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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 864 Session of  
2017

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INTRODUCED BY MUSTIO, D. COSTA, DeLUCA, ORTITAY, SANKEY, WARD,  
MILLARD, DEASY AND DOWLING, MARCH 16, 2017

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REFERRED TO COMMITTEE ON GAMING OVERSIGHT, MARCH 16, 2017

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AN ACT

1 Amending the act of December 19, 1988 (P.L.1262, No.156),  
2 entitled, as amended, "An act providing for the licensing of  
3 eligible organizations to conduct games of chance, for the  
4 licensing of persons to distribute games of chance, for the  
5 registration of manufacturers of games of chance, and for  
6 suspensions and revocations of licenses and permits;  
7 requiring records; providing for local referendum by  
8 electorate; and prescribing penalties," in preliminary  
9 provisions, further providing for legislative intent and for  
10 definitions; in games of chance, providing for airport 50/50  
11 drawing; and, in enforcement, further providing for  
12 enforcement.

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

15 Section 1. Section 102 of the act of December 19, 1988  
16 (P.L.1262, No.156), known as the Local Option Small Games of  
17 Chance Act, is amended to read:

18 Section 102. Legislative intent.

19 The General Assembly hereby declares that the playing of  
20 games of chance for the purpose of raising funds, by certain  
21 nonprofit associations, for the promotion of charitable or civic  
22 purposes, is in the public interest. In some cases, the proceeds  
23 from games of chance may be utilized to support certain

1 operating expenses of certain organizations.

2 The General Assembly hereby declares that raising public  
3 funds from games of chance in licensed restaurants and  
4 protecting the competitiveness of these restaurants is also in  
5 the public interest.

6 The General Assembly hereby declares that raising funds from  
7 a 50/50 drawing conducted in airport systems, the net proceeds  
8 of which will be used for charitable purposes, is in the public  
9 interest.

10 It is hereby declared to be the policy of the General  
11 Assembly that all phases of licensing, operation and regulation  
12 of games of chance be strictly controlled, and that all laws and  
13 regulations with respect thereto as well as all gambling laws  
14 should be strictly construed and rigidly enforced.

15 The General Assembly recognizes the possibility of  
16 association between commercial gambling and organized crime, and  
17 wishes to prevent participation by organized crime and prevent  
18 the diversion of funds from the purposes herein authorized.

19 Section 2. Section 103 of the act is amended by adding  
20 definitions to read:

21 Section 103. Definitions.

22 The following words and phrases when used in this act shall,  
23 except as provided under section 902, have the meanings given to  
24 them in this section unless the context clearly indicates  
25 otherwise:

26 \* \* \*

27 "Airport." A publicly owned commercial service airport that  
28 is designated by the Federal Government as an international  
29 airport.

30 "Airport 50/50 drawing." A 50/50 drawing that is conducted

1 by an airport in accordance with section 304.2.

2 \* \* \*

3 Section 3. The act is amended by adding a section to read:

4 Section 304.2. Airport 50/50 drawing.

5 (a) General rule.--A person may purchase one or more airport  
6 50/50 drawing tickets, and each ticket shall represent one entry  
7 in the drawing for a winner. A single ticket shall be randomly  
8 chosen as the winner after a certain number of tickets are sold  
9 or a specified time period expires, as designated by the  
10 airport. Purchase of airport 50/50 drawing tickets may be made  
11 by cash, credit card or debit card.

12 (b) Frequency and location.--An airport 50/50 drawing may be  
13 conducted at an airport no more than one time per calendar day.  
14 Drawings may only be held within the spaces of an airport  
15 terminal to which the general public, including ticketed  
16 passengers, regularly has access.

17 (c) Distribution.--The prize amount of an airport 50/50  
18 drawing shall be 50% of the total amount collected from the sale  
19 of airport 50/50 drawing tickets. The other 50% of the total  
20 amount collected from the sale of airport 50/50 drawing tickets  
21 shall be donated within seven days from the date of the drawing  
22 by the airport to the designated charitable organization for  
23 which the drawing was conducted.

24 (d) Designated charitable organization.--The identity of the  
25 designated charitable organization for which the airport 50/50  
26 drawing is being conducted shall be disclosed to all ticket  
27 purchasers.

28 (e) Eligibility.--In order to receive proceeds from an  
29 airport 50/50 drawing, a charitable organization must be in  
30 existence and fulfill its purposes prior to the airport 50/50

1 drawing and shall be eligible for exemption under section 501(c)  
2 (3) of the Internal Revenue Code of 1986 (Public Law 99-514, 26  
3 U.S.C. § 501(c)(3)). A political subdivision shall not qualify  
4 as a charitable organization under this act, but an organization  
5 formed by a political subdivision that is eligible for exemption  
6 under section 501(c)(3) of the Internal Revenue Code of 1986  
7 shall qualify as a charitable organization under this act.

8 (f) Unclaimed prizes.--Any airport 50/50 drawing prize  
9 remaining unclaimed by a winner 180 days after the drawing shall  
10 be donated to the designated charitable organization for which  
11 the airport 50/50 drawing was conducted.

12 (g) Applicability.--The limitations under sections 302,  
13 303(b), 308 and 704 shall not apply to an airport 50/50 drawing.

14 (h) Additional recordkeeping.--The department may require  
15 additional recordkeeping or accountability measures for airport  
16 50/50 drawings.

17 Section 4. Section 702(g) of the act is amended to read:  
18 Section 702. Enforcement.

19 \* \* \*

20 (g) [General rule] Violations of Liquor Code.--

21 (1) Except as provided in paragraph (2), a violation of  
22 this act by a club licensee shall not constitute a violation  
23 of the Liquor Code.

24 (2) If a club licensee has committed three or more  
25 violations of this act, the Bureau of Liquor Control  
26 Enforcement may enforce a violation of this act as a  
27 violation of the Liquor Code.

28 (3) A violation of this act shall not constitute a  
29 violation of the Liquor Code for the purposes of section  
30 471(c) of the Liquor Code.

1           (4) A violation of section 304.1 or 304.2 shall not  
2           constitute a violation of the Liquor Code.

3           Section 5. Within two years of the effective date of this  
4 section, the Department of Revenue shall publish regulations to  
5 implement and administer the provisions of this act.

6           Section 6. This act shall take effect in 60 days.