITY.--THE BOARD SHALL
11 ENSURE THAT ALL VIDEO GAMING TERMINALS CERTIFIED AND APPROVED
12 FOR USE IN THIS COMMONWEALTH ARE COMPATIBLE AND COMPLY WITH THE
13 CENTRAL CONTROL COMPUTER AND PROTOCOL SPECIFICATIONS APPROVED BY
14 THE DEPARTMENT.

15 § 3702. VIDEO GAMING LIMITATIONS.

16 (A) ESTABLISHMENT LICENSEE LIMITATIONS.--AN ESTABLISHMENT
17 LICENSEE MAY OFFER VIDEO GAMING TERMINALS FOR PLAY WITHIN ITS
18 PREMISES, SUBJECT TO THE FOLLOWING:

19 (1) NO MORE THAN FIVE VIDEO GAMING TERMINALS MAY BE
20 PLACED ON THE PREMISES OF THE ESTABLISHMENT LICENSEE.

21 (2) REDEMPTION TICKETS SHALL ONLY BE EXCHANGED FOR CASH
22 THROUGH A REDEMPTION TERMINAL OR REINSERTED INTO ANOTHER
23 VIDEO GAMING TERMINAL IN THE SAME VIDEO GAMING AREA OR AS
24 OTHERWISE AUTHORIZED BY THE BOARD IN THE EVENT OF A FAILURE
25 OR MALFUNCTION IN A REDEMPTION TERMINAL, AND AT LEAST ONE
26 REDEMPTION TERMINAL SHALL BE LOCATED IN THE VIDEO GAMING
27 AREA.

28 (3) VIDEO GAMING TERMINALS LOCATED ON THE PREMISES OF
29 THE ESTABLISHMENT LICENSEE SHALL BE PLACED AND OPERATED BY A
30 TERMINAL OPERATOR LICENSEE PURSUANT TO A TERMINAL PLACEMENT

1 AGREEMENT.

2 (4) NO VIDEO GAMING AREA MAY BE LOCATED IN AN AREA THAT
3 IS NOT PROPERLY SEGREGATED FROM MINORS.

4 (5) THE ENTRANCE TO THE VIDEO GAMING AREA SHALL BE
5 SECURE AND EASILY SEEN AND OBSERVED BY AT LEAST ONE EMPLOYEE
6 OF THE ESTABLISHMENT LICENSEE.

7 (6) THE VIDEO GAMING AREA SHALL AT ALL TIMES BE
8 MONITORED BY AN EMPLOYEE OF THE ESTABLISHMENT LICENSEE EITHER
9 DIRECTLY OR THROUGH LIVE MONITORING OF VIDEO SURVEILLANCE.
10 THE EMPLOYEE MUST BE AT LEAST 18 YEARS OF AGE AND HAVE
11 COMPLETED THE MANDATORY TRAINING PROGRAM REQUIRED IN SECTION
12 3706 (RELATING TO COMPULSIVE AND PROBLEM GAMBLING).

13 (7) NO ESTABLISHMENT LICENSEE MAY PROVIDE AN INCENTIVE.

14 (8) NO MINOR SHALL BE PERMITTED TO PLAY A VIDEO GAMING
15 TERMINAL OR ENTER THE VIDEO GAMING AREA.

16 (9) NO VISIBLY INTOXICATED PERSON SHALL BE PERMITTED TO
17 PLAY A VIDEO GAMING TERMINAL.

18 (10) NO ESTABLISHMENT LICENSEE MAY EXTEND CREDIT OR
19 ACCEPT A CREDIT CARD OR DEBIT CARD FOR PLAY OF A VIDEO GAMING
20 TERMINAL.

21 (11) NO ESTABLISHMENT LICENSEE MAY MAKE STRUCTURAL
22 ALTERATIONS OR SIGNIFICANT RENOVATIONS TO A VIDEO GAMING AREA
23 UNLESS THE ESTABLISHMENT LICENSEE HAS NOTIFIED THE TERMINAL
24 OPERATOR LICENSEE AND OBTAINED PRIOR APPROVAL FROM THE BOARD.

25 (12) NO ESTABLISHMENT LICENSEE MAY MOVE A VIDEO GAMING
26 TERMINAL OR REDEMPTION TERMINAL AFTER INSTALLATION BY A
27 TERMINAL OPERATOR LICENSEE.

28 (B) TERMINAL OPERATOR LICENSEE LIMITATIONS.--A TERMINAL
29 OPERATOR LICENSEE MAY PLACE AND OPERATE VIDEO GAMING TERMINALS
30 ON THE PREMISES OF AN ESTABLISHMENT LICENSEE, SUBJECT TO THE

1 FOLLOWING:

2 (1) NO MORE THAN FIVE VIDEO GAMING TERMINALS MAY BE
3 PLACED ON THE PREMISES OF THE ESTABLISHMENT LICENSEE.

4 (2) REDEMPTION TICKETS SHALL ONLY BE EXCHANGED FOR CASH
5 THROUGH A REDEMPTION TERMINAL LOCATED WITHIN THE SAME VIDEO
6 GAMING AREA OR REINSERTED INTO ANOTHER VIDEO GAMING TERMINAL
7 LOCATED IN THE SAME VIDEO GAMING AREA AS THE VIDEO GAMING
8 TERMINAL.

9 (3) VIDEO GAMING TERMINALS LOCATED ON THE PREMISES OF
10 THE ESTABLISHMENT LICENSEE SHALL BE PLACED AND OPERATED
11 PURSUANT TO A TERMINAL PLACEMENT AGREEMENT.

12 (4) NO TERMINAL OPERATOR LICENSEE MAY PROVIDE AN
13 INCENTIVE.

14 (5) NO TERMINAL OPERATOR LICENSEE MAY EXTEND CREDIT OR
15 ACCEPT A CREDIT CARD OR DEBIT CARD FOR PLAY OF A VIDEO GAMING
16 TERMINAL.

17 (6) NO TERMINAL OPERATOR LICENSEE MAY GIVE OR OFFER TO
18 GIVE, DIRECTLY OR INDIRECTLY, ANY TYPE OF INDUCEMENT TO A
19 TRUCK STOP ESTABLISHMENT TO SECURE OR MAINTAIN A TERMINAL
20 PLACEMENT AGREEMENT.

21 (7) NO TERMINAL OPERATOR LICENSEE MAY GIVE AN
22 ESTABLISHMENT LICENSEE A PERCENTAGE OF GROSS TERMINAL REVENUE
23 OTHER THAN 15% OF THE GROSS TERMINAL REVENUE OF THE VIDEO
24 GAMING TERMINALS OPERATING IN THE ESTABLISHMENT LICENSEE'S
25 PREMISES.

26 (8) A TERMINAL OPERATOR LICENSEE SHALL ONLY OPERATE,
27 INSTALL OR OTHERWISE MAKE AVAILABLE FOR PUBLIC USE A VIDEO
28 GAMING TERMINAL OR REDEMPTION TERMINAL THAT HAS BEEN OBTAINED
29 FROM A MANUFACTURER LICENSEE OR SUPPLIER LICENSEE.

30 (9) NO TERMINAL OPERATOR LICENSEE MAY MAKE STRUCTURAL

1 ALTERATIONS OR SIGNIFICANT RENOVATIONS TO A VIDEO GAMING AREA
2 UNLESS THE TERMINAL OPERATOR LICENSEE HAS NOTIFIED THE
3 ESTABLISHMENT LICENSEE AND OBTAINED PRIOR APPROVAL FROM THE
4 BOARD.

5 (10) NO TERMINAL OPERATOR LICENSEE MAY MOVE A VIDEO
6 GAMING TERMINAL OR REDEMPTION TERMINAL AFTER INSTALLATION
7 UNLESS PRIOR APPROVAL IS OBTAINED FROM THE BOARD.

8 § 3703. (RESERVED).

9 § 3704. TERMINAL PLACEMENT AGREEMENTS.

10 (A) GENERAL RULE.--NO TERMINAL OPERATOR LICENSEE MAY PLACE
11 AND OPERATE VIDEO GAMING TERMINALS ON THE PREMISES OF AN
12 ESTABLISHMENT LICENSEE UNLESS PURSUANT TO A TERMINAL PLACEMENT
13 AGREEMENT APPROVED BY THE BOARD. APPROVAL SHALL BE PRESENTED
14 UPON CONNECTION OF ONE OR MORE VIDEO GAMING TERMINALS AT THE
15 ESTABLISHMENT LICENSEE TO THE CENTRAL CONTROL COMPUTER.

16 (B) FORM OF AGREEMENT.--THE BOARD SHALL ESTABLISH THROUGH
17 REGULATION MINIMUM STANDARDS FOR TERMINAL PLACEMENT AGREEMENTS.

18 (C) LENGTH OF AGREEMENT.--TERMINAL PLACEMENT AGREEMENTS
19 SHALL BE VALID FOR A MINIMUM 60-MONTH TERM BUT SHALL NOT EXCEED
20 A 120-MONTH TERM.

21 (D) PROVISIONS REQUIRED.--A TERMINAL PLACEMENT AGREEMENT
22 SHALL INCLUDE A PROVISION THAT:

23 (1) RENDERS THE AGREEMENT INVALID IF EITHER THE TERMINAL
24 OPERATOR LICENSE OR TERMINAL OPERATOR APPLICATION OR THE
25 ESTABLISHMENT LICENSE OR ESTABLISHMENT LICENSEE APPLICATION
26 IS DENIED, REVOKED, NOT RENEWED, WITHDRAWN OR SURRENDERED.

27 (2) PROVIDES THE ESTABLISHMENT LICENSEE NO MORE OR LESS
28 THAN 15% OF GROSS TERMINAL REVENUE FROM EACH VIDEO GAMING
29 TERMINAL LOCATED ON THE PREMISES OF THE ESTABLISHMENT
30 LICENSEE.

1 (3) IDENTIFIES WHO SOLICITED THE TERMINAL PLACEMENT
2 AGREEMENT ON BEHALF OF A TERMINAL OPERATOR LICENSEE OR
3 APPLICANT.

4 (E) PARTIES TO AGREEMENT.--ONLY AN ESTABLISHMENT LICENSEE OR
5 APPLICANT MAY SIGN OR AGREE TO SIGN A TERMINAL PLACEMENT
6 AGREEMENT WITH AN APPLICANT FOR A TERMINAL OPERATOR LICENSE OR A
7 TERMINAL OPERATOR LICENSEE.

8 (F) VOID AGREEMENTS.--AN AGREEMENT ENTERED INTO BY A TRUCK
9 STOP ESTABLISHMENT PRIOR TO THE EFFECTIVE DATE OF THIS SECTION
10 WITH A PERSON OR ENTITY FOR THE PLACEMENT, OPERATION, SERVICE OR
11 MAINTENANCE OF VIDEO GAMING TERMINALS, INCLUDING AN AGREEMENT
12 GRANTING A PERSON OR ENTITY THE RIGHT TO ENTER INTO AN AGREEMENT
13 OR MATCH ANY OFFER MADE AFTER THE EFFECTIVE DATE OF THIS SECTION
14 SHALL BE VOID AND MAY NOT BE APPROVED BY THE BOARD.

15 (G) TRANSFERABILITY OF AGREEMENTS.--NO TERMINAL PLACEMENT
16 AGREEMENT MAY BE TRANSFERRED OR ASSIGNED UNLESS THE INDIVIDUAL
17 OR ENTITY MAKING THE ASSIGNMENT IS EITHER A TERMINAL OPERATOR
18 APPLICANT OR TERMINAL OPERATOR LICENSEE AND THE INDIVIDUAL OR
19 ENTITY RECEIVING THE ASSIGNMENT OF THE TERMINAL PLACEMENT
20 AGREEMENT IS EITHER A TERMINAL OPERATOR APPLICANT OR TERMINAL
21 OPERATOR LICENSEE UNDER THIS CHAPTER.

22 § 3705. DUTIES OF LICENSEES.

23 A PERSON ISSUED A LICENSE UNDER THIS PART SHALL:

24 (1) PROVIDE ASSISTANCE OR INFORMATION REQUIRED BY THE
25 BOARD, THE BUREAU, THE DEPARTMENT OR THE PENNSYLVANIA STATE
26 POLICE AND TO COOPERATE IN INQUIRIES, INVESTIGATIONS AND
27 HEARINGS.

28 (2) CONSENT TO INSPECTIONS, SEARCHES AND SEIZURES.

29 (3) INFORM THE BOARD OF ACTIONS THAT THE PERSON BELIEVES
30 WOULD CONSTITUTE A VIOLATION OF THIS PART.

1 (4) INFORM THE BOARD OF ARRESTS FOR VIOLATIONS OF
2 OFFENSES ENUMERATED UNDER 18 PA.C.S. (RELATING TO CRIMES AND
3 OFFENSES).

4 § 3706. COMPULSIVE AND PROBLEM GAMBLING.

5 (A) REQUIRED POSTING.--

6 (1) AN ESTABLISHMENT LICENSEE SHALL CONSPICUOUSLY POST
7 SIGNS SIMILAR TO THE FOLLOWING STATEMENT:

8 IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM,
9 HELP IS AVAILABLE. CALL (TOLL-FREE TELEPHONE NUMBER)
10 OR TEXT (TOLL-FREE TELEPHONE NUMBER).

11 (2) AT LEAST ONE SIGN SHALL BE POSTED WITHIN THE VIDEO
12 GAMING AREA AND AT LEAST ONE SIGN SHALL BE POSTED WITHIN FIVE
13 FEET OF EACH AUTOMATED TELLER MACHINE LOCATED WITHIN THE
14 ESTABLISHMENT LICENSEE'S PREMISES, IF APPLICABLE.

15 (B) TOLL-FREE TELEPHONE NUMBER.--THE TOLL-FREE TELEPHONE
16 NUMBER REQUIRED TO BE POSTED IN SUBSECTION (A) SHALL BE THE SAME
17 NUMBER MAINTAINED BY THE DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS
18 OR SUCCESSOR AGENCY UNDER SECTION 3310 (RELATING TO DEPARTMENT
19 OF DRUG AND ALCOHOL PROGRAMS).

20 (C) PROBLEM GAMBLING INFORMATION.--

21 (1) AN ESTABLISHMENT LICENSEE SHALL HAVE AVAILABLE ON
22 ITS PREMISES ACCESS TO MATERIALS REGARDING COMPULSIVE AND
23 PROBLEM GAMBLING ASSISTANCE.

24 (2) THE AVAILABLE MATERIALS REQUIRED BY PARAGRAPH (1)
25 SHALL BE A UNIFORM, STATEWIDE HANDOUT DEVELOPED BY THE BOARD
26 IN CONSULTATION WITH THE DEPARTMENT OF DRUG AND ALCOHOL
27 PROGRAMS OR SUCCESSOR AGENCY.

28 (3) THE AVAILABLE MATERIALS REQUIRED BY PARAGRAPH (1)
29 SHALL BE DISPLAYED CONSPICUOUSLY AT LEAST WITHIN THE VIDEO
30 GAMING AREA.

1 (D) MANDATORY TRAINING.--

2 (1) THE BOARD'S OFFICE OF COMPULSIVE AND PROBLEM
3 GAMBLING, IN CONSULTATION WITH THE DEPARTMENT OF DRUG AND
4 ALCOHOL PROGRAMS OR SUCCESSOR AGENCY, SHALL DEVELOP A
5 MANDATORY TRAINING PROGRAM FOR EMPLOYEES AND MANAGEMENT OF AN
6 ESTABLISHMENT LICENSEE WHO OVERSEE THE ESTABLISHMENT
7 LICENSEE'S VIDEO GAMING AREA. THE TRAINING PROGRAM SHALL
8 ADDRESS RESPONSIBLE GAMING AND OTHER COMPULSIVE AND PROBLEM
9 GAMBLING ISSUES RELATED TO VIDEO GAMING TERMINALS.

10 (2) THE BOARD SHALL ESTABLISH A FEE TO COVER THE COST OF
11 THE MANDATORY TRAINING PROGRAM.

12 (3) AT LEAST ONE EMPLOYEE OF THE ESTABLISHMENT LICENSEE
13 WHO HOLDS A VALID OCCUPATION PERMIT AND HAS SUCCESSFULLY
14 COMPLETED THE TRAINING PROGRAM SHALL BE LOCATED ON THE
15 PREMISES AND SUPERVISING THE VIDEO GAMING AREA DURING ALL
16 TIMES VIDEO GAMING TERMINALS ARE AVAILABLE FOR PLAY.

17 (E) PENALTY.--AN ESTABLISHMENT LICENSEE THAT FAILS TO
18 FULFILL THE REQUIREMENTS OF SUBSECTION (A), (B), (C) OR (D)
19 SHALL BE ASSESSED BY THE BOARD AN ADMINISTRATIVE PENALTY AND MAY
20 HAVE ITS ESTABLISHMENT LICENSE SUSPENDED. WHEN DETERMINING THE
21 PENALTY AND NUMBER OF SUSPENSION DAYS, THE BOARD SHALL CONSIDER
22 THE LENGTH OF TIME IN WHICH THE MATERIALS WERE NOT AVAILABLE OR
23 A TRAINED EMPLOYEE WAS NOT LOCATED ON THE PREMISES AS REQUIRED
24 BY SUBSECTION (D) (3).

25 CHAPTER 39

26 ENFORCEMENT

27 SEC.

28 3901. EXCLUSION OR EJECTION OF CERTAIN PERSONS.

29 3902. REPEAT OFFENDERS.

30 3903. SELF-EXCLUSION.

1 3904. INVESTIGATIONS AND ENFORCEMENT.

2 3905. PROHIBITED ACTS AND PENALTIES.

3 3906. REPORT OF SUSPICIOUS TRANSACTIONS.

4 3907. ADDITIONAL AUTHORITY.

5 3908. DETENTION.

6 § 3901. EXCLUSION OR EJECTION OF CERTAIN PERSONS.

7 (A) GENERAL RULE.--THE BOARD SHALL BY REGULATION PROVIDE FOR
8 THE ESTABLISHMENT OF A LIST OF PERSONS WHO ARE TO BE EXCLUDED OR
9 EJECTED FROM THE VIDEO GAMING AREA OF AN ESTABLISHMENT LICENSEE.
10 THE PROVISIONS SHALL DEFINE THE STANDARDS FOR EXCLUSION AND
11 SHALL INCLUDE STANDARDS RELATING TO PERSONS WHO ARE CAREER OR
12 PROFESSIONAL OFFENDERS AS DEFINED BY REGULATIONS OF THE BOARD OR
13 WHOSE PRESENCE IN A VIDEO GAMING AREA WOULD, IN THE OPINION OF
14 THE BOARD, BE INIMICAL TO THE INTEREST OF THE COMMONWEALTH OR OF
15 LICENSED VIDEO GAMING IN THIS COMMONWEALTH, OR BOTH.

16 (B) CATEGORIES TO BE DEFINED.--THE BOARD SHALL PROMULGATE
17 DEFINITIONS ESTABLISHING CATEGORIES OF PERSONS WHO SHALL BE
18 EXCLUDED OR EJECTED PURSUANT TO THIS SECTION, INCLUDING CHEATS
19 AND PERSONS WHOSE PRIVILEGES FOR LICENSURE, CERTIFICATION,
20 PERMIT OR REGISTRATION HAVE BEEN REVOKED.

21 (C) DISCRIMINATION PROHIBITED.--RACE, COLOR, CREED, NATIONAL
22 ORIGIN OR ANCESTRY OR SEX SHALL NOT BE A REASON FOR PLACING THE
23 NAME OF A PERSON UPON A LIST UNDER THIS SECTION.

24 (D) PREVENTION OF ACCESS.--THE BOARD SHALL, IN CONSULTATION
25 WITH TERMINAL OPERATOR LICENSEES AND ESTABLISHMENT LICENSEES,
26 DEVELOP POLICIES AND PROCEDURES TO REASONABLY PREVENT PERSONS ON
27 THE LIST REQUIRED BY THIS SECTION FROM ENTERING A VIDEO GAMING
28 AREA.

29 (E) SANCTIONS.--THE BOARD MAY IMPOSE SANCTIONS UPON AN
30 ESTABLISHMENT LICENSEE IN ACCORDANCE WITH THIS PART IF THE

1 ESTABLISHMENT LICENSEE KNOWINGLY FAILS TO IMPLEMENT THE POLICIES
2 AND PROCEDURES ESTABLISHED BY THE BOARD UNDER PARAGRAPH (D).

3 (F) LIST NOT ALL-INCLUSIVE.--A LIST COMPILED BY THE BOARD
4 UNDER THIS SECTION SHALL NOT BE DEEMED AN ALL-INCLUSIVE LIST,
5 AND AN ESTABLISHMENT LICENSEE SHALL KEEP FROM THE VIDEO GAMING
6 AREA PERSONS KNOWN TO THE ESTABLISHMENT LICENSEE TO BE WITHIN
7 THE CLASSIFICATIONS DECLARED IN THIS SECTION AND THE REGULATIONS
8 PROMULGATED UNDER THIS SECTION WHOSE PRESENCE IN A VIDEO GAMING
9 AREA WOULD BE INIMICAL TO THE INTEREST OF THE COMMONWEALTH OR OF
10 LICENSED VIDEO GAMING IN THIS COMMONWEALTH, OR BOTH, AS DEFINED
11 IN STANDARDS ESTABLISHED BY THE BOARD.

12 (G) NOTICE.--IF THE BUREAU DECIDES TO PLACE THE NAME OF A
13 PERSON ON A LIST PURSUANT TO THIS SECTION, THE BUREAU SHALL
14 SERVE NOTICE OF THE DECISION TO THE PERSON BY PERSONAL SERVICE
15 OR CERTIFIED MAIL AT THE LAST KNOWN ADDRESS OF THE PERSON. THE
16 NOTICE SHALL INFORM THE PERSON OF THE RIGHT TO REQUEST A HEARING
17 UNDER SUBSECTION (H).

18 (H) HEARING.--

19 (1) WITHIN 30 DAYS AFTER RECEIPT OF NOTICE IN ACCORDANCE
20 WITH SUBSECTION (G), THE PERSON NAMED FOR EXCLUSION OR
21 EJECTION MAY DEMAND A HEARING BEFORE THE BOARD, AT WHICH
22 HEARING THE BUREAU MUST DEMONSTRATE THAT THE PERSON NAMED FOR
23 EXCLUSION OR EJECTION SATISFIES THE CRITERIA FOR EXCLUSION OR
24 EJECTION ESTABLISHED BY THIS SECTION AND THE BOARD'S
25 REGULATIONS.

26 (2) FAILURE OF THE PERSON TO DEMAND A HEARING WITHIN 30
27 DAYS AFTER SERVICE SHALL BE DEEMED AN ADMISSION OF ALL
28 MATTERS AND FACTS ALLEGED IN THE BUREAU'S NOTICE AND SHALL
29 PRECLUDE THE PERSON FROM HAVING AN ADMINISTRATIVE HEARING,
30 BUT SHALL IN NO WAY AFFECT THE RIGHT TO JUDICIAL REVIEW AS

1 PROVIDED IN THIS SECTION.

2 (I) REVIEW.--

3 (1) IF, UPON COMPLETION OF A HEARING ON THE NOTICE OF
4 EXCLUSION OR EJECTION, THE BOARD DETERMINES THAT PLACEMENT OF
5 THE NAME OF THE PERSON ON THE EXCLUSION OR EJECTION LIST IS
6 APPROPRIATE, THE BOARD SHALL MAKE AND ENTER AN ORDER TO THAT
7 EFFECT.

8 (2) THE ORDER SHALL BE SUBJECT TO REVIEW BY THE
9 COMMONWEALTH COURT IN ACCORDANCE WITH THE RULES OF COURT.

10 § 3902. REPEAT OFFENDERS.

11 (A) DISCRETION TO EXCLUDE OR EJECT.--AN ESTABLISHMENT
12 LICENSEE MAY EXCLUDE OR EJECT FROM THE ESTABLISHMENT LICENSEE'S
13 VIDEO GAMING AREA OR PREMISES A PERSON WHO IS KNOWN TO IT TO
14 HAVE BEEN CONVICTED OF A MISDEMEANOR OR FELONY COMMITTED IN OR
15 ON THE PREMISES OF A LICENSED ESTABLISHMENT.

16 (B) CONSTRUCTION.--NOTHING IN THIS SECTION OR IN ANY OTHER
17 LAW OF THIS COMMONWEALTH SHALL BE CONSTRUED TO LIMIT THE RIGHT
18 OF AN ESTABLISHMENT LICENSEE TO EXERCISE ITS COMMON LAW RIGHT TO
19 EXCLUDE OR EJECT PERMANENTLY FROM ITS VIDEO GAMING AREA OR
20 PREMISES A PERSON WHO:

21 (1) DISRUPTS THE OPERATIONS OF ITS PREMISES;

22 (2) THREATENS THE SECURITY OF ITS PREMISES OR ITS
23 OCCUPANTS; OR

24 (3) IS DISORDERLY OR INTOXICATED.

25 § 3903. SELF-EXCLUSION.

26 (A) ESTABLISHMENT OF LIST.--

27 (1) THE BOARD SHALL PROVIDE BY REGULATION FOR THE
28 ESTABLISHMENT OF A LIST OF PERSONS SELF-EXCLUDED FROM VIDEO
29 GAMING ACTIVITIES WITHIN SPECIFIC ESTABLISHMENT LICENSEES OR
30 ESTABLISHMENT LICENSEES IN GEOGRAPHIC AREAS OF THE

1 COMMONWEALTH.

2 (2) A PERSON MAY REQUEST PLACEMENT ON THE LIST OF SELF-
3 EXCLUDED PERSONS BY:

4 (I) ACKNOWLEDGING IN A MANNER TO BE ESTABLISHED BY
5 THE BOARD THAT THE PERSON IS A PROBLEM GAMBLER;

6 (II) AGREEING THAT, DURING ANY PERIOD OF VOLUNTARY
7 EXCLUSION, THE PERSON MAY NOT COLLECT ANY WINNINGS OR
8 RECOVER ANY LOSSES RESULTING FROM ANY VIDEO GAMING
9 ACTIVITY WITHIN ESTABLISHMENT LICENSEES AND THAT PERSON
10 MAY BE SUBJECT TO ARREST FOR TRESPASS; AND

11 (III) AGREEING TO ANOTHER CONDITION ESTABLISHED BY
12 THE BOARD.

13 (B) REGULATIONS.--THE REGULATIONS OF THE BOARD SHALL
14 ESTABLISH:

15 (1) PROCEDURES FOR PLACEMENT ON AND REMOVAL FROM THE
16 LIST OF A SELF-EXCLUDED PERSON.

17 (2) PROCEDURES FOR THE TRANSMITTAL TO ESTABLISHMENT
18 LICENSEES OF IDENTIFYING INFORMATION CONCERNING A SELF-
19 EXCLUDED PERSON AND SHALL REQUIRE ESTABLISHMENT LICENSEES TO
20 ESTABLISH REASONABLE PROCEDURES DESIGNED AT A MINIMUM TO
21 PREVENT ENTRY OF A SELF-EXCLUDED PERSON INTO THE VIDEO GAMING
22 AREA OF AN ESTABLISHMENT LICENSEE, PROVIDED THAT THE BOARD
23 MAY NOT REQUIRE VIDEO GAMING TERMINALS TO BE EQUIPPED WITH
24 IDENTIFICATION CARD-READING DEVICES OR REQUIRE ESTABLISHMENT
25 LICENSEES TO PURCHASE IDENTIFICATION CARD-READING DEVICES.

26 (3) PROCEDURES FOR THE TRANSMITTAL TO TERMINAL OPERATOR
27 LICENSEES OF IDENTIFYING INFORMATION CONCERNING A SELF-
28 EXCLUDED PERSON AND SHALL REQUIRE TERMINAL OPERATOR LICENSEES
29 TO ESTABLISH PROCEDURES TO REMOVE SELF-EXCLUDED PERSONS FROM
30 CUSTOMER LOYALTY OR REWARD CARD PROGRAMS AND TARGETED

1 MAILINGS OR OTHER FORMS OF ADVERTISING OR PROMOTIONS.

2 (C) LIABILITY.--AN ESTABLISHMENT LICENSEE OR EMPLOYEE
3 THEREOF SHALL NOT BE LIABLE TO A SELF-EXCLUDED PERSON OR TO
4 ANOTHER PARTY IN A JUDICIAL PROCEEDING FOR HARM, MONETARY OR
5 OTHERWISE, WHICH MAY ARISE AS A RESULT OF:

6 (1) THE FAILURE OF THE ESTABLISHMENT LICENSEE TO
7 WITHHOLD VIDEO GAMING PRIVILEGES FROM OR RESTORE VIDEO GAMING
8 PRIVILEGES TO THE SELF-EXCLUDED PERSON; OR

9 (2) OTHERWISE PERMITTING OR NOT PERMITTING THE SELF-
10 EXCLUDED PERSON TO ENGAGE IN VIDEO GAMING ACTIVITY WITHIN THE
11 ESTABLISHMENT LICENSEE'S PREMISES WHILE ON THE LIST OF SELF-
12 EXCLUDED PERSONS.

13 (D) NONDISCLOSURE.--NOTWITHSTANDING ANY OTHER LAW TO THE
14 CONTRARY, THE BOARD'S LIST OF SELF-EXCLUDED PERSONS SHALL NOT BE
15 OPEN TO PUBLIC INSPECTION.

16 § 3904. INVESTIGATIONS AND ENFORCEMENT.

17 (A) POWERS AND DUTIES OF BUREAU.--THE BUREAU SHALL HAVE THE
18 FOLLOWING POWERS AND DUTIES:

19 (1) ENFORCE THE PROVISIONS OF THIS PART.

20 (2) INVESTIGATE AND REVIEW APPLICANTS AND APPLICATIONS
21 FOR A LICENSE OR REGISTRATION. THE BUREAU SHALL BE PROHIBITED
22 FROM DISCLOSING ANY PORTION OF A BACKGROUND INVESTIGATION
23 REPORT TO A MEMBER OF THE BOARD PRIOR TO THE SUBMISSION OF
24 THE BUREAU'S FINAL BACKGROUND INVESTIGATION REPORT RELATING
25 TO THE APPLICANT'S SUITABILITY FOR LICENSURE TO THE BOARD.
26 THE OFFICE OF ENFORCEMENT COUNSEL, ON BEHALF OF THE BUREAU,
27 SHALL PREPARE THE FINAL BACKGROUND INVESTIGATION REPORT FOR
28 INCLUSION IN A FINAL REPORT RELATING TO THE APPLICANT'S
29 SUITABILITY FOR LICENSURE.

30 (3) INVESTIGATE LICENSEES, REGISTRANTS AND OTHER PERSONS

1 REGULATED BY THE BOARD UNDER THIS PART FOR NONCRIMINAL
2 VIOLATIONS OF THIS PART, INCLUDING POTENTIAL VIOLATIONS
3 REFERRED TO THE BUREAU BY THE BOARD OR OTHER PERSON.

4 (4) MONITOR VIDEO GAMING OPERATIONS TO ENSURE COMPLIANCE
5 WITH THIS PART.

6 (5) INSPECT AND EXAMINE LICENSED ENTITIES. INSPECTIONS
7 MAY INCLUDE THE REVIEW AND REPRODUCTION OF DOCUMENTS OR
8 RECORDS.

9 (6) CONDUCT REVIEWS OF A LICENSED ENTITY AS NECESSARY TO
10 ENSURE COMPLIANCE WITH THIS PART. A REVIEW MAY INCLUDE THE
11 REVIEW OF ACCOUNTING, ADMINISTRATIVE AND FINANCIAL RECORDS,
12 MANAGEMENT CONTROL SYSTEMS, PROCEDURES AND OTHER RECORDS
13 UTILIZED BY A LICENSED ENTITY.

14 (7) REFER POSSIBLE CRIMINAL VIOLATIONS TO THE
15 PENNSYLVANIA STATE POLICE. THE BUREAU SHALL NOT HAVE THE
16 POWER OF ARREST.

17 (8) COOPERATE IN THE INVESTIGATION AND PROSECUTION OF
18 CRIMINAL VIOLATIONS RELATED TO THIS PART.

19 (9) BE A CRIMINAL JUSTICE AGENCY UNDER 18 PA.C.S. CH. 91
20 (RELATING TO CRIMINAL HISTORY RECORD INFORMATION).

21 (B) OFFICE OF ENFORCEMENT COUNSEL.--THE BOARD'S OFFICE OF
22 ENFORCEMENT COUNSEL SHALL ACT AS THE PROSECUTOR IN ALL
23 NONCRIMINAL ENFORCEMENT ACTIONS INITIATED BY THE BUREAU UNDER
24 THIS PART AND SHALL HAVE THE FOLLOWING POWERS AND DUTIES:

25 (1) ADVISE THE BUREAU ON ALL MATTERS, INCLUDING THE
26 GRANTING OF LICENSES OR REGISTRATIONS, THE CONDUCT OF
27 BACKGROUND INVESTIGATIONS, AUDITS AND INSPECTIONS AND THE
28 INVESTIGATION OF POTENTIAL VIOLATIONS OF THIS PART.

29 (2) FILE ON BEHALF OF THE BUREAU RECOMMENDATIONS AND
30 OBJECTIONS RELATING TO THE ISSUANCE OF LICENSES AND

1 REGISTRATIONS.

2 (3) INITIATE, IN ITS SOLE DISCRETION, PROCEEDINGS FOR
3 NONCRIMINAL VIOLATIONS OF THIS PART BY FILING A COMPLAINT OR
4 OTHER PLEADING WITH THE BOARD.

5 (C) POWERS AND DUTIES OF DEPARTMENT.--

6 (1) THE DEPARTMENT SHALL AT ALL TIMES HAVE THE POWER OF
7 ACCESS TO EXAMINE AND AUDIT EQUIPMENT AND RECORDS RELATING TO
8 ALL ASPECTS OF THE OPERATION OF VIDEO GAMING TERMINALS AND
9 REDEMPTION TERMINALS UNDER THIS PART.

10 (2) NOTWITHSTANDING THE PROVISIONS OF SECTION 353(F) OF
11 THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX
12 REFORM CODE OF 1971, THE DEPARTMENT SHALL SUPPLY THE BOARD,
13 THE BUREAU, THE PENNSYLVANIA STATE POLICE AND THE OFFICE OF
14 ATTORNEY GENERAL WITH INFORMATION CONCERNING THE STATUS OF
15 DELINQUENT TAXES OWED BY APPLICANTS OR LICENSEES.

16 (D) POWERS AND DUTIES OF THE PENNSYLVANIA STATE POLICE.--THE
17 PENNSYLVANIA STATE POLICE SHALL HAVE THE FOLLOWING POWERS AND
18 DUTIES:

19 (1) PROMPTLY CONDUCT BACKGROUND INVESTIGATIONS ON
20 PERSONS AS DIRECTED BY THE BOARD UNDER THIS PART. THE
21 PENNSYLVANIA STATE POLICE MAY CONTRACT WITH OTHER LAW
22 ENFORCEMENT ANNUITANTS TO ASSIST IN THE CONDUCT OF
23 INVESTIGATIONS UNDER THIS PARAGRAPH.

24 (2) INITIATE PROCEEDINGS FOR CRIMINAL VIOLATIONS OF THIS
25 PART.

26 (3) PROVIDE THE BOARD WITH ALL INFORMATION NECESSARY FOR
27 ALL ACTIONS UNDER THIS PART FOR ALL PROCEEDINGS INVOLVING
28 CRIMINAL ENFORCEMENT OF THIS PART.

29 (4) INSPECT, WHEN APPROPRIATE, A LICENSEE'S PERSON AND
30 PERSONAL EFFECTS PRESENT WITHIN AN ESTABLISHMENT LICENSEE'S

1 PREMISES UNDER THIS PART WHILE THAT LICENSEE IS PRESENT.

2 (5) ENFORCE THE CRIMINAL PROVISIONS OF THIS PART AND ALL
3 OTHER CRIMINAL LAWS OF THIS COMMONWEALTH.

4 (6) FINGERPRINT APPLICANTS.

5 (7) EXCHANGE FINGERPRINT DATA WITH AND RECEIVE NATIONAL
6 CRIMINAL HISTORY RECORD INFORMATION FROM THE FEDERAL BUREAU
7 OF INVESTIGATION FOR USE IN BACKGROUND INVESTIGATIONS
8 PERFORMED BY THE BUREAU UNDER THIS PART.

9 (8) RECEIVE AND TAKE APPROPRIATE ACTION ON ANY REFERRAL
10 FROM THE BUREAU RELATING TO CRIMINAL CONDUCT.

11 (9) CONDUCT ADMINISTRATIVE INSPECTIONS ON THE PREMISES
12 OF AN ESTABLISHMENT LICENSEE AT SUCH TIMES, UNDER SUCH
13 CIRCUMSTANCES AND TO SUCH EXTENT AS THE BUREAU DETERMINES TO
14 ENSURE COMPLIANCE WITH THIS PART AND THE REGULATIONS OF THE
15 BOARD AND, IN THE COURSE OF INSPECTIONS, REVIEW AND MAKE
16 COPIES OF ALL DOCUMENTS AND RECORDS REQUIRED BY THE
17 INSPECTION THROUGH ONSITE OBSERVATION AND OTHER REASONABLE
18 MEANS TO ASSURE COMPLIANCE WITH THIS PART AND REGULATIONS
19 PROMULGATED UNDER THIS PART.

20 (10) CONDUCT AUDITS OR VERIFICATION OF INFORMATION OF
21 VIDEO GAMING TERMINAL OPERATIONS AT SUCH TIMES, UNDER SUCH
22 CIRCUMSTANCES AND TO SUCH EXTENT AS THE BUREAU DETERMINES.
23 THIS PARAGRAPH INCLUDES THE REVIEW OF ACCOUNTING,
24 ADMINISTRATIVE AND FINANCIAL RECORDS AND MANAGEMENT CONTROL
25 SYSTEMS, PROCEDURES AND RECORDS UTILIZED BY A TERMINAL
26 OPERATOR LICENSEE.

27 (11) ASSIGN MEMBERS OF THE PENNSYLVANIA STATE POLICE TO
28 DUTIES OF ENFORCEMENT UNDER THIS PART. THOSE MEMBERS SHALL
29 NOT BE COUNTED TOWARD THE COMPLEMENT AS PROVIDED IN SECTION
30 205 OF THE ACT OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS

1 THE ADMINISTRATIVE CODE OF 1929.

2 (12) REPORT TO THE GENERAL ASSEMBLY. BY MARCH 1 OF EACH
3 YEAR, THE COMMISSIONER OF THE PENNSYLVANIA STATE POLICE SHALL
4 SUBMIT A REPORT TO THE APPROPRIATIONS COMMITTEE OF THE
5 SENATE, THE COMMUNITY, ECONOMIC AND RECREATIONAL DEVELOPMENT
6 COMMITTEE OF THE SENATE, THE APPROPRIATIONS COMMITTEE OF THE
7 HOUSE OF REPRESENTATIVES AND THE GAMING OVERSIGHT COMMITTEE
8 OF THE HOUSE OF REPRESENTATIVES. THE REPORT SHALL SUMMARIZE
9 ALL LAW ENFORCEMENT ACTIVITIES AT EACH ESTABLISHMENT LICENSEE
10 DURING THE PREVIOUS CALENDAR YEAR AND SHALL INCLUDE ALL OF
11 THE FOLLOWING:

12 (I) THE NUMBER OF ARRESTS MADE AND CITATIONS ISSUED
13 AT EACH ESTABLISHMENT LICENSEE AND THE NAME OF THE LAW
14 ENFORCEMENT AGENCY MAKING THE ARRESTS OR ISSUING THE
15 CITATIONS.

16 (II) A LIST OF SPECIFIC OFFENSES CHARGED FOR EACH
17 ARREST MADE OR CITATION ISSUED.

18 (III) THE NUMBER OF CRIMINAL PROSECUTIONS RESULTING
19 FROM ARRESTS MADE OR CITATIONS ISSUED.

20 (IV) THE NUMBER OF CONVICTIONS RESULTING FROM
21 PROSECUTIONS REPORTED UNDER SUBPARAGRAPH (III).

22 (13) REPORT VIOLATIONS OF THIS PART TO THE BUREAU THAT
23 ARE FOUND DURING THE NORMAL COURSE OF DUTIES REQUIRED UNDER
24 ANY LAW OF THIS COMMONWEALTH.

25 (E) POWERS AND DUTIES OF ATTORNEY GENERAL.--THE GAMING UNIT
26 WITHIN THE OFFICE OF ATTORNEY GENERAL SHALL INVESTIGATE AND
27 INSTITUTE CRIMINAL PROCEEDINGS AS AUTHORIZED UNDER SUBSECTION
28 (F).

29 (F) CRIMINAL ACTION.--

30 (1) THE DISTRICT ATTORNEYS OF THE SEVERAL COUNTIES SHALL

1 HAVE AUTHORITY TO INVESTIGATE AND TO INSTITUTE CRIMINAL
2 PROCEEDINGS FOR A VIOLATION OF THIS PART.

3 (2) IN ADDITION TO THE AUTHORITY CONFERRED UPON THE
4 ATTORNEY GENERAL UNDER THE ACT OF OCTOBER 15, 1980 (P.L.950,
5 NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT, THE
6 ATTORNEY GENERAL SHALL HAVE THE AUTHORITY TO INVESTIGATE AND,
7 FOLLOWING CONSULTATION WITH THE APPROPRIATE DISTRICT
8 ATTORNEY, TO INSTITUTE CRIMINAL PROCEEDINGS FOR A VIOLATION
9 OF THIS PART.

10 (3) A PERSON CHARGED WITH A VIOLATION OF THIS PART BY
11 THE ATTORNEY GENERAL SHALL NOT HAVE STANDING TO CHALLENGE THE
12 AUTHORITY OF THE ATTORNEY GENERAL TO INVESTIGATE OR PROSECUTE
13 THE CASE, AND, IF ANY SUCH CHALLENGE IS MADE, THE CHALLENGE
14 SHALL BE DISMISSED AND NO RELIEF SHALL BE AVAILABLE IN THE
15 COURTS OF THIS COMMONWEALTH TO THE PERSON MAKING THE
16 CHALLENGE.

17 (G) REGULATORY ACTION.--NOTHING CONTAINED IN SUBSECTION (E)
18 SHALL BE CONSTRUED TO LIMIT THE EXISTING REGULATORY OR
19 INVESTIGATIVE AUTHORITY OF AN AGENCY OR THE COMMONWEALTH WHOSE
20 FUNCTIONS RELATE TO PERSONS OR MATTERS WITHIN THE SCOPE OF THIS
21 PART.

22 (H) INSPECTION, SEIZURE AND WARRANTS.--

23 (1) THE BOARD, THE BUREAU, THE DEPARTMENT AND THE
24 PENNSYLVANIA STATE POLICE SHALL HAVE THE AUTHORITY WITHOUT
25 NOTICE AND WITHOUT WARRANT TO DO ALL OF THE FOLLOWING IN THE
26 PERFORMANCE OF THEIR DUTIES UNDER THIS PART:

27 (I) INSPECT AND EXAMINE ALL PREMISES WHERE VIDEO
28 GAMING OPERATIONS ARE CONDUCTED; WHERE VIDEO GAMING
29 TERMINALS, REDEMPTION TERMINALS AND ASSOCIATED EQUIPMENT
30 ARE MANUFACTURED, SOLD, DISTRIBUTED OR SERVICED; OR WHERE

1 RECORDS OF THESE ACTIVITIES ARE PREPARED OR MAINTAINED.

2 (II) INSPECT ALL EQUIPMENT AND SUPPLIES IN, ABOUT,
3 UPON OR AROUND PREMISES REFERRED TO IN SUBPARAGRAPH (I).

4 (III) SEIZE, SUMMARILY REMOVE AND IMPOUND EQUIPMENT
5 AND SUPPLIES FROM PREMISES REFERRED TO IN SUBPARAGRAPH
6 (I) FOR THE PURPOSES OF EXAMINATION AND INSPECTION.

7 (IV) INSPECT, EXAMINE AND AUDIT ALL BOOKS, RECORDS
8 AND DOCUMENTS PERTAINING TO A TERMINAL OPERATOR
9 LICENSEE'S VIDEO GAMING OPERATION.

10 (V) SEIZE, IMPOUND OR ASSUME PHYSICAL CONTROL OF ANY
11 BOOK, RECORD, LEDGER OR DEVICE RELATED TO VIDEO GAMING
12 OPERATIONS OR THE VIDEO GAMING TERMINALS OR REDEMPTION
13 TERMINALS.

14 (2) THE PROVISIONS OF PARAGRAPH (1) SHALL NOT BE
15 CONSTRUED TO LIMIT WARRANTLESS INSPECTIONS EXCEPT IN
16 ACCORDANCE WITH CONSTITUTIONAL REQUIREMENTS.

17 (3) TO FURTHER EFFECTUATE THE PURPOSES OF THIS PART, THE
18 BUREAU AND THE PENNSYLVANIA STATE POLICE MAY OBTAIN
19 ADMINISTRATIVE WARRANTS FOR THE INSPECTION AND SEIZURE OF
20 PROPERTY POSSESSED, CONTROLLED, BAILED OR OTHERWISE HELD BY
21 AN APPLICANT, LICENSEE, INTERMEDIARY, SUBSIDIARY, AFFILIATE
22 OR HOLDING COMPANY.

23 (I) INFORMATION SHARING AND ENFORCEMENT REFERRAL.--WITH
24 RESPECT TO THE ADMINISTRATION, SUPERVISION AND ENFORCEMENT OF
25 THIS PART, THE BUREAU, THE DEPARTMENT, THE PENNSYLVANIA STATE
26 POLICE OR THE OFFICE OF ATTORNEY GENERAL MAY OBTAIN OR PROVIDE
27 PERTINENT INFORMATION REGARDING APPLICANTS OR LICENSEES FROM OR
28 TO LAW ENFORCEMENT ENTITIES OR GAMING AUTHORITIES OF THE
29 COMMONWEALTH AND OTHER DOMESTIC, FOREIGN OR FEDERALLY APPROVED
30 JURISDICTIONS, INCLUDING THE FEDERAL BUREAU OF INVESTIGATION,

1 AND MAY TRANSMIT THE INFORMATION TO EACH OTHER ELECTRONICALLY.

2 § 3905. PROHIBITED ACTS AND PENALTIES.

3 (A) CRIMINAL OFFENSES.--

4 (1) THE PROVISIONS OF 18 PA.C.S. § 4902 (RELATING TO
5 PERJURY), 4903 (RELATING TO FALSE SWEARING) OR 4904 (RELATING
6 TO UNSWORN FALSIFICATION TO AUTHORITIES) SHALL APPLY TO A
7 PERSON PROVIDING INFORMATION OR MAKING A STATEMENT, WHETHER
8 WRITTEN OR ORAL, TO THE BOARD, THE BUREAU, THE DEPARTMENT,
9 THE PENNSYLVANIA STATE POLICE OR THE OFFICE OF ATTORNEY
10 GENERAL, AS REQUIRED BY THIS PART.

11 (2) IT SHALL BE UNLAWFUL FOR A PERSON TO WILLFULLY:

12 (I) FAIL TO REPORT, PAY OR TRUTHFULLY ACCOUNT FOR
13 AND PAY OVER A LICENSE FEE, AUTHORIZATION FEE, TAX OR
14 ASSESSMENT IMPOSED UNDER THIS PART; OR

15 (II) ATTEMPT IN ANY MANNER TO EVADE OR DEFEAT A
16 LICENSE FEE, AUTHORIZATION FEE, TAX OR ASSESSMENT IMPOSED
17 UNDER THIS PART.

18 (3) IT SHALL BE UNLAWFUL FOR A LICENSED ENTITY, GAMING
19 EMPLOYEE, KEY EMPLOYEE OR ANY OTHER PERSON TO PERMIT A VIDEO
20 GAMING TERMINAL TO BE OPERATED, TRANSPORTED, REPAIRED OR
21 OPENED ON THE PREMISES OF AN ESTABLISHMENT LICENSEE BY A
22 PERSON OTHER THAN A PERSON LICENSED OR PERMITTED BY THE BOARD
23 PURSUANT TO THIS PART.

24 (4) IT SHALL BE UNLAWFUL FOR A LICENSED ENTITY OR OTHER
25 PERSON TO MANUFACTURE, SUPPLY OR PLACE VIDEO GAMING
26 TERMINALS, REDEMPTION TERMINALS OR ASSOCIATED EQUIPMENT INTO
27 PLAY OR DISPLAY VIDEO GAMING TERMINALS, REDEMPTION TERMINALS
28 OR ASSOCIATED EQUIPMENT ON THE PREMISES OF AN ESTABLISHMENT
29 LICENSEE WITHOUT THE AUTHORITY OF THE BOARD.

30 (5) IT SHALL BE UNLAWFUL FOR A LICENSED ENTITY OR OTHER

1 PERSON TO MANUFACTURE, SUPPLY, OPERATE, CARRY ON OR EXPOSE
2 FOR PLAY A VIDEO GAMING TERMINAL OR ASSOCIATED EQUIPMENT
3 AFTER THE PERSON'S LICENSE HAS EXPIRED OR FAILED TO BE
4 RENEWED IN ACCORDANCE WITH THIS PART.

5 (6) IT SHALL BE UNLAWFUL FOR AN INDIVIDUAL WHILE ON THE
6 PREMISES OF AN ESTABLISHMENT LICENSEE TO KNOWINGLY USE
7 CURRENCY OTHER THAN LAWFUL COIN OR LEGAL TENDER OF THE UNITED
8 STATES OR A COIN NOT OF THE SAME DENOMINATION AS THE COIN
9 INTENDED TO BE USED IN THE VIDEO GAMING TERMINAL OR USE A
10 COUNTERFEIT OR ALTERED REDEMPTION TICKETS WITH THE INTENT TO
11 CHEAT OR DEFRAUD A TERMINAL OPERATOR LICENSEE OR THE
12 COMMONWEALTH OR DAMAGE THE VIDEO GAMING TERMINAL OR
13 REDEMPTION TERMINAL.

14 (7) (I) EXCEPT AS SET FORTH IN SUBPARAGRAPH (II), IT
15 SHALL BE UNLAWFUL FOR AN INDIVIDUAL TO USE OR POSSESS A
16 CHEATING OR THIEVING DEVICE, COUNTERFEIT OR ALTERED
17 BILLET, TICKET, TOKEN OR SIMILAR OBJECT ACCEPTED BY A
18 VIDEO GAMING TERMINAL OR COUNTERFEIT OR ALTERED
19 REDEMPTION TICKET ON THE PREMISES OF AN ESTABLISHMENT
20 LICENSEE.

21 (II) AN AUTHORIZED EMPLOYEE OF A LICENSEE OR AN
22 EMPLOYEE OF THE BOARD MAY POSSESS AND USE A CHEATING OR
23 THIEVING DEVICE, COUNTERFEIT OR ALTERED BILLET, TICKET,
24 TOKEN OR SIMILAR OBJECT ACCEPTED BY A VIDEO GAMING
25 TERMINAL OR COUNTERFEIT OR ALTERED REDEMPTION TICKET IN
26 PERFORMANCE OF THE DUTIES OF EMPLOYMENT.

27 (8) (I) EXCEPT AS SET FORTH IN SUBPARAGRAPH (II), IT
28 SHALL BE UNLAWFUL FOR AN INDIVIDUAL TO KNOWINGLY POSSESS
29 OR USE WHILE ON THE PREMISES OF AN ESTABLISHMENT LICENSEE
30 A KEY OR DEVICE DESIGNED FOR THE PURPOSE OF AND SUITABLE

1 FOR OPENING OR ENTERING A VIDEO GAMING TERMINAL OR
2 REDEMPTION TERMINAL THAT IS LOCATED ON THE PREMISES OF
3 THE ESTABLISHMENT LICENSEE.

4 (II) AN AUTHORIZED EMPLOYEE OF A LICENSEE OR A
5 MEMBER OF THE BOARD MAY POSSESS AND USE A DEVICE REFERRED
6 TO IN SUBPARAGRAPH (I) IN THE PERFORMANCE OF THE DUTIES
7 OF EMPLOYMENT.

8 (9) IT SHALL BE UNLAWFUL FOR A PERSON OR LICENSED ENTITY
9 TO POSSESS A DEVICE, EQUIPMENT OR MATERIAL WHICH THE PERSON
10 OR LICENSED ENTITY KNOWS HAS BEEN MANUFACTURED, DISTRIBUTED,
11 SOLD, TAMPERED WITH OR SERVICED IN VIOLATION OF THIS PART
12 WITH THE INTENT TO USE THE DEVICE, EQUIPMENT OR MATERIAL AS
13 THOUGH IT HAD BEEN MANUFACTURED, DISTRIBUTED, SOLD, TAMPERED
14 WITH OR SERVICED PURSUANT TO THIS PART.

15 (10) IT SHALL BE UNLAWFUL FOR A PERSON TO SELL, OFFER
16 FOR SALE, REPRESENT OR PASS OFF AS LAWFUL ANY DEVICE,
17 EQUIPMENT OR MATERIAL THAT THE PERSON OR LICENSED ENTITY
18 KNOWS HAS BEEN MANUFACTURED, DISTRIBUTED, SOLD, TAMPERED WITH
19 OR SERVICED IN VIOLATION OF THIS PART.

20 (11) IT SHALL BE UNLAWFUL FOR AN INDIVIDUAL TO WORK OR
21 BE EMPLOYED IN A POSITION THE DUTIES OF WHICH WOULD REQUIRE
22 LICENSING UNDER THIS PART WITHOUT FIRST OBTAINING THE
23 REQUISITE LICENSE ISSUED UNDER THIS PART.

24 (12) IT SHALL BE UNLAWFUL FOR A LICENSED ENTITY TO
25 EMPLOY OR CONTINUE TO EMPLOY AN INDIVIDUAL IN A POSITION THE
26 DUTIES OF WHICH REQUIRE A LICENSE UNDER THIS PART IF THE
27 INDIVIDUAL:

28 (I) IS NOT LICENSED UNDER THIS PART.

29 (II) IS PROHIBITED FROM ACCEPTING EMPLOYMENT FROM A
30 LICENSEE.

1 (13) IT SHALL BE UNLAWFUL FOR A MINOR TO ENTER AND
2 REMAIN IN ANY VIDEO GAMING AREA, EXCEPT THAT AN INDIVIDUAL AT
3 LEAST 18 YEARS OF AGE EMPLOYED BY A TERMINAL OPERATOR
4 LICENSEE, A GAMING SERVICE PROVIDER, AN ESTABLISHMENT
5 LICENSEE, THE BOARD OR ANOTHER REGULATORY OR EMERGENCY
6 RESPONSE AGENCY MAY ENTER AND REMAIN IN THE AREA WHILE
7 ENGAGED IN THE PERFORMANCE OF THE INDIVIDUAL'S EMPLOYMENT
8 DUTIES.

9 (14) IT SHALL BE UNLAWFUL FOR A MINOR TO WAGER, PLAY OR
10 ATTEMPT TO PLAY A VIDEO GAMING TERMINAL OR SUBMIT A
11 REDEMPTION TICKET INTO A REDEMPTION TERMINAL.

12 (15) IT SHALL BE UNLAWFUL FOR A TERMINAL OPERATOR
13 LICENSEE TO REQUIRE A VIDEO GAMING TERMINAL WAGER TO BE
14 GREATER THAN THE STATED MINIMUM WAGER OR GREATER THAN THE
15 STATED MAXIMUM WAGER.

16 (16) AN INDIVIDUAL WHO ENGAGES IN CONDUCT PROHIBITED BY
17 18 PA.C.S. § 6308 (RELATING TO PURCHASE, CONSUMPTION,
18 POSSESSION OR TRANSPORTATION OF LIQUOR OR MALT OR BREWED
19 BEVERAGES) ON THE PREMISES OF AN ESTABLISHMENT LICENSEE
20 COMMITTS A NONGAMBLING OFFENSE.

21 (17) IT SHALL BE UNLAWFUL FOR AN INDIVIDUAL TO CLAIM,
22 COLLECT OR TAKE, OR ATTEMPT TO CLAIM, COLLECT OR TAKE, MONEY
23 OR ANYTHING OF VALUE IN OR FROM A VIDEO GAMING TERMINAL OR
24 REDEMPTION TERMINAL WITH THE INTENT TO DEFRAUD, OR TO CLAIM,
25 COLLECT OR TAKE AN AMOUNT GREATER THAN THE AMOUNT WON, OR TO
26 MANIPULATE WITH THE INTENT TO CHEAT, A COMPONENT OF A VIDEO
27 GAMING TERMINAL OR REDEMPTION TERMINAL IN A MANNER CONTRARY
28 TO THE DESIGNED AND NORMAL OPERATIONAL PURPOSE.

29 (B) CRIMINAL PENALTIES AND FINES.--

30 (1) (I) A PERSON THAT COMMITS A FIRST OFFENSE IN

1 VIOLATION OF 18 PA.C.S. § 4902, 4903 OR 4904 IN
2 CONNECTION WITH PROVIDING INFORMATION OR MAKING ANY
3 STATEMENT, WHETHER WRITTEN OR ORAL, TO THE BOARD, THE
4 BUREAU, THE DEPARTMENT, THE PENNSYLVANIA STATE POLICE,
5 THE OFFICE OF ATTORNEY GENERAL OR A DISTRICT ATTORNEY AS
6 REQUIRED BY THIS PART COMMITS AN OFFENSE TO BE GRADED IN
7 ACCORDANCE WITH THE APPLICABLE SECTION VIOLATED. A PERSON
8 THAT IS CONVICTED OF A SECOND OR SUBSEQUENT VIOLATION OF
9 18 PA.C.S. § 4902, 4903 OR 4904 IN CONNECTION WITH
10 PROVIDING INFORMATION OR MAKING ANY STATEMENT, WHETHER
11 WRITTEN OR ORAL, TO THE BOARD, THE BUREAU, THE
12 DEPARTMENT, THE PENNSYLVANIA STATE POLICE, THE OFFICE OF
13 ATTORNEY GENERAL OR A DISTRICT ATTORNEY AS REQUIRED BY
14 THIS PART COMMITS A FELONY OF THE SECOND DEGREE.

15 (II) A PERSON THAT VIOLATES SUBSECTION (A) (2), (3),
16 (4), (5), (6), (7), (8), (9), (10), (11), (12) OR (17)
17 COMMITS A MISDEMEANOR OF THE FIRST DEGREE. A PERSON THAT
18 IS CONVICTED OF A SECOND OR SUBSEQUENT VIOLATION OF
19 SUBSECTION (A) (2), (3), (4), (5), (6), (7), (8), (9),
20 (10), (11), (12) OR (17) COMMITS A FELONY OF THE SECOND
21 DEGREE.

22 (2) (I) FOR A FIRST VIOLATION OF SUBSECTION (A) (1),
23 (2), (3), (4), (5), (6), (7), (8), (9), (10), (11), (12)
24 OR (17), A PERSON SHALL BE SENTENCED TO PAY A FINE OF:

25 (A) NOT LESS THAN \$75,000 NOR MORE THAN \$150,000
26 IF THE PERSON IS AN INDIVIDUAL OR ESTABLISHMENT
27 LICENSEE;

28 (B) NOT LESS THAN \$300,000 NOR MORE THAN
29 \$600,000 IF THE PERSON IS A TERMINAL OPERATOR
30 LICENSEE; OR

1 (C) NOT LESS THAN \$150,000 NOR MORE THAN
2 \$300,000 IF THE PERSON IS A LICENSED MANUFACTURER OR
3 SUPPLIER.

4 (II) FOR A SECOND OR SUBSEQUENT VIOLATION OF
5 SUBSECTION (A) (1), (2), (3), (4), (5), (6), (7), (8),
6 (9), (10), (11), (12) OR (17), A PERSON SHALL BE
7 SENTENCED TO PAY A FINE OF:

8 (A) NOT LESS THAN \$150,000 NOR MORE THAN
9 \$300,000 IF THE PERSON IS AN INDIVIDUAL OR
10 ESTABLISHMENT LICENSEE;

11 (B) NOT LESS THAN \$600,000 NOR MORE THAN
12 \$1,200,000 IF THE PERSON IS A TERMINAL OPERATOR
13 LICENSEE; OR

14 (C) NOT LESS THAN \$300,000 NOR MORE THAN
15 \$600,000 IF THE PERSON IS A LICENSED MANUFACTURER OR
16 SUPPLIER.

17 (3) AN INDIVIDUAL WHO COMMITS AN OFFENSE IN VIOLATION OF
18 SUBSECTION (A) (13) OR (14) COMMITS A NONGAMBLING SUMMARY
19 OFFENSE AND UPON CONVICTION OF A FIRST OFFENSE SHALL BE
20 SENTENCED TO PAY A FINE OF NOT LESS THAN \$200 NOR MORE THAN
21 \$1,000. AN INDIVIDUAL WHO IS CONVICTED OF A SECOND OR
22 SUBSEQUENT OFFENSE UNDER SUBSECTION (A) (13) OR (14) SHALL BE
23 SENTENCED TO PAY A FINE OF NOT LESS THAN \$500 NOR MORE THAN
24 \$1,500. IN ADDITION TO THE FINE IMPOSED, AN INDIVIDUAL
25 CONVICTED OF AN OFFENSE UNDER SUBSECTION (A) (13) OR (14) MAY
26 BE SENTENCED TO PERFORM A PERIOD OF COMMUNITY SERVICE NOT TO
27 EXCEED 40 HOURS.

28 (4) AN INDIVIDUAL WHO COMMITS AN OFFENSE IN VIOLATION OF
29 SUBSECTION (A) (16) COMMITS A NONGAMBLING OFFENSE TO BE GRADED
30 IN ACCORDANCE WITH 18 PA.C.S. § 6308 AND SHALL BE SUBJECT TO

1 THE SAME PENALTIES IMPOSED PURSUANT TO 18 PA.C.S. §§ 6308 AND
2 6310.4 (RELATING TO RESTRICTION OF OPERATING PRIVILEGES)
3 EXCEPT THAT THE FINE IMPOSED FOR A VIOLATION OF SUBSECTION
4 (A) (16) SHALL BE NOT LESS THAN \$350 NOR MORE THAN \$1,000.
5 (C) BOARD-IMPOSED ADMINISTRATIVE SANCTIONS.--

6 (1) IN ADDITION TO ANY OTHER PENALTY AUTHORIZED BY LAW,
7 THE BOARD MAY IMPOSE WITHOUT LIMITATION THE FOLLOWING
8 SANCTIONS:

9 (I) REVOKE THE LICENSE OF A PERSON CONVICTED OF A
10 CRIMINAL OFFENSE UNDER THIS PART OR REGULATIONS
11 PROMULGATED UNDER THIS PART OR COMMITTING ANY OTHER
12 OFFENSE OR VIOLATION OF THIS PART OR APPLICABLE LAW THAT
13 WOULD OTHERWISE DISQUALIFY THE PERSON FROM HOLDING THE
14 LICENSE.

15 (II) REVOKE THE LICENSE OF A PERSON DETERMINED TO
16 HAVE VIOLATED A PROVISION OF THIS PART OR REGULATIONS
17 PROMULGATED UNDER THIS PART THAT WOULD OTHERWISE
18 DISQUALIFY THE PERSON FROM HOLDING THE LICENSE.

19 (III) REVOKE THE LICENSE OF A PERSON FOR WILLFULLY
20 AND KNOWINGLY VIOLATING OR ATTEMPTING TO VIOLATE AN ORDER
21 OF THE BOARD DIRECTED TO THE PERSON.

22 (IV) SUBJECT TO SUBSECTION (G), ASSESS
23 ADMINISTRATIVE PENALTIES AS NECESSARY TO PUNISH
24 VIOLATIONS OF THIS PART.

25 (V) ORDER RESTITUTION OF MONEY OR PROPERTY
26 UNLAWFULLY OBTAINED OR RETAINED BY A LICENSEE.

27 (VI) ENTER CEASE AND DESIST ORDERS WHICH SPECIFY THE
28 CONDUCT WHICH IS TO BE DISCONTINUED, ALTERED OR
29 IMPLEMENTED BY A LICENSEE.

30 (VII) ISSUE LETTERS OF REPRIMAND OR CENSURE, WHICH

1 LETTERS SHALL BE MADE A PERMANENT PART OF THE FILE OF THE
2 LICENSEE SO SANCTIONED.

3 (2) (I) IF THE BOARD REFUSES TO ISSUE OR RENEW A
4 LICENSE, SUSPENDS OR REVOKES A LICENSE, ASSESSES CIVIL
5 PENALTIES, ORDERS RESTITUTION, ENTERS A CEASE AND DESIST
6 ORDER OR ISSUES A LETTER OF REPRIMAND OR CENSURE, THE
7 BOARD SHALL PROVIDE THE APPLICANT OR LICENSEE WITH
8 WRITTEN NOTIFICATION OF ITS DECISION, INCLUDING A
9 STATEMENT OF THE REASONS FOR ITS DECISION, BY CERTIFIED
10 MAIL WITHIN FIVE BUSINESS DAYS OF THE DECISION OF THE
11 BOARD.

12 (II) THE APPLICANT OR LICENSEE SHALL HAVE THE RIGHT
13 TO APPEAL THE DECISION IN ACCORDANCE WITH 2 PA.C.S. CHS.
14 5 SUBCH. A (RELATING TO PRACTICE AND PROCEDURE OF
15 COMMONWEALTH AGENCIES) AND 7 SUBCH. A (RELATING TO
16 JUDICIAL REVIEW OF COMMONWEALTH AGENCY ACTION).

17 (D) AIDING AND ABETTING.--A PERSON WHO AIDS, ABETS,
18 COUNSELS, COMMANDS, INDUCES, PROCURES OR CAUSES ANOTHER PERSON
19 TO VIOLATE THIS PART SHALL BE SUBJECT TO ALL SANCTIONS AND
20 PENALTIES, BOTH CIVIL AND CRIMINAL, PROVIDED UNDER THIS PART.

21 (E) CONTINUING OFFENSES.--A VIOLATION OF THIS PART THAT IS
22 DETERMINED TO BE AN OFFENSE OF A CONTINUING NATURE SHALL BE
23 DEEMED TO BE A SEPARATE OFFENSE ON EACH EVENT OR DAY DURING
24 WHICH THE VIOLATION OCCURS.

25 (F) PROPERTY SUBJECT TO SEIZURE, CONFISCATION, DESTRUCTION
26 OR FORFEITURE.--ANY EQUIPMENT, DEVICE OR APPARATUS, MONEY,
27 MATERIAL, GAMING PROCEEDS OR SUBSTITUTED PROCEEDS OR REAL OR
28 PERSONAL PROPERTY USED, OBTAINED OR RECEIVED OR AN ATTEMPT TO
29 USE, OBTAIN OR RECEIVE THE DEVICE, APPARATUS, MONEY, MATERIAL,
30 PROCEEDS OR REAL OR PERSONAL PROPERTY IN VIOLATION OF THIS PART

1 SHALL BE SUBJECT TO SEIZURE, CONFISCATION, DESTRUCTION OR
2 FORFEITURE.

3 (G) PENALTY LIMITATION.--

4 (1) ADMINISTRATIVE PENALTIES ASSESSED BY THE BOARD ON AN
5 ESTABLISHMENT LICENSEE SHALL NOT EXCEED \$5,000 FOR EACH
6 NONCRIMINAL VIOLATION OF THIS PART.

7 (2) WHEN IMPOSING AN ADMINISTRATIVE PENALTY ON AN
8 ESTABLISHMENT LICENSEE FOR A NONCRIMINAL VIOLATION OF THIS
9 PART, THE BOARD SHALL TAKE INTO CONSIDERATION THE
10 ESTABLISHMENT LICENSEE'S ANNUAL TAXABLE INCOME AND WHETHER
11 THE PENALTY AMOUNT WOULD CAUSE THE ESTABLISHMENT LICENSEE TO
12 CEASE NON-VIDEO GAMING OPERATIONS.

13 (H) DEPOSIT OF FINES.--FINES IMPOSED AND COLLECTED BY THE
14 BOARD UNDER SUBSECTION (C) SHALL BE DEPOSITED INTO THE GENERAL
15 FUND.

16 § 3906. REPORT OF SUSPICIOUS TRANSACTIONS.

17 (A) DUTY.--AN ESTABLISHMENT LICENSEE OR TERMINAL OPERATOR
18 LICENSEE OR A PERSON ACTING ON BEHALF OF AN ESTABLISHMENT
19 LICENSEE OR TERMINAL OPERATOR LICENSEE SHALL, ON A FORM AND IN A
20 MANNER AS REQUIRED BY THE BUREAU, NOTIFY THE BUREAU OF A
21 SUSPICIOUS TRANSACTION.

22 (B) FAILURE TO REPORT.--

23 (1) A PERSON THAT IS REQUIRED TO FILE A REPORT OF A
24 SUSPICIOUS TRANSACTION UNDER THIS SECTION AND KNOWINGLY FAILS
25 TO FILE THE REPORT OR THAT KNOWINGLY CAUSES ANOTHER PERSON
26 HAVING THAT RESPONSIBILITY TO FAIL TO FILE THE REPORT COMMITS
27 A MISDEMEANOR OF THE THIRD DEGREE.

28 (2) A PERSON REQUIRED TO FILE A REPORT OF A SUSPICIOUS
29 TRANSACTION UNDER THIS SECTION AND FAILS TO FILE THE REPORT
30 OR A PERSON THAT CAUSES ANOTHER PERSON REQUIRED UNDER THIS

1 SECTION TO FILE THE REPORT TO FAIL TO FILE THE REPORT SHALL
2 BE STRICTLY LIABLE FOR THE PERSON'S ACTIONS AND MAY BE
3 SUBJECT TO SANCTION UNDER SECTION 3905(C) (RELATING TO
4 PROHIBITED ACTS AND PENALTIES).

5 (C) BUREAU.--THE BUREAU SHALL MAINTAIN A RECORD OF ALL
6 REPORTS MADE UNDER THIS SECTION FOR A PERIOD OF FIVE YEARS. THE
7 BUREAU SHALL MAKE THE REPORTS AVAILABLE TO ANY FEDERAL OR STATE
8 LAW ENFORCEMENT AGENCY UPON WRITTEN REQUEST AND WITHOUT
9 NECESSITY OF SUBPOENA.

10 (D) NOTICE PROHIBITED.--

11 (1) A PERSON THAT IS REQUIRED TO FILE A REPORT OF A
12 SUSPICIOUS TRANSACTION UNDER THIS SECTION MAY NOT NOTIFY AN
13 INDIVIDUAL SUSPECTED OF COMMITTING THE SUSPICIOUS TRANSACTION
14 THAT THE TRANSACTION HAS BEEN REPORTED.

15 (2) A PERSON THAT VIOLATES THIS SUBSECTION COMMITS A
16 MISDEMEANOR OF THE THIRD DEGREE AND MAY BE SUBJECT TO
17 SANCTION UNDER SECTION 3905(C).

18 (E) IMMUNITY.--A PERSON THAT IS REQUIRED TO FILE A REPORT OF
19 A SUSPICIOUS TRANSACTION UNDER THIS SECTION AND IN GOOD FAITH
20 MAKES THE REPORT SHALL NOT BE LIABLE IN ANY CIVIL ACTION BROUGHT
21 BY A PERSON FOR MAKING THE REPORT, REGARDLESS OF WHETHER THE
22 TRANSACTION IS LATER DETERMINED TO BE A SUSPICIOUS TRANSACTION.

23 (F) SANCTIONS.--

24 (1) IN CONSIDERING APPROPRIATE ADMINISTRATIVE SANCTIONS
25 AGAINST A PERSON FOR VIOLATING THIS SECTION, THE BOARD SHALL
26 CONSIDER ALL OF THE FOLLOWING:

27 (I) THE RISK TO THE PUBLIC AND TO THE INTEGRITY OF
28 GAMING OPERATIONS CREATED BY THE CONDUCT OF THE PERSON.

29 (II) THE SERIOUSNESS OF THE CONDUCT OF THE PERSON
30 AND WHETHER THE CONDUCT WAS PURPOSEFUL AND WITH KNOWLEDGE

1 THAT IT WAS IN CONTRAVENTION OF THE PROVISIONS OF THIS
2 PART OR REGULATIONS PROMULGATED UNDER THIS PART.

3 (III) JUSTIFICATION OR EXCUSE FOR THE CONDUCT BY THE
4 PERSON.

5 (IV) THE PRIOR HISTORY OF THE PARTICULAR LICENSEE OR
6 PERSON INVOLVED WITH RESPECT TO VIDEO GAMING TERMINAL
7 ACTIVITY.

8 (V) THE CORRECTIVE ACTION TAKEN BY THE ESTABLISHMENT
9 LICENSEE OR TERMINAL OPERATOR LICENSEE TO PREVENT FUTURE
10 MISCONDUCT OF A LIKE NATURE FROM OCCURRING.

11 (VI) IN THE CASE OF A MONETARY PENALTY, THE AMOUNT
12 OF THE PENALTY IN RELATION TO THE SEVERITY OF THE
13 MISCONDUCT AND THE FINANCIAL MEANS OF THE LICENSEE OR
14 PERSON. THE BOARD MAY IMPOSE ANY SCHEDULE OR TERMS OF
15 PAYMENT OF SUCH PENALTY AS IT MAY DEEM APPROPRIATE.

16 (2) IT SHALL BE NO DEFENSE TO DISCIPLINARY ACTION BEFORE
17 THE BOARD THAT A PERSON INADVERTENTLY, UNINTENTIONALLY OR
18 UNKNOWINGLY VIOLATED THIS SECTION. THE FACTORS ENUMERATED
19 UNDER PARAGRAPH (1) SHALL ONLY APPLY TO THE DEGREE OF THE
20 PENALTY TO BE IMPOSED BY THE BOARD AND NOT TO A FINDING OF A
21 VIOLATION ITSELF.

22 (G) REGULATIONS.--THE BOARD SHALL PROMULGATE REGULATIONS TO
23 EFFECTUATE THE PURPOSES OF THIS SECTION.

24 § 3907. ADDITIONAL AUTHORITY.

25 (A) PETITION FOR ACCESS TO AGENCY INFORMATION.--

26 (1) THE DIRECTOR OF THE OFFICE OF ENFORCEMENT COUNSEL
27 WITHIN THE BUREAU MAY PETITION A COURT OF RECORD HAVING
28 JURISDICTION OVER INFORMATION IN THE POSSESSION OF AN AGENCY
29 IN THIS COMMONWEALTH OR, IF THERE IS NO SUCH COURT, THEN THE
30 COMMONWEALTH COURT FOR AUTHORIZATION TO REVIEW OR OBTAIN

1 INFORMATION IN THE POSSESSION OF AN AGENCY IN THIS
2 COMMONWEALTH BY AVERRING SPECIFIC FACTS DEMONSTRATING THAT:

3 (I) THE AGENCY HAS IN ITS POSSESSION INFORMATION
4 MATERIAL TO A PENDING INVESTIGATION OR INQUIRY BEING
5 CONDUCTED BY THE BUREAU PURSUANT TO THIS PART.

6 (II) DISCLOSURE OR RELEASE OF THE INFORMATION IS IN
7 THE BEST INTEREST OF THE COMMONWEALTH.

8 (2) THE PETITION SHALL REQUEST THAT THE COURT ENTER A
9 RULE UPON THE AGENCY TO SHOW CAUSE WHY THE AGENCY SHOULD NOT
10 BE DIRECTED TO DISCLOSE TO THE BUREAU, OR IDENTIFIED AGENTS
11 THEREOF, INFORMATION IN THE AGENCY'S POSSESSION ABOUT ANY
12 PENDING MATTER UNDER THE JURISDICTION OF THE BUREAU PURSUANT
13 TO THIS PART.

14 (3) IF THE RESPONDENT IS A LOCAL AGENCY, A COPY OF A
15 RULE ISSUED PURSUANT TO THIS SECTION SHALL BE PROVIDED TO THE
16 DISTRICT ATTORNEY OF THE COUNTY IN WHICH THE LOCAL AGENCY IS
17 LOCATED AND THE OFFICE OF ATTORNEY GENERAL.

18 (4) UPON REQUEST OF A LOCAL AGENCY, THE DISTRICT
19 ATTORNEY OR THE ATTORNEY GENERAL MAY ELECT TO ENTER AN
20 APPEARANCE TO REPRESENT THE LOCAL AGENCY IN THE PROCEEDINGS.

21 (B) PROCEDURE.--

22 (1) THE FILING OF A PETITION PURSUANT TO THIS SECTION
23 AND RELATED PROCEEDINGS SHALL BE IN ACCORDANCE WITH COURT
24 RULE, INCLUDING ISSUANCE AS OF COURSE.

25 (2) A PARTY TO THE PROCEEDING MAY NOT DISCLOSE THE
26 FILING OF A PETITION OR ANSWER OR THE RECEIPT, CONTENT OR
27 DISPOSITION OF A RULE OR ORDER ISSUED PURSUANT TO THIS
28 SECTION, WITHOUT LEAVE OF COURT.

29 (3) A PARTY TO THE PROCEEDINGS MAY REQUEST THAT THE
30 RECORD BE SEALED AND PROCEEDINGS BE CLOSED. THE COURT SHALL

1 GRANT THE REQUEST IF IT IS IN THE BEST INTEREST OF A PERSON
2 OR THE COMMONWEALTH TO DO SO.

3 (C) COURT DETERMINATION.--

4 (1) FOLLOWING REVIEW OF THE RECORD, THE COURT SHALL
5 GRANT THE RELIEF SOUGHT BY THE DIRECTOR OF THE OFFICE OF
6 ENFORCEMENT COUNSEL IF THE COURT DETERMINES THAT:

7 (I) THE AGENCY HAS IN ITS POSSESSION INFORMATION
8 MATERIAL TO THE INVESTIGATION OR INQUIRY.

9 (II) DISCLOSURE OR RELEASE OF THE INFORMATION IS IN
10 THE BEST INTEREST OF THE COMMONWEALTH.

11 (III) THE DISCLOSURE OR RELEASE OF THE INFORMATION
12 IS NOT OTHERWISE PROHIBITED BY STATUTE OR REGULATION.

13 (IV) THE DISCLOSURE OR RELEASE OF THE INFORMATION
14 WOULD NOT INHIBIT AN AGENCY IN THE PERFORMANCE OF THE
15 AGENCY'S DUTIES.

16 (2) IF THE COURT SO DETERMINES, THE COURT SHALL ENTER AN
17 ORDER AUTHORIZING AND DIRECTING THE INFORMATION BE MADE
18 AVAILABLE FOR REVIEW IN CAMERA.

19 (D) RELEASE OF MATERIALS OR INFORMATION.--

20 (1) IF, AFTER AN IN-CAMERA REVIEW BY THE COURT, THE
21 DIRECTOR OF THE OFFICE OF ENFORCEMENT COUNSEL SEEKS TO OBTAIN
22 COPIES OF MATERIALS IN THE AGENCY'S POSSESSION, THE COURT
23 MAY, IF NOT OTHERWISE PROHIBITED BY STATUTE OR REGULATION,
24 ENTER AN ORDER THAT THE REQUESTED MATERIALS BE PROVIDED.

25 (2) AN ORDER AUTHORIZING THE RELEASE OF MATERIALS OR
26 OTHER INFORMATION SHALL CONTAIN DIRECTION REGARDING THE
27 SAFEKEEPING AND USE OF THE MATERIALS OR OTHER INFORMATION
28 SUFFICIENT TO SATISFY THE COURT THAT THE MATERIALS OR
29 INFORMATION WILL BE SUFFICIENTLY SAFEGUARDED.

30 (3) IN MAKING THE DETERMINATION UNDER PARAGRAPH (2) THE

1 COURT SHALL CONSIDER INPUT OF THE AGENCY IN POSSESSION OF THE
2 INFORMATION AND INPUT FROM ANY AGENCY WITH WHICH THE
3 INFORMATION ORIGINATED CONCERNING A PENDING INVESTIGATION OR
4 ONGOING MATTER AND THE SAFETY OF PERSON AND PROPERTY.

5 (E) MODIFICATION OF ORDER.--

6 (1) IF SUBSEQUENT INVESTIGATION OR INQUIRY BY THE BUREAU
7 WARRANTS MODIFICATION OF AN ORDER ENTERED PURSUANT TO THIS
8 SECTION, THE DIRECTOR OF THE OFFICE OF ENFORCEMENT COUNSEL
9 MAY PETITION TO REQUEST MODIFICATION OF THE ORDER.

10 (2) UPON THE REQUEST, THE COURT MAY MODIFY THE ORDER AT
11 ANY TIME AND IN ANY MANNER IT DEEMS NECESSARY AND
12 APPROPRIATE.

13 (3) THE AGENCY NAMED IN THE ORIGINAL PETITION SHALL BE
14 GIVEN NOTICE AND AN OPPORTUNITY TO BE HEARD.

15 (F) USE OF INFORMATION OR MATERIALS.--A PERSON WHO, BY ANY
16 MEANS AUTHORIZED BY THIS SECTION, HAS OBTAINED KNOWLEDGE OF
17 INFORMATION OR MATERIALS SOLELY PURSUANT TO THIS SECTION MAY USE
18 THE INFORMATION OR MATERIALS IN A MANNER CONSISTENT WITH ANY
19 DIRECTION IMPOSED BY THE COURT AND APPROPRIATE TO THE PROPER
20 PERFORMANCE OF THE PERSON'S DUTIES UNDER THIS PART.

21 (G) VIOLATION.--IN ADDITION TO THE REMEDIES AND PENALTIES
22 PROVIDED IN THIS PART, A VIOLATION OF THE PROVISIONS OF THIS
23 SECTION MAY BE PUNISHED AS CONTEMPT OF COURT.

24 (H) DEFINITION.--AS USED IN THIS SECTION, THE TERM "AGENCY"
25 SHALL MEAN A "COMMONWEALTH AGENCY" OR A "LOCAL AGENCY" AS THOSE
26 TERMS ARE DEFINED IN SECTION 102 OF THE ACT OF FEBRUARY 14, 2008
27 (P.L.6, NO.3), KNOWN AS THE RIGHT-TO-KNOW LAW.

28 § 3908. DETENTION.

29 (A) GENERAL RULE.--A PEACE OFFICER WHO HAS PROBABLE CAUSE TO
30 BELIEVE THAT CRIMINAL VIOLATION OF THIS PART HAS OCCURRED OR IS

1 OCCURRING ON OR ABOUT AN ESTABLISHMENT LICENSEE'S PREMISES AND
2 WHO HAS PROBABLE CAUSE TO BELIEVE THAT A SPECIFIC INDIVIDUAL HAS
3 COMMITTED OR IS COMMITTING THE CRIMINAL VIOLATION MAY DETAIN THE
4 INDIVIDUAL IN A REASONABLE MANNER FOR A REASONABLE TIME ON THE
5 PREMISES OF THE ESTABLISHMENT LICENSEE TO REQUIRE THE SUSPECT TO
6 IDENTIFY HIMSELF, TO VERIFY SUCH IDENTIFICATION OR TO INFORM A
7 PEACE OFFICER.

8 (B) IMMUNITY.--A PEACE OFFICER SHALL NOT BE SUBJECT TO CIVIL
9 OR CRIMINAL LIABILITY FOR DETENTION OF AN INDIVIDUAL IN
10 ACCORDANCE WITH SUBSECTION (A).

11 CHAPTER 41

12 REVENUES

13 SEC.

14 4101. FEES.

15 4102. TAXES AND ASSESSMENTS.

16 4103. DISTRIBUTION OF LOCAL SHARE.

17 4104. REGULATORY ASSESSMENTS.

18 4105. TRANSFERS FROM VIDEO GAMING FUND.

19 § 4101. FEES.

20 (A) APPLICATION FEES.--THE FOLLOWING NONREFUNDABLE
21 APPLICATION FEES SHALL ACCOMPANY AN APPLICATION FOR THE
22 FOLLOWING LICENSES OR PERMITS APPLIED FOR UNDER CHAPTER 35
23 (RELATING TO APPLICATION AND LICENSURE):

24 (1) FOR A MANUFACTURER OR SUPPLIER LICENSE, \$50,000.

25 (2) FOR A TERMINAL OPERATOR LICENSE, \$25,000.

26 (3) FOR AN ESTABLISHMENT LICENSE, \$1,000.

27 (4) FOR A KEY EMPLOYEE OR PRINCIPAL LICENSE, \$500.

28 (5) FOR ANY OTHER AUTHORIZATION OR PERMIT AUTHORIZED BY
29 THIS PART, AN AMOUNT ESTABLISHED BY THE BOARD, THROUGH
30 REGULATION, WHICH MAY NOT EXCEED \$100.

1 (B) INITIAL LICENSE AND RENEWAL FEES.--THE FOLLOWING
2 NONREFUNDABLE FEES SHALL BE REQUIRED UPON ISSUANCE OF AN INITIAL
3 LICENSE AND SHALL ACCOMPANY AN APPLICATION FOR RENEWAL FOR THE
4 FOLLOWING LICENSES OR PERMITS UNDER CHAPTER 35:

5 (1) FOR A MANUFACTURER OR SUPPLIER LICENSE, \$10,000.

6 (2) FOR A TERMINAL OPERATOR LICENSE, \$5,000.

7 (3) FOR AN ESTABLISHMENT LICENSE, AN AMOUNT EQUAL TO
8 \$250 PER EACH VIDEO GAMING TERMINAL IN OPERATION AT THE
9 PREMISES OF THE ESTABLISHMENT LICENSEE.

10 (4) FOR A KEY EMPLOYEE, PROCUREMENT AGENT LICENSE OR
11 PRINCIPAL LICENSE, \$500.

12 (5) FOR ANY OTHER AUTHORIZATION OR LICENSE AUTHORIZED BY
13 THIS PART, AN AMOUNT ESTABLISHED BY THE BOARD, THROUGH
14 REGULATION, WHICH MAY NOT EXCEED \$100.

15 (C) TERMINAL INCREASE FEE.--AN ESTABLISHMENT LICENSEE THAT
16 INCREASES THE TOTAL NUMBER OF VIDEO GAMING TERMINALS WITHIN THE
17 ESTABLISHMENT AFTER SUBMISSION OF THE RENEWAL FEE REQUIRED IN
18 SUBSECTION (B) SHALL PROVIDE THE BOARD WITH A \$250 RENEWAL FEE
19 FOR EACH ADDITIONAL VIDEO GAMING TERMINAL ADDED TO THE
20 ESTABLISHMENT WITHIN 60 DAYS OF INSTALLATION OF EACH ADDITIONAL
21 VIDEO GAMING TERMINAL.

22 (D) DEPOSIT OF FEES.--FEES COLLECTED UNDER THIS SECTION
23 SHALL BE DEPOSITED INTO THE GENERAL FUND.

24 § 4102. TAXES AND ASSESSMENTS.

25 (A) FUND ESTABLISHED.--THE VIDEO GAMING FUND IS ESTABLISHED
26 IN THE STATE TREASURY. MONEY IN THE FUND IS HEREBY APPROPRIATED
27 TO THE DEPARTMENT ON A CONTINUING BASIS FOR THE PURPOSES UNDER
28 SUBSECTION (C).

29 (B) VIDEO GAMING TERMINAL TAX AND ASSESSMENTS.--

30 (1) THE DEPARTMENT SHALL DETERMINE AND EACH TERMINAL

1 OPERATOR LICENSEE SHALL PAY ON A BIMONTHLY BASIS:

2 (I) A TAX OF 42% OF ITS GROSS TERMINAL REVENUE FROM
3 ALL VIDEO GAMING TERMINALS OPERATED BY THE TERMINAL
4 OPERATOR LICENSEE WITHIN THIS COMMONWEALTH.

5 (II) A 10% LOCAL SHARE ASSESSMENT FROM ITS GROSS
6 TERMINAL REVENUE.

7 (III) A REGULATORY ASSESSMENT ESTABLISHED IN SECTION
8 4104 (RELATING TO REGULATORY ASSESSMENTS) FROM THE
9 TERMINAL OPERATOR LICENSEE'S WEEKLY GROSS TERMINAL
10 REVENUE.

11 (2) ALL MONEY OWED UNDER THIS SECTION SHALL BE HELD IN
12 TRUST BY THE TERMINAL OPERATOR LICENSEE UNTIL THE MONEY IS
13 PAID OR TRANSFERRED TO THE VIDEO GAMING FUND.

14 (3) UNLESS OTHERWISE AGREED TO BY THE BOARD, A TERMINAL
15 OPERATOR LICENSEE SHALL ESTABLISH A SEPARATE BANK ACCOUNT TO
16 MAINTAIN GROSS TERMINAL REVENUE UNTIL SUCH TIME AS THE MONEY
17 IS PAID OR TRANSFERRED UNDER THIS SECTION.

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

19 (1) TRANSFER THE TAX IMPOSED UNDER SUBSECTION (B) TO THE
20 VIDEO GAMING FUND.

21 (2) (RESERVED).

22 (3) TRANSFER THE REGULATORY ASSESSMENT IMPOSED UNDER
23 SUBSECTION (B) IN ACCORDANCE WITH SECTION 4104.

24 § 4103. DISTRIBUTION OF LOCAL SHARE.

25 (A) DISTRIBUTION.--

26 (1) (RESERVED).

27 (2) THE DEPARTMENT SHALL ON A QUARTERLY BASIS DEPOSIT
28 THE LOCAL SHARE ASSESSMENT IMPOSED UNDER SECTION 4102 (B) (1)

29 (II) (RELATING TO TAXES AND ASSESSMENTS) INTO A RESTRICTED
30 RECEIPTS ACCOUNT TO BE ESTABLISHED IN THE COMMONWEALTH

1 FINANCING AUTHORITY TO BE USED EXCLUSIVELY FOR GRANTS FOR
2 PROJECTS IN THE PUBLIC INTEREST WITHIN THE COMMONWEALTH.

3 (B) DUTY OF TERMINAL OPERATOR.--A TERMINAL OPERATOR LICENSEE
4 SHALL CONTINUOUSLY PROVIDE THE DEPARTMENT WITH RECORDS,
5 DOCUMENTS OR OTHER INFORMATION NECESSARY TO EFFECTUATE THE
6 REQUIREMENTS OF SUBSECTION (A).
7 § 4104. REGULATORY ASSESSMENTS.

8 (A) ACCOUNTS ESTABLISHED.--THE STATE TREASURER SHALL
9 ESTABLISH WITHIN THE STATE TREASURY AN ACCOUNT FOR EACH TERMINAL
10 OPERATOR FOR THE DEPOSIT OF A REGULATORY ASSESSMENT AMOUNT
11 REQUIRED UNDER SUBSECTION (B) TO RECOVER COSTS OR EXPENSES
12 INCURRED BY THE BOARD, THE DEPARTMENT, THE PENNSYLVANIA STATE
13 POLICE AND THE OFFICE OF ATTORNEY GENERAL IN CARRYING OUT THEIR
14 POWERS AND DUTIES UNDER THIS PART BASED UPON A BUDGET SUBMITTED
15 BY THE DEPARTMENT UNDER SUBSECTION (C).

16 (B) BI-MONTHLY DEPOSITS.--

17 (1) THE DEPARTMENT SHALL DETERMINE THE APPROPRIATE
18 ASSESSMENT AMOUNT FOR EACH TERMINAL OPERATOR LICENSEE, WHICH
19 SHALL BE A PERCENTAGE ASSESSED ON THE TERMINAL OPERATOR
20 LICENSEE'S BI-MONTHLY GROSS TERMINAL REVENUE.

21 (2) THE PERCENTAGE ASSESSED SHALL NOT EXCEED AN AMOUNT
22 EQUAL TO THE COSTS OR EXPENSES INCURRED BY THE BOARD, THE
23 DEPARTMENT, THE PENNSYLVANIA STATE POLICE OR THE OFFICE OF
24 ATTORNEY GENERAL IN CARRYING OUT THEIR POWERS AND DUTIES
25 UNDER THIS PART BASED UPON A BUDGET SUBMITTED BY THE
26 DEPARTMENT UNDER SUBSECTION (C).

27 (C) ITEMIZED BUDGET REPORTING.--

28 (1) THE DEPARTMENT SHALL PREPARE AND ANNUALLY SUBMIT TO
29 THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE
30 APPROPRIATIONS COMMITTEE OF THE SENATE AND THE CHAIRPERSON

1 AND MINORITY CHAIRPERSON OF THE APPROPRIATIONS COMMITTEE OF
2 THE HOUSE OF REPRESENTATIVES AN ITEMIZED BUDGET CONSISTING OF
3 AMOUNTS TO BE APPROPRIATED OUT OF THE ACCOUNTS ESTABLISHED
4 UNDER THIS SECTION NECESSARY TO ADMINISTER THIS PART.

5 (2) AS SOON AS PRACTICABLE AFTER SUBMITTING COPIES OF
6 THE ITEMIZED BUDGET, THE DEPARTMENT SHALL SUBMIT TO THE
7 CHAIRPERSON AND MINORITY CHAIRPERSON OF THE APPROPRIATIONS
8 COMMITTEE OF THE SENATE AND THE CHAIRPERSON AND MINORITY
9 CHAIRPERSON OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF
10 REPRESENTATIVES ANALYSES OF AND RECOMMENDATIONS REGARDING THE
11 ITEMIZED BUDGET.

12 (3) THE ITEMIZED BUDGET REQUIRED UNDER PARAGRAPH (1)
13 SHALL BE SUBMITTED IN CONJUNCTION WITH THE BUDGET REQUIRED TO
14 BE SUBMITTED UNDER SECTION 1202 (B) (28) (RELATING TO GENERAL
15 AND SPECIFIC POWERS).

16 (D) APPROPRIATION.--

17 (1) COSTS AND EXPENSES MAY BE PAID FROM THE ACCOUNTS
18 ESTABLISHED UNDER SUBSECTION (A) ONLY UPON APPROPRIATION BY
19 THE GENERAL ASSEMBLY.

20 (2) IF THE TOTAL COSTS OR EXPENSES INCURRED BY THE
21 BOARD, THE DEPARTMENT, THE PENNSYLVANIA STATE POLICE OR THE
22 OFFICE OF ATTORNEY GENERAL EXCEED THE AMOUNTS AVAILABLE IN
23 THE ACCOUNTS ESTABLISHED UNDER SUBSECTION (A), THE GENERAL
24 ASSEMBLY MAY APPROPRIATE ADDITIONAL AMOUNTS TO THE BOARD, THE
25 DEPARTMENT, THE PENNSYLVANIA STATE POLICE OR THE OFFICE OF
26 ATTORNEY GENERAL FROM THE VIDEO GAMING FUND.

27 § 4105. TRANSFERS FROM VIDEO GAMING FUND.

28 (A) TRANSFER FOR COMPULSIVE AND PROBLEM GAMBLING
29 TREATMENT.--ON JUNE 30, 2018, AND ON THE LAST DAY OF EACH FISCAL
30 YEAR THEREAFTER, THE STATE TREASURER SHALL TRANSFER FROM THE

1 VIDEO GAMING FUND AN AMOUNT EQUAL TO 0.002 MULTIPLIED BY THE
2 TOTAL GROSS TERMINAL REVENUE OF ALL TERMINAL OPERATOR LICENSEES
3 TO THE COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND
4 ESTABLISHED IN SECTION 1509 (RELATING TO COMPULSIVE AND PROBLEM
5 GAMBLING PROGRAM) .

6 (B) GENERAL FUND TRANSFER.--ON JUNE 30, 2018, AND ON THE
7 LAST DAY OF EACH FISCAL YEAR THEREAFTER, THE STATE TREASURER
8 SHALL TRANSFER THE REMAINING BALANCE IN THE VIDEO GAMING FUND
9 THAT IS NOT TRANSFERRED UNDER SUBSECTION (A) TO THE GENERAL
10 FUND.

11 CHAPTER 43

12 ETHICS

13 SEC.

14 4301. BOARD CODE OF CONDUCT.

15 4302. ADDITIONAL BOARD RESTRICTIONS.

16 4303. FINANCIAL AND EMPLOYMENT INTERESTS.

17 4304. ADDITIONAL RESTRICTIONS.

18 4305. POLITICAL INFLUENCE.

19 § 4301. BOARD CODE OF CONDUCT.

20 (A) UPDATE REQUIRED.--THE BOARD SHALL UPDATE THE
21 COMPREHENSIVE CODE OF CONDUCT ESTABLISHED UNDER SECTION 1202.1
22 (RELATING TO CODE OF CONDUCT) PRIOR TO THE CONSIDERATION OF A
23 LICENSE, PERMIT OR OTHER AUTHORIZATION UNDER THIS PART IN ORDER
24 TO AVOID A PERCEIVED OR ACTUAL CONFLICT OF INTEREST AND TO
25 PROMOTE PUBLIC CONFIDENCE IN THE INTEGRITY AND IMPARTIALITY OF
26 THE BOARD AS RELATED TO VIDEO GAMING. AT A MINIMUM, THE UPDATED
27 CODE OF CONDUCT ADOPTED UNDER THIS SECTION SHALL INCLUDE
28 REGISTRATION OF LICENSED ENTITY REPRESENTATIVES UNDER SUBSECTION
29 (B) AND THE RESTRICTIONS UNDER SUBSECTION (C) AS THEY RELATE TO
30 VIDEO GAMING.

1 (B) REGISTRATION.--

2 (1) A LICENSED ENTITY REPRESENTATIVE SHALL REGISTER WITH
3 THE BOARD IN A MANNER PRESCRIBED BY THE BOARD. THE
4 REGISTRATION SHALL INCLUDE THE NAME, EMPLOYER OR FIRM,
5 BUSINESS ADDRESS AND BUSINESS TELEPHONE NUMBER OF BOTH THE
6 LICENSED ENTITY REPRESENTATIVE AND ANY LICENSED ENTITY,
7 APPLICANT FOR LICENSURE OR OTHER PERSON BEING REPRESENTED.

8 (2) A LICENSED ENTITY REPRESENTATIVE SHALL UPDATE THE
9 REGISTRATION INFORMATION ON AN ONGOING BASIS AND FAILURE TO
10 DO SO SHALL BE PUNISHABLE BY THE BOARD.

11 (3) THE BOARD SHALL MAINTAIN A REGISTRATION LIST THAT
12 CONTAINS THE INFORMATION REQUIRED UNDER PARAGRAPH (1). THE
13 LIST SHALL BE AVAILABLE ON THE BOARD'S PUBLICLY ACCESSIBLE
14 INTERNET WEBSITE.

15 (C) RESTRICTIONS.--IN ADDITION TO THE OTHER PROHIBITIONS
16 CONTAINED IN THIS PART, A MEMBER OF THE BOARD SHALL:

17 (1) NOT ACCEPT A DISCOUNT, GIFT, GRATUITY, COMPENSATION,
18 TRAVEL, LODGING OR OTHER THING OF VALUE, DIRECTLY OR
19 INDIRECTLY, FROM AN APPLICANT, LICENSED ENTITY, AFFILIATE,
20 SUBSIDIARY OR INTERMEDIARY OF AN APPLICANT OR A LICENSED
21 ENTITY, REGISTRANT OR LICENSED ENTITY REPRESENTATIVE.

22 (2) DISCLOSE AND RECUSE HIMSELF FROM A HEARING OR OTHER
23 PROCEEDING IN WHICH THE MEMBER'S OBJECTIVITY, IMPARTIALITY,
24 INTEGRITY OR INDEPENDENCE OF JUDGMENT MAY BE REASONABLY
25 QUESTIONED DUE TO THE MEMBER'S RELATIONSHIP OR ASSOCIATION
26 WITH A PARTY CONNECTED TO A HEARING OR PROCEEDING OR A PERSON
27 APPEARING BEFORE THE BOARD.

28 (3) REFRAIN FROM FINANCIAL OR BUSINESS DEALING THAT
29 WOULD TEND TO REFLECT ADVERSELY ON THE MEMBER'S OBJECTIVITY,
30 IMPARTIALITY OR INDEPENDENCE OF JUDGMENT.

1 (4) (I) NOT SOLICIT FUNDS FOR A CHARITABLE,
2 EDUCATIONAL, RELIGIOUS, HEALTH, FRATERNAL, CIVIC OR OTHER
3 NONPROFIT ENTITY FROM AN APPLICANT, LICENSED ENTITY,
4 PARTY, REGISTRANT OR LICENSED ENTITY REPRESENTATIVE OR
5 FROM AN AFFILIATE, SUBSIDIARY, INTERMEDIARY OR HOLDING
6 COMPANY OF AN APPLICANT, LICENSED ENTITY, PARTY OR
7 LICENSED ENTITY REPRESENTATIVE.

8 (II) SUBJECT TO THE PROVISIONS OF SECTION 1201(H)
9 (4.1) (RELATING TO PENNSYLVANIA GAMING CONTROL BOARD
10 ESTABLISHED), A MEMBER MAY SERVE AS AN OFFICER, EMPLOYEE
11 OR MEMBER OF THE GOVERNING BODY OF A NONPROFIT ENTITY AND
12 MAY ATTEND, MAKE PERSONAL CONTRIBUTIONS TO AND PLAN OR
13 PRESIDE OVER THE ENTITY'S FUNDRAISING EVENTS.

14 (III) A MEMBER MAY PERMIT THEIR NAME TO APPEAR ON
15 THE LETTERHEAD USED FOR FUNDRAISING EVENTS IF THE
16 LETTERHEAD CONTAINS ONLY THE MEMBER'S NAME AND POSITION
17 WITH THE NONPROFIT ENTITY.

18 (5) (I) NOT MEET OR ENGAGE IN DISCUSSIONS WITH AN
19 APPLICANT, LICENSED ENTITY, REGISTRANT, LICENSED ENTITY
20 REPRESENTATIVE, PERSON WHO PROVIDES GOODS, PROPERTY OR
21 SERVICES TO A TERMINAL OPERATOR LICENSEE OR ANOTHER
22 PERSON OR ENTITY UNDER THE JURISDICTION OF THE BOARD
23 UNLESS THE MEETING OR DISCUSSION OCCURS ON THE BUSINESS
24 PREMISES OF THE BOARD AND IS RECORDED IN A LOG.

25 (II) THE LOG SHALL BE POSTED ON THE BOARD'S PUBLICLY
26 ACCESSIBLE INTERNET WEBSITE.

27 (III) THE LOG MUST INCLUDE THE DATE AND TIME OF THE
28 MEETING OR DISCUSSION, THE NAMES OF THE PARTICIPANTS AND
29 THE SUBJECT DISCUSSED.

30 (IV) THE PROVISIONS OF THIS PARAGRAPH SHALL NOT

1 APPLY TO A MEETING THAT CONSIDERS MATTERS REQUIRING THE
2 PHYSICAL INSPECTION OF THE EQUIPMENT OR PREMISES OF AN
3 APPLICANT OR A LICENSED ENTITY, IF THE MEETING IS ENTERED
4 IN THE LOG.

5 (6) AVOID IMPROPRIETY AND THE APPEARANCE OF IMPROPRIETY
6 AT ALL TIMES AND OBSERVE STANDARDS AND CONDUCT THAT PROMOTE
7 PUBLIC CONFIDENCE IN THE OVERSIGHT OF VIDEO GAMING.

8 (7) COMPLY WITH OTHER LAWS, RULES OR REGULATIONS
9 RELATING TO THE CONDUCT OF A MEMBER.

10 § 4302. ADDITIONAL BOARD RESTRICTIONS.

11 (A) BOARD RESTRICTIONS.--THE FOLLOWING SHALL APPLY TO A
12 BOARD MEMBER OR EMPLOYEE OF THE BOARD WHOSE DUTIES SUBSTANTIALLY
13 INVOLVE LICENSING, ENFORCEMENT, DEVELOPMENT OF LAW, PROMULGATION
14 OF REGULATIONS OR DEVELOPMENT OF POLICY RELATING TO GAMING UNDER
15 THIS PART OR WHO HAS OTHER DISCRETIONARY AUTHORITY WHICH MAY
16 AFFECT OR INFLUENCE THE OUTCOME OF AN ACTION, PROCEEDING OR
17 DECISION UNDER THIS PART:

18 (1) THE INDIVIDUAL MAY NOT, FOR A PERIOD OF TWO YEARS
19 FOLLOWING TERMINATION OF EMPLOYMENT, ACCEPT EMPLOYMENT WITH
20 OR BE RETAINED BY AN APPLICANT OR A LICENSED ENTITY OR BY AN
21 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF AN
22 APPLICANT OR A LICENSED ENTITY.

23 (2) THE INDIVIDUAL MAY NOT, FOR A PERIOD OF TWO YEARS
24 FOLLOWING TERMINATION OF EMPLOYMENT, APPEAR BEFORE THE BOARD
25 IN A HEARING OR PROCEEDING OR PARTICIPATE IN ACTIVITY ON
26 BEHALF OF AN APPLICANT, LICENSEE OR LICENSED ENTITY OR ON
27 BEHALF OF AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING
28 COMPANY OF AN APPLICANT, LICENSEE OR LICENSED ENTITY.

29 (3) (I) AN APPLICANT OR A LICENSED ENTITY OR AN
30 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF

1 AN APPLICANT OR A LICENSED ENTITY MAY NOT, UNTIL THE
2 EXPIRATION OF TWO YEARS FOLLOWING TERMINATION OF
3 EMPLOYMENT, EMPLOY OR RETAIN THE INDIVIDUAL.

4 (II) VIOLATION OF THIS SUBPARAGRAPH SHALL RESULT IN
5 TERMINATION OF THE INDIVIDUAL'S EMPLOYMENT AND SUBJECT
6 THE VIOLATOR TO SECTION 3905(C) (RELATING TO PROHIBITED
7 ACTS AND PENALTIES).

8 (4) (I) A PROSPECTIVE EMPLOYEE WHO, UPON EMPLOYMENT,
9 WOULD BE SUBJECT TO THIS SUBSECTION MUST, AS A CONDITION
10 OF EMPLOYMENT, SIGN AN AFFIDAVIT THAT THE PROSPECTIVE
11 EMPLOYEE WILL NOT VIOLATE PARAGRAPH (1) OR (2).

12 (II) IF THE PROSPECTIVE EMPLOYEE FAILS TO SIGN THE
13 AFFIDAVIT, THE BOARD SHALL RESCIND AN OFFER OF EMPLOYMENT
14 AND MAY NOT EMPLOY THE INDIVIDUAL.

15 (B) CONTRACTOR RESTRICTIONS.--THE FOLLOWING SHALL APPLY TO
16 AN INDEPENDENT CONTRACTOR OF THE BOARD AND TO AN EMPLOYEE OF AN
17 INDEPENDENT CONTRACTOR WHOSE DUTIES SUBSTANTIALLY INVOLVE
18 CONSULTATION RELATING TO LICENSING, ENFORCEMENT, DEVELOPMENT OF
19 LAW, PROMULGATION OF REGULATIONS OR DEVELOPMENT OF POLICY
20 RELATING TO VIDEO GAMING UNDER THIS PART:

21 (1) THE PERSON MAY NOT, FOR A PERIOD OF ONE YEAR
22 FOLLOWING TERMINATION OF THE CONTRACT WITH THE BOARD, BE
23 RETAINED BY AN APPLICANT OR A LICENSED ENTITY OR BY AN
24 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF AN
25 APPLICANT OR A LICENSED ENTITY.

26 (2) THE PERSON MAY NOT, FOR A PERIOD OF TWO YEARS
27 FOLLOWING TERMINATION OF THE CONTRACT WITH THE BOARD, APPEAR
28 BEFORE THE BOARD IN A HEARING OR PROCEEDING OR PARTICIPATE IN
29 ACTIVITY ON BEHALF OF AN APPLICANT, LICENSEE OR LICENSED
30 ENTITY OR ON BEHALF OF AN AFFILIATE, INTERMEDIARY, SUBSIDIARY

1 OR HOLDING COMPANY OF AN APPLICANT, LICENSEE OR LICENSED
2 ENTITY.

3 (3) (I) AN APPLICANT OR A LICENSED ENTITY OR AN
4 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF
5 AN APPLICANT OR A LICENSEE MAY NOT, UNTIL THE EXPIRATION
6 OF ONE YEAR FOLLOWING TERMINATION OF THE CONTRACT WITH
7 THE BOARD, EMPLOY OR RETAIN THE PERSON.

8 (II) A KNOWING VIOLATION OF THIS SUBPARAGRAPH SHALL
9 RESULT IN TERMINATION OF THE PERSON'S EMPLOYMENT AND
10 SUBJECT THE VIOLATOR TO SECTION 3905(C).

11 (4) (I) EACH CONTRACT BETWEEN THE BOARD AND AN
12 INDEPENDENT CONTRACTOR THAT INVOLVES THE DUTIES SPECIFIED
13 IN THIS SUBSECTION SHALL CONTAIN A PROVISION REQUIRING
14 THE INDEPENDENT CONTRACTOR TO SIGN AN AFFIDAVIT THAT THE
15 INDEPENDENT CONTRACTOR WILL NOT VIOLATE PARAGRAPH (1) OR
16 (2).

17 (II) IF THE INDEPENDENT CONTRACTOR FAILS TO SIGN THE
18 AFFIDAVIT, THE BOARD MAY NOT ENTER INTO THE CONTRACT OR
19 MUST TERMINATE THE CONTRACT.

20 (5) (I) AN INDEPENDENT CONTRACTOR SHALL REQUIRE A
21 PROSPECTIVE EMPLOYEE WHOSE EMPLOYMENT WOULD INVOLVE THE
22 DUTIES SPECIFIED IN THIS SUBSECTION TO SIGN AN AFFIDAVIT
23 THAT THE PROSPECTIVE EMPLOYEE WILL NOT VIOLATE PARAGRAPH
24 (1) OR (2).

25 (II) IF THE PROSPECTIVE EMPLOYEE FAILS TO SIGN THE
26 AFFIDAVIT, THE INDEPENDENT CONTRACTOR SHALL RESCIND AN
27 OFFER OF EMPLOYMENT AND MAY NOT EMPLOY THE INDIVIDUAL.

28 (C) CONSTRUCTION.--NOTHING UNDER SUBSECTION (A) OR (B) SHALL
29 BE CONSTRUED TO PREVENT A CURRENT OR FORMER EMPLOYEE OF THE
30 BOARD, A CURRENT OR FORMER INDEPENDENT CONTRACTOR OR A CURRENT

1 OR FORMER EMPLOYEE OF AN INDEPENDENT CONTRACTOR FROM APPEARING
2 BEFORE THE BOARD IN A HEARING OR PROCEEDING AS A WITNESS OR
3 TESTIFYING AS TO ANY FACT OR INFORMATION.

4 (D) ETHICS COMMISSION.-

5 (1) THE STATE ETHICS COMMISSION SHALL ISSUE A WRITTEN
6 DETERMINATION OF WHETHER A PERSON IS SUBJECT TO SUBSECTION
7 (A) OR (B) UPON THE WRITTEN REQUEST OF THE PERSON OR THE
8 PERSON'S EMPLOYER OR POTENTIAL EMPLOYER. A PERSON THAT RELIES
9 IN GOOD FAITH ON A DETERMINATION ISSUED UNDER THIS PARAGRAPH
10 SHALL NOT BE SUBJECT TO A PENALTY FOR AN ACTION TAKEN,
11 PROVIDED THAT ALL MATERIAL FACTS SPECIFIED IN THE REQUEST FOR
12 THE DETERMINATION ARE CORRECT.

13 (2) (I) THE STATE ETHICS COMMISSION SHALL PUBLISH A
14 LIST OF ALL EMPLOYMENT POSITIONS WITHIN THE BOARD AND
15 EMPLOYMENT POSITIONS WITHIN INDEPENDENT CONTRACTORS WHOSE
16 DUTIES WOULD SUBJECT THE INDIVIDUALS IN THOSE POSITIONS
17 TO THE PROVISIONS OF SUBSECTIONS (A) AND (B).

18 (II) THE BOARD AND EACH INDEPENDENT CONTRACTOR SHALL
19 ASSIST THE STATE ETHICS COMMISSION IN THE DEVELOPMENT OF
20 THE LIST, WHICH SHALL BE PUBLISHED BY THE STATE ETHICS
21 COMMISSION IN THE PENNSYLVANIA BULLETIN BIENNIALLY AND
22 POSTED BY THE BOARD ON THE BOARD'S PUBLICLY ACCESSIBLE
23 INTERNET WEBSITE.

24 (III) UPON REQUEST, EMPLOYEES OF THE BOARD AND EACH
25 INDEPENDENT CONTRACTOR SHALL PROVIDE THE STATE ETHICS
26 COMMISSION WITH ADEQUATE INFORMATION TO ACCURATELY
27 DEVELOP AND MAINTAIN THE LIST.

28 (IV) THE STATE ETHICS COMMISSION MAY IMPOSE A CIVIL
29 PENALTY UNDER 65 PA.C.S. § 1109(F) (RELATING TO
30 PENALTIES) UPON AN INDIVIDUAL WHO FAILS TO COOPERATE WITH

1 THE STATE ETHICS COMMISSION UNDER THIS PARAGRAPH.

2 (V) AN INDIVIDUAL WHO RELIES IN GOOD FAITH ON THE
3 LIST PUBLISHED BY THE STATE ETHICS COMMISSION SHALL NOT
4 BE SUBJECT TO A PENALTY FOR A VIOLATION OF SUBSECTION (A)
5 OR (B).

6 § 4303. FINANCIAL AND EMPLOYMENT INTERESTS.

7 (A) FINANCIAL INTERESTS.--EXCEPT AS MAY BE PROVIDED FOR THE
8 JUDICIARY BY RULE OR ORDER OF THE PENNSYLVANIA SUPREME COURT, AN
9 EXECUTIVE-LEVEL PUBLIC EMPLOYEE, PUBLIC OFFICIAL OR PARTY
10 OFFICER, OR AN IMMEDIATE FAMILY MEMBER THEREOF, SHALL NOT
11 INTENTIONALLY OR KNOWINGLY HOLD A FINANCIAL INTEREST IN AN
12 APPLICANT OR A LICENSEE, OR IN A HOLDING COMPANY, AFFILIATE,
13 INTERMEDIARY OR SUBSIDIARY THEREOF, WHILE THE INDIVIDUAL IS AN
14 EXECUTIVE-LEVEL PUBLIC EMPLOYEE, PUBLIC OFFICIAL OR PARTY
15 OFFICER AND FOR ONE YEAR FOLLOWING TERMINATION OF THE
16 INDIVIDUAL'S STATUS AS AN EXECUTIVE-LEVEL PUBLIC EMPLOYEE,
17 PUBLIC OFFICIAL OR PARTY OFFICER.

18 (B) EMPLOYMENT.--EXCEPT AS MAY BE PROVIDED BY RULE OR ORDER
19 OF THE PENNSYLVANIA SUPREME COURT AND EXCEPT AS PROVIDED IN
20 SECTION 1202.1 (RELATING TO CODE OF CONDUCT) OR 4304 (RELATING
21 TO ADDITIONAL RESTRICTIONS), NO EXECUTIVE-LEVEL PUBLIC EMPLOYEE,
22 PUBLIC OFFICIAL OR PARTY OFFICER, OR AN IMMEDIATE FAMILY MEMBER
23 THEREOF, SHALL BE EMPLOYED BY AN APPLICANT OR LICENSEE, OR BY A
24 HOLDING COMPANY, AFFILIATE, INTERMEDIARY OR SUBSIDIARY THEREOF,
25 WHILE THE INDIVIDUAL IS AN EXECUTIVE-LEVEL PUBLIC EMPLOYEE,
26 PUBLIC OFFICIAL OR PARTY OFFICER AND FOR ONE YEAR FOLLOWING
27 TERMINATION OF THE INDIVIDUAL'S STATUS AS AN EXECUTIVE-LEVEL
28 PUBLIC EMPLOYEE, PUBLIC OFFICIAL OR PARTY OFFICER.

29 (C) COMPLIMENTARY SERVICES.--

30 (1) NO EXECUTIVE-LEVEL PUBLIC EMPLOYEE, PUBLIC OFFICIAL

1 OR PARTY OFFICER, OR AN IMMEDIATE FAMILY MEMBER THEREOF,
2 SHALL SOLICIT OR ACCEPT A COMPLIMENTARY SERVICE FROM AN
3 APPLICANT OR LICENSEE, OR FROM AN AFFILIATE, INTERMEDIARY,
4 SUBSIDIARY OR HOLDING COMPANY THEREOF, WHICH THE EXECUTIVE-
5 LEVEL PUBLIC EMPLOYEE, PUBLIC OFFICIAL OR PARTY OFFICER, OR
6 AN IMMEDIATE FAMILY MEMBER THEREOF, KNOWS OR HAS REASON TO
7 KNOW IS OTHER THAN A SERVICE OR DISCOUNT WHICH IS OFFERED TO
8 MEMBERS OF THE GENERAL PUBLIC IN LIKE CIRCUMSTANCES.

9 (2) NO APPLICANT OR LICENSEE, OR AN AFFILIATE,
10 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY THEREOF, SHALL
11 OFFER OR DELIVER TO AN EXECUTIVE-LEVEL PUBLIC EMPLOYEE,
12 PUBLIC OFFICIAL OR PARTY OFFICER, OR AN IMMEDIATE FAMILY
13 MEMBER THEREOF, A COMPLIMENTARY SERVICE FROM THE APPLICANT OR
14 LICENSEE, OR AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR
15 HOLDING COMPANY THEREOF, THAT THE APPLICANT OR LICENSEE, OR
16 AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY
17 THEREOF, KNOWS OR HAS REASON TO KNOW IS OTHER THAN A SERVICE
18 OR DISCOUNT THAT IS OFFERED TO MEMBERS OF THE GENERAL PUBLIC
19 IN LIKE CIRCUMSTANCES.

20 (D) GRADING.--AN INDIVIDUAL WHO VIOLATES THIS SECTION
21 COMMITS A MISDEMEANOR OF THE THIRD DEGREE AND SHALL, UPON
22 CONVICTION, BE SENTENCED TO PAY A FINE OF NOT MORE THAN \$1,000
23 OR TO IMPRISONMENT FOR NOT MORE THAN ONE YEAR, OR BOTH.

24 (E) DIVESTITURE.--

25 (1) AN EXECUTIVE-LEVEL PUBLIC EMPLOYEE, PUBLIC OFFICIAL
26 OR PARTY OFFICER, OR AN IMMEDIATE FAMILY MEMBER THEREOF, WHO
27 HOLDS A FINANCIAL INTEREST PROHIBITED BY THIS SECTION SHALL
28 DIVEST THE FINANCIAL INTEREST WITHIN THREE MONTHS OF THE
29 EFFECTIVE DATE OF THIS SECTION, AS APPLICABLE.

30 (2) AN EXECUTIVE-LEVEL PUBLIC EMPLOYEE, PUBLIC OFFICIAL,

1 PARTY OFFICER OR IMMEDIATE FAMILY MEMBER SHALL HAVE 30 DAYS
2 FROM THE DATE THE INDIVIDUAL KNEW OR HAD REASON TO KNOW OF
3 THE VIOLATION OR 30 DAYS FROM THE PUBLICATION IN THE
4 PENNSYLVANIA BULLETIN UNDER SECTION 3301(B)(12) (RELATING TO
5 POWERS OF BOARD) OF THE APPLICATION OR LICENSURE OF THE
6 EXECUTIVE-LEVEL PUBLIC EMPLOYEE, PUBLIC OFFICIAL, PARTY
7 OFFICER OR IMMEDIATE FAMILY MEMBER, WHICHEVER OCCURS EARLIER,
8 TO DIVEST THE FINANCIAL INTEREST.

9 (3) THE STATE ETHICS COMMISSION MAY, FOR GOOD CAUSE,
10 EXTEND THE TIME PERIOD UNDER THIS SUBSECTION.

11 (F) STATE ETHICS COMMISSION.--THE STATE ETHICS COMMISSION
12 SHALL DO ALL OF THE FOLLOWING:

13 (1) (I) ISSUE A WRITTEN DETERMINATION OF WHETHER A
14 PERSON IS SUBJECT TO SUBSECTION (A), (B) OR (C) UPON THE
15 WRITTEN REQUEST OF THE PERSON OR ANOTHER PERSON THAT MAY
16 HAVE LIABILITY FOR AN ACTION TAKEN WITH RESPECT TO THE
17 PERSON.

18 (II) A PERSON THAT RELIES IN GOOD FAITH ON A
19 DETERMINATION MADE UNDER THIS PARAGRAPH SHALL NOT BE
20 SUBJECT TO PENALTY FOR AN ACTION TAKEN, PROVIDED THAT ALL
21 MATERIAL FACTS SPECIFIED IN THE REQUEST FOR THE
22 DETERMINATION ARE CORRECT.

23 (2) (I) PUBLISH A LIST OF ALL STATE, COUNTY, MUNICIPAL
24 AND OTHER GOVERNMENT POSITIONS THAT MEET THE DEFINITIONS
25 OF "PUBLIC OFFICIAL" AS DEFINED UNDER SUBSECTION (G) OR
26 "EXECUTIVE-LEVEL PUBLIC EMPLOYEE" AS DEFINED UNDER
27 SECTION 3102 (RELATING TO DEFINITIONS).

28 (II) THE OFFICE OF ADMINISTRATION SHALL ASSIST THE
29 STATE ETHICS COMMISSION IN THE DEVELOPMENT OF THE LIST,
30 WHICH LIST SHALL BE PUBLISHED BY THE STATE ETHICS

1 COMMISSION IN THE PENNSYLVANIA BULLETIN BIENNIALLY AND
2 POSTED BY THE BOARD ON THE BOARD'S PUBLICLY ACCESSIBLE
3 INTERNET WEBSITE.

4 (III) UPON REQUEST, A PUBLIC OFFICIAL SHALL PROVIDE
5 THE STATE ETHICS COMMISSION WITH ADEQUATE INFORMATION TO
6 ACCURATELY DEVELOP AND MAINTAIN THE LIST.

7 (IV) THE STATE ETHICS COMMISSION MAY IMPOSE A CIVIL
8 PENALTY UNDER 65 PA.C.S. § 1109(F) (RELATING TO
9 PENALTIES) UPON AN INDIVIDUAL, INCLUDING A PUBLIC
10 OFFICIAL OR EXECUTIVE-LEVEL PUBLIC EMPLOYEE, WHO FAILS TO
11 COOPERATE WITH THE STATE ETHICS COMMISSION UNDER THIS
12 SUBSECTION.

13 (V) A PERSON THAT RELIES IN GOOD FAITH ON THE LIST
14 PUBLISHED BY THE STATE ETHICS COMMISSION SHALL NOT BE
15 SUBJECT TO PENALTY FOR A VIOLATION OF THIS SECTION.

16 (G) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
17 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
18 SUBSECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

19 "APPLICANT." A PERSON APPLYING FOR A MANUFACTURER LICENSE,
20 SUPPLIER LICENSE OR TERMINAL OPERATOR LICENSE UNDER THIS PART.

21 "FINANCIAL INTEREST." OWNING OR HOLDING, OR BEING DEEMED TO
22 HOLD, DEBT OR EQUITY SECURITIES OR OTHER OWNERSHIP INTEREST OR
23 PROFITS INTEREST. A FINANCIAL INTEREST SHALL NOT INCLUDE A DEBT
24 OR EQUITY SECURITY, OR OTHER OWNERSHIP INTEREST OR PROFITS
25 INTEREST, WHICH IS HELD OR DEEMED TO BE HELD IN ANY OF THE
26 FOLLOWING:

27 (1) A BLIND TRUST OVER WHICH THE EXECUTIVE-LEVEL PUBLIC
28 EMPLOYEE, PUBLIC OFFICIAL, PARTY OFFICER OR IMMEDIATE FAMILY
29 MEMBER THEREOF MAY NOT EXERCISE ANY MANAGERIAL CONTROL OR
30 RECEIVE INCOME DURING THE TENURE OF OFFICE AND THE PERIOD

1 UNDER SUBSECTION (A). THE PROVISIONS OF THIS PARAGRAPH SHALL
2 APPLY ONLY TO BLIND TRUSTS ESTABLISHED PRIOR TO THE EFFECTIVE
3 DATE OF THIS SECTION.

4 (2) SECURITIES THAT ARE HELD IN A PENSION PLAN, PROFIT-
5 SHARING PLAN, INDIVIDUAL RETIREMENT ACCOUNT, TAX-SHELTERED
6 ANNUITY, A PLAN ESTABLISHED PURSUANT TO SECTION 457 OF THE
7 INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. §
8 1 ET SEQ.) OR A SUCCESSOR PROVISION DEFERRED COMPENSATION
9 PLAN WHETHER QUALIFIED OR NOT QUALIFIED UNDER THE INTERNAL
10 REVENUE CODE OF 1986 OR ANY SUCCESSOR PROVISION OR OTHER
11 RETIREMENT PLAN THAT:

12 (I) IS NOT SELF-DIRECTED BY THE INDIVIDUAL; AND

13 (II) IS ADVISED BY AN INDEPENDENT INVESTMENT ADVISER
14 WHO HAS SOLE AUTHORITY TO MAKE INVESTMENT DECISIONS WITH
15 RESPECT TO CONTRIBUTIONS MADE BY THE INDIVIDUAL TO THESE
16 PLANS.

17 (3) A TUITION ACCOUNT PLAN ORGANIZED AND OPERATED UNDER
18 SECTION 529 OF THE INTERNAL REVENUE CODE OF 1986 THAT IS NOT
19 SELF-DIRECTED BY THE INDIVIDUAL.

20 (4) A MUTUAL FUND WHERE THE INTEREST OWNED BY THE MUTUAL
21 FUND IN A LICENSED ENTITY DOES NOT CONSTITUTE A CONTROLLING
22 INTEREST AS DEFINED IN THIS PART.

23 "IMMEDIATE FAMILY." A SPOUSE, MINOR CHILD OR UNEMANCIPATED
24 CHILD.

25 "LICENSEE." A MANUFACTURER LICENSEE, SUPPLIER LICENSEE OR A
26 TERMINAL OPERATOR LICENSEE.

27 "PARTY OFFICER." A MEMBER OF A NATIONAL COMMITTEE; A
28 CHAIRPERSON, VICE CHAIRPERSON, SECRETARY, TREASURER OR COUNSEL
29 OF A STATE COMMITTEE OR MEMBER OF THE EXECUTIVE COMMITTEE OF A
30 STATE COMMITTEE; A COUNTY CHAIRPERSON, VICE CHAIRPERSON,

1 COUNSEL, SECRETARY OR TREASURER OF A COUNTY COMMITTEE IN WHICH A
2 LICENSED FACILITY IS LOCATED; OR A CITY CHAIRPERSON, VICE
3 CHAIRPERSON, COUNSEL, SECRETARY OR TREASURER OF A CITY COMMITTEE
4 OF A CITY IN WHICH A LICENSED FACILITY IS LOCATED.

5 "PUBLIC OFFICIAL." THE TERM SHALL INCLUDE THE FOLLOWING:

6 (1) THE GOVERNOR, LIEUTENANT GOVERNOR, A MEMBER OF THE
7 GOVERNOR'S CABINET, STATE TREASURER, AUDITOR GENERAL AND
8 ATTORNEY GENERAL OF THE COMMONWEALTH.

9 (2) A MEMBER OF THE SENATE OR HOUSE OF REPRESENTATIVES
10 OF THE COMMONWEALTH.

11 (3) AN INDIVIDUAL ELECTED OR APPOINTED TO AN OFFICE OF A
12 COUNTY OR MUNICIPALITY THAT DIRECTLY RECEIVES A DISTRIBUTION
13 OF REVENUE UNDER THIS PART.

14 (4) AN INDIVIDUAL ELECTED OR APPOINTED TO A DEPARTMENT,
15 AGENCY, BOARD, COMMISSION, AUTHORITY OR OTHER GOVERNMENTAL
16 BODY NOT INCLUDED IN PARAGRAPH (1), (2) OR (3) THAT DIRECTLY
17 RECEIVES A DISTRIBUTION OF REVENUE UNDER THIS PART.

18 (5) AN INDIVIDUAL ELECTED OR APPOINTED TO A DEPARTMENT,
19 AGENCY, BOARD, COMMISSION, AUTHORITY, COUNTY, MUNICIPALITY OR
20 OTHER GOVERNMENTAL BODY NOT INCLUDED IN PARAGRAPH (1), (2) OR
21 (3) WITH DISCRETIONARY POWER THAT MAY INFLUENCE OR AFFECT THE
22 OUTCOME OF AN ACTION OR DECISION AND WHO IS INVOLVED IN THE
23 DEVELOPMENT OF REGULATION OR POLICY RELATING TO A LICENSED
24 ENTITY OR IS INVOLVED IN OTHER MATTERS UNDER THIS PART.

25 § 4304. ADDITIONAL RESTRICTIONS.

26 (A) RESTRICTIONS.--

27 (1) NO INDIVIDUAL TROOPER OR EMPLOYEE OF THE
28 PENNSYLVANIA STATE POLICE OR EMPLOYEE OF THE OFFICE OF
29 ATTORNEY GENERAL OR THE DEPARTMENT WHOSE DUTIES SUBSTANTIALLY
30 INVOLVE LICENSING OR ENFORCEMENT, THE DEVELOPMENT OF LAWS OR

1 THE DEVELOPMENT OR ADOPTION OF REGULATIONS OR POLICY RELATED
2 TO GAMING UNDER THIS PART OR WHO HAS OTHER DISCRETIONARY
3 AUTHORITY THAT MAY AFFECT OR INFLUENCE THE OUTCOME OF AN
4 ACTION, PROCEEDING OR DECISION UNDER THIS PART MAY DO ANY OF
5 THE FOLLOWING:

6 (I) ACCEPT EMPLOYMENT WITH OR BE RETAINED BY AN
7 APPLICANT OR LICENSED ENTITY, OR AN AFFILIATE,
8 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF AN
9 APPLICANT OR LICENSED ENTITY, FOR A PERIOD OF TWO YEARS
10 AFTER THE TERMINATION OF EMPLOYMENT.

11 (II) (A) APPEAR BEFORE THE BOARD IN A HEARING OR
12 PROCEEDING OR PARTICIPATE IN OTHER ACTIVITY ON BEHALF
13 OF AN APPLICANT, LICENSEE OR LICENSED ENTITY, OR AN
14 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING
15 COMPANY OF AN APPLICANT, LICENSEE OR LICENSED ENTITY,
16 FOR A PERIOD OF TWO YEARS AFTER TERMINATION OF
17 EMPLOYMENT.

18 (B) NOTHING IN THIS PARAGRAPH SHALL BE CONSTRUED
19 TO PREVENT A CURRENT OR FORMER TROOPER OR EMPLOYEE OF
20 THE PENNSYLVANIA STATE POLICE, THE OFFICE OF ATTORNEY
21 GENERAL OR THE DEPARTMENT FROM APPEARING BEFORE THE
22 BOARD IN A PROCEEDING OR HEARING AS A WITNESS OR
23 TESTIFYING AS TO A FACT OR INFORMATION.

24 (2) AS A CONDITION OF EMPLOYMENT, A POTENTIAL EMPLOYEE
25 WHO WOULD BE SUBJECT TO THIS SUBSECTION SHALL SIGN AN
26 AFFIDAVIT THAT THE INDIVIDUAL WILL NOT ACCEPT EMPLOYMENT WITH
27 OR BE RETAINED BY AN APPLICANT OR LICENSED ENTITY, OR AN
28 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF AN
29 APPLICANT OR LICENSED ENTITY, FOR A PERIOD OF TWO YEARS AFTER
30 THE TERMINATION OF EMPLOYMENT.

1 (B) EMPLOYMENT OR RETENTION.--

2 (1) NO APPLICANT OR LICENSED ENTITY OR AN AFFILIATE,
3 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF AN APPLICANT
4 OR LICENSED ENTITY MAY EMPLOY OR RETAIN AN INDIVIDUAL SUBJECT
5 TO SUBSECTION (A) UNTIL THE EXPIRATION OF THE PERIOD REQUIRED
6 IN SUBSECTION (A) (1) (I).

7 (2) AN APPLICANT OR LICENSED ENTITY, OR AN AFFILIATE,
8 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF AN APPLICANT
9 OR LICENSED ENTITY, THAT KNOWINGLY EMPLOYS OR RETAINS AN
10 INDIVIDUAL IN VIOLATION OF THIS SUBSECTION SHALL TERMINATE
11 THE EMPLOYMENT OF THE INDIVIDUAL AND BE SUBJECT TO PENALTY
12 UNDER SECTION 1518 (C) (RELATING TO PROHIBITED ACTS;
13 PENALTIES).

14 (C) VIOLATION.--IF AN INDIVIDUAL SUBJECT TO SUBSECTION (A)
15 REFUSES OR OTHERWISE FAILS TO SIGN AN AFFIDAVIT, THE
16 INDIVIDUAL'S POTENTIAL EMPLOYER SHALL RESCIND THE OFFER OF
17 EMPLOYMENT.

18 (D) CODE OF CONDUCT.--

19 (1) THE PENNSYLVANIA STATE POLICE, OFFICE OF ATTORNEY
20 GENERAL AND DEPARTMENT EACH SHALL ADOPT A COMPREHENSIVE CODE
21 OF CONDUCT THAT SUPPLEMENTS ALL OTHER REQUIREMENTS UNDER THIS
22 PART AND 65 PA.C.S. PT. II (RELATING TO ACCOUNTABILITY), AS
23 APPLICABLE, AND SHALL PROVIDE GUIDELINES APPLICABLE TO
24 TROOPERS, EMPLOYEES, INDEPENDENT CONTRACTORS OF THE AGENCY
25 WHOSE DUTIES SUBSTANTIALLY INVOLVE LICENSING OR ENFORCEMENT,
26 THE DEVELOPMENT OF LAWS OR THE DEVELOPMENT OR ADOPTION OF
27 REGULATIONS OR POLICY RELATED TO VIDEO GAMING UNDER THIS PART
28 OR WHO HAVE OTHER DISCRETIONARY AUTHORITY THAT MAY AFFECT THE
29 OUTCOME OF AN ACTION, PROCEEDING OR DECISION UNDER THIS PART,
30 AND THE IMMEDIATE FAMILIES OF THESE INDIVIDUALS TO ENABLE

1 THEM TO AVOID A PERCEIVED OR ACTUAL CONFLICT OF INTEREST AND
2 TO PROMOTE PUBLIC CONFIDENCE IN THE INTEGRITY AND
3 IMPARTIALITY OF VIDEO GAMING ENFORCEMENT AND REGULATION.

4 (2) AT A MINIMUM, THE CODE OF CONDUCT ADOPTED UNDER THIS
5 SECTION SHALL APPLY THE TYPES OF RESTRICTIONS APPLICABLE TO
6 MEMBERS UNDER SECTION 1202.1(C) (RELATING TO CODE OF
7 CONDUCT), EXCEPT THAT THE RESTRICTIONS UNDER SECTION
8 1202.1(C) (5) SHALL NOT APPLY TO AN ELECTED ATTORNEY GENERAL.

9 (E) STATE ETHICS COMMISSION.--THE STATE ETHICS COMMISSION
10 SHALL DO ALL OF THE FOLLOWING:

11 (1) (I) ISSUE A WRITTEN DETERMINATION OF WHETHER AN
12 INDIVIDUAL IS SUBJECT TO SUBSECTION (A) UPON THE WRITTEN
13 REQUEST OF THE INDIVIDUAL OR THE INDIVIDUAL'S EMPLOYER OR
14 POTENTIAL EMPLOYER.

15 (II) A PERSON THAT RELIES IN GOOD FAITH ON A
16 DETERMINATION MADE UNDER THIS PARAGRAPH SHALL NOT BE
17 SUBJECT TO PENALTY FOR AN ACTION TAKEN, PROVIDED THAT ALL
18 MATERIAL FACTS SPECIFIED IN THE REQUEST FOR THE
19 DETERMINATION ARE CORRECT.

20 (2) (I) PUBLISH A LIST OF ALL POSITIONS WITHIN THE
21 PENNSYLVANIA STATE POLICE, THE OFFICE OF ATTORNEY GENERAL
22 AND THE DEPARTMENT THE DUTIES OF WHICH WOULD SUBJECT THE
23 INDIVIDUALS IN THOSE POSITIONS TO THE PROVISIONS OF
24 SUBSECTION (A).

25 (II) EACH AGENCY SUBJECT TO THIS SUBSECTION SHALL
26 ASSIST THE STATE ETHICS COMMISSION IN THE DEVELOPMENT OF
27 THE LIST, WHICH LIST SHALL BE PUBLISHED BY THE STATE
28 ETHICS COMMISSION IN THE PENNSYLVANIA BULLETIN
29 BIENNIALLY, SHALL BE POSTED BY THE BOARD ON THE BOARD'S
30 PUBLICLY ACCESSIBLE INTERNET WEBSITE AND SHALL BE POSTED

1 BY EACH AGENCY ON THE AGENCY'S PUBLICLY ACCESSIBLE
2 INTERNET WEBSITE.

3 (III) UPON REQUEST BY THE STATE ETHICS COMMISSION,
4 MEMBERS AND EMPLOYEES OF EACH AGENCY SUBJECT TO THIS
5 SUBSECTION SHALL PROVIDE THE STATE ETHICS COMMISSION WITH
6 ADEQUATE INFORMATION TO ACCURATELY DEVELOP AND MAINTAIN
7 THE LIST.

8 (IV) THE STATE ETHICS COMMISSION MAY IMPOSE A CIVIL
9 PENALTY UNDER 65 PA.C.S. § 1109(F) (RELATING TO
10 PENALTIES) UPON AN INDIVIDUAL WHO FAILS TO COOPERATE WITH
11 THE STATE ETHICS COMMISSION UNDER THIS SUBSECTION.

12 (V) A PERSON WHO RELIES IN GOOD FAITH ON THE LIST
13 PUBLISHED BY THE STATE ETHICS COMMISSION SHALL NOT BE
14 SUBJECT TO PENALTY FOR A VIOLATION OF SUBSECTION (A).

15 § 4305. POLITICAL INFLUENCE.

16 (A) CONTRIBUTION RESTRICTION.--THE FOLLOWING PERSONS SHALL
17 BE PROHIBITED FROM CONTRIBUTING MONEY OR AN IN-KIND CONTRIBUTION
18 TO A CANDIDATE FOR NOMINATION OR ELECTION TO A PUBLIC OFFICE IN
19 THIS COMMONWEALTH, TO A POLITICAL PARTY COMMITTEE OR OTHER
20 POLITICAL COMMITTEE IN THIS COMMONWEALTH OR TO A GROUP,
21 COMMITTEE OR ASSOCIATION ORGANIZED IN SUPPORT OF A CANDIDATE,
22 POLITICAL PARTY COMMITTEE OR OTHER POLITICAL COMMITTEE IN THIS
23 COMMONWEALTH:

24 (1) AN APPLICANT FOR A TERMINAL OPERATOR LICENSE,
25 MANUFACTURER LICENSE, SUPPLIER LICENSE, PRINCIPAL LICENSE OR
26 A KEY EMPLOYEE LICENSE.

27 (2) A TERMINAL OPERATOR LICENSEE, MANUFACTURER LICENSEE
28 OR SUPPLIER LICENSEE.

29 (3) A LICENSED PRINCIPAL OR LICENSED KEY EMPLOYEE OF A
30 TERMINAL OPERATOR LICENSEE, MANUFACTURER LICENSEE OR SUPPLIER

1 LICENSEE.

2 (4) AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING
3 COMPANY OF A TERMINAL OPERATOR LICENSEE, MANUFACTURER
4 LICENSEE OR SUPPLIER LICENSEE.

5 (5) A LICENSED PRINCIPAL OR LICENSED KEY EMPLOYEE OF AN
6 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF A
7 TERMINAL OPERATOR LICENSEE, MANUFACTURER LICENSEE OR SUPPLIER
8 LICENSEE.

9 (6) A PERSON WHO HOLDS A SIMILAR VIDEO GAMING LICENSE IN
10 ANOTHER JURISDICTION AND THE AFFILIATES, INTERMEDIARIES,
11 SUBSIDIARIES, HOLDING COMPANIES, PRINCIPALS OR KEY EMPLOYEES
12 THEREOF.

13 (B) CONTRIBUTIONS TO CERTAIN ASSOCIATIONS AND ORGANIZATIONS
14 BARRED.--NO INDIVIDUAL PROHIBITED FROM MAKING POLITICAL
15 CONTRIBUTIONS UNDER SUBSECTION (A) MAY MAKE A POLITICAL
16 CONTRIBUTION OF MONEY OR AN IN-KIND CONTRIBUTION TO AN
17 ASSOCIATION OR ORGANIZATION, INCLUDING A NONPROFIT ORGANIZATION,
18 THAT HAS BEEN SOLICITED BY, OR KNOWING THAT THE CONTRIBUTION OR
19 A PORTION THEREOF WILL BE CONTRIBUTED TO, THE ELECTED OFFICIAL,
20 EXECUTIVE-LEVEL PUBLIC EMPLOYEE OR CANDIDATE FOR NOMINATION OR
21 ELECTION TO A PUBLIC OFFICE IN THIS COMMONWEALTH.

22 (C) INTERNET WEBSITE.--

23 (1) THE BOARD SHALL ESTABLISH A PUBLICLY ACCESSIBLE
24 INTERNET WEBSITE THAT INCLUDES A LIST OF ALL APPLICANTS FOR
25 AND HOLDERS OF A TERMINAL OPERATOR LICENSE, MANUFACTURER
26 LICENSE OR SUPPLIER LICENSE AND THE AFFILIATES,
27 INTERMEDIARIES, HOLDING COMPANIES, PRINCIPALS AND KEY
28 EMPLOYEES THEREOF, ALL PERSONS HOLDING A SIMILAR VIDEO GAMING
29 LICENSE IN ANOTHER JURISDICTION, AND THE AFFILIATES,
30 INTERMEDIARIES, HOLDING COMPANIES, PRINCIPALS AND KEY

1 EMPLOYEES THEREOF, AND OTHER ENTITY IN WHICH THE APPLICANT OR
2 LICENSEE HAS A DEBT OR AN EQUITY SECURITY OR OTHER OWNERSHIP
3 OR PROFITS INTEREST. AN APPLICANT OR LICENSEE SHALL NOTIFY
4 THE BOARD WITHIN SEVEN DAYS OF THE DISCOVERY OF A CHANGE IN
5 OR ADDITION TO THE INFORMATION.

6 (2) NO INDIVIDUAL WHO ACTS IN GOOD FAITH AND IN RELIANCE
7 ON THE INFORMATION ON THE BOARD'S PUBLICLY ACCESSIBLE
8 INTERNET WEBSITE SHALL BE SUBJECT TO PENALTY OR LIABILITY
9 IMPOSED FOR A VIOLATION OF THIS SECTION.

10 (3) THE BOARD SHALL REQUEST THE INFORMATION REQUIRED
11 UNDER PARAGRAPH (1) FROM A PERSON LICENSED IN ANOTHER
12 JURISDICTION WHO DOES NOT HOLD A LICENSE IN THIS COMMONWEALTH
13 AND FROM REGULATORY AGENCIES IN THE OTHER JURISDICTION. IF A
14 PERSON WHO IS A LICENSEE IN ANOTHER JURISDICTION REFUSES TO
15 PROVIDE THE INFORMATION REQUIRED UNDER PARAGRAPH (1), THE
16 PERSON AND ITS OFFICERS, DIRECTORS OR PERSONS WITH A
17 CONTROLLING INTEREST SHALL BE INELIGIBLE TO RECEIVE A LICENSE
18 UNDER THIS PART.

19 (D) ANNUAL CERTIFICATION.--THE CHIEF EXECUTIVE OFFICER, OR
20 OTHER APPROPRIATE INDIVIDUAL, OF EACH APPLICANT FOR A TERMINAL
21 OPERATOR LICENSE, MANUFACTURER LICENSE OR SUPPLIER LICENSE, OR
22 MANUFACTURER LICENSEE, SUPPLIER LICENSEE OR TERMINAL OPERATOR
23 LICENSEE, SHALL ANNUALLY CERTIFY UNDER OATH TO THE BOARD AND THE
24 DEPARTMENT OF STATE THAT THE APPLICANT OR SUPPLIER LICENSEE,
25 MANUFACTURER LICENSEE OR TERMINAL OPERATOR LICENSEE HAS
26 DEVELOPED AND IMPLEMENTED INTERNAL SAFEGUARDS AND POLICIES
27 INTENDED TO PREVENT A VIOLATION OF THIS PROVISION AND THAT THE
28 APPLICANT OR SUPPLIER LICENSEE, MANUFACTURER LICENSEE OR
29 TERMINAL OPERATOR LICENSEE HAS CONDUCTED A GOOD FAITH
30 INVESTIGATION THAT HAS NOT REVEALED A VIOLATION OF THIS

1 SUBSECTION DURING THE PAST YEAR.

2 (E) PENALTIES.--

3 (1) A VIOLATION OF THIS SECTION BY A TERMINAL OPERATOR
4 LICENSEE OR A PERSON THAT HOLDS A CONTROLLING INTEREST IN THE
5 LICENSEE, OR A SUBSIDIARY COMPANY THEREOF, OR AN OFFICER,
6 DIRECTOR OR MANAGEMENT-LEVEL EMPLOYEE OF THE LICENSEE SHALL
7 BE PUNISHABLE AS FOLLOWS:

8 (I) A FIRST VIOLATION OF THIS SECTION SHALL BE
9 PUNISHABLE BY A FINE EQUAL TO AN AMOUNT NOT LESS THAN THE
10 AVERAGE SINGLE-DAY GROSS TERMINAL REVENUE OF THE TERMINAL
11 OPERATOR LICENSEE.

12 (II) A SECOND VIOLATION OF THIS SECTION, WITHIN FIVE
13 YEARS OF THE FIRST VIOLATION, SHALL BE PUNISHABLE BY AT
14 LEAST A ONE-DAY SUSPENSION OF THE LICENSE HELD BY THE
15 TERMINAL OPERATOR LICENSEE AND A FINE EQUAL TO AN AMOUNT
16 NOT LESS THAN TWO TIMES THE AVERAGE SINGLE-DAY GROSS
17 TERMINAL REVENUE OF THE TERMINAL OPERATOR LICENSEE.

18 (III) A THIRD VIOLATION OF THIS SECTION WITHIN FIVE
19 YEARS OF THE SECOND VIOLATION SHALL BE PUNISHABLE BY THE
20 IMMEDIATE REVOCATION OF THE LICENSE HELD BY THE TERMINAL
21 OPERATOR LICENSEE.

22 (2) A VIOLATION OF THIS SECTION BY A MANUFACTURER OR
23 SUPPLIER LICENSED UNDER THIS PART OR BY A PERSON THAT HOLDS A
24 CONTROLLING INTEREST IN SUCH MANUFACTURER OR SUPPLIER, OR A
25 SUBSIDIARY COMPANY THEREOF, OR AN OFFICER, A DIRECTOR OR
26 MANAGEMENT-LEVEL EMPLOYEE OF SUCH A LICENSEE SHALL BE
27 PUNISHABLE AS FOLLOWS:

28 (I) A FIRST VIOLATION OF THIS SECTION SHALL BE
29 PUNISHABLE BY A FINE EQUAL TO AN AMOUNT NOT LESS THAN A
30 SINGLE-DAY AVERAGE OF THE GROSS PROFIT FROM SALES MADE BY

1 THE MANUFACTURER OR SUPPLIER IN THIS COMMONWEALTH DURING
2 THE PRECEDING 12-MONTH PERIOD OR PORTION THEREOF IN THE
3 EVENT THE MANUFACTURER OR SUPPLIER HAS NOT OPERATED IN
4 THIS COMMONWEALTH FOR 12 MONTHS.

5 (II) A SECOND OR SUBSEQUENT VIOLATION OF THIS
6 SECTION WITHIN FIVE YEARS OF A PRIOR VIOLATION SHALL BE
7 PUNISHABLE BY A ONE-MONTH SUSPENSION OF THE LICENSE HELD
8 BY THE MANUFACTURER OR SUPPLIER AND A FINE EQUAL TO AN
9 AMOUNT NOT LESS THAN TWO TIMES A SINGLE-DAY AVERAGE OF
10 THE GROSS PROFIT FROM SALES MADE BY THE MANUFACTURER OR
11 SUPPLIER IN THIS COMMONWEALTH DURING THE PRECEDING 12-
12 MONTH PERIOD OR PORTION THEREOF IN THE EVENT THE
13 MANUFACTURER OR SUPPLIER HAS NOT OPERATED IN THIS
14 COMMONWEALTH FOR 12 MONTHS.

15 (3) IN NO EVENT SHALL THE FINE IMPOSED UNDER THIS
16 SECTION BE AN AMOUNT LESS THAN \$100,000 FOR EACH VIOLATION.
17 IN ADDITION TO A FINE OR SANCTION THAT MAY BE IMPOSED BY THE
18 BOARD UNDER THIS SUBSECTION, AN INDIVIDUAL WHO MAKES A
19 CONTRIBUTION IN VIOLATION OF THIS SECTION COMMITS A
20 MISDEMEANOR OF THE THIRD DEGREE.

21 (D) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
22 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
23 SUBSECTION:

24 "CONTRIBUTION." A PAYMENT, GIFT, SUBSCRIPTION, ASSESSMENT,
25 CONTRACT, PAYMENT FOR SERVICES, DUES, LOAN, FORBEARANCE, ADVANCE
26 OR DEPOSIT OF MONEY OR A VALUABLE THING MADE TO A CANDIDATE OR
27 POLITICAL COMMITTEE FOR THE PURPOSE OF INFLUENCING AN ELECTION
28 IN THIS COMMONWEALTH OR FOR PAYING DEBTS INCURRED BY OR FOR A
29 CANDIDATE OR COMMITTEE BEFORE OR AFTER AN ELECTION. THE TERM
30 INCLUDES:

1 (1) THE PURCHASE OF TICKETS FOR EVENTS, INCLUDING
2 DINNERS, LUNCHEONS, RALLIES AND OTHER FUNDRAISING EVENTS.

3 (2) THE GRANTING OF DISCOUNTS OR REBATES NOT AVAILABLE
4 TO THE GENERAL PUBLIC.

5 (3) THE GRANTING OF DISCOUNTS OR REBATES BY TELEVISION
6 AND RADIO STATIONS AND NEWSPAPERS NOT EXTENDED ON AN EQUAL
7 BASIS TO ALL CANDIDATES FOR THE SAME OFFICE.

8 (4) A PAYMENT PROVIDED FOR THE BENEFIT OF A CANDIDATE,
9 INCLUDING PAYMENT FOR THE SERVICES OF A PERSON SERVING AS AN
10 AGENT OF A CANDIDATE OR COMMITTEE BY A PERSON OTHER THAN THE
11 CANDIDATE OR COMMITTEE OR PERSON WHOSE EXPENDITURES THE
12 CANDIDATE OR COMMITTEE MUST REPORT.

13 (5) THE RECEIPT OR USE OF ANYTHING OF VALUE BY A
14 POLITICAL COMMITTEE FROM ANOTHER POLITICAL COMMITTEE AND A
15 RETURN ON INVESTMENTS BY A POLITICAL COMMITTEE.

16 "POLITICAL COMMITTEE." A COMMITTEE, CLUB, ASSOCIATION OR
17 OTHER GROUP OF PERSONS THAT RECEIVES CONTRIBUTIONS OR MAKES
18 EXPENDITURES.

19 CHAPTER 45

20 MISCELLANEOUS PROVISIONS

21 SEC.

22 4501. (RESERVED).

23 4502. DECLARATION OF EXEMPTION FROM FEDERAL LAWS PROHIBITING
24 VIDEO GAMING TERMINALS.

25 4503. PREEMPTION OF LOCAL TAXES AND LICENSE FEES.

26 4504. EXCLUSIVE JURISDICTION OF SUPREME COURT.

27 4505. COMMONWEALTH FINANCING AUTHORITY.

28 4506. HOST COUNTY OPTION.

29 § 4501. (RESERVED).

30 § 4502. DECLARATION OF EXEMPTION FROM FEDERAL LAWS PROHIBITING

1 VIDEO GAMING TERMINALS.

2 (A) DECLARATION.--UNDER THE GAMBLING DEVICES TRANSPORTATION
3 ACT (64 STAT. 1134, 15 U.S.C. § 1171 ET SEQ.), THE COMMONWEALTH
4 DECLARES THAT IT IS EXEMPT FROM SECTION 2 OF THAT ACT.

5 (B) LEGAL SHIPMENTS.--ALL SHIPMENTS OF GAMBLING DEVICES, AS
6 DEFINED IN SECTION 1 OF THE GAMBLING DEVICES TRANSPORTATION ACT,
7 INTO THIS COMMONWEALTH, THE REGISTERING, RECORDING AND LABELING
8 OF WHICH HAS BEEN EFFECTED BY THE MANUFACTURER AND SUPPLIER OF
9 THOSE DEVICES IN ACCORDANCE WITH SECTIONS 3 AND 4 OF THE
10 GAMBLING DEVICES TRANSPORTATION ACT, SHALL BE DEEMED LEGAL
11 SHIPMENTS OF GAMBLING DEVICES INTO THIS COMMONWEALTH.

12 § 4503. PREEMPTION OF LOCAL TAXES AND LICENSE FEES.

13 (A) STATUTES.--VIDEO GAMING TERMINALS SHALL BE EXEMPT FROM
14 TAXES LEVIED UNDER THE FOLLOWING:

15 (1) THE ACT OF AUGUST 5, 1932 (SP.SESS., P.L.45, NO.45),
16 REFERRED TO AS THE STERLING ACT.

17 (2) THE ACT OF DECEMBER 31, 1965 (P.L.1257, NO.511),
18 KNOWN AS THE LOCAL TAX ENABLING ACT.

19 (3) 53 PA.C.S. PT. III SUBPT. E (RELATING TO HOME RULE
20 AND OPTIONAL PLAN GOVERNMENT).

21 (4) ANY STATUTE THAT CONFERS TAXING AUTHORITY TO A
22 POLITICAL SUBDIVISION.

23 (B) LICENSING FEES.--VIDEO GAMING TERMINALS ARE EXEMPT FROM
24 LOCAL LICENSING FEES.

25 § 4504. EXCLUSIVE JURISDICTION OF SUPREME COURT.

26 THE PENNSYLVANIA SUPREME COURT SHALL HAVE EXCLUSIVE
27 JURISDICTION TO HEAR A CHALLENGE TO OR TO RENDER A DECLARATORY
28 JUDGMENT CONCERNING THE CONSTITUTIONALITY OF THIS PART. THE
29 PENNSYLVANIA SUPREME COURT MAY TAKE SUCH ACTION AS IT DEEMS
30 APPROPRIATE, CONSISTENT WITH THE PENNSYLVANIA SUPREME COURT

1 RETAINING JURISDICTION OVER THE MATTER, TO FIND FACTS OR TO
2 EXPEDITE A FINAL JUDGMENT IN CONNECTION WITH A CHALLENGE OR
3 REQUEST FOR DECLARATORY RELIEF.

4 § 4505. COMMONWEALTH FINANCING AUTHORITY.

5 THE COMMONWEALTH FINANCING AUTHORITY SHALL ESTABLISH
6 ACCOUNTS, ADMINISTER AND DISTRIBUTE THE FUNDS DEPOSITED INTO THE
7 ACCOUNTS AND PERFORM ALL OTHER DUTIES REQUIRED OF IT UNDER THIS
8 PART.

9 § 4506. HOST COUNTY OPTION.

10 (A) GENERAL RULE.--A COUNTY THAT HOSTS A CATEGORY 1,
11 CATEGORY 2 OR CATEGORY 3 LICENSED FACILITY ON THE EFFECTIVE DATE
12 OF THIS SECTION SHALL HAVE THE OPTION TO PROHIBIT THE PLACEMENT
13 OF VIDEO GAMING TERMINALS WITHIN THE HOST COUNTY BY DELIVERING A
14 RESOLUTION OF THE COUNTY GOVERNING BODY TO THE BOARD WITHIN 60
15 DAYS OF THE EFFECTIVE DATE OF THIS SECTION. NO VIDEO GAMING
16 TERMINALS MAY BE OPERATED IN A HOST COUNTY THAT HAS EXERCISED
17 THE OPTION TO PROHIBIT VIDEO GAMING TERMINALS UNDER THIS
18 SECTION.

19 (B) RESCISSION OF PROHIBITION.--

20 (1) SUBJECT TO PARAGRAPH (2), A HOST COUNTY THAT
21 PROHIBITS VIDEO GAMING TERMINALS WITHIN THE HOST COUNTY UNDER
22 SUBSECTION (A) MAY RESCIND THAT PROHIBITION AT ANY TIME BY
23 DELIVERING A NEW RESOLUTION OF THE COUNTY GOVERNING BODY TO
24 THE BOARD.

25 (2) A HOST COUNTY THAT RESCINDS ITS PRIOR PROHIBITION
26 ACCORDING TO PARAGRAPH (1) MAY NOT SUBSEQUENTLY PROHIBIT
27 VIDEO GAMING TERMINALS IN THE HOST COUNTY UNDER THIS SECTION.

28 SECTION 33. SECTION 27 OF THIS ACT REENACTS AND AMENDS 4
29 PA.C.S. § 1403(C)(2). THE DEPARTMENT OF REVENUE SHALL IMPLEMENT
30 THE REENACTMENT AND AMENDMENT OF THE PROVISION AS FOLLOWS:

1 (1) THE DEPARTMENT SHALL APPLY THE REENACTMENT WITHOUT
2 THE AMENDMENT RETROACTIVELY TO MAY 27, 2017.

3 (2) THE DEPARTMENT SHALL APPLY THE REENACTMENT WITH THE
4 AMENDMENT PROSPECTIVELY AFTER DECEMBER 31, 2017.

5 SECTION 34. THE FOLLOWING PROVISIONS SHALL APPLY
6 RETROACTIVELY TO JANUARY 1, 2017:

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

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

9 (3) EXCEPT AS SET FORTH IN SECTION 33 OF THIS ACT, THE
10 REENACTMENT AND AMENDMENT OF 4 PA.C.S. § 1403.

11 SECTION 35. REPEALS ARE AS FOLLOWS:

12 (1) THE GENERAL ASSEMBLY FINDS THAT THE REPEAL UNDER
13 PARAGRAPH (2) IS NECESSARY TO EFFECTUATE THE AMENDMENT OF 4
14 PA.C.S. § 1307.

15 (2) SECTION 21(2) OF THE ACT OF JANUARY 7, 2010 (P.L.1,
16 NO.1), IS REPEALED.

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

20 (4) SECTION 1753-E OF THE ACT OF APRIL 9, 1929 (P.L.343,
21 NO.176), KNOWN AS THE FISCAL CODE, IS REPEALED.

22 (5) AS MUCH AS READS ", EXCEPT THAT THE SECRETARY MAY
23 NOT AUTHORIZE THE GAME OF KENO OR AN INTERNET INSTANT GAME
24 UNLESS SPECIFICALLY AUTHORIZED BY LAW" IN SECTION 303(A)(1)
25 OF THE ACT OF AUGUST 26, 1971 (P.L.351, NO.91), KNOWN AS THE
26 STATE LOTTERY LAW, IS REPEALED.

27 SECTION 36. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

28 (1) THE AMENDMENT OR ADDITION OF 4 PA.C.S. CH. 13C AND 4
29 PA.C.S. § 1509 SHALL TAKE EFFECT IN 60 DAYS.

30 (2) THE ADDITION OF 4 PA.C.S. CH. 3 SHALL TAKE EFFECT IN

1 180 DAYS.

2 (3) THE AMENDMENT OR ADDITION OF 4 PA.C.S. § 1407(B),
3 (C), (C.1), (D) INTRODUCTORY PARAGRAPH, (D.2) AND (D.3) SHALL
4 TAKE EFFECT JANUARY 1, 2018.

5 (4) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT
6 IMMEDIATELY.