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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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# HOUSE BILL

No. 623 Session of  
2003

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INTRODUCED BY MAHER, BLAUM, GANNON, BOYES, JAMES, LEWIS,  
MANDERINO, PALLONE, STETLER, WALKO, WASHINGTON, PRESTON AND  
THOMAS, MARCH 3, 2003

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SENATE AMENDMENTS TO HOUSE AMENDMENTS, NOVEMBER 19, 2004

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AN ACT

1 Amending Title 18 (Crimes and Offenses) of the Pennsylvania  
2 Consolidated Statutes, further providing for deceptive or  
3 fraudulent business practices; ~~defining the offense of~~ <—  
4 ~~greyhound racing; authorizing certain racetrack gaming;~~  
5 ~~providing for disbursements of revenues; establishing the~~  
6 ~~Pennsylvania Gaming Control Board and the State Gaming Fund;~~  
7 ~~imposing fees; providing penalties; making appropriations;~~  
8 ~~and making repeals.~~ PRACTICES. <—

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

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

13 § 4107. Deceptive or fraudulent business practices.

14 (a) Offense defined.--A person commits an offense if, in the  
15 course of business, [he] the person knowingly: <—

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

19 (2) sells, offers or exposes for sale, or delivers less  
20 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 the person is in  
29 a client relationship with a certified public accountant,  
30 public accountant or public accounting firm:

(i) 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 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; or

(ii) fails to provide information to the certified public accountant, public accountant or public accounting firm which the person knows is material to the performance of an attestation function and which 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 1.1. Title 18 is amended by adding a section to read:~~

~~§ 7516. Greyhound racing.~~

~~A person who holds, conducts or operates a greyhound race for public exhibition in this Commonwealth for monetary remuneration commits a misdemeanor of the third degree.~~

~~Section 2. Title 18 is amended by adding a chapter to read:~~

~~CHAPTER 92~~

~~RACETRACK AND LICENSED GAMING~~

~~Sec.~~

~~9200. Short title of chapter.~~

~~9201. Scope.~~

~~9202. Legislative intent.~~

1 ~~9203. Definitions.~~  
2 ~~9204. Pennsylvania Gaming Control Board established.~~  
3 ~~9205. Board's powers.~~  
4 ~~9205.1. Applications for license or permit.~~  
5 ~~9206. Authorized slot machine licenses.~~  
6 ~~9206.1. Slot machine license fee.~~  
7 ~~9207. Slot machine license application.~~  
8 ~~9208. Slot machine accounting controls and audits.~~  
9 ~~9208.1. Central monitoring system or central control system.~~  
10 ~~9208.2. Protocol information.~~  
11 ~~9209. Supplier and manufacturer licenses.~~  
12 ~~9210. Occupation permit and applications.~~  
13 ~~9210.1. Slot machine license application character~~  
14 ~~requirements.~~  
15 ~~9210.2. Slot machine license application financial fitness~~  
16 ~~requirements.~~  
17 ~~9211. Additional licenses and permits; approval of~~  
18 ~~agreements.~~  
19 ~~9212. License or permit issuance.~~  
20 ~~9212.1. Transferability of licenses.~~  
21 ~~9212.2. Change in ownership of slot machine licensee.~~  
22 ~~9212.3. Public official financial interest.~~  
23 ~~9213. Prohibited acts and penalties.~~  
24 ~~9213.1. Slot machine terminal proceeds.~~  
25 ~~9213.2. Gross terminal revenue deduction.~~  
26 ~~9214. Net slot machine revenue distribution and establishment~~  
27 ~~of State Gaming Fund.~~  
28 ~~9214.1. Responsibility and authority of department.~~  
29 ~~9214.2. Liens and suits for taxes.~~  
30 ~~9214.3. Applicants to provide certain tax information.~~

1   ~~9214.4. Payment of host municipality fee.~~  
2   ~~9215. Distributions from owners' revenue receipts.~~  
3   ~~9215.1. Transfers from State Gaming Fund.~~  
4   ~~9215.2. No eminent domain authority.~~  
5   ~~9215.3. Local zoning authority.~~  
6   ~~9215.4. Inapplicability of Keystone Opportunity Zone and~~  
7         ~~Keystone Opportunity Expansion Zone Act.~~  
8   ~~9215.5. Athletic event gaming.~~  
9   ~~9216. Compulsive and problem gambling program.~~  
10   ~~9216.1. Hiring preferences.~~  
11   ~~9217. Declaration of exemption from Federal laws prohibiting~~  
12         ~~slot machines.~~  
13   ~~9218. Enforcement.~~  
14   ~~9218.1. Automated teller machines.~~  
15   ~~9218.2. Native American gaming.~~  
16   ~~9218.3. (Reserved).~~  
17   ~~9218.4. Liquor licenses at licensed facilities.~~  
18   ~~9219. Southwest Regional District.~~  
19   ~~§ 9200. Short title of chapter.~~

20         ~~This chapter shall be known and may be cited as the~~  
21   ~~Pennsylvania Gaming Act of 2003.~~

22   ~~§ 9201. Scope.~~

23         ~~This chapter deals with authorized gaming activities.~~

24   ~~§ 9202. Legislative intent.~~

25         ~~The General Assembly hereby recognizes the following public~~  
26   ~~policy purposes and declares that the following objectives of~~  
27   ~~the Commonwealth are to be served by this chapter:~~

28             ~~(1) The primary objective of this chapter, to which all~~  
29         ~~other objectives and purposes are secondary, is to protect~~  
30         ~~the public through the regulation and policing of all~~

1 ~~activities involving gaming and other practices that are~~  
2 ~~unlawful except as provided by law, including this chapter.~~

3 ~~(2) The authorization of limited gaming by the~~  
4 ~~installation and operation of slot machines as authorized in~~  
5 ~~this chapter is intended to enhance live horse racing,~~  
6 ~~entertainment and employment in this Commonwealth.~~

7 ~~(3) The authorization of limited gaming is intended to~~  
8 ~~provide a significant source of new revenue to the~~  
9 ~~Commonwealth to support property tax reform, economic~~  
10 ~~development opportunities and other similar initiatives.~~

11 ~~(4) The authorization of limited gaming is intended to~~  
12 ~~positively assist the Commonwealth's horse racing industry,~~  
13 ~~support programs intended to foster and promote horse~~  
14 ~~breeding and to improve the living and working conditions of~~  
15 ~~personnel who work and reside in and around the stable areas~~  
16 ~~of racetracks.~~

17 ~~(5) Participation in limited gaming authorized under~~  
18 ~~this chapter by any licensee or permittee shall be deemed a~~  
19 ~~privilege conditioned upon the proper and continued~~  
20 ~~qualification of the licensee or permittee and upon the~~  
21 ~~discharge of the affirmative responsibility of each licensee~~  
22 ~~to provide the regulatory and investigatory authorities of~~  
23 ~~the Commonwealth assistance and information necessary to~~  
24 ~~assure that the policies declared by this chapter are~~  
25 ~~achieved.~~

26 ~~(6) Strictly monitored and enforced control over all~~  
27 ~~limited gaming authorized by this chapter shall be provided~~  
28 ~~through regulation, licensing and appropriate enforcement~~  
29 ~~actions of specified locations, persons, associations,~~  
30 ~~practices, activities, licensees and permittees.~~



~~(7) Strict financial monitoring and controls shall be established and enforced of all licensees or permittees.~~

~~(8) The public interest of the citizens of this Commonwealth and the social effect of gaming shall be taken into consideration in any decision or order made pursuant to this chapter.~~

~~(9) It is necessary to ensure the necessary integrity of the regulatory review and legislative oversight over the conduct and operation of limited gaming.~~

~~§ 9203. Definitions.~~

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

~~"Affiliate" or "affiliated company." A person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with a specified person.~~

~~"Associated equipment." Any equipment or mechanical, electromechanical or electronic contrivance, component or machine used in connection with gaming, including links which connect to progressive slot machines, equipment which affects the proper reporting of gross revenue, computerized systems for monitoring or controlling slot machines and devices for weighing or counting money.~~

~~"Background investigation." A security, criminal, credit and suitability investigation of a person as provided for in this chapter. The investigation shall show the status of taxes owed to the Commonwealth and its political subdivisions.~~

~~"Backside area." Those areas of the racetrack facility that are not generally accessible to the public and which include,~~

~~but are not limited to, those facilities commonly referred to as barns, track kitchen, recreation hall, stable employee quarters and training track, and roadways providing access thereto. The term does not include those areas of the racetrack facility which are generally accessible to the public, including the various buildings commonly referred to as the grandstand or the racing surfaces, paddock enclosure and walking ring.~~

~~"Board."—The Pennsylvania Gaming Control Board established under section 9204 (relating to Pennsylvania Gaming Control Board established).~~

~~"Cash back."—Amounts paid to a patron based on a percentage of total amounts wagered by the patron.~~

~~"Central monitoring computer," "computer monitoring system" or "central control computer."—A central site computer provided to and controlled by the Pennsylvania Gaming Control Board to which all slot machines communicate for the purpose of real time information retrieval or machine activation or the disabling of slot machines.~~

~~"Cheat."—To alter the elements of chance, method of selection or criteria which determine:~~

~~(1) The result of a game.~~

~~(2) The amount or frequency of payment in a game.~~

~~(3) The value of a wagering instrument.~~

~~(4) The value of a wagering credit.~~

~~The term does not include altering for required maintenance and repair.~~

~~"Department."—The Department of Revenue of the Commonwealth.~~

~~"Fund."—The State Gaming Fund established under section 9214 (relating to net slot machine revenue distribution and establishment of State Gaming Fund).~~

1       ~~"Gaming employee." Any employee of a slot machine licensee,~~  
2 ~~including, but not limited to:~~

3           ~~(1) cashiers;~~

4           ~~(2) change personnel;~~

5           ~~(3) counting room personnel;~~

6           ~~(4) slot attendants;~~

7           ~~(5) hosts or other persons authorized to extend~~  
8 ~~complimentary services;~~

9           ~~(6) machine mechanics;~~

10          ~~(7) security personnel; and~~

11          ~~(8) supervisors or managers.~~

12 ~~The term does not include bartenders, cocktail servers or other~~  
13 ~~persons engaged solely in preparing or serving food or beverage,~~  
14 ~~secretarial personnel, janitorial, stage, sound and light~~  
15 ~~technicians and other nongaming personnel. The term also~~  
16 ~~includes employees of a person holding a supplier's license~~  
17 ~~whose duties are directly involved with the manufacture, repair~~  
18 ~~or distribution of slot machines and associated equipment sold~~  
19 ~~or provided to the licensed facility within this Commonwealth.~~

20       ~~"Gross terminal revenue." The total of wagers received by a~~  
21 ~~slot machine minus the total of:~~

22           ~~(1) Cash or cash equivalents paid out to patrons as a~~  
23 ~~result of playing a slot machine which is paid to patrons~~  
24 ~~either manually or paid out by the slot machine.~~

25           ~~(2) Cash paid to purchase annuities to fund prizes~~  
26 ~~payable to patrons over a period of time as a result of~~  
27 ~~playing a slot machine.~~

28           ~~(3) Any personal property distributed to a patron as the~~  
29 ~~result of playing a slot machine. This does not include~~  
30 ~~travel expenses, food, refreshments, lodging or services. The~~

~~term does not include counterfeit money or tokens, coins of other countries which are received in slot machines, except to the extent that they are readily convertible to United States currency, cash taken in fraudulent acts perpetrated against a slot machine licensee for which the licensee is not reimbursed or cash received as entry fees for contests or tournaments in which the patrons compete for prizes.~~

~~"Key employee." Any individual who is employed in a director or department head capacity and who is empowered to make discretionary decisions that regulate slot machine operations, including the general manager and assistant general manager of the licensed facility, director of slot operations, director of cage and or credit operations, director of surveillance, director of management information systems, director of security, comptroller and any employee who supervises the operations of these departments or to whom these department directors report, and such other positions which the board shall determine, based on detailed analyses of job descriptions as provided in the internal controls of the licensee as approved by the board. All other gaming employees, unless otherwise designated by the board, shall be classified as nonkey gaming employees.~~

~~"Licensed corporations." Legal entities that have obtained a license to conduct thoroughbred or harness horse race meetings respectively with pari mutuel wagering from either the State Horse Racing Commission or the State Harness Racing Commission pursuant to the Race Horse Industry Reform Act.~~

~~"Licensed entity." Any licensed corporation or other person holding a slot machine, manufacturer, supplier or other license issued by the board pursuant to this chapter.~~

~~"Licensed facility." A slot machine facility licensed under paragraph (1) or (2) of the definition of "slot machine license."~~

~~"Licensed racetrack" or "racetrack." The physical facility and grounds where a licensed corporation conducts thoroughbred or harness race meetings respectively with pari mutuel wagering. The term "racetrack" or "its racetrack" shall mean the location at which live horse racing is conducted even if not owned by the licensed corporation.~~

~~"Manufacturer." A person who manufactures, supplies, builds, fabricates, assembles, produces, programs, designs or otherwise makes modifications to any slot machine, associated equipment for use or play of slot machines or associated equipment in this Commonwealth for gaming purposes.~~

~~"Manufacturer license." A license issued by the Pennsylvania Gaming Control Board authorizing a manufacturer to manufacture, supply or produce slot machines or associated equipment for use in this Commonwealth for gaming purposes.~~

~~"Manufacturer licensee." A manufacturer that obtains a manufacturer license.~~

~~"Nonprimary location." Any facility in which pari mutuel wagering is conducted by licensed corporations other than the racetrack or other location.~~

~~"Occupation permit." A permit authorizing an individual to be employed or work as a gaming employee at a licensed facility.~~

~~"Permittee." Holder of a permit issued pursuant to this chapter.~~

~~"Person." Any natural person, corporation, foundation, organization, business trust, estate, limited liability company, licensed corporation, trust, partnership, association or any~~

1 ~~other legal entity.~~

2 ~~"Progressive jackpot."— A slot machine wager payout that~~  
3 ~~increases in a monetary amount.~~

4 ~~"Progressive slot machine."— A slot machine that is connected~~  
5 ~~to a progressive system.~~

6 ~~"Progressive system."— A computerized system linking slot~~  
7 ~~machines in one or more licensed facilities and offering one or~~  
8 ~~more common progressive jackpots.~~

9 ~~"Race Horse Industry Reform Act."— The act of December 17,~~  
10 ~~1981 (P.L.435, No.135), known as the Race Horse Industry Reform~~  
11 ~~Act.~~

12 ~~"Slot machine."— Any mechanical, electrical or other device,~~  
13 ~~contrivance, terminal or machine approved by the Pennsylvania~~  
14 ~~Gaming Control Board which, upon insertion of a coin, bill,~~  
15 ~~ticket, token or similar object therein or upon payment of any~~  
16 ~~consideration whatsoever, including the use of any electronic~~  
17 ~~payment system except a credit card or debit card, is available~~  
18 ~~to play or operate, the play or operation of which, whether by~~  
19 ~~reason of the skill of the operator or application of the~~  
20 ~~element of chance, or both, may deliver or entitle the person~~  
21 ~~playing or operating the machine to receive cash, tickets,~~  
22 ~~tokens or electronic credits to be exchanged for cash or to~~  
23 ~~receive merchandise or any thing of value whatsoever, whether~~  
24 ~~the payoff is made automatically from the machine or manually. A~~  
25 ~~slot machine:~~

26 ~~(1) may utilize spinning reels or video displays, or~~  
27 ~~both;~~

28 ~~(2) may or may not dispense coins, tickets or tokens to~~  
29 ~~winning patrons; and~~

30 ~~(3) may use an electronic credit system for receiving~~

~~wagers and making payouts.~~

~~The term shall include associated equipment necessary to conduct the operation of slot machines.~~

~~"Slot machine license." Any of the following:~~

~~(1) A license authorizing a licensed corporation to place and operate slot machines at a racetrack pursuant to this chapter and the rules and regulations promulgated under this chapter.~~

~~(2) A license authorizing a person, pursuant to this chapter and the regulations promulgated under this chapter, to place and operate slot machines at an establishment of any type other than a racetrack located in a city of the first class, in a city of the second class or in an area which includes a city of the second class and which is defined by the Bureau of the Census as a metropolitan statistical area:~~

~~(i) where patrons may engage in slot machine gaming;~~

~~and~~

~~(ii) which provides ancillary services or facilities, including restaurants, retail shops and other such amenities available at resort caliber facilities.~~

~~"Slot machine licensee." A person that holds a slot machine license.~~

~~"State Treasurer." The State Treasurer of the Commonwealth.~~

~~"Supplier." A person that sells, leases, offers or otherwise provides or distributes any slot machine or associated equipment for use or play of slot machines or associated equipment in this Commonwealth.~~

~~"Supplier license." A license issued by the Pennsylvania Gaming Control Board authorizing a supplier or manufacturer to provide products or services related to slot machines or~~

~~associated equipment to slot machine licensees.~~

~~"Supplier licensee." A supplier or manufacturer that holds a supplier license.~~

~~§ 9204. Pennsylvania Gaming Control Board established.~~

~~(a) Board established. There is hereby established an independent administrative board to be known as the Pennsylvania Gaming Control Board, which shall be implemented as set forth in this section.~~

~~(b) Membership. The board shall consist of the following members, who shall serve a set term and may not be removed except for good cause:~~

~~(1) One member appointed by the Governor.~~

~~(2) One member appointed by each of the following legislative caucus leaders:~~

~~(i) The President pro tempore of the Senate.~~

~~(ii) The Minority Leader of the Senate.~~

~~(iii) The Speaker of the House of Representatives.~~

~~(iv) The Minority Leader of the House of Representatives.~~

~~(3) No more than three members under paragraph (2) shall be from the same political party.~~

~~(c) Initial appointments to board.~~

~~(1) The member initially appointed under subsection~~

~~(b)(1) shall serve a term of three years.~~

~~(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~~



1 ~~provisions of subsection (d).~~

2 ~~(d) Appointments after expiration of initial term or upon~~  
3 ~~vacancy. Upon the expiration of a term of a member appointed~~  
4 ~~under this subsection or upon the happening of a vacancy of a~~  
5 ~~member appointed pursuant to subsection (c), the appointing~~  
6 ~~authority shall appoint a member subject to the following:~~

7 ~~(1) For an appointment under subsection (b)(1), the term~~  
8 ~~shall be for four years and until a successor is appointed~~  
9 ~~and qualified.~~

10 ~~(2) Terms for members appointed pursuant to subsection~~  
11 ~~(b)(2) shall expire on the third Tuesday of January of each~~  
12 ~~odd numbered year but such members shall continue to serve~~  
13 ~~until their successors are appointed and qualified.~~

14 ~~(3) No member shall serve more than two successive~~  
15 ~~terms.~~

16 ~~(4) An appointment to fill a vacancy shall be for the~~  
17 ~~remainder of the unexpired term.~~

18 ~~(e) Ex officio members. The Secretary of Revenue and the~~  
19 ~~Secretary of Agriculture shall serve on the board as nonvoting~~  
20 ~~ex officio members of the board.~~

21 ~~(f) Majority vote. A qualified majority of four of the five~~  
22 ~~members of the board shall be required for any action, including~~  
23 ~~the granting of any license to be issued by the board under this~~  
24 ~~chapter or the making of any order or the ratification of any~~  
25 ~~permissible act done or order made by one or more of the~~  
26 ~~members.~~

27 ~~(g) Background investigation. Appointees shall be subject~~  
28 ~~to a background investigation conducted by the Pennsylvania~~  
29 ~~State Police in accordance with section 9218(a) (relating to~~  
30 ~~enforcement) and submitted to the appointing authority.~~

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

2 ~~(1) Each member, at the time of appointment and during~~  
3 ~~the term of office, shall be a resident of this Commonwealth,~~  
4 ~~shall be not less than 25 years of age and shall have been a~~  
5 ~~qualified elector of this Commonwealth for a period of at~~  
6 ~~least one year immediately preceding appointment.~~

7 ~~(2) No person shall be appointed a member of the board~~  
8 ~~or hold any place, position or office under it if the person~~  
9 ~~holds any other appointive or elected office or party office~~  
10 ~~as defined in section 9212.3 (relating to public official~~  
11 ~~financial interest) in this Commonwealth or any of its~~  
12 ~~political subdivisions except ex officio members under this~~  
13 ~~section. Members appointed pursuant to this section shall~~  
14 ~~devote full time to their official duties.~~

15 ~~(3) No member shall hold any office or position, the~~  
16 ~~duties of which are incompatible with the duties of the~~  
17 ~~office as a member, or be engaged in any business, employment~~  
18 ~~or vocation for which the member shall receive any~~  
19 ~~remuneration, except as provided in this chapter.~~

20 ~~(4) No employee, appointee or official engaged in the~~  
21 ~~service of or in any manner connected with the board shall~~  
22 ~~hold any office or position, or be engaged in any employment~~  
23 ~~or vocation, the duties of which are incompatible with~~  
24 ~~employment in the service of or in connection with the work~~  
25 ~~of the board.~~

26 ~~(5) No member shall be paid or accept for any service~~  
27 ~~connected with the office any fee other than the salary and~~  
28 ~~expenses provided by law.~~

29 ~~(6) No member shall participate in any hearing or~~  
30 ~~proceeding in which the member has any direct or indirect~~

1     ~~pecuniary interest.~~

2             ~~(7) At the time of appointment, and annually thereafter,~~  
3     ~~each member shall disclose the existence of all security~~  
4     ~~holdings in any licensed entity or its affiliates held by~~  
5     ~~such member, his or her spouse and any minor or unemancipated~~  
6     ~~children and must either divest or place in a blind trust~~  
7     ~~such securities. A member may not acquire any further~~  
8     ~~security holdings in any licensed entity or its affiliates~~  
9     ~~during the member's tenure. As used in this section, "blind~~  
10    ~~trust" means a trust over which neither a member, a member's~~  
11    ~~spouse nor any minor or unemancipated child shall exercise~~  
12    ~~any managerial control and from which neither the member, a~~  
13    ~~member's spouse nor any minor or unemancipated child shall~~  
14    ~~receive any income from the trust during the member's tenure~~  
15    ~~of office. Such disclosure statement shall be filed with the~~  
16    ~~executive director of the board and with the appointing~~  
17    ~~authority for such member and shall be open to inspection by~~  
18    ~~the public at the office of the board during the normal~~  
19    ~~business hours of the board during the tenure of the member~~  
20    ~~and for two years after the member leaves office.~~

21            ~~(8) Every member, and every individual or official,~~  
22    ~~employed or appointed to office under, in the service of or~~  
23    ~~in connection with the work of the board is forbidden,~~  
24    ~~directly or indirectly, to solicit or request from, or to~~  
25    ~~suggest or recommend to any licensed entity, or to any~~  
26    ~~officer, attorney, agent or employee thereof, the appointment~~  
27    ~~of any individual to any office, place or position in or the~~  
28    ~~employment of any individual in any capacity by such licensed~~  
29    ~~entity.~~

30            ~~(9) Every member or employee appointed to office in the~~

1 ~~service of or in connection with the work of the board is~~  
2 ~~prohibited from accepting employment with any licensed entity~~  
3 ~~for a period of two years from the termination of service as~~  
4 ~~a member or employee, and every member is prohibited from~~  
5 ~~appearing before the board on behalf of any licensed entity~~  
6 ~~or other licensee or permittee of the board for a period of~~  
7 ~~two years after terminating employment or service with the~~  
8 ~~board.~~

9 ~~(10) If any person employed or appointed in the service~~  
10 ~~of the board violates any provision of this section, the~~  
11 ~~appointing authority or the board shall forthwith remove such~~  
12 ~~person from the office or employment, and such person shall~~  
13 ~~be ineligible for future employment or service with the~~  
14 ~~board.~~

15 ~~(11) No member or employee of the board shall wager or~~  
16 ~~be paid any prize from any wager at any slot machine at any~~  
17 ~~licensed facility within this Commonwealth or at any other~~  
18 ~~facility outside this Commonwealth.~~

19 ~~(i) Open proceedings and records. The proceedings of the~~  
20 ~~board shall be conducted in accordance with the provisions of 65~~  
21 ~~Pa.C.S. Ch. 7 (relating to open meetings). The board shall be an~~  
22 ~~agency for purposes of the act of June 21, 1957 (P.L.390,~~  
23 ~~No.212), referred to as the Right to Know Law. Notwithstanding~~  
24 ~~any provision of law to the contrary, any confidential document~~  
25 ~~relative to personal background information provided to the~~  
26 ~~board pursuant to this chapter and any deliberations thereof,~~  
27 ~~including disciplinary proceedings, may be considered in closed~~  
28 ~~executive session.~~

29 ~~(j) Compensation. The Executive Board shall establish the~~  
30 ~~compensation of the members appointed pursuant to this section.~~

1 ~~Members shall be reimbursed for all necessary and actual~~  
2 ~~expenses.~~

3 ~~(k) Chairman. Immediately after all initial members have~~  
4 ~~been appointed and duly qualified, and not before, the chairman~~  
5 ~~shall be elected by a majority of the members appointed.~~

6 ~~(l) Appointments. The appointing authorities shall make~~  
7 ~~their appointments within 60 days of the effective date of this~~  
8 ~~chapter.~~

9 ~~(m) Disclosure statements. Members and employees of the~~  
10 ~~board are subject to the provisions of 65 Pa.C.S. Ch. 11~~  
11 ~~(relating to ethics standards and financial disclosure) and the~~  
12 ~~act of July 19, 1957 (P.L.1017, No.451), known as the State~~  
13 ~~Adverse Interest Act.~~

14 ~~§ 9205. Board's powers.~~

15 ~~(a) General powers. The board shall be responsible to~~  
16 ~~ensure the integrity of the acquisition and operation of slot~~  
17 ~~machines and associated equipment at licensed facilities and~~  
18 ~~shall have jurisdiction over every aspect of the authorization~~  
19 ~~and operation of slot machines at licensed facilities. The board~~  
20 ~~shall employ an executive director, deputies, secretaries,~~  
21 ~~officers and agents as it may deem necessary, who shall serve at~~  
22 ~~the board's pleasure. The board shall also employ such other~~  
23 ~~employees as it deems appropriate whose duties shall be~~  
24 ~~prescribed by the board. Legal counsel for the board shall be~~  
25 ~~appointed by the board. The board shall be subject to the~~  
26 ~~provisions of the act of April 9, 1929 (P.L.177, No.175), known~~  
27 ~~as The Administrative Code of 1929, as to classification and~~  
28 ~~compensation for its employees and conduct its activities~~  
29 ~~consistent with the practices and procedures of Commonwealth~~  
30 ~~agencies. The board shall work to enhance the representation of~~

~~diverse groups in the operation of slot machine facilities in this Commonwealth and through the ownership and operation of business enterprises associated with or utilized by slot machine facility operators and through the provision of goods and services utilized by slot machine licensees under this chapter.~~

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

~~(1) To require background investigations on prospective or existing licensees and permittees under the jurisdiction of the board and shall enter into an agreement with the Pennsylvania State Police in cooperation with the Office of Attorney General to perform such background investigations. The agreement shall include reimbursement based on actual costs to the Pennsylvania State Police and the Office of Attorney General for such investigations.~~

~~(2) At its discretion, to issue, renew or deny issuance or renewal of slot machine licenses.~~

~~(3) At its discretion, issue, renew or deny issuance or renewal of a slot machine license under paragraph (2) of the definition of "slot machine license" in section 9203 (relating to definitions) without regard to the applicant's possession of a license under the Race Horse Industry Reform Act.~~

~~(4) At its discretion, to issue, renew or deny issuance or renewal of supplier and manufacturer licenses.~~

~~(5) At its discretion, to issue, renew or deny issuance or renewal of occupation permits.~~

~~(6) At its discretion, to issue, renew or deny issuance or renewal of any additional licenses or permits required by the board under this chapter or by regulation.~~

1           ~~(7) To require applicants for licenses and permits to~~  
2           ~~submit with their application a full set of fingerprints~~  
3           ~~which shall be submitted by the Pennsylvania State Police to~~  
4           ~~the Federal Bureau of Investigation for purposes of verifying~~  
5           ~~the identity of the applicants and obtaining records of~~  
6           ~~criminal arrests and convictions.~~

7           ~~(8) In addition to the power of the board regarding~~  
8           ~~license and permit applicants, to determine at its discretion~~  
9           ~~the suitability of any person who furnishes, or seeks to~~  
10           ~~furnish, to a slot machine licensee any services or property~~  
11           ~~related to slot machines and associated equipment at its~~  
12           ~~licensed facility or through any arrangements under which~~  
13           ~~that person receives payment based directly or indirectly on~~  
14           ~~earnings, profits or receipts from the slot machines and~~  
15           ~~associated equipment. The board may require any such person~~  
16           ~~to comply with the requirements of this chapter and the~~  
17           ~~regulations of the board or may prohibit the person from~~  
18           ~~furnishing such services or property.~~

19           ~~(9) As a board and through its designated officers,~~  
20           ~~employees or agents, to administer oaths, examine witnesses~~  
21           ~~and issue subpoenas to compel attendance of witnesses and~~  
22           ~~production of all relevant and material reports, books,~~  
23           ~~papers, documents and other evidence.~~

24           ~~(10) To promulgate regulations as the board deems~~  
25           ~~necessary to carry out the policy and purposes of this~~  
26           ~~chapter and to enhance the credibility and the integrity of~~  
27           ~~the licensed operation of slot machines and associated~~  
28           ~~equipment in this Commonwealth.~~

29           ~~(i) Notwithstanding any other provision of law to~~  
30           ~~the contrary and in order to facilitate the prompt~~

1 ~~implementation of this chapter, regulations promulgated~~  
2 ~~by the board during the first year following the~~  
3 ~~effective date of this chapter shall be deemed temporary~~  
4 ~~regulations which shall expire no later than two years~~  
5 ~~following the effective date of this chapter or upon~~  
6 ~~promulgation of regulations as generally provided by law.~~  
7 ~~The temporary regulations shall not be subject to:~~

8 ~~(A) Sections 201 through 205 of the act of July~~  
9 ~~31, 1968 (P.L.769, No.240), referred to as the~~  
10 ~~Commonwealth Documents Law.~~

11 ~~(B) The act of June 25, 1982 (P.L.633, No.181),~~  
12 ~~known as the Regulatory Review Act.~~

13 ~~(ii) Subparagraph (i) shall expire one year from the~~  
14 ~~effective date of this chapter. Regulations adopted after~~  
15 ~~the one year period shall be promulgated as provided by~~  
16 ~~law.~~

17 ~~(11) To levy and collect fees from the various~~  
18 ~~applicants, licensees and permittees to fund the operations~~  
19 ~~of the board. The fees shall be paid to the Treasury~~  
20 ~~Department through the Department of Revenue and deposited~~  
21 ~~into the State Gaming Fund. In addition to the fees set forth~~  
22 ~~in section 9206.1 (relating to slot machine license fee), the~~  
23 ~~board shall assess and collect fees as follows:~~

24 ~~(i) Supplier license applicants and supplier~~  
25 ~~licensees shall pay a fee of \$25,000 for the issuance of~~  
26 ~~a license and \$10,000 for the renewal of a supplier~~  
27 ~~license.~~

28 ~~(ii) Manufacturer license applicants and~~  
29 ~~manufacturer licensees shall pay a fee of \$50,000 for the~~  
30 ~~issuance of a license and \$20,000 for the renewal of a~~



1           ~~manufacturer license.~~

2           ~~(iii) Each application for a slot machine license, a~~  
3           ~~supplier license or a manufacturer license must be~~  
4           ~~accompanied by a nonrefundable fee of \$150 for each~~  
5           ~~individual requiring a background investigation. The~~  
6           ~~reasonable and necessary costs and expenses incurred in~~  
7           ~~any background investigation or other investigation or~~  
8           ~~proceeding concerning any applicant, licensee or~~  
9           ~~permittee shall be reimbursed to the board by those~~  
10          ~~persons.~~

11          ~~(12) To provide for the assessment and collection of~~  
12          ~~finances and penalties for violations of this chapter. All fines~~  
13          ~~and penalties shall be credited for deposit to the General~~  
14          ~~Fund. Two years following enactment of this chapter, the~~  
15          ~~board shall have the authority to increase each year any fee,~~  
16          ~~charge, cost or administrative penalty provided in this~~  
17          ~~chapter by an amount not to exceed an annual cost of living~~  
18          ~~adjustment calculated by applying the percentage change in~~  
19          ~~the Consumer Price Index for All Urban Consumers (CPI-U) for~~  
20          ~~the Pennsylvania, New Jersey, Delaware and Maryland area, for~~  
21          ~~the most recent 12 month period for which figures have been~~  
22          ~~officially reported by the United States Department of Labor,~~  
23          ~~Bureau of Labor Statistics, immediately prior to the date the~~  
24          ~~adjustment is due to take effect.~~

25          ~~(13) To deny renewal, revoke or suspend any license or~~  
26          ~~permit provided for in this chapter if the board finds that a~~  
27          ~~licensee or permittee under this chapter, its officers,~~  
28          ~~employees or agents have failed to comply with the provisions~~  
29          ~~of this chapter or the rules and regulations of the board and~~  
30          ~~that it would be in the public interest to deny renewal,~~

1 ~~revoke or suspend the license or permit.~~

2 ~~(14) To restrict access to confidential information in~~  
3 ~~the possession of the board which has been obtained under~~  
4 ~~this chapter and ensure that the confidentiality of~~  
5 ~~information is maintained and protected. Records shall be~~  
6 ~~retained for seven years.~~

7 ~~(15) To prescribe and require periodic financial~~  
8 ~~reporting and internal control requirements for all licensed~~  
9 ~~entities.~~

10 ~~(16) To require that each licensed entity provide to the~~  
11 ~~board its audited annual financial statements, with such~~  
12 ~~additional detail as the board, from time to time, shall~~  
13 ~~require which information shall be submitted not later than~~  
14 ~~90 days after the end of the licensee's fiscal year.~~

15 ~~(17) To prescribe the procedures to be followed by slot~~  
16 ~~machine licensees for any financial event that occurs in the~~  
17 ~~operation of slot machines.~~

18 ~~(18) To prescribe criteria and conditions for the~~  
19 ~~operation of slot machine progressive systems.~~

20 ~~(19) To enforce hours for the operation of slot machines~~  
21 ~~so that slot machine licensees may operate slot machines on~~  
22 ~~any day during the year for up to 24 hours per day.~~

23 ~~(20) To require that each licensed corporation and slot~~  
24 ~~machine licensee prohibit persons under 21 years of age from~~  
25 ~~operating or using slot machines.~~

26 ~~(21) To establish procedures for the inspection and~~  
27 ~~certification of compliance of each slot machine prior to~~  
28 ~~being placed into use by a slot machine licensee. No slot~~  
29 ~~machine may be set to pay out less than 75% or more than 96%~~  
30 ~~of all wagers on an average annual basis unless specifically~~

1 ~~approved otherwise by the board, provided the average payout~~  
2 ~~during any calendar year of all slot machines at each~~  
3 ~~licensed facility shall be not less than 87% and not more~~  
4 ~~than 96%.~~

5 ~~(22) To grant at its discretion, approval for a slot~~  
6 ~~machine licensee to install and operate up to 2,000~~  
7 ~~additional slot machines at its licensed facility, beyond~~  
8 ~~those machines authorized under section 9207(b)(3) (relating~~  
9 ~~to slot machine license application), upon application by the~~  
10 ~~slot machine licensee. The board, in considering such an~~  
11 ~~application, shall take into account the appropriateness of~~  
12 ~~the physical space where the additional slot machines will be~~  
13 ~~placed, the level of demand for such additional slot machines~~  
14 ~~and the convenience of the public attending the facility. The~~  
15 ~~board may also take into account the potential benefit to~~  
16 ~~economic development and tourism, enhanced revenues to the~~  
17 ~~Commonwealth and such other economic indicators it deems~~  
18 ~~applicable in making its decision.~~

19 ~~(23) Require the slot machine licensee to have a~~  
20 ~~computer connected to all slot machines and associated~~  
21 ~~equipment to record and monitor the activities of the~~  
22 ~~devices. No slot machine shall be operated unless it is~~  
23 ~~online and communicating to a computer monitoring or control~~  
24 ~~system approved by the board after consultation with the~~  
25 ~~department. The computer monitoring or control system shall~~  
26 ~~provide online, real time monitoring or controlling and~~  
27 ~~encrypted data acquisition capability in a format and media~~  
28 ~~approved by the board after consultation with the department.~~  
29 ~~The licensee's system shall include a dedicated computer~~  
30 ~~monitoring or controlling line providing computer interface~~

1 ~~to the board and the department to allow independent~~  
2 ~~monitoring or controlling, reviewing and recording of data~~  
3 ~~identical to that specified in section 9208(b)(3) (relating~~  
4 ~~to slot machine accounting controls and audits). Eighteen~~  
5 ~~months after the effective date of this chapter the board~~  
6 ~~shall report to the Governor and the General Assembly~~  
7 ~~concerning the security, integrity, effectiveness,~~  
8 ~~reliability and accuracy of the computer monitoring or~~  
9 ~~controlling system together with any recommended changes~~  
10 ~~deemed appropriate by the board.~~

11 ~~(24) To develop and implement an affirmative action plan~~  
12 ~~to assure that all persons are accorded equality of~~  
13 ~~opportunity in employment, and contracting by the board, its~~  
14 ~~contractors, subcontractors, assignees, lessees, agents,~~  
15 ~~vendors and suppliers.~~

16 ~~(c) Reports. The following reports shall be required~~  
17 ~~annually:~~

18 ~~(1) Eighteen months after the effective date of this~~  
19 ~~chapter and every year on that date thereafter, the board~~  
20 ~~shall issue a report to the Governor and the General Assembly~~  
21 ~~on the general operation of the board and each slot machine~~  
22 ~~licensee during the previous year, including, but not limited~~  
23 ~~to, all taxes, fees, fines and other revenues collected and,~~  
24 ~~where appropriate, disbursed, the costs of operation of the~~  
25 ~~board, all hearings conducted and the results thereof and~~  
26 ~~other information that the board deems necessary and~~  
27 ~~appropriate.~~

28 ~~(2) No later than March 15 after the effective date of~~  
29 ~~this chapter and every year thereafter, the Legislative~~  
30 ~~Budget and Finance Committee shall issue a report to the~~

1 ~~General Assembly analyzing the impact, if any, of this~~  
2 ~~chapter on the State Lottery.~~

3 ~~(3) It is the intent and goal of the General Assembly~~  
4 ~~that the board works to promote and ensure diversity in all~~  
5 ~~aspects of the gaming activities authorized under this~~  
6 ~~chapter. Therefore, to ensure that the goal of diversity is~~  
7 ~~achieved, in addition to its powers and duties under the act~~  
8 ~~of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code,~~  
9 ~~the Auditor General is authorized to investigate and conduct~~  
10 ~~a study to ascertain whether the board has taken effective~~  
11 ~~and meaningful action which has or will enhance the~~  
12 ~~representation of diverse groups in the operation and~~  
13 ~~ownership of slot machine facilities in this Commonwealth,~~  
14 ~~through the ownership and operation of business enterprises~~  
15 ~~associated with or utilized by slot machine licensees,~~  
16 ~~through the provision of goods and services utilized by slot~~  
17 ~~machine licensees and through employment opportunities. The~~  
18 ~~study shall be completed by December 31, 2005, and shall~~  
19 ~~contain recommendations which the Auditor General determines~~  
20 ~~appropriate. Any expenses that the Auditor General incurs in~~  
21 ~~carrying out the requirements of this paragraph shall be~~  
22 ~~reimbursed by the board.~~

23 ~~§ 9205.1. Applications for license or permit.~~

24 ~~(a) Applications. An application for a license or permit to~~  
25 ~~be issued by the board shall be submitted on a form and in a~~  
26 ~~manner as shall be required by the board. In reviewing~~  
27 ~~applications, the board shall confirm that the applicable~~  
28 ~~license or permit fees have been paid in accordance with this~~  
29 ~~chapter.~~

30 ~~(b) Completeness of applications. The board shall not~~

~~consider an incomplete application and shall notify the applicant in writing if an application is incomplete. An application shall be considered incomplete if it does not include a current, at the time of filing the application, tax lien certificate issued by the department. Any unpaid taxes identified on the tax lien certificate shall be paid before the application is considered complete. A notification of incompleteness shall state the deficiencies in the application that must be corrected prior to consideration of the merits of the application.~~

~~(c) Adverse litigation. Notwithstanding any law to the contrary, the board, the State Harness Racing Commission and the State Horse Racing Commission shall not consider any application for a license if the applicant or any person affiliated with or directly related to the applicant is a party in any ongoing civil proceeding in which the party is seeking to overturn or otherwise challenge a decision or order of the board, the State Harness Racing Commission or the State Horse Racing Commission, pertaining to an issuance of a license to conduct thoroughbred or harness horse race meetings respectively with pari mutuel wagering.~~

~~§ 9206. Authorized slot machine licenses.~~

~~(a) Eligibility. A licensed corporation shall be eligible to apply for a slot machine license and, upon approval, to place and operate slot machines at a licensed facility if the licensed corporation meets one of the following:~~

~~(1) (i) the licensed corporation or its predecessor owner of the licensed racetrack has conducted live horse races for no less than two years immediately preceding the effective date of this chapter; or~~

~~(ii) a licensed corporation that has not previously conducted live racing at a racetrack and will successfully conduct live racing for a minimum of 100 days within 365 days of the approval of its slot machine license for the racetrack. Failure to meet the required minimum number of days in the first year of licensure will result in immediate suspension of the slot machine license, pending further board review.~~

~~(2) The licensed corporation is applying for a license under paragraph (2) of the definition of "slot machine license" in section 9203 (relating to definitions).~~

~~(a.1) Required racing days. Except as provided in subsection (a)(1)(ii), a licensed corporation must conduct live racing at the racetrack for at least 100 days per calendar year, for each license held by the licensed corporation pursuant to the Race Horse Industry Reform Act. If a racing day is canceled by a licensed corporation for reasons beyond its control, the appropriate commission shall grant the licensed corporation the right to conduct that racing day in the same or next ensuing calendar year. The purse for that racing day shall not be used for the purse of other scheduled racing days of that calendar year and must be used for the purse of such rescheduled day.~~

~~(b) Limitations. The issuance of a slot machine license to a licensed corporation shall entitle the licensee to operate slot machines only in the grandstand area or a building or structure contiguous to the grandstand area of the racetrack. A contiguous building or structure is a nearby building or structure connected to the racetrack by a covered walkway or like structure as approved by the board. However, when a licensed corporation or its predecessor owner of the licensed~~

1 ~~racetrack has conducted live horse races for no less than two~~  
2 ~~years immediately preceding the effective date of this chapter,~~  
3 ~~the licensed corporation or its predecessor owner of the~~  
4 ~~licensed racetrack shall not be subject to this requirement for~~  
5 ~~a two year period from the effective date of this chapter and~~  
6 ~~may seek approval from the board to extend this period for an~~  
7 ~~additional two years. The slot machine licensee shall have its~~  
8 ~~slot machines operational and available for play within one year~~  
9 ~~of being granted a license, unless otherwise extended, for a~~  
10 ~~period not to exceed two years, by the board, for extraordinary~~  
11 ~~circumstances.~~

12 ~~(c) Authorization. Authorization for a licensed corporation~~  
13 ~~to continue the operation of slot machines shall be limited to~~  
14 ~~those slot machine licensees that:~~

15 ~~(1) Have a written live racing agreement with a~~  
16 ~~horsemen's organization representing a majority of owners and~~  
17 ~~trainers at the racetrack where the licensed corporation~~  
18 ~~conducts racing dates.~~

19 ~~(2) Have 95% of the total number of horse or harness~~  
20 ~~racing days that were scheduled in 1986 by it or its~~  
21 ~~predecessor at the racetrack where the licensed corporation~~  
22 ~~conducts racing dates. A newly licensed corporation which~~  
23 ~~opens a new racetrack and schedules a minimum of 100 days of~~  
24 ~~live racing in the initial year of operation shall be allowed~~  
25 ~~to operate slot machines, intrastate and interstate simulcast~~  
26 ~~in accordance with the Race Horse Industry Reform Act, from~~  
27 ~~the first day of the calendar year in which it has been~~  
28 ~~granted racing days.~~

29 ~~(3) Unless the horsemen's organization representing a~~  
30 ~~majority of the owners and trainers consents to a lower~~



~~number of required racing days at the racetrack, subject to actions or activities beyond the control of the licensee conduct not fewer than eight live races per race date during each meet at the racetrack where the licensed corporation conducts racing dates, except for thoroughbred tracks on the day designated as breeder's cup event day, when the racetrack shall hold a minimum of five live races. The licensed corporation shall not waive or modify the provisions pertaining to the required number of racing days under paragraph (2) and races per day scheduled in this subsection without the consent of the horsemen's association representing a majority of owners and trainers at the racetrack.~~

~~(4) Notwithstanding the provisions of paragraph (1), in the event that a written live racing agreement has not been entered into, permission for any licensee to operate slot machines and racetracks shall be granted provided that the licensed corporation has continued to conduct live racing in accordance with paragraphs (2) and (3) and keeps its racetrack open to the general population of owners, trainers and horses stabled there for training and stabling on a regular basis and during such periods, when it is normally open for live racing and during such periods, and continues to comply with all provisions of the most recently expired live racing agreement, including recognition of the then existing horsemen's association at each such racetrack as the sole representative of the horsemen at that time, and pays purses as defined in the most recently expired live racing agreement plus the applicable purse revenue for operating a slot machine under this section.~~

~~(d) Temporary facility. A licensed corporation which has operated a pari mutuel racing facility for at least two years before the effective date of this chapter and which has been granted a license pursuant to this section may operate the slot machines in a temporary facility consistent with subsection (b). In the case of a newly licensed corporation, the board may approve the use of a temporary facility only if the licensed corporation has scheduled and will successfully conduct a minimum of 50 days of live racing in the initial full calendar year of operation from the first day of the full calendar year in which it has been granted authority to conduct horse racing with pari mutuel wagering. However, an extension of up to an additional two years may be granted by the board upon a showing by the licensed corporation that it has been proceeding in good faith to meet the minimum 50 day live racing agreement and that it has the consent of the horsemen's organizations representing a majority of owners and trainers at the racetrack.~~

~~(e) Prohibition. No applicant, including directors, owners and key employees, that has been convicted, in any jurisdiction, of a felony, crime of moral turpitude or gambling offense may be issued a slot machine license under this chapter.~~

~~(f) Credit. Slot machine licensees may not extend credit but may cash personal or bank checks in compliance with the regulations of the board. Slot machine licensees may not accept credit cards, charge cards or debit cards from a player for the exchange or purchase of slot machine credits or for an advance of coins or currency to be utilized by a player to play slot machine games or extend credit, in any manner, to a player so as to enable the player to play a slot machine.~~

~~(g) Additional condition for grant of slot machine license~~

1 ~~to licensed corporation. The following shall apply:~~

2 ~~(1) As a mandatory condition for eligibility to receive~~  
3 ~~a slot machine license to place and operate slot machines at~~  
4 ~~a racetrack where races have been conducted under multiple~~  
5 ~~live horse racing licenses at any time during the two years~~  
6 ~~prior to the effective date of this chapter, the licensed~~  
7 ~~corporations which have conducted the races at that racetrack~~  
8 ~~shall immediately return all licenses to conduct such racing,~~  
9 ~~in excess of one license as determined by the affected~~  
10 ~~licensed corporations at that racetrack, to the State Horse~~  
11 ~~Racing Commission or the State Harness Racing Commission, as~~  
12 ~~applicable, within 60 days after the effective date of this~~  
13 ~~chapter, unless otherwise extended by the board for good~~  
14 ~~cause shown, but in no event for more than six months.~~

15 ~~(2) Notwithstanding the provisions of the Race Horse~~  
16 ~~Industry Reform Act, the return of any license pursuant to~~  
17 ~~paragraph (1) shall not reduce:~~

18 ~~(i) The number of authorized racing days in any~~  
19 ~~calendar year which are or may be allocated to the~~  
20 ~~racetrack by virtue of the returned license.~~

21 ~~(ii) The number of nonprimary locations for pari-~~  
22 ~~mutuel wagering available to the racetrack by virtue of~~  
23 ~~the returned licenses.~~

24 ~~(3) All rights and privileges, including the ownership~~  
25 ~~and operation of nonprimary facilities and all contractual~~  
26 ~~rights and obligations of all types, shall be and become, by~~  
27 ~~operation of law and without further act, deed, order or~~  
28 ~~finding by the State Horse Racing Commission or the State~~  
29 ~~Harness Racing Commission, the rights and privileges of the~~  
30 ~~corporation owning the license remaining at the racetrack.~~

1           ~~(4) Compliance with the live racing provisions of this~~  
2           ~~section by the licensee holding the remaining license shall~~  
3           ~~be deemed to be compliance by the remaining license and the~~  
4           ~~returned license with the live racing requirements of~~  
5           ~~sections 216(a), 218 and 234 of the Race Horse Industry~~  
6           ~~Reform Act.~~

7           ~~(5) The State Horse Racing Commission or the State~~  
8           ~~Harness Racing Commission shall permanently retire the first~~  
9           ~~two thoroughbred licenses returned to either commission~~  
10          ~~pursuant to this subsection as of the date of the return. If~~  
11          ~~the State Horse Racing Commission or the State Harness Racing~~  
12          ~~Commission subsequently receives any additional licenses from~~  
13          ~~a licensed corporation following the return of the first two~~  
14          ~~licenses retired pursuant to this subsection, the applicable~~  
15          ~~commission may reissue such licenses.~~

16          ~~(h) Issuance of license. The issuance of a license under~~  
17          ~~paragraph (2) of the definition of "slot machine license" in~~  
18          ~~section 9203 to a licensed corporation or other person shall~~  
19          ~~entitle the licensee to operate slot machines, as determined by~~  
20          ~~the board, at a single location in a city of the first class, at~~  
21          ~~a single location in a city of the second class or at a single~~  
22          ~~location in an area which includes a city of the second class~~  
23          ~~and which is defined by the Bureau of the Census as a~~  
24          ~~metropolitan statistical area. The following apply:~~

25                 ~~(1) Except as set forth in paragraph (2), a licensee~~  
26                 ~~under this paragraph shall have its slot machines operational~~  
27                 ~~and available for play within two years of being granted a~~  
28                 ~~license.~~

29                 ~~(2) The board may for good cause extend the time period~~  
30                 ~~under paragraph (1) for a period not to exceed two years.~~

~~(i) Maximum number of slot machine licenses. The board may issue 11 slot machine licenses pursuant to this chapter. Under no circumstances shall any additional slot machine licenses be issued or permitted under this chapter or any other provision of law.~~

~~§ 9206.1. Slot machine license fee.~~

~~(a) Imposition. Subject to the requirements of subsection (b), the board shall impose a one time slot machine license fee to be paid by each successful applicant in an amount of \$50,000,000.~~

~~(b) Term. A slot machine license, after payment of the fee, shall be in effect unless rescinded by the board upon good cause consistent with the license requirements as provided for in this chapter. The license of a licensee in good standing shall be updated and renewed annually. As to the renewal of a license, no additional license fee pursuant to subsection (a) shall be required.~~

~~(c) Credit against tax for slot machine licensees. If the rate of tax imposed by section 9214 (relating to net slot machine revenue distribution and establishment of State Gaming Fund) is increased at any time during the term of a slot machine license, the slot machine licensee shall be entitled to a credit against the tax equal to the difference between the tax calculated at the rate when the license was issued and the tax calculated at the increased rate. This credit shall be applied on a dollar for dollar basis as and when the tax is payable as set forth in section 9214, but shall not extend beyond the ten-year period following the issuance of the license. The aggregate amount of all credits granted shall not exceed the amount of the licensing fee paid by the licensee. The department shall enter~~

~~into a contract with each slot machine licensee setting forth the terms and conditions of this credit and the provisions of subsection (d).~~

~~(d) Deposit of license fee. The total amount of all license fees imposed and collected by the board under this section shall be deposited in the State Gaming Fund.~~

~~(e) Change of ownership or control of a license. In the event that any slot machine license is transferred pursuant to section 9212.2 (relating to change in ownership of slot machine licensee), the transferee shall be entitled to the full remaining amount of the credit set forth in subsection (c) or the complete return of the license fee set forth in subsection (d) as if the transferee license was the original licensee.~~

~~§ 9207. Slot machine license application.~~

~~(a) Application. Any person which meets the requirements of section 9206 (relating to authorized slot machine licenses) or that desires to install additional slot machines pursuant to section 9205(b)(25) (relating to board's powers) at its licensed facility shall file an application with the board in such form as shall be prescribed by the board. Only one slot machine license shall be granted per licensed facility.~~

~~(b) Requirements. The application for a slot machine license shall include, but not be limited to:~~

~~(1) The name and address of the applicant, a list of all directors and owners and a list of key employees and their positions within the corporation or organization, as well as any financial information required by the board.~~

~~(2) The proposed location of the slot machine areas pursuant to section 9206(b).~~

~~(3) The number of slot machines requested. A successful~~

1 ~~applicant shall receive approval by the board for the~~  
2 ~~operation of up to 3,000 slot machines at any one licensed~~  
3 ~~facility, and shall be required to operate a minimum of 1,500~~  
4 ~~machines at any one licensed facility within one year of~~  
5 ~~operation, except as provided in section 9206.~~

6 ~~(4) In those instances where additional slot machines~~  
7 ~~are being requested, the justification and explanation for~~  
8 ~~the number and location of the slot machine areas within the~~  
9 ~~confines of the licensed facility.~~

10 ~~(5) The current status of the licensed corporation's~~  
11 ~~Pennsylvania racing license issued pursuant to the Race Horse~~  
12 ~~Industry Reform Act, if any.~~

13 ~~(6) Details of any slot machine or casino license~~  
14 ~~granted or denied to the applicant by other jurisdictions~~  
15 ~~where such form of gaming is legal.~~

16 ~~(7) Details of any loans not obtained from a financial~~  
17 ~~institution.~~

18 ~~(8) A statement that the applicant has complied with~~  
19 ~~the requirements of section 9206(g).~~

20 ~~(9) Any other information determined to be appropriate~~  
21 ~~by the board.~~

22 ~~§ 9208. Slot machine accounting controls and audits.~~

23 ~~(a) Approval. Except as otherwise provided by this chapter,~~  
24 ~~each applicant which desires to install and operate slot~~  
25 ~~machines at its licensed facility shall, in addition to~~  
26 ~~obtaining a slot machine license, obtain approval from the board~~  
27 ~~in consultation with the department of its proposed internal~~  
28 ~~control systems and audit protocols prior to the installation~~  
29 ~~and operation of slot machines.~~

30 ~~(b) Minimum requirements. At a minimum, the applicant's or~~

1 ~~person's proposed internal controls and audit protocols shall:~~

2 ~~(1) Safeguard its assets and revenues, including, but~~  
3 ~~not limited to, the recording of cash and evidences of~~  
4 ~~indebtedness related to the slot machines.~~

5 ~~(2) Provide for reliable records, accounts and reports~~  
6 ~~of any financial event that occurs in the operation of a slot~~  
7 ~~machine, including reports to the board related to the slot~~  
8 ~~machines.~~

9 ~~(3) Ensure, as provided in section 9208.1 (relating to~~  
10 ~~central monitoring system), that all slot machines within~~  
11 ~~each licensed facility are directly connected to each~~  
12 ~~licensed facility's computer site system which shall provide~~  
13 ~~details of any financial event that occurs in the operation~~  
14 ~~of a slot machine, including, but not limited to, coin in,~~  
15 ~~coin out, jackpots, machine door openings and power failures.~~

16 ~~(4) Provide for accurate and reliable financial records.~~

17 ~~(5) Ensure any financial event that occurs in the~~  
18 ~~operation of a slot machine is performed only in accordance~~  
19 ~~with the management's general or specific authorization.~~

20 ~~(6) Ensure that any financial event that occurs in the~~  
21 ~~operation of a slot machine is recorded adequately to permit~~  
22 ~~proper and timely reporting of gross revenue and the~~  
23 ~~calculation thereof and of fees and taxes and to maintain~~  
24 ~~accountability for assets.~~

25 ~~(7) Ensure that access to assets is permitted only in~~  
26 ~~accordance with management's specific authorization.~~

27 ~~(8) Ensure that recorded accountability for assets is~~  
28 ~~compared with actual assets at reasonable intervals and~~  
29 ~~appropriate action is taken with respect to any~~  
30 ~~discrepancies.~~



~~(9) Ensure that all functions, duties and responsibilities are appropriately segregated and performed in accordance with sound financial practices by competent, qualified personnel.~~

~~(c) Internal control. Each person that applies for a slot machine license at its licensed facility shall submit to the board, in such manner as the board shall require, a description of its administrative and accounting procedures in detail, including its written system of internal control. Each written system shall include:~~

~~(1) Records of direct and indirect ownership in a licensed corporation or other person.~~

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

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

~~(4) A detailed narrative description of the administrative and accounting procedures designed to satisfy the requirements of subsection (a).~~

~~(5) Record retention policy.~~

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

~~(7) A statement signed by the chief financial officer of the licensed corporation or other person and the chief executive officer of the licensed corporation or other person attesting that the officer believes, in good faith, that the system satisfies the requirements of this section.~~

~~(8) Any other item that the board may require.~~

~~§ 9208.1. Central monitoring system or central control system.~~

~~(a) General rule. To facilitate the auditing and security~~

1 ~~programs critical to the integrity of slot machine gaming in~~  
2 ~~this Commonwealth, the board shall have overall control of slot~~  
3 ~~machines and all slot machine terminals shall be linked to a~~  
4 ~~computer monitoring or control system under the control of the~~  
5 ~~board to provide auditing program information as approved by the~~  
6 ~~board and shall include real time information retrieval and~~  
7 ~~terminal activation and disable programs. The computer~~  
8 ~~monitoring or control system selected and employed by the board~~  
9 ~~shall not limit or favor the participation of a vendor or~~  
10 ~~manufacturer of a slot machine as a result of the cost or~~  
11 ~~difficulty of implementing the necessary program modifications~~  
12 ~~to communicate with and link to the computer monitoring or~~  
13 ~~control system. The computer monitoring or control system and~~  
14 ~~all associated contractors shall be selected in accordance with~~  
15 ~~the Commonwealth's procurement requirements and procedures. The~~  
16 ~~computer monitoring system selected and employed by the board~~  
17 ~~shall provide:~~

18       ~~(1) A fully operational Statewide slot machine control~~  
19       ~~system that has the capability of supporting up to 55,000~~  
20       ~~slot machines as may be required, and technology upgrades~~  
21       ~~necessary to maintain a fully operational and proper~~  
22       ~~reporting capability for a period of ten years.~~

23       ~~(2) The employment of a widely accepted gaming industry~~  
24       ~~protocol to facilitate slot machine manufacturers' ability to~~  
25       ~~communicate with the system.~~

26       ~~(3) The delivery of a system that has the capability to~~  
27       ~~support in house and wide area progressive slot machines as~~  
28       ~~approved by the board.~~

29       ~~(4) The delivery of a system that allows the slot~~  
30       ~~machine licensee to install independent player tracking~~

1 ~~systems, to include cashless technology as approved by the~~  
2 ~~board.~~

3 ~~(5) The delivery of a system that does not alter the~~  
4 ~~statistical awards of games, as designed by the game~~  
5 ~~manufacturer and approved by the board.~~

6 ~~(6) Any other capabilities as determined by the board.~~

7 ~~(b) Personal information. Neither the central monitoring~~  
8 ~~computer or central control system nor a central site computer~~  
9 ~~at a licensed facility shall provide for the monitoring or~~  
10 ~~reading of personal or financial information concerning a patron~~  
11 ~~of a slot machine facility.~~

12 ~~(c) Solicitation of multiple bids. Notwithstanding any~~  
13 ~~other provision of law to the contrary and in order to~~  
14 ~~facilitate the prompt implementation of this chapter, for~~  
15 ~~initial contracts entered into by the board or department for a~~  
16 ~~computer monitoring or control system, including any necessary~~  
17 ~~computer hardware, software, licenses or related services shall~~  
18 ~~not be subject to the provisions of 62 Pa.C.S. (relating to~~  
19 ~~procurement). The board and the department shall solicit~~  
20 ~~multiple bids. The board and department shall provide written~~  
21 ~~justification for the selection of successful vendors. Contracts~~  
22 ~~made pursuant to the provisions of this section shall not exceed~~  
23 ~~five years.~~

24 ~~(d) Prohibition. A supplier and/or manufacturer is~~  
25 ~~prohibited from bidding, participating or acting in any manner~~  
26 ~~with respect to the central monitoring system.~~

27 ~~§ 9208.2. Protocol information.~~

28 ~~The board shall provide, in advance of the operation of a~~  
29 ~~monitoring or control system, to a slot machine supplier or~~  
30 ~~manufacturer the protocol documentation data necessary to enable~~

~~the respective slot machine supplier's or manufacturer's slot machine terminals to communicate with the board's monitoring or control system for the purpose of transmitting auditing program information and for activating and disabling of slot machine terminals.~~

~~§ 9209. Supplier and manufacturer licenses.~~

~~(a) Application. Any person seeking to provide slot machines or associated equipment to a slot machine licensee within this Commonwealth or to manufacture slot machines for use in this Commonwealth shall apply to the board for either a supplier or manufacturer license. No slot machine licensee shall enter into any sale, lease, contract or any other type of agreement providing slot machines, parts or associated equipment for use or play with any person other than a supplier or manufacturer licensed pursuant to this section.~~

~~(b) Requirements. The application for a supplier or manufacturer license shall include, but not be limited to:~~

~~(1) The name and business address of the directors and owners and a list of employees and their positions within the business, as well as any financial information required by the board.~~

~~(2) Consent to a background investigation of the applicant.~~

~~(3) Details of any equivalent license granted or denied by other jurisdictions where gaming activities are permitted.~~

~~(4) The type of goods and services to be supplied or manufactured and whether those goods and services will be provided through purchase, lease, contract, or otherwise.~~

~~(5) Any other information determined by the board to be appropriate.~~

~~§ 9210. Occupation permit and applications.~~

~~(a) Application. Any person who desires to be a gaming employee shall apply to the board for an occupation permit. A person may not be employed as a gaming employee unless, and until, the person holds an appropriate occupation permit issued under this section. The board may promulgate regulations to reclassify a category of nongaming employees or gaming employees upon a finding that the reclassification is in the public interest and consistent with this chapter's objectives.~~

~~(b) Requirements. The application for an occupation permit shall include, but not be limited to:~~

~~(1) The name and home address of the person.~~

~~(2) The previous employment history of the person.~~

~~(3) Any criminal history record of the person, as well as consent for the Pennsylvania State Police to conduct an investigation into the individual's criminal history record and provide the same to the board.~~

~~(4) The nature and scope of the proposed duties of the person, if known.~~

~~(5) Details of any occupation permit or similar license granted or denied to the applicant in other jurisdictions.~~

~~(6) Any other information determined by the board to be appropriate.~~

~~(c) Prohibition. No slot machine licensee may employ or permit any person under 18 years of age to render any service whatsoever in any area of its licensed facility at which slot machines are located.~~

~~§ 9210.1. Slot machine license application character requirements.~~

~~Every application for a slot machine license issued by the~~

1 ~~board shall include such information, documentation and~~  
2 ~~assurances as may be required to establish by clear and~~  
3 ~~convincing evidence the applicant's good character, honesty and~~  
4 ~~integrity. Such information, shall include, without limitation,~~  
5 ~~information pertaining to family, habits, character, reputation,~~  
6 ~~criminal and arrest record, business activities, financial~~  
7 ~~affairs and business, professional and personal associates,~~  
8 ~~covering at least the ten year period immediately preceding the~~  
9 ~~filing of the application. Each applicant shall notify the board~~  
10 ~~of any civil judgments obtained against any such applicant~~  
11 ~~pertaining to antitrust or security regulation laws of the~~  
12 ~~Federal Government, this Commonwealth or any other state,~~  
13 ~~jurisdiction, province or country. In addition, each applicant~~  
14 ~~shall produce a letter of reference from law enforcement~~  
15 ~~agencies having jurisdiction in the applicant's place of~~  
16 ~~residence and principal place of business, which letter of~~  
17 ~~reference shall indicate that such law enforcement agencies do~~  
18 ~~not have any pertinent information concerning the applicant or,~~  
19 ~~if such law enforcement agency does have information pertaining~~  
20 ~~to the applicant, shall specify what that information is. If the~~  
21 ~~applicant has held a gaming license in a jurisdiction where~~  
22 ~~gaming activities are permitted, the applicant shall produce a~~  
23 ~~letter of reference from the gaming or casino enforcement or~~  
24 ~~control agency which shall specify the experiences of such~~  
25 ~~agency with the applicant, his associates and his gaming~~  
26 ~~operation, provided, however, that if no such letters are~~  
27 ~~received within 30 days of the request, the applicant may submit~~  
28 ~~a statement under oath that he is or was during the period such~~  
29 ~~activities were conducted in good standing with such gaming or~~  
30 ~~casino enforcement or control agency.~~

~~§ 9210.2. Slot machine license application financial fitness requirements.~~

~~(a) Applicant financial information. The board shall require each applicant for a slot machine license to produce such information, documentation and assurances concerning financial background and resources as it deems necessary to establish by a preponderance of evidence the financial stability, integrity and responsibility of the applicant, including, but not limited to, bank references, business and personal income and disbursement schedules, tax returns and other reports filed with governmental agencies, and business and personal accounting and check records and ledgers. In addition, each applicant shall, in writing, authorize the examination of all bank accounts and records as may be deemed necessary by the board.~~

~~(b) Financial backer information. The board shall require each applicant for a slot machine license to produce such information, documentation and assurances as may be necessary to establish by clear and convincing evidence of the integrity of all financial backers, investors, mortgagees, bondholders, and holders of indentures, notes or other evidences of indebtedness, either in effect or proposed. However, this section shall not apply to banking or other licensed lending institutions and institutional investors which are waived from the qualification requirements. Any such banking or lending institution or institutional investor shall, however, produce for the board upon request any document or information which bears any relation to the proposal submitted by the applicant or applicants. The integrity of financial sources shall be judged upon the same standards as the applicant. Any such individual or~~

~~entity shall produce for the board upon request any document or information which bears any relation to the application. In addition, the applicant shall produce whatever information, documentation or assurances the board requires to establish by a preponderance of evidence the adequacy of financial resources.~~

~~(c) Applicant's business experience. The board shall require each applicant for a slot machine license to produce such information, documentation and assurances as the board may require to establish by a preponderance of evidence that the applicant has sufficient business ability and experience to create and maintain a successful, efficient operation. Applicants shall produce the names of all proposed key employees and a description of their respective or proposed responsibilities as they become known.~~

~~§ 9211. Additional licenses and permits; approval of agreements.~~

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

~~(1) The person transacts business within this Commonwealth with a slot machine licensee as a ticket purveyor, tour operator, operator of a bus trip program or operator of any other type of travel program or promotional business related to slot machines. The board may also review, order modification and approve, at its discretion, proposed tours, bus routes and travel programs.~~

~~(2) The person is presently not otherwise required to be licensed under this chapter and provides any goods, property~~



~~or services for compensation to a slot machine licensee  
related to slot machines at the licensed facility.~~

~~(b) Agreement. Any agreement to conduct business within  
this Commonwealth between a person and a slot machine licensee  
relating to slot machines or associated equipment is subject to  
the approval of the board. Every agreement shall be in writing  
and include a provision for its termination without liability on  
the part of the slot machine licensee upon a finding by the  
board that the agreement is not approved or that it is  
terminated. Failure to expressly include this condition in the  
agreement is not a defense in any action brought under this  
section relating to the termination of the agreement.~~

~~§ 9212. License or permit issuance.~~

~~(a) Issuance. Any licensed corporation, supplier,  
manufacturer, gaming employee or other person that the board  
determines is qualified to receive a license or a permit under  
this chapter may be issued a license or permit upon the payment  
of any fee required. Nothing contained in this chapter is  
intended or shall be construed to create an entitlement to a  
license by any licensed corporation or person. The board shall,  
in its sole discretion, grant or deny a slot machine license  
based upon the requirements of this chapter, whether the  
issuance of a license will enhance tourism, economic  
development, job creation, is in the best interests of the  
Commonwealth and advances the purposes of this act.~~

~~(b) Eligibility. A license or permit shall not be granted  
or renewed unless the board finds that the applicant satisfies  
all of the following criteria:~~

~~(1) The applicant is a person of good character, honesty  
and integrity. In making this determination, the board shall~~

1 ~~consider the report of any required background investigation~~  
2 ~~and the applicant's criminal history record as compiled by~~  
3 ~~the Pennsylvania State Police. If the applicant has been~~  
4 ~~convicted, in any jurisdiction, of a felony, a crime related~~  
5 ~~to the activities of gaming or a crime of moral turpitude,~~  
6 ~~then the board shall not issue a license under this chapter.~~

7 ~~(2) The applicant is a person whose prior activities,~~  
8 ~~criminal record, if any, reputation, habits and associations~~  
9 ~~do not pose a threat to the public interest or to the~~  
10 ~~effective regulation and control of slot machine operations~~  
11 ~~or create or enhance the danger of unsuitable, unfair or~~  
12 ~~illegal practices, methods and activities in the conduct of~~  
13 ~~slot machine operations or the carrying on of the business~~  
14 ~~and financial arrangements incidental to it.~~

15 ~~(3) The applicant has developed and implemented or~~  
16 ~~agreed to develop and implement an affirmative action plan to~~  
17 ~~assure that all persons are accorded equality of opportunity~~  
18 ~~in employment and contracting by the applicant, its~~  
19 ~~contractors, subcontractors, assignees, lessees, agents,~~  
20 ~~vendors and suppliers.~~

21 ~~(4) The applicant in all other respects is found~~  
22 ~~suitable consistent with the laws of this Commonwealth and is~~  
23 ~~otherwise qualified to be issued a license or permit.~~

24 ~~(b.1) Additional requirements. In addition to the~~  
25 ~~eligibility requirements provided in subsection (b), the board~~  
26 ~~may also take into account the following factors when~~  
27 ~~considering an application for a license:~~

28 ~~(1) The location and quality of the proposed facility.~~

29 ~~(2) The potential for new job creation and economic~~  
30 ~~development which will result from granting a license to an~~

1     ~~applicant.~~

2             ~~(3) The applicant's good faith plan to recruit, train~~  
3     ~~and upgrade diversity in all employment classifications in~~  
4     ~~the facility.~~

5             ~~(4) The applicant's good faith plan for enhancing the~~  
6     ~~representation of diverse groups in the operation of its~~  
7     ~~facility through the ownership and operation of business~~  
8     ~~enterprises associated with or utilized by its facility or~~  
9     ~~through the provision of goods or services utilized by its~~  
10    ~~facility.~~

11            ~~(5) The applicant's good faith effort to assure that all~~  
12    ~~persons are accorded equality of opportunity in employment~~  
13    ~~and contracting by it and any contractors, subcontractors,~~  
14    ~~assignees, lessees, agents, vendors and suppliers it may~~  
15    ~~employ directly or indirectly.~~

16            ~~(6) The history and success of the applicant in~~  
17    ~~developing tourism facilities ancillary to gaming~~  
18    ~~development, if applicable to the applicant.~~

19            ~~(7) The degree to which the applicant presents a plan~~  
20    ~~for the project which will likely lead to the creation of~~  
21    ~~quality, living wage jobs and full time permanent jobs for~~  
22    ~~residents of this Commonwealth generally, and for residents~~  
23    ~~of the host political subdivision in particular.~~

24            ~~(8) The record of the applicant and its developer in~~  
25    ~~meeting commitments to local agencies, community based~~  
26    ~~organizations and employees in other locations.~~

27            ~~(9) The degree to which potential adverse effects which~~  
28    ~~might result from the project, including costs of meeting the~~  
29    ~~increased demand for public health care, child care, public~~  
30    ~~transportation, affordable housing and social services, will~~

1       ~~be mitigated.~~

2           ~~(10) The record of the applicant and its developer~~  
3       ~~regarding compliance with:~~

4           ~~(i) Federal, State and local discrimination, wage~~  
5       ~~and hour, disability and occupational and environmental~~  
6       ~~health and safety laws; and~~

7           ~~(ii) State and local labor relations and employment~~  
8       ~~laws.~~

9           ~~(11) The applicant's record in dealing with its~~  
10       ~~employees and their representatives at other locations.~~

11          ~~(12) The degree of risk of labor strife which would~~  
12       ~~jeopardize the State government's financial interest in~~  
13       ~~revenue and other projected benefits from the project and the~~  
14       ~~plans of the applicant and its developer to eliminate or~~  
15       ~~mitigate the risk.~~

16       ~~(c) Alternate standards. The board may determine whether~~  
17       ~~the licensing standards of another jurisdiction within the~~  
18       ~~United States or Canada in which an applicant for a slot machine~~  
19       ~~license, manufacturer license or supplier license applicant is~~  
20       ~~licensed are comprehensive and thorough and provide similar~~  
21       ~~adequate safeguards as those required by this chapter. If the~~  
22       ~~board makes that determination, it may issue a slot machine~~  
23       ~~license, manufacturer license or supplier license to an~~  
24       ~~applicant who holds a similar license in such other jurisdiction~~  
25       ~~without the necessity of a full application and background~~  
26       ~~investigation. In the event an applicant for a slot machine~~  
27       ~~license, manufacturer license or supplier license is licensed in~~  
28       ~~another jurisdiction, the board may determine to use an~~  
29       ~~abbreviated process requiring only that information determined~~  
30       ~~by the board to be necessary to consider the grant of a license~~

~~to such an applicant. Nothing in this section shall be construed to waive any fees associated with obtaining a license through the normal application process.~~

~~(d) Conditional licenses. Notwithstanding the requirements of subsections (b) and (c), the board may issue a conditional license, upon payment of the fee pursuant to section 9206.1(a) (relating to slot machine license fee). The board may take into consideration an applicant who has been granted a license from either the State Horse Racing Commission or the State Harness Racing Commission to conduct thoroughbred or harness horse race meetings with pari mutuel wagering and who conducts live racing. This license may be issued prior to the completion of the background investigation and prior to full compliance by the applicant with subsection (b). An applicant shall provide the board with satisfactory evidence of suitability and financial capability of the applicant to be a slot machine licensee prior to the board granting the conditional license. Upon receipt of a conditional license the applicant shall submit all information necessary for a background investigation and comply with all the requirements of this chapter for a slot machine license as provided in subsection (b). If the holder of a conditional license does not receive board approval of a slot machine license under the standards set forth in subsection (b) within 18 months, the conditional license shall expire, unless a delay in reviewing the license application is not caused, directly or indirectly, by the license applicant. If the holder of a conditional license does not receive board approval of a slot machine license prior to expiration of the conditional license or is denied, the holder of the conditional license shall be entitled to a return of a share of its slot machine license fee~~

1 ~~in the amount of \$42,500,000. Failure to meet the requirements~~  
2 ~~of this section for licensure shall cause immediate forfeiture~~  
3 ~~of the license and revocation of authorization to operate slot~~  
4 ~~machines at the licensed facility, except that, in the event~~  
5 ~~that a conditional license is not approved by the board based on~~  
6 ~~a finding that an individual, who is a principal or has an~~  
7 ~~interest in the entity holding the conditional license, does not~~  
8 ~~meet the character requirements of section 9210.1 (relating to~~  
9 ~~slot machine license application character requirements) or any~~  
10 ~~of the eligibility requirements under this chapter, the board~~  
11 ~~shall afford the individual the opportunity to divest his~~  
12 ~~interest in the entity holding the conditional license and,~~  
13 ~~after such divestiture, reconsider the entity's suitability for~~  
14 ~~licensure in an expedited proceeding and may, after such~~  
15 ~~proceeding, issue the entity a license to operate slot machines.~~  
16 ~~Notwithstanding any other provision of law to the contrary, the~~  
17 ~~person's divestiture shall be limited to the amount of capital the~~  
18 ~~person invested in the entity and no property right or value of~~  
19 ~~any kind shall be attributed to the license.~~

20 ~~(c) Information sharing. With respect to the~~  
21 ~~administration, supervision and enforcement of this chapter, the~~  
22 ~~board, the Pennsylvania State Police or the Office of Attorney~~  
23 ~~General may obtain or provide pertinent information regarding~~  
24 ~~applicants, licensees, permittees or potential licensees or~~  
25 ~~permittees with law enforcement entities or gaming authorities~~  
26 ~~of the Commonwealth and other jurisdictions.~~

27 ~~(f) Unsworn falsification to authorities. Any person~~  
28 ~~submitting information required to be provided to the board~~  
29 ~~under this chapter shall be subject to section 4904 (relating to~~  
30 ~~unsworn falsification to authorities).~~

1       ~~(g) Renewal. All permits and licenses, except as otherwise~~  
2 ~~provided, shall be valid for a period of up to one year and upon~~  
3 ~~proper application and payment of any renewal fee to the board~~  
4 ~~may be renewed on an annual basis.~~

5       ~~(h) Referral. The board shall refer any matter relating to~~  
6 ~~any licensee, applicant or permittee to the Pennsylvania State~~  
7 ~~Police or the Office of Attorney General as it deems~~  
8 ~~appropriate.~~

9       ~~§ 9212.1. Transferability of licenses.~~

10       ~~A license or permit issued by the board is a grant of~~  
11 ~~privilege to conduct a business in this Commonwealth. A license~~  
12 ~~or permit granted or renewed pursuant to this chapter shall not~~  
13 ~~be transferred or assigned to another person, nor shall a~~  
14 ~~license or permit be pledged as collateral. Nothing contained in~~  
15 ~~this chapter is intended or shall be construed to create in any~~  
16 ~~licensed corporation or person an entitlement to a license~~  
17 ~~because the board has the sole discretion to grant or deny the~~  
18 ~~issuance of a slot machine license based upon the requirements~~  
19 ~~of this chapter and whether the issuance of the license:~~

20               ~~(1) will enhance tourism and economic development;~~

21               ~~(2) will create jobs;~~

22               ~~(3) is in the best interests of this Commonwealth; and~~

23               ~~(4) advances the purposes of this chapter.~~

24       ~~§ 9212.2. Change in ownership of slot machine licensee.~~

25       ~~(a) Notification. A slot machine licensee shall notify the~~  
26 ~~board of any proposed or contemplated change of ownership or~~  
27 ~~control of the slot machine licensee which involves more than 5%~~  
28 ~~of a slot machine licensee's voting stock or more than 5% of the~~  
29 ~~voting stock of a corporation which controls the licensee or the~~  
30 ~~sale of a licensee's assets, other than those bought and sold in~~

~~1 the ordinary course of business and all other transactions or~~  
~~2 occurrences deemed by the board to be relevant to license~~  
~~3 qualifications. In applying this notification standard, stock~~  
~~4 transactions involving institutional investors shall not be~~  
~~5 considered. In order for a license to remain in effect, board~~  
~~6 approval and payment of the fee pursuant to section 9206.1~~  
~~7 (relating to slot machine license fee) shall be required prior~~  
~~8 to completion of any proposed change of ownership or control of~~  
~~9 a licensee that meets the criteria of subsection (b).~~

~~10 Notification of the board but no board approval or license fee~~  
~~11 under section 9206.1 shall be required in the case of transfers~~  
~~12 of equity interests between existing equity owners. No~~  
~~13 notification, board approval or license fee pursuant to section~~  
~~14 9206.1 shall be required for transfers of publicly traded stock~~  
~~15 or other publicly traded equity interests of a company which:~~

~~16 (1) is listed on the New York Stock Exchange or another~~  
~~17 national securities exchange; and~~

~~18 (2) owns an indirect interest in a licensee.~~

~~19 (b) Qualification of successor slot machine licensee. The~~  
~~20 purchaser or successor of any slot machine licensee shall~~  
~~21 independently qualify for a license in accordance with this~~  
~~22 chapter and pay the license fee as required by section~~  
~~23 9206.1(a). For purposes of this section, a change in control or~~  
~~24 ownership of a licensee or corporation which controls the~~  
~~25 licensee or the sale of a licensee's assets, other than those~~  
~~26 bought and sold in the ordinary course of business, shall be~~  
~~27 determined in accordance with 15 Pa.C.S. § 2543 (relating to~~  
~~28 controlling person or group). The board has the discretion on~~  
~~29 whether to apply this subsection to a change of ownership,~~  
~~30 control or sale of assets of a licensee to an heir upon the~~



~~death of an owning or controlling party. Failure to comply with this section may void the license issued under this chapter unless the change in control or ownership or sale of assets has been approved in advance by the board.~~

~~§ 9212.3. Public official financial interest.~~

~~(a) General rule. No executive level State employee, public official, party officer or immediate family member thereof shall have a financial interest in or be employed, directly or indirectly, by any licensed corporation, or slot machine licensee, or any holding, intermediary or subsidiary company, thereof, or an applicant for a license, nor solicit or accept, directly or indirectly, any complimentary service or discount from any licensed entity which he knows or has reason to know is other than a service or discount that is offered to members of the general public in like circumstances for two years following termination of the person's status as an executive level State employee, public official or party officer. As applied to members of the General Assembly, the period shall be two years.~~

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

~~"Executive level State employee." The Governor, Lieutenant Governor, Attorney General, Auditor General, State Treasurer, cabinet members, deputy secretaries, the Governor's office staff, any State employee with discretionary powers which may affect the outcome of a State agency's decision in relation to a private corporation or business or any executive employee who by virtue of his job function could influence the outcome of a decision.~~

~~"Financial interest." Owning or holding stock exceeding 2%~~

~~of the equity at fair market value of the licensed corporation,  
slot machine licensee or manufacturer licensee, its holding  
company, subsidiary or affiliated business. A financial interest  
shall not include any such stock that is inherited and held in a  
blind trust over which the executive level State employee,  
public official, party officer or immediate family member  
thereof may not exercise any managerial control during the  
tenure of office and the period of two years thereafter.~~

~~"Immediate family." A parent, spouse, child, brother, sister  
or spouse's children.~~

~~"Party officer." The following members and officers of a  
political party: a member of a national committee; a chairman,  
vice chairman, secretary, treasurer or counsel of a State  
committee or member of the executive committee of a State  
committee; a chairman, vice chairman, counsel, secretary or  
treasurer of a county committee; or a chairman, vice chairman,  
counsel, secretary or treasurer of a city committee.~~

~~"Public official." Any person elected by the public or  
elected or appointed by a governmental body or appointed  
official in the executive or legislative branch of this  
Commonwealth or any political subdivision thereof.~~

~~§ 9213. Prohibited acts and penalties.~~

~~(a) Perjury, false swearing and unsworn falsification. The  
provisions of sections 4902 (relating to perjury), 4903  
(relating to false swearing), and 4904 (relating to unsworn  
falsification to authorities) shall apply to any person  
providing information or making any statement, whether written  
or oral, to the board, its agents or employees, the Pennsylvania  
State Police or the Office of Attorney General, as required by  
this chapter.~~

~~(b) Nonpayment of license fee, tax or assessment. It is unlawful for a person to willfully:~~

~~(1) fail to report, pay or truthfully account for and pay over any license fee, tax or assessment imposed under this chapter; or~~

~~(2) attempt in any manner to evade or defeat any license fee, tax or assessment imposed under this chapter.~~

~~(c) Unlicensed persons. It is unlawful for any licensed entity, gaming employee, key employee or any other person to permit a slot machine to be operated, transported, repaired or opened on the premises of a licensed facility by a person other than a person licensed or permitted by the board.~~

~~(d) Unlicensed activity. It is unlawful for a licensed entity or other person to manufacture, supply or place slot machines into play or display slot machines on the premises of a licensed facility without the authority of the board.~~

~~(e) Activity under expired license. It is unlawful for a licensed entity or other person to manufacture, supply, operate, carry on or expose for play any slot machine after the person's license has expired and prior to the actual renewal of the license.~~

~~(f) Counterfeit currency.—~~

~~(1) Except as set forth in paragraph (2), it is unlawful for an individual, on the premises of a licensed facility, to knowingly use currency other than lawful coin or legal tender of the United States or a coin not of the same denomination as the coin intended to be used in the slot machine.~~

~~(2) In the playing of a slot machine, it is lawful for an individual to use gaming billets, tokens or similar objects issued by the slot machine licensee which are~~

1 ~~approved by the board.~~

2 ~~(g) Illegal devices.—~~

3 ~~(1) Except as set forth in paragraph (2), it is unlawful~~  
4 ~~for an individual, on the premises of a licensed facility, to~~  
5 ~~use or possess a cheating or thieving device.~~

6 ~~(2) An authorized employee of a licensee may possess and~~  
7 ~~use a cheating or thieving device only in performance of the~~  
8 ~~duties of employment.~~

9 ~~(3) As used in this subsection, the term "cheating or~~  
10 ~~thieving device" includes, but is not limited to, a device to~~  
11 ~~facilitate the alignment of any winning combination or to~~  
12 ~~remove from any slot machine money or other contents. The~~  
13 ~~term includes a tool, drill, wire, coin or token attached to~~  
14 ~~a string or wire and any electronic or magnetic device.~~

15 ~~(h) Unlawful entry devices.—~~

16 ~~(1) Except as set forth in paragraph (2), it is unlawful~~  
17 ~~for an individual to knowingly possess or use, while on the~~  
18 ~~premises of a licensed facility, a key or device designed for~~  
19 ~~the purpose of or suitable for opening or entering any slot~~  
20 ~~machine or coin box.~~

21 ~~(2) An authorized employee of a licensee or a member of~~  
22 ~~the board may possess and use a device referred to in~~  
23 ~~paragraph (1) only in the performance of the duties of~~  
24 ~~employment.~~

25 ~~(i) Possession of illegal devices.— It is unlawful for a~~  
26 ~~person or licensed entity to possess any device, equipment or~~  
27 ~~material which the person or licensed entity knows has been~~  
28 ~~manufactured, distributed, sold, tampered with or serviced in~~  
29 ~~violation of the provisions of this chapter.~~

30 ~~(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) an individual not licensed or permitted under the provisions of this chapter; or~~

~~(2) an individual who is prohibited from accepting employment from a licensee.~~

~~(l) Board imposed sanctions.—~~

~~(1) In addition to any other penalty authorized by law, the board may impose without limitation the following sanctions upon any licensee or permittee:~~

~~(i) Revoke the license or permit of any person convicted of a criminal offense under this chapter or regulations promulgated under this chapter or committing any other offense or violation of this chapter or applicable law which would otherwise disqualify such person from holding the license or permit.~~

~~(ii) Revoke the license or permit of any person determined to have violated a provision of this chapter or regulations promulgated under this chapter which would otherwise disqualify such person from holding the license or permit.~~

~~(iii) Revoke the license or permit of any person for willfully and knowingly violating an order of the board directed to such person.~~

1           ~~(iv) Suspend the license or permit of any person,~~  
2           ~~pending the outcome of a hearing in any case in which~~  
3           ~~license or permit revocation could result.~~

4           ~~(v) Suspend the license of any slot machine licensee~~  
5           ~~for violation of any provisions of this chapter or~~  
6           ~~regulations promulgated hereunder relating to its slot~~  
7           ~~machine operations, including, internal and accountancy~~  
8           ~~controls and security.~~

9           ~~(vi) Assess administrative penalties as necessary to~~  
10           ~~punish misconduct and to deter future violations.~~

11           ~~(vii) Order restitution of any moneys or property~~  
12           ~~unlawfully obtained or retained by a licensee or~~  
13           ~~permittee.~~

14           ~~(viii) Enter cease and desist orders which specify~~  
15           ~~the conduct which is to be discontinued, altered or~~  
16           ~~implemented by the licensee or permittee.~~

17           ~~(ix) Issue letters of reprimand or censure, which~~  
18           ~~letters shall be made a permanent part of the file of~~  
19           ~~each licensee or permittee so sanctioned.~~

20           ~~(2) If the board refuses to issue or renew a license or~~  
21           ~~permit, suspends or revokes a license or permit, assesses~~  
22           ~~civil penalties, orders restitution, enters a cease and~~  
23           ~~desist order, or issues a letter of reprimand or censure, it~~  
24           ~~shall provide the applicant or licensee or permittee with~~  
25           ~~written notification of its decision, including a statement~~  
26           ~~of the reasons for its decision by certified mail within five~~  
27           ~~business days of the decision. Any applicant or licensee or~~  
28           ~~permittee who has received notice of a refusal, suspension or~~  
29           ~~revocation of a license or permit, the assessment of civil~~  
30           ~~penalties, an order of restitution, the entrance of a cease~~

1 ~~and desist order, or the issuance of a letter of reprimand or~~  
2 ~~censure from the board shall have the right to an~~  
3 ~~administrative hearing before the board in accordance with 2~~  
4 ~~Pa.C.S. Ch. 5 Subch. A (relating to practice and procedure of~~  
5 ~~Commonwealth agencies) and Ch. 7 Subch. A (relating to~~  
6 ~~judicial review of Commonwealth agency action).~~

7 ~~(m) Criminal penalties.—~~

8 ~~(1) Except as set forth in paragraphs (2) and (3) and~~  
9 ~~subsection (n), a person that violates this section commits a~~  
10 ~~misdemeanor of the first degree and shall, upon a first~~  
11 ~~conviction, be sentenced to pay a fine of:~~

12 ~~(i) not less than \$25,000 if the person is an~~  
13 ~~individual;~~

14 ~~(ii) not less than \$100,000 if the person is a slot~~  
15 ~~machine licensee or licensed corporation; or~~

16 ~~(iii) not less than \$50,000 if the person is a~~  
17 ~~licensed manufacturer or supplier.~~

18 ~~(2) Except as set forth in paragraph (3), a person that~~  
19 ~~violates subsection (a) commits an offense to be graded in~~  
20 ~~accordance with section 4902, 4903 or 4904, as applicable,~~  
21 ~~for a first conviction and shall, upon conviction, be~~  
22 ~~sentenced to pay a fine of:~~

23 ~~(i) not less than \$25,000 if the person is an~~  
24 ~~individual; or~~

25 ~~(ii) not less than \$100,000 if the person is a slot~~  
26 ~~machine licensee or licensed corporation.~~

27 ~~(3) Except as set forth in subsection (n), a person that~~  
28 ~~is convicted of a second or subsequent violation of this~~  
29 ~~section commits a felony of the second degree and shall be~~  
30 ~~sentenced to pay a fine of:~~

~~(i) not less than \$50,000 if the person is an individual or licensed supplier;~~

~~(ii) not less than \$200,000 if the person is a slot machine licensee or licensed corporation; or~~

~~(iii) not less than \$100,000 if the person is a licensed manufacturer.~~

~~(n) Administrative penalty. If a person violates subsection (b), the board shall impose an administrative penalty of three times the amount of the license fee, tax or other assessment evaded and not paid, collected or paid over. This subsection is subject to 2 Pa.C.S. Ch. 5 Subch. A and Ch. 7 Subch. A.~~

~~§ 9213.1. Slot machine terminal proceeds.~~

~~The gross terminal revenue of a slot machine licensee shall be remitted each business day to the department through the electronic transfer of funds. Each slot machine licensee shall provide the department with all information and bank authorizations required to facilitate the timely transfer of moneys to the department. Slot machine licensees shall provide the department within 30 days advance notice of any proposed account changes in order to assure the uninterrupted electronic transfer of funds.~~

~~§ 9213.2. Gross terminal revenue deduction.~~

~~From the gross terminal revenue remitted by the licensee to the department, the department shall deduct an amount sufficient to reimburse the department for the actual costs and reasonable expenses incurred in administering this chapter at the licensed venue based on a schedule determined by the department.~~

~~§ 9214. Net slot machine revenue distribution and establishment of State Gaming Fund.~~

~~(a) Fund established. There is hereby established the State~~



~~Gaming Fund within the State Treasury.~~

~~(b) Slot machine tax. Slot machine licensees shall pay a tax of 34% of the gross terminal revenue from slot machine terminals after deduction of the amounts described in section 9213.2 (relating to gross terminal revenue deduction).~~

~~(c) Transfers and distributions. The department shall:~~

~~(1) Transfer the slot machine tax imposed in subsection (b), and 100% of the license fees imposed under section 9206.1 (relating to slot machine license fee) to the State Gaming Fund.~~

~~(2) Distribute 2% of the gross terminal revenue among the municipalities hosting a licensed facility at which slot machines are located on a pro rata basis determined by the percentage of contribution to the fund by a slot machine licensee located in the municipality. If the licensed facility is located in two or more municipalities, the amount available shall be distributed on a pro rata basis determined by the percentage of acreage located in each municipality to the total acreage of all municipalities occupied by the licensed facility. Nothing in this subsection shall prevent municipalities from entering into intergovernmental cooperative agreements with other jurisdictions for sharing these moneys.~~

~~(3) Except with respect to counties and municipalities located in the Pittsburgh Metropolitan Statistical Area and gross terminal revenues emanating from slot machine licensees hosted by counties located in the Pittsburgh Metropolitan Statistical Area, transfer 1% of the gross terminal revenue to the Department of Community and Economic Development to be placed in a restricted account exclusively to provide grants~~

1 ~~to municipalities which host licensed facilities,~~  
2 ~~municipalities which are contiguous to such municipalities,~~  
3 ~~counties which host licensed facilities, counties contiguous~~  
4 ~~to such counties and regional authorities. Grants made under~~  
5 ~~this paragraph shall be for the purpose of defraying the cost~~  
6 ~~of human services, infrastructure improvements, facilities,~~  
7 ~~emergency services and any other public improvement or~~  
8 ~~community service projects. Money from this account shall not~~  
9 ~~lapse and shall be dedicated only to the purposes provided~~  
10 ~~for in this paragraph.~~

11 ~~(4) Except with respect to counties and municipalities~~  
12 ~~located in the Pittsburgh Metropolitan Statistical Area and~~  
13 ~~gross terminal revenues emanating from slot machine licensees~~  
14 ~~hosted by counties located in the Pittsburgh Metropolitan~~  
15 ~~Statistical Area, distribute 1% of the gross terminal revenue~~  
16 ~~to the board to be placed in a restricted account to~~  
17 ~~exclusively provide grants to counties that host a licensed~~  
18 ~~facility for expenses resulting from granting a license.~~  
19 ~~Distribution shall be made on a pro rata basis determined by~~  
20 ~~the percentage of contribution to the fund by a slot machine~~  
21 ~~licensee located in the host county.~~

22 ~~(5) For a licensed entity that is not a licensed~~  
23 ~~corporation, transfer 25% of the net terminal revenue from~~  
24 ~~such licensed entity for distribution pursuant to section~~  
25 ~~9215(a)(2). Such distribution shall be calculated by dividing~~  
26 ~~the number of scheduled race days at the licensed~~  
27 ~~corporations who have conducted live racing in the previous~~  
28 ~~365 days by the total number of scheduled race days in this~~  
29 ~~Commonwealth for distribution to the horsemen pursuant to~~  
30 ~~section 9215(a)(2) in addition to the individual licensed~~

1 ~~corporation's distribution to the horsemen pursuant to~~  
2 ~~section 9215(a)(2).~~

3 ~~(6) Distribute 2% of gross terminal revenue emanating~~  
4 ~~from slot machine licensees hosted by counties located in the~~  
5 ~~Pittsburgh Metropolitan Statistical Area to the Southwest~~  
6 ~~Regional District established in accordance with section 9219~~  
7 ~~(relating to Southwest Regional District).~~

8 ~~(d) Balance of funds. There shall be established a~~  
9 ~~restricted account for each licensee within the fund. The~~  
10 ~~balance of net terminal revenues arising from the operation of~~  
11 ~~the slot machines of each licensee shall be placed in such~~  
12 ~~restricted accounts, and the balance of funds in each restricted~~  
13 ~~account shall be immediately transmitted to the respective~~  
14 ~~licensees. In the event circumstances beyond the control of the~~  
15 ~~department prevent the immediate transmittal of the balance of~~  
16 ~~funds in each restricted account, the transmittal may be delayed~~  
17 ~~by the department for a period not to exceed three days from the~~  
18 ~~placement of the funds in each restricted account. Any delay~~  
19 ~~beyond three days shall be subjected to the payment of interest~~  
20 ~~of 1% per annum on the balance of funds due to whom the balance~~  
21 ~~of funds is due, except in extraordinary circumstances. The~~  
22 ~~department shall promulgate regulations regarding the timing and~~  
23 ~~method of receipt and remittance of the balance of funds.~~

24 ~~(e) Net terminal revenues. The net terminal revenues~~  
25 ~~arising from the operation of the slot machines of the licensee~~  
26 ~~shall be remitted back to the licensee and distributed in~~  
27 ~~accordance with section 9215 (relating to distributions from~~  
28 ~~owners' revenue receipts).~~

29 ~~(f) Definitions. As used in this section, the following~~  
30 ~~words and phrases shall have the meanings given to them in this~~

1 subsection:

2 ~~"Net terminal revenue." The net amount of the gross terminal~~  
3 ~~revenue less the tax and distributions imposed by sections~~  
4 ~~9213.2 (relating to gross terminal revenue deduction) and this~~  
5 ~~section.~~

6 ~~§ 9214.1. Responsibility and authority of department.~~

7 ~~(a) General rule. The department is authorized to~~  
8 ~~administer and collect the taxes imposed under this chapter and~~  
9 ~~promulgate and enforce rules and regulations in accordance with~~  
10 ~~this chapter, including the collection of taxes, penalties and~~  
11 ~~interest imposed by this chapter as supplemented by the rules of~~  
12 ~~the board.~~

13 ~~(b) Application of rules and regulations. The department~~  
14 ~~may prescribe the extent, if any, to which any rules and~~  
15 ~~regulations shall be applied without retroactive effect. The~~  
16 ~~department shall have authority to prescribe the forms and the~~  
17 ~~system of accounting and recordkeeping to be employed, and~~  
18 ~~through its representative shall, at all times, have power of~~  
19 ~~access to, and examination and audit of any equipment and~~  
20 ~~records relating to all aspects of the operation of slot~~  
21 ~~machines under this chapter.~~

22 ~~(c) Procedure. For purposes of implementing this chapter,~~  
23 ~~the department may promulgate regulations in the same manner in~~  
24 ~~which the board is authorized as provided in section 9205(b)(10)~~  
25 ~~(relating to board's powers).~~

26 ~~§ 9214.2. Liens and suits for taxes.~~

27 ~~The provisions of this chapter shall be subject to the~~  
28 ~~provisions of sections 242 and 243 of the act of March 4, 1971~~  
29 ~~(P.L.6, No.2), known as the Tax Reform Code of 1971.~~

30 ~~§ 9214.3. Applicants to provide certain tax information.~~

~~The provisions of section 477 of the act of April 12, 1951 (P.L.90, No.21), known as the Liquor Code, shall apply to all applicants for the grant, renewal or transfer of any license or permit issued by the board under this chapter.~~

~~§ 9214.4. Payment of host municipality fee.~~

~~A licensed corporation that holds a slot machine license and operates an off track wagering facility shall pay a host municipality fee annually in the amount of \$100,000 to the municipality that hosts the off track wagering facility. If the off track wagering facility is located in two or more municipalities, the payment shall be distributed on a pro rata basis determined by the percentage of acreage located in each municipality to the total acreage of all municipalities occupied by the off track wagering facility.~~

~~§ 9215. Distributions from owners' revenue receipts.~~

~~(a) Distributions. The balance of the revenues remitted back to the slot machine licensees that have licenses under paragraph (1) of the definition of slot machine licensee in section 9203 (relating to definitions) shall be distributed in the following manner:~~

~~(1) An amount not less than \$5,000,000 over a five year period, and an amount not less than \$250,000 nor more than \$1,000,000 per year for five years thereafter, shall be deposited into a restricted account and used for improvement and maintenance to the backside area and related buildings and structures at the racetrack at which the licensee operates. The licensed corporation's designee and the racetrack's recognized horsemen's group's designee at each racetrack shall jointly consider the appropriate amount of the funds and how the money shall be spent at the racetrack.~~

~~Disputes involving the amount and expenditure of funds under this subsection shall be resolved by the State Horse Racing Commission and the State Harness Racing Commission who shall oversee the use of these funds. Notwithstanding the foregoing, a licensed corporation that has not previously conducted live racing and is constructing a new racetrack, backside area and related buildings and structures that can establish to the satisfaction of the board that the licensed corporation has spent no less than \$5,000,000 in the construction of the new racetrack's backside area, related buildings and structures shall not be subject to the expenditures required by this paragraph.~~

~~(2) An amount equal to 25% of the net terminal revenue shall be distributed as follows:~~

~~(i) Eighty percent to be deposited into the horsemen's account and be combined with the revenues in this account from existing purse agreements to fund purses for live races per those agreements with the advice and consent of the horsemen.~~

~~(ii) From licensees that operate at thoroughbred tracks, 16% to be deposited into the Pennsylvania Breeding Fund as defined in section 223 of the Race Horse Industry Reform Act; or from licensees that operate at standardbred tracks, 8% to be deposited in the Pennsylvania Sire Stakes Fund as defined in section 224 of the Race Horse Industry Reform Act and 8% to be deposited into a restricted account in the State Racing Fund to be known as the Pennsylvania Standardbred Breeders Development Fund. The State Harness Racing Commission shall, in consultation with the Secretary of~~

~~Agriculture by rule or by regulation, adopt a  
standardbred breeders program which will include the  
administration of a Pennsylvania Stallion Award,  
Pennsylvania Bred Award and a Pennsylvania Sired and Bred  
Award.~~

~~(iii) Four percent to be used to fund health and  
pension benefits for the members of the horsemen's  
organizations representing the owners and trainers at the  
racetrack at which the licensed corporation operates for  
the benefit of the organization's members, their  
families, employees and others in accordance with the  
rules and eligibility requirements of the organization,  
as approved by the State Horse Racing Commission or the  
State Harness Racing Commission. Of this amount, \$250,000  
shall be paid annually to the thoroughbred jockeys or  
standardbred drivers organization at the racetrack at  
which the licensed corporation operates for health  
insurance, life insurance or other benefits to active and  
disabled thoroughbred jockeys or standardbred drivers in  
accordance with the rules and eligibility requirements of  
that organization.~~

~~(b) Guidelines. The board shall establish guidelines that  
ensure that funds allocated to the horsemen's organization are  
used to finance the programs to benefit all horsemen of this  
Commonwealth and that administrative and overhead costs are  
reasonably related to such programs.~~

~~(c) Eligible recipients. Funds allocated to the horsemen's  
organization by statute must be used to benefit all horsemen of  
this Commonwealth. Membership in the horsemen's organization  
shall not be a condition for receiving benefits. Funds acquired~~

1 ~~from other sources other than statutory allocation must be kept~~  
2 ~~separate and apart from funds obtained from the statutory~~  
3 ~~allocation.~~

4 ~~(d) Reasonableness. Funding for benevolent programs,~~  
5 ~~including, but not limited to, pension plans, health and~~  
6 ~~insurance plans, will be considered reasonable if such program~~  
7 ~~funding on an annual basis is at least 85% of the total~~  
8 ~~statutory allocation.~~

9 ~~(e) Filing of audit. All horsemen's organizations that~~  
10 ~~receive funds under this provision shall file annually with the~~  
11 ~~appropriate commission and the board an audit prepared by a~~  
12 ~~certified public accountant of all funds received. Such filings~~  
13 ~~shall be open to public review. The horsemen's organizations~~  
14 ~~shall maintain adequate records concerning receipt and~~  
15 ~~distribution of funds allocated to them.~~

16 ~~(f) Contracts. All health and pension benefits contracts~~  
17 ~~shall be reviewed and approved by the board.~~

18 ~~(g) Penalty. Any violation of the provisions of this~~  
19 ~~section may subject the organization to a fine not to exceed~~  
20 ~~\$10,000 per violation.~~

21 ~~§ 9215.1. Transfers from State Gaming Fund.~~

22 ~~(a) Transfer for board operation and compulsive problem~~  
23 ~~gambling treatment. Each year an amount sufficient to fund all~~  
24 ~~of the annual operations of the board shall be appropriated by~~  
25 ~~the General Assembly from the State Gaming Fund to the board. In~~  
26 ~~addition, the sum of \$1,500,000 per year shall be transferred~~  
27 ~~into the Compulsive Problem Gambling Treatment Fund to be~~  
28 ~~annually appropriated by the General Assembly as described in~~  
29 ~~section 9216 (relating to compulsive and problem gambling~~  
30 ~~program).~~



~~(b) Transfer for Volunteer Fire Company Grant Program. —~~  
~~Annually, beginning with the 2004-2005 fiscal year, the sum of~~  
~~\$25,000,000 shall be transferred from the State Gaming Fund for~~  
~~the operation of a Volunteer Fire Company Grant Program to be~~  
~~established by law.~~

~~(c) Debt service payments. — Annually, the State Treasurer~~  
~~shall distribute moneys in the State Gaming Fund for the purpose~~  
~~of reimbursing both the Commonwealth and the city of the first~~  
~~class for debt service payments made by the Commonwealth and by~~  
~~any city of the first class for the expansion of the~~  
~~Pennsylvania Convention Center in accordance with the following~~  
~~standard: no more than \$10,000,000 from the fund shall be~~  
~~distributed to a city of the first class to the extent that it~~  
~~has made such debt service payments, and \$10,000,000 shall be~~  
~~transferred to the General Fund of the Commonwealth to the~~  
~~extent that the Commonwealth has made such debt service~~  
~~payments.~~

~~(d) Pennsylvania Convention Center expenses. — Annually, no~~  
~~more than \$7,000,000 shall be distributed from the fund to a~~  
~~city of the first class to reimburse the city for payments made~~  
~~by the city for the operational expenses of the Pennsylvania~~  
~~Convention Center during the preceding calendar year. No~~  
~~distribution shall be made under this subsection that exceeds~~  
~~the actual amount expended by the city for this purpose during~~  
~~the preceding calendar year.~~

~~(e) Second class counties. — Annually, \$15,000,000 shall be~~  
~~distributed from the fund to the public authority formed under~~  
~~Article XXV A of the act of July 28, 1953 (P.L.723, No.230),~~  
~~known as the Second Class County Code, that operates a~~  
~~convention center which contains a minimum of 250,000 square~~

1 ~~feet of exhibit space to be used by the public authority. Money~~  
2 ~~distributed under this subsection shall be for the funding or~~  
3 ~~financing of costs related to the development, construction,~~  
4 ~~maintenance or operations of any structures appropriate for~~  
5 ~~large public assemblies, the holding of conventions, sporting~~  
6 ~~tournaments, athletic contests and exhibitions, musical and~~  
7 ~~dramatic performances and other business, social, cultural,~~  
8 ~~scientific and recreational events, and all necessary or~~  
9 ~~incident facilities, including provisions for adequate off-~~  
10 ~~street parking, public open space and for hotels or other~~  
11 ~~overnight lodging facilities to the extent that the lodging~~  
12 ~~facility is located on property owned by the public authority~~  
13 ~~and physically connected to the main structure.~~

14 ~~(f) Transfer to Property Tax Relief Fund. Monthly, the~~  
15 ~~State Treasurer shall transfer the remaining balance in the~~  
16 ~~State Gaming Fund which is not allocated in subsections (a),~~  
17 ~~(b), (c), (d) and (e) to a fund in the State Treasury to be~~  
18 ~~known as the Property Tax Relief Fund which is hereby~~  
19 ~~established.~~

20 ~~§ 9215.2. No eminent domain authority.~~

21 ~~Neither the Commonwealth nor any political subdivision~~  
22 ~~thereof shall have the right to acquire, with or without~~  
23 ~~compensation, through the power of eminent domain, any property,~~  
24 ~~easement or land use right for the siting or construction of a~~  
25 ~~gaming or racetrack facility.~~

26 ~~§ 9215.3. Local zoning authority.~~

27 ~~Notwithstanding any other provision of this chapter to the~~  
28 ~~contrary, nothing in this chapter shall be construed to~~  
29 ~~supersede or otherwise nullify any local zoning ordinance as~~  
30 ~~applied to newly licensed corporations or a predecessor owner of~~

~~the newly licensed racetrack that has not conducted live horse races for at least two years immediately preceding the effective date of this chapter.~~

~~§ 9215.4. Inapplicability of Keystone Opportunity Zone and Keystone Opportunity Expansion Zone Act.~~

~~The provisions of the act of October 6, 1998 (P.L. 705, No. 92), known as the Keystone Opportunity Zone and Keystone Opportunity Expansion Zone Act, shall not apply to any real property which is licensed for the purpose of operating slot machines pursuant to this chapter or for the purpose of conducting pari-mutuel wagering.~~

~~§ 9215.5. Athletic event gaming.~~

~~Nothing in this chapter shall be construed to permit the receiving, recording or the registering of bets or wagers or selling pools which may involve any professional or amateur athletic event. Nothing in this chapter shall be construed to prohibit staging or conducting athletic events at licensed facilities.~~

~~§ 9216. Compulsive and problem gambling program.~~

~~(a) Establishment of program. The Department of Health, in consultation with the Mid Atlantic Addiction Training Institute and other similar organizations, shall develop program guidelines for public education, awareness and training regarding compulsive and problem gambling and the treatment and prevention of compulsive and problem gambling. The program shall include:~~

- ~~(1) Maintenance of a compulsive gamblers assistance organization's toll free problem gambling telephone number to provide crisis counseling and referral services to families experiencing difficulty as a result of problem or compulsive~~

1       ~~gambling.~~

2           ~~(2) The promotion of public awareness regarding the~~  
3       ~~recognition and prevention of problem or compulsive gambling.~~

4           ~~(3) Facilitation, through in service training and other~~  
5       ~~means, of the availability of effective assistance programs~~  
6       ~~for problem and compulsive gamblers and family members~~  
7       ~~affected by problem and compulsive gambling.~~

8           ~~(4) Conducting studies to identify adults and juveniles~~  
9       ~~in this Commonwealth who are or are at risk of becoming~~  
10       ~~problem or compulsive gamblers.~~

11           ~~(5) Providing grants to and contracting with~~  
12       ~~organizations who provide services as set forth in this~~  
13       ~~section.~~

14           ~~(6) Providing reimbursement for organizations for~~  
15       ~~reasonable expenses in assisting the Department of Health in~~  
16       ~~carrying out the purposes of this section.~~

17       ~~(b) Compulsive and Problem Gambling Treatment Fund. There~~  
18       ~~is hereby established in the State Treasury a special account to~~  
19       ~~be known as the Compulsive and Problem Gambling Treatment Fund.~~  
20       ~~All moneys in the fund shall be expended for programs for the~~  
21       ~~prevention and treatment of gambling addiction and other~~  
22       ~~emotional and behavior problems associated with or related to~~  
23       ~~gambling and for the administration of the compulsive and~~  
24       ~~problem gambling program. The fund shall consist of moneys~~  
25       ~~annually allocated to it from the annual payment established~~  
26       ~~under section 9205(b)(11) (relating to board's powers), moneys~~  
27       ~~which may be appropriated by the General Assembly, interest~~  
28       ~~earnings on moneys in the fund and any other contributions,~~  
29       ~~payments or deposits which may be made to the fund.~~

30       ~~(c) Notice of availability of assistance.—~~

~~(1) Each slot machine licensee shall obtain a toll free telephone number to be used to provide persons with information on assistance for compulsive or problem gambling. Each licensee shall conspicuously post signs similar to the following statement:~~

~~If you or someone you know has a gambling problem, help is available. Call (toll free telephone number).~~

~~The signs must be posted within 50 feet of each entrance and exit and within 50 feet of each credit location within the facility.~~

~~(2) Each pari mutuel facility where slot machines are operated shall print a statement on daily racing programs provided to the general public that is similar to the following:~~

~~If you or someone you know has a gambling problem, help is available. Call (toll free telephone number).~~

~~(3) A licensed facility which fails to post or print the warning sign in accordance with paragraph (1) or (2) shall be assessed a fine of \$1,000 a day for each day such sign is not posted or printed as provided in this subsection.~~

~~§ 9216.1. Hiring preferences.~~

~~All current employees of a racetrack who meet the employment qualifications, if applicable, within this chapter and all those covered by a collective bargaining agent as defined in the National Labor Relations Act (49 Stat. 449, 29 U.S.C. § 151 et seq.) where the licensed corporation conducts racing shall be given a one time preference of an offer of employment for a similar position at the licensed facility in a manner consistent with Federal law. If a similar position does not exist at the slot facility, the employee or person covered by a collective~~

~~bargaining agent shall have a one time preference of an offer of a position at a comparable level at the slot facility. All current employees and all those covered by a collective bargaining agent shall have a period of 30 days from the issuance of a slot machine license to request employment at the slot facility under this section. No current employee covered by this section shall suffer a reduction of salary, benefits or status as a result of an acceptance of new employment in the new facility.~~

~~§ 9217. Declaration of exemption from Federal laws prohibiting slot machines.~~

~~(a) Declaration. Pursuant to the Gambling Devices Transportation Act of 1951 (64 Stat. 1134, 15 U.S.C. § 1171 et seq.), the Commonwealth declares that it is exempt from section 2 of that act.~~

~~(b) Legal shipments. All shipments of slot machines into this Commonwealth, the registering, recording and labeling of which has been effected by the supplier of those devices, in accordance with sections 5 and 7 of the Gambling Devices Transportation Act (64 Stat. 1134, 15 U.S.C. §§ 1175 and 1177), shall be deemed legal shipments of slot machines into this Commonwealth.~~

~~§ 9218. Enforcement.~~

~~(a) Powers and duties. The Pennsylvania Gaming Control Board and the Pennsylvania State Police shall be responsible for the enforcement of this chapter and regulations promulgated under this chapter. The Pennsylvania State Police and civilian officers and investigators assigned by the board shall cooperate and work in conjunction with each other as directed by the board and shall have the following powers and duties:~~

1           ~~(1) Promptly investigate all license and permit holders~~  
2           ~~as directed by the board.~~

3           ~~(2) Enforce the provisions of this chapter and~~  
4           ~~regulations promulgated under this chapter.~~

5           ~~(3) Initiate proceedings for administrative violations~~  
6           ~~of this chapter or regulations promulgated under this~~  
7           ~~chapter.~~

8           ~~(4) Provide the board with all information necessary for~~  
9           ~~all action under this chapter and for all proceedings~~  
10           ~~involving enforcement of the provisions of this chapter or~~  
11           ~~regulations promulgated under this chapter.~~

12           ~~(5) Investigate the circumstances surrounding any act or~~  
13           ~~transaction for which board approval is required.~~

14           ~~(6) Conduct administrative inspections on the premises~~  
15           ~~of a licensed racetrack or nonprimary location or licensed~~  
16           ~~facility to ensure compliance with this chapter and the~~  
17           ~~regulations of the board and, in the course of inspections,~~  
18           ~~review and make copies of all documents and records required~~  
19           ~~by the inspection, through on site observation and other~~  
20           ~~reasonable means to assure compliance with this chapter and~~  
21           ~~regulations promulgated under this chapter.~~

22           ~~(7) Receive and take appropriate action on any referral~~  
23           ~~from the board relating to any evidence of a violation.~~

24           ~~(8) Conduct audits of slot machine operations at such~~  
25           ~~times, under such circumstances and to such extent as the~~  
26           ~~board determines. This paragraph includes reviews of~~  
27           ~~accounting, administrative and financial records, and~~  
28           ~~management control systems, procedures and records utilized~~  
29           ~~by a slot machine licensee.~~

30           ~~(9) Request and receive information, materials and other~~

~~data from any licensee, permittee or applicant.~~

~~(10) Refer for investigation all possible criminal violations to the Pennsylvania State Police and cooperate fully in the investigation and prosecution of a criminal violation arising under this chapter.~~

~~(b) Cooperation by licensees, permittees and applicants.~~

~~Each licensee, permittee or applicant for a license or permit under this chapter shall cooperate with the board and the Pennsylvania State Police in the performance of its duties.~~

~~(c) Inspection, seizure and warrants.~~

~~(1) The board, its employees and agents and the Pennsylvania State Police shall have the authority, without notice and without warrant, to do all of the following:~~

~~(i) Inspect and examine all premises where slot machine operations are conducted, gaming devices or equipment are manufactured, sold, distributed or serviced or records of these activities are prepared or maintained.~~

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

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

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

~~(v) Seize, impound or assume physical control of any book, record, ledger, game, device, cash box and its contents, counting room or its equipment or slot machine operations.~~



1           ~~(vi) Inspect, through law enforcement officers, a~~  
2           ~~licensee's or permittee's person and personal effects~~  
3           ~~present in a slot machine facility licensed under this~~  
4           ~~chapter while that licensee or permittee is present in a~~  
5           ~~licensed slot machine facility.~~

6           ~~(2) The provisions of paragraph (1) shall not be deemed~~  
7           ~~to limit warrantless inspections except in accordance with~~  
8           ~~constitutional requirements.~~

9           ~~(3) To effectuate further the purposes of this chapter,~~  
10          ~~the board, its employees and agents and the Pennsylvania~~  
11          ~~State Police may obtain administrative warrants for the~~  
12          ~~inspection and seizure of property possessed, controlled,~~  
13          ~~bailed or otherwise held by any applicant, licensee,~~  
14          ~~permittee, intermediary company or holding company.~~

15          ~~(4) The board is authorized to make administrative~~  
16          ~~inspections to check for compliance by any applicant,~~  
17          ~~licensee, permittee, intermediary company or holding company~~  
18          ~~with the provisions of this chapter or regulations~~  
19          ~~promulgated under this chapter and to investigate any~~  
20          ~~violations of this chapter and the regulations promulgated~~  
21          ~~under this chapter.~~

22          ~~(5) This subsection shall not be construed to prevent~~  
23          ~~entries and administrative inspections, including seizures of~~  
24          ~~property, without a warrant in the following circumstances:~~

25                 ~~(i) With the consent of the owner, operator or agent~~  
26                 ~~in charge of the controlled premises.~~

27                 ~~(ii) In situations presenting imminent danger to~~  
28                 ~~health or safety.~~

29                 ~~(iii) In situations involving inspection of~~  
30                 ~~conveyances if there is reasonable cause to believe that~~

~~the mobility of the conveyance makes it impractical to  
obtain a warrant.~~

~~(iv) In any other exceptional or emergency  
circumstance where time or opportunity to apply for a  
warrant is lacking.~~

~~(v) In accordance with the provisions of this  
chapter.~~

~~(vi) In all other situations where a warrant is not  
constitutionally required.~~

~~(d) Criminal investigations and prosecutions. The  
Pennsylvania State Police shall in addition to those other  
duties otherwise provided perform the following functions in  
carrying out the provisions of this chapter:~~

~~(1) Exchange fingerprint data with and receive national  
criminal history record information from the Federal Bureau  
of Investigation for use in investigating applications for  
any license or permit under this chapter.~~

~~(2) Require production of any information, materials,  
and other data from any applicant or holder of a license or  
permit, related to an ongoing investigation.~~

~~(3) Provide the board with information necessary to  
carry out its duty to issue licenses and permits under this  
chapter.~~

~~(4) Upon probable cause, institute criminal proceedings.~~

~~(5) Arrest, in accordance with law, a person engaged in  
a criminal violation of this chapter.~~

~~(e) Concurrent jurisdiction to prosecute. In addition to  
the authority conferred upon the Attorney General by the act of  
October 15, 1980 (P.L. 950, No. 164), known as the Commonwealth  
Attorneys Act, the Attorney General shall have the authority to~~

~~prosecute a criminal violation of this chapter or a series of violations occurring in more than one county or in another state.~~

~~§ 9218.1. Automated teller machines.~~

~~The board shall promulgate rules and regulations governing the placement of automated teller machines (ATMs) and the fees or charges assessed on transactions through ATMs. No slot machine licensee may own or lease any ATM located within any area of the licensed racetrack, except for those ATMs owned and operating within the grandstand or pari mutuel wagering areas on the effective date of this chapter provided they are not moved outside of the grandstand or pari mutuel wagering area. A licensed corporation that has not previously conducted live racing and is constructing a new racetrack, or a holder of a slot machine license pursuant to paragraph (2) of the definition of "slot machine license" in section 9203, shall be permitted to operate ATMs within the grandstand, pari mutuel or other areas of the facility in such number and in such locations as the board shall approve.~~

~~§ 9218.2. Native American gaming.~~

~~(a) General rule. Any compact involving Indian gaming between the Commonwealth and an Indian tribe shall be governed by acts of the General Assembly. Under no circumstances shall the Commonwealth have relations with any Indian tribe except in accordance with this section.~~

~~(b) Requirement. If the Secretary of the Interior of the United States is holding lands located within this Commonwealth in trust for the benefit of an Indian tribe which has established relations with the Commonwealth in accordance with this section, the Commonwealth may attempt, to the extent~~

~~permitted or required by Federal law, to negotiate a gaming compact or agreement with the Indian tribe regarding all or any of the following:~~

~~(1) Health, safety and environmental concerns on or near the lands being held.~~

~~(2) Police and fire protection on or near the lands being held.~~

~~(3) Water and mineral rights on or near the lands being held.~~

~~(4) Transportation and access on or near the lands being held.~~

~~(5) The applicability of State civil and criminal laws occurring on or near the lands being held.~~

~~(6) Tax and financial issues.~~

~~(7) Any other subject or activity which the Commonwealth is permitted or required to negotiate under Federal law.~~

~~(c) Effectiveness of compact. Prior to the effectiveness of any compact executed pursuant to this section, the following shall be required:~~

~~(1) Any person authorized to negotiate a gaming compact on behalf of the Commonwealth shall conduct public hearings on the appropriateness of entering into the compact. The hearings shall occur at least 60 days in advance of any submission to the General Assembly and shall specifically examine the potential scope and impact of any gaming proposal on State and local government as well as the citizens and property owners of this Commonwealth. A summary report of all findings made at a hearing shall be submitted with the proposed compact to the General Assembly before consideration.~~

~~(2) The gaming compact shall be submitted to the General Assembly for approval or rejection.~~

~~(3) If approved by the General Assembly, the gaming compact shall be presented to the Governor pursuant to section 9 of Article III of the Constitution of Pennsylvania.~~

~~(d) 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. (Reserved).~~

~~§ 9218.4. Liquor licenses at licensed facilities.~~

~~(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 licensed facility. 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.~~

~~(2) The fee required by Pennsylvania Liquor Control Board regulations shall accompany an application to the Pennsylvania Liquor Control Board for extension of license. The application shall not be subject to any physical inspection or posting requirements.~~

~~(3) The applicant shall not be required to obtain approval from the municipality in which the license is issued.~~

~~(4) Absent good cause shown consistent with the purposes of this chapter, and notwithstanding any provision of the Liquor Code or the regulations under the Liquor Code to the contrary, the Pennsylvania Liquor Control Board shall approve an application for extension of license filed by an entity which also holds a slot machine license within 30 days.~~

~~(5) 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 exempt from 40 Pa. Code § 7.21(d) (relating to inclusion of additional premises).~~

~~(c) Nonlicensees. Notwithstanding any other provision of law, an entity holding a slot machine license which is not licensed to sell liquor or malt or brewed beverages shall be entitled to apply to the Pennsylvania Liquor Control Board for a license. The following shall apply:~~

~~(1) An application for a license to sell liquor or malt or brewed beverages submitted by an applicant holding a slot machine license shall be exempt from any restrictions in the Liquor Code on the number of such licenses permitted in a municipality.~~

~~(2) An application for a license to sell liquor or malt~~

~~or brewed beverages submitted by an applicant holding a slot machine license shall be exempt from any restrictions in the Liquor Code on the construction of facilities on the licensed premises prior to licensure.~~

~~(3) The licensed premises for an application for a license to sell liquor or malt or brewed beverages submitted by an applicant holding a slot machine license shall be deemed to encompass the entire licensed facility.~~

~~(4) Absent good cause shown consistent with the purposes of this chapter, and notwithstanding any provision of the Liquor Code or the regulations under the Liquor Code to the contrary, the Pennsylvania Liquor Control Board shall approve an application for the license filed by an entity which also holds a slot machine license within 30 days.~~

~~(d) Inclusion of licensed facility. Notwithstanding any other provision of law, property licensed under a slot machine license which is also licensed to sell liquor or malt or brewed beverages pursuant to the Liquor Code may allow persons to transport liquor or malt or brewed beverages from the portions of the property licensed under the liquor license to the unlicensed portion of the property, so long as the liquor or malt or brewed beverages remain on the licensed facility.~~

~~(e) Limitation on provision of beverages. Notwithstanding any provision of the Liquor Code to the contrary, a licensee that has obtained a license to conduct thoroughbred or harness horse race meetings respectively with pari mutuel wagering from either the State Horse Racing Commission or the State Harness Racing Commission pursuant to the Race Horse Industry Reform Act, and that has obtained a slot machine license, or any employee, servant or agent of such licensee may give away free~~

~~of charge one drink per person, per day and shall not charge below cost any liquor or malt or brewed beverage.~~

~~§ 9219. Southwest Regional District.~~

~~(a) District created.~~

~~(1) A body corporate and politic to be known as the Southwest Regional District is hereby authorized to be created as a special purpose areawide unit of local government pursuant to section 7 of Article IX of the Constitution of Pennsylvania, exercising powers as a unit of local government under this section. The exercise by the district of the powers conferred by this section is hereby declared to be, and shall for all purposes be deemed and held to be, the performance of an essential public function.~~

~~(2) The district shall be deemed to be created upon the adoption of an ordinance by any county situate in the Pittsburgh Metropolitan Statistical Area to participate in the district.~~

~~(3) The ordinance to participate in the district shall include the following:~~

~~(i) That the county is within the field of membership of the district.~~

~~(ii) That the county elects to be a member county of the district.~~

~~(iii) That the governing body will appoint individuals to serve on the district board or advisory committee, as appropriate.~~

~~(4) Once established the district shall continue in existence perpetually.~~

~~(5) Members of the board shall not be liable personally for obligations of the district, and the rights of creditors~~



1 ~~shall be solely against the district. The district, itself or~~  
2 ~~by contract, shall defend board members, and the district~~  
3 ~~shall indemnify and hold harmless board members, whether~~  
4 ~~currently employed by the district or not, against and from~~  
5 ~~any and all personal liability, actions, causes of action and~~  
6 ~~any and all claims made against them for whatever actions~~  
7 ~~they perform within the scope of their duties as board~~  
8 ~~members.~~

9 ~~(b) Governing board.—~~

10 ~~(1) The powers and duties of the district shall be~~  
11 ~~exercised by a board composed of two members appointed by~~  
12 ~~each member county hosting a racetrack or other location at~~  
13 ~~which slot machines are located.~~

14 ~~(2) The board members shall be appointed, for counties~~  
15 ~~governed by a board of county commissioners, as follows:~~

16 ~~(i) The president or chair of the board of county~~  
17 ~~commissioners shall nominate a person registered in the~~  
18 ~~majority party.~~

19 ~~(ii) The minority member of the board of county~~  
20 ~~commissioners shall nominate a person registered in a~~  
21 ~~party other than the majority party.~~

22 ~~(iii) In the event that all commissioners are of the~~  
23 ~~same party, the president or chair of the board of county~~  
24 ~~commissioners shall nominate one person registered in the~~  
25 ~~majority party and one person registered in a party other~~  
26 ~~than that of the commissioners which has the highest~~  
27 ~~total of voter registration in the county.~~

28 ~~(iv) Those nominated in accordance with~~  
29 ~~subparagraphs (i), (ii) and (iii) shall be subject to~~  
30 ~~appointment by the board of county commissioners.~~

~~(v) In the event that the board of county commissioners declines to confirm a nominee, the commissioner who nominated the unconfirmed nominee shall make another nomination of a person registered in the same party as the unconfirmed nominee.~~

~~(3) The board members shall be appointed, for counties that have elected a home rule form of government for which the governing body is not a three member board of commissioners, as follows:~~

~~(i) The governing body shall appoint one person registered in the party that shares the registration with a majority of elected members of the county's legislative body.~~

~~(ii) The governing body shall appoint one person registered in a party other than that of a majority of elected members of the county's legislative body which has the highest total of voter registration in the county.~~

~~(4) The term of office of these board members shall be four years with the term of office of the appointing authority and until their successors are appointed.~~

~~(5) The governing body of the first county to adopt an ordinance to participate in the district shall, within 30 days of the effective date of its ordinance, set a date, time and place for the initial organizational meeting of the board and provide for public notice of this meeting pursuant to 65 Pa.C.S. Ch. 7 (relating to open meetings). Not later than 30 days prior to the initial meeting, notice shall also be provided by registered mail to the governing bodies of other counties in the Pittsburgh Metropolitan Statistical Area. The~~

1 ~~members shall elect from among themselves a chairman, vice~~  
2 ~~chairman, secretary, treasurer and such other officers as~~  
3 ~~they may determine. A member may hold more than one office of~~  
4 ~~the board at any time. Members may serve successive terms as~~  
5 ~~officers of the board.~~

6 ~~(6) The board shall meet as frequently as it deems~~  
7 ~~appropriate. In addition, a meeting of the board shall be~~  
8 ~~called by the chairman if a request for a meeting is~~  
9 ~~submitted to the chairman by at least two members of the~~  
10 ~~board. A majority of the members appointed to the board shall~~  
11 ~~constitute a quorum for the purpose of conducting the~~  
12 ~~business of the board and for all other purposes. However, an~~  
13 ~~affirmative vote of at least 70% of the board shall be~~  
14 ~~required for all decisions. The provisions of 65 Pa.C.S. Ch.~~  
15 ~~7 shall apply to the board.~~

16 ~~(7) Governing board members shall not be compensated.~~  
17 ~~The district may, however, reimburse reasonable expenses to~~  
18 ~~governing board members in the event that such expenses are~~  
19 ~~associated with the service of governing board members.~~

20 ~~(c) Powers and duties.—~~

21 ~~(1) The following apply:~~

22 ~~(i) The district shall have the power to support~~  
23 ~~economic development, cultural, recreational, civic,~~  
24 ~~education, public safety and public improvement projects~~  
25 ~~either directly or in assistance to nonprofit entities,~~  
26 ~~member counties, or political subdivisions in member~~  
27 ~~counties.~~

28 ~~(ii) The enumeration of purposes in subparagraph (i)~~  
29 ~~shall not be construed to limit the powers granted to the~~  
30 ~~district under this section.~~

1           ~~(2) The district is granted all powers necessary or~~  
2           ~~convenient for the carrying out of its purposes, including~~  
3           ~~the following:~~

4                 ~~(i) To have continuing succession.~~

5                 ~~(ii) To sue and be sued, implead and be impleaded,~~  
6                 ~~complain and defend in all courts.~~

7                 ~~(iii) To adopt, use and alter at will a corporate~~  
8                 ~~seal.~~

9                 ~~(iv) To make, enter into and award contracts with~~  
10                ~~any person, association, partnership or corporation for~~  
11                ~~the development, design, financing, construction,~~  
12                ~~improvement, maintenance, operation, furnishing,~~  
13                ~~fixturing, equipping and repair of projects or parts of~~  
14                ~~projects.~~

15                ~~(v) To make bylaws for the regulation of its affairs~~  
16                ~~and to promulgate rules, regulations and policies in~~  
17                ~~connection with the performance of its functions and~~  
18                ~~duties.~~

19                ~~(vi) To make, enter into and award contracts of~~  
20                ~~every name and nature and to execute all instruments~~  
21                ~~necessary or convenient for the carrying out of its~~  
22                ~~business.~~

23                ~~(vii) To borrow money and accept grants and to enter~~  
24                ~~into contracts, leases, subleases, licenses or other~~  
25                ~~transactions with any Federal agency, State public body,~~  
26                ~~political subdivision, person, association, partnership~~  
27                ~~or corporation.~~

28                ~~(viii) To pledge, hypothecate or otherwise encumber~~  
29                ~~any of its property, real, personal or mixed, tangible or~~  
30                ~~intangible, and its revenues or receipts, including, but~~

1       ~~not limited to, any interest the district may have in any~~  
2       ~~lease or sublease of projects or parts of projects.~~

3       ~~(ix) To procure insurance containing coverage,~~  
4       ~~including, without limitation, insurance covering the~~  
5       ~~timely payment in full of principal and interest on bonds~~  
6       ~~of the district, in amounts from insurers as the district~~  
7       ~~may determine to be necessary or desirable for its~~  
8       ~~purposes.~~

9       ~~(x) To invest its money.~~

10       ~~(xi) To cooperate with any Federal agency, State~~  
11       ~~public body or political subdivision.~~

12       ~~(xii) To invest any funds not required for immediate~~  
13       ~~disbursement in reserve or sinking funds.~~

14       ~~(xiii) To appoint all officers, agents and employees~~  
15       ~~required for the performance of its duties and fix and~~  
16       ~~determine their qualifications, duties and compensation~~  
17       ~~and retain or employ other agents or consultants. The~~  
18       ~~board shall develop, implement and evaluate plans and~~  
19       ~~process to assure that all persons are accorded equality~~  
20       ~~of opportunity in employment and contracting by the~~  
21       ~~board.~~

22       ~~(xiv) To enroll its employees in a retirement~~  
23       ~~system, including an existing retirement system of the~~  
24       ~~State, county, city or other governmental entity.~~

25       ~~(xv) To appoint and fix the compensation of legal~~  
26       ~~counsel, who shall not be required to be employees of the~~  
27       ~~district, to provide it with legal assistance.~~

28       ~~Notwithstanding the provisions of 42 Pa.C.S. § 8525~~  
29       ~~(relating to legal assistance), the authority through its~~  
30       ~~counsel shall defend actions brought against the~~

~~authority and its officers and employees when acting within the scope of their official duties.~~

~~(xvi) To maintain an office in the district.~~

~~(xvii) To assist in the development and expansion of minority business enterprises and women's business enterprises.~~

~~(xviii) To do all acts and things necessary or convenient for the promotion of its purposes and the general welfare of the district and to carry out the powers granted to it by this section or any other acts.~~

~~(3) Notwithstanding any purpose of the district or a general or specific power granted by this section or any other act, whether express or implied, the following limitations and conditions shall apply to the operations of the district:~~

~~(i) The district shall have no power to pledge the credit or taxing powers of the Commonwealth or any other government agency except the credit of the district nor shall any of the bonds of the district be deemed a debt or liability of the Commonwealth or of any other government agency, except as otherwise agreed by the Commonwealth or a government agency.~~

~~(ii) Neither the Commonwealth nor any government agency except the district shall be liable for payment of the principal, interest or premium on any of the district's bonds, except as otherwise agreed by the Commonwealth or a government agency.~~

~~(iii) Notwithstanding any provision of this section or any other act to the contrary or of any implication that may be drawn from this section or any other act, the~~

1 ~~Commonwealth and all other government agencies, except~~  
2 ~~the district, shall have no legal or moral obligation for~~  
3 ~~the payment of any expenses or obligations of the~~  
4 ~~district, including, but not limited to, bond principal~~  
5 ~~and interest, the funding or refunding of any reserve and~~  
6 ~~any administrative or operating expenses whatsoever,~~  
7 ~~except as otherwise agreed to by the Commonwealth or~~  
8 ~~another government agency.~~

9 ~~(iv) Bonds of the district shall contain a prominent~~  
10 ~~statement of the limitations set forth in this subsection~~  
11 ~~and shall further recite that obligees of the district~~  
12 ~~shall have no recourse, either legal or moral, to the~~  
13 ~~Commonwealth or to any other government agency for~~  
14 ~~payment of the bonds, except as otherwise agreed to by~~  
15 ~~the Commonwealth or another government agency.~~

16 ~~(v) The district shall not assume the responsibility~~  
17 ~~of employing personnel directly engaged in the operation~~  
18 ~~of regional assets but may enter into contracts with~~  
19 ~~member counties, political subdivisions situate in member~~  
20 ~~counties and other public and private organizations for~~  
21 ~~the operation and financing of regional assets.~~

22 ~~(4) Each member county that does not appoint members to~~  
23 ~~the governing board shall appoint one individual to the~~  
24 ~~district advisory committee by action of the governing body~~  
25 ~~of such member county. The advisory board shall serve to~~  
26 ~~advise the board in the administration of the section. Each~~  
27 ~~member of the advisory board shall serve at the pleasure of~~  
28 ~~the appointing governing body but for no longer than four~~  
29 ~~years without reappointment. Advisory board members may serve~~  
30 ~~successive terms.~~

~~(d) Fiscal year. The fiscal year of the district shall conclude on December 31 of each year, except as otherwise provided by the board.~~

~~(e) Operating budget. At least 90 days before commencement of the ensuing fiscal year of the district, the board shall cause to be prepared and submitted to it a recommended operating budget. The operating budget shall set forth the estimated receipts and revenues of the district during the next fiscal year. The board shall, at least 30 days before the end of the fiscal year, adopt, by a majority vote of its members, an operating budget for the next fiscal year. The board may amend the district's budget during the course of any fiscal year as deemed necessary by the board. During its initial fiscal year, the board will not be subject to the timing specified in this section for adoption of a budget but shall instead adopt an initial budget within three months of inception.~~

~~(f) Annual report. The board of the district shall, no later than July 1 of each year, prepare a comprehensive annual report of its activities and operations for the previous year, provide a copy to member counties and make the report a matter of public record available to other political subdivisions and other interested groups and organizations.~~

~~(g) External audit. The board shall provide for an annual audit of district financial statements conducted in accordance with generally accepted auditing standards by an independent certified public accounting firm.~~

~~(h) Governmental immunity. It is hereby declared to be the intent of the General Assembly that the district created under this section and its officers, officials and employees shall enjoy governmental immunity except as provided by and subject to~~



1 ~~the provisions of 42 Pa.C.S. Ch. 85 Subchs. A (relating to~~  
2 ~~general provisions) and C (relating to actions against local~~  
3 ~~parties).~~

4 ~~(i) Funds of district. All money of the district from~~  
5 ~~whatever source derived shall be paid to the treasurer of the~~  
6 ~~district or the treasurer's designee and invested in the same~~  
7 ~~manner as is provided for in 53 Pa.C.S. § 5913 (a) through (d)~~  
8 ~~(relating to moneys of authority).~~

9 ~~(j) Transfer of funds.—~~

10 ~~(1) The following apply:~~

11 ~~(i) Any member county may and is hereby authorized~~  
12 ~~to make grants from current revenues to the district and~~  
13 ~~to assist in defraying the costs of managing, operating,~~  
14 ~~maintaining, financing and servicing the debt of~~  
15 ~~projects, to enter into long term agreements providing~~  
16 ~~for payment of the costs and to enter into long term~~  
17 ~~leases or subleases as lessee or sublessee of all or part~~  
18 ~~of a regional asset.~~

19 ~~(ii) Obligations of a member county to make grants~~  
20 ~~or lease or sublease payments to the district shall not,~~  
21 ~~even if based on debt obligations of the district,~~  
22 ~~constitute debts of the member county within the meaning~~  
23 ~~of any constitutional or statutory provision and shall be~~  
24 ~~payable only to the extent that current revenues of the~~  
25 ~~member county are available.~~

26 ~~(iii) Any member county may issue general obligation~~  
27 ~~bonds for the purpose of obtaining funds for the~~  
28 ~~acquisition or improvement of regional assets or parts of~~  
29 ~~regional assets.~~

30 ~~(2) The Commonwealth may contribute to the capital costs~~

~~of constructing projects by the issuance of Commonwealth bonds and notes under Chapter 3 of the act of February 9, 1999 (P.L.1, No.1), known as the Capital Facilities Debt Enabling Act. A project undertaken by the district is hereby deemed to be a redevelopment assistance project under which capital funds of the Commonwealth may be expended under the provisions of the act of May 20, 1949 (P.L.1633, No.493), known as the Housing and Redevelopment Assistance Law, and, notwithstanding any provisions of the Housing and Redevelopment Assistance Law, the Department of Community and Economic Development is hereby authorized to make capital grants directly to the district under this section.~~

~~(k) Pledge of revenues by district and Commonwealth. The district is expressly authorized to pledge all or any part of the net revenues in connection with the issuance of bonds or the incurring of obligations under leases in order to secure the payment of the bonds and obligations. The Commonwealth, with the signature of the Governor and the State Treasurer, may also pledge the revenues in support of or in connection with the issuance of bonds or the incurring of obligations under leases by the district in order to further secure the payment of the bonds and obligations.~~

~~(l) Fund. There is established the Southwest Regional District Fund as a separate fund in the State Treasury. The State Treasurer shall be custodian of the fund which shall be subject to the provisions of law applicable to funds listed in section 302 of The Fiscal Code. All money in the fund, including, but not limited to, money credited to the fund under this chapter, prior year encumbrances and the interest earned thereon, shall not lapse, but shall remain in the fund and must~~

~~be used exclusively as provided in this section. Pending their disbursement, moneys received on behalf of or deposited into the fund shall be invested or reinvested as are other moneys in the custody of the State Treasurer in the manner provided by law. All earnings received from the investment or reinvestment of the moneys shall be credited to the fund.~~

~~(m) Definitions. As used in this section the following words and phrases shall have the meanings given to them in this subsection:~~

~~"Board." The governing body of the district.~~

~~"County." A county within the Pittsburgh Metropolitan Statistical Area.~~

~~"District." The Southwest Regional District comprised of member counties and established under this section.~~

~~"Fund." The Southwest Regional District Fund.~~

~~"Member county." A county within the Pittsburgh Metropolitan Statistical Area which has adopted an ordinance pursuant to subsection (a)(2).~~

~~"Minority business enterprise." A small business concern which is:~~

~~(1) A sole proprietorship, owned and controlled by a socially and economically disadvantaged individual.~~

~~(2) A partnership or joint venture controlled by socially and economically disadvantaged individuals in which 51% of the beneficial ownership interest is held by socially and economically disadvantaged individuals.~~

~~(3) A corporation or other entity controlled by socially and economically disadvantaged individuals in which at least 51% of the voting interest and 51% of the beneficial ownership interest are held by socially and economically~~

~~disadvantaged individuals.~~

~~"Person." A business, individual, corporation, union, association, firm, partnership, committee, club or other organization or group of persons.~~

~~"Pittsburgh Metropolitan Statistical Area." The Pittsburgh Metropolitan Statistical Area as determined by the United States Census Bureau, 2000 Census, comprising the counties of Allegheny, Armstrong, Beaver, Butler, Fayette, Washington and Westmoreland.~~

~~"Socially and economically disadvantaged individuals." Persons who are citizens of the United States and who are African Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans and other minorities or persons found to be disadvantaged by the Small Business Administration pursuant to the Small Business Act (Public Law 85-536, 15 U.S.C. § 631 et seq.).~~

~~"Women's business enterprise." A small business concern which is at least 51% owned and controlled by women or, in the case of any publicly owned business, at least 51% of the stock of which is owned by one or more women and whose management and daily business operations are controlled by one or more of the women who own it.~~

~~Section 3. The sum of \$5,000,000 is hereby appropriated to the Pennsylvania Gaming Control Board for the fiscal year July 1, 2003, to June 30, 2004, to implement and administer the provisions of 18 Pa.C.S. Ch. 92. The money appropriated in this section shall be considered a loan from the General Fund and shall be repaid to the General Fund from the State Gaming Fund by June 30, 2004.~~

~~Section 4. The provisions of this act are severable. If any~~

~~provision of this act or its application to any person or  
circumstance is held invalid, the invalidity shall not affect  
other provisions or applications of this act which can be given  
effect without the invalid provision or application.~~

~~Section 5. (a) The following acts and parts of acts are  
repealed to the extent specified:~~

~~Section 493(29) of the act of April 12, 1951 (P.L.90, No.21),  
known as the Liquor Code, absolutely.~~

~~The provisions of 18 Pa.C.S. § 5513(a) insofar as they are  
inconsistent with the addition of 18 Pa.C.S. Ch. 92.~~

~~(b) All other acts and parts of acts are repealed insofar as  
they are inconsistent with the addition of 18 Pa.C.S. Ch. 92.~~

~~Section 6. This act shall take effect as follows:~~

~~(1) The amendment or addition of 18 Pa.C.S. §§ 4107(a)  
and 7516 shall take effect in 60 days.~~

~~(2) This section shall take effect immediately.~~

~~(3) The remainder of this act shall take effect  
immediately.~~

SECTION 2. THIS ACT SHALL TAKE EFFECT IN 60 DAYS.

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