

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL**No. 711** Session of
2009

INTRODUCED BY EARLL, MELLOW, FONTANA, WOZNIAK, M. WHITE,
KITCHEN, VANCE, WARD, TOMLINSON, TARTAGLIONE, ERICKSON,
MUSTO, WASHINGTON, PIPPY, YAW, DINNIMAN, KASUNIC, LEACH,
FARNESE, PILEGGI, ARGALL, ORIE, RAFFERTY AND STACK,
JUNE 22, 2009

SENATOR CORMAN, APPROPRIATIONS, RE-REPORTED AS AMENDED, JULY 1,
2009

AN ACT

1 Amending Title 4 (Amusements) of the Pennsylvania Consolidated
2 Statutes, further providing for legislative intent and for
3 the definitions of "conviction," "licensed entity" and "slot
4 machine licensee"; providing for the definitions of
5 "executive-level public employee," "licensed entity
6 representative" and "trustee"; further providing for the
7 Pennsylvania Gaming Control Board, for powers of the board
8 and for code of conduct; providing for expenses of
9 Pennsylvania Gaming Control Board; further providing for
10 license or permit application hearing process and public
11 hearings, for board minutes and records, for regulatory
12 authority of board, for collection of fees and fines, for
13 slot machine license fee, for reports of board, for license
14 or permit prohibition, for slot machine license application
15 character requirements, for applications for license or
16 permit, for supplier licenses, for manufacturer licenses, for
17 additional licenses and permits and approval of agreements,
18 for license renewals, for change in ownership or control of
19 slot machine licensees and for nonportability of slot machine
20 license; providing for appointment of trustee; further
21 providing for Pennsylvania Gaming Economic Development and
22 Tourism Fund, for transfers from State Gaming Fund and for
23 financial and employment interests; providing for
24 prosecutorial and adjudicative functions; and further
25 providing for investigations and enforcement and for conduct
26 of public officials and employees.

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

1 Section 1. Section 1102(11) of Title 4 of the Pennsylvania
2 Consolidated Statutes is amended and the section is amended by
3 adding paragraphs to read:

4 § 1102. Legislative intent.

5 The General Assembly recognizes the following public policy
6 purposes and declares that the following objectives of the
7 Commonwealth are to be served by this part:

8 * * *

9 (10.1) The General Assembly has a compelling interest in
10 protecting the integrity of both the electoral process and
11 the legislative process by preventing corruption and the
12 appearance of corruption which may arise through permitting
13 campaign contributions by the gaming industry.

14 (11) It is necessary to maintain the integrity of the
15 regulatory control and legislative oversight over the
16 operation of slot machines in this Commonwealth; to prevent
17 the actual or appearance of corruption that may result from
18 [large] campaign contributions; ensure the bipartisan
19 administration of this part; and avoid actions that may erode
20 public confidence in the system of representative government.

21 (11.1) Completely banning ~~political~~ CAMPAIGN
22 contributions by certain individuals and entities subject to
23 this act is necessary to prevent corruption, or the
24 appearance of corruption, that may arise when politics and
25 gaming are intermingled.

26 Section 2. The definitions of "conviction," "licensed entity"
27 and "slot machine licensee" in section 1103 of Title 4 are
28 amended and the section is amended by adding definitions to
29 read:

30 § 1103. Definitions.

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

4 * * *

5 "Conviction." A finding of guilt or a plea of guilty or nolo
6 contendere, whether or not a judgment of sentence has been
7 imposed as determined by the law of the jurisdiction in which
8 the prosecution was held. The term does not include a conviction
9 that has been expunged or overturned or for which an individual
10 has been pardoned or an order of Accelerated Rehabilitative
11 Disposition which has been issued.

12 * * *

13 "Executive-level public employee." The term shall include
14 the following:

15 (1) Deputy Secretaries of the Commonwealth and the
16 Governor's Office executive staff.

17 (2) An employee of the executive branch with
18 discretionary power which may affect or influence the outcome
19 of a State agency's action or decision and who is involved in
20 the development of regulations or policies relating to a
21 licensed entity or who is involved in other matters under
22 this part. The term shall include an employee with law
23 enforcement authority.

24 (3) An employee of a county or municipality with
25 discretionary powers which may affect or influence the
26 outcome of the county's or municipality's action or decision
27 and who is involved in the development of law, regulation or
28 policy relating to a licensed entity or who is involved in
29 other matters under this part. The term shall include an
30 employee with law enforcement 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 which
4 may affect or influence the outcome of the governmental
5 body's action or decision and who is involved in the
6 development of regulation or policy relating to a licensed
7 entity or who is involved in other matters under this part.
8 The term shall include an employee with law enforcement
9 authority.

10 * * *

11 "Licensed entity[.]" or "licensee." Any slot machine
12 licensee, manufacturer licensee, supplier licensee or other
13 person licensed by the Pennsylvania Gaming Control Board under
14 this part.

15 "Licensed entity representative." A person acting on behalf
16 of or representing the interest of any applicant, licensee,
17 permittee or registrant, including an attorney, agent or
18 lobbyist, regarding any matter which may reasonably be expected
19 to come before the board.

20 * * *

21 ["Slot machine licensee." A person that holds a slot machine
22 license.]

23 * * *

24 "Trustee." A fiduciary appointed by the Pennsylvania Gaming
25 Control Board to preserve the viability of a licensed facility
26 and the integrity of gaming in this Commonwealth.

27 * * *

28 Section 3. Section 1201(b), (b.1), (f)(3), (h)(5), (7.1),
29 (10), (11), (13), (14) and (15) and (k) of Title 4 are amended,
30 subsection (h) is amended by adding paragraphs and the section

1 is amended by adding a subsection to read:

2 § 1201. Pennsylvania Gaming Control Board established.

3 * * *

4 (b) Membership.--

5 (1) The board shall consist of the following members:

6 [(1)] (i) Three members appointed by the Governor.

7 [(2)] (ii) One member appointed by each of the

8 following:

9 [(i)] (A) The President pro tempore of the

10 Senate.

11 [(ii)] (B) The Minority Leader of the Senate.

12 [(iii)] (C) The Speaker of the House of

13 Representatives.

14 [(iv)] (D) The Minority Leader of the House of

15 Representatives.

16 (2) The chairman of the Community, Economic and
17 Recreational Development Committee of the Senate may hold a
18 public hearing on an appointee under paragraph (1).

19 (b.1) Removal.--A member of the board shall serve at the
20 pleasure of the appointing authority and shall be removed from
21 office by the appointing authority:

22 (1) for misconduct in office, willful neglect of duty or
23 conduct evidencing unfitness for office or incompetence; or

24 (2) upon conviction of an offense graded as a felony, an
25 infamous crime, an offense under this part or an equivalent
26 offense under Federal law or the law of another jurisdiction.

27 * * *

28 (f) Qualified majority vote.--

29 * * *

30 (3) Notwithstanding any other provision of this part or

1 65 Pa.C.S. § 1103(j) (relating to restricted activities), a
2 member shall disclose the nature of his disqualifying
3 interest, disqualify himself and abstain from voting in a
4 proceeding under this part in which his objectivity,
5 impartiality, integrity or independence of judgment may be
6 reasonably questioned, as provided in subsection (h)(6) or
7 section 1202.1(c)(3) (relating to code of conduct). If a
8 legislative appointee has disqualified himself, the qualified
9 majority shall consist of all of the remaining legislative
10 appointees and at least two gubernatorial appointees.

11 * * *

12 (h) Qualifications and restrictions.--

13 * * *

14 (4.1) No member appointed after the effective date of
15 this paragraph shall engage in any business, employment or
16 vocation for which the member shall receive any COMPENSATION ←
17 OR remuneration except for an individual who is reappointed
18 and who is a member of the board on the effective date of
19 this paragraph.

20 (5) No member shall be paid or receive any fee or other
21 compensation other than salary and expenses provided by law
22 for any activity related to the duties or authority of the
23 board. [Nothing in this part shall prohibit a member from
24 engaging in any employment or receiving any compensation for
25 such employment that is not connected to or incompatible with
26 his service as a member of the board.]

27 * * *

28 (7.1) Prior to being sworn as a member, an appointee and
29 his immediate family shall divest any financial interest in
30 any applicant, licensed facility or licensed entity and in an

1 affiliate, intermediary, subsidiary or holding company
2 thereof owned or held by the appointee or known to be held by
3 the appointee's immediate family. For the duration of the
4 member's term and for [one year] two years thereafter, the
5 member and the member's immediate family may not acquire a
6 financial interest in any applicant, licensed facility or
7 licensed entity or in an affiliate, intermediary, subsidiary
8 or holding company thereof. For purposes of this paragraph,
9 the term "immediate family" shall mean spouse and any minor
10 or unemancipated child.

11 * * *

12 (10) No former member may appear before the board in any
13 hearing or proceeding or participate in any other activity on
14 behalf of any applicant, licensed entity, or an affiliate,
15 intermediary, subsidiary or holding company thereof, or any
16 other licensee or permittee for a period of two years from
17 the termination of term of office.

18 (11) No member, employee or independent contractor of
19 the board shall accept a complimentary service, wager or be
20 paid any prize from any wager at any licensed facility within
21 this Commonwealth or at any other facility outside this
22 Commonwealth which is owned or operated by a licensed gaming
23 entity or any of its affiliates, intermediaries, subsidiaries
24 or holding companies thereof for the duration of their term
25 of office, employment or contract with the board and for a
26 period of [one year] two years from the termination of term
27 of office, employment or contract with the board. The
28 provisions of this paragraph prohibiting wagering during the
29 term of employment shall not apply to employees [who] when
30 the employees utilize slot machines for testing purposes or

1 to verify the performance of a machine as part of an
2 enforcement investigation.

3 * * *

4 (13) No employee of the board [or individual employed by
5 an independent contractor of the board] whose duties
6 substantially involve licensing[,] or enforcement [or], the
7 development or adoption of laws, regulations or policy or who
8 has other discretionary authority which may affect the
9 outcome of an action or decision under this part, including
10 the executive director, bureau directors and attorneys, shall
11 do any of the following:

12 (i) [accept] Accept employment with or be retained
13 by an applicant or licensed entity, or an affiliate,
14 intermediary, subsidiary or holding company thereof, for
15 a period of [one year] two years after the termination of
16 the employment relating to the conduct of gaming [or
17 contract with the board; or].

18 (ii) [appear] Appear before the board in any hearing
19 or proceeding or participate in any other activity on
20 behalf of any applicant, licensee, permittee or licensed
21 entity, or an affiliate, intermediary, subsidiary or
22 holding company thereof, for a period of two years after
23 termination of the employment [or contract with the
24 board].

25 (iii) As a condition of employment, an employee
26 under this paragraph shall sign an affidavit that the
27 employee will not accept employment with or be retained
28 by any applicant, licensed entity or an affiliate,
29 intermediary, subsidiary or holding company thereof for a
30 period of two years from the termination of employment.

1 An applicant or licensed entity or an affiliate,
2 intermediary, subsidiary or holding company thereof shall
3 not employ or retain an individual who signed an
4 affidavit signed under this subparagraph. An applicant or
5 licensed entity or an affiliate, intermediary, subsidiary
6 or holding company that knowingly employs or retains an
7 individual in violation of this subparagraph shall be
8 subject to a penalty under section 1518(c) (relating to
9 prohibited acts; penalties).

10 (13.1) No independent contractor or individual employed
11 by an independent contractor of the board whose duties
12 substantially involve consultation relating to licensing,
13 enforcement or the development or adoption of regulations or
14 policy under this part shall:

15 (i) Accept employment with or be retained by an
16 applicant or a licensed entity or an affiliate,
17 intermediary, subsidiary or holding company thereof for a
18 period of one year after the termination of the contract
19 with the board.

20 (ii) Appear before the board in any hearing or
21 proceeding or participate in any other activity on behalf
22 of an applicant, licensee, permittee or licensed entity
23 or an affiliate, intermediary, subsidiary or holding
24 company of an applicant, licensee, permittee or licensed
25 entity for a period of two years after termination of the
26 contract with the board.

27 (iii) As a condition of a contract, an independent
28 contractor or individual employed by an independent
29 contractor of the board under this paragraph shall sign
30 an affidavit to not accept employment with or be retained

1 by any applicant, licensed entity or an affiliate,
2 intermediary, subsidiary or holding company of an
3 applicant, licensed entity or affiliate for a period of
4 one year from the termination of employment. A licensed
5 entity or an affiliate, intermediary, subsidiary or
6 holding company of an applicant, licensed entity or
7 affiliate shall not employ or retain an individual who
8 signed an affidavit signed under this subparagraph. A
9 licensed entity or an affiliate, intermediary, subsidiary
10 or holding company thereof that knowingly employs or
11 retains an individual in violation of this subparagraph
12 shall be subject to a penalty under section 1518(c).

13 (14) Upon the written request of an employee of the
14 board, the executive branch of the Commonwealth or a
15 political subdivision or of the agency or political
16 subdivision employing an employee, the State Ethics
17 Commission shall determine whether the individual's duties
18 substantially involve the development or adoption of laws,
19 regulations or policy, licensing or enforcement under this
20 part or other discretionary authority which may affect the
21 outcome of an action or decision under this part and shall
22 provide a written determination to the employee to include
23 any prohibition under this paragraph. An individual who
24 relies in good faith on a determination under this paragraph
25 shall not be subject to any penalty for an action taken,
26 provided that all material facts set forth in the request for
27 a determination are correct.

28 (15) If a member[, employee or independent contractor]
29 of the board violates any provision of this section, the
30 appointing authority [or the board may, upon notice and

1 hearing,] may remove the person from the board[, withdraw the
2 appointment or]. A member removed under this paragraph shall
3 be prohibited from future appointment to the board and shall
4 be prohibited from applying for a license or permit, from
5 becoming an independent contractor of the board, or
6 registering as a licensed entity representative for a period
7 of five years from the date of removal from the board. If an
8 employee or independent contractor of the board violates any
9 provision of this section, the board may, upon notice and
10 hearing, terminate the employment or contract, and the person
11 shall be ineligible for future [appointment,] employment or
12 contract with the board and [for approval of a license or
13 permit under this part for a period of two years thereafter]
14 shall be prohibited from applying for a license or permit,
15 becoming an independent contractor or registering as a
16 licensed entity representative for a period of five years
17 from the date of termination of the employment or contract.

18 * * *

19 (k) Appointments.--[The appointing authorities] Following
20 the initial appointment of members under subsection (b), the
21 appointing authority shall make [their initial] appointments
22 within 60 days of [the effective date of this part] a vacancy in
23 an office. No appointment shall be final until receipt by the
24 appointing authority of the required background investigation of
25 the appointee by the Pennsylvania State Police which shall be
26 completed within 30 days. No person who has been convicted in
27 any domestic or foreign jurisdiction of a felony, infamous crime
28 or gaming offense shall be appointed to the board.

29 * * *

30 (m.1) Budgetary impasse.--If, in the event of a budgetary or

1 other fiscal crisis, the Governor implements a system in order ←
2 to ORDER THE furlough OF employees or else THE CLOSING OF any ←
3 Commonwealth agency, the board and its employees and all
4 employees of the Department of Revenue, the Pennsylvania State
5 Police and the Office of Attorney General whose duties involve
6 the regulation and oversight of gaming under this part shall not
7 be subject to furlough but shall continue to perform their
8 duties.

9 * * *

10 Section 4. Section 1202(a)(4) and (b)(7), (23) and (30) of
11 Title 4 are amended and subsections (a) and (b) are amended by
12 adding paragraphs to read:

13 § 1202. General and specific powers.

14 (a) General powers.--

15 * * *

16 [(4) The board shall establish a system of
17 classification and compensation of its employees and shall
18 not be subject to the provisions of the act of April 9, 1929
19 (P.L.177, No.175), known as The Administrative Code of 1929,
20 as to classification and compensation for its employees and
21 conduct its activities consistent with the practices and
22 procedures of Commonwealth agencies.]

23 (4.1) Within 90 days of the effective date of this
24 paragraph, the board shall establish a system of
25 classification and compensation of its employees and shall be
26 subject to the provisions of the act of April 9, 1929
27 (P.L.177, No.175), known as The Administrative Code of 1929,
28 as to classification and compensation for its employees and
29 conduct its activities consistent with the practices and
30 procedures of Commonwealth agencies. The provisions of this

1 paragraph shall apply to employees hired after the effective
2 date of this paragraph. Nothing in this paragraph shall
3 prevent the board from altering a system, or establishing a
4 new system, of classification or compensation for employees
5 hired prior to the effective date of this section.

6 * * *

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

9 * * *

10 (7) To administer oaths, examine witnesses and issue
11 subpoenas compelling the attendance of witnesses or the
12 production of documents and records or other evidence[. The
13 provisions of this paragraph shall apply to designated
14 officers and employees.], or to designate officers or
15 employees to perform these duties.

16 ~~(7.1) To order a person to answer a question or produce~~ ←
17 ~~evidence of any kind. If, in the course of an investigation~~
18 ~~or hearing conducted under this part, a person refuses to~~
19 ~~answer a question or to produce evidence on the grounds that~~
20 ~~the answer or evidence will expose the person to criminal~~
21 ~~prosecution, the board may adopt a resolution recommending a~~
22 ~~grant of immunity that includes the specific question to be~~
23 ~~posed or information or evidence being sought from the person~~
24 as follows:

25 ~~(i) The resolution shall be submitted to the~~
26 ~~Attorney General for approval or disapproval within 20~~
27 ~~days of receipt of the resolution. Upon the written~~
28 ~~approval of the Attorney General, the board may issue an~~
29 ~~order to compel the person to answer or produce evidence~~
30 ~~with immunity.~~

1 ~~(ii) If the person who is the subject of the~~
2 ~~immunity order provides the answer or evidence, the~~
3 ~~person shall be immune from criminal prosecution based on~~
4 ~~the answer or evidence that was the subject of the~~
5 ~~immunity order.~~

6 ~~(iii) The person may be prosecuted for perjury~~
7 ~~committed in the answer or production of evidence or held~~
8 ~~in contempt for failing to give an answer or produce~~
9 ~~evidence in accordance with the order. The answer or~~
10 ~~evidence shall be admissible only against the person in a~~
11 ~~criminal investigation, or a trial or other proceeding~~
12 ~~for perjury or contempt.~~

13 ~~(iv) Immunity under this paragraph shall not~~
14 ~~preclude the use of any other remedy or sanction~~
15 ~~authorized by law.~~

16 * * *

17 (23) The board shall not issue or renew a license or
18 permit unless it is satisfied that the applicant has
19 demonstrated by clear and convincing evidence that the
20 applicant is a person of good character, honesty and
21 integrity and is a person whose prior activities, criminal
22 record, if any, reputation, habits and associations do not
23 pose a threat to the public interest or the effective
24 regulation and control of slot machine operations or create
25 or enhance the danger of unsuitable, unfair or illegal
26 practices, methods and activities in the conduct of slot
27 machine operations or the carrying on of the business and
28 financial arrangements incidental thereto.

29 * * *

30 (30) To promulgate rules and regulations necessary for

1 the administration and enforcement of this part, including
2 regulations in cooperation with the Pennsylvania Liquor
3 Control Board and regulations relating to the sale and
4 service of liquor and malt and brewed beverages by licensees.
5 [Except as provided in section 1203 (relating to temporary
6 regulations), regulations] Regulations shall be adopted
7 pursuant to the act of July 31, 1968 (P.L.769, No.240),
8 referred to as the Commonwealth Documents Law, and the act of
9 June 25, 1982 (P.L.633, No.181), known as the Regulatory
10 Review Act.

11 (31) To collect and post information on its Internet
12 website with sufficient detail to inform the public of the
13 controlling interest or ownership interest of an applicant
14 FOR A SLOT MACHINE LICENSE or a licensed gaming entity or ←
15 affiliate, intermediary, subsidiary or holding company
16 thereof. The posting shall include:

17 (i) The names of all persons with a controlling
18 interest in a publicly traded domestic or foreign
19 corporation, partnership, limited liability company or
20 other legal entity.

21 (ii) The names of all persons ~~who own a financial~~ ←
22 ~~equity share or interest~~ WITH AN OWNERSHIP INTEREST equal ←
23 to or greater than 1% of a privately held domestic or
24 foreign corporation, partnership, limited liability
25 company or other legal entity.

26 (iii) The name of a trustee entitled to cast the
27 vote of a person under subparagraph (i) or (ii).

28 (iv) The names of all officers, directors,
29 principals and key employees of a licensed gaming entity.

30 (32) To appoint a trustee as prescribed in section 1332

1 (relating to appointment of trustee) to act on behalf of the
2 Commonwealth and the board to operate a licensed facility and
3 ensure compliance with this part.

4 Section 5. Section 1202.1 of Title 4 is amended to read:

5 § 1202.1. Code of conduct.

6 (a) Scope.--The board shall adopt a comprehensive code of
7 conduct prior to the consideration of any license, permit or
8 registration application. The code of conduct shall supplement
9 all other requirements under this part and 65 Pa.C.S. Pt. II
10 (relating to accountability) and shall provide guidelines
11 applicable to members, employees, independent contractors of the
12 board and the immediate families of the members, as defined in
13 subsection (e), employees and independent contractors to enable
14 them to avoid any perceived or actual conflict of interest and
15 to promote public confidence in the integrity and impartiality
16 of the board. At a minimum, the code of conduct adopted under
17 this section shall include registration of licensed entity
18 representatives under subsection (b) and the restrictions under
19 [subsection (c)] subsections (c) and (c.1).

20 (b) Registration.--

21 (1) A licensed entity representative shall register with
22 the board in a manner prescribed by the board, which shall
23 include the name, employer or firm, address, telephone number
24 of both the licensed entity representative and the [licensed
25 entity] applicant, licensee, permittee or registrant or ←
26 individual being represented.

27 (2) A licensed entity representative shall have an
28 [ongoing] affirmative duty to update its registration
29 information on an ongoing basis.

30 (3) The [registration list] board shall maintain a

1 registration list which shall contain the information
2 required under paragraph (1) and which shall be available for
3 public inspection at the offices of the board and on the
4 board's Internet website.

5 (c) Restrictions.--A member of the board shall:

6 (1) Not engage in any ex parte communication with any
7 person.

8 (2) Not accept any discount, gift, gratuity,
9 compensation, travel, lodging or other thing of value,
10 directly or indirectly, from any applicant, [licensee,]
11 licensed entity, including any affiliate, subsidiary,
12 intermediary or holding company thereof, permittee,
13 registrant or licensed entity representative thereof.

14 (3) Disclose and [disqualify] recuse himself from any
15 hearing or other proceeding in which the member's
16 objectivity, impartiality, integrity or independence of
17 judgment may be reasonably questioned due to the member's
18 relationship or association with a party connected to any
19 hearing or proceeding or a person appearing before the board.

20 (4) Refrain from any financial or business dealing which
21 would tend to reflect adversely on the member's objectivity,
22 impartiality or independence of judgment.

23 (5) Not hold or campaign for public office, hold an
24 office in any political party or political committee as
25 defined in section 1513(d) (relating to political influence),
26 contribute to or solicit contributions to a political
27 campaign, [party,] political party, political committee or
28 candidate, publicly endorse a candidate or actively
29 participate in a political campaign.

30 (6) Not solicit funds for any charitable, educational,

1 religious, health, fraternal, civic or other nonprofit entity
2 from an applicant, licensed entity or affiliate, subsidiary,
3 intermediary or holding company of a licensed entity,
4 interested party, permittee or licensed entity
5 representative. [A] Unless prohibited under § 1201(h)(4.1)
6 (relating to Pennsylvania Gaming Control Board established),
7 a board member may serve as an officer, employee or member of
8 the governing body of a nonprofit entity and may attend, make
9 personal contributions to and plan or preside over the
10 entity's fundraising events. A board member may permit his
11 name to appear on the letterhead used for fundraising events
12 if the letterhead contains only the board member's name and
13 position with the nonprofit entity.

14 (7) Not meet or engage in discussions with any
15 applicant, [person licensed under this part] licensed entity,
16 permittee, [or a] licensed entity representative or person
17 who provides goods, property or services to a slot machine
18 licensee unless the meeting or discussion occurs on the
19 business premises of the board and is recorded in a log
20 maintained for this purpose. The log shall be available for
21 public inspection during the regular business hours of the
22 board and shall be posted on the board's Internet website.
23 The log shall include the date and time of the meeting or
24 discussion, the names of the participants and the subject
25 matter discussed. The provisions of this paragraph shall not
26 apply to meetings [of the board] to consider matters
27 requiring the physical inspection of the equipment or
28 premises of an applicant or a licensed entity at [their] the
29 location of the licensed facility.

30 (8) Avoid impropriety and the appearance of impropriety

1 at all times and observe standards and conduct that promote
2 public confidence in the oversight of gaming.

3 (9) Comply with any other laws, rules or regulations
4 relating to the conduct of a member.

5 (c.1) Prohibitions.--

6 (1) No member or attorney of the Office of Chief Counsel
7 advising the board on a particular licensing issue or
8 proceeding or employee whose duties relate to licensing and
9 who is advising the board on a particular licensing issue or
10 proceeding shall engage in any ex parte communication with
11 any person.

12 (2) No attorney representing the bureau or the Office of
13 Enforcement Counsel or an applicant, licensee or permittee in
14 any proceeding shall engage in an ex parte communication with
15 a member, an attorney of the Office of Chief Counsel advising
16 the board on a proceeding or a hearing officer of the board.

17 (3) No employee of the bureau or the Office of
18 Enforcement Counsel who is involved in a proceeding shall
19 engage in an ex parte communication with a member, an
20 attorney of the Office of Chief Counsel who is advising the
21 board on the proceeding or a hearing officer of the board.

22 (c.2) Procedures relating to ex parte communications.--

23 (1) An ex parte communication received or engaged in by
24 a board member, employee or hearing officer shall be recorded
25 in a log maintained for this purpose. The log shall be
26 available for public inspection during the regular business
27 hours of the board and shall be posted on the board's
28 Internet website. The LOG SHALL INCLUDE: ←

29 (I) THE individual recording the ex parte
30 communication. shall include: ←

1 ~~(i)~~ (II) The date and time of the ex parte ←
2 communication.

3 ~~(ii)~~ The name of any other individual (III) THE ←
4 NAMES OF ALL INDIVIDUALS involved in the ex parte
5 communication.

6 ~~(iii)~~ (IV) The subject matter and substance of the ←
7 ex parte communication.

8 (2) In addition to documenting an ex parte communication
9 under paragraph (1), notification and an opportunity to
10 respond shall be provided to the following AS FOLLOWS: ←

11 (i) A board member or employee shall promptly notify
12 the board and all persons directly affected by the
13 anticipated vote or action of the board of the substance
14 of the communication.

15 (ii) A hearing officer shall promptly notify the
16 board and all parties to the proceeding before the
17 hearing officer of the substance of the communication.

18 (3) (i) A board member, employee or hearing officer who
19 received or engaged in an ex parte communication shall
20 recuse himself from any hearing or other proceeding
21 related to the ex parte communication if the context and
22 substance of the ex parte communication creates
23 substantial reasonable doubt as to the individual's
24 ability to act objectively, independently or impartially.

25 (ii) A board member, employee or hearing officer who
26 elects not to recuse himself based on an ex parte
27 communication shall state his reasons for doing so on the
28 record prior to the commencement of the hearing or
29 proceeding.

30 (iii) If a legislative appointee recuses himself

1 from any hearing or other proceeding under this section,
2 any qualified majority vote required under this part
3 shall consist of all of the remaining legislative
4 appointees and at least two gubernatorial appointees.

5 (iv) Failure of a hearing officer or employee to
6 recuse himself from a hearing or other proceeding due to
7 receipt of an ex parte communication under this section
8 shall be grounds for appeal to the board of the failure
9 to recuse.

10 (v) Failure of a board member to recuse himself from
11 a hearing or other proceeding due to receipt of an ex
12 parte communication under this section shall be grounds
13 for appeal of a decision to a court of competent
14 jurisdiction if the board action being appealed would not
15 have occurred without the participation of the board
16 member who received the ex parte communication.

17 (d) Ex officio members.--The restrictions under subsection
18 (c) (5) shall not apply to ex officio members.

19 (e) Definitions.--As used in this section, the following
20 words and phrases shall have the meanings given to them in this
21 subsection:

22 "Ex parte communication." An off-the-record communication
23 engaged in or received by a member [or], employee or hearing
24 officer of the board regarding the merits of or any fact in
25 issue relating to a pending matter before the board or which may
26 reasonably be expected to come before the board in a contested
27 on-the-record proceeding. The term shall not include off-the-
28 record communications by or between a member [or], employee or
29 hearing officer of the board, Department of Revenue,
30 Pennsylvania State Police, Attorney General or other law

1 enforcement official prior to the beginning of the proceeding
2 solely for the purpose of seeking clarification or correction to
3 evidentiary materials intended for use in the proceedings.

4 "Immediate family." The spouse, parents, children and
5 siblings and the spouses of any of those individuals. ←

6 ["Licensed entity representative." A person acting on behalf
7 of or representing the interest of any applicant, licensee,
8 permittee or registrant, including an attorney, agent or
9 lobbyist, regarding any matter which may reasonably be expected
10 to come before the board.]

11 Section 6. Title 4 is amended by adding a section to read:
12 § 1202.2. Expenses of the Pennsylvania Gaming Control Board.

13 Members and employees of the board shall only be reimbursed
14 for actual and reasonable expenses incurred during the
15 performance of their duties. In order to receive reimbursement
16 for an expense in excess of \$10, the member or employee shall
17 submit a receipt validating the expense incurred.

18 Reimbursements, allowances or other payments in an amount
19 greater than the expenses for which receipts are submitted are
20 prohibited. Receipts and requests for reimbursement shall be
21 financial records for purposes of the act of February 14, 2008
22 (P.L.6, No.3), known as the Right-to-Know Law.

23 Section 7. Section 1205(b)(1) and (2) of Title 4 are amended
24 and the subsection is amended by adding paragraphs to read:

25 § 1205. License or permit application hearing process; public
26 input hearings.

27 * * *

28 (b) Public input hearing requirement.--

29 (1) [Prior to licensing a facility under this part, the
30 board shall hold at least one public input hearing on the

1 matter.] The board shall hold at least one public input
2 hearing prior to:

3 (i) Licensing a facility.

4 (ii) Approving the structural redesign of a licensed
5 facility located in a city of the first class.

6 (2) All public input hearings [relating to an
7 application for a slot machine license] under paragraph (1)
8 shall be held in the municipality where the LICENSED facility ←
9 will be, or is, located and shall be organized in cooperation
10 with the municipality.

11 * * *

12 (4) In addition to any witnesses scheduled to testify
13 under paragraph (3), the board shall establish a public
14 comment period during which time members of the public may
15 address the board regarding the proposed license or
16 structural redesign under paragraph (1). The board, in its
17 discretion, may place reasonable time limits on an
18 individual's comments.

19 Section 8. Sections 1206(f), 1207(4), 1208(1)(i) and (ii)
20 and 1209(b) of Title 4 are amended to read:

21 § 1206. Board minutes and records.

22 * * *

23 (f) Confidentiality of information.--[All]

24 (1) The following information submitted by an applicant
25 OR LICENSEE pursuant to section 1310(a) (relating to slot ←
26 machine license application character requirements) or
27 1308(a.1) (relating to applications for license or permit) or
28 obtained by the board or the bureau as part of a background
29 or other investigation from any source shall be [considered]
30 confidential[.] and withheld from public disclosure:

1 (i) All information relating to good character,
2 honesty and integrity, including family, habits,
3 reputation, history of criminal activity, business
4 activities, financial affairs and business, professional
5 and personal associations submitted under section 1310(a)
6 or 1308(a.1) or otherwise obtained by the board or the
7 bureau.

8 (ii) Nonpublic personal information, including
9 telephone numbers, Social Security numbers, educational
10 records, memberships, medical records, tax returns and
11 declarations, actual or proposed compensation, financial
12 account records, creditworthiness or a financial
13 condition relating to an applicant, licensee or permittee
14 or the immediate family thereof.

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

22 (iv) Security information, including risk prevention
23 plans, detection and countermeasures, LOCATION OF COUNT ←
24 ROOMS, emergency management plans, security and
25 surveillance plans, equipment and usage protocols and
26 theft and fraud prevention plans and 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. § 78a et seq.) or
7 are required to file reports under section 15(d) of the
8 Securities Exchange Act of 1934.

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

13 (VIII) ANY FINANCIAL INFORMATION DEEMED CONFIDENTIAL ←
14 BY THE BOARD UPON A SHOWING OF GOOD CAUSE BY THE
15 APPLICANT OR LICENSEE.

16 (2) No claim of confidentiality shall be made regarding ←
17 any information from a criminal history record check THAT IS ←
18 AVAILABLE TO THE PUBLIC under 18 Pa.C.S. Ch. 91 (relating to ←
19 criminal history record information) or § 9121(B) (RELATING ←
20 TO NONCRIMINAL JUSTICE AGENCIES AND INDIVIDUALS).

21 (3) THIS SUBSECTION SHALL NOT APPLY TO ANY INFORMATION
22 that is otherwise publicly available in this Commonwealth or
23 another jurisdiction.

24 ~~(2)~~ (4) Except as provided in section 1517(f) (relating ←
25 to [investigation] investigations and enforcement), the
26 confidential information shall be withheld from public
27 disclosure in whole or in part, except that any confidential
28 information shall be released upon the lawful order of a
29 court of competent jurisdiction or, with the approval of the
30 Attorney General, to a duly authorized law enforcement agency

1 or shall be released to the public, in whole or in part, to
2 the extent that such release is requested by an applicant and
3 does not otherwise contain confidential information about
4 another person.

5 ~~(3)~~ (5) The board may seek a voluntary waiver of ←
6 confidentiality from an applicant or licensed entity but may
7 not require any applicant or licensed entity to waive any
8 confidentiality provided for in this subsection as a
9 condition for the approval of a license or any other action
10 of the board. Any [person who violates this subsection]
11 CURRENT OR FORMER BOARD MEMBER employee or contractor who ←
12 publicly discloses confidential information in violation of
13 this subsection commits a misdemeanor and shall be
14 administratively disciplined by discharge, suspension,
15 termination of contract or other formal disciplinary action
16 as the board deems appropriate.

17 * * *

18 § 1207. Regulatory authority of board.

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

20 * * *

21 (4) Require that each licensed entity provide to the
22 board its audited annual financial statements, with such
23 additional detail as the board from time to time shall
24 require, which information shall be submitted not later than
25 [60] 90 days after the end of the licensee's fiscal year.

26 * * *

27 § 1208. Collection of fees and fines.

28 The board has the following powers and duties:

29 (1) To levy and collect fees from the various
30 applicants, licensees and permittees to fund the operations

1 of the board. The fees shall be deposited into the State
2 Gaming Fund as established in section 1403 (relating to
3 establishment of State Gaming Fund and net slot machine
4 revenue distribution) and distributed to the board upon
5 appropriation by the General Assembly. In addition to the
6 fees set forth in sections 1209 (relating to slot machine
7 license fee) and 1305 (relating to Category 3 slot machine
8 license), the board shall assess and collect fees as follows:

9 (i) Supplier licensees shall pay a fee of \$25,000
10 upon the issuance of a license and \$10,000 for the annual
11 renewal of a supplier license. When the renewal period
12 under section 1317(c) (1) (relating to supplier licenses)
13 is three years, the fee shall be \$30,000 for the renewal.

14 (ii) Manufacturer licensees shall pay a fee of
15 \$50,000 upon the issuance of a license and \$25,000 for
16 the annual renewal of a manufacturer license. When the
17 renewal period under section 1317.1(c) (1) (relating to
18 manufacturer licenses) is three years, the fee shall be
19 \$75,000 for the renewal.

20 * * *

21 § 1209. Slot machine license fee.

22 * * *

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

1 Thereafter, license renewals shall be every three years. As to
2 the renewal of a license, no additional license fee pursuant to
3 subsection (a) shall be required.

4 * * *

5 Section 9. Section 1211 of Title 4 is amended by adding a
6 subsection to read:

7 § 1211. Reports of board.

8 * * *

9 (a.1) Expenses.--Beginning 30 days after the effective date
10 of this subsection, the board shall post by the fifteenth of
11 each month on its Internet website a list of all its itemized
12 expenses of employees and members for the preceding month. The
13 list shall identify the nature of the expense and the employee
14 or board member to which an expense is attributable. The list
15 shall include each expense for which a receipt is submitted to
16 obtain reimbursement. If the expense is directly attributable to
17 or paid by a licensed facility, the list shall identify the
18 facility. By October 1 of each year, a final report of all
19 expenses for the preceding fiscal year shall be posted on the
20 board's Internet website and shall be transmitted to the
21 Appropriations Committee of the Senate, the Community, Economic
22 and Recreational Development Committee of the Senate, the
23 Appropriations Committee of the House of Representatives and the
24 Gaming Oversight Committee of the House of Representatives.

25 * * *

26 Section 10. Section 1213 of Title 4 is amended to read:

27 § 1213. License or permit prohibition.

28 (1) [No applicant for a license or permit under this
29 part, including principals and key employees,] The board
30 shall be prohibited from granting a principal license or key

1 employee license to a person who has been convicted of a
2 felony [or gambling offense] in any jurisdiction [shall be
3 issued a license or permit unless 15 years has elapsed from
4 the date of expiration of the sentence for the offense].

5 (2) [When determining whether to issue a license or
6 permit to an applicant who has been convicted in any
7 jurisdiction of a felony or gambling offense,] In addition to
8 the prohibition under paragraph (1), the board shall be
9 prohibited from granting the following:

10 (i) A principal license or key employee license to a
11 person who has been convicted of a gambling offense in
12 any jurisdiction that is not classified as a felony
13 unless 15 years has elapsed from the date of the
14 expiration of the sentence for the offense.

15 (ii) A gaming employee permit or license other than
16 a principal license or key employee license to a person
17 who has been convicted of a felony or gambling offense IN ←
18 ANY JURISDICTION unless 15 years has elapsed from the
19 date of the expiration of the sentence for the offense.

20 (3) In determining whether to issue a license or permit
21 under paragraph (2), the board shall consider the following
22 factors:

23 [(1)] (i) The nature and duties of the applicant's
24 position with the licensed entity.

25 [(2)] (ii) The nature and seriousness of the offense
26 or conduct.

27 [(3)] (iii) The circumstances under which the
28 offense or conduct occurred.

29 [(4)] (iv) The age of the applicant when the offense
30 or conduct was committed.

1 (1) Every application for a slot machine license shall
2 include such information, documentation and assurances as may
3 be required to establish by clear and convincing evidence the
4 applicant's suitability, including good character, honesty
5 and integrity. Information shall include, without limitation,
6 information pertaining to family, habits, character,
7 reputation, criminal history background, business activities,
8 financial affairs and business, professional and personal
9 associates, covering at least the ten-year period immediately
10 preceding the filing date of the application.

11 (2) Notwithstanding 18 Pa.C.S. § 9124(b) (relating to
12 use of records by licensing agencies), a conviction that has
13 been expunged or overturned, or for which a person has been
14 pardoned or an order of Accelerated Rehabilitative
15 Disposition has been issued, shall be included with an
16 application and shall be considered by the board as part of
17 the review of the applicant's suitability under paragraph
18 (1).

19 (b) Civil judgments and law enforcement agency
20 information.--Each applicant shall notify the board of any civil
21 judgments obtained against the applicant pertaining to antitrust
22 or security regulation laws of the Federal Government, this
23 Commonwealth or any other state, jurisdiction, province or
24 country. In addition, each applicant shall produce a letter of
25 reference from law enforcement agencies having jurisdiction in
26 the applicant's place of residence and principal place of
27 business, which letter of reference shall indicate that the law
28 enforcement agencies do not have any pertinent information
29 concerning the applicant or, if the law enforcement agency does
30 have information pertaining to the applicant, shall specify the

1 nature and content of that information. If no letters are
2 received within 30 days of the request, the applicant may submit
3 a statement under oath which is subject to the penalty for false
4 swearing under 18 Pa.C.S. § 4903 (relating to false swearing)
5 that the applicant is or was during the period the activities
6 were conducted in good standing with the gaming or casino
7 enforcement or control agency.

8 (c) Gaming or casino enforcement agency information.--If the
9 applicant has held a gaming license in a jurisdiction where
10 gaming activities are permitted, the applicant shall produce a
11 letter of reference from the gaming or casino enforcement or
12 control agency which shall specify the experiences of that
13 agency with the applicant, the applicant's associates and the
14 applicant's gaming operation. If no letters are received within
15 30 days of the request, the applicant may submit a statement
16 under oath which is subject to the penalty for false swearing
17 under 18 Pa.C.S. § 4903 that the applicant is or was during the
18 period the activities were conducted in good standing with the
19 gaming or casino enforcement or control agency.

20 (d) Agency records.--Each applicant for a slot machine
21 license, principal license or key employee license shall be
22 required to apply to the Federal Government regarding agency
23 records under the Freedom of Information Act (Public Law 89-554,
24 5 U.S.C. § 522) pertaining to the applicant and provide the
25 board with the complete record received from the Federal
26 Government. The board may issue a ~~conditional~~ license to the
27 applicant prior to the receipt of information under this
28 subsection.

29 § 1317. Supplier licenses.

30 * * *

1 (c) Review and approval.--Upon being satisfied that the
2 requirements of subsection (b) have been met, the board may
3 approve the application and issue the applicant a supplier
4 license consistent with all of the following:

5 (1) [The license shall be for a period of one year. Upon
6 expiration, the license may be renewed in accordance with
7 subsection (d)] The initial license shall be for a period of
8 one year and shall be subject to renewal annually under
9 subsection (d) for two consecutive one-year periods following
10 the initial issuance. Thereafter, a license shall be subject
11 to renewal every three years. Nothing in this paragraph shall
12 relieve the licensee of the affirmative duty to notify the
13 board of changes to any information contained in the original
14 application.

15 * * *

16 § 1317.1. Manufacturer licenses.

17 * * *

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 grant the applicant a manufacturer
21 license consistent with all of the following:

22 (1) [The license shall be for a period of one year. Upon
23 expiration, a license may be renewed in accordance with
24 subsection (d)] The initial license shall be for a period of
25 one year and shall be subject to renewal annually under
26 subsection (d) for two consecutive one-year periods following
27 the initial issuance. Thereafter, a license shall be subject
28 to renewal every three years. Nothing in this paragraph shall
29 relieve the licensee of the affirmative duty to notify the
30 board of any changes relating to the status of its license or

1 relieve the licensee of its responsibility to notify the
2 board of changes to any information contained in the original
3 application.

4 * * *

5 § 1321. Additional licenses and permits and approval of
6 agreements.

7 (a) Requirements.--In addition to the requirements for a
8 license or permit specifically set forth in this part, the board
9 may require a license [or], permit or other authorization, and
10 set a fee for the same, for any key or gaming employee or any
11 person who satisfies any of the following criteria:

12 * * *

13 (2) The person is presently not [otherwise] required to
14 be licensed or permitted under this part and provides any
15 goods, property or services, including, but not limited to,
16 management contracts for compensation to a slot machine
17 licensee at the licensed facility. The board may by
18 regulation establish a classification system for a person who
19 provides goods, property or services to a slot machine
20 licensee. If the classification system requires the person
21 providing goods, property or services to submit to a criminal
22 history record check under 18 Pa.C.S. Ch. 91 (relating to
23 criminal history record information), the board shall notify
24 the slot machine licensee if the person providing goods,
25 property or services has been convicted of a felony or
26 gambling offense.

27 * * *

28 § 1326. License renewals.

29 (a) Renewal.--All permits and licenses issued under this
30 part unless otherwise provided shall be subject to renewal on an

1 annual basis [upon the application of the holder of the permit
2 or license submitted to the board at least 60 days prior to the
3 expiration of the permit or license] for the first two years
4 following the initial issuance. Thereafter, all permits and
5 licenses shall be subject to renewal every three years. The
6 application for renewal shall be submitted at least 60 days
7 prior to the expiration of the permit or license and shall
8 include an update of the information contained in the initial
9 and any prior renewal applications and the payment of any
10 renewal fee required by this part. A permit or license for which
11 a completed renewal application and fee, if required, has been
12 received by the board will continue in effect unless and until
13 the board sends written notification to the holder of the permit
14 or license that the board has denied the renewal of such permit
15 or license.

16 * * *

17 § 1328. Change in ownership or control of slot machine
18 licensee.

19 * * *

20 (A) NOTIFICATION AND APPROVAL.--

21 (1) A SLOT MACHINE LICENSEE SHALL NOTIFY THE BOARD
22 [PRIOR TO OR] IMMEDIATELY UPON BECOMING AWARE OF ANY PROPOSED
23 OR CONTEMPLATED CHANGE OF OWNERSHIP OF THE SLOT MACHINE
24 LICENSEE BY A PERSON OR GROUP OF PERSONS ACTING IN CONCERT
25 WHICH INVOLVES ANY OF THE FOLLOWING:

26 (I) MORE THAN 5% OF A SLOT MACHINE LICENSEE'S
27 SECURITIES OR OTHER OWNERSHIP INTERESTS.

28 (II) MORE THAN 5% OF THE SECURITIES OR OTHER
29 OWNERSHIP INTERESTS OF A CORPORATION OR OTHER FORM OF
30 BUSINESS ENTITY THAT OWNS DIRECTLY OR INDIRECTLY AT LEAST

1 20% OF THE VOTING OR OTHER SECURITIES OR OTHER OWNERSHIP
2 INTERESTS OF THE LICENSEE.

3 (III) THE SALE OTHER THAN IN THE ORDINARY COURSE OF
4 BUSINESS OF A LICENSEE'S ASSETS.

5 (IV) ANY OTHER TRANSACTION OR OCCURRENCE DEEMED BY
6 THE BOARD TO BE RELEVANT TO LICENSE QUALIFICATIONS.

7 * * *

8 (b) Qualification of purchaser of slot machine licensee;
9 change of control.--The purchaser of the SLOT MACHINE LICENSE OR ←
10 assets, other than in the ordinary course of business, of any
11 slot machine licensee shall independently qualify for a license
12 in accordance with this part and shall pay the license fee as
13 required by section 1209 (relating to slot machine license fee).
14 A change in control of any slot machine licensee shall require
15 that the slot machine licensee independently qualify for a
16 license in accordance with this part, and the slot machine
17 licensee shall pay a new license fee as required by section
18 1209, except as otherwise required by the board pursuant to this
19 section. The new license fee under this section shall be paid ←
20 upon the assignment and actual change of control or ownership of
21 the slot machine license.

22 * * *

23 § 1329. [Nonportability] Portability and relocation of slot
24 machine license.

25 (a) General rule.--Each slot machine license shall only be
26 valid for the specific physical location within the municipality
27 and county for which it was originally granted.

28 (b) Petition.--In evaluating a petition to relocate, the
29 board shall consider the following factors:

30 (1) The reason for the relocation.

1 (2) A comparative analysis, submitted by the petitioner,
2 detailing estimated gross terminal revenues at the new
3 location with estimated gross terminal revenues at the
4 original location.

5 (3) A comparative analysis, submitted by the petitioner,
6 detailing the economic impact of the licensed facility at the
7 new location with the estimated economic impact at the
8 original location. The comparative analysis shall include the
9 total cost of the project and projected direct and indirect
10 employment figures.

11 (4) A comprehensive traffic study commissioned by the
12 board.

13 (5) Community support or opposition.

14 (6) Any other information requested by the board.

15 (c) Relocation.--A [No] slot machine licensee [shall] may be
16 permitted to move or relocate the physical location of the
17 licensed facility [without] with board approval [for] upon good
18 cause shown if:

19 (1) the relocated licensed facility remains within the
20 same county as originally licensed;

21 (2) the relocation will facilitate the timely operation
22 of slot machines;

23 (3) the relocated licensed facility complies with all
24 other provisions of this part related to the siting and
25 location of a licensed facility; and

26 (4) relocation of the licensed facility is in the best
27 interests of the Commonwealth.

28 (d) Public input hearing.--The board shall hold at least one
29 public input hearing in the municipality where the licensed
30 facility will be located prior to approval of the relocation.

1 (e) No grant or loan from the Commonwealth may be awarded
2 for the purpose of relocating or developing the relocated
3 licensed facility to comply with any conditions of approval of
4 the relocation.

5 Section 11. Title 4 is amended by adding a section to read:
6 § 1332. Appointment of trustee.

7 (a) Appointment.--Upon petition of the Office of Enforcement
8 Counsel, the board may order the appointment of a trustee from
9 the list required under subsection (j) to act on behalf of the
10 interests of the Commonwealth and the board to assure compliance
11 with this part and any conditions imposed upon the slot machine
12 license in the following circumstances:

13 (1) Upon the revocation, suspension or nonrenewal of a
14 slot machine license or a principal license of an individual ←
15 who the board has determined controls a slot machine license
16 IF THE PRINCIPAL LICENSEE IS THE ONLY PRINCIPAL WHO EXERCISES ←
17 OPERATIONAL CONTROL OF THE LICENSED FACILITY.

18 (2) Upon the failure to renew a slot machine license or
19 a principal license of an individual who the board has ←
20 determined controls a slot machine licensee IF THE PRINCIPAL ←
21 LICENSEE IS THE ONLY PRINCIPAL WHO EXERCISES OPERATIONAL
22 CONTROL OF THE LICENSED FACILITY until the slot machine or
23 principal license is renewed or until the discontinuation of
24 the trusteeship pursuant to subsection (i).

25 (3) If necessary to protect the best interests of the
26 Commonwealth.

27 (b) Qualifications.--The following shall apply:

28 (1) A trustee shall be required to obtain a principal
29 license. The board may appoint a trustee and award the
30 trustee a temporary principal license as prescribed in board

1 regulations.

2 (2) Before assuming duties, a trustee shall execute and
3 file a bond for the faithful performance of the trustee's
4 duties. The bond shall be payable to the board with sureties
5 and in the amount and form AS required by board order. The ←
6 cost of the bond shall be paid by the former or suspended
7 licensee.

8 (c) Powers.--A trustee appointed under this section shall
9 have all of the power and duties granted to EXERCISE ONLY THOSE ←
10 POWERS AND PERFORM THOSE DUTIES EXPRESSLY CONFERRED UPON the
11 trustee by the board. The board's order appointing the trustee
12 shall set forth the powers, duties and responsibilities of the
13 trustees which may include:

14 (1) Maintaining and operating the licensed facility in a
15 manner that complies with this part and any conditions
16 imposed by the board.

17 (2) Maintaining and operating the licensed facility
18 consistent with the measures generally taken in the ordinary
19 course of business including:

20 (i) Entering into contracts.

21 (ii) Borrowing money.

22 (iii) Pledging, mortgaging or otherwise encumbering
23 the licensed facility or property thereof as security for
24 the repayment of the trustee's loans subject to any ←
25 provisions and restrictions in any existing credit
26 documents.

27 (iv) Hiring, firing and disciplining employees.

28 (3) Exercising the rights and obligations of the former
29 or suspended licensee.

30 (4) Taking possession of all of the property of the slot

1 machine licensee, including its books, records and papers.

2 (5) Establishing accounts with financial institutions.
3 An account may not be established with a financial
4 institution in which an affiliate of the former or suspended
5 licensee, or in which the trustee, has a financial
6 CONTROLLING interest.

7 (6) Meeting with the former or suspended licensee.

8 (7) Meeting with principals and key employees at the
9 licensed facility.

10 (8) Meeting with the independent audit committee.

11 (9) Meeting with the board's executive director and
12 keeping the board's executive director apprised of actions
13 taken and the trustee's plans and goals for the future.

14 (10) Hiring legal counsel, accountants or other
15 consultants or assistants, with prior approval of the board,
16 as necessary to carry out the trustee's duties and
17 responsibilities.

18 (11) Settling or compromising with any debtor or
19 creditor of the former or suspended licensee, including any
20 taxing authority.

21 (12) Reviewing outstanding agreements to which the
22 former or suspended licensee is a party and advising the
23 board as to which, if any, of the agreements should be the
24 subject of scrutiny, examination or investigation by the
25 board.

26 (13) Obtaining board approval prior to any sale, change
27 of ownership, change of control, change of financial status,
28 restructuring, transfer of assets or execution of a contract
29 OR ANY OTHER ACTION TAKEN outside of the ordinary course of
30 business.

1 (14) Obtaining board approval for any payments outside
2 of those made in the ordinary course of business.

3 NOTWITHSTANDING ANY PROVISION CONTAINED IN THIS SUBSECTION TO ←
4 THE CONTRARY, THE TRUSTEE SHALL HAVE THE DUTY TO CONSERVE AND
5 PRESERVE THE ASSETS OF THE LICENSED ENTITY.

6 (d) Compensation.--The board shall establish the
7 compensation of the trustee and shall review and approve ACTUAL ←
8 AND reasonable costs and expenses of the trustee, legal counsel,
9 accountants or other consultants or assistants hired by the
10 trustee and other persons the board may appoint in connection
11 with the trusteeship action. The compensation, costs and
12 expenses shall be paid by the former or suspended licensee.
13 Total compensation for the trustee and all individuals hired or
14 retained by the trustee under subsection (c)(10) shall not
15 exceed \$600 per hour in the aggregate.

16 (e) Reports.--A trustee shall file reports with regard to
17 the administration of the trusteeship with the board in the form
18 and at intervals as the board orders. The board may direct that
19 copies or portions of the trustee's reports be mailed to
20 creditors or other parties in interest and make summaries of the
21 reports available to the public and shall post them on the
22 board's Internet website.

23 (f) Review of actions.--A creditor or party in interest
24 aggrieved by any alleged breach of a delegated power or duty of
25 a trustee in the discharge of the trustee's duties may request a
26 review of the trustee's action or inaction by filing a petition
27 in accordance with board regulations. The petition must set
28 forth in detail the pertinent facts and the reasons why the
29 facts constitute the alleged breach. The board will review any
30 petition filed under this section and take whatever action, if

1 any, it deems appropriate.

2 (g) Effect of the trusteeship.--After issuance of an order
3 to appoint a trustee, the former or suspended principal or slot
4 machine licensee may not exercise any of its privileges, collect
5 or receive any debts and pay out, sell, assign or transfer any
6 of its property to anyone without prior approval of the
7 appointed trustee and the board.

8 (h) Disposition of net ~~earnings~~ INCOME.--During the period ←
9 of trusteeship, net ~~earnings~~ INCOME shall be deposited in an ←
10 ESCROW account maintained for that purpose. Payment of net ←
11 ~~earnings~~ INCOME during the period of trusteeship may not be made ←
12 by the trustee without the prior approval of the board. A
13 suspended or former principal or slot machine licensee may
14 request ~~payment~~ DISTRIBUTION of all or a portion of the net ←
15 ~~earnings~~ INCOME during the period of trusteeship by filing a ←
16 petition in accordance with board regulation. The suspended or
17 former principal or slot machine licensee shall have the burden
18 of demonstrating good cause for the ~~payment~~ DISTRIBUTION of the ←
19 net ~~earnings~~ INCOME requested. ←

20 (i) Discontinuation.--The board may issue an order to
21 discontinue a trusteeship when:

22 (1) The board determines that the cause for which the
23 trustee was appointed no longer exists.

24 (2) The trustee has, with the prior approval of the
25 board, consummated the sale, assignment, conveyance or other
26 disposition of all the property OR INTEREST of the former ←
27 principal or slot machine licensee relating to the slot
28 machine license.

29 Upon board approval of the discontinuation of the trusteeship, ←
30 the trustee shall, in an orderly manner, transfer the property

1 ~~of the former or suspended principal or slot machine licensee.~~

2 (j) List of approved trustees.--The board shall promulgate
3 regulations to establish a list of persons approved by the board
4 qualified to serve as a trustee. At a minimum, the regulations
5 shall provide for the following:

6 (1) The minimum qualifications an individual must
7 possess to be approved as a trustee, which shall include
8 possession of a principal license.

9 (2) The procedure for placement on or removal from the
10 list.

11 (3) Any other information the board deems necessary to
12 carry out the intent of this section.

13 Section 12. Section 1407 of Title 4 is amended by adding
14 subsections to read:

15 § 1407. Pennsylvania Gaming Economic Development and Tourism
16 Fund.

17 * * *

18 (e) Annual report.--The Office of the Budget in cooperation
19 with the Department of Community and Economic Development shall
20 submit an annual report of all distribution of funds under this
21 section to the chairman and minority chairman of the
22 Appropriations Committee of the Senate, the chairman and
23 minority chairman of the Community, Economic and Recreational
24 Development Committee of the Senate, the chairman and minority
25 chairman of the Appropriations Committee of the House of
26 Representatives and the chairman and minority chairman of the
27 Gaming Oversight Committee of the House of Representatives. The
28 report shall include detailed information relating to transfers
29 made from the Pennsylvania Gaming Economic Development and
30 Tourism Fund and all reimbursements, distributions and payments

1 made under subsection (b) OR THE ACT OF JULY 25, 2007 (P.L.342, ←
2 NO.53), KNOWN AS PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND
3 TOURISM FUND CAPITAL BUDGET ITEMIZATION ACT OF 2007. The report
4 shall be submitted by January 31, 2010, and by January 31 of
5 each year thereafter.

6 (f) Local report.--A city of the first class, city of the
7 second class, county of the second class, convention center OR ←
8 CONVENTION CENTER AUTHORITY, ~~professional hockey franchise~~ ←
9 SPORTS AND EXHIBITION AUTHORITY OF A COUNTY OF THE SECOND CLASS, ←
10 urban redevelopment authority, airport authority or other entity
11 that receives money from the fund pursuant to an Economic
12 Development Capital Budget under ~~this section~~ SUBSECTION (B) OR ←
13 THE ACT OF JULY 25, 2007 (P.L.342, NO.53), KNOWN AS PENNSYLVANIA
14 GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND CAPITAL BUDGET
15 ITEMIZATION ACT OF 2007, shall submit an annual report to the
16 Office of the Budget, the chairman and minority chairman of the
17 Appropriations Committee of the Senate, the chairman and
18 minority chairman of the Community, Economic and Recreational
19 Development Committee of the Senate, the chairman and minority
20 chairman of the Appropriations Committee of the House of
21 Representatives and the chairman and the minority chairman of
22 the Gaming Oversight Committee of the House of Representatives.
23 The report shall include detailed information, including records
24 of expenditures, payments and other distributions made from
25 money received under subsection (b). The initial report shall
26 include information on all funds received prior to January 31,
27 2010. The report shall be submitted by January 31, 2010, and by
28 January 31 of each year thereafter until all funds under this
29 section are distributed or received. An entity that receives
30 funds after the effective date of this section shall submit an

1 initial report by January 31 of the year following receipt of
2 the funds.

3 (g) Distribution to international airport.--Notwithstanding
4 the provisions of section 7(d) of the act of July 25, 2007
5 (P.L.342, No.53), known as the Pennsylvania Gaming Economic
6 Development and Tourism Fund Capital Budget Itemization Act of
7 2007, following the distribution of \$42.5 million of funds
8 allocated to the county for debt service and economic
9 development projects for an international airport in a county of
10 the second class under section 3(2)(i)(E) of said act, all
11 remaining funds shall be distributed directly to an authority
12 that operates an international airport in a county of the second
13 class.

14 Section 13. Sections 1408(c) and 1512(a.5) and (b) of Title
15 4 are amended to read:

16 § 1408. Transfers from State Gaming Fund.

17 * * *

18 (c) Local law enforcement grants.--Annually, the sum of
19 [\$5,000,000] \$3,000,000 shall be transferred to the board for
20 the purpose of issuing grants to local law enforcement agencies
21 to enforce and prevent [the unlawful operation of slot machines]
22 all forms of unlawful gambling in this Commonwealth. For
23 purposes of this subsection, the term "local law enforcement
24 agency" shall include Pennsylvania State Police activities in a
25 municipality which does not have a municipal police department
26 for activities in that municipality.

27 * * *

28 § 1512. Financial and employment interests.

29 * * *

30 (a.5) State Ethics Commission.--The State Ethics Commission

1 shall publish a list of all State, county, municipal and other
2 government positions that meet the definitions of "public
3 official" as defined under subsection (b) or "executive-level
4 public employee" [under subsection (b)]. The Office of
5 Administration shall assist the [Ethics Commission] commission
6 in the development of the list, which shall be published in the
7 Pennsylvania Bulletin biennially and on the board's website.
8 Upon request, each public official shall have a duty to provide
9 the [Ethics Commission] commission with adequate information to
10 accurately develop and maintain the list. The [Ethics
11 Commission] commission may impose a civil penalty under 65
12 Pa.C.S. § 1109(f) (relating to penalties) upon any public
13 official or executive-level public employee who fails to
14 cooperate with the [Ethics Commission] commission under this
15 subsection. An individual who relies in good faith on the list
16 published by the commission shall not be subject to any penalty
17 for a violation of this section.

18 (b) Definitions.--As used in this section, the following
19 words and phrases shall have the meanings given to them in this
20 subsection:

21 ["Executive-level public employee." The term shall include
22 the following:

23 (1) Deputy Secretaries of the Commonwealth and the
24 Governor's Office executive staff.

25 (2) An employee of the Executive Branch with
26 discretionary power which may affect or influence the outcome
27 of a State agency's action or decision and who is involved in
28 the development of regulations or policies relating to a
29 licensed entity or who is involved in other matters under
30 this part. The term shall include an employee with law

1 enforcement authority.

2 (3) An employee of a county or municipality with
3 discretionary powers which may affect or influence the
4 outcome of the county's or municipality's action or decision
5 and who is involved in the development of law, regulation or
6 policy relating to a licensed entity or who is involved in
7 other matters under this part. The term shall include an
8 employee with law enforcement authority.

9 (4) An employee of a department, agency, board,
10 commission, authority or other governmental body not included
11 in paragraph (1), (2) or (3) with discretionary power which
12 may affect or influence the outcome of the governmental
13 body's action or decision and who is involved in the
14 development of regulation or policy relating to a licensed
15 entity or who is involved in other matters under this part.
16 The term shall include an employee with law enforcement
17 authority.]

18 "Financial interest." Owning or holding, or being deemed to
19 hold, debt or equity securities or other ownership interest or
20 profits interest. A financial interest shall not include any
21 debt or equity security, or other ownership interest or profits
22 interest, which is held or deemed to be held in any of the
23 following:

24 (1) A blind trust over which the executive-level public
25 employee, public official, party officer or immediate family
26 member thereof may not exercise any managerial control or
27 receive income during the tenure of office and the period
28 under subsection (a). The provisions of this paragraph shall
29 apply only to blind trusts established prior to the effective
30 date of this paragraph.

1 (2) Securities that are held in a pension plan, profit-
2 sharing plan, individual retirement account, tax-sheltered
3 annuity, a plan established pursuant to section 457 of the
4 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §
5 1 et seq.) or any successor provision deferred compensation
6 plan whether qualified or not qualified under the Internal
7 Revenue Code of 1986 or any successor provision or other
8 retirement plan that:

9 (i) is not self-directed by the individual; and

10 (ii) is advised by an independent investment adviser
11 who has sole authority to make investment decisions with
12 respect to contributions made by the individual to these
13 plans.

14 (3) A tuition account plan organized and operated
15 pursuant to section 529 of the Internal Revenue Code of 1986
16 (Public Law 99-514, 26 U.S.C. § 529) that is not self-
17 directed by the individual.

18 (4) A mutual fund where the interest owned by the mutual
19 fund in a licensed entity does not constitute a controlling
20 interest as defined in this part.

21 "Immediate family." A spouse, minor child or unemancipated
22 child.

23 "Law enforcement authority." The power to conduct
24 investigations of or to make arrests for criminal offenses.

25 "Party officer." A member of a national committee; a
26 chairman, vice chairman, secretary, treasurer or counsel of a
27 State committee or member of the executive committee of a State
28 committee; a county chairman, vice chairman, counsel, secretary
29 or treasurer of a county committee in which a licensed facility
30 is located; or a city chairman, vice chairman, counsel,

1 secretary or treasurer of a city committee of a city in which a
2 licensed facility is located.

3 "Public official." The term shall include the following:

4 (1) The Governor, Lieutenant Governor, a member of the
5 Governor's cabinet, Treasurer, Auditor General and Attorney
6 General of the Commonwealth.

7 (2) A member of the Senate or House of Representatives
8 of the Commonwealth.

9 (3) An individual elected or appointed to any office of
10 a county or municipality that directly receives a
11 distribution of revenue under this part.

12 (4) An individual elected or appointed to a department,
13 agency, board, commission, authority or other governmental
14 body not included in paragraph (1), (2) or (3) that directly
15 receives a distribution of revenue under this part.

16 (5) An individual elected or appointed to a department,
17 agency, board, commission, authority, county, municipality or
18 other governmental body not included in paragraph (1), (2) or
19 (3) with discretionary power which may influence or affect
20 the outcome of an action or decision and who is involved in
21 the development of regulation or policy relating to a
22 licensed entity or who is involved in other matters under
23 this part.

24 The term does not include a member of a school board or an
25 individual who held an uncompensated office with a governmental
26 body prior to January 1, 2006, and who no longer holds the
27 office as of January 1, 2006. The term includes a member of an
28 advisory board or commission which makes recommendations
29 relating to a licensed facility.

30 Section 14. Title 4 is amended by adding a section to read:

1 § 1516.1. Prosecutorial and adjudicatory functions.

2 The board shall adopt regulations and procedures necessary to
3 ensure that the Bureau of Investigations and Enforcement is a
4 distinct administrative entity and to prevent commingling of the ←
5 investigatory and prosecutorial functions of the Bureau of
6 Investigations and Enforcement under section 1517 (relating to
7 investigations and enforcement) and the adjudicatory functions
8 of the board.

9 Section 15. Section 1517(a.1)(6) of Title 4 is amended,
10 subsection (a.2)(1) is amended by adding a ~~subparagraph~~ ←
11 SUBPARAGRAPHS and subsection (c) is amended by adding a ←
12 paragraph to read:

13 § 1517. Investigations and enforcement.

14 * * *

15 (a.1) Powers and duties of bureau.--The Bureau of
16 Investigations and Enforcement shall have the following powers
17 and duties:

18 * * *

19 (6) Conduct [audits] reviews of a licensed entity as
20 necessary to ensure compliance with this part. [An audit] A
21 review may include the review of accounting, administrative
22 and financial records, management control systems, procedures
23 and other records utilized by a licensed entity.

24 * * *

25 (a.2) Office of Enforcement Counsel.--

26 (1) There is established within the bureau an Office of
27 Enforcement Counsel which shall act as the prosecutor in all
28 noncriminal enforcement actions initiated by the bureau under
29 this part and shall have the following powers and duties:

30 * * *

1 (iv) Petition the board for the appointment of a
2 trustee under section 1332 (relating to appointment of
3 trustee).

4 (V) NOTWITHSTANDING 42 PA.C.S. § 5947 (RELATING TO
5 IMMUNITY OF WITNESSES), THE COMMONWEALTH COURT MAY GRANT
6 AN IMMUNITY ORDER, IN THE COURSE OF AN INVESTIGATION OR
7 HEARING CONDUCTED UNDER THIS PART, A PERSON REFUSES TO
8 ANSWER A QUESTION OR TO PRODUCE EVIDENCE ON THE GROUNDS
9 THAT THE ANSWER OR EVIDENCE WILL EXPOSE THE PERSON TO
10 CRIMINAL PROSECUTION. THE CHIEF ENFORCEMENT COUNSEL OF
11 THE BUREAU MAY PETITION THE COMMONWEALTH COURT FOR A
12 GRANT OF IMMUNITY THAT INCLUDES THE SPECIFIC QUESTION TO
13 BE POSED OR INFORMATION OR EVIDENCE BEING SOUGHT FROM THE
14 PERSON AS FOLLOWS:

15 (A) A COPY OF THE PETITION SHALL BE PROVIDED TO
16 THE ATTORNEY GENERAL AND THE DISTRICT ATTORNEY OF THE
17 PERSON'S COUNTY OF RESIDENCE WHO MAY OBJECT TO THE
18 PETITION.

19 (B) THE COURT SHALL HOLD AN IN CAMERA PROCEEDING
20 WITH THE PERSON TO HEAR THE EVIDENCE THAT WILL BE
21 OFFERED IF THE ORDER TO PRODUCE EVIDENCE IS GRANTED.

22 (C) THE COURT MAY ISSUE AN ORDER TO COMPEL THE
23 PERSON TO ANSWER OR PRODUCE EVIDENCE WITH IMMUNITY
24 IF:

25 (I) THE TESTIMONY OR OTHER INFORMATION FROM
26 A WITNESS MAY BE NECESSARY TO THE PUBLIC
27 INTEREST; AND

28 (II) A WITNESS HAS REFUSED OR IS LIKELY TO
29 REFUSE TO TESTIFY OR PROVIDE OTHER INFORMATION ON
30 THE BASIS OF HIS PRIVILEGE AGAINST SELF-

1 INCRIMINATION.

2 (D) THE COURT SHALL GRANT OR DENY THE REQUEST
3 FOR IMMUNITY WITHIN 45 DAYS OF THE FILING OF THE
4 REQUEST.

5 (E) IF THE PERSON WHO IS THE SUBJECT OF THE
6 IMMUNITY ORDER PROVIDES THE ANSWER OR EVIDENCE, THE
7 PERSON SHALL BE IMMUNE FROM CRIMINAL PROSECUTION
8 BASED ON THE ANSWER OR EVIDENCE THAT WAS THE SUBJECT
9 OF THE IMMUNITY ORDER.

10 (F) THE PERSON MAY BE PROSECUTED FOR PERJURY
11 COMMITTED IN THE ANSWER OR PRODUCTION OF EVIDENCE OR
12 HELD IN CONTEMPT FOR FAILING TO GIVE AN ANSWER OR
13 PRODUCE EVIDENCE IN ACCORDANCE WITH THE ORDER. THE
14 ANSWER OR EVIDENCE SHALL BE ADMISSIBLE AGAINST THE
15 PERSON ONLY IN A CRIMINAL INVESTIGATION, OR A TRIAL
16 OR OTHER PROCEEDING FOR PERJURY OR CONTEMPT.

17 (G) IMMUNITY UNDER THIS PARAGRAPH SHALL NOT
18 PRECLUDE THE USE OF ANY OTHER REMEDY OR SANCTION
19 AUTHORIZED BY LAW.

20 * * *

21 (c) Powers and duties of the Pennsylvania State Police.--The
22 Pennsylvania State Police shall have the following powers and
23 duties:

24 * * *

25 (14) By March 1 of each year, the Commissioner of the
26 Pennsylvania State Police shall submit a report to the
27 Appropriations Committee of the Senate, the Community,
28 Economic and Recreational Development Committee of the
29 Senate, the Appropriations Committee of the House of
30 Representatives and the Gaming Oversight Committee of the

1 House of Representatives. The report shall summarize law
2 enforcement activities at each licensed facility during the
3 previous calendar year and shall include all of the
4 following:

5 (i) The number of arrests at each licensed facility.

6 (ii) A list of specific offenses charged for each
7 offense.

8 (iii) The number of criminal prosecutions resulting
9 from arrests.

10 (iv) The number of convictions resulting from
11 prosecutions.

12 (v) The number of Pennsylvania State Police troopers
13 assigned to each licensed facility and to the gaming unit
14 at the Pennsylvania State Police headquarters.

15 (vi) The number and nature of disciplinary actions
16 taken and complaints made against Pennsylvania State
17 Police troopers in a licensed facility.

18 (vii) The closest local police station, Pennsylvania
19 State Police station and regional Pennsylvania State
20 Police headquarters to each licensed facility.

21 * * *

22 Section 16. Section 1517.2 of Title 4 is amended to read:

23 § 1517.2. Conduct of [public officials and] board employees.

24 (a) [Ex parte discussion prohibited.--An attorney
25 representing the bureau or the Office of Enforcement Counsel, or
26 an employee of the bureau or office involved in the hearing
27 process, shall not discuss the case ex parte with a hearing
28 officer, chief counsel or member] (Reserved).

29 (b) [Other prohibitions.--A hearing officer, the chief
30 counsel or a member shall not discuss or exercise any

1 supervisory responsibility over any employee with respect to an
2 enforcement hearing with which the employee is involved]

3 (Reserved).

4 (c) Disqualification.--If it becomes necessary for the chief
5 counsel or member to become involved on behalf of the board in
6 any enforcement proceeding, the chief counsel or member shall be
7 prohibited from participating in the adjudication of that matter
8 and shall designate appropriate individuals to exercise
9 adjudicatory functions.

10 Section 17. The amendment of 4 Pa.C.S. § 1213 shall not
11 apply to any of the following:

12 (1) An application submitted before the effective date
13 of this section.

14 (2) Any license or permit issued prior to the effective
15 date of this section.

16 (3) The renewal of any license or permit issued prior to
17 the effective date of this section.

18 Section 18. This act shall take effect in 60 days.