

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1098 Session of
2013

INTRODUCED BY PAYNE, TURZAI, CALTAGIRONE, COHEN, HARHAI, KOTIK,
MILLARD, MOUL, PASHINSKI, READSHAW, TOOHL, WHITE, D. COSTA,
DEASY, BARBIN, ROZZI, STEPHENS, EVERETT AND FARRY,
APRIL 3, 2013

AMENDMENTS TO SENATE AMENDMENTS, HOUSE OF REPRESENTATIVES,
NOVEMBER 12, 2013

AN ACT

1 Amending the act of December 19, 1988 (P.L.1262, No.156),
2 entitled, as amended, "An act providing for the licensing of
3 eligible organizations to conduct games of chance, for the
4 licensing of persons to distribute games of chance, for the
5 registration of manufacturers of games of chance, and for
6 suspensions and revocations of licenses and permits;
7 requiring records; providing for local referendum by
8 electorate; and prescribing penalties," further providing for
9 definitions, for games of chance permitted, for distributor
10 licenses, for major league sports drawing, for club licensee,
11 for distribution of proceeds, for records and for raffle
12 tickets; providing for background checks; further providing
13 for enforcement; providing for tavern gaming and for a HOST <--
14 MUNICIPALITY TAVERN GAMES TAX; ESTABLISHING THE HOST
15 MUNICIPALITY TAVERN GAMES LOCAL SHARE ACCOUNT; PROVIDING FOR
16 a ~~transfer~~ REPORT OF THE LEGISLATIVE BUDGET AND FINANCE <--
17 COMMITTEE; and making an editorial change.

18 The General Assembly of the Commonwealth of Pennsylvania

19 hereby enacts as follows:

20 Section 1. Section 102 of the act of December 19, 1988
21 (P.L.1262, No.156), known as the Local Option Small Games of
22 Chance Act, amended February 2, 2012 (P.L.7, No.2), is amended
23 to read:

1 Section 102. Legislative intent.

2 The General Assembly hereby declares that the playing of
3 games of chance for the purpose of raising funds, by certain
4 nonprofit associations, for the promotion of charitable or civic
5 purposes, is in the public interest. In some cases, the proceeds
6 from games of chance may be utilized to support certain
7 operating expenses of certain organizations.

8 The General Assembly hereby declares that raising public
9 funds from games of chance in ~~taverns~~ LICENSED RESTAURANTS AND <--
10 PROTECTING THE COMPETITIVENESS OF THESE RESTAURANTS is also in
11 the public interest.

12 It is hereby declared to be the policy of the General
13 Assembly that all phases of licensing, operation and regulation
14 of games of chance be strictly controlled, and that all laws and
15 regulations with respect thereto as well as all gambling laws
16 should be strictly construed and rigidly enforced.

17 The General Assembly recognizes the possibility of
18 association between commercial gambling and organized crime, and
19 wishes to [discourage commercialization of games of chance,] <--
20 prevent participation by organized crime and prevent the
21 diversion of funds from the purposes herein authorized.

22 Section 1.1. The introductory paragraph and the definitions
23 of "GAMES OF CHANCE," "major league sports drawing," "major <--
24 league sport team" and "proceeds" in section 103 of the act,
25 amended or added February 2, 2012 (P.L.7, No.2) and October 24,
26 2012 (P.L.1462, No.184), are amended AND THE SECTION IS AMENDED <--
27 BY ADDING A DEFINITION to read:

28 Section 103. Definitions.

29 The following words and phrases when used in this act shall,
30 except as provided under section 901, have the meanings given to

1 them in this section unless the context clearly indicates
2 otherwise:

3 * * *

<--

4 "GAMES OF CHANCE." PUNCHBOARDS, DAILY DRAWINGS, WEEKLY
5 DRAWINGS, 50/50 DRAWINGS, RAFFLES, TAVERN GAMES AND PULL-TABS,
6 AS DEFINED IN THIS ACT, PROVIDED THAT NO SUCH GAME SHALL BE
7 PLAYED BY OR WITH THE ASSISTANCE OF ANY MECHANICAL OR ELECTRICAL
8 DEVICES OR MEDIA OTHER THAN A DISPENSING MACHINE OR PASSIVE
9 SELECTION DEVICE AND FURTHER PROVIDED THAT THE PARTICULAR CHANCE
10 TAKEN BY ANY PERSON IN ANY SUCH GAME SHALL NOT BE MADE
11 CONTINGENT UPON ANY OTHER OCCURRENCE OR THE WINNING OF ANY OTHER
12 CONTEST, BUT SHALL BE DETERMINED SOLELY AT THE DISCRETION OF THE
13 PURCHASER. THIS DEFINITION SHALL NOT BE CONSTRUED TO AUTHORIZE
14 ANY OTHER FORM OF GAMBLING CURRENTLY PROHIBITED UNDER [ANY
15 PROVISION OF TITLE] 18 [OF THE PENNSYLVANIA CONSOLIDATED
16 STATUTES] PA.C.S. (RELATING TO CRIMES AND OFFENSES) OR
17 AUTHORIZED UNDER 4 PA.C.S. (RELATING TO AMUSEMENTS). NOTHING IN
18 THIS ACT SHALL BE CONSTRUED TO AUTHORIZE GAMES COMMONLY KNOWN AS
19 "SLOT MACHINES" OR "VIDEO POKER."

20 * * *

21 "Major league sports drawing." [A 50/50 drawing conducted by
22 an affiliated nonprofit organization at a home game of a major
23 league sports team in which 50% of the money collected from
24 ticket sales from the drawing are offered as the prize and the
25 remaining 50% is retained by the affiliated nonprofit
26 organization sponsoring the drawing for distribution to
27 charitable organizations.] A 50/50 drawing conducted by a
28 nonprofit affiliate of a major league sports team in accordance
29 with section 304.1.

30 "Major league sports team." [A professional team that is a

1 member of Major League Baseball, the National Hockey League, the
2 National Basketball Association or Major League Soccer.] A
3 sports team or racing facility that is any of the following:

4 (1) A member of Major League Baseball, the National
5 Hockey League, the National Basketball Association, the
6 National Football League or Major League Soccer.

7 (2) A professional sports team affiliated with a team
8 under paragraph (1).

9 (3) Any other professional sports team that has a sports
10 facility or an agreement with a sports facility to conduct
11 home games at the facility.

12 (4) A stadium, grandstand or bleacher at a closed-course
13 motor facility where spectators are directly observing motor
14 races with NASCAR, Indy, stock or drag racing cars.

15 * * *

16 "Proceeds." The difference between:

17 (1) the actual gross revenue collected by a licensed
18 eligible organization, or a licensee under Chapter 9, from a
19 game of chance; and

20 (2) the actual amount of prizes paid by a licensed
21 eligible organization, or a licensee under Chapter 9, from a
22 game of chance, plus the cost to purchase games of chance.

23 * * *

24 "TAVERN GAMES." PULL TABS, TAVERN DAILY DRAWINGS AND TAVERN <--
25 RAFFLES.

26 * * *

27 Section 1.2. Section 301 of the act, amended October 24,
28 2012 (P.L.1462, No.184), is amended to read:

29 Section 301. Games of chance permitted.

30 Every eligible organization to which a license has been

1 issued under the provisions of this chapter may conduct games of
2 chance for the purpose of raising funds for public interest
3 purposes. Except as provided in Chapter 5, all proceeds of a
4 licensed eligible organization shall be used exclusively for
5 public interest purposes, for the purchase of games of chance[,]
6 or for the payment of the license fee [or for the payment of the
7 fee for background checks], as required by this act.

8 Section 1.3. Section 304(a) of the act, amended February 2,
9 2012 (P.L.7, No.2), is amended to read:

10 Section 304. Distributor licenses.

11 (a) License required.--No person shall sell, offer for sale
12 or furnish games of chance to eligible organizations licensed
13 under this chapter or licensed under chapter 9 unless such
14 person shall have obtained a distributor license as provided in
15 this section.

16 * * *

17 Section 1.4. Section 304.1(c) and (f) of the act, added
18 October 24, 2012 (P.L.1462, No.184), are amended and the section
19 is amended by adding subsections to read:

20 Section 304.1. Major league sports drawing.

21 * * *

22 (b.2) Charitable event.--A major league sports drawing may
23 be conducted by the affiliated nonprofit organization during a
24 charitable event held within the same arena, stadium,
25 grandstand, bleachers or other facility during a home game or
26 car race of the major league sports team. Drawings may only be
27 held within spectator areas within the arena, stadium,
28 grandstand or bleachers where the home game or car race is being
29 conducted and not at ancillary areas or facilities, including
30 parking areas, restaurants and bars or areas outside the arena,

1 stadium, grandstand or bleachers or areas where the sport is
2 shown on remote electronic equipment.

3 (c) Distribution.--The prize amount of a major league sports
4 drawing shall be 50% of the total amount collected from the sale
5 of major league sports drawing tickets. [The] Except as set
6 forth in subsection (c.1), the other 50% of the total amount
7 collected from the sale of major league sports drawing tickets
8 shall be donated within seven days from the date of the drawing
9 by the affiliated nonprofit organization conducting the major
10 league sports drawing to [a] one or more designated charitable
11 [organization] organizations for which the drawing was
12 conducted.

13 (c.1) Use of funds.--

14 (1) The affiliated nonprofit organization may utilize
15 nonprize money collected for the following:

16 (i) To employ or provide payment to individuals 18
17 years of age or older to sell major league sports drawing
18 tickets at a professional sporting event.

19 (ii) For administrative expenses directly related to
20 the conduct of the drawing under this section.

21 (2) Authorized expenses under paragraph (1)(ii) may not
22 exceed 2% of the total amount collected from the sale of
23 major league sports drawing tickets.

24 * * *

25 (f) Unclaimed prizes.--Any major league [baseball] sports
26 drawing prize remaining unclaimed by a winner at the end of the
27 major league sports team's season shall be donated within 30
28 days from the end of the season by the affiliated nonprofit
29 organization to the designated charitable organization for which
30 the major league sports drawing was conducted.

1 * * *

2 (h) Additional recordkeeping.--The department may require
3 additional recordkeeping or accountability measures for major
4 league sports drawings.

5 Section 2. Sections 501(a), ~~502(a) and (a.1)~~ 502 and 503 of <--
6 the act, added February 2, 2012 (P.L.7, No.2), are amended to
7 read:

8 Section 501. Club licensee.

9 (a) Report.--

10 (1) Beginning in [2013] 2014, a club licensee with
11 proceeds in excess of ~~\$30,000~~ \$20,000 in a calendar year <--
12 shall submit [semiannual] annual reports to the department
13 for the preceding [six-month] 12-month period on a form and
14 in a manner prescribed by the department.

15 (2) The report under paragraph (1) must be filed under
16 oath or affirmation of an authorized officer of the club
17 licensee[.

18 (3) The report] and shall include all of the following
19 information:

20 (i) The proceeds received by the club licensee from
21 each game of chance conducted, itemized by week.

22 (ii) The amount of prizes paid from all games of
23 chance, itemized by week.

24 (iii) Other costs incurred related to the conduct of
25 games of chance.

26 (iv) ~~【The verification】~~ VERIFICATION AND ITEMIZATION <--
27 of amounts distributed for public interest ~~【purposes~~ <--
28 itemized under section 502(a)(1), itemized by the
29 recipient]. <--

30 ~~【(v) An itemized list of expenditures made or~~ <--

1 amounts retained and expenditures under section
2 502(a)(2).

3 (vi) The address and the county in which the club
4 licensee is located.] <--

5 (vii) Other information or documentation required by
6 the department.

7 * * *

8 Section 502. Distribution of proceeds.

9 (a) Distribution.--The proceeds from games of chance
10 received by a club licensee shall be distributed as follows:

11 (1) No less than [70%] 60% of the proceeds shall be paid
12 [to organizations] for public interest purposes [in the <--
13 calendar year in which] within one year of the end of the
14 calendar year in which the proceeds were obtained.

15 (2) No more than [30%] 40% of the proceeds obtained in a
16 calendar year may be retained by a club licensee [and used <--
17 for the following operational expenses relating to the club
18 licensee:

19 (i) Real property taxes.

20 (ii) Utility and fuel costs.

21 (iii) Heating and air conditioning equipment or
22 repair costs.

23 (iv) Water and sewer costs.

24 (v) Property or liability insurance costs.

25 (vi) Mortgage payments.

26 (vii) Interior and exterior repair and upkeep costs, <--
27 including repair to parking lots and landscaping. <--

28 (viii) New facility construction costs.

29 (ix) Entertainment equipment, including television,
30 video and electronic games.

1 ~~(x) Personnel, other than a bartender or individual~~ <--
2 ~~who operates games of chance.~~

3 ~~[(*)] (xi) (X) Other expenses adopted in regulation~~ <--
4 by the department].

5 ~~(a.1) Amounts retained. Amounts retained by a club licensee~~ <--

6 (A.1) AMOUNTS RETAINED.--

7 (1) NOTWITHSTANDING SUBSECTION (A), IF IN A CALENDAR
8 YEAR BEGINNING JANUARY 1, 2013, THE PROCEEDS FROM A GAME OF
9 CHANCE FOR A CLUB LICENSEE ARE \$40,000 OR LESS, THE LICENSEE
10 SHALL BE ELIGIBLE TO RETAIN THE FIRST \$20,000 IN PROCEEDS IN
11 THE FOLLOWING CALENDAR YEAR BEFORE SUBSECTION (A) APPLIES.

12 (2) AMOUNTS RETAINED BY A CLUB LICENSEE under subsection
13 (a)(2) shall be expended within [the same calendar year] one
14 year of the end of the calendar year in which the proceeds
15 were obtained unless the club licensee notifies the
16 department that funds are being retained for a substantial
17 public interest purchase or project. [Notification shall
18 include a description of the purchase or project, the cost
19 and the anticipated date of the purchase or project.]

20 *** <--

21 (B) PROHIBITION.-- <--

22 (1) PROCEEDS SHALL NOT BE USED [FOR WAGES, ALCOHOL OR
23 FOOD PURCHASES OR] FOR THE PAYMENT OF ANY FINE LEVIED AGAINST
24 THE CLUB LICENSEE.

25 (2) AN OFFICER OR EMPLOYEE OF A CLUB LICENSEE WHO
26 OPERATES THE GAME OF CHANCE SHALL NOT PARTICIPATE IN THE
27 GAME. THIS PARAGRAPH SHALL NOT APPLY TO A RAFFLE.

28 Section 503. Records.

29 A club licensee shall maintain records as required by this
30 act or by the department, including invoices for games of chance

1 purchased. Records necessary to [conduct an audit under section
2 702(b)] enforce this act or to conduct random audits shall be
3 made available to the Bureau of Liquor Control Enforcement, the
4 department or any other entity authorized to enforce or conduct
5 audits under this act.

6 Section 3. Section 504 of the act, added February 2, 2012
7 (P.L.7, No.2), is repealed:

8 [Section 504. Raffle tickets.

9 A club licensee shall maintain records relating to the
10 printing or purchase of raffle tickets. Records shall include a
11 receipt or invoice from the place of purchase that shows the
12 cost and number or amount of tickets purchased.]

13 Section 4. Section 702(b) and (c) of the act, amended
14 February 2, 2012 (P.L.7, No.2) and October 24, 2012 (P.L.1462,
15 No.184), are amended to read:

16 Section 702. Enforcement.

17 * * *

18 (b) Bureau of Liquor Control Enforcement.--If the licensee
19 is a club licensee or a licensee under Chapter 9, the Bureau of
20 Liquor Control Enforcement may enforce the provisions of this
21 act in accordance with subsection (g). An administrative law
22 judge under section 212 of the act of April 12, 1951 (P.L.90,
23 No.21), known as the Liquor Code, may impose the penalties under
24 subsection (d) following the issuance of a citation by the
25 bureau.

26 (c) Random audits.--The [Bureau of Liquor Control
27 Enforcement] department shall conduct annual random audits of 5%
28 of all club licensees.

29 * * *

30 Section 5. The act is amended by adding a chapter to read:

1 CHAPTER 9

2 TAVERN GAMING

3 Section 901. Scope of chapter.

4 This chapter relates to tavern gaming.

5 Section 902. Definitions.

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

9 "Applicant." The person applying for a license under this
10 chapter. The term includes each owner and officer of the
11 ~~restaurant licenses TAVERN where tavern games will be conducted~~
12 ~~or of the license to conduct tavern games.~~ AND OF THE HOLDER OF <--
13 THE LIQUOR, MALT OR BREWED BEVERAGE LICENSE UNDER THE ACT OF
14 APRIL 12, 1951 (P.L.90, NO.21), KNOWN AS THE LIQUOR CODE.

15 "Board." The Pennsylvania Liquor Control Board.

16 "Bureau." The Bureau of Investigations and Enforcement of
17 the Pennsylvania Gaming Control Board.

18 "Grocery store." ~~An established place which:~~ <--

19 ~~(1) primarily sells food, supplies for the table and~~
20 ~~food products for human consumption off the premises; and~~

21 ~~(2) has an area under one roof of at least 10,000 square~~
22 ~~feet.~~ A RETAIL ESTABLISHMENT, COMMONLY KNOWN AS A GROCERY <--

23 STORE, SUPERMARKET OR DELICATESSEN, WHERE FOOD, FOOD PRODUCTS
24 AND SUPPLIES ARE SOLD FOR HUMAN CONSUMPTION ON OR OFF THE
25 PREMISES. THE TERM SHALL INCLUDE A RESTAURANT WITH AN
26 INTERIOR CONNECTION TO, AND THE SEPARATE AND SEGREGATED
27 PORTION OF, ANY OTHER RETAIL ESTABLISHMENT WHICH IS DEDICATED
28 SOLELY TO THE SALE OF FOOD, FOOD PRODUCTS AND SUPPLIES FOR
29 THE TABLE FOR HUMAN CONSUMPTION ON OR OFF THE PREMISES.

30 "HOST MUNICIPALITY." A MUNICIPALITY WITH ONE OR MORE TAVERNS

1 LICENSED TO CONDUCT TAVERN GAMES.

2 "License." A license to conduct tavern games under this
3 chapter.

4 "Licensee." A person that holds a license under this
5 chapter.

6 "Net revenue." As follows:

7 (1) For tavern games required to be purchased from a
8 licensed distributor under this act, the difference between:

9 (i) the face value, as indicated by the
10 manufacturer, collectible by a licensee from a tavern
11 game; and

12 (ii) the maximum amount of prizes payable, as
13 indicated by the manufacturer, by a licensee from a
14 tavern game.

15 (2) For tavern games not required to be purchased from a
16 licensed distributor, the term has the same meaning as
17 proceeds.

18 "Restaurant licensee." A for-profit hotel, restaurant,
19 privately owned public golf course, brew pub or micro brewery
20 licensed to sell liquor under the act of April 12, 1951 (P.L.90, <--
21 No.21), known as the Liquor Code. The term does not include any
22 of the following:

23 (1) A grocery store.

24 (2) A premises where the sale of liquid fuels or oil is
25 conducted.

26 "TAVERN." A FOR-PROFIT HOTEL, RESTAURANT, PRIVATELY OWNED <--
27 PUBLIC GOLF COURSE OR BREW PUB OR MICRO BREWERY WITH A VALID
28 LICENSE TO SELL LIQUOR, MALT OR BREWED BEVERAGES UNDER THE
29 LIQUOR CODE. THE TERM DOES NOT INCLUDE ANY OF THE FOLLOWING:

30 (1) A GROCERY STORE.

1 (2) A RESTAURANT WHERE THE SALE OF LIQUID FUELS OR OIL
2 IS CONDUCTED.

3 (3) A HOTEL OR RESTAURANT WHOSE PLACE OF BUSINESS IS
4 LOCATED IN A LICENSED FACILITY AS DEFINED IN 4 PA.C.S. § 1103
5 (RELATING TO DEFINITIONS).

6 (4) A BUSINESS ON THE GROUNDS OF A FACILITY WHERE A
7 MAJOR LEAGUE SPORTS TEAM CONDUCTS GAMES OR RACES.

8 "TAVERN DAILY DRAWING." A GAME IN WHICH:

9 (1) AN INDIVIDUAL AT A TAVERN SELECTS OR IS ASSIGNED A
10 NUMBER FOR A CHANCE AT A PRIZE WITH THE WINNER DETERMINED BY
11 RANDOM DRAWING TO TAKE PLACE AT THE TAVERN DURING THE SAME
12 OPERATING DAY;

13 (2) A WINNER MAY BE DETERMINED WITH THE AID OF A PASSIVE
14 SELECTION DEVICE OR REFERENCE TO DRAWINGS CONDUCTED BY THE
15 DEPARTMENT UNDER THE ACT OF AUGUST 26, 1971 (P.L.351, NO.91),
16 KNOWN AS THE STATE LOTTERY LAW;

17 (3) CHANCES ARE NOT SOLD FOR AN AMOUNT IN EXCESS OF \$1;
18 AND

19 (4) NO MORE THAN ONE CHANCE PER INDIVIDUAL IS SOLD PER
20 DRAWING.

21 ~~"Tavern game." The conduct of pull tab games, daily drawings <--~~
22 ~~or tavern raffles by a restaurant licensee pursuant to a license~~
23 ~~issued under this chapter.~~

24 "Tavern raffle." A raffle held in part for a charitable or
25 public purpose in accordance with section 908.1.

26 Section 903. Licenses.

27 (a) Application.--A restaurant licensee may apply to the
28 board for a license to conduct tavern games at a licensed

29 premises in accordance with this chapter. LOCATED IN A <--
30 MUNICIPALITY THAT HAS ADOPTED A REFERENDUM TO ALLOW SMALL GAMES

1 OF CHANCE UNDER SECTION 703.

2 (b) Information.--The application under subsection (a) shall
3 include the following information:

4 (1) The name, address and photograph of the applicant
5 and the proposed tavern gaming licensee. <--

6 (2) A current tax lien certificate issued by the
7 department and a certificate from the Department of Labor and
8 Industry of payment of all workers' compensation and
9 unemployment compensation owed.

10 ~~(3) The details of any gaming, slot machine, casino,~~ <--
11 ~~restaurant or proposed tavern gaming license applied~~

12 (3) THE DETAILS OF ANY LICENSE ISSUED UNDER 4 PA.C.S. <--
13 PT. II (RELATING TO GAMING), THE ACT OF APRIL 12, 1951
14 (P.L.90, NO.21), KNOWN AS THE LIQUOR CODE, OR THIS ACT WHICH
15 WAS APPLIED for or in which the applicant or other owner has
16 an interest.

17 (4) Certified consent by the applicant, and INCLUDING <--
18 each owner and officer of the restaurant licensee to a
19 background investigation by the bureau.

20 (5) Relating to criminal information, disclosure of all
21 arrests and citations of the applicant for, INCLUDING <--
22 nontraffic summary offenses. The information shall include
23 all of the following:

24 (i) A brief description of the circumstances
25 surrounding the arrest or issuance of the citation.

26 (ii) The specific offense charged.

27 (iii) The ultimate disposition of the charge,
28 including any dismissal, plea bargain, conviction,
29 sentence, pardon, expungement or order of Accelerated
30 Rehabilitative Disposition.

1 (6) Financial interests and transactions as required by
2 the bureau.

3 (7) RELATING TO CITATIONS OF THE APPLICANT ISSUED UNDER <--
4 THE LIQUOR CODE.

5 (8) RELATING TO DISCLOSURE OF CONDITIONAL LICENSE
6 AGREEMENTS ENTERED INTO UNDER THE LIQUOR CODE.

7 ~~(7)~~ (9) Any other information required by the board. <--

8 (c) Duty of bureau.--The bureau shall conduct a background
9 investigation of each applicant, the scope of which shall be
10 determined by the bureau.

11 (d) Review.--Within six months of receipt of the background
12 investigation report from the bureau, the board shall approve or
13 disapprove the application.

14 (e) Background investigation.--Each applicant, including <--
15 each owner and officer of the restaurant, restaurant licensee
16 and proposed tavern gaming license, shall include information
17 and documentation as required to establish personal and
18 financial suitability, honesty and integrity. Information shall
19 include:

20 (1) Criminal history record information.

21 (2) Financial background information.

22 ~~(3)~~ Data investigation by the bureau. <--

23 ~~(4)~~ (3) Regulatory history before the board or other <--
24 Commonwealth agency.

25 ~~(5)~~ (4) Other information required by the bureau. <--

26 (f) Personal interview.--If the bureau determines that the
27 results of the background report investigation warrant
28 additional review of the individual, the bureau shall conduct a
29 personal interview with the applicant and may request
30 information and interviews from other personal or professional

1 associates.

2 (g) Cooperation.--The applicant shall cooperate with the
3 bureau as requested during the conduct of the background
4 investigation. Any refusal to provide the information required
5 under this section or to consent to a background investigation
6 shall result in the immediate denial of a license by the board.

7 (h) Costs.--The applicant shall reimburse the bureau for the
8 actual costs of conducting the background investigation. The
9 board shall not approve an applicant that has not fully
10 reimbursed the bureau for the investigation.

11 (i) Approval.--The bureau shall transmit the investigative
12 report and may make a recommendation to the board. The board
13 shall review the information obtained under this section to
14 determine if the applicant possesses the following:

15 (1) Financial stability, integrity and responsibility.

16 (2) Sufficient business experience and ability to
17 effectively operate tavern games as part of the restaurant
18 licensee's operator.

19 (3) Character, honesty and integrity to be licensed to
20 operate tavern games in a responsible and lawful manner.

21 (J) DISAPPROVAL.--THE BOARD MAY DISAPPROVE THE ISSUANCE OF A <--
22 TAVERN GAMING LICENSE FOR THE FOLLOWING REASONS:

23 (1) A LICENSE SHALL NOT BE ISSUED TO A RESTAURANT
24 LICENSEE WHOSE LIQUOR LICENSE IS IN SAFEKEEPING PURSUANT TO
25 SECTION 474.1 OF THE LIQUOR CODE.

26 (2) A LICENSE SHALL NOT BE ISSUED TO A LOCATION THAT IS
27 SUBJECT TO A PENDING OBJECTION UNDER SECTION 470(A.1) OF THE
28 LIQUOR CODE.

29 (3) A LICENSE SHALL NOT BE ISSUED TO A LOCATION THAT IS
30 SUBJECT TO:

1 (I) A PENDING LICENSE SUSPENSION UNDER SECTION 471
2 OF THE LIQUOR CODE; OR

3 (II) A ONE-YEAR PROHIBITION ON THE ISSUANCE OR
4 TRANSFER OF A LICENSE UNDER SECTION 471(B) OF THE LIQUOR
5 CODE.

6 Section 904. Application.

7 (a) Application fee.--An applicant shall pay the board a
8 nonrefundable application fee of \$1,000.

9 (b) Investigative fee.--An applicant shall pay an
10 investigative fee of \$1,000 to the bureau.

11 (c) Costs.--In addition to the fee under subsection (b), an
12 applicant and any owner and officer of the applicant shall pay
13 for the actual costs of a background investigation conducted by
14 the bureau that exceed the application fee. The bureau may:

15 (1) Charge an estimated amount to be provided prior to
16 the background investigation.

17 (2) Submit for reimbursement from the applicant for the
18 additional costs incurred in the background investigation.

19 (d) Funds.--Funds collected under subsections (b) and (c)
20 shall augment the funds appropriated to the Gaming Control Board
21 under 4 Pa.C.S. (relating to amusements).

22 Section 905. Approval.

23 (a) Issuance.--Upon being satisfied that the requirements of
24 section 903 have been met, the board may approve the application
25 and issue a tavern games license for a period of one year. The
26 board may place conditions on the license as it deems

27 appropriate. ENTER INTO AN AGREEMENT WITH THE LICENSEE

28 CONCERNING ADDITIONAL RESTRICTIONS ON THE LICENSE, AND THIS

29 AGREEMENT SHALL BE BINDING ON THE LICENSEE. FAILURE OF THE

30 LICENSEE TO ADHERE TO THE AGREEMENT WILL BE CAUSE FOR PENALTIES

<--
<--

1 UNDER SECTION 913(C) AND FOR THE NONRENEWAL OF THE LICENSE UNDER
2 SECTION 913(F).

3 (b) Renewal.--A license shall be renewed annually. A license
4 renewal shall not require review of the bureau, unless requested
5 by the board. THE BOARD MAY REFUSE TO RENEW A TAVERN GAMING <--
6 LICENSE FOR THE FOLLOWING REASONS:

7 (1) A LICENSE SHALL NOT BE ISSUED TO A RESTAURANT
8 LICENSEE WHOSE LIQUOR LICENSE IS IN SAFEKEEPING UNDER SECTION
9 474.1 OF THE ACT OF APRIL 12, 1951 (P.L.90, NO.21), KNOWN AS
10 THE LIQUOR CODE.

11 (2) A LICENSE SHALL NOT BE ISSUED TO A LOCATION THAT IS
12 SUBJECT TO A PENDING OBJECTION UNDER SECTION 470(A.1) OF THE
13 LIQUOR CODE.

14 (3) A LICENSE SHALL NOT BE ISSUED TO A LOCATION THAT IS
15 SUBJECT TO:

16 (I) A PENDING LICENSE SUSPENSION UNDER SECTION 471
17 OF THE LIQUOR CODE; OR

18 (II) A ONE-YEAR PROHIBITION ON THE ISSUANCE OR
19 TRANSFER OF A LICENSE UNDER SECTION 471(B) OF THE LIQUOR
20 CODE.

21 (c) Fee.--Upon approval, the applicant shall pay a \$2,000
22 license fee to be deposited in the General Fund. The annual
23 renewal fee shall be \$1,000.

24 (d) Entitlement.--Nothing under this chapter shall be
25 construed to create an entitlement to a license by a person. The
26 board shall have sole discretion to issue, renew, condition,
27 suspend, revoke or deny a license based on the requirements of
28 this chapter and whether the issuance and maintenance of the
29 license are in the best interests of the Commonwealth.

30 (e) Nontransferability.--A license shall be a grant of

1 privilege to conduct tavern games. A license may not be sold,
2 transferred or assigned to any other person. A licensee may not
3 pledge or otherwise grant a security interest in or lien on the
4 license. The board shall have the sole discretion to issue,
5 renew, condition or deny the issuance of a license.

6 Section 906. Change in ownership.

7 (a) Notice.--A licensee shall notify the board of a change
8 of ownership of the premises or sale or transfer of the
9 restaurant license.

10 (b) Qualification.--The purchaser or transferee of the
11 assets or premises of a licensee must independently qualify for
12 a license, pay the license fee and undergo and pay fees and
13 costs for a background investigation under section 903.

14 Section 907. Prize limits.

15 (a) Individual prize limit.--The maximum prize which may be
16 awarded for any single chance shall be \$2,000. No tavern game
17 sold, offered for sale or furnished may contain, permit, depict
18 or designate a prize having a prize limit in excess of \$2,000.

19 (b) Aggregate prize limit.--No more than \$35,000 in prizes
20 may be awarded from tavern games by a licensee in a seven-day
21 period.

22 Section 908. Bank account.

23 A licensee shall maintain a bank account to hold the net
24 revenue from tavern games which shall be separate from all other
25 funds belonging to the licensee. Account records shall show all
26 expenditures and income and shall be retained by the licensee
27 for at least two years.

28 Section 908.1. Tavern raffle.

29 The following shall apply to a tavern raffle:

30 (1) No more than one tavern raffle may be held in a

1 calendar month.

2 (2) A tavern raffle must be held for a designated
3 charitable purpose.

4 (3) Each individual participating in the tavern raffle
5 must be informed of the charitable purpose involved.

6 (4) At least 50% of the net revenues from the tavern
7 raffle shall be transmitted to the designated charity within
8 seven days of the tavern raffle.

9 (5) Any net revenues not transmitted under paragraph (4)
10 shall be distributed as follows:

11 (i) Sixty percent shall be paid to the Commonwealth.

12 (ii) ~~Forty~~ THIRTY-FIVE percent may be retained by <--
13 the licensee.

14 (III) FIVE PERCENT SHALL BE PAID TO THE COMMONWEALTH <--
15 AND DEPOSITED INTO THE RESTRICTED RECEIPTS ACCOUNT
16 ESTABLISHED IN SECTION 909.3.

17 (6) A TAVERN RAFFLE PRIZE REMAINING UNCLAIMED BY A
18 WINNER 60 DAYS AFTER THE TAVERN RAFFLE WAS HELD SHALL BE
19 DONATED BY THE LICENSEE WITHIN 30 DAYS TO THE DESIGNATED
20 CHARITABLE ORGANIZATION FOR WHICH THE TAVERN RAFFLE WAS
21 CONDUCTED.

22 Section 909. Distribution of ~~proceeds~~ NET REVENUE. <--

23 Beginning January 1, 2014, the net revenue from tavern games
24 received by a licensee shall be distributed as follows:

25 (1) Sixty percent of the net revenue obtained in any
26 calendar year shall be paid to the Commonwealth.

27 (2) ~~Forty~~ THIRTY-FIVE percent of the net revenue <--
28 obtained in any calendar year may be retained by the
29 licensee.

30 (3) FIVE PERCENT SHALL BE PAID TO THE COMMONWEALTH AND <--

1 DEPOSITED INTO THE RESTRICTED RECEIPTS ACCOUNT ESTABLISHED IN
2 SECTION 909.3.

3 Section 909.1. Tavern games tax.

4 (a) Imposition.--There is imposed a tax of 60% of the net
5 revenue from tavern games sold by a licensed distributor to a
6 licensee within this Commonwealth.

7 (b) Collection.--The tax imposed under subsection (a) must
8 be collected by the licensed distributor from the licensee in an
9 instance where the tavern game is required to be purchased from
10 a licensed distributor under this act and must be paid over to
11 the Commonwealth.

12 (c) Other games.--In an instance where the tavern game is
13 not required to be purchased from a licensed distributor under
14 this act, a tax of 60% is imposed upon the net revenue from
15 TAVERN daily drawings and tavern raffles under section 908.1 and <--
16 must be paid to the Commonwealth by the licensee.

17 (d) Requirement to collect and remit.--Failure of a seller
18 of tavern games to obtain a distributor's license does not
19 relieve the seller from the requirement of collecting and
20 remitting the tax imposed under this section.

21 (e) Returns.--A licensee or licensed distributor subject to
22 this article shall file with the department, upon a form
23 prescribed by the department, a tavern games tax return. The
24 return must be filed under oath or affirmation of an authorized
25 officer of the licensee or licensed distributor reporting the
26 net revenue and the tax due under this section in the prior
27 calendar quarter for licensees and in the prior calendar month
28 for licensed distributors. A return is due by the 20th day
29 following the end of the reporting period. The return must set
30 forth the following:

1 (1) In the case of a licensed distributor, the total
2 amount of net revenue for the tavern games sold to licensees
3 in the prior calendar month, which must be calculated by
4 indicating the number of each type of tavern game sold and
5 the net revenue for each type of game.

6 (2) In the case of a licensee, the amount of net revenue
7 for the tavern games not purchased from a licensed
8 distributor that the licensee operated in the prior calendar
9 quarter.

10 (3) Calculation of the tax due under this section.

11 (4) For a licensee, the amount from tavern games
12 distributed to a designated charity.

13 (5) Other information required by the department.

14 (f) Payment.--A licensee or licensed distributor subject to
15 pay or collect the tax under this section shall remit the tax to
16 the department when the return in subsection (e) is made.

17 (G) APPLICABILITY.--THE PROVISIONS OF SECTION 704 SHALL <--
18 APPLY TO A LICENSEE.

19 ~~(g)~~ (H) Penalties and interest.--If a licensee or licensed <--
20 distributor fails to file the return required under subsection
21 (e) or fails to pay the tax imposed under subsection (a) or (c),
22 the department may do the following:

23 (1) assess the amount of tax due;

24 (2) impose and assess an administrative penalty equal to
25 10% of the tax due but unpaid for each quarter or fraction
26 thereof that the tax remains unpaid together with interest at
27 the rate established under section 806 of the act of April 9,
28 1929 (P.L.343, No.176), known as The Fiscal Code, on the tax
29 from the time the tax became due. The penalty provided in
30 this paragraph must be added to the tax and assessed and

1 collected at the same time and in the same manner as a part
2 of the tax. Unless otherwise specified, the tax must be
3 assessed, collected and enforced by the department under the
4 provisions of Article II of the act of March 4, 1971 (P.L.6,
5 No.2), known as the Tax Reform Code of 1971;

6 (3) notify the ~~appropriate licensing authority~~ BOARD <--
7 that a licensee has not filed returns or has not paid tax.
8 The ~~licensing authority~~ BOARD may suspend or revoke a <--
9 licensee's license; or

10 (4) revoke a licensed distributor's license.

11 ~~(h)~~ (I) Funds held in trust.--The funds owed to the <--
12 Commonwealth under this section shall be held in trust by a
13 licensed distributor.

14 ~~(i)~~ (J) Deposit.--Beginning in fiscal year 2013-2014, the <--
15 total amount of taxes imposed by this section shall be deposited
16 in the General Fund.

17 SECTION 909.2. HOST MUNICIPALITY TAVERN GAMES TAX. <--

18 (A) IMPOSITION.--THERE IS IMPOSED A TAX OF 5% OF THE NET
19 REVENUE FROM TAVERN GAMES SOLD BY A LICENSED DISTRIBUTOR TO A
20 LICENSEE WITHIN THIS COMMONWEALTH.

21 (B) COLLECTION.--THE TAX IMPOSED UNDER SUBSECTION (A) MUST
22 BE COLLECTED BY THE LICENSED DISTRIBUTOR FROM THE LICENSEE IN AN
23 INSTANCE WHERE THE TAVERN GAME IS REQUIRED TO BE PURCHASED FROM
24 A LICENSED DISTRIBUTOR UNDER THIS ACT AND MUST BE PAID TO THE
25 COMMONWEALTH AND DEPOSITED INTO THE RESTRICTED RECEIPTS ACCOUNT
26 ESTABLISHED IN SECTION 909.3.

27 (C) OTHER GAMES.--IN AN INSTANCE WHERE THE TAVERN GAME IS
28 NOT REQUIRED TO BE PURCHASED FROM A LICENSED DISTRIBUTOR UNDER
29 THIS ACT, A TAX OF 5% IS IMPOSED UPON THE NET REVENUE FROM
30 TAVERN DAILY DRAWINGS AND TAVERN RAFFLES UNDER SECTION 908.1 AND

1 MUST BE PAID TO THE COMMONWEALTH AND DEPOSITED INTO THE
2 RESTRICTED RECEIPTS ACCOUNT ESTABLISHED IN SECTION 909.3.

3 (D) REQUIREMENT TO COLLECT AND REMIT.--FAILURE OF A SELLER
4 OF TAVERN GAMES TO OBTAIN A DISTRIBUTOR'S LICENSE DOES NOT
5 RELIEVE THE SELLER FROM THE REQUIREMENT OF COLLECTING AND
6 REMITTING THE TAX IMPOSED UNDER THIS SECTION.

7 (E) RETURNS.--A LICENSEE OR LICENSED DISTRIBUTOR SUBJECT TO
8 THIS CHAPTER SHALL FILE WITH THE DEPARTMENT, UPON A FORM
9 PRESCRIBED BY THE DEPARTMENT, A HOST MUNICIPALITY TAVERN GAMES
10 TAX RETURN. THE RETURN MUST BE FILED UNDER OATH OR AFFIRMATION
11 OF AN AUTHORIZED OFFICER OF THE LICENSEE OR LICENSED DISTRIBUTOR
12 REPORTING THE NET REVENUE AND THE TAX DUE UNDER THIS SECTION IN
13 THE PRIOR CALENDAR QUARTER FOR LICENSEES AND IN THE PRIOR
14 CALENDAR MONTH FOR LICENSED DISTRIBUTORS. A RETURN IS DUE BY THE
15 20TH DAY FOLLOWING THE END OF THE REPORTING PERIOD. THE RETURN
16 MUST SET FORTH THE FOLLOWING:

17 (1) IN THE CASE OF A LICENSED DISTRIBUTOR, THE TOTAL
18 AMOUNT OF NET REVENUE FOR THE TAVERN GAMES SOLD TO LICENSEES
19 IN EACH HOST MUNICIPALITY IN THE PRIOR CALENDAR MONTH, WHICH
20 MUST BE CALCULATED BY INDICATING THE NUMBER OF EACH TYPE OF
21 TAVERN GAME SOLD, THE NET REVENUE FOR EACH TYPE OF GAME AND
22 THE HOST MUNICIPALITY OF EACH LICENSEE.

23 (2) IN THE CASE OF A LICENSEE, THE AMOUNT OF NET REVENUE
24 FOR THE TAVERN GAMES NOT PURCHASED FROM A LICENSED
25 DISTRIBUTOR THAT THE LICENSEE OPERATED IN THE PRIOR CALENDAR
26 QUARTER.

27 (3) CALCULATION OF THE TAX DUE UNDER THIS SECTION.

28 (4) FOR A LICENSEE, THE AMOUNT FROM TAVERN GAMES
29 DISTRIBUTED TO A DESIGNATED CHARITY.

30 (5) OTHER INFORMATION REQUIRED BY THE DEPARTMENT.

1 (F) PAYMENT.--A LICENSEE OR LICENSED DISTRIBUTOR SUBJECT TO
2 PAY OR COLLECT THE TAX UNDER THIS SECTION SHALL REMIT THE TAX TO
3 THE DEPARTMENT WHEN THE RETURN IN SUBSECTION (E) IS MADE.

4 (G) PENALTIES AND INTEREST.--IF A LICENSEE OR LICENSED
5 DISTRIBUTOR FAILS TO FILE THE RETURN REQUIRED UNDER SUBSECTION
6 (E) OR FAILS TO PAY THE TAX IMPOSED UNDER SUBSECTION (A) OR (C),
7 THE DEPARTMENT MAY DO THE FOLLOWING:

8 (1) ASSESS THE AMOUNT OF TAX DUE;

9 (2) IMPOSE AND ASSESS AN ADMINISTRATIVE PENALTY EQUAL TO
10 10% OF THE TAX DUE BUT UNPAID FOR EACH QUARTER OR FRACTION
11 THEREOF THAT THE TAX REMAINS UNPAID TOGETHER WITH INTEREST AT
12 THE RATE ESTABLISHED UNDER SECTION 806 OF THE ACT OF APRIL 9,
13 1929 (P.L.343, NO.176), KNOWN AS THE FISCAL CODE, ON THE TAX
14 FROM THE TIME THE TAX BECAME DUE. THE PENALTY PROVIDED IN
15 THIS PARAGRAPH MUST BE ADDED TO THE TAX AND ASSESSED AND
16 COLLECTED AT THE SAME TIME AND IN THE SAME MANNER AS A PART
17 OF THE TAX. UNLESS OTHERWISE SPECIFIED, THE TAX MUST BE
18 ASSESSED, COLLECTED AND ENFORCED BY THE DEPARTMENT UNDER THE
19 PROVISIONS OF ARTICLE II OF THE ACT OF MARCH 4, 1971 (P.L.6,
20 NO.2), KNOWN AS THE TAX REFORM CODE OF 1971;

21 (3) NOTIFY THE BOARD THAT A LICENSEE HAS NOT FILED
22 RETURNS OR HAS NOT PAID TAX. THE BOARD MAY SUSPEND OR REVOKE
23 A LICENSEE'S LICENSE; OR

24 (4) REVOKE A LICENSED DISTRIBUTOR'S LICENSE.

25 (H) FUNDS HELD IN TRUST.--THE FUNDS OWED TO THE COMMONWEALTH
26 UNDER THIS SECTION SHALL BE HELD IN TRUST BY A LICENSED
27 DISTRIBUTOR.

28 (I) DEPOSIT.--BEGINNING IN FISCAL YEAR 2013-2014, THE TOTAL
29 AMOUNT OF TAXES IMPOSED BY THIS SECTION SHALL BE PAID TO THE
30 COMMONWEALTH AND DEPOSITED INTO THE RESTRICTED RECEIPTS ACCOUNT

1 ESTABLISHED IN SECTION 909.3.

2 SECTION 909.3. RESTRICTED RECEIPTS ACCOUNT.

3 (A) ACCOUNT ESTABLISHED.--THERE IS ESTABLISHED WITHIN THE
4 GENERAL FUND A RESTRICTED RECEIPTS ACCOUNT TO BE KNOWN AS THE
5 HOST MUNICIPALITY TAVERN GAMES LOCAL SHARE ACCOUNT.

6 (B) DISTRIBUTIONS.--THE DEPARTMENT SHALL MAKE DISTRIBUTIONS
7 FROM THE HOST MUNICIPALITY TAVERN GAMES LOCAL SHARE ACCOUNT TO
8 EACH HOST MUNICIPALITY. EACH HOST MUNICIPALITY SHALL RECEIVE A
9 DISTRIBUTION EQUAL TO THE REVENUE REMITTED INTO THE HOST
10 MUNICIPALITY TAVERN GAMES LOCAL SHARE ACCOUNT BY:

11 (1) LICENSEES LOCATED WITHIN THE HOST MUNICIPALITY; AND

12 (2) LICENSED DISTRIBUTORS UNDER SECTION 909.2 GENERATED
13 BY PURCHASES FROM LICENSEES IN THE HOST MUNICIPALITY.

14 (C) PAYMENTS TO HOST MUNICIPALITIES.--THE DEPARTMENT SHALL
15 MAKE PAYMENTS TO HOST MUNICIPALITIES WITHIN 60 DAYS OF THE END
16 OF EACH CALENDAR YEAR.

17 Section 910. Regulation.

18 The department shall enforce all revenue provisions of this
19 chapter and may promulgate and enforce regulations relating to
20 the enforcement, collection of tax and imposition of tax.

21 Section 911. Invoice.

22 A sale of a tavern game by a licensed distributor to a
23 licensee must be documented by an invoice listing the names and
24 types of games sold, quantities of each game sold, the net
25 revenue of each game and the aggregate amount of tax due on the
26 net revenue on each invoice. Failure to provide a correct
27 invoice shall result in a penalty of 50% of the tax amount due
28 payable to the Commonwealth.

29 Section 912. Reports.

30 A licensee shall submit an annual report to the board and the

1 department for the preceding year on a form and in a manner
2 prescribed by the department. The department shall develop a
3 schedule for the submission of the annual report. The report
4 shall include:

5 (1) Prizes awarded as required under section 335 of the
6 act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform
7 Code of 1971.

8 (2) Net revenue received from each ~~game of chance~~ TAVERN <--
9 GAME conducted, itemized by week.

10 (3) Amount of prizes paid from all ~~games of chance~~ <--
11 TAVERN GAMES, itemized by week. <--

12 (4) Amount of tax remitted to the department.

13 (5) Amount given to designated charities from tavern
14 raffles.

15 (6) Other information as required by the department.

16 Section 913. Enforcement.

17 (a) Board.--The board may, following notice and hearing,
18 impose penalties or suspend or revoke a license under this
19 chapter.

20 (B) AUTHORITY OF DEPARTMENT.--NOTWITHSTANDING ANY LAW TO THE <--
21 CONTRARY, THE DEPARTMENT MAY REPORT VIOLATIONS OF THIS CHAPTER
22 TO THE BOARD AND TO THE BUREAU OF LIQUOR CONTROL ENFORCEMENT.

23 ~~(b)~~ (C) Penalties.--The board may impose a civil penalty for <--
24 a violation of this chapter in accordance with the following:

25 (1) Up to ~~\$1,000~~ \$2,000 for an initial violation of this <--
26 act.

27 (2) Up to \$3,000 for a second ~~or subsequent~~ violation. <--

28 (3) UP TO \$5,000 FOR A THIRD VIOLATION. <--

29 ~~(e)~~ (D) Criminal penalty.--A violation of this ~~act~~ CHAPTER <--
30 shall be a misdemeanor of the third degree. A second or

1 subsequent offense shall be a misdemeanor of the second degree.

2 ~~(d) (E) Administrative law judge.--An administrative law~~ <--
3 judge under section 212 of the act of April 12, 1951 (P.L.90,
4 No.21), known as the Liquor Code, may impose the penalties under
5 this section following the issuance of a citation by the Bureau
6 of Liquor Control Enforcement.

7 ~~(e) Revocation or failure to renew. In addition to any~~ <--
8 other sanctions the board may impose under this chapter or under
9 the Liquor Code, the board may, at its discretion suspend,
10 revoke or deny renewal of any license issued under this chapter
11 if it receives any information from any source that the
12 applicant or any of its officers, directors, owners or employees
13 is in violation of any provision of this chapter, that the
14 applicant has furnished the board with false or misleading
15 information or that the information contained in the applicant's
16 initial application or any renewal application is no longer true
17 and correct. In the event of a revocation or failure to renew,
18 the applicant's authorization to conduct the previously approved
19 activity shall immediately cease, and all fees paid in
20 connection therewith shall be deemed to be forfeited. In the
21 event of a suspension, the applicant's authorization to conduct
22 the previously approved activity shall immediately cease until
23 the board has notified the applicant that the suspension is no
24 longer in effect.

25 (F) SUSPENSION, REVOCATION OR FAILURE TO RENEW.-- <--

26 (1) IN ADDITION TO ANY OTHER SANCTIONS THE BOARD MAY
27 IMPOSE UNDER THIS CHAPTER OR UNDER THE LIQUOR CODE, THE BOARD
28 MAY, AT ITS DISCRETION SUSPEND, REVOKE OR DENY RENEWAL OF ANY
29 LICENSE ISSUED UNDER THIS CHAPTER IF IT RECEIVES ANY
30 INFORMATION FROM ANY SOURCE AND DETERMINES THAT:

1 (I) THE APPLICANT OR ANY OF ITS OFFICERS, DIRECTORS,
2 OWNERS OR EMPLOYEES:

3 (A) IS IN VIOLATION OF ANY PROVISION OF THIS
4 CHAPTER.

5 (B) FURNISHED THE BOARD WITH FALSE OR MISLEADING
6 INFORMATION.

7 (II) THE INFORMATION CONTAINED IN THE APPLICANT'S
8 INITIAL APPLICATION OR ANY RENEWAL APPLICATION IS NO
9 LONGER TRUE AND CORRECT.

10 (2) IN THE EVENT OF A REVOCATION, SUSPENSION OR FAILURE
11 TO RENEW, THE APPLICANT'S AUTHORIZATION TO CONDUCT THE
12 PREVIOUSLY APPROVED ACTIVITY SHALL IMMEDIATELY CEASE, AND ALL
13 FEES PAID IN CONNECTION THEREWITH SHALL BE DEEMED TO BE
14 FORFEITED. IN THE EVENT OF A SUSPENSION, THE APPLICANT'S
15 AUTHORIZATION TO CONDUCT THE PREVIOUSLY APPROVED ACTIVITY
16 SHALL IMMEDIATELY CEASE UNTIL THE BOARD HAS NOTIFIED THE
17 APPLICANT THAT THE SUSPENSION IS NO LONGER IN EFFECT.

18 Section 914. Prohibitions.

19 The following shall apply to any license authorized or issued
20 under this chapter:

21 (1) No license may be issued to a restaurant licensee
22 whose place of business is located in a licensed facility as
23 defined in 4 Pa.C.S. § 1103 (relating to definitions).

24 (2) No license may be issued to a place of business on
25 the grounds of a facility where a major league sports team
26 conducts games or races.

27 (3) No license may be issued to a place of business that
28 has been decreed a nuisance pursuant to section 611 of the
29 act of April 12, 1951 (P.L.90, No.21), known as the Liquor
30 Code.

1 (4) The board shall be prohibited from issuing a license
2 to any person who has been convicted of a felony offense or
3 misdemeanor gambling offense in any jurisdiction unless 15
4 years have elapsed from the date of conviction of the
5 offense.

6 (5) It shall be unlawful for an individual under 21
7 years of age to play or attempt to play or otherwise
8 participate in a tavern game.

9 (6) It shall be unlawful for a licensee to permit an
10 employee under 18 years of age to operate tavern games.

11 (7) It shall be unlawful for an OWNER, OFFICER OR <--
12 employee of a licensee to sell, operate or otherwise
13 participate in the conduct of tavern games if the employee
14 has been convicted in any jurisdiction of a felony or a
15 misdemeanor gambling offense unless 15 years have elapsed
16 from the date of conviction of the offense.

17 (8) IT SHALL BE UNLAWFUL FOR AN OWNER OR OFFICER OF A <--
18 LICENSEE OR FOR AN EMPLOYEE OF THE LICENSEE WHO OPERATES THE
19 TAVERN GAME TO PARTICIPATE IN THE GAME. THIS PARAGRAPH SHALL
20 NOT APPLY TO A RAFFLE.

21 SECTION 915. APPLICABILITY.

22 (A) LOCAL OPTION.--THIS CHAPTER APPLIES ONLY TO RESTAURANT
23 LICENSEES LOCATED IN MUNICIPALITIES WHICH HAVE EXERCISED THE
24 OPTION UNDER SECTION 703.

25 (B) ADVERTISING.--SECTION 704 SHALL APPLY TO ALL LICENSES
26 AWARDED UNDER THIS CHAPTER.

27 (C) LIMITATION AND ABROGATION.--NOTHING IN THIS CHAPTER IS
28 INTENDED TO LIMIT OR OTHERWISE ABROGATE THE APPLICABILITY OF ANY
29 PROVISION OF THIS ACT.

30 Section 6. The act is amended by adding a section to read:

1 ~~Section 3101. State Lottery Fund.~~ <--

2 ~~The department shall submit an annual report on the State~~
3 ~~Lottery Fund and the impact of small games of chance on the~~
4 ~~State Lottery Fund, if any, to the chairman and minority~~
5 ~~chairman of the Appropriations Committee of the Senate and the~~
6 ~~chairman and minority chairman of the Appropriations Committee~~
7 ~~of the House of Representatives.~~

8 SECTION 3101. REPORT OF THE LEGISLATIVE BUDGET AND FINANCE <--
9 COMMITTEE.

10 NO LATER THAN MARCH 15, 2016, AND EACH MARCH 15 THEREAFTER,
11 THE LEGISLATIVE BUDGET AND FINANCE COMMITTEE SHALL ISSUE A
12 REPORT TO THE GENERAL ASSEMBLY ANALYZING THE IMPACT, IF ANY, OF
13 CHAPTER 9 ON THE STATE LOTTERY. THE GOVERNOR MAY SUBMIT A
14 REQUEST TO THE GENERAL ASSEMBLY TO AUTHORIZE A TRANSFER OF FUNDS
15 FROM THE GENERAL FUND TO THE STATE LOTTERY FUND UP TO THE AMOUNT
16 IDENTIFIED IN THE REPORT FOR THE FISCAL YEAR FOLLOWING THE DATE
17 OF THE REPORT.

18 Section 7. Section 3101 of the act, added February 2, 2012
19 (P.L.7, No.2), is amended to read:

20 Section [3101] 3110. Effective date.

21 This act shall take effect in 60 days.

22 Section 8. This act shall take effect as follows:

23 (1) The following provisions shall take effect
24 immediately:

25 (i) This section.

26 (ii) The amendment of the definition of "major
27 league sports drawing" and "major league sporting team"
28 in section 103 of the act.

29 (iii) The amendment or addition of section 304.1(c),
30 (c.1), (f) and (h) of the act.

1 (2) The remainder of this act shall take effect in 60
2 days.