

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 711 Session of 2009

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

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, OCTOBER 5, 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 AMENDING TITLE 4 (AMUSEMENTS) OF THE PENNSYLVANIA CONSOLIDATED ←
28 STATUTES, FURTHER PROVIDING FOR LEGISLATIVE INTENT, FOR
29 DEFINITIONS, FOR THE PENNSYLVANIA GAMING CONTROL BOARD

1 ESTABLISHED, FOR APPLICABILITY OF OTHER STATUTES, FOR POWERS
2 OF THE BOARD AND FOR CODE OF CONDUCT; PROVIDING FOR EXPENSES
3 OF REGULATORY AGENCIES; FURTHER PROVIDING FOR LICENSED GAMING
4 ENTITY APPLICATION APPEALS FROM BOARD, FOR LICENSE OR PERMIT
5 APPLICATION HEARING PROCESS AND PUBLIC HEARINGS, FOR BOARD
6 MINUTES AND RECORDS, FOR REGULATORY AUTHORITY OF BOARD, FOR
7 COLLECTION OF FEES AND FINES, FOR SLOT MACHINE LICENSE FEE,
8 FOR NUMBER OF SLOT MACHINES AND FOR REPORTS OF BOARD;
9 PROVIDING FOR REPORT BY SLOT MACHINE LICENSEE; FURTHER
10 PROVIDING FOR DIVERSITY GOALS OF BOARD AND FOR LICENSE OR
11 PERMIT PROHIBITION; PROVIDING FOR SPECIFIC AUTHORITY TO
12 SUSPEND SLOT MACHINE LICENSE AND FOR AUDITOR GENERAL'S ←
13 REPORTS; FURTHER PROVIDING FOR CATEGORY 3 SLOT MACHINE
14 LICENSE, FOR APPLICATIONS FOR LICENSE OR PERMIT, FOR SLOT
15 MACHINE LICENSE APPLICATION CHARACTER REQUIREMENTS, FOR SLOT
16 MACHINE LICENSE APPLICATION FINANCIAL FITNESS REQUIREMENTS,
17 FOR SUPPLIER LICENSES AND FOR MANUFACTURER LICENSES;
18 PROVIDING FOR GAMING SERVICE PROVIDER AND FOR ALTERNATIVE
19 SUPPLIER LICENSING STANDARDS; FURTHER PROVIDING FOR
20 OCCUPATION PERMIT APPLICATION, FOR ADDITIONAL LICENSES AND
21 PERMITS AND APPROVAL OF AGREEMENTS, FOR LICENSE RENEWALS, FOR
22 CHANGE IN OWNERSHIP OR CONTROL OF SLOT MACHINE LICENSEE AND
23 FOR NONPORTABILITY OF SLOT MACHINE LICENSE; PROVIDING FOR
24 APPOINTMENT OF TRUSTEE AND FOR ADDITIONAL TABLE GAME ←
25 ASSESSMENT; AUTHORIZING TABLE GAMES; FURTHER PROVIDING FOR
26 SLOT MACHINE LICENSE DEPOSITS; PROVIDING FOR LIMITATION ON
27 RECOVERY OF COSTS; FURTHER PROVIDING FOR GROSS TERMINAL
28 REVENUE DEDUCTIONS, FOR ITEMIZED BUDGET REPORTING, FOR
29 ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE
30 REVENUE DISTRIBUTION, FOR DISTRIBUTIONS FROM PENNSYLVANIA
31 RACE HORSE DEVELOPMENT FUND, FOR PENNSYLVANIA GAMING ECONOMIC
32 DEVELOPMENT AND TOURISM FUND, FOR TRANSFERS FROM STATE GAMING
33 FUND, FOR RESPONSIBILITY AND AUTHORITY OF DEPARTMENT OF
34 REVENUE, FOR WAGERING ON CREDIT, AND FOR NO EMINENT DOMAIN ←
35 AUTHORITY; PROVIDING FOR DETERIORATED DESIGNATIONS; FURTHER ←
36 PROVIDING FOR COMPULSIVE AND PROBLEM GAMBLING PROGRAM, FOR
37 LABOR HIRING PREFERENCES, FOR DECLARATION OF EXEMPTION FROM
38 FEDERAL LAWS PROHIBITING SLOT MACHINES AND FOR FINANCIAL AND
39 EMPLOYMENT INTERESTS; PROVIDING FOR ADDITIONAL RESTRICTIONS;
40 FURTHER PROVIDING FOR POLITICAL INFLUENCE, FOR REGULATION
41 REQUIRING EXCLUSION OF CERTAIN PERSONS; PROVIDING FOR
42 PROSECUTORIAL AND ADJUDICATIVE FUNCTIONS; FURTHER PROVIDING
43 FOR INVESTIGATIONS AND ENFORCEMENT, FOR CONDUCT OF PUBLIC
44 OFFICIALS AND EMPLOYEES AND FOR PROHIBITED ACTS AND
45 PENALTIES; PROVIDING FOR ADDITIONAL AUTHORITY AND FOR REPORT
46 OF SUSPICIOUS TRANSACTIONS; FURTHER PROVIDING FOR
47 INTERCEPTION OF ORAL COMMUNICATIONS; PROVIDING FOR ELECTRONIC
48 FUNDS TRANSFER TERMINALS; REGULATING JUNKETS; AND PROVIDING
49 FOR GAMING SCHOOLS.

50 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

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

5 ~~§ 1102. Legislative intent.~~

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

9 ~~* * *~~

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

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

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

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

1 ~~§ 1103. Definitions.~~

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

5 ~~***~~

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

13 ~~***~~

14 ~~"Executive level public employee." The term shall include~~
15 ~~the following:~~

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

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

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

1 ~~employee with law enforcement authority.~~

2 ~~(4) An employee of a department, agency, board,~~
3 ~~commission, authority or other governmental body not included~~
4 ~~in paragraph (1), (2) or (3) with discretionary power which~~
5 ~~may affect or influence the outcome of the governmental~~
6 ~~body's action or decision and who is involved in the~~
7 ~~development of regulation or policy relating to a licensed~~
8 ~~entity or who is involved in other matters under this part.~~

9 ~~The term shall include an employee with law enforcement~~
10 ~~authority.~~

11 * * *

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

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

21 * * *

22 ~~["Slot machine licensee." A person that holds a slot machine~~
23 ~~licensee.]~~

24 * * *

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

28 * * *

29 Section 3. Section 1201(b), (b.1), (f)(3), (h)(5), (7.1),
30 (10), (11), (13), (14) and (15) and (k) of Title 4 are amended,

1 subsection (h) is amended by adding paragraphs and the section
2 is amended by adding a subsection to read:

3 ~~§ 1201. Pennsylvania Gaming Control Board established.~~

4 * * *

5 ~~(b) Membership.~~

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

7 ~~{(1)} (i) Three members appointed by the Governor.~~

8 ~~{(2)} (ii) One member appointed by each of the~~
9 ~~following:~~

10 ~~{(i)} (A) The President pro tempore of the~~
11 ~~Senate.~~

12 ~~{(ii)} (B) The Minority Leader of the Senate.~~

13 ~~{(iii)} (C) The Speaker of the House of~~
14 ~~Representatives.~~

15 ~~{(iv)} (D) The Minority Leader of the House of~~
16 ~~Representatives.~~

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

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

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

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

28 * * *

29 ~~(f) Qualified majority vote.~~

30 * * *

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

12 ~~***~~

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

14 ~~***~~

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

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

28 ~~***~~

29 ~~(7.1) Prior to being sworn as a member, an appointee and~~
30 ~~his immediate family shall divest any financial interest in~~

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

12 * * *

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

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

1 ~~the employees utilize slot machines for testing purposes or~~
2 ~~to verify the performance of a machine as part of an~~
3 ~~enforcement investigation.~~

4 * * *

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

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

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

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

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

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

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

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

28 ~~(iii) As a condition of a contract, an independent~~
29 ~~contractor or individual employed by an independent~~
30 ~~contractor of the board under this paragraph shall sign~~

~~an affidavit to not accept employment with or be retained by any applicant, licensed entity or an affiliate, intermediary, subsidiary or holding company of an applicant, licensed entity or affiliate for a period of one year from the termination of employment. A licensed entity or an affiliate, intermediary, subsidiary or holding company of an applicant, licensed entity or affiliate shall not employ or retain an individual who signed an affidavit signed under this subparagraph. A licensed entity or an affiliate, intermediary, subsidiary or holding company thereof that knowingly employs or retains an individual in violation of this subparagraph shall be subject to a penalty under section 1518(c).~~

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

~~(15) If a member[, employee or independent contractor] of the board violates any provision of this section, the~~

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

19 * * *

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

30 * * *

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

10 * * *

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

14 § 1202. General and specific powers.

15 (a) General powers.

16 * * *

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

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

~~procedures of Commonwealth agencies. The provisions of this paragraph shall apply to employees hired after the effective date of this paragraph. Nothing in this paragraph shall prevent the board from altering a system, or establishing a new system, of classification or compensation for employees hired prior to the effective date of this section.~~

~~* * *~~

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

~~* * *~~

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

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

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

1 ~~with immunity.~~

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

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

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

17 * * *

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

30 * * *

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

12 ~~(31) To collect and post information on its Internet~~
13 ~~website with sufficient detail to inform the public of the~~
14 ~~controlling interest or ownership interest of an applicant~~
15 ~~for a slot machine license or a licensed gaming entity or~~
16 ~~affiliate, intermediary, subsidiary or holding company~~
17 ~~thereof. The posting shall include:~~

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

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

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

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

1 ~~(32) To appoint a trustee as prescribed in section 1332~~
2 ~~(relating to appointment of trustee) to act on behalf of the~~
3 ~~Commonwealth and the board to operate a licensed facility and~~
4 ~~ensure compliance with this part.~~

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

6 ~~§ 1202.1. Code of conduct.~~

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

21 ~~(b) Registration.~~

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

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

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

6 ~~(c) Restrictions. A member of the board shall:~~

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

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

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

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

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

1 ~~(6) Not solicit funds for any charitable, educational,~~
2 ~~religious, health, fraternal, civic or other nonprofit entity~~
3 ~~from an applicant, licensed entity or affiliate, subsidiary,~~
4 ~~intermediary or holding company of a licensed entity,~~
5 ~~interested party, permittee or licensed entity~~
6 ~~representative. [A] Unless prohibited under § 1201(h)(4.1)~~
7 ~~(relating to Pennsylvania Gaming Control Board established),~~
8 ~~a board member may serve as an officer, employee or member of~~
9 ~~the governing body of a nonprofit entity and may attend, make~~
10 ~~personal contributions to and plan or preside over the~~
11 ~~entity's fundraising events. A board member may permit his~~
12 ~~name to appear on the letterhead used for fundraising events~~
13 ~~if the letterhead contains only the board member's name and~~
14 ~~position with the nonprofit entity.~~

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

1 ~~(8) Avoid impropriety and the appearance of impropriety~~
2 ~~at all times and observe standards and conduct that promote~~
3 ~~public confidence in the oversight of gaming.~~

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

6 ~~(c.1) Prohibitions.~~

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

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

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

23 ~~(c.2) Procedures relating to ex parte communications.~~

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

30 ~~(I) The individual recording the ex parte~~

1 ~~communication. shall include:~~

2 ~~(i) (ii) The date and time of the ex parte~~
3 ~~communication.~~

4 ~~(ii) The name of any other individual (iii) The~~
5 ~~names of all individuals involved in the ex parte~~
6 ~~communication.~~

7 ~~(iii) (iv) The subject matter and substance of the~~
8 ~~ex parte communication.~~

9 ~~(2) In addition to documenting an ex parte communication~~
10 ~~under paragraph (1), notification and an opportunity to~~
11 ~~respond shall be provided to the following as follows:~~

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

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

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

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

1 ~~(iii) If a legislative appointee recuses himself~~
2 ~~from any hearing or other proceeding under this section,~~
3 ~~any qualified majority vote required under this part~~
4 ~~shall consist of all of the remaining legislative~~
5 ~~appointees and at least two gubernatorial appointees.~~

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

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

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

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

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

1 ~~Pennsylvania State Police, Attorney General or other law~~
2 ~~enforcement official prior to the beginning of the proceeding~~
3 ~~solely for the purpose of seeking clarification or correction to~~
4 ~~evidentiary materials intended for use in the proceedings.~~

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

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

12 ~~Section 6. Title 4 is amended by adding a section to read:~~
13 ~~§ 1202.2. Expenses of the Pennsylvania Gaming Control Board.~~

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

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

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

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

28 ~~* * *~~

29 ~~(b) Public input hearing requirement.~~

30 ~~(1) [Prior to licensing a facility under this part, the~~

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

4 ~~(i) Licensing a facility.~~

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

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

12 * * *

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

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

22 ~~§ 1206. Board minutes and records.~~

23 * * *

24 ~~(f) Confidentiality of information. [All]~~

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

1 ~~confidential[.] and withheld from public disclosure:~~

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

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

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

23 ~~(iv) Security information, including risk prevention~~
24 ~~plans, detection and countermeasures, location of count-~~
25 ~~rooms, emergency management plans, security and~~
26 ~~surveillance plans, equipment and usage protocols and~~
27 ~~theft and fraud prevention plans and countermeasures.~~

28 ~~(v) Information with respect to which there is a~~
29 ~~reasonable possibility that public release or inspection~~
30 ~~of the information would constitute an unwarranted~~

1 ~~invasion into personal privacy of any individual as~~
2 ~~determined by the board.~~

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

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

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

17 ~~(2) No claim of confidentiality shall be made regarding~~
18 ~~any information from a criminal history record check that is~~
19 ~~available to the public under 18 Pa.C.S. Ch. 91 (relating to~~
20 ~~criminal history record information) or § 9121(b) (relating~~
21 ~~to noncriminal justice agencies and individuals).~~

22 ~~(3) This subsection shall not apply to any information~~
23 ~~that is otherwise publicly available in this Commonwealth or~~
24 ~~another jurisdiction.~~

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

1 ~~Attorney General, to a duly authorized law enforcement agency~~
2 ~~or shall be released to the public, in whole or in part, to~~
3 ~~the extent that such release is requested by an applicant and~~
4 ~~does not otherwise contain confidential information about~~
5 ~~another person.~~

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

18 ~~* * *~~

19 ~~§ 1207. Regulatory authority of board.~~

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

21 ~~* * *~~

22 ~~(4) Require that each licensed entity provide to the~~
23 ~~board its audited annual financial statements, with such~~
24 ~~additional detail as the board from time to time shall~~
25 ~~require, which information shall be submitted not later than~~
26 ~~[60] 90 days after the end of the licensee's fiscal year.~~

27 ~~* * *~~

28 ~~§ 1208. Collection of fees and fines.~~

29 ~~The board has the following powers and duties:~~

30 ~~(1) To levy and collect fees from the various~~

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

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

15 ~~(ii) Manufacturer licensees shall pay a fee of~~
16 ~~\$50,000 upon the issuance of a license and \$25,000 for~~
17 ~~the annual renewal of a manufacturer license. When the~~
18 ~~renewal period under section 1317.1(c) (1) (relating to~~
19 ~~manufacturer licenses) is three years, the fee shall be~~
20 ~~\$75,000 for the renewal.~~

21 ~~* * *~~

22 ~~§ 1209. Slot machine license fee.~~

23 ~~* * *~~

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

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

5 * * *

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

8 § 1211. Reports of board.

9 * * *

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

26 * * *

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

28 § 1213. License or permit prohibition.

29 ~~(1) [No applicant for a license or permit under this~~
30 ~~part, including principals and key employees,] The board~~

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

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

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

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

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

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

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

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

30 ~~[(4)] (iv) The age of the applicant when the offense~~

1 ~~or conduct was committed.~~

2 ~~[(5)] (v) Whether the offense or conduct was an~~
3 ~~isolated or a repeated incident.~~

4 ~~[(6)] (vi) Any evidence of rehabilitation, including~~
5 ~~good conduct in the community, counseling or psychiatric~~
6 ~~treatment received and the recommendation of persons who~~
7 ~~have substantial contact with the applicant.~~

8 Section 10.1. ~~Section 1308 of Title 4 is amended by adding a~~
9 ~~subsection to read:~~

10 ~~§ 1308. Applications for license or permit.~~

11 ~~* * *~~

12 ~~(a.1) Submission of information. Notwithstanding the~~
13 ~~provisions of 18 Pa.C.S. § 9124(b) (relating to use of records~~
14 ~~by licensing agencies), an application for a license or permit~~
15 ~~under this part shall include all arrests and convictions of the~~
16 ~~applicant, including summary offenses. The information shall~~
17 ~~include:~~

18 ~~(1) A brief description of the circumstances surrounding~~
19 ~~the arrest.~~

20 ~~(2) The specific offense charged.~~

21 ~~(3) The ultimate disposition of the charges, including~~
22 ~~the details of any dismissal, plea bargain, conviction or~~
23 ~~sentence, including any pardon, expungement or order of~~
24 ~~Accelerated Rehabilitative Disposition.~~

25 ~~* * *~~

26 Section 10.2. ~~Sections 1310, 1317(c)(1), 1317.1(c)(1),~~
27 ~~1321(a)(2), 1326(a), 1328(b) 1328(A)(1) and (B) and 1329 of~~
28 ~~Title 4 are amended to read:~~

29 ~~§ 1310. Slot machine license application character~~
30 ~~requirements.~~

1 ~~(a) Application.~~

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

12 ~~(2) Notwithstanding 18 Pa.C.S. § 9124(b) (relating to~~
13 ~~use of records by licensing agencies), a conviction that has~~
14 ~~been expunged or overturned, or for which a person has been~~
15 ~~pardoned or an order of Accelerated Rehabilitative~~
16 ~~Disposition has been issued, shall be included with an~~
17 ~~application and shall be considered by the board as part of~~
18 ~~the review of the applicant's suitability under paragraph~~
19 ~~(1).~~

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

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

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

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

30 ~~§ 1317. Supplier licenses.~~

1 * * *

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

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

16 * * *

17 § ~~1317.1. Manufacturer licenses.~~

18 * * *

19 ~~(c) Review and approval. Upon being satisfied that the~~
20 ~~requirements of subsection (b) have been met, the board may~~
21 ~~approve the application and grant the applicant a manufacturer-~~
22 ~~license consistent with all of the following:~~

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

~~board of any changes relating to the status of its license or
relieve the licensee of its responsibility to notify the
board of changes to any information contained in the original
application.~~

~~* * *~~

~~§ 1321. Additional licenses and permits and approval of
agreements.~~

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

~~* * *~~

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

~~* * *~~

~~§ 1326. License renewals.~~

~~(a) Renewal. All permits and licenses issued under this~~

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

17 * * *

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

20 * * *

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

22 ~~(1) A slot machine licensee shall notify the board~~
23 ~~[prior to or] immediately upon becoming aware of any proposed~~
24 ~~or contemplated change of ownership of the slot machine~~
25 ~~licensee by a person or group of persons acting in concert~~
26 ~~which involves any of the following:~~

27 ~~(i) More than 5% of a slot machine licensee's~~
28 ~~securities or other ownership interests.~~

29 ~~(ii) More than 5% of the securities or other~~
30 ~~ownership interests of a corporation or other form of~~

1 ~~business entity that owns directly or indirectly at least~~
2 ~~20% of the voting or other securities or other ownership~~
3 ~~interests of the licensee.~~

4 ~~(iii) The sale other than in the ordinary course of~~
5 ~~business of a licensee's assets.~~

6 ~~(iv) Any other transaction or occurrence deemed by~~
7 ~~the board to be relevant to license qualifications.~~

8 * * *

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

23 * * *

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

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

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

1 ~~(1) The reason for the relocation.~~

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

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

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

14 ~~(5) Community support or opposition.~~

15 ~~(6) Any other information requested by the board.~~

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

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

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

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

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

29 ~~(d) Public input hearing. The board shall hold at least one~~
30 ~~public input hearing in the municipality where the licensed~~

1 ~~facility will be located prior to approval of the relocation.~~

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

6 Section 11. Title 4 is amended by adding a section to read:
7 ~~§ 1332. Appointment of trustee.~~

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

14 ~~(1) Upon the revocation, suspension or nonrenewal of a~~
15 ~~slot machine license or a principal license of an individual~~
16 ~~who the board has determined controls a slot machine license~~
17 ~~if the principal licensee is the only principal who exercises~~
18 ~~operational control of the licensed facility.~~

19 ~~(2) Upon the failure to renew a slot machine license or~~
20 ~~a principal license of an individual who the board has~~
21 ~~determined controls a slot machine licensee if the principal~~
22 ~~licensee is the only principal who exercises operational~~
23 ~~control of the licensed facility until the slot machine or~~
24 ~~principal license is renewed or until the discontinuation of~~
25 ~~the trusteeship pursuant to subsection (i).~~

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

28 ~~(b) Qualifications. The following shall apply:~~

29 ~~(1) A trustee shall be required to obtain a principal~~
30 ~~license. The board may appoint a trustee and award the~~

1 ~~trustee a temporary principal license as prescribed in board~~
2 ~~regulations.~~

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

9 ~~(c) Powers. A trustee appointed under this section shall~~
10 ~~have all of the power and duties granted to exercise only those~~
11 ~~powers and perform those duties expressly conferred upon the~~
12 ~~trustee by the board. The board's order appointing the trustee~~
13 ~~shall set forth the powers, duties and responsibilities of the~~
14 ~~trustees which may include:~~

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

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

21 ~~(i) Entering into contracts.~~

22 ~~(ii) Borrowing money.~~

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

28 ~~(iv) Hiring, firing and disciplining employees.~~

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

1 ~~(4) Taking possession of all of the property of the slot~~
2 ~~machine licensee, including its books, records and papers.~~

3 ~~(5) Establishing accounts with financial institutions.~~

4 ~~An account may not be established with a financial~~
5 ~~institution in which an affiliate of the former or suspended~~
6 ~~licensee, or in which the trustee, has a financial~~
7 ~~controlling interest.~~

8 ~~(6) Meeting with the former or suspended licensee.~~

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

11 ~~(8) Meeting with the independent audit committee.~~

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

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

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

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

27 ~~(13) Obtaining board approval prior to any sale, change~~
28 ~~of ownership, change of control, change of financial status,~~
29 ~~restructuring, transfer of assets or execution of a contract~~
30 ~~or any other action taken outside of the ordinary course of~~

1 ~~business.~~

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

4 ~~Notwithstanding any provision contained in this subsection to~~
5 ~~the contrary, the trustee shall have the duty to conserve and~~
6 ~~preserve the assets of the licensed entity.~~

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

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

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

1 ~~petition filed under this section and take whatever action, if~~
2 ~~any, it deems appropriate.~~

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

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

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

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

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

30 ~~Upon board approval of the discontinuation of the trusteeship,~~

1 ~~the trustee shall, in an orderly manner, transfer the property~~
2 ~~of the former or suspended principal or slot machine licensee.~~

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

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

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

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

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

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

18 * * *

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

1 ~~Tourism Fund and all reimbursements, distributions and payments~~
2 ~~made under subsection (b) or the act of July 25, 2007 (P.L.342,~~
3 ~~No.53), known as Pennsylvania Gaming Economic Development and~~
4 ~~Tourism Fund Capital Budget Itemization Act of 2007. The report~~
5 ~~shall be submitted by January 31, 2010, and by January 31 of~~
6 ~~each year thereafter.~~

7 ~~(f) Local report. A city of the first class, city of the~~
8 ~~second class, county of the second class, convention center or~~
9 ~~convention center authority, professional hockey franchise~~
10 ~~sports and exhibition authority of a county of the second class,~~
11 ~~urban redevelopment authority, airport authority or other entity~~
12 ~~that receives money from the fund pursuant to an Economic~~
13 ~~Development Capital Budget under this section subsection (b) or~~
14 ~~the act of July 25, 2007 (P.L.342, No.53), known as Pennsylvania~~
15 ~~Gaming Economic Development and Tourism Fund Capital Budget~~
16 ~~Itemization Act of 2007, shall submit an annual report to the~~
17 ~~Office of the Budget, the chairman and minority chairman of the~~
18 ~~Appropriations Committee of the Senate, the chairman and~~
19 ~~minority chairman of the Community, Economic and Recreational~~
20 ~~Development Committee of the Senate, the chairman and minority~~
21 ~~chairman of the Appropriations Committee of the House of~~
22 ~~Representatives and the chairman and the minority chairman of~~
23 ~~the Gaming Oversight Committee of the House of Representatives.~~
24 ~~The report shall include detailed information, including records~~
25 ~~of expenditures, payments and other distributions made from~~
26 ~~money received under subsection (b). The initial report shall~~
27 ~~include information on all funds received prior to January 31,~~
28 ~~2010. The report shall be submitted by January 31, 2010, and by~~
29 ~~January 31 of each year thereafter until all funds under this~~
30 ~~section are distributed or received. An entity that receives~~

1 ~~funds after the effective date of this section shall submit an~~
2 ~~initial report by January 31 of the year following receipt of~~
3 ~~the funds.~~

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

15 Section 13. Sections 1408(c) and 1512(a.5) and (b) of Title
16 4 are amended to read:

17 § 1408. Transfers from State Gaming Fund.

18 * * *

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

28 * * *

29 § 1512. Financial and employment interests.

30 * * *

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

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

22 ~~["Executive level public employee." The term shall include~~
23 ~~the following:~~

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

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

1 ~~this part. The term shall include an employee with law~~
2 ~~enforcement authority.~~

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

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

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

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

1 ~~date of this paragraph.~~

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

10 ~~(i) is not self directed by the individual; and~~

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

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

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

22 ~~"Immediate family." A spouse, minor child or unemancipated-~~
23 ~~child.~~

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

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

1 ~~is located; or a city chairman, vice chairman, counsel,~~
2 ~~secretary or treasurer of a city committee of a city in which a~~
3 ~~licensed facility is located.~~

4 ~~"Public official." The term shall include the following:~~

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

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

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

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

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

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

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

2 ~~§ 1516.1. Prosecutorial and adjudicatory functions.~~

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

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

14 ~~§ 1517. Investigations and enforcement.~~

15 ~~* * *~~

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

19 ~~* * *~~

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

25 ~~* * *~~

26 ~~(a.2) Office of Enforcement Counsel.~~

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

1 * * *

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

5 ~~(v) Notwithstanding 42 Pa.C.S. § 5947 (relating to~~
6 ~~immunity of witnesses), the Commonwealth Court may grant~~
7 ~~an immunity order, in the course of an investigation or~~
8 ~~hearing conducted under this part, a person refuses to~~
9 ~~answer a question or to produce evidence on the grounds~~
10 ~~that the answer or evidence will expose the person to~~
11 ~~criminal prosecution. The chief enforcement counsel of~~
12 ~~the bureau may petition the Commonwealth Court for a~~
13 ~~grant of immunity that includes the specific question to~~
14 ~~be posed or information or evidence being sought from the~~
15 ~~person as follows:~~

16 ~~(A) A copy of the petition shall be provided to~~
17 ~~the Attorney General and the district attorney of the~~
18 ~~person's county of residence who may object to the~~
19 ~~petition.~~

20 ~~(B) The court shall hold an in camera proceeding~~
21 ~~with the person to hear the evidence that will be~~
22 ~~offered if the order to produce evidence is granted.~~

23 ~~(C) The court may issue an order to compel the~~
24 ~~person to answer or produce evidence with immunity~~
25 ~~if:~~

26 ~~(I) the testimony or other information from~~
27 ~~a witness may be necessary to the public~~
28 ~~interest; and~~

29 ~~(II) a witness has refused or is likely to~~
30 ~~refuse to testify or provide other information on~~

1 ~~the basis of his privilege against self-~~
2 ~~incrimination.~~

3 ~~(D) The court shall grant or deny the request-~~
4 ~~for immunity within 45 days of the filing of the~~
5 ~~request.~~

6 ~~(E) If the person who is the subject of the~~
7 ~~immunity order provides the answer or evidence, the~~
8 ~~person shall be immune from criminal prosecution~~
9 ~~based on the answer or evidence that was the subject~~
10 ~~of the immunity order.~~

11 ~~(F) The person may be prosecuted for perjury-~~
12 ~~committed in the answer or production of evidence or~~
13 ~~held in contempt for failing to give an answer or~~
14 ~~produce evidence in accordance with the order. The~~
15 ~~answer or evidence shall be admissible against the~~
16 ~~person only in a criminal investigation, or a trial-~~
17 ~~or other proceeding for perjury or contempt.~~

18 ~~(G) Immunity under this paragraph shall not~~
19 ~~preclude the use of any other remedy or sanction~~
20 ~~authorized by law.~~

21 * * *

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

25 * * *

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

~~Representatives and the Gaming Oversight Committee of the House of Representatives. The report shall summarize law enforcement activities at each licensed facility during the previous calendar year and shall include all of the following:~~

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

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

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

~~(iv) The number of convictions resulting from prosecutions.~~

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

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

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

~~* * *~~

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

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

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

~~(b) [Other prohibitions. A hearing officer, the chief~~

1 ~~counsel or a member shall not discuss or exercise any~~
2 ~~supervisory responsibility over any employee with respect to an~~
3 ~~enforcement hearing with which the employee is involved]~~
4 ~~(Reserved).~~

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

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

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

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

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

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

20 SECTION 1. SECTION 1102(11) OF TITLE 4 OF THE PENNSYLVANIA
21 CONSOLIDATED STATUTES IS AMENDED AND THE SECTION IS AMENDED BY
22 ADDING PARAGRAPHS TO READ:

23 § 1102. LEGISLATIVE INTENT.

24 THE GENERAL ASSEMBLY RECOGNIZES THE FOLLOWING PUBLIC POLICY
25 PURPOSES AND DECLARES THAT THE FOLLOWING OBJECTIVES OF THE
26 COMMONWEALTH ARE TO BE SERVED BY THIS PART:

27 * * *

28 (2.1) THE LEGALIZATION OF TABLE GAMES AS AUTHORIZED IN
29 THIS PART IS INTENDED TO SUPPLEMENT SLOT MACHINE GAMING BY
30 INCREASING REVENUES TO THE COMMONWEALTH AND PROVIDING NEW

1 EMPLOYMENT OPPORTUNITIES BY CREATING SKILLED JOBS FOR
2 INDIVIDUALS RELATED TO THE CONDUCT OF TABLE GAMES AT LICENSED
3 FACILITIES IN THIS COMMONWEALTH.

4 * * *

5 (10.1) THE GENERAL ASSEMBLY HAS A COMPELLING INTEREST IN
6 PROTECTING THE INTEGRITY OF BOTH THE ELECTORAL PROCESS AND
7 THE LEGISLATIVE PROCESS BY PREVENTING CORRUPTION AND THE
8 APPEARANCE OF CORRUPTION WHICH MAY ARISE THROUGH PERMITTING
9 CAMPAIGN CONTRIBUTIONS BY THE GAMING INDUSTRY.

10 (11) IT IS NECESSARY TO MAINTAIN THE INTEGRITY OF THE
11 REGULATORY CONTROL AND LEGISLATIVE OVERSIGHT OVER THE
12 OPERATION OF SLOT MACHINES AND TABLE GAMES IN THIS
13 COMMONWEALTH; TO PREVENT THE ACTUAL OR APPEARANCE OF
14 CORRUPTION THAT MAY RESULT FROM [LARGE] CAMPAIGN
15 CONTRIBUTIONS; ENSURE THE BIPARTISAN ADMINISTRATION OF THIS
16 PART; AND AVOID ACTIONS THAT MAY ERODE PUBLIC CONFIDENCE IN
17 THE SYSTEM OF REPRESENTATIVE GOVERNMENT.

18 (11.1) COMPLETELY BANNING CAMPAIGN CONTRIBUTIONS BY
19 CERTAIN INDIVIDUALS AND ENTITIES SUBJECT TO THIS ACT IS
20 NECESSARY TO PREVENT CORRUPTION, OR THE APPEARANCE OF
21 CORRUPTION, THAT MAY ARISE WHEN POLITICS AND GAMING ARE
22 INTERMINGLED.

23 (12) IT IS THE INTENT OF THE GENERAL ASSEMBLY TO
24 AUTHORIZE THE OPERATION OF SLOT MACHINES AND TABLE GAMES
25 UNDER A SINGLE SLOT MACHINE LICENSE ISSUED TO A SLOT MACHINE
26 LICENSEE UNDER THIS PART.

27 SECTION 2. THE DEFINITIONS OF "ASSOCIATED EQUIPMENT,"
28 "CHEAT," "CONDUCT OF GAMING," "CONVICTION," "GAMING EMPLOYEE,"
29 "KEY EMPLOYEE," "LICENSED FACILITY," "MANUFACTURER,"
30 "MANUFACTURER LICENSE," "SLOT MACHINE," "SUPPLIER" AND "SUPPLIER

1 LICENSE" IN SECTION 1103 OF TITLE 4 ARE AMENDED AND THE SECTION
2 IS AMENDED BY ADDING DEFINITIONS TO READ:
3 § 1103. DEFINITIONS.

4 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS PART SHALL
5 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
6 CONTEXT CLEARLY INDICATES OTHERWISE:

7 * * *

8 "ASSOCIATED EQUIPMENT." ANY EQUIPMENT OR MECHANICAL,
9 ELECTROMECHANICAL OR ELECTRONIC CONTRIVANCE, COMPONENT OR
10 MACHINE USED IN CONNECTION WITH [GAMING] SLOT MACHINES OR TABLE
11 GAMES, INCLUDING LINKING DEVICES WHICH CONNECT TO PROGRESSIVE
12 SLOT MACHINES OR SLOT MACHINES, REPLACEMENT PARTS, EQUIPMENT
13 WHICH AFFECTS THE PROPER REPORTING AND COUNTING OF GROSS
14 TERMINAL REVENUE AND GROSS TABLE GAME REVENUE, COMPUTERIZED
15 SYSTEMS FOR CONTROLLING AND MONITORING SLOT MACHINES OR TABLE
16 GAMES, INCLUDING, BUT NOT LIMITED TO, THE CENTRAL CONTROL
17 COMPUTER TO WHICH ALL SLOT MACHINES COMMUNICATE AND DEVICES FOR
18 WEIGHING OR COUNTING MONEY.

19 * * *

20 "BANKING GAME." ANY TABLE GAME IN WHICH PLAYERS COMPETE
21 AGAINST A CERTIFICATE HOLDER RATHER THAN AGAINST ONE ANOTHER.

22 * * *

23 "CASH." UNITED STATES CURRENCY AND COIN.

24 "CASH EQUIVALENT." AN ASSET THAT IS READILY CONVERTIBLE TO
25 CASH, INCLUDING, BUT NOT LIMITED TO, ANY OF THE FOLLOWING:

26 (1) CHIPS, TOKENS OR OTHER REPRESENTATIONS OF VALUE.

27 (2) TRAVELERS CHECKS.

28 (3) FOREIGN CURRENCY AND COIN.

29 (4) CERTIFIED CHECKS, CASHIER'S CHECKS AND MONEY ORDERS.

30 (5) PERSONAL CHECKS OR DRAFTS.

1 (6) A NEGOTIABLE INSTRUMENT APPLIED AGAINST CREDIT
2 EXTENDED BY A CERTIFICATE HOLDER, A RECOGNIZED CREDIT CARD
3 COMPANY OR A FINANCIAL INSTITUTION.

4 (7) ANY OTHER INSTRUMENT THAT THE PENNSYLVANIA GAMING
5 CONTROL BOARD DEEMS A CASH EQUIVALENT. OTHER THAN RECOGNIZED
6 CREDIT CARDS OR CREDIT EXTENDED BY A CERTIFICATE HOLDER, ALL
7 INSTRUMENTS THAT CONSTITUTE A CASH EQUIVALENT SHALL BE MADE
8 PAYABLE TO THE SLOT MACHINE LICENSEE, TO THE BEARER OR TO
9 CASH. AN INSTRUMENT MADE PAYABLE TO A THIRD PARTY SHALL NOT
10 BE CONSIDERED A CASH EQUIVALENT AND SHALL BE PROHIBITED.

11 * * *

12 "CERTIFICATE HOLDER." A SLOT MACHINE LICENSEE THAT HOLDS A
13 TABLE GAMES OPERATION CERTIFICATE FROM THE PENNSYLVANIA GAMING
14 CONTROL BOARD IN ACCORDANCE WITH CHAPTER 13A (RELATING TO TABLE
15 GAMES).

16 "CHEAT." TO [ALTER WITHOUT AUTHORIZATION] DEFRAUD OR STEAL
17 FROM ANY PATRON, SLOT MACHINE LICENSEE OR THE COMMONWEALTH,
18 INCLUDING CAUSING, AIDING, ABETTING OR CONSPIRING WITH ANOTHER
19 PERSON TO DO SO. THE TERM SHALL ALSO MEAN TO UNLAWFULLY ALTER
20 THE ELEMENTS OF CHANCE, SKILL, METHOD OF SELECTION OR CRITERIA
21 WHICH DETERMINE:

22 (1) THE RESULT OF A SLOT MACHINE GAME OR TABLE GAME.

23 (2) THE AMOUNT OR FREQUENCY OF PAYMENT IN A SLOT MACHINE
24 GAME OR TABLE GAME.

25 (3) THE VALUE OF A WAGERING INSTRUMENT.

26 (4) THE VALUE OF A WAGERING CREDIT.

27 THE TERM DOES NOT INCLUDE ALTERING A SLOT MACHINE, TABLE GAME
28 DEVICE OR ASSOCIATED EQUIPMENT FOR [REQUIRED] MAINTENANCE [AND]
29 OR REPAIR WITH THE APPROVAL OF A SLOT MACHINE LICENSEE.

30 "CHEATING OR THIEVING DEVICE." A DEVICE USED OR POSSESSED

1 WITH THE INTENT TO USE, ON OR DURING THE PLAY OF ANY SLOT
2 MACHINE OR TABLE GAME TO CHEAT OR STEAL. THE TERM SHALL ALSO
3 INCLUDE ANY DEVICE USED TO ALTER SLOT MACHINES OR TABLE GAME
4 DEVICES WITHOUT THE APPROVAL OF A SLOT MACHINE LICENSEE.

5 "CHIP." A REPRESENTATION OF VALUE, INCLUDING PLAQUES, ISSUED
6 BY AND REDEEMABLE WITH THE ISSUING CERTIFICATE HOLDER FOR USE IN
7 PLAYING A TABLE GAME AT THE CERTIFICATE HOLDER'S LICENSED
8 FACILITY.

9 * * *

10 "CONDUCT OF GAMING." THE LICENSED PLACEMENT AND OPERATION OF
11 GAMES OF SKILL OR CHANCE UNDER THIS PART, AS AUTHORIZED AND
12 APPROVED BY THE PENNSYLVANIA GAMING CONTROL BOARD AT A LICENSED
13 FACILITY.

14 "CONTEST." A TABLE GAME COMPETITION AMONG PLAYERS FOR A
15 PRIZE, WHETHER OR NOT THE PRIZE IS A SPECIFIED AMOUNT OF MONEY
16 OR PLAYERS ARE REQUIRED TO PAY CONSIDERATION TO PARTICIPATE IN
17 THE COMPETITION.

18 * * *

19 "CONVICTION." A FINDING OF GUILT OR A PLEA OF GUILTY OR NOLO
20 CONTENDERE, WHETHER OR NOT A JUDGMENT OF SENTENCE HAS BEEN
21 IMPOSED AS DETERMINED BY THE LAW OF THE JURISDICTION IN WHICH
22 THE PROSECUTION WAS HELD. THE TERM DOES NOT INCLUDE A CONVICTION
23 THAT HAS BEEN EXPUNGED OR OVERTURNED OR FOR WHICH AN INDIVIDUAL
24 HAS BEEN PARDONED OR HAD AN ORDER OF ACCELERATED REHABILITATIVE
25 DISPOSITION ENTERED.

26 * * *

27 "COUNT ROOM." THE SECURED ROOM AT A LICENSED FACILITY
28 DESIGNATED FOR COUNTING, WRAPPING AND RECORDING A SLOT MACHINE
29 LICENSEE'S SLOT MACHINE OR TABLE GAME RECEIPTS, OR BOTH.

30 "COUNTERFEIT CHIPS." ANY CHIP OR SIMILAR OBJECT NOT ISSUED

1 BY A CERTIFICATE HOLDER FOR USE IN PLAYING A TABLE GAME AT THE
2 CERTIFICATE HOLDER'S LICENSED FACILITY.

3 * * *

4 "ELECTRONIC TABLE GAME." A TABLE GAME WHICH, AS DETERMINED
5 BY THE PENNSYLVANIA GAMING CONTROL BOARD, IS A MECHANICAL,
6 ELECTRICAL OR COMPUTERIZED CONTRIVANCE, TERMINAL, MACHINE OR
7 OTHER DEVICE APPROVED BY THE PENNSYLVANIA GAMING CONTROL BOARD
8 WHICH, UPON INSERTION OF A COIN, BILL, TICKET, TOKEN OR SIMILAR
9 OBJECT THEREIN OR UPON PAYMENT OF ANY CONSIDERATION WHATSOEVER,
10 INCLUDING THE USE OF ANY ELECTRONIC PAYMENT SYSTEM, IS PLAYABLE
11 OR OPERABLE WITHOUT EITHER THE REQUIRED ASSISTANCE OF OR
12 REQUIRED INTERACTION WITH A GAMING EMPLOYEE. THE TERM DOES NOT
13 INCLUDE A SLOT MACHINE.

14 "EXECUTIVE-LEVEL PUBLIC EMPLOYEE." THE TERM SHALL INCLUDE
15 THE FOLLOWING:

16 (1) DEPUTY SECRETARIES OF THE COMMONWEALTH AND THE
17 GOVERNOR'S OFFICE EXECUTIVE STAFF.

18 (2) AN EMPLOYEE OF THE EXECUTIVE BRANCH WITH
19 DISCRETIONARY POWER WHICH MAY AFFECT OR INFLUENCE THE OUTCOME
20 OF A STATE AGENCY'S ACTION OR DECISION AND WHO IS INVOLVED IN
21 THE DEVELOPMENT OF REGULATIONS OR POLICIES RELATING TO A
22 LICENSED ENTITY OR WHO IS INVOLVED IN OTHER MATTERS UNDER
23 THIS PART. THE TERM SHALL INCLUDE AN EMPLOYEE WITH LAW
24 ENFORCEMENT AUTHORITY.

25 (3) AN EMPLOYEE OF A COUNTY OR MUNICIPALITY WITH
26 DISCRETIONARY POWERS WHICH MAY AFFECT OR INFLUENCE THE
27 OUTCOME OF THE COUNTY'S OR MUNICIPALITY'S ACTION OR DECISION
28 AND WHO IS INVOLVED IN THE DEVELOPMENT OF LAW, REGULATION OR
29 POLICY RELATING TO A LICENSED ENTITY OR WHO IS INVOLVED IN
30 OTHER MATTERS UNDER THIS PART. THE TERM SHALL INCLUDE AN

1 EMPLOYEE WITH LAW ENFORCEMENT AUTHORITY.

2 (4) AN EMPLOYEE OF A DEPARTMENT, AGENCY, BOARD,
3 COMMISSION, AUTHORITY OR OTHER GOVERNMENTAL BODY NOT INCLUDED
4 IN PARAGRAPH (1), (2) OR (3) WITH DISCRETIONARY POWER WHICH
5 MAY AFFECT OR INFLUENCE THE OUTCOME OF THE GOVERNMENTAL
6 BODY'S ACTION OR DECISION AND WHO IS INVOLVED IN THE
7 DEVELOPMENT OF REGULATION OR POLICY RELATING TO A LICENSED
8 ENTITY OR WHO IS INVOLVED IN OTHER MATTERS UNDER THIS PART.
9 THE TERM SHALL INCLUDE AN EMPLOYEE WITH LAW ENFORCEMENT
10 AUTHORITY.

11 * * *

12 "GAMING EMPLOYEE." ANY EMPLOYEE OF A SLOT MACHINE LICENSEE,
13 INCLUDING, BUT NOT LIMITED TO:

14 (1) CASHIERS.

15 (2) CHANGE PERSONNEL.

16 (3) [COUNTING] COUNT ROOM PERSONNEL.

17 (4) SLOT ATTENDANTS.

18 (5) HOSTS OR OTHER PERSONS AUTHORIZED TO EXTEND
19 COMPLIMENTARY SERVICES.

20 (6) MACHINE MECHANICS [OR], COMPUTER MACHINE TECHNICIANS
21 OR TABLE GAME DEVICE TECHNICIANS.

22 (7) SECURITY PERSONNEL.

23 (8) SURVEILLANCE PERSONNEL.

24 (9) SUPERVISORS AND MANAGERS.

25 (10) BOXMEN.

26 (11) DEALERS OR CROUPIERS.

27 (12) FLOORMEN.

28 THE TERM INCLUDES EMPLOYEES OF A PERSON HOLDING A SUPPLIER'S
29 LICENSE WHOSE DUTIES ARE DIRECTLY INVOLVED WITH THE REPAIR OR
30 DISTRIBUTION OF SLOT MACHINES, TABLE GAME DEVICES AND ASSOCIATED

1 EQUIPMENT SOLD OR PROVIDED TO [THE] A LICENSED FACILITY WITHIN
2 THIS COMMONWEALTH AS DETERMINED BY THE PENNSYLVANIA GAMING
3 CONTROL BOARD. THE TERM DOES NOT INCLUDE BARTENDERS, COCKTAIL
4 SERVERS OR OTHER PERSONS ENGAGED SOLELY IN PREPARING OR SERVING
5 FOOD OR BEVERAGES, CLERICAL OR SECRETARIAL PERSONNEL, PARKING
6 ATTENDANTS, JANITORIAL, STAGE, SOUND AND LIGHT TECHNICIANS AND
7 OTHER NONGAMING PERSONNEL AS DETERMINED BY THE BOARD.

8 "GAMING JUNKET." AN ARRANGEMENT MADE BY A GAMING JUNKET
9 REPRESENTATIVE FOR AN INDIVIDUAL WHO IS ALL OF THE FOLLOWING:

10 (1) SELECTED OR APPROVED FOR PARTICIPATION IN THE
11 ARRANGEMENT BASED ON THE INDIVIDUAL'S ABILITY TO SATISFY
12 SPECIFIC FINANCIAL QUALIFICATIONS.

13 (2) LIKELY TO PARTICIPATE IN GAMING AND TO PATRONIZE A
14 LICENSED FACILITY FOR THE PURPOSE OF GAMING.

15 (3) RECEIVES AS CONSIDERATION FOR PARTICIPATION IN THE
16 ARRANGEMENT PART OR ALL OF THE COSTS OF TRANSPORTATION, FOOD,
17 LODGING OR ENTERTAINMENT WHICH ARE DIRECTLY OR INDIRECTLY
18 PAID BY A SLOT MACHINE LICENSEE OR AN AGENT OR AN EMPLOYEE OF
19 A SLOT MACHINE LICENSEE.

20 "GAMING JUNKET ENTERPRISE." A PERSON, OTHER THAN A SLOT
21 MACHINE LICENSEE, WHO EMPLOYS OR OTHERWISE ENGAGES THE SERVICES
22 OF A GAMING JUNKET REPRESENTATIVE TO ARRANGE GAMING JUNKETS TO A
23 LICENSE FACILITY, REGARDLESS OF WHETHER THE ACTIVITIES OF THE
24 GAMING JUNKET ENTERPRISE OCCUR WITHIN THIS COMMONWEALTH.

25 "GAMING JUNKET REPRESENTATIVE." AN INDIVIDUAL WHO IS NOT AN
26 EMPLOYEE OF A SLOT MACHINE LICENSEE WHO ARRANGES AND NEGOTIATES
27 THE TERMS OF A GAMING JUNKET OR SELECTS INDIVIDUALS TO
28 PARTICIPATE IN A GAMING JUNKET TO A LICENSED FACILITY,
29 REGARDLESS OF WHETHER THE ACTIVITIES OF THE GAMING JUNKET
30 ENTERPRISE OCCUR WITHIN THIS COMMONWEALTH.

1 "GAMING SCHOOL." ANY EDUCATIONAL INSTITUTION WHICH IS
2 APPROVED BY THE THE DEPARTMENT OF EDUCATION AS AN ACCREDITED
3 COLLEGE OR UNIVERSITY, COMMUNITY COLLEGE, PENNSYLVANIA PRIVATE
4 LICENSED SCHOOL OR ITS EQUIVALENT AND WHICH IS APPROVED BY THE
5 PENNSYLVANIA GAMING CONTROL BOARD IN CONSULTATION WITH THE
6 DEPARTMENT OF EDUCATION TO PROVIDE EDUCATION AND TRAINING
7 RELATED TO EMPLOYMENT OPPORTUNITIES ASSOCIATED WITH SLOT
8 MACHINES OR TABLE GAMES, INCLUDING SLOT MACHINE, TABLE GAME
9 DEVICE AND ASSOCIATED EQUIPMENT MAINTENANCE AND REPAIR.

10 "GAMING SERVICE PROVIDER." A PERSON THAT:

11 (1) PROVIDES GOODS OR SERVICES TO A SLOT MACHINE
12 LICENSEE OR AN APPLICANT FOR A SLOT MACHINE LICENSE;

13 (2) PROVIDES GOODS OR SERVICES AT A LICENSED FACILITY;
14 AND

15 (3) IS NOT REQUIRED TO BE LICENSED AS A MANUFACTURER,
16 MANUFACTURER DESIGNEE, SUPPLIER, MANAGEMENT COMPANY OR GAMING
17 JUNKET ENTERPRISE.

18 "GROSS TABLE GAME REVENUE." THE TOTAL OF:

19 (1) CASH OR CASH EQUIVALENTS RECEIVED IN THE PLAYING OF
20 A TABLE GAME MINUS THE TOTAL OF:

21 (I) CASH OR CASH EQUIVALENTS PAID OUT TO PATRONS AS
22 A RESULT OF PLAYING A TABLE GAME.

23 (II) CASH PAID TO PURCHASE ANNUITIES TO FUND PRIZES
24 PAYABLE TO PATRONS OVER A PERIOD OF TIME AS A RESULT OF
25 PLAYING A TABLE GAME.

26 (III) THE ACTUAL COST PAID BY THE CERTIFICATE HOLDER
27 FOR ANY PERSONAL PROPERTY DISTRIBUTED TO A PATRON AS A
28 RESULT OF PLAYING A TABLE GAME. THIS DOES NOT INCLUDE
29 TRAVEL EXPENSES, FOOD, REFRESHMENTS, LODGING OR SERVICES.

30 (2) ALL TABLE GAME CONTEST OR TOURNAMENT FEES. TABLE

1 GAME CONTEST OR TOURNAMENT FEES SHALL BE CALCULATED AS ALL
2 FEES OR PAYMENTS, INCLUDING ENTRY FEES, BUY-INS, RE-BUYS AND
3 ADMINISTRATIVE FEES, IMPOSED BY A CERTIFICATE HOLDER TO
4 PARTICIPATE IN A TABLE GAME CONTEST OR TOURNAMENT LESS CASH
5 OR ACTUAL COST PAID BY A CERTIFICATE HOLDER FOR PRIZES
6 AWARDED TO TOURNAMENT OR CONTEST WINNERS.

7 (3) THE TOTAL AMOUNT OF THE RAKE COLLECTED BY A
8 CERTIFICATE HOLDER EACH DAY.

9 THE TERM DOES NOT INCLUDE COUNTERFEIT MONEY OR CHIPS; COINS OR
10 CURRENCY OF OTHER COUNTRIES RECEIVED IN THE PLAYING OF A TABLE
11 GAME, EXCEPT TO THE EXTENT THAT THEY ARE READILY CONVERTIBLE TO
12 UNITED STATES CURRENCY; CASH TAKEN IN A FRAUDULENT ACT
13 PERPETRATED AGAINST A CERTIFICATE HOLDER FOR WHICH THE
14 CERTIFICATE HOLDER IS NOT REIMBURSED.

15 * * *

16 "HOTEL." ONE OR MORE BUILDINGS OWNED OR OPERATED BY A
17 CERTIFICATE HOLDER WHICH IS ATTACHED TO, PHYSICALLY CONNECTED TO
18 OR ADJACENT TO THE CERTIFICATE HOLDER'S LICENSED FACILITY AT
19 WHICH THE PUBLIC MAY OBTAIN SLEEPING ROOMS AND IS LOCATED ON THE
20 SAME PARCEL OF LAND AS THE LICENSED FACILITY.

21 * * *

22 "KEY EMPLOYEE." ANY INDIVIDUAL WHO IS EMPLOYED IN A DIRECTOR
23 OR DEPARTMENT HEAD CAPACITY AND WHO IS EMPOWERED TO MAKE
24 DISCRETIONARY DECISIONS THAT REGULATE SLOT MACHINE OR TABLE GAME
25 OPERATIONS, INCLUDING THE GENERAL MANAGER AND ASSISTANT MANAGER
26 OF THE LICENSED FACILITY, DIRECTOR OF SLOT OPERATIONS, DIRECTOR
27 OF TABLE GAMES, PIT SUPERVISORS, SHIFT SUPERVISORS, CREDIT
28 SUPERVISORS, CASHIER SUPERVISORS, TABLE GAME MANAGERS AND
29 ASSISTANT MANAGERS, DIRECTOR OF CAGE AND/OR CREDIT OPERATIONS,
30 DIRECTOR OF SURVEILLANCE, DIRECTOR OF MARKETING, DIRECTOR OF

1 MANAGEMENT INFORMATION SYSTEMS, DIRECTOR OF SECURITY,
2 COMPTROLLER AND ANY EMPLOYEE WHO SUPERVISES THE OPERATIONS OF
3 THESE DEPARTMENTS OR TO WHOM THESE DEPARTMENT DIRECTORS OR
4 DEPARTMENT HEADS REPORT AND SUCH OTHER POSITIONS WHICH THE
5 PENNSYLVANIA GAMING CONTROL BOARD SHALL DETERMINE BASED ON
6 DETAILED ANALYSES OF JOB DESCRIPTIONS AS PROVIDED IN THE
7 INTERNAL CONTROLS OF THE LICENSEE AS APPROVED BY THE
8 PENNSYLVANIA GAMING CONTROL BOARD. ALL OTHER GAMING EMPLOYEES
9 UNLESS OTHERWISE DESIGNATED BY THE PENNSYLVANIA GAMING CONTROL
10 BOARD SHALL BE CLASSIFIED AS NON-KEY EMPLOYEES.

11 * * *

12 "LICENSED ENTITY REPRESENTATIVE." A PERSON ACTING ON BEHALF
13 OF OR AUTHORIZED TO REPRESENT THE INTEREST OF ANY APPLICANT,
14 LICENSEE OR PERMITTEE, INCLUDING AN ATTORNEY, AGENT OR LOBBYIST,
15 REGARDING ANY MATTER WHICH MAY REASONABLY BE EXPECTED TO COME
16 BEFORE THE BOARD.

17 "LICENSED FACILITY." THE PHYSICAL LAND-BASED LOCATION AT
18 WHICH A LICENSED GAMING ENTITY IS AUTHORIZED TO PLACE AND
19 OPERATE SLOT MACHINES AND, IF AUTHORIZED BY THE PENNSYLVANIA
20 GAMING CONTROL BOARD UNDER CHAPTER 13A (RELATING TO TABLE
21 GAMES), TO CONDUCT TABLE GAMES. THE TERM INCLUDES ANY AREA OF A
22 LICENSED RACETRACK PREVIOUSLY AUTHORIZED PURSUANT TO SECTION
23 1207(17) (RELATING TO REGULATORY AUTHORITY OF BOARD) TO OPERATE
24 SLOT MACHINES AND ANY AREA OF A HOTEL WHICH THE PENNSYLVANIA
25 GAMING CONTROL BOARD DETERMINES IS SUITABLE TO CONDUCT TABLE
26 GAMES.

27 * * *

28 "MANUFACTURER." A PERSON WHO MANUFACTURES, BUILDS, REBUILDS,
29 FABRICATES, ASSEMBLES, PRODUCES, PROGRAMS, DESIGNS OR OTHERWISE
30 MAKES MODIFICATIONS TO ANY SLOT MACHINE, TABLE GAME DEVICE OR

1 ASSOCIATED EQUIPMENT FOR USE OR PLAY OF SLOT MACHINES OR TABLE
2 GAMES IN THIS COMMONWEALTH FOR GAMING PURPOSES.

3 "MANUFACTURER LICENSE." A LICENSE ISSUED BY THE PENNSYLVANIA
4 GAMING CONTROL BOARD AUTHORIZING A MANUFACTURER TO MANUFACTURE
5 OR PRODUCE SLOT MACHINES, TABLE GAME DEVICES OR ASSOCIATED
6 EQUIPMENT FOR USE IN THIS COMMONWEALTH FOR GAMING PURPOSES.

7 * * *

8 "MUNICIPAL AUTHORITY." A BODY POLITIC AND CORPORATE CREATED
9 UNDER THE FORMER ACT OF JUNE 28, 1935 (P.L.463, NO.191), KNOWN
10 AS THE MUNICIPALITY AUTHORITIES ACT OF 1935, THE FORMER ACT OF
11 MAY 2, 1995 (P.L.382, NO.164), KNOWN AS THE MUNICIPALITY
12 AUTHORITIES ACT OF 1945 OR THE ACT OF JULY 29, 1953 (P.L.1034,
13 NO.270), KNOWN AS THE PUBLIC AUDITORIUM AUTHORITIES LAW.

14 * * *

15 "NONBANKING GAME." ANY TABLE GAME IN WHICH PLAYERS COMPETE
16 AGAINST ONE ANOTHER AND IN WHICH THE CERTIFICATE HOLDER COLLECTS
17 A RAKE.

18 "NONELECTRONIC TABLE GAME." ANY TABLE GAME THAT, AS
19 DETERMINED BY THE PENNSYLVANIA GAMING CONTROL BOARD, IS NOT AN
20 ELECTRONIC TABLE GAME.

21 * * *

22 "PARTY." THE PENNSYLVANIA GAMING CONTROL BOARD, THE BUREAU
23 OF INVESTIGATIONS AND ENFORCEMENT OF THE PENNSYLVANIA GAMING
24 CONTROL BOARD OR ANY APPLICANT, LICENSEE, PERMITTEE, REGISTRANT
25 OR OTHER PERSON APPEARING OF RECORD IN ANY PROCEEDING BEFORE THE
26 BOARD OR IN ANY PROCEEDING FOR JUDICIAL REVIEW OF ANY ACTION,
27 DECISION OR ORDER OF THE BOARD.

28 * * *

29 "RAKE." A SET FEE OR PERCENTAGE ASSESSED BY A CERTIFICATE
30 HOLDER FOR PROVIDING THE SERVICES OF A DEALER, TABLE OR LOCATION

1 FOR PLAYING ANY NONBANKING GAME.

2 * * *

3 "SLOT MACHINE." ANY MECHANICAL [OR], ELECTRICAL OR
4 COMPUTERIZED CONTRIVANCE, TERMINAL, MACHINE OR OTHER DEVICE
5 APPROVED BY THE PENNSYLVANIA GAMING CONTROL BOARD WHICH, UPON
6 INSERTION OF A COIN, BILL, TICKET, TOKEN OR SIMILAR OBJECT
7 THEREIN OR UPON PAYMENT OF ANY CONSIDERATION WHATSOEVER,
8 INCLUDING THE USE OF ANY ELECTRONIC PAYMENT SYSTEM EXCEPT A
9 CREDIT CARD OR DEBIT CARD, IS AVAILABLE TO PLAY OR OPERATE, THE
10 PLAY OR OPERATION OF WHICH, WHETHER BY REASON OF SKILL OR
11 APPLICATION OF THE ELEMENT OF CHANCE OR BOTH, MAY DELIVER OR
12 ENTITLE THE PERSON OR PERSONS PLAYING OR OPERATING THE
13 CONTRIVANCE, TERMINAL, MACHINE OR OTHER DEVICE TO RECEIVE CASH,
14 BILLETS, TICKETS, TOKENS OR ELECTRONIC CREDITS TO BE EXCHANGED
15 FOR CASH OR TO RECEIVE MERCHANDISE OR ANYTHING OF VALUE
16 WHATSOEVER, WHETHER THE PAYOFF IS MADE AUTOMATICALLY FROM THE
17 MACHINE OR MANUALLY. A SLOT MACHINE:

18 (1) MAY UTILIZE SPINNING REELS OR VIDEO DISPLAYS OR
19 BOTH.

20 (2) MAY OR MAY NOT DISPENSE COINS, TICKETS OR TOKENS TO
21 WINNING PATRONS.

22 (3) MAY USE AN ELECTRONIC CREDIT SYSTEM FOR RECEIVING
23 WAGERS AND MAKING PAYOUTS.

24 THE TERM SHALL INCLUDE ASSOCIATED EQUIPMENT NECESSARY TO CONDUCT
25 THE OPERATION OF THE CONTRIVANCE, TERMINAL, MACHINE OR OTHER
26 DEVICE. THE TERM DOES NOT INCLUDE AN ELECTRONIC TABLE GAME.

27 * * *

28 "SUPPLIER." A PERSON THAT SELLS, LEASES, OFFERS OR OTHERWISE
29 PROVIDES, DISTRIBUTES OR SERVICES ANY SLOT MACHINE, TABLE GAME
30 DEVICE OR ASSOCIATED EQUIPMENT FOR USE OR PLAY OF SLOT MACHINES

1 OR TABLE GAMES IN THIS COMMONWEALTH.

2 "SUPPLIER LICENSE." A LICENSE ISSUED BY THE PENNSYLVANIA
3 GAMING CONTROL BOARD AUTHORIZING A SUPPLIER TO PROVIDE PRODUCTS
4 OR SERVICES RELATED TO SLOT MACHINES, TABLE GAMES DEVICES OR
5 ASSOCIATED EQUIPMENT TO SLOT MACHINE LICENSEES.

6 * * *

7 "SUSPICIOUS TRANSACTION." THE ACCEPTANCE OR REDEEMING OF
8 CASH OR A CASH EQUIVALENT INVOLVING OR AGGREGATING \$5,000 IF THE
9 SLOT MACHINE LICENSEE OR PERSON KNOWS OR HAS REASON TO BELIEVE
10 THE TRANSACTION:

11 (1) INVOLVES FUNDS DERIVED FROM ILLEGAL ACTIVITIES OR IS
12 INTENDED OR CONDUCTED IN ORDER TO CONCEAL OR DISGUISE FUNDS
13 OR ASSETS DERIVED FROM ILLEGAL ACTIVITIES;

14 (2) IS PART OF A PLAN TO VIOLATE OR EVADE ANY LAW OR
15 REGULATION OR TO AVOID ANY TRANSACTION REPORTING REQUIREMENT
16 UNDER THE LAW OR REGULATIONS OF THIS COMMONWEALTH OR THE
17 UNITED STATES, INCLUDING A PLAN TO STRUCTURE A SERIES OF
18 TRANSACTIONS TO AVOID ANY TRANSACTION REPORTING REQUIREMENT
19 UNDER THE LAWS OR REGULATIONS OF THIS COMMONWEALTH OR THE
20 UNITED STATES; OR

21 (3) HAS NO LAWFUL BUSINESS OR OTHER APPARENT LAWFUL
22 PURPOSE OR IS NOT THE SORT OF TRANSACTION IN WHICH A PERSON
23 WOULD NORMALLY BE EXPECTED TO ENGAGE AND THE SLOT MACHINE
24 LICENSEE OR PERSON KNOWS OF NO REASONABLE EXPLANATION FOR THE
25 TRANSACTION AFTER EXAMINING THE AVAILABLE FACTS, INCLUDING
26 THE BACKGROUND AND POSSIBLE PURPOSE OF THE TRANSACTION.

27 "TABLE GAME." ANY BANKING, NONBANKING OR PERCENTAGE GAME
28 PLAYED WHICH UTILIZES A TABLE GAME DEVICE FOR CASH, A CASH
29 EQUIVALENT OR ANY REPRESENTATION OF VALUE. THE TERM INCLUDES
30 ROULETTE, BACCARAT, BLACKJACK, POKER, CRAPS, BIG SIX WHEEL, RED

1 DOG, PAI GOW, CASINO WAR AND SIC BO AND ANY OTHER BANKING,
2 NONBANKING OR PERCENTAGE GAME APPROVED BY THE PENNSYLVANIA
3 GAMING CONTROL BOARD. THE TERM SHALL ALSO INCLUDE ANY GAME
4 AUTHORIZED FOR USE IN A LICENSED FACILITY THAT IS USED FOR
5 GAMING CONTESTS OR TOURNAMENTS IN WHICH PLAYERS COMPETE AGAINST
6 ONE ANOTHER. THE TERM SHALL NOT INCLUDE:

7 (1) LOTTERY GAMES OF THE PENNSYLVANIA STATE LOTTERY AS
8 AUTHORIZED UNDER THE ACT OF AUGUST 26, 1971 (P.L.351, NO.91),
9 KNOWN AS THE STATE LOTTERY LAW.

10 (2) BINGO AS AUTHORIZED UNDER THE ACT OF JULY 10, 1981
11 (P.L.214, NO.67), KNOWN AS THE BINGO LAW.

12 (3) PARI-MUTUEL BETTING ON THE OUTCOME OF THOROUGHBRED
13 OR HARNESS HORSE RACING AS AUTHORIZED UNDER THE ACT OF
14 DECEMBER 17, 1981 (P.L.435, NO.135), KNOWN AS THE RACE HORSE
15 INDUSTRY REFORM ACT.

16 (4) SMALL GAMES OF CHANCE AS AUTHORIZED UNDER THE ACT OF
17 DECEMBER 19, 1988 (P.L.1262, NO.156), KNOWN AS THE LOCAL
18 OPTION SMALL GAMES OF CHANCE ACT.

19 (5) SLOT MACHINE GAMING AND PROGRESSIVE SLOT MACHINE
20 GAMING AS DEFINED AND AUTHORIZED UNDER THIS PART.

21 (6) KENO.

22 "TABLE GAME DEVICE." INCLUDES GAMING TABLES, CARDS, DICE,
23 CHIPS, SHUFFLERS, TILES, DOMINOES, WHEELS, DROP BOXES OR ANY
24 MECHANICAL, ELECTRICAL OR COMPUTERIZED CONTRIVANCE, TERMINAL,
25 MACHINE OR OTHER DEVICE, APPARATUS, EQUIPMENT OR SUPPLIES
26 APPROVED BY THE PENNSYLVANIA GAMING CONTROL BOARD AND USED TO
27 CONDUCT A TABLE GAME.

28 "TABLE GAME OPERATION CERTIFICATE." A CERTIFICATE FROM THE
29 PENNSYLVANIA GAMING CONTROL BOARD THAT AUTHORIZES A SLOT MACHINE
30 LICENSEE TO CONDUCT TABLE GAMES IN ACCORDANCE WITH THIS PART.

1 "TOURNAMENT." AN ORGANIZED SERIES OF TABLE GAME CONTESTS
2 APPROVED BY THE PENNSYLVANIA GAMING CONTROL BOARD.

3 "TRUSTEE." A PERSON APPOINTED BY THE PENNSYLVANIA GAMING
4 CONTROL BOARD TO MANAGE AND CONTROL THE OPERATIONS OF A LICENSED
5 FACILITY TO ENSURE COMPLIANCE WITH THIS PART AND WHO HAS THE
6 FIDUCIARY RESPONSIBILITY TO MAKE DECISIONS FOR THE BENEFIT OF
7 THE LICENSED GAMING ENTITY AND THE COMMONWEALTH.

8 * * *

9 SECTION 3. SECTION 1201(F)(3), (H)(7.1), (10), (11), (13),
10 (14) AND (15), (I)(1) AND (K) OF TITLE 4 ARE AMENDED, SUBSECTION ←
11 (H) IS AMENDED BY ADDING PARAGRAPHS AND THE SECTION IS AMENDED
12 BY ADDING ~~A SUBSECTION~~ SUBSECTIONS TO READ: ←

13 § 1201. PENNSYLVANIA GAMING CONTROL BOARD ESTABLISHED.

14 * * *

15 (F) QUALIFIED MAJORITY VOTE.--

16 * * *

17 (3) NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART OR
18 65 PA.C.S. § 1103(J) (RELATING TO RESTRICTED ACTIVITIES), A
19 MEMBER SHALL DISCLOSE THE NATURE OF HIS DISQUALIFYING
20 INTEREST, DISQUALIFY HIMSELF AND ABSTAIN FROM VOTING IN A
21 PROCEEDING UNDER THIS PART IN WHICH HIS OBJECTIVITY,
22 IMPARTIALITY, INTEGRITY OR INDEPENDENCE OF JUDGMENT MAY BE
23 REASONABLY QUESTIONED, AS PROVIDED IN SUBSECTION (H)(6) OR
24 SECTION 1202.1(C)(3) (RELATING TO CODE OF CONDUCT). IF A
25 LEGISLATIVE APPOINTEE HAS DISQUALIFIED HIMSELF, THE QUALIFIED
26 MAJORITY SHALL CONSIST OF ALL OF THE REMAINING LEGISLATIVE
27 APPOINTEES AND AT LEAST TWO GUBERNATORIAL APPOINTEES.

28 * * *

29 (H) QUALIFICATIONS AND RESTRICTIONS.--

30 * * *

1 (7.1) PRIOR TO BEING SWORN AS A MEMBER, AN APPOINTEE AND
2 HIS IMMEDIATE FAMILY SHALL DIVEST ANY FINANCIAL INTEREST IN
3 ANY APPLICANT, LICENSED FACILITY OR LICENSED ENTITY AND IN AN
4 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY
5 THEREOF OWNED OR HELD BY THE APPOINTEE OR KNOWN TO BE HELD BY
6 THE APPOINTEE'S IMMEDIATE FAMILY. FOR THE DURATION OF THE
7 MEMBER'S TERM AND FOR [ONE YEAR] TWO YEARS THEREAFTER, THE
8 MEMBER AND THE MEMBER'S IMMEDIATE FAMILY MAY NOT ACQUIRE A
9 FINANCIAL INTEREST IN ANY APPLICANT, LICENSED FACILITY OR
10 LICENSED ENTITY OR IN AN AFFILIATE, INTERMEDIARY, SUBSIDIARY
11 OR HOLDING COMPANY THEREOF. FOR PURPOSES OF THIS PARAGRAPH,
12 THE TERM "IMMEDIATE FAMILY" SHALL MEAN SPOUSE AND ANY MINOR
13 OR UNEMANCIPATED CHILD.

14 * * *

15 (10) NO FORMER MEMBER MAY APPEAR BEFORE THE BOARD IN ANY
16 HEARING OR PROCEEDING OR PARTICIPATE IN ANY OTHER ACTIVITY ON
17 BEHALF OF ANY APPLICANT, LICENSED ENTITY, OR AN AFFILIATE,
18 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY THEREOF, OR ANY
19 OTHER LICENSEE OR PERMITTEE FOR A PERIOD OF TWO YEARS FROM
20 THE TERMINATION OF TERM OF OFFICE.

21 (11) NO MEMBER, EMPLOYEE OR INDEPENDENT CONTRACTOR OF
22 THE BOARD SHALL ACCEPT A COMPLIMENTARY SERVICE, WAGER OR BE
23 PAID ANY PRIZE FROM ANY WAGER AT ANY LICENSED FACILITY WITHIN
24 THIS COMMONWEALTH OR AT ANY OTHER FACILITY OUTSIDE THIS
25 COMMONWEALTH WHICH IS OWNED OR OPERATED BY A LICENSED GAMING
26 ENTITY OR ANY OF ITS AFFILIATES, INTERMEDIARIES, SUBSIDIARIES
27 OR HOLDING COMPANIES THEREOF FOR THE DURATION OF THEIR TERM
28 OF OFFICE, EMPLOYMENT OR CONTRACT WITH THE BOARD AND FOR A
29 PERIOD OF [ONE YEAR] TWO YEARS FROM THE TERMINATION OF TERM
30 OF OFFICE, EMPLOYMENT OR CONTRACT WITH THE BOARD. THE

1 PROVISIONS OF THIS PARAGRAPH PROHIBITING WAGERING DURING THE
2 TERM OF EMPLOYMENT SHALL NOT APPLY TO EMPLOYEES OR
3 INDEPENDENT CONTRACTORS OF THE BOARD WHO UTILIZE SLOT
4 MACHINES OR TABLE GAME DEVICES FOR TESTING PURPOSES OR TO
5 VERIFY THE PERFORMANCE OF A MACHINE OR TABLE GAME AS PART OF
6 AN ENFORCEMENT INVESTIGATION.

7 * * *

8 (13) NO EMPLOYEE OF THE BOARD [OR INDIVIDUAL EMPLOYED BY
9 AN INDEPENDENT CONTRACTOR OF THE BOARD] WHOSE DUTIES
10 SUBSTANTIALLY INVOLVE LICENSING[,] OR ENFORCEMENT [OR], THE
11 DEVELOPMENT [OR ADOPTION] OF LAWS, OR THE DEVELOPMENT OR
12 ADOPTION OF REGULATIONS OR POLICY OR WHO HAS OTHER
13 DISCRETIONARY AUTHORITY WHICH MAY AFFECT THE OUTCOME OF AN
14 ACTION OR DECISION UNDER THIS PART, INCLUDING THE EXECUTIVE
15 DIRECTOR, BUREAU DIRECTORS AND ATTORNEYS, SHALL DO ANY OF THE
16 FOLLOWING:

17 (I) [ACCEPT] ACCEPT EMPLOYMENT WITH AN APPLICANT OR
18 LICENSED ENTITY, OR AN AFFILIATE, INTERMEDIARY,
19 SUBSIDIARY OR HOLDING COMPANY THEREOF, FOR A PERIOD OF
20 [ONE YEAR] TWO YEARS AFTER THE TERMINATION OF THE
21 EMPLOYMENT RELATING TO THE CONDUCT OF GAMING [OR CONTRACT
22 WITH THE BOARD; OR] .

23 (II) [APPEAR] APPEAR BEFORE THE BOARD IN ANY HEARING
24 OR PROCEEDING OR PARTICIPATE IN ANY OTHER ACTIVITY ON
25 BEHALF OF ANY APPLICANT, LICENSEE, PERMITTEE OR LICENSED
26 ENTITY, OR AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR
27 HOLDING COMPANY THEREOF, FOR A PERIOD OF TWO YEARS AFTER
28 TERMINATION OF THE EMPLOYMENT [OR CONTRACT WITH THE
29 BOARD] .

30 (III) AS A CONDITION OF EMPLOYMENT, AN EMPLOYEE

1 SUBJECT TO THIS PARAGRAPH SHALL SIGN AN AFFIDAVIT THAT
2 THE EMPLOYEE WILL NOT ACCEPT EMPLOYMENT WITH OR BE
3 RETAINED BY ANY APPLICANT, LICENSED ENTITY OR AN
4 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY
5 THEREOF FOR A PERIOD OF TWO YEARS FROM THE TERMINATION OF
6 EMPLOYMENT. AN APPLICANT OR LICENSED ENTITY OR AN
7 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY
8 THEREOF SHALL NOT EMPLOY OR RETAIN AN INDIVIDUAL WHO
9 SIGNED AN AFFIDAVIT REQUIRED BY THIS SUBPARAGRAPH. AN
10 APPLICANT OR LICENSED ENTITY OR AN AFFILIATE,
11 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY THAT
12 KNOWINGLY EMPLOYS OR RETAINS AN INDIVIDUAL IN VIOLATION
13 OF THIS SUBPARAGRAPH SHALL BE SUBJECT TO A PENALTY UNDER
14 SECTION 1518(C) (RELATING TO PROHIBITED ACTS; PENALTIES).

15 (13.1) NOTHING SHALL PREVENT A CURRENT OR FORMER
16 EMPLOYEE OF THE BOARD FROM APPEARING IN ANY PROCEEDING AS A
17 WITNESS WHERE THE EMPLOYEE IS CALLED TO TESTIFY CONCERNING
18 ANY FACT OR INFORMATION OBTAINED WHILE EMPLOYED WITH THE
19 BOARD OR RELATED TO THE PERFORMANCE OF DUTIES WHILE SO
20 EMPLOYED.

21 (13.2) NO INDEPENDENT CONTRACTOR OR INDIVIDUAL EMPLOYED
22 BY AN INDEPENDENT CONTRACTOR OF THE BOARD WHOSE DUTIES
23 SUBSTANTIALLY INVOLVE CONSULTATION RELATING TO LICENSING,
24 ENFORCEMENT OR THE DEVELOPMENT OR ADOPTION OF REGULATIONS OR
25 POLICY UNDER THIS PART SHALL:

26 (I) ACCEPT EMPLOYMENT WITH OR BE RETAINED BY AN
27 APPLICANT OR A LICENSED ENTITY OR AN AFFILIATE,
28 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY THEREOF FOR A
29 PERIOD OF ONE YEAR AFTER THE TERMINATION OF THE CONTRACT
30 WITH THE BOARD.

1 (II) APPEAR BEFORE THE BOARD IN ANY HEARING OR
2 PROCEEDING OR PARTICIPATE IN ANY OTHER ACTIVITY ON BEHALF
3 OF AN APPLICANT, LICENSEE, PERMITTEE OR LICENSED ENTITY
4 OR AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING
5 COMPANY OF AN APPLICANT, LICENSEE, PERMITTEE OR LICENSED
6 ENTITY FOR A PERIOD OF TWO YEARS AFTER TERMINATION OF THE
7 CONTRACT WITH THE BOARD. NOTHING SHALL PREVENT A CURRENT
8 OR FORMER INDEPENDENT CONTRACTOR OR EMPLOYEE OF AN
9 INDEPENDENT CONTRACTOR OF THE BOARD FROM APPEARING IN ANY
10 PROCEEDING AS A WITNESS WHERE THE INDEPENDENT CONTRACTOR
11 OR EMPLOYEE OF THE INDEPENDENT CONTRACTOR IS BEING CALLED
12 TO TESTIFY CONCERNING ANY FACT OR INFORMATION OBTAINED
13 WHILE CONTRACTING WITH THE BOARD OR RELATED TO THE
14 PERFORMANCE OF THE CONTRACT.

15 (III) AS A CONDITION OF A CONTRACT, AN INDEPENDENT
16 CONTRACTOR OR INDIVIDUAL EMPLOYED BY AN INDEPENDENT
17 CONTRACTOR OF THE BOARD UNDER THIS PARAGRAPH SHALL SIGN
18 AN AFFIDAVIT TO NOT ACCEPT EMPLOYMENT WITH OR BE RETAINED
19 BY ANY APPLICANT, LICENSED ENTITY OR AN AFFILIATE,
20 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF AN
21 APPLICANT, LICENSED ENTITY OR AFFILIATE FOR A PERIOD OF
22 ONE YEAR FROM THE TERMINATION OF EMPLOYMENT. A LICENSED
23 ENTITY OR AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR
24 HOLDING COMPANY OF AN APPLICANT, LICENSED ENTITY OR
25 AFFILIATE SHALL NOT EMPLOY OR RETAIN AN INDIVIDUAL WHO
26 SIGNED AN AFFIDAVIT REQUIRED BY THIS SUBPARAGRAPH. A
27 LICENSED ENTITY OR AN AFFILIATE, INTERMEDIARY, SUBSIDIARY
28 OR HOLDING COMPANY THEREOF THAT KNOWINGLY EMPLOYS OR
29 RETAINS AN INDIVIDUAL IN VIOLATION OF THIS SUBPARAGRAPH
30 SHALL BE SUBJECT TO A PENALTY UNDER SECTION 1518(C).

1 (14) UPON THE WRITTEN REQUEST OF AN EMPLOYEE OF THE
2 BOARD, THE EXECUTIVE BRANCH OF THE COMMONWEALTH OR A
3 POLITICAL SUBDIVISION OR OF THE AGENCY OR POLITICAL
4 SUBDIVISION EMPLOYING AN EMPLOYEE, THE STATE ETHICS
5 COMMISSION SHALL DETERMINE WHETHER THE INDIVIDUAL'S DUTIES
6 SUBSTANTIALLY INVOLVE THE DEVELOPMENT [OR ADOPTION] OF LAWS,
7 OR THE DEVELOPMENT OR ADOPTION OF REGULATIONS OR POLICY,
8 LICENSING OR ENFORCEMENT UNDER THIS PART OR OTHER
9 DISCRETIONARY AUTHORITY WHICH MAY AFFECT THE OUTCOME OF AN
10 ACTION, PROCEEDING OR DECISION UNDER THIS PART AND SHALL
11 PROVIDE A WRITTEN DETERMINATION TO THE EMPLOYEE OR THE AGENCY
12 OR POLITICAL SUBDIVISION EMPLOYING THE EMPLOYEE TO INCLUDE
13 ANY PROHIBITION UNDER THIS PARAGRAPH. AN INDIVIDUAL WHO
14 RELIES IN GOOD FAITH ON A DETERMINATION UNDER THIS PARAGRAPH
15 SHALL NOT BE SUBJECT TO ANY PENALTY FOR AN ACTION TAKEN,
16 PROVIDED THAT ALL MATERIAL FACTS SET FORTH IN THE REQUEST FOR
17 A DETERMINATION ARE CORRECT.

18 (15) IF A MEMBER[, EMPLOYEE OR INDEPENDENT CONTRACTOR]
19 OF THE BOARD VIOLATES ANY PROVISION OF THIS SECTION, THE
20 APPOINTING AUTHORITY [OR THE BOARD MAY, UPON NOTICE AND
21 HEARING,] MAY REMOVE THE PERSON FROM THE BOARD[, WITHDRAW THE
22 APPOINTMENT OR]. A MEMBER REMOVED UNDER THIS PARAGRAPH SHALL
23 BE PROHIBITED FROM FUTURE APPOINTMENT TO THE BOARD AND SHALL
24 BE PROHIBITED FROM APPLYING FOR A LICENSE, PERMIT OR OTHER
25 AUTHORIZATION AND FROM BECOMING AN INDEPENDENT CONTRACTOR OF
26 THE BOARD, OR REGISTERING AS A LICENSED ENTITY REPRESENTATIVE
27 FOR A PERIOD OF FIVE YEARS FROM THE DATE OF REMOVAL FROM THE
28 BOARD. IF AN EMPLOYEE OR INDEPENDENT CONTRACTOR OF THE BOARD
29 VIOLATES ANY PROVISION OF THIS SECTION, THE BOARD MAY, UPON
30 NOTICE AND HEARING, TERMINATE THE EMPLOYMENT OR CONTRACT, AND

1 THE PERSON SHALL BE INELIGIBLE FOR FUTURE [APPOINTMENT,]
2 EMPLOYMENT OR [CONTRACT] CONTRACTING WITH THE BOARD AND [FOR
3 APPROVAL OF A LICENSE OR PERMIT UNDER THIS PART FOR A PERIOD
4 OF TWO YEARS THEREAFTER] SHALL BE PROHIBITED FROM APPLYING
5 FOR A LICENSE, PERMIT OR OTHER AUTHORIZATION AND FROM
6 BECOMING AN INDEPENDENT CONTRACTOR OR REGISTERING AS A
7 LICENSED ENTITY REPRESENTATIVE FOR A PERIOD OF FIVE YEARS
8 FROM THE DATE OF TERMINATION OF THE EMPLOYMENT OR CONTRACT.

9 * * *

10 (H.4) RESTRICTIONS ON APPOINTMENT OF LEGISLATORS.--NO MEMBER
11 OF THE SENATE OR HOUSE OF REPRESENTATIVES SHALL BE ELIGIBLE FOR
12 APPOINTMENT AS A MEMBER OF THE BOARD DURING THE TERM OF OFFICE
13 FOR WHICH THE PERSON WAS ELECTED AND FOR A PERIOD OF 12 MONTHS
14 THEREAFTER.

15 (I) COMPENSATION.--

16 (1) [THE EXECUTIVE BOARD AS ESTABLISHED IN THE ACT OF
17 APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE
18 CODE OF 1929, SHALL ESTABLISH THE COMPENSATION OF THE
19 MEMBERS.]

20 (I) MEMBERS, INCLUDING MEMBERS SERVING ON THE
21 EFFECTIVE DATE OF THIS SUBPARAGRAPH, SHALL RECEIVE AN
22 ANNUAL SALARY OF \$68,284, EXCEPT THE CHAIRMAN, WHO SHALL
23 RECEIVE AN ANNUAL SALARY OF \$71,084.

24 (II) MEMBERS SHALL BE ELIGIBLE TO RECEIVE A COST-OF-
25 LIVING ADJUSTMENT CONSISTENT WITH THE PROVISIONS OF
26 SECTION 3(E) OF THE ACT OF SEPTEMBER 30, 1983 (P.L.160,
27 NO.39), KNOWN AS THE PUBLIC OFFICIAL COMPENSATION LAW.

28 * * *

29 (K) APPOINTMENTS.--[THE APPOINTING AUTHORITIES] FOLLOWING
30 THE INITIAL APPOINTMENT OF MEMBERS UNDER SUBSECTION (B), THE

1 APPOINTING AUTHORITY SHALL MAKE [THEIR INITIAL] APPOINTMENTS
2 WITHIN 60 DAYS OF [THE EFFECTIVE DATE OF THIS PART] A VACANCY IN
3 AN OFFICE. NO APPOINTMENT SHALL BE FINAL UNTIL RECEIPT BY THE
4 APPOINTING AUTHORITY OF THE REQUIRED BACKGROUND INVESTIGATION OF
5 THE APPOINTEE BY THE PENNSYLVANIA STATE POLICE WHICH SHALL BE
6 COMPLETED WITHIN 30 DAYS. NO PERSON WHO HAS BEEN CONVICTED IN
7 ANY DOMESTIC OR FOREIGN JURISDICTION OF A FELONY, INFAMOUS CRIME
8 OR GAMING OFFENSE SHALL BE APPOINTED TO THE BOARD.

9 * * *

10 (M.1) BUDGETARY IMPASSE.--IF, IN THE EVENT OF A BUDGETARY OR
11 OTHER FISCAL CRISIS, THE GOVERNOR ORDERS THE FURLOUGH OF
12 COMMONWEALTH EMPLOYEES OR THE CLOSING OF ANY COMMONWEALTH
13 AGENCY, THE BOARD AND ITS EMPLOYEES AND ALL EMPLOYEES OF THE
14 DEPARTMENT OF REVENUE, THE PENNSYLVANIA STATE POLICE AND THE
15 OFFICE OF ATTORNEY GENERAL WHOSE DUTIES INVOLVE THE REGULATION
16 AND OVERSIGHT OF GAMING UNDER THIS PART SHALL NOT BE SUBJECT TO
17 FURLOUGH BUT SHALL CONTINUE TO PERFORM THEIR DUTIES OF
18 EMPLOYMENT.

19 * * *

20 SECTION 3.1. SECTION 1201.1(A)(1) OF TITLE 4 IS AMENDED TO
21 READ:

22 § 1201.1. APPLICABILITY OF OTHER STATUTES.

23 (A) GENERAL RULE.--THE FOLLOWING ACTS SHALL APPLY TO THE
24 BOARD:

25 (1) THE ACT OF [JUNE 21, 1957 (P.L.390, NO.212),
26 REFERRED TO] FEBRUARY 14, 2008 (P.L.6, NO.3), KNOWN AS THE
27 RIGHT-TO-KNOW LAW.

28 * * *

29 SECTION 4. SECTION 1202(A)(1) AND (2) AND (B)(7), (20), (23)
30 AND (30) OF TITLE 4 ARE AMENDED AND SUBSECTION (B) IS AMENDED BY



1 ADDING PARAGRAPHS TO READ:

2 § 1202. GENERAL AND SPECIFIC POWERS.

3 (A) GENERAL POWERS.--

4 (1) THE BOARD SHALL HAVE GENERAL AND SOLE REGULATORY
5 AUTHORITY OVER THE CONDUCT OF GAMING OR RELATED ACTIVITIES AS
6 DESCRIBED IN THIS PART. THE BOARD SHALL ENSURE THE INTEGRITY
7 OF THE ACQUISITION AND OPERATION OF SLOT MACHINES, TABLE
8 GAMES, TABLE GAME DEVICES AND ASSOCIATED EQUIPMENT AND SHALL
9 HAVE SOLE REGULATORY AUTHORITY OVER EVERY ASPECT OF THE
10 AUTHORIZATION AND OPERATION OF SLOT MACHINES AND TABLE GAMES.

11 (2) THE BOARD SHALL EMPLOY INDIVIDUALS AS NECESSARY TO 
12 CARRY OUT THE POWERS AND DUTIES OF THE BOARD, WHO SHALL SERVE
13 AT THE BOARD'S PLEASURE. AN EMPLOYEE OF THE BOARD SHALL BE
14 CONSIDERED A STATE EMPLOYEE FOR PURPOSES OF 71 PA.C.S. PT.
15 XXV (RELATING TO RETIREMENT FOR STATE EMPLOYEES AND
16 OFFICERS). FOR THE PURPOSES OF THIS PARAGRAPH, THE BOARD
17 SHALL NOT BE CONSIDERED AN EXECUTIVE OR INDEPENDENT AGENCY
18 UNDER THE ACT OF OCTOBER 15, 1980 (P.L.950, NO.164), KNOWN AS
19 THE COMMONWEALTH ATTORNEYS ACT. THE BOARD SHALL NOT TAKE
20 FINAL ACTION IN FILLING THE POSITIONS OF EXECUTIVE DIRECTOR
21 OF THE BOARD, DIRECTOR OF THE BUREAU, CHIEF COUNSEL OF THE
22 BOARD OR DIRECTOR OF THE OFFICE OF ENFORCEMENT COUNSEL UNTIL
23 RECEIPT AND REVIEW OF THE RESULTS OF THE BACKGROUND
24 INVESTIGATION UNDER SECTION 1517(C)(1.1) (RELATING TO
25 INVESTIGATIONS AND ENFORCEMENT).

26 * * *

27 (B) SPECIFIC POWERS.--THE BOARD SHALL HAVE THE SPECIFIC
28 POWER AND DUTY:

29 * * *

30 (7) TO ADMINISTER OATHS, EXAMINE WITNESSES AND ISSUE

1 SUBPOENAS COMPELLING THE ATTENDANCE OF WITNESSES OR THE
2 PRODUCTION OF DOCUMENTS AND RECORDS OR OTHER EVIDENCE[. THE
3 PROVISIONS OF THIS PARAGRAPH SHALL APPLY TO DESIGNATED
4 OFFICERS AND EMPLOYEES.] , OR TO DESIGNATE OFFICERS OR
5 EMPLOYEES TO PERFORM THESE DUTIES.

6 * * *

7 (12.1) TO ISSUE, APPROVE, AUTHORIZE, RENEW, REVOKE,
8 SUSPEND, CONDITION OR DENY ISSUANCE OR RENEWAL OF A TABLE
9 GAME OPERATION CERTIFICATE TO A SLOT MACHINE LICENSEE IN
10 ACCORDANCE WITH CHAPTER 13A (RELATING TO TABLE GAMES).

11 * * *

12 (20) IN ADDITION TO THE POWER OF THE BOARD REGARDING
13 LICENSE AND PERMIT APPLICANTS, TO DETERMINE AT ITS DISCRETION
14 THE SUITABILITY OF ANY PERSON WHO FURNISHES OR SEEKS TO
15 FURNISH TO A SLOT MACHINE LICENSEE DIRECTLY OR INDIRECTLY ANY
16 GOODS, SERVICES OR PROPERTY RELATED TO SLOT MACHINES, TABLE
17 GAMES OR ASSOCIATED EQUIPMENT OR THROUGH ANY ARRANGEMENTS
18 UNDER WHICH THAT PERSON RECEIVES PAYMENT BASED DIRECTLY OR
19 INDIRECTLY ON EARNINGS, PROFITS OR RECEIPTS FROM THE SLOT
20 MACHINES, TABLE GAMES AND ASSOCIATED EQUIPMENT. THE BOARD MAY
21 REQUIRE ANY SUCH PERSON TO COMPLY WITH THE REQUIREMENTS OF
22 THIS PART AND THE REGULATIONS OF THE BOARD AND MAY PROHIBIT
23 THE PERSON FROM FURNISHING THE SERVICES OR PROPERTY.

24 * * *

25 (23) THE BOARD SHALL NOT APPROVE, ISSUE OR RENEW A
26 LICENSE, CERTIFICATE OR PERMIT UNLESS IT IS SATISFIED THAT
27 THE APPLICANT HAS DEMONSTRATED BY CLEAR AND CONVINCING
28 EVIDENCE THAT THE APPLICANT IS A PERSON OF GOOD CHARACTER,
29 HONESTY AND INTEGRITY AND IS A PERSON WHOSE PRIOR ACTIVITIES,
30 CRIMINAL RECORD, IF ANY, REPUTATION, HABITS AND ASSOCIATIONS

1 DO NOT POSE A THREAT TO THE PUBLIC INTEREST OR THE EFFECTIVE
2 REGULATION AND CONTROL OF SLOT MACHINE OR TABLE GAME
3 OPERATIONS OR CREATE OR ENHANCE THE DANGER OF UNSUITABLE,
4 UNFAIR OR ILLEGAL PRACTICES, METHODS AND ACTIVITIES IN THE
5 CONDUCT OF SLOT MACHINE OR TABLE GAME OPERATIONS OR THE
6 CARRYING ON OF THE BUSINESS AND FINANCIAL ARRANGEMENTS
7 INCIDENTAL THERETO.

8 * * *

9 (27.1) TO PUBLISH EACH JANUARY IN THE PENNSYLVANIA
10 BULLETIN AND ON THE PENNSYLVANIA GAMING CONTROL BOARD'S
11 INTERNET WEBSITE A COMPLETE LIST OF ALL SLOT MACHINE
12 LICENSEES WHO FILED A PETITION SEEKING AUTHORIZATION TO
13 CONDUCT TABLE GAMES AND THE STATUS OF EACH PETITION OR TABLE
14 GAME OPERATION CERTIFICATE.

15 * * *

16 (30) TO PROMULGATE RULES AND REGULATIONS NECESSARY FOR
17 THE ADMINISTRATION AND ENFORCEMENT OF THIS PART, INCLUDING
18 REGULATIONS IN COOPERATION WITH THE PENNSYLVANIA LIQUOR
19 CONTROL BOARD AND REGULATIONS RELATING TO THE SALE AND
20 SERVICE OF LIQUOR AND MALT AND BREWED BEVERAGES BY LICENSEES.
21 [EXCEPT AS PROVIDED IN SECTION 1203 (RELATING TO TEMPORARY
22 REGULATIONS), REGULATIONS] REGULATIONS SHALL BE ADOPTED
23 PURSUANT TO THE ACT OF JULY 31, 1968 (P.L.769, NO.240),
24 REFERRED TO AS THE COMMONWEALTH DOCUMENTS LAW, AND THE ACT OF
25 JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS THE REGULATORY
26 REVIEW ACT.

27 (31) TO COLLECT AND POST INFORMATION ON ITS INTERNET
28 WEBSITE WITH SUFFICIENT DETAIL TO INFORM THE PUBLIC OF THE
29 CONTROLLING INTEREST OR OWNERSHIP INTEREST OF AN APPLICANT
30 FOR A SLOT MACHINE LICENSE OR A LICENSED GAMING ENTITY OR

1 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY

2 THEREOF. THE POSTING SHALL INCLUDE:

3 (I) THE NAMES OF ALL PERSONS WITH A CONTROLLING
4 INTEREST IN A PUBLICLY TRADED DOMESTIC OR FOREIGN
5 CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR
6 OTHER LEGAL ENTITY.

7 (II) THE NAMES OF ALL PERSONS WITH AN OWNERSHIP
8 INTEREST EQUAL TO OR GREATER THAN 1% OF A PRIVATELY HELD
9 DOMESTIC OR FOREIGN CORPORATION, PARTNERSHIP, LIMITED
10 LIABILITY COMPANY OR OTHER LEGAL ENTITY.

11 (III) THE NAME OF A TRUSTEE ENTITLED TO CAST THE
12 VOTE OF A PERSON UNDER SUBPARAGRAPH (I) OR (II).

13 (IV) THE NAMES OF ALL OFFICERS, DIRECTORS,
14 PRINCIPALS AND KEY EMPLOYEES OF A LICENSED GAMING ENTITY.

15 (32) TO APPOINT A TRUSTEE AS PRESCRIBED IN SECTION 1332
16 (RELATING TO APPOINTMENT OF TRUSTEE) TO ACT ON BEHALF OF THE
17 COMMONWEALTH AND THE BOARD TO OPERATE A LICENSED FACILITY AND
18 ENSURE COMPLIANCE WITH THIS PART.

19 (33) TO DEVELOP REGULATIONS, IN CONSULTATION AND
20 COLLABORATION WITH THE STATE ETHICS COMMISSION AND THE
21 ADMINISTRATIVE OFFICE OF THE PENNSYLVANIA COURTS, TO GOVERN
22 THE POSTEMPLOYMENT LIMITATIONS AND RESTRICTIONS OF EMPLOYEES
23 OF THE BOARD WHO ARE MEMBERS OF THE PENNSYLVANIA BAR AND
24 WHOSE DUTIES WITH THE BOARD SUBSTANTIALLY INVOLVE THE
25 PRACTICE OF LAW.

26 (34) TO REVIEW DETAILED SITE PLANS IDENTIFYING A
27 PETITIONER'S PROPOSED TABLE GAME AREA WITHIN A LICENSED
28 FACILITY OR ANY PROPOSED TEMPORARY FACILITY TO DETERMINE THE
29 ADEQUACY OF THE PROPOSED INTERNAL AND EXTERNAL SECURITY AND
30 PROPOSED SURVEILLANCE MEASURES.

1 SECTION 5. SECTION 1202.1 OF TITLE 4 IS AMENDED TO READ:

2 § 1202.1. CODE OF CONDUCT.

3 (A) SCOPE.--THE BOARD SHALL ADOPT A COMPREHENSIVE CODE OF
4 CONDUCT PRIOR TO THE CONSIDERATION OF ANY LICENSE, PERMIT OR
5 REGISTRATION APPLICATION. THE CODE OF CONDUCT SHALL SUPPLEMENT
6 ALL OTHER REQUIREMENTS UNDER THIS PART AND 65 PA.C.S. PT. II
7 (RELATING TO ACCOUNTABILITY) AND SHALL PROVIDE GUIDELINES
8 APPLICABLE TO MEMBERS, EMPLOYEES, INDEPENDENT CONTRACTORS OF THE
9 BOARD AND THE IMMEDIATE [FAMILIES] FAMILY MEMBERS OF THE
10 MEMBERS, EMPLOYEES AND INDEPENDENT CONTRACTORS OF THE BOARD TO
11 ENABLE THEM TO AVOID ANY PERCEIVED OR ACTUAL CONFLICT OF
12 INTEREST AND TO PROMOTE PUBLIC CONFIDENCE IN THE INTEGRITY AND
13 IMPARTIALITY OF THE BOARD. AT A MINIMUM, THE CODE OF CONDUCT
14 ADOPTED UNDER THIS SECTION SHALL INCLUDE REGISTRATION OF
15 LICENSED ENTITY REPRESENTATIVES UNDER SUBSECTION (B) AND THE
16 RESTRICTIONS UNDER [SUBSECTION (C)] SUBSECTIONS (C) AND (C.1).

17 (B) REGISTRATION.--

18 (1) A LICENSED ENTITY REPRESENTATIVE SHALL REGISTER WITH
19 THE BOARD IN A MANNER PRESCRIBED BY THE BOARD, WHICH SHALL
20 INCLUDE THE NAME, EMPLOYER OR FIRM, BUSINESS ADDRESS[,] AND
21 BUSINESS TELEPHONE NUMBER OF BOTH THE LICENSED ENTITY
22 REPRESENTATIVE AND [THE] ANY LICENSED ENTITY OR APPLICANT FOR
23 LICENSED ENTITY LICENSURE BEING REPRESENTED.

24 (2) A LICENSED ENTITY REPRESENTATIVE SHALL HAVE AN
25 [ONGOING] AFFIRMATIVE DUTY TO UPDATE ITS REGISTRATION
26 INFORMATION ON AN ONGOING BASIS AND FAILURE TO DO SO SHALL BE
27 PUNISHABLE BY THE BOARD.

28 (3) THE [REGISTRATION LIST] BOARD SHALL MAINTAIN A
29 REGISTRATION LIST WHICH SHALL CONTAIN THE INFORMATION
30 REQUIRED UNDER PARAGRAPH (1) AND WHICH SHALL BE AVAILABLE FOR

1 PUBLIC INSPECTION AT THE OFFICES OF THE BOARD AND ON THE
2 BOARD'S INTERNET WEBSITE.

3 (C) RESTRICTIONS.--A MEMBER OF THE BOARD SHALL:

4 (1) NOT ENGAGE IN ANY EX PARTE COMMUNICATION WITH ANY
5 PERSON.

6 (2) NOT ACCEPT ANY DISCOUNT, GIFT, GRATUITY,
7 COMPENSATION, TRAVEL, LODGING OR OTHER THING OF VALUE,
8 DIRECTLY OR INDIRECTLY, FROM ANY APPLICANT, [LICENSEE,]
9 LICENSED ENTITY, INCLUDING ANY AFFILIATE, SUBSIDIARY,
10 INTERMEDIARY OR HOLDING COMPANY THEREOF, PERMITTEE[,
11 REGISTRANT] OR LICENSED ENTITY REPRESENTATIVE THEREOF.

12 (3) DISCLOSE AND [DISQUALIFY] RECUSE HIMSELF FROM ANY
13 HEARING OR OTHER PROCEEDING IN WHICH THE MEMBER'S
14 OBJECTIVITY, IMPARTIALITY, INTEGRITY OR INDEPENDENCE OF
15 JUDGMENT MAY BE REASONABLY QUESTIONED DUE TO THE MEMBER'S
16 RELATIONSHIP OR ASSOCIATION WITH A PARTY CONNECTED TO ANY
17 HEARING OR PROCEEDING OR A PERSON APPEARING BEFORE THE BOARD.

18 (4) REFRAIN FROM ANY FINANCIAL OR BUSINESS DEALING WHICH
19 WOULD TEND TO REFLECT ADVERSELY ON THE MEMBER'S OBJECTIVITY,
20 IMPARTIALITY OR INDEPENDENCE OF JUDGMENT.

21 (5) NOT HOLD OR CAMPAIGN FOR PUBLIC OFFICE, HOLD AN
22 OFFICE IN ANY POLITICAL PARTY OR POLITICAL COMMITTEE AS
23 DEFINED IN SECTION 1513(D) (RELATING TO POLITICAL INFLUENCE),
24 CONTRIBUTE TO OR SOLICIT CONTRIBUTIONS TO A POLITICAL
25 CAMPAIGN, [PARTY,] POLITICAL PARTY, POLITICAL COMMITTEE OR
26 CANDIDATE, PUBLICLY ENDORSE A CANDIDATE OR ACTIVELY
27 PARTICIPATE IN A POLITICAL CAMPAIGN.

28 (6) NOT SOLICIT FUNDS FOR ANY CHARITABLE, EDUCATIONAL,
29 RELIGIOUS, HEALTH, FRATERNAL, CIVIC OR OTHER NONPROFIT ENTITY
30 FROM AN APPLICANT, LICENSED ENTITY OR AFFILIATE, SUBSIDIARY,

1 INTERMEDIARY OR HOLDING COMPANY OF A LICENSED ENTITY,
2 INTERESTED PARTY, PERMITTEE OR LICENSED ENTITY
3 REPRESENTATIVE. A BOARD MEMBER MAY SERVE AS AN OFFICER,
4 EMPLOYEE OR MEMBER OF THE GOVERNING BODY OF A NONPROFIT
5 ENTITY AND MAY ATTEND, MAKE PERSONAL CONTRIBUTIONS TO AND
6 PLAN OR PRESIDE OVER THE ENTITY'S FUNDRAISING EVENTS. A BOARD
7 MEMBER MAY PERMIT HIS NAME TO APPEAR ON THE LETTERHEAD USED
8 FOR FUNDRAISING EVENTS IF THE LETTERHEAD CONTAINS ONLY THE
9 BOARD MEMBER'S NAME AND POSITION WITH THE NONPROFIT ENTITY.

10 (7) NOT MEET OR ENGAGE IN DISCUSSIONS WITH ANY
11 APPLICANT, [PERSON LICENSED UNDER THIS PART] LICENSED ENTITY,
12 PERMITTEE, [OR A] LICENSED ENTITY REPRESENTATIVE, PERSON WHO
13 PROVIDES GOODS, PROPERTY OR SERVICES TO A SLOT MACHINE
14 LICENSEE OR ANY OTHER PERSON OR ENTITY UNDER THE JURISDICTION
15 OF THE BOARD UNLESS THE MEETING OR DISCUSSION OCCURS ON THE
16 BUSINESS PREMISES OF THE BOARD AND IS RECORDED IN A LOG
17 MAINTAINED FOR THIS PURPOSE. THE LOG SHALL BE AVAILABLE FOR
18 PUBLIC INSPECTION DURING THE REGULAR BUSINESS HOURS OF THE
19 BOARD AND SHALL BE POSTED ON THE BOARD'S INTERNET WEBSITE.
20 THE LOG SHALL INCLUDE THE DATE AND TIME OF THE MEETING OR
21 DISCUSSION, THE NAMES OF THE PARTICIPANTS AND A DESCRIPTION
22 OF THE SUBJECT MATTER DISCUSSED. THE PROVISIONS OF THIS
23 PARAGRAPH SHALL NOT APPLY TO MEETINGS [OF THE BOARD] TO
24 CONSIDER MATTERS REQUIRING THE PHYSICAL INSPECTION OF THE
25 EQUIPMENT OR PREMISES OF AN APPLICANT OR A LICENSED ENTITY AT
26 [THEIR] THE LOCATION OF THE LICENSED FACILITY.

27 (8) AVOID IMPROPRIETY AND THE APPEARANCE OF IMPROPRIETY
28 AT ALL TIMES AND OBSERVE STANDARDS AND CONDUCT THAT PROMOTE
29 PUBLIC CONFIDENCE IN THE OVERSIGHT OF GAMING.

30 (9) COMPLY WITH ANY OTHER LAWS, RULES OR REGULATIONS

1 RELATING TO THE CONDUCT OF A MEMBER.

2 (C.1) PROHIBITIONS.--

3 (1) NO MEMBER OR ATTORNEY OF THE OFFICE OF CHIEF COUNSEL
4 ADVISING THE BOARD ON A PARTICULAR LICENSING ISSUE OR
5 PROCEEDING OR EMPLOYEE WHOSE DUTIES RELATE TO LICENSING AND
6 WHO IS ADVISING THE BOARD ON A PARTICULAR LICENSING ISSUE OR
7 PROCEEDING SHALL ENGAGE IN ANY EX PARTE COMMUNICATION WITH
8 ANY PERSON.

9 (2) NO ATTORNEY REPRESENTING THE BUREAU OR THE OFFICE OF
10 ENFORCEMENT COUNSEL OR AN APPLICANT, LICENSEE OR PERMITTEE IN
11 ANY PROCEEDING SHALL ENGAGE IN AN EX PARTE COMMUNICATION WITH
12 A MEMBER, AN ATTORNEY OF THE OFFICE OF CHIEF COUNSEL ADVISING
13 THE BOARD ON A PROCEEDING OR A HEARING OFFICER OF THE BOARD.

14 (3) NO EMPLOYEE OF THE BUREAU OR THE OFFICE OF
15 ENFORCEMENT COUNSEL WHO IS INVOLVED IN A PROCEEDING SHALL
16 ENGAGE IN AN EX PARTE COMMUNICATION WITH A MEMBER, AN
17 ATTORNEY OF THE OFFICE OF CHIEF COUNSEL WHO IS ADVISING THE
18 BOARD ON THE PROCEEDING OR A HEARING OFFICER OF THE BOARD.

19 (C.2) PROCEDURES RELATING TO EX PARTE COMMUNICATIONS.--

20 (1) AN EX PARTE COMMUNICATION RECEIVED OR ENGAGED IN BY
21 A BOARD MEMBER, EMPLOYEE OR HEARING OFFICER SHALL BE RECORDED
22 IN A LOG MAINTAINED FOR THIS PURPOSE. THE LOG SHALL BE
23 AVAILABLE FOR PUBLIC INSPECTION DURING THE REGULAR BUSINESS
24 HOURS OF THE BOARD AND SHALL BE POSTED ON THE BOARD'S
25 INTERNET WEBSITE. THE LOG SHALL INCLUDE:

26 (I) THE NAME OF THE INDIVIDUAL DOCUMENTING THE EX
27 PARTE COMMUNICATION.

28 (II) THE DATE AND TIME OF THE EX PARTE
29 COMMUNICATION.

30 (III) THE NAMES OF ALL INDIVIDUALS INVOLVED IN THE

1 EX PARTE COMMUNICATION.

2 (IV) A DESCRIPTION OF THE SUBJECT MATTER DISCUSSED
3 AND A SUMMARY OF THE SUBSTANCE OF THE EX PARTE
4 COMMUNICATION.

5 (2) IN ADDITION TO DOCUMENTING AN EX PARTE COMMUNICATION
6 UNDER PARAGRAPH (1), NOTIFICATION OF THE SUBSTANCE OF THE
7 COMMUNICATION AND AN OPPORTUNITY TO RESPOND SHALL BE PROVIDED
8 TO ALL PERSONS DIRECTLY AFFECTED BY THE ANTICIPATED VOTE OR
9 ACTION OF THE BOARD RELATED TO THE EX PARTE COMMUNICATION.

10 (3) (I) A BOARD MEMBER, EMPLOYEE OR HEARING OFFICER WHO
11 ENGAGED IN OR RECEIVED AN EX PARTE COMMUNICATION SHALL
12 RECUSE HIMSELF FROM ANY HEARING OR OTHER PROCEEDING
13 RELATED TO THE EX PARTE COMMUNICATION IF THE CONTEXT AND
14 SUBSTANCE OF THE EX PARTE COMMUNICATION CREATES
15 SUBSTANTIAL REASONABLE DOUBT AS TO THE INDIVIDUAL'S
16 ABILITY TO ACT OBJECTIVELY, INDEPENDENTLY OR IMPARTIALLY.

17 (II) A BOARD MEMBER, EMPLOYEE OR HEARING OFFICER WHO
18 ENGAGED IN OR RECEIVED AN EX PARTE COMMUNICATION WHO
19 ELECTS NOT TO RECUSE HIMSELF FROM A HEARING OR OTHER
20 PROCEEDING SHALL STATE HIS REASONS FOR NOT RECUSING
21 HIMSELF ON THE RECORD PRIOR TO THE COMMENCEMENT OF THE
22 HEARING OR PROCEEDING.

23 (III) IF A LEGISLATIVE APPOINTEE RECUSES HIMSELF
24 FROM ANY HEARING OR OTHER PROCEEDING UNDER THIS SECTION,
25 ANY QUALIFIED MAJORITY VOTE REQUIRED UNDER THIS PART
26 SHALL CONSIST OF ALL OF THE REMAINING LEGISLATIVE
27 APPOINTEES AND AT LEAST TWO GUBERNATORIAL APPOINTEES.

28 (IV) FAILURE OF A HEARING OFFICER OR EMPLOYEE WHO
29 ENGAGED IN OR RECEIVED AN EX PARTE COMMUNICATION TO
30 RECUSE HIMSELF WHEN REQUIRED UNDER SUBPARAGRAPH (I) FROM

1 A HEARING OR OTHER PROCEEDING SHALL BE GROUNDS FOR APPEAL
2 TO THE BOARD.

3 (V) FAILURE OF A BOARD MEMBER WHO ENGAGED IN OR
4 RECEIVED AN EX PARTE COMMUNICATION TO RECUSE HIMSELF FROM
5 A HEARING OR OTHER PROCEEDING WHEN REQUIRED UNDER
6 SUBPARAGRAPH (I) SHALL BE GROUNDS FOR APPEAL TO A COURT
7 OF COMPETENT JURISDICTION IF THE BOARD ACTION BEING
8 APPEALED COULD NOT HAVE OCCURRED WITHOUT THE
9 PARTICIPATION OF THE BOARD MEMBER.

10 (D) EX OFFICIO MEMBERS.--THE RESTRICTIONS UNDER SUBSECTION
11 (C) (5) SHALL NOT APPLY TO EX OFFICIO MEMBERS.

12 (E) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
13 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
14 SUBSECTION:

15 "EX PARTE COMMUNICATION." AN OFF-THE-RECORD COMMUNICATION
16 ENGAGED IN OR RECEIVED BY A MEMBER [OR], EMPLOYEE OR HEARING
17 OFFICER OF THE BOARD REGARDING THE MERITS OF OR ANY FACT IN
18 ISSUE RELATING TO A PENDING MATTER BEFORE THE BOARD OR WHICH MAY
19 REASONABLY BE EXPECTED TO COME BEFORE THE BOARD IN A CONTESTED
20 ON-THE-RECORD PROCEEDING. THE TERM SHALL NOT INCLUDE OFF-THE-
21 RECORD COMMUNICATIONS BY OR BETWEEN A MEMBER [OR], EMPLOYEE OR
22 HEARING OFFICER OF THE BOARD, DEPARTMENT OF REVENUE,
23 PENNSYLVANIA STATE POLICE, ATTORNEY GENERAL OR OTHER LAW
24 ENFORCEMENT OFFICIAL PRIOR TO THE BEGINNING OF THE PROCEEDING
25 SOLELY FOR THE PURPOSE OF SEEKING CLARIFICATION OR CORRECTION TO
26 EVIDENTIARY MATERIALS INTENDED FOR USE IN THE PROCEEDINGS.

27 "IMMEDIATE FAMILY." THE SPOUSE, PARENTS, CHILDREN AND
28 SIBLINGS.

29 ["LICENSED ENTITY REPRESENTATIVE." A PERSON ACTING ON BEHALF
30 OF OR REPRESENTING THE INTEREST OF ANY APPLICANT, LICENSEE,

1 PERMITTEE OR REGISTRANT, INCLUDING AN ATTORNEY, AGENT OR
2 LOBBYIST, REGARDING ANY MATTER WHICH MAY REASONABLY BE EXPECTED
3 TO COME BEFORE THE BOARD.]

4 SECTION 6. TITLE 4 IS AMENDED BY ADDING A SECTION TO READ:

5 § 1202.2. EXPENSES OF REGULATORY AGENCIES.

6 MEMBERS AND EMPLOYEES OF THE BOARD AND EMPLOYEES OF THE
7 DEPARTMENT, THE ATTORNEY GENERAL AND THE PENNSYLVANIA STATE
8 POLICE WHOSE DUTIES SUBSTANTIALLY INVOLVE THE REGULATION OF
9 GAMING OR ENFORCEMENT UNDER THIS PART AND EMPLOYEES OF THE
10 AUDITOR GENERAL WHOSE DUTIES INVOLVE FINANCIAL AUDIT ACTIVITIES
11 OF THE BOARD SHALL ONLY BE REIMBURSED FOR ACTUAL AND REASONABLE
12 EXPENSES INCURRED DURING THE PERFORMANCE OF THEIR DUTIES UNDER
13 THIS PART. IN ORDER TO RECEIVE REIMBURSEMENT FOR AN EXPENSE IN
14 EXCESS OF \$10, THE MEMBER OR EMPLOYEE OF THE BOARD, THE
15 DEPARTMENT, ATTORNEY GENERAL, AUDITOR GENERAL OR PENNSYLVANIA
16 STATE POLICE SHALL SUBMIT A RECEIPT VALIDATING THE EXPENSE
17 INCURRED. REIMBURSEMENTS, ALLOWANCES OR OTHER PAYMENTS IN AN
18 AMOUNT GREATER THAN THE EXPENSES FOR WHICH RECEIPTS ARE
19 SUBMITTED ARE PROHIBITED. RECEIPTS AND REQUESTS FOR ←
20 REIMBURSEMENT SHALL BE FINANCIAL RECORDS FOR PURPOSES OF THE ACT
21 OF FEBRUARY 14, 2008 (P.L.6, NO.3), KNOWN AS THE RIGHT TO KNOW
22 LAW. INFORMATION PROVIDED TO THE BOARD UNDER THIS SUBSECTION MAY ←
23 BE REDACTED BY THE PROVIDER OF THE INFORMATION.

24 SECTION 7. SECTION 1204 OF TITLE 4 IS AMENDED TO READ:

25 § 1204. LICENSED GAMING ENTITY APPLICATION APPEALS FROM BOARD.

26 THE SUPREME COURT OF PENNSYLVANIA SHALL BE VESTED WITH
27 EXCLUSIVE APPELLATE JURISDICTION TO CONSIDER APPEALS OF ANY
28 FINAL ORDER, DETERMINATION OR DECISION OF THE BOARD INVOLVING
29 THE APPROVAL, ISSUANCE, DENIAL OR CONDITIONING OF A SLOT MACHINE
30 LICENSE OR TABLE GAME OPERATION CERTIFICATE. NOTWITHSTANDING THE

1 PROVISIONS OF 2 PA.C.S. CH. 7 SUBCH. A (RELATING TO JUDICIAL
2 REVIEW OF COMMONWEALTH AGENCY ACTION) AND 42 PA.C.S. § 763
3 (RELATING TO DIRECT APPEALS FROM GOVERNMENT AGENCIES), THE
4 SUPREME COURT SHALL AFFIRM ALL FINAL ORDERS, DETERMINATIONS OR
5 DECISIONS OF THE BOARD INVOLVING THE APPROVAL, ISSUANCE, DENIAL
6 OR CONDITIONING OF A SLOT MACHINE LICENSE OR TABLE GAME
7 OPERATION CERTIFICATE UNLESS IT SHALL FIND THAT THE BOARD
8 COMMITTED AN ERROR OF LAW OR THAT THE ORDER, DETERMINATION OR
9 DECISION OF THE BOARD WAS ARBITRARY AND THERE WAS A CAPRICIOUS
10 DISREGARD OF THE EVIDENCE.

11 SECTION 7.1. SECTION 1205(B) (1) AND (2) OF TITLE 4 ARE
12 AMENDED AND THE SUBSECTION IS AMENDED BY ADDING A PARAGRAPH TO
13 READ:

14 § 1205. LICENSE OR PERMIT APPLICATION HEARING PROCESS; PUBLIC
15 INPUT HEARINGS.

16 * * *

17 (B) PUBLIC INPUT HEARING REQUIREMENT.--

18 (1) [PRIOR TO LICENSING A FACILITY UNDER THIS PART, THE
19 BOARD SHALL HOLD AT LEAST ONE PUBLIC INPUT HEARING ON THE
20 MATTER.] THE BOARD SHALL HOLD AT LEAST ONE PUBLIC INPUT
21 HEARING PRIOR TO:

22 (I) ISSUING OR RENEWING A SLOT MACHINE LICENSE.

23 (II) APPROVING THE STRUCTURAL REDESIGN OF ANY
24 LICENSED FACILITY, INCLUDING A LICENSED FACILITY LOCATED
25 IN A CITY OF THE FIRST CLASS.

26 (2) ALL PUBLIC INPUT HEARINGS [RELATING TO AN
27 APPLICATION FOR A SLOT MACHINE LICENSE] UNDER PARAGRAPH (1)
28 SHALL BE HELD IN THE MUNICIPALITY WHERE THE LICENSED FACILITY
29 WILL BE, OR IS, LOCATED AND SHALL BE ORGANIZED IN COOPERATION
30 WITH THE MUNICIPALITY.

1 * * *

2 (4) IN ADDITION TO ANY WITNESSES SCHEDULED TO TESTIFY
3 UNDER PARAGRAPH (3), THE BOARD SHALL ESTABLISH A PUBLIC
4 COMMENT PERIOD DURING WHICH TIME MEMBERS OF THE PUBLIC MAY
5 ADDRESS THE BOARD REGARDING THE PROPOSED LICENSE OR
6 STRUCTURAL REDESIGN OF A LICENSED FACILITY UNDER PARAGRAPH
7 (1). THE BOARD, IN ITS DISCRETION, MAY PLACE REASONABLE TIME
8 LIMITS ON AN INDIVIDUAL'S COMMENTS.

9 SECTION 8. SECTION 1206(F) OF TITLE 4 IS AMENDED TO READ:

10 § 1206. BOARD MINUTES AND RECORDS.

11 * * *

12 (F) CONFIDENTIALITY OF INFORMATION.--[ALL]

13 (1) THE FOLLOWING INFORMATION SUBMITTED BY AN APPLICANT
14 OR LICENSEE PURSUANT TO SECTION 1310(A) (RELATING TO SLOT
15 MACHINE LICENSE APPLICATION CHARACTER REQUIREMENTS) OR
16 1308(A.1) (RELATING TO APPLICATIONS FOR LICENSE OR PERMIT) OR
17 OBTAINED BY THE BOARD OR THE BUREAU AS PART OF A BACKGROUND
18 OR OTHER INVESTIGATION FROM ANY SOURCE SHALL BE [CONSIDERED]
19 CONFIDENTIAL[.] AND WITHHELD FROM PUBLIC DISCLOSURE:

20 (I) ALL INFORMATION RELATING TO GOOD CHARACTER,
21 HONESTY AND INTEGRITY, INCLUDING FAMILY, HABITS,
22 REPUTATION, HISTORY OF CRIMINAL ACTIVITY, BUSINESS
23 ACTIVITIES, FINANCIAL AFFAIRS AND BUSINESS, PROFESSIONAL
24 AND PERSONAL ASSOCIATIONS SUBMITTED UNDER SECTION 1310(A)
25 OR 1308(A.1) OR OTHERWISE OBTAINED BY THE BOARD OR THE
26 BUREAU.

27 (II) NONPUBLIC PERSONAL INFORMATION, INCLUDING
28 TELEPHONE NUMBERS, SOCIAL SECURITY NUMBERS, EDUCATIONAL
29 RECORDS, MEMBERSHIPS, MEDICAL RECORDS, TAX RETURNS AND
30 DECLARATIONS, ACTUAL OR PROPOSED COMPENSATION, FINANCIAL

1 ACCOUNT RECORDS, CREDITWORTHINESS OR A FINANCIAL
2 CONDITION RELATING TO AN APPLICANT, LICENSEE OR PERMITTEE
3 OR THE IMMEDIATE FAMILY THEREOF.

4 (III) DOCUMENTS AND INFORMATION RELATING TO
5 PROPRIETARY INFORMATION, TRADE SECRETS, PATENTS OR
6 EXCLUSIVE LICENSES, ARCHITECTURAL AND ENGINEERING PLANS
7 AND INFORMATION RELATING TO COMPETITIVE MARKETING
8 MATERIALS AND STRATEGIES, WHICH MAY INCLUDE CUSTOMER-
9 IDENTIFYING INFORMATION OR CUSTOMER PROSPECTS FOR
10 SERVICES SUBJECT TO COMPETITION.

11 (IV) SECURITY INFORMATION, INCLUDING RISK PREVENTION
12 PLANS, DETECTION AND COUNTERMEASURES, LOCATION OF COUNT
13 ROOMS, EMERGENCY MANAGEMENT PLANS, SECURITY AND
14 SURVEILLANCE PLANS, EQUIPMENT AND USAGE PROTOCOLS AND
15 THEFT AND FRAUD PREVENTION PLANS AND COUNTERMEASURES.

16 (V) INFORMATION WITH RESPECT TO WHICH THERE IS A
17 REASONABLE POSSIBILITY THAT PUBLIC RELEASE OR INSPECTION
18 OF THE INFORMATION WOULD CONSTITUTE AN UNWARRANTED
19 INVASION INTO PERSONAL PRIVACY OF ANY INDIVIDUAL AS
20 DETERMINED BY THE BOARD.

21 (VI) RECORDS OF AN APPLICANT OR LICENSEE NOT
22 REQUIRED TO BE FILED WITH THE SECURITIES AND EXCHANGE
23 COMMISSION BY ISSUERS THAT EITHER HAVE SECURITIES
24 REGISTERED UNDER SECTION 12 OF THE SECURITIES EXCHANGE
25 ACT OF 1934 (48 STAT. 881, 15 U.S.C. § 78A ET SEQ.) OR
26 ARE REQUIRED TO FILE REPORTS UNDER SECTION 15(D) OF THE
27 SECURITIES EXCHANGE ACT OF 1934.

28 (VII) RECORDS CONSIDERED NONPUBLIC MATTERS OR
29 INFORMATION BY THE SECURITIES AND EXCHANGE COMMISSION AS
30 PROVIDED BY 17 CFR 200.80 (RELATING TO COMMISSION RECORDS

1 AND INFORMATION).

2 (VIII) ANY FINANCIAL INFORMATION DEEMED CONFIDENTIAL
3 BY THE BOARD UPON A SHOWING OF GOOD CAUSE BY THE
4 APPLICANT OR LICENSEE.

5 (2) NO CLAIM OF CONFIDENTIALITY SHALL BE MADE REGARDING
6 ANY INFORMATION FROM A CRIMINAL HISTORY RECORD CHECK THAT IS
7 AVAILABLE TO THE PUBLIC UNDER 18 PA.C.S. § 9121(B) (RELATING
8 TO NONCRIMINAL JUSTICE AGENCIES AND INDIVIDUALS).

9 (3) THIS SUBSECTION SHALL NOT APPLY TO ANY INFORMATION
10 IN POSSESSION OF THE BOARD THAT IS OTHERWISE PUBLICLY
11 AVAILABLE FROM ANOTHER PUBLIC AGENCY IN THIS COMMONWEALTH OR
12 ANOTHER JURISDICTION.

13 (4) EXCEPT AS PROVIDED IN SECTION 1517(F) (RELATING TO
14 [INVESTIGATION] INVESTIGATIONS AND ENFORCEMENT), THE
15 INFORMATION MADE CONFIDENTIAL PURSUANT TO THIS SECTION SHALL
16 BE WITHHELD FROM PUBLIC DISCLOSURE IN WHOLE OR IN PART,
17 EXCEPT THAT ANY CONFIDENTIAL INFORMATION SHALL BE RELEASED
18 UPON THE LAWFUL ORDER OF A COURT OF COMPETENT JURISDICTION
19 OR, WITH THE APPROVAL OF THE ATTORNEY GENERAL, TO A DULY
20 AUTHORIZED LAW ENFORCEMENT AGENCY OR SHALL BE RELEASED TO THE
21 PUBLIC, IN WHOLE OR IN PART, TO THE EXTENT THAT SUCH RELEASE
22 IS REQUESTED BY AN APPLICANT AND DOES NOT OTHERWISE CONTAIN
23 CONFIDENTIAL INFORMATION ABOUT ANOTHER PERSON.

24 (5) THE BOARD MAY SEEK A VOLUNTARY WAIVER OF
25 CONFIDENTIALITY FROM AN APPLICANT OR LICENSED ENTITY BUT MAY
26 NOT REQUIRE ANY APPLICANT OR LICENSED ENTITY TO WAIVE ANY
27 CONFIDENTIALITY PROVIDED FOR IN THIS SUBSECTION AS A
28 CONDITION FOR THE APPROVAL OF A LICENSE OR ANY OTHER ACTION
29 OF THE BOARD. ANY [PERSON WHO VIOLATES THIS SUBSECTION]
30 CURRENT OR FORMER BOARD MEMBER, EMPLOYEE OR INDEPENDENT

1 CONTRACTOR OF THE BOARD AND ANY CURRENT OR FORMER MEMBER OR
2 EMPLOYEE OF THE PENNSYLVANIA STATE POLICE, OFFICE OF ATTORNEY
3 GENERAL, OFFICE OF THE AUDITOR GENERAL OR DEPARTMENT WHO
4 PUBLICLY DISCLOSES CONFIDENTIAL INFORMATION IN VIOLATION OF
5 THIS SUBSECTION SHALL BE ADMINISTRATIVELY DISCIPLINED BY
6 DISCHARGE, SUSPENSION, TERMINATION OF CONTRACT OR OTHER
7 FORMAL DISCIPLINARY ACTION AS [THE BOARD DEEMS] APPROPRIATE.

8 * * *

9 SECTION 8.1. SECTION 1207(4), (8) AND (14) OF TITLE 4 ARE
10 AMENDED AND THE SECTION IS AMENDED BY ADDING A PARAGRAPH TO
11 READ:

12 § 1207. REGULATORY AUTHORITY OF BOARD.

13 THE BOARD SHALL HAVE THE POWER AND ITS DUTIES SHALL BE TO:

14 * * *

15 (4) REQUIRE THAT EACH LICENSED ENTITY PROVIDE TO THE
16 BOARD ITS AUDITED ANNUAL FINANCIAL STATEMENTS, WITH SUCH
17 ADDITIONAL DETAIL AS THE BOARD FROM TIME TO TIME SHALL
18 REQUIRE, WHICH INFORMATION SHALL BE SUBMITTED NOT LATER THAN
19 [60] 90 DAYS AFTER THE END OF THE LICENSEE'S FISCAL YEAR.

20 * * *

21 (7.1) ENFORCE PRESCRIBED HOURS FOR THE OPERATION OF
22 TABLE GAMES SO THAT A CERTIFICATE HOLDER MAY CONDUCT TABLE
23 GAMES ON ANY DAY DURING THE YEAR IN ORDER TO MEET THE NEEDS
24 OF PATRONS OR TO MEET COMPETITION.

25 (8) REQUIRE THAT EACH LICENSED GAMING ENTITY PROHIBIT
26 PERSONS UNDER 21 YEARS OF AGE FROM OPERATING OR USING SLOT
27 MACHINES OR PLAYING TABLE GAMES.

28 * * *

29 (14) CONSULT WITH MEMBERS OF THE PENNSYLVANIA STATE
30 POLICE, THE OFFICE OF ATTORNEY GENERAL, THE DEPARTMENT AND

1 SUCH OTHER PERSONS IT DEEMS NECESSARY FOR ADVICE REGARDING
2 THE VARIOUS ASPECTS OF THE POWERS AND DUTIES IMPOSED ON IT
3 UNDER THIS PART AND ITS JURISDICTION OVER THE AUTHORIZATION
4 AND OPERATION OF SLOT MACHINES, TABLE GAMES AND LICENSED
5 FACILITIES.

6 * * *

7 SECTION 8.2. SECTIONS 1208(1), 1209(B) AND (F) AND 1210 OF
8 TITLE 4 ARE AMENDED TO READ:

9 § 1208. COLLECTION OF FEES AND FINES.

10 THE BOARD HAS THE FOLLOWING POWERS AND DUTIES:

11 (1) TO LEVY AND COLLECT FEES FROM THE VARIOUS
12 APPLICANTS, LICENSEES AND PERMITTEES TO FUND THE OPERATIONS
13 OF THE BOARD. [THE] EXCEPT AS PROVIDED FOR TABLE GAMES, THE
14 FEES SHALL BE DEPOSITED INTO THE STATE GAMING FUND AS
15 ESTABLISHED IN SECTION 1403 (RELATING TO ESTABLISHMENT OF
16 STATE GAMING FUND AND NET SLOT MACHINE REVENUE DISTRIBUTION)
17 AND DISTRIBUTED TO THE BOARD UPON APPROPRIATION BY THE
18 GENERAL ASSEMBLY. IN ADDITION TO THE FEES SET FORTH IN
19 SECTIONS 1209 (RELATING TO SLOT MACHINE LICENSE FEE) AND 1305
20 (RELATING TO CATEGORY 3 SLOT MACHINE LICENSE), THE BOARD
21 SHALL ASSESS AND COLLECT FEES AS FOLLOWS:

22 (I) SUPPLIER LICENSEES SHALL PAY [A]:

23 (A) A FEE OF \$25,000 UPON THE ISSUANCE OF A
24 LICENSE [AND \$10,000 FOR THE ANNUAL RENEWAL OF A
25 SUPPLIER LICENSE.] TO SUPPLY SLOT MACHINES OR
26 ASSOCIATED EQUIPMENT USED IN CONNECTION WITH SLOT
27 MACHINES.

28 (B) A FEE OF \$25,000 UPON THE ISSUANCE OF A
29 LICENSE TO SUPPLY TABLE GAME DEVICES OR ASSOCIATED
30 EQUIPMENT USED IN CONNECTION WITH TABLE GAMES OR

1 TABLE GAME DEVICES.

2 (C) A FEE OF \$15,000 FOR THE ANNUAL RENEWAL OF
3 THE APPROPRIATE SUPPLIER LICENSE. UPON THE EXTENSION
4 OF THE RENEWAL PERIOD UNDER SECTION 1317(C) (1)
5 (RELATING TO SUPPLIER LICENSES), THE FEE SHALL BE
6 \$30,000 FOR THE RENEWAL.

7 (II) MANUFACTURER LICENSEES SHALL PAY [A]:

8 (A) A FEE OF \$50,000 UPON THE ISSUANCE OF A
9 LICENSE [AND \$25,000 FOR THE ANNUAL RENEWAL OF A
10 MANUFACTURER LICENSE.] TO MANUFACTURE SLOT MACHINES
11 AND ASSOCIATED EQUIPMENT USED IN CONNECTION WITH SLOT
12 MACHINES.

13 (B) A FEE OF \$50,000 UPON THE ISSUANCE OF A
14 LICENSE TO MANUFACTURE TABLE GAME DEVICES OR
15 ASSOCIATED EQUIPMENT USED IN CONNECTION WITH TABLE
16 GAMES OR TABLE GAME DEVICES.

17 (C) A MANUFACTURER LICENSEE SHALL PAY AN ANNUAL
18 FEE OF \$30,000 FOR THE ANNUAL RENEWAL OF THE
19 APPROPRIATE MANUFACTURER LICENSE. UPON THE EXTENSION
20 OF THE RENEWAL PERIOD UNDER SECTION 1317.1(C) (1)
21 (RELATING TO MANUFACTURER LICENSES), THE FEE SHALL BE
22 \$75,000 FOR THE RENEWAL.

23 (III) EACH APPLICATION FOR A SLOT MACHINE LICENSE,
24 SUPPLIER LICENSE OR MANUFACTURER LICENSE MUST BE
25 ACCOMPANIED BY A NONREFUNDABLE FEE SET BY THE BOARD FOR
26 THE COST OF EACH INDIVIDUAL REQUIRING A BACKGROUND
27 INVESTIGATION. THE REASONABLE AND NECESSARY COSTS AND
28 EXPENSES INCURRED IN ANY BACKGROUND INVESTIGATION OR
29 OTHER INVESTIGATION OR PROCEEDING CONCERNING ANY
30 APPLICANT, LICENSEE, PERMITTEE OR REGISTRANT SHALL BE

1 REIMBURSED TO THE BOARD BY THOSE PERSONS.

2 * * *

3 § 1209. SLOT MACHINE LICENSE FEE.

4 * * *

5 (B) TERM.--A SLOT MACHINE LICENSE, AFTER PAYMENT OF THE FEE,
6 SHALL BE IN EFFECT UNLESS SUSPENDED, REVOKED OR NOT RENEWED BY
7 THE BOARD UPON GOOD CAUSE CONSISTENT WITH THE LICENSE
8 REQUIREMENTS AS PROVIDED FOR IN THIS PART. SLOT MACHINE
9 LICENSEES SHALL BE REQUIRED TO UPDATE THE INFORMATION IN THEIR
10 INITIAL APPLICATIONS ANNUALLY, AND THE LICENSE OF A LICENSEE IN
11 GOOD STANDING SHALL BE UPDATED AND RENEWED ANNUALLY FOR TWO
12 SUBSEQUENT YEARS FOLLOWING THE INITIAL LICENSE ISSUANCE.
13 THEREAFTER, LICENSE RENEWALS SHALL BE EVERY THREE YEARS. NOTHING
14 IN THIS SUBSECTION SHALL RELIEVE A LICENSEE OF THE AFFIRMATIVE
15 DUTY TO NOTIFY THE BOARD OF ANY CHANGES RELATING TO THE STATUS
16 OF ITS LICENSE OR TO ANY OTHER INFORMATION CONTAINED IN
17 APPLICATION MATERIALS ON FILE WITH THE BOARD. AS TO THE RENEWAL
18 OF A LICENSE, NO ADDITIONAL LICENSE FEE PURSUANT TO SUBSECTION
19 (A) SHALL BE REQUIRED.

20 * * *

21 [(F) RETURN OF SLOT MACHINE LICENSE FEE.--

22 (1) THE ENTIRE ONE-TIME SLOT MACHINE LICENSE FEE OF
23 \$50,000,000 FOR EACH CATEGORY 1 AND CATEGORY 2 SLOT MACHINE
24 LICENSE SHALL BE RETURNED TO EACH LICENSEE IN THE EVENT
25 SECTION 1201 (RELATING TO PENNSYLVANIA GAMING CONTROL BOARD
26 ESTABLISHED), 1202 (RELATING TO GENERAL AND SPECIFIC POWERS)
27 OR 1307 (RELATING TO NUMBER OF SLOT MACHINE LICENSES) IS
28 AMENDED OR OTHERWISE ALTERED BY AN ACT OF THE GENERAL
29 ASSEMBLY WITHIN FIVE YEARS FOLLOWING THE INITIAL ISSUANCE OF
30 ANY SLOT MACHINE LICENSES PURSUANT TO SECTION 1301 (RELATING

1 TO AUTHORIZED SLOT MACHINE LICENSES) TO CHANGE:

2 (I) THE COMPOSITION OF THE BOARD;

3 (II) THE NUMBER OR VOTING POWERS OF MEMBERS OF THE
4 BOARD;

5 (III) THE MANNER IN WHICH MEMBERS ARE NOMINATED OR
6 APPOINTED TO THE BOARD;

7 (IV) THE LENGTH OF TERM FOR WHICH EACH MEMBER
8 SERVES;

9 (V) THE GENERAL JURISDICTION OF THE BOARD IN A
10 MANNER THAT IMPAIRS OR OTHERWISE REDUCES THE BOARD'S
11 LICENSING AUTHORITY; OR

12 (VI) SECTION 1307 TO INCREASE THE STATUTORY MAXIMUM
13 NUMBER OF PERMISSIBLE LICENSED FACILITIES.

14 (2) IN THE EVENT THAT THIS PART IS AMENDED OR OTHERWISE
15 ALTERED BY AN ACT OF THE GENERAL ASSEMBLY AS DESCRIBED
16 PURSUANT TO PARAGRAPH (1):

17 (I) IN THE SIXTH YEAR FOLLOWING THE INITIAL ISSUANCE
18 OF ANY SLOT MACHINE LICENSES PURSUANT TO SECTION 1301, A
19 CATEGORY 1 AND 2 SLOT MACHINE LICENSEE SHALL BE ENTITLED
20 TO A PARTIAL RETURN OF THE ONE-TIME SLOT MACHINE LICENSE
21 FEE IN THE AMOUNT OF \$41,666,667.

22 (II) IN THE SEVENTH YEAR, THE LICENSEE SHALL BE
23 ENTITLED TO A PARTIAL RETURN OF THE ONE-TIME SLOT MACHINE
24 LICENSE FEE IN THE AMOUNT OF \$33,333,334.

25 (III) IN THE EIGHTH YEAR, THE LICENSEE SHALL BE
26 ENTITLED TO A PARTIAL RETURN OF THE ONE-TIME SLOT MACHINE
27 LICENSE FEE IN THE AMOUNT OF \$25,000,000.

28 (IV) IN THE NINTH YEAR, THE LICENSEE SHALL BE
29 ENTITLED TO A PARTIAL RETURN OF THE ONE-TIME SLOT MACHINE
30 LICENSE FEE IN THE AMOUNT OF \$16,666,668.

1 (V) IN THE TENTH YEAR, THE LICENSEE SHALL BE
2 ENTITLED TO A PARTIAL RETURN OF THE ONE-TIME MACHINE
3 LICENSE FEE IN THE AMOUNT OF \$8,333,334.
4 IN THE EVENT THAT THE ACTION DESCRIBED IN PARAGRAPH (1) OCCURS
5 AFTER THE EXPIRATION OF TEN YEARS, THE LICENSEE SHALL NOT BE
6 ENTITLED TO A RETURN OF ANY PORTION OF THE ONE-TIME SLOT MACHINE
7 LICENSE FEE. NOTWITHSTANDING THE FOREGOING, NO SLOT MACHINE
8 LICENSEE SHALL BE ENTITLED TO THE RETURN OF ANY PORTION OF THE
9 FEE AS A RESULT OF ANY ACT OF THE GENERAL ASSEMBLY INSOFAR AS IT
10 IMPLEMENTS A RECOMMENDATION MADE BY THE BOARD PURSUANT TO A
11 QUALIFIED MAJORITY VOTE. IN THE EVENT A FULL OR PARTIAL RETURN
12 OF THE SLOT MACHINE LICENSE FEE IMPOSED PURSUANT TO SUBSECTION
13 (A) BECOMES DUE PURSUANT TO THIS SUBSECTION, THE AMOUNT TO BE
14 RETURNED TO ANY SLOT MACHINE LICENSEE SHALL BE REDUCED ON A
15 DOLLAR-FOR-DOLLAR BASIS BY THE TOTAL ACCUMULATED TAX CREDITS
16 GRANTED TO SUCH LICENSEE PURSUANT TO SUBSECTION (C). IN NO EVENT
17 SHALL THE TOTAL AMOUNT OF THE SLOT MACHINE LICENSE FEE RETURNED,
18 COMBINED WITH THE TOTAL TAX CREDITS GRANTED, EXCEED THE AMOUNTS
19 SET FORTH IN THIS SUBSECTION FOR ANY LICENSEE. THE TOTAL OR
20 PARTIAL RETURN OF THE SLOT MACHINE LICENSE FEE SHALL EXTINGUISH
21 A LICENSEE'S RIGHT TO CLAIM ANY FURTHER TAX CREDITS PURSUANT TO
22 SUBSECTION (C).]

23 § 1210. NUMBER OF SLOT MACHINES.

24 (A) INITIAL COMPLEMENT.--EXCEPT AS PROVIDED FOR CATEGORY 3
25 SLOT MACHINE LICENSEES UNDER SECTION 1305 (RELATING TO CATEGORY
26 3 SLOT MACHINE LICENSE), ALL SLOT MACHINE LICENSEES SHALL BE
27 PERMITTED TO OPERATE UP TO 3,000 SLOT MACHINES AT ANY ONE
28 LICENSED FACILITY AND SHALL BE REQUIRED TO OPERATE AND MAKE
29 AVAILABLE TO PLAY A MINIMUM OF 1,500 MACHINES AT ANY ONE
30 LICENSED FACILITY WITHIN ONE YEAR OF THE ISSUANCE BY THE BOARD

1 OF A SLOT MACHINE LICENSE UNLESS OTHERWISE EXTENDED BY THE
2 BOARD, UPON APPLICATION AND FOR GOOD CAUSE SHOWN, FOR AN
3 ADDITIONAL PERIOD NOT TO EXCEED 24 MONTHS.

4 (A.1) MINIMUM NUMBER OF SLOT MACHINES.--EXCEPT AS PROVIDED
5 FOR CATEGORY 3 SLOT MACHINE LICENSEES UNDER SECTION 1305 AND
6 DURING THE CONVERSION FROM A TEMPORARY TO A PERMANENT FACILITY,
7 APPROVED RENOVATIONS FOR A LIMITED TIME OR AN EMERGENCY, ALL
8 SLOT MACHINE LICENSEES SHALL BE REQUIRED TO OPERATE AND MAKE
9 AVAILABLE FOR PLAY A MINIMUM OF 1,850 MACHINES AT ANY ONE
10 LICENSED FACILITY AT ALL TIMES.

11 (B) ADDITIONAL SLOT MACHINES.--EXCEPT AS PROVIDED FOR
12 CATEGORY 3 SLOT MACHINE LICENSEES UNDER SECTION 1305, SIX MONTHS
13 FOLLOWING THE DATE OF COMMENCEMENT OF SLOT MACHINE OPERATIONS,
14 THE BOARD MAY PERMIT A SLOT MACHINE LICENSEE TO INSTALL AND
15 OPERATE UP TO 2,000 ADDITIONAL SLOT MACHINES AT ITS LICENSED
16 FACILITY, BEYOND THOSE MACHINES AUTHORIZED UNDER SUBSECTION (A),
17 UPON APPLICATION BY THE SLOT MACHINE LICENSEE. THE BOARD, IN
18 CONSIDERING SUCH AN APPLICATION, SHALL TAKE INTO ACCOUNT THE
19 APPROPRIATENESS OF THE PHYSICAL SPACE WHERE THE ADDITIONAL SLOT
20 MACHINES WILL BE LOCATED AND THE CONVENIENCE OF THE PUBLIC
21 ATTENDING THE FACILITY. THE BOARD MAY ALSO TAKE INTO ACCOUNT THE
22 POTENTIAL BENEFIT TO ECONOMIC DEVELOPMENT, EMPLOYMENT AND
23 TOURISM, ENHANCED REVENUES TO THE COMMONWEALTH AND OTHER
24 ECONOMIC INDICATORS IT DEEMS APPLICABLE IN MAKING ITS DECISION.

25 (C) LIMITATION.--FOR THE TWO AND ONE-HALF YEARS FOLLOWING
26 THE BEGINNING OF SLOT MACHINE OPERATIONS AT THE LICENSED
27 FACILITY, NO LICENSED GAMING ENTITY MAY MAKE AVAILABLE FOR PLAY
28 BY ITS PATRONS AT ITS LICENSED FACILITY MORE THAN 50% OF SLOT
29 MACHINES FROM THE SAME MANUFACTURER OR ITS AFFILIATE,
30 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY. THE PROVISIONS OF

1 THIS SUBSECTION SHALL NOT APPLY TO MACHINES PURCHASED PURSUANT
2 TO A CONTRACT OR ORDER EXECUTED BY A CONDITIONAL CATEGORY 1 OR
3 CATEGORY 1 SLOT MACHINE LICENSEE PRIOR TO OCTOBER 20, 2006.

4 SECTION 9. SECTION 1211(A) OF TITLE 4 IS AMENDED AND THE
5 SECTION IS AMENDED BY ADDING SUBSECTIONS TO READ:

6 § 1211. REPORTS OF BOARD.

7 (A) REPORT OF BOARD.--EIGHTEEN MONTHS AFTER THE EFFECTIVE
8 DATE OF THIS PART AND EVERY YEAR ON THAT DATE THEREAFTER, THE
9 BOARD SHALL ISSUE A REPORT TO THE GOVERNOR AND EACH MEMBER OF
10 THE GENERAL ASSEMBLY ON THE GENERAL OPERATION OF THE BOARD AND
11 EACH SLOT MACHINE LICENSEE'S PERFORMANCE, INCLUDING, BUT NOT
12 LIMITED TO, NUMBER AND WIN PER SLOT MACHINE AND TOTAL GROSS
13 TABLE GAME REVENUE AT EACH LICENSED [FACILITIES] FACILITY DURING
14 THE PREVIOUS YEAR, ALL TAXES, FEES, FINES AND OTHER REVENUES
15 COLLECTED AND, WHERE APPROPRIATE, DISBURSED, THE COSTS OF
16 OPERATION OF THE BOARD, ALL HEARINGS CONDUCTED AND THE RESULTS
17 OF THE HEARINGS AND OTHER INFORMATION THAT THE BOARD DEEMS
18 NECESSARY AND APPROPRIATE.

19 (A.1) EXPENSES.--BEGINNING 30 DAYS AFTER THE EFFECTIVE DATE
20 OF THIS SUBSECTION, THE BOARD SHALL POST BY THE 15TH WITHIN 45 ←
21 DAYS OF THE END OF EACH MONTH ON ITS INTERNET WEBSITE A LIST OF
22 ALL ITS ITEMIZED EXPENSES FOR THE PRECEDING MONTH OF EMPLOYEES
23 AND MEMBERS OF THE BOARD AND ALL ITEMIZED EXPENSES OF OFFICERS
24 AND EMPLOYEES OF THE DEPARTMENT, THE ATTORNEY GENERAL AND THE
25 PENNSYLVANIA STATE POLICE WHOSE DUTIES INVOLVE THE REGULATION OF
26 GAMING UNDER THIS PART AND ALL ITEMIZED EXPENSES OF OFFICERS AND
27 EMPLOYEES OF THE AUDITOR GENERAL WHOSE DUTIES INVOLVE AUDIT
28 ACTIVITIES OF THE BOARD. THE LIST LISTS SHALL IDENTIFY THE ←
29 NATURE OF THE EXPENSE, THE EMPLOYEE OR BOARD MEMBER AND THE
30 AGENCY AND EMPLOYEE OF THE AGENCY TO WHICH AN EXPENSE IS

1 ATTRIBUTABLE. THE LIST SHALL INCLUDE EACH EXPENSE FOR WHICH A
2 RECEIPT IS SUBMITTED TO OBTAIN REIMBURSEMENT. ~~IF IF THE EXPENSE~~ ←
3 IS DIRECTLY ATTRIBUTABLE TO OR PAID BY A LICENSED GAMING ENTITY, ~~—~~ ←
4 ~~THE LIST SHALL IDENTIFY THE LICENSED GAMING ENTITY AND WHETHER~~
5 ~~THE EXPENSE WAS PAID BY THE LICENSED GAMING ENTITY. BY OCTOBER 1~~
6 OF EACH YEAR, A FINAL REPORT OF ALL EXPENSES FOR THE PRECEDING
7 FISCAL YEAR SHALL BE POSTED ON THE BOARD'S INTERNET WEBSITE. THE
8 BOARD, THE DEPARTMENT, THE ATTORNEY GENERAL, THE AUDITOR GENERAL
9 AND THE PENNSYLVANIA STATE POLICE SHALL COLLABORATE TO DEVELOP A
10 UNIFORM SYSTEM TO CARRY OUT THE REQUIREMENTS OF THIS SUBSECTION.
11 INFORMATION PROVIDED TO THE BOARD FOR POSTING UNDER THIS ←
12 SUBSECTION MAY BE REDACTED BY THE PROVIDER OF THE INFORMATION.

13 * * *

14 (E) SUBMISSION OF REPORTS.--NOTWITHSTANDING ANY OTHER
15 PROVISION OF THIS PART TO THE CONTRARY, ALL REPORTS AND STUDIES
16 OF THE BOARD REQUIRED TO BE SUBMITTED TO THE GENERAL ASSEMBLY
17 UNDER THIS PART AFTER THE EFFECTIVE DATE OF THIS SUBSECTION
18 SHALL BE SUBMITTED BY OCTOBER 1, 2010, AND ANNUALLY THEREAFTER.

19 SECTION 9.1. TITLE 4 IS AMENDED BY ADDING A SECTION TO READ:
20 § 1211.1. REPORT BY SLOT MACHINE LICENSEE.

21 (A) REPORT.--EACH SLOT MACHINE LICENSEE SHALL ANNUALLY
22 COMPILE, OR CAUSE TO BE COMPILED, AND SUBMIT TO THE BOARD AND
23 THE GENERAL ASSEMBLY A REPORT ON MINORS AND UNAUTHORIZED GAMING.
24 THE REPORT SHALL INCLUDE THE FOLLOWING INFORMATION FOR THE
25 LICENSED FACILITY THAT THE LICENSEE IS LICENSED TO OPERATE:

26 (1) THE NUMBER OF MINORS WHO WERE DENIED ENTRY INTO THE
27 LICENSED FACILITY.

28 (2) THE NUMBER OF MINORS WHO WERE PHYSICALLY ESCORTED
29 FROM THE PREMISES OF THE LICENSED FACILITY.

30 (3) THE NUMBER OF MINORS WHO WERE DETECTED PARTICIPATING

1 OR ATTEMPTING TO PARTICIPATE IN SLOT MACHINE AND TABLE ←
2 GAMING.

3 (4) THE NUMBER OF MINORS WHO WERE TAKEN INTO CUSTODY BY
4 A LAW ENFORCEMENT AGENCY ON THE PREMISES OF THE LICENSED
5 FACILITY.

6 (5) THE NUMBER OF MINORS WHO WERE DETECTED ILLEGALLY
7 CONSUMING ALCOHOL ON THE PREMISES OF THE LICENSED FACILITY IN ←
8 THE AREA WHERE SLOT MACHINES OR TABLE GAMES ARE LOCATED. ←

9 (6) THE NUMBER OF SELF-EXCLUDED AND EXCLUDED PERSONS WHO ←
10 WERE DENIED ENTRY INTO THE ~~TABLE GAME FACILITY~~ AREA WHERE ←
11 TABLE GAMES, INCLUDING TOURNAMENTS AND CONTESTS ARE LOCATED.

12 (7) A SUMMARY OF THE ACTION TAKEN BY THE SLOT MACHINE
13 LICENSEE IN RESOLUTION OF INCIDENTS UNDER PARAGRAPHS (1),
14 (2), (3), (4), (5) AND (6), INCLUDING ANY ACTION, RESOLUTION
15 OR DISPOSITION OF ANY VIOLATIONS OF THIS PART.

16 (8) A SUMMARY OF ACTIONS TAKEN AND CONTROLS IMPLEMENTED
17 BY THE SLOT MACHINE LICENSEE TO PREVENT ~~FACILITY~~ ACCESS BY ←
18 MINORS AND TO PREVENT UNDERAGE GAMING AND UNDERAGE DRINKING ←
19 IN THE LICENSED FACILITY. ←

20 (B) DEFINITION.--AS USED IN THIS SUBSECTION THE TERM "MINOR"
21 SHALL MEAN AN INDIVIDUAL WHO IS UNDER 21 YEARS OF AGE.

22 SECTION 10. SECTIONS 1212 AND 1213 OF TITLE 4 ARE AMENDED TO
23 READ:

24 § 1212. DIVERSITY GOALS OF BOARD.

25 (A) INTENT.--IT IS THE INTENT AND GOAL OF THE GENERAL
26 ASSEMBLY THAT THE BOARD PROMOTE AND ENSURE DIVERSITY IN ALL
27 ASPECTS OF THE GAMING ACTIVITIES AUTHORIZED UNDER THIS PART. THE
28 BOARD SHALL WORK TO ENHANCE THE REPRESENTATION OF DIVERSE GROUPS
29 IN [THE]:

30 (1) THE OWNERSHIP[, PARTICIPATION AND OPERATION] OF

1 LICENSED ENTITIES AND LICENSED FACILITIES IN THIS
2 COMMONWEALTH [AND THROUGH THE].

3 (2) THE OWNERSHIP[, PARTICIPATION AND OPERATION] OF
4 BUSINESS ENTERPRISES ASSOCIATED WITH OR UTILIZED BY LICENSED
5 ENTITIES AND LICENSED FACILITIES AND THROUGH THE PROVISION OF
6 GOODS AND SERVICES UTILIZED BY SLOT MACHINE LICENSEES UNDER
7 THIS PART.

8 (3) THE OPERATION OF LICENSED ENTITIES AND LICENSED
9 FACILITIES AND THE CONDUCT OF SLOT MACHINE AND TABLE GAMING ←
10 IN THIS COMMONWEALTH BY ENSURING LICENSED ENTITIES AND ←
11 LICENSED FACILITIES PROMOTE THE PARTICIPATION OF DIVERSE
12 GROUPS BY AFFORDING EQUAL ACCESS TO EMPLOYMENT OPPORTUNITIES,
13 INCLUDING KEY EMPLOYEE, GAMING EMPLOYEE, AND NONGAMING
14 EMPLOYEE POSITIONS.

15 (4) THE OPERATION OF BUSINESS ENTERPRISES ASSOCIATED
16 WITH OR UTILIZED BY LICENSED ENTITIES AND LICENSED ←
17 FACILITIES, INCLUDING BUSINESS ENTERPRISES THAT PROVIDE
18 GOODS, PROPERTY AND SERVICES UTILIZED BY SLOT MACHINE
19 LICENSEES IN THIS COMMONWEALTH BY ENSURING THESE BUSINESS
20 ENTERPRISES PROMOTE THE PARTICIPATION OF DIVERSE GROUPS BY
21 AFFORDING EQUAL ACCESS TO EMPLOYMENT OPPORTUNITIES.

22 (5) THE CONSTRUCTION, RENOVATION OR RECONSTRUCTION OF A
23 LICENSED FACILITY BY ENSURING THAT ALL CONTRACTS AND
24 SUBCONTRACTS TO BE AWARDED RELATING TO THE CONSTRUCTION,
25 RENOVATION OR RECONSTRUCTION OF A LICENSED FACILITY CONTAIN
26 ADEQUATE PROVISIONS ENSURING ALL CONTRACTORS OR
27 SUBCONTRACTORS, INCLUDING ANY ASSIGNEES, WILL PROMOTE THE
28 PARTICIPATION OF DIVERSE GROUPS IN ANY PROPOSED CONSTRUCTION,
29 RENOVATION OR RECONSTRUCTION PROJECT BY AFFORDING EQUAL
30 ACCESS TO EMPLOYMENT OPPORTUNITIES.

1 (6) THE RENDERING OF PROFESSIONAL SERVICES TO LICENSED
2 ENTITIES AND LICENSED FACILITIES BY ENSURING LICENSED ←
3 ENTITIES AND LICENSED FACILITIES PROMOTE THE PARTICIPATION OF ←
4 DIVERSE GROUPS BY AFFORDING EQUAL ACCESS TO PROFESSIONAL
5 SERVICE CONTRACTUAL OPPORTUNITIES.

6 (B) INVESTIGATIONS.--THE BOARD [IS AUTHORIZED TO] SHALL
7 INVESTIGATE AND CONDUCT [AN ANNUAL STUDY] QUARTERLY REVIEWS TO
8 EVALUATE THE EFFECTIVENESS OF ALL DIVERSITY PLANS SUBMITTED BY ←
9 APPLICANTS FOR A SLOT MACHINE LICENSE IN ACCORDANCE WITH SECTION
10 1325 (RELATING TO LICENSE OR PERMIT ISSUANCE) OF THIS PART, MAKE
11 RECOMMENDATIONS FOR IMPROVEMENTS TO SUCH DIVERSITY PLANS AND
12 ASCERTAIN WHETHER EFFECTIVE AND MEANINGFUL ACTION HAS BEEN TAKEN
13 OR WILL BE TAKEN TO [ENHANCE] ACHIEVE THE REPRESENTATION OF
14 DIVERSE GROUPS IN THE OWNERSHIP, PARTICIPATION AND OPERATION OF
15 LICENSED FACILITIES IN THIS COMMONWEALTH, THROUGH THE OWNERSHIP
16 AND OPERATION OF BUSINESS ENTERPRISES ASSOCIATED WITH OR
17 UTILIZED BY SLOT MACHINE AND TABLE GAME LICENSEES, THROUGH THE
18 PROVISION OF GOODS, PROPERTY AND SERVICES UTILIZED BY SLOT
19 MACHINE AND TABLE GAME LICENSEES AND THROUGH EMPLOYMENT
20 OPPORTUNITIES.

21 (C) COMPLETION OF INVESTIGATION.--THE FIRST [STUDY] REVIEW ←
22 SHALL BE COMPLETED SIX MONTHS FOLLOWING THE EFFECTIVE DATE OF
23 THIS [PART] SECTION, IF PRACTICALLY POSSIBLE, AND [ANNUALLY] ←
24 QUARTERLY THEREAFTER AND SHALL CONTAIN RECOMMENDATIONS WHICH THE ←
25 BOARD DETERMINES APPROPRIATE. EACH ~~STUDY~~ REVIEW SHALL CONTAIN, ←
26 AT A MINIMUM:

27 (1) A DESCRIPTIVE SUMMARY OF THE BOARD'S EFFORTS TO
28 PROMOTE AND ENSURE DIVERSITY IN ALL ASPECTS OF ITS OPERATION.

29 (2) A DESCRIPTIVE SUMMARY OF THE FOLLOWING RELATING TO
30 EACH SLOT MACHINE LICENSEE'S LICENSED FACILITY:

1 (I) EMPLOYMENT AND SALARY RANGE INFORMATION.
2 (II) EMPLOYEE RECRUITMENT AND RETENTION PROGRAMS
3 DESIGNED TO ENSURE THE PARTICIPATION OF DIVERSE GROUPS IN
4 EMPLOYMENT POSITIONS AT THE LICENSED FACILITY BY THE SLOT ←
5 MACHINE LICENSEE.

6 (III) MINORITY-OWNED BUSINESS ENTERPRISE AND WOMEN-
7 OWNED BUSINESS ENTERPRISE CONTRACTING AND SUBCONTRACTING
8 DATA.

9 (D) FACILITY RESPONSIBILITY RESPONSIBILITY OF SLOT MACHINE ←
10 LICENSEE.--EACH LICENSED FACILITY SLOT MACHINE LICENSEE SHALL ←
11 PROVIDE INFORMATION AS REQUESTED BY THE BOARD TO ENABLE THE
12 BOARD TO COMPLETE THE STUDY QUARTERLY REVIEWS REQUIRED UNDER ←
13 SUBSECTION (C).

14 (E) DEFINITION.--AS USED IN THIS SECTION THE TERM
15 "PROFESSIONAL SERVICES" MEANS THOSE SERVICES RENDERED TO A
16 LICENSED ENTITY OR LICENSED FACILITY SLOT MACHINE LICENSEE IN ←
17 THIS COMMONWEALTH, INCLUDING, BUT NOT LIMITED TO:

- 18 (1) LEGAL SERVICES.
- 19 (2) ADVERTISING OR PUBLIC RELATIONS SERVICES.
- 20 (3) ENGINEERING SERVICES.
- 21 (4) ARCHITECTURAL, LANDSCAPING OR SURVEYING SERVICES.
- 22 (5) ACCOUNTING, AUDITING OR ACTUARIAL SERVICES.
- 23 (6) SECURITY CONSULTANT SERVICES.
- 24 (7) COMPUTER AND INFORMATION TECHNOLOGY SERVICES, EXCEPT
25 TELEPHONE SERVICE.

26 § 1213. LICENSE OR PERMIT PROHIBITION.
27 [NO APPLICANT FOR A LICENSE OR PERMIT UNDER THIS PART,
28 INCLUDING PRINCIPALS AND KEY EMPLOYEES,] THE FOLLOWING APPLY:

- 29 (1) THE BOARD SHALL BE PROHIBITED FROM GRANTING A
30 PRINCIPAL LICENSE TO A PERSON WHO HAS BEEN CONVICTED OF A

1 FELONY [OR GAMBLING] OFFENSE IN ANY JURISDICTION [SHALL BE
2 ISSUED A LICENSE OR PERMIT UNLESS 15 YEARS HAS ELAPSED FROM
3 THE DATE OF EXPIRATION OF THE SENTENCE FOR THE OFFENSE].

4 (2) [WHEN DETERMINING WHETHER TO ISSUE A LICENSE OR
5 PERMIT TO AN APPLICANT WHO HAS BEEN CONVICTED IN ANY
6 JURISDICTION OF A FELONY OR GAMBLING OFFENSE,] IN ADDITION TO
7 THE PROHIBITION UNDER PARAGRAPH (1), THE BOARD SHALL BE
8 PROHIBITED FROM GRANTING THE FOLLOWING:

9 (I) A PRINCIPAL LICENSE TO A PERSON WHO HAS BEEN
10 CONVICTED OF A GAMBLING OFFENSE IN ANY JURISDICTION THAT
11 IS CLASSIFIED AS A MISDEMEANOR PUNISHABLE BY IMPRISONMENT
12 OF MORE THAN ONE YEAR UNLESS 15 YEARS HAVE ELAPSED FROM
13 THE DATE OF CONVICTION FOR THE OFFENSE.

14 (II) A KEY EMPLOYEE, GAMING EMPLOYEE PERMIT OR
15 LICENSE OTHER THAN A PRINCIPAL LICENSE TO A PERSON WHO
16 HAS BEEN CONVICTED OF A FELONY OFFENSE OR A GAMBLING
17 OFFENSE CLASSIFIED AS A MISDEMEANOR PUNISHABLE BY
18 IMPRISONMENT OF MORE THAN ONE YEAR IN ANY JURISDICTION
19 UNLESS 15 YEARS HAVE ELAPSED FROM THE DATE OF CONVICTION
20 FOR THE OFFENSE.

21 (3) FOLLOWING THE EXPIRATION OF THE PROHIBITION PERIOD
22 UNDER PARAGRAPH (2), IN DETERMINING WHETHER TO ISSUE A
23 LICENSE OR PERMIT UNDER PARAGRAPH (2), THE BOARD SHALL
24 CONSIDER THE FOLLOWING FACTORS:

25 [(1)] (I) THE NATURE AND DUTIES OF THE APPLICANT'S
26 POSITION WITH THE LICENSED ENTITY.

27 [(2)] (II) THE NATURE AND SERIOUSNESS OF THE OFFENSE
28 OR CONDUCT.

29 [(3)] (III) THE CIRCUMSTANCES UNDER WHICH THE
30 OFFENSE OR CONDUCT OCCURRED.

1 [(4)] (IV) THE AGE OF THE APPLICANT WHEN THE OFFENSE
2 OR CONDUCT WAS COMMITTED.

3 [(5)] (V) WHETHER THE OFFENSE OR CONDUCT WAS AN
4 ISOLATED OR A REPEATED INCIDENT.

5 [(6)] (VI) ANY EVIDENCE OF REHABILITATION, INCLUDING
6 GOOD CONDUCT IN THE COMMUNITY, COUNSELING OR PSYCHIATRIC
7 TREATMENT RECEIVED AND THE RECOMMENDATION OF PERSONS WHO
8 HAVE SUBSTANTIAL CONTACT WITH THE APPLICANT.

9 (4) FOR PURPOSES OF THIS SECTION, A FELONY OFFENSE IS AN
10 OFFENSE PUNISHABLE BY IMPRISONMENT FOR MORE THAN FIVE YEARS.

11 SECTION 10.1. TITLE 4 IS AMENDED BY ADDING ~~A SECTION~~
12 SECTIONS TO READ:

13 § 1214. SPECIFIC AUTHORITY TO SUSPEND SLOT MACHINE LICENSE.

14 (A) CONDITIONS.--ANY SLOT MACHINE LICENSEE THAT IS REQUIRED
15 AS A CONDITION OF SLOT MACHINE LICENSURE TO MAKE ANNUAL PAYMENTS
16 TO A MUNICIPALITY OR MUNICIPAL AUTHORITY FOR AN ECONOMIC
17 DEVELOPMENT PROJECT, INCLUDING ANY PROJECT ENUMERATED IN THE ACT
18 OF JULY 25, 2007 (P.L.342, NO.53), KNOWN AS PENNSYLVANIA GAMING
19 ECONOMIC DEVELOPMENT AND TOURISM FUND CAPITAL BUDGET ITEMIZATION
20 ACT OF 2007, SHALL ENTER INTO A WRITTEN AGREEMENT WITH THE
21 MUNICIPALITY OR MUNICIPAL AUTHORITY AND MAKE THE FIRST ANNUAL
22 PAYMENT REQUIRED UNDER THE AGREEMENT BY ~~OCTOBER 15~~ DECEMBER 31,
23 2009.

24 (B) FAILURE TO MEET CONDITIONS.--IF THE SLOT MACHINE
25 LICENSEE AND THE MUNICIPALITY OR MUNICIPAL AUTHORITY FAIL TO
26 ENTER INTO A WRITTEN AGREEMENT, AND THE SLOT MACHINE LICENSEE
27 FAILS TO MAKE THE FIRST REQUIRED ANNUAL PAYMENT UNDER THE
28 WRITTEN AGREEMENT, BY OCTOBER 15, 2009, THE BOARD SHALL
29 IMMEDIATELY SUSPEND THE SLOT MACHINE LICENSE AND APPOINT A
30 TRUSTEE TO OVERSEE THE OPERATIONS OF THE LICENSED GAMING

1 FACILITY. THE TRUSTEE SHALL IMMEDIATELY REMIT THE FIRST REQUIRED
2 ANNUAL PAYMENT TO THE MUNICIPALITY OR MUNICIPAL AUTHORITY ON
3 BEHALF OF THE SLOT MACHINE LICENSEE.

4 (C) TERMS OF LICENSE SUSPENSION.--THE SLOT MACHINE LICENSE
5 SUSPENSION SHALL REMAIN IN EFFECT UNTIL THE SLOT MACHINE
6 LICENSEE AND THE MUNICIPALITY OR MUNICIPAL AUTHORITY EXECUTE A
7 WRITTEN AGREEMENT GOVERNING THE TERMS OF THE REQUIRED ANNUAL
8 PAYMENTS, INCLUDING THE DATE ON WHICH THE PAYMENTS SHALL BE
9 MADE, THE AMOUNT OF EACH ANNUAL PAYMENT AND THE DURATION OF THE
10 ANNUAL PAYMENTS. THE TRUSTEE SHALL ESTABLISH AN ACCOUNT OR
11 ACCOUNTS TO PLACE ALL PROFITS OF THE SLOT MACHINE LICENSEE FROM
12 GAMING OR OTHER REVENUES OF THE SLOT MACHINE LICENSEE'S LICENSED
13 FACILITY UNTIL A WRITTEN AGREEMENT IS EXECUTED BETWEEN THE SLOT
14 MACHINE LICENSEE AND THE MUNICIPALITY OR MUNICIPAL AUTHORITY.

15 (D) VIOLATION OF WRITTEN AGREEMENT.--IF ANY SLOT MACHINE
16 LICENSEE THAT IS REQUIRED AS A CONDITION OF SLOT MACHINE
17 LICENSURE TO MAKE ANNUAL PAYMENTS TO A MUNICIPALITY OR MUNICIPAL
18 AUTHORITY FOR AN ECONOMIC DEVELOPMENT PROJECT, INCLUDING ANY
19 PROJECT ENUMERATED IN THE PENNSYLVANIA GAMING ECONOMIC
20 DEVELOPMENT AND TOURISM FUND CAPITAL BUDGET ITEMIZATION ACT OF
21 2007, FAILS TO MAKE ANY REQUIRED PAYMENT IN ACCORDANCE WITH THE
22 TERMS OF ANY WRITTEN AGREEMENT BETWEEN THE SLOT MACHINE LICENSEE
23 AND THE MUNICIPALITY OR MUNICIPAL AUTHORITY GOVERNING THE
24 ECONOMIC DEVELOPMENT PROJECT, THE BOARD SHALL IMMEDIATELY
25 SUSPEND THE SLOT MACHINE LICENSE AND APPOINT A TRUSTEE TO
26 OVERSEE THE OPERATIONS OF THE LICENSED GAMING FACILITY. THE
27 TRUSTEE SHALL CONTINUE TO MAKE PAYMENTS TO THE MUNICIPALITY OR
28 MUNICIPAL AUTHORITY ACCORDING TO THE TERMS OF THE WRITTEN
29 AGREEMENT AND ESTABLISH AN ACCOUNT OR ACCOUNTS TO PLACE THE
30 PROFITS OF THE SLOT MACHINE LICENSEE FROM GAMING OR OTHER

1 REVENUES OF THE SLOT MACHINE LICENSEE'S LICENSED FACILITY
2 PENDING RESOLUTION OF THE PAYMENT ISSUE BETWEEN THE SLOT MACHINE
3 LICENSEE AND THE MUNICIPALITY OR MUNICIPAL AUTHORITY.

4 § 1215. AUDITOR GENERAL'S REPORTS.



5 (A) ANNUAL AUDIT.--IN COOPERATION WITH THE DEPARTMENT AND
6 THE STATE TREASURER, THE AUDITOR GENERAL SHALL ANNUALLY AUDIT
7 AND REPORT ON THE AMOUNTS AND USES OF THE DISTRIBUTIONS MADE
8 UNDER CHAPTER 14 (RELATING TO REVENUES) FROM THE STATE GAMING
9 FUND, THE LOCAL SHARE ASSESSMENT TO COUNTIES AND MUNICIPALITIES,
10 THE PENNSYLVANIA RACE HORSE DEVELOPMENT FUND AND THE
11 PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND.

12 (B) INTERNAL AUDIT.--EVERY FOUR YEARS, THE AUDITOR GENERAL
13 SHALL PERFORM AN INTERNAL AUDIT OF THE EXPENSES AND REVENUES OF
14 THE BOARD. IN ADDITION TO EXAMINING THE AGENCY'S FINANCIAL
15 STATEMENTS, THE AUDITOR GENERAL SHALL BE ENTITLED TO EXAMINE
16 ORIGINAL SOURCE DOCUMENTS AT SUCH TIMES AS IS BELIEVED NECESSARY
17 OR MAY OTHERWISE EXAMINE ORIGINAL DOCUMENTS ON A RANDOM BASIS
18 DESIGNED TO ENSURE THE INTEGRITY OF THE AUDIT. THE AUDIT SHALL
19 INCLUDE THE EXPENSES INCURRED BY INDIVIDUAL MEMBERS OF THE BOARD
20 AND REIMBURSED OR OTHERWISE PAID FOR BY THE BOARD. THE AUDITOR
21 GENERAL SHALL PREPARE A WRITTEN REPORT OF ITS AUDITS UNDER THIS
22 SECTION AND SUBMIT A COPY OF THE REPORT TO THE COMMUNITY,
23 ECONOMIC AND RECREATIONAL DEVELOPMENT COMMITTEE OF THE SENATE
24 AND THE GAMING OVERSIGHT COMMITTEE OF THE HOUSE OF
25 REPRESENTATIVES NO LATER THAN APRIL 1 OF EACH YEAR.

26 SECTION 10.2. SECTION 1305 (A) (1), (C), (D) AND (E) OF TITLE
27 4 ARE AMENDED TO READ:

28 § 1305. CATEGORY 3 SLOT MACHINE LICENSE.

29 (A) ELIGIBILITY.--

30 (1) A PERSON MAY BE ELIGIBLE TO APPLY FOR A CATEGORY 3

1 LICENSE IF THE APPLICANT, ITS AFFILIATE, INTERMEDIARY,
2 SUBSIDIARY OR HOLDING COMPANY HAS NOT APPLIED FOR OR BEEN
3 APPROVED OR ISSUED A CATEGORY 1 OR 2 LICENSE AND THE PERSON
4 IS SEEKING TO LOCATE A CATEGORY 3 LICENSED FACILITY IN A
5 WELL-ESTABLISHED RESORT HOTEL HAVING NO FEWER THAN 275 GUEST
6 ROOMS UNDER COMMON OWNERSHIP AND HAVING SUBSTANTIAL YEAR-
7 ROUND RECREATIONAL GUEST AMENITIES. THE APPLICANT FOR A
8 CATEGORY 3 LICENSE SHALL BE THE OWNER OR BE A WHOLLY OWNED
9 SUBSIDIARY OF THE OWNER OF THE ESTABLISHED RESORT HOTEL. [A
10 CATEGORY 3 LICENSE MAY ONLY BE GRANTED UPON THE EXPRESS
11 CONDITION THAT AN INDIVIDUAL MAY NOT ENTER A GAMING AREA OF
12 THE LICENSEE IF THE INDIVIDUAL IS NOT A REGISTERED OVERNIGHT
13 GUEST OF THE ESTABLISHED RESORT HOTEL OR IF THE INDIVIDUAL IS
14 NOT A PATRON OF ONE OR MORE OF THE AMENITIES PROVIDED BY THE
15 ESTABLISHED RESORT HOTEL.]

16 * * *

17 (C) NUMBER OF SLOT MACHINES.--NOTWITHSTANDING THE NUMBER OF
18 PERMISSIBLE SLOT MACHINES AS SET FORTH IN SECTION 1210 (RELATING
19 TO NUMBER OF SLOT MACHINES), A CATEGORY 3 LICENSE GRANTED UNDER
20 THE PROVISIONS OF THIS SECTION SHALL ENTITLE THE LICENSED ENTITY
21 TO OPERATE NO MORE THAN 500 SLOT MACHINES AT THE LICENSED
22 FACILITY, PROVIDED, HOWEVER, THE BOARD MAY INCREASE THE NUMBER
23 OF SLOT MACHINES BY A NUMBER NOT TO EXCEED 1,000 SLOT MACHINES
24 IN THE AGGREGATE UPON GOOD CAUSE SHOWN BY THE SLOT MACHINE
25 LICENSEE AND PAYMENT OF THE ADDITIONAL FEE PURSUANT TO
26 SUBSECTION (D).

27 (D) CATEGORY 3 LICENSE FEE.--NOTWITHSTANDING THE ONE-TIME
28 SLOT MACHINE LICENSE FEE AS SET FORTH IN SECTION 1209 (RELATING
29 TO SLOT MACHINE LICENSE FEE), THE BOARD SHALL IMPOSE A ONE-TIME
30 CATEGORY 3 LICENSE FEE TO BE PAID BY EACH SUCCESSFUL APPLICANT

1 IN THE AMOUNT OF \$5,000,000 TO BE DEPOSITED IN THE STATE GAMING
2 FUND. IF THE BOARD AUTHORIZES THE OPERATION OF MORE THAN 500
3 SLOT MACHINES AT A CATEGORY 3 FACILITY PURSUANT TO SUBSECTION
4 (C), THE BOARD SHALL IMPOSE A ONE-TIME FEE IN THE AMOUNT OF
5 \$5,000,000 FOR EACH ADDITIONAL 250 SLOT MACHINES. THE FEE FOR
6 THE ADDITIONAL SLOT MACHINES SHALL BE IN ADDITION TO THE
7 \$5,000,000 FEE REQUIRED TO OPERATE 500 SLOT MACHINES PURSUANT TO
8 SUBSECTION (C) AND SHALL BE DEPOSITED INTO THE GENERAL FUND. THE
9 PROVISIONS OF SECTION 1209 RELATING TO TERM, CREDIT AGAINST TAX
10 FOR SLOT MACHINE LICENSEES, DEPOSIT OF LICENSE FEE AND CHANGE OF
11 OWNERSHIP OR CONTROL OF A LICENSE SHALL BE APPLICABLE TO A
12 CATEGORY 3 LICENSE FEE.

13 (E) DEFINITIONS.--FOR THE PURPOSE OF SUBSECTION (A), THE
14 FOLLOWING WORDS AND PHRASES SHALL HAVE THE MEANING GIVEN TO THEM
15 IN THIS SUBSECTION:

16 "AMENITIES." ANY ANCILLARY ACTIVITIES, SERVICES OR
17 FACILITIES IN WHICH A REGISTERED GUEST OR THE TRANSIENT PUBLIC[,
18 IN RETURN FOR NON-DE MINIMIS CONSIDERATION AS DEFINED BY BOARD
19 REGULATION,] MAY PARTICIPATE AT A RESORT HOTEL, INCLUDING, BUT
20 NOT LIMITED TO, SPORTS AND RECREATIONAL ACTIVITIES AND
21 FACILITIES SUCH AS A GOLF COURSE OR GOLF DRIVING RANGE, TENNIS
22 COURTS OR SWIMMING POOL; HEALTH SPA; CONVENTION, MEETING AND
23 BANQUET FACILITIES; ENTERTAINMENT FACILITIES; AND RESTAURANT
24 FACILITIES.

25 ["PATRON OF THE AMENITIES." ANY INDIVIDUAL WHO IS A
26 REGISTERED ATTENDEE OF A CONVENTION, MEETING OR BANQUET EVENT OR
27 A PARTICIPANT IN A SPORT OR RECREATIONAL EVENT OR ANY OTHER
28 SOCIAL, CULTURAL OR BUSINESS EVENT HELD AT A RESORT HOTEL OR WHO
29 PARTICIPATES IN ONE OR MORE OF THE AMENITIES PROVIDED TO
30 REGISTERED GUESTS OF THE RESORT HOTEL.]

1 SECTION 10.3. SECTION 1308 OF TITLE 4 IS AMENDED BY ADDING A
2 SUBSECTION TO READ:

3 § 1308. APPLICATIONS FOR LICENSE OR PERMIT.

4 * * *

5 (A.1) SUBMISSION OF INFORMATION.--NOTWITHSTANDING THE
6 PROVISIONS OF 18 PA.C.S. § 9124(B) (RELATING TO USE OF RECORDS
7 BY LICENSING AGENCIES), AN APPLICATION FOR A LICENSE OR PERMIT
8 UNDER THIS PART SHALL INCLUDE ALL ARRESTS AND CONVICTIONS OF THE
9 APPLICANT. THE INFORMATION SHALL INCLUDE:

10 (1) A BRIEF DESCRIPTION OF THE CIRCUMSTANCES SURROUNDING
11 THE ARREST.

12 (2) THE SPECIFIC OFFENSE CHARGED.

13 (3) THE ULTIMATE DISPOSITION OF THE CHARGES, INCLUDING
14 THE DETAILS OF ANY DISMISSAL, PLEA BARGAIN, CONVICTION OR
15 SENTENCE, INCLUDING ANY PARDON, EXPUNGEMENT OR ORDER OF
16 ACCELERATED REHABILITATIVE DISPOSITION.

17 * * *

18 SECTION 10.4. SECTIONS 1310 AND 1313(C) OF TITLE 4 ARE
19 AMENDED TO READ:

20 § 1310. SLOT MACHINE LICENSE APPLICATION CHARACTER
21 REQUIREMENTS.

22 (A) APPLICATION.--

23 (1) EVERY APPLICATION FOR A SLOT MACHINE LICENSE SHALL
24 INCLUDE SUCH INFORMATION, DOCUMENTATION AND ASSURANCES AS MAY
25 BE REQUIRED TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE
26 APPLICANT'S SUITABILITY, INCLUDING GOOD CHARACTER, HONESTY
27 AND INTEGRITY. INFORMATION SHALL INCLUDE, WITHOUT LIMITATION,
28 INFORMATION PERTAINING TO FAMILY, HABITS, CHARACTER,
29 REPUTATION, CRIMINAL HISTORY BACKGROUND, BUSINESS ACTIVITIES,
30 FINANCIAL AFFAIRS AND BUSINESS, PROFESSIONAL AND PERSONAL

1 ASSOCIATES, COVERING AT LEAST THE TEN-YEAR PERIOD IMMEDIATELY
2 PRECEDING THE FILING DATE OF THE APPLICATION.

3 (2) NOTWITHSTANDING 18 PA.C.S. § 9124(B) (RELATING TO
4 USE OF RECORDS BY LICENSING AGENCIES), A CONVICTION THAT HAS
5 BEEN EXPUNGED OR OVERTURNED, OR FOR WHICH A PERSON HAS BEEN
6 PARDONED OR AN ORDER OF ACCELERATED REHABILITATIVE
7 DISPOSITION HAS BEEN ISSUED, SHALL BE INCLUDED WITH AN
8 APPLICATION AND SHALL BE CONSIDERED BY THE BOARD AS PART OF
9 THE REVIEW OF THE APPLICANT'S SUITABILITY UNDER PARAGRAPH
10 (1).

11 (B) CIVIL JUDGMENTS AND LAW ENFORCEMENT AGENCY
12 INFORMATION.--EACH APPLICANT SHALL NOTIFY THE BOARD OF ANY CIVIL
13 JUDGMENTS OBTAINED AGAINST THE APPLICANT PERTAINING TO ANTITRUST
14 OR SECURITY REGULATION LAWS OF THE FEDERAL GOVERNMENT, THIS
15 COMMONWEALTH OR ANY OTHER STATE, JURISDICTION, PROVINCE OR
16 COUNTRY. IN ADDITION, EACH APPLICANT SHALL PRODUCE A LETTER OF
17 REFERENCE FROM LAW ENFORCEMENT AGENCIES HAVING JURISDICTION IN
18 THE APPLICANT'S PLACE OF RESIDENCE AND PRINCIPAL PLACE OF
19 BUSINESS, WHICH LETTER OF REFERENCE SHALL INDICATE THAT THE LAW
20 ENFORCEMENT AGENCIES DO NOT HAVE ANY PERTINENT INFORMATION
21 CONCERNING THE APPLICANT OR, IF THE LAW ENFORCEMENT AGENCY DOES
22 HAVE INFORMATION PERTAINING TO THE APPLICANT, SHALL SPECIFY THE
23 NATURE AND CONTENT OF THAT INFORMATION. IF NO LETTERS ARE
24 RECEIVED WITHIN 30 DAYS OF THE REQUEST, THE APPLICANT MAY SUBMIT
25 A STATEMENT UNDER OATH WHICH IS SUBJECT TO THE PENALTY FOR FALSE
26 SWEARING UNDER 18 PA.C.S. § 4903 (RELATING TO FALSE SWEARING)
27 THAT THE APPLICANT IS OR WAS DURING THE PERIOD THE ACTIVITIES
28 WERE CONDUCTED IN GOOD STANDING WITH THE GAMING OR CASINO
29 ENFORCEMENT OR CONTROL AGENCY.

30 (C) GAMING OR CASINO ENFORCEMENT AGENCY INFORMATION.--IF THE

1 APPLICANT HAS HELD A GAMING LICENSE IN A JURISDICTION WHERE
2 GAMING ACTIVITIES ARE PERMITTED, THE APPLICANT SHALL PRODUCE A
3 LETTER OF REFERENCE FROM THE GAMING OR CASINO ENFORCEMENT OR
4 CONTROL AGENCY WHICH SHALL SPECIFY THE EXPERIENCES OF THAT
5 AGENCY WITH THE APPLICANT, THE APPLICANT'S ASSOCIATES AND THE
6 APPLICANT'S GAMING OPERATION. IF NO LETTERS ARE RECEIVED WITHIN
7 30 DAYS OF THE REQUEST, THE APPLICANT MAY SUBMIT A STATEMENT
8 UNDER OATH WHICH IS SUBJECT TO THE PENALTY FOR FALSE SWEARING
9 UNDER 18 PA.C.S. § 4903 THAT THE APPLICANT IS OR WAS DURING THE
10 PERIOD THE ACTIVITIES WERE CONDUCTED IN GOOD STANDING WITH THE
11 GAMING OR CASINO ENFORCEMENT OR CONTROL AGENCY.

12 (D) AGENCY RECORDS.--EACH APPLICANT FOR A SLOT MACHINE
13 LICENSE, PRINCIPAL LICENSE OR KEY EMPLOYEE LICENSE SHALL BE
14 REQUIRED TO APPLY TO THE FEDERAL AGENCY DEEMED APPROPRIATE BY
15 THE BOARD FOR AGENCY RECORDS UNDER THE FREEDOM OF INFORMATION
16 ACT (PUBLIC LAW 89-554, 5 U.S.C. § 522) PERTAINING TO THE
17 APPLICANT AND PROVIDE THE BOARD WITH THE COMPLETE RECORD
18 RECEIVED FROM THE FEDERAL AGENCY. THE BOARD MAY ISSUE A LICENSE
19 TO THE APPLICANT PRIOR TO THE RECEIPT OF INFORMATION UNDER THIS
20 SUBSECTION.

21 § 1313. SLOT MACHINE LICENSE APPLICATION FINANCIAL FITNESS
22 REQUIREMENTS.

23 * * *

24 (C) APPLICANT'S ABILITY TO PAY LICENSE FEE.--THE BOARD SHALL
25 REQUIRE EACH APPLICANT FOR A CATEGORY 1 OR 2 SLOT MACHINE
26 LICENSE AT THE TIME OF APPLICATION TO POST A LETTER OF CREDIT OR
27 BOND IN THE AMOUNT OF \$50,000,000 TO DEMONSTRATE THE FINANCIAL
28 ABILITY TO PAY THE SLOT MACHINE LICENSE FEE AS REQUIRED IN
29 SECTION 1209 (RELATING TO SLOT MACHINE LICENSE FEE) IF ISSUED A
30 SLOT MACHINE LICENSE BY THE BOARD. EACH APPLICANT FOR A CATEGORY

1 3 SLOT MACHINE LICENSE AT THE TIME OF APPLICATION SHALL BE
2 REQUIRED TO POST A LETTER OF CREDIT OR BOND IN THE AMOUNT OF
3 \$5,000,000 TO DEMONSTRATE THE FINANCIAL ABILITY TO PAY THE
4 CATEGORY 3 SLOT MACHINE LICENSE FEE AS REQUIRED IN SECTION 1305
5 (RELATING TO CATEGORY 3 SLOT MACHINE LICENSE) IF ISSUED A SLOT
6 MACHINE LICENSE BY THE BOARD. EACH CATEGORY 3 SLOT MACHINE
7 LICENSEE THAT SEEKS TO INCREASE THE NUMBER OF SLOT MACHINES IN
8 OPERATION AT THE LICENSED FACILITY PURSUANT TO SECTION 1305(C)
9 (RELATING TO CATEGORY 3 SLOT MACHINE LICENSE) SHALL BE REQUIRED
10 TO POST A LETTER OF CREDIT OR BOND IN THE AMOUNT OF \$5,000,000
11 TO DEMONSTRATE THE FINANCIAL ABILITY TO PAY THE ADDITIONAL
12 CATEGORY 3 SLOT MACHINE LICENSE FEE AS REQUIRED IN SECTION
13 1305(D).

14 * * *

15 SECTION 10.5. SECTIONS 1317(A) AND (C) AND 1317.1(A), (B)
16 (5), (C), (D.1) AND (E) OF TITLE 4 ARE AMENDED AND THE SECTIONS
17 ARE AMENDED BY ADDING SUBSECTIONS TO READ:

18 § 1317. SUPPLIER LICENSES.

19 (A) APPLICATION.--A MANUFACTURER THAT ELECTS TO CONTRACT
20 WITH A SUPPLIER UNDER SECTION 1317.1(D.1) (RELATING TO
21 MANUFACTURER LICENSES) SHALL ENSURE THAT THE SUPPLIER IS
22 LICENSED UNDER THIS SECTION. A PERSON SEEKING TO PROVIDE SLOT
23 MACHINES, TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT TO A SLOT
24 MACHINE LICENSEE WITHIN THIS COMMONWEALTH THROUGH A CONTRACT
25 WITH A LICENSED MANUFACTURER SHALL APPLY TO THE BOARD FOR A
26 SUPPLIER LICENSE.

27 * * *

28 (C) REVIEW AND APPROVAL.--UPON BEING SATISFIED THAT THE
29 REQUIREMENTS OF SUBSECTION (B) HAVE BEEN MET OR WAIVED UNDER
30 SUBSECTION (C.1), THE BOARD MAY APPROVE THE APPLICATION AND

1 ISSUE THE APPLICANT A SUPPLIER LICENSE CONSISTENT WITH ALL OF
2 THE FOLLOWING:

3 (1) [THE LICENSE SHALL BE FOR A PERIOD OF ONE YEAR. UPON
4 EXPIRATION, THE LICENSE MAY BE RENEWED IN ACCORDANCE WITH
5 SUBSECTION (D)] THE INITIAL LICENSE SHALL BE FOR A PERIOD OF
6 ONE YEAR AND SHALL BE SUBJECT TO RENEWAL ANNUALLY UNDER
7 SUBSECTION (D) FOR TWO CONSECUTIVE ONE-YEAR PERIODS FOLLOWING
8 THE INITIAL ISSUANCE. THEREAFTER, A LICENSE SHALL BE SUBJECT
9 TO RENEWAL EVERY THREE YEARS. NOTHING IN THIS PARAGRAPH SHALL
10 RELIEVE ~~THE~~ A LICENSEE OF THE AFFIRMATIVE DUTY TO NOTIFY THE ←
11 BOARD OF ANY CHANGES RELATING TO THE STATUS OF ITS LICENSE OR
12 TO ANY INFORMATION CONTAINED IN APPLICATION MATERIALS ON FILE
13 WITH THE BOARD.

14 * * *

15 (C.1) WAIVER.--THE BOARD SHALL ESTABLISH STANDARDS AND A
16 PROCEDURE TO ALLOW THE BOARD TO WAIVE THE REQUIREMENTS OF THIS
17 SECTION FOR ANY PERSON WHO HOLDS A SUPPLIER LICENSE UNDER THIS
18 SECTION AND WHO SEEKS TO SUPPLY TABLE GAME DEVICES OR ASSOCIATED
19 EQUIPMENT. THE BOARD MAY ONLY WAIVE THE REQUIREMENTS OF THIS
20 SECTION IF:

21 (1) THE SUPPLIER LICENSE WAS ISSUED BY THE BOARD WITHIN
22 A 36-MONTH PERIOD IMMEDIATELY PRECEDING THE DATE THE SUPPLIER
23 LICENSEE FILES AN INITIAL APPLICATION TO SUPPLY TABLE GAME
24 DEVICES OR ASSOCIATED EQUIPMENT.

25 (2) THE PERSON TO WHOM THE SUPPLIER LICENSE WAS ISSUED
26 AFFIRMS THERE HAS BEEN NO MATERIAL CHANGE IN CIRCUMSTANCES
27 RELATING TO THE LICENSE.

28 (3) THE BOARD DETERMINES THERE HAS BEEN NO MATERIAL
29 CHANGE IN CIRCUMSTANCES RELATING TO THE LICENSE THAT
30 NECESSITATES, AT THE DISCRETION OF THE BOARD, THAT THE

1 REQUIREMENTS OF THIS SECTION NOT BE WAIVED.

2 * * *

3 § 1317.1. MANUFACTURER LICENSES.

4 (A) APPLICATION.--A PERSON SEEKING TO MANUFACTURE SLOT
5 MACHINES, TABLE GAME DEVICES AND ASSOCIATED EQUIPMENT FOR USE IN
6 THIS COMMONWEALTH SHALL APPLY TO THE BOARD FOR A MANUFACTURER
7 LICENSE.

8 (B) REQUIREMENTS.--AN APPLICATION FOR A MANUFACTURER LICENSE
9 SHALL BE ON THE FORM REQUIRED BY THE BOARD, ACCOMPANIED BY THE
10 APPLICATION FEE, AND SHALL INCLUDE ALL OF THE FOLLOWING:

11 * * *

12 (5) THE TYPE OF SLOT MACHINES, TABLE GAME DEVICES OR
13 ASSOCIATED EQUIPMENT TO BE MANUFACTURED OR REPAIRED.

14 (C) REVIEW AND APPROVAL.--UPON BEING SATISFIED THAT THE
15 REQUIREMENTS OF SUBSECTION (B) HAVE BEEN MET OR WAIVED UNDER
16 SUBSECTION (C.1), THE BOARD MAY APPROVE THE APPLICATION AND
17 GRANT THE APPLICANT A MANUFACTURER LICENSE CONSISTENT WITH ALL
18 OF THE FOLLOWING:

19 (1) [THE LICENSE SHALL BE FOR A PERIOD OF ONE YEAR. UPON
20 EXPIRATION, A LICENSE MAY BE RENEWED IN ACCORDANCE WITH
21 SUBSECTION (D)] THE INITIAL LICENSE SHALL BE FOR A PERIOD OF
22 ONE YEAR AND SHALL BE SUBJECT TO RENEWAL ANNUALLY UNDER
23 SUBSECTION (D) FOR TWO CONSECUTIVE ONE-YEAR PERIODS FOLLOWING
24 THE INITIAL ISSUANCE. THEREAFTER, A LICENSE SHALL BE SUBJECT
25 TO RENEWAL EVERY THREE YEARS. NOTHING IN THIS PARAGRAPH SHALL
26 RELIEVE THE LICENSEE OF THE AFFIRMATIVE DUTY TO NOTIFY THE
27 BOARD OF ANY CHANGES RELATING TO THE STATUS OF ITS LICENSE OR
28 TO ANY OTHER INFORMATION CONTAINED IN APPLICATION MATERIALS
29 ON FILE WITH THE BOARD.

30 (2) THE LICENSE SHALL BE NONTRANSFERABLE.

1 (3) ANY OTHER CONDITION ESTABLISHED BY THE BOARD.

2 (C.1) WAIVER.--THE BOARD SHALL ESTABLISH STANDARDS AND A
3 PROCEDURE TO ALLOW THE BOARD TO WAIVE THE REQUIREMENTS OF THIS
4 SECTION FOR ANY PERSON WHO HOLDS A MANUFACTURER LICENSE UNDER
5 THIS SECTION AND WHO SEEKS TO MANUFACTURE TABLE GAME DEVICES OR
6 ASSOCIATED EQUIPMENT. THE BOARD MAY ONLY WAIVE THE APPLICATION
7 REQUIREMENT UNDER THIS SECTION IF:

8 (1) THE MANUFACTURER LICENSE WAS ISSUED BY THE BOARD
9 WITHIN A 36-MONTH PERIOD IMMEDIATELY PRECEDING THE DATE THE
10 MANUFACTURER LICENSEE FILES AN APPLICATION TO MANUFACTURE
11 TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT.

12 (2) THE PERSON TO WHOM THE MANUFACTURER LICENSE WAS
13 ISSUED AFFIRMS THERE HAS BEEN NO MATERIAL CHANGE IN
14 CIRCUMSTANCES RELATING TO THE LICENSE.

15 (3) THE BOARD DETERMINES THERE HAS BEEN NO MATERIAL
16 CHANGE IN CIRCUMSTANCES OF THE LICENSEE THAT NECESSITATES, AT
17 THE DISCRETION OF THE BOARD, THAT THE REQUIREMENTS OF THIS
18 SECTION NOT BE WAIVED.

19 * * *

20 (D.1) AUTHORITY.--THE FOLLOWING SHALL APPLY TO A LICENSED
21 MANUFACTURER:

22 (1) A LICENSED MANUFACTURER OR ITS DESIGNEE, AS LICENSED
23 BY THE BOARD, MAY SUPPLY OR REPAIR ANY SLOT MACHINE, TABLE
24 GAME DEVICE OR ASSOCIATED EQUIPMENT MANUFACTURED BY THE
25 LICENSED MANUFACTURER.

26 (2) A MANUFACTURER MAY CONTRACT WITH A SUPPLIER UNDER
27 SECTION 1317 (RELATING TO SUPPLIER LICENSES) TO PROVIDE SLOT
28 MACHINES OR ASSOCIATED EQUIPMENT TO A SLOT MACHINE LICENSEE
29 WITHIN THIS COMMONWEALTH.

30 (3) A MANUFACTURER MAY CONTRACT WITH A SUPPLIER UNDER

1 SECTION 1317 TO PROVIDE TABLE ~~GAMES~~ GAME DEVICES OR
2 ASSOCIATED EQUIPMENT TO A CERTIFICATE HOLDER.

3 (E) PROHIBITIONS.--

4 (1) NO PERSON MAY MANUFACTURE SLOT MACHINES, TABLE GAME
5 DEVICES OR ASSOCIATED EQUIPMENT FOR USE WITHIN THIS
6 COMMONWEALTH BY A SLOT MACHINE LICENSEE UNLESS THE PERSON HAS
7 BEEN ISSUED A MANUFACTURER LICENSE AS REQUIRED UNDER THIS
8 SECTION.

9 (2) NO SLOT MACHINE LICENSEE MAY USE SLOT MACHINES,
10 TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT UNLESS THE SLOT
11 MACHINES, TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT WERE
12 MANUFACTURED BY A PERSON THAT HAS BEEN ISSUED A MANUFACTURER
13 LICENSE UNDER THIS SECTION.

14 (3) NO PERSON ISSUED A LICENSE UNDER THIS SECTION SHALL
15 APPLY FOR OR BE ISSUED A LICENSE UNDER SECTION 1317.

16 (4) NO LIMITATION SHALL BE PLACED ON THE NUMBER OF
17 MANUFACTURER LICENSES ISSUED OR THE TIME PERIOD TO SUBMIT
18 APPLICATIONS FOR LICENSURE, EXCEPT AS REQUIRED TO COMPLY WITH
19 SECTION 1306 (RELATING TO ORDER OF INITIAL LICENSE ISSUANCE).
20 SECTION 10.6. TITLE 4 IS AMENDED BY ADDING A SECTION TO

21 READ:

22 § 1317.2. GAMING SERVICE PROVIDER.

23 (A) DEVELOPMENT OF CLASSIFICATION SYSTEM.--THE BOARD SHALL
24 DEVELOP UNIFORM STANDARDS AND PROCEDURES GOVERNING THE
25 REGISTRATION REGULATION OF GAMING SERVICE PROVIDERS. ~~EACH~~
26 APPLICANT AND ~~ALL~~ INDIVIDUALS AND ENTITIES ASSOCIATED WITH THE
27 APPLICANT FOR AUTHORIZATION TO ACT AS A GAMING SERVICE PROVIDER
28 SHALL SUBMIT TO A BACKGROUND INVESTIGATION. THE CLASSIFICATION
29 SYSTEM ~~DEVELOPED BY THE BOARD~~ SHALL BE BASED UPON THE FOLLOWING:

30 (1) THE MONETARY VALUE OR AMOUNT OF BUSINESS CONDUCTED

1 OR EXPECTED TO BE CONDUCTED BY THE GAMING SERVICE PROVIDER
2 WITH AN APPLICANT FOR A SLOT MACHINE LICENSEE OR A SLOT
3 MACHINE LICENSEE IN ANY CONSECUTIVE 12-MONTH PERIOD.

4 (2) WHETHER THE EMPLOYEES OF THE GAMING SERVICE PROVIDER
5 WILL HAVE ACCESS TO THE GAMING FLOOR OR THE RESTRICTED AREA
6 OF A LICENSED FACILITY.

7 (3) THE BOARD'S ANALYSIS OF THE GOODS, PROPERTY OR
8 SERVICE PROVIDED OR TO BE PROVIDED BY THE GAMING SERVICE
9 PROVIDER IN ORDER TO ENSURE THE INTEGRITY OF GAMING.

10 (B) AUTHORITY TO EXEMPT.--THE BOARD MAY EXEMPT ANY PERSON OR
11 FIELD OF COMMERCE FROM THE REQUIREMENTS OF THIS SECTION IF THE
12 BOARD DETERMINES THE FOLLOWING:

13 (1) ~~THE~~ THE PERSON OR FIELD OF COMMERCE IS REGULATED BY
14 AN AGENCY OF THE FEDERAL GOVERNMENT OR AN AGENCY OF THE
15 COMMONWEALTH-; OR

16 (2) ~~REGULATION~~ THE REGULATION OF THE PERSON OR FIELD OF
17 COMMERCE IS DETERMINED NOT TO BE NECESSARY IN ORDER TO
18 PROTECT THE PUBLIC INTEREST OR THE INTEGRITY OF GAMING.

19 (C) DUTIES OF GAMING SERVICE PROVIDERS.--EACH GAMING SERVICE
20 PROVIDER SHALL HAVE A CONTINUING DUTY TO:

21 (1) PROVIDE ALL INFORMATION, DOCUMENTATION AND
22 ASSURANCES AS THE BOARD MAY REQUIRE.

23 (2) COOPERATE WITH THE BOARD IN INVESTIGATIONS, HEARINGS
24 AND ENFORCEMENT AND DISCIPLINARY ACTIONS.

25 (3) COMPLY WITH ALL CONDITIONS, RESTRICTIONS,
26 REQUIREMENTS, ORDERS AND RULINGS OF THE BOARD IN ACCORDANCE
27 WITH THIS PART.

28 (4) REPORT ANY CHANGE IN CIRCUMSTANCES THAT MAY RENDER
29 THE GAMING SERVICE PROVIDER INELIGIBLE, UNQUALIFIED OR
30 UNSUITABLE FOR CONTINUED LICENSURE.

1 (D) REQUIREMENT FOR PERMIT.--THE BOARD MAY REQUIRE EMPLOYEES
2 OF A GAMING SERVICE PROVIDER TO OBTAIN A PERMIT OR OTHER
3 AUTHORIZATION IF, AFTER AN ANALYSIS OF DUTIES, RESPONSIBILITIES
4 AND FUNCTIONS, THE BOARD DETERMINES THAT A PERMIT OR OTHER
5 AUTHORIZATION IS NECESSARY TO PROTECT THE INTEGRITY OF GAMING.

6 (E) INTERIM AUTHORIZATION.--THE BOARD OR A DESIGNATED
7 EMPLOYEE OF THE BOARD MAY PERMIT A GAMING SERVICE PROVIDER
8 APPLICANT TO ENGAGE IN BUSINESS WITH AN APPLICANT FOR A SLOT
9 MACHINE LICENSE OR A SLOT MACHINE LICENSEE PRIOR TO APPROVAL OF
10 THE GAMING SERVICE PROVIDER APPLICATION IF THE FOLLOWING
11 CRITERIA HAVE BEEN SATISFIED:

12 (1) A COMPLETED APPLICATION HAS BEEN FILED WITH THE
13 BOARD BY THE GAMING SERVICE PROVIDER.

14 (2) THE SLOT MACHINE APPLICANT OR SLOT MACHINE LICENSEE
15 CONTRACTING OR DOING BUSINESS WITH THE GAMING SERVICE
16 PROVIDER CERTIFIES THAT IT HAS PERFORMED DUE DILIGENCE ON THE
17 GAMING SERVICE PROVIDER AND BELIEVES THAT THE APPLICANT MEETS
18 THE QUALIFICATION TO BE A GAMING SERVICE PROVIDER PURSUANT TO
19 THIS SECTION.

20 (3) THE GAMING SERVICE PROVIDER APPLICANT AGREES IN
21 WRITING THAT THE GRANT OF INTERIM AUTHORIZATION TO CONDUCT
22 BUSINESS PRIOR TO BOARD APPROVAL OF ITS APPLICATION DOES NOT
23 CREATE A RIGHT TO CONTINUE TO ENGAGE IN BUSINESS IF THE BOARD
24 DETERMINES THAT THE APPLICANT IS NOT SUITABLE AND INTERIM
25 AUTHORIZATION IS NOT IN THE PUBLIC INTEREST.

26 (F) CONSTRUCTION.--NOTHING IN THIS SECTION SHALL BE
27 CONSTRUED TO PROHIBIT THE BOARD FROM RESCINDING A GRANT OF
28 INTERIM AUTHORIZATION IF, AT ANY TIME, THE SUITABILITY OF THE
29 PERSON SUBJECT TO INTERIM AUTHORIZATION IS AT ISSUE OR IF THE
30 PERSON FAILS TO COOPERATE WITH THE BOARD, THE BUREAU OR AN AGENT

1 OF THE BOARD OR BUREAU.

2 (G) PROVIDER GAMING SERVICE PROVIDER LISTS.--THE BOARD ←
3 SHALL:

4 (1) DEVELOP AND MAINTAIN A LIST OF APPROVED GAMING
5 SERVICE PROVIDERS ~~AND A LIST OF GAMING SERVICE PROVIDERS WHO~~ ←
6 ARE AUTHORIZED TO PROVIDE GOODS, PROPERTY OR SERVICES UNDER A
7 GRANT OF INTERIM AUTHORIZATION PURSUANT TO SUBSECTION (E) (3).

8 (2) DEVELOP AND MAINTAIN A LIST OF PROHIBITED GAMING
9 SERVICE PROVIDERS. AN APPLICANT FOR A SLOT MACHINE LICENSE OR
10 A SLOT MACHINE LICENSEE MAY NOT ENTER INTO AN AGREEMENT OR
11 ~~CONTINUE TO ENGAGE IN BUSINESS WITH A GAMING SERVICE PROVIDER~~ ←
12 LISTED ON THE PROHIBITED GAMING SERVICE PROVIDER LIST.

13 (H) EMERGENCY AUTHORIZATION.--A SLOT MACHINE LICENSEE MAY
14 UTILIZE A GAMING SERVICE PROVIDER THAT HAS NOT BEEN APPROVED BY
15 THE BOARD WHEN A THREAT TO PUBLIC HEALTH, WELFARE OR SAFETY
16 EXISTS OR CIRCUMSTANCES OUTSIDE THE CONTROL OF THE SLOT MACHINE
17 LICENSEE REQUIRE IMMEDIATE ACTION TO PROTECT THE PUBLIC
18 INTEREST. THE BOARD SHALL PROMULGATE REGULATIONS TO GOVERN THE
19 USE OF GAMING SERVICE PROVIDERS UNDER EMERGENCY CIRCUMSTANCES.

20 (I) CRIMINAL HISTORY RECORD INFORMATION.--IF THE
21 CLASSIFICATION SYSTEM DEVELOPED BY THE BOARD IN ACCORDANCE WITH
22 SUBSECTION (A) REQUIRES A GAMING SERVICE PROVIDER OR AN EMPLOYEE
23 OF A GAMING SERVICE PROVIDER TO SUBMIT TO OR PROVIDE THE BUREAU
24 WITH A CRIMINAL HISTORY RECORD CHECK UNDER 18 PA.C.S. CH. 91
25 (RELATING TO CRIMINAL HISTORY RECORD INFORMATION), THE BUREAU
26 SHALL NOTIFY THE SLOT MACHINE LICENSEE THAT SUBMITTED AND
27 VERIFIED THE APPLICATION ~~OF A PERSON IF THE PERSON'S APPLICATION~~ ←
28 HAS BEEN DENIED OR THE ~~PERSON'S~~ APPROVAL OR AUTHORIZATION TO ←
29 PROVIDE GOODS, PROPERTY OR SERVICES HAS BEEN REVOKED OR
30 SUSPENDED, INCLUDING THE REASON FOR THE ACTION TAKEN.

1 SECTION 10.7. SECTIONS 1318(C) AND 1319 OF TITLE 4 ARE
2 AMENDED TO READ:

3 § 1318. OCCUPATION PERMIT APPLICATION.

4 * * *

5 (C) PROHIBITION.--NO SLOT MACHINE LICENSEE MAY EMPLOY OR
6 PERMIT ANY PERSON UNDER 18 YEARS OF AGE TO RENDER ANY SERVICE
7 WHATSOEVER IN ANY AREA OF ITS LICENSED FACILITY [AT WHICH] WHERE
8 SLOT MACHINES OR TABLE GAMES ARE PHYSICALLY LOCATED.

9 § 1319. ALTERNATIVE MANUFACTURER LICENSING STANDARDS.

10 (A) GENERAL RULE.--THE BOARD MAY DETERMINE WHETHER THE
11 LICENSING STANDARDS OF ANOTHER JURISDICTION WITHIN THE UNITED
12 STATES IN WHICH AN APPLICANT FOR A MANUFACTURER LICENSE IS
13 SIMILARLY LICENSED ARE COMPREHENSIVE AND THOROUGH AND PROVIDE
14 SIMILAR ADEQUATE SAFEGUARDS AS THOSE REQUIRED BY THIS PART. IF
15 THE BOARD MAKES THAT DETERMINATION, IT MAY ISSUE A MANUFACTURER
16 LICENSE TO AN APPLICANT WHO HOLDS A SIMILAR MANUFACTURER LICENSE
17 IN SUCH OTHER JURISDICTION AFTER CONDUCTING AN EVALUATION OF THE
18 INFORMATION RELATING TO THE APPLICANT FROM SUCH OTHER
19 JURISDICTIONS, AS UPDATED BY THE BOARD, AND EVALUATING OTHER
20 INFORMATION RELATED TO THE APPLICANT RECEIVED FROM THAT
21 JURISDICTION AND OTHER JURISDICTIONS WHERE THE APPLICANT MAY BE
22 LICENSED, THE BOARD MAY INCORPORATE SUCH INFORMATION IN WHOLE OR
23 IN PART INTO ITS EVALUATION OF THE APPLICANT.

24 (B) ABBREVIATED PROCESS.--IN THE EVENT AN APPLICANT FOR A
25 [SLOT MACHINE] MANUFACTURER LICENSE IS LICENSED IN ANOTHER
26 JURISDICTION, THE BOARD MAY DETERMINE TO USE AN ALTERNATE
27 PROCESS REQUIRING ONLY THAT INFORMATION DETERMINED BY THE BOARD
28 TO BE NECESSARY TO CONSIDER THE ISSUANCE OF A LICENSE, INCLUDING
29 FINANCIAL VIABILITY OF THE LICENSEE, TO SUCH AN APPLICANT.
30 NOTHING IN THIS SECTION SHALL BE CONSTRUED TO WAIVE ANY FEES

1 ASSOCIATED WITH OBTAINING A LICENSE THROUGH THE NORMAL
2 APPLICATION PROCESS.

3 SECTION 10.8. TITLE 4 IS AMENDED BY ADDING A SECTION TO
4 READ:

5 § 1319.1. ALTERNATIVE SUPPLIER LICENSING STANDARDS.

6 (A) GENERAL RULE.--THE BOARD MAY DETERMINE WHETHER THE
7 LICENSING STANDARDS OF ANOTHER JURISDICTION WITHIN THE UNITED
8 STATES IN WHICH AN APPLICANT FOR A SUPPLIER'S LICENSE IS
9 SIMILARLY LICENSED ARE COMPREHENSIVE AND THOROUGH AND PROVIDE
10 SIMILAR ADEQUATE SAFEGUARDS AS REQUIRED BY THIS PART. IF THE
11 BOARD MAKES THAT DETERMINATION, IT MAY ISSUE A SUPPLIER LICENSE
12 TO AN APPLICANT WHO HOLDS A SIMILAR SUPPLIER LICENSE IN ANOTHER
13 JURISDICTION AFTER CONDUCTING AN EVALUATION OF THE INFORMATION
14 RELATING TO THE APPLICANT FROM THE OTHER JURISDICTIONS, AS
15 UPDATED BY THE BOARD AND EVALUATING OTHER INFORMATION RELATED TO
16 THE APPLICANT RECEIVED FROM THAT JURISDICTION AND OTHER
17 JURISDICTIONS WHERE THE APPLICANT MAY BE LICENSED, THE BOARD MAY
18 INCORPORATE THE INFORMATION IN WHOLE OR IN PART INTO ITS
19 EVALUATION OF THE APPLICANT.

20 (B) ABBREVIATED PROCESS.--IN THE EVENT AN APPLICANT FOR A
21 SUPPLIER LICENSE IS LICENSED IN ANOTHER JURISDICTION, THE BOARD
22 MAY DETERMINE TO USE AN ALTERNATE PROCESS REQUIRING ONLY THE
23 INFORMATION DETERMINED BY THE BOARD TO BE NECESSARY TO CONSIDER
24 THE ISSUANCE OF A LICENSE, INCLUDING FINANCIAL VIABILITY OF THE
25 LICENSEE TO THE APPLICANT. NOTHING IN THIS SECTION SHALL BE
26 CONSTRUED TO WAIVE ANY FEES ASSOCIATED WITH OBTAINING A LICENSE
27 THROUGH THE NORMAL APPLICATION PROCESS.

28 SECTION 10.9. SECTIONS 1321, 1326(A), 1328(A)(1) AND (D) AND
29 1329 OF TITLE 4 ARE AMENDED TO READ:

30 § 1321. ADDITIONAL LICENSES AND PERMITS AND APPROVAL OF



1 AGREEMENTS.

2 (A) REQUIREMENTS.--IN ADDITION TO THE REQUIREMENTS FOR A
3 LICENSE OR PERMIT SPECIFICALLY SET FORTH IN THIS PART, THE BOARD
4 MAY REQUIRE A LICENSE [OR], PERMIT OR OTHER AUTHORIZATION, AND
5 SET A FEE FOR THE SAME, FOR ANY KEY OR GAMING EMPLOYEE OR ANY
6 PERSON WHO SATISFIES ANY OF THE FOLLOWING CRITERIA:

7 (1) THE PERSON TRANSACTS BUSINESS WITHIN THIS
8 COMMONWEALTH WITH A SLOT MACHINE LICENSEE AS A TICKET
9 PURVEYOR, TOUR OPERATOR, OPERATOR OF A BUS TRIP PROGRAM OR
10 OPERATOR OF ANY OTHER TYPE OF TRAVEL PROGRAM OR PROMOTIONAL
11 BUSINESS RELATED TO SLOT MACHINES OR TABLE GAMES. THE BOARD
12 MAY ALSO REVIEW, DENY, ORDER MODIFICATION OR APPROVE, AT ITS
13 DISCRETION, PROPOSED TOURS, BUS ROUTES AND TRAVEL PROGRAMS.

14 (2) THE PERSON IS PRESENTLY NOT [OTHERWISE] REQUIRED TO
15 BE LICENSED OR PERMITTED UNDER THIS PART AND PROVIDES ANY
16 GOODS, PROPERTY OR SERVICES, INCLUDING, BUT NOT LIMITED TO,
17 MANAGEMENT CONTRACTS FOR COMPENSATION TO A SLOT MACHINE
18 LICENSEE AT THE LICENSED FACILITY.

19 (B) AGREEMENT.--ANY AGREEMENT TO CONDUCT BUSINESS WITHIN
20 THIS COMMONWEALTH BETWEEN A PERSON AND A SLOT MACHINE LICENSEE
21 RELATING TO SLOT MACHINES, ~~TABLE GAMES~~, TABLE GAME DEVICES OR ←
22 ASSOCIATED EQUIPMENT IS SUBJECT TO THE APPROVAL OF THE BOARD IN
23 ACCORDANCE WITH RULES AND REGULATIONS PROMULGATED BY THE BOARD.
24 EVERY AGREEMENT SHALL BE IN WRITING AND SHALL INCLUDE A
25 PROVISION FOR ITS TERMINATION WITHOUT LIABILITY ON THE PART OF
26 THE SLOT MACHINE LICENSEE UPON A FINDING BY THE BOARD THAT THE
27 AGREEMENT IS NOT APPROVED OR THAT IT IS TERMINATED. FAILURE TO
28 EXPRESSLY INCLUDE THIS CONDITION IN THE AGREEMENT IS NOT A
29 DEFENSE IN ANY ACTION BROUGHT UNDER THIS SECTION RELATING TO THE
30 TERMINATION OF THE AGREEMENT.

1 § 1326. LICENSE RENEWALS.

2 (A) RENEWAL.--ALL PERMITS AND LICENSES ISSUED UNDER THIS
3 PART UNLESS OTHERWISE PROVIDED SHALL BE SUBJECT TO RENEWAL ON AN
4 ANNUAL BASIS [UPON THE APPLICATION OF THE HOLDER OF THE PERMIT
5 OR LICENSE SUBMITTED TO THE BOARD AT LEAST 60 DAYS PRIOR TO THE
6 EXPIRATION OF THE PERMIT OR LICENSE] FOR THE FIRST TWO YEARS
7 FOLLOWING THE INITIAL ISSUANCE. THEREAFTER, ALL PERMITS AND
8 LICENSES SHALL BE SUBJECT TO RENEWAL EVERY THREE YEARS. NOTHING
9 IN THIS SUBSECTION SHALL RELIEVE A LICENSEE OF THE AFFIRMATIVE
10 DUTY TO NOTIFY THE BOARD OF ANY CHANGES RELATING TO THE STATUS
11 OF ITS LICENSE OR TO ANY OTHER INFORMATION CONTAINED IN
12 APPLICATION MATERIALS ON FILE WITH THE BOARD. THE APPLICATION
13 FOR RENEWAL SHALL BE SUBMITTED AT LEAST 60 DAYS PRIOR TO THE
14 EXPIRATION OF THE PERMIT OR LICENSE AND SHALL INCLUDE AN UPDATE
15 OF THE INFORMATION CONTAINED IN THE INITIAL AND ANY PRIOR
16 RENEWAL APPLICATIONS AND THE PAYMENT OF ANY RENEWAL FEE REQUIRED
17 BY THIS PART. THE AMOUNT OF ANY RENEWAL FEE SHALL BE CALCULATED
18 BY THE BOARD TO REFLECT THE LONGER RENEWAL PERIOD. A PERMIT OR
19 LICENSE FOR WHICH A COMPLETED RENEWAL APPLICATION AND FEE, IF
20 REQUIRED, HAS BEEN RECEIVED BY THE BOARD WILL CONTINUE IN EFFECT
21 UNLESS AND UNTIL THE BOARD SENDS WRITTEN NOTIFICATION TO THE
22 HOLDER OF THE PERMIT OR LICENSE THAT THE BOARD HAS DENIED THE
23 RENEWAL OF SUCH PERMIT OR LICENSE.

24 * * *

25 § 1328. CHANGE IN OWNERSHIP OR CONTROL OF SLOT MACHINE
26 LICENSEE.

27 (A) NOTIFICATION AND APPROVAL.--

28 (1) A SLOT MACHINE LICENSEE SHALL NOTIFY THE BOARD
29 [PRIOR TO OR] IMMEDIATELY UPON BECOMING AWARE OF ANY PROPOSED
30 OR CONTEMPLATED CHANGE OF OWNERSHIP OF THE SLOT MACHINE

1 LICENSEE BY A PERSON OR GROUP OF PERSONS ACTING IN CONCERT
2 WHICH INVOLVES ANY OF THE FOLLOWING:

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

5 (II) MORE THAN 5% OF THE SECURITIES OR OTHER
6 OWNERSHIP INTERESTS OF A CORPORATION OR OTHER FORM OF
7 BUSINESS ENTITY THAT OWNS DIRECTLY OR INDIRECTLY AT LEAST
8 20% OF THE VOTING OR OTHER SECURITIES OR OTHER OWNERSHIP
9 INTERESTS OF THE LICENSEE.

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

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

14 * * *

15 (D) FEE REDUCTION.--THE BOARD MAY IN ITS DISCRETION 
16 ELIMINATE THE NEED FOR QUALIFICATION AND/OR PROPORTIONATELY
17 REDUCE, BUT NOT ELIMINATE, THE NEW LICENSE FEE OTHERWISE
18 REQUIRED PURSUANT TO THIS SECTION IN CONNECTION WITH A CHANGE OF
19 CONTROL OF A LICENSEE, DEPENDING UPON THE TYPE OF TRANSACTION,
20 THE RELEVANT OWNERSHIP INTERESTS AND CHANGES THERETO RESULTING
21 FROM THE TRANSACTION AND OTHER CONSIDERATIONS DEEMED RELEVANT BY
22 THE BOARD. IN NO CASE SHALL THE FEE BE REDUCED BELOW \$10,000,000
23 FOR A CATEGORY 1 OR CATEGORY 2 LICENSE OR \$1,000,000 FOR A
24 CATEGORY 3 LICENSE.

25 * * *

26 § 1329. [NONPORTABILITY] PORTABILITY AND RELOCATION OF SLOT
27 MACHINE LICENSE.

28 (A) GENERAL RULE.--EACH SLOT MACHINE LICENSE SHALL ONLY BE
29 VALID FOR THE SPECIFIC PHYSICAL LOCATION WITHIN THE MUNICIPALITY
30 AND COUNTY FOR WHICH IT WAS ORIGINALLY GRANTED. [NO]

1 (B) PETITION.--AN APPLICANT FOR A SLOT MACHINE LICENSE OR A
2 SLOT MACHINE LICENSEE MAY PETITION THE BOARD TO RELOCATE THE
3 APPROVED PHYSICAL LOCATION OF A LICENSED FACILITY. IN EVALUATING
4 A PETITION TO RELOCATE, THE BOARD SHALL CONSIDER THE FOLLOWING
5 FACTORS:

6 (1) THE ADDRESS OF THE PROPOSED NEW LOCATION AND THE
7 REASON FOR THE RELOCATION.

8 (2) A COMPARATIVE ANALYSIS, SUBMITTED BY THE PETITIONER,
9 DETAILING ESTIMATED GROSS TERMINAL REVENUES AT THE ~~NEW~~
10 PROPOSED LOCATION WITH ESTIMATED GROSS TERMINAL REVENUES AT
11 THE ~~ORIGINAL~~ APPROVED PHYSICAL LOCATION.

12 (3) A COMPARATIVE ANALYSIS, SUBMITTED BY THE PETITIONER,
13 DETAILING THE ECONOMIC IMPACT OF THE LICENSED FACILITY AT THE
14 ~~NEW~~ PROPOSED LOCATION WITH THE ESTIMATED ECONOMIC IMPACT AT
15 THE ~~ORIGINAL~~ APPROVED PHYSICAL LOCATION. THE COMPARATIVE
16 ANALYSIS SHALL INCLUDE THE TOTAL COST OF THE PROJECT AND
17 PROJECTED DIRECT AND INDIRECT EMPLOYMENT FIGURES.

18 (4) A COMPREHENSIVE TRAFFIC STUDY COMMISSIONED BY THE
19 BOARD.

20 (5) COMMUNITY SUPPORT OR OPPOSITION.

21 (6) ANY OTHER INFORMATION REQUESTED BY THE BOARD.

22 (C) RELOCATION.--A SLOT MACHINE LICENSEE [SHALL] MAY BE
23 PERMITTED TO MOVE OR RELOCATE THE PHYSICAL LOCATION OF THE
24 LICENSED FACILITY [WITHOUT] WITH BOARD APPROVAL [FOR] UPON GOOD
25 CAUSE SHOWN IF THE RELOCATION OF THE LICENSED FACILITY:

26 (1) ~~THE RELOCATED LICENSED FACILITY~~ REMAINS WITHIN THE
27 SAME MUNICIPALITY AS ORIGINALLY LICENSED;

28 (2) ~~THE RELOCATION~~ WILL FACILITATE THE TIMELY OPERATION
29 OF SLOT MACHINES;

30 (3) ~~THE RELOCATED LICENSED FACILITY~~ COMPLIES WITH ALL

1 OTHER PROVISIONS OF THIS PART RELATED TO THE SITING AND
2 LOCATION OF A LICENSED FACILITY; AND

3 (4) ~~RELOCATION OF THE LICENSED FACILITY IS IN THE BEST~~ ←
4 INTERESTS OF THE COMMONWEALTH.

5 (D) PUBLIC INPUT HEARING.--THE BOARD SHALL HOLD AT LEAST ONE
6 PUBLIC INPUT HEARING IN THE MUNICIPALITY WHERE THE LICENSED
7 FACILITY WILL BE LOCATED PRIOR TO APPROVAL OF THE RELOCATION.

8 (E) RESTRICTION.--NO GRANT OR LOAN FROM THE COMMONWEALTH MAY
9 BE AWARDED FOR THE PURPOSE OF RELOCATING OR DEVELOPING THE
10 RELOCATED LICENSED FACILITY TO COMPLY WITH ANY CONDITIONS OF
11 APPROVAL OF THE RELOCATION.

12 SECTION 11. TITLE 4 IS AMENDED BY ADDING A SECTION TO READ:
13 § 1332. APPOINTMENT OF TRUSTEE.

14 (A) APPOINTMENT.--UPON PETITION OF THE OFFICE OF ENFORCEMENT
15 COUNSEL, THE BOARD MAY ORDER THE APPOINTMENT OF A TRUSTEE FROM
16 THE LIST REQUIRED UNDER SUBSECTION (J) TO ACT ON BEHALF OF THE
17 INTERESTS OF THE COMMONWEALTH AND THE BOARD TO ASSURE COMPLIANCE
18 WITH THIS PART AND ANY CONDITIONS IMPOSED UPON THE SLOT MACHINE
19 LICENSE IN THE FOLLOWING CIRCUMSTANCES:

20 (1) UPON THE REVOCATION, SUSPENSION OR NONRENEWAL OF A
21 SLOT MACHINE LICENSE OR A PRINCIPAL LICENSE IF THE PRINCIPAL
22 LICENSEE IS THE ONLY PRINCIPAL WHO EXERCISES OPERATIONAL
23 CONTROL OF THE LICENSED FACILITY.

24 (2) UPON THE FAILURE TO RENEW A SLOT MACHINE LICENSE OR
25 A PRINCIPAL LICENSE IF THE PRINCIPAL LICENSEE IS THE ONLY
26 PRINCIPAL WHO EXERCISES OPERATIONAL CONTROL OF THE LICENSED
27 FACILITY UNTIL THE SLOT MACHINE OR PRINCIPAL LICENSE IS
28 RENEWED OR UNTIL THE DISCONTINUATION OF THE TRUSTEESHIP
29 PURSUANT TO SUBSECTION (I).

30 (3) IF NECESSARY TO PROTECT THE BEST INTERESTS OF THE

1 COMMONWEALTH.

2 (B) QUALIFICATIONS.--THE FOLLOWING SHALL APPLY:

3 (1) A TRUSTEE SHALL BE REQUIRED TO QUALIFY AS A
4 PRINCIPAL AND OBTAIN A PRINCIPAL LICENSE PURSUANT TO THIS
5 PART. THE BOARD MAY APPOINT A TRUSTEE AND AWARD THE TRUSTEE A
6 TEMPORARY PRINCIPAL LICENSE AS PRESCRIBED IN BOARD
7 REGULATIONS.

8 (2) BEFORE ASSUMING DUTIES, A TRUSTEE SHALL EXECUTE AND
9 FILE A BOND FOR THE FAITHFUL PERFORMANCE OF THE TRUSTEE'S
10 DUTIES. THE BOND SHALL BE PAYABLE TO THE BOARD WITH SURETIES
11 AND IN THE AMOUNT AND FORM AS REQUIRED BY BOARD ORDER. THE
12 COST OF THE BOND SHALL BE PAID BY THE FORMER OR SUSPENDED
13 LICENSEE.

14 (3) A TRUSTEE SHALL BE A RESIDENT OF THIS COMMONWEALTH.

15 (C) POWERS.--A TRUSTEE APPOINTED UNDER THIS SECTION SHALL
16 EXERCISE ONLY THOSE POWERS AND PERFORM THOSE DUTIES EXPRESSLY
17 CONFERRED UPON THE TRUSTEE BY THE BOARD. THE BOARD'S ORDER
18 APPOINTING THE TRUSTEE SHALL SET FORTH THE POWERS, DUTIES AND
19 RESPONSIBILITIES OF THE TRUSTEES WHICH MAY INCLUDE:

20 (1) MAINTAINING AND OPERATING THE LICENSED FACILITY IN A
21 MANNER THAT COMPLIES WITH THIS PART AND ANY CONDITIONS
22 IMPOSED BY THE BOARD.

23 (2) MAINTAINING AND OPERATING THE LICENSED FACILITY
24 CONSISTENT WITH THE MEASURES GENERALLY TAKEN IN THE ORDINARY
25 COURSE OF BUSINESS INCLUDING:

26 (I) ENTERING INTO CONTRACTS.

27 (II) BORROWING MONEY.

28 (III) PLEDGING, MORTGAGING OR OTHERWISE ENCUMBERING
29 THE LICENSED FACILITY OR PROPERTY THEREOF AS SECURITY FOR
30 THE REPAYMENT OF LOANS SUBJECT TO ANY PROVISIONS AND

1 RESTRICTIONS IN ANY EXISTING CREDIT DOCUMENTS.

2 (IV) HIRING, FIRING AND DISCIPLINING EMPLOYEES.

3 (3) EXERCISING THE RIGHTS AND OBLIGATIONS OF THE FORMER
4 OR SUSPENDED LICENSEE.

5 (4) TAKING POSSESSION OF ALL OF THE PROPERTY OF THE SLOT
6 MACHINE LICENSEE, INCLUDING ITS BOOKS, RECORDS AND PAPERS.

7 (5) ESTABLISHING ACCOUNTS WITH FINANCIAL INSTITUTIONS.
8 AN ACCOUNT MAY NOT BE ESTABLISHED WITH A FINANCIAL
9 INSTITUTION IN WHICH AN AFFILIATE OF THE FORMER OR SUSPENDED
10 LICENSEE, OR IN WHICH THE TRUSTEE, OR AN IMMEDIATE FAMILY
11 MEMBER OF THE TRUSTEE, HAS A CONTROLLING INTEREST.

12 (6) MEETING WITH THE FORMER OR SUSPENDED LICENSEE.

13 (7) MEETING WITH PRINCIPALS AND KEY EMPLOYEES AT THE
14 LICENSED FACILITY.

15 (8) MEETING WITH THE INDEPENDENT AUDIT COMMITTEE.

16 (9) MEETING WITH THE BOARD'S EXECUTIVE DIRECTOR AND
17 KEEPING THE BOARD'S EXECUTIVE DIRECTOR APPRISED OF ACTIONS
18 TAKEN AND THE TRUSTEE'S PLANS AND GOALS FOR THE FUTURE.

19 (10) HIRING LEGAL COUNSEL, ACCOUNTANTS OR OTHER
20 CONSULTANTS OR ASSISTANTS, WITH PRIOR APPROVAL OF THE BOARD,
21 AS NECESSARY TO CARRY OUT THE TRUSTEE'S DUTIES AND
22 RESPONSIBILITIES.

23 (11) SETTLING OR COMPROMISING WITH ANY DEBTOR OR
24 CREDITOR OF THE FORMER OR SUSPENDED LICENSEE, INCLUDING ANY
25 TAXING AUTHORITY.

26 (12) REVIEWING OUTSTANDING AGREEMENTS TO WHICH THE
27 FORMER OR SUSPENDED LICENSEE IS A PARTY AND ADVISING THE
28 BOARD AS TO WHICH, IF ANY, OF THE AGREEMENTS SHOULD BE THE
29 SUBJECT OF SCRUTINY, EXAMINATION OR INVESTIGATION BY THE
30 BOARD.

1 (13) OBTAINING BOARD APPROVAL PRIOR TO ANY SALE, CHANGE
2 OF OWNERSHIP, CHANGE OF CONTROL, CHANGE OF FINANCIAL STATUS,
3 RESTRUCTURING, TRANSFER OF ASSETS OR EXECUTION OF A CONTRACT
4 OR ANY OTHER ACTION TAKEN OUTSIDE OF THE ORDINARY COURSE OF
5 BUSINESS.

6 (14) OBTAINING BOARD APPROVAL FOR ANY PAYMENTS OUTSIDE
7 OF THOSE MADE IN THE ORDINARY COURSE OF BUSINESS.

8 NOTWITHSTANDING ANY PROVISION CONTAINED IN THIS SUBSECTION TO
9 THE CONTRARY, THE TRUSTEE SHALL HAVE THE DUTY TO CONSERVE AND
10 PRESERVE THE ASSETS OF THE LICENSED GAMING ENTITY.

11 (D) COMPENSATION.--THE BOARD SHALL ESTABLISH THE
12 COMPENSATION OF A TRUSTEE AND SHALL REVIEW AND APPROVE ACTUAL
13 AND REASONABLE COSTS AND EXPENSES OF THE TRUSTEE, LEGAL COUNSEL,
14 ACCOUNTANTS OR OTHER CONSULTANTS OR ASSISTANTS HIRED BY THE
15 TRUSTEE AND OTHER PERSONS THE BOARD MAY APPOINT IN CONNECTION
16 WITH THE TRUSTEESHIP ACTION. THE COMPENSATION, COSTS AND
17 EXPENSES SHALL BE PAID BY THE FORMER OR SUSPENDED LICENSEE.
18 TOTAL COMPENSATION FOR THE TRUSTEE AND ALL INDIVIDUALS HIRED OR
19 RETAINED BY THE TRUSTEE UNDER SUBSECTION (C) (10) SHALL NOT
20 EXCEED \$600 PER HOUR IN THE AGGREGATE, EXCEPT THAT THE BOARD,
21 UPON A FINDING THAT UNANTICIPATED CIRCUMSTANCES EXIST, MAY
22 ADJUST THE AGGREGATE HOURLY RATE OF COMPENSATION.

23 (E) REPORTS.--A TRUSTEE SHALL FILE REPORTS WITH REGARD TO
24 THE ADMINISTRATION OF THE TRUSTEESHIP WITH THE BOARD IN THE FORM
25 AND AT INTERVALS AS THE BOARD ORDERS. THE BOARD MAY DIRECT THAT
26 COPIES OR PORTIONS OF THE TRUSTEE'S REPORTS BE MAILED TO
27 CREDITORS OR OTHER PARTIES IN INTEREST AND MAKE SUMMARIES OF THE
28 REPORTS AVAILABLE TO THE PUBLIC AND SHALL POST THEM ON THE
29 BOARD'S INTERNET WEBSITE.

30 (F) REVIEW OF ACTIONS.--A CREDITOR OR PARTY IN INTEREST

1 AGGRIEVED BY ANY ALLEGED BREACH OF A DELEGATED POWER OR DUTY OF
2 A TRUSTEE IN THE DISCHARGE OF THE TRUSTEE'S DUTIES MAY REQUEST A
3 REVIEW OF THE TRUSTEE'S ACTION OR INACTION BY FILING A PETITION
4 IN ACCORDANCE WITH BOARD REGULATIONS. THE PETITION MUST SET
5 FORTH IN DETAIL THE PERTINENT FACTS AND THE REASONS WHY THE
6 FACTS CONSTITUTE THE ALLEGED BREACH. THE BOARD WILL REVIEW ANY
7 PETITION FILED UNDER THIS SECTION AND TAKE WHATEVER ACTION, IF
8 ANY, IT DEEMS APPROPRIATE.

9 (G) EFFECT OF THE TRUSTEESHIP.--AFTER ISSUANCE OF AN ORDER
10 TO APPOINT A TRUSTEE, THE FORMER OR SUSPENDED PRINCIPAL OR SLOT
11 MACHINE LICENSEE MAY NOT EXERCISE ANY OF ITS PRIVILEGES, COLLECT
12 OR RECEIVE ANY DEBTS AND PAY OUT, SELL, ASSIGN OR TRANSFER ANY
13 OF ITS PROPERTY TO ANYONE WITHOUT PRIOR APPROVAL OF THE
14 APPOINTED TRUSTEE AND THE BOARD.

15 (H) DISPOSITION OF NET INCOME.--DURING THE PERIOD OF
16 TRUSTEESHIP, NET INCOME SHALL BE DEPOSITED IN AN ESCROW ACCOUNT
17 MAINTAINED FOR THAT PURPOSE. PAYMENT OF NET INCOME DURING THE
18 PERIOD OF TRUSTEESHIP MAY NOT BE MADE BY THE TRUSTEE WITHOUT THE
19 PRIOR APPROVAL OF THE BOARD. A SUSPENDED OR FORMER PRINCIPAL OR
20 SLOT MACHINE LICENSEE MAY REQUEST DISTRIBUTION OF ALL OR A
21 PORTION OF THE NET INCOME DURING THE PERIOD OF TRUSTEESHIP BY
22 FILING A PETITION IN ACCORDANCE WITH BOARD REGULATION. THE
23 SUSPENDED OR FORMER PRINCIPAL OR SLOT MACHINE LICENSEE SHALL
24 HAVE THE BURDEN OF DEMONSTRATING GOOD CAUSE FOR THE DISTRIBUTION
25 OF THE NET INCOME REQUESTED.

26 (I) DISCONTINUATION.--THE BOARD MAY ISSUE AN ORDER TO
27 DISCONTINUE A TRUSTEESHIP WHEN:

28 (1) THE BOARD DETERMINES THAT THE CAUSE FOR WHICH THE
29 TRUSTEE WAS APPOINTED NO LONGER EXISTS.

30 (2) THE TRUSTEE HAS, WITH THE PRIOR APPROVAL OF THE

1 BOARD, CONSUMMATED THE SALE, ASSIGNMENT, CONVEYANCE OR OTHER
2 DISPOSITION OF ALL THE PROPERTY OR INTEREST OF THE FORMER
3 PRINCIPAL OR SLOT MACHINE LICENSEE RELATING TO THE SLOT
4 MACHINE LICENSE.

5 (J) LIST OF APPROVED TRUSTEES.--THE BOARD SHALL PROMULGATE
6 REGULATIONS TO ESTABLISH A LIST OF PERSONS APPROVED BY THE BOARD
7 AND QUALIFIED TO SERVE AS A TRUSTEE. AT A MINIMUM, THE
8 REGULATIONS SHALL PROVIDE FOR THE FOLLOWING:

9 (1) THE MINIMUM QUALIFICATIONS A PERSON MUST POSSESS TO
10 BE APPROVED AS A TRUSTEE, WHICH SHALL INCLUDE QUALIFICATION
11 AS A PRINCIPAL PURSUANT TO THIS PART AND POSSESSION OF A
12 PRINCIPAL LICENSE.

13 (2) THE PROCEDURE FOR PLACEMENT ON OR REMOVAL FROM THE
14 APPROVED TRUSTEE LIST.

15 (3) ANY OTHER INFORMATION THE BOARD DEEMS NECESSARY TO
16 CARRY OUT THE INTENT OF THIS SECTION.

17 SECTION 11.1. TITLE 4 IS AMENDED BY ADDING A CHAPTER TO
18 READ:

19 CHAPTER 13A

20 TABLE GAMES

21 SUBCHAPTER

22 A. GENERAL PROVISIONS

23 B. TABLE GAMES AUTHORIZED

24 C. TABLE GAME OPERATIONS

25 D. (RESERVED)

26 E. TABLE GAME TESTING AND CERTIFICATION

27 F. (RESERVED)

28 G. TABLE GAME TAXES AND FEES

29 SUBCHAPTER A

30 GENERAL PROVISIONS

1 SEC.
2 1301A. (RESERVED).
3 1302A. REGULATORY AUTHORITY.
4 1303A. TEMPORARY TABLE GAME REGULATIONS.
5 1304A. COMMONWEALTH RESIDENT EMPLOYMENT GOALS.
6 § 1301A. (RESERVED).
7 § 1302A. REGULATORY AUTHORITY.

8 THE BOARD SHALL PROMULGATE REGULATIONS:

9 (1) ESTABLISHING STANDARDS AND RULES FOR TABLE GAMES,
10 TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT, INCLUDING
11 STANDARDS DISTINGUISHING ELECTRONIC AND NONELECTRONIC TABLE
12 GAMES. THE STANDARDS SHALL PROVIDE FOR ANY NEW TABLE GAMES ←
13 AND VARIATIONS OR COMPOSITES OF APPROVED TABLE GAMES, ←
14 PROVIDED THE PENNSYLVANIA GAMING CONTROL BOARD DETERMINES THE
15 NEW TABLE GAME, OR ANY VARIATIONS OR COMPOSITES OR OTHER ←
16 APPROVED TABLE GAMES ARE SUITABLE FOR USE AFTER A TEST OR ←
17 EXPERIMENTAL PERIOD UNDER THE TERMS AND CONDITIONS AS THE
18 PENNSYLVANIA GAMING CONTROL BOARD MAY DEEM APPROPRIATE.

19 (2) ESTABLISHING STANDARDS TO GOVERN THE CONDUCT OF
20 TABLE GAMES AND THE SYSTEM OF WAGERING ASSOCIATED WITH TABLE
21 GAMES, INCLUDING THE MAINTENANCE OF FINANCIAL BOOKS, RECORDS
22 AND AUDITS.

23 (2.1) ESTABLISHING STANDARDS FOR THE DAILY OBSERVATION
24 OF CERTIFICATE HOLDER COUNTING AND RECORDATION PROCESSES FOR
25 CASH, CASH EQUIVALENTS AND OTHER REPRESENTATIONS OF VALUE
26 RECEIVED IN THE CONDUCT OF TABLE GAMES.

27 (3) ESTABLISHING PATRON NOTICE REQUIREMENTS PERTAINING
28 TO MINIMUM AND MAXIMUM WAGERS ON TABLE GAMES. MINIMUM AND
29 MAXIMUM WAGERS MAY BE ADJUSTED FROM TIME TO TIME BY THE ←
30 CERTIFICATE HOLDER IN THE NORMAL COURSE OF CONDUCTING TABLE

1 GAMES, EXCEPT THAT CHANGES IN MINIMUM WAGERS AT ANY GIVEN
2 TABLE SHALL NOT APPLY TO PERSONS ALREADY ENGAGED IN WAGERING
3 AT THAT TABLE GAME WHEN THE MINIMUM WAGER IS CHANGED, UNLESS ←
4 30 MINUTES' NOTICE IS PROVIDED ~~TO EACH PLAYER~~ AT THAT TABLE ←
5 GAME. ←

6 (4) REQUIRING EACH CERTIFICATE HOLDER TO:

7 (I) PROVIDE WRITTEN INFORMATION AT EACH OPERATIONAL
8 GAMING TABLE ABOUT TABLE GAME RULES, PAYOFFS OR WINNING
9 WAGERS AND OTHER INFORMATION TO EACH PLAYER AS THE BOARD
10 MAY REQUIRE.

11 (II) PROVIDE SPECIFICATIONS APPROVED BY THE BOARD
12 UNDER SECTION 1207(11) (RELATING TO REGULATORY AUTHORITY
13 OF BOARD) TO INTEGRATE AND UPDATE THE LICENSED FACILITY'S
14 SURVEILLANCE SYSTEM TO COVER ALL AREAS WHERE TABLE GAMES
15 ARE CONDUCTED. THE SPECIFICATIONS SHALL INCLUDE
16 PROVISIONS PROVIDING THE BOARD AND OTHER PERSONS
17 AUTHORIZED BY THE BOARD WITH ONSITE ACCESS TO THE SYSTEM
18 OR ITS SIGNAL.

19 (III) DESIGNATE ONE OR MORE LOCATIONS WITHIN THE
20 LICENSED FACILITY TO CONDUCT TABLE GAMES.

21 (IV) ENSURE THAT VISIBILITY IN A LICENSED FACILITY
22 IS NOT OBSTRUCTED IN ANY WAY THAT COULD INTERFERE WITH
23 THE ABILITY OF THE CERTIFICATE HOLDER, THE BOARD AND
24 OTHER PERSONS AUTHORIZED BY THE BOARD TO OVERSEE THE
25 CONDUCT OF TABLE GAMES.

26 (V) INTEGRATE THE LICENSED FACILITY'S COUNT ROOM FOR
27 SLOT MACHINE AND TABLE GAME OPERATIONS TO ENSURE MAXIMUM
28 SECURITY OF THE COUNTING AND STORAGE OF CASH, CASH
29 EQUIVALENTS AND OTHER REPRESENTATIONS OF VALUE USED IN ←
30 THE CONDUCT AND OPERATION OF TABLE GAMES AS APPROVED BY

1 THE BOARD.

2 (VI) EQUIP EACH GAMING TABLE WITH A SIGN INDICATING
3 THE PERMISSIBLE MINIMUM AND MAXIMUM WAGERS AT THE GAMING
4 TABLE.

5 (VII) ADOPT POLICIES OR PROCEDURES TO PROHIBIT ANY
6 TABLE GAME DEVICE, EQUIPMENT OR SUPPLIES FROM BEING
7 POSSESSED, MAINTAINED OR EXHIBITED BY ANY PERSON ON THE
8 PREMISES OF A LICENSED FACILITY EXCEPT IN THE AREAS OF A
9 LICENSED FACILITY WHERE THE CONDUCT OF TABLE GAMES IS
10 AUTHORIZED OR IN A RESTRICTED AREA DESIGNATED TO BE USED
11 FOR THE INSPECTION, SERVICE, REPAIR OR STORAGE OF THE
12 TABLE GAMES, TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT
13 OR SUPPLIES BY THE CERTIFICATE HOLDER.

14 (VIII) EQUIP ALL DROP BOXES IN WHICH CASH, CASH
15 EQUIVALENTS, FILL SLIPS, CREDIT SLIPS, INVENTORY SLIPS OR
16 OTHER REPRESENTATIONS OF VALUE ARE DEPOSITED AT THE
17 GAMING TABLES, AND ALL AREAS WHERE DROP BOXES ARE KEPT
18 WHILE IN USE, WITH TWO LOCKING DEVICES OR KEYS, OF WHICH
19 ONE LOCKING DEVICE OR KEY SHALL BE UNDER THE EXCLUSIVE
20 CONTROL OF THE BOARD, AND THE SECOND LOCKING DEVICE OR
21 KEY SHALL BE UNDER THE EXCLUSIVE CONTROL OF THE
22 CERTIFICATE HOLDER. THE DROP BOXES SHALL BE BROUGHT INTO
23 OR REMOVED FROM AN AREA WHERE TABLE GAMES ARE CONDUCTED
24 OR LOCKED OR UNLOCKED IN ACCORDANCE WITH PROCEDURES
25 ESTABLISHED BY THE BOARD.

26 (IX) DESIGNATE SECURE LOCATIONS FOR THE INSPECTION
27 AND STORAGE OF DICE, CARDS, TILES, DOMINOES, CHIPS AND
28 OTHER REPRESENTATIONS OF VALUE USED IN THE CONDUCT OF
29 TABLE GAMES AS MAY BE APPROVED BY THE BOARD.

30 (5) ESTABLISHING THE SIZE AND UNIFORM COLOR BY

1 DENOMINATION OF ALL CHIPS USED IN THE CONDUCT OF TABLE GAMES
2 AND A POLICY FOR THE USE OF PROMOTIONAL OR COMMEMORATIVE
3 CHIPS. ALL TYPES OF CHIPS SHALL BE APPROVED BY THE BOARD
4 PRIOR TO BEING USED FOR PLAY AT A TABLE GAME AT A LICENSED
5 FACILITY.

6 (5.1) ESTABLISHING THE PROCEDURE TO BE USED BY A
7 CERTIFICATE HOLDER TO DETERMINE AND EXTRACT A RAKE FOR THE
8 PURPOSES OF DERIVING GROSS TABLE GAME REVENUE. THE RAKE MAY
9 BE CALCULATED AS A PERCENTAGE OR A FLAT FEE FROM NONBANKING
10 TABLE GAMES.

11 (6) ESTABLISHING MINIMUM STANDARDS RELATING TO THE
12 ACCEPTANCE OF TIPS OR GRATUITIES BY DEALERS AND CROUPIERS AT
13 A TABLE GAME, INCLUDING THE REQUIREMENT THAT TIPS OR
14 GRATUITIES BE PLACED IN A COMMON POOL FOR COMPLETE
15 DISTRIBUTION PRO RATA AMONG ALL DEALERS AND CROUPIERS.
16 NOTHING IN THIS PARAGRAPH SHALL PROHIBIT A CERTIFICATE HOLDER
17 FROM ADOPTING A FORMAL POLICY RELATING TO ACCEPTANCE OF TIPS
18 AND GRATUITIES, PROVIDED THAT THE POLICY MEETS THE MINIMUM
19 STANDARD ESTABLISHED BY THE BOARD UNDER THIS PARAGRAPH.

20 (7) ESTABLISHING THE MINIMAL PROFICIENCY REQUIREMENTS
21 FOR INDIVIDUALS TO SUCCESSFULLY COMPLETE A COURSE OF TRAINING
22 AT AN APPROVED SCHOOL UNDER CHAPTER 17 (RELATING TO GAMING
23 SCHOOLS). THE REGULATIONS SHALL NOT PROHIBIT A CERTIFICATE
24 HOLDER FROM ESTABLISHING A COURSE OF TRAINING FOR ITS TABLE
25 GAME EMPLOYEES OR PROHIBIT A CERTIFICATE HOLDER FROM OFFERING
26 EMPLOYMENT TO AN INDIVIDUAL WHO HAS NOT ATTENDED OR COMPLETED
27 A COURSE OF INSTRUCTION AT A GAMING SCHOOL AND SHALL REQUIRE
28 A CERTIFICATE HOLDER THAT ELECTS TO TRAIN ITS EMPLOYEES TO
29 SUBMIT A DETAILED SUMMARY OF THE TRAINING PROGRAM TO THE
30 BOARD AND TO DEMONSTRATE THE ADEQUACY OF THE TRAINING.

1 (8) PERMITTING CERTIFICATE HOLDERS TO REQUEST
2 AUTHORIZATION TO CONDUCT, AND TO CONDUCT, TEMPORARY TABLE
3 GAME TOURNAMENTS OR OTHER TEMPORARY TABLE GAME CONTESTS IN
4 WHICH PLAYERS COMPETE AGAINST ONE ANOTHER FOR CASH OR PRIZES
5 AND ESTABLISHING THE PRACTICES AND PROCEDURES GOVERNING THE
6 CONDUCT OF THE TOURNAMENTS OR CONTESTS. THE NUMBER OF
7 APPROVED TEMPORARY TOURNAMENT OR CONTEST TABLE GAMES SHALL
8 NOT BE COUNTED TOWARD THE MAXIMUM NUMBER OF TABLE GAMES
9 AUTHORIZED BY THE CERTIFICATE HOLDER'S TABLE GAME OPERATION
10 CERTIFICATE.

11 (9) DESIGNATING AN EMPLOYEE TO APPROVE OR DENY A
12 CERTIFICATE HOLDER'S REQUEST TO DECREASE THE NUMBER OF SLOT
13 MACHINES IN ITS LICENSED FACILITY IF THE SLOT MACHINE
14 LICENSEE SEEKS TO REDUCE THE NUMBER OF SLOT MACHINES BY LESS
15 THAN 2%. DESIGNATED APPROVAL FOR REDUCTION OF SLOT MACHINES
16 SHALL NOT EXCEED 2% IN TOTAL REGARDLESS OF THE NUMBER OF
17 REQUESTS A SLOT MACHINE LICENSEE SUBMITS FOR APPROVAL.

18 § 1303A. TEMPORARY TABLE GAME REGULATIONS.

19 (A) PROMULGATION.--IN ORDER TO FACILITATE THE PROMPT
20 IMPLEMENTATION OF THIS CHAPTER, REGULATIONS PROMULGATED BY THE
21 BOARD SHALL BE DEEMED TEMPORARY REGULATIONS WHICH SHALL EXPIRE
22 NOT LATER THAN TWO YEARS FOLLOWING THE PUBLICATION OF THE
23 TEMPORARY REGULATION. THE BOARD MAY PROMULGATE TEMPORARY
24 REGULATIONS NOT SUBJECT TO:

25 (1) SECTIONS 201, 202 AND 203 OF THE ACT OF JULY 31,
26 1968 (P.L.769, NO.240), REFERRED TO AS THE COMMONWEALTH
27 DOCUMENTS LAW.

28 (2) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS
29 THE REGULATORY REVIEW ACT.

30 (3) SECTIONS 204(B) AND 301(10) OF THE ACT OF OCTOBER

1 15, 1980 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH
2 ATTORNEYS ACT.

3 (B) EXPIRATION.--THE BOARD'S AUTHORITY TO ADOPT TEMPORARY
4 REGULATIONS IN SUBSECTION (A) SHALL EXPIRE TWO YEARS AFTER THE
5 EFFECTIVE DATE OF THIS SECTION. REGULATIONS ADOPTED AFTER THIS
6 PERIOD SHALL BE PROMULGATED AS PROVIDED BY LAW.

7 (C) TEMPORARY REGULATIONS.--THE BOARD SHALL BEGIN PUBLISHING
8 TEMPORARY REGULATIONS GOVERNING TABLE GAME RULES, LICENSING OF
9 MANUFACTURERS AND SUPPLIERS AND SURVEILLANCE STANDARDS IN THE
10 PENNSYLVANIA BULLETIN NO LATER THAN FEBRUARY 1, 2010.

11 § 1304A. COMMONWEALTH RESIDENT EMPLOYMENT GOALS.

12 (A) EMPLOYMENT OPPORTUNITIES.--IT IS THE GOAL OF THE GENERAL
13 ASSEMBLY THAT THE BOARD PROMOTE AND ENSURE THE AVAILABILITY OF
14 EMPLOYMENT OPPORTUNITIES FOR COMMONWEALTH RESIDENTS IN
15 OPERATIONS RELATED TO OR ASSOCIATED WITH TABLE GAME OPERATIONS
16 AS AUTHORIZED IN THIS CHAPTER. THE BOARD SHALL WORK WITH EACH
17 CERTIFICATE HOLDER TO ENSURE THE REPRESENTATION OF COMMONWEALTH
18 RESIDENTS EMPLOYED BY A CERTIFICATE HOLDER'S TABLE GAMES
19 OPERATION. IT IS THE GOAL OF THE COMMONWEALTH THAT COMMONWEALTH
20 RESIDENTS COMPRISE AT LEAST 85% OF EACH CERTIFICATE HOLDER'S
21 EMPLOYEES RELATED TO OR ASSOCIATED WITH TABLE GAMES BY THE END
22 OF THE THIRD YEAR FOLLOWING COMMENCEMENT OF THE CONDUCT OF TABLE
23 GAMES AT EACH CERTIFICATE HOLDER'S LICENSED FACILITY.

24 (B) STUDY.--THE BOARD SHALL CONDUCT AN ANNUAL STUDY TO
25 ASCERTAIN WHETHER EACH CERTIFICATE HOLDER HAS TAKEN EFFECTIVE
26 AND MEANINGFUL ACTION TO ENHANCE THE NUMBER OF COMMONWEALTH
27 RESIDENTS EMPLOYED IN POSITIONS RELATED TO OR ASSOCIATED WITH
28 TABLE GAMES AT LICENSED FACILITIES. THE FIRST STUDY SHALL BE
29 COMPLETED ONE YEAR FOLLOWING THE ISSUANCE OF THE FIRST TABLE
30 GAME OPERATION CERTIFICATE. EACH ANNUAL STUDY SHALL CONTAIN

1 RECOMMENDATIONS WHICH THE BOARD DETERMINES APPROPRIATE. THE
2 STUDY SHALL BE SUBMITTED TO THE CHAIRMAN AND MINORITY CHAIRMAN
3 OF THE STANDING COMMITTEES OF THE SENATE AND OF THE HOUSE OF
4 REPRESENTATIVES WITH JURISDICTION OVER THIS PART.

5 SUBCHAPTER B

6 TABLE GAMES AUTHORIZED

7 SEC.

8 1311A. AUTHORIZATION TO CONDUCT TABLE GAMES.

9 1312A. PETITION REQUIREMENTS.

10 1313A. PROHIBITIONS.

11 1314A. TABLE GAME AUTHORIZATION HEARING PROCESS; PUBLIC INPUT
12 HEARINGS.

13 1315A. STANDARD FOR REVIEW OF PETITIONS.

14 1316A. TIMING INITIAL TABLE GAME AUTHORIZATIONS.

15 § 1311A. AUTHORIZATION TO CONDUCT TABLE GAMES.

16 (A) AUTHORIZATION TO CONDUCT.--NOTWITHSTANDING ANY OTHER
17 PROVISION OF LAW TO THE CONTRARY, THE BOARD MAY AUTHORIZE A SLOT
18 MACHINE LICENSEE TO CONDUCT TABLE GAMES, THE CONDUCT OF CONTESTS
19 OR TOURNAMENTS INVOLVING TABLE GAMES AND THE SYSTEM OF WAGERING
20 ASSOCIATED WITH THE CONDUCT OF TABLE GAMES AT THE SLOT MACHINE
21 LICENSEE'S LICENSED FACILITY. AUTHORIZATION TO CONDUCT TABLE
22 GAMES SHALL BE CONTINGENT UPON THE SLOT MACHINE LICENSEE'S
23 AGREEMENT TO ENSURE THE CONDUCT OF GAMING IN ACCORDANCE WITH
24 THIS PART AND ANY OTHER CONDITIONS ESTABLISHED BY THE BOARD.
25 NOTHING IN THIS PART SHALL BE CONSTRUED TO CREATE A SEPARATE
26 LICENSE GOVERNING THE CONDUCT OF TABLE GAMES BY LICENSED
27 ENTITIES WITHIN THIS COMMONWEALTH.

28 (B) NUMBER OF AUTHORIZED TABLE GAMES.--

29 (1) EACH CATEGORY 1 AND CATEGORY 2 SLOT MACHINE LICENSEE
30 AWARDED A TABLE GAME OPERATION CERTIFICATE MAY BE AUTHORIZED

1 BY THE BOARD TO OPERATE UP TO 200 TABLE GAMES AT ANY ONE TIME
2 AT THE CATEGORY 1 OR CATEGORY 2 LICENSED FACILITY.

3 (2) EACH CATEGORY 3 SLOT MACHINE LICENSEE AWARDED A
4 TABLE GAME OPERATION CERTIFICATE MAY BE AUTHORIZED BY THE
5 BOARD TO OPERATE UP TO 75 TABLE GAMES AT ANY ONE TIME AT THE
6 CATEGORY 3 LICENSED FACILITY.

7 (C) ADDITIONAL AUTHORIZATION.--NOTWITHSTANDING SUBSECTION
8 (B), A SLOT MACHINE LICENSEE AWARDED A TABLE GAME OPERATION
9 CERTIFICATE MAY, WITH BOARD APPROVAL, EXCEED THE TOTAL NUMBER OF
10 TABLE GAMES AUTHORIZED IN THE TABLE GAME OPERATION CERTIFICATE
11 TO CONDUCT CONTESTS OR TOURNAMENTS AT LOCATIONS AT THE LICENSED
12 FACILITY AS DETERMINED PURSUANT TO SECTION 1321A (RELATING TO
13 AUTHORIZED LOCATIONS FOR OPERATION).

14 § 1312A. PETITION REQUIREMENTS.

15 (A) GENERAL RULE.--A SLOT MACHINE LICENSEE MAY SEEK APPROVAL
16 TO CONDUCT TABLE GAMES BY FILING A PETITION WITH THE BOARD.

17 (B) PETITION CONTENTS.--A PETITION SEEKING AUTHORIZATION TO
18 CONDUCT TABLE GAMES SHALL INCLUDE THE FOLLOWING:

19 (1) THE NAME, BUSINESS ADDRESS AND CONTACT INFORMATION
20 OF THE PETITIONER.

21 (2) THE NAME AND BUSINESS ADDRESS, JOB TITLE AND A
22 PHOTOGRAPH OF EACH PRINCIPAL AND KEY EMPLOYEE OF THE
23 PETITIONER WHO WILL BE INVOLVED IN THE CONDUCT OF TABLE GAMES
24 AND WHO IS NOT CURRENTLY LICENSED BY THE BOARD.

25 (3) AN ITEMIZED LIST OF THE NUMBER AND TYPES OF TABLE
26 GAMES FOR WHICH AUTHORIZATION IS BEING SOUGHT.

27 (4) THE ESTIMATED NUMBER OF FULL-TIME AND PART-TIME
28 EMPLOYMENT POSITIONS THAT WILL BE CREATED AT THE LICENSED
29 FACILITY IF TABLE GAMES ARE AUTHORIZED AND AN UPDATED HIRING
30 PLAN PURSUANT TO SECTION 1510 (RELATING TO LABOR HIRING

1 PREFERENCES) WHICH OUTLINES THE PETITIONER'S PLAN TO PROMOTE
2 THE REPRESENTATION OF DIVERSE GROUPS AND COMMONWEALTH
3 RESIDENTS IN THE NEW EMPLOYMENT POSITIONS.

4 (5) A BRIEF DESCRIPTION OF THE ECONOMIC BENEFITS
5 EXPECTED TO BE REALIZED BY THE COMMONWEALTH, ITS
6 MUNICIPALITIES AND ITS RESIDENTS IF TABLE GAMES ARE
7 AUTHORIZED.

8 (6) THE DETAILS OF ANY FINANCING OBTAINED OR THAT WILL
9 BE OBTAINED TO FUND AN EXPANSION OR MODIFICATION OF THE
10 LICENSED FACILITY TO ACCOMMODATE TABLE GAMES.

11 (7) INFORMATION AND DOCUMENTATION CONCERNING FINANCIAL
12 BACKGROUND AND RESOURCES, AS THE BOARD MAY REQUIRE, TO
13 ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE FINANCIAL
14 STABILITY, INTEGRITY AND RESPONSIBILITY OF THE PETITIONER.

15 (8) INFORMATION AND DOCUMENTATION, AS THE BOARD MAY
16 REQUIRE, TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT
17 THE PETITIONER HAS SUFFICIENT BUSINESS ABILITY AND EXPERIENCE
18 TO CREATE AND MAINTAIN A SUCCESSFUL TABLE GAME OPERATION. IN
19 MAKING THIS DETERMINATION, THE BOARD MAY CONSIDER THE RESULTS
20 OF THE PETITIONER'S SLOT MACHINE OPERATION, INCLUDING
21 FINANCIAL INFORMATION, EMPLOYMENT FIGURES AND CAPITAL
22 INVESTMENT.

23 (9) INFORMATION AND DOCUMENTATION, AS THE BOARD MAY
24 REQUIRE, TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT
25 THE PETITIONER HAS THE FINANCIAL ABILITY TO PAY THE
26 AUTHORIZATION FEE UNDER SECTION 1361A (RELATING TO TABLE GAME
27 AUTHORIZATION FEE).

28 (10) DETAILED SITE PLANS IDENTIFYING THE PETITIONER'S
29 PROPOSED TABLE GAME AREA WITHIN THE LICENSED FACILITY OR ANY
30 PROPOSED TEMPORARY FACILITY.

1 (11) OTHER INFORMATION AS THE BOARD MAY REQUIRE.

2 (C) CONFIDENTIALITY.--INFORMATION SUBMITTED TO THE BOARD
3 UNDER SUBSECTION (B) (6), (7), (9), (10) AND (11) MAY BE
4 CONSIDERED CONFIDENTIAL BY THE BOARD IF THE INFORMATION WOULD BE
5 CONFIDENTIAL UNDER SECTION 1206(F) (RELATING TO BOARD MINUTES
6 AND RECORDS).
7 § 1313A. PROHIBITIONS.

8 (A) SLOT MACHINE LICENSEE.--NO SLOT MACHINE LICENSEE THAT IS
9 REQUIRED AS A CONDITION OF SLOT MACHINE LICENSURE TO MAKE ANNUAL
10 PAYMENTS TO A MUNICIPALITY OR MUNICIPAL AUTHORITY FOR AN
11 ECONOMIC DEVELOPMENT PROJECT, INCLUDING ANY PROJECT ENUMERATED
12 IN THE ACT OF JULY 25, 2007 (P.L.342, NO.53), KNOWN AS
13 PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND
14 CAPITAL BUDGET ITEMIZATION ACT OF 2007, MAY SUBMIT A PETITION
15 UNDER SECTION 1312A (RELATING TO PETITION REQUIREMENTS) UNTIL A
16 WRITTEN AGREEMENT GOVERNING THE TERMS OF THE PAYMENTS, INCLUDING
17 THE DATE ON WHICH THE PAYMENTS SHALL BE MADE, THE AMOUNT OF EACH
18 ANNUAL PAYMENT AND THE DURATION OF THE ANNUAL PAYMENTS, IS
19 EXECUTED BETWEEN THE SLOT MACHINE LICENSEE AND THE MUNICIPALITY
20 OR MUNICIPAL AUTHORITY.

21 (B) DUTIES OF BOARD.--THE BOARD SHALL NOT ACCEPT OR APPROVE
22 A PETITION SUBMITTED BY ANY SLOT MACHINE LICENSEE SUBJECT TO
23 THIS SECTION AND PROHIBITED BY SUBSECTION (A) UNTIL SUCH WRITTEN
24 AGREEMENT IS SUBMITTED BY THE SLOT MACHINE LICENSEE TO THE
25 BOARD, WHICH SHALL ENSURE THE WRITTEN AGREEMENT MEETS THE
26 REQUIREMENTS OF THIS SECTION AND ALL CONDITIONS RELATING TO THE
27 ECONOMIC DEVELOPMENT PROJECT IMPOSED BY THE BOARD WHEN AWARDING
28 THE SLOT MACHINE LICENSE TO THE LICENSEE ARE SATISFIED AND UNTIL
29 THE MUNICIPALITY OR MUNICIPAL AUTHORITY CONFIRMS TO THE BOARD IN
30 WRITING THAT THE SLOT MACHINE LICENSEE HAS MADE THE FIRST

1 REQUIRED PAYMENT UNDER THE WRITTEN AGREEMENT.

2 (C) CONSTRUCTION.--NOTHING IN THIS SECTION SHALL BE
3 CONSTRUED TO RELIEVE A SLOT MACHINE LICENSEE OF ITS LEGAL
4 OBLIGATION TO MAKE ANY REQUIRED ANNUAL PAYMENTS REFERENCED UNDER
5 THIS SECTION IF THE SLOT MACHINE LICENSEE ELECTS NOT TO PETITION
6 THE BOARD FOR AUTHORIZATION TO CONDUCT TABLE GAMES.

7 § 1314A. TABLE GAME AUTHORIZATION HEARING PROCESS; PUBLIC INPUT
8 HEARINGS.

9 (A) GENERAL RULE.--THE BOARD'S CONSIDERATION AND RESOLUTION
10 OF ALL PETITIONS TO CONDUCT TABLE GAMES SHALL BE CONDUCTED IN
11 ACCORDANCE WITH 2 PA.C.S. (RELATING TO ADMINISTRATIVE LAW AND
12 PROCEDURE) OR WITH PROCEDURES ADOPTED BY ORDER OF THE BOARD.
13 NOTWITHSTANDING THE REQUIREMENTS OF 2 PA.C.S. §§ 504 (RELATING
14 TO HEARING AND RECORD) AND 505 (RELATING TO EVIDENCE AND CROSS-
15 EXAMINATION) AS THEY RELATE TO THE CONDUCT OF ORAL HEARINGS, THE
16 BOARD MAY ADOPT PROCEDURES TO PROVIDE PARTIES BEFORE IT WITH A
17 DOCUMENTARY HEARING, AND THE BOARD MAY RESOLVE DISPUTED MATERIAL
18 FACTS WITHOUT CONDUCTING AN ORAL HEARING WHERE CONSTITUTIONALLY
19 PERMISSIBLE.

20 (B) PUBLIC INPUT HEARING REQUIREMENT.--

21 (1) PRIOR TO GRANTING A PETITION FOR A SLOT MACHINE
22 LICENSEE TO CONDUCT TABLE GAMES UNDER THIS CHAPTER, THE BOARD
23 SHALL HOLD AT LEAST ONE PUBLIC INPUT HEARING ON THE MATTER,
24 IN THE MUNICIPALITY WHERE THE PETITIONER'S LICENSED FACILITY
25 IS LOCATED.

26 (2) A LIST OF ALL WITNESSES SCHEDULED TO TESTIFY AT A
27 PUBLIC INPUT HEARING SHALL BE POSTED ON THE BOARD'S INTERNET
28 WEBSITE AT LEAST SEVEN DAYS PRIOR TO THE HEARING. THE LIST
29 SHALL BE UPDATED AT LEAST THREE DAYS PRIOR TO THE HEARING.
30 ADDITIONAL WITNESSES SHALL BE POSTED ON THE BOARD'S INTERNET

1 WEBSITE AS THEY ARE ADDED TO THE LIST.

2 § 1315A. STANDARD FOR REVIEW OF PETITIONS.

3 THE BOARD SHALL GRANT A PETITION AND AUTHORIZE THE PETITIONER
4 TO OPERATE TABLE GAMES IF THE PETITIONER ESTABLISHES, BY CLEAR
5 AND CONVINCING EVIDENCE, ALL OF THE FOLLOWING:

6 (1) THE PETITIONER'S SLOT MACHINE LICENSE IS IN GOOD
7 STANDING WITH THE BOARD.

8 (2) THE PETITIONER CONDUCTING TABLE GAMES WILL HAVE A
9 POSITIVE ECONOMIC IMPACT ON THE COMMONWEALTH, ITS
10 MUNICIPALITIES AND RESIDENTS THROUGH INCREASED REVENUES AND
11 EMPLOYMENT OPPORTUNITIES.

12 (3) THE PETITIONER POSSESSES OR HAS SECURED ADEQUATE
13 FINANCING, IF NECESSARY, TO:

14 (I) FUND AN EXPANSION OR MODIFICATION OF THE
15 PETITIONER'S LICENSED FACILITY TO ACCOMMODATE TABLE
16 GAMES.

17 (II) PAY THE AUTHORIZATION FEE UNDER SECTION 1361A
18 (RELATING TO TABLE GAME AUTHORIZATION FEE).

19 (4) THE PETITIONER HAS THE FINANCIAL STABILITY,
20 INTEGRITY AND RESPONSIBILITY TO CONDUCT TABLE GAMES.

21 (5) THE PETITIONER HAS SUFFICIENT BUSINESS ABILITY AND
22 EXPERIENCE TO CREATE AND MAINTAIN A SUCCESSFUL TABLE GAME
23 OPERATION.

24 (6) THE PETITIONER'S PROPOSED INTERNAL AND EXTERNAL
25 SECURITY AND PROPOSED SURVEILLANCE MEASURES WITHIN THE AREA
26 OF THE LICENSED FACILITY WHERE THE PETITIONER SEEKS TO
27 CONDUCT TABLE GAMES ARE ADEQUATE.

28 (7) THE PETITIONER AGREES TO MAINTAIN THE SAME NUMBER OF
29 SLOT MACHINES ~~IN OPERATION~~ AUTHORIZED BY THE BOARD ON OCTOBER
30 1, 2009, AND AGREES NOT TO DECREASE THE NUMBER OF SLOT



1 MACHINES IN ITS LICENSED FACILITY BY MORE THAN 2% WITHOUT
2 FORMAL BOARD APPROVAL.

3 (8) IF THE PETITIONER IS A CATEGORY 3 SLOT MACHINE
4 LICENSEE, THE PETITIONER AGREES TO INVEST AT LEAST
5 \$30,000,000 IN CAPITAL IMPROVEMENTS OVER A FIVE-YEAR PERIOD
6 AT THE LICENSED FACILITY.

7 § 1316A. TIMING INITIAL TABLE GAME AUTHORIZATIONS.

8 THE BOARD SHALL APPROVE OR DENY A PETITION FILED UNDER
9 SECTION 1312A (RELATING TO PETITION REQUIREMENTS) WITHIN 90 DAYS
10 OF THE EFFECTIVE DATE OF THIS CHAPTER AND NO LATER THAN 60 DAYS
11 AFTER RECEIPT OF THE FILING.

12 SUBCHAPTER C

13 CONDUCT OF TABLE GAMES

14 SEC.

15 1321A. AUTHORIZED LOCATIONS FOR OPERATION.

16 1322A. COMMENCEMENT OF TABLE GAME OPERATIONS.

17 1323A. TABLE GAME OPERATION CERTIFICATE.

18 1324A. CONDITION OF CONTINUED OPERATION.

19 1325A. TABLE GAME ACCOUNTING CONTROLS AND AUDITS.

20 1326A. WAGERING POLICIES.

21 1327A. KEY EMPLOYEES AND OCCUPATION PERMITS.

22 1328A. AMENDMENT OF STATEMENT OF CONDITIONS.

23 1329A. APPLICATION OF CLEAN INDOOR AIR ACT.

24 1329.1A. APPLICATION OF LIQUOR CODE.

25 § 1321A. AUTHORIZED LOCATIONS FOR OPERATION.

26 (A) RESTRICTION.--EXCEPT AS PROVIDED UNDER SUBSECTION (B), A
27 CERTIFICATE HOLDER SHALL ONLY BE PERMITTED TO OPERATE TABLE
28 GAMES AT THE LICENSED FACILITY.

29 (A.1) TEMPORARY FACILITIES.--THE BOARD MAY PERMIT A
30 CERTIFICATE HOLDER TO CONDUCT TABLE GAMES AT A TEMPORARY

1 FACILITY WHICH IS PHYSICALLY CONNECTED TO, ATTACHED TO OR
2 ADJACENT TO AND ON THE SAME PARCEL OF LAND AS A PERMANENT
3 FACILITY FOR A PERIOD NOT TO EXCEED 24 MONTHS.

4 (B) POWERS AND DUTIES OF BOARD.--UPON PETITION MADE BY A
5 TABLE GAME OPERATION CERTIFICATE HOLDER, THE BOARD MAY DETERMINE
6 THE SUITABILITY OF A HOTEL FOR THE CONDUCT OF TABLE GAMES. THE
7 BOARD MAY AUTHORIZE THE EXECUTIVE DIRECTOR TO DESIGNATE SPECIFIC
8 AREAS OF THE HOTEL, INCLUDING CONFERENCE ROOMS, BALLROOMS OR
9 OTHER ROOMS, IN WHICH THE CERTIFICATE HOLDER MAY CONDUCT TABLE
10 GAMES FOR THE PURPOSES OF TEMPORARY CONTESTS OR TOURNAMENTS. NO
11 CERTIFICATE HOLDER MAY BE APPROVED TO CONDUCT TABLE GAMES IN A
12 HOTEL UNLESS THE AREAS TO BE DESIGNATED ARE EQUIPPED WITH
13 ADEQUATE SECURITY AND SURVEILLANCE EQUIPMENT TO ENSURE THE
14 INTEGRITY OF THE CONDUCT OF A TABLE GAME, CONTEST OR TOURNAMENT.
15 ~~THE PETITION SHALL INCLUDE THE NUMBER OF TABLE GAMES THE~~ ←
16 ~~CERTIFICATE HOLDER INTENDS TO OPERATE DURING THE TEMPORARY~~
17 ~~CONTEST OR TOURNAMENT.~~ ← THE CERTIFICATE HOLDER SHALL NOTIFY THE
18 BOARD OF THE NUMBER OF TABLE GAMES THAT THE CERTIFICATE HOLDER
19 INTENDS TO OPERATE DURING A TEMPORARY CONTEST OR TOURNAMENT, AND
20 THE BOARD SHALL DESIGNATE AN EMPLOYEE TO APPROVE OR DENY THE
21 REQUEST. IN GRANTING AUTHORIZATION UNDER THIS SECTION, THE BOARD
22 SHALL BE PROHIBITED FROM:

23 (1) IMPOSING ANY CRITERIA OR REQUIREMENTS REGARDING THE
24 CONTENTS OR STRUCTURE OF A HOTEL WHICH ARE UNRELATED TO THE
25 CONDUCT OF TABLE GAMES.

26 (2) AUTHORIZING THE PLACEMENT OR OPERATION OF SLOT
27 MACHINES IN A HOTEL.

28 (3) COUNTING THE NUMBER OF TEMPORARY CONTEST OR
29 TOURNAMENT TABLE GAMES TOWARD THE NUMBER OF APPROVED TABLES
30 IN THE TABLE GAME OPERATION CERTIFICATE.

1 § 1322A. COMMENCEMENT OF TABLE GAME OPERATIONS.

2 A CERTIFICATE HOLDER MAY NOT OPERATE OR OFFER TABLE GAMES FOR
3 PLAY AT A LICENSED FACILITY UNTIL:

4 (1) THE CERTIFICATE HOLDER IS IN COMPLIANCE IN ALL
5 RESPECTS WITH THE REQUIREMENTS OF THIS PART.

6 (2) THE BOARD HAS APPROVED THE CERTIFICATE HOLDER'S
7 INTERNAL CONTROLS AND AUDITS PROTOCOLS UNDER SECTION 1325A
8 (RELATING TO TABLE GAME ACCOUNTING CONTROLS AND AUDITS).

9 (3) THE CERTIFICATE HOLDER'S TABLE GAME EMPLOYEES, WHERE
10 APPLICABLE, ARE LICENSED, PERMITTED OR OTHERWISE AUTHORIZED
11 BY THE BOARD TO PERFORM THEIR RESPECTIVE DUTIES.

12 (4) THE CERTIFICATE HOLDER IS PREPARED IN ALL RESPECTS
13 TO OFFER TABLE GAME PLAY TO THE PUBLIC AT THE LICENSED
14 FACILITY.

15 (5) THE CERTIFICATE HOLDER HAS IMPLEMENTED NECESSARY
16 INTERNAL AND MANAGEMENT CONTROLS AND SECURITY ARRANGEMENTS
17 AND SURVEILLANCE SYSTEMS FOR THE CONDUCT OF TABLE GAMES.

18 (6) THE CERTIFICATE HOLDER HAS PAID THE AUTHORIZATION
19 FEE IN ACCORDANCE WITH SECTION 1361A (RELATING TO TABLE GAME
20 AUTHORIZATION FEE).

21 (7) THE CERTIFICATE HOLDER HAS OBTAINED AUTHORIZATION
22 PURSUANT TO AN ACT OF THE GENERAL ASSEMBLY, FOLLOWING THE
23 EFFECTIVE DATE OF THIS SECTION, AND HAS COMPENSATED THE
24 COMMONWEALTH FOR NO LESS THAN THE \$5,000,000 FOR THE STATE
25 LANDS OCCUPIED BY THE LICENSED FACILITY.

26 § 1323A. TABLE GAME OPERATION CERTIFICATE.

27 THE FOLLOWING SHALL APPLY:

28 (1) A TABLE GAME OPERATION CERTIFICATE SHALL BE IN
29 EFFECT UNLESS SUSPENDED OR REVOKED BY THE BOARD OR NOT
30 RENEWED BY THE CERTIFICATE HOLDER OR BY THE BOARD UPON GOOD



1 CAUSE BY THE BOARD CONSISTENT WITH THE REQUIREMENTS OF THIS
2 PART.

3 (2) THE TABLE GAME OPERATION CERTIFICATE SHALL INCLUDE
4 AN ITEMIZED LIST BY TYPE AND NUMBER OF THE TABLE GAMES
5 APPROVED BY THE BOARD AND PERMITTED IN THE PARTICULAR
6 LICENSED FACILITY. THE CERTIFICATE HOLDER MAY INCREASE OR
7 DECREASE THE NUMBER OF TABLE GAMES PERMITTED AT THE LICENSED
8 FACILITY, CHANGE THE TYPE OF TABLE GAMES PLAYED AT A
9 PARTICULAR TABLE OR CHANGE THE CONFIGURATION OF TABLE GAMES
10 UPON NOTICE TO THE BOARD AND APPROVAL BY A DESIGNATED
11 EMPLOYEE OF THE BOARD. UNLESS APPROVED BY THE BOARD, THE
12 TOTAL NUMBER OF TABLE GAMES IN OPERATION AT THE LICENSED
13 FACILITY MAY NOT EXCEED THE NUMBER AUTHORIZED IN THE TABLE
14 GAMES OPERATION CERTIFICATE.

15 (3) CERTIFICATE HOLDERS SHALL BE REQUIRED TO UPDATE THE
16 INFORMATION IN THEIR INITIAL TABLE GAMES PETITION AT TIMES
17 PRESCRIBED BY THE BOARD.

18 (4) NO ADDITIONAL AUTHORIZATION FEE SHALL BE IMPOSED FOR
19 RENEWAL OF A TABLE GAME OPERATION CERTIFICATE.

20 § 1324A. CONDITION OF CONTINUED OPERATION.

21 AS A CONDITION OF CONTINUED OPERATION, A CERTIFICATE HOLDER
22 SHALL AGREE TO MAINTAIN ALL BOOKS, RECORDS AND DOCUMENTS
23 PERTAINING TO TABLE GAMES IN A MANNER AND LOCATION WITHIN THIS
24 COMMONWEALTH AS APPROVED BY THE BOARD. ALL BOOKS, RECORDS AND
25 DOCUMENTS RELATED TO TABLE GAMES SHALL:

26 (1) BE SEGREGATED BY SEPARATE ACCOUNTS WITHIN THE SLOT
27 MACHINE LICENSEE'S OPERATIONS BOOKS, RECORDS AND DOCUMENTS,
28 EXCEPT FOR ANY BOOKS, RECORDS OR DOCUMENTS THAT ARE COMMON TO
29 BOTH OPERATIONS;

30 (2) BE IMMEDIATELY AVAILABLE FOR INSPECTION UPON REQUEST

1 OF THE BOARD, THE BUREAU, THE PENNSYLVANIA STATE POLICE, THE
2 ATTORNEY GENERAL OR AGENTS THEREOF DURING ALL HOURS OF
3 OPERATION OF THE LICENSED FACILITY IN ACCORDANCE WITH
4 REGULATIONS PROMULGATED BY THE BOARD; AND

5 (3) BE MAINTAINED FOR A PERIOD AS THE BOARD, BY
6 REGULATION, MAY REQUIRE.

7 § 1325A. TABLE GAME ACCOUNTING CONTROLS AND AUDITS.

8 (A) APPROVAL.--PRIOR TO THE COMMENCEMENT OF TABLE GAME
9 OPERATIONS, A CERTIFICATE HOLDER SHALL SUBMIT TO THE BOARD FOR
10 APPROVAL ALL PROPOSED SITE PLANS, INTERNAL CONTROL SYSTEMS AND
11 AUDIT PROTOCOLS FOR THE CERTIFICATE HOLDER'S TABLE GAME
12 OPERATIONS.

13 (B) MINIMUM REQUIREMENTS.--A CERTIFICATE HOLDER'S INTERNAL
14 CONTROLS AND AUDIT PROTOCOLS SHALL:

15 (1) SAFEGUARD ITS ASSETS AND REVENUES, INCLUDING THE
16 RECORDING OF CASH AND EVIDENCES OF INDEBTEDNESS RELATED TO
17 TABLE GAMES.

18 (2) PROVIDE FOR RELIABLE RECORDS, ACCOUNTS AND REPORTS
19 OF ANY FINANCIAL EVENT THAT OCCURS IN THE CONDUCT OF TABLE
20 GAMES, INCLUDING REPORTS TO THE BOARD RELATED TO THE TABLE
21 GAMES.

22 (3) PROVIDE FOR ACCURATE AND RELIABLE FINANCIAL RECORDS
23 RELATED TO TABLE GAMES.

24 (4) ESTABLISH PROCEDURES FOR ALL THE FOLLOWING:

25 (I) THE RECEIPT, STORAGE AND DISBURSAL OF CHIPS,
26 CASH AND CASH EQUIVALENTS USED IN TABLE GAMES.

27 (II) CHECK CASHING.

28 (III) THE REDEMPTION OF CHIPS, CASH EQUIVALENTS AND
29 OTHER REPRESENTATIONS OF VALUE USED IN TABLE GAMES AND
30 THE PAYOFF OF JACKPOTS.

- 1 (IV) THE RECORDING OF TRANSACTIONS PERTAINING TO
2 TABLE GAMES.
- 3 (5) ESTABLISH PROCEDURES FOR THE COLLECTION AND SECURITY
4 OF MONEYS AT THE GAMING TABLES.
- 5 (6) ESTABLISH PROCEDURES FOR THE TRANSFER AND RECORDING
6 OF CHIPS BETWEEN THE GAMING TABLES AND THE CASHIER'S CAGE.
- 7 (7) ESTABLISH PROCEDURES FOR THE TRANSFER OF DROP BOXES
8 FOR TABLE GAMES FROM THE GAMING TABLES TO THE COUNT ROOM.
- 9 (8) ESTABLISH PROCEDURES AND SECURITY FOR THE COUNTING
10 AND RECORDING OF TABLE GAME REVENUE.
- 11 (9) ESTABLISH PROCEDURES FOR THE SECURITY, STORAGE AND
12 RECORDING OF CASH, CHIPS AND CASH EQUIVALENTS UTILIZED IN
13 TABLE GAMES.
- 14 (10) ESTABLISH PROCEDURES AND SECURITY STANDARDS FOR THE
15 HANDLING AND STORAGE OF TABLE GAME DEVICES.
- 16 (11) ESTABLISH PROCEDURES AND RULES GOVERNING THE
17 CONDUCT OF EACH TABLE GAME AND THE RESPONSIBILITY OF
18 EMPLOYEES RELATED TO TABLE GAMES.
- 19 (12) ESTABLISH PROCEDURES FOR THE COLLECTION AND
20 RECORDING OF REVENUE FROM POKER WHEN IT IS A NONBANKING GAME,
21 INCLUDING THE TYPES OF RAKE UTILIZED AND THE METHODOLOGY FOR
22 CALCULATING THE AMOUNT OF PERMISSIBLE RAKE.
- 23 (13) ENSURE THAT ANY WAGERING PERMITTED IN A TABLE GAME
24 IS IMPLEMENTED ONLY IN ACCORDANCE WITH THE MANAGEMENT'S
25 GENERAL OR SPECIFIC AUTHORIZATION, AS APPROVED BY THE BOARD.
- 26 (14) ENSURE THE PROPER AND TIMELY ACCOUNTING OF GROSS
27 TABLE GAME REVENUE AND THE CALCULATION OF GROSS TABLE GAME
28 REVENUE, FEES AND TAXES BASED ON THE GROSS TABLE GAME REVENUE
29 AND MAINTAIN ACCOUNTABILITY FOR ASSETS.
- 30 (15) ENSURE THAT RECORDED ACCOUNTABILITY FOR ASSETS IS

1 COMPARED WITH ACTUAL ASSETS AT REASONABLE INTERVALS AND THAT
2 APPROPRIATE ACTION IS TAKEN WITH RESPECT TO ANY
3 DISCREPANCIES.

4 (16) ENSURE THAT ALL FUNCTIONS, DUTIES AND
5 RESPONSIBILITIES ARE APPROPRIATELY SEGREGATED AND PERFORMED
6 IN ACCORDANCE WITH SOUND FINANCIAL PRACTICES BY COMPETENT,
7 QUALIFIED EMPLOYEES.

8 (17) PERMIT USE OF ITS LICENSED FACILITY BY THE BOARD,
9 THE BUREAU AND OTHER PERSONS AUTHORIZED BY THE BOARD TO
10 FACILITATE THEIR ABILITY TO PERFORM REGULATORY AND OVERSIGHT
11 FUNCTIONS UNDER THIS CHAPTER.

12 (C) SUBMISSION TO BOARD.--THE SUBMISSION REQUIRED UNDER
13 SUBSECTION (A) SHALL INCLUDE A DETAILED DESCRIPTION OF THE
14 CERTIFICATE HOLDER'S ADMINISTRATIVE AND ACCOUNTING PROCEDURES
15 RELATED TO TABLE GAMES, INCLUDING ITS WRITTEN SYSTEM OF INTERNAL
16 CONTROLS. EACH WRITTEN SYSTEM OF INTERNAL CONTROLS SHALL
17 INCLUDE:

18 (1) AN ORGANIZATIONAL CHART DEPICTING APPROPRIATE
19 FUNCTIONS AND RESPONSIBILITIES OF EMPLOYEES INVOLVED IN BOTH
20 THE SLOT MACHINE OPERATIONS AND TABLE GAME OPERATIONS.

21 (2) A DESCRIPTION OF THE DUTIES AND RESPONSIBILITIES OF
22 EACH POSITION SHOWN ON THE ORGANIZATIONAL CHART.

23 (3) THE RECORD RETENTION POLICY OF THE CERTIFICATE
24 HOLDER.

25 (4) THE PROCEDURE TO BE UTILIZED TO ENSURE THAT ASSETS
26 ARE SAFEGUARDED, INCLUDING MANDATORY COUNT PROCEDURES.

27 (5) A DETAILED NARRATIVE DESCRIPTION OF THE
28 ADMINISTRATIVE AND ACCOUNTING PROCEDURES IN PLACE TO ENSURE
29 COMPLIANCE WITH THE REQUIREMENTS OF SECTION 1326A (RELATING
30 TO WAGERING POLICIES).

1 (6) A STATEMENT SIGNED BY THE CERTIFICATE HOLDER'S CHIEF
2 FINANCIAL OFFICER OR OTHER COMPETENT PERSON ATTESTING THAT
3 THE OFFICER BELIEVES, IN GOOD FAITH, THAT THE SYSTEM
4 SATISFIES THE REQUIREMENTS OF THIS SECTION.

5 (D) REVIEW.--PRIOR TO AUTHORIZING A CERTIFICATE HOLDER TO
6 CONDUCT TABLE GAMES, THE BOARD SHALL REVIEW THE SYSTEM OF
7 INTERNAL CONTROLS SUBMITTED UNDER SUBSECTION (C) TO DETERMINE
8 WHETHER IT CONFORMS TO THE REQUIREMENTS OF THIS PART AND WHETHER
9 IT PROVIDES ADEQUATE AND EFFECTIVE CONTROLS FOR THE CONDUCT OF
10 TABLE GAMES.

11 § 1326A. WAGERING POLICIES.

12 (A) ACCEPTANCE OF CHECKS.--A CERTIFICATE HOLDER MAY ACCEPT A
13 CHECK FROM A PATRON IN EXCHANGE FOR CASH OR CHIPS. THE
14 CERTIFICATE HOLDER SHALL PRESENT EACH CHECK FOR PAYMENT TO THE
15 FINANCIAL INSTITUTION UPON WHICH THE CHECK IS DRAWN WITHIN TEN
16 DAYS OF RECEIPT BY THE CERTIFICATE HOLDER. NO THIRD PARTY CHECKS
17 SHALL BE PERMITTED.

18 (B) CREDIT AND OTHER FINANCIAL TRANSACTIONS PERMITTED.--A
19 CERTIFICATE HOLDER MAY MAKE CREDIT CARD ADVANCES AND WITHDRAWALS
20 AVAILABLE TO PATRONS AT ITS LICENSED FACILITY. ALL FEES CHARGED
21 FOR CASH ADVANCES, CHECK CASHING, CREDIT CARD WITHDRAWALS AND
22 THE CONVERSION OF CASH EQUIVALENTS SHALL BE DISCLOSED.

23 NOTWITHSTANDING SECTION 1504 (RELATING TO WAGERING ON CREDIT), A
24 CERTIFICATE HOLDER MAY EXTEND CREDIT TO PATRONS FOR THE PURPOSE
25 OF PLAYING SLOT MACHINES OR TABLE GAMES IN ACCORDANCE WITH THIS
26 SECTION.

27 (C) CREDIT APPLICATIONS.--EACH APPLICATION FOR CREDIT
28 SUBMITTED BY A PATRON TO A CERTIFICATE HOLDER SHALL BE
29 MAINTAINED IN A CREDIT FILE. THE APPLICATION SHALL INCLUDE THE
30 PATRON'S NAME, ADDRESS, TELEPHONE NUMBER, COMPREHENSIVE BANK

1 ACCOUNT INFORMATION, THE REQUESTED CREDIT LIMIT, THE PATRON'S
2 APPROXIMATE AMOUNT OF CURRENT INDEBTEDNESS, THE AMOUNT AND
3 SOURCE OF INCOME IN SUPPORT OF THE APPLICATION, THE PATRON'S
4 SIGNATURE ON THE APPLICATION AND A CERTIFICATION OF TRUTHFULNESS
5 WHICH SHALL BE SUBJECT TO 18 PA.C.S. § 4903 (RELATING TO FALSE
6 SWEARING). THE CERTIFICATION HOLDER SHALL NOTIFY EACH APPLICANT
7 THAT, AS A CONDITION OF RECEIVING CREDIT, THE CERTIFICATE HOLDER
8 WILL VERIFY IDENTITY AND INDEBTEDNESS INFORMATION THROUGH A
9 CREDIT BUREAU, CASINO CREDIT BUREAU AND, IF APPROPRIATE, THROUGH
10 DIRECT CONTACT WITH OTHER CERTIFICATE HOLDERS.

11 (D) CREDIT APPLICATION VERIFICATION.--PRIOR TO APPROVING AN
12 APPLICATION FOR CREDIT, A CERTIFICATE HOLDER SHALL VERIFY:

13 (1) THE IDENTITY, CREDITWORTHINESS AND INDEBTEDNESS
14 INFORMATION ON THE APPLICATION BY CONDUCTING A COMPREHENSIVE
15 REVIEW OF THE INFORMATION SUBMITTED WITH THE APPLICATION AND
16 ANY INFORMATION REGARDING THE PATRON'S CREDIT ACTIVITY AT
17 OTHER LICENSED FACILITIES WHICH THE CERTIFICATE HOLDER MAY
18 OBTAIN THROUGH A CASINO CREDIT BUREAU AND, IF APPROPRIATE,
19 THROUGH DIRECT CONTACT WITH OTHER LICENSED FACILITIES.

20 (2) THAT THE APPLICANT'S NAME IS NOT INCLUDED ON AN
21 EXCLUSION LIST UNDER SECTION 1514 (RELATING TO REGULATION
22 REQUIRING EXCLUSION OF CERTAIN PERSONS) OR 1516 (RELATING TO
23 LIST OF PERSONS SELF EXCLUDED FROM GAMING ACTIVITIES) OR A
24 VOLUNTARY CREDIT SUSPENSION LIST UNDER SUBSECTION (H).

25 (3) THE APPLICANT'S AVERAGE BANK BALANCE THROUGH DIRECT
26 CONTACT WITH A CASINO CREDIT BUREAU, CREDIT AGENCY OR WITH
27 THE APPLICANT'S BANK.

28 (E) ESTABLISHMENT OF CREDIT.--EACH APPLICANT'S CREDIT LIMIT
29 SHALL BE APPROVED BY ANY TWO OR MORE EMPLOYEES OF THE
30 CERTIFICATE HOLDER HOLDING THE JOB POSITIONS OF CREDIT MANAGER,

1 ASSISTANT CREDIT MANAGER, CREDIT SHIFT MANAGER, CREDIT EXECUTIVE
2 OR A KEY EMPLOYEE IN A DIRECT REPORTING LINE ABOVE THE MANAGER
3 OR CREDIT MANAGER. THE APPROVAL SHALL BE RECORDED IN THE
4 APPLICANT'S CREDIT FILE AND SHALL INCLUDE THE REASONS AND
5 INFORMATION RELIED ON FOR THE APPROVAL OF CREDIT AND
6 VERIFICATION BY THE EMPLOYEES APPROVING THE APPLICANT'S CREDIT
7 LIMIT. INCREASES TO AN INDIVIDUAL'S CREDIT LIMIT MAY BE APPROVED
8 FOLLOWING A WRITTEN REQUEST FROM THE INDIVIDUAL AND
9 REVERIFICATION OF AN INDIVIDUAL'S CREDIT INFORMATION.

10 (F) RECORDKEEPING.--DETAILED INFORMATION PERTAINING TO ALL
11 TRANSACTIONS AFFECTING AN INDIVIDUAL'S OUTSTANDING INDEBTEDNESS
12 TO A CERTIFICATE HOLDER SHALL BE RECORDED IN CHRONOLOGICAL ORDER
13 IN THE INDIVIDUAL'S CREDIT FILE.

14 (G) SUSPENSION OF CREDIT.--A CERTIFICATE HOLDER MAY REDUCE
15 AN INDIVIDUAL'S CREDIT LIMIT OR SUSPEND CREDIT TO AN INDIVIDUAL
16 UPON CONSIDERATION OF INFORMATION AFFECTING THE INDIVIDUAL'S
17 CREDITWORTHINESS OR THE INDIVIDUAL'S CREDIT ACTIVITIES AT THE
18 LICENSED FACILITY OR ANOTHER LICENSED FACILITY. ANY INDIVIDUAL
19 MAY REQUEST A CERTIFICATE HOLDER TO VOLUNTARILY SUSPEND THE
20 INDIVIDUAL'S CREDIT. EACH CERTIFICATE HOLDER SHALL INFORM THE
21 BOARD WHEN AN INDIVIDUAL REQUESTS A VOLUNTARY SUSPENSION OF
22 CREDIT AND SHALL PROVIDE THE BOARD WITH ALL INFORMATION
23 NECESSARY TO MAINTAIN THE VOLUNTARY CREDIT SUSPENSION LIST UNDER
24 SUBSECTION (H).

25 (H) VOLUNTARY CREDIT SUSPENSION LIST.--THE BOARD SHALL
26 MAINTAIN A VOLUNTARY CREDIT SUSPENSION LIST OF ALL PERSONS WHO
27 HAVE REQUESTED VOLUNTARY SUSPENSION OF CREDIT PRIVILEGES AND
28 SHALL PROVIDE THE LIST ON A CONTINUOUS BASIS TO THE CREDIT
29 DEPARTMENT OF EACH CERTIFICATE HOLDER. AN INDIVIDUAL MAY REQUEST
30 PLACEMENT ON THE VOLUNTARY CREDIT SUSPENSION LIST BY SUBMITTING

1 TO THE BOARD THE INDIVIDUAL'S NAME, ADDRESS AND DATE OF BIRTH.
2 THE INDIVIDUAL DOES NOT NEED TO PROVIDE A REASON FOR THE
3 REQUEST. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE
4 CONTRARY, THE BOARD'S LIST OF INDIVIDUALS WHO HAVE HAD CREDIT
5 PRIVILEGES VOLUNTARILY SUSPENDED SHALL NOT BE OPEN TO PUBLIC
6 INSPECTION, AND NEITHER THE BOARD NOR THE CREDIT DEPARTMENT OF A
7 CERTIFICATE HOLDER SHALL DIVULGE THE NAMES ON THIS LIST TO ANY
8 PERSON OR ENTITY OTHER THAN THOSE PROVIDED FOR IN THIS
9 SUBSECTION. TO REMOVE AN INDIVIDUAL'S NAME FROM THE LIST, THE
10 INDIVIDUAL SHALL SUBMIT A REQUEST TO THE BOARD, WHICH SHALL
11 REMOVE THE INDIVIDUAL FROM THE LIST AND INFORM THE CREDIT
12 DEPARTMENT OF EACH CERTIFICATE HOLDER NOT LATER THAN THREE
13 BUSINESS DAYS AFTER THE SUBMISSION BOARD'S RECEIPT OF THE
14 REQUEST.

15 (I) LIABILITY.--A CERTIFICATE HOLDER OR EMPLOYEE THEREOF
16 SHALL NOT BE LIABLE TO ANY INDIVIDUAL ON THE VOLUNTARY CREDIT
17 SUSPENSION LIST OR TO ANY OTHER PARTY IN ANY JUDICIAL PROCEEDING
18 FOR ANY HARM, MONETARY OR OTHERWISE, WHICH MAY ARISE AS A RESULT
19 OF:

20 (1) THE FAILURE OF A CERTIFICATE HOLDER TO RESTORE
21 CREDIT PRIVILEGES TO AN INDIVIDUAL ON THE VOLUNTARY CREDIT
22 SUSPENSION LIST; OR

23 (2) OTHERWISE PERMITTING AN INDIVIDUAL ON THE VOLUNTARY
24 CREDIT SUSPENSION LIST TO ENGAGE IN GAMING ACTIVITY IN THE
25 LICENSED FACILITY WHILE ON THE VOLUNTARY CREDIT SUSPENSION
26 LIST.

27 (J) CHECKS.--NOTWITHSTANDING THE PROVISIONS OF ANY LAW TO
28 THE CONTRARY, CHECKS CASHED IN CONFORMITY WITH THE REQUIREMENTS
29 OF THIS SECTION OR 13 PA.C.S. DIV. 3 (RELATING TO NEGOTIABLE
30 INSTRUMENTS) SHALL BE VALID INSTRUMENTS, ENFORCEABLE AT LAW IN

1 THE COURTS OF THIS COMMONWEALTH. ANY CHECK CASHED, TRANSFERRED,
2 CONVEYED, GIVEN OR ACCEPTED IN VIOLATION OF THIS SECTION SHALL
3 BE INVALID AND UNENFORCEABLE FOR THE PURPOSES OF COLLECTION BY A
4 CERTIFICATE HOLDER BUT SHALL BE INCLUDED IN THE CALCULATION OF
5 GROSS TABLE GAME REVENUE.

6 (K) TAX LIABILITY.--CREDIT EXTENDED PURSUANT TO THIS SECTION
7 MAY NOT BE CLAIMED AS A DEDUCTION, CREDIT OR ANY OTHER TYPE OF
8 REDUCTION OR OFFSET AGAINST ANY TAX IMPOSED BY THIS PART OR THE
9 ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE
10 OF 1971.

11 § 1327A. KEY EMPLOYEES AND OCCUPATION PERMITS.

12 NOTHING IN THIS PART SHALL BE CONSTRUED TO REQUIRE ANY
13 INDIVIDUAL WHO HOLDS A KEY EMPLOYEE OR GAMING EMPLOYEE LICENSE
14 UNDER CHAPTER 13 (RELATING TO LICENSEES) TO OBTAIN A SEPARATE
15 LICENSE OR PERMIT TO BE EMPLOYED IN A CERTIFICATE HOLDER'S TABLE
16 GAME OPERATION AUTHORIZED UNDER THIS CHAPTER.

17 § 1328A. AMENDMENT OF STATEMENT OF CONDITIONS.

18 (A) AMENDMENT.--UPON GRANTING A PETITION FOR A TABLE GAME
19 OPERATION CERTIFICATE, THE BOARD SHALL AMEND THE SLOT MACHINE
20 LICENSEE'S STATEMENT OF CONDITIONS GOVERNING THE SLOT MACHINE
21 LICENSE TO INCLUDE CONDITIONS PERTAINING TO THE REQUIREMENTS OF
22 THIS PART.

23 (B) SANCTIONS.--A CERTIFICATE HOLDER THAT FAILS TO ABIDE BY
24 THIS PART AS WELL AS ANY CONDITION CONTAINED IN THE LICENSEE'S
25 STATEMENT OF CONDITIONS IN THE CONDUCT OF TABLE GAMES SHALL BE
26 SUBJECT TO BOARD-IMPOSED ADMINISTRATIVE SANCTIONS OR OTHER
27 PENALTIES AUTHORIZED UNDER THIS PART.

28 § 1329A. APPLICATION OF CLEAN INDOOR AIR ACT.

29 IF THE BOARD AUTHORIZES THE CONDUCT OF TABLE GAMES IN A
30 DESIGNATED AREA OTHER THAN THE GAMING FLOOR, AS DEFINED IN

1 SECTION 2 OF THE ACT OF JUNE 13, 2008 (P.L.182, NO.27), KNOWN AS
2 THE CLEAN INDOOR AIR ACT, THE PROVISIONS OF SECTION 3(B) (11) OF
3 THE CLEAN INDOOR AIR ACT SHALL APPLY TO THAT AREA AND MAY
4 INCLUDE TABLE GAMES.



5 § 1329.1A. APPLICATION OF LIQUOR CODE.

6 THE PROVISIONS OF SECTION 493(24) (II) OF THE ACT OF APRIL 12,
7 1951 (P.L.90, NO.21), KNOWN AS THE LIQUOR CODE, SHALL ALSO APPLY
8 TO TABLE GAMES.

9 SUBCHAPTER D

10 (RESERVED)

11 SUBCHAPTER E

12 TABLE GAME TESTING AND CERTIFICATION

13 SEC.

14 1341A. TABLE GAME DEVICE TESTING AND CERTIFICATION STANDARDS.

15 § 1341A. TABLE GAME DEVICE TESTING AND CERTIFICATION STANDARDS.

16 (A) USE OF OTHER STATE STANDARDS.--UNTIL SUCH TIME AS THE
17 BOARD EXPANDS THE INDEPENDENT TESTING AND CERTIFICATION FACILITY
18 ESTABLISHED UNDER SECTION 1320 (B) (RELATING TO SLOT MACHINE
19 TESTING AND CERTIFICATION STANDARDS), THE BOARD MAY DETERMINE
20 WHETHER THE TABLE GAME DEVICE TESTING AND CERTIFICATION
21 STANDARDS OF ANOTHER JURISDICTION WITHIN THE UNITED STATES IN
22 WHICH AN APPLICANT FOR A MANUFACTURER LICENSE IS LICENSED ARE
23 COMPREHENSIVE AND THOROUGH AND PROVIDE SIMILAR ADEQUATE
24 SAFEGUARDS AS THOSE REQUIRED BY THIS PART. IF THE BOARD MAKES
25 THAT DETERMINATION, IT MAY PERMIT A MANUFACTURER LICENSED
26 PURSUANT TO SECTION 1317.1 (RELATING TO MANUFACTURER LICENSES)
27 TO DEPLOY TABLE GAME DEVICES IT MANUFACTURES WHICH HAVE MET THE
28 TABLE GAME DEVICE TESTING AND CERTIFICATION STANDARDS IN ANOTHER
29 JURISDICTION WITHOUT UNDERGOING THE FULL TESTING AND
30 CERTIFICATION PROCESS BY THE BOARD'S INDEPENDENT TESTING AND

1 CERTIFICATION FACILITY.

2 (B) EXPANSION OF INDEPENDENT TESTING AND CERTIFICATION
3 FACILITY.--WITHIN ONE YEAR OF THE EFFECTIVE DATE OF THIS
4 CHAPTER, THE BOARD SHALL EXPAND THE INDEPENDENT TESTING AND
5 CERTIFICATION FACILITY CREATED UNDER SECTION 1320(B) TO INCLUDE
6 THE TESTING AND CERTIFICATION OF TABLE GAME DEVICES. COSTS
7 ASSOCIATED WITH THE EXPANSION OF THE FACILITY SHALL BE ASSESSED
8 ON THE APPROPRIATE MANUFACTURER LICENSED TO MANUFACTURE TABLE
9 GAME DEVICES UNDER THIS PART IN ACCORDANCE WITH A SCHEDULE
10 ADOPTED BY THE BOARD. THE EXPANDED FACILITY SHALL BE MADE
11 AVAILABLE TO EACH TABLE GAME DEVICE MANUFACTURER AND SUPPLIER AS
12 DETERMINED BY THE BOARD.

13 SUBCHAPTER F

14 (RESERVED)

15 SUBCHAPTER G

16 TABLE GAME TAXES AND FEES

17 SEC.

18 1361A. TABLE GAME AUTHORIZATION FEE.

19 1362A. TABLE GAME TAXES AND ASSESSMENT.

20 § 1363A. ADDITIONAL TABLE GAME ASSESSMENT.

21 § 1361A. TABLE GAME AUTHORIZATION FEE.

22 (A) IMPOSITION.--THE BOARD SHALL IMPOSE ON EACH CERTIFICATE
23 HOLDER THAT IS A CATEGORY 1 OR CATEGORY 2 SLOT MACHINE LICENSEE
24 A ONE-TIME NONREFUNDABLE AUTHORIZATION FEE IN THE AMOUNT OF
25 \$20,000,000 AND ON EACH CERTIFICATE HOLDER THAT IS A CATEGORY 3
26 LICENSEE A ONE-TIME NONREFUNDABLE AUTHORIZATION FEE IN THE
27 AMOUNT OF \$7,500,000 FOR THE PRIVILEGE OF CONDUCTING TABLE
28 GAMES.

29 (B) PETITION DEADLINES.--ALL ELIGIBLE SLOT MACHINE
30 LICENSEES, WHETHER OPERATIONAL OR NOT, MUST SUBMIT A PETITION

1 AND PAY THE AUTHORIZATION FEE IN FULL BY JUNE 1, 2010. THIS
2 SUBSECTION SHALL NOT APPLY TO A CATEGORY 1 OR CATEGORY 3 LICENSE
3 ISSUED UNDER SECTION 1307 (RELATING TO NUMBER OF SLOT MACHINE
4 LICENSES) AFTER JUNE 1, 2010.

5 (C) PAYMENT OF FEE.--THE FEE IMPOSED UNDER SUBSECTION (A)
6 MAY BE PAID THROUGH AN INSTALLMENT PERIOD ESTABLISHED BY THE
7 BOARD IF THE AUTHORIZATION FEE IS PAID IN FULL ON OR BEFORE JUNE
8 1, 2010.

9 (D) FAILURE TO PAY BY DEADLINE.--IF A PETITIONER OR
10 CERTIFICATE HOLDER FAILS TO PAY THE AUTHORIZATION FEE IN FULL BY
11 JUNE 1, 2010, THE BOARD SHALL IMPOSE A \$5,000,000 PENALTY AND
12 MAY GRANT THE PETITIONER OR CERTIFICATE HOLDER UP TO A SIX-MONTH
13 EXTENSION TO PAY ANY REMAINING AUTHORIZATION FEE AND THE
14 PENALTY. THE BOARD MAY REQUIRE THE CERTIFICATE HOLDER TO REMIT A
15 CERTAIN AMOUNT FROM THE DAILY GROSS TABLE GAME REVENUE TO THE
16 DEPARTMENT UNTIL THE FEE AND PENALTY ARE FULLY PAID.

17 (E) REVOCATION OF CERTIFICATE.--THE BOARD SHALL REVOKE THE
18 TABLE GAME OPERATION CERTIFICATE IF THE CERTIFICATE HOLDER FAILS
19 TO PAY THE TOTAL AUTHORIZATION FEE AND THE PENALTY PRIOR TO THE
20 EXPIRATION OF AN EXTENSION PERIOD GRANTED UNDER SUBSECTION (D).

21 (F) PETITIONS FILED AFTER DEADLINE.--A PETITIONER FILING A
22 PETITION AFTER JUNE 1, 2010, SHALL BE REQUIRED TO PAY AN
23 ADDITIONAL AUTHORIZATION FEE OF \$7,500,000. THIS SUBSECTION
24 SHALL NOT APPLY TO A CATEGORY 1 OR CATEGORY 3 SLOT MACHINE
25 LICENSE ISSUED AFTER JUNE 1, 2010.

26 (G) DEPOSIT OF FEES.--NOTWITHSTANDING SECTION 1208 (RELATING
27 TO COLLECTION OF FEES AND FINES), ALL TABLE GAME AUTHORIZATION
28 FEES RECEIVED BY THE BOARD UNDER SUBSECTION (A), (C) OR (F) OR
29 PENALTIES RECEIVED UNDER SUBSECTION (D) AND ALL TABLE GAME
30 MANUFACTURER AND SUPPLIER LICENSE FEES OR MANUFACTURER AND

1 SUPPLIER RENEWAL FEES OR FEES FOR LICENSEES ISSUED UNDER CHAPTER
2 16 (RELATING TO JUNKETS) SHALL BE DEPOSITED IN THE GENERAL FUND.
3 UPON RECEIPT OF THE LICENSE FEE BY THE GENERAL FUND, 10% OF THE ←
4 FEE MUST BE TRANSFERRED WITHIN 30 DAYS TO THE DEPARTMENT OF
5 MILITARY AND VETERAN AFFAIRS. SUCH FUNDS SHALL BE USED 50% FOR
6 OPERATION OF SCOTLAND SCHOOL FOR VETERANS CHILDREN, AND 50% FOR
7 OPERATION OF, MAINTENANCE OF AND IMPROVEMENTS TO VETERANS HOMES,
8 CENTERS AND SCHOOLS.

9 § 1362A. TABLE GAME TAXES AND ASSESSMENT.

10 (A) IMPOSITION.--EACH CERTIFICATE HOLDER SHALL PAY FROM ITS
11 DAILY GROSS TABLE GAME REVENUE FROM THE TABLE GAMES IN OPERATION
12 AT ITS LICENSED FACILITY ON A FORM PRESCRIBED BY THE DEPARTMENT
13 A TAX OF ~~34%~~ 37% TO BE DEPOSITED INTO THE GENERAL FUND AND ←
14 DISTRIBUTED AS FOLLOWS:

15 (1) THIRTY-FOUR PERCENT SHALL REMAIN IN THE GENERAL
16 FUND.

17 (2) ONE AND ONE-HALF PERCENT SHALL BE DISTRIBUTED BY THE
18 DEPARTMENT TO THE COUNTY HOSTING THE LICENSED FACILITY.

19 (3) One and one-half percent shall be distributed by the
20 department to the municipality hosting the licensed facility.

21 (B) DEPOSITS AND DISTRIBUTIONS.--

22 (1) THE TAX IMPOSED UNDER SUBSECTION (A) AND ANY
23 INTEREST ACCRUED THEREON SHALL BE PAYABLE TO THE DEPARTMENT
24 ON A WEEKLY BASIS AND SHALL BE BASED UPON GROSS TABLE GAME
25 REVENUE DERIVED DURING THE PREVIOUS WEEK. THE DEPARTMENT ←
26 SHALL DISTRIBUTE MONEYS TO THE COUNTIES AND MUNICIPALITIES
27 WITHIN A WEEK OF THEIR RECEIPT.

28 (2) ALL FUNDS OWED TO THE COMMONWEALTH, COUNTY AND ←
29 MUNICIPALITY UNDER THIS SECTION SHALL BE HELD IN TRUST FOR
30 THE COMMONWEALTH, COUNTY AND MUNICIPALITY BY THE CERTIFICATE ←

1 HOLDER UNTIL THE FUNDS ARE PAID OR TRANSFERRED AND
2 DISTRIBUTED BY THE DEPARTMENT. UNLESS OTHERWISE AGREED TO BY
3 THE BOARD, A CERTIFICATE HOLDER SHALL ESTABLISH A SEPARATE
4 BANK ACCOUNT TO MAINTAIN TABLE GAME REVENUE UNTIL SUCH TIME
5 AS THE FUNDS ARE PAID OR TRANSFERRED UNDER THIS SECTION.

6 (B.1) DISPOSITION IN CERTAIN THIRD CLASS COUNTIES.-- ←

7 (1) THE TAX IMPOSED BY SUBSECTION (A) (2) IN A COUNTY OF
8 THE THIRD CLASS WITH A THOROUGHBRED RACETRACK SHALL BE
9 DEPOSITED INTO A RESTRICTED ACCOUNT ESTABLISHED IN THE
10 PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY TO BE USED
11 EXCLUSIVELY BY THE COUNTY COMMISSIONERS OF THE THIRD CLASS
12 COUNTY WHERE THE FACILITY IS LOCATED FOR A VIOLENT CRIME TASK
13 FORCE COMPOSED OF MEMBERS OF COUNTY AND MUNICIPAL LAW
14 ENFORCEMENT AGENCIES TO REDUCE GANG VIOLENCE, GUN TRAFFICKING
15 AND VIOLENCE AND DRUG-RELATED CRIMES. THE COMMISSIONERS SHALL
16 APPOINT AN ADVISORY COMMITTEE TO BE CHAIRED BY THE DISTRICT
17 ATTORNEY AND COMPOSED OF CHIEFS AND DIRECTORS OF COUNTY AND
18 MUNICIPAL LAW ENFORCEMENT AGENCIES. THE ADVISORY COMMITTEE
19 SHALL MAKE RECOMMENDATIONS TO THE COUNTY COMMISSIONERS FOR
20 THE PRIORITIES AND EXPENDITURES OF THE TASK FORCE. THE
21 DISTRICT ATTORNEY SHALL DIRECT AND COORDINATE THE OPERATIONS
22 AND PERSONNEL OF THE TASK FORCE.

23 (2) THE TAX IMPOSED BY SUBSECTION (A) (3) IN A COUNTY OF
24 THE THIRD CLASS WITH A THOROUGHBRED RACETRACK SHALL BE
25 DISTRIBUTED TO THE HOST MUNICIPALITY, SUBJECT, HOWEVER, TO
26 THE BUDGETARY LIMITATIONS IN THIS PARAGRAPH. IF THE LICENSED
27 FACILITY AND ASSOCIATED LAND ARE LOCATED IN MORE THAN ONE
28 SECOND CLASS TOWNSHIP, \$120,000 ANNUALLY SHALL BE PAID TO
29 EACH TOWNSHIP BY THE LICENSED GAMING ENTITY OPERATING A
30 LICENSED FACILITY AND ASSOCIATED LAND LOCATED IN THOSE

1 TOWNSHIPS, SUBJECT, HOWEVER, TO THE BUDGETARY LIMITATION IN
2 THIS PARAGRAPH. THE AMOUNT ALLOCATED TO THE DESIGNATED
3 TOWNSHIPS IN THIS PARAGRAPH SHALL NOT EXCEED 50% OF THEIR
4 TOTAL BUDGET FOR FISCAL YEAR 2009-2010, ADJUSTED FOR
5 INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO EXCEED AN
6 ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED BY APPLYING THE
7 PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX IMMEDIATELY
8 PRIOR TO THE DATE THE ADJUSTMENT IS DUE TO TAKE EFFECT. ANY
9 REMAINING FUNDS SHALL BE DEPOSITED IN THE RESTRICTED ACCOUNT
10 ESTABLISHED BY THE PENNSYLVANIA COMMISSION ON CRIME AND
11 DELINQUENCY IN THIS SUBSECTION AND SHALL BE USED FOR THE
12 PURPOSES OF IMPLEMENTING THIS SUBSECTION.

13 (3) THIS SUBSECTION SHALL ONLY APPLY TO THOSE COUNTIES
14 IN WHICH A LICENSED FACILITY AND ASSOCIATED LANDS ARE LOCATED
15 IN TWO COUNTIES.

16 (4) FOR THE PURPOSES OF THIS SUBSECTION, THE TERM
17 "ASSOCIATED LAND" SHALL MEAN LAND THAT IS OWNED BY AND
18 ADJACENT TO A LICENSED FACILITY AND OTHER AREAS OWNED BY THE
19 LICENSED FACILITY, INCLUDING RACETRACKS, GRAZING FIELDS OR
20 ANY OTHER ADJOINING REAL PROPERTY.

21 (C) DEPOSITS FOR PROPERTY TAX RELIEF.--IF, ON THE LAST DAY
22 OF A FISCAL YEAR THE BALANCE OF THE BUDGET STABILIZATION RESERVE
23 FUND ESTABLISHED PURSUANT TO SECTION 1701-A OF THE ACT OF APRIL
24 9, 1929 (P.L.343, NO.176), KNOWN AS THE FISCAL CODE, EXCEEDS
25 \$750,000,000, THE SECRETARY OF THE BUDGET SHALL CERTIFY THE
26 AMOUNT IN THE FUND AND THE DEPOSITS MADE INTO THE GENERAL FUND
27 PURSUANT TO SUBSECTION ~~(A)~~ (A) (1) SHALL CEASE AND THEREAFTER BE ←
28 DEPOSITED INTO THE PROPERTY TAX RELIEF FUND ESTABLISHED PURSUANT
29 TO 4 PA.C.S. § 1409 (RELATING TO PROPERTY TAX RELIEF FUND).
30 § 1363A. ADDITIONAL TABLE GAME ASSESSMENT. ←

1 (A) ADDITIONAL ASSESSMENT.--AN ASSESSMENT IN AN AMOUNT EQUAL
2 TO 1% OF THE DAILY GROSS TABLE GAME REVENUE FROM EACH
3 CERTIFICATE HOLDER SHALL BE PAID BY EACH CERTIFICATE HOLDER,
4 DEPOSITED IN THE STATE GAMING FUND AND QUARTERLY DISTRIBUTED TO
5 THE COUNTY HOSTING THE CERTIFICATE HOLDER IN ACCORDANCE WITH
6 SECTION 1403(C) (2), EXCEPT WHEN THE CERTIFICATE HOLDER IS
7 LOCATED IN A COUNTY OF THE FIRST CLASS IN WHICH CASE THE AMOUNT
8 SHALL BE DEPOSITED IN AN ESCROW ACCOUNT ESTABLISHED BY AN
9 ADVISORY COMMITTEE ORGANIZED AND OVERSEEN BY THE BOARD AND
10 DISTRIBUTED PURSUANT TO SUBSECTION (B).

11 (B) DISTRIBUTIONS FROM FIRST CLASS COUNTY ESCROW ACCOUNT.--
12 THE ADVISORY COMMITTEE SHALL ADOPT AND FILE WITH THE BOARD
13 PROCEDURES FOR DISTRIBUTIONS FROM AN ESCROW ACCOUNT ESTABLISHED
14 FOR A FIRST CLASS COUNTY UNDER SUBSECTION (A). ALL FUNDS IN AN
15 ESCROW ACCOUNT SHALL BE DISTRIBUTED ONLY TO NONPROFIT
16 ORGANIZATIONS, AND NO FUNDS MAY BE DISTRIBUTED OUT OF THE COUNTY
17 OF THE FIRST CLASS. NO LESS THAN 70% OF FUNDS IN THE ESCROW
18 ACCOUNT SHALL BE DISTRIBUTED TO NONPROFIT ORGANIZATIONS FOR THE
19 BENEFIT OF THE IMMEDIATE VICINITY OF THE LICENSED FACILITY. THE
20 ADVISORY COMMITTEE SHALL SUBMIT A BIENNIAL REPORT TO THE BOARD
21 ON THE DISTRIBUTION OF FUNDS FROM THE ESCROW ACCOUNT.

22 (C) ADVISORY COMMITTEE.--AN ADVISORY COMMITTEE FOR AN ESCROW
23 ACCOUNT ESTABLISHED FOR A FIRST CLASS COUNTY UNDER SUBSECTION
24 (A) SHALL BE COMPRISED OF THE FOLLOWING MEMBERS:

25 (1) TWO DESIGNEES OF THE STATE SENATOR IN WHOSE DISTRICT
26 THE LICENSED FACILITY IS LOCATED.

27 (2) TWO DESIGNEES OF THE STATE REPRESENTATIVE IN WHOSE
28 DISTRICT THE LICENSED FACILITY IS LOCATED.

29 (3) ONE DESIGNEE OF THE MUNICIPAL GOVERNMENT.

30 (4) ONE DESIGNEE OF THE MUNICIPAL COUNCIL.

1 (5) ONE DESIGNEE OF THE LICENSED FACILITY.

2 SECTION 11.2. SECTIONS 1401(B), 1402(A), 1402.1, 1403(B),
3 (C) (2) (I) (D) AND (E) AND (II) (D), (IV) AND (3) (V), 1405 AND
4 1406(A) OF TITLE 4 ARE AMENDED TO READ:

5 § 1401. SLOT MACHINE LICENSEE DEPOSITS.

6 * * *

7 (B) INITIAL DEPOSIT OF FUNDS.--NOT LATER THAN TWO BUSINESS
8 DAYS PRIOR TO THE COMMENCEMENT OF SLOT MACHINE OPERATIONS BY A
9 SLOT MACHINE LICENSEE, THE SLOT MACHINE LICENSEE SHALL DEPOSIT
10 AND MAINTAIN THE [SUM OF \$5,000,000] FOLLOWING SUMS IN ITS
11 ACCOUNT TO GUARANTEE THE PAYMENT OF FUNDS TO THE COMMONWEALTH
12 UNDER THIS PART AND AS SECURITY FOR ITS OBLIGATIONS UNDER
13 SECTION 1405 (RELATING TO PENNSYLVANIA RACE HORSE DEVELOPMENT
14 FUND) [.]:

15 (1) FOR A CATEGORY 1 OR CATEGORY 2 SLOT MACHINE
16 LICENSEE, \$5,000,000.

17 (2) FOR A CATEGORY 3 SLOT MACHINE LICENSEE, \$1,000,000.

18 NO ADDITIONAL DEPOSIT SHALL BE REQUIRED FROM A SLOT MACHINE
19 LICENSEE IF A SLOT MACHINE LICENSEE IS GRANTED A CERTIFICATE
20 UNDER CHAPTER 13A (RELATING TO TABLE GAMES).

21 * * *

22 § 1402. GROSS TERMINAL REVENUE DEDUCTIONS.

23 (A) DEDUCTIONS.--AFTER DETERMINING THE APPROPRIATE
24 ASSESSMENTS FOR EACH SLOT MACHINE LICENSEE, THE DEPARTMENT SHALL
25 DETERMINE COSTS, EXPENSES OR PAYMENTS FROM EACH ACCOUNT
26 ESTABLISHED UNDER SECTION 1401 (RELATING TO SLOT MACHINE
27 LICENSEE DEPOSITS). THE FOLLOWING COSTS AND EXPENSES SHALL BE
28 TRANSFERRED TO THE APPROPRIATE AGENCY UPON APPROPRIATION BY THE
29 GENERAL ASSEMBLY:

30 (1) THE COSTS AND EXPENSES TO BE INCURRED BY THE

1 DEPARTMENT IN ADMINISTERING THIS PART AT EACH SLOT MACHINE
2 LICENSEE'S LICENSED FACILITY BASED UPON A BUDGET SUBMITTED BY
3 THE DEPARTMENT [TO AND APPROVED BY THE BOARD].

4 (2) THE OTHER COSTS AND EXPENSES TO BE INCURRED BY THE
5 DEPARTMENT IN ADMINISTERING THIS PART BASED UPON A BUDGET
6 SUBMITTED BY THE DEPARTMENT [TO AND APPROVED BY THE BOARD].

7 (3) SUMS NECESSARY TO REPAY ANY LOANS MADE BY THE
8 GENERAL FUND TO THE DEPARTMENT IN CONNECTION WITH CARRYING
9 OUT ITS RESPONSIBILITIES UNDER THIS PART, INCLUDING THE COSTS
10 OF THE INITIAL ACQUISITION OF THE CENTRAL CONTROL COMPUTER
11 AND ANY ACCESSORIES OR ASSOCIATED EQUIPMENT.

12 (4) THE COSTS AND EXPENSES TO BE INCURRED BY THE
13 PENNSYLVANIA STATE POLICE AND THE OFFICE OF ATTORNEY GENERAL
14 AND NOT OTHERWISE REIMBURSED UNDER THIS PART IN CARRYING OUT
15 THEIR RESPECTIVE RESPONSIBILITIES UNDER THIS PART BASED UPON
16 A BUDGET SUBMITTED BY THE PENNSYLVANIA STATE POLICE AND THE
17 ATTORNEY GENERAL [TO AND APPROVED BY THE BOARD].

18 (5) SUMS NECESSARY TO REPAY ANY LOANS MADE BY THE
19 GENERAL FUND TO THE PENNSYLVANIA STATE POLICE IN CONNECTION
20 WITH CARRYING OUT ITS RESPONSIBILITIES UNDER THIS PART.

21 (6) THE COSTS AND EXPENSES TO BE INCURRED BY THE BOARD
22 IN CARRYING OUT ITS RESPONSIBILITIES UNDER THIS PART BASED
23 UPON A BUDGET APPROVED BY THE BOARD.

24 (7) SUMS NECESSARY TO REPAY ANY LOANS MADE BY THE
25 GENERAL FUND TO THE BOARD IN CONNECTION WITH CARRYING OUT ITS
26 RESPONSIBILITIES UNDER THIS PART.

27 (8) THE SALARIES, WAGES AND ALL NECESSARY EXPENSES
28 INCURRED BY THE DEPARTMENT OF THE AUDITOR GENERAL AND NOT
29 OTHERWISE REIMBURSED UNDER THIS PART IN CONDUCTING AUDITS AS
30 PROVIDED BY LAW OF THE BOARD OR ANY FUND CREATED BY THIS PART

1 BASED UPON THE BUDGET SUBMITTED BY THE DEPARTMENT OF THE
2 AUDITOR GENERAL PURSUANT TO SECTION 1402.1 (RELATING TO
3 ITEMIZED BUDGET REPORTING).

4 * * *

5 § 1402.1. ITEMIZED BUDGET REPORTING.

6 THE BOARD, DEPARTMENT, PENNSYLVANIA STATE POLICE [AND] THE
7 ATTORNEY GENERAL AND THE DEPARTMENT OF THE AUDITOR GENERAL SHALL
8 PREPARE AND ANNUALLY SUBMIT TO THE CHAIRMAN OF THE
9 APPROPRIATIONS COMMITTEE OF THE SENATE AND THE CHAIRMAN OF THE
10 APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES AN
11 ITEMIZED BUDGET CONSISTING OF AMOUNTS TO BE APPROPRIATED OUT OF
12 THE ACCOUNTS ESTABLISHED UNDER SECTION 1401 (RELATING TO SLOT
13 MACHINE LICENSEE DEPOSITS) NECESSARY TO ADMINISTER THIS PART OR
14 REQUIRED UNDER SECTION 1402(A)(8) (RELATING TO GROSS TERMINAL
15 REVENUE DEDUCTIONS).

16 § 1403. ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE
17 REVENUE DISTRIBUTION.

18 * * *

19 (B) SLOT MACHINE TAX.--THE DEPARTMENT SHALL DETERMINE AND
20 EACH SLOT MACHINE LICENSEE SHALL PAY A DAILY TAX OF 34% FROM ITS
21 DAILY GROSS TERMINAL REVENUE FROM THE SLOT MACHINES IN OPERATION
22 AT ITS FACILITY AND A LOCAL SHARE ASSESSMENT AS PROVIDED IN
23 SUBSECTION (C) INTO THE FUND. ALL FUNDS OWED TO THE COMMONWEALTH
24 OR A MUNICIPALITY UNDER THIS SECTION SHALL BE HELD IN TRUST BY
25 THE LICENSED GAMING ENTITY FOR THE COMMONWEALTH AND THE
26 MUNICIPALITY UNTIL THE FUNDS ARE PAID OR TRANSFERRED AND
27 DISTRIBUTED. UNLESS OTHERWISE AGREED TO BY THE [GAMING BOARD]
28 BOARD, A LICENSED GAMING ENTITY SHALL ESTABLISH A SEPARATE BANK
29 ACCOUNT TO MAINTAIN [GAMING PROCEEDS] SLOT MACHINE REVENUE UNTIL
30 SUCH TIME AS [THEY] THE FUNDS ARE PAID OR TRANSFERRED UNDER THIS

1 SECTION.

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

3 * * *

4 (2) FROM THE LOCAL SHARE ASSESSMENT ESTABLISHED IN
5 SUBSECTION (B), MAKE QUARTERLY DISTRIBUTIONS AMONG THE
6 COUNTIES HOSTING A LICENSED FACILITY IN ACCORDANCE WITH THE
7 FOLLOWING SCHEDULE:

8 (I) IF THE LICENSED FACILITY IS A CATEGORY 1
9 LICENSED FACILITY THAT IS LOCATED AT A HARNESS RACETRACK
10 AND THE COUNTY, INCLUDING A HOME RULE COUNTY, IN WHICH
11 THE LICENSED FACILITY IS LOCATED IS:

12 * * *

13 (D) (I) A COUNTY OF THE THIRD CLASS: EXCEPT AS
14 PROVIDED IN SUBCLAUSE (II), 2% OF THE GROSS TERMINAL
15 REVENUE FROM EACH SUCH LICENSED FACILITY SHALL BE
16 DEPOSITED INTO A RESTRICTED ACCOUNT ESTABLISHED IN
17 THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
18 TO BE USED EXCLUSIVELY FOR GRANTS FOR HEALTH, SAFETY
19 AND ECONOMIC DEVELOPMENT PROJECTS TO MUNICIPALITIES
20 WITHIN THE COUNTY WHERE THE LICENSED FACILITY IS
21 LOCATED. [MUNICIPALITIES THAT ARE CONTIGUOUS TO THE
22 MUNICIPALITY HOSTING SUCH LICENSED FACILITY SHALL BE
23 GIVEN PRIORITY BY THE DEPARTMENT OF COMMUNITY AND
24 ECONOMIC DEVELOPMENT IN THE AWARD OF SUCH GRANTS.] IF
25 THE LICENSED FACILITY IS LOCATED IN A FIRST CLASS
26 TOWNSHIP LOCATED IN A COUNTY WHERE A THIRD CLASS CITY
27 IS OPERATING UNDER AN OPTIONAL PLAN B FORM OF
28 GOVERNMENT PURSUANT TO THE FORMER ACT OF APRIL 13,
29 1972 (P.L.184, NO.62), KNOWN AS THE HOME RULE CHARTER
30 AND OPTIONAL PLANS LAW, THE DEPARTMENT SHALL ALLOCATE

1 FUNDS AVAILABLE FOR GRANTS TO MUNICIPALITIES AS
2 FOLLOWS: 40% SHALL BE AWARDED TO CITIES LOCATED IN
3 THE COUNTY ON A PRO RATA BASIS UTILIZING THE MOST
4 RECENT UNITED STATES CENSUS BUREAU POPULATION FIGURES
5 AVAILABLE; 35% SHALL BE AWARDED TO MUNICIPALITIES
6 CONTIGUOUS TO THE HOST MUNICIPALITY; AND 25% SHALL BE
7 AVAILABLE FOR AWARDS TO NONCONTIGUOUS MUNICIPALITIES
8 IN THE COUNTY, ON A COMPETITIVE BASIS. GRANTS TO
9 MUNICIPALITIES WITHIN THE COUNTY WHERE THE LICENSED
10 FACILITY IS LOCATED MAY BE AWARDED TO GROUPS OF
11 MUNICIPALITIES WITHIN THE COUNTY TO FUND REGIONAL
12 PROJECTS.

13 (II) IF A LICENSED FACILITY IS LOCATED IN
14 ONE OF TWO COUNTIES OF THE THIRD CLASS WHERE A
15 CITY OF THE THIRD CLASS IS LOCATED IN BOTH
16 COUNTIES OF THE THIRD CLASS, THE COUNTY IN WHICH
17 THE LICENSED FACILITY IS LOCATED SHALL RECEIVE
18 1.2% OF THE GROSS TERMINAL REVENUE TO BE
19 DISTRIBUTED AS FOLLOWS: 20% TO THE HOST CITY,
20 30% TO THE HOST COUNTY AND 50% TO THE HOST COUNTY
21 FOR THE PURPOSE OF MAKING MUNICIPAL GRANTS WITHIN
22 THE COUNTY, WITH PRIORITY GIVEN TO MUNICIPALITIES
23 CONTIGUOUS TO THE HOST CITY. THE COUNTY OF THE
24 THIRD CLASS, WHICH INCLUDES A CITY OF THE THIRD
25 CLASS THAT IS LOCATED IN TWO COUNTIES OF THE
26 THIRD CLASS AND IS NOT THE HOST COUNTY FOR THE
27 LICENSED FACILITY, SHALL RECEIVE .8% OF THE GROSS
28 TERMINAL REVENUE TO BE DISTRIBUTED AS FOLLOWS:
29 60% TO A NONHOST CITY OF THE THIRD CLASS LOCATED
30 SOLELY IN THE NONHOST COUNTY IN WHICH THE HOST

1 CITY OF THE THIRD CLASS IS ALSO LOCATED OR 60% TO
2 THE NONHOST CITY OF THE THIRD CLASS LOCATED BOTH
3 IN THE HOST AND NONHOST COUNTIES OF THE THIRD
4 CLASS, 35% TO THE NONHOST COUNTY AND 5% TO THE
5 NONHOST COUNTY FOR THE PURPOSE OF MAKING
6 MUNICIPAL GRANTS WITHIN THE COUNTY.

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

10 (I) THE DEPARTMENT SHALL MAKE QUARTERLY
11 DISTRIBUTIONS DIRECTLY TO EACH MUNICIPALITY
12 WITHIN THE COUNTY, EXCEPT THE HOST MUNICIPALITY,
13 BY USING A FORMULA EQUALING THE SUM OF \$25,000
14 PLUS \$10 PER RESIDENT OF THE MUNICIPALITY USING
15 THE MOST RECENT POPULATION FIGURES PROVIDED BY
16 THE DEPARTMENT OF COMMUNITY AND ECONOMIC
17 DEVELOPMENT, PROVIDED, HOWEVER, THAT THE AMOUNT
18 SO DISTRIBUTED TO ANY MUNICIPALITY SHALL NOT
19 EXCEED 50% OF ITS TOTAL BUDGET FOR FISCAL YEAR
20 2009, ADJUSTED FOR INFLATION IN SUBSEQUENT FISCAL
21 YEARS BY AN AMOUNT NOT TO EXCEED AN ANNUAL COST-
22 OF-LIVING ADJUSTMENT CALCULATED BY APPLYING ANY
23 UPWARD PERCENTAGE CHANGE IN THE CONSUMER PRICE
24 INDEX IMMEDIATELY PRIOR TO THE DATE THE
25 ADJUSTMENT IS DUE TO TAKE EFFECT. DISTRIBUTIONS
26 TO A MUNICIPALITY IN ACCORDANCE WITH THIS
27 SUBCLAUSE SHALL BE DEPOSITED INTO A SPECIAL FUND
28 WHICH SHALL BE ESTABLISHED BY THE MUNICIPALITY.
29 THE GOVERNING BODY OF THE MUNICIPALITY SHALL HAVE
30 THE RIGHT TO DRAW UPON THE SPECIAL FUND PROVIDED

1 THAT THE MUNICIPALITY IDENTIFIES THE FUND AS THE
2 SOURCE OF THE EXPENDITURE. EACH MUNICIPALITY
3 SHALL ANNUALLY SUBMIT A REPORT TO THE DEPARTMENT
4 OF COMMUNITY AND ECONOMIC DEVELOPMENT DETAILING
5 THE AMOUNT AND PURPOSE OF EACH EXPENDITURE MADE
6 FROM THE SPECIAL ACCOUNT DURING THE PRIOR FISCAL
7 YEAR.

8 (II) ANY FUNDS NOT DISTRIBUTED UNDER
9 SUBCLAUSE (I) SHALL BE DEPOSITED INTO A
10 RESTRICTED ACCOUNT ESTABLISHED IN THE DEPARTMENT
11 OF COMMUNITY AND ECONOMIC DEVELOPMENT TO BE USED
12 EXCLUSIVELY FOR GRANTS TO THE COUNTY, TO ECONOMIC
13 DEVELOPMENT AUTHORITIES OR REDEVELOPMENT
14 AUTHORITIES WITHIN THE COUNTY FOR GRANTS FOR
15 ECONOMIC DEVELOPMENT PROJECTS, INFRASTRUCTURE
16 PROJECTS, JOB TRAINING, COMMUNITY IMPROVEMENT
17 PROJECTS, OTHER PROJECTS IN THE PUBLIC INTEREST
18 AND REASONABLE ADMINISTRATIVE COSTS. HOWEVER, THE
19 ADMINISTRATIVE COSTS SHALL NOT EXCEED 4% OF THE
20 GROSS TERMINAL REVENUE RECEIVED BY THE COUNTY OF
21 THE FOURTH CLASS ANNUALLY FROM THE LICENSED
22 FACILITY. NOTWITHSTANDING THE PROVISIONS OF THE
23 ACT OF FEBRUARY 9, 1999 (P.L.1, NO.1), KNOWN AS
24 THE CAPITAL FACILITIES DEBT ENABLING ACT, GRANTS
25 MADE UNDER THIS CLAUSE MAY BE UTILIZED AS LOCAL
26 MATCHING FUNDS FOR OTHER GRANTS OR LOANS FROM THE
27 COMMONWEALTH.

28 * * *

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

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

3 * * *

4 (D) A COUNTY OF THE THIRD CLASS: 1% OF THE
5 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
6 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
7 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
8 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
9 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
10 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.
11 WHERE A LICENSED FACILITY IS LOCATED IN A COUNTY OF
12 THE THIRD CLASS AND OWNS LAND WHICH IS LOCATED IN A
13 COUNTY OF THE FIFTH CLASS THAT IS OWNED BY AND
14 ADJACENT TO THE LICENSED FACILITY AND OTHER AREAS
15 OWNED BY THE LICENSED FACILITY, INCLUDING RACETRACKS,
16 GRAZING FIELDS OR ANY OTHER ADJOINING REAL PROPERTY,
17 THE COUNTY OF THE FIFTH CLASS SHALL RECEIVE A PORTION
18 OF THE GROSS TERMINAL REVENUE DISTRIBUTED UNDER THIS
19 CLAUSE IN ACCORDANCE WITH SUBPARAGRAPH (VI) AS IF
20 SUCH LAND WERE PART OF THE LICENSED FACILITY.

21 * * *

22 (IV) IF THE FACILITY IS A CATEGORY 3 LICENSED ←
23 FACILITY, 2% OF THE GROSS TERMINAL REVENUE FROM EACH SUCH
24 LICENSED FACILITY SHALL BE DEPOSITED INTO A RESTRICTED
25 ACCOUNT ESTABLISHED IN [THE DEPARTMENT OF COMMUNITY AND
26 ECONOMIC DEVELOPMENT] THE COMMONWEALTH FINANCING
27 AUTHORITY TO BE USED EXCLUSIVELY FOR GRANTS [TO THE
28 COUNTY, TO ECONOMIC DEVELOPMENT AUTHORITIES OR
29 REDEVELOPMENT AUTHORITIES WITHIN THE COUNTY FOR GRANTS
30 FOR ECONOMIC DEVELOPMENT PROJECTS AND COMMUNITY

1 IMPROVEMENT PROJECTS] OR GUARANTEES FOR PROJECTS IN THE
2 HOST COUNTY THAT QUALIFY UNDER 64 PA.C.S. §§ 1551
3 (RELATING TO BUSINESS AND OUR SITES PROGRAM), 1556
4 (RELATING TO TAX INCREMENT FINANCING GUARANTEE PROGRAM)
5 AND 1558 (RELATING TO WATER SUPPLY AND WASTE WATER
6 INFRASTRUCTURE PROGRAM).

7 * * *

8 (3) FROM THE LOCAL SHARE ASSESSMENT ESTABLISHED IN
9 SUBSECTION (B), MAKE QUARTERLY DISTRIBUTIONS AMONG THE
10 MUNICIPALITIES, INCLUDING HOME RULE MUNICIPALITIES, HOSTING A
11 LICENSED FACILITY IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

12 * * *

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

1 LICENSED FACILITY IS OTHER THAN A CATEGORY 3 AND IS
2 LOCATED IN MORE THAN ONE SECOND CLASS TOWNSHIP, THE
3 COUNTY COMMISSIONERS OF THE COUNTY OF THE THIRD CLASS IN
4 WHICH THE FACILITY IS LOCATED SHALL APPOINT AN ADVISORY
5 COMMITTEE FOR THE PURPOSE OF ADVISING THE COUNTY AS TO
6 THE NEED FOR MUNICIPAL GRANTS FOR HEALTH, SAFETY,
7 TRANSPORTATION AND OTHER PROJECTS IN THE PUBLIC INTEREST
8 TO BE COMPRISED OF TWO INDIVIDUALS FROM THE HOST
9 MUNICIPALITY, TWO FROM CONTIGUOUS MUNICIPALITIES WITHIN
10 THE COUNTY OF THE THIRD CLASS AND ONE FROM THE HOST
11 COUNTY. WHERE THE LICENSED FACILITY IS OTHER THAN A
12 CATEGORY 3 AND IS LOCATED IN A COUNTY OF THE THIRD CLASS
13 AND OWNS LAND WHICH IS LOCATED IN A TOWNSHIP OF THE
14 SECOND CLASS THAT IS LOCATED IN A COUNTY OF THE FIFTH
15 CLASS THAT IS OWNED BY AND ADJACENT TO THE LICENSED
16 FACILITY AND OTHER AREAS OWNED BY THE LICENSED FACILITY,
17 INCLUDING RACETRACKS, GRAZING FIELDS OR ANY OTHER
18 ADJOINING REAL PROPERTY, THE TOWNSHIP OF THE SECOND CLASS
19 IN THE COUNTY OF THE FIFTH CLASS SHALL RECEIVE A PORTION
20 OF THE GROSS TERMINAL REVENUE DISTRIBUTED UNDER THIS
21 SUBPARAGRAPH IN ACCORDANCE WITH SUBPARAGRAPH (X) AS IF
22 SUCH LAND WERE PART OF THE LICENSED FACILITY. A COUNTY
23 OTHER THAN A COUNTY OF THE THIRD CLASS IN WHICH THE
24 LICENSED FACILITY IS LOCATED IS NOT REQUIRED TO APPOINT
25 AN ADVISORY COMMITTEE AND MAY USE FUNDS RECEIVED UNDER
26 THIS SUBPARAGRAPH FOR PURPOSES OTHER THAN MUNICIPAL
27 GRANTS. IN THE EVENT THAT THE REVENUES GENERATED BY THE
28 2% DO NOT MEET THE \$10,000,000 MINIMUM SPECIFIED IN THIS
29 SUBPARAGRAPH, THE DEPARTMENT SHALL COLLECT THE REMAINDER
30 OF THE MINIMUM AMOUNT OF \$10,000,000 FROM EACH LICENSED

1 GAMING ENTITY OPERATING A LICENSED FACILITY IN THE
2 TOWNSHIP, PAY ANY BALANCE DUE TO THE TOWNSHIP AND
3 TRANSFER ANY REMAINDER IN ACCORDANCE WITH PARAGRAPH (2).

4 * * *

5 § 1405. PENNSYLVANIA RACE HORSE DEVELOPMENT FUND.

6 (A) FUND ESTABLISHED.--THERE IS HEREBY ESTABLISHED A
7 PENNSYLVANIA RACE HORSE DEVELOPMENT FUND WITHIN THE STATE
8 TREASURY.

9 (B) PENNSYLVANIA RACE HORSE IMPROVEMENT ASSESSMENT.--[EACH] ←
10 EXCEPT AS PROVIDED IN SUBSECTION (B.1), EACH ACTIVE AND ←
11 OPERATING LICENSED GAMING ENTITY SHALL PAY A DAILY ASSESSMENT TO
12 THE PENNSYLVANIA RACE HORSE DEVELOPMENT FUND [AS DETERMINED BY
13 THE DEPARTMENT. SUBJECT TO THE DAILY ASSESSMENT CAP ESTABLISHED
14 UNDER SUBSECTION (C), THE LICENSED GAMING ENTITY'S ASSESSMENT
15 SHALL BE A PERCENTAGE OF EACH LICENSED GAMING ENTITY'S GROSS
16 TERMINAL REVENUE, EQUAL TO AN AMOUNT CALCULATED AS "A"
17 MULTIPLIED BY "B", WITH "A" BEING] EQUAL TO 10% OF EACH LICENSED
18 GAMING ENTITY'S GROSS TERMINAL REVENUE FOR THAT DAY [DIVIDED BY
19 THE TOTAL GROSS TERMINAL REVENUE FOR THAT DAY FROM ALL LICENSED
20 GAMING ENTITIES, AND "B" BEING EQUAL TO 18% OF THAT DAY'S GROSS
21 TERMINAL REVENUE FOR ALL ACTIVE AND OPERATING CATEGORY 1
22 LICENSEES CONDUCTING LIVE RACING].

23 (B.1) DAILY ASSESSMENT.--FOR FISCAL YEARS 2009-2010 THROUGH ←
24 2012-2013, EACH ACTIVE AND OPERATING LICENSED GAMING ENTITY
25 SHALL PAY A DAILY ASSESSMENT TO THE PENNSYLVANIA RACE HORSE
26 DEVELOPMENT FUND EQUAL TO 12% OF EACH LICENSED GAMING ENTITY'S
27 GROSS TERMINAL REVENUE FOR THAT DAY.

28 [(C) DAILY ASSESSMENT CAP.--IF THE RESULTING DAILY
29 ASSESSMENT FOR A LICENSED GAMING ENTITY EXCEEDS 12% OF THAT
30 LICENSED GAMING ENTITY'S GROSS TERMINAL REVENUE FOR THE DAY, THE

1 LICENSED GAMING ENTITY SHALL PAY A DAILY ASSESSMENT OF 12% OF
2 ITS GROSS TERMINAL REVENUE FOR THAT DAY.]

3 (D) DISTRIBUTIONS.--IN ACCORDANCE WITH SECTION 1406
4 (RELATING TO DISTRIBUTIONS FROM PENNSYLVANIA RACE HORSE
5 DEVELOPMENT FUND), THE DEPARTMENT SHALL MAKE DISTRIBUTIONS FROM
6 THE PENNSYLVANIA RACE HORSE DEVELOPMENT FUND TO EACH OF THE
7 ACTIVE AND OPERATING CATEGORY 1 LICENSEES CONDUCTING LIVE
8 RACING.

9 (E) REPORT.--CATEGORY 1 LICENSEES SHALL REPORT ANNUALLY TO
10 THE BOARD AND TO THE RESPECTIVE RACING COMMISSION AS TO HOW THE
11 INTRODUCTION AND EXPANSION OF ENHANCED GAMING AND DISTRIBUTIONS
12 FROM THE FUND HAVE FULFILLED THE INTENT OF THIS PART TO ENHANCE
13 LIVE RACING AND BREEDING IN THIS COMMONWEALTH. ADDITIONALLY, THE
14 LICENSEES SHALL BE REQUIRED TO DOCUMENT PLANS TO PROMOTE LIVE
15 HANDLE AND DAILY ATTENDANCE AT THE RACETRACK IN THE SUBSEQUENT
16 YEAR.

17 § 1406. DISTRIBUTIONS FROM PENNSYLVANIA RACE HORSE DEVELOPMENT
18 FUND.

19 (A) DISTRIBUTIONS.--FUNDS FROM THE PENNSYLVANIA RACE HORSE
20 DEVELOPMENT FUND SHALL BE DISTRIBUTED TO EACH ACTIVE AND
21 OPERATING CATEGORY 1 LICENSEE CONDUCTING LIVE RACING [IN THE
22 FOLLOWING MANNER] AS FOLLOWS:

23 (1) [AN AMOUNT EQUAL TO 18% OF THE DAILY GROSS TERMINAL
24 REVENUE OF EACH CATEGORY 1 LICENSEE SHALL BE DISTRIBUTED TO
25 EACH ACTIVE AND OPERATING CATEGORY 1 LICENSEE CONDUCTING LIVE
26 RACING UNLESS THE DAILY ASSESSMENTS ARE AFFECTED BY THE DAILY
27 ASSESSMENT CAP PROVIDED FOR IN SECTION 1405(C) (RELATING TO
28 PENNSYLVANIA RACE HORSE DEVELOPMENT FUND). IN CASES IN WHICH
29 THE DAILY ASSESSMENT CAP AFFECTS DAILY ASSESSMENTS, THE] THE
30 DISTRIBUTION TO EACH ACTIVE AND OPERATING CATEGORY 1 LICENSEE

1 CONDUCTING LIVE RACING FOR THAT DAY SHALL BE A PERCENTAGE OF
2 THE TOTAL DAILY ASSESSMENTS PAID INTO THE PENNSYLVANIA RACE
3 HORSE DEVELOPMENT FUND FOR THAT DAY EQUAL TO THE GROSS
4 TERMINAL REVENUE OF EACH ACTIVE AND OPERATING CATEGORY 1
5 LICENSEE CONDUCTING LIVE RACING FOR THAT DAY DIVIDED BY THE
6 TOTAL GROSS TERMINAL REVENUE OF ALL ACTIVE AND OPERATING
7 CATEGORY 1 LICENSEES CONDUCTING LIVE RACING FOR THAT DAY.

8 [THE] EXCEPT AS PROVIDED IN PARAGRAPH (2), THE DISTRIBUTIONS ←
9 TO LICENSED RACING ENTITIES FROM THE PENNSYLVANIA RACE HORSE
10 DEVELOPMENT FUND SHALL BE ALLOCATED AS FOLLOWS:

11 [(I) EIGHTY PERCENT] (I) (A) FROM LICENSEES THAT ←
12 OPERATE AT THOROUGHBRED TRACKS, 80% SHALL BE DEPOSITED
13 WEEKLY INTO A SEPARATE, INTEREST-BEARING PURSE ACCOUNT TO
14 BE ESTABLISHED BY AND FOR THE BENEFIT OF THE HORSEMEN.
15 THE EARNED INTEREST ON THE ACCOUNT SHALL BE CREDITED TO
16 THE PURSE ACCOUNT. LICENSEES SHALL COMBINE THESE FUNDS
17 WITH REVENUES FROM EXISTING PURSE AGREEMENTS TO FUND
18 PURSES FOR LIVE RACES CONSISTENT WITH THOSE AGREEMENTS
19 WITH THE ADVICE AND CONSENT OF THE HORSEMEN.

20 (B) FROM LICENSEES THAT OPERATE AT STANDARD BRED ←
21 TRACKS, 64% SHALL BE DEPOSITED WEEKLY INTO A
22 SEPARATE, INTEREST-BEARING PURSE ACCOUNT TO BE
23 ESTABLISHED BY AND FOR THE BENEFIT OF THE HORSEMEN.
24 THE EARNED INTEREST ON THE ACCOUNT SHALL BE CREDITED
25 TO THE PURSE ACCOUNT. LICENSEES SHALL COMBINE THESE
26 FUNDS WITH REVENUES FROM EXISTING PURSE AGREEMENTS TO
27 FUND PURSES FOR LIVE RACES CONSISTENT WITH THOSE
28 AGREEMENTS WITH THE ADVICE AND CONSENT OF THE
29 HORSEMEN. A MINIMUM OF ONE-SIXTH OF THE AMOUNT OF
30 THOSE PURSES SHALL BE USED FOR LIVE RACES LIMITED TO

1 HARNESS HORSES THAT ARE REGULARLY STABLED IN THIS
2 COMMONWEALTH, ARE GREATER THAN THREE YEARS OF AGE AND
3 WERE SIRED BY A STANDARDBRED STALLION REGULARLY
4 STANDING IN THIS COMMONWEALTH.

5 (C) FROM LICENSEES THAT OPERATE AT STANDARDBRED
6 TRACKS, 16% SHALL BE DEPOSITED ON A MONTHLY BASIS
7 INTO THE PENNSYLVANIA SIRE STAKES FUND AS DEFINED IN
8 SECTION 224 OF THE RACE HORSE INDUSTRY REFORM ACT.

9 (II) FOR THOROUGHBRED TRACKS, 16% SHALL BE DEPOSITED
10 ON A MONTHLY BASIS INTO THE PENNSYLVANIA BREEDING FUND AS
11 DEFINED IN SECTION 223 OF THE RACE HORSE INDUSTRY REFORM
12 ACT. FOR STANDARDBRED TRACKS, 8% SHALL BE DEPOSITED ON A
13 MONTHLY BASIS IN THE PENNSYLVANIA SIRE STAKES FUND AS
14 DEFINED IN SECTION 224 OF THE RACE HORSE INDUSTRY REFORM
15 ACT, AND 8% SHALL BE DEPOSITED ON A MONTHLY BASIS INTO A
16 RESTRICTED ACCOUNT IN THE STATE RACING FUND TO BE KNOWN
17 AS THE PENNSYLVANIA STANDARDBRED BREEDERS DEVELOPMENT
18 FUND. THE STATE HARNESS RACING COMMISSION SHALL, IN
19 CONSULTATION WITH THE SECRETARY OF AGRICULTURE BY RULE OR
20 BY REGULATION, ADOPT A STANDARDBRED BREEDERS PROGRAM THAT
21 WILL INCLUDE THE ADMINISTRATION OF PENNSYLVANIA STALLION
22 AWARD, PENNSYLVANIA BRED AWARD AND A PENNSYLVANIA SIRED
23 AND BRED AWARD.

24 (III) FOUR PERCENT SHALL BE USED TO FUND HEALTH AND
25 PENSION BENEFITS FOR THE MEMBERS OF THE HORSEMEN'S
26 ORGANIZATIONS REPRESENTING THE OWNERS AND TRAINERS AT THE
27 RACETRACK AT WHICH THE LICENSED RACING ENTITY OPERATES
28 FOR THE BENEFIT OF THE ORGANIZATION'S MEMBERS, THEIR
29 FAMILIES, EMPLOYEES AND OTHERS IN ACCORDANCE WITH THE
30 RULES AND ELIGIBILITY REQUIREMENTS OF THE ORGANIZATION,

1 AS APPROVED BY THE STATE HORSE RACING COMMISSION OR THE
2 STATE HARNESS RACING COMMISSION. THIS AMOUNT SHALL BE
3 DEPOSITED WITHIN FIVE BUSINESS DAYS OF THE END OF EACH
4 MONTH INTO A SEPARATE ACCOUNT TO BE ESTABLISHED BY EACH
5 RESPECTIVE HORSEMEN'S ORGANIZATION AT A BANKING
6 INSTITUTION OF ITS CHOICE. OF THIS AMOUNT, \$250,000 SHALL
7 BE PAID ANNUALLY BY THE HORSEMEN'S ORGANIZATION TO THE
8 THOROUGHBRED JOCKEYS OR STANDARDBRED DRIVERS ORGANIZATION
9 AT THE RACETRACK AT WHICH THE LICENSED RACING ENTITY
10 OPERATES FOR HEALTH INSURANCE, LIFE INSURANCE OR OTHER
11 BENEFITS TO ACTIVE AND DISABLED THOROUGHBRED JOCKEYS OR
12 STANDARDBRED DRIVERS IN ACCORDANCE WITH THE RULES AND
13 ELIGIBILITY REQUIREMENTS OF THAT ORGANIZATION.

14 (2) [(RESERVED).] FOR FISCAL YEARS 2009-2010 THROUGH
15 2012-2013, DISTRIBUTIONS TO LICENSED RACING ENTITIES FROM THE ←
16 PENNSYLVANIA RACE HORSE DEVELOPMENT FUND SHALL BE ALLOCATED
17 AS FOLLOWS:

18 (I) SEVENTEEN PERCENT OF THE ANNUAL REVENUE ←
19 DEPOSITED INTO THE PENNSYLVANIA RACE HORSE DEVELOPMENT
20 FUND SHALL BE TRANSFERRED TO THE GENERAL FUND. THE
21 REMAINING AMOUNT WILL BE DISTRIBUTED AS FOLLOWS:

22 (A) EITHER 4%, OR \$11,000,000, WHICHEVER IS
23 GREATER, SHALL BE USED TO FUND HEALTH AND PENSION
24 BENEFITS FOR THE MEMBERS OF THE HORSEMEN'S
25 ORGANIZATIONS REPRESENTING THE OWNERS AND TRAINERS AT
26 THE RACETRACK AT WHICH THE LICENSED RACING ENTITY
27 OPERATES FOR THE BENEFIT OF THE ORGANIZATION'S
28 MEMBERS, THEIR FAMILIES, EMPLOYEES AND OTHERS IN
29 ACCORDANCE WITH THE RULES AND ELIGIBILITY
30 REQUIREMENTS OF THE ORGANIZATION, AS APPROVED BY THE

1 ~~STATE HORSE RACING COMMISSION OR THE STATE HARNESS~~
2 ~~RACING COMMISSION. THIS AMOUNT SHALL BE DEPOSITED~~
3 ~~WITHIN FIVE BUSINESS DAYS OF THE END OF EACH MONTH~~
4 ~~INTO A SEPARATE ACCOUNT TO BE ESTABLISHED BY EACH~~
5 ~~RESPECTIVE HORSEMEN'S ORGANIZATION AT A BANKING~~
6 ~~INSTITUTION OF ITS CHOICE. OF THIS AMOUNT, A MINIMUM~~
7 ~~OF \$250,000 SHALL BE PAID ANNUALLY BY THE HORSEMEN'S~~
8 ~~ORGANIZATION TO THE THOROUGHBRED JOCKEYS OR~~
9 ~~STANDARDDBRED DRIVERS ORGANIZATION AT THE RACETRACK AT~~
10 ~~WHICH THE LICENSED RACING ENTITY OPERATES FOR HEALTH~~
11 ~~INSURANCE, LIFE INSURANCE OR OTHER BENEFITS TO ACTIVE~~
12 ~~AND DISABLED THOROUGHBRED JOCKEYS OR STANDARDDBRED~~
13 ~~DRIVERS IN ACCORDANCE WITH THE RULES AND ELIGIBILITY~~
14 ~~REQUIREMENTS OF THAT ORGANIZATION.~~

15 ~~(B) THE AMOUNT REMAINING AFTER APPLICATION OF~~
16 ~~CLAUSE (A) SHALL BE DISTRIBUTED ON A PRO RATA BASIS~~
17 ~~AS FOLLOWS:~~

18 ~~(I) SEVENTY EIGHT PERCENT OF THE REMAINING~~
19 ~~AMOUNT SHALL BE DEPOSITED WEEKLY INTO A SEPARATE,~~
20 ~~INTEREST BEARING PURSE ACCOUNT TO BE ESTABLISHED~~
21 ~~BY AND FOR THE BENEFIT OF THE HORSEMEN. THE~~
22 ~~EARNED INTEREST ON THE ACCOUNT SHALL BE CREDITED~~
23 ~~TO THE PURSE ACCOUNT. LICENSEES SHALL COMBINE~~
24 ~~THESE FUNDS WITH REVENUES FROM EXISTING PURSE~~
25 ~~AGREEMENTS TO FUND PURSES FOR LIVE RACES~~
26 ~~CONSISTENT WITH THOSE AGREEMENTS WITH THE ADVICE~~
27 ~~AND CONSENT OF THE HORSEMEN. THE STATE HORSE~~
28 ~~RACING COMMISSION AND THE STATE HARNESS RACING~~
29 ~~COMMISSION, IN CONSULTATION WITH THE SECRETARY OF~~
30 ~~AGRICULTURE, SHALL ADOPT RULES AND REGULATIONS~~

~~RELATING TO THE CONDITIONS OF LIVE RACES, TO
INCLUDE RACES RESTRICTING ENTRY TO THE
PENNSYLVANIA SIRE OR PENNSYLVANIA BRED HORSE.~~

~~(II) FOR THOROUGHBRED TRACKS, THE REMAINING
17% SHALL BE DEPOSITED ON A MONTHLY BASIS INTO
THE PENNSYLVANIA BREEDING FUND AS DEFINED IN
SECTION 223 OF THE ACT OF DECEMBER 17, 1981
(P.L.435, NO.135), KNOWN AS THE RACE HORSE
INDUSTRY REFORM ACT. FOR STANDARDBRED TRACKS,
ONE HALF OF THAT AMOUNT SHALL BE DEPOSITED ON A
MONTHLY BASIS IN THE PENNSYLVANIA SIRE STAKES
FUND AS DEFINED IN SECTION 224 OF THE RACE HORSE
INDUSTRY REFORM ACT, AND THE OTHER HALF SHALL BE
DEPOSITED ON A MONTHLY BASIS INTO A RESTRICTED
ACCOUNT IN THE STATE RACING FUND TO BE KNOWN AS
THE PENNSYLVANIA STANDARDBRED BREEDERS
DEVELOPMENT FUND. THE STATE HARNESS RACING
COMMISSION SHALL, IN CONSULTATION WITH THE
SECRETARY OF AGRICULTURE BY RULE OR BY
REGULATION, ADOPT A STANDARDBRED BREEDERS PROGRAM
THAT WILL INCLUDE THE ADMINISTRATION OF
PENNSYLVANIA STALLION AWARD, PENNSYLVANIA BRED
AWARD AND A PENNSYLVANIA SIRE AND BRED AWARD.~~

~~(III) FIVE PERCENT SHALL BE DEPOSITED WEEKLY
INTO THE STATE RACING FUND AS DEFINED IN SECTION
222 OF THE RACE HORSE INDUSTRY REFORM ACT.~~

~~(II) CATEGORY 1 LICENSEES SHALL REPORT ANNUALLY TO
THE BOARD AND TO THE RESPECTIVE RACING COMMISSION AS TO
HOW THE INTRODUCTION AND EXPANSION OF ENHANCED GAMING HAS
FULFILLED THE INTENT OF THIS TITLE TO ENHANCE LIVE RACING~~

1 ~~AND BREEDING IN THIS COMMONWEALTH. ADDITIONALLY, THE~~
2 ~~LICENSEES SHALL BE REQUIRED TO DOCUMENT PLANS TO PROMOTE~~
3 ~~LIVE HANDLE AND DAILY ATTENDANCE AT THE RACETRACK IN THE~~
4 ~~SUBSEQUENT YEAR.~~

5 (I) EACH WEEK, 17% OF THE MONEY IN THE PENNSYLVANIA ←
6 RACE HORSE DEVELOPMENT FUND SHALL BE TRANSFERRED TO THE
7 GENERAL FUND.

8 (II) EACH WEEK, 83% OF THE MONEY IN THE PENNSYLVANIA
9 RACE HORSE DEVELOPMENT FUND SHALL BE DISTRIBUTED TO EACH
10 ACTIVE AND OPERATING CATEGORY 1 LICENSEE CONDUCTING LIVE
11 RACING IN ACCORDANCE WITH THE FOLLOWING FORMULA:

12 (A) DIVIDE:

13 (I) THE TOTAL DAILY ASSESSMENTS PAID, BY
14 EACH ACTIVE AND OPERATING CATEGORY 1 LICENSEE
15 CONDUCTING LIVE RACING, INTO THE PENNSYLVANIA
16 RACE HORSE DEVELOPMENT FUND FOR THAT WEEK; BY

17 (II) THE TOTAL DAILY ASSESSMENTS PAID, BY
18 ALL ACTIVE AND OPERATING CATEGORY 1 LICENSEES
19 CONDUCTING LIVE RACING, INTO THE PENNSYLVANIA
20 RACE HORSE DEVELOPMENT FUND FOR THAT WEEK.

21 (B) MULTIPLY THE QUOTIENT UNDER CLAUSE (A) BY
22 THE AMOUNT TO BE DISTRIBUTED UNDER THIS SUBPARAGRAPH.

23 (III) THE DISTRIBUTION UNDER SUBPARAGRAPH (II) SHALL
24 BE ALLOCATED AS FOLLOWS:

25 (A) THE GREATER OF 4% OF THE AMOUNT TO BE
26 DISTRIBUTED UNDER SUBPARAGRAPH (II) OR \$220,000 SHALL
27 BE USED TO FUND HEALTH AND PENSION BENEFITS FOR THE
28 MEMBERS OF THE HORSEMEN'S ORGANIZATIONS REPRESENTING
29 THE OWNERS AND TRAINERS AT THE RACETRACK AT WHICH THE
30 LICENSED RACING ENTITY OPERATES FOR THE BENEFIT OF

1 THE ORGANIZATION'S MEMBERS, THEIR FAMILIES, EMPLOYEES
2 AND OTHERS IN ACCORDANCE WITH THE RULES AND
3 ELIGIBILITY REQUIREMENTS OF THE ORGANIZATION, AS
4 APPROVED BY THE STATE HORSE RACING COMMISSION OR THE
5 STATE HARNESS RACING COMMISSION. THIS AMOUNT SHALL BE
6 DEPOSITED WITHIN FIVE BUSINESS DAYS OF THE END OF
7 EACH WEEK INTO A SEPARATE ACCOUNT TO BE ESTABLISHED
8 BY EACH RESPECTIVE HORSEMEN'S ORGANIZATION AT A
9 BANKING INSTITUTION OF ITS CHOICE. OF THIS AMOUNT, A
10 MINIMUM OF \$250,000 SHALL BE PAID ANNUALLY BY THE
11 HORSEMEN'S ORGANIZATION TO THE THOROUGHBRED JOCKEYS
12 OR STANDARDBRED DRIVERS ORGANIZATION AT THE RACETRACK
13 AT WHICH THE LICENSED RACING ENTITY OPERATES FOR
14 HEALTH INSURANCE, LIFE INSURANCE OR OTHER BENEFITS TO
15 ACTIVE AND DISABLED THOROUGHBRED JOCKEYS OR
16 STANDARDBRED DRIVERS IN ACCORDANCE WITH THE RULES AND
17 ELIGIBILITY REQUIREMENTS OF THAT ORGANIZATION.

18 (B) OF THE MONEY REMAINING TO BE DISTRIBUTED
19 UNDER SUBPARAGRAPH (II) AFTER APPLICATION OF CLAUSE
20 (A), THE FOLLOWING DISBURSEMENTS SHALL BE MADE:

21 (I) FOR LICENSEES THAT OPERATE AT
22 THOROUGHBRED TRACKS, EIGHTY-THREE AND ONE-THIRD
23 PERCENT OF THE MONEY TO BE DISTRIBUTED UNDER THIS
24 CLAUSE SHALL BE DEPOSITED ON A WEEKLY BASIS INTO
25 A SEPARATE, INTEREST-BEARING PURSE ACCOUNT TO BE
26 ESTABLISHED BY AND FOR THE BENEFIT OF THE
27 HORSEMEN. THE EARNED INTEREST ON THE ACCOUNT
28 SHALL BE CREDITED TO THE PURSE ACCOUNT. LICENSEES
29 SHALL COMBINE THESE FUNDS WITH REVENUES FROM
30 EXISTING PURSE AGREEMENTS TO FUND PURSES FOR LIVE

1 RACES CONSISTENT WITH THOSE AGREEMENTS WITH THE
2 ADVICE AND CONSENT OF THE HORSEMEN. FOR LICENSEES
3 THAT OPERATE AT STANDARD BRED TRACKS, 67 1/3%
4 SHALL BE DEPOSITED WEEKLY INTO A SEPARATE,
5 INTEREST-BEARING PURSE ACCOUNT TO BE ESTABLISHED
6 BY AND FOR THE BENEFIT OF THE HORSEMEN. THE
7 EARNED INTEREST ON THE ACCOUNT SHALL BE CREDITED
8 TO THE PURSE ACCOUNT. LICENSEES SHALL COMBINE
9 THESE FUNDS WITH REVENUES FROM EXISTING PURSE
10 AGREEMENTS TO FUND PURSES FOR LIVE RACES
11 CONSISTENT WITH THOSE AGREEMENTS WITH THE ADVICE
12 AND CONSENT OF THE HORSEMEN. A MINIMUM OF ONE-
13 SIXTH OF THE AMOUNT OF THOSE PURSES SHALL BE USED
14 FOR LIVE RACES LIMITED TO HARNESS HORSES THAT ARE
15 REGULARLY STABLED IN THIS COMMONWEALTH, ARE
16 GREATER THAN THREE YEARS OF AGE AND WERE Sired BY
17 A STANDARD BRED STALLION REGULARLY STANDING IN
18 THIS COMMONWEALTH. FROM LICENSEES THAT OPERATE AT
19 STANDARD BRED TRACKS, 16% SHALL BE DEPOSITED ON A
20 MONTHLY BASIS INTO THE PENNSYLVANIA SIRE STAKES
21 FUND AS DEFINED IN SECTION 224 OF THE RACE HORSE
22 INDUSTRY REFORM ACT.

23 (II) FOR THOROUGHBRED TRACKS, 16 AND 2/3% OF
24 THE MONEY TO BE DISTRIBUTED UNDER THIS CLAUSE
25 SHALL BE DEPOSITED ON A WEEKLY BASIS INTO THE
26 PENNSYLVANIA BREEDING FUND ESTABLISHED IN SECTION
27 223 OF THE ACT OF DECEMBER 17, 1981 (P.L.435,
28 NO.135), KNOWN AS THE RACE HORSE INDUSTRY REFORM
29 ACT. FOR STANDARD BRED TRACKS, 8 AND 1/3% OF THE
30 MONEY TO BE DISTRIBUTED UNDER THIS CLAUSE SHALL

1 BE DEPOSITED ON A WEEKLY BASIS INTO THE
2 PENNSYLVANIA SIRE STAKES FUND AS DEFINED IN
3 SECTION 224 OF THE RACE HORSE INDUSTRY REFORM
4 ACT; AND 8 AND 1/3% OF THE MONEY TO BE
5 DISTRIBUTED UNDER THIS CLAUSE SHALL BE DEPOSITED
6 ON A WEEKLY BASIS INTO A RESTRICTED ACCOUNT IN
7 THE STATE RACING FUND TO BE KNOWN AS THE
8 PENNSYLVANIA STANDARDBRED BREEDERS DEVELOPMENT
9 FUND. THE STATE HARNESS RACING COMMISSION SHALL,
10 IN CONSULTATION WITH THE SECRETARY OF
11 AGRICULTURE, PROMULGATE REGULATIONS ADOPTING A
12 STANDARDBRED BREEDERS PROGRAM THAT WILL INCLUDE
13 THE ADMINISTRATION OF THE PENNSYLVANIA STALLION
14 AWARD, THE PENNSYLVANIA BRED AWARD AND THE
15 PENNSYLVANIA SIRE AND BRED AWARD.

16 * * *

17 SECTION 12. SECTION 1407 OF TITLE 4 IS AMENDED BY ADDING
18 SUBSECTIONS TO READ:

19 § 1407. PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM
20 FUND.

21 * * *

22 (E) ANNUAL REPORT.--THE OFFICE OF THE BUDGET IN COOPERATION
23 WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT SHALL
24 SUBMIT AN ANNUAL REPORT OF ALL DISTRIBUTION OF FUNDS UNDER THIS
25 SECTION TO THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
26 APPROPRIATIONS COMMITTEE OF THE SENATE, THE CHAIRMAN AND
27 MINORITY CHAIRMAN OF THE COMMUNITY, ECONOMIC AND RECREATIONAL
28 DEVELOPMENT COMMITTEE OF THE SENATE, THE CHAIRMAN AND MINORITY
29 CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF
30 REPRESENTATIVES AND THE CHAIRMAN AND MINORITY CHAIRMAN OF THE

1 GAMING OVERSIGHT COMMITTEE OF THE HOUSE OF REPRESENTATIVES. THE
2 REPORT SHALL INCLUDE DETAILED INFORMATION RELATING TO TRANSFERS
3 MADE FROM THE PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND
4 TOURISM FUND AND ALL REIMBURSEMENTS, DISTRIBUTIONS AND PAYMENTS
5 MADE UNDER SUBSECTION (B) OR THE ACT OF JULY 25, 2007 (P.L.342,
6 NO.53), KNOWN AS PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND
7 TOURISM FUND CAPITAL BUDGET ITEMIZATION ACT OF 2007. THE REPORT
8 SHALL BE SUBMITTED BY JANUARY 31, 2010, AND BY JANUARY 31 OF
9 EACH YEAR THEREAFTER.

10 (F) LOCAL REPORT.--A CITY OF THE FIRST CLASS, CITY OF THE
11 SECOND CLASS, COUNTY OF THE SECOND CLASS, CONVENTION CENTER OR
12 CONVENTION CENTER AUTHORITY, SPORTS AND EXHIBITION AUTHORITY OF
13 A COUNTY OF THE SECOND CLASS, URBAN REDEVELOPMENT AUTHORITY,
14 AIRPORT AUTHORITY OR OTHER ENTITY THAT RECEIVES MONEY FROM THE
15 FUND PURSUANT TO AN ECONOMIC DEVELOPMENT CAPITAL BUDGET UNDER
16 SUBSECTION (B) OR THE ACT OF JULY 25, 2007 (P.L.342, NO.53),
17 KNOWN AS PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM
18 FUND CAPITAL BUDGET ITEMIZATION ACT OF 2007, SHALL SUBMIT AN
19 ANNUAL REPORT TO THE OFFICE OF THE BUDGET, THE CHAIRMAN AND
20 MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE SENATE,
21 THE CHAIRMAN AND MINORITY CHAIRMAN OF THE COMMUNITY, ECONOMIC
22 AND RECREATIONAL DEVELOPMENT COMMITTEE OF THE SENATE, THE
23 CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE
24 OF THE HOUSE OF REPRESENTATIVES AND THE CHAIRMAN AND THE
25 MINORITY CHAIRMAN OF THE GAMING OVERSIGHT COMMITTEE OF THE HOUSE
26 OF REPRESENTATIVES. THE REPORT SHALL INCLUDE DETAILED
27 INFORMATION, INCLUDING RECORDS OF EXPENDITURES, PAYMENTS AND
28 OTHER DISTRIBUTIONS MADE FROM MONEY RECEIVED UNDER SUBSECTION
29 (B). THE INITIAL REPORT SHALL INCLUDE INFORMATION ON ALL FUNDS
30 RECEIVED PRIOR TO JANUARY 31, 2010. THE REPORT SHALL BE

1 SUBMITTED BY JANUARY 31, 2010, AND BY JANUARY 31 OF EACH YEAR
2 THEREAFTER UNTIL ALL FUNDS UNDER THIS SECTION ARE DISTRIBUTED OR
3 RECEIVED. AN ENTITY THAT RECEIVES FUNDS AFTER THE EFFECTIVE DATE
4 OF THIS SECTION SHALL SUBMIT AN INITIAL REPORT BY JANUARY 31 OF
5 THE YEAR FOLLOWING RECEIPT OF THE FUNDS.

6 (G) DISTRIBUTION TO INTERNATIONAL AIRPORT.--NOTWITHSTANDING
7 THE PROVISIONS OF SECTION 7(D) OF THE ACT OF JULY 25, 2007
8 (P.L.342, NO.53), KNOWN AS THE PENNSYLVANIA GAMING ECONOMIC
9 DEVELOPMENT AND TOURISM FUND CAPITAL BUDGET ITEMIZATION ACT OF
10 2007, FOLLOWING THE DISTRIBUTION OF \$42.5 MILLION OF FUNDS
11 ALLOCATED TO THE COUNTY FOR DEBT SERVICE AND ECONOMIC
12 DEVELOPMENT PROJECTS FOR AN INTERNATIONAL AIRPORT IN A COUNTY OF
13 THE SECOND CLASS UNDER SECTION 3(2)(I)(E) OF SAID ACT, ALL
14 REMAINING FUNDS SHALL BE DISTRIBUTED DIRECTLY TO AN AUTHORITY
15 THAT OPERATES AN INTERNATIONAL AIRPORT IN A COUNTY OF THE SECOND
16 CLASS.

17 SECTION 13. SECTION 1408(A) AND (C) OF TITLE 4 ARE AMENDED
18 AND THE SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:
19 § 1408. TRANSFERS FROM STATE GAMING FUND.

20 (A) TRANSFER FOR COMPULSIVE AND PROBLEM GAMBLING
21 TREATMENT.--EACH YEAR, THE SUM OF [\$1,500,000] ~~\$2,000,000~~ ←
22 ~~\$4,000,000~~ OR AN AMOUNT EQUAL TO [.001] ~~.002~~ .004 MULTIPLIED BY ←
23 THE TOTAL GROSS TERMINAL REVENUE OF ALL ACTIVE AND OPERATING
24 LICENSED GAMING ENTITIES, WHICHEVER IS GREATER, SHALL BE
25 TRANSFERRED INTO THE COMPULSIVE AND PROBLEM GAMBLING TREATMENT
26 FUND ESTABLISHED IN SECTION 1509 (RELATING TO COMPULSIVE AND
27 PROBLEM GAMBLING PROGRAM) .

28 (A.1) TRANSFER FROM GRANT PROGRAM.--NO LATER THAN 60 DAYS
29 AFTER THE EFFECTIVE DATE OF THIS SECTION AND ANNUALLY
30 THEREAFTER, THE BOARD SHALL TRANSFER OR CAUSE TO BE TRANSFERRED

1 \$3,000,000 FROM THE GRANT PROGRAM ESTABLISHED IN SUBSECTION (C)
2 TO THE COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND
3 ESTABLISHED UNDER SECTION 1509 (RELATING TO COMPULSIVE AND
4 PROBLEM GAMBLING PROGRAM) SOLELY FOR THE PURPOSES OF COMPULSIVE
5 AND PROBLEM GAMBLING AND DRUG AND ALCOHOL ASSESSMENT AND
6 TREATMENT.

7 * * *

8 (C) LOCAL LAW ENFORCEMENT GRANTS.--ANNUALLY, THE SUM OF
9 \$5,000,000 SHALL BE TRANSFERRED TO THE BOARD FOR THE [PURPOSE
10 OF] PURPOSES AUTHORIZED IN SUBSECTION (A.1) AND FOR ISSUING
11 GRANTS TO LOCAL LAW ENFORCEMENT AGENCIES TO ENFORCE AND PREVENT
12 [THE UNLAWFUL OPERATION OF SLOT MACHINES] ALL FORMS OF UNLAWFUL
13 GAMBLING IN THIS COMMONWEALTH. FOR PURPOSES OF THIS SUBSECTION,
14 THE TERM "LOCAL LAW ENFORCEMENT AGENCY" SHALL INCLUDE
15 PENNSYLVANIA STATE POLICE ACTIVITIES IN A MUNICIPALITY WHICH
16 DOES NOT HAVE A MUNICIPAL POLICE DEPARTMENT FOR ACTIVITIES IN
17 THAT MUNICIPALITY.

18 * * *

19 SECTION 13.1. SECTIONS 1501(B) AND (C), 1504 AND 1505 OF
20 TITLE 4 ARE AMENDED TO READ:

21 § 1501. RESPONSIBILITY AND AUTHORITY OF DEPARTMENT.

22 * * *

23 (B) APPLICATION OF RULES AND REGULATIONS.--THE DEPARTMENT
24 MAY PRESCRIBE THE EXTENT, IF ANY, TO WHICH ANY RULES AND
25 REGULATIONS SHALL BE APPLIED WITHOUT RETROACTIVE EFFECT. THE
26 DEPARTMENT SHALL HAVE AUTHORITY TO PRESCRIBE THE FORMS AND THE
27 SYSTEM OF ACCOUNTING AND RECORDKEEPING TO BE EMPLOYED AND
28 THROUGH ITS REPRESENTATIVE SHALL AT ALL TIMES HAVE POWER OF
29 ACCESS TO AND EXAMINATION AND AUDIT OF ANY EQUIPMENT AND RECORDS
30 RELATING TO ALL ASPECTS OF THE OPERATION OF SLOT MACHINES AND

1 TABLE GAMES UNDER THIS PART.

2 (C) PROCEDURE.--FOR PURPOSES OF IMPLEMENTING THIS PART, THE
3 DEPARTMENT MAY PROMULGATE REGULATIONS IN THE SAME MANNER IN
4 WHICH THE BOARD IS AUTHORIZED AS PROVIDED IN SECTION 1203
5 (RELATING TO TEMPORARY REGULATIONS) AND SECTION 1303A (RELATING
6 TO TEMPORARY TABLE GAME REGULATIONS).

7 * * *

8 § 1504. WAGERING ON CREDIT.

9 [SLOT] EXCEPT AS OTHERWISE PROVIDED IN SECTION 1326A
10 (RELATING TO WAGERING POLICIES), SLOT MACHINE LICENSEES MAY NOT
11 EXTEND CREDIT. SLOT MACHINE LICENSEES WHO DO NOT HOLD A TABLE
12 GAME OPERATION CERTIFICATE MAY NOT ACCEPT CREDIT CARDS, CHARGE
13 CARDS OR DEBIT CARDS FROM A PLAYER FOR THE EXCHANGE OR PURCHASE
14 OF SLOT MACHINE CREDITS OR FOR AN ADVANCE OF COINS OR CURRENCY
15 TO BE UTILIZED BY A PLAYER TO PLAY SLOT MACHINE GAMES OR EXTEND
16 CREDIT IN ANY MANNER TO A PLAYER SO AS TO ENABLE THE PLAYER TO
17 PLAY SLOT MACHINES. SLOT MACHINE LICENSEES WHO HOLD A TABLE GAME
18 OPERATION CERTIFICATE MAY EXTEND CREDIT FOR SLOT MACHINE GAMING
19 IN ACCORDANCE WITH SECTION 1326A (RELATING TO WAGERING
20 POLICIES).

21 § 1505. NO EMINENT DOMAIN AUTHORITY.

22 NEITHER THE COMMONWEALTH NOR ANY POLITICAL SUBDIVISION
23 THEREOF SHALL HAVE THE RIGHT TO ACQUIRE, WITH OR WITHOUT
24 COMPENSATION, THROUGH THE POWER OF EMINENT DOMAIN ANY PROPERTY,
25 EASEMENT OR LAND USE RIGHT FOR THE SITING OR CONSTRUCTION OF A
26 LICENSED FACILITY [FOR THE OPERATION OF SLOT MACHINES BY A SLOT
27 MACHINE LICENSEE].

28 SECTION 13.2. TITLE 4 IS AMENDED BY ADDING A SECTION TO

29 READ:

30 1507.1. DETERIORATED PROPERTY DESIGNATIONS.



1 REAL PROPERTY WHEREIN A LICENSED GAMING FACILITY IS LOCATED
2 MAY NOT BE DESIGNATED AS, INCLUDED IN OR CONSIDERED A
3 DETERIORATED PROPERTY AS DEFINED IN THE ACT OF DECEMBER 1, 1977
4 (P.L.237, NO.76), KNOWN AS THE LOCAL ECONOMIC REVITALIZATION TAX
5 ASSISTANCE ACT.

6 SECTION ~~13.2~~ 13.3. SECTION 1509(B) AND (C) OF TITLE 4 ARE ←
7 AMENDED AND THE SECTION IS AMENDED BY ADDING SUBSECTIONS TO
8 READ:

9 § 1509. COMPULSIVE AND PROBLEM GAMBLING PROGRAM.

10 * * *

11 (B) COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND.--THERE
12 IS HEREBY ESTABLISHED IN THE STATE TREASURY A SPECIAL FUND TO BE
13 KNOWN AS THE COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND. ALL
14 MONEYS IN THE FUND SHALL BE EXPENDED FOR PROGRAMS FOR THE
15 PREVENTION AND TREATMENT OF GAMBLING ADDICTION AND OTHER
16 EMOTIONAL AND BEHAVIORAL PROBLEMS ASSOCIATED WITH OR RELATED TO
17 GAMBLING ADDICTION AND FOR THE ADMINISTRATION OF THE COMPULSIVE
18 AND PROBLEM GAMBLING PROGRAM. MONEYS IN THE FUND SHALL BE
19 EXPENDED FOR THE PROGRAMS SET FORTH IN SUBSECTION (D.1)(4)(I),
20 (II), (III) AND (IV). THE FUND SHALL CONSIST OF MONEY ANNUALLY
21 ALLOCATED TO IT FROM THE ANNUAL PAYMENT ESTABLISHED UNDER
22 SECTION 1408 (RELATING TO TRANSFERS FROM STATE GAMING FUND),
23 MONEY WHICH MAY BE ALLOCATED BY THE BOARD, INTEREST EARNINGS ON
24 MONEYS IN THE FUND AND ANY OTHER CONTRIBUTIONS, PAYMENTS OR
25 DEPOSITS WHICH MAY BE MADE TO THE FUND.

26 ~~(C) NOTICE OF AVAILABILITY OF ASSISTANCE.~~ ←

27 ~~(1) EACH SLOT MACHINE LICENSEE SHALL OBTAIN A TOLL FREE~~
28 ~~TELEPHONE NUMBER TO BE USED TO PROVIDE PERSONS WITH~~
29 ~~INFORMATION ON ASSISTANCE FOR COMPULSIVE OR PROBLEM GAMBLING.~~
30 ~~EACH LICENSEE SHALL CONSPICUOUSLY POST SIGNS SIMILAR TO THE~~

1 ~~FOLLOWING STATEMENT:~~

2 ~~IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM, HELP~~
3 ~~IS AVAILABLE. CALL (TOLL FREE TELEPHONE NUMBER).~~
4 ~~THE SIGNS MUST BE POSTED WITHIN 50 FEET OF EACH ENTRANCE AND~~
5 ~~EXIT AND WITHIN 50 FEET OF EACH AUTOMATED TELLER MACHINE~~
6 ~~LOCATION WITHIN THE LICENSED FACILITY.~~

7 ~~(2) EACH RACETRACK WHERE SLOT MACHINES OR TABLE GAMES~~
8 ~~ARE OPERATED SHALL PRINT A STATEMENT ON DAILY RACING PROGRAMS~~
9 ~~PROVIDED TO THE GENERAL PUBLIC THAT IS SIMILAR TO THE~~
10 ~~FOLLOWING:~~

11 ~~IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM, HELP~~
12 ~~IS AVAILABLE. CALL (TOLL FREE TELEPHONE NUMBER).~~

13 ~~(3) A LICENSED FACILITY WHICH FAILS TO POST OR PRINT THE~~
14 ~~WARNING SIGN IN ACCORDANCE WITH PARAGRAPH (1) OR (2) SHALL BE~~
15 ~~ASSESSED A FINE OF \$1,000 A DAY FOR EACH DAY THE SIGN IS NOT~~
16 ~~POSTED OR PRINTED AS PROVIDED IN THIS SUBSECTION.~~

17 (C) NOTICE OF AVAILABILITY OF ASSISTANCE.-- 

18 (1) EACH SLOT MACHINE LICENSEE SHALL OBTAIN A TOLL-FREE
19 TELEPHONE NUMBER TO BE USED TO PROVIDE PERSONS WITH
20 INFORMATION ON ASSISTANCE FOR COMPULSIVE OR PROBLEM GAMBLING.
21 EACH LICENSEE SHALL CONSPICUOUSLY POST SIGNS SIMILAR TO THE
22 FOLLOWING STATEMENT:

23 IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM, HELP
24 IS AVAILABLE. CALL (TOLL-FREE TELEPHONE NUMBER).

25 THE SIGNS MUST BE POSTED WITHIN 50 FEET OF EACH ENTRANCE
26 AND EXIT [AND] WITHIN 50 FEET OF EACH AUTOMATED TELLER
27 MACHINE LOCATION AND A MINIMUM OF 20 SIGNS MUST BE POSTED
28 WITHIN THE LICENSED FACILITY.

29 (2) EACH RACETRACK WHERE SLOT MACHINES ARE OPERATED
30 SHALL PRINT A STATEMENT ON DAILY RACING PROGRAMS PROVIDED TO

1 THE GENERAL PUBLIC THAT IS SIMILAR TO THE FOLLOWING:

2 IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM, HELP
3 IS AVAILABLE. CALL (TOLL-FREE TELEPHONE NUMBER).

4 (3) A LICENSED FACILITY WHICH FAILS TO POST OR PRINT THE
5 WARNING SIGN IN ACCORDANCE WITH PARAGRAPH (1) OR (2) SHALL BE
6 ASSESSED A FINE OF \$1,000 A DAY FOR EACH DAY THE SIGN IS NOT
7 POSTED OR PRINTED AS PROVIDED IN THIS SUBSECTION.

8 * * *

9 (D.1) ADDICTION TREATMENT AND ASSESSMENT.--

10 (1) THE GENERAL ASSEMBLY RECOGNIZES THAT THE EXPANSION
11 OF CASINO-STYLING GAMING IN THIS COMMONWEALTH REQUIRES AN
12 ENHANCED AWARENESS OF COMPULSIVE AND PROBLEM GAMBLING AND THE
13 NEED TO DEVELOP AND IMPLEMENT EFFECTIVE STRATEGIES FOR
14 PREVENTION, ASSESSMENT AND TREATMENT OF THIS BEHAVIORAL
15 DISORDER. THE GENERAL ASSEMBLY FURTHER RECOGNIZES THAT,
16 ACCORDING TO RESEARCH, COMPULSIVE AND PROBLEM GAMBLING MAY
17 OVERLAP WITH DRUG AND/OR ALCOHOL ADDICTION. THEREFORE, IT IS
18 THE INTENT OF THE GENERAL ASSEMBLY TO ESTABLISH AN APPROACH
19 TO COMPULSIVE AND PROBLEM GAMBLING PREVENTION, ASSESSMENT AND
20 TREATMENT THAT WILL ENSURE THE PROVISION OF ADEQUATE
21 RESOURCES TO IDENTIFY, ASSESS AND TREAT COMPULSIVE AND
22 PROBLEM GAMBLING AND DRUG AND/OR ALCOHOL ADDICTION.

23 (2) THE SUM OF \$3,000,000 SHALL BE ANNUALLY TRANSFERRED
24 FROM THE COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND TO
25 THE DEPARTMENT OF HEALTH FOR ALLOCATION TO THE SINGLE COUNTY
26 AUTHORITIES. THE MONEYS SO TRANSFERRED AND ALLOCATED SHALL BE
27 USED BY THE SINGLE COUNTY AUTHORITIES FOR COMPULSIVE AND
28 PROBLEM GAMBLING AND ASSOCIATED DRUG AND/OR ALCOHOL ADDICTION
29 ASSESSMENTS AND FOR THE RELATED ADDICTION TREATMENT IN
30 NONHOSPITAL RESIDENTIAL DETOXIFICATION FACILITIES,

1 NONHOSPITAL RESIDENTIAL REHABILITATION FACILITIES AND HALFWAY
2 HOUSES LICENSED BY THE DEPARTMENT OF HEALTH TO PROVIDE
3 ADDICTION TREATMENT SERVICES. FINANCIAL COUNSELING MAY BE A
4 REQUIRED COMPONENT OF TREATMENT, WHETHER IT IS PROVIDED
5 DIRECTLY BY THE TREATMENT SERVICE PROVIDER OR SUBCONTRACTED
6 TO A THIRD PARTY. NO MONEYS AUTHORIZED TO BE TRANSFERRED
7 UNDER THIS SUBSECTION SHALL BE UTILIZED TO SUPPLANT OTHER
8 FUNDING FOR THE TREATMENT OF DRUG AND/OR ALCOHOL ADDICTION.
9 AFTER ONE YEAR, THE BOARD SHALL COMMISSION A STUDY OF THE ←
10 IMPACT OF THE COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND
11 IN AREAS WHERE GAMBLING WAS EXPANDED. THE COMMISSION SHALL
12 PRODUCE A REPORT THAT INCLUDES DATA ON RACE, GENDER,
13 GEOGRAPHY AND INCOME AND A RECOMMENDATION OF WHETHER THE
14 FUND'S APPROPRIATION SHOULD BE INCREASED TO A SUM UP TO
15 \$5,000,000.

16 (3) ELIGIBILITY TO RECEIVE TREATMENT SERVICES FOR
17 TREATMENT OF COMPULSIVE AND PROBLEM GAMBLING, AND DRUG AND/OR
18 ALCOHOL ADDICTION ASSOCIATED OR RELATED TO COMPULSIVE AND
19 PROBLEM GAMBLING UNDER PARAGRAPH (1), SHALL BE DETERMINED
20 USING FINANCIAL ELIGIBILITY AND OTHER REQUIREMENTS OF THE
21 SINGLE COUNTY AUTHORITIES AS APPROVED BY THE DEPARTMENT OF
22 HEALTH.

23 (4) WITHIN 60 DAYS OF THE EFFECTIVE DATE OF THIS
24 SUBSECTION, THE DEPARTMENT OF HEALTH'S BUREAU OF DRUG AND
25 ALCOHOL PROGRAMS AND THE BOARD'S OFFICE OF COMPULSIVE AND
26 PROBLEM GAMBLING SHALL COLLABORATE WITH PROVIDERS AND OTHER
27 PERSONS OR ENTITIES WITH EXPERTISE IN THE FIELD OF COMPULSIVE
28 AND PROBLEM GAMBLING TO:

29 (I) DEVELOP AND IMPLEMENT A STRATEGIC PLAN FOR THE
30 PREVENTION AND TREATMENT OF COMPULSIVE AND PROBLEM

1 GAMBLING AND ASSOCIATED BEHAVIOR DISORDERS, INCLUDING
2 DRUG AND/OR ALCOHOL ADDICTIONS.

3 (II) ADOPT COMPULSIVE AND PROBLEM GAMBLING TREATMENT
4 STANDARDS TO BE INTEGRATED WITH THE BUREAU OF DRUG AND
5 ALCOHOL PROGRAM'S UNIFORM STATEWIDE GUIDELINES THAT
6 GOVERN THE PROVISION OF ADDICTION TREATMENT SERVICES. THE
7 STANDARDS MAY PROVIDE CRITERIA FOR THE CERTIFICATION OF
8 COMPULSIVE AND PROBLEM GAMBLING COUNSELORS.

9 (III) DEVELOP, IN COLLABORATION WITH THE APPROPRIATE
10 STATE AGENCIES, A METHOD TO LINK COMPULSIVE AND PROBLEM
11 GAMBLING DATA COLLECTION AND REFERRAL INFORMATION TO
12 CRISIS RESPONSE HOTLINES AND YOUTH AND DOMESTIC VIOLENCE
13 PROGRAMS OR PROVIDERS.

14 (IV) COLLABORATE WITH THE DEPARTMENT OF HEALTH, THE
15 DEPARTMENT OF AGING AND OTHER APPROPRIATE OFFICES AND
16 AGENCIES OF STATE OR LOCAL GOVERNMENT AND PERSONS AND
17 ENTITIES, PUBLIC OR PRIVATE, WITH EXPERTISE IN COMPULSIVE
18 AND PROBLEM GAMBLING TREATMENT TO EDUCATE YOUTH AND OLDER
19 PENNSYLVANIANS THROUGH PREVENTION TRAINING AND MATERIALS
20 REGARDING THE PREVENTION, RECOGNITION AND TREATMENT OF
21 COMPULSIVE AND PROBLEM GAMBLING PROBLEMS. THE BUREAU OF
22 DRUG AND ALCOHOL PROGRAMS AND THE BOARD'S OFFICE OF
23 COMPULSIVE AND PROBLEM GAMBLING SHALL WORK WITH THE
24 IDENTIFIED AGENCIES AND OTHER AGENCIES AND ENTITIES TO
25 DEVELOP DEMOGRAPHIC-SPECIFIC COMPULSIVE AND PROBLEM
26 GAMBLING PREVENTION, INTERVENTION AND TREATMENT PROGRAMS.

27 (D.2) REPORT.--BEGINNING OCTOBER 1, 2010, AND EVERY OCTOBER
28 1 THEREAFTER, THE BUREAU OF DRUG AND ALCOHOL PROGRAMS AND THE
29 BOARD'S OFFICE OF COMPULSIVE AND PROBLEM GAMBLING SHALL JOINTLY
30 SUBMIT AN ANNUAL REPORT TO THE GOVERNOR AND THE GENERAL ASSEMBLY

1 REPORTING DATA AND PROGRESS ON AND ACTIVITIES INITIATED TO
2 FACILITATE THE DEVELOPMENT AND IMPLEMENTATION OF THE STRATEGIC
3 PLAN FOR THE PREVENTION AND TREATMENT OF COMPULSIVE AND PROBLEM
4 GAMBLING AND ASSOCIATED BEHAVIOR DISORDERS AND ADDICTIONS AND
5 THE OTHER REQUIREMENTS OF THIS SECTION.

6 * * *

7 SECTION ~~13.3~~ 13.4. SECTIONS 1510(A), 1511(B) AND 1512(A.1), ←
8 (A.5) AND (B) OF TITLE 4 ARE AMENDED TO READ:

9 § 1510. LABOR HIRING PREFERENCES.

10 (A) CATEGORY 1, 2, AND 3 LICENSED FACILITIES, GENERALLY.--
11 EACH LICENSED GAMING ENTITY SHALL PREPARE A HIRING PLAN FOR
12 EMPLOYEES OF ITS RESPECTIVE LICENSED FACILITY WHICH PROMOTES A
13 DIVERSE WORK FORCE, MINORITY PARTICIPATION AND PERSONNEL FROM
14 WITHIN THE SURROUNDING GEOGRAPHICAL AREA. THE HIRING PLAN SHALL
15 BE APPROVED BY THE BOARD AND SHALL BE CONSISTENT WITH THE GOALS
16 OUTLINED IN SECTIONS 1212 (RELATING TO DIVERSITY GOALS OF BOARD)
17 AND 1304A (RELATING TO COMMONWEALTH RESIDENT EMPLOYMENT GOALS).

18 * * *

19 § 1511. DECLARATION OF EXEMPTION FROM FEDERAL LAWS PROHIBITING
20 SLOT MACHINES.

21 * * *

22 (B) LEGAL SHIPMENTS.--ALL SHIPMENTS OF [SLOT MACHINES]
23 GAMBLING DEVICES, AS DEFINED IN SECTION 1 OF THE GAMBLING
24 DEVICES TRANSPORTATION ACT (64 STAT. 1134, 15 U.S.C. § 1171),
25 INTO THIS COMMONWEALTH, THE REGISTERING, RECORDING AND LABELING
26 OF WHICH HAS BEEN EFFECTED BY THE MANUFACTURER AND SUPPLIER OF
27 THOSE DEVICES, IN ACCORDANCE WITH SECTIONS [5 AND 7] 3 AND 4 OF
28 THE GAMBLING DEVICES TRANSPORTATION ACT (64 STAT. 1134, 15
29 U.S.C. §§ [1175 AND 1177] 1173 AND 1174), SHALL BE DEEMED LEGAL
30 SHIPMENTS OF [SLOT MACHINES] GAMBLING DEVICES INTO THIS

1 COMMONWEALTH.

2 § 1512. FINANCIAL AND EMPLOYMENT INTERESTS.

3 * * *

4 (A.1) EMPLOYMENT.--EXCEPT AS MAY BE PROVIDED BY RULE OR
5 ORDER OF THE PENNSYLVANIA SUPREME COURT AND EXCEPT AS PROVIDED
6 IN SECTION 1512.1 (RELATING TO ADDITIONAL RESTRICTIONS), NO
7 EXECUTIVE-LEVEL PUBLIC EMPLOYEE, PUBLIC OFFICIAL OR PARTY
8 OFFICER, OR AN IMMEDIATE FAMILY MEMBER THEREOF, SHALL BE
9 EMPLOYED BY AN APPLICANT OR A SLOT MACHINE LICENSEE,
10 MANUFACTURER LICENSEE, SUPPLIER LICENSEE OR LICENSED RACING
11 ENTITY, OR BY ANY HOLDING COMPANY, AFFILIATE, INTERMEDIARY OR
12 SUBSIDIARY THEREOF, WHILE THE INDIVIDUAL IS AN EXECUTIVE-LEVEL
13 PUBLIC EMPLOYEE, PUBLIC OFFICIAL OR PARTY OFFICER AND FOR ONE
14 YEAR FOLLOWING TERMINATION OF THE INDIVIDUAL'S STATUS AS AN
15 EXECUTIVE-LEVEL PUBLIC EMPLOYEE, PUBLIC OFFICIAL OR PARTY
16 OFFICER.

17 * * *

18 (A.5) STATE ETHICS COMMISSION.--THE STATE ETHICS COMMISSION
19 SHALL PUBLISH A LIST OF ALL STATE, COUNTY, MUNICIPAL AND OTHER
20 GOVERNMENT POSITIONS THAT MEET THE DEFINITIONS OF "PUBLIC
21 OFFICIAL" AS DEFINED UNDER SUBSECTION (B) OR "EXECUTIVE-LEVEL
22 PUBLIC EMPLOYEE" [UNDER SUBSECTION (B)] AND A LIST OF
23 INDIVIDUALS SUBJECT TO SECTION 1512.1. THE OFFICE OF
24 ADMINISTRATION SHALL ASSIST THE [ETHICS COMMISSION] COMMISSION
25 IN THE DEVELOPMENT OF THE LIST, WHICH SHALL BE PUBLISHED IN THE
26 PENNSYLVANIA BULLETIN BIENNIALLY AND ON THE BOARD'S WEBSITE.
27 UPON REQUEST, EACH PUBLIC OFFICIAL SHALL HAVE A DUTY TO PROVIDE
28 THE [ETHICS COMMISSION] COMMISSION WITH ADEQUATE INFORMATION TO
29 ACCURATELY DEVELOP AND MAINTAIN THE LIST. THE [ETHICS
30 COMMISSION] COMMISSION MAY IMPOSE A CIVIL PENALTY UNDER 65

1 PA.C.S. § 1109(F) (RELATING TO PENALTIES) UPON ANY INDIVIDUAL,
2 INCLUDING ANY PUBLIC OFFICIAL OR EXECUTIVE-LEVEL PUBLIC EMPLOYEE
3 WHO FAILS TO COOPERATE WITH THE [ETHICS COMMISSION] COMMISSION
4 UNDER THIS SUBSECTION. AN INDIVIDUAL WHO RELIES IN GOOD FAITH ON
5 THE LIST PUBLISHED BY THE COMMISSION SHALL NOT BE SUBJECT TO ANY
6 PENALTY FOR A VIOLATION OF THIS SECTION.

7 (B) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
8 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
9 SUBSECTION:

10 ["EXECUTIVE-LEVEL PUBLIC EMPLOYEE." THE TERM SHALL INCLUDE
11 THE FOLLOWING:

12 (1) DEPUTY SECRETARIES OF THE COMMONWEALTH AND THE
13 GOVERNOR'S OFFICE EXECUTIVE STAFF.

14 (2) AN EMPLOYEE OF THE EXECUTIVE BRANCH WITH
15 DISCRETIONARY POWER WHICH MAY AFFECT OR INFLUENCE THE OUTCOME
16 OF A STATE AGENCY'S ACTION OR DECISION AND WHO IS INVOLVED IN
17 THE DEVELOPMENT OF REGULATIONS OR POLICIES RELATING TO A
18 LICENSED ENTITY OR WHO IS INVOLVED IN OTHER MATTERS UNDER
19 THIS PART. THE TERM SHALL INCLUDE AN EMPLOYEE WITH LAW
20 ENFORCEMENT AUTHORITY.

21 (3) AN EMPLOYEE OF A COUNTY OR MUNICIPALITY WITH
22 DISCRETIONARY POWERS WHICH MAY AFFECT OR INFLUENCE THE
23 OUTCOME OF THE COUNTY'S OR MUNICIPALITY'S ACTION OR DECISION
24 AND WHO IS INVOLVED IN THE DEVELOPMENT OF LAW, REGULATION OR
25 POLICY RELATING TO A LICENSED ENTITY OR WHO IS INVOLVED IN
26 OTHER MATTERS UNDER THIS PART. THE TERM SHALL INCLUDE AN
27 EMPLOYEE WITH LAW ENFORCEMENT AUTHORITY.

28 (4) AN EMPLOYEE OF A DEPARTMENT, AGENCY, BOARD,
29 COMMISSION, AUTHORITY OR OTHER GOVERNMENTAL BODY NOT INCLUDED
30 IN PARAGRAPH (1), (2) OR (3) WITH DISCRETIONARY POWER WHICH

1 MAY AFFECT OR INFLUENCE THE OUTCOME OF THE GOVERNMENTAL
2 BODY'S ACTION OR DECISION AND WHO IS INVOLVED IN THE
3 DEVELOPMENT OF REGULATION OR POLICY RELATING TO A LICENSED
4 ENTITY OR WHO IS INVOLVED IN OTHER MATTERS UNDER THIS PART.
5 THE TERM SHALL INCLUDE AN EMPLOYEE WITH LAW ENFORCEMENT
6 AUTHORITY.]

7 "FINANCIAL INTEREST." OWNING OR HOLDING, OR BEING DEEMED TO
8 HOLD, DEBT OR EQUITY SECURITIES OR OTHER OWNERSHIP INTEREST OR
9 PROFITS INTEREST. A FINANCIAL INTEREST SHALL NOT INCLUDE ANY
10 DEBT OR EQUITY SECURITY, OR OTHER OWNERSHIP INTEREST OR PROFITS
11 INTEREST, WHICH IS HELD OR DEEMED TO BE HELD IN ANY OF THE
12 FOLLOWING:

13 (1) A BLIND TRUST OVER WHICH THE EXECUTIVE-LEVEL PUBLIC
14 EMPLOYEE, PUBLIC OFFICIAL, PARTY OFFICER OR IMMEDIATE FAMILY
15 MEMBER THEREOF MAY NOT EXERCISE ANY MANAGERIAL CONTROL OR
16 RECEIVE INCOME DURING THE TENURE OF OFFICE AND THE PERIOD
17 UNDER SUBSECTION (A). THE PROVISIONS OF THIS PARAGRAPH SHALL
18 APPLY ONLY TO BLIND TRUSTS ESTABLISHED PRIOR TO THE EFFECTIVE
19 DATE OF THIS PARAGRAPH.

20 (2) SECURITIES THAT ARE HELD IN A PENSION PLAN, PROFIT-
21 SHARING PLAN, INDIVIDUAL RETIREMENT ACCOUNT, TAX-SHELTERED
22 ANNUITY, A PLAN ESTABLISHED PURSUANT TO SECTION 457 OF THE
23 INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. §
24 1 ET SEQ.) OR ANY SUCCESSOR PROVISION DEFERRED COMPENSATION
25 PLAN WHETHER QUALIFIED OR NOT QUALIFIED UNDER THE INTERNAL
26 REVENUE CODE OF 1986 OR ANY SUCCESSOR PROVISION OR OTHER
27 RETIREMENT PLAN THAT:

28 (I) IS NOT SELF-DIRECTED BY THE INDIVIDUAL; AND

29 (II) IS ADVISED BY AN INDEPENDENT INVESTMENT ADVISER
30 WHO HAS SOLE AUTHORITY TO MAKE INVESTMENT DECISIONS WITH

1 RESPECT TO CONTRIBUTIONS MADE BY THE INDIVIDUAL TO THESE
2 PLANS.

3 (3) A TUITION ACCOUNT PLAN ORGANIZED AND OPERATED
4 PURSUANT TO SECTION 529 OF THE INTERNAL REVENUE CODE OF 1986
5 (PUBLIC LAW 99-514, 26 U.S.C. § 529) THAT IS NOT SELF-
6 DIRECTED BY THE INDIVIDUAL.

7 (4) A MUTUAL FUND WHERE THE INTEREST OWNED BY THE MUTUAL
8 FUND IN A LICENSED ENTITY DOES NOT CONSTITUTE A CONTROLLING
9 INTEREST AS DEFINED IN THIS PART.

10 "IMMEDIATE FAMILY." A SPOUSE, MINOR CHILD OR UNEMANCIPATED
11 CHILD.

12 "LAW ENFORCEMENT AUTHORITY." THE POWER TO CONDUCT
13 INVESTIGATIONS OF OR TO MAKE ARRESTS FOR CRIMINAL OFFENSES.

14 "PARTY OFFICER." A MEMBER OF A NATIONAL COMMITTEE; A
15 CHAIRMAN, VICE CHAIRMAN, SECRETARY, TREASURER OR COUNSEL OF A
16 STATE COMMITTEE OR MEMBER OF THE EXECUTIVE COMMITTEE OF A STATE
17 COMMITTEE; A COUNTY CHAIRMAN, VICE CHAIRMAN, COUNSEL, SECRETARY
18 OR TREASURER OF A COUNTY COMMITTEE IN WHICH A LICENSED FACILITY
19 IS LOCATED; OR A CITY CHAIRMAN, VICE CHAIRMAN, COUNSEL,
20 SECRETARY OR TREASURER OF A CITY COMMITTEE OF A CITY IN WHICH A
21 LICENSED FACILITY IS LOCATED.

22 "PUBLIC OFFICIAL." THE TERM SHALL INCLUDE THE FOLLOWING:

23 (1) THE GOVERNOR, LIEUTENANT GOVERNOR, A MEMBER OF THE
24 GOVERNOR'S CABINET, TREASURER, AUDITOR GENERAL AND ATTORNEY
25 GENERAL OF THE COMMONWEALTH.

26 (2) A MEMBER OF THE SENATE OR HOUSE OF REPRESENTATIVES
27 OF THE COMMONWEALTH.

28 (3) AN INDIVIDUAL ELECTED OR APPOINTED TO ANY OFFICE OF
29 A COUNTY OR MUNICIPALITY THAT DIRECTLY RECEIVES A
30 DISTRIBUTION OF REVENUE UNDER THIS PART.

1 (4) AN INDIVIDUAL ELECTED OR APPOINTED TO A DEPARTMENT,
2 AGENCY, BOARD, COMMISSION, AUTHORITY OR OTHER GOVERNMENTAL
3 BODY NOT INCLUDED IN PARAGRAPH (1), (2) OR (3) THAT DIRECTLY
4 RECEIVES A DISTRIBUTION OF REVENUE UNDER THIS PART.

5 (5) AN INDIVIDUAL ELECTED OR APPOINTED TO A DEPARTMENT,
6 AGENCY, BOARD, COMMISSION, AUTHORITY, COUNTY, MUNICIPALITY OR
7 OTHER GOVERNMENTAL BODY NOT INCLUDED IN PARAGRAPH (1), (2) OR
8 (3) WITH DISCRETIONARY POWER WHICH MAY INFLUENCE OR AFFECT
9 THE OUTCOME OF AN ACTION OR DECISION AND WHO IS INVOLVED IN
10 THE DEVELOPMENT OF REGULATION OR POLICY RELATING TO A
11 LICENSED ENTITY OR WHO IS INVOLVED IN OTHER MATTERS UNDER
12 THIS PART.

13 THE TERM DOES NOT INCLUDE A MEMBER OF A SCHOOL BOARD OR AN
14 INDIVIDUAL WHO HELD AN UNCOMPENSATED OFFICE WITH A GOVERNMENTAL
15 BODY PRIOR TO JANUARY 1, 2006, AND WHO NO LONGER HOLDS THE
16 OFFICE AS OF JANUARY 1, 2006. THE TERM INCLUDES A MEMBER OF AN
17 ADVISORY BOARD OR COMMISSION WHICH MAKES RECOMMENDATIONS
18 RELATING TO A LICENSED FACILITY.

19 SECTION 14. TITLE 4 IS AMENDED BY ADDING A SECTION TO READ:
20 § 1512.1. ADDITIONAL RESTRICTIONS.

21 (A) RESTRICTIONS.--AN INDIVIDUAL MEMBER OF THE PENNSYLVANIA
22 STATE POLICE OR EMPLOYEE OF THE OFFICE OF ATTORNEY GENERAL,
23 OFFICE OF THE AUDITOR GENERAL OR DEPARTMENT WHOSE DUTIES
24 SUBSTANTIALLY INVOLVE LICENSING OR ENFORCEMENT, THE DEVELOPMENT
25 OF LAWS, REGULATIONS OR POLICY OR WHO HAS OTHER DISCRETIONARY
26 AUTHORITY WHICH MAY AFFECT THE GAMING INDUSTRY IN THIS
27 COMMONWEALTH UNDER THIS PART SHALL NOT DO ANY OF THE FOLLOWING:

28 (1) ACCEPT EMPLOYMENT WITH AN APPLICANT OR LICENSED
29 ENTITY, OR AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING
30 COMPANY THEREOF, FOR A PERIOD OF TWO YEARS AFTER THE

1 TERMINATION OF THE EMPLOYMENT RELATING TO THE CONDUCT OF
2 GAMING.

3 (2) APPEAR BEFORE THE BOARD IN ANY HEARING OR PROCEEDING
4 OR PARTICIPATE IN ANY OTHER ACTIVITY ON BEHALF OF ANY
5 APPLICANT, LICENSEE, PERMITTEE OR LICENSED ENTITY, OR AN
6 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY
7 THEREOF, FOR A PERIOD OF TWO YEARS AFTER TERMINATION OF THE
8 EMPLOYMENT. NOTHING SHALL PREVENT A CURRENT OR FORMER TROOPER
9 OR EMPLOYEE SUBJECT TO THIS SECTION FROM APPEARING IN ANY
10 PROCEEDING AS A WITNESS WHERE THE EMPLOYEE IS BEING CALLED TO
11 TESTIFY CONCERNING ANY FACT OR INFORMATION OBTAINED DURING
12 THE COURSE OF EMPLOYMENT OR RELATED TO THE PERFORMANCE OF
13 DUTIES WHILE SO EMPLOYED.

14 (3) AS A CONDITION OF EMPLOYMENT, AN INDIVIDUAL SUBJECT
15 TO THIS PARAGRAPH SHALL SIGN AN AFFIDAVIT THAT THE INDIVIDUAL
16 WILL NOT ACCEPT EMPLOYMENT WITH OR BE RETAINED BY ANY
17 APPLICANT, LICENSED ENTITY OR AN AFFILIATE, INTERMEDIARY,
18 SUBSIDIARY OR HOLDING COMPANY THEREOF FOR A PERIOD OF TWO
19 YEARS FROM THE TERMINATION OF EMPLOYMENT.

20 (B) EMPLOYMENT OR RETENTION.--AN APPLICANT OR LICENSED
21 ENTITY OR AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING
22 COMPANY THEREOF SHALL NOT EMPLOY OR RETAIN AN INDIVIDUAL WHO
23 SIGNED AN AFFIDAVIT REQUIRED BY THIS SUBSECTION. AN APPLICANT OR
24 LICENSED ENTITY OR AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR
25 HOLDING COMPANY THAT KNOWINGLY EMPLOYS OR RETAINS AN INDIVIDUAL
26 IN VIOLATION OF THIS SUBSECTION SHALL BE SUBJECT TO A PENALTY
27 UNDER SECTION 1518(C) (RELATING TO PROHIBITED ACTS; PENALTIES).

28 (C) VIOLATION.--IF AN EMPLOYEE OR INDEPENDENT CONTRACTOR OF
29 THE BOARD VIOLATES ANY PROVISION OF THIS SECTION, THE EMPLOYING
30 AGENCY OR DEPARTMENT MAY, UPON NOTICE AND HEARING, TERMINATE THE

1 EMPLOYMENT, AND THE PERSON SHALL BE INELIGIBLE FOR FUTURE
2 EMPLOYMENT WITH THE AGENCY OR DEPARTMENT AND SHALL BE PROHIBITED
3 FROM APPLYING FOR A LICENSE OR PERMIT, BECOMING AN INDEPENDENT
4 CONTRACTOR OR REGISTERING AS A LICENSED ENTITY REPRESENTATIVE
5 FOR A PERIOD OF FIVE YEARS FROM THE DATE OF TERMINATION OF THE
6 EMPLOYMENT OR CONTRACT.

7 (D) CODE OF CONDUCT.--THE PENNSYLVANIA STATE POLICE,
8 ATTORNEY GENERAL, AUDITOR GENERAL AND DEPARTMENT SHALL ADOPT A
9 COMPREHENSIVE CODE OF CONDUCT WHICH SHALL SUPPLEMENT ALL OTHER
10 REQUIREMENTS UNDER THIS PART AND 65 PA.C.S. PT. II (RELATING TO
11 ACCOUNTABILITY), AS APPLICABLE, AND SHALL PROVIDE GUIDELINES
12 APPLICABLE TO MEMBERS, EMPLOYEES AND ANY INDEPENDENT CONTRACTORS
13 OF THE AGENCY, DEPARTMENT OR OFFICE WHOSE DUTIES INVOLVE THE
14 ENFORCEMENT OR REGULATION OF GAMING UNDER THIS PART AND THE
15 IMMEDIATE FAMILIES OF THESE MEMBERS, AS DEFINED IN SECTION
16 1202.1 (E) (RELATING TO CODE OF CONDUCT), EMPLOYEES AND
17 INDEPENDENT CONTRACTORS TO ENABLE THEM TO AVOID ANY PERCEIVED OR
18 ACTUAL CONFLICT OF INTEREST AND TO PROMOTE PUBLIC CONFIDENCE IN
19 THE INTEGRITY AND IMPARTIALITY OF GAMING ENFORCEMENT AND
20 REGULATION. AT A MINIMUM, THE CODE OF CONDUCT ADOPTED UNDER THIS
21 SECTION SHALL INCLUDE THE RESTRICTIONS APPLICABLE TO THE BOARD
22 UNDER SECTION 1202.1 (C), EXCEPT THAT THE RESTRICTIONS UNDER
23 SECTION 1202.1 (C) (5) SHALL NOT APPLY TO AN ELECTED ATTORNEY
24 GENERAL OR AUDITOR GENERAL.

25 ~~SECTION 14.1. SECTIONS 1513 (C) AND 1514 (B), (F), (G) AND (H)~~ ←
26 ~~OF TITLE 4 ARE AMENDED TO READ:~~
27 ~~§ 1513. POLITICAL INFLUENCE.~~

28 * * *

29 ~~(C) PENALTIES. THE FIRST VIOLATION OF THIS SECTION BY A~~
30 ~~LICENSED GAMING ENTITY OR ANY PERSON THAT HOLDS A CONTROLLING~~

~~1 INTEREST IN SUCH GAMING ENTITY, OR A SUBSIDIARY COMPANY THEREOF,
2 AND ANY OFFICER, DIRECTOR OR MANAGEMENT LEVEL EMPLOYEE OF SUCH
3 LICENSEE SHALL BE PUNISHABLE BY A FINE OF NOT LESS THAN AN
4 AVERAGE SINGLE DAY'S GROSS TERMINAL REVENUE OF THE LICENSED
5 GAMING ENTITY DERIVED FROM THE OPERATION OF SLOT MACHINES AND
6 GROSS TABLE GAME REVENUE FROM THE OPERATION OF TABLE GAMES IN
7 THIS COMMONWEALTH; A SECOND VIOLATION OF THIS SECTION, WITHIN
8 FIVE YEARS OF THE FIRST VIOLATION, SHALL BE PUNISHABLE BY AT
9 LEAST A ONE DAY SUSPENSION OF THE LICENSE HELD BY THE LICENSED
10 GAMING ENTITY AND A FINE NOT LESS THAN AN AVERAGE TWO DAYS'
11 GROSS REVENUE OF THE LICENSED GAMING ENTITY; A THIRD VIOLATION
12 OF THIS SECTION WITHIN FIVE YEARS OF THE SECOND VIOLATION SHALL
13 BE PUNISHABLE BY THE IMMEDIATE REVOCATION OF THE LICENSE HELD BY
14 THE LICENSED GAMING ENTITY. THE FIRST VIOLATION OF THIS SECTION
15 BY A MANUFACTURER OR SUPPLIER LICENSED PURSUANT TO THIS PART OR
16 BY ANY PERSON THAT HOLDS A CONTROLLING INTEREST IN SUCH
17 MANUFACTURER OR SUPPLIER, OR A SUBSIDIARY COMPANY THEREOF, AND
18 ANY OFFICER, DIRECTOR OR MANAGEMENT LEVEL EMPLOYEE OF SUCH A
19 LICENSEE SHALL BE PUNISHABLE BY A FINE OF NOT LESS THAN ONE
20 DAY'S AVERAGE OF THE GROSS PROFIT FROM SALES MADE BY THE
21 MANUFACTURER OR SUPPLIER IN PENNSYLVANIA DURING THE PRECEDING
22 12 MONTH PERIOD OR PORTION THEREOF IN THE EVENT THE MANUFACTURER
23 OR SUPPLIER HAS NOT OPERATED IN PENNSYLVANIA FOR 12 MONTHS; A
24 SECOND VIOLATION OF THIS SECTION WITHIN FIVE YEARS OF THE FIRST
25 VIOLATION SHALL BE PUNISHABLE BY A ONE MONTH SUSPENSION OF THE
26 LICENSE HELD BY THE MANUFACTURER OR SUPPLIER AND A FINE OF NOT
27 LESS THAN TWO TIMES ONE DAY'S AVERAGE OF THE GROSS PROFIT FROM
28 SALES MADE BY THE MANUFACTURER OR SUPPLIER IN PENNSYLVANIA
29 DURING THE PRECEDING 12 MONTH PERIOD OR PORTION THEREOF IN THE
30 EVENT THE MANUFACTURER OR SUPPLIER HAS NOT OPERATED IN~~

1 ~~PENNSYLVANIA FOR 12 MONTHS. IN NO EVENT SHALL THE FINE IMPOSED~~
2 ~~UNDER THIS SECTION BE IN AN AMOUNT LESS THAN \$50,000 FOR EACH~~
3 ~~VIOLATION. IN ADDITION TO ANY FINE OR SANCTION THAT MAY BE~~
4 ~~IMPOSED BY THE BOARD, ANY PERSON WHO MAKES A CONTRIBUTION IN~~
5 ~~VIOLATION OF THIS SECTION COMMITS A MISDEMEANOR OF THE THIRD~~
6 ~~DEGREE.~~

7 * * *

8 SECTION 14.1. SECTION 1513 OF TITLE 4 IS REENACTED AND
9 AMENDED TO READ:



10 § 1513. POLITICAL INFLUENCE.

11 (A) CONTRIBUTION RESTRICTION.--THE FOLLOWING PERSONS SHALL
12 BE PROHIBITED FROM CONTRIBUTING ANY MONEY OR IN-KIND
13 CONTRIBUTION TO A CANDIDATE FOR NOMINATION OR ELECTION TO ANY
14 PUBLIC OFFICE IN THIS COMMONWEALTH, OR TO ANY POLITICAL PARTY
15 COMMITTEE OR OTHER POLITICAL COMMITTEE IN THIS COMMONWEALTH OR
16 TO ANY GROUP, COMMITTEE OR ASSOCIATION ORGANIZED IN SUPPORT OF A
17 CANDIDATE, POLITICAL PARTY COMMITTEE OR OTHER POLITICAL
18 COMMITTEE IN THIS COMMONWEALTH:

19 (1) AN APPLICANT FOR A SLOT MACHINE LICENSE,
20 MANUFACTURER LICENSE, SUPPLIER LICENSE, PRINCIPAL LICENSE,
21 KEY EMPLOYEE LICENSE OR HORSE OR HARNESS RACING LICENSE.

22 (2) A SLOT MACHINE LICENSEE, LICENSED MANUFACTURER,
23 LICENSED SUPPLIER OR LICENSED RACING ENTITY.

24 (3) A LICENSED PRINCIPAL OR LICENSED KEY EMPLOYEE OF A
25 SLOT MACHINE LICENSEE, LICENSED MANUFACTURER, LICENSED
26 SUPPLIER OR LICENSED RACING ENTITY.

27 (4) AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING
28 COMPANY OF A SLOT MACHINE LICENSEE, LICENSED MANUFACTURER,
29 LICENSED SUPPLIER OR LICENSED RACING ENTITY.

30 (5) A LICENSED PRINCIPAL OR LICENSED KEY EMPLOYEE OF AN

1 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF A
2 SLOT MACHINE LICENSEE, LICENSED MANUFACTURER, LICENSED
3 SUPPLIER OR LICENSED RACING ENTITY.

4 (6) A PERSON WHO HOLDS A SIMILAR GAMING LICENSE IN
5 ANOTHER JURISDICTION AND THE AFFILIATES, INTERMEDIARIES,
6 SUBSIDIARIES, HOLDING COMPANIES, PRINCIPALS OR KEY EMPLOYEES
7 THEREOF.

8 (A.1) CONTRIBUTIONS TO CERTAIN ASSOCIATIONS AND
9 ORGANIZATIONS BARRED.--THE INDIVIDUALS PROHIBITED FROM MAKING
10 POLITICAL CONTRIBUTIONS UNDER SUBSECTION (A) SHALL NOT MAKE A
11 POLITICAL CONTRIBUTION OF MONEY OR AN IN-KIND CONTRIBUTION TO
12 ANY ASSOCIATION OR ORGANIZATION, INCLUDING A NONPROFIT
13 ORGANIZATION, THAT HAS BEEN SOLICITED BY, OR KNOWING THAT THE
14 CONTRIBUTION OR A PORTION THEREOF WILL BE CONTRIBUTED TO, THE
15 ELECTED OFFICIAL, EXECUTIVE-LEVEL PUBLIC EMPLOYEE OR CANDIDATE
16 FOR NOMINATION OR ELECTION TO A PUBLIC OFFICE IN THIS
17 COMMONWEALTH.

18 (A.2) INTERNET WEBSITE.--

19 (1) THE BOARD SHALL ESTABLISH AN INTERNET WEBSITE THAT
20 INCLUDES A LIST OF ALL APPLICANTS FOR AND HOLDERS OF A SLOT
21 MACHINE LICENSE, MANUFACTURER LICENSE, SUPPLIER LICENSE OR
22 RACING ENTITY LICENSE, AND THE AFFILIATES, INTERMEDIARIES,
23 SUBSIDIARIES, HOLDING COMPANIES, PRINCIPALS AND KEY EMPLOYEES
24 THEREOF, ALL PERSONS HOLDING A SIMILAR GAMING LICENSE IN
25 ANOTHER JURISDICTION, AND THE AFFILIATES, INTERMEDIARIES,
26 SUBSIDIARIES, HOLDING COMPANIES, PRINCIPALS AND KEY EMPLOYEES
27 THEREOF, AND ANY OTHER ENTITY IN WHICH THE APPLICANT OR
28 LICENSEE HAS ANY DEBT OR EQUITY SECURITY OR OTHER OWNERSHIP
29 OR PROFITS INTEREST. AN APPLICANT OR LICENSEE SHALL NOTIFY
30 THE BOARD WITHIN SEVEN DAYS OF THE DISCOVERY OF ANY CHANGE IN

1 OR ADDITION TO THE INFORMATION. THE LIST SHALL BE PUBLISHED
2 SEMIANNUALLY IN THE PENNSYLVANIA BULLETIN.

3 (2) AN INDIVIDUAL WHO ACTS IN GOOD FAITH AND IN RELIANCE
4 ON THE INFORMATION ON THE INTERNET WEBSITE SHALL NOT BE
5 SUBJECT TO ANY PENALTIES OR LIABILITY IMPOSED FOR A VIOLATION
6 OF THIS SECTION.

7 (3) THE BOARD SHALL REQUEST THE INFORMATION REQUIRED
8 UNDER PARAGRAPH (1) FROM PERSONS LICENSED IN ANOTHER
9 JURISDICTION WHO DO NOT HOLD A LICENSE IN THIS COMMONWEALTH
10 AND FROM REGULATORY AGENCIES IN THE OTHER JURISDICTION. IF A
11 LICENSEE IN ANOTHER JURISDICTION REFUSES TO PROVIDE THE
12 INFORMATION REQUIRED UNDER PARAGRAPH (1), THE PERSON AND ITS
13 OFFICERS, DIRECTORS OR PERSONS WITH A CONTROLLING INTEREST
14 SHALL BE INELIGIBLE TO RECEIVE ANY LICENSE UNDER THIS PART.

15 (B) ANNUAL CERTIFICATION.--THE CHIEF EXECUTIVE OFFICER, OR
16 OTHER APPROPRIATE INDIVIDUAL, OF EACH APPLICANT FOR A SLOT
17 MACHINE LICENSE, MANUFACTURER LICENSE OR SUPPLIER LICENSE,
18 LICENSED RACING ENTITY, LICENSED SUPPLIER, LICENSED MANUFACTURER
19 OR LICENSED GAMING ENTITY SHALL ANNUALLY CERTIFY UNDER OATH TO
20 THE BOARD AND THE DEPARTMENT OF STATE THAT SUCH APPLICANT OR
21 LICENSED RACING ENTITY, LICENSED SUPPLIER, LICENSED MANUFACTURER
22 OR LICENSED GAMING ENTITY HAS DEVELOPED AND IMPLEMENTED INTERNAL
23 SAFEGUARDS AND POLICIES INTENDED TO PREVENT A VIOLATION OF THIS
24 PROVISION AND THAT SUCH APPLICANT OR LICENSED RACING ENTITY OR
25 LICENSED GAMING ENTITY HAS CONDUCTED A GOOD FAITH INVESTIGATION
26 THAT HAS NOT REVEALED ANY VIOLATION OF THIS PROVISION DURING THE
27 PAST YEAR.

28 (C) PENALTIES.--THE FIRST VIOLATION OF THIS SECTION BY A
29 LICENSED GAMING ENTITY OR ANY PERSON THAT HOLDS A CONTROLLING
30 INTEREST IN SUCH GAMING ENTITY, OR A SUBSIDIARY COMPANY THEREOF,

1 AND ANY OFFICER, DIRECTOR OR MANAGEMENT-LEVEL EMPLOYEE OF SUCH
2 LICENSEE SHALL BE PUNISHABLE BY A FINE OF NOT LESS THAN AN
3 AVERAGE SINGLE DAY'S GROSS TERMINAL REVENUE OF THE LICENSED
4 GAMING ENTITY DERIVED FROM THE OPERATION OF SLOT MACHINES AND
5 GROSS TABLE GAME REVENUE FROM THE OPERATION OF TABLE GAMES IN
6 THIS COMMONWEALTH; A SECOND VIOLATION OF THIS SECTION, WITHIN
7 FIVE YEARS OF THE FIRST VIOLATION, SHALL BE PUNISHABLE BY AT
8 LEAST A ONE-DAY SUSPENSION OF THE LICENSE HELD BY THE LICENSED
9 GAMING ENTITY AND A FINE NOT LESS THAN AN AVERAGE TWO DAYS'
10 GROSS REVENUE OF THE LICENSED GAMING ENTITY; A THIRD VIOLATION
11 OF THIS SECTION WITHIN FIVE YEARS OF THE SECOND VIOLATION SHALL
12 BE PUNISHABLE BY THE IMMEDIATE REVOCATION OF THE LICENSE HELD BY
13 THE LICENSED GAMING ENTITY. THE FIRST VIOLATION OF THIS SECTION
14 BY A MANUFACTURER OR SUPPLIER LICENSED PURSUANT TO THIS PART OR
15 BY ANY PERSON THAT HOLDS A CONTROLLING INTEREST IN SUCH
16 MANUFACTURER OR SUPPLIER, OR A SUBSIDIARY COMPANY THEREOF, AND
17 ANY OFFICER, DIRECTOR OR MANAGEMENT-LEVEL EMPLOYEE OF SUCH A
18 LICENSEE SHALL BE PUNISHABLE BY A FINE OF NOT LESS THAN ONE
19 DAY'S AVERAGE OF THE GROSS PROFIT FROM SALES MADE BY THE
20 MANUFACTURER OR SUPPLIER IN PENNSYLVANIA DURING THE PRECEDING
21 12-MONTH PERIOD OR PORTION THEREOF IN THE EVENT THE MANUFACTURER
22 OR SUPPLIER HAS NOT OPERATED IN PENNSYLVANIA FOR 12 MONTHS; A
23 SECOND VIOLATION OF THIS SECTION WITHIN FIVE YEARS OF THE FIRST
24 VIOLATION SHALL BE PUNISHABLE BY A ONE-MONTH SUSPENSION OF THE
25 LICENSE HELD BY THE MANUFACTURER OR SUPPLIER AND A FINE OF NOT
26 LESS THAN TWO TIMES ONE DAY'S AVERAGE OF THE GROSS PROFIT FROM
27 SALES MADE BY THE MANUFACTURER OR SUPPLIER IN PENNSYLVANIA
28 DURING THE PRECEDING 12-MONTH PERIOD OR PORTION THEREOF IN THE
29 EVENT THE MANUFACTURER OR SUPPLIER HAS NOT OPERATED IN
30 PENNSYLVANIA FOR 12 MONTHS. IN NO EVENT SHALL THE FINE IMPOSED

1 UNDER THIS SECTION BE IN AN AMOUNT LESS THAN \$50,000 FOR EACH
2 VIOLATION. IN ADDITION TO ANY FINE OR SANCTION THAT MAY BE
3 IMPOSED BY THE BOARD, ANY PERSON WHO MAKES A CONTRIBUTION IN
4 VIOLATION OF THIS SECTION COMMITS A MISDEMEANOR OF THE THIRD
5 DEGREE.

6 (D) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
7 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
8 SUBSECTION:

9 "CONTRIBUTION." ANY PAYMENT, GIFT, SUBSCRIPTION, ASSESSMENT,
10 CONTRACT, PAYMENT FOR SERVICES, DUES, LOAN, FORBEARANCE, ADVANCE
11 OR DEPOSIT OF MONEY OR ANY VALUABLE THING MADE TO A CANDIDATE OR
12 POLITICAL COMMITTEE FOR THE PURPOSE OF INFLUENCING ANY ELECTION
13 IN THIS COMMONWEALTH OR FOR PAYING DEBTS INCURRED BY OR FOR A
14 CANDIDATE OR COMMITTEE BEFORE OR AFTER ANY ELECTION. THE TERM
15 SHALL INCLUDE THE PURCHASE OF TICKETS FOR EVENTS INCLUDING
16 DINNERS, LUNCHEONS, RALLIES AND OTHER FUNDRAISING EVENTS; THE
17 GRANTING OF DISCOUNTS OR REBATES NOT AVAILABLE TO THE GENERAL
18 PUBLIC; OR THE GRANTING OF DISCOUNTS OR REBATES BY TELEVISION
19 AND RADIO STATIONS AND NEWSPAPERS NOT EXTENDED ON AN EQUAL BASIS
20 TO ALL CANDIDATES FOR THE SAME OFFICE; AND ANY PAYMENTS PROVIDED
21 FOR THE BENEFIT OF ANY CANDIDATE, INCLUDING PAYMENTS FOR THE
22 SERVICES OF A PERSON SERVING AS AN AGENT OF A CANDIDATE OR
23 COMMITTEE BY A PERSON OTHER THAN THE CANDIDATE OR COMMITTEE OR
24 PERSON WHOSE EXPENDITURES THE CANDIDATE OR COMMITTEE MUST
25 REPORT. THE TERM ALSO INCLUDES ANY RECEIPT OR USE OF ANYTHING OF
26 VALUE RECEIVED BY A POLITICAL COMMITTEE FROM ANOTHER POLITICAL
27 COMMITTEE AND ALSO INCLUDES ANY RETURN ON INVESTMENTS BY A
28 POLITICAL COMMITTEE.

29 "POLITICAL COMMITTEE." ANY COMMITTEE, CLUB, ASSOCIATION OR
30 OTHER GROUP OF PERSONS WHICH RECEIVES CONTRIBUTIONS OR MAKES

1 EXPENDITURES.

2 SECTION 14.2. SECTION 1514(B), (F), (G) AND (H) OF TITLE 4
3 ARE AMENDED TO READ:

4 § 1514. REGULATION REQUIRING EXCLUSION OF CERTAIN PERSONS.

5 * * *

6 (B) CATEGORIES TO BE DEFINED.--THE BOARD SHALL PROMULGATE
7 DEFINITIONS ESTABLISHING THOSE CATEGORIES OF PERSONS WHO SHALL
8 BE EXCLUDED PURSUANT TO THIS SECTION, INCLUDING CHEATS AND
9 PERSONS WHOSE PRIVILEGES FOR LICENSURE, CERTIFICATION, PERMIT OR
10 REGISTRATION HAVE BEEN REVOKED.

11 * * *

12 (F) NOTICE.--WHENEVER THE [BOARD PLACES] BUREAU SEEKS TO
13 PLACE THE NAME OF ANY PERSON ON A LIST PURSUANT TO THIS SECTION,
14 THE [BOARD] BUREAU SHALL SERVE NOTICE OF THIS FACT TO SUCH
15 PERSON BY PERSONAL SERVICE OR CERTIFIED MAIL AT THE LAST KNOWN
16 ADDRESS OF THE PERSON. THE NOTICE SHALL INFORM THE INDIVIDUAL OF
17 THE RIGHT TO REQUEST A HEARING UNDER SUBSECTION (G).

18 (G) HEARING.--WITHIN 30 DAYS AFTER RECEIPT OF NOTICE IN
19 ACCORDANCE WITH SUBSECTION (F), THE PERSON NAMED FOR EXCLUSION
20 OR EJECTION MAY DEMAND A HEARING BEFORE THE BOARD, AT WHICH
21 HEARING THE [BOARD] BUREAU SHALL HAVE THE AFFIRMATIVE OBLIGATION
22 TO DEMONSTRATE THAT THE PERSON NAMED FOR EXCLUSION OR EJECTION
23 SATISFIES THE CRITERIA FOR EXCLUSION ESTABLISHED BY THIS SECTION
24 AND THE BOARD'S REGULATIONS. FAILURE OF THE PERSON TO DEMAND A
25 HEARING WITHIN 30 DAYS AFTER SERVICE SHALL BE DEEMED AN
26 ADMISSION OF ALL MATTERS AND FACTS ALLEGED IN THE [BOARD'S]
27 BUREAU'S NOTICE AND SHALL PRECLUDE [A] THE PERSON FROM HAVING AN
28 ADMINISTRATIVE HEARING, BUT SHALL IN NO WAY AFFECT THE RIGHT TO
29 JUDICIAL REVIEW AS PROVIDED IN THIS SECTION.

30 (H) REVIEW.--IF, UPON COMPLETION OF A HEARING ON THE NOTICE

1 OF EXCLUSION OR EJECTION, THE BOARD DETERMINES THAT PLACEMENT OF
2 THE NAME OF THE PERSON ON THE EXCLUSION LIST IS APPROPRIATE, THE
3 BOARD SHALL MAKE AND ENTER AN ORDER TO THAT EFFECT, WHICH ORDER
4 SHALL BE SERVED ON ALL [SLOT MACHINE LICENSEES] LICENSED GAMING
5 ENTITIES. THE ORDER SHALL BE SUBJECT TO REVIEW BY THE
6 COMMONWEALTH COURT IN ACCORDANCE WITH THE RULES OF COURT.

7 SECTION 14.2. TITLE 4 IS AMENDED BY ADDING A SECTION TO
8 READ:

9 § 1516.1. PROSECUTORIAL AND ADJUDICATORY FUNCTIONS.

10 THE BOARD SHALL ADOPT REGULATIONS AND PROCEDURES NECESSARY TO
11 ENSURE THAT THE BUREAU OF INVESTIGATIONS AND ENFORCEMENT IS A
12 DISTINCT ENTITY AND TO PREVENT COMMINGLING OF THE INVESTIGATORY
13 AND PROSECUTORIAL FUNCTIONS OF THE BUREAU OF INVESTIGATIONS AND
14 ENFORCEMENT UNDER SECTION 1517 (RELATING TO INVESTIGATIONS AND
15 ENFORCEMENT) AND THE ADJUDICATORY FUNCTIONS OF THE BOARD.
16 REGULATIONS AND PROCEDURES UNDER THIS SECTION SHALL DO ALL OF ←
17 THE FOLLOWING:

18 (1) PROVIDE THAT THE EXECUTIVE DIRECTOR AND THE CHIEF
19 COUNSEL OF THE BOARD SHALL NOT DIRECT OR LIMIT THE SCOPE OF A
20 BACKGROUND INVESTIGATION CONDUCTED BY THE BUREAU.

21 (2) INCORPORATE SUBSECTION (C.1), ON PROHIBITIONS, OF
22 SECTION 1202.1(C.1) (RELATING TO CODE OF CONDUCT) AND ANY
23 OTHER APPLICABLE PROVISIONS OF SECTION 1202.1.

24 SECTION 15. SECTION 1517(A.1)(6), (B)(1), (C)(12) AND (E)(1)
25 OF TITLE 4 ARE AMENDED, SUBSECTION (A.2)(1) IS AMENDED BY ADDING
26 A SUBPARAGRAPH AND SUBSECTION (C) IS AMENDED BY ADDING ~~A~~ ←
27 ~~PARAGRAPH~~ PARAGRAPHS TO READ: ←

28 § 1517. INVESTIGATIONS AND ENFORCEMENT.

29 * * *

30 (A.1) POWERS AND DUTIES OF BUREAU.--THE BUREAU OF

1 INVESTIGATIONS AND ENFORCEMENT SHALL HAVE THE FOLLOWING POWERS
2 AND DUTIES:

3 * * *

4 (6) CONDUCT [AUDITS] REVIEWS OF A LICENSED ENTITY AS
5 NECESSARY TO ENSURE COMPLIANCE WITH THIS PART. [AN AUDIT] A
6 REVIEW MAY INCLUDE THE REVIEW OF ACCOUNTING, ADMINISTRATIVE
7 AND FINANCIAL RECORDS, MANAGEMENT CONTROL SYSTEMS, PROCEDURES
8 AND OTHER RECORDS UTILIZED BY A LICENSED ENTITY.

9 * * *

10 (A.2) OFFICE OF ENFORCEMENT COUNSEL.--

11 (1) THERE IS ESTABLISHED WITHIN THE BUREAU AN OFFICE OF
12 ENFORCEMENT COUNSEL WHICH SHALL ACT AS THE PROSECUTOR IN ALL
13 NONCRIMINAL ENFORCEMENT ACTIONS INITIATED BY THE BUREAU UNDER
14 THIS PART AND SHALL HAVE THE FOLLOWING POWERS AND DUTIES:

15 * * *

16 (IV) PETITION THE BOARD FOR THE APPOINTMENT OF A
17 TRUSTEE UNDER SECTION 1332 (RELATING TO APPOINTMENT OF
18 TRUSTEE).

19 * * *

20 (B) POWERS AND DUTIES OF DEPARTMENT.--

21 (1) THE DEPARTMENT SHALL AT ALL TIMES HAVE THE POWER OF
22 ACCESS TO EXAMINATION AND AUDIT OF ANY EQUIPMENT AND RECORDS
23 RELATING TO ALL ASPECTS OF THE OPERATION OF SLOT MACHINES OR
24 TABLE GAMES UNDER THIS PART.

25 * * *

26 (C) POWERS AND DUTIES OF THE PENNSYLVANIA STATE POLICE.--THE
27 PENNSYLVANIA STATE POLICE SHALL HAVE THE FOLLOWING POWERS AND
28 DUTIES:

29 * * *

30 (1.1) PROMPTLY CONDUCT A BACKGROUND INVESTIGATION ON AN



1 INDIVIDUAL SELECTED BY THE BOARD TO FILL THE POSITION OF
2 EXECUTIVE DIRECTOR OF THE BOARD, DIRECTOR OF THE BUREAU,
3 CHIEF COUNSEL OF THE BOARD OR THE DIRECTOR OF THE OFFICE OF
4 ENFORCEMENT COUNSEL AND SUBMIT THE RESULTS TO THE BOARD.

5 * * *

6 (12) CONDUCT AUDITS OR VERIFICATION OF INFORMATION OF
7 SLOT MACHINE OR TABLE GAME OPERATIONS AT SUCH TIMES, UNDER
8 SUCH CIRCUMSTANCES AND TO SUCH EXTENT AS THE BUREAU
9 DETERMINES. THIS PARAGRAPH INCLUDES REVIEWS OF ACCOUNTING,
10 ADMINISTRATIVE AND FINANCIAL RECORDS AND MANAGEMENT CONTROL
11 SYSTEMS, PROCEDURES AND RECORDS UTILIZED BY A SLOT MACHINE
12 LICENSEE.

13 * * *

14 (14) BY MARCH 1 OF EACH YEAR, THE COMMISSIONER OF THE
15 PENNSYLVANIA STATE POLICE SHALL SUBMIT A REPORT TO THE
16 APPROPRIATIONS COMMITTEE OF THE SENATE, THE COMMUNITY,
17 ECONOMIC AND RECREATIONAL DEVELOPMENT COMMITTEE OF THE
18 SENATE, THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF
19 REPRESENTATIVES AND THE GAMING OVERSIGHT COMMITTEE OF THE
20 HOUSE OF REPRESENTATIVES. THE REPORT SHALL SUMMARIZE LAW
21 ENFORCEMENT ACTIVITIES AT EACH LICENSED FACILITY DURING THE
22 PREVIOUS CALENDAR YEAR AND SHALL INCLUDE ALL OF THE
23 FOLLOWING:

24 (I) THE NUMBER OF ARRESTS AT EACH LICENSED FACILITY.

25 (II) A LIST OF SPECIFIC OFFENSES CHARGED FOR EACH
26 OFFENSE.

27 (III) THE NUMBER OF CRIMINAL PROSECUTIONS RESULTING
28 FROM ARRESTS.

29 (IV) THE NUMBER OF CONVICTIONS RESULTING FROM
30 PROSECUTIONS.

1 (V) THE NUMBER OF PENNSYLVANIA STATE POLICE TROOPERS
2 ASSIGNED TO EACH LICENSED FACILITY AND TO THE GAMING UNIT
3 AT THE PENNSYLVANIA STATE POLICE HEADQUARTERS.

4 ~~(VI) THE NUMBER AND NATURE OF DISCIPLINARY ACTIONS~~ ←
5 ~~TAKEN AND COMPLAINTS MADE AGAINST PENNSYLVANIA STATE~~
6 ~~POLICE TROOPERS IN A LICENSED FACILITY.~~

7 ~~(VII) THE CLOSEST LOCAL POLICE STATION, PENNSYLVANIA~~
8 ~~STATE POLICE STATION AND REGIONAL PENNSYLVANIA STATE~~
9 ~~POLICE HEADQUARTERS TO EACH LICENSED FACILITY.~~

10 * * *

11 (E) INSPECTION, SEIZURE AND WARRANTS.--

12 (1) THE BUREAU, THE DEPARTMENT AND THE PENNSYLVANIA
13 STATE POLICE SHALL HAVE THE AUTHORITY WITHOUT NOTICE AND
14 WITHOUT WARRANT TO DO ALL OF THE FOLLOWING IN THE PERFORMANCE
15 OF THEIR DUTIES:

16 (I) INSPECT AND EXAMINE ALL PREMISES WHERE SLOT
17 MACHINE OR TABLE GAME OPERATIONS ARE CONDUCTED, GAMING
18 DEVICES OR EQUIPMENT ARE MANUFACTURED, SOLD, DISTRIBUTED
19 OR SERVICED OR WHERE RECORDS OF THESE ACTIVITIES ARE
20 PREPARED OR MAINTAINED.

21 (II) INSPECT ALL EQUIPMENT AND SUPPLIES IN, ABOUT,
22 UPON OR AROUND PREMISES REFERRED TO IN SUBPARAGRAPH (I).

23 (III) SEIZE, SUMMARILY REMOVE AND IMPOUND EQUIPMENT
24 AND SUPPLIES FROM PREMISES REFERRED TO IN SUBPARAGRAPH
25 (I) FOR THE PURPOSES OF EXAMINATION AND INSPECTION.

26 (IV) INSPECT, EXAMINE AND AUDIT ALL BOOKS, RECORDS
27 AND DOCUMENTS PERTAINING TO A SLOT MACHINE LICENSEE'S
28 OPERATION.

29 (V) SEIZE, IMPOUND OR ASSUME PHYSICAL CONTROL OF ANY
30 BOOK, RECORD, LEDGER, GAME, DEVICE, CASH BOX AND ITS

1 CONTENTS, COUNTING ROOM OR ITS EQUIPMENT OR SLOT MACHINE
2 OR TABLE GAME OPERATIONS.

3 * * *

4 SECTION 16. SECTION 1517.2 OF TITLE 4 IS AMENDED TO READ:

5 § 1517.2. CONDUCT OF [PUBLIC OFFICIALS AND] BOARD EMPLOYEES.

6 (A) [EX PARTE DISCUSSION PROHIBITED.--AN ATTORNEY
7 REPRESENTING THE BUREAU OR THE OFFICE OF ENFORCEMENT COUNSEL, OR
8 AN EMPLOYEE OF THE BUREAU OR OFFICE INVOLVED IN THE HEARING
9 PROCESS, SHALL NOT DISCUSS THE CASE EX PARTE WITH A HEARING
10 OFFICER, CHIEF COUNSEL OR MEMBER] (RESERVED).

11 (B) [OTHER PROHIBITIONS.--A HEARING OFFICER, THE CHIEF
12 COUNSEL OR A MEMBER SHALL NOT DISCUSS OR EXERCISE ANY
13 SUPERVISORY RESPONSIBILITY OVER ANY EMPLOYEE WITH RESPECT TO AN
14 ENFORCEMENT HEARING WITH WHICH THE EMPLOYEE IS INVOLVED]
15 (RESERVED).

16 (C) DISQUALIFICATION.--IF IT BECOMES NECESSARY FOR THE CHIEF
17 COUNSEL OR MEMBER TO BECOME INVOLVED ON BEHALF OF THE BOARD IN
18 ANY ENFORCEMENT PROCEEDING, THE CHIEF COUNSEL OR MEMBER SHALL BE
19 PROHIBITED FROM PARTICIPATING IN THE ADJUDICATION OF THAT MATTER
20 AND SHALL DESIGNATE APPROPRIATE INDIVIDUALS TO EXERCISE
21 ADJUDICATORY FUNCTIONS.

22 SECTION 16.1. SECTION 1518(A)(2), (3), (4), (5), (7), (8),
23 (11) AND (13) AND (C)(1)(V) AND (3) OF TITLE 4 ARE AMENDED,
24 SUBSECTIONS (A) AND (B) ARE AMENDED BY ADDING PARAGRAPHS AND THE
25 SECTION IS AMENDED BY ADDING SUBSECTIONS TO READ:

26 § 1518. PROHIBITED ACTS; PENALTIES.

27 (A) CRIMINAL OFFENSES.--

28 * * *

29 (2) IT SHALL BE UNLAWFUL FOR A PERSON TO WILLFULLY:

30 (I) FAIL TO REPORT, PAY OR TRUTHFULLY ACCOUNT FOR

1 AND PAY OVER ANY LICENSE FEE, AUTHORIZATION FEE, TAX OR
2 ASSESSMENT IMPOSED UNDER THIS PART; OR

3 (II) ATTEMPT IN ANY MANNER TO EVADE OR DEFEAT ANY
4 LICENSE FEE, AUTHORIZATION FEE, TAX OR ASSESSMENT IMPOSED
5 UNDER THIS PART.

6 (3) IT SHALL BE UNLAWFUL FOR ANY LICENSED ENTITY, GAMING
7 EMPLOYEE, KEY EMPLOYEE OR ANY OTHER PERSON TO PERMIT A SLOT
8 MACHINE, TABLE GAME OR TABLE GAME DEVICE TO BE OPERATED,
9 TRANSPORTED, REPAIRED OR OPENED ON THE PREMISES OF A LICENSED
10 FACILITY BY A PERSON OTHER THAN A PERSON LICENSED OR
11 PERMITTED BY THE BOARD PURSUANT TO THIS PART.

12 (4) IT SHALL BE UNLAWFUL FOR ANY LICENSED ENTITY OR
13 OTHER PERSON TO MANUFACTURE, SUPPLY OR PLACE SLOT MACHINES,
14 TABLE GAMES OR TABLE GAME DEVICES INTO PLAY OR DISPLAY SLOT
15 MACHINES, TABLE GAMES OR TABLE GAME DEVICES ON THE PREMISE OF
16 A LICENSED FACILITY WITHOUT THE AUTHORITY OF THE BOARD.

17 (5) EXCEPT AS PROVIDED FOR IN SECTION 1326 (RELATING TO
18 LICENSE RENEWALS), IT SHALL BE UNLAWFUL FOR A LICENSED ENTITY
19 OR OTHER PERSON TO MANUFACTURE, SUPPLY, OPERATE, CARRY ON OR
20 EXPOSE FOR PLAY ANY SLOT MACHINE, TABLE GAME OR TABLE GAME
21 DEVICE AFTER THE PERSON'S LICENSE HAS EXPIRED AND PRIOR TO
22 THE ACTUAL RENEWAL OF THE LICENSE.

23 * * *

24 (7) (I) EXCEPT AS SET FORTH IN SUBPARAGRAPH (II), IT
25 SHALL BE UNLAWFUL FOR AN INDIVIDUAL TO USE OR POSSESS A
26 CHEATING OR THIEVING DEVICE, COUNTERFEIT OR ALTERED
27 BILLET, TICKET, TOKEN OR SIMILAR OBJECTS ACCEPTED BY A
28 SLOT MACHINE OR COUNTERFEIT OR ALTERED SLOT MACHINE-
29 ISSUED TICKETS OR VOUCHERS AT A LICENSED FACILITY.

30 (II) AN AUTHORIZED EMPLOYEE OF A LICENSEE OR AN

1 EMPLOYEE OF THE BOARD MAY POSSESS AND USE A CHEATING OR
2 THIEVING DEVICE, COUNTERFEIT OR ALTERED BILLET, TICKET,
3 TOKEN OR SIMILAR OBJECTS ACCEPTED BY A SLOT MACHINE OR
4 COUNTERFEIT OR ALTERED SLOT MACHINE-ISSUED TICKETS OR
5 VOUCHERS IN PERFORMANCE OF THE DUTIES OF EMPLOYMENT.

6 [(III) AS USED IN THIS PARAGRAPH, THE TERM "CHEATING
7 OR THIEVING DEVICE" INCLUDES, BUT IS NOT LIMITED TO, A
8 DEVICE TO FACILITATE THE ALIGNMENT OF ANY WINNING
9 COMBINATION OR TO REMOVE FROM ANY SLOT MACHINE MONEY OR
10 OTHER CONTENTS. THE TERM INCLUDES, BUT IS NOT LIMITED TO,
11 A TOOL, DRILL, WIRE, COIN OR TOKEN ATTACHED TO A STRING
12 OR WIRE AND ANY ELECTRONIC OR MAGNETIC DEVICE.]

13 (7.1) IT SHALL BE UNLAWFUL FOR AN INDIVIDUAL TO DO ANY
14 OF THE FOLLOWING:

15 (I) USE OR POSSESS COUNTERFEIT, MARKED, LOADED,
16 TAMPERED WITH OR ALTERED CHIPS OR OTHER CHEATING DEVICES
17 IN THE CONDUCT OF GAMING UNDER THIS PART, EXCEPT THAT AN
18 AUTHORIZED EMPLOYEE OF A LICENSEE OR AN AUTHORIZED
19 EMPLOYEE OF THE BOARD MAY POSSESS AND USE COUNTERFEIT
20 CHIPS, CARDS OR DICE THAT HAVE BEEN MARKED, LOADED OR
21 TAMPERED WITH, OR OTHER CHEATING DEVICES IN PERFORMANCE
22 OF THE DUTIES OF EMPLOYMENT FOR TRAINING OR TESTING
23 PURPOSES ONLY.

24 (II) KNOWINGLY, BY A TRICK OR SLEIGHT OF HAND
25 PERFORMANCE OR BY FRAUD OR FRAUDULENT SCHEME, CARDS, DICE
26 OR DEVICE, FOR THEMSELVES OR FOR ANOTHER, WIN OR ATTEMPT
27 TO WIN MONEY OR PROPERTY AT A LICENSED FACILITY OR A
28 REPRESENTATION OF EITHER OR REDUCE OR ATTEMPT TO REDUCE A
29 LOSING WAGER.

30 (8) (I) EXCEPT AS SET FORTH IN SUBPARAGRAPH (II), IT

1 SHALL BE UNLAWFUL FOR AN INDIVIDUAL TO KNOWINGLY POSSESS
2 OR USE WHILE ON THE PREMISES OF A LICENSED FACILITY A KEY
3 OR DEVICE DESIGNED FOR THE PURPOSE OF AND SUITABLE FOR
4 OPENING OR ENTERING ANY SLOT MACHINE, DROP BOX OR COIN
5 BOX WHICH IS LOCATED ON THE PREMISES OF THE LICENSED
6 FACILITY.

7 (II) AN AUTHORIZED EMPLOYEE OF A LICENSEE OR A
8 MEMBER OF THE BOARD MAY POSSESS AND USE A DEVICE REFERRED
9 TO IN SUBPARAGRAPH (I) IN THE PERFORMANCE OF THE DUTIES
10 OF EMPLOYMENT.

11 * * *

12 (11) IT SHALL BE UNLAWFUL FOR A LICENSED GAMING ENTITY
13 THAT IS A LICENSED RACING ENTITY AND THAT HAS LOST THE
14 LICENSE ISSUED TO IT BY EITHER THE STATE HORSE RACING
15 COMMISSION OR THE STATE HARNESS RACING COMMISSION UNDER THE
16 RACE HORSE INDUSTRY REFORM ACT OR THAT HAS HAD THAT LICENSE
17 SUSPENDED TO OPERATE SLOT MACHINES OR TABLE GAMES AT THE
18 RACETRACK FOR WHICH ITS SLOT MACHINE LICENSE WAS ISSUED
19 UNLESS THE LICENSE ISSUED TO IT BY EITHER THE STATE HORSE
20 RACING COMMISSION OR THE STATE HARNESS RACING COMMISSION WILL
21 BE SUBSEQUENTLY REISSUED OR REINSTATED WITHIN 30 DAYS AFTER
22 THE LOSS OR SUSPENSION.

23 * * *

24 (13) IT SHALL BE UNLAWFUL FOR ANY PERSON UNDER 18 YEARS
25 OF AGE TO BE PERMITTED IN THE AREA OF A LICENSED FACILITY
26 WHERE SLOT MACHINES OR TABLE GAMES ARE OPERATED.

27 (14) IT SHALL BE UNLAWFUL FOR ANY KEY EMPLOYEE, BOXMAN,
28 FLOORMAN OR ANY OTHER CASINO EMPLOYEE WHO SERVES IN A
29 SUPERVISORY POSITION TO SOLICIT OR ACCEPT AND FOR ANY OTHER
30 GAMING EMPLOYEE TO SOLICIT ANY TIP OR GRATUITY FROM ANY

1 PLAYER OR PATRON AT THE LICENSED FACILITY WHERE THE PERSON IS
2 EMPLOYED.

3 (15) IT SHALL BE UNLAWFUL FOR A LICENSED GAMING ENTITY
4 TO REQUIRE A WAGER TO BE GREATER THAN THE STATED MINIMUM OR
5 LESS THAN THE STATED MAXIMUM. HOWEVER, A WAGER MADE BY A
6 PATRON AND NOT REJECTED BY A LICENSED GAMING ENTITY PRIOR TO
7 COMMENCEMENT OF PLAY SHALL BE TREATED AS A VALID WAGER. A
8 WAGER ACCEPTED BY A DEALER SHALL BE PAID OR LOST IN ITS
9 ENTIRETY IN ACCORDANCE WITH THE RULES OF THE GAME,
10 NOTWITHSTANDING THAT THE WAGER EXCEEDED THE CURRENT TABLE
11 MAXIMUM WAGER OR WAS LOWER THAN THE CURRENT TABLE MINIMUM
12 WAGER.

13 (16) A PERSON THAT ENGAGES IN CONDUCT PROHIBITED BY 18
14 PA.C.S. § 6308 IN A LICENSED FACILITY COMMITS AN OFFENSE.

15 (17) IT SHALL BE UNLAWFUL FOR ANY PERSON TO CLAIM,
16 COLLECT OR TAKE, OR ATTEMPT TO CLAIM, COLLECT OR TAKE, MONEY
17 OR ANYTHING OF VALUE IN OR FROM A SLOT MACHINE, TABLE GAME OR
18 TABLE GAME DEVICE, WITH INTENT TO DEFRAUD, OR TO CLAIM,
19 COLLECT OR TAKE AN AMOUNT GREATER THAN THE AMOUNT WON, OR TO
20 MANIPULATE WITH THE INTENT TO CHEAT, ANY COMPONENT OF ANY
21 SLOT MACHINE, TABLE GAME OR TABLE GAME DEVICE IN A MANNER
22 CONTRARY TO THE DESIGNED AND NORMAL OPERATIONAL PURPOSE.

23 (B) CRIMINAL PENALTIES AND FINES.--

24 * * *

25 (3) A PERSON THAT VIOLATES SUBSECTION (A) (2), (3), (4),
26 (5), (6), (7), (7.1), (8), (9), (10), (11), (12), (14), (15)
27 OR (17) COMMITS A MISDEMEANOR OF THE FIRST DEGREE. A PERSON
28 THAT IS CONVICTED OF A SECOND OR SUBSEQUENT VIOLATION OF
29 SUBSECTION (A) (2), (3), (4), (5), (6), (7), (7.1), (8), (9),
30 (10), (11), (12) OR (17) COMMITS A FELONY OF THE SECOND

1 DEGREE.

2 (4) A PERSON THAT COMMITS AN OFFENSE IN VIOLATION OF
3 SUBSECTION (A) (13) COMMITS A SUMMARY OFFENSE AND UPON
4 CONVICTION OF A FIRST OFFENSE SHALL BE SENTENCED TO PAY A
5 FINE OF NOT LESS THAN \$200 NOR MORE THAN \$1,000. A PERSON
6 THAT IS CONVICTED OF A SECOND OR SUBSEQUENT OFFENSE SHALL BE
7 SENTENCED TO PAY A FINE OF NOT LESS THAN \$500 NOR MORE THAN
8 \$1,500. IN ADDITION TO THE FINE IMPOSED, ANY PERSON CONVICTED
9 OF AN OFFENSE UNDER SUBSECTION (A) (13) MAY BE SENTENCED TO
10 PERFORM A PERIOD OF COMMUNITY SERVICE NOT TO EXCEED 40 HOURS.

11 (5) A PERSON THAT COMMITS AN OFFENSE IN VIOLATION OF
12 SUBSECTION (A) (16) COMMITS AN OFFENSE TO BE GRADED IN
13 ACCORDANCE WITH 18 PA.C.S. § 6308 (RELATING TO PURCHASE,
14 CONSUMPTION, POSSESSION OR TRANSPORTATION OF LIQUOR OR MALT
15 OR BREWED BEVERAGES) AND SHALL BE SUBJECT TO THE SAME
16 PENALTIES IMPOSED PURSUANT TO 18 PA.C.S. §§ 6308 AND 6310.4
17 (RELATING TO RESTRICTION OF OPERATING PRIVILEGES) EXCEPT THAT
18 THE FINE IMPOSED FOR A VIOLATION OF SUBSECTION (A) (16) SHALL
19 BE NOT LESS THAN \$350 NOR MORE THAN \$1,000. THE POLICE
20 DEPARTMENT MAKING AN ARREST FOR A SUSPECTED VIOLATION OF
21 SUBSECTION (A) (16) SHALL NOTIFY THE PARENTS OR GUARDIAN OF
22 THE MINOR CHARGED.

23 (C) BOARD-IMPOSED ADMINISTRATIVE SANCTIONS.--

24 (1) IN ADDITION TO ANY OTHER PENALTY AUTHORIZED BY LAW,
25 THE BOARD MAY IMPOSE WITHOUT LIMITATION THE FOLLOWING
26 SANCTIONS UPON ANY LICENSEE OR PERMITTEE:

27 * * *

28 (V) SUSPEND THE LICENSE OF ANY LICENSED GAMING
29 ENTITY FOR VIOLATION OF OR ATTEMPTING TO VIOLATE ANY
30 PROVISIONS OF THIS PART OR REGULATIONS PROMULGATED UNDER

1 THIS PART RELATING TO ITS SLOT MACHINE OR TABLE GAME
2 OPERATIONS.

3 * * *

4 (3) IN ADDITION TO ANY OTHER FINES OR PENALTIES THAT THE
5 BOARD MAY IMPOSE UNDER THIS PART OR REGULATION, IF A PERSON
6 VIOLATES SUBSECTION (A) (2), THE BOARD SHALL IMPOSE AN
7 ADMINISTRATIVE PENALTY OF THREE TIMES THE AMOUNT OF THE
8 LICENSE FEE, AUTHORIZATION FEE, TAX OR OTHER ASSESSMENT
9 EVADED AND NOT PAID, COLLECTED OR PAID OVER. THIS SUBSECTION
10 IS SUBJECT TO 2 PA.C.S. CHS. 5 SUBCH. A AND 7 SUBCH. A.

11 (D) AIDING AND ABETTING.--A PERSON WHO AIDS, ABETS,
12 COUNSELS, COMMANDS, INDUCES, PROCURES OR CAUSES ANOTHER PERSON
13 TO VIOLATE A PROVISION OF THIS PART SHALL BE SUBJECT TO ALL
14 SANCTIONS AND PENALTIES, BOTH CIVIL AND CRIMINAL, PROVIDED UNDER
15 THIS PART.

16 (E) CONTINUING OFFENSES.--A VIOLATION OF THIS PART THAT IS
17 DETERMINED TO BE AN OFFENSE OF A CONTINUING NATURE SHALL BE
18 DEEMED TO BE A SEPARATE OFFENSE ON EACH EVENT OR DAY DURING
19 WHICH THE VIOLATION OCCURS. NOTHING IN THIS SECTION SHALL BE
20 CONSTRUED TO PRECLUDE THE COMMISSION OF MULTIPLE VIOLATIONS OF
21 THE PROVISIONS OF THIS PART IN ANY ONE DAY THAT ESTABLISH
22 OFFENSES CONSISTING OF SEPARATE AND DISTINCT ACTS OR VIOLATIONS
23 OF THE PROVISIONS OF THIS PART OR REGULATIONS PROMULGATED UNDER
24 THIS PART.

25 (F) PROPERTY SUBJECT TO SEIZURE, CONFISCATION, DESTRUCTION
26 OR FORFEITURE.--ANY EQUIPMENT, DEVICE OR APPARATUS, MONEY,
27 MATERIAL, GAMING PROCEEDS OR SUBSTITUTED PROCEEDS OR REAL OR
28 PERSONAL PROPERTY USED, OBTAINED OR RECEIVED OR ANY ATTEMPT TO
29 USE, OBTAIN OR RECEIVE THE DEVICE, APPARATUS, MONEY, MATERIAL,
30 PROCEEDS OR REAL OR PERSONAL PROPERTY IN VIOLATION OF THIS PART

1 SHALL BE SUBJECT TO SEIZURE, CONFISCATION, DESTRUCTION OR
2 FORFEITURE.

3 SECTION 17. TITLE 4 IS AMENDED BY ADDING SECTIONS TO READ:
4 § 1518.1. ADDITIONAL AUTHORITY.

5 (A) GENERAL RULE.--THE CHIEF ENFORCEMENT COUNSEL MAY
6 PETITION THE COMMONWEALTH COURT FOR AUTHORIZATION TO REVIEW OR
7 OBTAIN INFORMATION IN THE POSSESSION OF AN AGENCY IN THIS
8 COMMONWEALTH BY AVERRING ~~THAT THE BUREAU BELIEVES~~ SPECIFIC AND ←
9 ARTICULABLE FACTS DEMONSTRATING THAT THE AGENCY HAS IN ITS
10 POSSESSION INFORMATION MATERIAL TO ~~AN~~ A PENDING INVESTIGATION OR ←
11 INQUIRY BEING CONDUCTED BY THE BUREAU PURSUANT TO THIS PART AND
12 THAT DISCLOSURE OR RELEASE IS IN THE BEST INTEREST OF THE
13 COMMONWEALTH. THE PETITION SHALL REQUEST THAT THE COURT ENTER A
14 RULE UPON THE AGENCY TO SHOW CAUSE WHY THE AGENCY SHOULD NOT BE
15 DIRECTED TO DISCLOSE TO THE BUREAU OR IDENTIFIED AGENTS THEREOF,
16 INFORMATION IN ITS POSSESSION ABOUT ANY PENDING MATTER UNDER THE ←
17 JURISDICTION OF THE BUREAU ~~OR THE BOARD~~ PURSUANT TO THIS PART. ←
18 IF A RESPONDENT IS A LOCAL AGENCY, A COPY OF ANY RULE ISSUED
19 PURSUANT TO THIS SECTION SHALL BE PROVIDED TO THE DISTRICT
20 ATTORNEY OF THE COUNTY IN WHICH THE LOCAL AGENCY IS LOCATED AND ←
21 TO THE OFFICE OF ATTORNEY GENERAL. UPON REQUEST OF A LOCAL
22 AGENCY, THE DISTRICT ATTORNEY OR THE ATTORNEY GENERAL MAY ELECT ←
23 TO ENTER AN APPEARANCE TO REPRESENT THE LOCAL AGENCY IN THE
24 PROCEEDINGS.

25 (B) PROCEDURE.--THE FILING OF A PETITION PURSUANT TO THIS
26 SECTION AND RELATED PROCEEDINGS SHALL BE IN ACCORDANCE WITH
27 COURT RULE, INCLUDING ISSUANCE AS OF COURSE. A PARTY SHALL NOT
28 DISCLOSE THE FILING OF A PETITION OR ANSWER OR RECEIPT, CONTENT ←
29 OR DISPOSITION OF A RULE OR ORDER ISSUED PURSUANT TO THIS
30 SECTION WITHOUT LEAVE OF COURT. ANY PARTY TO THE PROCEEDINGS MAY

1 REQUEST THAT THE RECORD BE SEALED AND PROCEEDINGS BE CLOSED. THE
2 COURT SHALL GRANT THE REQUEST IF IT IS IN THE BEST INTEREST OF
3 ANY PERSON OR THE COMMONWEALTH TO DO SO.

4 (C) COURT DETERMINATION.--FOLLOWING REVIEW OF THE RECORD,
5 THE COURT SHALL GRANT THE RELIEF SOUGHT BY THE CHIEF ENFORCEMENT
6 COUNSEL, IF THE COURT DETERMINES THAT THE AGENCY HAS IN ITS
7 POSSESSION INFORMATION MATERIAL TO THE INVESTIGATION OR INQUIRY
8 AND THAT DISCLOSURE OR RELEASE OF THE INFORMATION IS IN THE BEST
9 INTEREST OF THE COMMONWEALTH, THAT THE DISCLOSURE OR RELEASE OF ←
10 THE INFORMATION IS NOT OTHERWISE PROHIBITED BY STATUTE OR
11 REGULATION AND THAT THE DISCLOSURE OR RELEASE OF THE INFORMATION
12 WOULD NOT INHIBIT AN AGENCY IN THE PERFORMANCE OF THE AGENCY'S
13 DUTIES. IF THE COURT SO DETERMINES, THE COURT SHALL ENTER AN
14 ORDER AUTHORIZING AND DIRECTING THE INFORMATION BE MADE
15 AVAILABLE FOR REVIEW IN CAMERA.

16 (D) RELEASE OF MATERIALS OR INFORMATION.--IF, AFTER AN IN
17 CAMERA REVIEW, THE CHIEF ENFORCEMENT COUNSEL SEEKS TO OBTAIN
18 COPIES OF MATERIALS IN THE AGENCY'S POSSESSION, THE COURT MAY,
19 NOTWITHSTANDING ANY OTHER PROVISION OF LAW IF NOT OTHERWISE ←
20 PROHIBITED BY STATUTE OR REGULATION, ENTER AN ORDER THAT THE
21 REQUESTED MATERIALS BE PROVIDED. ANY ORDER AUTHORIZING THE
22 RELEASE OF MATERIALS OR OTHER INFORMATION SHALL CONTAIN
23 DIRECTION REGARDING THE SAFEKEEPING AND USE OF THE MATERIALS OR
24 OTHER INFORMATION SUFFICIENT TO SATISFY THE COURT THAT THE
25 MATERIALS OR INFORMATION WILL BE SUFFICIENTLY SAFEGUARDED. IN
26 MAKING THIS DETERMINATION THE COURT SHALL CONSIDER THE INPUT OF
27 THE AGENCY CONCERNING ANY PENDING INVESTIGATION OR ONGOING ←
28 MATTER AND THE SAFETY OF PERSONS AND PROPERTY.

29 (E) MODIFICATION OF ORDER.--IF SUBSEQUENT INVESTIGATION OR
30 INQUIRY BY THE BOARD BUREAU WARRANTS MODIFICATION OF ANY ORDER ←

1 ENTERED PURSUANT TO THIS SECTION, THE CHIEF ENFORCEMENT COUNSEL
2 MAY PETITION TO REQUEST THE MODIFICATION. UPON SUCH REQUEST, THE
3 COURT MAY MODIFY ITS ORDERS AT ANY TIME AND IN ANY MANNER IT
4 DEEMS NECESSARY AND APPROPRIATE. THE AGENCY NAMED IN THE
5 ORIGINAL PETITION SHALL BE GIVEN NOTICE AND AN OPPORTUNITY TO BE
6 HEARD.

7 (F) USE OF INFORMATION OR MATERIALS.--ANY PERSON WHO, BY ANY
8 MEANS AUTHORIZED BY THIS SECTION, HAS OBTAINED KNOWLEDGE OF
9 INFORMATION OR MATERIALS SOLELY PURSUANT TO THIS SECTION MAY USE
10 SUCH INFORMATION OR MATERIALS IN A MANNER CONSISTENT WITH ANY
11 DIRECTIONS IMPOSED BY THE COURT AND APPROPRIATE TO THE PROPER
12 PERFORMANCE OF THE PERSON'S OFFICIAL DUTIES UNDER THIS PART.

13 (G) VIOLATION.--IN ADDITION TO ANY REMEDIES AND PENALTIES
14 PROVIDED IN THIS PART, ANY VIOLATION OF THE PROVISIONS OF THIS
15 SECTION MAY BE PUNISHED AS CONTEMPT OF THE COURT.

16 (H) DEFINITION.--AS USED IN THIS SECTION THE TERM "AGENCY"
17 SHALL MEAN A "COMMONWEALTH AGENCY" OR A "LOCAL AGENCY" AS THOSE
18 TERMS ARE DEFINED IN SECTION 102 OF THE ACT OF FEBRUARY 14,
19 2008, (P.L.6, NO.3) KNOWN AS THE RIGHT-TO-KNOW LAW.

20 § 1518.2. REPORT OF SUSPICIOUS TRANSACTIONS.

21 (A) DUTY.--THE HOLDER OF ANY SLOT MACHINE LICENSE OR A
22 PERSON ACTING ON BEHALF OF THE LICENSEE SHALL FILE A REPORT OF
23 ANY SUSPICIOUS TRANSACTION WITH THE BUREAU. THE FILING OF A
24 REPORT UNDER 31 CFR 103.21 (RELATING TO REPORTS BY CASINOS OF
25 SUSPICIOUS TRANSACTIONS) SHALL SATISFY THIS REQUIREMENT.

26 (B) FAILURE TO REPORT.--A PERSON REQUIRED UNDER THIS SECTION
27 TO FILE A REPORT OF A SUSPICIOUS TRANSACTION WHO KNOWINGLY FAILS
28 TO FILE A REPORT OF A SUSPICIOUS TRANSACTION OR WHO KNOWINGLY
29 CAUSES ANOTHER PERSON HAVING THAT RESPONSIBILITY TO FAIL TO FILE
30 A REPORT COMMITS A MISDEMEANOR OF THE THIRD DEGREE AND SHALL BE

1 SUBJECT TO THE SANCTIONS UNDER SECTION 1518(C) (RELATING TO
2 PROHIBITED ACTS; PENALTIES).

3 (C) BUREAU.--THE BUREAU SHALL MAINTAIN A RECORD OF ALL
4 REPORTS MADE UNDER THIS SECTION FOR A PERIOD OF FIVE YEARS. THE
5 BUREAU SHALL MAKE THE REPORTS AVAILABLE TO ANY FEDERAL OR STATE
6 LAW ENFORCEMENT AGENCY UPON WRITTEN REQUEST AND WITHOUT
7 NECESSITY OF SUBPOENA.

8 (D) NOTICE PROHIBITED.--A PERSON WHO IS REQUIRED TO FILE A
9 REPORT OF A SUSPICIOUS TRANSACTION UNDER THIS SECTION MAY NOT
10 NOTIFY ANY PERSON INVOLVED IN THE TRANSACTION THAT THE
11 TRANSACTION HAS BEEN REPORTED. ANY PERSON THAT VIOLATES THIS
12 SUBSECTION COMMITS A MISDEMEANOR OF THE THIRD DEGREE.

13 (E) IMMUNITY.--A PERSON WHO IS REQUIRED TO FILE A REPORT OF
14 A SUSPICIOUS TRANSACTION UNDER THIS SECTION WHO IN GOOD FAITH
15 MAKES THE REPORT SHALL NOT BE LIABLE IN ANY CIVIL ACTION BROUGHT
16 BY ANY PERSON FOR MAKING THE REPORT, REGARDLESS OF WHETHER THE
17 TRANSACTION IS LATER DETERMINED TO BE SUSPICIOUS.

18 (F) SANCTIONS.--

19 (1) IN CONSIDERING APPROPRIATE ADMINISTRATIVE SANCTIONS
20 AGAINST ANY PERSON UNDER SECTION 1518(C) FOR A VIOLATION OF
21 THIS SECTION, THE BOARD SHALL CONSIDER ALL OF THE FOLLOWING:

22 (I) THE RISK TO THE PUBLIC AND TO THE INTEGRITY OF
23 GAMING OPERATIONS CREATED BY THE CONDUCT OF THE PERSON.

24 (II) THE SERIOUSNESS OF THE CONDUCT OF THE PERSON
25 AND WHETHER THE CONDUCT WAS PURPOSEFUL AND WITH KNOWLEDGE
26 THAT IT WAS IN CONTRAVENTION OF THE PROVISIONS OF THIS
27 PART OR REGULATIONS PROMULGATED UNDER THIS PART.

28 (III) ANY JUSTIFICATION OR EXCUSE FOR THE CONDUCT BY
29 THE PERSON.

30 (IV) THE PRIOR HISTORY OF THE PARTICULAR LICENSEE OR

1 PERSON INVOLVED WITH RESPECT TO GAMING ACTIVITY.

2 (V) THE CORRECTIVE ACTION TAKEN BY THE SLOT MACHINE
3 LICENSEE TO PREVENT FUTURE MISCONDUCT OF A LIKE NATURE
4 FROM OCCURRING.

5 (VI) IN THE CASE OF A MONETARY PENALTY, THE AMOUNT
6 OF THE PENALTY IN RELATION TO THE SEVERITY OF THE
7 MISCONDUCT AND THE FINANCIAL MEANS OF THE LICENSEE OR
8 PERSON. THE BOARD MAY IMPOSE ANY SCHEDULE OR TERMS OF
9 PAYMENT OF SUCH PENALTY AS IT MAY DEEM APPROPRIATE.

10 (2) IT SHALL BE NO DEFENSE TO DISCIPLINARY ACTION BEFORE
11 THE BOARD THAT A PERSON INADVERTENTLY, UNINTENTIONALLY OR
12 UNKNOWNLY VIOLATED A PROVISION OF THIS SECTION. THE FACTORS
13 UNDER PARAGRAPH (1) SHALL ONLY GO TO THE DEGREE OF THE
14 PENALTY TO BE IMPOSED BY THE BOARD AND NOT TO A FINDING OF A
15 VIOLATION ITSELF.

16 (G) REGULATIONS.--THE BOARD SHALL PROMULGATE REGULATIONS TO
17 EFFECTUATE THE PURPOSES OF THIS SECTION.

18 § 1518.3. INAPPLICABILITY OF LIQUOR CODE.

19 THE PROVISION OF SECTION 471(C) OF THE ACT OF APRIL 12, 1951
20 (P.L.90, NO.21), KNOWN AS THE LIQUOR CODE, SHALL NOT APPLY TO A
21 PERSON WHO HOLDS A SLOT MACHINE LICENSE AND WHO HOLDS A LICENSE
22 ISSUED UNDER SECTION 404 OR 432 OF THE LIQUOR CODE.

23 SECTION 18. SECTION 1522 OF TITLE 4 IS AMENDED TO READ:

24 § 1522. INTERCEPTION OF ORAL COMMUNICATIONS.

25 THE INTERCEPTION AND RECORDING OF ORAL COMMUNICATIONS MADE IN
26 A [COUNTING] COUNT ROOM OF A LICENSED FACILITY BY A LICENSEE
27 SHALL NOT BE SUBJECT TO THE PROVISIONS OF 18 PA.C.S. CH. 57
28 (RELATING TO WIRETAPPING AND ELECTRONIC SURVEILLANCE). NOTICE
29 THAT ORAL COMMUNICATIONS ARE BEING INTERCEPTED AND RECORDED
30 SHALL BE POSTED CONSPICUOUSLY IN THE [COUNTING] COUNT ROOM.

1 SECTION 18.1. TITLE 4 IS AMENDED BY ADDING A SECTION TO
2 READ:

3 § 1523. ELECTRONIC FUNDS TRANSFER TERMINALS.

4 (A) PROHIBITION.--A SLOT MACHINE LICENSEE MAY NOT INSTALL,
5 OWN OR OPERATE OR ALLOW ANOTHER PERSON TO INSTALL, OWN OR
6 OPERATE ON THE PREMISES OF THE LICENSED FACILITY A SLOT MACHINE
7 OR TABLE GAME THAT IS PLAYED WITH A DEVICE THAT ALLOWS A PLAYER
8 TO OPERATE THE SLOT MACHINE OR TABLE GAME BY TRANSFERRING FUNDS
9 ELECTRONICALLY FROM A DEBIT CARD, CREDIT CARD OR BY MEANS OF AN ←
10 ELECTRONIC FUNDS TRANSFER TERMINAL.

11 (B) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
12 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
13 SUBSECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

14 "ELECTRONIC FUNDS TRANSFER TERMINAL." AN INFORMATION-
15 PROCESSING DEVICE OR AN AUTOMATIC TELLER MACHINE USED FOR
16 EXECUTING DEPOSIT ACCOUNT TRANSACTIONS BETWEEN FINANCIAL
17 INSTITUTIONS AND THEIR ACCOUNT HOLDERS BY EITHER THE DIRECT
18 TRANSMISSION OF ELECTRONIC IMPULSES OR THE RECORDING OF
19 ELECTRONIC IMPULSES FOR DELAYED PROCESSING. THE FACT THAT A
20 DEVICE IS USED FOR OTHER PURPOSES SHALL NOT PREVENT IT FROM
21 BEING CONSIDERED AN ELECTRONIC FUNDS TRANSFER TERMINAL UNDER
22 THIS DEFINITION.

23 SECTION 18.2. TITLE 4 IS AMENDED BY ADDING CHAPTERS TO READ:

24 CHAPTER 16

25 JUNKETS

26 SEC.

27 1601. GAMING JUNKETS AUTHORIZED.

28 1602. GAMING JUNKET ENTERPRISE LICENSE.

29 1603. ~~OTHER LICENSES~~ CLASSIFICATION SYSTEM. ←

30 1604. GAMING JUNKET REPRESENTATIVES.

- 1 1605. JUNKET AGREEMENTS.
- 2 1606. CONDUCT OF JUNKET.
- 3 1607. VIOLATION OF TERMS.
- 4 1608. RECORDS.
- 5 1609. REPORT.
- 6 1610. GAMING JUNKET ARRANGEMENT.
- 7 1611. PROHIBITIONS.
- 8 § 1601. GAMING JUNKETS AUTHORIZED.

9 THE BOARD MAY AUTHORIZE THE ORGANIZATION AND CONDUCT OF
10 GAMING JUNKETS SUBJECT TO THE PROVISIONS OF THIS CHAPTER. NO
11 GAMING JUNKET SHALL BE ORGANIZED OR PERMITTED TO OPERATE IN THIS
12 COMMONWEALTH AND NO PERSON SHALL ACT AS A JUNKET REPRESENTATIVE
13 OR JUNKET ENTERPRISE EXCEPT IN ACCORDANCE WITH THIS CHAPTER.

14 § 1602. GAMING JUNKET ENTERPRISE LICENSE.

15 (A) GAMING JUNKET ENTERPRISE LICENSE REQUIRED.--ALL GAMING
16 JUNKET ENTERPRISES SHALL OBTAIN A LICENSE FROM THE BOARD PRIOR
17 TO ACTING AS A GAMING JUNKET ENTERPRISE IN THIS COMMONWEALTH.

18 (B) APPLICATION.--A GAMING JUNKET ENTERPRISE LICENSE
19 APPLICATION SHALL BE IN A FORM PRESCRIBED BY THE BOARD AND SHALL
20 INCLUDE THE FOLLOWING:

21 (1) THE NAME, ADDRESS AND PHOTOGRAPH OF THE APPLICANT
22 ALL OWNERS, DIRECTORS, MANAGERS AND SUPERVISORY EMPLOYEES OF
23 A GAMING JUNKET ENTERPRISE.

24 (2) THE DETAILS OF A GAMING JUNKET ENTERPRISE LICENSE OR
25 SIMILAR LICENSE APPLIED FOR OR GRANTED OR DENIED TO THE
26 APPLICANT BY ANOTHER JURISDICTION.

27 (3) CONSENT FOR THE BOARD TO CONDUCT A BACKGROUND
28 INVESTIGATION, THE SCOPE OF WHICH SHALL BE DETERMINED BY THE
29 BOARD.

30 (4) ALL RELEASES NECESSARY FOR THE BOARD TO ACQUIRE

1 LICENSING DOCUMENTS AND OTHER INFORMATION NECESSARY TO
2 CONDUCT A BACKGROUND INVESTIGATION OR OTHERWISE EVALUATE THE
3 APPLICATION.

4 (5) A LIST OF ALL CIVIL JUDGMENTS OBTAINED AGAINST THE
5 APPLICANT PERTAINING TO A GAMING JUNKET ENTERPRISE WITH WHICH
6 THE APPLICANT HAS BEEN ASSOCIATED.

7 (6) A DESCRIPTION OF THE OPERATION AND ORGANIZATION OF
8 THE GAMING JUNKET ENTERPRISE.

9 (7) ANY ADDITIONAL INFORMATION REQUIRED BY THE BOARD.

10 (C) ENFORCEMENT INFORMATION.--IF THE APPLICANT HAS HELD A
11 GAMING JUNKET LICENSE OR GAMING JUNKET LICENSE OR OTHER GAMING
12 LICENSE IN ANOTHER JURISDICTION, THE APPLICANT MAY SUBMIT A
13 LETTER OF REFERENCE FROM THE GAMING ENFORCEMENT AGENCY IN THE
14 OTHER JURISDICTION. THE LETTER SHALL SPECIFY THE EXPERIENCES OF
15 THE AGENCY WITH THE APPLICANT, THE APPLICANT'S ASSOCIATES AND
16 THE APPLICANT'S GAMING JUNKET ENTERPRISE OR GAMING ACTIVITY. IF
17 NO LETTER IS RECEIVED WITHIN 30 DAYS OF THE APPLICANT'S REQUEST,
18 THE APPLICANT MAY SUBMIT A STATEMENT UNDER OATH, SUBJECT TO THE
19 PENALTY FOR FALSE SWEARING UNDER 18 PA.C.S. § 4903 (RELATING TO
20 FALSE SWEARING), THAT THE APPLICANT IS IN GOOD STANDING WITH THE
21 GAMING ENFORCEMENT AGENCY IN THE OTHER JURISDICTION.

22 (D) ISSUANCE.--FOLLOWING REVIEW OF THE APPLICATION AND
23 COMPLETION OF THE BACKGROUND INVESTIGATION, THE BOARD MAY ISSUE
24 A GAMING JUNKET ENTERPRISE LICENSE TO THE APPLICANT IF THE
25 APPLICANT HAS PROVEN BY CLEAR AND CONVINCING EVIDENCE THAT THE
26 APPLICANT IS A PERSON OF GOOD CHARACTER, HONESTY AND INTEGRITY
27 AND THAT THE APPLICANT'S ACTIVITIES, CRIMINAL RECORD,
28 REPUTATION, HABITS AND ASSOCIATIONS DO NOT POSE A THREAT TO THE
29 PUBLIC INTEREST OR SUITABLE OR LEGITIMATE OPERATION OF GAMING.

30 (E) FAILURE TO COOPERATE.--FAILURE TO PROVIDE REQUIRED

1 INFORMATION OR RELEASES UNDER THIS SECTION SHALL RESULT IN THE
2 IMMEDIATE DENIAL OF A LICENSE OR PERMIT.

3 (F) NONTRANSFERABILITY.--A LICENSE ISSUED UNDER THIS SECTION
4 SHALL BE NONTRANSFERABLE.

5 ~~§ 1603. OTHER LICENSES.~~ ←

6 ~~AN OWNER, DIRECTOR, MANAGER OR SUPERVISORY EMPLOYEE OF A~~
7 ~~GAMING JUNKET ENTERPRISE SHALL QUALIFY FOR AND OBTAIN A KEY~~
8 ~~EMPLOYEE LICENSE IN ACCORDANCE WITH SECTION 1311.2 (RELATING TO~~
9 ~~LICENSING OF KEY EMPLOYEES) OR A PRINCIPAL EMPLOYEE LICENSE~~
10 ~~UNDER SECTION 1311.1 (RELATING TO LICENSING OF PRINCIPALS) AS~~
11 ~~DEEMED APPROPRIATE BY THE BOARD.~~

12 § 1603. CLASSIFICATION SYSTEM. ←

13 THE BOARD SHALL DEVELOP A CLASSIFICATION SYSTEM FOR THE
14 REGULATION OF GAMING JUNKET ENTERPRISES AND THE INDIVIDUALS AND
15 ENTITIES ASSOCIATED WITH GAMING JUNKET ENTERPRISES.

16 § 1604. GAMING JUNKET REPRESENTATIVES.

17 (A) OCCUPATION PERMIT.--EXCEPT AS OTHERWISE PROVIDED IN
18 SUBSECTION (E), A GAMING JUNKET REPRESENTATIVE SHALL OBTAIN AN
19 OCCUPATION PERMIT FROM THE BOARD IN ACCORDANCE WITH SECTION 1318
20 (RELATING TO OCCUPATION PERMIT APPLICATION).

21 (B) APPLICATION.--IN ADDITION TO THE REQUIREMENTS OF SECTION
22 1308 (RELATING TO APPLICATIONS FOR LICENSE OR PERMIT), THE
23 APPLICATION FOR A GAMING JUNKET REPRESENTATIVE OCCUPATION PERMIT
24 SHALL BE IN A FORM PRESCRIBED BY THE BOARD AND SHALL INCLUDE THE
25 FOLLOWING:

26 (1) VERIFICATION OF EMPLOYMENT STATUS AS A GAMING JUNKET
27 REPRESENTATIVE WITH A LICENSED GAMING JUNKET ENTERPRISE.

28 (2) A DESCRIPTION OF EMPLOYMENT RESPONSIBILITIES.

29 (3) A CONSENT FORM TO ALLOW THE BOARD TO CONDUCT A
30 BACKGROUND INVESTIGATION, THE SCOPE OF WHICH SHALL BE

1 DETERMINED BY THE BOARD.

2 (4) A RELEASE FOR THE BOARD TO ACQUIRE COPIES OF
3 INFORMATION FROM GOVERNMENT AGENCIES, EMPLOYERS AND OTHERS AS
4 NECESSARY TO COMPLETE THE INVESTIGATION.

5 (5) FINGERPRINTS WHICH SHALL BE SUBMITTED TO THE
6 PENNSYLVANIA STATE POLICE.

7 (6) A PHOTOGRAPH THAT MEETS THE STANDARDS OF THE
8 COMMONWEALTH PHOTO IMAGING NETWORK.

9 (7) DETAILS RELATING TO A SIMILAR LICENSE, PERMIT OR
10 OTHER AUTHORIZATION OBTAINED IN ANOTHER JURISDICTION, IF ANY.

11 (8) ANY ADDITIONAL INFORMATION REQUIRED BY THE BOARD.

12 (C) ISSUANCE.--FOLLOWING REVIEW OF THE APPLICATION AND
13 BACKGROUND INVESTIGATION, THE BOARD MAY ISSUE AN OCCUPATION
14 PERMIT IF THE APPLICANT HAS PROVEN BY CLEAR AND CONVINCING
15 EVIDENCE THAT THE APPLICANT IS A PERSON OF GOOD CHARACTER,
16 HONESTY AND INTEGRITY AND IS ELIGIBLE AND SUITABLE TO RECEIVE AN
17 OCCUPATION PERMIT.

18 (D) NONTRANSFERABILITY.--AN OCCUPATION PERMIT ISSUED UNDER
19 THIS SECTION SHALL BE NONTRANSFERABLE.

20 (E) HOLDER OF OCCUPATION PERMIT.--NOTHING IN THIS SECTION
21 SHALL BE CONSTRUED TO PROHIBIT ~~A GAMING JUNKET REPRESENTATIVE AN~~ ←
22 INDIVIDUAL WHO HOLDS A VALID OCCUPATION PERMIT AND WHO IS
23 EMPLOYED BY A SLOT MACHINE LICENSEE ~~OR AN APPLICANT FOR A SLOT~~ ←
24 ~~MACHINE LICENSE~~ FROM ACTING AS A GAMING JUNKET REPRESENTATIVE. A ←
25 GAMING JUNKET REPRESENTATIVE NEED NOT BE A RESIDENT OF THIS
26 COMMONWEALTH.

27 § 1605. JUNKET AGREEMENTS.

28 AGREEMENTS ENTERED INTO BETWEEN A SLOT MACHINE LICENSEE AND A
29 GAMING JUNKET ENTERPRISE OR A GAMING JUNKET REPRESENTATIVE SHALL
30 INCLUDE A PROVISION FOR THE TERMINATION OF THE AGREEMENT WITHOUT

1 LIABILITY ON THE PART OF THE SLOT MACHINE LICENSEE IF:

2 (1) THE BOARD ORDERS THE SUSPENSION, LIMITATION,
3 CONDITIONING, DENIAL OR REVOCATION OF THE LICENSE OF A GAMING
4 JUNKET REPRESENTATIVE LICENSE OR OCCUPATION PERMIT OF A
5 GAMING JUNKET REPRESENTATIVE.

6 (2) THE BOARD FINDS THAT THE AGREEMENT IS NOT APPROVED
7 OR THAT IT IS TERMINATED. FAILURE TO EXPRESSLY INCLUDE THE
8 TERMINATION REQUIREMENT UNDER THIS SECTION IN THE AGREEMENT
9 SHALL NOT CONSTITUTE A DEFENSE IN AN ACTION BROUGHT RELATING
10 TO THE TERMINATION OF THE AGREEMENT.

11 § 1606. CONDUCT OF JUNKET.

12 A SLOT MACHINE LICENSEE SHALL BE RESPONSIBLE FOR THE CONDUCT
13 OF A GAMING JUNKET REPRESENTATIVE OR GAMING JUNKET ENTERPRISE
14 WITH WHICH THE SLOT MACHINE LICENSEE HAS AN AGREEMENT AND FOR
15 THE TERMS AND CONDITIONS OF A GAMING JUNKET ON ITS PREMISES.

16 § 1607. VIOLATION OF TERMS.

17 NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART, IF THE
18 BOARD DETERMINES THAT THE TERMS OF AN AGREEMENT TO CONDUCT A
19 GAMING JUNKET WERE VIOLATED BY A SLOT MACHINE LICENSEE, GAMING
20 JUNKET ENTERPRISE OR GAMING JUNKET REPRESENTATIVE, THE BOARD MAY
21 DO THE FOLLOWING:

22 (1) ORDER RESTITUTION TO GAMING JUNKET PATRONS.

23 (2) ASSESS CIVIL PENALTIES FOR A VIOLATION OR DEVIATION
24 FROM THE TERMS OF THE JUNKET AGREEMENT.

25 § 1608. RECORDS.

26 THE BOARD SHALL PRESCRIBE PROCEDURES AND FORMS TO RETAIN
27 RECORDS RELATING TO THE CONDUCT OF A GAMING JUNKET BY A SLOT
28 MACHINE LICENSEE. A SLOT MACHINE LICENSEE SHALL:

29 (1) MAINTAIN A REPORT DESCRIBING THE OPERATION OF A
30 GAMING JUNKET CONDUCTED AT ITS LICENSED FACILITY.

1 (2) SUBMIT TO THE BOARD AND THE BUREAU A LIST OF ALL ITS
2 EMPLOYEES WHO ~~ACT AS~~ CONDUCT BUSINESS ON BEHALF OF THE SLOT ←
3 MACHINE LICENSEE WITH GAMING JUNKET REPRESENTATIVES ON A
4 FULL-TIME, PART-TIME OR TEMPORARY BASIS.

5 (3) MAINTAIN RECORDS OF ALL AGREEMENTS ENTERED INTO WITH
6 A GAMING JUNKET ENTERPRISE OR GAMING JUNKET REPRESENTATIVE
7 FOR A MINIMUM OF FIVE YEARS.

8 (4) PROVIDE ANY OTHER INFORMATION RELATING TO A GAMING
9 JUNKET REQUIRED BY THE BOARD OR BUREAU.

10 § 1609. REPORT.

11 A SLOT MACHINE LICENSEE, GAMING JUNKET REPRESENTATIVE OR
12 GAMING JUNKET ENTERPRISE SHALL FILE A REPORT WITH THE BUREAU TO
13 INCLUDE A LIST OF GAMING JUNKET PATRONS OR POTENTIAL GAMING
14 JUNKET PATRONS PURCHASED BY THE SLOT MACHINE LICENSEE, GAMING
15 JUNKET REPRESENTATIVE OR GAMING JUNKET ENTERPRISE. THE REPORT
16 SHALL INCLUDE THE SOURCE OF THE LIST AND ZIP CODES OF PATRONS OR
17 POTENTIAL PATRONS ON A LIST PURCHASED DIRECTLY OR INDIRECTLY BY
18 A SLOT MACHINE LICENSEE, GAMING JUNKET REPRESENTATIVE OR GAMING
19 JUNKET ENTERPRISE. NOTHING IN THIS SECTION SHALL REQUIRE THE
20 REPORTING OR MAINTENANCE OF PERSONAL IDENTIFYING INFORMATION
21 PERTAINING TO PATRON OR POTENTIAL PATRONS.

22 § 1610. GAMING JUNKET ARRANGEMENT.

23 UPON PETITION BY A SLOT MACHINE LICENSEE, THE BOARD MAY GRANT
24 AN EXEMPTION FROM THE REQUIREMENTS OF THIS PART TO A GAMING
25 JUNKET REPRESENTATIVE. THE BOARD SHALL CONSULT WITH THE BUREAU
26 PRIOR TO GRANTING AN EXEMPTION UNDER THIS SECTION AND SHALL
27 CONSIDER THE FOLLOWING:

28 (1) THE TERMS OF THE GAMING JUNKET ARRANGEMENT.

29 (2) THE NUMBER AND SCOPE OF GAMING JUNKETS.

30 (3) WHETHER THE EXEMPTION IS CONSISTENT WITH THE

1 POLICIES AND PURPOSES OF THIS PART.

2 (4) ANY OTHER FACTOR DEEMED NECESSARY BY THE BUREAU OR
3 BOARD.

4 THE BOARD MAY CONDITION, LIMIT OR RESTRICT THE EXEMPTION.

5 § 1611. PROHIBITIONS.

6 A GAMING JUNKET ENTERPRISE OR GAMING JUNKET REPRESENTATIVE
7 SHALL NOT DO ANY OF THE FOLLOWING:

8 (1) ENGAGE IN EFFORTS TO COLLECT ON CHECKS THAT HAVE
9 BEEN RETURNED BY A BANK OR OTHER FINANCIAL INSTITUTION
10 WITHOUT PAYMENT.

11 (2) EXERCISE APPROVAL AUTHORITY OVER THE AUTHORIZATION
12 OR ISSUANCE OF CREDIT UNDER SECTION 1326A (RELATING TO
13 WAGERING POLICIES).

14 (3) RECEIVE OR RETAIN A FEE FROM A PATRON FOR THE
15 PRIVILEGE OF PARTICIPATING IN A GAMING JUNKET.

16 (4) PAY FOR ANY SERVICE, INCLUDING TRANSPORTATION, OR
17 OTHER THING OF VALUE PROVIDED TO A PATRON PARTICIPATING IN A
18 GAMING JUNKET EXCEPT AS AUTHORIZED BY THIS PART.

19 CHAPTER 17

20 GAMING SCHOOLS

21 SEC.

22 1701. CURRICULUM.

23 1702. GAMING SCHOOL GAMING EQUIPMENT.

24 § 1701. CURRICULUM.

25 THE DEPARTMENT OF EDUCATION, IN CONSULTATION WITH THE BOARD,
26 SHALL DEVELOP CURRICULUM GUIDELINES, INCLUDING MINIMUM
27 PROFICIENCY REQUIREMENTS ESTABLISHED BY THE BOARD, FOR GAMING
28 SCHOOL INSTRUCTION. THE GUIDELINES SHALL, AT A MINIMUM,
29 ESTABLISH COURSES OF INSTRUCTION THAT WILL PROVIDE INDIVIDUALS
30 WITH ADEQUATE TRAINING NECESSARY TO OBTAIN EMPLOYMENT AS A

1 GAMING EMPLOYEE WITH A LICENSED GAMING ENTITY.

2 § 1702. GAMING SCHOOL GAMING EQUIPMENT.

3 (A) USE OF GAMING EQUIPMENT.--ALL GAMING EQUIPMENT UTILIZED
4 BY A GAMING SCHOOL, INCLUDING TABLE GAME DEVICES AND ALL
5 REPRESENTATIONS OF VALUE, SHALL BE USED FOR TRAINING,
6 INSTRUCTIONAL AND PRACTICE PURPOSES ONLY. THE USE OF ANY SUCH
7 GAMING EQUIPMENT FOR ACTUAL GAMING BY ANY PERSON IS PROHIBITED.

8 (B) CHIPS.--UNLESS THE BOARD OTHERWISE DETERMINES, ALL
9 GAMING CHIPS AND OTHER REPRESENTATIONS OF VALUE UTILIZED BY A
10 GAMING SCHOOL SHALL BE DISTINCTLY DISSIMILAR TO ANY GAMING CHIPS
11 AND REPRESENTATIONS OF VALUE UTILIZED BY A SLOT MACHINE
12 LICENSEE.

13 (C) POSSESSION, REMOVAL AND TRANSPORT OF EQUIPMENT.--NO
14 GAMING SCHOOL SHALL POSSESS, REMOVE OR TRANSPORT, OR CAUSE TO BE
15 REMOVED OR TRANSPORTED, ANY SLOT MACHINE, TABLE GAME DEVICE OR
16 ASSOCIATED EQUIPMENT EXCEPT IN ACCORDANCE WITH THIS PART.

17 (D) SERIAL NUMBERS.--EACH SLOT MACHINE, TABLE GAME DEVICE
18 AND ASSOCIATED EQUIPMENT ON THE PREMISES OF A GAMING SCHOOL
19 SHALL HAVE PERMANENTLY AFFIXED ON IT A SERIAL NUMBER WHICH,
20 TOGETHER WITH THE LOCATION OF THE MACHINE OR TABLE GAME DEVICE,
21 SHALL BE FILED WITH THE BOARD.

22 (E) SECURITY.--EACH GAMING SCHOOL SHALL PROVIDE ADEQUATE
23 SECURITY FOR THE SLOT MACHINES, TABLE GAMES, TABLE GAME DEVICES
24 AND ASSOCIATED EQUIPMENT ON THE GAMING SCHOOL PREMISES.

25 (F) NOTICE TO BOARD AND BUREAU.--NO GAMING SCHOOL SHALL SELL
26 OR TRANSFER ANY SLOT MACHINE, TABLE GAME, TABLE GAME DEVICE OR
27 ASSOCIATED EQUIPMENT EXCEPT UPON PRIOR WRITTEN NOTICE TO THE
28 BOARD AND THE BUREAU AND THE REMOVAL OF ALL SERIAL NUMBERS
29 REQUIRED BY THIS SECTION.

30 (G) ADDITIONAL TRAINING.--EACH GAMING EMPLOYEE ATTENDING



1 GAMING SCHOOL SHALL BE TRAINED IN CARDIOPULMONARY RESUSCITATION.

2 SECTION 19. NO LATER THAN 90 DAYS AFTER THE EFFECTIVE DATE
3 OF THIS ACT, THE PENNSYLVANIA GAMING CONTROL BOARD SHALL
4 TRANSFER THE SUM OF \$12,500,000 FROM THE AMOUNTS PREVIOUSLY
5 APPROPRIATED TO THE PENNSYLVANIA GAMING CONTROL BOARD PURSUANT
6 TO 4 PA.C.S. § 1408 TO THE GENERAL FUND.

7 SECTION 20. THE AMENDMENT OF 4 PA.C.S. § 1213 SHALL NOT
8 APPLY TO ANY OF THE FOLLOWING:

9 (1) AN APPLICATION SUBMITTED BEFORE THE EFFECTIVE DATE
10 OF THIS SECTION.

11 (2) ANY LICENSE OR PERMIT ISSUED PRIOR TO THE EFFECTIVE
12 DATE OF THIS SECTION.

13 (3) THE RENEWAL OF ANY LICENSE OR PERMIT ISSUED PRIOR TO
14 THE EFFECTIVE DATE OF THIS SECTION.

15 SECTION 20.1. THE AMENDMENT OF 4 PA.C.S. § 1202(A)(2) AND
16 THE ADDITION OF 4 PA.C.S. § 1517(C)(1.1) SHALL NOT APPLY TO AN
17 INDIVIDUAL:

18 (1) WHO, ON JULY 1, 2009, WAS SERVING OFFICIALLY OR
19 ACTING AS EXECUTIVE DIRECTOR OF THE PENNSYLVANIA GAMING
20 CONTROL BOARD, CHIEF COUNSEL OF THE BOARD, OR THE DIRECTOR OF
21 THE OFFICE OF ENFORCEMENT COUNSEL WITHIN THE BUREAU OF
22 INVESTIGATIONS AND ENFORCEMENT AND;

23 (2) ON WHOM THE BUREAU OR THE PENNSYLVANIA STATE POLICE
24 COMPLETED A BACKGROUND INVESTIGATION AS A CONDITION OF
25 EMPLOYMENT WITH THE BOARD.

26 SECTION 21. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.

