
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1458 Session of
2012

INTRODUCED BY ORIE, RAFFERTY, PICCOLA, WASHINGTON, MENSCH AND
GREENLEAF, MARCH 23, 2012

REFERRED TO COMMUNITY, ECONOMIC AND RECREATIONAL DEVELOPMENT,
MARCH 23, 2012

AN ACT

1 Amending Title 4 (Amusements) of the Pennsylvania Consolidated
2 Statutes, in general provisions, further providing for
3 legislative intent and for definitions; transferring certain
4 powers and duties of the Department of Revenue and the Bureau
5 of Investigations and Enforcement of the Pennsylvania Gaming
6 Control Board to the Division of Gaming Enforcement of the
7 Office of Attorney General; in Pennsylvania Gaming Control
8 Board, further providing for establishment of board, for
9 general and specific powers and for reports of board; in
10 licensees, further providing for licensing of principals; in
11 administration and enforcement, further providing for
12 investigations and enforcement and for prohibited acts and
13 penalties; and providing for audit by Auditor General.

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

16 Section 1. Section 1102(8) of Title 4 of the Pennsylvania
17 Consolidated Statutes is amended and the section is amended by
18 adding a paragraph to read:

19 § 1102. Legislative intent.

20 The General Assembly recognizes the following public policy
21 purposes and declares that the following objectives of the
22 Commonwealth are to be served by this part:

23 * * *

1 (1.1) Since limited gaming operations are especially
2 sensitive and in need of public control and supervision and
3 since it is vital to the interests of the Commonwealth to
4 prevent entry, directly or indirectly, into limited gaming
5 operations or the ancillary industries regulated by this part
6 of persons who have pursued economic gains in an occupational
7 manner or context which are in violation of the criminal or
8 civil laws of this Commonwealth, the regulatory and
9 investigatory powers and duties shall be exercised by the
10 Division of Gaming Enforcement of the Office of Attorney
11 General, the Pennsylvania State Police and the Pennsylvania
12 Gaming Control Board to the fullest extent consistent with
13 law to avoid entry of such persons into the limited gaming
14 operations or the ancillary industries regulated by this
15 part.

16 * * *

17 (8) Strictly monitored and enforced control over all
18 limited gaming authorized by this part shall be provided
19 through regulation, licensing and appropriate enforcement
20 actions of specified locations, persons, associations,
21 practices, activities, licensees and permittees by the
22 Division of Gaming Enforcement of the Office of Attorney
23 General, the Pennsylvania State Police and the Pennsylvania
24 Gaming Control Board.

25 * * *

26 Section 2. The definition of "bureau" in section 1103 of
27 Title 4 is amended and the section is amended by adding a
28 definition to read:

29 § 1103. Definitions.

30 The following words and phrases when used in this part shall

1 have the meanings given to them in this section unless the
2 context clearly indicates otherwise:

3 * * *

4 ["Bureau." The Bureau of Investigations and Enforcement of
5 the Pennsylvania Gaming Control Board.]

6 * * *

7 "Division." The Division of Gaming Enforcement of the Office
8 of Attorney General.

9 * * *

10 Section 3. Section 1201(b)(1), (h)(9), (13) and (14.1) and
11 (m)(3) of Title 4 are amended, subsection (h) is amended by
12 adding paragraphs and the section is amended by adding a
13 subsection to read:

14 § 1201. Pennsylvania Gaming Control Board established.

15 * * *

16 (b) Membership.--The board shall consist of the following
17 members:

18 (1) Three members appointed by the Governor, at least
19 one of whom possesses a minimum of ten years' Federal or
20 state law enforcement employment experience and at least one
21 of whom possesses a minimum of ten years' private business or
22 finance employment experience.

23 * * *

24 (f.1) Executive session.--The board may not meet in
25 executive session for the purpose of conducting quasi-judicial
26 deliberations involving slot machine license applications,
27 except to consider confidential information as provided under
28 section 1206(f) (relating to board minutes and records).

29 * * *

30 (h) Qualifications and restrictions.--

1 * * *

2 (2.1) No officer, director or key employee of a licensed
3 entity shall be appointed a member of the board for four
4 years following termination of the term of office or
5 employment with the licensed entity.

6 * * *

7 (9) No member or employee of the board may accept
8 employment with any applicant, licensed entity, or an
9 affiliate, intermediary, subsidiary or holding company
10 thereof, for a period of [two] four years from the
11 termination of term of office[.] or employment.

12 (9.1) No member may:

13 (i) be an applicant or former applicant;

14 (ii) be a principal of a licensed entity; or

15 (iii) have any ownership control in any affiliate,
16 intermediary, subsidiary or holding company thereof.

17 * * *

18 (13) The following shall apply to an employee of the
19 board [whose duties substantially involve licensing,
20 enforcement, development of law, promulgation of regulations
21 or development of policy, relating to gaming under this part
22 or who has other discretionary authority which may affect or
23 influence the outcome of an action, proceeding or decision
24 under this part], including the executive director, bureau
25 directors and attorneys:

26 (i) The individual may not, for a period of [two]
27 four years following termination of employment, accept
28 employment with or be retained by an applicant or a
29 licensed entity or by an affiliate, intermediary,
30 subsidiary or holding company of an applicant or a

1 licensed entity.

2 (ii) The individual may not, for a period of [two]
3 four years following termination of employment, appear
4 before the board in a hearing or proceeding or
5 participate in activity on behalf of any applicant,
6 licensee, permittee or licensed entity or on behalf of an
7 affiliate, intermediary, subsidiary or holding company of
8 any applicant, licensee, permittee or licensed entity.

9 (iii) An applicant or a licensed entity or an
10 affiliate, intermediary, subsidiary or holding company of
11 an applicant or a licensed entity may not, until the
12 expiration of [two] four years following termination of
13 employment, employ or retain the individual. Violation of
14 this subparagraph shall result in termination of the
15 individual's employment and subject the violator to
16 section 1518(c) (relating to prohibited acts; penalties).

17 (iv) A prospective employee who, upon employment,
18 would be subject to this paragraph must, as a condition
19 of employment, sign an affidavit that the prospective
20 employee will not violate subparagraph (i) or (ii). If
21 the prospective employee fails to sign the affidavit, the
22 board shall rescind any offer of employment and shall not
23 employ the individual.

24 * * *

25 (14.1) The State Ethics Commission shall publish a list
26 of all employment positions [within] of the board and all
27 employment positions within independent contractors whose
28 duties would subject the individuals in those positions to
29 the provisions of [paragraphs (13) and] paragraph (13.1). The
30 board [and each] shall assist the State Ethics Commission by

1 providing a list of employment positions of the board. Each
2 independent contractor shall assist the State Ethics
3 Commission in the development of the list, which shall be
4 published by the State Ethics Commission in the Pennsylvania
5 Bulletin biennially and posted by the board on the board's
6 Internet website. Upon request, all employees of the board
7 and each independent contractor shall have a duty to provide
8 the State Ethics Commission with adequate information to
9 accurately develop and maintain the list. The State Ethics
10 Commission may impose a civil penalty under 65 Pa.C.S. §
11 1109(f) (relating to penalties) upon an individual who fails
12 to cooperate with the State Ethics Commission under this
13 paragraph. An individual who relies in good faith on the list
14 published by the State Ethics Commission shall not be subject
15 to any penalty for a violation of paragraph (13) or (13.1).

16 * * *

17 (m) Employment requirements.--

18 * * *

19 (3) The board shall obtain fingerprints and photographs
20 for each prospective employee consistent with the standards
21 adopted by the division in consultation with the Pennsylvania
22 State Police.

23 * * *

24 Section 4. Section 1202(b)(9), (10), (25) and (28) of Title
25 4 are amended and the subsection is amended by adding paragraphs
26 to read:

27 § 1202. General and specific powers.

28 * * *

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

1 * * *

2 (9) To require background investigations on applicants,
3 licensees, principals, key employees or permittees under the
4 jurisdiction of the board[.] to be conducted by the division.
5 No licensee may obtain a contract or commence work at a
6 licensed facility prior to the completion of a background
7 investigation.

8 [(10) To enter into an agreement with the Pennsylvania
9 State Police for the reimbursement of actual costs as
10 approved by the board to the Pennsylvania State Police for
11 the investigations. Investigations shall include information
12 in the possession of the Attorney General.]

13 * * *

14 [(25) To promulgate regulations pertaining to the
15 operation of the bureau to insure separation of functions
16 between the bureau and the board. The board shall provide the
17 employees necessary to the bureau for enforcement of this
18 part.]

19 * * *

20 (28) To prepare and, through the Governor, submit
21 annually to the General Assembly an itemized budget
22 consistent with Article VI of the act of April 9, 1929
23 (P.L.177, No.175), known as The Administrative Code of 1929,
24 consisting of the amounts necessary to be appropriated by the
25 General Assembly out of the accounts established under
26 section 1401 (relating to slot machine licensee deposits)
27 required to meet the obligations accruing during the fiscal
28 period beginning July 1 of the following year. The budget
29 shall include itemized recommendations for [the Attorney
30 General,] the department [and the Pennsylvania State Police]

1 as to the amount needed to meet [their] its obligations under
2 this part.

3 (28.1) To establish and post on the board's Internet
4 website budgetary guidelines of the board, including a salary
5 matrix for members and employees of the board.

6 * * *

7 (31.1) To post on the board's Internet website:

8 (i) All contracts and contract-related information
9 of the board available to the public in accordance with
10 the act of February 14, 2008 (P.L.6, No.3), known as the
11 Right-to-Know Law.

12 (ii) A description of all requests for access to
13 records under the Right-to-Know Law, including the total
14 number of record requests, the number of requests
15 approved, the number of requests denied and the number
16 and outcome of appeals from denials of access to records.

17 * * *

18 Section 5. Sections 1202.1(e), 1202.2(a), 1206(f)(1),
19 1207(2) and (14), 1208(1), 1211(a), 1309(a)(9), 1310(b) and
20 1311(g) and (h) of Title 4 are amended to read:

21 § 1202.1. Code of conduct.

22 * * *

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

26 "Ex parte communication." An off-the-record communication
27 engaged in or received by a member or hearing officer of the
28 board regarding the merits of or any fact in issue relating to a
29 pending matter before the board or hearing officer or which may
30 reasonably be expected to come before the board or hearing

1 officer in a contested on-the-record proceeding. The term shall
2 not include off-the-record communications by or between a member
3 or hearing officer of the board, the division, department,
4 Pennsylvania State Police[, Attorney General] or other law
5 enforcement official prior to the beginning of the proceeding
6 solely for the purpose of seeking clarification or correction to
7 evidentiary materials intended for use in the proceedings. The
8 term shall also not include communications between the board or
9 a member and the office of chief counsel.

10 § 1202.2. Expenses of regulatory agencies.

11 (a) Reimbursement.--Members and employees of the board,
12 employees of the department and the [Office of Attorney General]
13 division, and troopers and employees of the Pennsylvania State
14 Police, whose duties involve the regulation or enforcement of
15 gaming under this part who are seeking reimbursement from funds
16 which are or will be paid by an applicant for a slot machine
17 license or a slot machine licensee or from the assessments made
18 by the department under section 1402(a) (relating to gross
19 terminal revenue deductions) may be reimbursed only for actual
20 and reasonable expenses incurred during the performance of their
21 duties under this part.

22 * * *

23 § 1206. Board minutes and records.

24 * * *

25 (f) Confidentiality of information.--

26 (1) The following information submitted by an applicant,
27 permittee or licensee pursuant to section 1310(a) (relating
28 to slot machine license application character requirements)
29 or 1308(a.1) (relating to applications for license or permit)
30 or obtained by the board or the [bureau] division as part of

1 a background or other investigation from any source shall be
2 confidential and withheld from public disclosure:

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

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

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

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

30 (v) Information with respect to which there is a

1 reasonable possibility that public release or inspection
2 of the information would constitute an unwarranted
3 invasion into personal privacy of any individual as
4 determined by the board.

5 (vi) Records of an applicant or licensee not
6 required to be filed with the Securities and Exchange
7 Commission by issuers that either have securities
8 registered under section 12 of the Securities Exchange
9 Act of 1934 (48 Stat. 881, 15 U.S.C. § 781) or are
10 required to file reports under section 15(d) of the
11 Securities Exchange Act of 1934 (48 Stat. 881, 15 U.S.C.
12 § 78o).

13 (vii) Records considered nonpublic matters or
14 information by the Securities and Exchange Commission as
15 provided by 17 CFR 200.80 (relating to commission records
16 and information).

17 (viii) Any financial information deemed confidential
18 by the board upon a showing of good cause by the
19 applicant or licensee.

20 * * *

21 § 1207. Regulatory authority of board.

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

23 * * *

24 (2) Restrict access to confidential information in the
25 possession of the board which has been obtained under this
26 part and ensure that the confidentiality of information is
27 maintained and protected. Records shall be retained by the
28 board for seven years. The restrictions shall not apply to
29 the division.

30 * * *

1 (14) Consult with members of the Pennsylvania State
2 Police, the [Office of Attorney General] division, the
3 department and such other persons it deems necessary for
4 advice regarding the various aspects of the powers and duties
5 imposed on it under this part and its jurisdiction over the
6 authorization, operation and play of slot machines, table
7 games and licensed facilities.

8 * * *

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. Unless otherwise provided in this part, 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:

23 (A) A fee of \$25,000 upon the issuance of a
24 license to supply slot machines or associated
25 equipment used in connection with slot machines.

26 (B) A fee of \$25,000 upon the issuance of a
27 license to supply table game devices or associated
28 equipment used in connection with table games or
29 table game devices.

30 (C) A fee of \$15,000 for the annual renewal of

1 the appropriate supplier license. Upon the extension
2 of the renewal period under section 1317(c)(1)
3 (relating to supplier licenses), the fee shall be
4 \$45,000 for the renewal.

5 (D) Notwithstanding the fees established under
6 clauses (B) and (C), the board may modify the fees
7 upon the board's determination that the fees will
8 unreasonably limit the availability of table game
9 devices or associated equipment used in connection
10 with table games or table game devices in this
11 Commonwealth.

12 (ii) Manufacturer licensees shall pay:

13 (A) A fee of \$50,000 upon the issuance of a
14 license to manufacture slot machines and associated
15 equipment used in connection with slot machines.

16 (B) A fee of \$50,000 upon the issuance of a
17 license to manufacture table game devices or
18 associated equipment used in connection with table
19 games or table game devices.

20 (C) A fee of \$30,000 for the annual renewal of
21 the appropriate manufacturer license. Upon the
22 extension of the renewal period under section
23 1317.1(c)(1) (relating to manufacturer licenses), the
24 fee shall be \$90,000 for the renewal.

25 (D) Notwithstanding the fees established under
26 clauses (B) and (C), the board may modify the fees
27 upon the board's determination that the fees will
28 unreasonably limit the availability of table game
29 devices or associated equipment used in connection
30 with table games or table game devices in this

1 Commonwealth.

2 (iii) Each application for a slot machine license,
3 supplier license or manufacturer license must be
4 accompanied by a nonrefundable fee set by the board for
5 the cost of each individual requiring a background
6 investigation. The reasonable and necessary costs and
7 expenses incurred in any background investigation or
8 other investigation or proceeding concerning any
9 applicant, licensee, permittee or registrant shall be
10 reimbursed to the board or the division, as appropriate,
11 by those persons.

12 * * *

13 § 1211. Reports of board.

14 (a) Report of board.--Eighteen months after the effective
15 date of this part and every year on that date thereafter, the
16 board shall issue a report to the Governor and each member of
17 the General Assembly on the general operation of the board and
18 each slot machine licensee's performance, including, but not
19 limited to, number and win per slot machine and total gross
20 terminal revenue at each licensed facility during the previous
21 year, all taxes, fees, fines and other revenues collected and,
22 where appropriate, disbursed, the costs of operation of the
23 board, all hearings conducted and the results of the hearings
24 and other information that the board deems necessary and
25 appropriate. The board shall include in its report a listing of
26 the number of executive sessions conducted by the board and a
27 brief explanation describing the location of executive session
28 agendas on its Internet website. The agenda for each executive
29 session shall be posted on its Internet website.

30 * * *

1 § 1309. Slot machine license application.

2 (a) General requirements.--In addition to any other
3 information required under this part or as may be required by
4 the board, the application for any category of slot machine
5 license shall include at a minimum:

6 * * *

7 (9) The consent to conduct a background investigation by
8 the [board] division, the scope of which shall be determined
9 by the [board] division in its discretion consistent with the
10 provisions of this part, and a release signed by all persons
11 subject to the investigation of all information required to
12 complete the investigation.

13 * * *

14 § 1310. Slot machine license application character
15 requirements.

16 * * *

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

10 § 1311. Additional slot machine license requirements.

11 * * *

12 (g) Ongoing duty.--A person applying for a license, permit
13 or other authorization under this part shall have the continuing
14 duty to provide information required by the board or the
15 [bureau] division and to cooperate in any inquiry or
16 investigation.

17 (h) Criminal history record check.--The [board] division
18 shall conduct a criminal history record check on any person for
19 whom a waiver is granted under this section.

20 Section 6. Section 1311.1 of Title 4 is amended by adding a
21 subsection to read:

22 § 1311.1. Licensing of principals.

23 * * *

24 (a.1) Ineligibility.--

25 (1) The following persons, or an immediate family member
26 thereof, shall not be eligible for licensing as a principal
27 during the person's term of office or employment and for a
28 two-year period following the termination of the term of
29 office or employment:

30 (i) An executive-level public employee.

1 (ii) A public official or party officer as defined
2 in section 1512 (relating to financial and employment
3 interests).

4 (2) As used in this subsection, the term "immediate
5 family" shall have the same meaning as in section 1201(h)(6)
6 (relating to Pennsylvania Gaming Control Board established).

7 * * *

8 Section 7. Sections 1318(b)(3), 1322(a) and (c), 1331,
9 13A24, 13A25(b)(17), 1512(a.1), 1514(f) and (g), 1516.1 and
10 1517(a), (a.1), (a.2), (b), (c), (e) and (f) of Title 4 are
11 amended to read:

12 § 1318. Occupation permit application.

13 * * *

14 (b) Requirements.--The application for an occupation permit
15 shall include, at a minimum:

16 * * *

17 (3) The criminal history record of the person, as well
18 as the person's consent for the [Pennsylvania State Police]
19 division to conduct a background investigation.

20 * * *

21 § 1322. Slot machine accounting controls and audits.

22 (a) Approval.--Except as otherwise provided by this part,
23 each slot machine license applicant shall, in addition to
24 obtaining a slot machine license, obtain approval from the board
25 in consultation with the department, the division and the
26 Pennsylvania State Police of its proposed site plans and
27 internal control systems and audit protocols prior to the
28 installation and operation of slot machines at the licensed
29 facility.

30 * * *

1 (c) Internal control.--Each slot machine license applicant
2 shall submit to the board [and], the division, the Pennsylvania
3 State Police and the department, in such manner as the board
4 shall require, a description of its administrative and
5 accounting procedures in detail, including its written system of
6 internal control. Each written system of internal control shall
7 include:

8 (1) Records of direct and indirect ownership in the
9 proposed slot machine licensee, its affiliate, intermediary,
10 subsidiary or holding company.

11 (2) An organizational chart depicting appropriate
12 segregation of functions and responsibilities.

13 (3) A description of the duties and responsibilities of
14 each position shown on the organizational chart.

15 (4) A detailed narrative description of the
16 administrative and accounting procedures designed to satisfy
17 the requirements of this section.

18 (5) Record retention policy.

19 (6) Procedure to ensure that assets are safeguarded,
20 including mandatory count procedures.

21 (7) A statement signed by the chief financial officer of
22 the proposed licensed gaming entity or other competent person
23 and the chief executive officer of the proposed licensed
24 gaming entity or other competent person attesting that the
25 officer believes, in good faith, that the system satisfies
26 the requirements of this section.

27 (8) Any other item that the board may require in its
28 discretion.

29 § 1331. Duty of licensees, key employees and gaming employees.

30 Any licensee, key employee or gaming employee shall have the

1 duty to:

2 (1) provide any assistance or information required by
3 the board, the division, the department or the Pennsylvania
4 State Police and to cooperate in any inquiry, investigation
5 or hearing;

6 (2) consent to inspections, searches and seizures;

7 (3) inform the board of any actions which they believe
8 would constitute a violation of this part; and

9 (4) inform the board of any arrests for any violations
10 of offenses enumerated under 18 Pa.C.S. (relating to crimes
11 and offenses).

12 § 13A24. Condition of continued operation.

13 As a condition of continued operation, a certificate holder
14 shall agree to maintain all books, records and documents
15 pertaining to table games in a manner and location within this
16 Commonwealth as approved by the board. All books, records and
17 documents related to table games shall:

18 (1) be segregated by separate accounts within the slot
19 machine licensee's books, records and documents, except for
20 any books, records or documents that are common to both slot
21 machine and table game operations;

22 (2) be immediately available for inspection upon request
23 of the board, the [bureau] division, the department, the
24 Pennsylvania State Police or the Attorney General, or agents
25 thereof, during all hours of operation of the licensed
26 facility in accordance with regulations promulgated by the
27 board; and

28 (3) be maintained for a period as the board, by
29 regulation, may require.

30 § 13A25. Table game accounting controls and audit protocols.

1 * * *

2 (b) Minimum requirements.--A certificate holder's internal
3 controls and audit protocols shall:

4 * * *

5 (17) Permit use of its licensed facility by the board,
6 the [bureau] division and other persons authorized under this
7 part or by the board to facilitate their ability to perform
8 regulatory and oversight functions under this chapter.

9 * * *

10 § 1512. Financial and employment interests.

11 * * *

12 (a.1) Employment.--Except as may be provided by rule or
13 order of the Pennsylvania Supreme Court and except as provided
14 in section 1202.1 (relating to code of conduct) or 1512.1
15 (relating to additional restrictions), no executive-level public
16 employee, public official or party officer, or an immediate
17 family member thereof, shall be employed by an applicant or a
18 slot machine licensee, manufacturer licensee, supplier licensee
19 or licensed racing entity, or by any holding company, affiliate,
20 intermediary or subsidiary thereof, while the individual is an
21 executive-level public employee, public official or party
22 officer and for [one year] four years following termination of
23 the individual's status as an executive-level public employee,
24 public official or party officer.

25 * * *

26 § 1514. Regulation requiring exclusion or ejection of certain
27 persons.

28 * * *

29 (f) Notice.--Whenever the [bureau] division seeks to place
30 the name of any person on a list pursuant to this section, the

1 [bureau] division shall serve notice of this fact to such person
2 by personal service or certified mail at the last known address
3 of the person. The notice shall inform the person of the right
4 to request a hearing under subsection (g).

5 (g) Hearing.--Within 30 days after receipt of notice in
6 accordance with subsection (f), the person named for exclusion
7 or ejection may demand a hearing before the board, at which
8 hearing the [bureau] division shall have the affirmative
9 obligation to demonstrate that the person named for exclusion or
10 ejection satisfies the criteria for exclusion or ejection
11 established by this section and the board's regulations. Failure
12 of the person to demand a hearing within 30 days after service
13 shall be deemed an admission of all matters and facts alleged in
14 the [bureau's] division's notice and shall preclude the person
15 from having an administrative hearing, but shall in no way
16 affect the right to judicial review as provided in this section.

17 * * *

18 § 1516.1. Prosecutorial and adjudicatory functions.

19 The [board] Attorney General shall promulgate regulations and
20 adopt procedures necessary to ensure that the [bureau] division
21 is a distinct entity and to prevent commingling of the
22 investigatory and prosecutorial functions of the [bureau]
23 division under section 1517 (relating to investigations and
24 enforcement) and the adjudicatory functions of the board.
25 Regulations and procedures promulgated or adopted under this
26 section shall do all of the following:

27 (1) Provide that neither the executive director nor the
28 chief counsel of the board shall direct or limit the scope of
29 a background investigation conducted by the [bureau]
30 division.

1 (2) Incorporate section 1202.1(c.1) (relating to code of
2 conduct) and any other applicable provisions of section
3 1202.1.

4 § 1517. Investigations and enforcement.

5 (a) Establishment.--There is hereby established within the
6 [board a Bureau of Investigations and Enforcement which shall be
7 independent of the board in matters relating to the enforcement
8 of this part. The bureau shall have the powers and duties set
9 forth in subsection (a.1)] Office of Attorney General the
10 Division of Gaming Enforcement. The division shall have the
11 powers and duties set forth in subsection (a.1).

12 (a.1) Powers and duties [of bureau].--The [Bureau of
13 Investigations and Enforcement] division shall have the
14 following powers and duties:

15 (1) Enforce the provisions of this part.

16 (2) Investigate and review all applicants and
17 applications for a license, permit or registration. The
18 [bureau] division shall be prohibited from disclosing any
19 portion of a background investigation report to any member
20 prior to the submission of the [bureau's] division's final
21 background investigation report relating to the applicant's
22 suitability for licensure to the board. The [Office of
23 Enforcement Counsel, on behalf of the bureau,] division shall
24 prepare the final background investigation report for
25 inclusion in a final report relating to the applicant's
26 suitability for licensure. Appended to each such report shall
27 be all information collected by the division that relates to
28 the applicant.

29 (3) Investigate licensees, permittees, registrants and
30 other persons regulated by the board for noncriminal

1 violations of this part, including potential violations
2 referred to the [bureau] division by the board or other
3 person.

4 (4) Monitor gaming operations to ensure all of the
5 following:

6 (i) Compliance with this part, the act of April 12,
7 1951 (P.L.90, No.21), known as the Liquor Code, and the
8 other laws of this Commonwealth.

9 (ii) The implementation of adequate security
10 measures by a licensed entity.

11 (5) Inspect and examine licensed entities as provided in
12 subsection (e). Inspections may include the review and
13 reproduction of any document or record.

14 (6) Conduct reviews of a licensed entity as necessary to
15 ensure compliance with this part. A review may include the
16 review of accounting, administrative and financial records,
17 management control systems, procedures and other records
18 utilized by a licensed entity.

19 (7) Refer possible criminal violations to the
20 Pennsylvania State Police. [The bureau shall not have the
21 power of arrest.]

22 (8) Cooperate in the investigation and prosecution of
23 criminal violations related to this part.

24 (9) Be a criminal justice agency under 18 Pa.C.S. Ch. 91
25 (relating to criminal history record information).

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

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

1 following powers and duties:

2 (i) Advise the [bureau] division on all matters,
3 including the granting of licenses, permits or
4 registrations, the conduct of background investigations,
5 audits and inspections and the investigation of potential
6 violations of this part.

7 (ii) File recommendations and objections relating to
8 the issuance of licenses, permits and registrations [on
9 behalf of the bureau].

10 (iii) Initiate, in its sole discretion, proceedings
11 for noncriminal violations of this part by filing a
12 complaint or other pleading with the board.

13 (iv) Petition the board for the appointment of a
14 trustee under section 1332 (relating to appointment of
15 trustee).

16 (2) The director of the Office of Enforcement Counsel
17 shall report to the executive director of the board on
18 administrative matters. The director shall be selected by the
19 [board] Attorney General and shall be an attorney admitted to
20 practice before the Pennsylvania Supreme Court.

21 (b) Powers and duties of department.--

22 (1) The department shall at all times have the power of
23 access to examine and audit equipment and records relating to
24 all aspects of the operation of slot machines or table games
25 under this part.

26 (2) Notwithstanding the provisions of section 353(f) of
27 the act of March 4, 1971 (P.L.6, No.2), known as the Tax
28 Reform Code of 1971, the department shall supply the board,
29 the [bureau] division, the Pennsylvania State Police and the
30 Office of Attorney General with information concerning the

1 status of delinquent taxes owned by the applicant, licensee
2 or permittee.

3 (c) Powers and duties of the Pennsylvania State Police.--The
4 Pennsylvania State Police shall have the following powers and
5 duties:

6 (1) Promptly conduct background investigations on
7 persons as directed by the board in accordance with the
8 provisions of section 1202 (relating to general and specific
9 powers). The Pennsylvania State Police may contract with
10 other law enforcement annuitants to assist in the conduct of
11 investigations under this paragraph.

12 (1.1) Promptly conduct a background investigation on an
13 individual selected by the board to fill the position of
14 executive director of the board, director of the [bureau]
15 division, chief counsel of the board or the director of the
16 Office of Enforcement Counsel and submit the results to the
17 board.

18 (3) Initiate proceedings for criminal violations of this
19 part.

20 (4) Provide the board with all information necessary for
21 all actions under this part for all proceedings involving
22 criminal enforcement of this part.

23 (5) Inspect, when appropriate, a licensee's or
24 permittee's person and personal effects present in a licensed
25 facility under this part while that licensee or permittee is
26 present at a licensed facility.

27 (6) Enforce the criminal provisions of this part and all
28 other criminal laws of the Commonwealth.

29 (7) Fingerprint applicants for licenses and permits.

30 (8) Exchange fingerprint data with and receive national

1 criminal history record information from the FBI for use in
2 investigating applications for any license or permit under
3 this part.

4 (9) Receive and take appropriate action on any referral
5 from the board relating to criminal conduct.

6 (10) Require the production of any information, material
7 and other data from any licensee, permittee or other
8 applicant seeking approval from the board.

9 (11) Conduct administrative inspections on the premises
10 of licensed racetrack or nonprimary location or licensed
11 facility at such times, under such circumstances and to such
12 extent as the [bureau] division determines to ensure
13 compliance with this part and the regulations of the board
14 and, in the course of inspections, review and make copies of
15 all documents and records required by the inspection through
16 onsite observation and other reasonable means to assure
17 compliance with this part and regulations promulgated under
18 this part.

19 (12) Conduct audits or verification of information of
20 slot machine or table game operations at such times, under
21 such circumstances and to such extent as the [bureau]
22 division determines. This paragraph includes reviews of
23 accounting, administrative and financial records and
24 management control systems, procedures and records utilized
25 by a slot machine licensee.

26 (13) A member of the Pennsylvania State Police assigned
27 to duties of enforcement under this part shall not be counted
28 toward the complement as defined in the act of December 13,
29 2001 (P.L.903, No.100), entitled "An act repealing in part a
30 limitation on the complement of the Pennsylvania State

1 Police."

2 (14) By March 1 of each year, the Commissioner of the
3 Pennsylvania State Police shall submit a report to the
4 Appropriations Committee of the Senate, the Community,
5 Economic and Recreational Development Committee of the
6 Senate, the Appropriations Committee of the House of
7 Representatives and the Gaming Oversight Committee of the
8 House of Representatives. The report shall summarize all law
9 enforcement activities at each licensed facility during the
10 previous calendar year and shall include all of the
11 following:

12 (i) The number of arrests made and citations issued
13 at each licensed facility and the name of the law
14 enforcement agency making the arrest or issuing the
15 citation.

16 (ii) A list of specific offenses charged for each
17 arrest made or citation issued.

18 (iii) The number of criminal prosecutions resulting
19 from arrests made or citations issued.

20 (iv) The number of convictions resulting from
21 prosecutions reported under subparagraph (iii).

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

25 (vi) The number and the subject matter of complaints
26 made against Pennsylvania State Police troopers in
27 licensed facilities and the type of disciplinary actions
28 taken by the Pennsylvania State Police, if any, against
29 the Pennsylvania State Police troopers.

30 (vii) The closest local police station, Pennsylvania

1 State Police station and regional Pennsylvania State
2 Police headquarters to each licensed facility.

3 * * *

4 (e) Inspection, seizure and warrants.--

5 (1) The [bureau] division, the department and the
6 Pennsylvania State Police shall have the authority without
7 notice and without warrant to do all of the following in the
8 performance of their duties:

9 (i) Inspect and examine all premises where slot
10 machine or table game operations are conducted, slot
11 machines, table game devices and associated equipment are
12 manufactured, sold, distributed or serviced or where
13 records of these activities are prepared or maintained.

14 (ii) Inspect all equipment and supplies in, about,
15 upon or around premises referred to in subparagraph (i).

16 (iii) Seize, summarily remove and impound equipment
17 and supplies from premises referred to in subparagraph
18 (i) for the purposes of examination and inspection.

19 (iv) Inspect, examine and audit all books, records
20 and documents pertaining to a slot machine licensee's
21 operation.

22 (v) Seize, impound or assume physical control of any
23 book, record, ledger, game, device, cash box and its
24 contents, count room or its equipment or slot machine or
25 table game operations.

26 (2) The provisions of paragraph (1) shall not be deemed
27 to limit warrantless inspections except in accordance with
28 constitutional requirements.

29 (3) To further effectuate the purposes of this part, the
30 [bureau] division and the Pennsylvania State Police may

1 obtain administrative warrants for the inspection and seizure
2 of property possessed, controlled, bailed or otherwise held
3 by an applicant, licensee, permittee, intermediary,
4 subsidiary, affiliate or holding company.

5 (f) Information sharing and enforcement referral.--With
6 respect to the administration, supervision and enforcement of
7 this part, the [bureau] division, the department, the
8 Pennsylvania State Police or the Office of Attorney General may
9 obtain or provide pertinent information regarding applicants,
10 licensees or permittees from or to law enforcement entities or
11 gaming authorities of the Commonwealth and other domestic,
12 foreign or federally approved jurisdictions, including the
13 Federal Bureau of Investigation, and may transmit such
14 information to each other electronically.

15 Section 8. Section 1518(a)(1) and (b)(1) and (2) of Title 4
16 are amended and subsection (a) is amended by adding a paragraph
17 to read:

18 § 1518. Prohibited acts; penalties.

19 (a) Criminal offenses.--

20 (1) The provisions of 18 Pa.C.S. § 4902 (relating to
21 perjury), 4903 (relating to false swearing) or 4904 (relating
22 to unsworn falsification to authorities) shall apply to any
23 person providing information or making any statement, whether
24 written or oral, to the board, the [bureau] division, the
25 department, the Pennsylvania State Police or the Office of
26 Attorney General, as required by this part.

27 * * *

28 (18) It shall be unlawful for any appointee, designee or
29 employee of the board, the division or the Office of
30 Enforcement Counsel to:

1 (i) knowingly make a false entry in or false
2 alteration of any record, document or thing belonging to
3 or received or kept by the board or the department for
4 information or record;

5 (ii) make, present or use any record, document or
6 thing knowing it to be false, in whole or in part, and
7 with intent that it be taken as a genuine part of
8 information or records referred to in subparagraph (i);
9 or

10 (iii) intentionally and unlawfully destroy, conceal,
11 alter, modify, remove or otherwise impair the verity or
12 availability of any such record, document or thing.

13 (b) Criminal penalties and fines.--

14 (1) (i) A person that commits a first offense in
15 violation of 18 Pa.C.S. § 4902, 4903 or 4904 in
16 connection with providing information or making any
17 statement, whether written or oral, to the board, the
18 [bureau] division, the department, the Pennsylvania State
19 Police, the Office of Attorney General or a district
20 attorney as required by this part commits an offense to
21 be graded in accordance with the applicable section
22 violated. A person that is convicted of a second or
23 subsequent violation of 18 Pa.C.S. § 4902, 4903 or 4904
24 in connection with providing information or making any
25 statement, whether written or oral, to the board, the
26 [bureau] division, the department, the Pennsylvania State
27 Police, the Office of Attorney General or a district
28 attorney as required by this part commits a felony of the
29 second degree.

30 (ii) A person that violates subsection (a) (2)

1 through (12) [or (17)], (17) or (18) commits a
2 misdemeanor of the first degree. A person that is
3 convicted of a second or subsequent violation of
4 subsection (a) (2) through (12) [or (17)], (17) or (18)
5 commits a felony of the second degree.

6 (2) (i) For a first violation of subsection (a) (1)
7 through (12) [or (17)], (17) or (18), a person shall be
8 sentenced to pay a fine of:

9 (A) not less than \$75,000 nor more than \$150,000
10 if the person is an individual;

11 (B) not less than \$300,000 nor more than
12 \$600,000 if the person is a licensed gaming entity;
13 or

14 (C) not less than \$150,000 nor more than
15 \$300,000 if the person is a licensed manufacturer or
16 supplier.

17 (ii) For a second or subsequent violation of
18 subsection (a) (1) through (12) [or (17)], (17) or (18), a
19 person shall be sentenced to pay a fine of:

20 (A) not less than \$150,000 nor more than
21 \$300,000 if the person is an individual;

22 (B) not less than \$600,000 nor more than
23 \$1,200,000 if the person is a licensed gaming entity;
24 or

25 (C) not less than \$300,000 nor more than
26 \$600,000 if the person is a licensed manufacturer or
27 supplier.

28 * * *

29 Section 9. Sections 1518.1(a) and (c) and 1518.2(a) and (e)
30 of Title 4 are amended to read:

1 § 1518.1. Report of suspicious transactions.

2 (a) Duty.--A slot machine licensee or a person acting on
3 behalf of a slot machine licensee shall file a report of any
4 suspicious transaction with the [bureau] division. The filing
5 with the [bureau] division of a copy of a report made under 31
6 CFR 103.21 (relating to reports by casinos of suspicious
7 transactions) shall satisfy this requirement.

8 * * *

9 (c) [Bureau.--The bureau] Division.--The division shall
10 maintain a record of all reports made under this section for a
11 period of five years. The [bureau] division shall make the
12 reports available to any Federal or State law enforcement agency
13 upon written request and without necessity of subpoena.

14 * * *

15 § 1518.2. Additional authority.

16 (a) General rule.--The director of the Office of Enforcement
17 Counsel [within the bureau] may petition a court of record
18 having jurisdiction over information in the possession of an
19 agency in this Commonwealth or, if there is no such court, then
20 the Commonwealth Court for authorization to review or obtain
21 information in the possession of an agency in this Commonwealth
22 by averring specific facts demonstrating that the agency has in
23 its possession information material to a pending investigation
24 or inquiry being conducted by the [bureau] division pursuant to
25 this part and that disclosure or release is in the best interest
26 of the Commonwealth. The petition shall request that the court
27 enter a rule upon the agency to show cause why the agency should
28 not be directed to disclose to the [bureau] division, or
29 identified agents thereof, information in its possession about
30 any pending matter under the jurisdiction of the bureau pursuant

1 to this part. If a respondent is a local agency, a copy of any
2 rule issued pursuant to this section shall be provided to the
3 district attorney of the county in which the local agency is
4 located and the Office of Attorney General. Upon request of a
5 local agency, the district attorney or the Attorney General may
6 elect to enter an appearance to represent the local agency in
7 the proceedings.

8 * * *

9 (e) Modification of order.--If subsequent investigation or
10 inquiry by the [bureau] division warrants modification of any
11 order entered pursuant to this section, the director of the
12 Office of Enforcement Counsel may petition to request the
13 modification. Upon such request, the court may modify its orders
14 at any time and in any manner it deems necessary and
15 appropriate. The agency named in the original petition shall be
16 given notice and an opportunity to be heard.

17 * * *

18 Section 10. Title 4 is amended by adding a section to read:
19 § 1524. Audit by Auditor General.

20 The Auditor General shall conduct a performance audit every
21 two years to determine program effectiveness and annual
22 compliance with the requirements of this part. The Auditor
23 General shall report every two years to the General Assembly the
24 audit findings and any action recommended to be taken by the
25 board to ensure compliance with this part.

26 Section 11. Sections 1602(b), 1604(b), 1608, 1609, 1610,
27 1702(f) and 1801 of Title 4 are amended to read:

28 § 1602. Gaming junket enterprise license.

29 * * *

30 (b) Application.--A gaming junket enterprise license

1 application shall be in a form prescribed by the board and shall
2 include the following:

3 (1) The name, address and photograph of the applicant
4 and all owners, directors, managers and supervisory employees
5 of a gaming junket enterprise.

6 (2) The details of a gaming junket enterprise license or
7 similar license applied for or granted or denied to the
8 applicant by another jurisdiction.

9 (3) Consent for the [bureau] division to conduct a
10 background investigation, the scope of which shall be
11 determined by the board.

12 (4) All releases necessary for the [bureau] division and
13 the board to acquire licensing documents and other
14 information necessary to conduct a background investigation
15 or otherwise evaluate the application.

16 (5) A list of all civil judgments obtained against the
17 applicant pertaining to any gaming junket enterprise with
18 which the applicant has been associated.

19 (6) A description of the operation and organization of
20 the gaming junket enterprise.

21 (7) Any additional information required by the board.

22 * * *

23 § 1604. Gaming junket representatives.

24 * * *

25 (b) Application.--In addition to the requirements of section
26 1308 (relating to applications for license or permit), the
27 application for a gaming junket representative occupation permit
28 shall be in a form prescribed by the board and shall include the
29 following:

30 (1) Verification of employment status as a gaming junket

1 representative with a licensed gaming junket enterprise or an
2 applicant for a gaming junket enterprise license.

3 (2) A description of employment responsibilities.

4 (3) A consent form to allow the [bureau] division to
5 conduct a background investigation, the scope of which shall
6 be determined by the board.

7 (4) A release for the [bureau] division and the board to
8 acquire copies of information from government agencies,
9 employers and others as necessary to complete the
10 investigation.

11 (5) Fingerprints which shall be submitted to the
12 Pennsylvania State Police.

13 (6) A photograph that meets the standards of the
14 Commonwealth Photo Imaging Network.

15 (7) Details relating to a similar license, permit or
16 other authorization obtained in another jurisdiction, if any.

17 (8) Any additional information required by the board.

18 * * *

19 § 1608. Records.

20 The board shall prescribe procedures and forms to retain
21 records relating to the conduct of a gaming junket by a slot
22 machine licensee. A slot machine licensee shall:

23 (1) Maintain a current report of the operations of
24 gaming junkets conducted at its licensed facility.

25 (2) Submit to the board and the [bureau] division a list
26 of all its employees who conduct business on behalf of the
27 slot machine licensee with gaming junket representatives on a
28 full-time, part-time or temporary basis.

29 (3) Maintain records of all agreements entered into with
30 a gaming junket enterprise or gaming junket representative

1 for a minimum of five years.

2 (4) Provide any other information relating to a gaming
3 junket required by the board or [bureau] division.

4 § 1609. Report.

5 A slot machine licensee, gaming junket representative or
6 gaming junket enterprise shall file a report with the [bureau]
7 division on each list of gaming junket participants or potential
8 gaming junket participants purchased by the slot machine
9 licensee, gaming junket representative or gaming junket
10 enterprise. The report shall include the source of the list and
11 zip codes of participants or potential participants on a list
12 purchased directly or indirectly by a slot machine licensee,
13 gaming junket representative or gaming junket enterprise.

14 Nothing in this section shall require the reporting or
15 maintenance of personal identifying information pertaining to
16 participants or potential participants.

17 § 1610. Gaming junket arrangement.

18 Upon petition by a slot machine licensee, the board may grant
19 an exemption from the permit requirements of this chapter to a
20 gaming junket representative. The board shall consult with the
21 [bureau] division prior to granting an exemption under this
22 section and shall consider the following:

23 (1) The terms of the gaming junket arrangement.

24 (2) The number and scope of gaming junkets.

25 (3) Whether the exemption is consistent with the
26 policies and purposes of this part.

27 (4) Any other factor deemed necessary by the [bureau]
28 division or board.

29 The board may condition, limit or restrict the exemption.

30 § 1702. Gaming school gaming equipment.

1 * * *

2 (f) Notice to board and [bureau] division.--No gaming school
3 shall sell or transfer any slot machine, table game, table game
4 device or associated equipment except upon prior written notice
5 to the board and the [bureau] division.

6 * * *

7 § 1801. Duty to provide.

8 Notwithstanding the provisions of the Race Horse Industry
9 Reform Act or this part, the division, in cooperation with the
10 Pennsylvania State Police, shall, at the request of the
11 commissions [or the board], provide criminal history background
12 investigations[,] and background investigation reports which
13 shall include records of criminal arrests and convictions, no
14 matter where occurring, including Federal criminal history
15 record information, on applicants for licensure and permit
16 applicants by the respective agencies pursuant to the Race Horse
17 Industry Reform Act or this part. Requests for criminal history
18 background investigations and background investigation reports
19 may, at the direction of the commissions or the board, include,
20 but not be limited to, officers, directors and stockholders of
21 licensed corporations, key employees, financial backers,
22 principals, gaming employees, horse owners, trainers, jockeys,
23 drivers and other persons participating in thoroughbred or
24 harness horse meetings and other persons and vendors who
25 exercise their occupation or employment at such meetings,
26 licensed facilities or licensed racetracks. For the purposes of
27 this part, the board and commissions may receive and retain
28 information otherwise protected by 18 Pa.C.S. Ch. 91 (relating
29 to criminal history record information).

30 Section 12. The amendment of 4 Pa.C.S. § 1201(b)(1) shall

1 apply to members appointed on or after the effective date of
2 this section.

3 Section 13. The addition of 4 Pa.C.S. § 1201(h) (9.1) shall
4 not apply to any of the following:

5 (1) An individual appointed to the board before July 1,
6 2010.

7 (2) An individual identified under paragraph (1) who is
8 reappointed to the board.

9 Section 14. On the effective date of this section, the
10 following shall apply:

11 (1) The Bureau of Investigations and Enforcement of the
12 Pennsylvania Gaming Control Board and the Office of
13 Enforcement Counsel shall cease to exist.

14 (2) Individuals employed by the Pennsylvania Gaming
15 Control Board and assigned to positions within the Bureau of
16 Investigations and Enforcement of the Pennsylvania Gaming
17 Control Board or the Office of Enforcement Counsel shall be
18 transferred to and shall become employees of the Division of
19 Gaming Enforcement of the Office of Attorney General and
20 their status as employees of the Pennsylvania Gaming Control
21 Board shall cease.

22 (3) The Office of Attorney General shall establish
23 salaries and other compensation for those individuals
24 transferred under paragraph (2) in accordance with existing
25 policies of the Office of Attorney General. Individuals
26 transferred under paragraph (2) shall remain State employees
27 for the purposes of 71 Pa.C.S. Pt. XXV, and their service
28 shall be considered continual and uninterrupted.

29 (4) On and after the date of transfer to the Office of
30 Attorney General, transferred employees shall be eligible for

1 paid holidays and the accrual of sick and annual leave and
2 any other leave in accordance with the policies of the Office
3 of Attorney General.

4 (5) Sick and annual leave accrued by a transferred
5 employee prior to the date of transfer shall be transferred
6 based upon the accrued sick and annual leave balances
7 credited to the transferred employee by the Pennsylvania
8 Gaming Control Board as of the day immediately preceding the
9 transferred employee's date of transfer.

10 (6) (i) The Pennsylvania Gaming Control Board shall
11 provide payment to the Office of Attorney General for the
12 accrued sick and annual leave transferred and credited
13 under paragraph (5).

14 (ii) Within 30 days of the effective date of this
15 section, the Pennsylvania Gaming Control Board shall
16 provide in writing to the Office of Attorney General all
17 leave information requested by the Office of Attorney
18 General for those individuals transferred under paragraph
19 (2).

20 (7) (i) Accrued sick or annual leave which exceeds the
21 maximum allowed by the policies of the Office of Attorney
22 General in effect on the day immediately preceding the
23 date of transfer and any other leave shall not be
24 transferred and credited.

25 (ii) The Pennsylvania Gaming Control Board shall
26 provide a lump-sum payment to individuals transferred
27 under paragraph (2) for sick or annual leave and any
28 other leave which is not transferred and credited under
29 this paragraph.

30 (8) The Attorney General shall submit a report to the

1 chairman and minority chairman of the Appropriations
2 Committee of the Senate and the chairman and minority
3 chairman of the Appropriations Committee of the House of
4 Representatives containing the expenditures for compensation
5 and related expenditures for individuals who are transferred
6 under this section.

7 Section 15. This act shall take effect in 60 days.