
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 986 Session of
2015

INTRODUCED BY DeLUCA, McNEILL, MAHONEY, COHEN, PASHINSKI, KOTIK,
P. COSTA, GAINNEY, KORTZ, MATZIE, RAVENSTAHL, DEASY AND
D. COSTA, APRIL 20, 2015

REFERRED TO COMMITTEE ON GAMING OVERSIGHT, APRIL 20, 2015

AN ACT

1 Amending Title 4 (Amusements) of the Pennsylvania Consolidated
2 Statutes, providing for video gaming; imposing duties on the
3 Pennsylvania Gaming Control Board; establishing the Video
4 Gaming Account; imposing penalties; and providing for
5 funding.

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

8 Section 1. Title 4 of the Pennsylvania Consolidated Statutes
9 is amended by adding a chapter to read:

10 CHAPTER 11A

11 VIDEO GAMING

12 Sec.

13 11A01. Definitions.

14 11A02. Powers and duties.

15 11A03. Video gaming.

16 11A04. Licensing of manufacturers, distributors and terminal
17 operators.

18 11A05. Licensed establishment license.

19 11A06. Limitations on licensed establishments.

- 1 11A07. Central communications system.
2 11A08. Video gaming terminal prototype.
3 11A09. Fees.
4 11A10. Unlawful use by minors.
5 11A11. Inducements prohibited.
6 11A12. Multiple types of licenses prohibited.
7 11A13. Illegal activities.
8 11A14. Establishment of account and distribution of funds.
9 11A15. Preemption of local taxes and license fees.
10 11A16. Exemption from State gaming laws.
11 11A17. Exemption from Federal regulation.
12 11A18. Funding.
13 § 11A01. Definitions.

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

17 "Account." The Video Gaming Account established under
18 section 11A14 (relating to establishment of account and
19 distribution of funds).

20 "Coin-operated amusement game." A machine that requires the
21 insertion of a coin, currency or tokens to play or activate a
22 game, the outcome of which is predominantly and primarily
23 determined by the skill of the player. The term does not include
24 a video lottery terminal.

25 "Distributor." Any individual, partnership, association,
26 limited liability company or corporation, licensed by the board
27 to buy, sell, lease, service or distribute video gaming
28 terminals. The term does not include a terminal operator or a
29 manufacturer.

30 "Gaming machine." A device or game that has the outcome of

1 play primarily determined by chance. The term includes an
2 antique slot machine under 18 Pa.C.S. § 5513(c) (relating to
3 gambling devices, gambling, etc.) when used for profit. The term
4 shall not include any of the following:

5 (1) A coin-operated amusement game.

6 (2) A video gaming terminal that has all of its seals or
7 identification plates.

8 (3) Slot machines as defined under section 1103
9 (relating to definitions).

10 (4) A game of chance under the act of December 19, 1988
11 (P.L.1262, No.156), known as the Local Option Small Games of
12 Chance Act.

13 (5) Lottery terminals used under the act of August 26,
14 1971 (P.L.351, No.91), known as the State Lottery Law.

15 "Inducement." Consideration from a terminal operator, or an
16 agent of the operator, to a licensed establishment owner as an
17 enticement to solicit or maintain the licensed establishment
18 owner's business. The term includes cash, gifts, loans and
19 prepayments of commissions.

20 "Licensed establishment." A club that has a valid liquor or
21 malt or brewed beverage license under Article IV of the act of
22 April 12, 1951 (P.L.90, No.21), known as the Liquor Code.

23 "Manufacturer." Any individual, partnership, association,
24 limited liability company or corporation that:

25 (1) is licensed by the board; and

26 (2) manufactures, produces or assembles video gaming
27 terminals or major parts and components of video gaming
28 terminals.

29 "Net profits." All money put into a video gaming terminal
30 minus the cash awards paid out to players.

1 "Service technician." An individual holding a service
2 technician's license issued by the board allowing the individual
3 to service, maintain and repair video gaming terminals.

4 "State Lottery." The lottery established and operated under
5 the State Lottery Law.

6 "Terminal operator." Any individual, partnership,
7 association, limited liability company or corporation that:

8 (1) is licensed by the board; and

9 (2) owns, services and maintains video gaming terminals
10 for placement in licensed establishments.

11 "Video gaming terminal." A device or terminal:

12 (1) that, upon insertion of a coin or currency, will
13 play or simulate the play of a video poker, bingo, keno or
14 any other game authorized by the board;

15 (2) that utilizes a video display and microprocessors;
16 and

17 (3) in which, by the skill of the player or by chance,
18 the player may receive free games or credits that may be
19 redeemed for cash.

20 § 11A02. Powers and duties.

21 The board shall regulate and adopt standards for all gaming
22 activities in this Commonwealth, including video gaming as
23 authorized under this chapter.

24 § 11A03. Video gaming.

25 The board shall provide for video gaming at licensed
26 establishments. With the exception of tickets indicating credits
27 won, which are redeemable for cash, no video gaming terminal may
28 directly dispense coins, cash, tokens or anything else of value.
29 The winning ticket may, however, be used in other licensed video
30 gaming terminals in the same establishment.

1 § 11A04. Licensing of manufacturers, distributors and terminal
2 operators.

3 (a) Background investigation.--The board shall have the
4 Pennsylvania State Police conduct a background investigation of
5 an applicant for a manufacturer, distributor or terminal
6 operator license as to personal and business character, honesty
7 and integrity. The investigation may utilize information on the
8 applicant compiled by the Pennsylvania Liquor Control Board. The
9 investigation includes the following:

10 (1) An examination of criminal or civil records.

11 (2) An examination of personal, financial or business
12 records. This paragraph includes tax returns, bank accounts,
13 business accounts, mortgages and contracts to which the
14 license applicant is a party or has an interest.

15 (3) An examination of personal or business relationships
16 which:

17 (i) include a partial ownership or voting interest
18 in a partnership, association or corporation; and

19 (ii) bear on the fitness of the applicant for
20 licensure.

21 (b) Application fee.--Fees are as follows:

22 (1) A manufacturer or distributor applicant must pay a
23 nonrefundable application fee of \$10,000.

24 (2) A terminal operator must pay a nonrefundable
25 application fee of \$5,000.

26 (c) Production of information.--An applicant to become a
27 licensee must produce information, documentation and assurances
28 as required by the board. This subsection includes the
29 following:

30 (1) Each license applicant must:

1 (i) consent in writing to and provide for the
2 examination of financial and business accounts, bank
3 accounts, tax returns and related records in the
4 applicant's possession or under the applicant's control
5 that establish the financial stability, integrity and
6 responsibility of the license applicant; and

7 (ii) authorize all third parties in possession or
8 control of accounts or records under subparagraph (i) to
9 allow for their examination as deemed necessary by the
10 board in conducting background investigations.

11 (2) Each license applicant must disclose on the
12 application form any criminal convictions for offenses graded
13 above summary offenses covering the 10-year period
14 immediately preceding the filing of the application. The
15 license applicant must also include on the application form
16 any convictions of the gambling laws of any jurisdiction.

17 (3) If the license applicant has conducted a gaming
18 operation in a jurisdiction that permits such activity, the
19 license applicant must produce letters of reference from the
20 gaming or casino enforcement or control agency that specify
21 the experiences of the agency with the license applicant, the
22 license applicant's associates and the license applicant's
23 gaming operations. If the license applicant is unable to
24 obtain these letters within 60 days of the request, the
25 license applicant may submit a copy of the letter requesting
26 the information, together with a statement under oath or
27 affirmation that, during the period activities were
28 conducted, the license applicant was in good standing with
29 the appropriate gambling or casino enforcement control
30 agency.

1 (4) Each license applicant must provide information,
2 documentation and assurances as required by the board to
3 establish the license applicant's good character, honesty and
4 integrity. Information under this paragraph may relate to
5 family, habits, character, reputation, business affairs,
6 financial affairs, business associates, professional
7 associates and personal associates, covering the 10-year
8 period immediately preceding the filing of the application.

9 (d) Felony conviction prohibition.--A person that has been
10 convicted of a felony shall not be issued a license under this
11 chapter.

12 (e) Third-party disclosure.--Each license applicant must
13 accept any risk of adverse public notice, embarrassment,
14 criticism, damages or financial loss, which may result from
15 disclosure or publication by a third party of material or
16 information requested by the board pursuant to action on an
17 application. The license applicant expressly must waive a claim
18 against the board or the Commonwealth and its employees from
19 damages as a result of disclosure or publication by a third
20 party.

21 (f) Hearing upon denial.--A person who is denied a license,
22 or the renewal of a license, has the right to a hearing before
23 the board in accordance with the provisions of 2 Pa.C.S. Chs. 5
24 Subch. A (relating to practice and procedure of Commonwealth
25 agencies) and 7 Subch. A (relating to judicial review of
26 Commonwealth agency action).

27 (g) Sole proprietor terminal operators.--A sole proprietor
28 terminal operator must comply with all of the following:

29 (1) Be a resident of this Commonwealth for at least two
30 years prior to application for a license.

1 (2) Be of good moral character and reputation in the
2 community.

3 (3) Be 18 years of age or older.

4 (4) Be current in the payment of all taxes, interest and
5 penalties owed to the Commonwealth and political subdivisions
6 of the Commonwealth. This paragraph excludes items under
7 formal dispute or appeal under applicable law.

8 (5) Demonstrate sufficient financial resources to
9 support the activities required to place and service video
10 gaming terminals.

11 (h) Partnership terminal operators.--Partnership terminal
12 operators must comply with all of the following:

13 (1) Be current in the payment of taxes, interest and
14 penalties owed to the Commonwealth and political subdivisions
15 of the Commonwealth. This paragraph excludes items under
16 formal dispute or appeal under applicable law.

17 (2) Demonstrate sufficient financial resources to
18 support the activities required to place and service video
19 gaming terminals.

20 (3) Each partner must be:

21 (i) of good moral character and reputation in the
22 community;

23 (ii) 18 years of age or older; and

24 (iii) a resident of this Commonwealth for at least
25 two years prior to application for a license.

26 (4) At all times subsequent to licensing, a majority of
27 the ownership interest in the partnership must be held by
28 residents of this Commonwealth.

29 (i) Associations, limited liability companies and corporate
30 terminal operators.--An association, limited liability or

1 corporate terminal operator must comply with all of the
2 following:

3 (1) Be current in the payment of taxes, interest and
4 penalties owed to the Commonwealth and political subdivisions
5 of the Commonwealth. This paragraph excludes items under
6 formal dispute or appeal under applicable law.

7 (2) Demonstrate sufficient financial resources to
8 support the activities required to place and service video
9 gaming terminals.

10 (3) Have each shareholder holding more than 10% of the
11 stock of a corporation be:

12 (i) of good moral character and reputation in the
13 community;

14 (ii) 18 years of age or older; and

15 (iii) a resident of this Commonwealth for at least
16 two years prior to application.

17 (j) Sole proprietor distributors.--A sole proprietor
18 distributor must comply with all of the following:

19 (1) Be of good moral character and reputation in the
20 community.

21 (2) Be 18 years of age or older.

22 (3) Be current in the payment of taxes, interest and
23 penalties owed to the Commonwealth and political subdivisions
24 of the Commonwealth. This paragraph excludes items under
25 formal dispute or appeal under applicable law.

26 (4) Demonstrate sufficient financial resources to
27 support the activities required to sell and service video
28 gaming terminals.

29 (k) Partnership distributors.--Partnership distributors must
30 comply with all of the following:

1 (1) Be current in the payment of taxes, interest and
2 penalties owed to the Commonwealth and political subdivisions
3 of the Commonwealth. This paragraph excludes items under
4 formal dispute or appeal under applicable law.

5 (2) Demonstrate sufficient financial resources to
6 support the activities required to sell and service video
7 gaming terminals.

8 (3) Have each partner be:

9 (i) of good moral character and reputation in the
10 community;

11 (ii) 18 years of age or older.

12 (4) At all times subsequent to licensing, a majority of
13 the partnership ownership interest must be held by residents
14 of this Commonwealth.

15 (1) Associations, limited liability companies and corporate
16 distributors.--An association, limited liability company or
17 corporate distributor must comply with all of the following:

18 (1) Be current in the payment of taxes, interest and
19 penalties owed to the Commonwealth and political subdivisions
20 of the Commonwealth. This paragraph excludes items under
21 formal dispute or appeal under applicable law.

22 (2) Demonstrate sufficient financial resources to
23 support the activities required to sell and service video
24 gaming terminals.

25 (3) Have each shareholder holding more than 10% of the
26 stock of a corporation be:

27 (i) of good moral character and reputation in the
28 community; and

29 (ii) 18 years of age or older.

30 (m) Sole proprietor manufacturers.--A sole proprietor

1 manufacturer must comply with all of the following:

2 (1) Be of good moral character and reputation in the
3 community.

4 (2) Be 18 years of age or older.

5 (3) Be current in the payment of taxes, interest and
6 penalties owed to the Commonwealth and political subdivisions
7 of the Commonwealth. This paragraph excludes items under
8 formal dispute or appeal under applicable law.

9 (4) Demonstrate sufficient financial resources to
10 support the activities required to manufacture and sell video
11 gaming terminals through a licensed distributor.

12 (n) Partnership manufacturers.--Partnership manufacturers
13 must comply with all of the following:

14 (1) Be current in the payment of taxes, interest and
15 penalties owed to the Commonwealth and political subdivisions
16 of the Commonwealth. This paragraph excludes items under
17 formal dispute or appeal under applicable law.

18 (2) Demonstrate sufficient financial resources to
19 support the activities required to manufacture and sell video
20 gaming terminals through a licensed distributor.

21 (3) Have each partner be:

22 (i) 18 years of age or older; and

23 (ii) of good moral character and reputation in the
24 community.

25 (o) Associations, limited liability companies and corporate
26 manufacturers.--An association, limited liability company or
27 corporate manufacturer must comply with all of the following:

28 (1) Be current in the payment of taxes, interest and
29 penalties owed to the Commonwealth and political subdivisions
30 of the Commonwealth. This paragraph excludes items under

1 formal dispute or appeal under applicable law.

2 (2) Demonstrate sufficient financial resources to
3 support the activities required to manufacture and sell video
4 gaming terminals through a licensed distributor.

5 (3) Have each shareholder holding more than 10% of the
6 stock of the corporation or association be:

7 (i) of good moral character and reputation in the
8 community; and

9 (ii) 18 years of age or older.

10 (p) Service technician.--A service technician must comply
11 with the following:

12 (1) Be current in the payment of taxes, interest and
13 penalties owed to the Commonwealth and political subdivisions
14 of the Commonwealth. This paragraph excludes items under
15 formal dispute or appeal under applicable law.

16 (2) Be of good moral character and reputation in the
17 community.

18 (3) Be 18 years of age or older.

19 (q) Written agreement.--Each licensed establishment shall
20 have a written agreement with a terminal operator for a minimum
21 60-month term. The agreement shall be approved by the board and
22 on file at the licensed establishment. An establishment may only
23 sign, or agree to sign, a written agreement with a terminal
24 operator. Unlicensed third parties are prohibited from
25 soliciting written contracts with establishments. No inducement
26 may be offered to an establishment to sign a written agreement.

27 (r) Nonaccessibility to minors.--No video gaming terminal
28 may be in an area easily accessible to minors. A floor-to-
29 ceiling wall is not required. The area must be secure and easily
30 seen and observed by the employees or management of the licensed

1 establishment.

2 (s) Advertising prohibited.--No licensed establishment with
3 a video gaming license may advertise gaming in any form in its
4 licensed name.

5 § 11A05. Licensed establishment license.

6 The board shall issue a license to any licensed establishment
7 upon a showing that its liquor or retail dispenser license is
8 valid and is in good standing with the Pennsylvania Liquor
9 Control Board. The annual fee for a licensed establishment shall
10 be \$1,000. The licensed establishment shall also pay an annual
11 fee of \$500 per video gaming terminal.

12 § 11A06. Limitations on licensed establishments.

13 (a) Limitations.--Licensed establishments shall be subject
14 to the following limitations:

15 (1) If the square footage licensed by the Pennsylvania
16 Liquor Control Board is less than 2,500 square feet, the
17 licensed establishment is allowed up to five video gaming
18 terminals. One additional terminal may be placed for each
19 additional 500 square feet over 2,500, with a maximum of 10
20 gaming terminals.

21 (2) No applicant may hold more than one type of license
22 authorized by this chapter.

23 (3) Each licensee is responsible for payment of its
24 license fee. Payment of the fee by a person, partnership,
25 limited liability company or corporation other than the
26 licensee is prohibited.

27 (b) Unlawful acts.--No licensed establishment shall permit:

28 (1) An individual under 21 years of age to operate or
29 attempt to operate a video gaming terminal.

30 (2) An individual under 21 years of age to receive or

1 attempt to receive a prize from a video gaming terminal.

2 (3) A visibly intoxicated person to play a video gaming
3 terminal.

4 (4) An individual to tamper with the connection of a
5 video gaming terminal to the central computer.

6 (c) Summary offense.--In addition to any other penalty
7 provided by law, a person who violates subsection (b)(1), (2) or
8 (3) commits a summary offense.

9 (d) Seizure, forfeiture and destruction of gaming
10 machines.--A licensee shall have the duty to consent to seizures
11 of its gaming machines. Gaming machines and the proceeds of
12 gaming machines shall be subject to seizure under sections
13 1517(e) (relating to investigations and enforcement) and 1518(f)
14 (relating to prohibited acts; penalties).

15 (e) Penalties.--

16 (1) In the case of a gaming machine seized from a
17 licensed establishment, for a first violation, the penalty
18 shall be at least \$1,000 and not more than \$5,000 and a
19 suspension of the licensed establishment owner's liquor
20 license for not less than seven consecutive days, and for
21 each subsequent violation, a penalty of \$15,000 and a
22 suspension of the liquor license for not less than 14
23 consecutive days.

24 (2) In the case of a gaming machine seized from a place
25 of business other than a licensed establishment, for a first
26 violation, the penalty shall be at least \$1,000 and not more
27 than \$5,000 against the owner of the business from which the
28 gaming machine was seized, and for each subsequent violation,
29 a penalty of \$15,000.

30 § 11A07. Central communications system.

1 The board shall establish and procure a central
2 communications system capable of monitoring and communicating
3 with each licensed video gaming terminal. The board may, by
4 agreement between the Department of Revenue and the State
5 Lottery, utilize the central communications system utilized by
6 the State Lottery. All licensed video gaming terminals must be
7 linked to a central communications system by agreement between
8 the board and the State Lottery, at the State Lottery.

9 § 11A08. Video gaming terminal prototype.

10 The board shall develop a prototype video gaming terminal
11 that includes hardware and software specifications. All video
12 gaming terminals offered for play in this Commonwealth shall
13 conform to an approved model. The board is authorized to utilize
14 the standards approved by other states and may contract for the
15 services of the board's testing laboratory. The board may also
16 contract for services of one or more independent outside testing
17 laboratories that have been accredited by a national
18 accreditation body and that, in the judgment of the board, are
19 qualified to perform such examinations and tests. These
20 specifications shall include:

21 (1) All video gaming terminals must have the ability to
22 interact with the central communications system.

23 (2) Unremovable identification plates shall appear on
24 the exterior of the video gaming terminal containing the name
25 of the manufacturer and the serial and model number of the
26 video gaming terminal.

27 (3) Rules of play shall be displayed on the video gaming
28 terminal face or screen as promulgated by the board.

29 (4) A video gaming terminal may not directly dispense
30 coins, cash, tokens or any other article of exchange or value

1 except for tickets. Such tickets shall be dispensed by
2 pressing the ticket dispensing button on the video gaming
3 terminal at the end of one's turn or play. The ticket shall
4 indicate the total amount of credits and the cash award. The
5 player shall be permitted to insert the ticket into another
6 terminal in the same licensed establishment or turn in the
7 ticket for redemption. Redemption shall be made by giving the
8 ticket to the responsible person in charge at the licensed
9 establishment or through the use of an approved redemption
10 machine. A redemption machine is required at the licensed
11 establishment if the establishment has three or more
12 terminals.

13 (5) The cost of a credit shall be 1¢, 5¢, 10¢ or 25¢,
14 and the maximum wager played per hand shall not exceed \$2.50.

15 (6) No cash award for any individual game may exceed
16 \$500.

17 (7) All video gaming terminals must be designed and
18 manufactured with total accountability to include gross
19 proceeds, net profits, winning percentages and any other
20 information the board requires.

21 (8) Each video gaming terminal shall pay out a minimum
22 of 85% of the amount wagered.

23 § 11A09. Fees.

24 (a) Terminal operator license and fee.--The annual fee for a
25 terminal operator license shall be \$25,000 for 50 or fewer video
26 gaming terminals. An additional annual fee of \$500 shall be
27 charged per video gaming terminal license for more than 50 video
28 gaming terminals.

29 (b) Distributor license fee.--The annual fee for a
30 distributor license shall be \$10,000.

1 (c) Manufacturer license fee.--The annual fee for a
2 manufacturer license shall be \$10,000.

3 (d) Service technician license fee.--The annual fee for a
4 service technician license shall be \$100.

5 § 11A10. Unlawful use by minors.

6 (a) Minors.--No individual under 21 years of age may use or
7 play a video gaming terminal. An individual who violates this
8 subsection commits a summary offense.

9 (b) Licensees.--

10 (1) A licensed establishment may not permit an
11 individual under 21 years of age to play or use a video
12 gaming terminal.

13 (2) A licensed establishment that violates this
14 subsection commits a misdemeanor of the second degree.

15 § 11A11. Inducements prohibited.

16 (a) General rule.--A terminal operator shall not give, or
17 offer to give, any type of inducement to a licensed
18 establishment to secure a video gaming terminal placement
19 agreement.

20 (b) Acceptance of inducements prohibited.--A licensed
21 establishment may not accept any inducement from a terminal
22 operator or any other third party, directly or indirectly,
23 associated with a terminal operator.

24 § 11A12. Multiple types of licenses prohibited.

25 (a) Manufacturer restriction.--A manufacturer may not be
26 licensed as a video gaming terminal distributor or a terminal
27 operator, or own, manage or control a licensed establishment,
28 and shall be licensed only to sell to licensed distributors.

29 (b) Distributor restriction.--A licensed video gaming
30 terminal distributor may not be licensed as a manufacturer or a

1 terminal operator, or own, manage or control a licensed
2 establishment.

3 (c) Terminal operator restriction.--A terminal operator may
4 not be licensed as a manufacturer or distributor, or own, manage
5 or control a licensed establishment, and shall be licensed only
6 to contract with licensed distributors and licensed
7 establishments.

8 (d) Establishment owner restriction.--An owner of a licensed
9 establishment may not be licensed as a manufacturer, distributor
10 or terminal operator and shall only contract with a terminal
11 operator to place and service equipment.

12 § 11A13. Illegal activities.

13 A person may not sell, distribute, service, own, operate or
14 place on location a video gaming terminal unless the person is
15 licensed under this chapter and is in compliance with all
16 requirements of this chapter.

17 § 11A14. Establishment of account and distribution of funds.

18 (a) Video Gaming Account.--A separate account in the State
19 Treasury to be known as the Video Gaming Account is established.
20 Fees and fines under this chapter and the portion of net profits
21 under subsection (b) (3) shall be deposited in the account.

22 (b) Distribution of net profits.--The net profits from each
23 video gaming terminal shall be distributed in the following
24 manner:

25 (1) To the licensed establishment, 33%.

26 (2) To the terminal operator, 33%.

27 (3) To the General Fund, 34%.

28 (c) Board funding.--The board shall derive all funding for
29 its operations related to the establishment, enforcement and
30 operation of video gaming from the account.

1 (d) Payments to municipalities.--The board shall pay each
2 municipality \$1,000 per licensed terminal located in the
3 municipality.

4 (e) Funding for compulsive gambling programs.--The board
5 shall allocate from the account \$1,000,000 annually for the
6 purpose of treating compulsive gambling in this Commonwealth.

7 (f) Continuing appropriation.--The money in the account is
8 appropriated to the account on a continuing basis and shall not
9 lapse at the end of any fiscal year.

10 § 11A15. Preemption of local taxes and license fees.

11 (a) Statutes.--Video gaming terminals shall be exempt from
12 taxes levied under the following:

13 (1) The act of August 5, 1932 (Sp.Sess., P.L.45, No.45),
14 referred to as the Sterling Act.

15 (2) The act of December 31, 1965 (P.L.1257, No.511),
16 known as The Local Tax Enabling Act.

17 (3) 53 Pa.C.S. Pt. III Subpt. E (relating to home rule
18 and optional plan government).

19 (4) Any statute that confers taxing authority to a
20 political subdivision.

21 (b) Licensing fees.--

22 (1) Video gaming terminals are exempt from local
23 licensing fees.

24 (2) Local licensing fees imposed on all other coin-
25 operated amusement games shall not exceed \$100.

26 § 11A16. Exemption from State gaming laws.

27 Video gaming terminals authorized under this chapter and
28 their use as authorized under this chapter are exempt from 18
29 Pa.C.S. § 5513 (relating to gambling devices, gambling, etc.).

30 § 11A17. Exemption from Federal regulation.

1 The General Assembly declares that the Commonwealth is exempt
2 from section 2 of the Gambling Devices Transportation Act (64
3 Stat. 1134, 15 U.S.C. § 1172). Shipments of approved video
4 gaming terminals into this Commonwealth in compliance with
5 sections 3 and 4 of the Gambling Devices Transportation Act (15
6 U.S.C. §§ 1173 and 1174) shall be deemed legal shipments into
7 this Commonwealth.

8 § 11A18. Funding.

9 The sum of \$10,000,000 necessary for the payment of costs
10 associated with the operation of the board and the initial
11 implementation of this chapter and other costs associated with
12 this chapter shall be transferred from the General Fund to the
13 Pennsylvania Gaming Control Board. The transferred funds shall
14 be repaid by the board to the General Fund by June 30, 2017.

15 Section 2. This act shall take effect in 90 days.