

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2176 Session of
1991

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TIGUE, KUKOVICH, JOSEPHS, LEVDANSKY, WOZNIAK, MRKONIC,
KRUSZEWSKI, CESSAR, ANDERSON AND CORNELL, NOVEMBER 12, 1991

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
NOVEMBER 26, 1991

AN ACT

1 Authorizing limited gambling on excursion boats; imposing a tax
2 on adjusted gross receipts from such gambling; requiring
3 licenses; imposing fees; providing penalties for violations;
4 establishing a restricted receipt account in the Lottery
5 Fund; and making an appropriation.

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26 SECTION 26. LOTTERY FUND RESTRICTED ACCOUNT.

27 SECTION 27. TEMPORARY GUIDELINES.

28 SECTION 28. APPROPRIATION.

29 SECTION 29. EFFECTIVE DATE.

30 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

2 Section 1. Short title.

3 This act shall be known and may be cited as the Excursion
4 Boat Gambling Act for Waterfront Economic Development.

5 SECTION 2. GENERAL PURPOSES AND STATEMENT OF POLICY.

<—

6 THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES AS FOLLOWS TO
7 BE THE PUBLIC POLICY OF THIS COMMONWEALTH THAT:

8 (1) THE DEVELOPMENT OF A HISTORIC RIVERBOAT INDUSTRY IS
9 IMPORTANT TO THE ECONOMY OF THIS COMMONWEALTH IN THAT IT WILL
10 ASSIST IN THE CONTINUING GROWTH OF THE TOURISM INDUSTRY AND
11 THUS WILL BENEFIT THE GENERAL WELFARE OF OUR CITIZENS AND
12 CREATE NEW JOBS. IT IS THE INTENT OF THIS ACT TO UTILIZE
13 RESOURCES, GOODS AND SERVICES IN THE OPERATION AND
14 CONSTRUCTION OF RIVERBOATS TO THE EXTENT ALLOWABLE BY LAW, AS
15 DEFINED IN THIS ACT.

16 (2) RIVERBOATS WHICH OPERATE CERTAIN LIMITED DURATION
17 EXCURSIONS AND CONDUCT GAMING ACTIVITIES THEREON SHALL BE
18 LICENSED AND SUPERVISED THROUGH THE PERIOD OF CONSTRUCTION OF
19 THE VESSEL CONTINUING THROUGH TO THE OPERATION OF THE VESSEL,
20 AND FURTHER GAMING-RELATED EMPLOYEES OF SUCH RIVERBOATS,
21 GAMING OPERATORS, MANUFACTURERS, SUPPLIERS AND DISTRIBUTORS
22 OF GAMING DEVICES AND EQUIPMENT SHALL THEREFORE BE REGULATED,
23 LICENSED AND CONTROLLED IN SUCH A MANNER AS TO ACCOMPLISH AND
24 PROMOTE THE ABOVE PUBLIC POLICIES IN SUCH A MANNER AS TO
25 PROTECT THE PUBLIC HEALTH, SAFETY, MORALS, GOOD ORDER AND
26 GENERAL WELFARE OF OUR CITIZENS.

27 (3) IT IS THE EXPRESS INTENT, DESIRE AND POLICY OF THE
28 GENERAL ASSEMBLY THAT NO GAMING OPERATOR, APPLICANT FOR A
29 LICENSE, PERMIT, OR OTHER THING EXISTING, ISSUED OR LET AS A
30 RESULT OF THIS ACT SHALL HAVE ANY RIGHT OF ACTION TO OBTAIN

1 ANY LICENSE, PERMIT OR THE GRANTING OF THE APPROVAL SOUGHT
2 EXCEPT AS PROVIDED FOR AND AUTHORIZED BY THIS ACT. ANY
3 LICENSE, PERMIT, APPROVAL OR THING OBTAINED OR ISSUED
4 PURSUANT TO THE PROVISIONS OF THIS ACT IS EXPRESSLY DECLARED
5 BY THE GENERAL ASSEMBLY TO BE A PURE AND ABSOLUTE REVOCABLE
6 PRIVILEGE AND NOT A RIGHT, PROPERTY OR OTHERWISE, UNDER THE
7 CONSTITUTION OF THE UNITED STATES OR THE CONSTITUTION OF
8 PENNSYLVANIA. FURTHER, THE GENERAL ASSEMBLY DECLARES THAT NO
9 HOLDER OF ANY LICENSE OR PERMIT ACQUIRES AND VESTED INTEREST
10 OF RIGHT THEREIN OR THEREUNDER.

11 Section ~~2~~ 3. Definitions. <—

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

15 "Adjusted gross receipts." The gross receipts less winnings
16 paid to wagerers.

17 "Applicant." A person, including an individual, partnership,
18 corporation or association applying for an occupational license
19 or applying for a license to operate an excursion gambling boat.

20 "Cheat." To alter the selection of criteria which determine
21 the result of a gambling game or the amount or frequency of
22 payment in a gambling game.

23 "Commission." The Excursion Boat Gambling Commission created
24 under this act.

25 "Distributor." A person who sells, markets or otherwise
26 distributes gambling games, devices or implements of gambling
27 which are usable in the lawful conduct of gambling games
28 pursuant to this act to a licensee authorized to conduct
29 gambling games pursuant to this act.

30 "Dock." The location where an excursion gambling boat is

1 ~~continuously docked or where it moors~~ MOORED for the purpose of <—
2 embarking passengers for and disembarking passengers from a
3 gambling excursion.

4 "Excursion gambling boat." A MOTORIZED self-propelled <—
5 excursion boat, having a capacity of at least 200 persons, on
6 which lawful gambling is authorized and licensed as provided in
7 this act.

8 ~~"Excursion season." The period of time beginning March 1 and~~ <—
9 ~~ending November 30.~~

10 "EXCURSION SEASON." THE PERIOD OF TIME BEGINNING JANUARY 1 <—
11 AND ENDING DECEMBER 31, EXCEPT AS LIMITED BY THE COMMISSION.

12 "Fund." The Excursion Boat Gambling Proceeds Fund
13 established in section ~~25~~ 26. <—

14 ~~"Gambling device." A slot machine or video game of chance.~~ <—

15 "Gambling game." Includes, but is not limited to, twenty-
16 one, poker, keno layout, dice, slot machine, video game of
17 chance or roulette wheel and any other game as may be authorized
18 by this act.

19 "Gross receipts." The total sums wagered under this act.

20 "Holder of occupational license." A person licensed by the
21 Excursion Boat Gambling Commission to perform an occupation
22 which the commission has identified as requiring a license to
23 engage in excursion boat gambling.

24 "Implements of gambling." Any product, device or component
25 thereof the use of which directly influences the outcome of a
26 gambling game.

27 "Law enforcement agency." Any State or local police
28 department or law enforcement agency having the power to
29 exercise jurisdiction over excursion boat gambling.

30 "Licensee." A person licensed under this act.

1 "Manufacturer." A person who designs, assembles, fabricates,
2 produces, constructs or otherwise prepares a product or a
3 component part of a product of any implement of gambling usable
4 in the lawful conduct of gambling games pursuant to this act.

5 "MOORING." THE SECURING OR CONFINING OF A VESSEL IN A <—
6 PARTICULAR STATION, AS BY CABLES AND ANCHORS OR BY A LINE OR
7 CHAIN TO THE WHARF OR DOCK.

8 "Municipality." A city of the first class; a city of the
9 second class; or only a city of the third class located on the
10 Great Lakes and a county of the second class.

11 "NAVIGABLE WATERS." THOSE RIVERS, STREAMS OR OTHER BODIES OF <—
12 WATER, WHICH BY ITSELF OR IN UNISON WITH OTHER BODIES OF WATERS
13 FORM A CONTINUED HIGHWAY OVER WHICH COMMERCE MAY BE CARRIED ON
14 WITH OTHER STATES OR COUNTRIES.

15 "OCCUPATIONAL LICENSE." THE TERM INCLUDES, BUT IS NOT
16 LIMITED TO, THE PERMIT OF A PERSON EMPLOYED IN THE OPERATION OR
17 SUPERVISION OF A GAMING ACTIVITY ON A BOAT AND INCLUDES PIT
18 BOSSES, FLOORMEN, BOXMEN, DEALERS OR CROUPIERS, MACHINE
19 MECHANICS, DESIGNATED GAMING AREA SECURITY EMPLOYEES, COUNT ROOM
20 PERSONNEL, CAGE PERSONNEL, SLOT MACHINE AND SLOT BOOTH
21 PERSONNEL, CREDIT AND COLLECTION PERSONNEL, CASINO SURVEILLANCE
22 PERSONNEL AND SUPERVISORY EMPLOYEES EMPOWERED TO MAKE
23 DISCRETIONARY DECISIONS THAT REGULATE GAMING ACTIVITIES,
24 INCLUDING SHIFT BOSSES, CREDIT EXECUTIVES, CASINO CASHIER
25 SUPERVISORS, GAMING MANAGERS AND ASSISTANT MANAGERS AND ANY
26 INDIVIDUAL, OTHER THAN NONGAMING, EQUIPMENT MAINTENANCE
27 PERSONNEL, CLEANING PERSONNEL, WAITERS, WAITRESSES AND
28 SECRETARIES WHOSE EMPLOYMENT DUTIES REQUIRE OR AUTHORIZE ACCESS
29 TO DESIGNATED GAMING AREAS.

30 "Operator." A person who is licensed to operate an excursion

1 gambling boat that he owns.

2 "VALID PETITION." A PETITION SIGNED BY A NUMBER OF ELECTORS <—
3 EQUAL TO AT LEAST 25% OF THE HIGHEST VOTE CAST FOR ANY OFFICE IN
4 THE MUNICIPALITY AT THE LAST PRECEDING GENERAL ELECTION.

5 Section 3 4. Application of act. <—

6 This act applies only to excursion boat gambling. It does not
7 apply to horse racing, the State lottery, bingo or any other
8 type of gambling.

9 Section 4 5. Powers and authority. <—

10 (A) POWERS AND DUTIES ENUMERATED.--The commission shall have <—
11 full jurisdiction over and shall supervise all gambling
12 operations governed by this act, and shall have the following
13 powers:

14 (1) To investigate and determine the eligibility of
15 applicants for a license, and to select among competing
16 applicants, the applicant or applicants which best serve the
17 interests of the citizens of this Commonwealth.

18 (2) To license operators, to identify occupations within <—
19 the excursion gambling boat operations which require
20 licensing, to adopt standards for licensing the occupations,
21 NOT MORE THAN TEN OPERATORS PER COUNTY, TO ADOPT STANDARDS <—
22 GOVERNING AND TO LICENSE OCCUPATIONS WITHIN THE EXCURSION
23 GAMBLING BOAT OPERATIONS WHICH REQUIRE LICENSING, and to
24 establish fees.

25 (3) To adopt standards under which all excursion
26 gambling boat operations shall be held and standards for the
27 facilities within which the gambling operations shall be
28 held. The commission may authorize the operation of gambling
29 games on an excursion gambling boat which is also licensed BY <—
30 THE PENNSYLVANIA LIQUOR CONTROL BOARD to sell or serve

1 alcoholic beverages, wine or beer.

2 (4) To regulate the wagering structure for gambling
3 excursions, including providing a maximum wager of \$5 per
4 hand or play and a maximum loss of \$200 per individual player
5 per gambling excursion.

6 (5) To enter the office, excursion gambling boat,
7 facilities or other places of business of a licensee to
8 determine compliance with this act.

9 (6) To investigate alleged violations of this act or
10 commission rules, regulations, orders or decisions, and, in
11 the course of such investigations, to seize and impound books
12 and records of operations, supplies, equipment, cash boxes,
13 counting rooms, games or gaming devices, and to take
14 appropriate disciplinary action against a licensee or a
15 holder of an occupational license for a violation, or refer
16 the same to the appropriate law enforcement agency.

17 (7) To require a licensee, an employee of a licensee or
18 holder of an occupational license to remove a person
19 violating a provision of this act or the commission rules,
20 orders, final orders or other person deemed to be undesirable
21 from the excursion gambling boat facilities.

22 (8) To require the removal of a licensee, an employee of
23 a licensee or a holder of an occupational license for a
24 violation of this act or a commission rule, regulation, order
25 or decision or for engaging in a fraudulent practice.

26 (9) To impose CIVIL fines upon any corporation, <—
27 association or person participating in any way at any place
28 where any excursion boat gambling is conducted, other than as
29 a patron and whether licensed by the commission or not, for a
30 violation of any provision of this act or the rules and

1 regulations promulgated by the commission, not exceeding
2 \$5,000 for each violation. Each day a violation continues
3 shall be considered a separate violation. The fines shall be
4 paid into the State Treasury through the Department of
5 Revenue and credited to the Lottery Fund.

6 (10) To require an operator to file an annual balance
7 sheet and profit and loss statement pertaining to the
8 operator's gambling activities in this Commonwealth, together
9 with a list of the stockholders or other persons having any
10 equity or beneficial interest in the gambling activities of
11 each operator.

12 (11) To issue subpoenas for the attendance of witnesses
13 and subpoenas duces tecum for the production of books,
14 records and other pertinent documents and to administer oaths
15 and affirmations to witnesses.

16 (12) To keep accurate and complete records of its
17 proceedings and to certify the records as may be appropriate.

18 (13) To assess CIVIL fines and revoke or suspend
19 licenses. <—

20 (14) To take any other action as may be reasonable or
21 appropriate to enforce this act and commission rules,
22 regulations, orders and decisions.

23 (15) To require all licensees of gambling game
24 operations to utilize a cashless wagering system whereby all
25 players' money is converted to tokens, electronic cards or
26 chips which can be used only for wagering on the excursion
27 gambling boat.

28 (16) To DETERMINE WHICH GAMBLING GAMES MAY BE PLAYED ON <—
29 THE EXCURSION GAMBLING BOATS PURSUANT TO THIS ACT, AND TO
30 ensure that the gambling games authorized under this act are

1 conducted fairly. No gambling device shall be set to pay out
2 less than 80% of all wagers.

3 (17) TO ESTABLISH SPECIFICATIONS FOR THE DESIGN, <—
4 APPEARANCE, ACCOMMODATION AND CONSTRUCTION OF EXCURSION
5 GAMBLING BOATS.

6 (18) TO ADOPT STANDARDS FOR THE VIDEOTAPING OF GAMBLING
7 ACTIVITIES, PROVIDED THAT SURVEILLANCE FACILITIES AND SYSTEMS
8 SHALL BE DESIGNED AND OPERABLE TO ENABLE COMMISSION AGENTS
9 AND LAW ENFORCEMENT PERSONNEL TO OVERRIDE THE SYSTEM AND
10 DIRECT SURVEILLANCE IN THE PERFORMANCE OF THEIR DUTIES TO
11 ISOLATE AND RECORD GAMBLING ACTIVITIES.

12 (19) TO ADOPT STANDARDS WHICH REQUIRE PERIODIC DRUG
13 TESTING OF PERSONS EMPLOYED ON EXCURSION GAMBLING BOATS.

14 (20) TO HOLD A PUBLIC HEARING TO DETERMINE IF THE
15 PROVISIONS OF THE ACT HAVE BEEN MET AND IF THE ISSUANCE OF A
16 GAMING LICENSE TO THE APPLICANT IS IN THE BEST INTERESTS OF
17 THE COMMONWEALTH AND CONSISTENT WITH THE INTENT OF THE
18 GENERAL ASSEMBLY.

19 (21) TO SEEK AND RECEIVE THE COOPERATION OF THE
20 PENNSYLVANIA STATE POLICE, IN CONDUCT REVIEW OF APPLICANTS
21 AND FULFILLING RESPONSIBILITY UNDER THIS SECTION.

22 (22) TO PROMULGATE RULES DETERMINING THE MINIMUM LEVELS
23 OF INSURANCE TO BE MAINTAINED BY THE LICENSEE.

24 (23) TO PROMULGATE RULES DETERMINING THE AUTHORIZED
25 ROUTES OF A RIVERBOAT UNDER DESIGNATED RIVERS OR WATERWAYS,
26 THE DURATION OF THE BOAT EXCURSIONS WHICH SHALL BE NOT LESS
27 THAN THREE NOR MORE THAN EIGHT HOURS IN DURATION FOR A ROUND
28 TRIP AND THE STOPS WHICH AN EXCURSION BOAT MAY MAKE.

29 (24) TO ISSUE AN EMERGENCY ORDER FOR NOT MORE THAN TEN
30 DAYS:

(I) SUSPENDING, LIMITING OR CONDITIONING A LICENSE
OR PERMIT;

(II) REQUIRING A LICENSEE TO KEEP AN INDIVIDUAL FROM
THE LICENSED PREMISES;

(III) PROHIBITING PAYMENT FOR SERVICES RENDERED; OR

(IV) PROHIBITING PAYMENT OF PROFITS, INCOME OR
ACCRUALS ON INVESTMENT IN THE LICENSEE OR ITS OPERATIONS.

(25) TO PRESCRIBE RULES, REGULATIONS, ORDERS AND
OPINIONS GOVERNING THE MANUFACTURE, DISTRIBUTION, SALE AND
SERVICING OF GAMING DEVICES AND EQUIPMENT.

(26) TO ADOPT RULES TO PROVIDE FOR THE ESTABLISHMENT OF
A LIST OF PERSONS WHO ARE EXCLUDED FROM AN EXCURSION BOAT
OPERATED BY A LICENSEE. THE RULES SHALL DEFINE THE STANDARDS
FOR EXCLUSION.

(27) TO MAINTAIN A PERMANENT RECORD OF AND MAY ISSUE A
PERMIT TO ANY PERSON WHO FURNISHES SIGNIFICANT SERVICES OR
GOODS, AS DEFINED BY THE COMMISSION TO THE LICENSEE. FOR THE
PURPOSES OF THIS PARAGRAPH, SIGNIFICANT SERVICES OR GOODS
SHALL MEAN THOSE WHICH ARE MATERIAL AND INTEGRAL TO THE
OPERATION OF AN EXCURSION GAMBLING BOAT OR THE CONDUCTING OF
GAMING OPERATIONS.

~~(17)~~ (28) Except as provided in section 26, to
promulgate such regulations as may be necessary to implement
this act. <—

~~(18)~~ (29) To appoint an executive director to hold
office at its pleasure. The executive director shall have
powers and duties as the commission shall prescribe and shall
receive compensation as the commission shall determine. The
executive director shall have the authority to employ
personnel necessary to carry out the duties of the office. No <—

1 executive director shall hold office unless he has a minimum
2 of ten years administrative experience. The Pennsylvania
3 State Police must also conduct a thorough background check on
4 the individuals under consideration by the commission for the
5 position of executive director. The executive director will
6 be required to meet the same qualification criteria and give
7 the same oath of office, and will be subject to the same
8 disqualification criteria, as required of appointees to the
9 commission under sections ~~20, 21 and 22.~~ 21, 22 AND 23. NO
10 PERSON SHALL BE APPOINTED TO THE POSITION OF EXECUTIVE
11 DIRECTOR WHO HAS BEEN CONVICTED OF ANY CRIMINAL VIOLATION OF
12 THE LAW, EXCLUDING SUMMARY CONVICTIONS.

13 ~~(19)~~ (30) To require any applicant for the position of
14 executive director or any other position for which a license
15 is required under this act, to pay the cost of a criminal
16 history record check, as required in 18 Pa.C.S. § 9151
17 (relating to right to access and review) and a record check
18 conducted by the Federal Bureau of Investigations.

19 (31) TO INSURE THAT MINORITY GROUPS ARE ADEQUATELY
20 REPRESENTED IN THE OWNERSHIP AND OPERATION OF EXCURSION BOATS
21 AND RELATED BUSINESS ACTIVITIES AS DESCRIBED IN THIS ACT.

22 (B) POWERS OF COMMISSION AND PENNSYLVANIA STATE POLICE.--THE
23 COMMISSION OR THE PENNSYLVANIA STATE POLICE MAY:

24 (1) INSPECT ALL GAMING EQUIPMENT AND GAMING SUPPLIES
25 UPON OR DESTINED FOR OR FROM A RIVERBOAT.

26 (2) INSPECT AND EXAMINE ALL PREMISES WHEREIN GAMING
27 ACTIVITIES ARE CONDUCTED OR GAMING DEVICES OR EQUIPMENT ARE
28 MANUFACTURED, SOLD OR DISTRIBUTED.

29 Section 5 6. Statement of intent.

30 (a) General rule.--A person who intends to apply for a

1 manufacturer's, distributor's or excursion gambling boat
2 operator's license, must first file a statement of intent with
3 the commission. The statement shall include:

4 (1) the name and address of the person, partnership or
5 corporation which intends to file an application; and

6 (2) the type of license that will be applied for.

7 (b) Fees.--

8 (1) The filing fees which must accompany the statement
9 of intent shall be as follows:

10 (i) For manufacturers and distributors \$2,500.

11 (ii) For operators \$25,000.

12 (2) The filing fee shall be applied to the applicant's
13 license fee if a license is subsequently approved by the
14 commission.

15 (3) The full fee shall be refunded if the subsequent
16 application is denied by the commission.

17 (4) An applicant may also withdraw the statement of
18 intent at any time and shall be entitled to a full refund of
19 the fee.

20 (c) When not required.--The statement of intent is not
21 required for renewal of a license nor is it required of an
22 applicant for an occupational license.

23 (d) Waiver.--The requirement of a statement of intent is
24 waived 12 months after the effective date of this act if the
25 commission certifies it has sufficient finances on hand to meet
26 the budget requirements of this act. The certification shall be
27 published in the Pennsylvania Bulletin.

28 Section 6 7. Applications for excursion gambling boat
29 operators' licenses.

30 (a) General rule.--A person may apply to the commission for

1 a license to operate excursion gambling boats from a port in a
2 municipality as described in section 9 10. The application shall <—
3 be filed with the commission at least 90 days before the first
4 day of the next excursion season. The application shall be in a
5 form and contain such information as the commission prescribes,
6 including, but not limited to, all of the following:

7 (1) Identifying each excursion gambling boat upon which
8 gambling games will be authorized and including the United
9 States Coast Guard registration number of the boat.

10 (2) Specifying the exact location where each excursion
11 gambling boat will be docked.

12 Notwithstanding the foregoing, an operator's license issued
13 under the terms of this act will restrict the licensee to
14 operate not more than two excursion gambling boats from a port
15 eligible under section 9 10. <—

16 (b) Initial license fee.--The initial license fee shall be
17 \$50,000.

18 (c) Annual license fee.--The annual license fee to operate
19 an excursion gambling boat shall be based on the passenger-
20 carrying capacity, including crew, for which the excursion
21 gambling boat is registered. The initial annual fee shall be \$25
22 per person-capacity and may be subject to change pursuant to
23 section ~~13(e)~~ 14(C). <—

24 Section 7 8. Occupational, distributor and manufacturer <—
25 licenses.

26 (a) License required.--A manufacturer or distributor of
27 gambling games or implements of gambling and any person who will
28 be employed on a excursion gambling boat in an occupation
29 designated by the commission shall apply for a license upon a
30 form prescribed by the commission annually before January 1, and

1 shall submit the appropriate license fee. A prospective licensee
2 shall provide such information as the commission requires. The
3 ANNUAL license fee for a distributor is \$10,000, and the license <—
4 fee for a manufacturer is \$10,000. THE ANNUAL FEE MAY BE SUBJECT <—
5 TO CHANGE UNDER SECTION 13(C). The license fee for an
6 occupational license shall be established by the commission.

7 (b) Limitations on operators.--

8 (1) An operator shall purchase all gambling games or
9 implements of gambling from a distributor or manufacturer
10 licensed pursuant to this act. An operator shall not sell,
11 lease or give gambling games or implements of gambling to
12 another licensee.

13 (2) An operator shall not be a manufacturer or
14 distributor of gambling games or implements of gambling.

15 (3) A manufacturer shall not be a distributor or an
16 operator.

17 (4) A distributor shall not be a manufacturer or an
18 operator.

19 (5) NO OPERATOR SHALL BE LICENSED UNDER THIS ACT WHO IS <—
20 SUSPENDED FROM OPERATING A GAMBLING GAME IN ANOTHER
21 JURISDICTION BY A BOARD OR COMMISSION OF THAT JURISDICTION.

22 (c) Certification from crime commission.--Before a
23 manufacturer's or distributor's license is issued pursuant to
24 this section, the commission shall receive a certification from
25 the Pennsylvania Crime Commission ~~that the applicant is not~~ <—
26 ~~connected to organized crime or involved in organized crime~~
27 ~~activities~~ AS PROVIDED IN SECTION 9(D)(2). The commission shall <—
28 reimburse the Pennsylvania Crime Commission for costs associated
29 with the certification process under ~~this subsection~~ SECTION <—
30 9(D)(2).

1 (d) Suspension or revocation of license.--The commission may
2 suspend or revoke the license of a distributor or manufacturer
3 for a violation of this act or a rule adopted pursuant to this
4 act committed by the distributor or manufacturer or an officer,
5 director, employee or agent of the manufacturer or distributor.

6 (e) Procedures.--A manufacturer or distributor of gambling
7 games who has been granted a license under this section shall
8 have a representative within this Commonwealth to take delivery
9 of gambling games or implements of gambling prior to delivery to
10 an operator. The manufacturer or distributor shall provide the
11 commission with a copy of the invoice showing the items shipped
12 and a copy of the bill of lading. When received, the gambling
13 games or implements of gambling shall be stored in a public
14 warehouse in this Commonwealth until delivered to the operator
15 or, after delivery is complete, the shipment may be transferred
16 to an operator.

17 Section § 9. Requirements of license applicant. <—

18 (a) Information.--An applicant to become a licensee, other
19 than a holder of an occupational license, must produce
20 information, documentation and assurances concerning the
21 following:

22 (1) The full name, residence, date of birth,
23 fingerprints and other personal identifying information as
24 the commission deems necessary.

25 (2) A copy of the applicant's criminal history record
26 information pursuant to 18 Pa.C.S. Ch. 91 (relating to
27 criminal history record information). The applicant must also
28 include copies of criminal history record information from
29 any other jurisdiction where the applicant resided or had a
30 principal place of business during a ten-year period

1 immediately preceding the filing of the application. Where no
2 such information exists, the applicant must submit a letter
3 so indicating from the respective law enforcement agency.

4 (3) Information, documentation and assurances concerning
5 financial background and resources as may be required to
6 establish by clear and convincing evidence the financial
7 stability, integrity and responsibility of the applicant.
8 Information under this paragraph includes, but is not limited
9 to, bank references, business and personal income and
10 disbursement schedules, tax returns and other reports filed
11 with governmental agencies and business and personal
12 accounting and check records and ledgers. In addition, the
13 applicant must authorize in writing the examination of all
14 bank accounts and records as deemed necessary by the
15 commission. If a nonpublicly traded corporation has any
16 equitable interest in the applicant, this paragraph applies
17 to all stockholders of the corporation.

18 (4) Information, documentation and assurances as
19 necessary to establish by clear and convincing evidence the
20 integrity of all financial backers; investors; mortgages;
21 bondholders; and holders of indentures, notes or other
22 evidence of indebtedness, either in effect or proposed, which
23 bears any relation to the excursion gambling boat proposal
24 submitted by the applicant. The integrity of financial
25 sources shall be judged upon the same standards as the
26 applicant. The applicant must produce whatever information,
27 documentation or assurances required to establish by clear
28 and convincing evidence the adequacy of financial resources,
29 both as to the completion of the excursion gambling boat and
30 the operation of the excursion gambling boat.

(5) Information, documentation and assurances required to establish by clear and convincing evidence the applicant's good character, honesty and integrity. Information under this paragraph includes, without limitation, information pertaining to family, habits, character, reputation, criminal and arrest record, business activities, financial affairs, business associates, professional associates and personal associates, covering at least the ten-year period immediately preceding the filing of the application. The applicant must notify the commission of any civil judgments obtained against the applicant pertaining to Federal, State or foreign antitrust BID-RIGGING or security regulation laws. If the applicant has conducted gaming operations in a jurisdiction which permits such activity, the applicant must produce letters of reference from the gaming or casino enforcement or control agency which specify the experiences of the agency with the applicant, the applicant's associates and the applicant's gaming operation. If the letters are not received within 60 days of RECEIPT OF THE request, the applicant may submit a statement under oath that, during the period such activities were conducted, the applicant was in good standing with the appropriate gaming or casino enforcement or control agency.

(6) Information, documentation and assurances as required to establish by clear and convincing evidence that the applicant has sufficient business ability ~~and excursion gambling boat experience~~ as to support the likelihood of creation and maintenance of a successful, efficient excursion gambling boat operation. The applicant must produce the names of all proposed excursion gambling boat employees as they

1 become known, a description of their respective or proposed
2 responsibilities and a full description of security systems
3 and management controls proposed for the excursion gambling
4 boat and related facilities. This paragraph shall not apply
5 to applicants for a distributor's license or a manufacturer's
6 license.

7 (b) Applicant disqualification criteria.--The commission
8 shall deny a license to any applicant who is disqualified on the
9 basis of any of the following criteria:

10 (1) Failure of the applicant to prove by clear and
11 convincing evidence that the applicant is qualified in
12 accordance with the provisions of this act.

13 (2) Failure of the applicant to provide information,
14 documentation and assurances required by this act or
15 requested by the commission; failure of the applicant to
16 reveal any fact which is material to qualification; or
17 supplying information which is untrue or misleading as to a
18 material fact pertaining to the qualification criteria.

19 (3) The applicant or any person required to be qualified
20 under this act as a condition of licensure has been convicted
21 of, or pleaded guilty or no contest to, any of the following
22 offenses or their equivalent in another jurisdiction:

23 Section 1134(a)(14), (30), (36) or (37) of the act of
24 April 14, 1972 (P.L.233, No.64), known as The Controlled
25 Substance, Drug, Device and Cosmetic Act.

26 AN OFFENSE UNDER THE ACT OF OCTOBER 28, 1983
27 (P.L.176, NO.45), KNOWN AS THE ANTIBID-RIGGING ACT.

28 18 Pa.C.S. § 911 (relating to corrupt organizations).

29 18 Pa.C.S. § 3301 (relating to arson and related
30 offenses).

<—

1 18 Pa.C.S. § 3302 (relating to causing or risking
2 catastrophe).

3 18 Pa.C.S. § 3502 (relating to burglary).

4 18 Pa.C.S. § 3701 (relating to robbery).

5 18 Pa.C.S. § 3921 (relating to theft by unlawful
6 taking or disposition).

7 18 Pa.C.S. § 3922 (relating to theft by deception).

8 18 Pa.C.S. § 3923 (relating to theft by extortion).

9 18 Pa.C.S. § 3924 (relating to theft of property
10 lost, mislaid, or delivered by mistake).

11 18 Pa.C.S. § 3925 (relating to receiving stolen
12 property).

13 18 Pa.C.S. § 3926 (relating to theft of services).

14 18 Pa.C.S. § 3927 (relating to theft by failure to
15 make required disposition of funds received).

16 18 Pa.C.S. § 3930 (relating to theft of trade
17 secrets).

18 18 Pa.C.S. § 3932 (relating to theft of leased
19 property).

20 18 Pa.C.S. § 3933 (relating to unlawful use of
21 computer).

22 18 Pa.C.S. § 4101 (relating to forgery).

23 18 Pa.C.S. § 4104 (relating to tampering with records
24 or identification).

25 18 Pa.C.S. § 4108 (relating to commercial bribery and
26 breach of duty to act disinterestedly).

27 18 Pa.C.S. § 4112 (relating to receiving deposits in
28 a failing financial institution).

29 18 Pa.C.S. § 4302 (relating to incest).

30 18 Pa.C.S. § 4701 (relating to bribery in official

1 and political matters).

2 18 Pa.C.S. § 4702 (relating to threats and other
3 improper influence in official and political matters).

4 18 Pa.C.S. § 4902 (relating to perjury).

5 18 Pa.C.S. § 4911 (relating to tampering with public
6 records or information).

7 18 Pa.C.S. § 5111 (relating to dealing in proceeds of
8 unlawful activities).

9 18 Pa.C.S. § 5301 (relating to official oppression).

10 18 Pa.C.S. § 5302 (relating to speculating or
11 wagering on official action or information).

12 18 Pa.C.S. § 5512 (relating to lotteries, etc.).

13 18 Pa.C.S. § 5513 (relating to gambling devices,
14 gambling, etc.).

15 18 Pa.C.S. § 6312 (relating to sexual abuse of
16 children).

17 18 Pa.C.S. § 6314 (relating to sentencing and
18 penalties for trafficking drugs to minors).

19 (4) The applicant or any person required to be qualified
20 under this act as a condition of licensure has been convicted
21 of, or pleaded guilty or no contest to, any other offense
22 under present Federal or State law which indicates that
23 licensure of the applicant would be ~~inimical~~ CONTRARY to the <—
24 policy of this act and to excursion gambling boat operations.
25 The automatic disqualification provisions of this paragraph
26 shall not apply with regard to:

27 (i) any conviction which did not occur within the
28 ten-year period immediately preceding application for
29 licensure and which the applicant demonstrates by clear
30 and convincing evidence does not justify automatic

1 disqualification pursuant to this subsection; or

2 (ii) any conviction or plea which has been the
3 subject of a judicial order of expungement or sealing OF
4 RECORDS.

5 (5) Current prosecuting or pending charges in any
6 jurisdiction of the applicant or of any person who is
7 required to be qualified under this act as a condition of
8 licensure for any of the offenses enumerated in paragraph

9 (3). ~~At the request of the applicant or the person charged,~~
10 ~~the~~ THE commission shall defer decision upon such application
11 during the pendency of such charge.

12 (6) The pursuit, by the applicant or any person who is
13 required to be qualified under this act as a condition of
14 licensure, of economic gain in an occupational manner or
15 context which is in violation of the criminal or civil public
16 policies of this Commonwealth, if such pursuit creates a
17 reasonable belief that the participation of the person in
18 excursion gambling boat operations would be ~~inimical~~ CONTRARY
19 to the policies of this act or to legalized gaming in this
20 Commonwealth. For the purposes of this paragraph,
21 "occupational manner" or "context" shall be defined as the
22 systematic planning, administration, management or execution
23 of an activity for financial gain.

24 (7) The commission by the applicant, or any person who
25 is required to be qualified under this act as a condition of
26 licensure, of any act which would constitute an offense under
27 paragraph (3), even if such conduct has not or may not be
28 prosecuted under the criminal laws of this Commonwealth.

29 (8) The applicant is a corporation and 10% of the stock
30 of the corporation is subject to a contract or option to

1 purchase at any time during the period for which the license
2 is to be issued, unless the contract or option was disclosed
3 to the commission and the commission approved the sale or
4 transfer during the period of the license.

5 (9) The applicant has two other OPERATOR licenses issued <—
6 under this act.

7 (10) THE APPLICANT, THROUGH PERSONAL FUNDS OR FUNDS <—
8 DERIVED THROUGH A REGISTERED POLITICAL ACTION COMMITTEE IN
9 THIS COMMONWEALTH, DONATED MORE THAN \$5,000 TO A SINGLE STATE
10 OR LOCAL OFFICIAL FOR A POLITICAL CAMPAIGN. NOTWITHSTANDING
11 ANY OTHER PROVISION OF THIS SECTION, AN APPLICANT WHO IS
12 DISQUALIFIED FOR VIOLATING THIS PARAGRAPH SHALL ONLY BE
13 DISQUALIFIED FOR A PERIOD OF TWO YEARS FROM THE TIME OF
14 APPLICATION.

15 (c) Additional fee.--The commission shall charge the
16 prospective licensee a fee to defray the costs associated with
17 the search and classification of fingerprints and background
18 investigations. This fee is in addition to any other license fee
19 charged by the commission. ~~The commission shall reimburse the~~ <—
20 ~~Pennsylvania State Police for any costs or expenses connected~~
21 ~~with the search and classification of fingerprints and~~
22 ~~background investigations.~~

23 ~~(d) Background investigation. Before a license is granted,~~

24 (D) BACKGROUND INVESTIGATION.-- <—

25 (1) BEFORE A LICENSE IS GRANTED, the Pennsylvania State
26 Police shall conduct a thorough background investigation of
27 the applicant for a license to operate an excursion gambling
28 boat. The Pennsylvania State Police shall submit the
29 fingerprints of the applicant to the Federal Bureau of
30 Investigation for a background check. The applicant shall

1 provide information on a form as required by the Pennsylvania
2 State Police. THE COMMISSION SHALL REIMBURSE THE PENNSYLVANIA <—
3 STATE POLICE FOR ANY COSTS OR EXPENSES CONNECTED WITH THE
4 SEARCH AND CLASSIFICATION OF FINGERPRINTS AND BACKGROUND
5 INVESTIGATIONS. THE BACKGROUND CHECK SHALL INCLUDE
6 VERIFICATION OF FINANCIAL INFORMATION, AND OPERATIONAL DATA
7 PROVIDED TO THE COMMISSION.

8 (2) THE PENNSYLVANIA CRIME COMMISSION SHALL TRANSMIT TO
9 THE COMMISSION A CERTIFICATION THAT AFTER CONDUCT OR REVIEW
10 OF INVESTIGATIONS, FILES AND OTHER RELEVANT INFORMATION, IT
11 HAS NO INFORMATION WHICH CONNECTS THE APPLICANT TO ORGANIZED
12 CRIME OR OTHERWISE INVOLVES THE APPLICANT IN ORGANIZED CRIME
13 ACTIVITIES.

14 (E) COOPERATION FROM OTHER LAW ENFORCEMENT.--THE
15 PENNSYLVANIA STATE POLICE SHALL COORDINATE AND COOPERATE WITH
16 THE OFFICE OF ATTORNEY GENERAL, BUREAU OF CRIMINAL
17 INVESTIGATION, TO PROVIDE INFORMATION NECESSARY TO CONDUCT THE
18 BACKGROUND CHECK, AS WELL AS OTHER LAW ENFORCEMENT AGENCIES. THE
19 COMMISSION MAY OBTAIN INFORMATION DIRECTLY FROM OTHER
20 JURISDICTIONS.

21 ~~(e)~~ (F) Additional corporate requirements.--If the applicant <—
22 for an operator's license is a corporation, before an operator's
23 license is granted, the corporation:

24 (1) shall incorporate in Pennsylvania or create a
25 Pennsylvania subsidiary corporation, which such subsidiary
26 corporation may be a wholly or partially owned subsidiary of
27 a corporation which is organized pursuant to the laws of
28 another state of the United States;

29 (2) shall comply with all the requirements of the laws
30 of the Commonwealth of Pennsylvania pertaining to

corporations; and

(3) shall maintain all operating accounts required by the commission in a bank in the Commonwealth of Pennsylvania.

~~(f)~~ (G) Tourism.--Before a license is granted, an operator of an excursion gambling boat shall work with the Department of Commerce to promote tourism in this Commonwealth. Tourism information from local civic and private persons may be submitted for dissemination.

~~(g)~~ (H) Offense.--A person who knowingly makes a false statement in connection with the application commits a violation of 18 Pa.C.S. § 4903 (relating to false swearing).

~~(h)~~ (I) Certificate from crime commission.--Before an operator's license is granted, the commission shall receive a certification from the Pennsylvania Crime Commission ~~that the applicant is not connected to organized crime or involved in organized crime activities. The commission shall reimburse the Pennsylvania Crime Commission for costs associated with the certification process under this subsection.~~ AS PROVIDED IN SECTION 9(D)(2).

~~(i)~~ (J) Warrantless search.--The operator or a holder of an occupational license shall consent to the search by an agent of the commission or law enforcement agency without a warrant of the operator or holder's person, personal property and effects, and premises which are located within the area of the excursion gambling boat where gambling is permitted for criminal violations of this ~~chapter~~ ACT or violations of rules, regulations, orders or decisions of the commission.

Section 9 10. Terms and conditions of licenses; limitation of location; revocation.

(a) Issuance.--If the commission is satisfied that this act

1 and its rules adopted under this act applicable to licensees
2 have been complied with, the commission shall issue the
3 appropriate license. The commission shall decide the number,
4 location and type of excursion gambling boats for operation in
5 this Commonwealth. The license shall set forth the name of the
6 licensee, the type of license granted, the place where the
7 excursion gambling boats will operate and dock, and the time and
8 number of days during the excursion season when gambling may be
9 conducted by the licensee, provided, however, that an operator's
10 license to conduct excursion boat gambling shall limit the
11 operator to conduct excursion boat gambling only from ports
12 located within municipalities as defined in section 2 3 and <—
13 counties of the second class. An operator's license issued
14 pursuant to the terms of this act shall be valid for ~~five years~~ <—
15 ONE YEAR from the date of issue, subject to the prompt payment <—
16 by the operator licensee of the annual license fee described in
17 section ~~6(e)~~ 7(C). <—

18 (b) Conditions.--A license shall be granted to an applicant
19 only upon the express conditions that:

20 (1) The applicant shall not, by lease, contract,
21 understanding or arrangement of any kind, grant, assign or
22 turn over to any person the operation of an excursion
23 gambling boat licensed under this section or the operation of
24 the system of wagering described in section ~~12~~ 13. This <—
25 section does not prohibit a management contract approved by
26 the commission.

27 (2) Except for the admission fees provided in section ~~13~~ <—
28 14, the applicant shall not in any manner permit a person
29 other than the operator to have a share, percentage or
30 proportion of the money received for admissions to the

1 excursion gambling boat.

2 (3) Notwithstanding section ~~10~~ 11, the sale, assignment, <—
3 transfer, pledge or other disposition of any security issued
4 by a corporation which holds an operator's license shall be
5 conditional and shall be ineffective if disapproved by the
6 commission.

7 (4) Any violation of the provisions of this act
8 committed by any employee of the operator of an excursion
9 gambling boat shall be immediately reported by the operator
10 to the appropriate law enforcement agencies whether or not
11 the violation is a criminal violation or prosecuted as such.

12 (c) Pennsylvania resources, goods and services.--The
13 commission shall require that an applicant utilize Pennsylvania
14 resources, goods and services in the operation of an excursion
15 gambling boat where feasible and obtainable. The commission
16 shall develop standards to assure that a substantial amount of
17 all resources and goods used in the operation of an excursion
18 gambling boat come from Pennsylvania and that a substantial
19 amount of all services and entertainment be provided by
20 Pennsylvanians. The requirement of this subsection shall not
21 limit hiring for essential crew positions related to the
22 gambling operation, vessel operation or passenger safety.

23 (d) Conditions.--The commission shall, as a condition of
24 granting a license, require an applicant to provide written
25 documentation that, on each excursion gambling boat:

26 (1) The applicant makes every effort to ensure that a
27 substantial number of the staff and entertainers employed are
28 residents of this Commonwealth.

29 (2) All security guards employed to supervise the
30 gambling activities upon an excursion gambling boat are

employees of the operator.

(3) A section is reserved for promotion and sale of arts, crafts and gifts native to and made in this Commonwealth.

(4) No more than ~~50%~~ 30% of the square footage shall be used for gambling activity. ~~unless the commission has approved a greater percentage upon the submittal of a petition from the applicant. When reviewing such a petition for space expansion, the commission shall take into consideration the accommodation of the public.~~

(e) Wages.--All employees of an excursion gambling boat licensee who work on and within the premises of the excursion gambling boat shall be paid at least 25% above the Federal minimum wage level.

(f) Loans prohibited.--An operator shall not loan to any person money or any other thing of value for the purpose of permitting that person to wager on any gambling game. This does not prohibit credit card or debit card transactions or cashing of checks in the ordinary course of business.

(g) Docking fee.--If a docking fee is charged by a municipality, the operator shall pay the docking fee one year in advance.

(h) Payment of taxes and fees.--An operator shall not be delinquent in the payment of property taxes or other taxes or fees or in the payment of any other contractual obligation or debt due or owed to a political subdivision or the Commonwealth.

(i) Requirements of State agencies.--An excursion gambling boat operated on waters of this Commonwealth shall be in compliance with all existing regulatory requirements of State agencies which have jurisdiction over boating activities in this

1 Commonwealth.

2 (j) Revocation of license.--Upon a violation of any of the
3 conditions listed in this section, the commission shall
4 immediately revoke the license.

5 (K) REFERENDUM.--

<—

6 (1) A LICENSE TO CONDUCT GAMBLING GAMES ON AN EXCURSION
7 GAMBLING BOAT IN A MUNICIPALITY SHALL BE ISSUED ONLY IF THE
8 MUNICIPAL ELECTORATE APPROVES THE CONDUCT OF THE GAMBLING
9 GAMES AS PROVIDED IN THIS SUBSECTION. THE GOVERNING BODY OF A
10 MUNICIPALITY, UPON ADOPTION OF A RESOLUTION, OR UPON RECEIPT
11 OF A VALID PETITION, SHALL DIRECT THE COUNTY BOARD OF
12 ELECTIONS TO SUBMIT TO THE QUALIFIED VOTERS OF THE
13 MUNICIPALITY A PROPOSITION TO APPROVE OR DISAPPROVE THE
14 CONDUCT OF GAMBLING GAMES ON AN EXCURSION GAMBLING BOAT IN
15 THE MUNICIPALITY. THE PROPOSITION MAY BE SUBMITTED AT A
16 PRIMARY, MUNICIPAL OR GENERAL ELECTION. THE PETITION MUST BE
17 RECEIVED BY THE COUNTY BOARD OF ELECTIONS AT LEAST 60 DAYS
18 BEFORE THE ELECTION. IF A MAJORITY OF THE MUNICIPAL VOTERS
19 VOTING ON THE PROPOSITION FAVOR THE CONDUCT OF GAMBLING
20 GAMES, THE COMMISSION MAY ISSUE ONE OR MORE LICENSES AS
21 PROVIDED IN THIS ACT. IF A MAJORITY OF THE MUNICIPAL VOTERS
22 VOTING ON THE PROPOSITION DO NOT FAVOR THE CONDUCT OF
23 GAMBLING GAMES, A LICENSE TO CONDUCT GAMBLING GAMES IN THE
24 MUNICIPALITY SHALL NOT BE ISSUED. AFTER A REFERENDUM HAS BEEN
25 HELD, ANOTHER REFERENDUM SHALL NOT BE HELD FOR AT LEAST TWO
26 YEARS.

27 (2) IF A LICENSE TO CONDUCT GAMBLING GAMES IS IN EFFECT,
28 PURSUANT TO A REFERENDUM AS SET FORTH IN THIS SECTION, AND IS
29 SUBSEQUENTLY DISAPPROVED BY A REFERENDUM OF THE MUNICIPAL
30 ELECTORATE, THE LICENSE SHALL BE CANCELED AS OF 60 DAYS FROM

1 THE DATE OF THE REFERENDUM.

2 Section ~~10~~ 11. Operators; filing of information concerning <—
3 security transfers; necessity for commission
4 approval.

5 (a) Security transfer filing.--Whenever a transfer of
6 securities IS ABOUT TO OCCUR comprising an interest of 5% or <—
7 more in an operator which is a licensed corporation, or
8 comprising an interest of 5% or more in any corporation which
9 leases to a licensed corporation the excursion boat at which it
10 conducts excursion boat gambling or comprising an interest of 5%
11 or more in any corporation which owns 25% or more of the
12 securities of the licensed corporation shall be made, there
13 shall be filed, simultaneously, with the corporation which
14 issued such securities the following:

15 (1) In duplicate, an affidavit executed by the
16 transferee of the interest stating that he is to be the sole
17 beneficial owner thereof, and whether or not he:

18 (i) has been convicted of a crime ~~involving moral~~ <—
19 ~~turpitude;~~

20 ~~(ii) has been engaged in bookmaking or other forms~~
21 ~~of illegal gambling;~~

22 ~~(iii) has been found guilty of any fraud or~~
23 ~~misrepresentation in connection with excursion boat~~
24 ~~gambling;~~ LISTED IN SECTION 9(B)(3); <—

25 ~~(iv)~~ (II) has been guilty of any violation or <—
26 attempt to violate any law, rule or regulation of any
27 jurisdiction, for which suspension from excursion boat
28 gambling might be imposed in such jurisdiction; or

29 ~~(v)~~ (III) has violated any rule, regulation or order <—
30 of the commission.

1 If the transferee of the interest is not, or is not to be,
2 the sole beneficial owner, there shall be annexed to the
3 affidavit of the transferee, and expressly stated in such
4 affidavit, a true and complete copy of all terms of the
5 agreement pursuant to which the interest in the corporation
6 is to be held by the transferee, including a detailed
7 statement of the interest of each person who is to have any
8 interest therein.

9 (2) In duplicate, an affidavit executed by each person
10 for whom the interest is to be held by the transferee,
11 setting forth whether or not the affiant:

12 (i) has been convicted of a crime involving moral
13 turpitude;

14 (ii) has engaged in bookmaking or other forms of
15 illegal gambling;

16 (iii) has been found guilty of any fraud or
17 misrepresentation in connection with excursion boat
18 gambling;

19 (iv) has been guilty of any violation or attempt to
20 violate any law, rule or regulation of any racing
21 jurisdiction, for which suspension from excursion boat
22 gambling might be imposed in such jurisdiction; or

23 (v) has violated any rule, regulation or order of
24 the commission.

25 To each of the affidavits shall be annexed, and expressly
26 stated in such affidavit, a true and complete copy of all the
27 terms of the agreement pursuant to which the interest is to
28 be held by the transferee, including a detailed statement of
29 the interest of each person who is to have any interest
30 therein. The corporation shall file with the commission one

1 of each duplicate affidavits.

2 (b) New affidavit.--If, after the filing of any affidavit
3 required to be filed, there shall be any change in the status of
4 any affiant with respect to any of the matters set forth in
5 subsection (a)(1) of the affidavit filed, the affiant shall file
6 with the corporation with which his affidavit was so filed a new
7 affidavit, executed by him in duplicate, setting forth the
8 change of status and the corporation shall file one of these
9 affidavits with the commission.

10 (c) Other filings.--Whenever any change shall be made in the
11 amount, nature or of the interest of any person having an
12 interest of 5% or more in any corporation, or any new interest
13 of 5% or more shall be created therein, without a transfer as
14 provided, the record owner of the securities, and each person
15 whose interest has been attempted to be changed or created,
16 shall file with the corporation which issued the securities, in
17 duplicate, affidavits as provided by subsection (a)(1) and (2),
18 except that these affidavits need not include the matter
19 referred to in subsection (a) unless then required pursuant to
20 subsection (b) and one copy thereof shall be filed by the
21 corporation with the commission.

22 (d) Commission ordered security disposition.--

23 (1) If the commission determines that it is inconsistent
24 with the public interest, convenience, or necessity, or with
25 the best interest or excursion boat gambling generally, that
26 any person continue to be a security holder of record, or the
27 beneficial owner of any interest in securities standing in
28 the name of another in any licensed corporation or of any
29 corporation which leases to such licensed corporation the
30 excursion boat at which it conducts excursion boat gambling

1 or which owns 25% or more of the securities of the licensee,
2 the commission shall have full power and authority to order
3 each security holder or beneficial owner to dispose of his
4 securities or interest within a period of time to be
5 specified by the appropriate commission, which period the
6 appropriate commission shall have full power to extend.

7 (2) If the commission shall make any order or direction
8 as provided in paragraph (1), the person aggrieved shall be
9 given notice of the time and place of a hearing before the
10 commission, at which time the commission will hear the person
11 in reference thereto.

12 Section ~~11~~ 12. Bond of operator. <—

13 An operator shall post a bond ~~to the Commonwealth~~, PAYABLE TO <—
14 THE LOTTERY FUND before the license is issued in such sum as the
15 commission shall fix, with sureties to be approved by the
16 commission. The bond shall be used to guarantee that the
17 operator faithfully makes the payments, keeps its books and
18 records, makes reports, and conducts its gambling games in
19 conformity with this act and the rules adopted by the
20 commission. The bond shall not be canceled by a surety on less
21 than 30-day notice in writing to the commission. If a bond is
22 canceled and the operator fails to file a new bond with the
23 commission in the required amount on or before the effective
24 date of cancellation, the operator's license shall be revoked.
25 The total and aggregate liability of the surety on the bond is
26 limited to the amount specified in the bond.

27 Section ~~12~~ 13. Wagering; minors prohibited. <—

28 (a) Wagering.--The operator shall permit no form of wagering
29 on gambling games, except as permitted in this section.

30 (b) Maximum wagers and losses.--Operators shall allow only a

1 maximum wager of \$5 per hand or play and a maximum loss of \$200
2 per person during each gambling excursion. However, the
3 commission may adopt rules allowing additional wagers consistent
4 with generally accepted wagering options in the games of twenty-
5 one and dice.

6 (c) Wagerers to be present.--The operator may receive wagers
7 only from persons present on an excursion gambling boat.

8 (d) Tokens, chips, etc.--The operator shall exchange the
9 money of each wagerer for tokens, chips or other forms of credit
10 to be wagered on the gambling games. The operator shall exchange
11 the gambling tokens, chips or other forms of wagering credit for
12 money at the request of the wagerer. Wagering shall not be
13 conducted with money or other negotiable currency.

14 (e) Persons under 21 years.--A person under the age of 21
15 years shall not be permitted to make a wager on an excursion
16 gambling boat. No person under the age of 21 years shall be
17 allowed in the area of the excursion boat where gambling is
18 being conducted except where authorized by the act of April 12,
19 1951 (P.L.90, No.21), known as the Liquor Code.

20 (f) Gambling when boat is docked.--An operator shall not
21 conduct gambling games while the excursion gambling boat is
22 docked during the excursion season unless it is only temporarily
23 docked for embarking or disembarking passengers, crew or
24 supplies, or for mechanical problems or adverse weather or other
25 conditions adversely affecting safe navigation, during the
26 course of an excursion cruise.

27 (g) Additional prohibition.--Gaffed games are strictly
28 prohibited.

29 Section ~~13~~ 14. Admission fee; tax; local fees.

30 (a) State admission fee.--

1 (1) An operator shall collect and remit to the
2 commission a State admission fee for each person embarking on
3 an excursion gambling boat with a ticket of admission. The
4 State admission fee shall be set by the commission.

5 (2) If tickets are issued which are good for more than
6 one excursion, the State admission fee shall be paid for each
7 person using the ticket on each excursion for which the
8 ticket is used.

9 (3) If free passes or complimentary admission tickets
10 are issued, the operator shall pay the same State fee upon
11 the passes or complimentary tickets as if they were sold at
12 the regular and usual admission rate, except that the
13 operator may issue State fee-free passes to actual and
14 necessary officials and employees of the operator and other
15 persons actually working on the excursion gambling boat.

16 (4) The issuance of State fee-free passes is subject to
17 the rules of the commission. A list of all persons to whom
18 State fee-free passes are issued shall be filed with the
19 commission.

20 (b) Local admission fee.--In addition to the State admission
21 fee charged under subsection (a), a municipality may adopt, by
22 ordinance, an admission fee not exceeding \$1 for each person
23 embarking on an excursion gambling boat docked within the
24 municipality.

25 (c) Determination of fees.--In determining the annual
26 license fees and State admission fees to be charged, the
27 commission shall use the amount appropriated to the commission
28 as the basis for determining the amount of revenue to be raised
29 from the license fees and State admission fees. It is the intent
30 of the General Assembly that the commission shall be fully

1 funded from the moneys produced by the license and admission
2 fees.

3 (d) Prohibition against other taxes or fees.--No license
4 tax, permit tax, occupation tax, gross receipts tax or excursion
5 fee shall be levied, assessed or collected from an operator by a
6 political subdivision except as provided in this section, nor
7 shall any excise tax be levied, assessed or collected from the
8 operator relating to gambling excursions or admission charges by
9 a political subdivision except as provided in this section.

10 (e) Situs of employment.--For the purpose of determining
11 location of employment, employees of an excursion gambling boat
12 shall be considered employed in the municipality which contains
13 the port at which the excursion gambling boat docks. All
14 relevant tax statutes shall so apply.

15 Section ~~14~~ 15. Wagering tax; rate; credit. <—

16 (A) GENERAL RULE.--A wagering tax is imposed on the adjusted <—
17 gross receipts received from gambling games authorized under
18 this act at the rate of 15% of adjusted gross receipts. The
19 taxes imposed by this section shall be paid by the operator to
20 the Department of Revenue within ten days after the close of the
21 month when the wagers were made and shall be distributed on a
22 quarterly basis as follows:

23 (1) (i) Twenty-five percent of the wagering tax shall
24 be distributed to each county having a port, with such
25 distribution based on the ratio of the number of
26 passengers embarking from that port, to the total number
27 of Statewide embarkations during each calendar month.

28 (ii) Twenty-five percent of the wagering tax shall
29 be distributed to each municipality having a port, with
30 such distribution based on the ratio of the number of

passengers embarking from that port, to the total number of Statewide embarkations during each calendar month.

(iii) The city and county of Philadelphia shall be entitled to a distributive share under each of the formulas described in subparagraphs (i) and (ii), ALL OF WHICH SHALL BE ALLOCATED TO THE FIRE AND POLICE DEPARTMENTS. ALL MONEYS RECEIVED DURING THE FIRST FULL FOUR QUARTERS IN WHICH MONEYS ARE DISBURSED UNDER THIS SUBPARAGRAPH SHALL BE USED SOLELY FOR THE EMPLOYMENT OF ADDITIONAL FIRE AND POLICE PERSONNEL.

(2) Fifty percent of the wagering tax shall be credited to the Lottery Fund of the Commonwealth.

(B) COUNTIES AND CITIES OF THE SECOND CLASS.--

(1) TWENTY PERCENT OF REVENUES RECEIVED BY A COUNTY OF THE SECOND CLASS UNDER SUBSECTION (A)(1)(I) AND 20% OF THE REVENUES RECEIVED BY A CITY OF THE SECOND CLASS UNDER SUBSECTION (A)(1)(II) SHALL BE PAID BY A COUNTY OF THE SECOND CLASS AND A CITY OF THE SECOND CLASS TO THE GREATER PITTSBURGH CONSERVATORY COMMISSION.

(2) (I) THE GREATER PITTSBURGH CONSERVATORY COMMISSION SHALL CONSIST OF TWO MEMBERS APPOINTED BY THE COUNTY COMMISSIONERS OF A COUNTY OF THE SECOND CLASS, TWO MEMBERS APPOINTED BY THE MAYOR OF A CITY OF THE SECOND CLASS AND ONE MEMBER APPOINTED JOINTLY BY THE COUNTY COMMISSIONERS AND THE MAYOR.

(II) OF THE ORIGINAL MEMBERS, ONE MEMBER APPOINTED BY THE COUNTY COMMISSIONERS AND ONE MEMBER APPOINTED BY THE MAYOR SHALL SERVE FOR AN INITIAL TERM OF TWO YEARS; THE REMAINING MEMBERS SHALL BE APPOINTED FOR TERMS OF THREE YEARS. THEREAFTER, ALL MEMBERS SHALL SERVE FOR A

1 TERM OF THREE YEARS AND ALL APPOINTMENTS SHALL BE MADE IN
2 THE SAME MANNER AS THE ORIGINAL APPOINTMENTS.

3 (III) ALL VACANCIES SHALL BE FILLED, FOR THE
4 REMAINDER OF THE UNEXPIRED TERM, IN THE SAME MANNER AS
5 ORIGINAL APPOINTMENTS. A MEMBER OF THE COMMISSION, UPON
6 THE EXPIRATION OF HIS TERM, SHALL CONTINUE TO HOLD OFFICE
7 UNTIL HIS SUCCESSOR IS APPOINTED.

8 (IV) MEMBERS OF THE COMMISSION SHALL BE ENTITLED TO
9 REIMBURSEMENT FOR TRAVEL AND OTHER NECESSARY EXPENSES
10 INCURRED AS A RESULT OF THEIR DUTIES AS MEMBERS OF THE
11 COMMISSION.

12 (V) A CHAIRMAN SHALL BE ELECTED BY THE COMMISSION
13 WHO SHALL SERVE FOR A TERM OF TWO YEARS AND UNTIL A
14 SUCCESSOR IS ELECTED. THE CHAIRMAN SHALL PRESIDE AT
15 MEETINGS OF THE COMMISSION AND SHALL EXECUTE DOCUMENTS
16 RELATING TO THE FORMAL ACTIONS OF THE COMMISSION.

17 (VI) A QUORUM OF THE COMMISSION SHALL CONSIST OF
18 THREE MEMBERS.

19 (3) THE COMMISSION SHALL MAKE AN ANNUAL ALLOCATION OF
20 THE REVENUES RECEIVED UNDER SUBSECTION (A)(1)(I) AND (II) TO
21 THE PITTSBURGH ZOO, THE PITTSBURGH CONSERVATORY AND THE
22 PITTSBURGH AVIARY IN SUCH AMOUNTS AS THE COMMISSION DEEMS
23 APPROPRIATE.

24 (C) DEFINITION.--AS USED IN THIS SECTION, THE TERM
25 "COMMISSION" MEANS THE GREATER PITTSBURGH CONSERVATORY
26 COMMISSION.

27 Section ~~15~~ 16. Books and records; reports; audits; supervision. <—

28 (a) Books and records.--An operator shall keep its books and
29 records so as to clearly show all of the following:

30 (1) The total number of admissions to gambling

excursions conducted by the operator on each day, including the number of admissions upon free passes or complimentary tickets.

(2) The county and municipality of origin of each passenger admission whether paid, free or complimentary, excluding officials and employees of the operator.

(3) The amount received daily from admission fees.

(4) The total amount of money wagered during each excursion day and the adjusted gross receipts for the day.

(b) Reports.--The operator shall furnish to the commission reports and information as the commission may require with

respect to its activities. The commission may designate a
~~representative to board an excursion gambling boat, who shall have full access to all places within the enclosure of the boat and who shall supervise and check the admissions. The compensation of the representative shall be fixed and paid by the commission but the costs thereof shall be borne by the~~

~~operator.~~ REPRESENTATIVES FOR THE PURPOSE OF CERTIFYING THE
REVENUE THEREOF, RECEIVING COMPLAINTS FROM THE PUBLIC AND
CONDUCTING SUCH OTHER INVESTIGATIONS INTO THE CONDUCT OF
GAMBLING GAMES AND THE MAINTENANCE OF THE EQUIPMENT AND RELATED
ADMINISTRATIVE DUTIES OF AN OPERATOR ANY TIME GAMBLING
OPERATIONS ARE CONDUCTED. THE NUMBER OF REPRESENTATIVES ASSIGNED
TO EACH OPERATOR'S BOAT SHALL BE DETERMINED BY THE COMMISSION
BUT SHALL BE NO LESS THAN EIGHT REPRESENTATIVES PER OPERATOR
BOAT. THE COMPENSATION FOR THE REPRESENTATIVES SHALL BE FIXED
AND PAID BY THE COMMISSION AND ASSESSED TO EACH OPERATOR.

(c) Records to be public.--The information provided to the commission in this section shall be compiled on a monthly basis and be made public through an annual report to be published by

1 the commission.

2 (d) Audits.--Within 90 days after the end of each month, the
3 operator shall transmit to the commission an examination
4 statement of the financial transactions and condition of the
5 operator's books and records. Additionally, within 90 days after
6 the end of the operator's fiscal year, the operator shall
7 transmit to the commission an audit of the financial
8 transactions and condition of the operator. All audits shall be
9 conducted by certified public accountants who are certificated
10 by the Department of State. A FORMER LICENSEE SHALL MAINTAIN ALL <—
11 BOOKS, PAPERS AND RECORDS NECESSARY FOR AUDITS FOR A PERIOD OF
12 THREE YEARS AFTER THE DATE OF THE EXPIRATION OR CANCELLATION OF
13 GAMING ACTIVITIES.

14 Section ~~16~~ 17. Annual report of commission. <—

15 The commission shall make an annual report to the Governor
16 and the majority and minority chairpersons of the Appropriations
17 Committees of the House of Representatives and the Senate for
18 the period ending December 31 of each year. Included in the
19 report shall be an account of the commission's actions, its
20 financial position, the total amount of individuals boarding the
21 licensed excursion gambling boats and results of operations
22 under this act, the practical results attained under this act
23 and any recommendations for legislation which the commission
24 deems advisable.

25 Section ~~17~~ 18. Prohibited activities; penalty. <—

26 (a) Prohibited conduct.--Any person who uses a device to
27 assist in any of the following shall be ejected and barred for
28 life from embarking upon an excursion gambling boat:

29 (1) Projecting the outcome of the game.

30 (2) Card counting.

1 (3) Analyzing the probability of the occurrence of an
2 event relating to the gambling game.

3 (4) Analyzing the strategy for playing or betting used
4 in the game, except as permitted by the commission.

5 (b) Misdemeanor offenses.--A person commits a misdemeanor of
6 the second degree for any of the following:

7 (1) Operating a gambling excursion where wagering is
8 permitted other than in the manner specified by section ~~12~~ <—
9 13.

10 (2) Knowingly permitting a person under 21 years of age
11 to make a wager.

12 (3) Wagering or accepting a wager at any location
13 outside the excursion gambling boat.

14 (4) Cheating at a gambling game.

15 (c) Felony offenses.--A person commits a felony of the third
16 degree and, in addition, shall be barred for life from excursion
17 gambling boats under the jurisdiction of the commission, if he
18 does any of the following:

19 (1) Offers, promises or gives anything of value or
20 benefit to a person who is connected with an excursion
21 gambling boat operator, including, but not limited to, an
22 officer or employee of a licensee or holder of an
23 occupational license, pursuant to an agreement or arrangement
24 or with the intent that the promise or thing of value or
25 benefit will influence the actions of the person to whom the
26 offer, promise or gift was made in order to affect or attempt
27 to affect the outcome of a gambling game, or to influence
28 official action of a member of the commission.

29 (2) Solicits or knowingly accepts or receives a promise
30 of anything of value or benefit while the person is connected

1 with an excursion gambling boat, including, but not limited
2 to, an officer or employee of a licensee or holder of an
3 occupational license, pursuant to an understanding or
4 arrangement or with the intent that the promise or thing of
5 value or benefit will influence the actions of the person to
6 affect or attempt to affect the outcome of a gambling game,
7 or to influence official action of a member of the
8 commission.

9 (3) Manufactures, sells, or distributes any cards,
10 chips, dice, game or device which is intended to be used to
11 violate any provision of this act.

12 (4) Alters or misrepresents the outcome of a gambling
13 game on which wagers have been made after the outcome is made
14 sure but before it is revealed to the players.

15 (5) Places a bet after acquiring knowledge, not
16 available to all players, of the outcome of the gambling game
17 which is the subject of the bet or to aid a person in
18 acquiring the knowledge for the purpose of placing a bet
19 contingent on that outcome.

20 (6) Uses counterfeit chips or tokens in a gambling game.

21 (7) Knowingly uses, other than chips, tokens, coin, or
22 other methods or credit approved by the commission, legal
23 tender of the United States, or to use coin not of the
24 denomination as the coin intended to be used in the gambling
25 games.

26 (8) Has in his possession any device intended to be used
27 to violate a provision of this act.

28 (9) Except for an operator or employee of an operator
29 acting in furtherance of the employee's employment, has in
30 his possession any key or device designed for the purpose of

opening, entering, or affecting the operation of a gambling game, drop box, or an electronic or mechanical device connected with the gambling game or for removing coins, tokens, chips or other contents of a gambling game.

(10) Acting, or employing a person to act, as a shill or decoy to encourage participation in a gambling game.

(d) Inference.--The possession of more than one of the devices described in subsection (c)(3), (8) or (9) permits a rebuttable inference that the possessor intended to use the devices for cheating.

(e) Exchanging tokens, chips, etc.--Except for wagers on gambling games or exchanges for money as provided in section ~~12(d)~~ 13(D), a licensee who exchanges tokens, chips, or other forms of credit to be used on gambling games for anything of value commits a misdemeanor of the third degree.

(F) ELECTED OFFICIALS.--NO ELECTED OFFICIAL SHALL ENGAGE IN ANY BUSINESS ACTIVITY WITH A LICENSEE, EXCEPT AS A PATRON.

Section ~~18~~ 19. Forfeiture of property.

(a) General rule.--Anything of value, including all traceable proceeds, including, but not limited to, real and personal property, moneys, negotiable instruments, securities, and conveyances, is subject to forfeiture to the Commonwealth if the item was used:

(1) in exchange for a bribe intended to affect the outcome of a gambling game; or

(2) in exchange for or to facilitate any other violation of this act.

(b) Presumption.--All moneys, coin and currency found in close proximity of wagers or of records of wagers are presumed forfeited. The burden of proof is upon the claimant of the

1 property to rebut this presumption.

2 (c) Knowledge as prerequisite.--Subsections (a) and (b)
3 apply only if the act or omission which would give rise to the
4 forfeiture was committed or omitted with the owner's knowledge
5 and consent.

6 (D) ENFORCEMENT.--

<—

7 (1) THE DISTRICT ATTORNEYS OF THE SEVERAL COUNTIES SHALL
8 HAVE AUTHORITY TO INVESTIGATE AND TO INSTITUTE CRIMINAL
9 PROCEEDINGS FOR ANY VIOLATION.

10 (2) IN ADDITION TO THE AUTHORITY CONFERRED UPON THE
11 ATTORNEY GENERAL BY THE ACT OF OCTOBER 15, 1980 (P.L.950,
12 NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT, THE
13 ATTORNEY GENERAL SHALL HAVE THE AUTHORITY TO INVESTIGATE AND
14 TO INSTITUTE CRIMINAL PROCEEDINGS FOR ANY VIOLATION OF OR ANY
15 SERIES OF RELATED VIOLATIONS INVOLVING MORE THAN ONE COUNTY
16 OF THE COMMONWEALTH OR INVOLVING ANY COUNTY OF THE
17 COMMONWEALTH AND ANOTHER STATE. NO PERSON CHARGED WITH A
18 VIOLATION OF THIS ACT BY THE ATTORNEY GENERAL SHALL HAVE
19 STANDING TO CHALLENGE THE AUTHORITY OF THE ATTORNEY GENERAL
20 TO INVESTIGATE OR PROSECUTE THE CASE, AND, IF ANY SUCH
21 CHALLENGE IS MADE, THE CHALLENGE SHALL BE DISMISSED AND NO
22 RELIEF SHALL BE AVAILABLE IN THE COURTS OF THE COMMONWEALTH
23 TO THE PERSON MAKING THE CHALLENGE.

24 (3) NOTHING CONTAINED IN THIS SUBSECTION SHALL BE
25 CONSTRUED TO LIMIT THE REGULATORY OR INVESTIGATIVE AUTHORITY
26 OF ANY DEPARTMENT OR AGENCY OF THE COMMONWEALTH WHOSE
27 FUNCTIONS MIGHT RELATE TO PERSONS, ENTERPRISES OR MATTERS
28 FALLING WITHIN THE SCOPE OF THIS ACT.

29 Section ~~19~~ 20. Report of implementation.

<—

30 The commission shall report to the General Assembly by April

1 1, 1993, the number of excursion gambling boat licenses which
2 the commission has issued. The report shall also include the
3 administrative rules which the commission proposes or has
4 adopted to implement the provisions of this act.

5 Section ~~20~~ 21. Commission. <—

6 (A) ESTABLISHMENT AND COMPENSATION.--The River Boat Gambling <—
7 Commission is created, consisting of seven members, two of whom
8 shall be appointed by the Governor under the provisions of
9 section 207.1(d) of the act of April 9, 1929 (P.L.177, No.175),
10 known as The Administrative Code of 1929. The remaining five
11 members shall consist of one to be appointed by the ~~President~~ <—
12 ~~pro-tempore~~ MAJORITY LEADER of the Senate, one by the ~~Speaker~~ <—
13 MAJORITY LEADER of the House of Representatives, one by the <—
14 Minority Leader of the Senate and one by the Minority Leader of
15 the House of Representatives. The remaining member shall be
16 appointed by the Attorney General. The members of the commission
17 shall serve three-year terms, except that the Governor's
18 original appointments shall be one for four years and one for
19 two years. One of the Governor's appointees shall be a certified
20 public accountant with a minimum of ten years experience, who is
21 licensed to practice accountancy in this Commonwealth. The
22 Governor's other appointee shall have comprehensive knowledge of
23 the principles and practice of corporate finance and have a
24 minimum of ten years experience in the field. The Attorney
25 General's appointee shall have a minimum of ten years experience
26 in the field of law enforcement. Commissioners may not serve on
27 the commission for more than two terms, consecutively or
28 otherwise. NOTWITHSTANDING ANYTHING IN THIS SECTION TO THE <—
29 CONTRARY, ANY MEMBER OF THE COMMISSION MAY BE REMOVED BY THEIR
30 APPOINTIVE AUTHORITY PRIOR TO THE EXPIRATION OF THEIR TERM.

1 (B) COMPENSATION AND EXPENSES.--THE MEMBERS OF THE
2 COMMISSION SHALL BE COMPENSATED AT A RATE OF \$125 PER DAY AND
3 SHALL RECEIVE REIMBURSEMENT FOR THEIR ACTUAL AND NECESSARY
4 EXPENSES WHILE PERFORMING THE BUSINESS OF THE COMMISSION.

5 (C) MEETINGS.--THE COMMISSION SHALL MEET AT LEAST QUARTERLY
6 AND AT SUCH TIMES AS THE CHAIRMAN MAY DETERMINE. THE COMMISSION
7 SHALL ALSO MEET UPON CALL OF FOUR OR MORE MEMBERS UPON 72 HOURS
8 WRITTEN NOTICES TO EACH MEMBER.

9 Section ~~21~~ 22. Qualifications for commission members. <—

10 (a) Qualifications enumerated.--The members of the
11 commission shall meet the following requirements:

12 (1) The member must be a United States citizen and
13 resident of this Commonwealth.

14 (2) The member must not be a member of the General
15 Assembly, or hold any elective or appointed office in
16 Federal, State or local government.

17 (3) The member shall not be a member of any committee of
18 any political party or engage in any political party
19 activity.

20 (4) THE MEMBER SHALL NOT DURING THE PERIOD COMMENCING <—
21 TWO YEARS PRIOR TO THE APPOINTMENT HAVE HELD A DIRECT OR
22 INDIRECT INTEREST IN A LICENSEE.

23 ~~(4)~~ (5) The member shall not be pecuniarily interested <—
24 in any business or organization holding an operator's,
25 distributor's or manufacturer's license under this act or
26 doing business with any person or organization licensed under
27 this act.

28 (6) NO MEMBER MAY BE APPOINTED WHO HAS BEEN CONVICTED OF <—
29 ANY CRIMINAL VIOLATION EXCLUDING SUMMARY CONVICTIONS.

30 (b) Oath of office.--An appointee, before entering upon the

1 duties of commissioner, shall swear that he is not pecuniarily
2 interested in any business or organization holding an
3 operator's, distributor's or manufacturer's license or doing
4 business with any such person or organization. The oath shall be
5 filed in the Office of the Secretary of State.

6 (C) STATUTES APPLYING TO COMMISSION.--

<—

7 (1) THE FOLLOWING ACTS SHALL APPLY TO THE COMMISSION AND
8 ITS EMPLOYEES:

9 (I) THE ACT OF JULY 19, 1957 (P.L.1017, NO.451),
10 KNOWN AS THE STATE ADVERSE INTEREST ACT.

11 (II) THE ACT OF OCTOBER 4, 1978 (P.L.883, NO.170),
12 REFERRED TO AS THE PUBLIC OFFICIAL AND EMPLOYEE ETHICS
13 LAW.

14 (2) NOTWITHSTANDING THE PROVISIONS OF THE STATE ADVERSE
15 INTEREST ACT, THE APPOINTEE OF THE ATTORNEY GENERAL MAY SERVE
16 IN THEIR JOBS WITHOUT CONFLICT.

17 (D) CODE OF ETHICS.--THE COMMISSION SHALL ADOPT A CODE OF
18 ETHICS FOR COMMISSION MEMBERS AND EMPLOYEES AND SHALL PROVIDE
19 THAT A COMMISSION MEMBER, EMPLOYEE OR AGENT, SHALL NOT BE
20 PERMITTED TO ENGAGE IN GAMING ACTIVITIES IN AN ESTABLISHMENT
21 LICENSED BY THE COMMISSION, EXCEPT IN THE COURSE OF A PERSON'S
22 DUTIES.

23 Section ~~22~~ 23. Disqualification.

<—

24 Any member of the commission shall be removed from office by
25 the Governor for incompetency, misconduct in office, willful
26 neglect of duty or other conduct evidencing unfitness for the
27 office.

28 Section ~~23~~ 24. Exemption from State gambling laws.

<—

29 The possession of gambling devices and the conduct of
30 gambling activities authorized by this act shall not be

1 considered violations of 18 Pa.C.S. § 5512 (RELATING TO
2 LOTTERIES, ETC.) OR 5513 (relating to gambling devices,
3 gambling, etc.).

4 Section ~~24~~ 25. Exemption from Federal regulation.

5 For the purposes of this act, the General Assembly declares
6 that the Commonwealth is exempt from section 2 of the Gambling
7 Devices Transportation Act (64 Stat. 1134, 15 U.S.C. § 1172 et
8 seq.). Shipments of video devices into this Commonwealth in
9 compliance with sections 3 and 4 of the Gambling Devices
10 Transportation Act (64 Stat. 1134, 15 U.S.C. §§ 1173 and 1174)
11 shall be deemed legal shipments into this Commonwealth.

12 Section ~~25~~ 26. Lottery Fund restricted account.

13 (a) Establishment.--There is hereby established a restricted
14 receipt account in the State Lottery Fund to be known as the
15 Excursion Boat Gambling Proceeds Fund. All of the following
16 moneys paid to the commission under this act shall be deposited
17 into the fund:

18 (1) Operator initial filing fees.

19 (2) Annual license fees for operators, manufacturers,
20 distributors and occupational license fee holders.

21 (3) State admission fees.

22 (4) Any other fees collected by the commission.

23 (b) Payment from fund.--Annually the General Assembly shall
24 appropriate moneys from the Excursion Boat Gambling Proceeds
25 Fund for the following purposes:

26 (1) Administrative and operational expenses of the
27 commission.

28 (2) Reimbursement of costs incurred by the Attorney
29 General under this act.

30 (3) Reimbursement of costs incurred by the Pennsylvania

1 Crime Commission under this act.

2 (4) Reimbursement of costs incurred by the Pennsylvania
3 State Police under this act.

4 (5) Reimbursement of the costs incurred by other law
5 enforcement agencies under this act.

6 (6) Allocation by the commission of at least \$1,000,000
7 annually to agencies which provide treatment services for
8 compulsive gambling behaviors in accordance with regulations
9 adopted by the commission.

10 Section ~~26~~ 27. Temporary guidelines. <—

11 For the initial year of operation, the commission may adopt
12 temporary guidelines for the administration, operation and the
13 establishment of fees and eligible items for reimbursement. The
14 temporary guidelines shall not be subject to review by the
15 Independent Regulatory Review Commission.

16 Section ~~27~~ 28. Appropriation. <—

17 The sum of \$100,000, or as much thereof as may be necessary,
18 is hereby appropriated from the General Fund to the Excursion
19 Boat Gambling Commission for fiscal year July 1, 1991, to June
20 30, 1992, to implement and administer the provisions of this
21 act. This appropriation shall be repaid to the General Fund by
22 June 30, 1992.

23 Section ~~28~~ 29. Effective date. <—

24 This act shall take effect immediately.