
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 623

Session of
2003

INTRODUCED BY MAHER, BLAUM, GANNON, BOYES, HASAY, BROWNE, HANNA,
HARPER, JAMES, LEWIS, MANDERINO, NICKOL, PALLONE, STETLER,
WALKO AND WASHINGTON, MARCH 3, 2003

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, JUNE 25, 2003

AN ACT

1 Amending Title 18 (Crimes and Offenses) of the Pennsylvania
2 Consolidated Statutes, further providing for deceptive or
3 fraudulent business practices; AUTHORIZING CERTAIN RACETRACK <—
4 GAMING; PROVIDING FOR DISBURSEMENTS OF REVENUES; ESTABLISHING
5 THE PENNSYLVANIA GAMING CONTROL BOARD AND THE STATE GAMING
6 FUND; IMPOSING FEES; PROVIDING PENALTIES; MAKING REPEALS; AND
7 MAKING AN APPROPRIATION.

8 The General Assembly of the Commonwealth of Pennsylvania
9 hereby enacts as follows:

10 Section 1. Section 4107(a) of Title 18 of the Pennsylvania
11 Consolidated Statutes is amended to read:

12 § 4107. Deceptive or fraudulent business practices.

13 (a) Offense defined.--A person commits an offense if, in the
14 course of business, he:

15 (1) uses or possesses for use a false weight or measure,
16 or any other device for falsely determining or recording any
17 quality or quantity;

18 (2) sells, offers or exposes for sale, or delivers less
19 than the represented quantity of any commodity or service;

1 (3) takes or attempts to take more than the represented
2 quantity of any commodity or service when as buyer he
3 furnishes the weight or measure;

4 (4) sells, offers or exposes for sale adulterated or
5 mislabeled commodities. As used in this paragraph, the term
6 "adulterated" means varying from the standard of composition
7 or quality prescribed by or pursuant to any statute providing
8 criminal penalties for such variance or set by established
9 commercial usage. As used in this paragraph, the term
10 "mislabeled" means varying from the standard of trust or
11 disclosure in labeling prescribed by or pursuant to any
12 statute providing criminal penalties for such variance or set
13 by established commercial usage;

14 (5) makes a false or misleading statement in any
15 advertisement addressed to the public or to a substantial
16 segment thereof for the purpose of promoting the purchase or
17 sale of property or services;

18 (6) makes a false or misleading written statement for
19 the purpose of obtaining property or credit;

20 (7) makes a false or misleading written statement for
21 the purpose of promoting the sale of securities, or omits
22 information required by law to be disclosed in written
23 documents relating to securities;

24 (8) makes a false or misleading material statement to
25 induce an investor to invest in a business venture. The
26 offense is complete when any false or misleading material
27 statement is communicated to an investor regardless of
28 whether any investment is made. For purposes of grading, the
29 "amount involved" is the amount or value of the investment
30 solicited or paid, whichever is greater. As used in this

paragraph, the following words and phrases shall mean:

"Amount" as used in the definition of "material statement" includes currency values and comparative expressions of value, including, but not limited to, percentages or multiples. "Business venture" means any venture represented to an investor as one where he may receive compensation either from the sale of a product, from the investment of other investors or from any other commercial enterprise.

"Compensation" means anything of value received or to be received by an investor. "Invest" means to pay, give or lend money, property, service or other thing of value for the opportunity to receive compensation. The term also includes payment for the purchase of a product. "Investment" means the money, property, service or other thing of value paid or given, or to be paid or given, for the opportunity to receive compensation. "Investor" means any natural person, partnership, corporation, limited liability company, business trust, other association, government entity, estate, trust, foundation or other entity solicited to invest in a business venture, regardless of whether any investment is made.

"Material statement" means a statement about any matter which could affect an investor's decision to invest in a business venture, including, but not limited to, statements about:

(i) the existence, value, availability or marketability of a product;

(ii) the number of former or current investors, the amount of their investments or the amount of their former or current compensation;

(iii) the available pool or number of prospective investors, including those who have not yet been

1 solicited and those who already have been solicited but
2 have not yet made an investment;

3 (iv) representations of future compensation to be
4 received by investors or prospective investors; or

5 (v) the source of former, current or future
6 compensation paid or to be paid to investors or
7 prospective investors.

8 "Product" means a good, a service or other tangible or
9 intangible property of any kind; [or]

10 (9) obtains or attempts to obtain property of another by
11 false or misleading representations made through
12 communications conducted in whole or in part by telephone
13 involving the following:

14 (i) express or implied claims that the person
15 contacted has won or is about to win a prize;

16 (ii) express or implied claims that the person
17 contacted may be able to recover any losses suffered in
18 connection with a prize promotion; or

19 (iii) express or implied claims regarding the value
20 of goods or services offered in connection with a prize
21 or a prize promotion.

22 As used in this paragraph, the term "prize" means anything of
23 value offered or purportedly offered. The term "prize
24 promotion" means an oral or written express or implied
25 representation that a person has won, has been selected to
26 receive or may be eligible to receive a prize or purported
27 prize[.]; or

28 (10) does either of the following when he is in a client
29 relationship with a certified public accountant, public
30 accountant or public accounting firm:

<—

(i) KNOWINGLY provides false or misleading
information to the certified public accountant, public
accountant or public accounting firm in connection with
performance of an attestation function for the client
which resulted in an attestation by the certified public
accountant, public accountant or public accounting firm
of a materially misleading financial statement, audit,
review or other document; or

(ii) omits to provide information to the certified
public accountant, public accountant or public accounting
firm that he knows is material to the performance of an
attestation function and results in an attestation by the
certified public accountant, public accountant or public
accounting firm of a materially misleading financial
statement, audit, review or other document.

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~~Section 2. This act shall take effect in 60 days.~~

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SECTION 2. TITLE 18 IS AMENDED BY ADDING A CHAPTER TO READ:

CHAPTER 92

RACETRACK GAMING

SEC.

9200. SHORT TITLE OF CHAPTER.

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9202. LEGISLATIVE INTENT.

9203. DEFINITIONS.

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9206.1. SLOT MACHINE LICENSE FEE.

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6 9210. OCCUPATION PERMIT AND APPLICATIONS.
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8 REQUIREMENTS.
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10 FITNESS REQUIREMENTS.
11 9211. ADDITIONAL LICENSES AND PERMITS; APPROVAL OF
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18 9213. PROHIBITED ACTS AND PENALTIES.
19 9213.1. SLOT MACHINE TERMINAL PROCEEDS.
20 9213.2. GROSS TERMINAL REVENUE DEDUCTION.
21 9214. NET SLOT MACHINE REVENUE DISTRIBUTION AND ESTABLISHMENT
22 OF STATE GAMING FUND.
23 9214.1. RESPONSIBILITY AND AUTHORITY OF DEPARTMENT.
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25 9214.3. APPLICANTS TO PROVIDE CERTAIN TAX INFORMATION.
26 9215. DISTRIBUTIONS FROM OWNERS' REVENUE RECEIPTS.
27 9215.1. TRANSFERS FROM STATE GAMING FUND.
28 9215.2. NO EMINENT DOMAIN AUTHORITY.
29 9215.3. LOCAL ZONING AUTHORITY.
30 9215.4. NEIGHBORING CHURCH, SCHOOL OR RESIDENCE SETBACK.

1 9215.5. ATHLETIC EVENT GAMING.
2 9216. COMPULSIVE AND PROBLEM GAMBLING PROGRAM.
3 9217. DECLARATION OF EXEMPTION FROM FEDERAL LAWS PROHIBITING
4 SLOT MACHINES.
5 9218. ENFORCEMENT.
6 9218.1. AUTOMATED TELLER MACHINES.
7 9218.2. NATIVE AMERICAN GAMING.
8 9218.3. MANUFACTURER MARKET SHARE.
9 9218.4. LIQUOR LICENSES AT RACETRACKS.
10 9219. APPLICABILITY.

11 § 9200. SHORT TITLE OF CHAPTER.

12 THIS CHAPTER SHALL BE KNOWN AND MAY BE CITED AS THE
13 PENNSYLVANIA GAMING ACT OF 2003.

14 § 9201. SCOPE.

15 THIS CHAPTER DEALS WITH RACETRACK GAMING.

16 § 9202. LEGISLATIVE INTENT.

17 THE GENERAL ASSEMBLY HEREBY RECOGNIZES THE FOLLOWING PUBLIC
18 POLICY PURPOSES AND DECLARES THAT THE FOLLOWING OBJECTIVES OF
19 THE COMMONWEALTH ARE TO BE SERVED BY THIS CHAPTER:

20 (1) THE PRIMARY OBJECTIVE OF THIS CHAPTER, TO WHICH ALL
21 OTHER OBJECTIVES AND PURPOSES ARE SECONDARY, IS TO PROTECT
22 THE PUBLIC THROUGH THE REGULATION AND POLICING OF ALL
23 ACTIVITIES INVOLVING GAMBLING AND OTHER PRACTICES THAT ARE
24 UNLAWFUL EXCEPT AS PROVIDED BY LAW, INCLUDING THIS CHAPTER.

25 (2) THE AUTHORIZATION OF LIMITED GAMBLING BY THE
26 INSTALLATION AND OPERATION OF SLOT MACHINES AT PENNSYLVANIA
27 HORSE RACETRACKS IS INTENDED TO ENHANCE LIVE HORSE RACING,
28 ENTERTAINMENT AND EMPLOYMENT IN THIS COMMONWEALTH.

29 (3) THE AUTHORIZATION OF LIMITED GAMING IS INTENDED TO
30 PROVIDE A SIGNIFICANT SOURCE OF NEW REVENUE TO THE

1 COMMONWEALTH TO SUPPORT IMPORTANT AND NECESSARY EDUCATIONAL
2 PROGRAMS, PROPERTY TAX REFORM, ECONOMIC DEVELOPMENT
3 OPPORTUNITIES AND OTHER SIMILAR INITIATIVES.

4 (4) THE AUTHORIZATION OF LIMITED GAMING IS INTENDED TO
5 POSITIVELY ASSIST THE COMMONWEALTH'S HORSE RACING INDUSTRY,
6 SUPPORT PROGRAMS INTENDED TO FOSTER AND PROMOTE HORSE
7 BREEDING AND TO IMPROVE THE LIVING AND WORKING CONDITIONS OF
8 PERSONNEL WHO WORK AND RESIDE IN AND AROUND THE STABLE AREAS
9 OF RACETRACKS.

10 (5) PARTICIPATION IN LIMITED GAMING AUTHORIZED UNDER
11 THIS CHAPTER BY ANY LICENSEE OR PERMITTEE SHALL BE DEEMED A
12 PRIVILEGE CONDITIONED UPON THE PROPER AND CONTINUED
13 QUALIFICATION OF THE LICENSEE OR PERMITTEE AND UPON THE
14 DISCHARGE OF THE AFFIRMATIVE RESPONSIBILITY OF EACH LICENSEE
15 TO PROVIDE THE REGULATORY AND INVESTIGATORY AUTHORITIES OF
16 THE COMMONWEALTH ASSISTANCE AND INFORMATION NECESSARY TO
17 ASSURE THAT THE POLICIES DECLARED BY THIS CHAPTER ARE
18 ACHIEVED.

19 (6) STRICTLY MONITOR AND ENFORCE CONTROL OVER ALL
20 LIMITED GAMING AUTHORIZED BY THIS CHAPTER THROUGH REGULATION,
21 LICENSING AND APPROPRIATE ENFORCEMENT ACTIONS OF SPECIFIED
22 LOCATIONS, PERSONS, ASSOCIATIONS, PRACTICES, ACTIVITIES,
23 LICENSEES AND PERMITTEES.

24 (7) ESTABLISH AND ENFORCE STRICT FINANCIAL MONITORING
25 AND CONTROLS OF ALL LICENSEES OR PERMITTEES.

26 (8) TO TAKE INTO CONSIDERATION THE PUBLIC INTEREST OF
27 THE CITIZENS OF THIS COMMONWEALTH AND THE SOCIAL EFFECT OF
28 GAMBLING IN ANY DECISION OR ORDER MADE PURSUANT TO THIS
29 CHAPTER.

30 (9) TO ENSURE THE NECESSARY INTEGRITY OF THE REGULATORY

1 REVIEW AND LEGISLATIVE OVERSIGHT OVER THE CONDUCT AND
2 OPERATION OF LIMITED GAMING, AND TO RECOGNIZE THAT THE
3 CONCENTRATION OF WEALTH THAT EXISTS WITH THE LEGALIZATION OF
4 LIMITED GAMING COULD DISPROPORTIONATELY INFLUENCE THE
5 POLITICAL PROCESS AT ALL LEVELS OF GOVERNMENT.

6 § 9203. DEFINITIONS.

7 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
8 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
9 CONTEXT CLEARLY INDICATES OTHERWISE:

10 "ASSOCIATED EQUIPMENT." ANY EQUIPMENT OR MECHANICAL,
11 ELECTROMECHANICAL OR ELECTRONIC CONTRIVANCE, COMPONENT OR
12 MACHINE USED IN CONNECTION WITH GAMING, INCLUDING LINKS WHICH
13 CONNECT TO PROGRESSIVE SLOT MACHINES, EQUIPMENT WHICH AFFECTS
14 THE PROPER REPORTING OF GROSS REVENUE, COMPUTERIZED SYSTEMS FOR
15 MONITORING SLOT MACHINES AND DEVICES FOR WEIGHING OR COUNTING
16 MONEY.

17 "BACKGROUND INVESTIGATION." A SECURITY, CRIMINAL, CREDIT AND
18 SUITABILITY INVESTIGATION OF A PERSON AS PROVIDED FOR IN THIS
19 CHAPTER. THE INVESTIGATION SHALL SHOW THE STATUS OF TAXES OWED
20 TO THE COMMONWEALTH AND ITS POLITICAL SUBDIVISIONS.

21 "BACKSIDE AREA." THOSE AREAS OF THE RACETRACK FACILITY THAT
22 ARE NOT GENERALLY ACCESSIBLE TO THE PUBLIC AND WHICH INCLUDE,
23 BUT ARE NOT LIMITED TO, THOSE FACILITIES COMMONLY REFERRED TO AS
24 BARNs, TRACK KITCHEN, RECREATION HALL, STABLE EMPLOYEE QUARTERS
25 AND TRAINING TRACK, AND ROADWAYS PROVIDING ACCESS THERETO. THE
26 TERM DOES NOT INCLUDE THOSE AREAS OF THE RACETRACK FACILITY
27 WHICH ARE GENERALLY ACCESSIBLE TO THE PUBLIC, INCLUDING THE
28 VARIOUS BUILDINGS COMMONLY REFERRED TO AS THE GRANDSTAND OR THE
29 RACING SURFACES, PADDOCK ENCLOSURE AND WALKING RING.

30 "BOARD." THE PENNSYLVANIA GAMING CONTROL BOARD ESTABLISHED

1 UNDER SECTION 9204 (RELATING TO PENNSYLVANIA GAMING CONTROL
2 BOARD ESTABLISHED).

3 "CASH BACK." AMOUNTS PAID TO A PATRON BASED ON A PERCENTAGE
4 OF TOTAL AMOUNTS WAGERED BY THE PATRON.

5 "CHEAT." TO ALTER THE ELEMENTS OF CHANCE, METHOD OF
6 SELECTION OR CRITERIA WHICH DETERMINE:

7 (1) THE RESULT OF A GAME.

8 (2) THE AMOUNT OR FREQUENCY OF PAYMENT IN A GAME.

9 (3) THE VALUE OF A WAGERING INSTRUMENT.

10 (4) THE VALUE OF A WAGERING CREDIT.

11 "DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

12 "FUND." THE STATE GAMING FUND ESTABLISHED UNDER SECTION 9214
13 (RELATING TO NET SLOT MACHINE REVENUE DISTRIBUTION AND
14 ESTABLISHMENT OF STATE GAMING FUND).

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

17 (1) CASHIERS;

18 (2) CHANGE PERSONNEL;

19 (3) COUNTING ROOM PERSONNEL;

20 (4) SLOT ATTENDANTS;

21 (5) HOSTS OR OTHER PERSONS AUTHORIZED TO EXTEND

22 COMPLIMENTARY SERVICES;

23 (6) MACHINE MECHANICS;

24 (7) SECURITY PERSONNEL; AND

25 (8) SUPERVISORS OR MANAGERS.

26 THE TERM DOES NOT INCLUDE BARTENDERS, COCKTAIL SERVERS OR OTHER
27 PERSONS ENGAGED SOLELY IN PREPARING OR SERVING FOOD OR BEVERAGE,
28 SECRETARIAL PERSONNEL, JANITORIAL, STAGE, SOUND AND LIGHT
29 TECHNICIANS AND OTHER NONGAMING PERSONNEL. THE TERM ALSO
30 INCLUDES EMPLOYEES OF A PERSON HOLDING A SUPPLIER'S LICENSE

1 WHOSE DUTIES ARE DIRECTLY INVOLVED WITH THE MANUFACTURE, REPAIR
2 OR DISTRIBUTION OF SLOT MACHINES AND ASSOCIATED EQUIPMENT SOLD
3 OR PROVIDED TO RACETRACKS WITHIN THIS COMMONWEALTH.

4 "GROSS TERMINAL REVENUE." THE TOTAL OF WAGERS RECEIVED BY A
5 SLOT MACHINE MINUS THE TOTAL OF:

6 (1) CASH OR CASH EQUIVALENTS PAID OUT TO PATRONS AS A
7 RESULT OF PLAYING A SLOT MACHINE AND ANY CASH BACK PAID TO
8 PATRONS EITHER MANUALLY OR PAID OUT BY THE SLOT MACHINE.

9 (2) CASH PAID TO PURCHASE ANNUITIES TO FUND PRIZES
10 PAYABLE TO PATRONS OVER A PERIOD OF TIME AS A RESULT OF
11 PLAYING A SLOT MACHINE.

12 (3) ANY PERSONAL PROPERTY DISTRIBUTED TO A PATRON AS THE
13 RESULT OF PLAYING A SLOT MACHINE. THIS DOES NOT INCLUDE
14 TRAVEL EXPENSES, FOOD, REFRESHMENTS, LODGING OR SERVICES. THE
15 TERM DOES NOT INCLUDE COUNTERFEIT MONEY OR TOKENS, COINS OF
16 OTHER COUNTRIES WHICH ARE RECEIVED IN SLOT MACHINES, EXCEPT
17 TO THE EXTENT THAT THEY ARE READILY CONVERTIBLE TO OFFICIAL
18 CURRENCY, CASH TAKEN IN FRAUDULENT ACTS PERPETRATED AGAINST A
19 SLOT MACHINE LICENSEE FOR WHICH THE LICENSEE IS NOT
20 REIMBURSED OR CASH RECEIVED AS ENTRY FEES FOR CONTESTS OR
21 TOURNAMENTS IN WHICH THE PATRONS COMPETE FOR PRIZES.

22 "KEY EMPLOYEE." ANY INDIVIDUAL WHO IS EMPLOYED IN A DIRECTOR
23 OR DEPARTMENT HEAD CAPACITY AND WHO IS EMPOWERED TO MAKE
24 DISCRETIONARY DECISIONS THAT REGULATE SLOT MACHINE OPERATIONS,
25 INCLUDING THE GENERAL MANAGER AND ASSISTANT GENERAL MANAGER OF
26 THE LICENSED RACETRACK, DIRECTOR OF SLOT OPERATIONS, DIRECTOR OF
27 CAGE AND OR CREDIT OPERATIONS, DIRECTOR OF SURVEILLANCE,
28 DIRECTOR OF MANAGEMENT INFORMATION SYSTEMS, DIRECTOR OF
29 SECURITY, COMPTROLLER AND ANY EMPLOYEE WHO SUPERVISES THE
30 OPERATIONS OF THESE DEPARTMENTS OR TO WHOM THESE DEPARTMENT

1 DIRECTORS REPORT, AND SUCH OTHER POSITIONS WHICH THE BOARD SHALL
2 DETERMINE, BASED ON DETAILED ANALYSES OF JOB DESCRIPTIONS AS
3 PROVIDED IN THE INTERNAL CONTROLS OF THE LICENSEE AS APPROVED BY
4 THE BOARD. ALL OTHER GAMING EMPLOYEES, UNLESS OTHERWISE
5 DESIGNATED BY THE BOARD, SHALL BE CLASSIFIED AS NONKEY GAMING
6 EMPLOYEES.

7 "LICENSED CORPORATIONS." LEGAL ENTITIES THAT HAVE OBTAINED A
8 LICENSE TO CONDUCT THOROUGHBRED OR HARNESS HORSE RACE MEETINGS
9 RESPECTIVELY WITH PARI-MUTUEL WAGERING FROM EITHER THE STATE
10 HORSE RACING COMMISSION OR THE STATE HARNESS RACING COMMISSION
11 PURSUANT TO THE RACE HORSE INDUSTRY REFORM ACT.

12 "LICENSED ENTITY." ANY LICENSED CORPORATION, ANY HOLDER OF A
13 SLOT MACHINE, MANUFACTURER, SUPPLIER OR OTHER LICENSE ISSUED BY
14 THE BOARD PURSUANT TO THIS CHAPTER.

15 "LICENSED RACETRACK" OR "RACETRACK." THE PHYSICAL FACILITY
16 AND GROUNDS WHERE A LICENSED CORPORATION CONDUCTS THOROUGHBRED
17 OR HARNESS RACE MEETINGS RESPECTIVELY WITH PARI-MUTUEL WAGERING.
18 THE TERM "RACETRACK" OR "ITS RACETRACK" SHALL MEAN THE LOCATION
19 AT WHICH LIVE HORSE RACING IS CONDUCTED EVEN IF NOT OWNED BY THE
20 LICENSED CORPORATION.

21 "MANUFACTURER." A PERSON WHO MANUFACTURES, BUILDS,
22 FABRICATES, ASSEMBLES, PRODUCES, PROGRAMS, DESIGNS OR OTHERWISE
23 MAKES MODIFICATIONS TO ANY SLOT MACHINE, ASSOCIATED EQUIPMENT
24 FOR USE OR PLAY OF SLOT MACHINES OR ASSOCIATED EQUIPMENT IN THIS
25 COMMONWEALTH FOR GAMING PURPOSES.

26 "MANUFACTURER LICENSE." A LICENSE ISSUED BY THE PENNSYLVANIA
27 GAMING CONTROL BOARD AUTHORIZING A MANUFACTURER TO MANUFACTURE
28 OR PRODUCE SLOT MACHINES OR ASSOCIATED EQUIPMENT FOR USE IN THIS
29 COMMONWEALTH FOR GAMING PURPOSES.

30 "MANUFACTURER LICENSEE." A MANUFACTURER THAT OBTAINS A

1 MANUFACTURER LICENSE.

2 "NONPRIMARY LOCATION." ANY FACILITY IN WHICH PARI-MUTUEL
3 WAGERING IS CONDUCTED BY LICENSED CORPORATIONS OTHER THAN THE
4 RACETRACK.

5 "OCCUPATION PERMIT." A PERMIT AUTHORIZING AN INDIVIDUAL TO
6 BE EMPLOYED OR WORK AS A GAMING EMPLOYEE AT A LICENSED
7 RACETRACK.

8 "PERMITTEE." HOLDER OF A PERMIT ISSUED PURSUANT TO THIS
9 CHAPTER.

10 "PERSON." A NATURAL PERSON, CORPORATION, ORGANIZATION,
11 BUSINESS TRUST, ESTATE, TRUST, PARTNERSHIP, ASSOCIATION OR ANY
12 OTHER LEGAL ENTITY.

13 "PROGRESSIVE JACKPOT." A SLOT MACHINE WAGER PAYOUT THAT
14 INCREASES IN A MONETARY AMOUNT.

15 "PROGRESSIVE SLOT MACHINE." A SLOT MACHINE THAT IS CONNECTED
16 TO A PROGRESSIVE SYSTEM.

17 "PROGRESSIVE SYSTEM." A COMPUTERIZED SYSTEM LINKING SLOT
18 MACHINES IN ONE OR MORE RACETRACKS AND OFFERING ONE OR MORE
19 COMMON PROGRESSIVE JACKPOTS.

20 "RACE HORSE INDUSTRY REFORM ACT." THE ACT OF DECEMBER 17,
21 1981 (P.L.435, NO.135), KNOWN AS THE RACE HORSE INDUSTRY REFORM
22 ACT.

23 "SLOT MACHINE." ANY MECHANICAL, ELECTRICAL OR OTHER DEVICE,
24 CONTRIVANCE, TERMINAL OR MACHINE APPROVED BY THE PENNSYLVANIA
25 GAMING CONTROL BOARD WHICH, UPON INSERTION OF A COIN, BILL,
26 TICKET, TOKEN OR SIMILAR OBJECT THEREIN OR UPON PAYMENT OF ANY
27 CONSIDERATION WHATSOEVER, INCLUDING THE USE OF ANY ELECTRONIC
28 PAYMENT SYSTEM EXCEPT A CREDIT CARD OR DEBIT CARD, IS AVAILABLE
29 TO PLAY OR OPERATE, THE PLAY OR OPERATION OF WHICH, WHETHER BY
30 REASON OF THE SKILL OF THE OPERATOR OR APPLICATION OF THE

1 ELEMENT OF CHANCE, OR BOTH, MAY DELIVER OR ENTITLE THE PERSON
2 PLAYING OR OPERATING THE MACHINE TO RECEIVE CASH, TICKETS,
3 TOKENS OR ELECTRONIC CREDITS TO BE EXCHANGED FOR CASH OR TO
4 RECEIVE MERCHANDISE OR ANY THING OF VALUE WHATSOEVER, WHETHER
5 THE PAYOFF IS MADE AUTOMATICALLY FROM THE MACHINE OR MANUALLY. A
6 SLOT MACHINE:

7 (1) MAY UTILIZE SPINNING REELS OR VIDEO DISPLAYS, OR
8 BOTH;

9 (2) MAY OR MAY NOT DISPENSE COINS, TICKETS OR TOKENS TO
10 WINNING PATRONS; AND

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

13 THE TERM SHALL INCLUDE ASSOCIATED EQUIPMENT NECESSARY TO CONDUCT
14 THE OPERATION OF SLOT MACHINES.

15 "SLOT MACHINE LICENSE." A LICENSE AUTHORIZING A LICENSED
16 CORPORATION TO PLACE AND OPERATE SLOT MACHINES AT A SPECIFIC
17 RACETRACK PURSUANT TO THIS CHAPTER AND THE RULES AND REGULATIONS
18 PROMULGATED UNDER THIS CHAPTER.

19 "SLOT MACHINE LICENSEE." A LICENSED CORPORATION THAT HOLDS A
20 SLOT MACHINE LICENSE.

21 "STATE TREASURER." THE STATE TREASURER OF THE COMMONWEALTH.

22 "SUPPLIER." A PERSON WHO SELLS, LEASES, OFFERS OR OTHERWISE
23 PROVIDES, DISTRIBUTES ANY SLOT MACHINE, PARTS OR ASSOCIATED
24 EQUIPMENT FOR USE OR PLAY OF SLOT MACHINES OR ASSOCIATED
25 EQUIPMENT IN THIS COMMONWEALTH.

26 "SUPPLIER LICENSE." A LICENSE ISSUED BY THE PENNSYLVANIA
27 GAMING CONTROL BOARD AUTHORIZING A SUPPLIER TO PROVIDE PRODUCTS
28 OR SERVICES RELATED TO SLOT MACHINES OR ASSOCIATED EQUIPMENT TO
29 SLOT MACHINE LICENSEES.

30 "SUPPLIER LICENSEE." A SUPPLIER THAT HOLDS A SUPPLIER

1 LICENSE.

2 § 9204. PENNSYLVANIA GAMING CONTROL BOARD ESTABLISHED.

3 (A) BOARD ESTABLISHED.--THERE IS HEREBY ESTABLISHED AN
4 INDEPENDENT ADMINISTRATIVE BOARD TO BE KNOWN AS THE PENNSYLVANIA
5 GAMING CONTROL BOARD, WHICH SHALL BE IMPLEMENTED AS SET FORTH IN
6 THIS SECTION.

7 (B) MEMBERSHIP.--THE BOARD SHALL CONSIST OF THE FOLLOWING
8 MEMBERS, WHO SHALL SERVE A SET TERM AND MAY NOT BE REMOVED
9 EXCEPT FOR GOOD CAUSE:

10 (1) THREE MEMBERS APPOINTED BY THE GOVERNOR.

11 (2) ONE MEMBER APPOINTED BY EACH OF THE FOLLOWING
12 LEGISLATIVE CAUCUS LEADERS:

13 (I) THE PRESIDENT PRO TEMPORE OF THE SENATE.

14 (II) THE MINORITY LEADER OF THE SENATE.

15 (III) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

16 (IV) THE MINORITY LEADER OF THE HOUSE OF
17 REPRESENTATIVES.

18 NO MORE THAN FOUR MEMBERS SHALL BE FROM THE SAME POLITICAL
19 PARTY.

20 (C) INITIAL APPOINTMENTS TO BOARD.--

21 (1) MEMBERS INITIALLY APPOINTED BY THE GOVERNOR SHALL
22 SERVE THE FOLLOWING STAGGERED TERMS, WHICH SHALL BE
23 DESIGNATED WHEN THE NOMINATION IS SUBMITTED TO THE SENATE:

24 (I) ONE MEMBER SHALL SERVE AN INITIAL TERM OF FOUR
25 YEARS.

26 (II) ONE MEMBER SHALL SERVE AN INITIAL TERM OF THREE
27 YEARS.

28 (III) ONE MEMBER SHALL SERVE AN INITIAL TERM OF TWO
29 YEARS.

30 (2) MEMBERS INITIALLY APPOINTED PURSUANT TO SUBSECTION

(B)(2) SHALL SERVE UNTIL THE THIRD TUESDAY IN JANUARY 2005
AND UNTIL THEIR SUCCESSORS ARE APPOINTED AND QUALIFIED.

(3) ANY APPOINTMENT TO FILL A VACANCY SHALL BE FOR THE
UNEXPIRED TERM. MEMBERS SO APPOINTED TO FILL THE UNEXPIRED
TERM OF AN INITIAL APPOINTEE SHALL BE SUBJECT TO THE
PROVISIONS OF SUBSECTION (D).

(D) APPOINTMENTS AFTER EXPIRATION OF INITIAL TERM OR UPON
VACANCY.--UPON THE EXPIRATION OF A TERM OF A MEMBER APPOINTED
UNDER THIS SUBSECTION OR UPON THE HAPPENING OF A VACANCY OF A
MEMBER APPOINTED PURSUANT TO SUBSECTION (C), THE APPOINTING
AUTHORITY SHALL APPOINT A MEMBER SUBJECT TO THE FOLLOWING:

(1) FOR AN APPOINTMENT FOR WHICH THE GOVERNOR IS THE
APPOINTING AUTHORITY, THE GOVERNOR SHALL NOMINATE AND WITH
THE ADVICE AND CONSENT OF A MAJORITY OF THE MEMBERS ELECTED
TO THE SENATE, APPOINT A MEMBER WHOSE TERM SHALL BE FOR FOUR
YEARS AND UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIED.

(2) TERMS FOR MEMBERS APPOINTED PURSUANT TO SUBSECTION
(B)(2) SHALL EXPIRE ON THE THIRD TUESDAY OF JANUARY OF EACH
ODD-NUMBERED YEAR BUT SUCH MEMBERS SHALL CONTINUE TO SERVE
UNTIL THEIR SUCCESSORS ARE APPOINTED AND QUALIFIED.

(3) NO MEMBER SHALL SERVE MORE THAN TWO SUCCESSIVE
TERMS.

(E) EX OFFICIO MEMBERS.--THE SECRETARY OF REVENUE, THE
SECRETARY OF AGRICULTURE AND THE STATE TREASURER SHALL SERVE ON
THE BOARD AS NONVOTING EX OFFICIO MEMBERS OF THE BOARD.

(F) MAJORITY VOTE.--A QUALIFIED MAJORITY OF FIVE OF THE
SEVEN MEMBERS OF THE BOARD SHALL BE REQUIRED FOR ANY ACTION,
INCLUDING THE GRANTING OF ANY LICENSE TO BE ISSUED BY THE BOARD
UNDER THIS CHAPTER OR THE MAKING OF ANY ORDER OR THE
RATIFICATION OF ANY ACT DONE OR ORDER MADE BY ONE OR MORE OF THE

1 MEMBERS.

2 (G) BACKGROUND INVESTIGATION.--APPOINTEES SHALL BE SUBJECT
3 TO A BACKGROUND INVESTIGATION CONDUCTED BY THE PENNSYLVANIA
4 STATE POLICE IN ACCORDANCE WITH SECTION 9218(A) (RELATING TO
5 ENFORCEMENT) AND SUBMITTED TO THE APPOINTING AUTHORITY.

6 (H) QUALIFICATIONS AND RESTRICTIONS.--

7 (1) EACH MEMBER, AT THE TIME OF APPOINTMENT AND DURING
8 THE TERM OF OFFICE, SHALL BE A RESIDENT OF THIS COMMONWEALTH,
9 SHALL BE NOT LESS THAN 25 YEARS OF AGE AND SHALL HAVE BEEN A
10 QUALIFIED ELECTOR OF THIS COMMONWEALTH FOR A PERIOD OF AT
11 LEAST ONE YEAR IMMEDIATELY PRECEDING APPOINTMENT.

12 (2) NO PERSON SHALL BE APPOINTED A MEMBER OF THE BOARD
13 OR HOLD ANY PLACE, POSITION OR OFFICE UNDER IT IF THE PERSON
14 HOLDS ANY OTHER APPOINTIVE OR ELECTED OFFICE OR PARTY OFFICER
15 AS DEFINED IN SECTION 9212.3 (RELATING TO PUBLIC OFFICIAL
16 FINANCIAL INTEREST) IN THIS COMMONWEALTH OR ANY OF ITS
17 POLITICAL SUBDIVISIONS EXCEPT EX OFFICIO MEMBERS UNDER THIS
18 SECTION. MEMBERS APPOINTED PURSUANT TO THIS SECTION SHALL
19 DEVOTE FULL TIME TO THEIR OFFICIAL DUTIES.

20 (3) NO MEMBER SHALL HOLD ANY OFFICE OR POSITION, THE
21 DUTIES OF WHICH ARE INCOMPATIBLE WITH THE DUTIES OF THE
22 OFFICE AS A MEMBER, OR BE ENGAGED IN ANY BUSINESS, EMPLOYMENT
23 OR VOCATION FOR WHICH THE MEMBER SHALL RECEIVE ANY
24 REMUNERATION, EXCEPT AS PROVIDED IN THIS CHAPTER.

25 (4) NO EMPLOYEE, APPOINTEE OR OFFICIAL ENGAGED IN THE
26 SERVICE OF OR IN ANY MANNER CONNECTED WITH THE BOARD SHALL
27 HOLD ANY OFFICE OR POSITION, OR BE ENGAGED IN ANY EMPLOYMENT
28 OR VOCATION, THE DUTIES OF WHICH ARE INCOMPATIBLE WITH
29 EMPLOYMENT IN THE SERVICE OF OR IN CONNECTION WITH THE WORK
30 OF THE BOARD.

1 (5) NO MEMBER SHALL BE PAID OR ACCEPT FOR ANY SERVICE
2 CONNECTED WITH THE OFFICE ANY FEE OTHER THAN THE SALARY AND
3 EXPENSES PROVIDED BY LAW.

4 (6) NO MEMBER SHALL PARTICIPATE IN ANY HEARING OR
5 PROCEEDING IN WHICH THE MEMBER HAS ANY DIRECT OR INDIRECT
6 PECUNIARY INTEREST.

7 (7) AT THE TIME OF APPOINTMENT, AND ANY TIME THEREAFTER,
8 ANNUALLY, EACH MEMBER SHALL DISCLOSE THE EXISTENCE OF ALL
9 SECURITY HOLDINGS IN ANY LICENSED ENTITY OR ITS AFFILIATES
10 HELD BY SUCH MEMBER, HIS OR HER SPOUSE AND ANY MINOR OR
11 UNEMANCIPATED CHILDREN AND MUST EITHER DIVEST OR PLACE IN A
12 BLIND TRUST SUCH SECURITIES. A MEMBER MAY NOT ACQUIRE ANY
13 FURTHER SECURITY HOLDINGS IN ANY LICENSED ENTITY OR ITS
14 AFFILIATES DURING THE MEMBER'S TENURE. AS USED IN THIS
15 SECTION, "BLIND TRUST" MEANS A TRUST OVER WHICH NEITHER A
16 MEMBER, A MEMBER'S SPOUSE NOR ANY MINOR OR UNEMANCIPATED
17 CHILD SHALL EXERCISE ANY MANAGERIAL CONTROL AND FROM WHICH
18 NEITHER THE MEMBER, A MEMBER'S SPOUSE NOR ANY MINOR OR
19 UNEMANCIPATED CHILD SHALL RECEIVE ANY INCOME FROM THE TRUST
20 DURING THE MEMBER'S TENURE OF OFFICE. SUCH DISCLOSURE
21 STATEMENT SHALL BE FILED WITH THE EXECUTIVE DIRECTOR OF THE
22 BOARD AND WITH THE APPOINTING AUTHORITY FOR SUCH MEMBER AND
23 SHALL BE OPEN TO INSPECTION BY THE PUBLIC DURING THE NORMAL
24 BUSINESS HOURS OF THE BOARD DURING THE TENURE OF THE MEMBER.

25 (8) EVERY MEMBER, AND EVERY INDIVIDUAL OR OFFICIAL,
26 EMPLOYED OR APPOINTED TO OFFICE UNDER, IN THE SERVICE OF OR
27 IN CONNECTION WITH THE WORK OF THE BOARD IS FORBIDDEN,
28 DIRECTLY OR INDIRECTLY, TO SOLICIT OR REQUEST FROM, OR TO
29 SUGGEST OR RECOMMEND TO ANY LICENSED ENTITY, OR TO ANY
30 OFFICER, ATTORNEY, AGENT OR EMPLOYEE THEREOF, THE APPOINTMENT

1 OF ANY INDIVIDUAL TO ANY OFFICE, PLACE OR POSITION IN OR THE
2 EMPLOYMENT OF ANY INDIVIDUAL IN ANY CAPACITY BY SUCH LICENSED
3 ENTITY.

4 (9) EVERY MEMBER OR EMPLOYEE APPOINTED TO OFFICE IN THE
5 SERVICE OF OR IN CONNECTION WITH THE WORK OF THE BOARD IS
6 PROHIBITED FROM ACCEPTING EMPLOYMENT WITH ANY LICENSED ENTITY
7 FOR A PERIOD OF FOUR YEARS FROM THE TERMINATION OF SERVICE AS
8 A MEMBER OR EMPLOYEE, AND EVERY MEMBER IS PROHIBITED FROM
9 APPEARING BEFORE THE BOARD ON BEHALF OF ANY LICENSED ENTITY
10 OR OTHER LICENSEE OR PERMITTEE OF THE BOARD FOR A PERIOD OF
11 THREE YEARS AFTER TERMINATING EMPLOYMENT OR SERVICE WITH THE
12 BOARD.

13 (10) IF ANY PERSON EMPLOYED OR APPOINTED IN THE SERVICE
14 OF THE BOARD VIOLATES ANY PROVISION OF THIS SECTION, THE
15 APPOINTING AUTHORITY OR THE BOARD SHALL FORTHWITH REMOVE SUCH
16 PERSON FROM THE OFFICE OR EMPLOYMENT, AND SUCH PERSON SHALL
17 BE INELIGIBLE FOR FUTURE EMPLOYMENT OR SERVICE WITH THE
18 BOARD.

19 (11) NO MEMBER OR EMPLOYEE OF THE BOARD SHALL WAGER OR
20 BE PAID ANY PRIZE FROM ANY WAGER AT ANY SLOT MACHINE AT ANY
21 FACILITY OF A LICENSED CORPORATION.

22 (I) OPEN PROCEEDINGS AND RECORDS.--THE PROCEEDINGS OF THE
23 BOARD SHALL BE CONDUCTED IN ACCORDANCE WITH THE PROVISIONS OF 65
24 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS). THE BOARD SHALL BE AN
25 AGENCY FOR PURPOSES OF THE ACT OF JUNE 21, 1957 (P.L.390,
26 NO.212), REFERRED TO AS THE RIGHT-TO-KNOW LAW. NOTWITHSTANDING
27 ANY PROVISION OF LAW TO THE CONTRARY, CONFIDENTIAL DOCUMENTATION
28 RELATIVE TO PERSONAL BACKGROUND INFORMATION PROVIDED TO THE
29 BOARD PURSUANT TO THIS CHAPTER AND ANY DELIBERATIONS THEREOF,
30 INCLUDING DISCIPLINARY PROCEEDINGS, MAY BE CONSIDERED IN CLOSED

1 EXECUTIVE SESSION.

2 (J) COMPENSATION.--THE EXECUTIVE BOARD SHALL ESTABLISH THE
3 COMPENSATION OF THE MEMBERS APPOINTED PURSUANT TO THIS SECTION.
4 MEMBERS SHALL BE REIMBURSED FOR ALL NECESSARY AND ACTUAL
5 EXPENSES. THE EXECUTIVE BOARD SHALL ESTABLISH THE COMPENSATION
6 FOR THE EMPLOYEES OF THE BOARD IN ACCORDANCE WITH SECTION 709 OF
7 THE ADMINISTRATIVE CODE OF 1929.

8 (K) CHAIRMAN.--IMMEDIATELY AFTER ALL INITIAL MEMBERS HAVE
9 BEEN APPOINTED AND DULY QUALIFIED, AND NOT BEFORE, THE CHAIRMAN
10 SHALL BE SELECTED BY THE GOVERNOR TO SERVE A TERM DESIGNATED BY
11 THE GOVERNOR.

12 (L) APPOINTMENTS.--THE APPOINTING AUTHORITIES SHALL MAKE
13 THEIR APPOINTMENTS WITHIN 60 DAYS OF THE EFFECTIVE DATE OF THIS
14 CHAPTER.

15 (M) DISCLOSURE STATEMENTS.--MEMBERS AND EMPLOYEES OF THE
16 BOARD ARE SUBJECT TO THE PROVISIONS OF 65 PA.C.S. CH. 11
17 (RELATING TO ETHICS STANDARDS AND FINANCIAL DISCLOSURE) AND THE
18 ACT OF JULY 19, 1957 (P.L.1017, NO.451), KNOWN AS THE STATE
19 ADVERSE INTEREST ACT.

20 § 9205. BOARD'S POWERS.

21 (A) GENERAL POWERS.--THE BOARD SHALL BE RESPONSIBLE TO
22 ENSURE THE INTEGRITY OF THE ACQUISITION AND OPERATION OF SLOT
23 MACHINES AND ASSOCIATED EQUIPMENT AT RACETRACKS AND SHALL HAVE
24 JURISDICTION OVER EVERY ASPECT OF THE AUTHORIZATION AND
25 OPERATION OF SLOT MACHINES AT RACETRACKS. THE BOARD SHALL EMPLOY
26 AN EXECUTIVE DIRECTOR, DEPUTIES, SECRETARIES, OFFICERS AND
27 AGENTS AS IT MAY DEEM NECESSARY, WHO SHALL SERVE AT THE BOARD'S
28 PLEASURE. THE BOARD SHALL ALSO EMPLOY SUCH OTHER EMPLOYEES AS IT
29 DEEMS APPROPRIATE WHOSE DUTIES SHALL BE PRESCRIBED BY THE BOARD.
30 LEGAL COUNSEL FOR THE BOARD SHALL BE APPOINTED BY THE BOARD. THE

1 BOARD SHALL BE SUBJECT TO THE PROVISIONS OF THE ACT OF APRIL 9,
2 1929 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF
3 1929, AS TO CLASSIFICATION AND COMPENSATION FOR ALL ITS
4 EMPLOYEES AND CONDUCT ITS ACTIVITIES CONSISTENT WITH THE
5 PRACTICES AND PROCEDURES OF COMMONWEALTH AGENCIES.

6 (B) SPECIFIC POWERS.--THE BOARD SHALL HAVE THE SPECIFIC
7 POWER AND DUTY:

8 (1) TO REQUIRE BACKGROUND INVESTIGATIONS ON PROSPECTIVE
9 OR EXISTING LICENSEES AND PERMITTEES UNDER THE JURISDICTION
10 OF THE BOARD AND SHALL ENTER INTO AN AGREEMENT WITH THE
11 PENNSYLVANIA STATE POLICE IN COOPERATION WITH THE OFFICE OF
12 ATTORNEY GENERAL TO PERFORM SUCH BACKGROUND INVESTIGATIONS.
13 THE AGREEMENT SHALL INCLUDE REIMBURSEMENT BASED ON ACTUAL
14 COSTS TO THE PENNSYLVANIA STATE POLICE AND THE OFFICE OF
15 ATTORNEY GENERAL FOR SUCH INVESTIGATIONS.

16 (2) AT ITS DISCRETION, TO ISSUE, RENEW OR DENY ISSUANCE
17 OR RENEWAL OF SLOT MACHINE LICENSES.

18 (3) AT ITS DISCRETION, TO ISSUE, RENEW OR DENY ISSUANCE
19 OR RENEWAL OF SUPPLIER AND MANUFACTURER LICENSES.

20 (4) AT ITS DISCRETION, TO ISSUE, RENEW OR DENY ISSUANCE
21 OR RENEWAL OF OCCUPATION PERMITS.

22 (5) AT ITS DISCRETION, TO ISSUE, RENEW OR DENY ISSUANCE
23 OR RENEWAL OF ANY ADDITIONAL LICENSES OR PERMITS REQUIRED BY
24 THE BOARD UNDER THIS CHAPTER OR BY REGULATION.

25 (6) TO REQUIRE APPLICANTS FOR LICENSES AND PERMITS TO
26 SUBMIT WITH THEIR APPLICATION A FULL SET OF FINGERPRINTS
27 WHICH SHALL BE SUBMITTED BY THE PENNSYLVANIA STATE POLICE TO
28 THE FEDERAL BUREAU OF INVESTIGATION FOR PURPOSES OF VERIFYING
29 THE IDENTITY OF THE APPLICANTS AND OBTAINING RECORDS OF
30 CRIMINAL ARRESTS AND CONVICTIONS.

1 (7) IN ADDITION TO THE POWER OF THE BOARD REGARDING
2 LICENSE AND PERMIT APPLICANTS, TO DETERMINE AT ITS DISCRETION
3 THE SUITABILITY OF ANY PERSON WHO FURNISHES, OR SEEKS TO
4 FURNISH, TO A SLOT MACHINE LICENSEE ANY SERVICES OR PROPERTY
5 RELATED TO SLOT MACHINES AND ASSOCIATED EQUIPMENT AT ITS
6 RACETRACK THROUGH ANY ARRANGEMENTS UNDER WHICH THAT PERSON
7 RECEIVES PAYMENT BASED DIRECTLY OR INDIRECTLY ON EARNINGS,
8 PROFITS OR RECEIPTS FROM THE SLOT MACHINES AND ASSOCIATED
9 EQUIPMENT. THE BOARD MAY REQUIRE ANY SUCH PERSON TO COMPLY
10 WITH THE REQUIREMENTS OF THIS CHAPTER AND THE REGULATIONS OF
11 THE BOARD OR MAY PROHIBIT THE PERSON FROM FURNISHING SUCH
12 SERVICES OR PROPERTY.

13 (8) TOGETHER WITH ITS DESIGNATED OFFICERS, EMPLOYEES OR
14 AGENTS, TO ADMINISTER OATHS, EXAMINE WITNESSES AND ISSUE
15 SUBPOENAS TO COMPEL ATTENDANCE OF WITNESSES AND PRODUCTION OF
16 ALL RELEVANT AND MATERIAL REPORTS, BOOKS, PAPERS, DOCUMENTS
17 AND OTHER EVIDENCE.

18 (9) TO PROMULGATE REGULATIONS AS THE BOARD DEEMS
19 NECESSARY TO CARRY OUT THE POLICY AND PURPOSES OF THIS
20 CHAPTER AND TO ENHANCE THE CREDIBILITY AND THE INTEGRITY OF
21 THE LICENSED OPERATION OF SLOT MACHINES AND ASSOCIATED
22 EQUIPMENT IN THIS COMMONWEALTH. NOTWITHSTANDING ANY OTHER
23 PROVISION OF LAW TO THE CONTRARY AND IN ORDER TO FACILITATE
24 THE PROMPT IMPLEMENTATION OF THIS CHAPTER, REGULATIONS
25 PROMULGATED BY THE BOARD DURING THE FIRST YEAR FOLLOWING THE
26 EFFECTIVE DATE OF THIS CHAPTER SHALL BE DEEMED TEMPORARY
27 REGULATIONS WHICH SHALL EXPIRE NO LATER THEN TWO YEARS
28 FOLLOWING THE EFFECTIVE DATE OF THIS CHAPTER OR UPON ADOPTION
29 OF REGULATIONS PROMULGATED AND ADOPTED AS GENERALLY PROVIDED
30 BY LAW. THE TEMPORARY REGULATIONS SHALL NOT BE SUBJECT TO:

1 (I) SECTIONS 201 THROUGH 205 OF THE ACT OF JULY 31,
2 1968 (P.L.769, NO.240), REFERRED TO AS THE COMMONWEALTH
3 DOCUMENTS LAW.

4 (II) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181),
5 KNOWN AS THE REGULATORY REVIEW ACT.

6 (III) THIS PARAGRAPH SHALL EXPIRE ONE YEAR FROM THE
7 EFFECTIVE DATE OF THIS CHAPTER. REGULATIONS ADOPTED AFTER
8 THE ONE-YEAR PERIOD SHALL BE PROMULGATED, ADOPTED AND
9 PUBLISHED AS PROVIDED BY LAW.

10 (10) TO LEVY AND COLLECT FEES FROM THE VARIOUS
11 APPLICANTS, LICENSEES AND PERMITTEES TO FUND THE OPERATIONS
12 OF THE BOARD. THE FEES SHALL BE PAID TO THE TREASURY
13 DEPARTMENT THROUGH THE DEPARTMENT OF REVENUE AND DEPOSITED
14 INTO THE STATE GAMING FUND. IN ADDITION TO THE FEES SET FORTH
15 IN SECTION 9206.1 (RELATING TO SLOT MACHINE LICENSE FEE), THE
16 BOARD SHALL ASSESS AND COLLECT FEES AS FOLLOWS:

17 (I) SUPPLIER LICENSE APPLICANTS AND SUPPLIER
18 LICENSEES SHALL PAY A FEE OF \$25,000 FOR THE ISSUANCE OF
19 A LICENSE AND \$10,000 FOR THE RENEWAL OF A SUPPLIER
20 LICENSE.

21 (II) MANUFACTURER LICENSE APPLICANTS AND
22 MANUFACTURER LICENSEES SHALL PAY A FEE OF \$50,000 FOR THE
23 ISSUANCE OF A LICENSE AND \$20,000 FOR THE RENEWAL OF A
24 MANUFACTURER LICENSE.

25 (III) EACH APPLICATION FOR A SLOT MACHINE LICENSE, A
26 SUPPLIER LICENSE OR A MANUFACTURER LICENSE MUST BE
27 ACCOMPANIED BY A NONREFUNDABLE FEE OF \$150 FOR EACH
28 INDIVIDUAL REQUIRING A BACKGROUND INVESTIGATION. THE
29 REASONABLE AND NECESSARY COSTS AND EXPENSES INCURRED IN
30 ANY BACKGROUND INVESTIGATION OR OTHER INVESTIGATION OR

1 PROCEEDING CONCERNING ANY APPLICANT, LICENSEE OR
2 PERMITTEE SHALL BE REIMBURSED TO THE BOARD BY THOSE
3 PERSONS.

4 (11) TO PROVIDE FOR THE ASSESSMENT AND COLLECTION OF
5 FINES AND PENALTIES FOR VIOLATIONS OF THIS CHAPTER. ALL FINES
6 AND PENALTIES SHALL BE CREDITED FOR DEPOSIT TO THE GENERAL
7 FUND. TWO YEARS FOLLOWING ENACTMENT OF THIS CHAPTER, THE
8 BOARD SHALL HAVE THE AUTHORITY TO INCREASE EACH YEAR ANY FEE,
9 CHARGE, COST OR ADMINISTRATIVE PENALTY PROVIDED IN THIS
10 CHAPTER BY AN AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING
11 ADJUSTMENT CALCULATED BY APPLYING THE PERCENTAGE CHANGE IN
12 THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS (CPI-U) FOR
13 THE PENNSYLVANIA, NEW JERSEY, DELAWARE AND MARYLAND AREA, FOR
14 THE MOST RECENT 12-MONTH PERIOD FOR WHICH FIGURES HAVE BEEN
15 OFFICIALLY REPORTED BY THE UNITED STATES DEPARTMENT OF LABOR,
16 BUREAU OF LABOR STATISTICS, IMMEDIATELY PRIOR TO THE DATE THE
17 ADJUSTMENT IS DUE TO TAKE EFFECT.

18 (12) TO DENY RENEWAL, REVOKE OR SUSPEND ANY LICENSE OR
19 PERMIT PROVIDED FOR IN THIS CHAPTER IF THE BOARD FINDS BY A
20 PREPONDERANCE OF THE EVIDENCE THAT A LICENSEE OR PERMITTEE
21 UNDER THIS CHAPTER, ITS OFFICERS, EMPLOYEES OR AGENTS HAVE
22 FAILED TO COMPLY WITH THE PROVISIONS OF THIS CHAPTER OR THE
23 RULES AND REGULATIONS OF THE BOARD AND THAT IT WOULD BE IN
24 THE PUBLIC INTEREST TO DENY RENEWAL, REVOKE OR SUSPEND THE
25 LICENSE OR PERMIT.

26 (13) TO RESTRICT ACCESS TO CONFIDENTIAL INFORMATION IN
27 THE POSSESSION OF THE BOARD WHICH HAS BEEN OBTAINED UNDER
28 THIS CHAPTER AND ENSURE THAT THE CONFIDENTIALITY OF
29 INFORMATION IS MAINTAINED AND PROTECTED. RECORDS SHALL BE
30 RETAINED FOR SEVEN YEARS.

1 (14) TO PRESCRIBE AND REQUIRE PERIODIC FINANCIAL
2 REPORTING AND INTERNAL CONTROL REQUIREMENTS FOR ALL LICENSED
3 ENTITIES.

4 (15) TO REQUIRE THAT EACH LICENSED ENTITY PROVIDE TO THE
5 BOARD ITS AUDITED ANNUAL FINANCIAL STATEMENTS, WITH SUCH
6 ADDITIONAL DETAIL AS THE BOARD, FROM TIME TO TIME, SHALL
7 DETERMINE, WHICH INFORMATION SHALL BE SUBMITTED NOT LATER
8 THAN 90 DAYS AFTER THE END OF EACH SUCH LICENSEE'S FISCAL
9 YEAR.

10 (16) TO PRESCRIBE THE PROCEDURES TO BE FOLLOWED BY SLOT
11 MACHINE LICENSEES FOR ANY FINANCIAL EVENT THAT OCCURS IN THE
12 OPERATION OF SLOT MACHINES.

13 (17) TO PRESCRIBE CRITERIA AND CONDITIONS FOR THE
14 OPERATION OF SLOT MACHINE PROGRESSIVE SYSTEMS.

15 (18) TO ENFORCE PRESCRIBED HOURS FOR THE OPERATION OF
16 SLOT MACHINES SO THAT SLOT MACHINE LICENSEES MAY OPERATE SLOT
17 MACHINES ON ANY DAY DURING THE YEAR FOR UP TO 20 CONSECUTIVE
18 HOURS EACH DAY PROVIDED THAT, IN ORDER TO MEET THE NEEDS OF
19 PATRONS OR TO MEET COMPETITION, THE BOARD IN ITS DISCRETION
20 MAY PERMIT OPERATIONS UP TO 24 HOURS PER DAY.

21 (19) TO REQUIRE THAT EACH LICENSED CORPORATION AND SLOT
22 MACHINE LICENSEE PROHIBIT PERSONS UNDER 21 YEARS OF AGE FROM
23 OPERATING OR USING SLOT MACHINES.

24 (20) TO ESTABLISH PROCEDURES FOR THE INSPECTION AND
25 CERTIFICATION OF COMPLIANCE OF EACH SLOT MACHINE PRIOR TO
26 BEING PLACED INTO USE BY A SLOT MACHINE LICENSEE. NO SLOT
27 MACHINE MAY BE SET TO PAY OUT LESS THAN 75% OR MORE THAN 96%
28 OF ALL WAGERS ON AN AVERAGE ANNUAL BASIS UNLESS SPECIFICALLY
29 APPROVED OTHERWISE BY THE BOARD, PROVIDED THE AVERAGE PAYOUT
30 DURING ANY CALENDAR YEAR OF ALL SLOT MACHINES AT EACH

1 LICENSED RACETRACK SHALL BE NOT LESS THAN 87% AND NOT MORE
2 THAN 96%.

3 (21) ONE YEAR FOLLOWING THE DATE OF COMMENCEMENT OF SLOT
4 MACHINE OPERATION AT A RACETRACK, TO GRANT AT ITS DISCRETION,
5 APPROVAL FOR A SLOT MACHINE LICENSEE TO INSTALL AND OPERATE
6 UP TO 2,000 ADDITIONAL SLOT MACHINES AT ITS RACETRACK, BEYOND
7 THOSE MACHINES AUTHORIZED UNDER SECTION 9207(C)(3) (RELATING
8 TO SLOT MACHINE LICENSE APPLICATION), UPON APPLICATION BY THE
9 SLOT MACHINE LICENSEE. THE BOARD, IN CONSIDERING SUCH AN
10 APPLICATION, SHALL TAKE INTO ACCOUNT THE APPROPRIATENESS OF
11 THE PHYSICAL SPACE WHERE THE ADDITIONAL SLOT MACHINES WILL BE
12 PLACED, THE LEVEL OF DEMAND FOR SUCH ADDITIONAL SLOT MACHINES
13 AND THE CONVENIENCE OF THE PUBLIC ATTENDING THE FACILITY. THE
14 BOARD MAY ALSO TAKE INTO ACCOUNT THE POTENTIAL BENEFIT TO
15 ECONOMIC DEVELOPMENT AND TOURISM, ENHANCED REVENUES TO THE
16 COMMONWEALTH AND SUCH OTHER ECONOMIC INDICATORS IT DEEMS
17 APPLICABLE IN MAKING ITS DECISION.

18 (C) REPORTS.--THE FOLLOWING REPORTS SHALL BE REQUIRED
19 ANNUALLY:

20 (1) EIGHTEEN MONTHS AFTER THE EFFECTIVE DATE OF THIS
21 CHAPTER AND EVERY YEAR ON THAT DATE THEREAFTER, THE BOARD
22 SHALL ISSUE A REPORT TO THE GOVERNOR AND THE GENERAL ASSEMBLY
23 ON THE GENERAL OPERATION OF THE BOARD AND EACH SLOT MACHINE
24 LICENSEE DURING THE PREVIOUS YEAR, INCLUDING, BUT NOT LIMITED
25 TO, ALL TAXES, FEES, FINES AND OTHER REVENUES COLLECTED AND,
26 WHERE APPROPRIATE, DISBURSED, THE COSTS OF OPERATION OF THE
27 BOARD, ALL HEARINGS CONDUCTED AND THE RESULTS THEREOF AND
28 OTHER INFORMATION THAT THE BOARD DEEMS NECESSARY AND
29 APPROPRIATE.

30 (2) NO LATER THAN MARCH 15 AFTER THE EFFECTIVE DATE OF

1 THIS CHAPTER AND EVERY YEAR THEREAFTER, THE LEGISLATIVE
2 BUDGET AND FINANCE COMMITTEE SHALL ISSUE A REPORT TO THE
3 GENERAL ASSEMBLY ANALYZING THE IMPACT, IF ANY, OF THIS
4 CHAPTER ON THE STATE LOTTERY.

5 § 9205.1. APPLICATIONS FOR LICENSE OR PERMIT.

6 (A) APPLICATIONS.--AN APPLICATION FOR A LICENSE OR PERMIT TO
7 BE ISSUED BY THE BOARD SHALL BE SUBMITTED ON A FORM AND IN A
8 MANNER AS SHALL BE REQUIRED BY THE BOARD. IN REVIEWING
9 APPLICATIONS, THE BOARD SHALL AFFIRM THAT THE APPLICABLE LICENSE
10 OR PERMIT FEES HAVE BEEN PAID IN ACCORDANCE WITH THIS CHAPTER.

11 (B) COMPLETENESS OF APPLICATIONS.--THE BOARD SHALL NOT
12 CONSIDER AN INCOMPLETE APPLICATION AND SHALL NOTIFY THE
13 APPLICANT IN WRITING IF AN APPLICATION IS INCOMPLETE. AN
14 APPLICATION SHALL BE CONSIDERED INCOMPLETE IF IT DOES NOT
15 INCLUDE A CURRENT, AT THE TIME OF FILING THE APPLICATION, TAX
16 LIEN CERTIFICATE ISSUED BY THE DEPARTMENT. ANY UNPAID TAXES
17 IDENTIFIED ON THE TAX LIEN CERTIFICATE SHALL BE PAID BEFORE THE
18 APPLICATION IS CONSIDERED COMPLETE. A NOTIFICATION OF
19 INCOMPLETENESS SHALL STATE THE DEFICIENCIES IN THE APPLICATION
20 THAT MUST BE CORRECTED PRIOR TO CONSIDERATION OF THE MERITS OF
21 THE APPLICATION.

22 (C) ADVERSE LITIGATION.--NOTWITHSTANDING ANY LAW TO THE
23 CONTRARY, NEITHER THE BOARD NOR THE STATE HARNESS RACING
24 COMMISSION OR THE STATE HORSE RACING COMMISSION SHALL CONSIDER
25 ANY APPLICATION FOR A LICENSE IF THE APPLICANT OR ANY PERSON
26 AFFILIATED WITH OR DIRECTLY RELATED TO THE APPLICANT IS A PARTY
27 IN ANY ONGOING CIVIL PROCEEDING INVOLVING AN APPEAL OF A
28 DECISION OR ORDER OF THE STATE HARNESS RACING COMMISSION OR THE
29 STATE HORSE RACING COMMISSION, PERTAINING TO AN ISSUANCE OF A
30 LICENSE TO CONDUCT THOROUGHBRED OR HARNESS HORSE RACE MEETINGS

1 RESPECTIVELY WITH PARI-MUTUEL WAGERING.

2 § 9206. AUTHORIZED SLOT MACHINE LICENSES.

3 (A) ELIGIBILITY.--A LICENSED CORPORATION SHALL BE ELIGIBLE
4 TO APPLY FOR A SLOT MACHINE LICENSE TO PLACE AND OPERATE SLOT
5 MACHINES AT ITS RACETRACK IF THE LICENSED CORPORATION MEETS ONE
6 OF THE FOLLOWING:

7 (1) (I) THE LICENSED CORPORATION OR ITS PREDECESSOR
8 OWNER OF THE LICENSED RACETRACK HAS CONDUCTED LIVE HORSE
9 RACES FOR NO LESS THAN TWO YEARS IMMEDIATELY PRECEDING
10 THE EFFECTIVE DATE OF THIS CHAPTER; OR

11 (II) A LICENSED CORPORATION THAT HAS NOT PREVIOUSLY
12 CONDUCTED LIVE RACING AT A RACETRACK AND WILL
13 SUCCESSFULLY CONDUCT LIVE RACING FOR A MINIMUM OF 100
14 DAYS WITHIN 365 DAYS OF THE APPROVAL OF ITS SLOT MACHINE
15 LICENSE FOR THE RACETRACK. FAILURE TO MEET THE REQUIRED
16 MINIMUM NUMBER OF DAYS IN THE FIRST YEAR OF LICENSURE
17 WILL RESULT IN IMMEDIATE FORFEITURE OF THE SLOT MACHINE
18 LICENSE.

19 (2) EXCEPT AS PROVIDED IN PARAGRAPH (1)(II), THE
20 LICENSED CORPORATION MUST CONDUCT LIVE RACING AT THE
21 RACETRACK FOR AT LEAST 100 DAYS PER CALENDAR YEAR, FOR EACH
22 LICENSE HELD BY THE LICENSED CORPORATION PURSUANT TO THE RACE
23 HORSE INDUSTRY REFORM ACT. IF A RACING DAY IS CANCELED BY A
24 LICENSED CORPORATION FOR REASONS BEYOND ITS CONTROL, THE
25 APPROPRIATE COMMISSION SHALL GRANT THE LICENSED CORPORATION
26 THE RIGHT TO CONDUCT THAT RACING DAY IN THE SAME OR NEXT
27 ENSUING CALENDAR YEAR. THE PURSE FOR THAT RACING DAY SHALL
28 NOT BE USED FOR THE PURSE OF OTHER SCHEDULED RACING DAYS OF
29 THAT CALENDAR YEAR AND MUST BE USED FOR THE PURSE OF SUCH
30 RESCHEDULED DAY.

1 (B) LIMITATIONS.--THE ISSUANCE OF A SLOT MACHINE LICENSE TO
2 A LICENSED CORPORATION SHALL ENTITLE THE LICENSEE TO OPERATE
3 SLOT MACHINES ONLY IN THE GRANDSTAND AREA OR A BUILDING OR
4 STRUCTURE CONTIGUOUS TO THE GRANDSTAND AREA OF THE RACETRACK. A
5 CONTIGUOUS BUILDING OR STRUCTURE IS A NEARBY BUILDING OR
6 STRUCTURE THAT IS CONNECTED TO THE RACETRACK BY A COVERED
7 WALKWAY OR LIKE STRUCTURE AS APPROVED BY THE BOARD. HOWEVER, A
8 LICENSED CORPORATION OR ITS PREDECESSOR OWNER OF THE LICENSED
9 RACETRACK THAT HAS CONDUCTED LIVE HORSE RACES FOR NO LESS THAN
10 TWO YEARS IMMEDIATELY PRECEDING THE EFFECTIVE DATE OF THIS
11 CHAPTER SHALL NOT BE SUBJECT TO THIS REQUIREMENT FOR A TWO-YEAR
12 PERIOD FROM THE EFFECTIVE DATE OF THIS CHAPTER AND MAY SEEK
13 APPROVAL FROM THE BOARD TO EXTEND THIS PERIOD FOR AN ADDITIONAL
14 TWO YEARS. THE SLOT MACHINE LICENSEE SHALL HAVE ITS SLOT
15 MACHINES OPERATIONAL AND AVAILABLE FOR PLAY WITHIN ONE YEAR OF
16 BEING GRANTED A LICENSE, UNLESS OTHERWISE EXTENDED, FOR A PERIOD
17 NOT TO EXCEED TWO YEARS, BY THE BOARD, FOR EXTRAORDINARY
18 CIRCUMSTANCES. AUTHORIZATION FOR A LICENSED CORPORATION TO
19 CONTINUE THE OPERATION OF SLOT MACHINES SHALL BE LIMITED TO
20 THOSE SLOT MACHINE LICENSEES THAT:

21 (1) HAVE A WRITTEN LIVE RACING AGREEMENT WITH A
22 HORSEMEN'S ORGANIZATION REPRESENTING A MAJORITY OF OWNERS AND
23 TRAINERS AT THE RACETRACK WHERE THE LICENSED CORPORATION
24 CONDUCTS RACING DATES.

25 (2) HAVE 95% OF THE TOTAL NUMBER OF HORSE OR HARNESS
26 RACING DAYS THAT WERE SCHEDULED IN 1986 BY IT OR ITS
27 PREDECESSOR AT THE RACETRACK WHERE THE LICENSED CORPORATION
28 CONDUCTS RACING DATES, OR A NEWLY LICENSED CORPORATION WHICH
29 OPENS A NEW RACETRACK SCHEDULING A MINIMUM OF 100 DAYS OF
30 LIVE RACING IN THE INITIAL YEAR OF OPERATION SHALL BE ALLOWED

1 TO OPERATE SLOT MACHINES, INTRASTATE AND INTERSTATE
2 SIMULCAST, FROM THE FIRST DAY OF THE CALENDAR YEAR IN WHICH
3 IT HAS BEEN GRANTED RACING DAYS.

4 (3) SUBJECT TO ACTIONS OR ACTIVITIES BEYOND THE CONTROL
5 OF THE LICENSEE CONDUCT NOT FEWER THAN EIGHT LIVE RACES PER
6 RACE DATE DURING EACH MEET AT THE RACETRACK WHERE THE
7 LICENSED CORPORATION CONDUCTS RACING DATES, EXCEPT FOR
8 THOROUGHBRED TRACKS ON THE DAY DESIGNATED AS BREEDER'S CUP
9 EVENT DAY, WHEN THE RACETRACK SHALL HOLD A MINIMUM OF FIVE
10 LIVE RACES. THE LICENSED CORPORATION SHALL NOT WAIVE OR
11 MODIFY THE PROVISIONS PERTAINING TO THE REQUIRED NUMBER OF
12 RACING DAYS UNDER PARAGRAPH (2) AND RACES PER DAY SCHEDULED
13 IN THIS SUBSECTION WITHOUT THE CONSENT OF THE HORSEMEN'S
14 ASSOCIATION REPRESENTING A MAJORITY OF OWNERS AND TRAINERS AT
15 THE RACETRACK.

16 (4) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (1), IN
17 THE EVENT THAT A WRITTEN LIVE RACING AGREEMENT HAS NOT BEEN
18 ENTERED INTO, PERMISSION FOR ANY LICENSEE TO OPERATE SLOT
19 MACHINES AND RACETRACKS SHALL BE GRANTED PROVIDED THAT THE
20 LICENSED CORPORATION HAS CONTINUED TO CONDUCT LIVE RACING IN
21 ACCORDANCE WITH SUBSECTION (B)(2) AND (3) AND KEEPS ITS
22 RACETRACK OPEN TO THE GENERAL POPULATION OF OWNERS, TRAINERS
23 AND HORSES STABLED THERE FOR TRAINING AND STABLING ON A
24 REGULAR BASIS AND DURING SUCH PERIODS, WHEN IT IS NORMALLY
25 OPEN FOR LIVE RACING AND DURING SUCH PERIODS, AND CONTINUES
26 TO COMPLY WITH ALL PROVISIONS OF THE MOST RECENTLY EXPIRED
27 LIVE RACING AGREEMENT, INCLUDING RECOGNITION OF THE THEN
28 EXISTING HORSEMEN'S ASSOCIATION AT EACH SUCH RACETRACK AS THE
29 SOLE REPRESENTATIVE OF THE HORSEMEN AT THAT TIME, AND PAYS
30 PURSES AS DEFINED IN THE MOST RECENTLY EXPIRED LIVE RACING

1 AGREEMENT PLUS THE APPLICABLE PURSE REVENUE FOR OPERATING A
2 SLOT MACHINE UNDER THIS SECTION.

3 (C) TEMPORARY FACILITY.--A LICENSED CORPORATION WHICH HAS
4 OPERATED A PARI-MUTUEL RACING FACILITY FOR AT LEAST TWO YEARS
5 BEFORE THE EFFECTIVE DATE OF THIS CHAPTER AND WHICH HAS BEEN
6 GRANTED A LICENSE PURSUANT TO THIS SECTION MAY OPERATE THE SLOT
7 MACHINES IN A TEMPORARY FACILITY CONSISTENT WITH SUBSECTION (B).
8 IN THE CASE OF A NEWLY LICENSED CORPORATION, THE BOARD MAY
9 APPROVE THE USE OF A TEMPORARY FACILITY ONLY IF THE CORPORATION
10 HAS SCHEDULED AND WILL SUCCESSFULLY CONDUCT A MINIMUM OF 50 DAYS
11 OF LIVE RACING IN THE INITIAL FULL CALENDAR YEAR OF OPERATION
12 FROM THE FIRST DAY OF THE FULL CALENDAR YEAR IN WHICH IT IS HAS
13 BEEN GRANTED AUTHORITY TO CONDUCT HORSE RACING WITH PARI-MUTUEL
14 WAGERING. HOWEVER, AN EXTENSION OF UP TO AN ADDITIONAL YEAR MAY
15 BE GRANTED BY THE BOARD UPON A SHOWING BY THE LICENSED
16 CORPORATION THAT IT HAS BEEN PROCEEDING IN GOOD FAITH TO MEET
17 THE MINIMUM 50-DAY LIVE RACING AGREEMENT AND THAT IT HAS THE
18 CONSENT OF THE HORSEMEN'S ORGANIZATIONS REPRESENTING A MAJORITY
19 OF OWNERS AND TRAINERS AT THE RACETRACK.

20 (D) PROHIBITION.--NO APPLICANT, INCLUDING DIRECTORS, OWNERS
21 AND KEY EMPLOYEES, THAT HAS BEEN CONVICTED, IN ANY JURISDICTION,
22 OF A FELONY, CRIME OF MORAL TURPITUDE OR GAMBLING OFFENSE MAY BE
23 ISSUED A SLOT MACHINE LICENSE UNDER THIS CHAPTER.

24 (E) CREDIT.--SLOT MACHINE LICENSEES MAY NOT EXTEND CREDIT
25 BUT MAY CASH PERSONAL OR BANK CHECKS IN COMPLIANCE WITH THE
26 REGULATIONS OF THE BOARD. SLOT MACHINE LICENSEES MAY NOT ACCEPT
27 CREDIT CARDS, CHARGE CARDS OR DEBIT CARDS FROM A PLAYER FOR THE
28 EXCHANGE OR PURCHASE OF SLOT MACHINE CREDITS OR FOR AN ADVANCE
29 OF COINS OR CURRENCY TO BE UTILIZED BY A PLAYER TO PLAY SLOT
30 MACHINE GAMES OR EXTEND CREDIT, IN ANY MANNER, TO A PLAYER SO AS

1 TO ENABLE THE PLAYER TO PLAY A SLOT MACHINE.

2 § 9206.1. SLOT MACHINE LICENSE FEE.

3 (A) IMPOSITION.--SUBJECT TO THE REQUIREMENTS OF SUBSECTION
4 (B), THE BOARD SHALL IMPOSE A ONE-TIME SLOT MACHINE LICENSE FEE
5 TO BE PAID BY EACH SUCCESSFUL APPLICANT IN AN AMOUNT OF
6 \$50,000,000.

7 (B) TERM.--A SLOT MACHINE LICENSE, AFTER PAYMENT OF THE FEE,
8 SHALL BE IN EFFECT UNLESS RESCINDED BY THE BOARD UPON GOOD CAUSE
9 CONSISTENT WITH THE LICENSE REQUIREMENTS AS PROVIDED FOR IN THIS
10 CHAPTER. THE LICENSE OF A LICENSEE IN GOOD STANDING SHALL BE
11 UPDATED AND RENEWED ANNUALLY. AS TO THE RENEWAL OF A LICENSE, NO
12 ADDITIONAL LICENSE FEE PURSUANT TO SUBSECTION (A) SHALL BE
13 REQUIRED.

14 (C) CREDIT AGAINST TAX FOR SLOT MACHINE LICENSEES.--IF THE
15 RATE OF TAX IMPOSED BY SECTION 9214 (RELATING TO NET SLOT
16 MACHINE REVENUE DISTRIBUTION AND ESTABLISHMENT OF STATE GAMING
17 FUND) IS INCREASED AT ANY TIME DURING THE TERM OF A SLOT MACHINE
18 LICENSE, THE SLOT MACHINE LICENSEE SHALL BE ENTITLED TO A CREDIT
19 AGAINST THE TAX EQUAL TO THE DIFFERENCE BETWEEN THE TAX
20 CALCULATED AT THE RATE WHEN THE LICENSE WAS ISSUED AND THE TAX
21 CALCULATED AT THE INCREASED RATE. THIS CREDIT SHALL BE APPLIED
22 ON A DOLLAR-FOR-DOLLAR BASIS AS AND WHEN THE TAX IS PAYABLE AS
23 SET FORTH IN SECTION 9214, BUT SHALL NOT EXTEND BEYOND THE TEN-
24 YEAR PERIOD FOLLOWING THE ISSUANCE OF THE LICENSE. THE AGGREGATE
25 AMOUNT OF ALL CREDITS GRANTED SHALL NOT EXCEED THE AMOUNT OF THE
26 LICENSING FEE PAID BY THE LICENSEE. THE DEPARTMENT SHALL ENTER
27 INTO A CONTRACT WITH EACH SLOT MACHINE LICENSEE SETTING FORTH
28 THE TERMS AND CONDITIONS OF THIS CREDIT AND THE PROVISIONS OF
29 SUBSECTION (D).

30 (D) RETURN OF ENTIRE SLOT MACHINE LICENSE FEE.--IN THE EVENT

1 THAT ANY SPECIFIC POWER OR MEMBERSHIP OF THE BOARD ESTABLISHED
2 IN SECTION 9204 (RELATING TO PENNSYLVANIA GAMING CONTROL BOARD
3 ESTABLISHED) IS ALTERED IN ANY FASHION WHATSOEVER, OR THE NUMBER
4 OF PERSONS ELIGIBLE TO APPLY FOR AND RECEIVE A SLOT MACHINE
5 LICENSE IS SUBSEQUENTLY INCREASED BEYOND THE NUMBER PERMITTED IN
6 SECTION 9206 (RELATING TO AUTHORIZED SLOT MACHINE LICENSES) AT
7 THE TIME OF THE EFFECTIVE DATE OF THIS CHAPTER OR OTHER GAMING
8 LICENSE OR PERMIT SUBSEQUENTLY AUTHORIZED AND ISSUED, THE ENTIRE
9 ONE-TIME SLOT MACHINE LICENSE FEE OF \$50,000,000 IMPOSED BY
10 SUBSECTION (A) SHALL BE RETURNED TO THE LICENSEE.

11 (E) DEPOSIT OF LICENSE FEE.--THE TOTAL AMOUNT OF ALL LICENSE
12 FEES IMPOSED AND COLLECTED BY THE BOARD UNDER THIS SECTION SHALL
13 BE DEPOSITED IN THE STATE GAMING FUND.

14 (F) CHANGE OF OWNERSHIP OR CONTROL OF A LICENSE.--IN THE
15 EVENT THAT ANY SLOT MACHINE LICENSE IS TRANSFERRED PURSUANT TO
16 SECTION 9212.2 (RELATING TO CHANGE IN OWNERSHIP OF SLOT MACHINE
17 LICENSEE), THE TRANSFEREE SHALL BE ENTITLED TO THE FULL
18 REMAINING AMOUNT OF THE CREDIT SET FORTH IN SUBSECTION (C) OR
19 THE COMPLETE RETURN OF THE LICENSE FEE SET FORTH IN SUBSECTION
20 (D) AS IF THE TRANSFEREE LICENSE WAS THE ORIGINAL LICENSEE.

21 § 9207. SLOT MACHINE LICENSE APPLICATION.

22 (A) APPLICATION.--ANY LICENSED CORPORATION WHICH MEETS THE
23 REQUIREMENTS OF SECTION 9206 (RELATING TO AUTHORIZED SLOT
24 MACHINE LICENSES) OR THAT DESIRES TO INSTALL ADDITIONAL SLOT
25 MACHINES PURSUANT TO SECTION 9205(B)(24) (RELATING TO BOARD'S
26 POWERS) AT ITS LICENSED RACETRACK SHALL FILE AN APPLICATION WITH
27 THE BOARD IN SUCH FORM AS SHALL BE PRESCRIBED BY THE BOARD. ONLY
28 ONE SLOT MACHINE LICENSE SHALL BE GRANTED PER RACETRACK.

29 (B) REQUIREMENTS.--THE APPLICATION FOR A SLOT MACHINE
30 LICENSE SHALL INCLUDE, BUT NOT BE LIMITED TO:

1 (1) THE NAME AND ADDRESS OF THE LICENSED CORPORATION, A
2 LIST OF ALL DIRECTORS AND OWNERS AND A LIST OF KEY EMPLOYEES
3 AND THEIR POSITIONS WITHIN THE CORPORATION, AS WELL AS ANY
4 FINANCIAL INFORMATION REQUIRED BY THE BOARD.

5 (2) THE PROPOSED LOCATION OF THE SLOT MACHINE AREAS
6 PURSUANT TO SECTION 9206(B).

7 (3) THE NUMBER OF SLOT MACHINES REQUESTED. A SUCCESSFUL
8 APPLICANT SHALL RECEIVE APPROVAL BY THE BOARD FOR THE
9 OPERATION OF UP TO 3,000 SLOT MACHINES AT ANY ONE RACETRACK,
10 AND SHALL BE REQUIRED TO OPERATE A MINIMUM OF 1,500 MACHINES
11 AT ANY ONE RACETRACK WITHIN ONE YEAR OF OPERATION, EXCEPT AS
12 PROVIDED IN SECTION 9206.

13 (4) IN THOSE INSTANCES WHERE ADDITIONAL SLOT MACHINES
14 ARE BEING REQUESTED, THE JUSTIFICATION AND EXPLANATION FOR
15 THE NUMBER AND LOCATION OF THE SLOT MACHINE AREAS WITHIN THE
16 CONFINES OF THE RACETRACK.

17 (5) THE CURRENT STATUS OF THE LICENSED CORPORATION'S
18 PENNSYLVANIA RACING LICENSE ISSUED PURSUANT TO THE RACE HORSE
19 INDUSTRY REFORM ACT.

20 (6) DETAILS OF ANY SLOT MACHINE OR CASINO LICENSE
21 GRANTED OR DENIED TO THE APPLICANT BY OTHER JURISDICTIONS
22 WHERE SUCH FORM OF GAMING IS LEGAL.

23 (7) DETAILS OF ANY LOANS NOT OBTAINED FROM A FINANCIAL
24 INSTITUTION.

25 (8) ANY OTHER INFORMATION DETERMINED TO BE APPROPRIATE
26 BY THE BOARD.

27 § 9208. SLOT MACHINE ACCOUNTING CONTROLS AND AUDITS.

28 (A) APPROVAL.--EXCEPT AS OTHERWISE PROVIDED BY THIS CHAPTER,
29 EACH LICENSED CORPORATION WHICH DESIRES TO INSTALL AND OPERATE
30 SLOT MACHINES AT ITS RACETRACK SHALL, IN ADDITION TO OBTAINING A

1 SLOT MACHINE LICENSE, OBTAIN APPROVAL FROM THE BOARD IN
2 CONSULTATION WITH THE DEPARTMENT OF ITS PROPOSED INTERNAL
3 CONTROL SYSTEMS AND AUDIT PROTOCOLS PRIOR TO THE INSTALLATION
4 AND OPERATION OF SLOT MACHINES.

5 (B) MINIMUM REQUIREMENTS.--AT A MINIMUM, THE LICENSED
6 CORPORATIONS PROPOSED INTERNAL CONTROLS AND AUDIT PROTOCOLS
7 SHALL:

8 (1) SAFEGUARD ITS ASSETS AND REVENUES, INCLUDING, BUT
9 NOT LIMITED TO, THE RECORDING OF CASH AND EVIDENCES OF
10 INDEBTEDNESS RELATED TO THE SLOT MACHINES.

11 (2) PROVIDE FOR RELIABLE RECORDS, ACCOUNTS AND REPORTS
12 OF ANY FINANCIAL EVENT THAT OCCURS IN THE OPERATION OF A SLOT
13 MACHINE, INCLUDING REPORTS TO THE BOARD RELATED TO THE SLOT
14 MACHINES.

15 (3) ENSURE, AS PROVIDED IN SECTION 9208.1 (RELATING TO
16 CENTRAL CONTROL COMPUTER), THAT ALL SLOT MACHINES WITHIN EACH
17 RACETRACK ARE DIRECTLY CONNECTED TO EACH RACETRACK'S CENTRAL
18 COMPUTERIZED SYSTEM WHICH SHALL PROVIDE DETAILS OF ANY
19 FINANCIAL EVENT THAT OCCURS IN THE OPERATION OF A SLOT
20 MACHINE, INCLUDING, BUT NOT LIMITED TO, COIN IN, COIN OUT,
21 JACKPOTS, MACHINE DOOR OPENINGS AND POWER FAILURES.

22 (4) PROVIDE FOR ACCURATE AND RELIABLE FINANCIAL RECORDS.

23 (5) ENSURE ANY FINANCIAL EVENT THAT OCCURS IN THE
24 OPERATION OF A SLOT MACHINE IS PERFORMED ONLY IN ACCORDANCE
25 WITH THE MANAGEMENT'S GENERAL OR SPECIFIC AUTHORIZATION.

26 (6) ENSURE THAT ANY FINANCIAL EVENT THAT OCCURS IN THE
27 OPERATION OF A SLOT MACHINE IS RECORDED ADEQUATELY TO PERMIT
28 PROPER AND TIMELY REPORTING OF GROSS REVENUE AND THE
29 CALCULATION THEREOF AND OF FEES AND TAXES AND TO MAINTAIN
30 ACCOUNTABILITY FOR ASSETS.

1 (7) ENSURE THAT ACCESS TO ASSETS IS PERMITTED ONLY IN
2 ACCORDANCE WITH MANAGEMENT'S SPECIFIC AUTHORIZATION.

3 (8) ENSURE THAT RECORDED ACCOUNTABILITY FOR ASSETS IS
4 COMPARED WITH ACTUAL ASSETS AT REASONABLE INTERVALS AND
5 APPROPRIATE ACTION IS TAKEN WITH RESPECT TO ANY
6 DISCREPANCIES.

7 (9) ENSURE THAT ALL FUNCTIONS, DUTIES AND
8 RESPONSIBILITIES ARE APPROPRIATELY SEGREGATED AND PERFORMED
9 IN ACCORDANCE WITH SOUND FINANCIAL PRACTICES BY COMPETENT,
10 QUALIFIED PERSONNEL.

11 (C) INTERNAL CONTROL.--EACH LICENSED CORPORATION WHICH
12 APPLIES FOR A SLOT MACHINE LICENSE AT ITS RACETRACK SHALL SUBMIT
13 TO THE BOARD, IN SUCH MANNER AS THE BOARD SHALL REQUIRE, A
14 DESCRIPTION OF ITS ADMINISTRATIVE AND ACCOUNTING PROCEDURES IN
15 DETAIL, INCLUDING ITS WRITTEN SYSTEM OF INTERNAL CONTROL. EACH
16 WRITTEN SYSTEM SHALL INCLUDE:

17 (1) RECORDS OF DIRECT AND INDIRECT OWNERSHIP IN A
18 LICENSED CORPORATION.

19 (2) AN ORGANIZATIONAL CHART DEPICTING APPROPRIATE
20 SEGREGATION OF FUNCTIONS AND RESPONSIBILITIES.

21 (3) A DESCRIPTION OF THE DUTIES AND RESPONSIBILITIES OF
22 EACH POSITION SHOWN ON THE ORGANIZATIONAL CHART.

23 (4) A DETAILED NARRATIVE DESCRIPTION OF THE
24 ADMINISTRATIVE AND ACCOUNTING PROCEDURES DESIGNED TO SATISFY
25 THE REQUIREMENTS OF SUBSECTION (A).

26 (5) RECORD RETENTION POLICY.

27 (6) PROCEDURE TO ENSURE THAT ASSETS ARE SAFEGUARDED,
28 INCLUDING MANDATORY COUNT PROCEDURES.

29 (7) A STATEMENT SIGNED BY THE CHIEF FINANCIAL OFFICER OF
30 THE LICENSED CORPORATION AND THE CHIEF EXECUTIVE OFFICER OF

1 THE LICENSED CORPORATION ATTESTING THAT THEY BELIEVE, IN GOOD
2 FAITH, THE SYSTEM SATISFIES THE REQUIREMENTS OF THIS SECTION.

3 (8) ANY OTHER ITEM THAT THE BOARD MAY REQUIRE.

4 § 9208.1. CENTRAL CONTROL COMPUTER.

5 (A) GENERAL RULE.--TO FACILITATE THE AUDITING AND SECURITY
6 PROGRAMS CRITICAL TO THE INTEGRITY OF SLOT MACHINE GAMING IN
7 THIS COMMONWEALTH, THE DEPARTMENT SHALL HAVE OVERALL CONTROL OF
8 SLOT MACHINES AND ALL SLOT MACHINE TERMINALS SHALL BE LINKED,
9 DIRECTLY AND INDIRECTLY, TO A CENTRAL CONTROL COMPUTER UNDER THE
10 CONTROL OF THE DEPARTMENT TO PROVIDE AUDITING PROGRAM
11 INFORMATION AS APPROVED BY THE DEPARTMENT AND SHALL INCLUDE REAL
12 TIME INFORMATION RETRIEVAL AND TERMINAL ACTIVATION AND DISABLE
13 PROGRAMS. THE CENTRAL CONTROL COMPUTER SYSTEM SELECTED AND
14 EMPLOYED BY THE DEPARTMENT SHALL NOT LIMIT OR FAVOR THE
15 PARTICIPATION OF A VENDOR OR MANUFACTURER OF A SLOT MACHINE AS A
16 RESULT OF THE COST OR DIFFICULTY OF IMPLEMENTING THE NECESSARY
17 PROGRAM MODIFICATIONS TO COMMUNICATE WITH AND LINK TO THE
18 CENTRAL SITE COMPUTER. THE CENTRAL CONTROL COMPUTER SYSTEM AND
19 ALL ASSOCIATED CONTRACTORS SHALL BE SELECTED IN ACCORDANCE WITH
20 THE COMMONWEALTH'S PROCUREMENT REQUIREMENTS AND PROCEDURES. THE
21 CENTRAL COMPUTER SYSTEM SELECTED AND EMPLOYED BY THE DEPARTMENT
22 SHALL PROVIDE:

23 (1) A FULLY OPERATIONAL STATEWIDE SLOT MACHINE CONTROL
24 SYSTEM THAT HAS THE CAPABILITY OF SUPPORTING UP TO 40,000
25 SLOT MACHINES AS MAY BE REQUIRED, AND TECHNOLOGY UPGRADES
26 NECESSARY TO MAINTAIN A FULLY OPERATIONAL AND PROPER
27 REPORTING CAPABILITY FOR A PERIOD OF TEN YEARS.

28 (2) THE EMPLOYMENT OF A WIDELY ACCEPTED GAMING INDUSTRY
29 PROTOCOL TO FACILITATE SLOT MACHINE MANUFACTURERS' ABILITY TO
30 COMMUNICATE WITH THE SYSTEM.

1 (3) THE DELIVERY OF A SYSTEM THAT HAS THE CAPABILITY TO
2 SUPPORT IN-HOUSE AND WIDE AREA PROGRESSIVE SLOT MACHINES AS
3 APPROVED BY THE BOARD.

4 (4) THE DELIVERY OF A SYSTEM THAT ALLOWS THE SLOT
5 MACHINE LICENSEE TO INSTALL INDEPENDENT PLAYER TRACKING
6 SYSTEMS, TO INCLUDE CASHLESS TECHNOLOGY AS APPROVED BY THE
7 BOARD.

8 (5) THE DELIVERY OF A SYSTEM THAT DOES NOT ALTER THE
9 STATISTICAL AWARDS OF GAMES, AS DESIGNED BY THE GAME
10 MANUFACTURER AND APPROVED BY THE BOARD.

11 (B) LIMITED DEFINITION.--FOR THE PURPOSE OF THIS SECTION,
12 THE TERM "CENTRAL CONTROL COMPUTER" SHALL BE A CENTRAL SITE
13 COMPUTER PROVIDED TO AND CONTROLLED BY THE DEPARTMENT TO WHICH
14 ALL SLOT MACHINES COMMUNICATE FOR THE PURPOSE OF REAL TIME
15 INFORMATION RETRIEVAL OR MACHINE ACTIVATION OR THE DISABLING OF
16 SLOT MACHINES.

17 § 9208.2. PROTOCOL INFORMATION.

18 THE BOARD SHALL PROVIDE, IN ADVANCE OF THE OPERATION OF A
19 CENTRAL CONTROL COMPUTER, TO A SLOT MACHINE PROVIDER OR
20 MANUFACTURER THE PROTOCOL DOCUMENTATION DATA NECESSARY TO ENABLE
21 THE RESPECTIVE SLOT MACHINE PROVIDER'S OR MANUFACTURER'S SLOT
22 MACHINE TERMINALS TO COMMUNICATE WITH THE BOARD'S CENTRAL
23 CONTROL COMPUTER FOR THE PURPOSE OF TRANSMITTING AUDITING
24 PROGRAM INFORMATION AND FOR ACTIVATING AND DISABLING OF SLOT
25 MACHINE TERMINALS.

26 § 9209. SUPPLIER AND MANUFACTURER LICENSES.

27 (A) APPLICATION.--ANY PERSON SEEKING TO PROVIDE SLOT
28 MACHINES OR ASSOCIATED EQUIPMENT TO A SLOT MACHINE LICENSEE
29 WITHIN THIS COMMONWEALTH OR TO MANUFACTURE SLOT MACHINES FOR USE
30 IN THIS COMMONWEALTH SHALL APPLY TO THE BOARD FOR A SUPPLIER OR

1 MANUFACTURER LICENSE. NO APPLICANT FOR, OR HOLDER OF, A
2 MANUFACTURER LICENSE SHALL BE ELIGIBLE TO APPLY FOR OR HOLD A
3 SUPPLIER LICENSE. WITHIN ONE YEAR OF BEING GRANTED A SUPPLIER
4 LICENSE, THE LICENSEE SHALL ESTABLISH A PLACE OF BUSINESS IN
5 THIS COMMONWEALTH AND MAINTAIN SUCH DURING THE PERIOD IN WHICH
6 THE LICENSE IS HELD. THE BOARD SHALL BE AUTHORIZED TO ISSUE UP
7 TO SEVEN SUPPLIER LICENSES. NO LICENSED SLOT MACHINE OPERATOR
8 SHALL ENTER INTO ANY SALE, LEASE, CONTRACT OR ANY OTHER TYPE OF
9 AGREEMENT PROVIDING SLOT MACHINES, PARTS OR ASSOCIATED EQUIPMENT
10 FOR USE OR PLAY WITH ANY PERSON OTHER THAN A SUPPLIER LICENSED
11 PURSUANT TO THIS SECTION. A SUPPLIER MAY REPRESENT OR CONTRACT
12 WITH MORE THAN ONE MANUFACTURER. NO MANUFACTURER MAY BE
13 REPRESENTED BY OR CONTRACT WITH MORE THAN ONE SUPPLIER.

14 (B) REQUIREMENTS.--THE APPLICATION FOR A SUPPLIER OR
15 MANUFACTURER LICENSE SHALL INCLUDE, BUT NOT BE LIMITED TO:

16 (1) THE NAME AND BUSINESS ADDRESS OF THE DIRECTORS AND
17 OWNERS AND A LIST OF EMPLOYEES AND THEIR POSITIONS WITHIN THE
18 BUSINESS, AS WELL AS ANY FINANCIAL INFORMATION REQUIRED BY
19 THE BOARD.

20 (2) CONSENT TO A BACKGROUND INVESTIGATION OF THE
21 APPLICANT.

22 (3) DETAILS OF ANY SUPPLIER OR EQUIVALENT LICENSE
23 GRANTED OR DENIED BY OTHER JURISDICTIONS WHERE GAMING IS
24 LEGAL.

25 (4) THE TYPE OF GOODS AND SERVICES TO BE SUPPLIED OR
26 MANUFACTURED AND WHETHER THOSE GOODS AND SERVICES WILL BE
27 PROVIDED THROUGH PURCHASE, LEASE, CONTRACT, OR OTHERWISE.

28 (5) ANY OTHER INFORMATION DETERMINED BY THE BOARD TO BE
29 APPROPRIATE.

30 § 9210. OCCUPATION PERMIT AND APPLICATIONS.

1 (A) APPLICATION.--ANY PERSON WHO DESIRES TO BE A GAMING
2 EMPLOYEE SHALL APPLY TO THE BOARD FOR AN OCCUPATION PERMIT. A
3 PERSON MAY NOT BE EMPLOYED AS A GAMING EMPLOYEE UNLESS, AND
4 UNTIL, THE PERSON HOLDS AN APPROPRIATE OCCUPATION PERMIT ISSUED
5 UNDER THIS SECTION. THE BOARD MAY PROMULGATE REGULATIONS TO
6 RECLASSIFY A CATEGORY OF NONGAMING EMPLOYEES OR GAMING EMPLOYEES
7 UPON A FINDING THAT THE RECLASSIFICATION IS IN THE PUBLIC
8 INTEREST AND CONSISTENT WITH THIS CHAPTER'S OBJECTIVES.

9 (B) REQUIREMENTS.--THE APPLICATION FOR AN OCCUPATION PERMIT
10 SHALL INCLUDE, BUT NOT BE LIMITED TO:

11 (1) THE NAME AND HOME ADDRESS OF THE PERSON.

12 (2) THE PREVIOUS EMPLOYMENT HISTORY OF THE PERSON.

13 (3) ANY CRIMINAL HISTORY RECORD OF THE PERSON, AS WELL
14 AS CONSENT FOR THE PENNSYLVANIA STATE POLICE TO CONDUCT AN
15 INVESTIGATION INTO THE INDIVIDUAL'S CRIMINAL HISTORY RECORD
16 AND PROVIDE THE SAME TO THE BOARD.

17 (4) THE NATURE AND SCOPE OF THE PROPOSED DUTIES OF THE
18 PERSON, IF KNOWN.

19 (5) DETAILS OF ANY OCCUPATION PERMIT OR SIMILAR LICENSE
20 GRANTED OR DENIED TO THE APPLICANT IN OTHER JURISDICTIONS.

21 (6) ANY OTHER INFORMATION DETERMINED BY THE BOARD TO BE
22 APPROPRIATE.

23 (C) PROHIBITION.--NO SLOT MACHINE LICENSEE MAY EMPLOY OR
24 PERMIT ANY PERSON UNDER 18 YEARS OF AGE TO RENDER ANY SERVICE
25 WHATSOEVER IN ANY AREA OF ITS RACETRACK AT WHICH SLOT MACHINES
26 ARE LOCATED.

27 § 9210.1. SLOT MACHINE LICENSE APPLICATION CHARACTER
28 REQUIREMENTS.

29 EVERY APPLICATION FOR A SLOT MACHINE LICENSE ISSUED BY THE
30 BOARD SHALL INCLUDE SUCH INFORMATION, DOCUMENTATION AND

1 ASSURANCES AS MAY BE REQUIRED TO ESTABLISH BY CLEAR AND
2 CONVINCING EVIDENCE THE APPLICANT'S GOOD CHARACTER, HONESTY AND
3 INTEGRITY. SUCH INFORMATION, SHALL INCLUDE, WITHOUT LIMITATION,
4 INFORMATION PERTAINING TO FAMILY, HABITS, CHARACTER, REPUTATION,
5 CRIMINAL AND ARREST RECORD, BUSINESS ACTIVITIES, FINANCIAL
6 AFFAIRS AND BUSINESS, PROFESSIONAL AND PERSONAL ASSOCIATES,
7 COVERING AT LEAST THE TEN-YEAR PERIOD IMMEDIATELY PRECEDING THE
8 FILING OF THE APPLICATION. EACH APPLICANT SHALL NOTIFY THE BOARD
9 OF ANY CIVIL JUDGMENTS OBTAINED AGAINST ANY SUCH APPLICANT
10 PERTAINING TO ANTITRUST OR SECURITY REGULATION LAWS OF THE
11 FEDERAL GOVERNMENT, THIS COMMONWEALTH OR ANY OTHER STATE,
12 JURISDICTION, PROVINCE OR COUNTRY. IN ADDITION, EACH APPLICANT
13 SHALL PRODUCE A LETTER OF REFERENCE FROM LAW ENFORCEMENT
14 AGENCIES HAVING JURISDICTION IN THE APPLICANT'S PLACE OF
15 RESIDENCE AND PRINCIPAL PLACE OF BUSINESS, WHICH LETTER OF
16 REFERENCE SHALL INDICATE THAT SUCH LAW ENFORCEMENT AGENCIES DO
17 NOT HAVE ANY PERTINENT INFORMATION CONCERNING THE APPLICANT OR,
18 IF SUCH LAW ENFORCEMENT AGENCY DOES HAVE INFORMATION PERTAINING
19 TO THE APPLICANT, SHALL SPECIFY WHAT THAT INFORMATION IS. IF THE
20 APPLICANT HAS CONDUCTED GAMING OPERATIONS IN A JURISDICTION
21 WHICH PERMITS SUCH ACTIVITY, THE APPLICANT SHALL PRODUCE A
22 LETTER OF REFERENCE FROM THE GAMING OR CASINO ENFORCEMENT OR
23 CONTROL AGENCY WHICH SHALL SPECIFY THE EXPERIENCES OF SUCH
24 AGENCY WITH THE APPLICANT, HIS ASSOCIATES AND HIS GAMING
25 OPERATION, PROVIDED, HOWEVER, THAT IF NO SUCH LETTERS ARE
26 RECEIVED WITHIN 30 DAYS OF THE REQUEST, THE APPLICANT MAY SUBMIT
27 A STATEMENT UNDER OATH THAT HE IS OR WAS DURING THE PERIOD SUCH
28 ACTIVITIES WERE CONDUCTED IN GOOD STANDING WITH SUCH GAMING OR
29 CASINO ENFORCEMENT OR CONTROL AGENCY.

30 § 9210.2. SLOT MACHINE LICENSE APPLICATION FINANCIAL FITNESS

1 REQUIREMENTS.

2 (A) APPLICANT FINANCIAL INFORMATION.--THE BOARD SHALL
3 REQUIRE EACH APPLICANT FOR A SLOT MACHINE LICENSE TO PRODUCE
4 SUCH INFORMATION, DOCUMENTATION AND ASSURANCES CONCERNING
5 FINANCIAL BACKGROUND AND RESOURCES AS IT DEEMS NECESSARY TO
6 ESTABLISH BY A PREPONDERANCE OF EVIDENCE THE FINANCIAL
7 STABILITY, INTEGRITY AND RESPONSIBILITY OF THE APPLICANT,
8 INCLUDING, BUT NOT LIMITED TO, BANK REFERENCES, BUSINESS AND
9 PERSONAL INCOME AND DISBURSEMENT SCHEDULES, TAX RETURNS AND
10 OTHER REPORTS FILED WITH GOVERNMENTAL AGENCIES, AND BUSINESS AND
11 PERSONAL ACCOUNTING AND CHECK RECORDS AND LEDGERS. IN ADDITION,
12 EACH APPLICANT SHALL, IN WRITING, AUTHORIZE THE EXAMINATION OF
13 ALL BANK ACCOUNTS AND RECORDS AS MAY BE DEEMED NECESSARY BY THE
14 BOARD.

15 (B) FINANCIAL BACKER INFORMATION.--THE BOARD SHALL REQUIRE
16 EACH APPLICANT FOR A SLOT MACHINE LICENSE TO PRODUCE SUCH
17 INFORMATION, DOCUMENTATION AND ASSURANCES AS MAY BE NECESSARY TO
18 ESTABLISH BY CLEAR AND CONVINCING EVIDENCE OF THE INTEGRITY OF
19 ALL FINANCIAL BACKERS, INVESTORS, MORTGAGEES, BONDHOLDERS, AND
20 HOLDERS OF INDENTURES, NOTES OR OTHER EVIDENCES OF INDEBTEDNESS,
21 EITHER IN EFFECT OR PROPOSED. HOWEVER, THIS SECTION SHALL NOT
22 APPLY TO BANKING OR OTHER LICENSED LENDING INSTITUTIONS AND
23 INSTITUTIONAL INVESTORS WHICH ARE WAIVED FROM THE QUALIFICATION
24 REQUIREMENTS. ANY SUCH BANKING OR LENDING INSTITUTION OR
25 INSTITUTIONAL INVESTOR SHALL, HOWEVER, PRODUCE FOR THE BOARD
26 UPON REQUEST ANY DOCUMENT OR INFORMATION WHICH BEARS ANY
27 RELATION TO THE PROPOSAL SUBMITTED BY THE APPLICANT OR
28 APPLICANTS. THE INTEGRITY OF FINANCIAL SOURCES SHALL BE JUDGED
29 UPON THE SAME STANDARDS AS THE APPLICANT. ANY SUCH INDIVIDUAL OR
30 ENTITY SHALL PRODUCE FOR THE BOARD UPON REQUEST ANY DOCUMENT OR

1 INFORMATION WHICH BEARS ANY RELATION TO THE APPLICATION. IN
2 ADDITION, THE APPLICANT SHALL PRODUCE WHATEVER INFORMATION,
3 DOCUMENTATION OR ASSURANCES THE BOARD REQUIRES TO ESTABLISH BY A
4 PREPONDERANCE OF EVIDENCE THE ADEQUACY OF FINANCIAL RESOURCES.

5 (C) APPLICANT'S BUSINESS EXPERIENCE.--THE BOARD SHALL
6 REQUIRE EACH APPLICANT FOR A SLOT MACHINE LICENSE TO PRODUCE
7 SUCH INFORMATION, DOCUMENTATION AND ASSURANCES AS THE BOARD MAY
8 REQUIRE TO ESTABLISH BY A PREPONDERANCE OF EVIDENCE THAT THE
9 APPLICANT HAS SUFFICIENT BUSINESS ABILITY AND EXPERIENCE TO
10 CREATE AND MAINTAIN A SUCCESSFUL, EFFICIENT OPERATION. SLOT
11 MACHINE LICENSEE APPLICANTS SHALL PRODUCE THE NAMES OF ALL
12 PROPOSED KEY EMPLOYEES AND A DESCRIPTION OF THEIR RESPECTIVE OR
13 PROPOSED RESPONSIBILITIES AS THEY BECOME KNOWN.

14 § 9211. ADDITIONAL LICENSES AND PERMITS; APPROVAL OF
15 AGREEMENTS.

16 (A) REQUIREMENTS.--IN ADDITION TO THE REQUIREMENTS FOR A
17 LICENSE OR PERMIT SPECIFICALLY SET FORTH IN THIS CHAPTER, THE
18 BOARD MAY REQUIRE A LICENSE OR PERMIT, AND SET A FEE FOR THE
19 SAME, FOR ANY KEY OR GAMING EMPLOYEE OR ANY PERSON WHO SATISFIES
20 ANY OF THE FOLLOWING CRITERIA:

21 (1) THE PERSON TRANSACTS BUSINESS WITHIN THIS
22 COMMONWEALTH WITH A SLOT MACHINE LICENSEE AS A TICKET
23 PURVEYOR, A TOUR OPERATOR, THE OPERATOR OF A BUS TRIP PROGRAM
24 OR THE OPERATOR OF ANY OTHER TYPE OF TRAVEL PROGRAM OR
25 PROMOTIONAL BUSINESS RELATED TO SLOT MACHINES. THE BOARD MAY
26 ALSO REVIEW, ORDER MODIFICATION AND APPROVE, AT ITS
27 DISCRETION, PROPOSED TOURS, BUS ROUTES AND TRAVEL PROGRAMS.

28 (2) THE PERSON IS PRESENTLY NOT OTHERWISE REQUIRED TO BE
29 LICENSED UNDER THIS CHAPTER AND PROVIDES ANY GOODS, PROPERTY
30 OR SERVICES FOR COMPENSATION TO A SLOT MACHINE LICENSEE

1 RELATED TO SLOT MACHINES AT THE RACETRACK.

2 (B) AGREEMENT.--ANY AGREEMENT TO CONDUCT BUSINESS WITHIN
3 THIS COMMONWEALTH BETWEEN A PERSON AND A SLOT MACHINE LICENSEE
4 RELATING TO SLOT MACHINES OR ASSOCIATED EQUIPMENT IS SUBJECT TO
5 THE APPROVAL OF THE BOARD. EVERY AGREEMENT SHALL BE IN WRITING
6 AND INCLUDE A PROVISION FOR ITS TERMINATION WITHOUT LIABILITY ON
7 THE PART OF THE SLOT MACHINE LICENSEE UPON A FINDING BY THE
8 BOARD THAT THE AGREEMENT IS NOT APPROVED OR THAT IT IS
9 TERMINATED. FAILURE TO EXPRESSLY INCLUDE THIS CONDITION IN THE
10 AGREEMENT IS NOT A DEFENSE IN ANY ACTION BROUGHT UNDER THIS
11 SECTION RELATING TO THE TERMINATION OF THE AGREEMENT.

12 § 9212. LICENSE OR PERMIT ISSUANCE.

13 (A) ISSUANCE.--ANY LICENSED CORPORATION, SUPPLIER,
14 MANUFACTURER, GAMING EMPLOYEE OR OTHER PERSON THAT THE BOARD
15 DETERMINES IS QUALIFIED TO RECEIVE A LICENSE OR A PERMIT UNDER
16 THIS CHAPTER MAY BE ISSUED A LICENSE OR PERMIT UPON THE PAYMENT
17 OF ANY FEE REQUIRED.

18 (B) ELIGIBILITY.--A LICENSE OR PERMIT SHALL NOT BE GRANTED
19 OR RENEWED UNLESS THE BOARD FINDS THAT THE APPLICANT SATISFIES
20 ALL OF THE FOLLOWING CRITERIA:

21 (1) THE APPLICANT IS A PERSON OF GOOD CHARACTER, HONESTY
22 AND INTEGRITY. IN MAKING THIS DETERMINATION, THE BOARD SHALL
23 CONSIDER THE REPORT OF ANY REQUIRED BACKGROUND INVESTIGATION
24 AND THE APPLICANT'S CRIMINAL HISTORY RECORD AS COMPILED BY
25 THE PENNSYLVANIA STATE POLICE. IF THE APPLICANT HAS BEEN
26 CONVICTED, IN ANY JURISDICTION, OF A FELONY, A CRIME RELATED
27 TO THE ACTIVITIES OF GAMBLING OR A CRIME OF MORAL TURPITUDE,
28 THEN THE BOARD SHALL NOT ISSUE A LICENSE UNDER THIS CHAPTER.

29 (2) THE APPLICANT IS A PERSON WHOSE PRIOR ACTIVITIES,
30 CRIMINAL RECORD, IF ANY, REPUTATION, HABITS AND ASSOCIATIONS

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

7 (3) THE APPLICANT IN ALL OTHER RESPECTS IS FOUND
8 SUITABLE CONSISTENT WITH THE LAWS OF THIS COMMONWEALTH AND IS
9 OTHERWISE QUALIFIED TO BE ISSUED A LICENSE OR PERMIT.

10 (C) ALTERNATE STANDARDS.--THE BOARD MAY DETERMINE WHETHER
11 THE LICENSING STANDARDS OF ANOTHER JURISDICTION WITHIN THE
12 UNITED STATES OR CANADA IN WHICH A SLOT MACHINE LICENSE
13 APPLICANT IS LICENSED ARE COMPREHENSIVE AND THOROUGH AND PROVIDE
14 SIMILAR ADEQUATE SAFEGUARDS AS THOSE REQUIRED BY THIS CHAPTER.
15 IF THE BOARD MAKES THAT DETERMINATION, IT MAY ISSUE A SLOT
16 MACHINE LICENSE TO AN APPLICANT FOR ANY SLOT MACHINE LICENSE OR
17 PERMIT ALREADY HELD BY THE APPLICANT IN SUCH OTHER JURISDICTION
18 WITHOUT THE NECESSITY OF A FULL APPLICATION AND BACKGROUND
19 INVESTIGATION. IN THE EVENT SUCH SLOT MACHINE APPLICANT IS
20 LICENSED IN ANOTHER JURISDICTION, THE BOARD MAY DETERMINE TO USE
21 AN ABBREVIATED PROCESS REQUIRING ONLY THAT INFORMATION
22 DETERMINED BY THE BOARD TO BE NECESSARY TO CONSIDER THE GRANT OF
23 A LICENSE OR PERMIT TO SUCH AN APPLICANT. NOTHING IN THIS
24 SECTION SHALL BE CONSTRUED TO WAIVE ANY FEES ASSOCIATED WITH
25 OBTAINING A LICENSE THROUGH THE NORMAL APPLICATION PROCESS.

26 (D) CONDITIONAL LICENSES.--NOTWITHSTANDING THE REQUIREMENTS
27 OF SUBSECTIONS (B) AND (C), THE BOARD MAY ISSUE A CONDITIONAL
28 LICENSE, UPON PAYMENT OF THE FEE PURSUANT TO SECTION 9206.1(A)
29 (RELATING TO SLOT MACHINE LICENSE FEE), TO AN APPLICANT WHO HAS
30 BEEN GRANTED A LICENSE FROM EITHER THE STATE HORSE RACING

1 COMMISSION OR THE STATE HARNESS RACING COMMISSION TO CONDUCT
2 THOROUGHBRED OR HARNESS HORSE RACE MEETINGS, WITH PARI-MUTUEL
3 WAGERING AND WHO CONDUCTS LIVE RACING. THIS LICENSE MAY BE
4 ISSUED PRIOR TO THE COMPLETION OF THE BACKGROUND INVESTIGATION
5 AND PRIOR TO FULL COMPLIANCE BY THE APPLICANT WITH SUBSECTION
6 (B). AN APPLICANT SHALL PROVIDE THE BOARD WITH SATISFACTORY
7 EVIDENCE OF SUITABILITY AND FINANCIAL CAPABILITY OF THE
8 APPLICANT TO BE A SLOT MACHINE LICENSEE PRIOR TO THE BOARD
9 GRANTING THE CONDITIONAL LICENSE. UPON RECEIPT OF A CONDITIONAL
10 LICENSE THE APPLICANT SHALL SUBMIT ALL INFORMATION NECESSARY FOR
11 A BACKGROUND INVESTIGATION AND COMPLY WITH ALL THE REQUIREMENTS
12 OF THIS CHAPTER FOR A SLOT MACHINE LICENSE AS PROVIDED IN
13 SUBSECTION (B). IF THE HOLDER OF A CONDITIONAL LICENSE DOES NOT
14 RECEIVE BOARD APPROVAL OF A SLOT MACHINE LICENSE UNDER THE
15 STANDARDS SET FORTH IN SUBSECTION (B) WITHIN 18 MONTHS, THE
16 CONDITIONAL LICENSE SHALL EXPIRE, UNLESS A DELAY IN REVIEWING
17 THE LICENSE APPLICATION IS NOT CAUSED, DIRECTLY OR INDIRECTLY,
18 BY THE LICENSE APPLICANT. IF THE HOLDER OF A CONDITIONAL LICENSE
19 DOES NOT RECEIVE BOARD APPROVAL OF A SLOT MACHINE LICENSE PRIOR
20 TO EXPIRATION OF THE CONDITIONAL LICENSE OR IS DENIED, THE
21 HOLDER OF THE CONDITIONAL LICENSE SHALL BE ENTITLED TO A RETURN
22 OF A SHARE OF ITS SLOT MACHINE LICENSE FEE IN THE AMOUNT OF
23 \$42,500,000. FAILURE TO MEET THE REQUIREMENTS OF THIS SECTION
24 FOR LICENSURE SHALL CAUSE IMMEDIATE FORFEITURE OF THE LICENSE
25 AND REVOCATION OF AUTHORIZATION TO OPERATE SLOT MACHINES AT THE
26 LICENSED FACILITY.

27 (E) INFORMATION SHARING.--WITH RESPECT TO THE
28 ADMINISTRATION, SUPERVISION AND ENFORCEMENT OF THIS CHAPTER, THE
29 BOARD, THE PENNSYLVANIA STATE POLICE OR THE OFFICE OF ATTORNEY
30 GENERAL MAY OBTAIN OR PROVIDE PERTINENT INFORMATION REGARDING

1 APPLICANTS, LICENSEES, PERMITTEES OR POTENTIAL LICENSEES OR
2 PERMITTEES WITH LAW ENFORCEMENT ENTITIES OR GAMING AUTHORITIES
3 OF THE COMMONWEALTH AND OTHER JURISDICTIONS.

4 (F) UNSWORN FALSIFICATION TO AUTHORITIES.--ANY PERSON
5 SUBMITTING INFORMATION REQUIRED TO BE PROVIDED TO THE BOARD
6 UNDER THIS CHAPTER SHALL BE SUBJECT TO SECTION 4904 (RELATING TO
7 UNSWORN FALSIFICATION TO AUTHORITIES).

8 (G) RENEWAL.--ALL PERMITS AND LICENSES, EXCEPT AS OTHERWISE
9 PROVIDED, SHALL BE VALID FOR A PERIOD OF UP TO ONE YEAR AND UPON
10 PROPER APPLICATION AND PAYMENT OF ANY RENEWAL FEE TO THE BOARD
11 MAY BE RENEWED ON AN ANNUAL BASIS.

12 (H) REFERRAL.--THE BOARD SHALL REFER ANY MATTER RELATING TO
13 ANY LICENSEE, APPLICANT OR PERMITTEE TO THE PENNSYLVANIA STATE
14 POLICE OR THE OFFICE OF ATTORNEY GENERAL AS IT DEEMS
15 APPROPRIATE.

16 § 9212.1. TRANSFERABILITY OF LICENSES.

17 A LICENSE OR PERMIT ISSUED BY THE BOARD IS A GRANT OF
18 PRIVILEGE TO CONDUCT A BUSINESS IN THE COMMONWEALTH. A LICENSE
19 OR PERMIT GRANTED OR RENEWED PURSUANT TO THIS CHAPTER SHALL NOT
20 BE TRANSFERRED OR ASSIGNED TO ANOTHER PERSON, NOR SHALL A
21 LICENSE OR PERMIT BE PLEDGED AS COLLATERAL.

22 § 9212.2. CHANGE IN OWNERSHIP OF SLOT MACHINE LICENSEE.

23 (A) NOTIFICATION.--A SLOT MACHINE LICENSEE SHALL NOTIFY THE
24 BOARD OF ANY PROPOSED OR CONTEMPLATED CHANGE OF OWNERSHIP OR
25 CONTROL OF THE SLOT MACHINE LICENSEE WHICH INVOLVES MORE THAN 5%
26 OF A SLOT MACHINE LICENSEE'S VOTING STOCK OR MORE THAN 5% OF THE
27 VOTING STOCK OF A CORPORATION WHICH CONTROLS THE LICENSEE OR THE
28 SALE OF A LICENSEE'S ASSETS, OTHER THAN THOSE BOUGHT AND SOLD IN
29 THE ORDINARY COURSE OF BUSINESS AND ALL OTHER TRANSACTIONS OR
30 OCCURRENCES DEEMED BY THE BOARD TO BE RELEVANT TO LICENSE

1 QUALIFICATIONS. IN APPLYING THIS NOTIFICATION STANDARD, STOCK
2 TRANSACTIONS INVOLVING INSTITUTIONAL INVESTORS SHALL NOT BE
3 CONSIDERED. IN ORDER FOR A LICENSE TO REMAIN IN EFFECT, BOARD
4 APPROVAL AND PAYMENT OF THE FEE PURSUANT TO SECTION 9206.1
5 (RELATING TO SLOT MACHINE LICENSE FEE) SHALL BE REQUIRED PRIOR
6 TO COMPLETION OF ANY PROPOSED CHANGE OF OWNERSHIP OR CONTROL OF
7 A LICENSEE.

8 (B) QUALIFICATION OF SUCCESSOR SLOT MACHINE LICENSEE.--THE
9 PURCHASER OR SUCCESSOR OF ANY SLOT MACHINE LICENSEE SHALL
10 INDEPENDENTLY QUALIFY FOR A LICENSE OR PERMIT IN ACCORDANCE WITH
11 THIS CHAPTER AND PAY THE LICENSE FEE AS REQUIRED BY SECTION
12 9206.1(A). FOR PURPOSES OF THIS SECTION, A CHANGE IN CONTROL OR
13 OWNERSHIP OF A LICENSEE OR CORPORATION WHICH CONTROLS THE
14 LICENSEE OR THE SALE OF A LICENSEE'S ASSETS, OTHER THAN THOSE
15 BOUGHT AND SOLD IN THE ORDINARY COURSE OF BUSINESS, SHALL BE
16 DETERMINED IN ACCORDANCE WITH 15 PA.C.S. § 2543 (RELATING TO
17 CONTROLLING PERSON OR GROUP). FAILURE TO COMPLY WITH THIS
18 SECTION MAY VOID THE LICENSE ISSUED UNDER THIS CHAPTER UNLESS
19 THE SALE HAS BEEN APPROVED IN ADVANCE BY THE BOARD.

20 § 9212.3. PUBLIC OFFICIAL FINANCIAL INTEREST.

21 (A) GENERAL RULE.--EXCEPT AS MAY BE PROVIDED BY RULE OR
22 ORDER OF THE PENNSYLVANIA SUPREME COURT, NO EXECUTIVE-LEVEL
23 STATE EMPLOYEE, PUBLIC OFFICIAL, PARTY OFFICER OR IMMEDIATE
24 FAMILY MEMBER THEREOF SHALL HAVE A FINANCIAL INTEREST IN OR BE
25 EMPLOYED, DIRECTLY OR INDIRECTLY, BY ANY LICENSED CORPORATION,
26 OR SLOT MACHINE LICENSEE, OR ANY HOLDING, INTERMEDIARY OR
27 SUBSIDIARY COMPANY, THEREOF, OR ANY SUCH APPLICANT, NOR SOLICIT
28 OR ACCEPT, DIRECTLY OR INDIRECTLY, ANY COMPLIMENTARY SERVICE OR
29 DISCOUNT FROM ANY LICENSED ENTITY WHICH HE KNOWS OR HAS REASON
30 TO KNOW IS OTHER THAN A SERVICE OR DISCOUNT THAT IS OFFERED TO

1 MEMBERS OF THE GENERAL PUBLIC IN LIKE CIRCUMSTANCES FOR FOUR
2 YEARS FOLLOWING TERMINATION OF THE PERSON'S STATUS AS AN
3 EXECUTIVE-LEVEL STATE EMPLOYEE, PUBLIC OFFICIAL OR PARTY
4 OFFICER. AS APPLIED TO MEMBERS OF THE GENERAL ASSEMBLY, THE
5 PERIOD SHALL BE FIVE YEARS.

6 (B) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
7 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
8 SUBSECTION:

9 "EXECUTIVE-LEVEL STATE EMPLOYEE." THE GOVERNOR, LIEUTENANT
10 GOVERNOR, CABINET MEMBERS, DEPUTY SECRETARIES, THE GOVERNOR'S
11 OFFICE STAFF, ANY STATE EMPLOYEE WITH DISCRETIONARY POWERS WHICH
12 MAY AFFECT THE OUTCOME OF A STATE AGENCY'S DECISION IN RELATION
13 TO A PRIVATE CORPORATION OR BUSINESS OR ANY EXECUTIVE EMPLOYEE
14 WHO BY VIRTUE OF HIS JOB FUNCTION COULD INFLUENCE THE OUTCOME OF
15 SUCH A DECISION.

16 "FINANCIAL INTEREST." OWNING OR HOLDING STOCK EXCEEDING 2%
17 OF THE EQUITY AT FAIR MARKET VALUE OF THE LICENSED CORPORATION,
18 LICENSED SLOT MACHINE LICENSEE OR MANUFACTURER LICENSEE, ITS
19 HOLDING COMPANY, SUBSIDIARY OR AFFILIATED BUSINESS. A FINANCIAL
20 INTEREST SHALL NOT INCLUDE ANY SUCH STOCK THAT IS INHERITED AND
21 HELD IN A BLIND TRUST OVER WHICH THE EXECUTIVE-LEVEL STATE
22 EMPLOYEE, PUBLIC OFFICIAL, PARTY OFFICER OR IMMEDIATE FAMILY
23 MEMBER THEREOF MAY NOT EXERCISE ANY MANAGERIAL CONTROL DURING
24 THE TENURE OF OFFICE AND THE PERIOD UNDER SUBSECTION (A).

25 "IMMEDIATE FAMILY." A PARENT, SPOUSE, CHILD, BROTHER,
26 SISTER, SPOUSE'S CHILDREN, NIECE OR NEPHEW.

27 "PARTY OFFICER." A MEMBER OF A NATIONAL COMMITTEE; A
28 CHAIRMAN, VICE CHAIRMAN, SECRETARY, TREASURER OR COUNSEL OF A
29 STATE COMMITTEE OR MEMBER OF THE EXECUTIVE COMMITTEE OF A STATE
30 COMMITTEE; A COUNTY CHAIRMAN, VICE CHAIRMAN, COUNSEL, SECRETARY

1 OR TREASURER OF A COUNTY COMMITTEE; OR A CITY CHAIRMAN, VICE
2 CHAIRMAN, COUNSEL, SECRETARY OR TREASURER OF A CITY COMMITTEE.

3 "PUBLIC OFFICIAL." ANY PERSON ELECTED BY THE PUBLIC OR
4 ELECTED OR APPOINTED BY A GOVERNMENTAL BODY OR APPOINTED
5 OFFICIAL IN THE EXECUTIVE OR LEGISLATIVE BRANCH OF THIS
6 COMMONWEALTH OR ANY POLITICAL SUBDIVISION THEREOF OR ANY
7 GOVERNMENTAL REPRESENTATIVE, DESIGNEE OR COMMISSIONER OF ANY
8 JOINT-STATE COMMISSION OR AUTHORITY APPOINTED BY THE GOVERNOR.

9 § 9212.4. POLITICAL INFLUENCE.

10 (A) CONTRIBUTION RESTRICTION.--AN APPLICANT, LICENSED
11 CORPORATION OR SLOT MACHINE LICENSEE, OR AN ENTITY THAT HOLDS A
12 GAMING LICENSE OR PERMIT IN ANOTHER JURISDICTION, OR ANY
13 HOLDING, INTERMEDIARY OR SUBSIDIARY COMPANY THEREOF, OR ANY
14 OFFICER, DIRECTOR, PRINCIPAL OR KEY EMPLOYEE OF AN APPLICANT OR
15 LICENSED ENTITY OR ANY HOLDING, INTERMEDIARY OR SUBSIDIARY
16 COMPANY THEREOF OR ANY PERSON OR AGENT ON BEHALF OF ANY SUCH
17 APPLICANT, HOLDER, COMPANY OR PERSON, SHALL BE PROHIBITED FROM
18 DIRECTLY OR INDIRECTLY CONTRIBUTING ANY MONEY OR IN-KIND
19 CONTRIBUTION TO A CANDIDATE FOR NOMINATION OR ELECTION TO ANY
20 PUBLIC OFFICE IN THIS COMMONWEALTH OR TO ANY POLITICAL COMMITTEE
21 OR STATE PARTY IN THIS COMMONWEALTH, OR TO ANY GROUP, COMMITTEE
22 OR ASSOCIATION ORGANIZED IN SUPPORT OF ANY SUCH CANDIDATE,
23 POLITICAL COMMITTEE OR STATE PARTY.

24 (B) ANNUAL CERTIFICATION.--THE CHIEF EXECUTIVE OFFICER, OR
25 OTHER APPROPRIATE INDIVIDUAL, OF EACH LICENSED ENTITY SHALL
26 ANNUALLY CERTIFY, UNDER OATH, TO THE BOARD AND THE DEPARTMENT OF
27 STATE THAT THE APPLICANT OR LICENSED ENTITY HAS DEVELOPED AND
28 IMPLEMENTED INTERNAL SAFEGUARDS AND POLICIES INTENDED TO PREVENT
29 A VIOLATION OF THIS PROVISION AND THAT THE LICENSED ENTITY HAS
30 CONDUCTED AN INTERNAL INVESTIGATION THAT HAS NOT REVEALED ANY

1 VIOLATION OF THIS PROVISION DURING THE PAST YEAR.

2 (C) PENALTIES.--THE FIRST VIOLATION OF THIS SECTION SHALL BE
3 PUNISHABLE BY A FINE OF NOT LESS THAN AN AVERAGE SINGLE DAY'S
4 GROSS REVENUE OF THE LICENSED ENTITY DERIVED FROM THE OPERATION,
5 SUPPLY OR MANUFACTURE OF SLOT MACHINES IN THE STATE; A SECOND
6 VIOLATION OF THIS SECTION, WITHIN FIVE YEARS OF THE FIRST
7 VIOLATION, SHALL BE PUNISHABLE BY AT LEAST A ONE-DAY SUSPENSION
8 OF THE LICENSE HELD BY THE LICENSED ENTITY AND A FINE NOT LESS
9 THAN AN AVERAGE TWO DAYS' GROSS REVENUE OF THE LICENSED ENTITY;
10 A THIRD VIOLATION OF THIS SECTION WITHIN FIVE YEARS OF THE
11 SECOND VIOLATION SHALL BE PUNISHABLE BY THE IMMEDIATE REVOCATION
12 OF THE LICENSE HELD BY THE LICENSED ENTITY.

13 § 9213. PROHIBITED ACTS AND PENALTIES.

14 (A) PERJURY, FALSE SWEARING AND UNSWORN FALSIFICATION.--THE
15 PROVISIONS OF SECTIONS 4902 (RELATING TO PERJURY), 4903
16 (RELATING TO FALSE SWEARING), AND 4904 (RELATING TO UNSWORN
17 FALSIFICATION TO AUTHORITIES) SHALL APPLY TO ANY PERSON
18 PROVIDING INFORMATION OR MAKING ANY STATEMENT, WHETHER WRITTEN
19 OR ORAL, TO THE BOARD, ITS AGENTS OR EMPLOYEES, THE PENNSYLVANIA
20 STATE POLICE OR THE OFFICE OF ATTORNEY GENERAL, AS REQUIRED BY
21 THIS CHAPTER.

22 (B) NONPAYMENT OF LICENSE FEE, TAX OR ASSESSMENT.--IT IS
23 UNLAWFUL FOR A PERSON TO WILLFULLY:

24 (1) FAIL TO REPORT, PAY OR TRUTHFULLY ACCOUNT FOR AND
25 PAY OVER ANY LICENSE FEE, TAX OR ASSESSMENT IMPOSED UNDER
26 THIS CHAPTER; OR

27 (2) ATTEMPT IN ANY MANNER TO EVADE OR DEFEAT ANY LICENSE
28 FEE, TAX OR ASSESSMENT IMPOSED UNDER THIS CHAPTER.

29 (C) UNLICENSED PERSONS.--IT IS UNLAWFUL FOR ANY LICENSED
30 ENTITY, GAMING EMPLOYEE, KEY EMPLOYEE OR ANY OTHER PERSON TO

1 PERMIT A SLOT MACHINE TO BE OPERATED, TRANSPORTED, REPAIRED OR
2 OPENED ON THE PREMISES OF A RACETRACK BY A PERSON OTHER THAN A
3 PERSON LICENSED OR PERMITTED BY THE BOARD.

4 (D) UNLICENSED ACTIVITY.--IT IS UNLAWFUL FOR A LICENSED
5 ENTITY OR OTHER PERSON TO MANUFACTURE, SUPPLY OR PLACE SLOT
6 MACHINES INTO PLAY OR DISPLAY SLOT MACHINES ON THE PREMISES OF A
7 RACETRACK WITHOUT THE AUTHORITY OF THE BOARD.

8 (E) ACTIVITY UNDER EXPIRED LICENSE.--IT IS UNLAWFUL FOR A
9 LICENSED ENTITY OR OTHER PERSON TO MANUFACTURE, SUPPLY, OPERATE,
10 CARRY ON OR EXPOSE FOR PLAY ANY SLOT MACHINE AFTER THE PERSON'S
11 LICENSE HAS EXPIRED AND PRIOR TO THE ACTUAL RENEWAL OF THE
12 LICENSE.

13 (F) COUNTERFEIT CURRENCY.--

14 (1) EXCEPT AS SET FORTH IN PARAGRAPH (2), IT IS UNLAWFUL
15 FOR AN INDIVIDUAL, ON THE PREMISES OF A LICENSED RACETRACK,
16 TO KNOWINGLY USE CURRENCY OTHER THAN LAWFUL COIN OR LEGAL
17 TENDER OF THE UNITED STATES OR A COIN NOT OF THE SAME
18 DENOMINATION AS THE COIN INTENDED TO BE USED IN THE SLOT
19 MACHINE.

20 (2) IN THE PLAYING OF A SLOT MACHINE, IT IS LAWFUL FOR
21 AN INDIVIDUAL TO USE GAMING BILLETS, TOKENS OR SIMILAR
22 OBJECTS ISSUED BY THE SLOT MACHINE LICENSEE WHICH ARE
23 APPROVED BY THE BOARD.

24 (G) ILLEGAL DEVICES.--

25 (1) EXCEPT AS SET FORTH IN PARAGRAPH (2), IT IS UNLAWFUL
26 FOR AN INDIVIDUAL, ON THE PREMISES OF A LICENSED RACETRACK,
27 TO USE OR POSSESS A CHEATING OR THIEVING DEVICE.

28 (2) AN AUTHORIZED EMPLOYEE OF A LICENSEE MAY POSSESS AND
29 USE A CHEATING OR THIEVING DEVICE ONLY IN PERFORMANCE OF THE
30 DUTIES OF EMPLOYMENT.

(3) AS USED IN THIS SUBSECTION, THE TERM "CHEATING OR THIEVING DEVICE" MEANS A DEVICE TO FACILITATE THE ALIGNMENT OF ANY WINNING COMBINATION OR TO REMOVE FROM ANY SLOT MACHINE MONEY OR OTHER CONTENTS. THE TERM INCLUDES A TOOL, DRILL, WIRE, COIN OR TOKEN ATTACHED TO A STRING OR WIRE AND ANY ELECTRONIC OR MAGNETIC DEVICE.

(H) UNLAWFUL ENTRY DEVICES.--

(1) EXCEPT AS SET FORTH IN PARAGRAPH (2), IT IS UNLAWFUL FOR AN INDIVIDUAL TO KNOWINGLY POSSESS OR USE, WHILE ON THE PREMISES OF A LICENSED RACETRACK, A KEY OR DEVICE DESIGNED FOR THE PURPOSE OF OR SUITABLE FOR OPENING OR ENTERING ANY SLOT MACHINE OR COIN BOX.

(2) AN AUTHORIZED EMPLOYEE OF A LICENSEE OR A MEMBER OF THE BOARD MAY POSSESS AND USE A DEVICE REFERRED TO IN PARAGRAPH (1) ONLY IN THE PERFORMANCE OF THE DUTIES OF EMPLOYMENT.

(I) POSSESSION OF ILLEGAL DEVICES.--IT IS UNLAWFUL FOR A PERSON OR LICENSED ENTITY TO POSSESS ANY DEVICE, EQUIPMENT OR MATERIAL WHICH THE PERSON OR LICENSED ENTITY KNOWS HAS BEEN MANUFACTURED, DISTRIBUTED, SOLD, TAMPERED WITH OR SERVICED IN VIOLATION OF THE PROVISIONS OF THIS CHAPTER.

(J) LICENSE OR PERMIT REQUIRED.--IT IS UNLAWFUL FOR AN INDIVIDUAL TO WORK OR BE EMPLOYED IN A POSITION THE DUTIES OF WHICH WOULD REQUIRE LICENSING OR PERMITTING UNDER THE PROVISIONS OF THIS CHAPTER WITHOUT FIRST OBTAINING THE REQUISITE LICENSE OR PERMIT AS PROVIDED IN THIS CHAPTER.

(K) EMPLOYMENT OF CERTAIN PERSONS PROHIBITED.--IT IS UNLAWFUL FOR A LICENSED ENTITY TO EMPLOY, OFFER TO EMPLOY OR CONTINUE TO EMPLOY IN A POSITION THE DUTIES OF WHICH REQUIRE A LICENSE OR PERMIT UNDER THE PROVISIONS OF THIS CHAPTER:

1 (1) AN INDIVIDUAL NOT LICENSED OR PERMITTED UNDER THE
2 PROVISIONS OF THIS CHAPTER; OR

3 (2) AN INDIVIDUAL WHO IS PROHIBITED FROM ACCEPTING
4 EMPLOYMENT FROM A LICENSEE.

5 (L) BOARD-IMPOSED SANCTIONS.--

6 (1) IN ADDITION TO ANY OTHER PENALTY AUTHORIZED BY LAW,
7 THE BOARD MAY IMPOSE WITHOUT LIMITATION THE FOLLOWING
8 SANCTIONS UPON ANY LICENSEE OR PERMITTEE:

9 (I) REVOKE THE LICENSE OR PERMIT OF ANY PERSON
10 CONVICTED OF A CRIMINAL OFFENSE UNDER THIS CHAPTER OR
11 REGULATIONS PROMULGATED UNDER THIS CHAPTER OR COMMITTING
12 ANY OTHER OFFENSE OR VIOLATION OF THIS CHAPTER OR
13 APPLICABLE LAW WHICH WOULD OTHERWISE DISQUALIFY SUCH
14 PERSON FROM HOLDING THE LICENSE OR PERMIT.

15 (II) REVOKE THE LICENSE OR PERMIT OF ANY PERSON
16 DETERMINED TO HAVE VIOLATED A PROVISION OF THIS CHAPTER
17 OR REGULATIONS PROMULGATED UNDER THIS CHAPTER WHICH WOULD
18 OTHERWISE DISQUALIFY SUCH PERSON FROM HOLDING THE LICENSE
19 OR PERMIT.

20 (III) REVOKE THE LICENSE OR PERMIT OF ANY PERSON FOR
21 WILLFULLY AND KNOWINGLY VIOLATING AN ORDER OF THE BOARD
22 DIRECTED TO SUCH PERSON.

23 (IV) SUSPEND THE LICENSE OR PERMIT OF ANY PERSON,
24 PENDING THE OUTCOME OF A HEARING IN ANY CASE IN WHICH
25 LICENSE OR PERMIT REVOCATION COULD RESULT.

26 (V) SUSPEND THE LICENSE OF ANY SLOT MACHINE LICENSEE
27 FOR VIOLATION OF ANY PROVISIONS OF THIS CHAPTER OR
28 REGULATIONS PROMULGATED HEREUNDER RELATING TO ITS SLOT
29 MACHINE OPERATIONS, INCLUDING, INTERNAL AND ACCOUNTANCY
30 CONTROLS AND SECURITY.

(VI) ASSESS ADMINISTRATIVE PENALTIES AS NECESSARY TO
PUNISH MISCONDUCT AND TO DETER FUTURE VIOLATIONS.

(VII) ORDER RESTITUTION OF ANY MONEYS OR PROPERTY
UNLAWFULLY OBTAINED OR RETAINED BY A LICENSEE OR
PERMITTEE.

(VIII) ENTER CEASE AND DESIST ORDERS WHICH SPECIFY
THE CONDUCT WHICH IS TO BE DISCONTINUED, ALTERED OR
IMPLEMENTED BY THE LICENSEE OR PERMITTEE.

(IX) ISSUE LETTERS OF REPRIMAND OR CENSURE, WHICH
LETTERS SHALL BE MADE A PERMANENT PART OF THE FILE OF
EACH LICENSEE OR PERMITTEE SO SANCTIONED.

(2) IF THE BOARD REFUSES TO ISSUE OR RENEW A LICENSE OR
PERMIT, SUSPENDS OR REVOKES A LICENSE OR PERMIT, ASSESSES
CIVIL PENALTIES, ORDERS RESTITUTION, ENTERS A CEASE AND
DESIST ORDER, OR ISSUES A LETTER OF REPRIMAND OR CENSURE, IT
SHALL PROVIDE THE APPLICANT OR LICENSEE OR PERMITTEE WITH
WRITTEN NOTIFICATION OF ITS DECISION, INCLUDING A STATEMENT
OF THE REASONS FOR ITS DECISION BY CERTIFIED MAIL WITHIN FIVE
BUSINESS DAYS OF THE DECISION. ANY APPLICANT OR LICENSEE OR
PERMITTEE WHO HAS RECEIVED NOTICE OF A REFUSAL, SUSPENSION OR
REVOCATION OF A LICENSE OR PERMIT, THE ASSESSMENT OF CIVIL
PENALTIES, AN ORDER OF RESTITUTION, THE ENTRANCE OF A CEASE
AND DESIST ORDER, OR THE ISSUANCE OF A LETTER OF REPRIMAND OR
CENSURE FROM THE BOARD SHALL HAVE THE RIGHT TO AN
ADMINISTRATIVE HEARING BEFORE THE BOARD IN ACCORDANCE WITH 2
PA.C.S. CH. 5 SUBCH. A (RELATING TO PRACTICE AND PROCEDURE OF
COMMONWEALTH AGENCIES) AND CH. 7 SUBCH. A (RELATING TO
JUDICIAL REVIEW OF COMMONWEALTH AGENCY ACTION).

(M) CRIMINAL PENALTIES.--

(1) EXCEPT AS SET FORTH IN PARAGRAPHS (2) AND (3) AND

1 SUBSECTION (N), A PERSON THAT VIOLATES THIS SECTION COMMITS A
2 MISDEMEANOR OF THE FIRST DEGREE AND SHALL, UPON A FIRST
3 CONVICTION, BE SENTENCED TO PAY A FINE OF:

4 (I) NOT LESS THAN \$25,000 IF THE PERSON IS AN
5 INDIVIDUAL;

6 (II) NOT LESS THAN \$100,000 IF THE PERSON IS A SLOT
7 MACHINE LICENSEE OR LICENSED CORPORATION; OR

8 (III) NOT LESS THAN \$50,000 IF THE PERSON IS A
9 LICENSED MANUFACTURER OR SUPPLIER.

10 (2) EXCEPT AS SET FORTH IN PARAGRAPH (3), A PERSON THAT
11 VIOLATES SUBSECTION (A) COMMITS AN OFFENSE TO BE GRADED IN
12 ACCORDANCE WITH SECTION 4902, 4903 OR 4904, AS APPLICABLE,
13 FOR A FIRST CONVICTION AND SHALL, UPON CONVICTION, BE
14 SENTENCED TO PAY A FINE OF:

15 (I) NOT LESS THAN \$25,000 IF THE PERSON IS AN
16 INDIVIDUAL; OR

17 (II) NOT LESS THAN \$100,000 IF THE PERSON IS A SLOT
18 MACHINE LICENSEE OR LICENSED CORPORATION.

19 (3) EXCEPT AS SET FORTH IN SUBSECTION (N), A PERSON THAT
20 IS CONVICTED OF A SECOND OR SUBSEQUENT VIOLATION OF THIS
21 SECTION COMMITS A FELONY OF THE SECOND DEGREE AND SHALL BE
22 SENTENCED TO PAY A FINE OF:

23 (I) NOT LESS THAN \$50,000 IF THE PERSON IS AN
24 INDIVIDUAL OR LICENSED SUPPLIER;

25 (II) NOT LESS THAN \$200,000 IF THE PERSON IS A SLOT
26 MACHINE LICENSEE OR LICENSED CORPORATION; OR

27 (III) NOT LESS THAN \$100,000 IF THE PERSON IS A
28 LICENSED MANUFACTURER.

29 (N) ADMINISTRATIVE PENALTY.--IF A PERSON VIOLATES SUBSECTION
30 (B), THE BOARD SHALL IMPOSE AN ADMINISTRATIVE PENALTY OF THREE

1 TIMES THE AMOUNT OF THE LICENSE FEE, TAX OR OTHER ASSESSMENT
2 EVADED AND NOT PAID, COLLECTED OR PAID OVER. THIS SUBSECTION IS
3 SUBJECT TO 2 PA.C.S. CH. 5 SUBCH. A AND CH. 7 SUBCH. A.

4 § 9213.1. SLOT MACHINE TERMINAL PROCEEDS.

5 THE GROSS TERMINAL REVENUE OF A SLOT MACHINE LICENSEE SHALL
6 BE REMITTED DAILY TO THE DEPARTMENT THROUGH THE ELECTRONIC
7 TRANSFER OF FUNDS. EACH SLOT MACHINE LICENSEE SHALL PROVIDE THE
8 DEPARTMENT WITH ALL INFORMATION AND BANK AUTHORIZATIONS REQUIRED
9 TO FACILITATE THE TIMELY TRANSFER OF MONEYS TO THE DEPARTMENT.
10 SLOT MACHINE LICENSEES SHALL PROVIDE THE DEPARTMENT WITHIN 30
11 DAYS ADVANCE NOTICE OF ANY PROPOSED ACCOUNT CHANGES IN ORDER TO
12 ASSURE THE UNINTERRUPTED ELECTRONIC TRANSFER OF FUNDS.

13 § 9213.2. GROSS TERMINAL REVENUE DEDUCTION.

14 FROM THE GROSS TERMINAL REVENUE REMITTED BY THE LICENSEE TO
15 THE DEPARTMENT, THE DEPARTMENT SHALL DEDUCT AN AMOUNT SUFFICIENT
16 TO REIMBURSE THE DEPARTMENT FOR THE ACTUAL COSTS AND EXPENSES
17 INCURRED IN ADMINISTERING THIS CHAPTER AT THE LICENSED VENUE
18 BASED ON A SCHEDULE DETERMINED BY THE DEPARTMENT.

19 § 9214. NET SLOT MACHINE REVENUE DISTRIBUTION AND ESTABLISHMENT
20 OF STATE GAMING FUND.

21 (A) FUND ESTABLISHED.--THERE IS HEREBY ESTABLISHED THE STATE
22 GAMING FUND WITHIN THE STATE TREASURY.

23 (B) SLOT MACHINE TAX.--SLOT MACHINE LICENSEES SHALL PAY A
24 TAX OF 34% OF THE GROSS TERMINAL REVENUE FROM SLOT MACHINE
25 TERMINALS AFTER DEDUCTION OF THE AMOUNTS DESCRIBED IN SECTION
26 9213.2 (RELATING TO GROSS TERMINAL REVENUE DEDUCTION).

27 (C) STATE GAMING FUND.--THE DEPARTMENT SHALL:

28 (1) TRANSFER THE SLOT MACHINE TAX IMPOSED IN SUBSECTION
29 (B), AND 100% OF THE LICENSE FEES IMPOSED UNDER SECTION
30 9206.1 (RELATING TO SLOT MACHINE LICENSE FEE) TO THE STATE

1 GAMING FUND.

2 (2) DISTRIBUTE 1% OF THE GROSS TERMINAL REVENUE AMONG
3 THE MUNICIPALITIES HOSTING A RACETRACK AT WHICH SLOT MACHINES
4 ARE LOCATED ON A PRO RATA BASIS DETERMINED BY THE PERCENTAGE
5 OF CONTRIBUTION TO THE FUND OF A SLOT MACHINE LICENSEE
6 LOCATED IN THE MUNICIPALITY. IF THE RACETRACK IS LOCATED IN
7 TWO OR MORE MUNICIPALITIES, THE AMOUNT AVAILABLE SHALL BE
8 DISTRIBUTED ON A PRO RATA BASIS DETERMINED BY THE PERCENTAGE
9 OF ACREAGE LOCATED IN EACH MUNICIPALITY TO THE TOTAL ACREAGE
10 OF ALL MUNICIPALITIES OCCUPIED BY THE RACETRACK. THE AMOUNT
11 ALLOCATED TO THE DESIGNATED MUNICIPALITIES SHALL NOT EXCEED
12 50% OF THEIR TOTAL BUDGET FOR FISCAL YEAR 2003-2004, ADJUSTED
13 FOR INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO EXCEED
14 AN ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED BY APPLYING
15 THE PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX FOR ALL
16 URBAN CONSUMERS (CPI-U) FOR THE PENNSYLVANIA, NEW JERSEY,
17 DELAWARE AND MARYLAND AREA, FOR THE MOST RECENT 12-MONTH
18 PERIOD FOR WHICH FIGURES HAVE BEEN OFFICIALLY REPORTED BY THE
19 UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR
20 STATISTICS, IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT IS
21 DUE TO TAKE EFFECT. ANY REMAINING MONEYS SHALL BE DEPOSITED
22 IN THE SEGREGATED ACCOUNT ESTABLISHED PURSUANT TO PARAGRAPH
23 (3). NOTHING IN THIS SUBSECTION SHALL PREVENT MUNICIPALITIES
24 FROM ENTERING INTO INTERGOVERNMENTAL COOPERATIVE AGREEMENTS
25 WITH OTHER JURISDICTIONS FOR SHARING THESE MONEYS.

26 (3) TRANSFER 1% OF THE GROSS TERMINAL REVENUE TO THE
27 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT TO BE PLACED
28 IN A RESTRICTED ACCOUNT TO EXCLUSIVELY PROVIDE GRANTS TO
29 MUNICIPALITIES THAT HOST A RACETRACK AND MUNICIPALITIES
30 CONTIGUOUS WITH THE MUNICIPALITY OR MUNICIPALITIES HOSTING

1 THE RACETRACK FOR PURPOSE OF FUNDING INFRASTRUCTURE
2 IMPROVEMENTS AND PUBLIC SAFETY EXPENSES ASSOCIATED WITH THE
3 RACETRACK AND SLOT MACHINE OPERATIONS. MONEYS FROM THIS
4 ACCOUNT SHALL NOT LAPSE AND SHALL BE DEDICATED ONLY TO THE
5 PURPOSES PROVIDED FOR IN THIS PARAGRAPH.

6 (D) BALANCE OF FUNDS.--THERE SHALL BE ESTABLISHED A
7 RESTRICTED ACCOUNT FOR EACH LICENSEE WITHIN THE FUND. THE
8 BALANCE OF GROSS REVENUES ARISING FROM THE OPERATION OF THE SLOT
9 MACHINES OF EACH LICENSEE SHALL BE PLACED IN SUCH RESTRICTED
10 ACCOUNTS, AND THE BALANCE OF FUNDS IN EACH RESTRICTED ACCOUNT
11 SHALL BE IMMEDIATELY TRANSMITTED TO THE RESPECTIVE LICENSEES. IN
12 THE EVENT CIRCUMSTANCES BEYOND THE CONTROL OF THE DEPARTMENT
13 PREVENT THE IMMEDIATE TRANSMITTAL OF THE BALANCE OF FUNDS IN
14 EACH RESTRICTED ACCOUNT, THE TRANSMITTAL MAY BE DELAYED BY THE
15 DEPARTMENT FOR A PERIOD NOT TO EXCEED 24 HOURS FROM THE
16 PLACEMENT OF THE FUNDS IN EACH RESTRICTED ACCOUNT. ANY DELAY
17 BEYOND 24 HOURS SHALL BE SUBJECTED TO THE PAYMENT OF INTEREST OF
18 1% ON THE BALANCE OF FUNDS DUE TO WHOM THE BALANCE OF FUNDS IS
19 DUE. THE DEPARTMENT SHALL PROMULGATE REGULATIONS REGARDING THE
20 TIMING AND METHOD OF RECEIPT AND REMITTANCE OF THE BALANCE OF
21 FUNDS.

22 (E) NET TERMINAL REVENUES.--THE NET TERMINAL REVENUES
23 ARISING FROM THE OPERATION OF THE SLOT MACHINES OF THE LICENSEE
24 SHALL BE REMITTED BACK TO THE LICENSEE AND DISTRIBUTED IN
25 ACCORDANCE WITH SECTION 9215 (RELATING TO DISTRIBUTIONS FROM
26 OWNERS' REVENUE RECEIPTS).

27 (F) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
28 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
29 SUBSECTION:

30 "NET TERMINAL REVENUE." THE NET AMOUNT OF THE GROSS TERMINAL

1 REVENUE LESS THE TAX IMPOSED BY SECTION 9214 (RELATING TO NET
2 SLOT MACHINE REVENUE DISTRIBUTION AND ESTABLISHMENT OF STATE
3 GAMING FUND).

4 § 9214.1. RESPONSIBILITY AND AUTHORITY OF DEPARTMENT.

5 (A) GENERAL RULE.--THE DEPARTMENT IS AUTHORIZED TO
6 ADMINISTER AND COLLECT THE TAXES IMPOSED UNDER THIS CHAPTER AND
7 PROMULGATE AND ENFORCE RULES AND REGULATIONS IN ACCORDANCE WITH
8 THIS CHAPTER, INCLUDING THE COLLECTION OF TAXES, PENALTIES AND
9 INTEREST IMPOSED BY THIS CHAPTER AS SUPPLEMENTED BY THE RULES OF
10 THE BOARD.

11 (B) APPLICATION OF RULES AND REGULATIONS.--THE DEPARTMENT
12 MAY PRESCRIBE THE EXTENT, IF ANY, TO WHICH ANY RULES AND
13 REGULATIONS SHALL BE APPLIED WITHOUT RETROACTIVE EFFECT. THE
14 DEPARTMENT SHALL HAVE AUTHORITY TO PRESCRIBE THE FORMS AND THE
15 SYSTEM OF ACCOUNTING AND RECORDKEEPING TO BE EMPLOYED, AND
16 THROUGH ITS REPRESENTATIVE SHALL, AT ALL TIMES, HAVE POWER OF
17 ACCESS TO, AND EXAMINATION AND AUDIT OF ANY EQUIPMENT AND
18 RECORDS RELATING TO ALL ASPECTS OF THE OPERATION OF SLOT
19 MACHINES UNDER THIS CHAPTER.

20 (C) PROCEDURE.--FOR PURPOSES OF IMPLEMENTING THIS CHAPTER,
21 THE DEPARTMENT MAY PROMULGATE REGULATIONS IN THE SAME MANNER IN
22 WHICH THE BOARD IS AUTHORIZED AS PROVIDED IN SECTION 9205(B)(9)
23 (RELATING TO BOARD'S POWERS).

24 § 9214.2. LIENS AND SUITS FOR TAXES.

25 THE PROVISIONS OF THIS CHAPTER SHALL BE SUBJECT TO THE
26 PROVISIONS OF SECTIONS 242 AND 243 OF THE ACT OF MARCH 4, 1971
27 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971.

28 § 9214.3. APPLICANTS TO PROVIDE CERTAIN TAX INFORMATION.

29 THE PROVISIONS OF SECTION 477 OF THE ACT OF APRIL 12, 1951
30 (P.L.90, NO.21), KNOWN AS THE LIQUOR CODE, SHALL APPLY TO ALL

1 APPLICANTS FOR THE GRANT, RENEWAL OR TRANSFER OF ANY LICENSE OR
2 PERMIT ISSUED BY THE BOARD UNDER THIS CHAPTER.

3 § 9215. DISTRIBUTIONS FROM OWNERS' REVENUE RECEIPTS.

4 THE BALANCE OF THE REVENUES REMITTED BACK TO THE SLOT MACHINE
5 LICENSEES SHALL BE DISTRIBUTED IN THE FOLLOWING MANNER:

6 (1) AN AMOUNT NOT LESS THAN \$5,000,000 OVER A FIVE-YEAR
7 PERIOD, AND AN AMOUNT NOT LESS THAN \$250,000 NO MORE THAN
8 \$1,000,000 PER YEAR FOR FIVE YEARS THEREAFTER, SHALL BE
9 DEPOSITED INTO A RESTRICTED ACCOUNT AND USED FOR IMPROVEMENT
10 AND MAINTENANCE TO THE BACKSIDE AREA AND RELATED BUILDINGS
11 AND STRUCTURES AT THE RACETRACK AT WHICH THE LICENSEE
12 OPERATES. THE LICENSED CORPORATION'S DESIGNEE AND THE
13 RACETRACK'S RECOGNIZED HORSEMEN'S GROUP'S DESIGNEE AT EACH
14 RACETRACK SHALL JOINTLY CONSIDER THE APPROPRIATE AMOUNT OF
15 THE FUNDS AND HOW THE MONEY SHALL BE SPENT AT THE RACETRACK.
16 DISPUTES INVOLVING THE AMOUNT AND EXPENDITURE OF FUNDS UNDER
17 THIS SUBSECTION SHALL BE RESOLVED BY THE STATE HORSE RACING
18 COMMISSION AND THE STATE HARNESS RACING COMMISSION WHO SHALL
19 OVERSEE THE USE OF THESE FUNDS.

20 (2) AN AMOUNT EQUAL TO 28.125% OF THE NET TERMINAL
21 REVENUE SHALL BE DISTRIBUTED AS FOLLOWS:

22 (I) EIGHTY PERCENT TO BE DEPOSITED INTO THE
23 HORSEMEN'S ACCOUNT AND BE COMBINED WITH THE REVENUES IN
24 THIS ACCOUNT FROM EXISTING PURSE AGREEMENTS TO FUND
25 PURSES FOR LIVE RACES PER THOSE AGREEMENTS WITH THE
26 ADVICE AND CONSENT OF THE HORSEMEN.

27 (II) FROM LICENSEES THAT OPERATE AT THOROUGHBRED
28 TRACKS, 16% TO BE DEPOSITED INTO THE PENNSYLVANIA
29 BREEDING FUND AS DEFINED IN SECTION 223 OF THE RACE HORSE
30 INDUSTRY REFORM ACT; OR FROM LICENSEES THAT OPERATE AT

1 STANDARD BRED TRACKS, 8% TO BE DEPOSITED IN THE
2 PENNSYLVANIA SIRE STAKES FUND AS DEFINED IN SECTION 224
3 OF THE RACE HORSE INDUSTRY REFORM ACT AND 8% TO BE
4 DEPOSITED INTO A RESTRICTED ACCOUNT IN THE STATE RACING
5 FUND TO BE KNOWN AS THE PENNSYLVANIA STANDARD BRED
6 BREEDERS DEVELOPMENT FUND. THE STATE HARNESS RACING
7 COMMISSION SHALL, IN CONSULTATION WITH THE SECRETARY OF
8 AGRICULTURE BY RULE OR BY REGULATION, ADOPT A
9 STANDARD BRED BREEDERS PROGRAM WHICH WILL INCLUDE THE
10 ADMINISTRATION OF A PENNSYLVANIA STALLION AWARD,
11 PENNSYLVANIA BRED AWARD AND A PENNSYLVANIA SIRE AND BRED
12 AWARD.

13 (III) FOUR PERCENT TO BE USED TO FUND HEALTH AND
14 PENSION BENEFITS FOR THE MEMBERS OF THE HORSEMEN'S
15 ORGANIZATIONS REPRESENTING THE OWNERS AND TRAINERS AT THE
16 RACETRACK AT WHICH THE LICENSED CORPORATION OPERATES FOR
17 THE BENEFIT OF THE ORGANIZATION'S MEMBERS, THEIR
18 FAMILIES, EMPLOYEES AND OTHERS IN ACCORDANCE WITH THE
19 RULES AND ELIGIBILITY REQUIREMENTS OF THE ORGANIZATION.
20 OF THIS AMOUNT, \$250,000 SHALL BE PAID ANNUALLY TO THE
21 THOROUGHBRED JOCKEYS OR STANDARD BRED DRIVERS ORGANIZATION
22 AT THE RACETRACK AT WHICH THE LICENSED CORPORATION
23 OPERATES FOR HEALTH INSURANCE, LIFE INSURANCE OR OTHER
24 BENEFITS TO ACTIVE AND DISABLED THOROUGHBRED JOCKEYS OR
25 STANDARD BRED DRIVERS IN ACCORDANCE WITH THE RULES AND
26 ELIGIBILITY REQUIREMENTS OF THAT ORGANIZATION.

27 § 9215.1. TRANSFERS FROM STATE GAMING FUND.

28 (A) TRANSFER FOR BOARD OPERATION AND COMPULSIVE PROBLEM
29 GAMBLING TREATMENT.--EACH YEAR AN AMOUNT SUFFICIENT TO FUND ALL
30 OF THE ANNUAL OPERATIONS OF THE BOARD SHALL BE APPROPRIATED BY

1 THE GENERAL ASSEMBLY FROM THE STATE GAMING FUND TO THE BOARD. IN
2 ADDITION, THE SUM OF \$1,500,000 PER YEAR SHALL BE TRANSFERRED
3 INTO THE COMPULSIVE PROBLEM GAMBLING TREATMENT FUND TO BE
4 ANNUALLY APPROPRIATED BY THE GENERAL ASSEMBLY AS DESCRIBED IN
5 SECTION 9216 (RELATING TO COMPULSIVE AND PROBLEM GAMBLING
6 PROGRAM).

7 (B) TRANSFER FOR VOLUNTEER FIRE COMPANY GRANT PROGRAM.--
8 ANNUALLY, THE SUM OF \$25,000,000 SHALL BE TRANSFERRED FROM THE
9 STATE GAMING FUND FOR THE OPERATION OF A VOLUNTEER FIRE COMPANY
10 GRANT PROGRAM TO BE ESTABLISHED BY LAW.

11 (C) TRANSFER TO PROPERTY TAX RELIEF TRUST FUND.--MONTHLY,
12 THE STATE TREASURER SHALL TRANSFER THE REMAINING BALANCE IN THE
13 STATE GAMING FUND WHICH IS NOT ALLOCATED IN SUBSECTIONS (A) AND
14 (B) TO A RESTRICTED ACCOUNT IN THE STATE TREASURY TO BE KNOWN AS
15 THE PROPERTY TAX RELIEF TRUST FUND WHICH IS HEREBY ESTABLISHED.
16 § 9215.2. NO EMINENT DOMAIN AUTHORITY.

17 NEITHER THE COMMONWEALTH, ANY POLITICAL SUBDIVISION THEREOF,
18 NOR ANY OTHER GOVERNMENTAL BODY IN THE COMMONWEALTH SHALL HAVE
19 THE RIGHT TO ACQUIRE, WITH OR WITHOUT COMPENSATION, THROUGH THE
20 POWER OF EMINENT DOMAIN, ANY PROPERTY, EASEMENT OR LAND USE
21 RIGHT FOR THE SITING OR CONSTRUCTION OF A GAMING AND RACETRACK
22 FACILITY.

23 § 9215.3. LOCAL ZONING AUTHORITY.

24 NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER TO THE
25 CONTRARY, NOTHING IN THIS CHAPTER SHALL BE CONSTRUED TO
26 SUPERSEDE OR OTHERWISE NULLIFY ANY LOCAL ZONING ORDINANCE AS
27 APPLIED TO NEWLY LICENSED CORPORATIONS OR A PREDECESSOR OWNER OF
28 THE NEWLY LICENSED RACETRACK THAT HAS NOT CONDUCTED LIVE HORSE
29 RACES FOR AT LEAST TWO YEARS IMMEDIATELY PRECEDING THE EFFECTIVE
30 DATE OF THIS CHAPTER.

1 § 9215.4. NEIGHBORING CHURCH, SCHOOL OR RESIDENCE SETBACK.

2 THE BOARD SHALL NOT ISSUE A SLOT MACHINE LICENSE FOR ANY
3 RACETRACK FACILITY PROPOSED TO BE LOCATED WITHIN A CITY OF THE
4 FIRST CLASS THAT IS 13,000 FEET FROM ANY CHURCH, SCHOOL OR
5 RESIDENTIAL NEIGHBORHOOD. THIS PROHIBITION SHALL NOT APPLY TO
6 ANY RACETRACK FACILITY AT WHICH LIVE HORSE RACES HAVE BEEN
7 CONDUCTED FOR NO LESS THAN TWO YEARS IMMEDIATELY PRECEDING THE
8 EFFECTIVE DATE OF THIS CHAPTER.

9 § 9215.5. ATHLETIC EVENT GAMING.

10 (A) PROHIBITION.--NOTHING IN THIS CHAPTER SHALL BE CONSTRUED
11 TO PERMIT THE RECEIVING, RECORDING OR THE REGISTERING OF BETS OR
12 WAGERS OR SELLING POOLS WHICH MAY INVOLVE ANY PROFESSIONAL OR
13 AMATEUR ATHLETIC EVENT. THE BOARD SHALL ADOPT REGULATIONS
14 INTENDED TO PROHIBIT ANY PERSON OR IMMEDIATE FAMILY MEMBER WITH
15 A FINANCIAL STAKE IN ANY PROFESSIONAL SPORTS FRANCHISE FROM
16 BEING EMPLOYED, DIRECTLY OR INDIRECTLY, OR HAVING A FINANCIAL
17 STAKE IN ANY LICENSED ENTITY. NOTHING IN THIS SECTION SHALL BE
18 CONSTRUED TO PROHIBIT STAGING OR CONDUCTING ATHLETIC EVENTS AT
19 LICENSED RACETRACKS.

20 (B) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
21 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
22 SUBSECTION:

23 "FINANCIAL STAKE." OWNING OR HOLDING STOCK EXCEEDING 2% OF
24 THE EQUITY AT FAIR MARKET VALUE OF THE LICENSED ENTITY OR
25 PROFESSIONAL SPORTS FRANCHISE, ITS HOLDING COMPANY, SUBSIDIARY
26 OR AFFILIATED BUSINESS. A FINANCIAL INTEREST SHALL NOT INCLUDE
27 ANY SUCH STOCK THAT IS INHERITED AND HELD IN A BLIND TRUST OVER
28 WHICH THE PERSON OR IMMEDIATE FAMILY MEMBER THEREOF MAY NOT
29 EXERCISE ANY MANAGERIAL CONTROL DURING THE TIME IN WHICH THE
30 PERSON HAS A FINANCIAL INTEREST IN A PROFESSIONAL SPORTS

1 FRANCHISE.

2 "IMMEDIATE FAMILY." A PARENT, SPOUSE, CHILD, BROTHER, SISTER
3 OR SPOUSE'S CHILDREN.

4 "PROFESSIONAL SPORTS FRANCHISE." AN ENTITY OR ENTITIES WHICH
5 PRESENT SPORTING EVENTS AND/OR DERIVE REVENUE THEREFROM IN WHICH
6 PARTICIPANTS ARE COMPENSATED FOR THEIR SERVICES WHETHER IN CASH,
7 SECURITIES OR OTHERWISE THAT HAVE ANNUAL REVENUE FROM ALL
8 SOURCES THAT EXCEEDS \$10,000,000.

9 § 9216. COMPULSIVE AND PROBLEM GAMBLING PROGRAM.

10 (A) ESTABLISHMENT OF PROGRAM.--THE DEPARTMENT OF HEALTH
11 SHALL DEVELOP PROGRAM GUIDELINES FOR PUBLIC EDUCATION, AWARENESS
12 AND TRAINING REGARDING COMPULSIVE AND PROBLEM GAMBLING AND THE
13 TREATMENT AND PREVENTION OF COMPULSIVE AND PROBLEM GAMBLING. THE
14 PROGRAM SHALL INCLUDE:

15 (1) MAINTENANCE OF A COMPULSIVE GAMBLERS ASSISTANCE
16 ORGANIZATION'S TOLL-FREE PROBLEM GAMBLING TELEPHONE NUMBER TO
17 PROVIDE CRISIS COUNSELING AND REFERRAL SERVICES TO FAMILIES
18 EXPERIENCING DIFFICULTY AS A RESULT OF PROBLEM OR COMPULSIVE
19 GAMBLING.

20 (2) THE PROMOTION OF PUBLIC AWARENESS REGARDING THE
21 RECOGNITION AND PREVENTION OF PROBLEM OR COMPULSIVE GAMBLING.

22 (3) FACILITATION, THROUGH IN-SERVICE TRAINING AND OTHER
23 MEANS, OF THE AVAILABILITY OF EFFECTIVE ASSISTANCE PROGRAMS
24 FOR PROBLEM AND COMPULSIVE GAMBLERS AND FAMILY MEMBERS
25 AFFECTED BY PROBLEM AND COMPULSIVE GAMBLING.

26 (4) CONDUCTING STUDIES TO IDENTIFY ADULTS AND JUVENILES
27 IN THIS COMMONWEALTH WHO ARE OR ARE AT RISK OF BECOMING
28 PROBLEM OR COMPULSIVE GAMBLERS.

29 (5) PROVIDING GRANTS TO AND CONTRACTING WITH
30 ORGANIZATIONS WHO PROVIDE SERVICES AS SET FORTH IN THIS

1 SECTION.

2 (B) COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND.--THERE
3 IS HEREBY ESTABLISHED IN THE STATE TREASURY A SPECIAL ACCOUNT TO
4 BE KNOWN AS THE COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND.
5 ALL MONEYS IN THE FUND SHALL BE EXPENDED FOR PROGRAMS FOR THE
6 PREVENTION AND TREATMENT OF GAMBLING ADDICTION AND OTHER
7 EMOTIONAL AND BEHAVIOR PROBLEMS ASSOCIATED WITH OR RELATED TO
8 GAMBLING AND FOR THE ADMINISTRATION OF THE COMPULSIVE AND
9 PROBLEM GAMBLING PROGRAM. THE FUND SHALL CONSIST OF MONEYS
10 ANNUALLY ALLOCATED TO IT FROM THE ANNUAL PAYMENT ESTABLISHED
11 UNDER SECTION 9205(B)(10) (RELATING TO BOARD'S POWERS), MONEYS
12 WHICH MAY BE APPROPRIATED BY THE GENERAL ASSEMBLY, INTEREST
13 EARNINGS ON MONEYS IN THE FUND AND ANY OTHER CONTRIBUTIONS,
14 PAYMENTS OR DEPOSITS WHICH MAY BE MADE TO THE FUND.

15 (C) NOTICE OF AVAILABILITY OF ASSISTANCE.--

16 (1) EACH SLOT MACHINE LICENSEE SHALL OBTAIN A TOLL-FREE
17 TELEPHONE NUMBER TO BE USED TO PROVIDE PERSONS WITH
18 INFORMATION ON ASSISTANCE FOR COMPULSIVE OR PROBLEM GAMBLING.
19 EACH LICENSEE SHALL CONSPICUOUSLY POST SIGNS SIMILAR TO THE
20 FOLLOWING STATEMENT:

21 IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM, HELP
22 IS AVAILABLE. CALL (TOLL-FREE TELEPHONE NUMBER).
23 THE SIGNS MUST BE POSTED WITHIN 50 FEET OF EACH ENTRANCE AND
24 EXIT AND WITHIN 50 FEET OF EACH CREDIT LOCATION WITHIN THE
25 FACILITY.

26 (2) EACH PARI-MUTUEL FACILITY WHERE SLOT MACHINES ARE
27 OPERATED SHALL PRINT A STATEMENT ON DAILY RACING PROGRAMS
28 PROVIDED TO THE GENERAL PUBLIC THAT IS SIMILAR TO THE
29 FOLLOWING:

30 IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM, HELP

1 IS AVAILABLE. CALL (TOLL-FREE TELEPHONE NUMBER).

2 (3) A PARI-MUTUEL RACING FACILITY WHICH FAILS TO POST OR
3 PRINT THE WARNING SIGN IN ACCORDANCE WITH PARAGRAPH (1) OR
4 (2) SHALL BE ASSESSED A FINE OF \$1,000 A DAY FOR EACH DAY
5 SUCH SIGN IS NOT POSTED OR PRINTED AS PROVIDED IN THIS
6 SUBSECTION.

7 § 9217. DECLARATION OF EXEMPTION FROM FEDERAL LAWS PROHIBITING
8 SLOT MACHINES.

9 (A) DECLARATION.--PURSUANT TO THE GAMBLING DEVICES
10 TRANSPORTATION ACT OF 1951 (64 STAT. 1134, 15 U.S.C. § 1171 ET
11 SEQ.), THE COMMONWEALTH DECLARES THAT IT IS EXEMPT FROM SECTION
12 2 OF THAT ACT.

13 (B) LEGAL SHIPMENTS.--ALL SHIPMENTS OF SLOT MACHINES INTO
14 THIS COMMONWEALTH, THE REGISTERING, RECORDING AND LABELING OF
15 WHICH HAS BEEN EFFECTED BY THE SUPPLIER OF THOSE DEVICES, IN
16 ACCORDANCE WITH SECTIONS 5 AND 7 OF THE GAMBLING DEVICES
17 TRANSPORTATION ACT (64 STAT.1134, 15 U.S.C. §§ 1175 AND 1177),
18 SHALL BE DEEMED LEGAL SHIPMENTS OF SLOT MACHINES INTO THIS
19 COMMONWEALTH.

20 § 9218. ENFORCEMENT.

21 (A) POWERS AND DUTIES.--THE PENNSYLVANIA GAMING CONTROL
22 BOARD AND THE PENNSYLVANIA STATE POLICE SHALL BE RESPONSIBLE FOR
23 THE ENFORCEMENT OF THIS CHAPTER AND REGULATIONS PROMULGATED
24 UNDER THIS CHAPTER. THE PENNSYLVANIA STATE POLICE AND CIVILIAN
25 OFFICERS AND INVESTIGATORS ASSIGNED BY THE BOARD SHALL COOPERATE
26 AND WORK IN CONJUNCTION WITH EACH OTHER AND SHALL HAVE THE
27 FOLLOWING POWERS AND DUTIES:

28 (1) PROMPTLY INVESTIGATE ALL LICENSE AND PERMIT HOLDERS
29 AS DIRECTED BY THE BOARD.

30 (2) ENFORCE THE PROVISIONS OF THIS CHAPTER AND

1 REGULATIONS PROMULGATED UNDER THIS CHAPTER.

2 (3) INITIATE PROCEEDINGS FOR ADMINISTRATIVE VIOLATIONS
3 OF THIS CHAPTER OR REGULATIONS PROMULGATED UNDER THIS
4 CHAPTER.

5 (4) PROVIDE THE BOARD WITH ALL INFORMATION NECESSARY FOR
6 ALL ACTION UNDER THIS CHAPTER AND FOR ALL PROCEEDINGS
7 INVOLVING ENFORCEMENT OF THE PROVISIONS OF THIS CHAPTER OR
8 REGULATIONS PROMULGATED UNDER THIS CHAPTER.

9 (5) INVESTIGATE THE CIRCUMSTANCES SURROUNDING ANY ACT OR
10 TRANSACTION FOR WHICH BOARD APPROVAL IS REQUIRED.

11 (6) CONDUCT ADMINISTRATIVE INSPECTIONS ON THE PREMISES
12 OF A LICENSED RACETRACK OR NONPRIMARY LOCATION TO ENSURE
13 COMPLIANCE WITH THIS CHAPTER 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 ON-SITE OBSERVATION AND OTHER REASONABLE MEANS TO ASSURE
17 COMPLIANCE WITH THIS CHAPTER AND REGULATIONS PROMULGATED
18 UNDER THIS CHAPTER.

19 (7) RECEIVE AND TAKE APPROPRIATE ACTION ON ANY REFERRAL
20 FROM THE BOARD RELATING TO ANY EVIDENCE OF A VIOLATION.

21 (8) CONDUCT AUDITS OF SLOT MACHINE OPERATIONS AT SUCH
22 TIMES, UNDER SUCH CIRCUMSTANCES AND TO SUCH EXTENT AS THE
23 BOARD DETERMINES. THIS PARAGRAPH INCLUDES REVIEWS OF
24 ACCOUNTING, ADMINISTRATIVE AND FINANCIAL RECORDS, AND
25 MANAGEMENT CONTROL SYSTEMS, PROCEDURES AND RECORDS UTILIZED
26 BY A SLOT MACHINE LICENSEE.

27 (9) REQUEST AND RECEIVE INFORMATION, MATERIALS AND OTHER
28 DATA FROM ANY LICENSEE, PERMITTEE OR APPLICANT.

29 (10) REFER FOR INVESTIGATION ALL POSSIBLE CRIMINAL
30 VIOLATIONS TO THE PENNSYLVANIA STATE POLICE AND COOPERATE

1 FULLY IN THE INVESTIGATION AND PROSECUTION OF A CRIMINAL
2 VIOLATION ARISING UNDER THIS CHAPTER.

3 (B) COOPERATION BY LICENSEES, PERMITTEES AND APPLICANTS.--
4 EACH LICENSEE, PERMITTEE OR APPLICANT FOR A LICENSE OR PERMIT
5 UNDER THIS CHAPTER SHALL COOPERATE WITH THE BOARD AND THE
6 PENNSYLVANIA STATE POLICE IN THE PERFORMANCE OF ITS DUTIES.

7 (C) INSPECTION, SEIZURE AND WARRANTS.--

8 (1) THE BOARD, ITS EMPLOYEES AND AGENTS AND THE
9 PENNSYLVANIA STATE POLICE SHALL HAVE THE AUTHORITY, WITHOUT
10 NOTICE AND WITHOUT WARRANT, TO DO ALL OF THE FOLLOWING:

11 (I) INSPECT AND EXAMINE ALL PREMISES WHERE SLOT
12 MACHINE OPERATIONS ARE CONDUCTED, GAMING DEVICES OR
13 EQUIPMENT ARE MANUFACTURED, SOLD, DISTRIBUTED OR SERVICED
14 OR RECORDS OF THESE ACTIVITIES ARE PREPARED OR
15 MAINTAINED.

16 (II) INSPECT ALL EQUIPMENT AND SUPPLIES IN, ABOUT,
17 UPON OR AROUND PREMISES REFERRED TO IN SUBPARAGRAPH (I).

18 (III) SEIZE, SUMMARILY REMOVE AND IMPOUND EQUIPMENT
19 AND SUPPLIES FROM PREMISES REFERRED TO IN SUBPARAGRAPH
20 (I) FOR THE PURPOSES OF EXAMINATION AND INSPECTION.

21 (IV) INSPECT, EXAMINE AND AUDIT ALL BOOKS, RECORDS
22 AND DOCUMENTS PERTAINING TO A SLOT MACHINE LICENSEE'S
23 OPERATION.

24 (V) SEIZE, IMPOUND OR ASSUME PHYSICAL CONTROL OF ANY
25 BOOK, RECORD, LEDGER, GAME, DEVICE, CASH BOX AND ITS
26 CONTENTS, COUNTING ROOM OR ITS EQUIPMENT OR SLOT MACHINE
27 OPERATIONS.

28 (VI) INSPECT A LICENSEE'S OR PERMITTEE'S PERSON AND
29 PERSONAL EFFECTS PRESENT IN A SLOT MACHINE FACILITY
30 LICENSED UNDER THIS CHAPTER WHILE THAT LICENSEE OR

1 PERMITTEE IS PRESENT IN A LICENSED SLOT MACHINE FACILITY.

2 (2) THE PROVISIONS OF PARAGRAPH (1) SHALL NOT BE DEEMED
3 TO LIMIT WARRANTLESS INSPECTIONS EXCEPT IN ACCORDANCE WITH
4 CONSTITUTIONAL REQUIREMENTS.

5 (3) TO EFFECTUATE FURTHER THE PURPOSES OF THIS CHAPTER,
6 THE BOARD, ITS EMPLOYEES AND AGENTS AND THE PENNSYLVANIA
7 STATE POLICE MAY OBTAIN ADMINISTRATIVE WARRANTS FOR THE
8 INSPECTION AND SEIZURE OF PROPERTY POSSESSED, CONTROLLED,
9 BAILED OR OTHERWISE HELD BY ANY APPLICANT, LICENSEE,
10 PERMITTEE, INTERMEDIARY COMPANY OR HOLDING COMPANY.

11 (4) THE BOARD IS AUTHORIZED TO MAKE ADMINISTRATIVE
12 INSPECTIONS TO CHECK FOR COMPLIANCE BY ANY APPLICANT,
13 LICENSEE, PERMITTEE, INTERMEDIARY COMPANY OR HOLDING COMPANY
14 WITH THE PROVISIONS OF THIS CHAPTER OR REGULATIONS
15 PROMULGATED UNDER THIS CHAPTER AND TO INVESTIGATE ANY
16 VIOLATIONS OF THIS CHAPTER AND THE REGULATIONS PROMULGATED
17 UNDER THIS CHAPTER.

18 (5) THIS SUBSECTION SHALL NOT BE CONSTRUED TO PREVENT
19 ENTRIES AND ADMINISTRATIVE INSPECTIONS, INCLUDING SEIZURES OF
20 PROPERTY, WITHOUT A WARRANT IN THE FOLLOWING CIRCUMSTANCES:

21 (I) WITH THE CONSENT OF THE OWNER, OPERATOR OR AGENT
22 IN CHARGE OF THE CONTROLLED PREMISES.

23 (II) IN SITUATIONS PRESENTING IMMINENT DANGER TO
24 HEALTH OR SAFETY.

25 (III) IN SITUATIONS INVOLVING INSPECTION OF
26 CONVEYANCES IF THERE IS REASONABLE CAUSE TO BELIEVE THAT
27 THE MOBILITY OF THE CONVEYANCE MAKES IT IMPRACTICAL TO
28 OBTAIN A WARRANT.

29 (IV) IN ANY OTHER EXCEPTIONAL OR EMERGENCY
30 CIRCUMSTANCE WHERE TIME OR OPPORTUNITY TO APPLY FOR A

1 WARRANT IS LACKING.

2 (V) IN ACCORDANCE WITH THE PROVISIONS OF THIS
3 CHAPTER.

4 (VI) IN ALL OTHER SITUATIONS WHERE A WARRANT IS NOT
5 CONSTITUTIONALLY REQUIRED.

6 (D) CRIMINAL INVESTIGATIONS AND PROSECUTIONS.--THE
7 PENNSYLVANIA STATE POLICE SHALL IN ADDITION TO THOSE OTHER
8 DUTIES OTHERWISE PROVIDED PERFORM THE FOLLOWING FUNCTIONS IN
9 CARRYING OUT THE PROVISIONS OF THIS CHAPTER:

10 (1) EXCHANGE FINGERPRINT DATA WITH AND RECEIVE NATIONAL
11 CRIMINAL HISTORY RECORD INFORMATION FROM THE FEDERAL BUREAU
12 OF INVESTIGATION FOR USE IN INVESTIGATING APPLICATIONS FOR
13 ANY LICENSE OR PERMIT UNDER THIS CHAPTER.

14 (2) REQUIRE PRODUCTION OF ANY INFORMATION, MATERIALS,
15 AND OTHER DATA FROM ANY APPLICANT OR HOLDER OF A LICENSE OR
16 PERMIT, RELATED TO AN ONGOING INVESTIGATION.

17 (3) PROVIDE THE BOARD WITH INFORMATION NECESSARY TO
18 CARRY OUT ITS DUTY TO ISSUE LICENSES AND PERMITS UNDER THIS
19 CHAPTER.

20 (4) UPON PROBABLE CAUSE, INSTITUTE CRIMINAL PROCEEDINGS
21 AGAINST A PERSON BELIEVED TO HAVE BEEN CRIMINALLY LIABLE.

22 (5) ARREST, IN ACCORDANCE WITH LAW, A PERSON ACTUALLY
23 ENGAGED IN A CRIMINAL VIOLATION OF THIS CHAPTER ON THE
24 PREMISES OF A LICENSED RACETRACK.

25 (E) CONCURRENT JURISDICTION TO PROSECUTE.--IN ADDITION TO
26 THE AUTHORITY CONFERRED UPON THE ATTORNEY GENERAL BY THE ACT OF
27 OCTOBER 15, 1980 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH
28 ATTORNEYS ACT, THE ATTORNEY GENERAL SHALL HAVE THE AUTHORITY TO
29 PROSECUTE A CRIMINAL VIOLATION OF THIS CHAPTER OR A SERIES OF
30 VIOLATIONS OCCURRING IN MORE THAN ONE COUNTY OR IN ANOTHER

1 STATE.

2 § 9218.1. AUTOMATED TELLER MACHINES.

3 THE BOARD SHALL PROMULGATE RULES AND REGULATIONS GOVERNING
4 THE PLACEMENT OF AUTOMATED TELLER MACHINES (ATMS) AND THE FEES
5 OR CHARGES ASSESSED ON TRANSACTIONS THROUGH ATMS. NO SLOT
6 MACHINE LICENSEE MAY OWN OR LEASE ANY ATM LOCATED WITHIN ANY
7 AREA OF THE RACETRACK FACILITY, EXCEPT FOR THOSE ATMS OWNED AND
8 OPERATING WITHIN THE GRANDSTAND OR PARI-MUTUEL WAGERING AREAS ON
9 THE EFFECTIVE DATE OF THIS CHAPTER PROVIDED THEY ARE NOT MOVED
10 OUTSIDE OF THE GRANDSTAND OR PARI-MUTUEL WAGERING AREA.

11 § 9218.2. NATIVE AMERICAN GAMING.

12 (A) GENERAL RULE.--ANY COMPACT INVOLVING INDIAN GAMING
13 BETWEEN THE COMMONWEALTH AND AN INDIAN TRIBE SHALL BE GOVERNED
14 BY ACTS OF THE GENERAL ASSEMBLY. UNDER NO CIRCUMSTANCES SHALL
15 THE COMMONWEALTH HAVE RELATIONS WITH ANY INDIAN TRIBE EXCEPT IN
16 ACCORDANCE WITH THIS SECTION.

17 (B) REQUIREMENT.--IF THE SECRETARY OF THE INTERIOR OF THE
18 UNITED STATES IS HOLDING LANDS LOCATED WITHIN THIS COMMONWEALTH
19 IN TRUST FOR THE BENEFIT OF AN INDIAN TRIBE WHICH HAS
20 ESTABLISHED RELATIONS WITH THE COMMONWEALTH IN ACCORDANCE WITH
21 THIS SECTION, THE COMMONWEALTH MAY ATTEMPT, TO THE EXTENT
22 PERMITTED OR REQUIRED BY FEDERAL LAW, TO NEGOTIATE A GAMING
23 COMPACT OR AGREEMENT WITH THE INDIAN TRIBE REGARDING ALL OR ANY
24 OF THE FOLLOWING:

25 (1) HEALTH, SAFETY AND ENVIRONMENTAL CONCERNS ON OR NEAR
26 THE LANDS BEING HELD.

27 (2) POLICE AND FIRE PROTECTION ON OR NEAR THE LANDS
28 BEING HELD.

29 (3) WATER AND MINERAL RIGHTS ON OR NEAR THE LANDS BEING
30 HELD.

1 (4) TRANSPORTATION AND ACCESS ON OR NEAR THE LANDS BEING
2 HELD.

3 (5) THE APPLICABILITY OF STATE CIVIL AND CRIMINAL LAWS
4 OCCURRING ON OR NEAR THE LANDS BEING HELD.

5 (6) TAX AND FINANCIAL ISSUES.

6 (7) ANY OTHER SUBJECT OR ACTIVITY WHICH THE COMMONWEALTH
7 IS PERMITTED OR REQUIRED TO NEGOTIATE UNDER FEDERAL LAW.

8 (C) NEGOTIATIONS.--NO PERSON SHALL NEGOTIATE A GAMING
9 COMPACT OR AGREEMENT ON BEHALF OF THE COMMONWEALTH WITH AN
10 INDIAN TRIBE UNLESS THE PERSON HAS BEEN AUTHORIZED BY A
11 CONCURRENT RESOLUTION OF THE GENERAL ASSEMBLY TO NEGOTIATE THE
12 COMPACT OR AGREEMENT.

13 (D) EFFECTIVENESS OF COMPACT.--PRIOR TO THE EFFECTIVENESS OF
14 ANY COMPACT EXECUTED BY A PERSON AUTHORIZED UNDER SUBSECTION
15 (C), THE FOLLOWING SHALL BE REQUIRED:

16 (1) ANY PERSON AUTHORIZED PURSUANT TO SUBSECTION (C) TO
17 NEGOTIATE A GAMING COMPACT ON BEHALF OF THE COMMONWEALTH
18 SHALL CONDUCT PUBLIC HEARINGS ON THE APPROPRIATENESS OF
19 ENTERING INTO THE COMPACT. THE HEARINGS SHALL OCCUR AT LEAST
20 60 DAYS IN ADVANCE OF ANY SUBMISSION TO THE GENERAL ASSEMBLY
21 AND SHALL SPECIFICALLY EXAMINE THE POTENTIAL SCOPE AND IMPACT
22 OF ANY GAMING PROPOSAL ON STATE AND LOCAL GOVERNMENT AS WELL
23 AS THE CITIZENS AND PROPERTY OWNERS OF THIS COMMONWEALTH. A
24 SUMMARY REPORT OF ALL FINDINGS MADE AT A HEARING SHALL BE
25 SUBMITTED WITH THE PROPOSED COMPACT TO THE GENERAL ASSEMBLY
26 BEFORE CONSIDERATION.

27 (2) THE GAMING COMPACT SHALL BE SUBMITTED TO THE GENERAL
28 ASSEMBLY FOR APPROVAL OR REJECTION.

29 (3) IF APPROVED BY THE GENERAL ASSEMBLY, THE GAMING
30 COMPACT SHALL BE SUBMITTED TO THE GOVERNOR.

(E) DEFINITION.--AS USED IN THIS SECTION, THE TERM "INDIAN TRIBE" MEANS ANY INDIAN TRIBE, BAND, NATION OR OTHER ORGANIZED GROUP OR COMMUNITY OF INDIANS WHICH IS RECOGNIZED AS ELIGIBLE BY THE SECRETARY OF THE INTERIOR OF THE UNITED STATES FOR THE SPECIAL PROGRAMS AND SERVICES PROVIDED BY THE UNITED STATES TO INDIANS BECAUSE OF THEIR STATUS AS INDIANS AND IS RECOGNIZED AS POSSESSING POWERS OF SELF-GOVERNMENT.

§ 9218.3. MANUFACTURER MARKET SHARE.

NO SLOT MACHINE LICENSEE SHALL PERMIT MORE THAN 75% OF THE SLOT MACHINES PRODUCED OR MANUFACTURED FROM THE SAME MANUFACTURER TO BE PLACED INTO PLAY AT THE LICENSEE'S FACILITY AT ANY TIME.

§ 9218.4. LIQUOR LICENSES AT RACETRACKS.

(A) REAPPLICATION.--NOTHING IN THIS CHAPTER SHALL REQUIRE AN ENTITY ALREADY LICENSED TO SELL LIQUOR OR MALT OR BREWED BEVERAGES TO REAPPLY FOR THE LICENSE, EXCEPT IN THE MANNER SET FORTH IN THE ACT OF APRIL 12, 1951 (P.L.90, NO.21), KNOWN AS THE LIQUOR CODE.

(B) LICENSE EXTENSION.--NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AN ENTITY HOLDING A SLOT MACHINE LICENSE WHICH IS ALSO LICENSED TO SELL LIQUOR OR MALT OR BREWED BEVERAGES PURSUANT TO THE LIQUOR CODE SHALL BE PERMITTED TO APPLY TO THE PENNSYLVANIA LIQUOR CONTROL BOARD TO EXTEND THE LICENSED PREMISES UNDER THE LIQUOR LICENSE TO ENCOMPASS THE ENTIRE RACETRACK PROPERTY. THE FOLLOWING SHALL APPLY:

- (1) TO OBTAIN APPROVAL OF A LICENSE EXTENSION, AN APPLICATION FOR EXTENSION OF LICENSE DESCRIBING THE ADDITIONAL PREMISES SHALL BE FILED WITH THE PENNSYLVANIA LIQUOR CONTROL BOARD ON A FORM AUTHORIZED BY THE PENNSYLVANIA LIQUOR CONTROL BOARD.

1 (2) THE FEE REQUIRED BY PENNSYLVANIA LIQUOR CONTROL
2 BOARD REGULATIONS SHALL ACCOMPANY AN APPLICATION TO THE
3 PENNSYLVANIA LIQUOR CONTROL BOARD FOR EXTENSION OF LICENSE.
4 THE APPLICATION SHALL NOT BE SUBJECT TO ANY PHYSICAL
5 INSPECTION OR POSTING REQUIREMENTS.

6 (3) THE APPLICANT SHALL NOT BE REQUIRED TO OBTAIN
7 APPROVAL FROM THE MUNICIPALITY IN WHICH THE LICENSE IS
8 ISSUED.

9 (4) ABSENT GOOD CAUSE SHOWN CONSISTENT WITH THE PURPOSES
10 OF THIS CHAPTER, AND NOTWITHSTANDING ANY PROVISION OF THE
11 LIQUOR CODE OR THE REGULATIONS UNDER THE LIQUOR CODE TO THE
12 CONTRARY, THE PENNSYLVANIA LIQUOR CONTROL BOARD SHALL APPROVE
13 AN APPLICATION FOR EXTENSION OF LICENSE FILED BY AN ENTITY
14 WHICH ALSO HOLDS A SLOT MACHINE LICENSE WITHIN 30 DAYS.

15 (5) AN ENTITY HOLDING A SLOT MACHINE LICENSE WHICH IS
16 ALSO LICENSED TO SELL LIQUOR OR MALT OR BREWED BEVERAGES
17 PURSUANT TO THE LIQUOR CODE SHALL BE EXEMPT FROM 40 PA. CODE
18 § 7.21(D) (RELATING TO INCLUSION OF ADDITIONAL PREMISES).

19 (C) NONLICENSEES.--NOTWITHSTANDING ANY OTHER PROVISION OF
20 LAW, AN ENTITY HOLDING A SLOT MACHINE LICENSE WHICH IS NOT
21 LICENSED TO SELL LIQUOR OR MALT OR BREWED BEVERAGES SHALL BE
22 ENTITLED TO APPLY TO THE PENNSYLVANIA LIQUOR CONTROL BOARD FOR A
23 LICENSE. THE FOLLOWING SHALL APPLY:

24 (1) AN APPLICATION FOR A LICENSE TO SELL LIQUOR OR MALT
25 OR BREWED BEVERAGES SUBMITTED BY AN APPLICANT HOLDING A SLOT
26 MACHINE LICENSE SHALL BE EXEMPT FROM ANY RESTRICTIONS IN THE
27 LIQUOR CODE ON THE NUMBER OF SUCH LICENSES PERMITTED IN A
28 MUNICIPALITY.

29 (2) AN APPLICATION FOR A LICENSE TO SELL LIQUOR OR MALT
30 OR BREWED BEVERAGES SUBMITTED BY AN APPLICANT HOLDING A SLOT

1 MACHINE LICENSE SHALL BE EXEMPT FROM ANY RESTRICTIONS IN THE
2 LIQUOR CODE ON THE CONSTRUCTION OF FACILITIES ON THE LICENSED
3 PREMISES PRIOR TO LICENSURE.

4 (3) THE LICENSED PREMISES FOR AN APPLICATION FOR A
5 LICENSE TO SELL LIQUOR OR MALT OR BREWED BEVERAGES SUBMITTED
6 BY AN APPLICANT HOLDING A SLOT MACHINE LICENSE SHALL BE
7 DEEMED TO ENCOMPASS THE ENTIRE RACETRACK PROPERTY.

8 (4) ABSENT GOOD CAUSE SHOWN CONSISTENT WITH THE PURPOSES
9 OF THIS CHAPTER, AND NOTWITHSTANDING ANY PROVISION OF THE
10 LIQUOR CODE OR THE REGULATIONS UNDER THE LIQUOR CODE TO THE
11 CONTRARY, THE PENNSYLVANIA LIQUOR CONTROL BOARD SHALL APPROVE
12 AN APPLICATION FOR THE LICENSE FILED BY AN ENTITY WHICH ALSO
13 HOLDS A SLOT MACHINE LICENSE WITHIN 30 DAYS.

14 (D) INCLUSION OF RACETRACK PROPERTY.--NOTWITHSTANDING ANY
15 OTHER PROVISION OF LAW, PROPERTY LICENSED UNDER A SLOT MACHINE
16 LICENSE WHICH IS ALSO LICENSED TO SELL LIQUOR OR MALT OR BREWED
17 BEVERAGES PURSUANT TO THE LIQUOR CODE MAY ALLOW PERSONS TO
18 TRANSPORT LIQUOR OR MALT OR BREWED BEVERAGES FROM THE PORTIONS
19 OF THE PROPERTY LICENSED UNDER THE LIQUOR LICENSE TO THE
20 UNLICENSED PORTION OF THE PROPERTY, SO LONG AS THE LIQUOR OR
21 MALT OR BREWED BEVERAGES REMAIN ON THE RACETRACK PROPERTY.

22 SECTION 3. THE SUM OF \$5,000,000 IS HEREBY APPROPRIATED TO
23 THE PENNSYLVANIA GAMING CONTROL BOARD FOR THE FISCAL YEAR JULY
24 1, 2003, TO JUNE 30, 2004, TO IMPLEMENT AND ADMINISTER THE
25 PROVISIONS OF 18 PA.C.S. CH. 92. THE MONEY APPROPRIATED IN THIS
26 SECTION SHALL BE CONSIDERED A LOAN FROM THE GENERAL FUND AND
27 SHALL BE REPAYED TO THE GENERAL FUND FROM THE STATE GAMING FUND
28 BY JUNE 30, 2004.

29 SECTION 4. THE PROVISIONS OF THIS ACT ARE SEVERABLE. IF ANY
30 PROVISION OF THIS ACT OR ITS APPLICATION TO ANY PERSON OR

1 CIRCUMSTANCE IS HELD INVALID, THE INVALIDITY SHALL NOT AFFECT
2 OTHER PROVISIONS OR APPLICATIONS OF THIS ACT WHICH CAN BE GIVEN
3 EFFECT WITHOUT THE INVALID PROVISION OR APPLICATION.

4 SECTION 5. (A) THE PROVISIONS OF 18 PA.C.S. § 5513(A) ARE
5 REPEALED INsofar AS THEY ARE INCONSISTENT WITH THE ADDITION OF
6 18 PA.C.S. CH. 92.

7 (B) ALL OTHER ACTS AND PARTS OF ACTS ARE REPEALED INsofar AS
8 THEY ARE INCONSISTENT WITH THE ADDITION OF 18 PA.C.S. CH. 92.

9 SECTION 6. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

10 (1) THE AMENDMENT OF 18 PA.C.S. § 4107(A) SHALL TAKE
11 EFFECT IN 60 DAYS.

12 (2) THIS SECTION SHALL TAKE EFFECT IMMEDIATELY.

13 (3) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT
14 IMMEDIATELY.