

AMENDMENTS TO HOUSE BILL NO. 649

Sponsor: REPRESENTATIVE MUSTIO

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1 Amend Bill, page 1, line 6, by inserting after "DEFINITIONS;"
2 providing for video gaming;

3 Amend Bill, page 39, by inserting between lines 20 and 21

4 Section 2.1. Title 4 is amended by adding a chapter to read:

5 CHAPTER 11A
6 VIDEO GAMING

7 Sec.

8 11A01. Definitions.

9 11A02. Powers and duties.

10 11A03. Licensing of manufacturers, distributors, terminal
11 operators and service technicians.

12 11A04. Video gaming license.

13 11A05. License prohibitions.

14 11A06. Video gaming limitations.

15 11A07. Central computer system.

16 11A08. Video gaming terminal and redemption terminal.

17 11A09. Unlawful acts.

18 11A10. Enforcement.

19 11A11. Multiple types of licenses prohibited.

20 11A12. Establishment of account and distribution of funds.

21 11A13. Initial funding.

22 11A14. Preemption of local taxes and license fees.

23 11A15. Exemption from State gaming laws.

24 11A16. Exemption from Federal regulation.

25 11A17. Preemption.

26 11A18. Compulsive and problem gambling.

27 11A19. Provisional licenses.

28 11A20. Temporary video gaming regulations.

29 § 11A01. Definitions.

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

33 "Central computer system." A central site computer system
34 controlled by the department and accessible by the board that at
35 all times is connected to video gaming terminals at licensed
36 establishments and that, at a minimum, is capable of monitoring,
37 communicating, auditing, retrieving information, generating

1 games, activating and disabling each video gaming terminal.

2 "Coin-operated amusement game." A machine that requires the
3 insertion of a coin, currency or token to play or activate a
4 game, the outcome of which is predominantly and primarily
5 determined by the skill of the player. The term does not include
6 a video gaming terminal.

7 "Department." The Department of Revenue of the Commonwealth.

8 "Distributor." A person licensed by the board to buy, sell,
9 lease, service or distribute video gaming terminals. The term
10 does not include a terminal operator or a manufacturer.

11 "Enforcement Bureau." The Bureau of Liquor Control
12 Enforcement of the Pennsylvania State Police.

13 "Gaming machine." A device or game that has the outcome of
14 play primarily determined by chance. The term includes an
15 antique slot machine under 18 Pa.C.S. § 5513(c) (relating to
16 gambling devices, gambling, etc.) when used for profit. The term
17 shall not include any of the following:

18 (1) A coin-operated amusement game.

19 (2) A video gaming terminal that has all of its seals or
20 identification plates.

21 (3) A slot machine as defined under section 1103
22 (relating to definitions).

23 (4) A game of chance under the act of December 19, 1988
24 (P.L.1262, No.156), known as the Local Option Small Games of
25 Chance Act.

26 (5) A lottery terminal used under the act of August 26,
27 1971 (P.L.351, No.91), known as the State Lottery Law.

28 "Grocery store." A retail establishment, commonly known as a
29 grocery store, supermarket or delicatessen, where food, food
30 products and supplies are sold for human consumption on or off
31 the premises. The term shall include a restaurant with an
32 interior connection to, and the separate and segregated portion
33 of, any other retail establishment which is dedicated solely to
34 the sale of food, food products and supplies for the table for
35 human consumption on or off the premises.

36 "Gross revenue." The total of cash or cash equivalents used
37 for the play of a video gaming terminal minus cash or cash
38 equivalent paid players as a result of playing a video gaming
39 terminal.

40 "Incentive." Any consideration, including a promotion or
41 prize, provided from a licensee under this chapter or an
42 employee of a licensee to a patron of a licensed establishment
43 as an enticement to play a video gaming terminal.

44 "Inducement." Any consideration paid directly or indirectly,
45 from a terminal operator, employee of the terminal operator or
46 any other person on behalf of the terminal operator, to a
47 licensed establishment owner or an employee of the licensed
48 establishment, directly or indirectly as an enticement to
49 solicit or maintain the licensed establishment owner's business.
50 The term includes cash, a gift, loan and prepayment of gross
51 revenue.

1 "Licensed establishment." A licensed liquor establishment or
2 a truck stop establishment with a video gaming license granted
3 under § 11A05 (relating to license prohibitions).

4 "Licensed liquor establishment." A brew pub, club, hotel,
5 privately owned public golf course or restaurant as defined or
6 licensed under the act of April 12, 1951 (P.L.90, No.21), known
7 as the Liquor Code, that operates under a valid liquor or malt
8 or brewed beverage license under Article IV of the Liquor Code.
9 The term shall not include a grocery store or a hotel or
10 restaurant whose place of business is located in a licensed
11 facility as defined in 4 Pa.C.S. § 1103 (relating to
12 definitions).

13 "Manufacturer." A person that:

14 (1) is licensed by the board; and

15 (2) manufactures, produces or assembles video gaming
16 terminals or major parts and components of video gaming
17 terminals.

18 "Minor." An individual who is less than 21 years of age.

19 "Redemption terminal." The collective hardware, software,
20 communications technology and other ancillary equipment used to
21 facilitate the payment of cash or cash equivalent to a player as
22 a result of playing a video gaming terminal.

23 "Service technician." An individual licensed by the board to
24 service, maintain and repair video gaming terminals.

25 "State Lottery." The lottery established and operated under
26 the act of August 26, 1971 (P.L.351, No.91), known as the State
27 Lottery Law.

28 "Terminal operator." A person that:

29 (1) is licensed by the board; and

30 (2) owns, services or maintains video gaming terminals
31 for placement in licensed establishments.

32 "Truck stop establishment." A premises that is equipped with
33 diesel islands used for fueling commercial motor vehicles, has
34 sold on average 50,000 gallons of diesel or biodiesel fuel each
35 month for the previous 12 months or is projected to sell an
36 average of 50,000 gallons of diesel or biodiesel fuel each month
37 for the next 12 months, has parking spaces dedicated for
38 commercial motor vehicles, has a convenience store and is
39 situated on a parcel of land not less than three acres.

40 "Video gaming license." A license issued by the board
41 authorizing the placement and operation of video gaming
42 terminals at the licensed establishment specified in the
43 application for licensure.

44 "Video gaming terminal." A device or terminal:

45 (1) that, upon insertion of a coin or currency, will
46 play or simulate the play of a video poker, bingo, keno, slot
47 machine, blackjack or any other game authorized by the board;

48 (2) that utilizes a video display and microprocessor;
49 and

50 (3) in which, by the skill of the player or by chance,
51 the player may receive a free game or credit that may be

1 redeemed for cash at a redemption terminal.

2 § 11A02. Powers and duties.

3 The board shall regulate and adopt standards for video gaming
4 as authorized under this chapter.

5 § 11A03. Licensing of manufacturers, distributors, terminal
6 operators and service technicians.

7 (a) Application.--A person that applies to the board for a
8 manufacturer, distributor, terminal operator or service
9 technician license related to video gaming under this section
10 shall do so on a form prescribed by the board.

11 (b) Application fee.--

12 (1) An applicant for a manufacturer or distributor
13 license must pay a nonrefundable application fee of \$50,000.

14 (2) An applicant for a terminal operator license must
15 pay a nonrefundable application fee of \$10,000.

16 (3) An applicant for a service technician license must
17 pay a nonrefundable application fee of \$100.

18 (c) Production of information.--An applicant must produce
19 information, documentation and assurances as required by the
20 board, including:

21 (1) Written consent by the applicant to provide for the
22 examination of financial and business accounts, bank
23 accounts, tax returns and related records in the applicant's
24 possession or under the applicant's control that establish
25 the financial stability, integrity and responsibility of the
26 license applicant.

27 (2) Written authorization by the applicant for third
28 parties in possession or control of accounts or records under
29 paragraph (1) to allow for examination of such documents as
30 deemed necessary by the board or the Pennsylvania State
31 Police in conducting background investigations.

32 (3) If the applicant has conducted a gaming operation in
33 a jurisdiction that permits such activity, a letter of
34 reference from the gaming or casino enforcement or control
35 agency that specifies the experience of the agency with the
36 applicant, the applicant's associates and the applicant's
37 gaming operations. If the applicant is unable to obtain the
38 letter within 60 days of the request, the applicant may
39 submit a copy of the letter requesting the information,
40 together with a statement under oath or affirmation that,
41 during the period activities were conducted, the applicant
42 was in good standing with the appropriate gambling or casino
43 enforcement control agency.

44 (4) Information, documentation and assurances as
45 required by the board to establish the applicant's good
46 character, honesty and integrity. Information under this
47 paragraph may relate to family, habits, character,
48 reputation, business affairs, financial affairs, business
49 associates, professional associates and personal associates,
50 covering the 10-year period immediately preceding the filing
51 of the application.

1 (d) Background investigation.--Pennsylvania State Police
2 shall conduct, at the request of the board, a background
3 investigation of an applicant for a manufacturer, distributor or
4 terminal operator license as follows:

5 (1) The applicant shall consent to a background
6 investigation and provide any and all information requested
7 by the Pennsylvania State Police and consent to a release of
8 any and all information necessary for the completion of the
9 background investigation, which information shall include
10 fingerprints.

11 (2) The background investigation shall include a
12 security, criminal and credit investigation by the
13 Pennsylvania State Police, which shall include records of
14 criminal arrests and convictions, in any jurisdiction,
15 including Federal criminal history record information. The
16 investigation may utilize information about the applicant
17 compiled by the Pennsylvania Liquor Control Board. The
18 Pennsylvania State Police may share investigation information
19 with the board to the extent permitted by Federal and State
20 law as determined by the Pennsylvania State Police. None of
21 the information obtained by the Pennsylvania State Police may
22 be disclosed publicly nor be subject to disclosure under the
23 act of February 14, 2008 (P.L.6, No.3), known as the Right-
24 to-Know Law.

25 (3) The background investigation shall include an
26 examination of personal, financial or business records,
27 including tax returns, bank accounts, business accounts,
28 mortgages and contracts to which the applicant is a party or
29 has an interest.

30 (4) The background investigation shall include an
31 examination of personal or business relationships that:

32 (i) Include a partial ownership or voting interest
33 in a partnership, association or corporation.

34 (ii) Bear on the fitness of the applicant for
35 licensure.

36 (5) The applicant shall reimburse the bureau for the
37 actual costs of conducting the background investigation. The
38 board may not approve an applicant that has not fully
39 reimbursed the Pennsylvania State Police for the
40 investigation.

41 (e) Eligibility.--To be eligible for a license under this
42 section, an applicant for a manufacturer, distributor, terminal
43 operator or service technician license must comply with all of
44 the following:

45 (1) Be of good moral character and reputation in the
46 community.

47 (2) Be 18 years of age or older.

48 (3) Be current in the payment of all taxes, interest and
49 penalties owed to the Commonwealth and political subdivisions
50 of the Commonwealth. This paragraph excludes taxes subject to
51 a timely administrative or judicial appeal or subject to a

1 duly authorized deferred payment plan.

2 (4) An applicant for a manufacturer, distributor or
3 terminal operator license must also demonstrate sufficient
4 financial resources to support the activities required of,
5 respectively, a manufacturer, distributor or terminal
6 operator related to video gaming terminals.

7 (f) Review and approval.--The board shall review the
8 information submitted by the applicant and the investigation
9 information provided by the Pennsylvania State Police. If being
10 satisfied that the requirements of subsection (e) have been met,
11 the board may approve the application and grant the applicant a
12 manufacturer, distributor or terminal operator license
13 consistent with all of the following:

14 (1) The license shall be valid for a period of two
15 years. Nothing in this paragraph shall be construed to
16 relieve the licensee of the affirmative duty to notify the
17 board of any change relating to the status of its license or
18 to any other information contained in application materials
19 on file with the board.

20 (2) The license shall be nontransferable.

21 (3) Any other condition established by the board.

22 (g) Annual fees.--

23 (1) The annual fee for a terminal operator license shall
24 be \$25,000 for a terminal operator that has placed 50 or
25 fewer video gaming terminals at licensed establishments in
26 this Commonwealth. An additional annual fee of \$500 shall be
27 charged per video gaming terminal license for a terminal
28 operator that has placed more than 50 video gaming terminals
29 at licensed establishments in this Commonwealth.

30 (2) The annual fee for a distributor license shall be
31 \$10,000.

32 (3) The annual fee for a manufacturer license shall be
33 \$10,000.

34 (4) The annual fee for a service technician license
35 shall be \$100.

36 (h) Renewal and late filing fees.--

37 (1) Sixty days prior to expiration of the license, the
38 licensee seeking renewal of the license shall submit a
39 renewal application accompanied by the annual fee or the
40 license shall be subject to appropriate late filing fees.

41 (2) If the renewal application satisfies the
42 requirements of subsection (e), the board may renew the
43 license.

44 (3) If the board receives a complete renewal application
45 but fails to act upon the renewal application prior to the
46 expiration of the license, the license shall continue in
47 effect for an additional six-month period or until acted upon
48 by the board, whichever occurs first.

49 (4) The board may accept renewal applications filed less
50 than 60 days before the effective date of renewal upon the
51 payment of the requisite annual fees and an additional late

1 filing fee of \$100. A renewal application filed on or after
2 the effective date of renewal shall be accompanied by the
3 requisite annual fee and an additional late filing fee of
4 \$250. A renewal application may not be considered for
5 approval unless accompanied by the requisite annual and late
6 filing fees, tax clearance and any other information required
7 by the board.

8 (i) Validation of licenses and late filing fees.--

9 (1) One year after the issuance or renewal of a license,
10 the licensee shall file an application for validation of the
11 license with the requisite annual fees and tax clearance, at
12 least 60 days before the effective date of the validation or
13 the license shall be subject to appropriate late filing fees.

14 (2) The board may accept a validation application filed
15 less than 60 days before the effective date of renewal upon
16 the payment of the requisite annual fee and an additional
17 late filing fee of \$100. A validation application filed on or
18 after the effective date of validation shall be accompanied
19 by the requisite annual fee and an additional late filing fee
20 of \$250. A validation application may not be considered for
21 approval unless accompanied by the requisite annual and late
22 filing fees, tax clearance and any other information required
23 by the board.

24 (j) Third-party disclosure.--An applicant must accept any
25 risk of adverse public notice, embarrassment, criticism, damages
26 or financial loss, which may result from disclosure or
27 publication by a third party of material or information
28 requested by the board pursuant to action on an application. The
29 applicant expressly must waive a claim against the board or the
30 Commonwealth and the applicant's employees from damages as a
31 result of disclosure or publication by a third party.

32 (k) Hearing upon denial.--A person that is denied a license
33 or the renewal of a license under this section has the right to
34 a hearing before the board in accordance with the provisions of
35 2 Pa.C.S. Chs. 5 Subch. A (relating to practice and procedure of
36 Commonwealth agencies) and 7 Subch. A (relating to judicial
37 review of Commonwealth agency action).
38 § 11A04. Video gaming license.

39 (a) Application.--A person that applies to the board for a
40 video gaming license under this section shall do so on a form
41 prescribed by the board.

42 (b) Licensed liquor establishment.--Except as provided in
43 section 11A05 (relating to license prohibitions), the board
44 shall issue a video gaming license to a licensed liquor
45 establishment upon a showing that the establishment's liquor or
46 retail dispenser license is valid and is in good standing with
47 the Pennsylvania Liquor Control Board.

48 (c) Truck stop establishment.--The board shall issue a
49 license to a truck stop establishment if the person who owns
50 establishment meets the following requirements:

51 (1) Is of good moral character and reputation in the

1 community.

2 (2) Is 18 years of age or older.

3 (3) Is current in the payment of all taxes, interest and
4 penalties owed to the Commonwealth and political subdivisions
5 of the Commonwealth. This paragraph excludes taxes subject to
6 a timely administrative or judicial appeal or subject to a
7 duly authorized deferred payment plan.

8 (4) Demonstrates sufficient financial resources to
9 support the activities required of a manufacturer,
10 distributor or terminal operator related to video gaming
11 terminals.

12 (5) Produces information, documentation and assurances
13 as required by the board, including:

14 (i) Written consent by the applicant to provide for
15 the examination of financial and business accounts, bank
16 accounts, tax returns and related records in the
17 applicant's possession or under the applicant's control
18 that establish the financial stability, integrity and
19 responsibility of the license applicant.

20 (ii) Written authorization by the applicant for
21 third parties in possession or control of accounts or
22 records under paragraph (1) to allow for examination of
23 such documents as deemed necessary by the board or the
24 Pennsylvania State Police in conducting background
25 investigations.

26 (iii) If the applicant has conducted a gaming
27 operation in a jurisdiction that permits such activity, a
28 letter of reference from the gaming or casino enforcement
29 or control agency that specifies the experience of the
30 agency with the applicant, the applicant's associates and
31 the applicant's gaming operations. If the applicant is
32 unable to obtain the letter within 60 days of the
33 request, the applicant may submit a copy of the letter
34 requesting the information, together with a statement
35 under oath or affirmation that, during the period
36 activities were conducted, the applicant was in good
37 standing with the appropriate gambling or casino
38 enforcement control agency.

39 (iv) The applicant must provide information,
40 documentation and assurances as required by the board to
41 establish the applicant's good character, honesty and
42 integrity. Information under this paragraph may relate to
43 family, habits, character, reputation, business affairs,
44 financial affairs, business associates, professional
45 associates and personal associates, covering the 10-year
46 period immediately preceding the filing of the
47 application.

48 (6) Consent to a background investigation and provide
49 any and all information requested by the Pennsylvania State
50 Police and consent to a release to obtain any and all
51 information necessary for the completion of the background

1 investigation, which information shall include fingerprints.
2 The background investigation shall include the following:

3 (i) A security, criminal and credit investigation by
4 the Pennsylvania State Police, which shall include
5 records of criminal arrests and convictions, in any
6 jurisdiction, including Federal criminal history record
7 information. The investigation may utilize information
8 about the applicant compiled by the Pennsylvania Liquor
9 Control Board. The Pennsylvania State Police may share
10 investigation information with the board to the extent
11 permitted by Federal and State law as determined by the
12 Pennsylvania State Police. None of the information
13 obtained by the Pennsylvania State Police shall be
14 disclosed publicly nor be subject to disclosure under the
15 act of February 14, 2008 (P.L.6, No.3), known as the
16 Right-to-Know Law.

17 (ii) An examination of personal, financial or
18 business records, including tax returns, bank accounts,
19 business accounts, mortgages and contracts to which the
20 applicant is a party or has an interest.

21 (iii) An examination of personal or business
22 relationships that include a partial ownership or voting
23 interest in a partnership, association or corporation and
24 bear on the fitness of the applicant for licensure.

25 (iv) The applicant shall reimburse the bureau for
26 the actual costs of conducting the background
27 investigation. The board may not approve an applicant
28 that has not fully reimbursed the Pennsylvania State
29 Police for the investigation.

30 (d) Application fee.--A licensed establishment shall pay an
31 application fee of \$100.

32 (e) Annual fees.--A licensed establishment shall pay an
33 annual fee of \$1,000 and an annual fee of \$500 per video gaming
34 terminal.

35 (f) Review and approval.--The board shall review the
36 information submitted by the applicant and, if the applicant is
37 a truck stop establishment, the investigation information
38 provided by the Pennsylvania State Police. If satisfied that the
39 requirements for a video gaming license have been met, the board
40 shall approve the application and grant the applicant a video
41 gaming license consistent with all of the following:

42 (1) The license shall be valid for a period of two
43 years. Nothing in this paragraph shall be construed to
44 relieve the licensee of the affirmative duty to notify the
45 board of any change relating to the status of its license or
46 to any other information contained in application materials
47 on file with the board.

48 (2) The license shall be nontransferable.

49 (3) Any other condition established by the board.

50 (g) Renewal and late filing fees.--

51 (1) Sixty days prior to expiration of the license, the

1 licensee seeking renewal of the license shall submit a
2 renewal application accompanied by the renewal fee or the
3 license shall be subject to appropriate late filing fees.

4 (2) If the renewal application satisfies the
5 requirements for the video gaming license, the board may
6 renew the license.

7 (3) If the board receives a complete renewal application
8 but fails to act upon the renewal application prior to
9 the expiration of the license, the license shall continue in
10 effect for an additional six-month period or until acted upon
11 by the board, whichever occurs first.

12 (4) The board may accept a renewal application filed
13 less than 60 days before the effective date of renewal upon
14 the payment of the requisite license and filing fee and an
15 additional late filing fee of \$100. A renewal application
16 filed on or after the effective date of renewal shall be
17 accompanied by the requisite license and filing fee and an
18 additional late filing fee of \$250. A renewal application may
19 not be considered for approval unless accompanied by the
20 requisite annual and late filing fees, tax clearance and any
21 other information required by the board.

22 (h) Validation of licenses and late filing fees.--

23 (1) One year after the issuance or renewal of a license,
24 the licensee shall file an application for validation of
25 the license with the requisite annual fees and tax clearance,
26 at least 60 days before the effective date of the validation
27 or the license shall be subject to appropriate late filing
28 fees.

29 (2) The board may accept a validation application filed
30 less than 60 days before the effective date of renewal upon
31 the payment of the requisite annual fee and an additional
32 late filing fee of \$100. A validation application filed on or
33 after the effective date of validation shall be accompanied
34 by the requisite annual fee and an additional late filing fee
35 of \$250. A validation application will not be considered for
36 approval unless accompanied by the requisite filing, license
37 and late filing fees, tax clearance and any other information
38 required by the board.

39 (i) Third-party disclosure.--An applicant must accept any
40 risk of adverse public notice, embarrassment, criticism, damages
41 or financial loss, which may result from disclosure or
42 publication by a third party of material or information
43 requested by the board pursuant to action on an application. The
44 applicant expressly must waive a claim against the board or the
45 Commonwealth and the applicant's employees from damages as a
46 result of disclosure or publication by a third party.

47 (j) Hearing upon denial.--A person who is denied a license
48 or the renewal of a license under this section has the right to
49 a hearing before the board in accordance with the provisions of
50 2 Pa.C.S. Chs. 5 Subch. A (relating to practice and procedure of
51 Commonwealth agencies) and 7 Subch. A (relating to judicial

1 review of Commonwealth agency action).

2 § 11A05. License prohibitions.

3 (a) Felony conviction prohibition.--A person that has been
4 convicted of a felony in any jurisdiction may not be issued a
5 license under this chapter.

6 (b) Gambling offense prohibition.--A person that has been
7 convicted in any jurisdiction of a gambling offense, including a
8 violation of 18 Pa.C.S. § 5516 (relating to gambling devices,
9 gambling, etc.), unless 15 years have elapsed from the date of
10 conviction for the offense, may not be issued a license under
11 this chapter.

12 (c) Factors to be considered.--Following the expiration of
13 any prohibition period applicable to an applicant under
14 subsection (b), in determining whether to issue a license, the
15 board shall consider the following factors:

16 (1) The nature and seriousness of the offense or
17 conduct.

18 (2) The circumstances under which the offense or conduct
19 occurred.

20 (3) The age of the applicant when the offense or conduct
21 was committed.

22 (4) Whether the offense or conduct was an isolated or
23 repeated incident.

24 (5) Any evidence of rehabilitation, including good
25 conduct in the community, counseling or psychiatric treatment
26 received and the recommendation of persons who have
27 substantial contact with the applicant.

28 (d) Felony offenses.--For purposes of this section, a felony
29 offense is any of the following:

30 (1) An offense punishable under the laws of this
31 Commonwealth by imprisonment for more than five years.

32 (2) An offense which, under the laws of another
33 jurisdiction, is:

34 (i) classified as a felony; or

35 (ii) punishable by imprisonment for more than five
36 years.

37 (3) An offense under the laws of another jurisdiction
38 which, if committed in this Commonwealth, would be subject to
39 imprisonment for more than five years.

40 § 11A06. Video gaming limitations.

41 (a) General rule.--A licensed establishment shall be subject
42 to the following limitations:

43 (1) No more than five video gaming terminals may be
44 placed on the premises of the licensed establishment.

45 (2) With the exception of tickets indicating amounts
46 won, which are redeemable for cash, or which can be
47 reinserted into video gaming machines for play of games
48 authorized by the board, no video gaming terminal may
49 directly dispense a coin, cash, token or anything else of
50 value. The winning ticket may, however, be used in other
51 video gaming terminals in the same licensed establishment.

1 (3) (i) The licensed establishment must enter into a
2 written video gaming terminal placement agreement with a
3 licensed terminal operator for a minimum 60-month term
4 and a maximum 120-month term. The form of the agreement
5 shall be approved by the board and on file and available
6 for inspection at the licensed establishment. A licensed
7 establishment or licensed establishment applicant, may
8 only sign, or agree to sign, a written agreement with a
9 terminal operator or terminal operator applicant.

10 (ii) Any person soliciting the execution of a video
11 gaming terminal placement agreement on behalf of an
12 applicant or licensee shall be disclosed to the board.

13 (iii) No video gaming terminal placement agreement
14 may be transferred or assigned unless the individual or
15 entity making the assignment and the individual or entity
16 receiving the assignment of the video gaming terminal
17 placement agreement are both applicants or licensees
18 under this chapter.

19 (iv) No payment may be made to an individual or
20 entity for or with respect to the procurement of a video
21 gaming terminal placement agreement to an individual or
22 entity which or whom is not licensed by or disclosed to
23 the board.

24 (v) If an application for a terminal operator
25 license is denied or withdrawn, the video gaming terminal
26 placement agreement shall be null and void.

27 (vi) A video gaming terminal placement agreement not
28 in strict compliance with this section is void.

29 (4) (i) No video gaming terminal may be in an area
30 easily accessible to a minor. A floor-to-ceiling wall is
31 not required.

32 (ii) The entrance to the video gaming area must be
33 secure and easily seen and observed by the employees or
34 management of the licensed establishment.

35 (iii) The video gaming area must at all times be
36 monitored by an employee of the licensed establishment,
37 who is at least 18 years of age, either directly or
38 through video surveillance.

39 (5) (i) Except as may be approved by the board, no
40 licensed establishment with a video gaming license may
41 generally advertise gaming to the general public.

42 (ii) A customer of a licensed establishment may opt
43 in to receive written advertising materials from a
44 licensed establishment.

45 (6) No licensed establishment or employee of a licensed
46 establishment may offer an incentive to a patron of the
47 licensed establishment related to the play of a video gaming
48 terminal.

49 (b) Fines.--A person found in violation of any of the
50 limitations in subsection (a) shall be subject to the following
51 finer:

1 (1) A fine of not less than \$300, nor more than \$500 for
2 the first violation.

3 (2) For more than one violation or subsequent
4 violations, a fine of not less than \$500, nor more than
5 \$1,000.

6 (3) The right to suspend and revoke licenses granted
7 under this chapter shall be in addition to the fines
8 enumerated in this subsection.

9 § 11A07. Central computer system.

10 The department shall establish and procure a central computer
11 system capable of monitoring and communicating with each video
12 gaming terminal. The following shall apply:

13 (1) All video gaming terminals shall be linked to the
14 central computer system under the control of the department
15 and accessible by the board.

16 (2) The department may utilize the central control
17 computer system employed by the department to monitor slot
18 machine gaming or the State Lottery.

19 (3) All communications data collected by the central
20 computer system may be provided to the terminal operator.

21 (4) Interconnection of jackpots, pursuant to a wide area
22 progressive system, shall be allowed.

23 § 11A08. Video gaming terminal and redemption terminal.

24 (a) Specifications.--

25 (1) The board shall approve one or more video gaming
26 terminals and redemption terminals that include hardware and
27 software specifications. All video gaming terminals and
28 redemption terminals offered for play or use in this
29 Commonwealth shall conform to the approved specifications.

30 (2) The board may utilize the standards and models
31 approved by other states, and may contract for the services
32 of the board's testing laboratory.

33 (b) Service contracts authorized.--The board may also
34 contract for services of one or more independent outside testing
35 laboratories that have been accredited by a national
36 accreditation body and that, in the judgment of the board, are
37 qualified to perform such examinations and tests.

38 (c) Contents of specifications.--The specifications shall
39 include:

40 (1) All video gaming terminals shall have the ability to
41 interact with the central communications system.

42 (2) Unremovable identification plates shall appear on
43 the exterior of the video gaming terminal containing the name
44 of the manufacturer and the serial and model number of the
45 video gaming terminal.

46 (3) Rules of play shall be displayed on the video gaming
47 terminal face or screen as promulgated by the board.

48 (4) A video gaming terminal may not directly dispense
49 coins, cash, tokens or any other article of exchange or value
50 except for tickets. Such tickets shall be dispensed by
51 pressing the ticket dispensing button on the video gaming

1 terminal at the end of one's turn or play. The ticket shall
2 indicate the total amount of the cash award. The player shall
3 be permitted to insert the ticket into another terminal in
4 the same licensed establishment or turn in the ticket for
5 redemption. Redemption shall be made by giving the ticket to
6 the responsible person in charge who is over 18 years of age
7 at the licensed establishment or through the use of an
8 approved redemption machine. A redemption machine is required
9 at the licensed establishment if the establishment has three
10 or more terminals.

11 (5) The cost of a credit shall be 1¢, 5¢, 10¢ or 25¢ and
12 the maximum wager played per game shall not exceed \$2.50. A
13 game may result in one or more prizes.

14 (6) No cash award for any individual game may exceed
15 \$1,000.

16 (7) All video gaming terminals must be designed and
17 manufactured with total accountability to include gross
18 proceeds, net profits, winning percentages and any other
19 information the board requires.

20 (8) Each video gaming terminal shall pay out a minimum
21 of 85% of the amount wagered.

22 § 11A09. Unlawful acts.

23 (a) General rule.--It shall be unlawful for any person to do
24 any of the following:

25 (1) To operate or attempt to operate a video gaming
26 terminal or to receive or attempt to receive payment from a
27 redemption terminal if the person is under 21 years of age.

28 (2) To permit a person under 21 years of age to play a
29 video gaming terminal or to provide payment as a result of
30 playing video gaming to a person under 21 years of age.

31 (3) To permit a visibly intoxicated person to play a
32 video gaming terminal.

33 (4) To possess a gaming machine.

34 (5) To install or operate more video gaming terminals in
35 a licensed establishment than permitted by this chapter or
36 the board.

37 (6) To tamper with the connection of a video gaming
38 terminal to the central communications system.

39 (7) To sell, distribute, service, own, operate or place
40 on location a video gaming terminal unless the person holds
41 the appropriate license under this chapter and is in
42 compliance with all requirements of this chapter.

43 (8) As a terminal operator, to give, or offer to give,
44 directly or indirectly, any type of inducement to a licensed
45 liquor establishment or truck stop establishment to secure a
46 video gaming terminal placement agreement.

47 (9) As a licensed liquor establishment or truck stop
48 establishment, to accept any inducement from a terminal
49 operator or any other third party, directly or indirectly,
50 associated with a terminal operator.

51 (b) Penalties and fines.--In addition to any other penalty

1 provided by law, the following shall apply:

2 (1) A person convicted of violating subsection (a)(1) or
3 (3) is guilty of a summary offense.

4 (2) A person convicted of violating subsection (a)(4) is
5 guilty of a misdemeanor of the first degree and shall be
6 subject to additional penalties as provided in subsection
7 (c).

8 (3) Except for subsection (a)(1), (3) or (4):

9 (i) A person convicted of violating any other
10 provision of subsection (a) is guilty of a misdemeanor of
11 the third degree and shall pay fine of not less than
12 \$5,000.

13 (ii) A person convicted of violating any other
14 provision of subsection (a) that is convicted of a second
15 or subsequent violation is guilty of a misdemeanor of the
16 second degree and shall pay a fine of not less than
17 \$15,000.

18 (c) Seizure, forfeiture and destruction of gaming machines
19 and fines.--

20 (1) A licensee under this chapter shall consent to
21 seizure of its gaming machines. Gaming machines and the
22 proceeds of gaming machines shall be subject to seizure under
23 sections 1517(e) (relating to investigations and enforcement)
24 and 1518(f) (relating to prohibited acts; penalties).

25 (2) In the case of a gaming machine seized from a
26 licensed establishment:

27 (i) For a first violation, the penalty shall be a
28 fine of at least \$10,000 and not more than \$25,000 and a
29 suspension of the licensed establishment owner's liquor
30 license for not less than seven consecutive days.

31 (ii) For a second or subsequent violation, the
32 penalty shall be a fine of \$50,000 and a suspension of
33 the liquor license for not less than 60 consecutive days,
34 or a revocation of the establishment's license.

35 (3) In the case of a gaming machine seized from a place
36 of business other than a licensed establishment:

37 (i) For a first violation, the penalty shall be a
38 fine of at least \$10,000 and not more than \$25,000
39 against the owner of the business from which the gaming
40 machine was seized, and a suspension of the licensed
41 establishment owner's liquor license for not less than 30
42 consecutive days.

43 (ii) For a second or subsequent violation, the
44 penalty shall be a fine of \$50,000, and a suspension of
45 the liquor license for not less than 60 consecutive days.

46 § 11A10. Enforcement.

47 In addition to any other law enforcement agency with
48 jurisdiction, the enforcement bureau shall have the jurisdiction
49 and the authority to enter a business in order to enforce the
50 provisions of this chapter.

51 § 11A11. Multiple types of licenses prohibited.

1 (a) Manufacturer restriction.--A manufacturer may not be
2 licensed as a video gaming terminal distributor or a terminal
3 operator, or own, manage or control a licensed establishment,
4 and shall be licensed only to sell to licensed distributors.

5 (b) Distributor restriction.--A licensed video gaming
6 terminal distributor may not be licensed as a manufacturer or a
7 terminal operator, or own, manage or control a licensed
8 establishment.

9 (c) Terminal operator restriction.--A terminal operator may
10 not be licensed as a manufacturer or distributor and shall be
11 licensed only to contract with licensed distributors and
12 licensed establishments.

13 (d) Licensed establishment restriction.--An owner of a
14 licensed establishment may not be licensed as a manufacturer,
15 distributor or terminal operator.

16 § 11A12. Establishment of account and distribution of funds.

17 (a) Video Gaming Account.--The Video Gaming Account is
18 established as a separate account in the State Treasury. Except
19 as otherwise provided in this chapter, fees and fines collected
20 under this chapter and the portion of gross revenue
21 distributable to the Commonwealth under subsection (c)(3) shall
22 be deposited in the Video Gaming Account.

23 (b) Video operator accounts.--A video operator shall
24 establish and maintain an account in a State depository in this
25 Commonwealth into which the video operator shall deposit gross
26 revenue generated by the play of all video gaming terminals for
27 which the operator has been issued a video operator license. The
28 sums in the video operator account shall be withdrawn weekly by
29 the department and deposited as provided in subsection (a).

30 (c) Distribution of gross revenue.--The gross revenue from
31 each video gaming terminal shall be distributed in the following
32 manner:

33 (1) To the licensed establishment, 33%.

34 (2) To the terminal operator, 33%.

35 (3) To the Commonwealth, 34%.

36 (d) Video Gaming Account appropriations.--

37 (1) Money from the Video Gaming Account shall be
38 appropriated to:

39 (i) The board for its operations related to the
40 licensing and regulation of video gaming.

41 (ii) To the department for operation of the central
42 management system.

43 (iii) To the bureau for enforcement of this chapter
44 upon appropriation by the General Assembly.

45 (2) The board, department and bureau shall prepare and
46 annually submit to the chairperson and minority chairperson
47 of the Appropriations Committee of the Senate and the
48 chairperson and minority chairperson of the Appropriations
49 Committee of the House of Representatives, an itemized budget
50 consisting of amounts to be appropriated out of the Video
51 Gaming Account necessary to pay such costs.

1 (e) Payments to municipalities.--On an annual basis, each
2 municipality that has one or more licensed establishments within
3 the municipality shall be paid \$1,000 per licensed terminal
4 located in the municipality from the Video Gaming Account.

5 (f) Funding for compulsive gambling programs.--The board
6 shall allocate from the Video Gaming Account \$1,000,000
7 annually for the purpose of treating compulsive gambling in this
8 Commonwealth.

9 § 11A13. Initial funding.

10 The sum of \$10,000,000 is hereby appropriated from the
11 General Fund to the board for the purpose of paying costs
12 associated with the licensing and regulation of video gaming and
13 the initial implementation of this chapter and other costs
14 associated with this chapter by the board. The appropriated
15 amount shall be repaid from the Video Gaming Account to the
16 General Fund by June 30, 2017.

17 § 11A14. Preemption of local taxes and license fees.

18 (a) Statutes.--Video gaming terminals shall be exempt from
19 taxes levied under the following:

20 (1) The act of August 5, 1932 (Sp.Sess., P.L.45, No.45),
21 referred to as the Sterling Act.

22 (2) The act of December 31, 1965 (P.L.1257, No.511),
23 known as The Local Tax Enabling Act.

24 (3) 53 Pa.C.S. Pt. III Subpt. E (relating to home rule
25 and optional plan government).

26 (4) Any statute that confers taxing authority to a
27 political subdivision.

28 (b) Licensing fees.--

29 (1) Video gaming terminals are exempt from local
30 licensing fees.

31 (2) Local licensing fees imposed on all other coin-
32 operated amusement games shall not exceed \$100.

33 § 11A15. Exemption from State gaming laws.

34 Video gaming terminals authorized under this chapter and the
35 use of video gaming terminals as authorized under this chapter
36 are exempt from 18 Pa.C.S. § 5513 (relating to gambling devices,
37 gambling, etc.).

38 § 11A16. Exemption from Federal regulation.

39 The General Assembly declares that the Commonwealth is exempt
40 from section 2 of the Gambling Devices Transportation Act (64
41 Stat. 1134, 15 U.S.C. § 1172). Shipments of approved video
42 gaming terminals into this Commonwealth in compliance with
43 sections 3 and 4 of the Gambling Devices Transportation Act (15
44 U.S.C. §§ 1173 and 1174) shall be deemed legal shipments into
45 this Commonwealth.

46 § 11A17. Preemption.

47 This chapter shall preempt all laws of units of local
48 government to the extent they are inconsistent with this
49 chapter.

50 § 11A18. Compulsive and problem gambling.

51 (a) Establishment of program.--

1 (1) The Department of Health shall develop program
2 guidelines for public education, awareness and training
3 regarding compulsive and problem gambling and the treatment
4 and prevention of compulsive and problem gambling
5 specifically in the area of video gaming. The program shall
6 supplement and be complimentary to the existing program under
7 4 Pa.C.S. § 1509 (relating to compulsive and problem gambling
8 program).

9 (2) Except as otherwise provided in this subsection, the
10 provisions of 4 Pa.C.S. § 1509 shall be fully applicable to
11 video gaming. The guidelines shall include strategies for the
12 prevention of compulsive and problem gambling. The Department
13 of Health may consult with the board and licensed gaming
14 entities to develop such strategies.

15 (3) The program shall include the following,
16 specifically with respect to video gaming:

17 (i) Maintenance of a compulsive gamblers assistance
18 organization's toll-free problem gambling telephone
19 number to provide crisis counseling and referral services
20 to families experiencing difficulty as a result of
21 problem or compulsive gambling.

22 (ii) The promotion of public awareness regarding the
23 recognition and prevention of problem or compulsive
24 gambling.

25 (iii) Facilitation, through in-service training and
26 other means, of the availability of effective assistance
27 programs for problem and compulsive gamblers and family
28 members affected by problem and compulsive gambling.

29 (iv) Conducting studies to identify adults and
30 juveniles in this Commonwealth who are, or are at risk of
31 becoming, problem or compulsive gamblers.

32 (v) Providing grants to and contracting with
33 organizations which provide services as provided in this
34 section.

35 (vi) Providing reimbursement for organizations for
36 reasonable expenses in assisting the Department of Health
37 in carrying out the purposes of this section.

38 (b) Notice of availability of assistance.--

39 (1) A licensed establishment shall obtain a toll-free
40 telephone number to be used to provide persons with
41 information on assistance for compulsive or problem gambling.
42 A licensed establishment shall conspicuously post at least
43 two signs containing language similar to the following
44 statement: If you or someone you know has a gambling problem,
45 help is available. Call (toll-free telephone number). The
46 signs shall be posted within 50 feet of each entrance and
47 exit and, within 50 feet of each automated video gaming area
48 within the licensed establishment and in other appropriate
49 public areas of the licensed establishment as determined by
50 the licensed establishment.

51 (2) A licensed establishment shall have available in its

1 establishment written handout materials in a format
2 prescribed by the Department of Health which contain the same
3 information as the signs referenced in paragraph (1).

4 (3) A licensed establishment that fails to post or print
5 the warning sign or provide the written materials in
6 accordance with paragraph (1) or (2) shall be assessed a fine
7 of \$1,000 per day for each day the minimum number of signs
8 are not posted as required in this subsection.

9 (c) Mandatory training.--The board's Office of Compulsive and
10 Problem Gambling shall develop mandatory training for employees
11 and management of a licensed establishment who oversee the video
12 gaming terminal to identify and address compulsory gambling
13 behaviors and provide assistance to problem gamblers. The board
14 shall establish a fee to cover the cost of the training.
15 § 11A19. Provisional licenses.

16 (a) General rule.--The General Assembly has determined that
17 prompt and expedited implementation of video gaming in this
18 Commonwealth is desirable, to the extent that such expedited
19 implementation can be accomplished without compromising the
20 integrity of gaming. The provisional licensing provisions of
21 this section are found to strike the correct balance between
22 assuring that licensees meet the licensing criteria without
23 causing an undue delay in implementation of this chapter.

24 (b) Provisional licensing of licensed liquor
25 establishments.--

26 (1) Within 60 days after the effective date of this
27 section, the board shall make applications for a video gaming
28 license as a licensed liquor establishment available to
29 applicants.

30 (2) The board shall issue a provisional license to an
31 applicant for a video gaming license as a licensed liquor
32 establishment if the applicant satisfies, as determined by
33 the board, all of the following criteria:

34 (i) The applicant has never been convicted of a
35 felony.

36 (ii) The applicant is current on all State taxes.

37 (iii) The applicant has submitted a completed
38 application for licensure as a licensed establishment,
39 which may be submitted concurrently with the applicant's
40 request for a provisional license.

41 (iv) The applicant held a valid liquor license under
42 Article IV of the act of April 12, 1951 (P.L.90, No.21),
43 known as the Liquor Code, on the date of application and
44 has never had the liquor license revoked.

45 (v) The applicant has never been convicted of any
46 gambling law violation in any jurisdiction.

47 (3) The board shall issue a provisional license to an
48 applicant for a video gaming license as a licensed liquor
49 establishment, within 60 days after the application has been
50 received by the board, provided that the board determines
51 that the criteria contained in paragraph (2) has been

1 satisfied. If the board has determined that the criteria
2 contained in paragraph (2) has not been satisfied, the board
3 shall give a written explanation to the applicant as to why
4 it has determined the criteria has not been satisfied.

5 (4) A provisional license shall be valid until:

6 (i) the board either approves or denies the
7 applicant's application for licensure;

8 (ii) the provisional license is terminated for a
9 violation of this chapter; or

10 (iii) one calendar year has passed since the
11 provisional license was issued.

12 If the board fails to act upon the application for a video
13 gaming license as a licensed liquor establishment, within 60
14 days after the expiration of a provisional license, the
15 applicant may apply for a renewal of the provisional license.

16 (5) Each applicant shall attest by way of affidavit
17 under penalty of perjury that the applicant is not otherwise
18 prohibited from licensure according to the requirements of
19 this section or any other provision of this chapter.

20 (6) All requests for provisional licensure under this
21 subsection shall include payment of a \$100 fee, which is in
22 addition to the applicable fee required for an application
23 for licensure as a licensed establishment.

24 (7) If the board fails to act upon a request for
25 provisional licensure within 60 days after receipt of the
26 request, the request shall be deemed approved and the board
27 shall issue the applicant a provisional video gaming license
28 as a licensed liquor establishment.

29 (b) Provisional licensing of terminal operators.--

30 (1) Within 60 days after the effective date of this
31 section, the board shall make applications for licensure as
32 terminal operator available to applicants.

33 (2) The board shall accept applications for licensure as
34 a terminal operator beginning 14 days after applications
35 become available.

36 (3) The board shall issue a provisional license to an
37 applicant for licensure as a terminal operator if the
38 applicant satisfies, as determined by the board, all of the
39 following criteria:

40 (i) The applicant has never been convicted of a
41 felony.

42 (ii) The applicant is current on all State taxes.

43 (iii) The applicant has submitted a completed
44 application for licensure as a licensed terminal
45 operator, which may be submitted concurrently with the
46 applicant's request for a provisional license.

47 (iv) The applicant has never had its terminal
48 operator license or similar gaming license revoked in
49 another jurisdiction.

50 (v) The applicant has never been convicted of any
51 gambling law violation in any jurisdiction.

1 (4) The board shall issue a provisional license to an
2 applicant for licensure as a licensed terminal operator,
3 within 60 days after such application has been received by
4 the board, provided that the board determines that the
5 criteria contained in paragraph (3) has been satisfied. If
6 the board has determined that the criteria contained in
7 paragraph (3) has not been satisfied, the board shall give a
8 written explanation to the applicant as to why it has
9 determined the criteria has not been satisfied.

10 (5) A provisional license shall be valid until:

11 (i) the board either approves or denies the
12 applicant's application for licensure;

13 (ii) the provisional license is terminated for a
14 violation of this chapter; or

15 (iii) one calendar year has passed since the
16 provisional license was issued.

17 If the board fails to act upon the application for licensure
18 as a terminal operator, within 60 days after the expiration
19 of a provisional license, the applicant may apply for a
20 renewal of the provisional license.

21 (6) Each applicant shall attest by way of affidavit
22 under penalty of perjury that the applicant is not otherwise
23 prohibited from licensure according to the requirements of
24 this subsection or any other provision of this chapter.

25 (7) All requests for provisional licensure under this
26 subsection shall include payment of a \$5,000 fee, which is in
27 addition to the applicable fee required for an application
28 for licensure as a terminal operator.

29 (8) The board shall initially issue no fewer than 10
30 provisional licenses to terminal operator applicants, unless
31 the board receives less than 10 applications for provisional
32 licenses.

33 (9) If the board fails to act upon a request for
34 provisional licensure within 60 days after receipt of the
35 request, the request shall be deemed approved and the board
36 shall issue the applicant a provisional license as a licensed
37 terminal operator.

38 (c) Provisional licensing of service technicians.--

39 (1) Within 60 days after the effective date of this
40 section, the board shall make applications for licensure as a
41 service technician available to applicants.

42 (2) The board shall issue a provisional license to an
43 applicant for licensure as a service technician if the
44 applicant satisfies, as determined by the board, all of the
45 following criteria:

46 (i) The applicant has never been convicted of a
47 felony.

48 (ii) The applicant is current on all State taxes.

49 (iii) The applicant has submitted a completed
50 application for licensure as a service technician, which
51 may be submitted concurrently with the applicant's

1 request for a provisional license.

2 (iv) The applicant has never been convicted of any
3 gambling law violation in any jurisdiction.

4 An individual who has a valid license issued by the
5 Commonwealth that allows the individual to serve as a service
6 technician in a Pennsylvania casino shall be exempt from the
7 requirements of this section and shall automatically be
8 eligible for a provisional license as a service technician.

9 (3) The board shall issue a provisional license to an
10 applicant for licensure as a service technician, within 60
11 days after the application has been received by the board,
12 provided that the board determines that the criteria
13 contained in paragraph (2) has been satisfied. If the board
14 has determined that the criteria contained in paragraph (2)
15 of this subsection has not been satisfied, the board shall
16 give a written explanation to the applicant as to why it has
17 determined the criteria has not been satisfied.

18 (4) A provisional license shall be valid until:

19 (i) the board either approves or denies the
20 applicant's application for licensure;

21 (ii) the provisional license is terminated for a
22 violation of this chapter; or

23 (iii) one calendar year has passed since the
24 provisional license was issued.

25 If the board fails to act upon the application for licensure
26 as a service technician, within 60 days after the expiration
27 of a provisional license, the applicant may apply for a
28 renewal of the provisional license.

29 (5) Each applicant shall attest by way of affidavit
30 under penalty of perjury that the applicant is not otherwise
31 prohibited from licensure according to the requirements of
32 this subsection or any other provision of this chapter.

33 (6) All requests for provisional licensure under this
34 subsection shall include payment of a \$100 fee, which is in
35 addition to the applicable fee required for an application
36 for licensure as a service technician.

37 (7) If the board fails to act upon a request for
38 provisional licensure within 60 days after receipt of the
39 request, the request shall be deemed approved and the board
40 shall issue the applicant a provisional license as a service
41 technician.

42 (d) Provisional licensing of manufacturers and
43 distributors.--

44 (1) Within 60 days after the effective date of this
45 section, the board shall make applications for licensure as
46 manufacturers or distributors available to applicants.

47 (2) The board shall issue a provisional license to an
48 applicant for licensure as a licensed manufacturer or
49 distributor if the applicant satisfies, as determined by the
50 board, all of the following criteria:

51 (i) The applicant has never been convicted of a

1 felony.

2 (ii) The applicant is current on all State taxes.

3 (iii) The applicant has submitted a completed
4 application for licensure as a manufacturer or
5 distributor, which may be submitted concurrently with the
6 applicant's request for a provisional license;

7 (iv) The applicant has never been convicted of any
8 gambling law violation in any jurisdiction.

9 (3) The board shall issue a provisional license to an
10 applicant for licensure as a manufacturer or distributor,
11 within 60 days after such application has been received by
12 the board, provided that the board determines that the
13 criteria contained in paragraph (2) has been satisfied. If
14 the board has determined that the criteria contained in
15 paragraph (2) has not been satisfied, the board shall give a
16 written explanation to the applicant as to why it has
17 determined the criteria has not been satisfied.

18 (4) A provisional license shall be valid until:

19 (i) the board either approves or denies the
20 applicant's application for licensure;

21 (ii) the provisional license is terminated for a
22 violation of this chapter; or

23 (iii) one calendar year has passed since the
24 provisional license was issued.

25 If the board fails to act upon the application for licensure
26 as a manufacturer or distributor, within 60 days after the
27 expiration of a provisional license, the applicant may apply
28 for a renewal of the provisional license.

29 (5) Each applicant shall attest by way of affidavit
30 under penalty of perjury that the applicant is not otherwise
31 prohibited from licensure according to the requirements of
32 this subsection or any other provision of this chapter.

33 (6) All requests for provisional licensure under this
34 subsection shall include payment of a \$1,000 fee, which is in
35 addition to the applicable fee required for an application
36 for licensure as a manufacturer or distributor.

37 (7) If the board has not acted upon a request for
38 provisional licensure within 60 days after receipt of the
39 request, the request shall be deemed approved and the board
40 shall issue the applicant a provisional license as a licensed
41 manufacturer or distributor.

42 § 11A20. Temporary video gaming regulations.

43 (a) General rule.--Regulations promulgated by the board
44 under this chapter shall be deemed temporary regulations which
45 shall expire not later than two years following the publication
46 of the temporary regulation. The board may promulgate temporary
47 regulations not subject to:

48 (1) Sections 201, 202, 203, 204 and 205 of the act of
49 July 31, 1968 (P.L.769, No.240), referred to as the
50 Commonwealth Documents Law.

51 (2) The act of June 25, 1982 (P.L.633, No.181), known as

1 the Regulatory Review Act.

2 (3) Sections 204(b) and 301(10) of the act of October
3 15, 1980 (P.L.950, No.164), known as the Commonwealth
4 Attorneys Act.

5 (b) Expiration.--The board's authority to adopt temporary
6 regulations under subsection (a) shall expire two years after
7 the effective date of this section. Regulations adopted after
8 this period shall be promulgated as provided by law.

9 (c) Temporary regulations.--The board shall begin publishing
10 temporary regulations governing video gaming within 120 days
11 after the effective date of this section.