

## AMENDMENTS TO HOUSE BILL NO. 1925

Sponsor: REPRESENTATIVE PAYNE

Printer's No. 3194

1 Amend Bill, page 1, lines 1 through 3, by striking out all of  
2 said lines and inserting  
3 Amending Title 4 (Amusements) of the Pennsylvania Consolidated  
4 Statutes, in general provisions, further providing for  
5 legislative intent and for definitions; in Pennsylvania  
6 Gaming Control Board, further providing for general and  
7 specific powers, for licensed gaming entity application  
8 appeals from board, for board minutes and records, for  
9 regulatory authority of board, for slot machine license fee,  
10 for reports of board and for diversity goals of board; in  
11 licensees, further providing for Category 3 slot machine  
12 license, for slot machine license application, for supplier  
13 licenses and for manufacturer licenses, providing for  
14 nongaming service provider and further providing for slot  
15 machine testing and certification standards and for license  
16 renewals; in table games, further providing for authorization  
17 to conduct table games, for table game tournaments, for other  
18 financial transactions, for table game device and associated  
19 equipment testing and certification standards, for table game  
20 authorization fee and for local share assessment; providing  
21 for interactive gaming, for slot machines at nonprimary  
22 locations and for slot machines in qualified airports; in  
23 revenues, further providing for establishment of State Gaming  
24 Fund and net slot machine revenue distribution, for  
25 Pennsylvania Race Horse Development Fund, for Pennsylvania  
26 Gaming Economic Development and Tourism Fund and for  
27 transfers from State Gaming Fund and establishing the Public  
28 School Employees' Retirement Contribution Fund; in  
29 administration and enforcement, further providing for  
30 responsibility and authority of the Department of Revenue,  
31 for compulsive and problem gambling program, providing for  
32 child endangerment protection, further providing for  
33 financial and employment interests, for regulation requiring  
34 exclusion or ejection of certain persons, for repeat  
35 offenders excludable from licensed gaming facility, for list  
36 of persons self excluded from gaming activities, for  
37 investigations and enforcement, for prohibited acts and  
38 penalties and providing for casino liquor license; in

1 miscellaneous provisions, further providing for  
2 appropriations; making an editorial change; and making a  
3 related repeal.

4 Amend Bill, page 1, lines 6 and 7, by striking out all of  
5 said lines and inserting

6 Section 1. Section 1102 of Title 4 of the Pennsylvania  
7 Consolidated Statutes is amended by adding paragraphs to read:  
8 § 1102. Legislative intent.

9 The General Assembly recognizes the following public policy  
10 purposes and declares that the following objectives of the  
11 Commonwealth are to be served by this part:

12 \* \* \*

13 (12.1) The continued growth and success of the  
14 commercial gaming industry in this Commonwealth is dependent  
15 upon a regulatory environment which promotes and fosters  
16 technological advances and encourages the development and  
17 delivery of innovative gaming products.

18 (12.2) It is also the intent of the General Assembly to  
19 ensure the sustainability and competitiveness of the  
20 commercial gaming industry in this Commonwealth by  
21 authorizing interactive gaming, the operation of multistate  
22 wide-area progressive slot machines, skill and hybrid slot  
23 machines and the operation of slot machines at nonprimary  
24 locations.

25 \* \* \*

26 Section 2. The definitions of "associated equipment," "cash  
27 equivalent," "cheat," "cheating or thieving device,"  
28 "commission" or "commissions," "conduct of gaming," "contest,"  
29 "counterfeit chip," "fully automated electronic gaming table,"  
30 "gaming employee," "gaming school," "gaming service provider,"  
31 "key employee," "licensed facility," "manufacturer,"  
32 "manufacturer license," "player," "progressive payout,"  
33 "progressive system," "slot machine," "supplier," "supplier  
34 license" and "table game device" in section 1103 of Title 4 are  
35 amended and the section is amended by adding definitions to  
36 read:

37 § 1103. Definitions.

38 The following words and phrases when used in this part shall  
39 have the meanings given to them in this section unless the  
40 context clearly indicates otherwise:

41 \* \* \*

42 "Airport authority." The governing body of a municipal  
43 authority organized and incorporated to oversee the operations  
44 of a qualified airport under 53 Pa.C.S. Ch. 56 (relating to  
45 municipal authorities) or the governing body of a city of the  
46 first class, which regulates the use and control of a qualified  
47 airport.

48 "Airport gaming area." A location or locations within a  
49 qualified airport approved for the conduct of authorized

1 interactive games through the use of multi-use computing devices  
2 by eligible passengers as approved by the airport authority and  
3 the Pennsylvania Gaming Control Board.

4 \* \* \*

5 "Associated equipment." Any equipment or mechanical,  
6 electromechanical or electronic contrivance, component or  
7 machine used in connection with slot machines or table games,  
8 including linking devices which connect to progressive slot  
9 machines and multistate wide-area progressive slot machines or  
10 slot [machines, replacement] machine replacement parts,  
11 equipment which affects the proper reporting and counting of  
12 gross terminal revenue [and], gross table game revenue and gross  
13 interactive gaming revenue, computerized systems for controlling  
14 and monitoring slot machines [or], table games or interactive  
15 games, including, but not limited to, the central control  
16 computer to which all slot machines communicate [and], devices  
17 for weighing or counting money[.] and interactive gaming devices  
18 and associated equipment necessary for the operation of  
19 interactive games as approved by the Pennsylvania Gaming Control  
20 Board. The term shall not include count room equipment.

21 \* \* \*

22 "Authorized interactive game." An interactive game approved  
23 by regulation of the Pennsylvania Gaming Control Board to be  
24 suitable for interactive gaming offered by an interactive gaming  
25 certificate holder or other persons on behalf of a slot machine  
26 licensee in accordance with Chapter 13B (relating to interactive  
27 gaming). The term shall include any interactive game approved by  
28 regulation of the Pennsylvania Control Board to be suitable for  
29 interactive gaming through the use of a multi-use computing  
30 device.

31 \* \* \*

32 "Cash equivalent." An asset that is readily convertible to  
33 cash, including, but not limited to, any of the following:

- 34 (1) Chips or tokens.
- 35 (2) Travelers checks.
- 36 (3) Foreign currency and coin.
- 37 (4) Certified checks, cashier's checks and money orders.
- 38 (5) Personal checks or drafts.
- 39 (6) A negotiable instrument applied against credit  
40 extended by a certificate holder, an interactive gaming  
41 certificate holder, a holder of an interactive gaming license  
42 or a financial institution.

43 (7) Any other instrument or representation of value that  
44 the Pennsylvania Gaming Control Board deems a cash  
45 equivalent.

46 \* \* \*

47 "Cheat." To defraud or steal from any player, slot machine  
48 licensee or the Commonwealth while operating or playing a slot  
49 machine [or], table game[, ] or authorized interactive game,  
50 including causing, aiding, abetting or conspiring with another  
51 person to do so. The term shall also mean to alter or causing,

1 aiding, abetting or conspiring with another person to alter the  
2 elements of chance, method of selection or criteria which  
3 determine:

4 (1) The result of a slot machine game [or], table game  
5 or authorized interactive game.

6 (2) The amount or frequency of payment in a slot machine  
7 game [or], table game or authorized interactive game.

8 (3) The value of a wagering instrument.

9 (4) The value of a wagering credit.

10 The term does not include altering a slot machine, table game  
11 device or associated equipment or interactive gaming device or  
12 associated equipment for maintenance or repair with the approval  
13 of a slot machine licensee.

14 "Cheating or thieving device." A device, software or  
15 hardware used or possessed with the intent to be used to cheat  
16 during the operation or play of any slot machine [or], table  
17 game or authorized interactive game. The term shall also include  
18 any device used to alter a slot machine [or], a table game  
19 device or associated equipment, an authorized interactive game  
20 or interactive gaming device or associated equipment without the  
21 slot machine licensee's approval.

22 \* \* \*

23 ["Commission" or "commissions."] "Commission." The State  
24 Horse Racing Commission [or the State Harness Racing Commission,  
25 or both as the context may require.] as defined in section 2801-  
26 D of the act of April 9, 1929 (P.L.177, No.175), known as The  
27 Administrative Code of 1929.

28 \* \* \*

29 "Concession operator." A person engaged in the sale or  
30 offering for sale of consumer goods or services to the public at  
31 a qualified airport, or authorized to conduct other commercial  
32 activities related to passenger services at a qualified airport,  
33 in accordance with the terms and conditions of an agreement or  
34 contract with an airport authority, government entity or other  
35 person.

36 "Conduct of gaming." The licensed placement, operation and  
37 play of slot machines [and], table games and interactive games  
38 under this part, as authorized and approved by the Pennsylvania  
39 Gaming Control Board. The term shall include the licensed  
40 placement, operation and play of authorized interactive games  
41 through the use of multi-use computing devices at a qualified  
42 airport, as authorized and approved by the Pennsylvania Gaming  
43 Control Board.

44 "Contest." A slot machine, table game or authorized  
45 interactive game competition among players for cash, cash  
46 equivalents or prizes.

47 \* \* \*

48 "Counterfeit chip." Any object or thing that is:

49 (1) used or intended to be used to play a table game at  
50 a certificate holder's licensed facility and which was not  
51 issued by that certificate holder for such use; [or]

1 (2) presented to a certificate holder for redemption if  
2 the object was not issued by the certificate holder[.];

3 (3) used or intended to be used to play an authorized  
4 interactive game which was not approved by the interactive  
5 gaming certificate holder for such use; or

6 (4) presented during play of an authorized interactive  
7 game for redemption, if the object or thing was not issued by  
8 the interactive gaming certificate holder or other person on  
9 behalf of an interactive gaming certificate holder.

10 \* \* \*

11 "Eligible passenger" or "passenger." An individual 21 years  
12 of age or older who has cleared security check points with a  
13 valid airline boarding pass for travel from one destination to  
14 another by airplane.

15 \* \* \*

16 "Fully automated electronic gaming table." An electronic  
17 gaming table determined by the Pennsylvania Gaming Control Board  
18 to be playable or operable as a table game without the  
19 assistance or participation of a person acting on behalf of a  
20 certificate holder. The term shall include a multi-use computing  
21 device, which through the use of digital, electronic or other  
22 communications technology, is capable of simulating a table  
23 game.

24 \* \* \*

25 "Gaming employee." Any employee of a slot machine licensee,  
26 including, but not limited to:

27 (1) Cashiers.

28 (2) Change personnel.

29 (3) Count room personnel.

30 (4) Slot attendants.

31 (5) Hosts or other individuals authorized to extend  
32 complimentary services, including employees performing  
33 functions similar to those performed by a gaming junket  
34 representative.

35 (6) Machine mechanics, computer machine technicians or  
36 table game device technicians.

37 (7) Security personnel.

38 (8) Surveillance personnel.

39 (9) Promotional play supervisors, credit supervisors,  
40 pit supervisors, cashier supervisors, shift supervisors,  
41 table game managers and assistant managers and other  
42 supervisors and managers, except for those specifically  
43 identified in this part as key employees.

44 (10) Boxmen.

45 (11) Dealers or croupiers.

46 (12) Floormen.

47 (13) Personnel authorized to issue promotional play.

48 (14) Personnel authorized to issue credit.

49 The term shall include employees of a person holding a  
50 supplier's license whose duties are directly involved with the  
51 repair or distribution of slot machines, table game devices or

1 associated equipment or interactive gaming devices or associated  
2 equipment sold or provided to a licensed facility within this  
3 Commonwealth as determined by the Pennsylvania Gaming Control  
4 Board. The term shall further include employees of a person  
5 authorized by the board to supply goods and services related to  
6 interactive gaming or any subcontractor or an employee of a  
7 subcontractor that supplies interactive gaming devices,  
8 including multi-use computing devices, or associated equipment  
9 to a holder of an interactive gaming certificate or interactive  
10 gaming license. The term does not include bartenders, cocktail  
11 servers or other persons engaged solely in preparing or serving  
12 food or beverages, clerical or secretarial personnel, parking  
13 attendants, janitorial, stage, sound and light technicians and  
14 other nongaming personnel as determined by the board.

15 "Gaming floor." Any portion of a licensed facility where  
16 slot machines or table games have been installed for use or  
17 play.

18 \* \* \*

19 "Gaming-related restricted area." Any room or area of a  
20 licensed facility, as approved by the Pennsylvania Gaming  
21 Control Board, used by a slot machine licensee to manage,  
22 control and operate gaming activities authorized under this part  
23 and where access is limited to individuals specifically  
24 designated by the slot machine licensee.

25 \* \* \*

26 "Gaming school." Any educational institution approved by the  
27 Department of Education as an accredited college or university,  
28 community college, Pennsylvania private licensed school or its  
29 equivalent and whose curriculum guidelines are approved by the  
30 Department of Labor and Industry to provide education and job  
31 training related to employment opportunities associated with  
32 slot machines [or], table games or interactive games, including  
33 slot machine, table game device and associated equipment  
34 maintenance and repair and interactive gaming devices and  
35 associated equipment maintenance and repair.

36 "Gaming service provider." A person that is not required to  
37 be licensed as a manufacturer, supplier, management company or  
38 gaming junket enterprise under this part or regulations of the  
39 Pennsylvania Gaming Control Board and:

40 (1) provides goods or services, including, but not  
41 limited to, count room equipment, to a slot machine licensee  
42 or an applicant for a slot machine license for use in the  
43 operation of a licensed facility; [or] and

44 (2) provides goods or services [at] to a slot machine  
45 licensee or an applicant for a slot machine license that  
46 requires access to the gaming floor or a gaming-related  
47 restricted area of a licensed facility as determined by the  
48 Pennsylvania Gaming Control Board.

49 \* \* \*

50 "Gross interactive gaming revenue." The total of all cash or  
51 cash equivalent wagers paid by registered players to an

1 interactive gaming certificate holder in consideration for the  
2 play of authorized interactive games, minus:

3 (1) The total of cash or cash equivalents paid out to  
4 registered players as winnings.

5 (2) The cash equivalent value of any personal property  
6 or other noncash items or things of value included in a  
7 drawing, contest or tournament and distributed to registered  
8 players as a result of playing authorized interactive games.

9 (3) Any administrative fee, operations fee or tax paid  
10 to another state or jurisdiction pursuant to an interactive  
11 gaming reciprocal agreement.

12 Amounts deposited with an interactive gaming certificate holder  
13 for purposes of interactive gaming and amounts taken in  
14 fraudulent acts perpetrated against an interactive gaming  
15 certificate holder for which the interactive gaming certificate  
16 holder is not reimbursed may not be considered to have been paid  
17 to the interactive gaming certificate holder for purposes of  
18 calculating gross interactive gaming revenue.

19 \* \* \*

20 "Hybrid slot machine." A slot machine in which a combination  
21 of the skill of the player and elements of chance affects the  
22 outcome of the game.

23 \* \* \*

24 "Interactive game." Any gambling game offered through the  
25 use of communications technology that allows a person, utilizing  
26 money, checks, electronic checks, electronic transfers of money,  
27 credit cards or any other instrumentality to transmit electronic  
28 information to assist in the placement of a bet or wager and  
29 corresponding information related to the display of the game,  
30 game outcomes or other similar information. The term shall not  
31 include:

32 (1) A lottery game or Internet instant game as defined  
33 in the act of August 26, 1971 (P.L.351, No.91), known as the  
34 State Lottery Law.

35 (2) Nongambling games that do not otherwise require a  
36 license under the laws of this Commonwealth.

37 For the purposes of this definition, the term "communications  
38 technology" shall mean any method used and the components  
39 employed to facilitate the transmission and receipt of  
40 information, including transmission and reception by systems  
41 using wire, wireless, cable, radio, microwave, light, fiber  
42 optics, satellite or computer data networks, including the  
43 Internet and intranets, as approved by the board.

44 "Interactive gaming." The placing of bets or wagers with an  
45 interactive gaming certificate holder or interactive gaming  
46 licensee located in this Commonwealth using a computer network  
47 of both Federal and non-Federal interoperable packet switched  
48 data networks through which an interactive gaming certificate  
49 holder may offer authorized interactive games to registered  
50 players. The term shall include the placing of bets or wagers  
51 through the use of a multi-use computing device.

1 "Interactive gaming account." The formal, electronic system  
2 implemented by an interactive gaming certificate holder to  
3 record the balance of a registered player's debits, credits and  
4 other activity related to interactive gaming.

5 "Interactive gaming account agreement." An agreement entered  
6 into between an interactive gaming certificate holder or other  
7 person on behalf of an interactive gaming certificate holder and  
8 an individual which governs the terms and conditions of the  
9 individual's interactive gaming account and the use of the  
10 Internet for purposes of placing bets or wagers on authorized  
11 interactive games operated by an interactive gaming certificate  
12 holder or other person on behalf of an interactive gaming  
13 certificate holder.

14 "Interactive gaming agreement." An agreement entered into by  
15 or between an interactive gaming certificate holder and an  
16 interactive gaming operator related to the offering or operation  
17 of interactive gaming or an interactive gaming system on behalf  
18 of an interactive gaming certificate holder. The term shall  
19 include an interactive gaming agreement entered into by or  
20 between an interactive gaming certificate holder and an  
21 interactive gaming operator for the conduct of interactive  
22 gaming through the use of multi-use computing devices at a  
23 qualified airport in accordance with this part.

24 "Interactive gaming certificate." The authorization issued  
25 to a slot machine licensee by the Pennsylvania Gaming Control  
26 Board authorizing the operation and conduct of interactive  
27 gaming by a slot machine licensee or other person on behalf of a  
28 slot machine licensee in accordance with Chapter 13B.

29 "Interactive gaming certificate holder." A slot machine  
30 licensee that has been granted authorization by the Pennsylvania  
31 Gaming Control Board to operate authorized interactive games in  
32 accordance with Chapter 13B.

33 "Interactive gaming device." All hardware and software and  
34 other technology, equipment or device of any kind as determined  
35 by the Pennsylvania Gaming Control Board to be necessary for the  
36 conduct of authorized interactive games.

37 "Interactive gaming license." A license issued to a person  
38 by the Pennsylvania Gaming Control Board under Chapter 13B.

39 "Interactive gaming licensee." A person who has been issued  
40 a license to act as an interactive gaming operator under Chapter  
41 13B.

42 "Interactive gaming operator." A person, including an  
43 affiliate of a slot machine licensee, licensed by the  
44 Pennsylvania Gaming Control Board to operate interactive gaming  
45 or an interactive gaming system on behalf of an interactive  
46 gaming certificate holder.

47 "Interactive gaming platform." The combination of hardware  
48 and software or other technology designed and used to manage,  
49 conduct and record interactive games and the bets or wagers  
50 associated with interactive games, as approved by the  
51 Pennsylvania Gaming Control Board. The term shall include any



1 emerging or new technology deployed to advance the conduct and  
2 operation of interactive gaming, as approved through regulation  
3 by the Pennsylvania Gaming Control Board.

4 "Interactive gaming reciprocal agreement." An agreement  
5 negotiated by the Pennsylvania Gaming Control Board on behalf of  
6 the Commonwealth with the authorized agency of one or more  
7 states or jurisdictions where interactive gaming is legally  
8 authorized which will permit the conduct of interactive gaming  
9 between interactive gaming certificate holders in this  
10 Commonwealth and gaming entities in the states or jurisdictions  
11 that are parties to the agreement.

12 "Interactive gaming restricted area." Any room or area, as  
13 approved by the Pennsylvania Gaming Control Board, used by an  
14 interactive gaming certificate holder or interactive gaming  
15 license holder to manage, control and operate interactive  
16 gaming, including, where approved by the board, redundancy  
17 facilities.

18 "Interactive gaming skin or skins." The portal or portals to  
19 an interactive gaming platform or Internet website through which  
20 authorized interactive games are made available to registered  
21 players by an interactive gaming certificate holder or other  
22 person on behalf of an interactive gaming certificate holder in  
23 this Commonwealth or players in any other state or jurisdiction  
24 in which an interactive gaming reciprocal agreement has been  
25 entered.

26 "Interactive gaming system." All hardware, software and  
27 communications that comprise a type of server-based gaming  
28 system for the purpose of offering authorized interactive games.

29 "Internet website." The interactive gaming skin or skins or  
30 Internet portal or portals through which an interactive gaming  
31 certificate holder or other person makes authorized interactive  
32 games available for play.

33 \* \* \*

34 "Key employee." Any individual who is employed in a director  
35 or department head capacity and who is empowered to make  
36 discretionary decisions that regulate slot machine or table game  
37 operations or interactive gaming operations, including the  
38 general manager and assistant manager of the licensed facility,  
39 director of slot operations, director of table game operations,  
40 director of interactive gaming, director of cage and/or credit  
41 operations, director of surveillance, director of marketing,  
42 director of management information systems, director of  
43 interactive gaming system programs or other similar job  
44 classifications associated with interactive gaming, persons who  
45 manage, control or administer interactive gaming or the bets and  
46 wagers associated with authorized interactive games, director of  
47 security, comptroller and any employee who is not otherwise  
48 designated as a gaming employee and who supervises the  
49 operations of these departments or to whom these department  
50 directors or department heads report and such other positions  
51 not otherwise designated or defined under this part which the

1 Pennsylvania Gaming Control Board shall determine based on  
2 detailed analyses of job descriptions as provided in the  
3 internal controls of the licensee as approved by the  
4 Pennsylvania Gaming Control Board. All other gaming employees  
5 unless otherwise designated by the Pennsylvania Gaming Control  
6 Board shall be classified as non-key employees.

7 \* \* \*

8 "Licensed facility." The physical land-based location at  
9 which a licensed gaming entity is authorized to place and  
10 operate slot machines and, if authorized by the Pennsylvania  
11 Gaming Control Board under Chapter 13A (relating to table  
12 games), to conduct table games and if authorized under Chapter  
13 13B (relating to interactive gaming), to conduct interactive  
14 gaming. The term includes any:

15 (1) area of a licensed racetrack at which a slot machine  
16 licensee was previously authorized pursuant to section  
17 1207(17) (relating to regulatory authority of board) to  
18 operate slot machines prior to the effective date of this  
19 paragraph;

20 (2) board-approved interim facility or temporary  
21 facility; [and]

22 (3) area of a hotel which the Pennsylvania Gaming  
23 Control Board determines is suitable to conduct table  
24 games[.];

25 (4) for the purposes of Chapter 13D (relating to slot  
26 machines at nonprimary locations), the area of a nonprimary  
27 location in which a Category 1 slot machine licensee is  
28 authorized to place and make slot machines available for  
29 play.

30 The term shall not include a redundancy facility or an  
31 interactive gaming restricted area which is not located on the  
32 premises of a licensed facility as approved by the Pennsylvania  
33 Gaming Control Board and which is maintained and operated by an  
34 interactive gaming certificate holder in connection with  
35 interactive gaming or by a Category 1 slot machine licensee in  
36 connection with the operation of slot machines at a nonprimary  
37 location.

38 \* \* \*

39 "Licensed racing entity." Any legal entity that has obtained  
40 a license to conduct live thoroughbred or harness horse race  
41 meetings respectively with pari-mutuel wagering from [either]  
42 the State Horse Racing Commission [or the State Harness Racing  
43 Commission] pursuant to the act of [December 17, 1981 (P.L.435,  
44 No.135), known as the Race Horse Industry Reform Act] April 9,  
45 1929 (P.L.177, No.175), known as The Administrative Code of  
46 1929.

47 "Manufacturer." A person who manufactures, builds, rebuilds,  
48 fabricates, assembles, produces, programs, designs or otherwise  
49 makes modifications to any slot machine, table game device or  
50 associated equipment or authorized interactive games for use or  
51 play of slot machines [or], table games or authorized

1 interactive games in this Commonwealth for gaming purposes. The  
2 term shall not include a person who manufactures, builds,  
3 rebuilt, fabricates, assembles, produces, programs, designs or  
4 otherwise makes modifications to multi-use computing devices  
5 used in connection with the conduct of interactive gaming at a  
6 qualified airport.

7 "Manufacturer license." A license issued by the Pennsylvania  
8 Gaming Control Board authorizing a manufacturer to manufacture  
9 or produce slot machines, table game devices or associated  
10 equipment, interactive gaming devices or associated equipment or  
11 associated equipment, or casino simulcasting technology or  
12 equipment for use in this Commonwealth for gaming purposes.

13 \* \* \*

14 "Multi-use computing device." As follows:

15 (1) A computing device, including, but not limited to, a  
16 tablet computer, that:

17 (i) Allows a player to access an authorized  
18 interactive game.

19 (ii) Is located and accessible to eligible  
20 passengers only in an airport gaming area.

21 (iii) Communicates with a server that is in a  
22 location approved by the Pennsylvania Gaming Control  
23 Board.

24 (iv) Is approved by the Pennsylvania Gaming Control  
25 Board.

26 (v) Has the capability of being linked to and  
27 monitored by the department's central control computer  
28 system, as applicable for any particular interactive  
29 game, in accordance with section 1323 (relating to  
30 central control computer system).

31 (vi) Offers a player additional functions which  
32 shall include Internet browsing, the capability of  
33 checking flight status and ordering food or beverages.

34 (2) The term shall not include any tablet or computing  
35 device that restricts, prohibits or is incapable of providing  
36 access to interactive gaming, interactive gaming skins or  
37 interactive gaming platforms.

38 "Multistate wide-area progressive slot machine system." The  
39 linking of slot machines located in this Commonwealth with slot  
40 machines located in one or more states or jurisdictions in which  
41 the Pennsylvania Gaming Control Board has entered into an  
42 agreement authorizing the conduct of a multistate wide-area  
43 progressive slot machine system by slot machine licensees in  
44 this Commonwealth with gaming entities in such other state or  
45 jurisdiction, as approved by the Pennsylvania Gaming Control  
46 Board.

47 \* \* \*

48 "Nongaming service provider." A person that is not a gaming  
49 service provider or required to be licensed as a manufacturer,  
50 supplier, management company or gaming junket enterprise under  
51 this part or regulations of the Pennsylvania Gaming Control

1 Board and that provides goods or services:

2 (1) to a slot machine licensee or applicant for a slot  
3 machine license for use in the operation of a licensed  
4 facility; and

5 (2) that does not require access to the gaming floor or  
6 a gaming-related restricted area of a licensed facility.

7 \* \* \*

8 "Nonprimary location permit." The permit issued to a  
9 Category 1 slot machine licensee authorizing the placement and  
10 operation of slot machines at a nonprimary location in  
11 accordance with Chapter 13D (relating to slot machines at  
12 nonprimary locations).

13 "Nonprimary location permit holder." A Category 1 slot  
14 machine licensee that has been approved for and issued a permit  
15 to place and make slot machines available for play at a  
16 nonprimary location in accordance with Chapter 13D (relating to  
17 slot machines at nonprimary locations).

18 \* \* \*

19 "Player." An individual wagering cash, a cash equivalent or  
20 other thing of value in the play or operation of a slot machine  
21 [or], an authorized interactive game or a table game, including  
22 during a contest or tournament, the play or operation of which  
23 may deliver or entitle the individual playing or operating the  
24 slot machine [or], authorized interactive game or table game to  
25 receive cash, a cash equivalent or other thing of value from  
26 another player or a slot machine licensee.

27 \* \* \*

28 "Progressive payout." A slot machine wager payout that  
29 increases in a monetary amount based on the amounts wagered in a  
30 progressive system, including a multistate wide-area progressive  
31 slot machine system.

32 "Progressive system." A computerized system linking slot  
33 machines in one or more licensed facilities within this  
34 Commonwealth and offering one or more common progressive payouts  
35 based on the amounts wagered. The term shall include the linking  
36 of slot machines in a licensed facility in this Commonwealth  
37 with a multistate wide-area progressive system operated by  
38 gaming entities in one or more states or jurisdictions.

39 \* \* \*

40 "Qualified airport." A publicly owned commercial service  
41 airport that is designated by the Federal Government as an  
42 international airport.

43 \* \* \*

44 ["Race Horse Industry Reform Act." The act of December 17,  
45 1981 (P.L.435, No.135), known as the Race Horse Industry Reform  
46 Act.]

47 "Redundancy facilities." Any and all rooms or areas used by  
48 a slot machine licensee for emergency backup, redundancy or  
49 secondary operations attendant to interactive gaming as approved  
50 by the Pennsylvania Gaming Control Board.

51 "Registered player." An individual who has entered into an

1 interactive gaming account agreement with an interactive gaming  
2 certificate holder.

3 \* \* \*

4 "Skill." The knowledge, dexterity, adroitness, acumen or  
5 other mental skill of an individual.

6 "Skill slot machine." A slot machine in which the skill of  
7 the player, rather than the elements of chance, is the  
8 predominant factor in affecting the outcome of the game.

9 "Slot machine." Includes:

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

25 [(1)] (i) May utilize spinning reels or video  
26 displays or both.

27 [(2)] (ii) May or may not dispense coins, tickets or  
28 tokens to winning patrons.

29 [(3)] (iii) May use an electronic credit system for  
30 receiving wagers and making payouts.

31 (2) The term shall include [associated equipment] all of  
32 the following:

33 (i) Associated equipment necessary to conduct the  
34 operation of the contrivance, terminal, machine or other  
35 device.

36 (ii) A skill slot machine, hybrid slot machine and  
37 the devices or associated equipment necessary to conduct  
38 the operation of a skill slot machine or hybrid slot  
39 machine.

40 (iii) A multistate wide-area progressive slot  
41 machine and devices and associated equipment as defined  
42 by the board through regulations.

43 (iv) A multi-use computing device which is capable  
44 of simulating, either digitally or electronically, a slot  
45 machine.

46 \* \* \*

47 "Supplier." A person that sells, leases, offers or otherwise  
48 provides, distributes or services any slot machine, table game  
49 device or associated equipment, interactive gaming device or  
50 associated equipment for use or play of slot machines [or],  
51 table games or interactive games in this Commonwealth. The term

1 shall include a person that sells, leases, offers or otherwise  
2 provides, distributes or services any multi-use computing device  
3 as approved by the Pennsylvania Gaming Control Board.

4 "Supplier license." A license issued by the Pennsylvania  
5 Gaming Control Board authorizing a supplier to provide products  
6 or services related to slot machines, table game devices or  
7 associated equipment, interactive gaming device, including any  
8 multi-use computing device or associated equipment to slot  
9 machine licensees for use in this Commonwealth for gaming  
10 purposes.

11 "Table game device." Includes gaming tables, cards, dice,  
12 chips, shufflers, tiles, dominoes, wheels[, drop boxes] or any  
13 mechanical, electrical or computerized contrivance, terminal,  
14 machine or other device, apparatus, equipment or supplies  
15 approved by the Pennsylvania Gaming Control Board and used to  
16 conduct a table game or that is capable, through the use of  
17 digital, electronic or other communications technology, of  
18 simulating play of a table game.

19 \* \* \*

20 Section 3. Section 1202(a)(1) and (b)(20) and (23) of Title  
21 4 are amended and subsection (b) is amended by adding paragraphs  
22 to read:

23 § 1202. General and specific powers.

24 (a) General powers.--

25 (1) The board shall have general and sole regulatory  
26 authority over the conduct of gaming [or] and related  
27 activities as described in this part. The board shall ensure  
28 the integrity of the acquisition and operation of slot  
29 machines, table games, table game devices and associated  
30 equipment and authorized interactive games and interactive  
31 gaming devices and associated equipment and shall have sole  
32 regulatory authority over every aspect of the authorization,  
33 operation and play of slot machines [and], including the  
34 operation of slot machines at nonprimary locations, table  
35 games and interactive gaming devices and associated equipment  
36 and the implementation and regulation of airport gaming.

37 \* \* \*

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

40 \* \* \*

41 (12.2) At its discretion, to award, revoke, suspend,  
42 condition or deny an interactive gaming certificate or an  
43 interactive gaming license in accordance with Chapter 13B  
44 (relating to interactive gaming).

45 (12.3) At its discretion, to award, revoke, suspend,  
46 condition or deny authorization for the placement and  
47 operation of slot machines at a nonprimary location in  
48 accordance with Chapter 13D (relating to slot machines at  
49 nonprimary locations).

50 \* \* \*

51 (20) In addition to the power of the board regarding

1 license and permit applicants, to determine at its discretion  
2 the suitability of any person who furnishes or seeks to  
3 furnish to a slot machine licensee directly or indirectly any  
4 goods, services or property related to slot machines, table  
5 games, table game devices or associated equipment,  
6 interactive games and interactive gaming devices and  
7 associated equipment or through any arrangements under which  
8 that person receives payment based directly or indirectly on  
9 earnings, profits or receipts from the slot machines, table  
10 games, table game devices and associated equipment,  
11 interactive games, interactive gaming devices and associated  
12 equipment. The board may require any such person to comply  
13 with the requirements of this part and the regulations of the  
14 board and may prohibit the person from furnishing the goods,  
15 services or property.

16 \* \* \*

17 (23) The board shall not approve an application for or  
18 issue or renew a license, certificate, registration or permit  
19 unless it is satisfied that the applicant has demonstrated by  
20 clear and convincing evidence that the applicant is a person  
21 of good character, honesty and integrity and is a person  
22 whose prior activities, criminal record, if any, reputation,  
23 habits and associations do not pose a threat to the public  
24 interest or the effective regulation and control of slot  
25 machine [or], including the operation of slot machines at  
26 nonprimary locations and qualified airports, table game  
27 operations or interactive gaming operations, or create or  
28 enhance the danger of unsuitable, unfair or illegal  
29 practices, methods and activities in the conduct of slot  
30 machine or table game operations, interactive gaming  
31 operations or the carrying on of the business and financial  
32 arrangements incidental thereto.

33 \* \* \*

34 (27.2) Within six months of the effective date of this  
35 section, to publish on the board's Internet website a  
36 complete list of all slot machine licensees who filed a  
37 petition seeking authorization to conduct interactive gaming  
38 and the status of each petition or interactive gaming  
39 certificate.

40 \* \* \*

41 (35) To review detailed site plans identifying the  
42 interactive gaming restricted area or room where a slot  
43 machine licensee proposes to manage, administer or control  
44 interactive gaming operations to determine the adequacy of  
45 the proposed internal and external security and proposed  
46 surveillance measures.

47 (36) To require each slot machine licensee that holds an  
48 interactive gaming certificate to provide on a quarterly  
49 basis the following information with respect to interactive  
50 gaming:

51 (i) the name of any person, entity or firm to whom

1 any payment, remuneration or other benefit or thing of  
2 value has been made or conferred for professional  
3 services, including, but not limited to, interactive  
4 gaming system operations or management, legal, consulting  
5 and lobbying services;

6 (ii) the amount or value of the payments,  
7 remuneration, benefit or thing of value;

8 (iii) the date on which the payments, remuneration,  
9 benefit or thing of value was submitted; and

10 (iv) the reason or purpose for the procurement of  
11 the services.

12 (37) To review and approve detailed site and  
13 architectural plans identifying the area of a nonprimary  
14 location where a Category 1 slot machine licensee proposes to  
15 place and make slot machines available for play in accordance  
16 with Chapter 13D in order to determine the adequacy of  
17 proposed internal and external controls, security and  
18 proposed surveillance measures.

19 (38) To review and approve detailed site and  
20 architectural plans identifying the area of a licensed  
21 facility where a slot machine licensee proposes to place and  
22 make multistate wide-area progressive slot machines, skill  
23 slot machines or hybrid slot machines available for play in  
24 order to determine the adequacy of proposed internal and  
25 external controls, security and proposed surveillance  
26 measures.

27 Section 4. Sections 1204 and 1206(f)(1) of Title 4 are  
28 amended to read:

29 § 1204. Licensed gaming entity application appeals from board.

30 The Supreme Court of Pennsylvania shall be vested with  
31 exclusive appellate jurisdiction to consider appeals of any  
32 final order, determination or decision of the board involving  
33 the approval, issuance, denial or conditioning of a slot machine  
34 license [or], the award, denial or conditioning of a table game  
35 operation certificate[.] or the award, denial or conditioning of  
36 an interactive gaming certificate, an interactive gaming  
37 license, a nonprimary location permit or an airport gaming  
38 operation certificate. Notwithstanding the provisions of 2  
39 Pa.C.S. Ch. 7 Subch. A (relating to judicial review of  
40 Commonwealth agency action) and 42 Pa.C.S. § 763 (relating to  
41 direct appeals from government agencies), the Supreme Court  
42 shall affirm all final orders, determinations or decisions of  
43 the board involving the approval, issuance, denial or  
44 conditioning of a slot machine license [or], the award, denial  
45 or conditioning of a table game operation certificate or the  
46 award, denial or conditioning of an interactive gaming  
47 certificate, an interactive gaming license, a nonprimary  
48 location permit or an airport gaming operation certificate,  
49 unless it shall find that the board committed an error of law or  
50 that the order, determination or decision of the board was  
51 arbitrary and there was a capricious disregard of the evidence.



1 § 1206. Board minutes and records.

2 \* \* \*

3 (f) Confidentiality of information.--

4 (1) The following information submitted by an applicant,  
5 permittee, certificate holder or licensee pursuant to section  
6 1310(a) (relating to slot machine license application  
7 character requirements) [or], 1308(a.1) (relating to  
8 applications for license or permit), 13B12 (relating to  
9 interactive gaming certificate required and content of  
10 petition), 13B14 (relating to interactive gaming operators),  
11 13D11 (relating to application for nonprimary location  
12 permit) or 13E12 (relating to application) or obtained by the  
13 board or the bureau as part of a background or other  
14 investigation from any source shall be confidential and  
15 withheld from public disclosure:

16 (i) All information relating to character, honesty  
17 and integrity, including family, habits, reputation,  
18 history of criminal activity, business activities,  
19 financial affairs and business, professional and personal  
20 associations submitted under section 1310(a) or 1308(a.1)  
21 or otherwise obtained by the board or the bureau.

22 (ii) Nonpublic personal information, including home  
23 addresses, telephone numbers and other personal contact  
24 information, Social Security numbers, educational  
25 records, memberships, medical records, tax returns and  
26 declarations, actual or proposed compensation, financial  
27 account records, creditworthiness or financial condition  
28 relating to an applicant, licensee [or], permittee,  
29 including the holder of an interactive gaming  
30 certificate, interactive gaming license, nonprimary  
31 location permit or airport gaming operation certificate  
32 or the immediate family thereof.

33 (iii) Information relating to proprietary  
34 information, trade secrets, patents or exclusive  
35 licenses, architectural and engineering plans and  
36 information relating to competitive marketing materials  
37 and strategies, which may include customer-identifying  
38 information or customer prospects for services subject to  
39 competition.

40 (iv) Security information, including risk prevention  
41 plans, detection and countermeasures, location of count  
42 rooms, location of interactive gaming restricted areas  
43 and redundancy facilities, emergency management plans,  
44 security and surveillance plans, equipment and usage  
45 protocols and theft and fraud prevention plans and  
46 countermeasures.

47 (v) Information with respect to which there is a  
48 reasonable possibility that public release or inspection  
49 of the information would constitute an unwarranted  
50 invasion into personal privacy of any individual as  
51 determined by the board.

1 (vi) Records of an applicant or licensee not  
2 required to be filed with the Securities and Exchange  
3 Commission by issuers that either have securities  
4 registered under section 12 of the Securities Exchange  
5 Act of 1934 (48 Stat. 881, 15 U.S.C. § 781) or are  
6 required to file reports under section 15(d) of the  
7 Securities Exchange Act of 1934 (48 Stat. 881, 15 U.S.C.  
8 § 780).

9 (vii) Records considered nonpublic matters or  
10 information by the Securities and Exchange Commission as  
11 provided by 17 CFR 200.80 (relating to commission records  
12 and information).

13 (viii) Any financial information deemed confidential  
14 by the board upon a showing of good cause by the  
15 applicant or licensee.

16 \* \* \*

17 Section 5. Section 1207(1), (3), (4), (5), (6), (8), (9),  
18 (10) and (21) of Title 4 are amended and the section is amended  
19 by adding paragraphs to read:

20 § 1207. Regulatory authority of board.

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

22 (1) Deny, deny the renewal, revoke, condition or suspend  
23 any license [or], permit, certificate, registration or other  
24 authorizations provided for in this part if the board finds  
25 in its sole discretion that a licensee [or], permittee,  
26 registrant or certificate holder, including any interactive  
27 gaming operator, under this part, or its officers, employees  
28 or agents, have furnished false or misleading information to  
29 the board or failed to comply with the provisions of this  
30 part or the rules and regulations of the board and that it  
31 would be in the public interest to deny, deny the renewal,  
32 revoke, condition or suspend the license [or], permit,  
33 certificate, registration or other authorizations.

34 \* \* \*

35 (3) Prescribe and require periodic financial reporting  
36 and internal control requirements for all licensed entities,  
37 including, in the case of interactive gaming, all interactive  
38 gaming operators.

39 (4) Require that each licensed entity, including, in the  
40 case of interactive gaming, each interactive gaming operator,  
41 provide to the board its audited annual financial statements,  
42 with such additional detail as the board from time to time  
43 shall require, which information shall be submitted not later  
44 than 90 days after the end of the licensee's fiscal year.

45 (5) Prescribe the procedures to be followed by slot  
46 machine licensees for any financial event that occurs in the  
47 operation and play of slot machines [or], table games,  
48 authorized interactive games or multi-use computing devices.

49 (6) Prescribe criteria and conditions for the operation  
50 of slot machine progressive systems, including multistate  
51 wide-area progressive slot machine systems. A wide area

1 progressive slot system shall be collectively administered by  
2 participating slot machine licensees in accordance with the  
3 terms of a written agreement executed by each participating  
4 slot machine licensee and, in the case of a multistate wide-  
5 area progressive slot machine system, in accordance with the  
6 terms of an agreement executed by the slot machine licensee  
7 and authorized gaming entities in other states or  
8 jurisdictions, as approved by the board.

9 (6.1) Collaborate with the appropriate gaming  
10 authorities in other states or jurisdictions to facilitate  
11 the establishment of multistate wide-area progressive slot  
12 machine systems by slot machine licensees in this  
13 Commonwealth and, if determined necessary, enter into the  
14 necessary agreements with such other states or jurisdictions  
15 as necessary for the operation of multistate wide-area  
16 progressive slot machine systems by slot machine licensees in  
17 this Commonwealth.

18 \* \* \*

19 (7.2) Enforce prescribed hours for the operation of  
20 authorized interactive games so that an interactive gaming  
21 certificate holder or interactive gaming licensee may conduct  
22 authorized interactive games on any day during the year in  
23 order to meet the needs of registered players or to meet  
24 competition.

25 (8) Require that each licensed gaming entity prohibit  
26 persons under 21 years of age from operating or using slot  
27 machines [or], playing table games or participating in  
28 interactive gaming.

29 (9) Establish procedures for the inspection and  
30 certification of compliance of each slot machine, table game,  
31 table game device and associated equipment, interactive game  
32 and interactive gaming device and associated equipment prior  
33 to being placed into use by a slot machine licensee.

34 (10) Require that no slot machine or authorized  
35 interactive game that replicates the play of a slot machine  
36 may be set to pay out less than the theoretical payout  
37 percentage, which shall be no less than 85%, as specifically  
38 approved by the board. The board shall adopt regulations that  
39 define the theoretical payout percentage of a slot machine  
40 game based on the total value of the jackpots expected to be  
41 paid by a play or a slot machine game divided by the total  
42 value of slot machine wagers expected to be made on that play  
43 or slot machine game during the same portion of the game  
44 cycle. In so doing, the board shall decide whether the  
45 calculation shall include the entire cycle of a slot machine  
46 game or any portion thereof. Except that, in the case of  
47 skill slot machines and hybrid slot machines, the board shall  
48 adopt regulations to define the player's win percentage based  
49 on the relative skill of the player or the combination of  
50 skill and the elements of chance of the game. In the case of  
51 multistate wide-area progressive slot machine system, the

1 theoretical payout percentage or a player's win percentage  
2 shall be as set forth in the agreement, as approved by the  
3 board.

4 \* \* \*

5 (21) Authorize, in its discretion, a slot machine  
6 licensee to conduct slot machine contests or tournaments,  
7 table game tournaments or contests in accordance with section  
8 13A22.1 (relating to table game tournaments) or interactive  
9 gaming contests or tournaments and adopt regulations  
10 governing the conduct of such tournaments and contests.

11 (21.1) Authorize, at its discretion, a slot machine  
12 licensee to place and make multistate wide-area progressive  
13 slot machines, skill slot machines or hybrid slot machines  
14 available for play at licensed facilities.

15 (21.2) Adopt and promulgate regulations to govern the  
16 operation and placement of skill slot machines and hybrid  
17 slot machines by slot machine licensees at licensed  
18 facilities. In order to facilitate the operation and  
19 placement of skill and hybrid slot machines at licensed  
20 facilities pursuant to this paragraph, regulations  
21 promulgated by the board shall be deemed temporary  
22 regulations which shall expire two years after the date of  
23 publication in the Pennsylvania Bulletin.

24 (22) License, regulate, investigate and take any other  
25 action determined necessary regarding all aspects of  
26 interactive gaming and the operation of slot machines at  
27 nonprimary locations and qualified airports.

28 (23) Define and limit the areas of operation and the  
29 rules of authorized interactive games, including odds,  
30 devices and associated equipment permitted and the method of  
31 operation of authorized interactive games and interactive  
32 gaming devices and associated equipment.

33 (24) Require, as applicable, that all wagering offered  
34 through interactive gaming display online the permissible  
35 minimum and maximum wagers associated with each authorized  
36 interactive game.

37 (25) Negotiate and enter into interactive gaming  
38 reciprocal agreements on behalf of the Commonwealth to govern  
39 the conduct of interactive gaming between interactive gaming  
40 certificate holders in this Commonwealth and gaming entities  
41 of other states or jurisdictions. Notwithstanding any  
42 provision of this part, wagers may be accepted in accordance  
43 with this part and regulations of the board from persons in  
44 other states or jurisdictions if the board determines that  
45 such wagering is not inconsistent with Federal law or the law  
46 of the state or jurisdiction, including a foreign  
47 jurisdiction, in which the person is located, or such  
48 wagering is conducted pursuant to an interactive gaming  
49 reciprocal agreement to which this Commonwealth is a party  
50 that is not inconsistent with Federal law. The board, with  
51 the approval of the Governor, is hereby designated as the

1 agency of the Commonwealth with the sole power and authority  
2 to enter into interactive gaming reciprocal agreements with  
3 other states or jurisdictions.

4 (27) Enter into agreements with other states for the  
5 operation of multistate wide-area progressive slot machine  
6 systems.

7 (28) Authorize, at its discretion, a Category 1 slot  
8 machine licensee to enter into an agreement with a Category 2  
9 or Category 3 slot machine licensee for the conduct of casino  
10 simulcasting and approve any such agreement.

11 (29) Adopt, in consultation with the commission,  
12 regulations to govern the conduct of casino simulcasting by a  
13 Category 2 or Category 3 slot machine licensee.

14 (30) Adopt and promulgate regulations to govern the  
15 installation of video display technology in approved areas of  
16 a Category 1 licensed facility to enable the delivery of  
17 simulcast horse race meetings to patrons through video walls  
18 and other such video display technology. The board may  
19 consult with the commission to facilitate the installation of  
20 video display monitors in accordance with this paragraph and  
21 to facilitate the conduct of casino simulcasting under  
22 paragraph (28).

23 Section 5.1. Section 1209(b) of Title 4 is amended to read:  
24 § 1209. Slot machine license fee.

25 \* \* \*

26 (b) Term.--A slot machine license, after payment of the fee,  
27 shall be in effect unless suspended, revoked or not renewed by  
28 the board upon good cause consistent with the license  
29 requirements as provided for in this part. Slot machine  
30 licensees shall be required to update the information in their  
31 initial applications annually, and the license of a licensee in  
32 good standing shall be renewed every [three] five years. Nothing  
33 in this subsection shall relieve a licensee of the affirmative  
34 duty to notify the board of any changes relating to the status  
35 of its license or to any other information contained in the  
36 application materials on file with the board. As to the renewal  
37 of a license, except as required in subsection (f)(3), no  
38 additional license fee pursuant to subsection (a) shall be  
39 required.

40 \* \* \*

41 Section 6. Section 1211 of Title 4 is amended by adding  
42 subsections to read:

43 § 1211. Reports of board.

44 \* \* \*

45 (a.4) Interactive gaming reporting requirements.--

46 (1) The annual report submitted by the board in  
47 accordance with subsection (a) shall include information on  
48 the conduct of interactive games as follows:

49 (i) Total gross interactive gaming revenue.

50 (ii) The number and win by type of authorized  
51 interactive game at each licensed facility conducting

1 interactive gaming during the previous year.

2 (iii) All taxes, fees, fines and other revenue  
3 collected and, where appropriate, revenue disbursed  
4 during the previous year. The department shall  
5 collaborate with the board to carry out the requirements  
6 of this subparagraph.

7 (2) The board may require interactive gaming certificate  
8 holders and other persons involved in the operation of  
9 interactive gaming on behalf of a slot machine licensee to  
10 provide information to the board to assist in the preparation  
11 of the report.

12 \* \* \*

13 (d.1) Impact of interactive gaming, annual report.--One year  
14 after the issuance of the first interactive gaming certificate,  
15 an annual report shall be prepared and distributed to the  
16 Governor and the standing committees of the General Assembly  
17 with jurisdiction over this part on the impact of interactive  
18 gaming on compulsive and problem gambling and gambling addiction  
19 in this Commonwealth. The report shall be prepared by a private  
20 organization or entity with expertise in serving and treating  
21 the needs of persons with compulsive gambling addictions, which  
22 organization or entity shall be selected by the Department of  
23 Drug and Alcohol Programs. The report may be prepared and  
24 distributed in coordination with the board. Any costs associated  
25 with the preparation and distribution of the report shall be  
26 borne by slot machine licensees who have been authorized by the  
27 board to conduct interactive gaming. The board shall be  
28 authorized to assess a fee against each slot machine licensee  
29 for these purposes.

30 (d.2) Additional information and annual reporting.--

31 (1) One year after the commencement of the operation of  
32 skill slot machines, hybrid slot machines, the operation of  
33 slot machines at nonprimary locations in accordance with  
34 Chapter 13D (relating to slot machines at nonprimary  
35 locations) and the operation of a multistate wide-area slot  
36 machine system, the report required under subsection (a)  
37 shall include information related to the following:

38 (i) The operation of skill slot machines and hybrid  
39 slot machines.

40 (ii) The operation of a multistate wide-area  
41 progressive slot machine system.

42 (iii) The operation of slot machines at nonprimary  
43 locations.

44 (2) Information on revenue, taxes, fees and fines, if  
45 any, collected during the preceding calendar year and any  
46 other information, data or recommendations related to the  
47 operation of multistate wide-area progressive slot machines,  
48 skill slot machines and hybrid slot machines and the  
49 operation of slot machines at nonprimary locations as  
50 determined by the board, in consultation with the commission,  
51 to be necessary under this part shall be included in the

1 report.

2 (d.3) Annual report.--In addition to its duties under  
3 subsection (d), the board shall have the continuing duty to  
4 study and annually report to the chairperson and minority  
5 chairperson of the Community, Economic and Recreational  
6 Development Committee of the Senate and to the chairperson and  
7 minority chairperson of the Gaming Oversight Committee of the  
8 House of Representatives on developments in gaming technology  
9 and the impact, if any, new technologies are having or will have  
10 on the sustainability and competitiveness of the commercial  
11 gaming industry in this Commonwealth. The report shall  
12 specifically address the following:

13 (1) Awareness and growth, to the extent known, of any  
14 unregulated commercial gaming products, such as e-Sports and  
15 other such digital-based computer or video technology.

16 (2) New gaming products, if any, which have been  
17 introduced in other jurisdictions, both foreign and domestic.

18 (3) Any gaming products which the board may have the  
19 authority to authorize pursuant to its regulatory authority  
20 under this part.

21 (4) Any legislative or administrative concerns regarding  
22 traditional, new or emerging gaming technologies with  
23 recommendations regarding resolution of such concerns.

24 (d.4) Time of submission and reports.--Notwithstanding any  
25 provision of this part, all reports and studies required to be  
26 submitted under subsections (d.1), (d.2) and (d.3) after the  
27 effective date of this subsection shall be submitted initially  
28 by October 1, 2017, and by October 1 of each year thereafter.

29 \* \* \*

30 Section 7. Section 1212(e) of Title 4 is amended by adding a  
31 paragraph to read:

32 § 1212. Diversity goals of board.

33 \* \* \*

34 (e) Definition.--As used in this section, the term  
35 "professional services" means those services rendered to a slot  
36 machine licensee which relate to a licensed facility in this  
37 Commonwealth, including, but not limited to:

38 \* \* \*

39 (9) Technology related to interactive gaming and  
40 interactive gaming devices and associated equipment.

41 Section 8. Section 1305 of Title 4 is amended to read:  
42 § 1305. Category 3 slot machine license.

43 (a) Eligibility.--

44 (1) A person may be eligible to apply for a Category 3  
45 slot machine license if the applicant, its affiliate,  
46 intermediary, subsidiary or holding company has not applied  
47 for or been approved or issued a Category 1 or Category 2  
48 slot machine license and the person is seeking to locate a  
49 Category 3 licensed facility in a well-established resort  
50 hotel having no fewer than 275 guest rooms under common  
51 ownership and having substantial year-round [recreational]

1 guest amenities. The applicant for a Category 3 license shall  
2 be the owner or be a wholly owned subsidiary of the owner of  
3 the well-established resort hotel. [A Category 3 license may  
4 only be granted upon the express condition that an individual  
5 may not enter a gaming area of the licensed facility if the  
6 individual is not any of the following:

7 (i) A registered overnight guest of the well-  
8 established resort hotel.

9 (ii) A patron of one or more of the amenities  
10 provided by the well-established resort hotel.

11 (iii) An authorized employee of the slot machine  
12 licensee, of a gaming service provider, of the board or  
13 of any regulatory, emergency response or law enforcement  
14 agency while engaged in the performance of the employee's  
15 duties.

16 (iv) An individual holding a valid membership  
17 approved in accordance with paragraph (1.1) or a guest of  
18 such individual.

19 (1.1) The board may approve a seasonal or year-round  
20 membership that allows an individual to use one or more of  
21 the amenities provided by the well-established resort hotel  
22 holding a Category 3 slot machine license. The membership  
23 shall allow the member and one guest to enter the gaming  
24 floor at any time as long as the guest is accompanied by the  
25 individual owning or holding the membership. The board shall  
26 base its approval of a membership on all of the following:

27 (i) The duration of the membership.

28 (ii) The amenity covered by the membership.

29 (iii) Whether the fee charged for the membership  
30 represents the fair market value for the use of the  
31 amenity.]

32 (2) Notwithstanding section 1512(a) and (a.1) (relating  
33 to public official financial interest), if at the time of  
34 application an applicant has terminated public office or  
35 employment as an executive-level public employee within the  
36 last calendar year, the applicant shall be eligible to apply  
37 for a slot machine license under this section but may not be  
38 issued a license until one year following the date of  
39 termination as a public official or executive-level public  
40 employee. An application submitted in accordance with this  
41 paragraph shall not constitute a violation of section 1512(a)  
42 or (a.1).

43 (3) If the person seeking a slot machine license  
44 proposes to place the licensed facility upon land designated  
45 a subzone, an expansion subzone or an improvement subzone  
46 under the act of October 6, 1998 (P.L.705, No.92), known as  
47 the Keystone Opportunity Zone, Keystone Opportunity Expansion  
48 Zone and Keystone Opportunity Improvement Zone Act, the  
49 person shall, at any time prior to the application being  
50 approved, submit a statement waiving the exemptions,  
51 deductions, abatements or credits granted under the Keystone



1 Opportunity Zone, Keystone Opportunity Expansion Zone and  
2 Keystone Opportunity Improvement Zone Act if the board  
3 approves the application.

4 (b) Location.--The following shall apply:

5 (1) [Except as provided in paragraph (1.1), no] No  
6 Category 3 license shall be located by the board within 15  
7 linear miles of another licensed facility.

8 (1.1) A Category 3 license established on or after [July  
9 20, 2017] January 1, 2016, shall [not be located by the board  
10 within 30 linear miles of another licensed facility.] only be  
11 located in a county that:

12 (i) does not contain a licensed facility; and

13 (ii) does not share a geographic border at any point  
14 with a county where a licensed facility, regardless of  
15 category, is located or may be located.

16 (2) Within five days of approving a license for an  
17 applicant with a proposed licensed facility consisting of  
18 land designated a subzone, an expansion subzone or an  
19 improvement subzone under the Keystone Opportunity Zone,  
20 Keystone Opportunity Expansion Zone and Keystone Opportunity  
21 Improvement Zone Act for a slot machine license under this  
22 section, the board shall notify the Department of Community  
23 and Economic Development. The notice shall include a  
24 description of the land of the proposed licensed facility  
25 which is designated a subzone, an expansion subzone or an  
26 improvement subzone. Within five days of receiving the notice  
27 required by this paragraph, the Secretary of Community and  
28 Economic Development shall decertify the land of the proposed  
29 license facility as being a subzone, an expansion subzone or  
30 an improvement subzone. Upon decertification in accordance  
31 with this paragraph and notwithstanding Chapter 3 of the  
32 Keystone Opportunity Zone, Keystone Opportunity Expansion  
33 Zone and Keystone Opportunity Improvement Zone Act, a  
34 political subdivision may amend the ordinance, resolution or  
35 other required action which granted the exemptions,  
36 deductions, abatements or credits required by the Keystone  
37 Opportunity Zone, Keystone Opportunity Expansion Zone and  
38 Keystone Opportunity Improvement Zone Act to repeal the  
39 exemptions, deductions, abatements or credits for the land  
40 decertified.

41 (c) Number of slot machines.--Notwithstanding the number of  
42 permissible slot machines as set forth in section 1210 (relating  
43 to number of slot machines), a Category 3 license granted under  
44 the provisions of this section shall entitle the licensed entity  
45 to operate no more than 500 slot machines at the licensed  
46 facility, provided, however, a Category 3 slot machine licensee  
47 holding a table game operation certificate shall be entitled to  
48 operate no more than 600 slot machines at its licensed facility.

49 (c.1) Additional slot machines.--Upon submission of a  
50 petition to the board, in such form and manner as the board may  
51 require, the board may authorize the Category 3 slot machine

1 licensee to increase the number of slot machines at its licensed  
2 facility. An increase in the number of slot machines by a  
3 Category 3 slot machine licensee pursuant to this subsection may  
4 not, at the discretion of the board, exceed 250 additional slot  
5 machines, which shall be in addition to the number of  
6 permissible slot machines authorized under subsection (c).

7 (c.2) Increase in number.--Upon submission of a petition to  
8 the board in such form and manner as the board may require, the  
9 board may authorize the Category 3 slot machine licensee to  
10 increase the number of slot machines at its licensed facility  
11 for the conduct of a slot machine tournament or contest. An  
12 increase in the number of slot machines by a Category 3 slot  
13 machine licensee under this subsection may not, at the  
14 discretion of the board, exceed 75 additional slot machines,  
15 which shall be in addition to the number of permissible slot  
16 machines authorized under subsections (c) and (c.1).

17 (d) Category 3 license fee.--The board shall impose a one-  
18 time Category 3 license fee to be paid by each successful  
19 applicant in the amount of \$5,000,000 to be deposited in the  
20 State Gaming Fund. The provisions of section 1209(b), (c), (d)  
21 and (e) shall apply to a Category 3 licensee[.], except that the  
22 holder of a Category 3 slot machine license approved and issued  
23 by the board on or after January 1, 2016, shall pay a fee of  
24 \$8,500,000 for deposit in the General Fund.

25 (d.1) Additional fee.--Notwithstanding subsection (d), no  
26 later than 60 days after the effective date of subsection (a),  
27 each holder of an existing Category 3 slot machine license  
28 issued by the board before January 1, 2016, shall pay a one-time  
29 fee of \$1,000,000 for deposit in the General Fund.

30 (d.2) Fee for additional slot machines.--Notwithstanding  
31 subsection (d), no later than 60 days after the board approves a  
32 request for an increase in the number of slot machines submitted  
33 by a Category 3 slot machine licensee in accordance with  
34 subsection (c.1), the Category 3 slot machine licensee shall pay  
35 a one-time fee of \$2,500,000 for deposit into the General Fund.

36 [(e) Definitions.--For the purpose of subsection (a), the  
37 following words and phrases shall have the meaning given to them  
38 in this subsection:

39 "Amenities." Any ancillary activities, services or  
40 facilities in which a registered guest or the transient public,  
41 in return for non-de minimis consideration as defined by board  
42 regulation, may participate at a well-established resort hotel,  
43 including, but not limited to, sports and recreational  
44 activities and facilities such as a golf course or golf driving  
45 range, tennis courts or swimming pool; health spa; convention,  
46 meeting and banquet facilities; entertainment facilities; and  
47 restaurant facilities.

48 "Patron of the amenities." Any individual who is a  
49 registered attendee of a convention, meeting or banquet event or  
50 a participant in a sport or recreational event or any other  
51 social, cultural or business event held at a resort hotel or who

1 participates in one or more of the amenities provided to  
2 registered guests of the well-established resort hotel.]

3 Section 9. Section 1309(a.1) heading of Title 4 is amended  
4 and the subsection is amended by adding a paragraph to read:  
5 § 1309. Slot machine license application.

6 \* \* \*

7 (a.1) Table games and interactive gaming information.--

8 \* \* \*

9 (3) Notwithstanding paragraph (2), the board may permit  
10 an applicant for a slot machine license that has an  
11 application pending before the board to supplement its  
12 application with all information required under Chapters 13B  
13 (relating to interactive gaming) and 13D (relating to slot  
14 machines at nonprimary locations) and to request that the  
15 board consider its application for a slot machine license, a  
16 table game operation certificate, an interactive gaming  
17 certificate or a nonprimary location permit concurrently. All  
18 fees for an interactive gaming certificate and a nonprimary  
19 location permit shall be paid by the applicant in accordance  
20 with the requirements of this part.

21 \* \* \*

22 Section 10. Sections 1317(a) and (c) and 1317.1(a), (b),  
23 (c), (c.1), (d.1) and (e) of Title 4 are amended and the  
24 sections are amended by adding subsections to read:  
25 § 1317. Supplier licenses.

26 (a) Application.--A manufacturer that elects to contract  
27 with a supplier under section 1317.1(d.1) (relating to  
28 manufacturer licenses) shall ensure that the supplier is  
29 appropriately licensed under this section. A person seeking to  
30 provide slot machines, table game devices or associated  
31 equipment, interactive gaming devices or associated equipment or  
32 multi-use computing devices to a slot machine licensee or an  
33 interactive gaming licensee within this Commonwealth through a  
34 contract with a licensed manufacturer shall apply to the board  
35 for the appropriate supplier license.

36 \* \* \*

37 (c) Review and approval.--Upon being satisfied that the  
38 requirements of subsection (b) have been met, the board may  
39 approve the application and issue the applicant a supplier  
40 license consistent with all of the following:

41 (1) The [initial license shall be for a period of one  
42 year, and, if renewed under subsection (d), the] license  
43 shall be issued for a period of [three] five years and shall  
44 be renewed in accordance with subsection (d). Nothing in this  
45 paragraph shall relieve a licensee of the affirmative duty to  
46 notify the board of any changes relating to the status of its  
47 license or to any information contained in the application  
48 materials on file with the board.

49 (2) The license shall be nontransferable.

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

51 \* \* \*

1 (c.2) Abbreviated process for supplier.--

2 (1) Notwithstanding subsection (c.1)(1) or any  
3 regulations of the board to the contrary, the board may  
4 extend the use of the abbreviated process authorized under  
5 subsection (c.1) to an applicant for a supplier license to  
6 supply slot machines used in a multistate wide-area  
7 progressive slot machine system, skill slot machines, hybrid  
8 slot machines and devices or associated equipment used in  
9 connection with multistate wide-area progressive slot machine  
10 systems, skill or hybrid slot machines, interactive gaming  
11 devices or associated equipment used in connection with  
12 interactive gaming, including multi-use computing devices, if  
13 the applicant holds a valid supplier license issued by the  
14 board to supply slot machines or associated equipment or  
15 table games or table game devices and associated equipment.  
16 The requirements of subsection (c.1)(2) and (3) shall apply  
17 to this subsection.

18 (2) An applicant for a supplier's license to supply slot  
19 machines used in a multistate wide-area progressive systems,  
20 skill or hybrid slot machines or associated equipment or  
21 interactive gaming devices or associated equipment shall be  
22 subject to the applicable provisions of this part.

23 \* \* \*

24 § 1317.1. Manufacturer licenses.

25 (a) Application.--A person seeking to manufacture slot  
26 machines, table game devices and associated equipment or  
27 interactive gaming devices and associated equipment for use in  
28 this Commonwealth shall apply to the board for a manufacturer  
29 license.

30 (b) Requirements.--An application for a manufacturer license  
31 shall be on the form required by the board, accompanied by the  
32 application fee, and shall include all of the following:

33 (1) The name and business address of the applicant and  
34 the applicant's affiliates, intermediaries, subsidiaries and  
35 holding companies; the principals and key employees of each  
36 business; and a list of employees and their positions within  
37 each business, as well as any financial information required  
38 by the board.

39 (2) A statement that the applicant and each affiliate,  
40 intermediary, subsidiary or holding company of the applicant  
41 are not slot machine licensees.

42 (3) The consent to a background investigation of the  
43 applicant, its principals and key employees or other persons  
44 required by the board and a release to obtain any and all  
45 information necessary for the completion of the background  
46 investigation.

47 (4) The details of any equivalent license granted or  
48 denied by other jurisdictions where gaming activities as  
49 authorized by this part are permitted and consent for the  
50 board to acquire copies of applications submitted or licenses  
51 issued in connection therewith.

1 (5) The type of slot machines, table game devices or  
2 associated equipment or interactive gaming devices or  
3 associated equipment to be manufactured or repaired.

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

6 (c) Review and approval.--Upon being satisfied that the  
7 requirements of subsection (b) have been met, the board may  
8 approve the application and grant the applicant a manufacturer  
9 license consistent with all of the following:

10 (1) The [initial license shall be for a period of one  
11 year, and, if renewed under subsection (d), the] license  
12 shall be issued for a period of [three] five years and shall  
13 be renewed in accordance with subsection (d). Nothing in this  
14 paragraph shall relieve the licensee of the affirmative duty  
15 to notify the board of any changes relating to the status of  
16 its license or to any other information contained in  
17 application materials on file with the board.

18 (2) The license shall be nontransferable.

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

20 (c.1) Abbreviated process.--In the event an applicant for a  
21 manufacturer license to manufacture table game devices or  
22 associated equipment used in connection with table games is  
23 licensed by the board under this section to manufacture slot  
24 machines or associated equipment used in connection with slot  
25 machines, the board may determine to use an abbreviated process  
26 requiring only that information determined by the board to be  
27 necessary to consider the issuance of a license to manufacture  
28 table game devices or associated equipment used in connection  
29 with table games, including financial viability of the  
30 applicant. Nothing in this section shall be construed to waive  
31 any fees associated with obtaining a license, certificate or  
32 permit through the normal application process. The board may  
33 only use the abbreviated process if all of the following apply:

34 (1) The manufacturer license was issued by the board  
35 within a 36-month period immediately preceding the date the  
36 manufacturer licensee files an application to manufacture  
37 table game devices or associated equipment.

38 (2) The person to whom the manufacturer license was  
39 issued affirms there has been no material change in  
40 circumstances relating to the license.

41 (3) The board determines, in its sole discretion, that  
42 there has been no material change in circumstances relating  
43 to the licensee that necessitates that the abbreviated  
44 process not be used.

45 (c.2) Abbreviated process for manufacturer.--

46 (1) Notwithstanding subsection (c.1)(1) or any  
47 regulations of the board to the contrary, the board may  
48 extend the use of the abbreviated process authorized under  
49 subsection (c.1) to an applicant for a manufacturer license  
50 to manufacture multistate wide-area progressive slot  
51 machines, skill slot machines, hybrid slot machines or

1 associated equipment used in connection with multistate wide-  
2 area progressive slot machines, skill or hybrid slot machines  
3 or interactive gaming devices or associated equipment used in  
4 connection with interactive gaming, if the applicant holds a  
5 valid manufacturer license issued by the board to  
6 manufacturer slot machines or associated equipment or table  
7 games or table game devices or associated equipment. The  
8 requirements of subsection (c.1) (2) and (3) shall apply to  
9 this subsection.

10 (2) An applicant for a manufacturer license to  
11 manufacture slot machines used in a multistate wide-area  
12 progressive system, skill or hybrid slot machines or  
13 associated equipment or interactive gaming devices or  
14 associated equipment shall be subject to the applicable  
15 provisions of this part.

16 \* \* \*

17 (d.1) Authority.--The following shall apply to a licensed  
18 manufacturer:

19 (1) A manufacturer or its designee, as licensed by the  
20 board, may supply or repair any slot machine, table game  
21 device or associated equipment or interactive gaming device  
22 or associated equipment manufactured by the manufacturer,  
23 provided the manufacturer holds the appropriate manufacturer  
24 license.

25 (2) A manufacturer of slot machines may contract with a  
26 supplier under section 1317 (relating to supplier licenses)  
27 to provide slot machines or associated equipment to a slot  
28 machine licensee within this Commonwealth, provided the  
29 supplier is licensed to supply slot machines or associated  
30 equipment used in connection with slot machines.

31 (3) A manufacturer may contract with a supplier under  
32 section 1317 to provide table game devices or associated  
33 equipment to a certificate holder, provided the supplier is  
34 licensed to supply table game devices or associated equipment  
35 used in connection with table games.

36 (4) A manufacturer may contract with a supplier under  
37 section 1317 to provide slot machines used in a multistate  
38 wide-area progressive system, skill or hybrid slot machines  
39 or associated equipment, interactive gaming devices or  
40 associated equipment to a slot machine licensee, provided  
41 that the manufacturer is licensed to manufacture slot  
42 machines used in a multistate wide-area progressive slot  
43 machine system, skill or hybrid slot machines or associated  
44 equipment or interactive gaming devices or associated  
45 equipment used in connection with interactive games.

46 (e) Prohibitions.--

47 (1) No person may manufacture slot machines, table game  
48 devices or associated equipment or interactive gaming devices  
49 or associated equipment for use within this Commonwealth by a  
50 slot machine licensee unless the person has been issued the  
51 appropriate manufacturer license under this section.

1 (2) Except as permitted in section 13A23.1 (relating to  
2 training equipment), no slot machine licensee may use slot  
3 machines, table game devices or associated equipment,  
4 authorized interactive games or interactive gaming devices or  
5 associated equipment unless the slot machines, table game  
6 devices or associated equipment, interactive games or  
7 interactive gaming devices or associated equipment were  
8 manufactured by a person that has been issued the appropriate  
9 manufacturer license under this section.

10 (3) No person issued a license under this section shall  
11 apply for or be issued a license under section 1317.

12 (4) No limitation shall be placed on the number of  
13 manufacturer licenses issued or the time period to submit  
14 applications for licensure, except as required to comply with  
15 section 1306 (relating to order of initial license issuance).  
16 Section 10.1. Title 4 is amended by adding a section to

17 read:

18 § 1317.3. Nongaming service provider.

19 (a) Notification required.--

20 (1) A slot machine licensee or applicant for a slot  
21 machine license that contracts with or otherwise engages in  
22 business with a nongaming service provider shall provide  
23 notification to the board prior to:

24 (i) the nongaming service provider's provision of  
25 goods or services at a licensed facility; or

26 (ii) the provision of goods or services for use in  
27 the operation of a licensed facility.

28 (2) Notification under this section shall be on a form  
29 and in a manner as determined by the board. The board may  
30 impose a fee, not to exceed \$100, which must accompany the  
31 notification.

32 (b) Contents of notification.--Notification under this  
33 section shall include:

34 (1) The name and business address of the nongaming  
35 service provider.

36 (2) A description of the type or nature of the goods or  
37 services to be provided.

38 (3) An affirmation from the slot machine licensee or  
39 applicant for a slot machine license that the goods or  
40 services to be provided by the nongaming service provider  
41 will not require access to the gaming floor or a gaming-  
42 related restricted area of a licensed facility.

43 (4) An affirmation from the slot machine licensee or  
44 applicant for a slot machine license certifying that the  
45 licensee or applicant has performed due diligence regarding  
46 the nongaming service provider and believes that the  
47 nongaming service provider and its employees will not  
48 adversely affect the public interest or integrity of gaming.

49 (5) Any other information that the board may require.

50 (c) Duration of notification.--The nongaming service  
51 provider notification required under subsection (a) may be valid

1 for three years unless modified by the board. In determining the  
2 duration of a nongaming service provider notification, the board  
3 shall consider the following:

4 (1) The type or nature of the goods or services.

5 (2) The frequency of business transactions related to  
6 the provision of such goods or services.

7 (3) The monetary value of the goods or services provided  
8 or expected to be provided.

9 (4) Any other information the board deems necessary and  
10 appropriate.

11 (d) Conditions.--A slot machine licensee or applicant for a  
12 slot machine license that contracts or otherwise engages in  
13 business with a nongaming service provider shall be subject to  
14 the following conditions:

15 (1) The nongaming service provider or its employees  
16 shall only provide the goods and services described in the  
17 notification under this section.

18 (2) The slot machine licensee or applicant for a slot  
19 machine license shall notify the board of any material change  
20 in the information provided in the notification under this  
21 section. No fee shall be required for a subsequent change  
22 during the time for which the notification remains valid  
23 under subsection (c).

24 (3) The slot machine licensee or applicant for a slot  
25 machine license shall ensure that employees of the nongaming  
26 service provider do not enter the gaming floor or a gaming-  
27 related restricted area of the licensed facility.

28 (4) The slot machine licensee or applicant for a slot  
29 machine license shall report to the board an employee of a  
30 nongaming service provider that does any of the following:

31 (i) Enters the gaming floor or a gaming-related  
32 restricted area of the licensed facility.

33 (ii) Commits an act that adversely affects the  
34 public interest or integrity of gaming.

35 (5) The board may prohibit a nongaming service provider  
36 and any employees from providing goods or services to a slot  
37 machine licensee or applicant for a slot machine license at a  
38 licensed facility if the bureau determines the prohibition is  
39 necessary to protect the public interest or integrity of  
40 gaming.

41 (e) Authority to exempt.--The board may exempt a nongaming  
42 service provider from the notification requirements of this  
43 section if the board determines any of the following:

44 (1) The nongaming service provider or the type or nature  
45 of the nongaming service provider's business is regulated by  
46 an agency of the Federal Government, an agency of the  
47 Commonwealth or the Pennsylvania Supreme Court.

48 (2) Notification is not necessary to protect the public  
49 interest or integrity of gaming.

50 (f) Additional authority of board.--The board, at its  
51 discretion, may require an employee, individual or entity



1 associated with a nongaming service provider to obtain a  
2 license, permit, registration, certification or any other  
3 authorization required by the board under this part.

4 (g) Criminal history record information.--Notwithstanding  
5 any other provision of this part or regulation of the board, a  
6 nongaming service provider shall provide a criminal history  
7 record information check obtained from the Pennsylvania State  
8 Police as defined in 18 Pa.C.S. § 9102 (relating to definitions)  
9 and permitted by 18 Pa.C.S. § 9121(b) (relating to general  
10 regulations).

11 (h) Emergency notification.--

12 (1) A slot machine licensee may use a nongaming service  
13 provider prior to the board receiving notification under this  
14 section when a threat to public health, welfare or safety  
15 exists or circumstances outside the control of the slot  
16 machine licensee require immediate action to mitigate damage  
17 or loss to the slot machine licensee's licensed facility or  
18 to the Commonwealth.

19 (2) A slot machine licensee that uses a nongaming  
20 service provider in accordance with paragraph (1) shall:

21 (i) Notify the board immediately upon engaging a  
22 nongaming service provider for which the board has not  
23 previously received notification in accordance with  
24 subsection (a).

25 (ii) Provide the notification required under  
26 subsection (a) within a reasonable time as established by  
27 the board.

28 (i) Nongaming service provider list.--

29 (1) The board shall have the authority to prohibit a  
30 nongaming service provider from engaging in business with a  
31 slot machine licensee upon a finding by the bureau that the  
32 prohibition is necessary to protect the public interest and  
33 the integrity of gaming.

34 (2) The board shall develop and maintain a list of  
35 prohibited nongaming service providers.

36 (3) A slot machine licensee or applicant for a slot  
37 machine license may not enter into an agreement or engage in  
38 business with a nongaming service provider appearing on the  
39 list under this subsection.

40 (j) Duties of nongaming service provider.--A nongaming  
41 service provider shall:

42 (1) Cooperate with the board and bureau regarding an  
43 investigation, hearing, enforcement action or disciplinary  
44 action.

45 (2) Comply with each condition, restriction,  
46 requirement, order or ruling of the board in accordance with  
47 this part.

48 (3) Report any change in circumstances to the slot  
49 machine licensee or applicant for a slot machine license that  
50 may render the nongaming service provider ineligible,  
51 unqualified or unsuitable for the provision of goods or

1 services at a licensed facility or use in the operation of a  
2 licensed facility. The slot machine licensee shall report any  
3 change in circumstances to the board in such form and manner  
4 as the board may establish.

5 (k) Construction.--Nothing in this section shall be  
6 construed to limit the powers and authority of the board under  
7 section 1202 (relating to general and specific powers of the  
8 board) or the regulatory authority of the board under section  
9 1207 (relating to regulatory authority of the board).

10 Section 10.2. Section 1320(a) of Title 4 is amended and  
11 the section is amended by adding a subsection to read:

12 § 1320. Slot machine testing and certification standards.

13 (a) Use of other state standards.--[Until such time as the  
14 board establishes an independent testing and certification  
15 facility pursuant to subsection (b), the] The board may  
16 determine, at its discretion, whether the slot machine testing  
17 and certification standards of another jurisdiction within the  
18 United States in which an applicant for a manufacturer license  
19 is licensed are comprehensive and thorough and provide similar  
20 adequate safeguards as those required by this part. If the board  
21 makes that determination, it may permit a manufacturer through a  
22 licensed supplier as provided in section 1317 (relating to  
23 supplier [and manufacturer licenses application] licenses) to  
24 deploy those slot machines which have met the slot machine  
25 testing and certification standards in such other jurisdictions  
26 without undergoing the full testing and certification process by  
27 a board-established independent facility. In the event slot  
28 machines of an applicant for a manufacturer license are licensed  
29 in such other jurisdiction, the board may determine to use an  
30 abbreviated process requiring only that information determined  
31 by the board to be necessary to consider the issuance of a slot  
32 machine certification to such an applicant. [Alternatively, the  
33 board in its discretion may also rely upon the certification of  
34 a slot machine that has met the testing and certification  
35 standards of a board-approved private testing and certification  
36 facility until such time as the board establishes an independent  
37 testing and certification facility pursuant to subsection (b).  
38 Nothing in this section shall be construed to waive any fees  
39 associated with obtaining a license through the normal  
40 application process.]

41 \* \* \*

42 (b.1) Use of private testing and certification facilities.--  
43 Notwithstanding any other provisions of this part or regulation  
44 of the board, if a slot machine is tested and certified by a  
45 private testing and certification facility registered with the  
46 board, the board shall use an abbreviated certification process  
47 requiring only that information determined by it to be necessary  
48 to consider the issuance of a slot machine certification under  
49 this section. Within one year of the effective date of this  
50 subsection, the board shall promulgate regulations that:

51 (1) Provide for the registration of private testing and

1 certification facilities. Persons seeking registration under  
2 this subsection shall be subject to section 1202(b) (9)  
3 (relating to specific powers).

4 (2) Specify the form and content of the application for  
5 registration.

6 (3) Establish and collect an application fee for persons  
7 seeking registration. The application fee shall include the  
8 costs of all background investigations as determined  
9 necessary and appropriate by the bureau.

10 (4) Establish uniform procedures and standards which  
11 private testing and certification facilities must comply with  
12 during the testing and certification of slot machines.

13 (5) Utilize information provided by private testing and  
14 certification facilities for the abbreviated certification of  
15 slot machines.

16 (6) Establish an abbreviated certification process that  
17 may be used by registered private testing and certification  
18 facilities to test and certify slot machines.

19 (7) Establish fees that must be paid by licensed  
20 manufacturers.

21 (8) Require slot machines submitted for abbreviated  
22 certification to be approved or denied by the board within 30  
23 days from the date of submission to the board. If the board  
24 fails to act within the 30-day period, the abbreviated  
25 certification shall be deemed conditionally approved.

26 (9) Provide procedures and standards for the suspension  
27 and revocation of the registration of a private testing and  
28 certification facility and the reinstatement of a suspended  
29 or revoked registration, as determined appropriate by the  
30 board.

31 \* \* \*

32 Section 11. Sections 1326(a) and (b), 13A11(b), 13A22.1(c)  
33 and 13A27(c) of Title 4 are amended to read:

34 § 1326. [License renewals] Renewals.

35 (a) Renewal.--All permits [and], licenses, registrations or  
36 certificates issued under this part unless otherwise provided  
37 shall be subject to renewal every [three] five years. Nothing in  
38 this subsection shall relieve a licensee of the affirmative duty  
39 to notify the board of any changes relating to the status of its  
40 license, permit, certificate or registration or to any other  
41 information contained in the application materials on file with  
42 the board. The application for renewal shall be submitted at  
43 least [60] 180 days prior to the expiration of the permit [or],  
44 license, registration or certificate and shall include an update  
45 of the information contained in the initial and any prior  
46 renewal applications and the payment of any renewal fee required  
47 by this part. Unless otherwise specifically provided in this  
48 part, the amount of any renewal fee shall be calculated by the  
49 board to reflect the longer renewal period. A permit [or],  
50 license, registration or certificate for which a completed  
51 renewal application and fee, if required, has been received by

1 the board will continue in effect unless and until the board  
2 sends written notification to the holder of the permit [or],  
3 license, registration or certificate that the board has denied  
4 the renewal of such permit [or], license, registration or  
5 certificate.

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

24 § 13A11. Authorization to conduct table games.

25 \* \* \*

26 (b) Number of authorized gaming tables.--

27 (1) A Category 1 and Category 2 slot machine licensee  
28 awarded a table game operation certificate may operate up to  
29 250 gaming tables at any one time at its licensed facility.  
30 No more than 30% of these gaming tables may be used to play  
31 nonbanking games at any one time. Six months following the  
32 date of commencement of table game operations, the board may  
33 permit a Category 1 or Category 2 certificate holder to  
34 increase the number of gaming tables above the number  
35 authorized under this paragraph. The certificate holder shall  
36 petition the board for the increase at its licensed facility.  
37 The board, in considering the petition, shall take into  
38 account the appropriateness of the physical space where the  
39 gaming tables will be located and the convenience of the  
40 public attending the facility. The board may also take into  
41 account the potential benefit to the Commonwealth.

42 (2) A Category 3 slot machine licensee awarded a table  
43 game operation certificate may operate up to 50 gaming tables  
44 at any one time at its licensed facility. [No more than 30%  
45 of these gaming tables may be used to play nonbanking games  
46 at any one time.]

47 (2.1) A Category 3 slot machine licensee awarded a table  
48 game operation certificate may petition the board for  
49 additional table games at its licensed facility. The board  
50 may authorize up to 15 additional gaming tables. The  
51 additional tables shall be used to play nonbanking games. The

1 board, in considering the petition, shall take into account  
2 the appropriateness of the physical space where the gaming  
3 tables will be located and the convenience of the public  
4 attending the facility. The board may also take into account  
5 the potential benefit to the Commonwealth.

6 (3) Nonbanking gaming tables shall seat a maximum of ten  
7 players.

8 § 13A22.1. Table game tournaments.

9 \* \* \*

10 (c) Exemptions and additional tables.--The following shall  
11 apply:

12 (1) For a Category 1 or Category 2 licensed facility,  
13 gaming tables used in tournaments shall be exempt from  
14 section 13A11 (b) (1) (relating to authorization to conduct  
15 table games) and shall not be used in any calculation of the  
16 total number of gaming tables authorized in the table game  
17 authorization certificate.

18 (2) For a Category 3 licensed facility, the executive  
19 director may authorize the licensed facility to operate up to  
20 15 additional gaming tables for use in tournaments. [The  
21 executive director may grant the use of the additional gaming  
22 tables for tournaments authorized under this paragraph only  
23 one day per month.] Additional gaming tables for use in  
24 tournaments shall be exempt from section 13A11(b) (2)  
25 (relating to authorization to conduct table games) and shall  
26 not be used in any calculation of the total number of gaming  
27 tables authorized in the table game authorization  
28 certificate. The executive director may grant the use of  
29 additional gaming tables on the dates and times listed in the  
30 proposed schedule of tournaments submitted by the Category 3  
31 slot machine licensee in accordance with subsection (b).

32 \* \* \*

33 § 13A27. Other financial transactions.

34 \* \* \*

35 (c) Credit application verification.---Prior to approving an  
36 application for credit, a certificate holder shall verify:

37 (1) The identity, creditworthiness and indebtedness  
38 information of the applicant by conducting a comprehensive  
39 review of the information submitted with the application and  
40 any information regarding the applicant's credit activity at  
41 other licensed facilities which the certificate holder may  
42 obtain through a casino credit bureau and, if appropriate,  
43 through direct contact with other slot machine licensees.

44 (2) That the applicant's name is not included on an  
45 exclusion list under section 1514 (relating to regulation  
46 requiring exclusion [or], ejection or denial of access of  
47 certain persons) or 1516 (relating to list of persons self  
48 excluded from gaming activities) or the voluntary credit  
49 suspension list under subsection (h).

50 \* \* \*

51 Section 12. Section 13A41 of Title 4 is amended by adding a

1 subsection to read:

2 § 13A41. Table game device and associated equipment testing and  
3 certification standards.

4 \* \* \*

5 (b.1) Use of private testing and certification facilities.--  
6 Notwithstanding any provision of this part or regulation of the  
7 board, if a table game device or associated equipment is tested  
8 and certified by a private testing and certification facility  
9 registered with the board, the board shall use an abbreviated  
10 certification process requiring only that information determined  
11 by it to be necessary to consider the issuance of a table game  
12 device or associated equipment certification under this section.  
13 Within one year of the effective date of this subsection, the  
14 board shall promulgate regulations that:

15 (1) Provide for the registration of private testing and  
16 certification facilities. Persons seeking registration under  
17 this subsection shall be subject to section 1202(b)(9)  
18 (relating to specific powers).

19 (2) Specify the form and content of the application for  
20 registration.

21 (3) Establish and collect an application fee for persons  
22 seeking registration. The application fee shall include the  
23 costs of all background investigations as determined  
24 necessary and appropriate by the board.

25 (4) Establish uniform procedures and standards which  
26 private testing and certification facilities must comply with  
27 during the testing and certification of table game devices  
28 and associated equipment.

29 (5) Utilize information provided by private testing and  
30 certification facilities for the abbreviated certification of  
31 table game devices and associated equipment.

32 (6) Establish an abbreviated certification process that  
33 may be used by registered private testing and certification  
34 facilities to test and certify table game devices and  
35 associated equipment.

36 (7) Establish fees that must be paid by a licensed  
37 manufacturer.

38 (8) Require table game devices and associated equipment  
39 submitted for abbreviated certification to be approved or  
40 denied by the board within 30 days from the date of  
41 submission to the board. If the board fails to act within the  
42 30-day period, the abbreviated certification shall be deemed  
43 conditionally approved.

44 (9) Provide procedures and standards for the suspension  
45 and revocation of the registration of a private testing and  
46 certification facility and the reinstatement of a suspended  
47 or revoked registration.

48 Section 13. Sections 13A61(a) and (f) and 13A63(b)(4) of  
49 Title 4 are amended to read:

50 § 13A61. Table game authorization fee.

51 (a) Amount of authorization fee.--

1 (1) A Category 1 or a Category 2 slot machine licensee  
2 that submits a petition for a table game operation  
3 certificate under section 13A12 (relating to petition  
4 requirements) on or before June 1, 2010, shall pay a one-time  
5 nonrefundable authorization fee in the amount of \$16,500,000.  
6 A Category 1 or a Category 2 slot machine licensee that  
7 submits a petition for a table game operation certificate  
8 under section 13A12 after June 1, 2010, shall pay a one-time  
9 nonrefundable authorization fee in the amount of \$24,750,000.

10 (2) A Category 3 slot machine licensee that submits a  
11 petition for a table game operation certificate under section  
12 13A12 on or before June 1, 2010, shall pay a one-time  
13 nonrefundable authorization fee in the amount of \$7,500,000.  
14 A Category 3 slot machine licensee that submits a petition  
15 for a table game operation certificate under section 13A12  
16 after June 1, 2010, shall pay a one-time nonrefundable  
17 authorization fee in the amount of \$11,250,000.

18 (3) Notwithstanding paragraphs (1) and (2), the holder  
19 of a Category 1 or Category 3 slot machine license issued  
20 after June 1, 2010, that submits a petition for a table game  
21 operation certificate shall pay a one-time nonrefundable  
22 authorization fee in the amount of \$16,500,000 or \$7,500,000,  
23 respectively.

24 (3.1) Notwithstanding paragraphs (2) and (3), the holder  
25 of a Category 3 slot machine license issued on or after  
26 January 1, 2016, that submits a petition for a table game  
27 operation certificate shall pay a one-time nonrefundable  
28 authorization fee in the amount of \$8,500,000.

29 (3.2) Notwithstanding any other provision of this part,  
30 no later than 60 days after the board approves a request for  
31 additional table games in accordance with section 13A11  
32 (relating to authorization to conduct table games) submitted  
33 by the holder of a Category 3 slot machine license issued  
34 prior to January 1, 2016, the Category 3 slot machine  
35 licensee shall pay a one-time nonrefundable fee in the amount  
36 of \$1,000,000.

37 (4) A table game operation certificate shall not be  
38 subject to renewal or payment of an additional authorization  
39 fee.

40 \* \* \*

41 (f) Deposit of fees.--Notwithstanding section 1208 (relating  
42 to collection of fees and fines), all table game authorization  
43 fees and other fees or penalties received by the board under  
44 this subchapter, all table game device and associated equipment  
45 manufacturer and supplier license fees, all table game device or  
46 associated equipment manufacturer and supplier renewal fees and  
47 fees for licenses issued under Chapter 16 (relating to junkets)  
48 shall be deposited in the General Fund.

49 § 13A63. Local share assessment.

50 \* \* \*

51 (b) Distributions to counties.--The department shall make

1 quarterly distributions from the local share assessments  
2 deposited into the fund under subsection (a) to counties,  
3 including home rule counties, hosting a licensed facility  
4 authorized to conduct table games under this chapter in  
5 accordance with the following:

6 \* \* \*

7 (4) The following apply:

8 (i) If the facility is a Category 3 licensed  
9 facility located in a county of the second class A: 50%  
10 of the licensed facility's local share assessment shall  
11 be [deposited into a restricted receipts account to be  
12 established in the Commonwealth Financing Authority to be  
13 used exclusively for grants or guarantees for projects in  
14 the county that qualify under 64 Pa.C.S. §§ 1551  
15 (relating to Business in Our Sites Program), 1556  
16 (relating to Tax Increment Financing Guarantee Program)  
17 and 1558 (relating to Water Supply and Waste Water  
18 Infrastructure Program).] distributed as follows:

19 (A) Seventy-five percent shall be distributed to  
20 the county hosting the licensed facility from each  
21 such licensed facility for the purpose of supporting  
22 the maintenance and refurbishment of the Parks and  
23 Heritage sites throughout the county in which the  
24 licensee is located.

25 (B) Twelve and one-half percent shall be  
26 distributed to the county hosting the licensed  
27 facility from each such licensed facility for the  
28 purpose of supporting a child advocacy center located  
29 within the county in which the licensee is located.

30 (C) Twelve and one-half percent shall be  
31 distributed to the county hosting the licensed  
32 facility from each such licensed facility for the  
33 purpose of supporting an organization providing  
34 comprehensive support services to victims of domestic  
35 violence, including legal and medical aid, shelters,  
36 transitional housing and counseling located within  
37 the county in which the licensee is located.

38 (ii) Except as provided in subparagraph (i), if the  
39 facility is a Category 3 licensed facility in a county of  
40 any class: 50% of the licensed facility's local share  
41 assessment shall be added to the funds in the restricted  
42 receipts account established under section 1403(c)(2)(iv)  
43 for distribution with those funds.

44 \* \* \*

45 Section 14. Title 4 is amended by adding chapters to read:

46 CHAPTER 13B

47 INTERACTIVE GAMING

48 Subchapter

49 A. General Provisions

50 B. Interactive Gaming Authorized

51 C. Conduct of Interactive Gaming



- 1 D. Facilities and Equipment
- 2 E. Testing and Certification
- 3 F. Taxes and Fees
- 4 G. Miscellaneous Provisions

5 SUBCHAPTER A  
6 GENERAL PROVISIONS

7 Sec.

8 13B01. Legislative findings.

9 13B02. Regulatory authority.

10 13B03. Temporary interactive gaming regulations.

11 § 13B01. Legislative findings.

12 The General Assembly finds and declares that:

13 (1) The primary objective of the Pennsylvania Race Horse  
14 Development and Gaming Act, to which all other objectives are  
15 secondary, is to protect the public through the regulation  
16 and policing of all activities involving gaming and practices  
17 that continue to be unlawful.

18 (2) Legislative authorization of slot machine gaming and  
19 the conduct of table games is intended to enhance live horse  
20 racing, breeding programs, entertainment and employment in  
21 this Commonwealth.

22 (3) Legalized gaming was seen as a means to provide a  
23 source of revenue for property and wage tax relief, promote  
24 economic development and enhance development of tourism  
25 markets throughout this Commonwealth.

26 (4) Legalized gaming in the Category 1, Category 2 and  
27 Category 3 licensed facilities geographically dispersed in  
28 this Commonwealth has become a critical component of economic  
29 development and, if gaming activities continue to be properly  
30 regulated and fostered, it will provide a substantial  
31 contribution to the general health, welfare and prosperity of  
32 this Commonwealth and its citizens.

33 (5) The General Assembly remains committed to ensuring a  
34 robust gaming industry in this Commonwealth that is capable  
35 of competing internationally, nationally and regionally at  
36 the highest levels of quality while maintaining strict  
37 regulatory oversight to ensure the integrity of all gaming  
38 operations as supervised by the board.

39 (6) Since its development, the Internet has provided the  
40 opportunity for millions of people worldwide to engage in  
41 online gambling, mostly through illegal, unregulated off-  
42 shore gambling operations.

43 (7) In 2006, the United States Congress passed and the  
44 President of the United States signed the Unlawful Internet  
45 Gambling Enforcement Act of 2006 (Public Law 109-347, 31  
46 U.S.C. § 5361 et seq.), which generally prohibits the use of  
47 banking instruments, including credit cards, checks and money  
48 transfers for interstate Internet gambling.

49 (8) Although the Unlawful Internet Gambling Enforcement  
50 Act of 2006 prohibits interstate Internet gambling by United  
51 States citizens, it permits individual states to create a

1 regulatory framework to govern intrastate Internet or  
2 interactive gambling.

3 (9) Interactive gaming is illegal in this Commonwealth  
4 and without legislative authorization and strict regulation,  
5 the public's trust and confidence in legalized commercial  
6 gaming may be impacted.

7 (10) In this Commonwealth, interactive gaming has been  
8 conducted without oversight, regulation or enforcement, all  
9 of which raises significant concerns for the protection of  
10 the health, welfare and safety of the citizens of this  
11 Commonwealth.

12 (11) An effective regulatory, licensing and enforcement  
13 system for Interactive gaming in this Commonwealth would  
14 inhibit underage wagering and otherwise protect vulnerable  
15 individuals, ensure that the games offered through the  
16 Internet are fair and safe, stop sending much-needed jobs,  
17 tax and other revenue offshore to illegal operators, provide  
18 a significant source of taxable revenue, create jobs and  
19 economic development and address the concerns of law  
20 enforcement.

21 (12) By legalizing interactive gaming and subjecting it  
22 to the regulatory oversight of the Pennsylvania Gaming  
23 Control Board, the General Assembly is assuring the citizens  
24 of this Commonwealth that only those persons licensed by the  
25 board to conduct slot machine gaming and table games and to  
26 operate interactive games or interactive gaming systems, in  
27 accordance with the requirements of this part, have been  
28 determined to be suitable to facilitate and conduct  
29 interactive gaming activities in this Commonwealth.

30 (13) An effective regulatory, licensing and enforcement  
31 system to govern interactive gaming in this Commonwealth is  
32 consistent with the original objectives and intent of the  
33 Pennsylvania Race Horse Development and Gaming Act, thereby  
34 ensuring the public trust and confidence in the commercial  
35 gaming industry in this Commonwealth.

36 (14) The Commonwealth has a legitimate State interest in  
37 protecting the integrity of State-authorized interactive  
38 gaming by licensing those entities already engaged in the  
39 conduct of gaming in this Commonwealth, which are subject to  
40 the scrutiny and discipline of the board and other regulatory  
41 agencies and which are in good standing with those agencies.

42 § 13B02. Regulatory authority.

43 (a) Authority.--The board shall promulgate and adopt rules  
44 and regulations to govern the conduct of interactive gaming in  
45 order to ensure that it will be implemented in a manner that  
46 provides for the security and effective management,  
47 administration and control of interactive gaming, including, but  
48 not limited to, regulations:

49 (1) Ensuring that interactive gaming is offered for play  
50 in this Commonwealth in a manner that is consistent with  
51 Federal law and the provisions of this chapter.

1           (2) Establishing standards and procedures for testing  
2 and approving interactive games and interactive gaming  
3 devices and associated equipment, and any variations or  
4 composites of authorized interactive games, provided that the  
5 board determines that the interactive games and any new  
6 interactive games or any variations or composites are  
7 suitable for use after a test or experimental period under  
8 any terms and conditions as the board may deem appropriate.  
9 The board may give priority to the testing of interactive  
10 games, interactive gaming devices and associated equipment or  
11 other gaming equipment which a slot machine licensee has  
12 certified that it will use to conduct interactive gaming in  
13 this Commonwealth. Nothing in this paragraph shall be  
14 construed to prohibit the board from using the testing and  
15 certification standards of another state or jurisdiction in  
16 which interactive gaming is conducted, if it determines that  
17 the standards of the jurisdiction are comprehensive, thorough  
18 and provide similar and adequate safeguards as those required  
19 under this part. If the board makes such a determination and  
20 the applicant for an interactive gaming certificate or an  
21 interactive gaming license is licensed in another state or  
22 jurisdiction to operate interactive gaming, it may use an  
23 abbreviated process requiring only the information determined  
24 by it to be necessary to consider the issuance of a  
25 certification under this chapter. The board, in its  
26 discretion, may also rely upon the certification of  
27 interactive games that have met the testing and certification  
28 standards of a board-approved private testing and  
29 certification facility.

30           (3) Establishing standards and rules to govern the  
31 conduct of interactive gaming and the system of and wagering  
32 associated with interactive gaming, including internal  
33 controls and accounting controls, and the type, number,  
34 payout, wagering limits and rules for interactive games.

35           (4) Establishing the method for calculating gross  
36 interactive gaming revenue and standards for the daily  
37 counting and recording of cash and cash equivalents received  
38 in the conduct of authorized interactive games and ensure  
39 that internal controls and accounting controls are followed,  
40 including the maintenance of financial books and records and  
41 the conduct of audits. The board shall consult with the  
42 department in establishing these regulations.

43           (5) Establishing notice requirements pertaining to  
44 minimum and maximum wagers on authorized interactive games.

45           (6) Ensuring that all facilities and interactive gaming  
46 devices and associated equipment are arranged in a manner to  
47 promote appropriate security for interactive gaming.

48           (7) Establishing technical standards for the approval of  
49 interactive games, interactive gaming devices and associated  
50 equipment, including mechanical, electrical or program  
51 reliability, security against tampering and any other

1 standards as it may deem necessary to protect registered  
2 players from fraud or deception.

3 (8) Governing the creation and utilization of  
4 interactive gaming accounts by registered players, including  
5 requiring that:

6 (i) Interactive gaming accounts be possessed by a  
7 natural person and not in the name of any beneficiary,  
8 custodian, joint trust, corporation, partnership or other  
9 organization or entity.

10 (ii) Interactive gaming accounts shall not be  
11 assignable or otherwise transferable.

12 (iii) No account be established for an individual  
13 under 21 years of age.

14 (9) Establishing procedures for registered players to  
15 log into their interactive gaming accounts, authenticate  
16 identities, agree to terms, conditions and rules applicable  
17 to authorized interactive games and log out of interactive  
18 gaming accounts, including procedures for automatically  
19 logging off registered players from an interactive game after  
20 a specified period of inactivity.

21 (10) Establishing procedures for:

22 (i) Depositing funds in an interactive gaming  
23 account by cash, transfer or other means, as approved by  
24 the board.

25 (ii) The withdrawal of funds from interactive gaming  
26 accounts.

27 (iii) The suspension of interactive gaming account  
28 activity for security reasons.

29 (iv) The termination of interactive gaming accounts  
30 and disposition of proceeds in accounts.

31 (v) The disposition of unclaimed amounts in dormant  
32 interactive gaming accounts.

33 (11) Establishing mechanisms by which registered players  
34 may place limits on the amount of money being wagered per  
35 authorized interactive game or during any specified time  
36 period or the amount of losses incurred during any specified  
37 time period.

38 (12) Establishing mechanisms to exclude from interactive  
39 gaming persons not eligible to play by reason of age,  
40 identity or location or inclusion on a list of persons denied  
41 access to interactive gaming activities in accordance with  
42 sections 1514 (relating to regulation requiring exclusion,  
43 ejection or denial of access of certain persons), 1515  
44 (relating to repeat offenders excludable from licensed gaming  
45 facility) and 1516 (relating to list of persons self excluded  
46 from gaming activities).

47 (13) Establishing procedures for the protection,  
48 security and reliability of interactive gaming accounts,  
49 authorized interactive games, interactive gaming devices and  
50 associated equipment and mechanisms to prevent tampering or  
51 utilization by unauthorized persons.

1           (14) Establishing data security standards to govern age,  
2 identity and location verification of persons engaged in  
3 interactive gaming activity.

4           (15) Requiring each interactive gaming certificate  
5 holder to:

6           (i) Provide written information on its interactive  
7 gaming skin or Internet website, which explains the rules  
8 for each authorized interactive game, payoffs or winning  
9 wagers and other information as the board may require.

10           (ii) Designate one or more interactive gaming  
11 restricted areas where interactive gaming will be  
12 managed, administered or controlled.

13           (iii) Provide the board with access to the  
14 interactive gaming skin or website, interactive gaming  
15 platform, signal or transmission used in connection with  
16 interactive gaming and interactive gaming restricted  
17 areas.

18           (iv) Adopt procedures for the recordation,  
19 replication and storage of all play and transactions for  
20 a period to be determined by the board.

21           (v) Provide statements on its interactive gaming  
22 skin or website about the permissible minimum and maximum  
23 wagers for each authorized interactive game, as  
24 applicable.

25           (vi) Adopt policies or procedures to prohibit any  
26 unauthorized person from having access to interactive  
27 gaming devices and associated equipment, including  
28 software, system programs, hardware and any other gaming  
29 equipment or devices which are used to manage, administer  
30 or control interactive gaming.

31           (vii) Adopt data security standards to verify the  
32 age, identity and location of persons engaged in  
33 interactive gaming activity and prevent unauthorized  
34 access by any person whose age and location have not been  
35 verified or whose age and location cannot be verified in  
36 accordance with regulations adopted by the board.

37           (viii) Adopt standards to protect the privacy and  
38 security of registered players engaged in interactive  
39 gaming.

40           (ix) Collect, report and pay any and all applicable  
41 taxes and fees and maintain all books, records and  
42 documents related to the interactive gaming certificate  
43 holder's interactive gaming activities in a manner and in  
44 a location within this Commonwealth as approved by the  
45 board or the department. All books, records and documents  
46 shall be immediately available for inspection during all  
47 hours of operation in accordance with the regulations of  
48 the board and shall be maintained in a manner and during  
49 periods of time as the board shall by regulation require.

50           (b) Additional authority.--

51           (1) At its discretion, the board may determine whether

1 persons that provide the following goods or services and any  
2 other goods or services related to interactive gaming as the  
3 board may determine shall be required to obtain a license,  
4 permit or other authorization:

5 (i) Payment processing and related money  
6 transmitting and services.

7 (ii) Customer identity or age verification and  
8 geospatial technology services.

9 (iii) General telecommunications services, which are  
10 not specifically designed for or related to interactive  
11 gaming.

12 (iv) Other goods or services that are not  
13 specifically designed for use with interactive gaming if  
14 the persons providing the goods or services are not paid  
15 a percentage of gaming revenue or of money wagered on  
16 interactive games or of any fees, not including fees to  
17 financial institutions and payment providers for  
18 facilitating a deposit by an interactive gaming account  
19 holder.

20 (2) The board shall develop a classification system for  
21 the licensure, permitting or other authorization of persons  
22 that provide the following goods or services related to  
23 interactive gaming:

24 (i) Persons that provide interactive games and  
25 interactive gaming devices and associated equipment.

26 (ii) Persons that manage, control or administer the  
27 interactive games or the wagers associated with  
28 interactive games.

29 (iii) Providers of customer lists comprised of  
30 persons identified or selected, in whole or in part,  
31 because they placed or may place wagers on interactive  
32 gaming.

33 (c) Definition.--For the purposes of subsection (a) (12),  
34 (14) and (15) (viii) and (ix), the term "person" shall mean a  
35 natural person.

36 § 13B03. Temporary interactive gaming regulations.

37 (a) Promulgation.--

38 (1) In order to facilitate the prompt implementation of  
39 this chapter, regulations promulgated by the board shall be  
40 deemed temporary regulations which shall expire not later  
41 than two years following the publication of the temporary  
42 regulation in the Pennsylvania Bulletin and on the board's  
43 publicly accessible Internet website.

44 (2) The board may promulgate temporary regulations not  
45 subject to:

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

49 (ii) Sections 204(b) and 301(10) of the act of  
50 October 15, 1980 (P.L.950, No.164), known as the  
51 Commonwealth Attorneys Act.

1 (iii) The act of June 25, 1982 (P.L.633, No.181),  
2 known as the Regulatory Review Act.

3 (b) Temporary regulations.--The board shall begin publishing  
4 temporary regulations governing the rules for interactive  
5 gaming, the issuance of interactive gaming certificates and  
6 interactive gaming licenses, standards for approving  
7 manufacturers, suppliers and other persons seeking to provide  
8 interactive games, interactive gaming devices and associated  
9 equipment, including age and location verification software or  
10 system programs and security and surveillance standards in the  
11 Pennsylvania Bulletin within 30 days of the effective date of  
12 this subsection.

13 (c) Expiration of temporary regulations.--Except for  
14 temporary regulations governing the rules for issuing  
15 certificates and licenses under this chapter, for new  
16 interactive games, for approving interactive games or variations  
17 thereof, interactive gaming devices and associated equipment and  
18 for approving manufacturers, suppliers and other persons seeking  
19 to provide interactive games, interactive gaming devices and  
20 associated equipment, the board's authority to adopt temporary  
21 regulations under subsection (a) shall expire two years after  
22 the effective date of this section. Regulations adopted after  
23 this period shall be promulgated as provided by law.

24 SUBCHAPTER B

25 INTERACTIVE GAMING AUTHORIZED

26 Sec.

27 13B11. Authorization to conduct interactive gaming.

28 13B12. Interactive gaming certificate required and content of  
29 petition.

30 13B13. Issuance of interactive gaming certificate.

31 13B14. Interactive gaming operators.

32 13B15. Interactive gaming certificate and license.

33 13B16. Timing of initial interactive gaming authorizations.

34 § 13B11. Authorization to conduct interactive gaming.

35 (a) Authority of board.--

36 (1) The board may authorize a slot machine licensee:

37 (i) To conduct interactive gaming, including  
38 contests and tournaments and any other game which is  
39 determined by the board to be suitable for interactive  
40 gaming.

41 (ii) To deploy interactive gaming skins or Internet  
42 websites to facilitate the conduct of interactive gaming  
43 activities.

44 (2) Except as provided in this part, all individuals  
45 playing authorized interactive games must be physically  
46 located within this Commonwealth or within a state or  
47 jurisdiction in which the board has entered an interactive  
48 gaming reciprocal agreement. No individual under 21 years of  
49 age shall open, maintain, use or have access to an  
50 interactive gaming account.

51 (b) Authority to play interactive games.--Notwithstanding

1 any other provision of law, an individual who is 21 years of age  
2 or older is hereby permitted to participate as a registered  
3 player in interactive gaming and wagering associated with  
4 playing an authorized interactive game offered by an interactive  
5 gaming certificate holder in accordance with regulations of the  
6 board.

7 § 13B12. Interactive gaming certificate required and content of  
8 petition.

9 (a) Certificate required.--No slot machine licensee or any  
10 other person associated with or representing a slot machine  
11 licensee shall operate or conduct or attempt to operate or  
12 conduct interactive gaming, except for test purposes or open  
13 interactive gaming to the public in this Commonwealth without  
14 first obtaining an interactive gaming certificate or an  
15 interactive gaming license from the board. A slot machine  
16 licensee may seek approval to conduct interactive gaming by  
17 filing a petition for an interactive gaming certificate with the  
18 board. The board shall prescribe the form and manner to govern  
19 the submission of a petition for an interactive gaming  
20 certificate.

21 (b) Content of petition.--In addition to information and  
22 documentation demonstrating that the slot machine licensee is  
23 qualified for an interactive gaming certificate under this  
24 chapter, a petition seeking board approval to conduct  
25 interactive gaming within this Commonwealth shall include the  
26 following:

27 (1) The name, business address and contact information  
28 of the slot machine licensee.

29 (2) The name, business address and contact information  
30 of any affiliate, interactive gaming operator or other person  
31 that will be a party to an agreement related to the operation  
32 of interactive gaming or an interactive gaming system on  
33 behalf of a slot machine licensee.

34 (3) The name and business address, job title and a  
35 photograph of each principal and key employee of the slot  
36 machine licensee who will be involved in the conduct of  
37 interactive gaming and who is not currently licensed by the  
38 board, if known.

39 (4) The name and business address, job title and a  
40 photograph of each principal and key employee of the  
41 interactive gaming certificate holder and interactive gaming  
42 licensee, if any, who will be involved in the conduct of  
43 interactive gaming and who is currently licensed by the  
44 board.

45 (5) An itemized list of the interactive games and any  
46 other game or games the slot machine licensee plans to offer  
47 over the Internet for which authorization is being sought.  
48 The slot machine licensee shall, in accordance with  
49 regulations promulgated by the board, file any changes in the  
50 number of authorized interactive games offered through  
51 interactive gaming with the board.



1           (6) The estimated number of full-time and part-time  
2 employment positions that will be created at the licensed  
3 facility if interactive gaming is authorized and an updated  
4 hiring plan under section 1510(a) (relating to labor hiring  
5 preferences) which outlines the slot machine licensee's plan  
6 to promote the representation of diverse groups and  
7 Commonwealth residents in the employment positions.

8           (7) A brief description of the economic benefits  
9 expected to be realized by the Commonwealth, the host  
10 municipalities and residents if interactive gaming is  
11 authorized.

12           (8) The details of any financing obtained or that will  
13 be obtained to fund an expansion or modification of the  
14 licensed facility to accommodate interactive gaming and to  
15 otherwise fund the cost of commencing interactive gaming.

16           (9) Information and documentation concerning financial  
17 background and resources, as the board may require, to  
18 establish by clear and convincing evidence the financial  
19 stability, integrity and responsibility of the slot machine  
20 licensee, and information or documentation concerning any  
21 interactive gaming operator that will operate interactive  
22 gaming or an interactive gaming system on behalf of the slot  
23 machine licensee, as the board may require.

24           (10) Information and documentation, as the board may  
25 require, to establish by clear and convincing evidence that  
26 the slot machine licensee has sufficient business ability and  
27 experience to conduct a successful interactive gaming  
28 operation. In making this determination, the board may  
29 consider the results of the slot machine licensee's slot  
30 machine and table game operations, including financial  
31 information, employment data and capital investment.

32           (11) Information and documentation, as the board may  
33 require, to establish by clear and convincing evidence that  
34 the slot machine licensee has or will have the financial  
35 ability to pay the interactive gaming authorization fee.

36           (12) Detailed site plans identifying the proposed  
37 interactive gaming restricted area where interactive gaming  
38 operations will be managed, administered or controlled as  
39 approved by the board.

40           (13) A detailed description of all of the following:

41           (i) The slot machine licensee's initial system of  
42 internal and accounting controls applicable to  
43 interactive gaming.

44           (ii) The slot machine licensee's proposed standards  
45 to protect, with a reasonable degree of certainty, the  
46 privacy and security of its registered players.

47           (iii) How the slot machine licensee will facilitate  
48 compliance with all of the requirements set forth in this  
49 chapter and in section 802(a) of the Unlawful Internet  
50 Gambling Enforcement Act of 2006 (Public Law 109-347, 31  
51 U.S.C. § 5362(10)(B)), including, but not limited to, all

1 of the following:

2 (A) Age, identity and location verification  
3 requirements designed to block access to individuals  
4 under 21 years of age.

5 (B) Appropriate data security standards to  
6 prevent unauthorized access by any person whose age,  
7 identity and location have not been verified or whose  
8 age, identity and location cannot be verified in  
9 accordance with this chapter and applicable  
10 regulations of the board.

11 (C) Except as provided in this chapter, the  
12 requirement that all wagers made in the conduct of  
13 interactive gaming be initiated and received or  
14 otherwise made exclusively within this Commonwealth.

15 (iv) The slot machine licensee's proposed age,  
16 identity and location verification standards designed to  
17 block access to persons under 21 years of age and persons  
18 excluded or prohibited from participating in interactive  
19 gaming under this chapter.

20 (v) The procedures the slot machine licensee will  
21 use to register individuals who wish to participate in  
22 interactive gaming.

23 (vi) The procedures the slot machine licensee will  
24 use to establish interactive gaming accounts for  
25 registered players.

26 (vii) The interactive games and services the slot  
27 machine licensee proposes to offer to registered players.

28 (viii) Documentation and information relating to all  
29 proposed subcontractors of the slot machine licensee,  
30 including, but not limited to, all of the following:

31 (A) A description of the services to be provided  
32 by each subcontractor.

33 (B) Information on the experience and  
34 qualifications of each subcontractor to provide the  
35 services anticipated.

36 (C) The names of all proposed subcontractors,  
37 owners, executives and employees that will be  
38 directly or indirectly involved in the slot machine  
39 licensee's interactive gaming operations, as well as  
40 sufficient personal identifying information on each  
41 such person to conduct background checks as may be  
42 required by the board.

43 (14) The interactive gaming devices and associated  
44 equipment, including the interactive gaming network,  
45 interactive gaming system or systems, that the slot machine  
46 licensee plans to or will utilize to manage, administer or  
47 control its interactive gaming operations.

48 (15) Compliance certification of its interactive gaming  
49 devices and associated equipment, including interactive  
50 gaming software and hardware, by a board-approved gaming  
51 laboratory to ensure that the gaming software and hardware

1 comply with the requirements of this chapter and regulations  
2 of the board.

3 (16) Detailed description of accounting systems,  
4 including, but not limited to, accounting systems for all of  
5 the following:

6 (i) Interactive gaming accounts.

7 (ii) Per-hand charges, if applicable.

8 (iii) Transparency and reporting to the board and  
9 the department.

10 (iv) Distribution of revenue to the Commonwealth and  
11 winnings to registered players.

12 (v) Ongoing auditing and internal control compliance  
13 reviews.

14 (17) Detailed information on security systems at the  
15 licensed facility to protect the interactive gaming skins or  
16 Internet website from internal and external breaches and  
17 threats.

18 (18) Any other information the board may require.

19 (c) Confidentiality.--Information submitted to the board  
20 under subsection (b) may be considered confidential by the board  
21 if the information would be confidential under section 1206(f)  
22 (relating to board minutes and records).

23 § 13B13. Issuance of interactive gaming certificate.

24 (a) Requirements for approval of petition.--

25 (1) The board may approve a petition under section 13B12  
26 (relating to interactive gaming certificate required and  
27 content of petition) upon finding clear and convincing  
28 evidence of all of the following:

29 (i) The slot machine licensee's conduct of  
30 interactive gaming complies in all respects with the  
31 requirements of this chapter and regulations promulgated  
32 by the board.

33 (ii) Age, identity and location verification  
34 requirements designed to block access to individuals  
35 under 21 years of age and persons otherwise prohibited  
36 from engaging in interactive gaming in accordance with  
37 this chapter, as approved by the board, have been  
38 implemented by the slot machine licensee.

39 (iii) The slot machine licensee has implemented or  
40 will implement appropriate data security standards to  
41 prevent unauthorized access by any person whose age,  
42 identity and location has not been verified or cannot be  
43 verified in accordance with the regulations promulgated  
44 and adopted by the board.

45 (iv) The slot machine licensee has implemented or  
46 will implement appropriate standards to protect the  
47 privacy and security of registered players.

48 (v) The slot machine licensee's initial system of  
49 internal and accounting controls applicable to  
50 interactive gaming, and the security and integrity of all  
51 financial transactions in connection with the system,

1 complies with this chapter and regulations promulgated  
2 and adopted by the board.

3 (vi) The slot machine licensee is in good standing  
4 with the board.

5 (vii) The slot machine licensee agrees that the  
6 number of slot machines and table games in operation at  
7 its licensed facility, as of the effective date of this  
8 section, will not be reduced as a result of the  
9 authorization and commencement of interactive gaming.

10 (2) It shall be an express condition of any interactive  
11 gaming certificate that a slot machine licensee shall  
12 collect, report and pay all applicable taxes and fees and  
13 shall maintain all books, records and documents pertaining to  
14 the slot machine licensee's interactive gaming operations in  
15 a manner and location within this Commonwealth as approved by  
16 the board. All books, records and documents shall be  
17 immediately available for inspection by the board and the  
18 department during all hours of operation in accordance with  
19 the regulations of the board and shall be maintained in a  
20 manner and during periods of time as the board shall require.

21 (b) Issuance of interactive gaming certificate.--

22 (1) Upon approval of a petition for an interactive  
23 gaming certificate, the board shall issue an interactive  
24 gaming certificate to the slot machine licensee. The issuance  
25 of an interactive gaming certificate prior to the full  
26 payment of the authorization fee required under section 13B51  
27 (relating to interactive gaming authorization fee) shall not  
28 relieve the slot machine licensee from the obligation to pay  
29 the authorization fee in accordance with the requirements of  
30 section 13B51.

31 (2) Upon issuing an interactive gaming certificate, the  
32 board shall amend the slot machine licensee's statement of  
33 conditions to include conditions pertaining to the  
34 requirements of this chapter.

35 (c) Term of interactive gaming certificate.--Subject to the  
36 power of the board to deny, revoke or suspend an interactive  
37 gaming certificate issued in accordance with the requirements of  
38 this section, an interactive gaming certificate shall be renewed  
39 every five years and shall be subject to the requirements of  
40 section 1326 (relating to renewals).

41 (d) Sanctions.--A slot machine licensee that fails to abide  
42 by the requirements of this chapter or any condition contained  
43 in the slot machine licensee's statement of conditions governing  
44 the operation of interactive gaming shall be subject to board-  
45 imposed administrative sanctions or other penalties authorized  
46 under this part. The imposition of administrative sanctions in  
47 accordance with this subsection shall apply to any interactive  
48 gaming operator that fails to abide by the requirements of this  
49 chapter and regulations of the board.

50 (e) Background investigations.--Each petition for an  
51 interactive gaming certificate shall be accompanied by a

1 nonrefundable fee established by the board to cover the cost of  
2 background investigations. The board shall determine by  
3 regulation the persons involved, directly or indirectly, in a  
4 slot machine licensee's interactive gaming operations and  
5 persons involved in the operations of an interactive gaming  
6 operator who shall be subject to background investigation. Any  
7 additional costs and expenses incurred in any background  
8 investigation or other investigation or proceeding under this  
9 chapter shall be reimbursed to the board.

10 § 13B14. Interactive gaming operators.

11 (a) License required.--No person shall serve or attempt to  
12 serve as an interactive gaming operator without first obtaining  
13 an interactive gaming license from the board. A person may seek  
14 approval to serve as an interactive gaming operator by filing an  
15 application with the board. The board shall prescribe the form  
16 and manner to govern the submission of an application for an  
17 interactive gaming license. The board shall provide for the  
18 licensure of interactive gaming operators that operate  
19 interactive gaming or an interactive gaming system on behalf of  
20 an interactive gaming certificate holder. The board shall:

21 (1) Determine suitability and provide for the licensure,  
22 permitting, registration or certification, as it deems  
23 appropriate, of interactive gaming operators or other persons  
24 directly involved in the operation of interactive gaming or  
25 an interactive gaming system on behalf of a slot machine  
26 licensee. The board shall determine suitability in accordance  
27 with the applicable requirements of this part, provided that  
28 the board may extend suitability to a holder of a valid  
29 license, permit, registration, certificate or other  
30 authorizations approved and issued under this part, which is  
31 in good standing, without additional investigation. The  
32 extension of suitability in accordance with this paragraph  
33 shall not relieve the holder of a valid license, permit,  
34 registration or certificate issued under this chapter from  
35 payment of all fees imposed under this chapter.

36 (2) Provide for the approval of the terms and conditions  
37 of all agreements entered into by or between an interactive  
38 gaming certificate holder and an interactive gaming operator  
39 or any other person related to the operation of interactive  
40 games or an interactive gaming system on behalf of the  
41 interactive gaming certificate holder.

42 (b) Classification and approval of employees.--

43 (1) The board shall establish a classification system  
44 for employees of interactive gaming operators or other  
45 persons who provide products or services associated with or  
46 related to interactive gaming, interactive gaming platforms  
47 and interactive gaming systems.

48 (2) The board shall provide for the licensure,  
49 permitting, registration or certification, as it deems  
50 appropriate, of employees in each employee classification  
51 established by it in accordance with paragraph (1).

1 (c) Applicability of certain provisions.--Interactive gaming  
2 operators shall be subject to the applicable provisions of this  
3 part that apply to interactive gaming certificate holders, as  
4 determined by the board.

5 (d) Operators owned, controlled by slot machine licensee.--  
6 This section shall not apply to an interactive gaming operator  
7 that is owned by, affiliated with or otherwise controlled by a  
8 slot machine licensee that has been approved for and issued an  
9 interactive gaming certificate under this chapter. The board  
10 shall determine by regulation the criteria or conditions  
11 necessary to determine whether an interactive gaming operator is  
12 owned by, affiliated with or otherwise controlled by a slot  
13 machine licensee to effectuate the purpose of this subsection.

14 (e) Interactive gaming license and conditional  
15 authorization.--

16 (1) The following shall apply:

17 (i) During the first 18 months after the effective  
18 date of this section, the board may issue conditional  
19 authorizations to persons seeking licensure as  
20 interactive gaming operators.

21 (ii) Conditional authorization awarded to an  
22 interactive gaming operator may remain in effect until  
23 the shorter of 12 months after the date of issue or the  
24 date by which the board considers the subject  
25 application.

26 (iii) Conditional authorization may be renewed by  
27 the board not more than once, upon a showing of good  
28 cause.

29 (iv) Conditional authorization shall allow an  
30 applicant for an interactive gaming license to engage in  
31 all of the functions of a licensed interactive gaming  
32 operator for the duration of the conditional  
33 authorization.

34 (2) No conditional authorization may be issued unless:

35 (i) The applicant has submitted a complete  
36 application for an interactive gaming license to the  
37 board.

38 (ii) The applicant agrees to pay or has paid the fee  
39 prescribed in section 13B51 (relating to interactive  
40 gaming authorization fee) prior to the issuance of  
41 conditional authorization, which may be refundable in the  
42 event the license is not approved and issued by the  
43 board.

44 (iii) The bureau has no objection to the issuance of  
45 a conditional authorization to the applicant.

46 (3) Within 45 days of the date that the bureau receives  
47 the completed application for an interactive gaming license  
48 from an applicant for investigation, the bureau shall conduct  
49 a preliminary investigation of the applicant and any key  
50 interactive gaming employee of the applicant, as determined  
51 by the board, which shall include a criminal background

1 investigation of the applicant and any interactive gaming  
2 employees of the applicant, as determined by the board in  
3 accordance with section 1202(b) (relating to general and  
4 specific powers).

5 (4) If the bureau's preliminary investigation discloses  
6 no adverse information that would impact suitability for  
7 licensure, the bureau shall provide the board with a  
8 statement of no objection to issuance of conditional  
9 authorization to the applicant.

10 (5) If the bureau's preliminary investigation discloses  
11 adverse information that would impact suitability for  
12 licensure, it shall register an objection and no conditional  
13 authorization may be issued until the bureau's concerns are  
14 resolved.

15 (6) Any conditional authorization approved and issued to  
16 an applicant for an interactive gaming license under this  
17 subsection may be suspended or withdrawn by the board upon a  
18 showing of good cause by the bureau.

19 § 13B15. Interactive gaming certificate and license.

20 The following shall apply:

21 (1) An interactive gaming certificate and interactive  
22 gaming license shall be in effect unless:

23 (i) The certificate or license is suspended or  
24 revoked by the board consistent with the requirements of  
25 this part.

26 (ii) The slot machine license is suspended, revoked  
27 or not renewed by the board consistent with the  
28 requirements of this part.

29 (iii) The slot machine licensee relinquishes or does  
30 not seek renewal of its slot machine license.

31 (iv) The slot machine licensee does not seek renewal  
32 of its interactive gaming certificate.

33 (2) The interactive gaming certificate may include an  
34 initial itemized list by number and type of authorized  
35 interactive games for interactive gaming to be conducted by  
36 the interactive gaming certificate holder or interactive  
37 gaming operator or other person on behalf of an interactive  
38 gaming certificate holder. The slot machine licensee may  
39 increase or decrease the number of interactive games  
40 authorized for play on its interactive gaming skin or  
41 Internet website or change the type of authorized interactive  
42 games played on its interactive gaming skin or Internet  
43 website upon notice, if required by the board, to the board  
44 and approval by the board or a designated employee of the  
45 board. Unless approved by the board or a designated employee  
46 of the board, the total number and type of authorized  
47 interactive games offered for play by an interactive gaming  
48 certificate holder may not differ from the number and type  
49 approved by the board and authorized in the interactive  
50 gaming certificate.

51 (3) A slot machine licensee shall be required to update

1 the information in its initial interactive gaming petition at  
2 times and in the form and manner as prescribed by the board.  
3 § 13B16. Timing of initial interactive gaming authorizations.  
4 The board shall prescribe the date on which petitions for an  
5 interactive gaming certificate and applications for an  
6 interactive gaming license must be filed with the board and  
7 shall approve or deny a petition or application within 90 days  
8 following receipt.

9 SUBCHAPTER B.1

10 MULTI-USE COMPUTING DEVICES

11 Sec.

12 13B20. Authorization.

13 13B20.1. Board authorization required.

14 13B20.2. Standard for review of applications.

15 13B20.3. Fees.

16 13B20.4. Multi-use gaming device tax.

17 13B20.5. Local share assessment.

18 13B20.6. Regulations.

19 13B20.7. Construction.

20 § 13B20. Authorization.

21 (a) Authority.--

22 (1) Notwithstanding any provision of this part or  
23 regulation of the board, an interactive gaming certificate  
24 holder may provide for the conduct of interactive gaming at a  
25 qualified airport through the use of multi-use computing  
26 devices or enter into a written agreement with an interactive  
27 gaming operator that provides for the conduct of such  
28 interactive gaming by the interactive gaming operator on  
29 behalf of the interactive gaming certificate holder.

30 (2) An interactive gaming certificate holder seeking to  
31 make authorized interactive games available for play through  
32 the use of multi-use computing devices at a qualified airport  
33 shall file a petition with the board in such form and manner  
34 as the board, through regulations, shall require.

35 (b) Place of conduct.--The board, at its discretion, may  
36 authorize an interactive gaming certificate holder or an  
37 interactive gaming operator to place and make authorized  
38 interactive games available for play at a qualified airport  
39 through the use of multi-use computing devices in accordance  
40 with the requirements of this subchapter and regulations of the  
41 board.

42 (c) Satisfaction of contingencies.--Authorization for an  
43 interactive gaming certificate holder to conduct interactive  
44 gaming at a qualified airport in accordance with subsection (a)  
45 shall be contingent upon the following:

46 (1) The interactive gaming certificate holder has  
47 submitted a petition to the board seeking authorization to  
48 manage the conduct of interactive gaming at the qualified  
49 airport and the board has approved the petition.

50 (2) The interactive gaming certificate holder has  
51 disclosed that it has or will enter into an agreement with an



1 interactive gaming operator who will manage, operate and  
2 control the conduct of interactive gaming at a qualified  
3 airport on behalf of the interactive gaming certificate  
4 holder and the interactive gaming operator has petitioned the  
5 board for approval and the board has approved the agreement  
6 and the petition.

7 (3) The interactive gaming certificate holder and  
8 interactive gaming operator, as the case may be, has entered  
9 into an agreement with the concession operator at the  
10 qualified airport for the use of multi-use computing devices  
11 within the airport gaming area.

12 (4) The interactive gaming certificate holder or  
13 interactive gaming operator, as applicable, has provided  
14 adequate assurances that the conduct of interactive gaming at  
15 the qualified airport will be conducted and operated in  
16 accordance with this part and regulations promulgated by the  
17 board.

18 (5) The interactive gaming certificate holder has paid  
19 or will pay all applicable taxes and fees.

20 (d) Agreement required.--The following shall apply:

21 (1) An interactive gaming certificate holder may seek  
22 authorization for the operation and placement of authorized  
23 interactive games at a qualified airport or may enter into an  
24 agreement with an interactive gaming operator to provide for  
25 the conduct of interactive gaming at the qualified airport.

26 (2) An agreement entered into in accordance with this  
27 subsection shall be in writing and shall be submitted to the  
28 board for review and approval.

29 § 13B20.1. Board authorization required.

30 (a) Contents of petition.--An interactive gaming certificate  
31 holder seeking authorization to conduct interactive gaming at a  
32 qualified airport through the use of a multi-use computing  
33 device shall petition the board for approval. The petition shall  
34 include:

35 (1) The name, business address and contact information  
36 of the interactive gaming certificate holder or the name,  
37 business address and contact information of the interactive  
38 gaming operator, if an interactive gaming operator will  
39 manage the operation of interactive gaming at a qualified  
40 airport on behalf of an interactive gaming certificate holder  
41 pursuant to an interactive gaming agreement.

42 (2) The name and business address, job title and a  
43 photograph of each principal and key employee of the  
44 interactive gaming certificate holder and, if relevant, the  
45 interactive gaming operator who will be directly involved in  
46 the conduct of authorized interactive games at the qualified  
47 airport and who is not currently licensed by the board, if  
48 known.

49 (3) The name and business address of the airport  
50 authority, the location of the qualified airport and the  
51 names of the governing body of the airport authority, if the

1 airport authority is incorporated in accordance with 53  
2 Pa.C.S. Ch. 56 (relating to municipal authorities).

3 (4) If the use and control of a qualified airport is  
4 regulated by a city of the first class, an identification of  
5 the municipal agency and primary officials of a city of the  
6 first class, which regulates the use and control of the  
7 qualified airport.

8 (5) The name and job title of the person or persons who  
9 will be responsible for ensuring the operation and integrity  
10 of the conduct of interactive gaming at a qualified airport  
11 and reviewing reports of suspicious transactions.

12 (6) The brand name of the multi-use computing devices  
13 that will be placed in operation at the qualified airport.  
14 The board, at its discretion, may require any additional  
15 information related to the conduct of interactive gaming at a  
16 qualified airport through the use of multi-use computing  
17 devices or persons that manufacture or supply multi-use  
18 computing devices that it may determine necessary and  
19 appropriate to ensure the integrity of interactive gaming at  
20 a qualified airport and protect the public interest.

21 (7) An itemized list of the interactive games for which  
22 authorization is being sought.

23 (8) Information, as the board may require, on any  
24 computer applications or apps, including gaming apps, which  
25 can be accessed on the multi-use computing devices.

26 (9) Information on the terms and conditions of any  
27 interactive gaming agreement entered into by or between an  
28 interactive gaming certificate holder and interactive gaming  
29 operator or other person related to the conduct of  
30 interactive gaming through the use of multi-use computing  
31 devices at a qualified airport, if the board deems necessary  
32 and appropriate.

33 (10) Detailed site plans illustrating the location of  
34 the proposed airport gaming area at the qualified airport.

35 (11) Information and documentation concerning financial  
36 background and resources, as the board may require, to  
37 establish by clear and convincing evidence the financial  
38 stability, integrity and responsibility of the petitioner.

39 (12) Any other information as the board may require.

40 (b) Confidentiality.--Information submitted to the board  
41 under subsection (a)(8), (9), (11) and (12) may be considered  
42 confidential by the board if the information would be  
43 confidential under section 1206(f) (relating to board minutes  
44 and records).

45 (c) Approval of petition.--Upon approval of a petition as  
46 required under this section, the board shall authorize an  
47 interactive gaming certificate holder or an interactive gaming  
48 operator, as applicable, to conduct interactive gaming at a  
49 qualified airport through the use of multi-use computing  
50 devices. The authorization of an interactive gaming certificate  
51 holder or an interactive gaming operator, as applicable, to

1 conduct interactive gaming at a qualified airport in accordance  
2 with this chapter prior to the full payment of the authorization  
3 fee under section 13B20.3 (relating to fees) shall not relieve  
4 the interactive gaming certificate holder or interactive gaming  
5 operator, as applicable, from the obligation to pay the  
6 authorization fee in accordance with section 13B20.3.  
7 § 13B20.2. Standard for review of petitions.

8 The board shall approve a petition under section 13B20.1  
9 (relating to board authorization required) if the interactive  
10 gaming operator has been or will be issued an interactive gaming  
11 license under section 13B14 (relating to interactive gaming  
12 operators), and if it establishes, by clear and convincing  
13 evidence, all of the following:

14 (1) The interactive gaming certificate holder or  
15 interactive gaming operator, as the case may be, has entered  
16 into an agreement with a concession operator for the conduct  
17 of interactive gaming through the use of multi-use computing  
18 devices within the airport gaming area of a qualified  
19 airport.

20 (2) The interactive gaming operator has an agreement  
21 with an interactive gaming certificate holder relating to the  
22 conduct of authorized interactive games by the interactive  
23 gaming operator on behalf of the interactive gaming  
24 certificate holder.

25 (3) The board has approved the agreements under  
26 paragraphs (1) and (2), as applicable.

27 (4) The interactive gaming operator has paid the  
28 authorization fee under section 13B51 (relating to  
29 interactive gaming authorization fee).

30 (5) The interactive gaming operator possesses the  
31 necessary funds or has secured adequate financing to commence  
32 the conduct of interactive gaming at the qualified airport.

33 (6) The proposed internal and external security and  
34 surveillance measures within the airport gaming area of the  
35 qualified airport are adequate.

36 § 13B20.3. Fees.

37 (a) Required fees.--An interactive gaming certificate holder  
38 shall pay a one-time, nonrefundable fee of \$1,000,000 upon the  
39 authorization to conduct interactive gaming at a qualified  
40 airport through the use of multi-use computing devices in  
41 accordance with this chapter.

42 (b) Deposit of fees.--Notwithstanding section 1208 (relating  
43 to collection of fees and fines), all fees or penalties received  
44 by the board under this chapter shall be deposited in the  
45 General Fund.

46 § 13B20.4. Multi-use gaming device tax.

47 (a) Imposition.--

48 (1) Each interactive gaming certificate holder  
49 authorized to conduct interactive gaming at a qualified  
50 airport in accordance with the provisions of this subchapter  
51 shall report to the department and pay from its daily gross

1 interactive gaming revenue generated from the conduct of  
2 interactive gaming through multi-use computing devices at the  
3 qualified airport, on a form and in the manner prescribed by  
4 the department, a tax of 14% of its daily gross interactive  
5 gaming revenue generated from multi-use computing devices at  
6 the qualified airport and a local share assessment.

7 (2) The tax imposed under subsection (a) shall be  
8 payable to the department on a daily basis and shall be based  
9 upon the gross interactive gaming revenue generated from  
10 multi-use computing devices at a qualified airport derived  
11 during the previous week.

12 (3) All funds owed to the Commonwealth under this  
13 section shall be held in trust for the Commonwealth by the  
14 interactive gaming certificate holder until the funds are  
15 paid to the department. An interactive gaming certificate  
16 holder shall establish a separate bank account into which  
17 gross interactive gaming revenue from multi-use computing  
18 devices shall be deposited and maintained until such time as  
19 the funds are paid to the department under this section.

20 (4) The department shall transfer the tax revenues  
21 collected under this section to the General Fund.

22 § 13B20.5. Local share assessment.

23 (a) Required payment.--In addition to the tax imposed under  
24 section 13B20.4 (relating to multi-use gaming device tax), each  
25 interactive gaming certificate holder shall pay on a weekly  
26 basis and on a form and in a manner prescribed by the department  
27 a local share assessment into a restricted receipts account  
28 established in the fund. All funds owed under this section shall  
29 be held in trust by the interactive gaming certificate holder  
30 until the funds are paid into the account. Funds in the account  
31 are hereby appropriated to the department on a continuing basis  
32 for the purposes set forth in this section.

33 (b) Distributions to qualified airports.--

34 (1) The department shall make quarterly distributions  
35 from the local share assessments deposited into the fund  
36 under subsection (a) to qualified airports.

37 (2) Notwithstanding paragraph (1) or any other provision  
38 of law, the multi-use computing device local share assessment  
39 generated at a qualified airport located in a city of the  
40 first class which regulates the use and control of a  
41 qualified airport shall be distributed to the school district  
42 of the city of the first class for pre-kindergarten programs.

43 (c) Definition.--As used in this section, the term "multi-  
44 use computing device local share assessment" means 20% of an  
45 interactive gaming certificate holder's gross interactive gaming  
46 revenue from multi-use computing devices at qualified airports.

47 § 13B20.6. Regulations.

48 (a) Regulations.--The board shall promulgate regulations  
49 related to the operation of authorized interactive games through  
50 the use of multi-use computing devices at qualified airports,  
51 including, but not limited to:

1           (1) Procedures for the creation of temporary or  
2 provisional interactive gaming accounts that take into  
3 consideration the nature of interactive gaming through multi-  
4 use computing devices at qualified airports.

5           (2) Procedures to govern credits, debits, deposits and  
6 payments to interactive gaming accounts established through  
7 multi-use computing devices at qualified airports.

8           (3) Procedures, in consultation with the department, to  
9 govern financial transactions between an interactive gaming  
10 certificate holder, an interactive gaming operator or other  
11 persons that relates to the reporting of gross interactive  
12 gaming revenue generated through the use of multi-use  
13 computing devices at qualified airports.

14       (b) Temporary regulations.--In order to facilitate the  
15 prompt implementation of this chapter, regulations promulgated  
16 by the board in accordance with subsection (a) shall be deemed  
17 temporary regulations. The board may promulgate temporary  
18 regulations not subject to:

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

22           (2) Sections 204(b) and 301(10) of the act of October  
23 15, 1980 (P.L.950, No.164), known as the Commonwealth  
24 Attorneys Act.

25           (3) The act of June 25, 1982 (P.L.633, No.181), known as  
26 the Regulatory Review Act.

27 § 13B20.7. Construction.

28 Nothing in this subchapter shall be construed to:

29           (1) Create a separate license governing the use of  
30 multi-use computing devices for the conduct of interactive  
31 games at eligible airports by interactive gaming certificate  
32 holders within this Commonwealth.

33           (2) Limit the board's authority to determine the  
34 suitability of any person who may be directly or indirectly  
35 involved in or associated with the operation of interactive  
36 gaming at a qualified airport to ensure the integrity of  
37 interactive gaming and protect the public interest.

#### 38                                   SUBCHAPTER C

#### 39                                   CONDUCT OF INTERACTIVE GAMING

40 Sec.

41 13B21. Situs of interactive gaming operations.

42 13B22. Establishment of interactive gaming accounts.

43 13B23. Interactive gaming account credits, debits, deposits and  
44 payments.

45 13B24. Acceptance of account wagers.

46 13B25. Dormant interactive gaming accounts.

47 13B26. Log-in procedure required.

48 13B27. Information provided at login.

49 13B28. Prohibitions.

50 13B29. Commencement of interactive gaming operations.

51 § 13B21. Situs of interactive gaming operations.

1 Except as provided in this chapter, all wagers made through  
2 interactive gaming shall be deemed to be initiated, received or  
3 otherwise made within the geographic boundaries of this  
4 Commonwealth. The intermediate routing of electronic data  
5 associated or in connection with interactive gaming shall not  
6 determine the location or locations in which a bet or wager is  
7 initiated, received or otherwise made.

8 § 13B22. Establishment of interactive gaming accounts.

9 (a) Registration restrictions.--Only a natural person who  
10 has first established an interactive gaming account shall be  
11 permitted to play an authorized interactive game or place any  
12 bet or wager associated with an authorized interactive game. An  
13 interactive gaming account shall be in the name of a natural  
14 person and may not be in the name of any beneficiary, custodian,  
15 joint trust, corporation, partnership or other organization or  
16 entity. An interactive gaming certificate holder shall not  
17 permit an individual to establish an interactive gaming account  
18 unless the person is 21 years of age or older.

19 (b) Establishment of interactive gaming accounts.--

20 (1) An interactive gaming account may be executed in  
21 person, provided that the board shall, through regulations,  
22 provide procedures for the establishment of interactive  
23 gaming accounts over the Internet through the interactive  
24 gaming certificate holder's interactive gaming skin or portal  
25 or Internet website. Each interactive gaming account shall  
26 comply with the internal controls of the interactive gaming  
27 certificate holder that, at a minimum, require the following:

28 (i) The filing and execution of an interactive  
29 gaming account application, the form of which has been  
30 preapproved by the board.

31 (ii) Proof of age, identity and residency as  
32 demonstrated by at least two forms of identification  
33 approved by the board through regulation.

34 (iii) Physical address or the principal residence of  
35 the prospective account holder, e-mail address of the  
36 prospective account holder and other contact information,  
37 as the board or interactive gaming certificate holder may  
38 require.

39 (iv) Password or other secured identification  
40 provided by the interactive gaming certificate holder to  
41 access the interactive gaming account or some other  
42 mechanism approved by the board to authenticate the  
43 player as the holder to the interactive gaming account.

44 (v) An acknowledgment under penalty of perjury that  
45 false or misleading statements made in regard to an  
46 application for an interactive gaming account may subject  
47 the applicant to civil and criminal penalties.

48 (2) The interactive gaming certificate holder may accept  
49 or reject an application after receipt and review of the  
50 application and verification of age and identity for  
51 compliance with the provisions of this chapter. The

1 interactive gaming certificate holder shall have the right,  
2 at any time with or without cause, to suspend or close any  
3 interactive gaming account at its sole discretion.

4 (3) The address provided by the applicant in the  
5 application for an interactive gaming account shall be deemed  
6 the address of record for the purposes of mailing checks,  
7 account withdrawals, notices and other materials to the  
8 interactive gaming account holder.

9 (4) An interactive gaming account shall not be  
10 assignable or otherwise transferable and an interactive  
11 gaming certificate holder may, at any time, declare all or  
12 any part of an interactive gaming account to be closed for  
13 wagering.

14 (c) Password required.--As part of the application process,  
15 the interactive gaming certificate holder shall provide the  
16 prospective interactive gaming account holder with a password to  
17 access the interactive gaming account or shall establish some  
18 other method approved by the board to authenticate the  
19 individual as the holder of the interactive gaming account and  
20 allow the registered player access to the interactive gaming  
21 account.

22 (d) Grounds for rejection.--Any individual who provides  
23 false or misleading information in the application for an  
24 interactive gaming account may be subject to rejection of the  
25 application or cancellation of the account by the interactive  
26 gaming certificate holder.

27 (e) Suspension of interactive gaming account.--The  
28 interactive gaming certificate holder shall have the right to  
29 suspend or close any interactive gaming account at its  
30 discretion.

31 (f) Persons prohibited from establishing or maintaining an  
32 interactive gaming account.--The following persons shall not be  
33 entitled to establish or maintain an interactive gaming account:

34 (1) Any person under 21 years of age.

35 (2) Any person on the list of persons who are or will be  
36 excluded or ejected from or denied access to any licensed  
37 facility under section 1514 (relating to regulation requiring  
38 exclusion, ejection or denial of access of certain persons),  
39 1515 (relating to repeat offenders excludable from licensed  
40 gaming facility) or 1516 (relating to list of persons self  
41 excluded from gaming activities).

42 (3) Any gaming employee, key employee or principal  
43 employee of a slot machine licensee and any employee or key  
44 employee of an interactive gaming operator or any other  
45 person directly involved in the operation of interactive  
46 gaming or an interactive gaming system on behalf of a slot  
47 machine licensee.

48 § 13B23. Interactive gaming account credits, debits, deposits  
49 and payments.

50 (a) Duty of board.--The board shall, by regulation, develop  
51 procedures to govern credits, debits and deposits to interactive

1 gaming accounts. Notwithstanding any provision of this part to  
2 the contrary, all credits, debits and deposits to interactive  
3 gaming accounts shall be made in accordance with regulations  
4 promulgated by the board, in consultation with the department,  
5 and all payments of winnings shall be made in accordance with  
6 the rules of each particular authorized interactive game.

7 (b) Rights of interactive gaming certificate holder.--An  
8 interactive gaming certificate holder shall have the right to:

9 (1) Credit an interactive gaming account as part of a  
10 promotion.

11 (2) Refuse all or part of any wager or deposit to the  
12 interactive gaming account of a registered player.

13 (c) Interest prohibited.--Funds deposited in a registered  
14 player's interactive gaming account shall not bear interest to  
15 the account holder.

16 § 13B24. Acceptance of account wagers.

17 (a) Acceptance.--An interactive gaming certificate holder  
18 may accept interactive gaming wagers or bets only as follows:

19 (1) The wager shall be placed directly with the  
20 interactive gaming certificate holder by the registered  
21 player, after the interactive gaming certificate holder has  
22 verified that the individual seeking to place a wager or bet  
23 is the registered player.

24 (2) The registered player provides the slot machine  
25 licensee with the correct password or other authentication  
26 information for access to the interactive gaming account.

27 (b) Nonacceptance.--An interactive gaming certificate holder  
28 may not accept an account wager in an amount in excess of funds  
29 on deposit in an interactive gaming account of the registered  
30 player placing the bet or wager. Funds on deposit include  
31 amounts credited to a registered player's interactive gaming  
32 account in accordance with regulations of the board and any  
33 funds in the account at the time the wager is placed.

34 § 13B25. Dormant interactive gaming accounts.

35 Before closing a dormant interactive gaming account, the  
36 interactive gaming certificate holder shall attempt to contact  
37 the interactive gaming account holder by mail and phone or e-  
38 mail to inform the account holder that the interactive gaming  
39 account is inactive and may be subject to termination at such  
40 time and manner as determined by regulation of the board.

41 § 13B26. Log-in procedure required.

42 Each interactive gaming certificate holder shall establish a  
43 log-in procedure for registered players to access interactive  
44 gaming. The log-in procedure shall include the provision of the  
45 appropriate authentication information by the registered player  
46 for access to the interactive gaming account. The interactive  
47 gaming certificate holder shall not allow a registered player to  
48 log in and access the interactive gaming account unless the  
49 correct password or other authentication information is  
50 provided.

51 § 13B27. Information provided at login.



1 The interactive gaming certificate holder shall configure its  
2 interactive gaming skin to include a link that, upon login, will  
3 allow a registered player to access all of the following  
4 information:

5 (1) The current amount of funds in the interactive  
6 gaming account.

7 (2) The wins and losses since the interactive gaming  
8 account was established.

9 (3) The wins and losses at the beginning of the current  
10 gaming session and the wins and losses at the end of the  
11 current gaming session.

12 (4) The complete text in searchable format of the rules  
13 of each authorized interactive game offered by the  
14 interactive gaming certificate holder and any other  
15 information as the board may require.

16 § 13B28. Prohibitions.

17 Except as provided in this part, no interactive gaming  
18 certificate holder or any person licensed under this part to  
19 operate interactive gaming or an interactive gaming system and  
20 no person acting on behalf of, or under any arrangement with, an  
21 interactive gaming certificate holder or other person licensed  
22 under this part shall:

23 (1) Make any loan to any person for the purpose of  
24 crediting an interactive gaming account.

25 (2) Release or discharge any debt, either in whole or in  
26 part, or make any loan which represents any losses incurred  
27 by any registered player while playing authorized interactive  
28 games without maintaining a written record thereof in  
29 accordance with regulations of the board.

30 § 13B29. Commencement of interactive gaming operations.

31 An interactive gaming certificate holder may not operate or  
32 offer interactive games for play on its interactive gaming skin  
33 until the board determines that:

34 (1) The interactive gaming certificate holder is in  
35 compliance with the requirements of this chapter.

36 (2) The interactive gaming certificate holder's  
37 internal, administrative and accounting controls are  
38 sufficient to meet the requirements of section 13B32  
39 (relating to internal, administrative and accounting  
40 controls).

41 (3) The interactive gaming certificate holder's  
42 interactive gaming employees, where applicable, are licensed,  
43 permitted, registered, certified or otherwise authorized by  
44 the board to perform their respective duties.

45 (4) The employees of the interactive gaming operator  
46 are, where applicable, licensed, permitted or otherwise  
47 authorized by the board to perform their duties.

48 (5) The interactive gaming certificate holder is  
49 prepared in all respects to offer interactive gaming to the  
50 public over its interactive gaming skin.

51 (6) The interactive gaming certificate holder has

1 implemented necessary internal, administrative and accounting  
2 controls, security arrangements and surveillance systems for  
3 the operation of interactive gaming.

4 (7) The interactive gaming certificate holder is in  
5 compliance with or will comply with section 13B31 (relating  
6 to responsibilities of interactive gaming certificate  
7 holder).

8 (8) The board has approved an agreement entered between  
9 the interactive gaming certificate holder and an interactive  
10 gaming operator or other person related to the operation of  
11 interactive gaming or the operation of an interactive gaming  
12 system on behalf of such interactive gaming certificate  
13 holder.

14 SUBCHAPTER D  
15 FACILITIES AND EQUIPMENT

16 Sec.

17 13B31. Responsibilities of interactive gaming certificate  
18 holder.

19 13B32. Internal, administrative and accounting controls.

20 § 13B31. Responsibilities of interactive gaming certificate  
21 holder.

22 (a) Facilities and equipment.--All facilities and  
23 interactive gaming devices and associated equipment shall:

24 (1) Be arranged in a manner promoting appropriate  
25 security for interactive gaming.

26 (2) Include a closed-circuit video monitoring system  
27 according to rules or specifications approved by the board,  
28 with board absolute access to the interactive gaming  
29 certificate holder's interactive gaming skin, Internet  
30 website and platform, signal or transmission used in  
31 connection with interactive gaming.

32 (3) Not be designed in any way that might interfere with  
33 or impede the board in its regulation of interactive gaming.

34 (4) Comply in all respects with regulations of the  
35 board.

36 (b) Location of equipment and interactive gaming restricted  
37 areas.--

38 (1) All interactive gaming devices and associated  
39 equipment used by an interactive gaming certificate holder or  
40 an interactive gaming licensee to conduct interactive gaming  
41 may be located, with the prior approval of the board, in an  
42 interactive gaming restricted area on the premises of the  
43 licensed facility, in an interactive gaming restricted area  
44 within the geographic limits of the county in this  
45 Commonwealth where the licensed facility is situated or in  
46 any other area approved by the board.

47 (2) All wagers associated with interactive gaming shall  
48 be deemed to be placed when received by the interactive  
49 gaming certificate holder.

50 § 13B32. Internal, administrative and accounting controls.

51 (a) Submissions to board.--Notwithstanding any provision of

1 this part, each slot machine licensee who holds or has applied  
2 for an interactive gaming certificate in accordance with this  
3 chapter shall submit a description of its system of internal  
4 procedures and administrative and accounting controls for  
5 interactive gaming to the board, including provisions that  
6 provide for real-time monitoring, recordation or storage of all  
7 interactive games and a description of any changes to its  
8 procedures and controls. The submission shall be made at least  
9 90 days before authorized interactive gaming is to commence or  
10 at least 90 days before any change in those procedures or  
11 controls is to take effect, unless otherwise directed by the  
12 board.

13 (b) Filing.--Notwithstanding subsection (a), the procedures  
14 and controls may be implemented by an interactive gaming  
15 certificate holder upon the filing of the procedures and  
16 controls with the board. Each procedure or control submission  
17 shall contain both narrative and diagrammatic representations of  
18 the system to be utilized with regard to interactive gaming,  
19 including, but not limited to:

20 (1) Accounting controls, including the standardization  
21 of forms and definition of terms to be utilized in the  
22 interactive gaming operations.

23 (2) Procedures, forms and, where appropriate, formulas  
24 to govern the following:

25 (i) calculation of hold percentages;

26 (ii) revenue drops;

27 (iii) expense and overhead schedules;

28 (iv) complimentary services; and

29 (v) cash-equivalent transactions.

30 (3) Job descriptions and the system of personnel and  
31 chain of command, establishing a diversity of responsibility  
32 among employees engaged in interactive gaming operations,  
33 including employees of an interactive gaming operator, and  
34 identifying primary and secondary management and supervisory  
35 positions for areas of responsibility, salary structure and  
36 personnel practices.

37 (4) Procedures for the registration of players and  
38 establishment of interactive gaming accounts, including a  
39 procedure for authenticating the age, identity and location  
40 of applicants for interactive gaming accounts.

41 (5) Procedures for terminating a registered player's  
42 interactive gaming account and the return of any funds  
43 remaining in the interactive gaming account to the registered  
44 player.

45 (6) Procedures for suspending or terminating a dormant  
46 interactive gaming account.

47 (7) Procedures for the logging in and authentication of  
48 a registered player in order to enable the player to commence  
49 interactive gaming and the logging off of the registered  
50 player when the player has completed play, including a  
51 procedure to automatically log a registered player out of the

1 player's interactive gaming account after a specified period  
2 of inactivity.

3 (8) Procedures for the crediting and debiting of  
4 registered players' interactive gaming accounts.

5 (9) Procedures for cashing checks, receiving electronic  
6 negotiable instruments and for redeeming chips, tokens or  
7 other cash equivalents.

8 (10) Procedures for withdrawing funds from an  
9 interactive gaming account by the registered player.

10 (11) Procedures for the protection of player funds,  
11 including the segregation of player funds from operating  
12 funds.

13 (12) Procedures for recording transactions pertaining to  
14 interactive gaming.

15 (13) Procedures for the security and sharing of personal  
16 identifiable information of registered players and other  
17 information as required by the board and funds in interactive  
18 gaming accounts. The procedures shall include the means by  
19 which an interactive gaming certificate holder or interactive  
20 gaming operator will provide notice to registered players  
21 related to its sharing of personal identifiable information.  
22 For the purpose of this paragraph, "personal identifiable  
23 information" shall mean any data or information that can be  
24 used, on its own or with other data or information, to  
25 identify, contact or otherwise locate a registered player,  
26 including a registered player's name, address, date of birth  
27 and Social Security number.

28 (14) Procedures and security for the calculation and  
29 recordation of revenue.

30 (15) Procedures for the security of interactive gaming  
31 devices and associated equipment within an interactive gaming  
32 restricted area on the premises of the licensed facility or  
33 in a secure facility inaccessible to the public and  
34 specifically designed for that purpose off the premises of a  
35 licensed facility as approved by the board.

36 (16) Procedures and security standards as to receipt of  
37 and the handling and storage of interactive gaming devices  
38 and associated equipment.

39 (17) Procedures and security standards to protect the  
40 interactive gaming certificate holder's interactive gaming  
41 skin or Internet website and interactive gaming devices and  
42 associated equipment from hacking or tampering by any person.

43 (18) Procedures for responding to suspected or actual  
44 hacking or tampering with an interactive gaming certificate  
45 holder's interactive gaming skin or Internet website and  
46 interactive gaming devices and associated equipment,  
47 including partial or complete suspension of interactive  
48 gaming or the suspension of any or all interactive gaming  
49 accounts when warranted.

50 (19) Procedures to verify each registered player's  
51 physical location each time a wager is placed on an

1 interactive game.

2 (20) Procedures to ensure, to a reasonable degree of  
3 certainty, that the interactive games are fair and honest and  
4 that appropriate measures are in place to deter, detect and,  
5 to the extent reasonably possible, to prevent cheating,  
6 including collusion, and use of cheating devices, including  
7 the use of software programs that make bets or wagers  
8 according to algorithms.

9 (21) Procedures to assist problem and compulsive  
10 gamblers, including procedures reasonably intended to prevent  
11 a person from participating in interactive gaming activities  
12 in accordance with sections 1514 (relating to regulation  
13 requiring exclusion, ejection or denial of access of certain  
14 persons), 1515 (relating to repeat offenders excludable from  
15 licensed gaming facility) and 1516 (relating to list of  
16 persons self excluded from gaming activities).

17 (22) Procedures to govern emergencies, including  
18 suspected or actual cyber attacks, hacking or tampering with  
19 the interactive gaming certificate holder's interactive  
20 gaming portal, platform or Internet website.

21 (c) Review of submissions.--

22 (1) The board shall review each submission required by  
23 subsections (a) and (b) and shall determine whether the  
24 submission conforms to the requirements of this chapter and  
25 regulations promulgated by the board and whether the system  
26 submitted provides adequate and effective controls for  
27 interactive gaming of the particular interactive gaming  
28 certificate holder.

29 (2) If the board determines that insufficiencies exist,  
30 it shall specify the insufficiencies in writing to the  
31 interactive gaming certificate holder, who shall make  
32 appropriate alterations to ensure compliance with the  
33 requirements of this chapter and regulations of the board.  
34 When the board determines a submission to be adequate in all  
35 respects, it shall notify the interactive gaming certificate  
36 holder.

37 (3) Except as otherwise provided in subsection (a), no  
38 interactive gaming certificate holder, interactive gaming  
39 operator or other person shall commence or alter interactive  
40 gaming operations unless and until the system of procedures,  
41 controls and alternations is approved by the board.

#### 42 SUBCHAPTER E

#### 43 TESTING AND CERTIFICATION

44 Sec.

45 13B41. Interactive games and interactive gaming devices and  
46 associated equipment testing and certification  
47 standards.

48 § 13B41. Interactive games and interactive gaming devices and  
49 associated equipment testing and certification  
50 standards.

51 (a) Testing required.--

1           (1) No interactive game or interactive gaming device or  
2 associated equipment shall be used to conduct interactive  
3 gaming unless it has been tested and approved by the board.  
4 The board may, in its discretion and for the purpose of  
5 expediting the approval process, refer testing to any testing  
6 laboratory as approved by the board.

7           (2) The board shall establish, by regulation, technical  
8 standards for approval of interactive games and interactive  
9 gaming devices and associated equipment, including standards  
10 to govern mechanical, electrical or program reliability and  
11 security against tampering and threats, as it may deem  
12 necessary to protect the registered player from fraud or  
13 deception and to ensure the integrity of interactive gaming.

14       (b) Independent testing and certification facility.--Any  
15 costs associated with the board's testing and certification  
16 facility shall be assessed on persons authorized by the board to  
17 manufacture, supply, distribute or otherwise provide interactive  
18 games and interactive gaming devices and associated equipment to  
19 interactive gaming certificate holders or to interactive gaming  
20 operators in this Commonwealth. The costs shall be assessed in  
21 accordance with a schedule adopted by the board.

22       (c) Use of other state standards.--The board may determine  
23 whether the testing and certification standards for interactive  
24 games and interactive gaming devices and associated equipment as  
25 adopted by another jurisdiction within the United States or any  
26 of the testing and certification standards used by an  
27 interactive gaming certificate holder are comprehensive and  
28 thorough and provide similar and adequate safeguards as those  
29 required by this chapter and regulations of the board. If the  
30 board makes that determination, it may permit the person  
31 authorized to manufacture, supply, distribute or otherwise  
32 provide interactive games and interactive gaming devices or  
33 associated equipment to furnish interactive games or interactive  
34 gaming devices and associated equipment to interactive gaming  
35 certificate holders in this Commonwealth without undergoing the  
36 full testing and certification process by the board's  
37 independent testing and certification facility.

38                               SUBCHAPTER F  
39                               TAXES AND FEES

40 Sec.

41 13B51. Interactive gaming authorization fee.

42 13B52. Interactive gaming tax.

43 13B53. Local share assessment.

44 13B54. Compulsive and problem gambling.

45 § 13B51. Interactive gaming authorization fee.

46       (a) Amount of authorization fee.--

47           (1) Each slot machine licensee that is issued an  
48 interactive gaming certificate to conduct interactive gaming  
49 in accordance with section 13B11 (relating to authorization  
50 to conduct interactive gaming) shall pay a one-time  
51 nonrefundable authorization fee in the amount of \$8,000,000.

1           (2) Each interactive gaming operator or an affiliate of  
2 an interactive gaming certificate holder that is issued an  
3 interactive gaming license under this chapter to operate  
4 interactive gaming or an interactive gaming system on behalf  
5 of a slot machine licensee pursuant to an interactive gaming  
6 agreement and that is not owned, affiliated with or otherwise  
7 controlled by a slot machine licensee shall pay a one-time  
8 nonrefundable authorization fee in the amount of \$2,000,000.

9           (3) Each interactive gaming operator that has been  
10 approved by the board to provide for the conduct of  
11 interactive gaming on behalf of an interactive gaming  
12 certificate holder at a qualified airport in accordance with  
13 Subchapter B.1 shall pay a one-time nonrefundable  
14 authorization fee in the amount of \$1,000,000.

15           (b) Payment of fee.--Persons required to pay the  
16 authorization fee under subsection (a) shall remit the fee to  
17 the board within 60 days of the board's approval of its  
18 petition, license or conditional license to conduct interactive  
19 gaming or to operate interactive gaming or an interactive gaming  
20 system. The board may allow the fee to be paid in installments,  
21 provided that all such installments are paid within the 60-day  
22 period and that the installment payments are made in accordance  
23 with the terms of an agreement between the board and the  
24 interactive gaming certificate holder or an interactive gaming  
25 operator under subsection (a) (2) that sets forth the terms of  
26 the installment payment.

27           (c) Renewal fee.--

28           (1) Notwithstanding any other provision of this chapter,  
29 an interactive gaming certificate holder shall pay a renewal  
30 fee in the amount of \$250,000 upon the renewal of its  
31 interactive gaming certificate in accordance with sections  
32 1326 (relating to renewals) and 13B13(c) (relating to  
33 issuance of interactive gaming certificate).

34           (2) Each interactive gaming operator under subsection  
35 (a) (2) shall pay a renewal fee of \$100,000 upon the renewal  
36 of its interactive gaming license in accordance with this  
37 chapter.

38           (d) Deposit of fees.--The fees imposed and collected under  
39 this section shall be deposited in the General Fund.  
40 § 13B52. Interactive gaming tax.

41           (a) Imposition of tax.--Each interactive gaming certificate  
42 holder that conducts interactive gaming shall report to the  
43 department and pay from its daily gross interactive gaming  
44 revenue, on a form and in the manner prescribed by the  
45 department, a tax of 14% of its daily gross interactive gaming  
46 revenue and a local share assessment as provided in section  
47 13B53 (relating to local share assessment).

48           (b) Deposits and distributions.--

49           (1) The tax imposed under subsection (a) shall be  
50 payable to the department on a weekly basis and shall be  
51 based upon gross interactive gaming revenue derived during

1 the previous week.

2 (2) All funds owed to the Commonwealth under this  
3 section shall be held in trust for the Commonwealth by the  
4 interactive gaming certificate holder until the funds are  
5 paid to the department for deposit in the General Fund. An  
6 interactive gaming certificate holder shall establish a  
7 separate bank account into which gross interactive gaming  
8 revenue shall be deposited and maintained until such time as  
9 the funds are paid to the department under this section.

10 (c) Taxes on out-of-State wagering.--The tax rate which  
11 shall be assessed and collected by the department with respect  
12 to any wagers placed by registered players located in this  
13 Commonwealth with an interactive gaming operator outside of this  
14 Commonwealth, but authorized under an interactive gaming  
15 reciprocal agreement shall be governed by the agreement but may  
16 not exceed 16% of gross interactive gaming revenue derived from  
17 registered players located in this Commonwealth.

18 (d) Deposit of funds.--The tax imposed under subsection (a)  
19 shall be collected by the department for deposit in the General  
20 Fund.

21 § 13B53. Local share assessment.

22 (a) Required payment.--

23 (1) In addition to the tax imposed under section 13B52  
24 (relating to interactive gaming tax), each interactive gaming  
25 certificate holder that conducts interactive gaming shall pay  
26 on a weekly basis and on a form and in a manner prescribed by  
27 the department a local share assessment into a restricted  
28 receipts account established in the Department of Community  
29 and Economic Development to be used exclusively for grants to  
30 all counties in this Commonwealth, to economic development  
31 authorities or redevelopment authorities within each county,  
32 for grants for economic development projects, community  
33 improvement projects and other projects in the public  
34 interest.

35 (2) The Department of Community and Economic Development  
36 shall develop policies and procedures to govern the  
37 distribution of grants from the local share assessment  
38 established under paragraph (1). The policies and procedures  
39 shall be of sufficient scope to ensure equal access to grant  
40 funds by all counties in this Commonwealth.

41 (b) Definitions.--As used in this section, the following  
42 words and phrases shall have the meaning given to them in this  
43 subsection:

44 "Local share assessment." Two percent of an interactive  
45 gaming certificate holder's daily gross interactive gaming  
46 revenue.

47 § 13B54. Compulsive and problem gambling.

48 The following shall apply:

49 (1) Each year, from the tax imposed in section 13B52  
50 (relating to interactive gaming tax), \$2,000,000 or an amount  
51 equal to .002 multiplied by the total gross interactive



1 gaming revenue of all active and operating interactive gaming  
2 certificate holders, whichever is greater, shall be  
3 transferred into the Compulsive and Problem Gambling  
4 Treatment Fund established in section 1509 (relating to  
5 compulsive and problem gambling program).

6 (2) Each year, from the tax imposed in section 13B52,  
7 \$2,000,000 or an amount equal to .002 multiplied by the total  
8 gross interactive gaming revenue of all active and operating  
9 interactive gaming certificate holders, whichever is greater,  
10 shall be transferred to the Department of Drug and Alcohol  
11 Programs to be used for drug and alcohol addiction treatment  
12 services, including treatment for drug and alcohol addiction  
13 related to compulsive and problem gambling, as set forth in  
14 section 1509.1 (relating to drug and alcohol treatment).

#### 15 SUBCHAPTER G

#### 16 MISCELLANEOUS PROVISIONS

#### 17 Sec.

18 13B61. Participation in interactive gaming by persons outside  
19 Commonwealth.

20 13B62. Institutional investors.

21 13B63. Internet cafes and prohibition.

22 § 13B61. Participation in interactive gaming by persons outside  
23 Commonwealth.

24 Notwithstanding any other provision of this chapter to the  
25 contrary, an interactive gaming certificate holder may accept  
26 interactive gaming wagers from a person who is not physically  
27 present in this Commonwealth, if the board determines the  
28 following:

29 (1) Participation in interactive gaming and acceptance  
30 of wagers associated with interactive gaming from a person  
31 not physically present in this Commonwealth is not  
32 inconsistent with Federal law or regulation or the law or  
33 regulation of the jurisdiction, including any foreign  
34 jurisdiction, in which the person is located.

35 (2) Participation in interactive gaming is conducted  
36 pursuant to an interactive gaming reciprocal agreement  
37 between the Commonwealth and another state or jurisdiction,  
38 including a foreign jurisdiction, to which the Commonwealth  
39 is a party and the interactive gaming reciprocal agreement is  
40 not inconsistent with Federal law or regulation.

41 § 13B62. Institutional investors.

42 (a) Declaration of investment intent.--Notwithstanding any  
43 other provision of this part, the following shall apply:

44 (1) An institutional investor holding 20% or less of the  
45 equity securities of an interactive gaming certificate  
46 holder's, interactive gaming operator's or applicant's  
47 holding, subsidiary or intermediary companies shall be  
48 granted a waiver of any investigation of suitability or other  
49 requirement if the securities are those of a corporation,  
50 whether publicly traded or privately held, and the holdings  
51 of the securities were purchased for investment purposes

1 only. The institutional investor shall file a certified  
2 statement that it has no intention of influencing or  
3 affecting the affairs of the interactive gaming certificate  
4 holder, interactive gaming operator, applicant or any  
5 holding, subsidiary or intermediary company of an interactive  
6 gaming certificate holder, interactive gaming operator or  
7 applicant. However, an institutional investor shall be  
8 permitted to vote on matters put to the vote of the  
9 outstanding security holders.

10 (2) The board may grant a waiver to an institutional  
11 investor holding a higher percentage of securities upon a  
12 showing of good cause and if the conditions specified in  
13 paragraph (1) are met.

14 (3) An institutional investor granted a waiver under  
15 this subsection who subsequently decides to influence or  
16 affect the affairs of an interactive gaming certificate  
17 holder, interactive gaming operator or applicant's holding,  
18 subsidiary or intermediary company of an interactive gaming  
19 certificate holder, interactive gaming operator or applicant  
20 shall provide not less than 30 days' notice of intent and  
21 shall file with the board a request for determination of  
22 suitability before taking any action that may influence or  
23 affect the affairs of the issuer. An institutional investor  
24 shall be permitted to vote on matters put to the vote of the  
25 outstanding security holders.

26 (4) If an institutional investor changes its investment  
27 intent or if the board finds reasonable cause to believe that  
28 the institutional investor may be found unsuitable, no action  
29 other than divestiture shall be taken by the institutional  
30 investor with respect to its security holdings until there  
31 has been compliance with any requirements established by the  
32 board, which may include the execution of a trust agreement  
33 in accordance with section 1332 (relating to appointment of  
34 trustee).

35 (5) The interactive gaming certificate holder or  
36 interactive gaming operator or applicant or any holding,  
37 intermediary or subsidiary company of an interactive gaming  
38 certificate holder, interactive gaming operator or applicant  
39 shall notify the board immediately of any information about,  
40 or actions of, an institutional investor holding its equity  
41 securities where the information or action may impact the  
42 eligibility of the institutional investor for a waiver under  
43 this subsection.

44 (b) Failure to declare.--If the board finds:

45 (1) that an institutional investor holding any security  
46 of a holding or intermediary company of an interactive gaming  
47 certificate holder or interactive gaming operator or  
48 applicant or, where relevant, of another subsidiary company  
49 of a holding or intermediary company of an interactive gaming  
50 certificate holder or interactive gaming operator or  
51 applicant which is related in any way to the financing of the

1 interactive gaming certificate holder or interactive gaming  
2 operator or applicant, fails to comply with the provisions of  
3 subsection (a); or

4 (2) by reason of the extent or nature of its holdings,  
5 an institutional investor is in a position to exercise such a  
6 substantial impact upon the controlling interests of an  
7 interactive gaming certificate holder or interactive gaming  
8 operator or applicant that investigation and determination of  
9 suitability of the institutional investor is necessary to  
10 protect the public interest;

11 then the board may take any necessary action otherwise  
12 authorized under this chapter to protect the public interest.  
13 § 13B63. Internet cafes and prohibition.

14 (a) General rule.--No organization or commercial enterprise  
15 shall operate a place of public accommodation, club, including a  
16 club or association limited to dues-paying members or similar  
17 restricted groups, or similar establishment in which computer  
18 terminals or similar access devices are advertised or made  
19 available to be used principally for the purpose of accessing  
20 authorized interactive games. No interactive gaming certificate  
21 holder or interactive gaming operator shall offer or make  
22 available computer terminals or similar access devices to be  
23 used principally for the purpose of accessing interactive games  
24 within a licensed facility.

25 (b) Construction.--Nothing in this section shall be  
26 construed to:

27 (1) require the owner or operator of a hotel or motel or  
28 other public place of general use in this Commonwealth to  
29 prohibit or block guests from playing interactive games; or

30 (2) require an interactive gaming certificate holder or  
31 an interactive gaming operator to prohibit registered players  
32 within a licensed facility from playing interactive games.

33 CHAPTER 13C

34 (RESERVED)

35 CHAPTER 13D

36 SLOT MACHINES AT  
37 NONPRIMARY LOCATIONS

38 Subchapter

39 A. General Provisions

40 B. Category 1 Licensed Gaming Entities and Nonprimary  
41 Locations

42 C. Application and Issuance of Nonprimary Location Permit

43 D. Fees and Taxes

44 SUBCHAPTER A

45 GENERAL PROVISIONS

46 Sec.

47 13D01. (Reserved).

48 13D02. Authority to place slot machines at nonprimary  
49 locations.

50 13D03. Temporary regulations.

51 § 13D01. (Reserved).

1 § 13D02. Authority to place slot machines at nonprimary  
2 locations.

3 (a) Placement of slot machines at nonprimary locations.--  
4 Notwithstanding any provision of this part, Article XXVIII-D of  
5 the act of April 9, 1929 (P.L.177, No.175), known as The  
6 Administrative Code of 1929, or any other law or regulation to  
7 the contrary, a Category 1 licensed gaming entity that is a  
8 licensed racing entity under Article XXVIII-D of The  
9 Administrative Code of 1929 shall apply to the board for a  
10 nonprimary location permit to place and make slot machines  
11 available for play at nonprimary locations.

12 (b) Duty of the board and commission.--The board shall have  
13 general and regulatory authority over the placement and  
14 operation of slot machines at nonprimary locations and shall, in  
15 consultation with the commission, promulgate regulations to  
16 govern the placement and operation of slot machines at  
17 nonprimary locations. Except that, any regulations specific to  
18 the operation of nonprimary locations by licensed racing  
19 entities promulgated under 58 Pa. Code Ch. 171 (relating to  
20 nonprimary locations) or any regulations related to the  
21 operation of nonprimary locations which may be adopted by the  
22 commission subsequent to the effective date of this chapter  
23 shall be adopted as regulations under this chapter, unless the  
24 board, in consultation with the commission, determine that such  
25 regulations are not sufficient for the administration and  
26 enforcement of this chapter. In that event, the board shall, in  
27 consultation with the commission, promulgate such regulations  
28 specific to the operation of slot machines at nonprimary  
29 locations as the board and commission deem necessary to  
30 facilitate the administration and enforcement of this chapter.

31 § 13D03. Temporary regulations.

32 (a) Promulgation.--In order to facilitate the prompt  
33 implementation of this chapter, regulations promulgated by the  
34 board or commission shall be deemed temporary regulations which  
35 shall expire not later than two years after the publication of  
36 the temporary regulation in the Pennsylvania Bulletin. The board  
37 may promulgate temporary regulations not subject to:

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

41 (2) Sections 204(b) and 301(10) of the act of October  
42 15, 1980 (P.L.950, No.164), known as the Commonwealth  
43 Attorneys Act.

44 (3) The act of June 25, 1982 (P.L.633, No.181), known as  
45 the Regulatory Review Act.

46 (b) Expiration.--The authority of the board and the  
47 commission to adopt temporary regulations under subsection (a)  
48 shall expire two years after the effective date of this section.  
49 Regulations adopted after this period shall be promulgated as  
50 provided by law.

51 (c) Temporary regulations.--The board, in consultation with

1 the commission, shall begin publishing temporary regulations  
2 governing placement and operation of slot machines at nonprimary  
3 locations in the Pennsylvania Bulletin within 60 days of the  
4 effective date of this section.

5 SUBCHAPTER B

6 CATEGORY 1 LICENSED GAMING ENTITIES  
7 AND NONPRIMARY LOCATIONS

8 Sec.

9 13D07. Authority to place slot machines at nonprimary  
10 locations.

11 § 13D07. Authority to place slot machines at nonprimary  
12 locations.

13 (a) Category 1 licensed gaming entity and operation of slot  
14 machines at nonprimary locations.--The following shall apply:

15 (1) Each Category 1 licensed gaming entity that is a  
16 licensed racing entity under section 13D02 (relating to  
17 authority to place slot machines at nonprimary locations)  
18 that is authorized to hold horse race meetings at a racetrack  
19 at which more than one license is authorized may be granted  
20 approval to place and make slot machines available for play  
21 at four nonprimary locations, if the board, in consultation  
22 with the commission, determines that a nonprimary location  
23 newly proposed or approved in accordance with regulations of  
24 the commission will benefit economic development, employment,  
25 tourism, the race horse industry and result in enhanced  
26 revenues to the Commonwealth and the municipality where the  
27 newly proposed or approved nonprimary location will be or is  
28 situated.

29 (2) Each Category 1 licensed gaming entity under section  
30 13D02 that is authorized to hold horse race meetings at a  
31 racetrack at which only one license is authorized may be  
32 granted approval to place and make slot machines available  
33 for play at four nonprimary locations, if the board, in  
34 consultation with the commission, determines that a  
35 nonprimary location newly proposed or approved in accordance  
36 with regulations of the commission will benefit economic  
37 development, employment, tourism, the race horse industry and  
38 result in enhanced revenues to the Commonwealth and the  
39 municipality where the newly proposed or approved nonprimary  
40 location will be or is situated.

41 (3) A Category 1 licensed gaming entity, which is also a  
42 licensed racing entity as set forth in section 13D02(a),  
43 shall not be authorized to place and make slot machines  
44 available for play at any nonprimary location which is within  
45 the primary market area of another licensed racing entity,  
46 regardless of whether the licensed racing entity is  
47 authorized to conduct horse race meetings or harness horse  
48 race meetings, or both, at the racetrack.

49 (4) No Category 1 licensed gaming entity, which is also  
50 a licensed racing entity as set forth in section 13D02(a),  
51 shall be authorized to place and make slot machines available

1 for play at a nonprimary location which is located within the  
2 primary market area of another licensed facility or another  
3 nonprimary location.

4 (5) A nonprimary location may be located within the  
5 primary market area of a licensed facility if the Category 1  
6 licensed gaming entity owns the nonprimary location and the  
7 licensed gaming entity enters into an agreement with the  
8 affected licensed gaming entity or entities and the agreement  
9 is filed with the commission and the board.

10 (6) A Category 1 licensed gaming entity that places and  
11 makes slot machines available for play at a nonprimary  
12 location shall be subject to the requirements of section  
13 1303(a), (b) and (d) (relating to additional Category 1 slot  
14 machine license requirements).

15 (8) For the purposes of this subsection, the term  
16 "primary market area" shall mean the area within 50 linear  
17 miles of a licensed facility or nonprimary location.

18 (b) Existing and newly established nonprimary locations.--  
19 Notwithstanding any provision of Article XXVIII-D of The  
20 Administrative Code of 1929 or any other law or regulation to  
21 the contrary, the following shall apply:

22 (1) A licensed racing entity that operated nonprimary  
23 locations prior to the effective date of this subsection  
24 shall not be prohibited from reopening a previously closed  
25 nonprimary location or relocating an existing nonprimary  
26 location in order to place and make slot machines available  
27 for play in a reopened or relocated nonprimary location:  
28 Provided, that, the previously closed or a relocated  
29 nonprimary location complies with the location requirements  
30 set forth in subsection (a) (3), (4) and (5).

31 (2) A licensed racing entity may establish a new  
32 nonprimary location in accordance with Article XXVIII-D of  
33 The Administrative Code of 1929 in order to place and make  
34 slot machines available for play and operate race horse  
35 simulcasting:  
36 Provided, that, the new nonprimary location complies with the  
37 location requirements set forth in subsection (a) (3), (4) and  
38 (5).

39 (c) Permissible number of slot machines.--

40 (1) Notwithstanding section 1210 (relating to number of  
41 slot machines), a Category 1 licensed gaming entity, upon  
42 approval of the board and remittance of the fee under section  
43 13D17 (relating to nonprimary location permit fee), may place  
44 and make available for play no more than 250 slot machines at  
45 a nonprimary location.

46 (2) The permissible number of slot machines that may be  
47 placed and made available for play at a nonprimary location  
48 under this subsection shall not be included in the complement  
49 of slot machines authorized for a Category 1 licensed  
50 facility under section 1210.

51 (3) In determining the permissible number of slot

1 machines that may be placed at a nonprimary location in  
2 accordance with this subsection, the board shall consider the  
3 appropriateness of the physical space of the nonprimary  
4 location where the slot machines will be placed and the  
5 convenience of the public patronizing the nonprimary  
6 location. The board may also consider the potential benefit  
7 to economic development, employment, tourism, the race horse  
8 industry and enhanced revenues to the Commonwealth and the  
9 municipality where the nonprimary location is situated.

10 SUBCHAPTER C

11 APPLICATION AND ISSUANCE OF  
12 NONPRIMARY LOCATION PERMIT

13 Sec.

14 13D11. Application for nonprimary location permit.

15 13D12. Issuance and terms of nonprimary location permit.

16 13D13. Confidentiality.

17 13D14. Key employees and occupation permits.

18 § 13D11. Application for nonprimary location permit.

19 (a) Application.--An application for a nonprimary location  
20 permit to place and make slot machines available for play at a  
21 nonprimary location shall be submitted on a form and in a manner  
22 as shall be required by the board. In reviewing and approving  
23 each application, the board shall:

24 (1) Ensure that the proposed location of the nonprimary  
25 location complies with the location requirements set forth in  
26 section 13D07(a)(3), (4) and (5) (relating to authority to  
27 place slot machines at nonprimary locations).

28 (2) Confirm that the nonprimary location permit fee  
29 under section 13D17 (relating to nonprimary location permit  
30 fee) has been paid or will be paid in accordance section  
31 13D17.

32 (b) Required information.--An application for a nonprimary  
33 location permit shall include, at a minimum:

34 (1) The name of the Category 1 slot machine licensee and  
35 the licensed racing entity and location of the existing  
36 nonprimary location, if any, or the location of any proposed  
37 relocated or new nonprimary location.

38 (2) The name, address and current photograph of the  
39 applicant and of all directors and owners and key employees  
40 and their positions within the licensed racing entity, if  
41 required by the board.

42 (3) The proposed location of the slot machine area or  
43 areas in the nonprimary location, if known.

44 (4) Detailed site and architectural plans of the  
45 proposed area or areas within the nonprimary location where  
46 slot machines will be placed and made available for play.

47 (5) The number of slot machines requested.

48 (6) The current status of the licensed racing entity's  
49 horse racing license, if required by the board.

50 (7) The current status of the slot machine license  
51 issued under this part, if required by the board.

1       (8) The details of any loans or other financing obtained  
2 or that will be obtained to fund an expansion, modification  
3 or construction project at an existing nonprimary location, a  
4 relocated nonprimary location or a proposed or newly approved  
5 nonprimary location to accommodate slot machines at the  
6 nonprimary location.

7       (9) The consent to conduct a background investigation by  
8 the bureau, the scope of which shall be determined by the  
9 bureau at its discretion consistent with the provisions of  
10 this part, and a release signed by all persons subject to the  
11 investigation of all information required to complete the  
12 investigation, if the bureau, at its discretion, determines  
13 that a background investigation is necessary under this  
14 chapter.

15       (10) Any other information determined to be necessary  
16 and appropriate by the board.

17 § 13D12. Issuance and terms of nonprimary location permit.

18       (a) Issuance of permit.--Upon approval of an application for  
19 a nonprimary location permit and payment of the nonprimary  
20 location permit fee under section 13D17 (relating to nonprimary  
21 location permit fee), the board shall issue a nonprimary  
22 location permit to a Category 1 licensed gaming entity  
23 authorizing it to place and make slot machines available for  
24 play at a nonprimary location.

25       (b) Terms of permit.--A nonprimary location permit approved  
26 and issued by the board in accordance with subsection (a) shall  
27 be in effect unless suspended or revoked by the board upon good  
28 cause consistent with the requirements of this part, regulations  
29 promulgated pursuant to this part or regulations of the  
30 commission.

31       (c) Notification of change in status.--Nothing in this  
32 section shall relieve a nonprimary location permit holder of the  
33 affirmative duty to notify the board of any changes relating to  
34 the status of its nonprimary location permit, its horse racing  
35 license or to any other information contained in the application  
36 materials on file with the board.

37 § 13D13. Confidentiality.

38       Information submitted to the board under section 13D11  
39 (relating to application for nonprimary location permit) may be  
40 considered confidential by the board if the information would be  
41 confidential under section 1206(f) (relating to board minutes  
42 and records).

43 § 13D14. Key employees and occupation permits.

44       Nothing in this subchapter shall be construed to require any  
45 individual who holds a principal license, a key employee license  
46 or gaming employee license under Chapters 13 (relating to  
47 licensees) and 13A (relating to table games) or who holds a  
48 license under Article XXVIII-D of the act of April 9, 1929  
49 (P.L.177, No.175), known as The Administrative Code of 1929, to  
50 obtain a separate license, permit or registration to be employed  
51 in a permit holder's slot machine operation at a nonprimary



1 location under this chapter, if the board determines, in  
2 consultation with the commission, that licensure under the  
3 provisions of this part or Article XXVIII-D of The  
4 Administrative Code of 1929, is sufficient and will not  
5 compromise the integrity of the operation of slot machines at  
6 nonprimary locations.

7 SUBCHAPTER D  
8 FEES AND TAXES

9 Sec.

10 13D17. Nonprimary location permit fee.

11 13D18. Nonprimary location taxes, imposition, deposits and  
12 distributions.

13 § 13D17. Nonprimary location permit fee.

14 (a) Amount of fee.--At the time a nonprimary location permit  
15 is issued under section 13D12(a) (relating to issuance and terms  
16 of nonprimary location permit), the board shall impose a one-  
17 time fee of \$5,000,000 to be paid by the Category 1 licensed  
18 gaming entity for each nonprimary location where it will place  
19 and make slot machines available for play.

20 (b) Renewal fee not required.--A nonprimary location permit  
21 shall not be subject to renewal or payment of any nonprimary  
22 location permit renewal fee.

23 (c) Deposit of fee into General Fund.--Notwithstanding  
24 section 1208 (relating to collection of fees and fines), all  
25 nonprimary location permit fees and penalties collected by the  
26 board under this section shall be deposited in the General Fund.

27 § 13D18. Nonprimary location taxes, imposition, deposits and  
28 distributions.

29 (a) Imposition.--The department shall determine and each  
30 nonprimary location permit holder shall pay a daily tax of 54%  
31 from its daily gross terminal revenue from the slot machines in  
32 operation at its nonprimary location.

33 (b) Distribution.--

34 (1) The tax imposed and collected under subsection (a)  
35 shall be distributed as follows:

36 (i) Ninety-two percent of the tax shall be deposited  
37 by the department in the General Fund.

38 (ii) Eight percent shall constitute a local share  
39 assessment and be distributed by the department on a  
40 quarterly basis as follows:

41 (A) Four percent to the county in which the  
42 nonprimary location is located.

43 (B) Four percent to the municipality in which  
44 the nonprimary location is located.

45 (2) All money owed to the Commonwealth, a county or a  
46 municipality under this section shall be held in trust by the  
47 licensed racing entity or licensed gaming entity for the  
48 Commonwealth, county or municipality until all funds are  
49 distributed by the department in accordance with this  
50 subsection.

51 (c) Payments and deposits.--

1       (1) The tax imposed under subsection (a) shall be  
2 payable to the department on a weekly basis and shall be  
3 based upon gross slot machine revenue derived from the  
4 operation of slot machines at a nonprimary location during  
5 the previous week.

6       (2) All money owed to the Commonwealth and collected by  
7 the department in accordance with this subchapter shall be  
8 deposited in the General Fund.

9                               CHAPTER 13E

10                              SLOT MACHINES IN QUALIFIED AIRPORTS

11 Subchapter

12       A. Preliminary Provisions

13       B. Airport Gaming Authorized

14       C. Conduct of Airport Gaming

15       D. Airport Gaming Fees and Taxes

16       E. Miscellaneous Provisions

17                                       SUBCHAPTER A

18                                       PRELIMINARY PROVISIONS

19 Sec.

20 13E01. Definitions.

21 § 13E01. Definitions.

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

25       "Airport authority." The governing body of a municipal  
26 authority organized and incorporated in accordance with 53  
27 Pa.C.S. Ch. 56 (relating to municipal authorities) to oversee  
28 the operations of a qualified airport. The term shall include  
29 the governing body of any joint municipal authority which  
30 operates a qualified airport and the governing body of a city of  
31 the first class which owns and operates a qualified airport  
32 located in a county of the first class.

33       "Airport gaming." The licensed placement, operation and play  
34 of slot machines in a qualified airport as authorized and  
35 approved by the board.

36       "Airport gaming certificate holder." The authorization  
37 issued under this chapter to conduct airport gaming.

38       "Airport gaming operation certificate." A certificate issued  
39 by the Pennsylvania Gaming Control Board under Chapter 13B  
40 (relating to interactive gaming) that authorizes a slot machine  
41 licensee to conduct airport gaming in accordance with this  
42 chapter.

43       "Airport gaming revenue." The daily gross terminal revenue  
44 derived from the conduct of airport gaming.

45       "Applicant." A slot machine licensee.

46       "Qualified airport." A publicly owned commercial service  
47 airport that is designated by the Federal Government as an  
48 international airport.

49       "Specified area." The secure area of a qualified airport  
50 where slot machines are placed and made available to play and  
51 members of the public, other than passengers, are prohibited

1 from entering.

2 SUBCHAPTER B  
3 AIRPORT GAMING AUTHORIZED

4 Sec.

5 13E11. Authorization.

6 13E12. Application.

7 13E13. Standard for review of applications.

8 13E14. Approval of application.

9 13E15. Airport gaming operation certificate.

10 13E16. Timing of initial airport gaming authorizations.

11 § 13E11. Authorization.

12 (a) General rule.--Upon application of a slot machine  
13 licensee, the board may authorize the slot machine licensee to  
14 conduct airport gaming. A slot machine licensee seeking  
15 authorization to conduct airport gaming must enter into an  
16 agreement with the governing body of a qualified airport and  
17 submit the agreement to the board for approval. No person shall  
18 cause or make slot machines available for play at a qualified  
19 airport without first obtaining an airport gaming operation  
20 certificate in accordance with the provisions of this chapter.

21 (b) Conditions.--Authorization shall be contingent upon the  
22 slot machine licensee's agreement to ensure that slot machine  
23 operations will be conducted in accordance with this part and  
24 any other conditions established by the board. The agreement  
25 shall specify the fees to be paid to the qualified airport by  
26 the slot machine licensee for the privilege of conducting  
27 airport gaming. Nothing in this part shall be construed to  
28 create a separate license governing the conduct of airport  
29 gaming by slot machine licensees within this Commonwealth.

30 (c) Number of slot machines.--The board shall approve the  
31 maximum number of slot machines that a slot machine licensee may  
32 operate at a qualified airport. The board, in making its  
33 determination, shall consider the physical space where the slot  
34 machines will be located and the convenience of passengers. The  
35 board may also consider the potential employment, enhanced  
36 revenues to the Commonwealth and other economic indicators it  
37 deems applicable in making its decision.

38 § 13E12. Application.

39 (a) Information to be provided.--An applicant seeking  
40 authorization to conduct airport gaming shall provide the  
41 following information to the board:

42 (1) The name, business address and contact information  
43 of the applicant, and the name, business address and contact  
44 information of the airport authority and the location of the  
45 qualified airport.

46 (2) The name and business address, job title and a  
47 photograph of each principal and key employee of the  
48 applicant who will be involved in the conduct of airport  
49 gaming and who is not currently licensed by the board, if  
50 known.

51 (3) The number of slot machines for which authorization

1 is being sought.

2 (4) The estimated number of full-time and part-time  
3 employment positions that will be created at the qualified  
4 airport if the slot machine licensee is authorized to operate  
5 slot machines under this chapter and an updated hiring plan  
6 under section 1510(a) (relating to labor hiring preferences)  
7 which outlines the applicant's plan to promote the employment  
8 representation of diverse groups and Commonwealth residents.

9 (5) The details of any financing obtained or that will  
10 be obtained to fund an expansion or modification of the  
11 qualified airport to accommodate the conduct of airport  
12 gaming and to otherwise fund the cost of commencing airport  
13 gaming operations.

14 (6) Information and documentation concerning financial  
15 background and resources, as the board may require, to  
16 establish by clear and convincing evidence the financial  
17 stability, integrity and responsibility of the applicant.

18 (7) Information and documentation, as the board may  
19 require, to establish by clear and convincing evidence that  
20 the applicant has sufficient business ability and experience  
21 to conduct airport gaming. In making this determination, the  
22 board may consider the results of the applicant's slot  
23 machine operation, including financial information,  
24 employment data and capital investment.

25 (8) Information and documentation, as the board may  
26 require, to establish by clear and convincing evidence that  
27 the applicant has or will have the financial ability to pay  
28 the required fee under section 13E51 (relating to fees).

29 (9) Detailed site plans identifying the applicant's  
30 proposed specified area.

31 (10) A copy of the agreement entered into by the slot  
32 machine licensee and the qualified airport. The agreement  
33 shall identify the members of the governing board of the  
34 airport authority and all employees of the airport authority  
35 who, directly or indirectly, regulate the use and control of  
36 the qualified airport and who will oversee airport gaming at  
37 the qualified airport.

38 (11) Other information as the board may require.

39 (b) Confidentiality.--Information submitted to the board  
40 under subsection (a) (6), (7), (8), (9) and (10) may be  
41 considered confidential by the board if the information would be  
42 confidential under section 1206(f) (relating to board minutes  
43 and records).

44 § 13E13. Standard for review of applications.

45 The board shall approve an application if the applicant  
46 establishes, by clear and convincing evidence, all of the  
47 following:

48 (1) The applicant's slot machine license is in good  
49 standing with the board, and the applicant has an agreement  
50 with the airport authority authorizing the placement of slot  
51 machines at the qualified airport.

1           (2) The applicant possesses adequate funds or has  
2 secured adequate financing to:

3           (i) Fund any necessary expansion or modification of  
4 the qualified airport to accommodate the conduct of  
5 airport gaming if required in the agreement with the  
6 governing body of the airport authority.

7           (ii) Pay the required fee in accordance with section  
8 13E51 (relating to fees).

9           (iii) Commence airport gaming operations at the  
10 qualified airport.

11           (3) The applicant has the financial stability, integrity  
12 and responsibility to conduct airport gaming.

13           (4) The applicant has sufficient business ability and  
14 experience to create and maintain airport gaming.

15           (5) The applicant's proposed internal and external  
16 security and proposed surveillance measures within the  
17 specified area where the applicant seeks to conduct airport  
18 gaming are adequate.

19           (6) The applicant agrees that the number of slot  
20 machines in operation at its licensed facility will not be  
21 permanently reduced in order to conduct airport gaming.

22 § 13E14. Approval of application.

23           Upon approval of an application, the board shall issue an  
24 airport gaming operation certificate to the applicant. Issuing  
25 an airport gaming operation certificate prior to the payment in  
26 full of the fee required by section 13E51 (relating to fees)  
27 shall not relieve the applicant from complying with the  
28 provisions of section 13E51.

29 § 13E15. Airport gaming operation certificate.

30           The following shall apply:

31           (1) An airport gaming operation certificate shall be in  
32 effect unless:

33           (i) Suspended or revoked by the board consistent  
34 with the requirements of this part.

35           (ii) The slot machine license held by the airport  
36 gaming certificate holder is suspended, revoked or not  
37 renewed by the board consistent with the requirements of  
38 this part.

39           (iii) The airport gaming certificate holder  
40 relinquishes or does not seek renewal of its slot machine  
41 license.

42           (iv) The agreement between the airport gaming  
43 certificate holder and the governing body of the  
44 authority is not renewed.

45           (2) The airport gaming operation certificate shall  
46 include the maximum number of slot machines approved by the  
47 board and permitted in the specified area. The airport gaming  
48 certificate holder may increase or decrease the number of  
49 slot machines permitted in the specified area or change the  
50 configuration of the slot machines upon notice to and  
51 approval by the board. Unless approved by the board, the

1 total number of slot machines in operation in the specified  
2 area may not exceed the number authorized in the airport  
3 gaming operation certificate.

4 (3) A airport gaming certificate holder shall be  
5 required to update the information in its initial airport  
6 gaming application at times prescribed by the board.

7 § 13E16. Timing of initial airport gaming authorizations.

8 The board shall approve or deny an application within 180  
9 days following receipt of the completed application.

10 SUBCHAPTER C

11 CONDUCT OF AIRPORT GAMING

12 Sec.

13 13E31. Authorized locations for operation.

14 13E32. Commencement of airport gaming operations.

15 13E33. Condition of continued operation.

16 13E34. Airport gaming accounting controls and audit protocols.

17 13E35. Cash equivalents.

18 13E36. Occupation permits.

19 § 13E31. Authorized locations for operation.

20 (a) Restriction.--An airport gaming certificate holder shall  
21 only be permitted to operate slot machines in the specified area  
22 authorized by the board.

23 (b) Powers and duties of board.--No airport gaming  
24 certificate holder may be approved to operate slot machines  
25 unless the specified area is equipped with adequate security and  
26 surveillance equipment to ensure the integrity of the conduct of  
27 airport gaming. An authorization granted under this section may  
28 not impose any criteria or requirements regarding the contents  
29 or structure of a qualified airport which are unrelated to the  
30 conduct of airport gaming.

31 § 13E32. Commencement of airport gaming operations.

32 An airport gaming certificate holder may not operate or offer  
33 slot machines for play at a qualified airport until the board  
34 determines that:

35 (1) The airport gaming certificate holder is in  
36 compliance with the requirements of this part.

37 (2) The airport gaming certificate holder's internal  
38 controls and audit protocols are sufficient to meet the  
39 requirements of section 13E34 (relating to airport gaming  
40 accounting controls and audit protocols).

41 (3) The airport gaming certificate holder's gaming  
42 employees, where applicable, are licensed, permitted or  
43 otherwise authorized by the board to perform their respective  
44 duties.

45 (4) The airport gaming certificate holder is prepared in  
46 all respects to offer slot machine play to eligible  
47 passengers at the qualified airport.

48 (5) The airport gaming certificate holder has  
49 implemented necessary internal and management controls and  
50 security arrangements and surveillance systems for the  
51 conduct of airport gaming.

1           (6) The airport gaming certificate holder is in  
2 compliance with or has complied with section 13E51 (relating  
3 to fees).

4           (7) All slot machines certified and approved for use  
5 under this chapter have been approved by the board and are  
6 compatible with the central control computer and protocol  
7 specifications approved by the department.

8           (8) The airport gaming certificate holder has  
9 implemented or will implement the necessary procedures and  
10 safeguards to ensure that no individual under 21 years of age  
11 will be permitted to enter the specified area of the  
12 qualified airport.

13 § 13E33. Condition of continued operation.

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

19           (1) be segregated by separate accounts within the slot  
20 machine licensee's books, records and documents, except for  
21 any books, records or documents that are common to the  
22 licensee's slot machine operations at a licensed facility and  
23 a qualified airport;

24           (2) be immediately available for inspection upon request  
25 of the board, the bureau, the department, the Pennsylvania  
26 State Police or the Attorney General, or agents thereof,  
27 during all hours of operation at the qualified airport in  
28 accordance with regulations promulgated by the board; and

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

31 § 13E34. Airport gaming accounting controls and audit  
32 protocols.

33           (a) Approval.--Prior to the commencement of airport gaming  
34 operations, an airport gaming certificate holder shall submit to  
35 the board for approval all proposed site plans, internal and  
36 accounting control systems and audit protocols for the airport  
37 gaming certificate holder's airport gaming operations.

38           (b) Minimum requirements.--The airport gaming certificate  
39 holder's internal and accounting controls and audit protocols  
40 shall meet the requirements set forth in section 1322(b) and (c)  
41 (relating to slot machine accounting controls and audits).

42 § 13E35. Cash equivalents.

43 Notwithstanding any other provisions of this part, the board  
44 may, through regulations, determine the cash equivalents that  
45 may be authorized and accepted by an airport gaming certificate  
46 holder in the conduct of airport gaming.

47 § 13E36. Occupation permits.

48           (a) Application.--Any person who desires to be a gaming  
49 employee and has a bona fide offer of employment from a airport  
50 gaming certificate holder authorized to operate slot machines  
51 under this chapter shall apply to the board for an occupation

1 permit. A person may not be employed as a gaming employee unless  
2 and until that person holds an appropriate occupation permit  
3 issued under this section. The board may promulgate regulations  
4 to reclassify a category of nongaming employees or gaming  
5 employees upon a finding that the reclassification is in the  
6 public interest and consistent with the objectives of this part.

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

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

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

11 (3) The criminal history record of the person, as well  
12 as the person's consent for the Pennsylvania State Police to  
13 conduct a background investigation.

14 (4) A current photograph of the person.

15 (5) Evidence of the offer of employment and the nature  
16 and scope of the proposed duties of the person, if known.

17 (6) The details of any occupation permit or similar  
18 license granted or denied to the person in other  
19 jurisdictions.

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

22 (c) Prohibition.--No airport gaming certificate holder may  
23 employ or permit any person under 18 years of age to render any  
24 service in any specified area where slot machines are physically  
25 located.

26 (d) Construction.--Nothing in this part shall be construed  
27 to require any person who holds a principal license, a key  
28 employee license or gaming employee occupation permit under  
29 Chapter 13 (relating to licensees) to obtain a separate license,  
30 permit, certificate, registration or other authorization to be  
31 employed in an airport gaming certificate holder's airport  
32 gaming operations.

#### 33 SUBCHAPTER D

#### 34 AIRPORT GAMING FEES AND TAXES

35 Sec.

36 13E51. Fees.

37 13E52. Airport gaming tax and assessment.

38 § 13E51. Fees.

39 (a) Required fees.--A slot machine licensee shall pay:

40 (1) Except as set forth in paragraph (2) or (3), a one-  
41 time, nonrefundable fee of \$1,000,000 upon the issuance of a  
42 certificate to operate slot machines under this chapter in a  
43 qualified airport.

44 (2) A one-time, nonrefundable fee of \$5,000,000 upon the  
45 issuance of a certificate to operate slot machines under this  
46 chapter in a qualified airport located in a city of the first  
47 class.

48 (3) A one-time, nonrefundable fee of \$2,500,000 upon the  
49 issuance of a certificate to operate slot machines under this  
50 chapter in a qualified airport located in a county of the  
51 second class.



1 (b) Deposit of fees.--Notwithstanding section 1208 (relating  
2 to collection of fees and fines), all fees or penalties received  
3 by the board under this chapter shall be deposited in the  
4 General Fund.

5 § 13E52. Airport gaming tax and assessment.

6 (a) Imposition.--Each airport gaming certificate holder  
7 shall report to the department and pay from its airport gaming  
8 revenue, on a form and in the manner prescribed by the  
9 department, a tax of 34% of its airport gaming revenue and an  
10 airport local share assessment.

11 (b) Deposits and distributions.--

12 (1) The tax and local share assessment imposed under  
13 subsection (a) shall be payable to the department on a weekly  
14 basis and shall be based upon gross terminal revenue derived  
15 during the previous week.

16 (2) All funds owed to the Commonwealth under this  
17 section shall be held in trust for the Commonwealth by the  
18 airport gaming certificate holder until the funds are paid to  
19 the department. Unless otherwise agreed to by the board, a  
20 airport gaming certificate holder shall establish a separate  
21 bank account into which gross terminal revenue shall be  
22 deposited and maintained until such time as the funds are  
23 paid to the department under this section.

24 (3) The department shall transfer the tax revenues  
25 collected under this section to the General Fund.

26 (4) The department shall quarterly distribute to each  
27 qualified airport the airport local share assessment from the  
28 airport gaming revenue generated from airport gaming at each  
29 qualified airport.

30 (c) Definitions.--As used in this section, the following  
31 words and phrases shall have the meanings given to them in this  
32 subsection unless the context clearly indicates otherwise:

33 "Airport local share assessment." Twenty percent of an  
34 airport gaming certificate holder's airport gaming revenue.

#### 35 SUBCHAPTER E

#### 36 MISCELLANEOUS PROVISIONS

37 Sec.

38 13E91. Regulations.

39 § 13E91. Regulations.

40 (a) Regulations.--The board shall promulgate regulations  
41 consistent with the provisions of this part to govern the  
42 conduct of airport gaming at qualified airports.

43 (b) Temporary regulations.--In order to facilitate the  
44 prompt implementation of this chapter, regulations promulgated  
45 by the board in accordance with subsection (a) shall be deemed  
46 temporary regulations which shall expire not later than two  
47 years following the publication of the temporary regulation. The  
48 board may promulgate temporary regulations not subject to:

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

1           (2) The act of June 25, 1982 (P.L.633, No.181), known as  
2           the Regulatory Review Act.

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

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

10          Section 15. Sections 1403(b), (c) (2) (ii) (D), (iii) (A) and  
11          (iv) (B), 1405, 1407 and 1408(c) of Title 4 are amended to read:  
12          § 1403. Establishment of State Gaming Fund and net slot machine  
13          revenue distribution.

14          \* \* \*

15          (b) Slot machine tax.--The department shall determine and  
16          each slot machine licensee shall pay a daily tax of 34% from its  
17          daily gross terminal revenue from the slot machines in operation  
18          at its licensed facility and a local share assessment as  
19          provided in subsection (c). All funds owed to the Commonwealth,  
20          a county or a municipality under this section shall be held in  
21          trust by the licensed gaming entity for the Commonwealth, the  
22          county and the municipality until the funds are paid or  
23          transferred to the fund. Unless otherwise agreed to by the  
24          board, a licensed gaming entity shall establish a separate bank  
25          account to maintain gross terminal revenue until such time as  
26          the funds are paid or transferred under this section. Moneys in  
27          the fund are hereby appropriated to the department on a  
28          continuing basis for the purposes set forth in subsection (c).  
29          For the purpose of this subsection, the term licensed facility  
30          shall not be construed to include a nonprimary location at which  
31          a Category 1 slot machine licensee is authorized to place and  
32          make slot machines available for play in accordance with Chapter  
33          13D (relating to slot machines at nonprimary locations) or the  
34          physical land-based location of a qualified airport under  
35          Chapter 13E (relating to slot machines in qualified airports).

36          (c) Transfers and distributions.--The department shall:

37                  \* \* \*

38                  (2) From the local share assessment established in  
39                  subsection (b), make quarterly distributions among the  
40                  counties hosting a licensed facility in accordance with the  
41                  following schedule:

42                          \* \* \*

43                          (ii) If the licensed facility is a Category 1  
44                          licensed facility and is located at a thoroughbred  
45                          racetrack and the county in which the licensed facility  
46                          is located is:

47                                  \* \* \*

48                                  (D) A county of the third class: 1% of the  
49                                  gross terminal revenue to the county hosting the  
50                                  licensed facility from each such licensed facility.  
51                                  An additional 1% of the gross terminal revenue to the

1 county hosting the licensed facility from each such  
2 licensed facility for the purpose of municipal grants  
3 within the county in which the licensee is located.  
4 Notwithstanding the provisions of the act of February  
5 9, 1999 (P.L.1, No.1), known as the Capital  
6 Facilities Debt Enabling Act, grants made under this  
7 clause may be utilized as local matching funds for  
8 other grants or loans from the Commonwealth.

9 \* \* \*

10 (iii) If the facility is a Category 2 licensed  
11 facility and if the county in which the licensed facility  
12 is located is:

13 (A) A county of the first class: 4% of the  
14 gross terminal revenue to the county hosting the  
15 licensed facility from each such licensed facility.  
16 Notwithstanding any other provision to the contrary,  
17 funds from licensed gaming entities located within a  
18 county of the first class shall not be distributed  
19 outside of a county of the first class. [The first  
20 \$5,000,000] Fifty percent or \$5,000,000, whichever is  
21 greater, of the total amount distributed annually to  
22 the county of the first class shall be distributed to  
23 the Philadelphia School District.

24 \* \* \*

25 (iv) \* \* \*

26 (B) If the facility is a Category 3 licensed  
27 facility located in a county of the second class A,  
28 2% of the gross terminal revenue [from the licensed  
29 facility shall be deposited into a restricted  
30 receipts account to be established in the  
31 Commonwealth Financing Authority to be used  
32 exclusively for grants or guarantees for projects in  
33 the host county that qualify under 64 Pa.C.S. §§ 1551  
34 (relating to Business in Our Sites Program), 1556  
35 (relating to Tax Increment Financing Guarantee  
36 Program) and 1558 (relating to Water Supply and  
37 Wastewater Infrastructure Program).] to the county  
38 hosting the licensed facility from each such licensed  
39 facility shall be deposited as follows:

40 (I) Seventy-five percent shall be deposited  
41 for the purpose of supporting the maintenance and  
42 refurbishment of the parks and heritage sites  
43 throughout the county in which the licensed  
44 facility is located.

45 (II) Twelve and one-half percent shall be  
46 deposited for the purpose of supporting a child  
47 advocacy center located within the county in  
48 which the licensed facility is located.

49 (III) Twelve and one-half percent shall be  
50 deposited for the purpose of supporting an  
51 organization providing comprehensive support

1 services to victims of domestic violence,  
2 including legal and medical aid, shelters,  
3 transitional housing and counseling located  
4 within the county in which the licensed facility  
5 is located.

6 \* \* \*

7 § 1405. Pennsylvania Race Horse Development Fund.

8 (b) Pennsylvania race horse improvement assessment.--Each  
9 active and operating licensed gaming entity shall pay a daily  
10 assessment to the Pennsylvania Race Horse Development Fund as  
11 determined by the department. Subject to the daily assessment  
12 cap established under subsection (c), the licensed gaming  
13 entity's assessment shall be a percentage of each licensed  
14 gaming entity's gross terminal revenue from the slot machines in  
15 operation at its licensed facility, equal to an amount  
16 calculated as "A" multiplied by "B", with "A" being equal to  
17 each licensed gaming entity's gross terminal revenue for that  
18 day divided by the total gross terminal revenue for that day  
19 from all licensed gaming entities, and "B" being equal to 18% of  
20 that day's gross terminal revenue for all active and operating  
21 Category 1 licensees conducting live racing.

22 (c) Daily assessment cap.--If the resulting daily assessment  
23 for a licensed gaming entity exceeds 12% of that licensed gaming  
24 entity's gross terminal revenue from the slot machines in  
25 operation at its licensed facility for the day, the licensed  
26 gaming entity shall pay a daily assessment of 12% of its gross  
27 terminal revenue for that day.

28 (e) Definition.--For the purposes of this section, the term  
29 "licensed facility" shall not include the physical land-based  
30 location at which a licensed gaming entity is authorized to  
31 place and operate slot machines in a nonprimary location under  
32 Chapter 13D (relating to slot machines at nonprimary locations)  
33 or in a qualified airport under Chapter 13E (relating to slot  
34 machines in qualified airports).

35 § 1407. Pennsylvania Gaming Economic Development and Tourism  
36 Fund.

37 (a) Fund established.--There is hereby established a  
38 Pennsylvania Gaming Economic Development and Tourism Fund within  
39 the State Treasury.

40 (b) Fund administration and distribution.--The Pennsylvania  
41 Gaming Economic Development and Tourism Fund shall be  
42 administered by the Department of Community and Economic  
43 Development. All moneys in the Pennsylvania Gaming Economic  
44 Development and Tourism Fund shall be distributed pursuant to a  
45 subsequently enacted Economic Development Capital Budget that  
46 appropriates money from the fund pursuant to this section. The  
47 procedures for enactment, authorization and release of economic  
48 development and tourism funds authorized under this section for  
49 both capital projects and operational expenditures shall be the  
50 same as those provided for in sections 303(a), (b) and (c) and  
51 318(a) of the act of February 9, 1999 (P.L.1, No.1), known as

1 the Capital Facilities Debt Enabling Act, without reference to  
2 the nature or purpose of the project, and any other statutory  
3 provision, if any, necessary to effectuate the release of funds  
4 appropriated in such economic development capital budget.

5 (c) Pennsylvania Gaming Economic Development and Tourism  
6 Fund Assessment.--Each licensed gaming entity shall pay a daily  
7 assessment of 5% of its gross terminal revenue from the slot  
8 machines in operation at its licensed facility to the  
9 Pennsylvania Gaming Economic Development and Tourism Fund.

10 (d) Restrictions on projects for certain counties and  
11 cities.--Except as set forth in subsection (d.1), for a ten-year  
12 period beginning with the first fiscal year during which  
13 deposits are made into this fund, no moneys from the  
14 Pennsylvania Gaming Economic Development and Tourism Fund shall  
15 be distributed for any project located in a city or county of  
16 the first or second class except as authorized by this  
17 subsection. Moneys not used for the authorized projects in  
18 cities and counties of the first and second classes may be used  
19 throughout this Commonwealth. Moneys from the fund for projects  
20 within cities and counties of the first and second classes may  
21 only be used for the following projects during this ten-year  
22 period:

23 (1) for reimbursement to a city of the first class for  
24 debt service made by such city to the extent that such  
25 payments have been made for the expansion of the Pennsylvania  
26 Convention Center;

27 (2) for distribution to the General Fund to the extent  
28 that the Commonwealth has made debt service payments for the  
29 expansion of the Pennsylvania Convention Center;

30 (3) for reimbursement to a city of the first class for  
31 payments made by such city for the operation expenses of the  
32 Pennsylvania Convention Center during the prior calendar  
33 year;

34 (4) for debt service and for development and economic  
35 development projects for an international airport located in  
36 a county of the second class;

37 (5) for distribution to a community infrastructure  
38 development fund of a county of the second class to fund  
39 construction, development, improvement and maintenance of  
40 infrastructure projects;

41 (6) for the retirement of the indebtedness of an urban  
42 redevelopment authority created pursuant to the act of May  
43 24, 1945 (P.L.991, No.385), known as the Urban Redevelopment  
44 Law, in a city of the second class which is financed in part  
45 with the utilization of funds transferred to the regional  
46 asset district pursuant to Article XXXI-B of the act of July  
47 28, 1953 (P.L.723, No.230), known as the Second Class County  
48 Code;

49 (8) for retirement of indebtedness of a county of the  
50 second class development fund created pursuant to the  
51 authority of Article XXXI-B of the Second Class County Code

1 and the Urban Redevelopment Law;

2 (9) for retirement of indebtedness of a convention  
3 center in a city of the second class established pursuant to  
4 the authority of the Public Auditorium Authorities Law;

5 (10) for payment of the operating deficit for the  
6 operation of a convention center in a city of the second  
7 class established pursuant to the Public Auditorium  
8 Authorities Law.

9 (d.1) Community and economic development.--

10 (1) Notwithstanding subsection (b) or any other  
11 provision of law to the contrary, the money authorized but  
12 not expended under former subsection (d)(7) as of the  
13 effective date of this subsection shall be deposited into a  
14 restricted receipts account to be established in the  
15 Commonwealth Financing Authority exclusively for eligible  
16 applications submitted by the redevelopment authority of a  
17 county of the second class created pursuant to the act of May  
18 24, 1945 (P.L.991, No.385), known as the Urban Redevelopment  
19 Law, for economic development, infrastructure development,  
20 job training, community improvement, public safety or other  
21 projects in the public interest located in a county of the  
22 second class. Community development corporations, political  
23 subdivisions, urban redevelopment authorities, municipal  
24 authorities, for-profit entities and nonprofit entities  
25 located in a county of the second class shall be eligible to  
26 receive funds made available under this paragraph.

27 (2) Notwithstanding the Capital Facilities Debt Enabling  
28 Act, funding under the paragraph (1) may be utilized as local  
29 matching funds for grants or loans from the Commonwealth.

30 (e) Annual report.--The Office of the Budget, in cooperation  
31 with the Department of Community and Economic Development and  
32 the Commonwealth Financing Authority, shall submit an annual  
33 report of all distribution of funds under this section to the  
34 chairman and minority chairman of the Appropriations Committee  
35 of the Senate, the chairman and minority chairman of the  
36 Community, Economic and Recreational Development Committee of  
37 the Senate, the chairman and minority chairman of the  
38 Appropriations Committee of the House of Representatives and the  
39 chairman and minority chairman of the Gaming Oversight Committee  
40 of the House of Representatives. The report shall include  
41 detailed information relating to transfers made from the  
42 Pennsylvania Gaming Economic Development and Tourism Fund and  
43 all reimbursements, distributions and payments made under  
44 subsection (b) or the act of July 25, 2007 (P.L.342, No.53),  
45 known as Pennsylvania Gaming Economic Development and Tourism  
46 Fund Capital Budget Itemization Act of 2007. The report shall be  
47 submitted by August 31, 2010, and by August 31 of each year  
48 thereafter.

49 (f) Local report.--A city of the first class, city of the  
50 second class, county of the second class, convention center or  
51 convention center authority, sports and exhibition authority of

1 a county of the second class, urban redevelopment authority,  
2 airport authority or other entity that receives money from the  
3 fund pursuant to an Economic Development Capital Budget under  
4 subsection (b) or the Pennsylvania Gaming Economic Development  
5 and Tourism Fund Capital Budget Itemization Act of 2007 shall  
6 submit an annual report to the Office of the Budget. The report  
7 shall include detailed information, including records of  
8 expenditures, payments and other distributions made from funds  
9 received under subsection (b). The initial report shall include  
10 information on all funds received prior to August 31, 2010. The  
11 report shall be submitted by August 31, 2010, and by August 31  
12 of each year thereafter until all funds under this section are  
13 distributed or received. An entity that receives funds for the  
14 first time after the effective date of this section shall submit  
15 its initial report by August 31 of the year following receipt of  
16 the funds.

17 (g) Definition.--For the purposes of this section, the term  
18 "licensed facility" shall not include the physical land-based  
19 location at which a licensed gaming entity is authorized to  
20 place and operate slot machines in a nonprimary location under  
21 Chapter 13D (relating to slot machines at nonprimary locations)  
22 or in a qualified airport under Chapter 13E (relating to slot  
23 machines in qualified airports).

24 Amend Bill, page 2, lines 15 and 16, by striking out all of  
25 said lines and inserting

26 Section 15.1. Title 4 is amended by adding a section to  
27 read:

28 § 1410. Public School Employees' Retirement Contribution Fund.

29 (a) Establishment.--The Public School Employees' Retirement  
30 Contribution Fund is established within the State Treasury.

31 (b) Contents of fund.--The fund shall contain the money  
32 transferred to the fund under subsection (c) and any other money  
33 transferred to or deposited into the fund.

34 (c) Transfers to fund.--Notwithstanding any provision of  
35 this part, the following shall apply:

36 (1) For the 2016-2017 fiscal year, \$303,000,000 of the  
37 receipts deposited into the General Fund under Chapters 13A  
38 (relating to table games), 13B (relating to interactive  
39 gaming), 13D (relating to slot machines at nonprimary  
40 locations) and 13E (relating to slot machines in qualified  
41 airports) shall be transferred to the fund. The transfers  
42 required by this paragraph shall be made in equal monthly  
43 amounts beginning on the first day of the first month  
44 following the effective date of this paragraph.

45 (2) For the 2017-2018 fiscal year and each fiscal year  
46 thereafter, \$310,000,000 of the receipts deposited into the  
47 General Fund under Chapters 13A, 13B, 13D and 13E shall be  
48 transferred to the fund. The transfers required by this  
49 paragraph shall be made in equal monthly amounts beginning on

1 July 1, 2017.

2 (d) Use of money in fund.--Money in the fund is hereby  
3 appropriated to the Department of Education as an augmentation  
4 to the appropriation for required contribution for public school  
5 employees' retirement.

6 (e) Definition.--As used in this section, the term "fund"  
7 means the Public School Employees' Retirement Contribution Fund.

8 Section 15.2. Sections 1501(b) and 1509(c) of Title 4 are  
9 amended to read:

10 § 1501. Responsibility and authority of department.

11 \* \* \*

12 (b) Application of rules and regulations.--The department  
13 may prescribe the extent, if any, to which any rules and  
14 regulations shall be applied without retroactive effect. The  
15 department shall have authority to prescribe the forms and the  
16 system of accounting and recordkeeping to be employed and  
17 through its representative shall at all times have power of  
18 access to and examination and audit of any equipment and records  
19 relating to all aspects of the operation of slot machines [and],  
20 including slot machines at nonprimary locations and qualified  
21 airports, table games and interactive gaming under this part.

22 \* \* \*

23 § 1509. Compulsive and problem gambling program.

24 \* \* \*

25 (c) Notice of availability of assistance.--

26 (1) Each slot machine licensee shall obtain a toll-free  
27 telephone number to be used to provide persons with  
28 information on assistance for compulsive or problem gambling.  
29 Each licensee shall conspicuously post at least 20 signs  
30 similar to the following statement:

31 If you or someone you know has a gambling problem, help  
32 is available. Call (Toll-free telephone number).  
33 The signs must be posted within 50 feet of each entrance and  
34 exit, within 50 feet of each automated teller machine  
35 location within the licensed facility and in other  
36 appropriate public areas of the licensed facility as  
37 determined by the slot machine licensee.

38 (2) Each racetrack where slot machines or table games  
39 are operated shall print a statement on daily racing programs  
40 provided to the general public that is similar to the  
41 following:

42 If you or someone you know has a gambling problem, help  
43 is available. Call (Toll-free telephone number).

44 (2.1) Each interactive gaming certificate holder,  
45 interactive gaming operator or other person that operates  
46 interactive gaming or an interactive gaming system on behalf  
47 of an interactive gaming certificate holder:

48 (i) Shall cause the words:

49 If you or someone you know has a gambling problem,  
50 help is available. Call (Toll-free telephone number).  
51 or some comparable language approved by the board, which



1 language shall include the words "gambling problem" and  
2 "call 1-800-XXXX," to be prominently and continuously  
3 displayed to any person visiting or logged onto the  
4 interactive gaming certificate holder's interactive  
5 gaming skin or Internet website.

6 (ii) Shall provide a mechanism by which an  
7 interactive gaming account holder may establish the  
8 following controls on wagering activity through the  
9 interactive gaming account:

10 (A) A limit on the amount of money lost within a  
11 specified period of time and the length of time the  
12 account holder will be unable to participate in  
13 gaming if the holder reaches the established loss  
14 limit.

15 (B) A limit on the maximum amount of any single  
16 wager on any interactive game.

17 (C) A temporary suspension of interactive gaming  
18 through the account for any number of hours or days.

19 (iii) Shall not mail or otherwise forward any  
20 gaming-related promotional material or e-mail to a  
21 registered player during any period in which interactive  
22 gaming through the registered players' interactive gaming  
23 account has been suspended or terminated. The interactive  
24 gaming certificate holder shall provide a mechanism by  
25 which a registered player may change the controls, except  
26 that, while interactive gaming through the interactive  
27 gaming account is suspended, the registered player may  
28 not change gaming controls until the suspension expires,  
29 but the registered player shall continue to have access  
30 to the account and shall be permitted to withdraw funds  
31 from the account upon proper application for the funds to  
32 the interactive gaming certificate holder.

33 (3) A [licensed facility] licensed gaming entity which  
34 fails to post or print the warning sign in accordance with  
35 paragraph (1) [or], (2) or (2.1)(i) shall be assessed a fine  
36 of \$1,000 a day for each day the minimum number of signs are  
37 not posted or the required statement is not printed as  
38 provided in this subsection.

39 (4) An interactive gaming certificate holder or  
40 interactive gaming license holder, as the case may be, that  
41 fails to establish the mechanisms, controls and systems in  
42 accordance with paragraph (2.1)(ii) and (iii) shall be  
43 assessed a fine of not less than \$5,000 per day for each day  
44 the mechanisms, controls and systems are not available to  
45 interactive gaming account holders.

46 \* \* \*

47 Section 16. Title 4 is amended by adding a section to read:  
48 § 1509.2. Child endangerment protection.

49 (a) Posting of signs.--The following shall apply:

50 (1) Each licensed gaming entity shall post the necessary  
51 signage to notify patrons of the prohibition against leaving

1 a child unattended in a vehicle under section 1518(a)(18)  
2 (relating to prohibited acts; penalties) and underage  
3 gambling under section 1518(a)(13) and (13.1) and the penalty  
4 for violations.

5 (2) The signs shall be conspicuously posted in clear  
6 view of all parking areas and other public areas of the  
7 licensed facility and, including where applicable, nonprimary  
8 locations, as determined by the licensed gaming entity and  
9 approved by the board.

10 (3) The board shall determine the written content and  
11 minimum number of signs to be posted at each licensed  
12 facility.

13 (b) Fine.--A licensed gaming entity that fails to post  
14 signage in accordance with subsection (a) shall be assessed a  
15 fine of \$1,000 per day for each day the minimum number of signs  
16 as prescribed by the board are not posted.

17 Section 17. Section 1512 of Title 4 is amended by adding a  
18 subsection to read:

19 § 1512. Financial and employment interests.

20 \* \* \*

21 (a.6) Prohibition related to interactive gaming.--

22 (1) Except as may be provided by rule or order of the  
23 Pennsylvania Supreme Court and except as provided in section  
24 1202.1 (relating to code of conduct) or 1512.1 (relating to  
25 additional restrictions), no executive-level public employee,  
26 public official or party officer or immediate family member  
27 thereof shall hold, directly or indirectly, a financial  
28 interest in, be employed by or represent, appear for, or  
29 negotiate on behalf of, or derive any remuneration, payment,  
30 benefit or any other thing of value for any services,  
31 including, but not limited to, consulting or similar services  
32 from any holder of or applicant for an interactive gaming  
33 certificate, holder or applicant for an interactive gaming  
34 license or other authorization to conduct interactive gaming  
35 or any holding, subsidiary or intermediary company with  
36 respect thereto, or any business, association, enterprise or  
37 other entity that is organized in whole or in part for the  
38 purpose of promoting, advocating for or advancing the  
39 interests of the interactive gaming industry generally or any  
40 interactive gaming-related business or businesses in  
41 connection with any cause, application or matter. The  
42 financial interest and employment prohibitions under this  
43 paragraph shall remain in effect for one year following  
44 termination of the individual's status as an executive-level  
45 public employee, public official or party officer.

46 (2) Notwithstanding paragraph (1), a member of the  
47 immediate family of an executive-level public employee,  
48 public official or party officer may hold employment with the  
49 holder of or applicant for an interactive gaming certificate,  
50 holder or applicant for an interactive gaming license or  
51 other authorization to conduct interactive gaming or any

1 holding, subsidiary or intermediary company with respect  
2 thereto, if in the judgment of the State Ethics Commission or  
3 the Supreme Court, as appropriate, employment will not  
4 interfere with the responsibilities of the executive-level  
5 public employee, public official or party officer and will  
6 not create a conflict of interest or reasonable risk of the  
7 public perception of a conflict of interest on the part of  
8 the executive-level public employee, public official or party  
9 officer.

10 (3) The financial interest and employment prohibitions  
11 specified in paragraphs (1) and (2) shall apply to slot  
12 machines at nonprimary locations under Chapter 13D (relating  
13 to slot machines at nonprimary locations).

14 \* \* \*

15 Section 18. Sections 1514 heading, (a), (d), (e) and (f),  
16 1515, 1516 and 1517(b)(1), (c)(12) and (e)(1) of Title 4 are  
17 amended to read:

18 § 1514. Regulation requiring exclusion [or], ejection or denial  
19 of access of certain persons.

20 (a) General rule.--The board shall by regulation provide for  
21 the establishment of a list of persons who are to be excluded or  
22 ejected from any licensed facility or who may be denied access  
23 to interactive gaming or slot machines at nonprimary locations.  
24 The provisions shall define the standards for exclusion and  
25 shall include standards relating to persons who are career or  
26 professional offenders as defined by regulations of the board or  
27 whose presence in a licensed facility or whose access to  
28 interactive gaming and slot machines at nonprimary locations  
29 would, in the opinion of the board, be inimical to the interest  
30 of the Commonwealth or of licensed gaming therein, or both.

31 \* \* \*

32 (d) Sanctions.--The board may impose sanctions upon a  
33 licensed gaming entity or interactive gaming licensee in  
34 accordance with this part if the licensed gaming entity  
35 knowingly fails to exclude or eject from the premises of any  
36 licensed facility or deny access to interactive gaming or to  
37 slot machines at a nonprimary location any person placed by the  
38 board on the list of persons to be excluded [or], ejected or  
39 denied access.

40 (e) List not all-inclusive.--Any list compiled by the board  
41 of persons to be excluded [or], ejected or denied access shall  
42 not be deemed an all-inclusive list, and a licensed gaming  
43 entity shall have a duty to keep from the licensed facility and  
44 from interactive gaming and slot machines at a nonprimary  
45 location persons known to it to be within the classifications  
46 declared in this section and the regulations promulgated under  
47 this section whose presence in a licensed facility or whose  
48 participation in interactive gaming and the play of slot  
49 machines at a nonprimary location would be inimical to the  
50 interest of the Commonwealth or of licensed gaming therein, or  
51 both, as defined in standards established by the board.

1 (f) Notice.--Whenever the bureau seeks to place the name of  
2 any person on a list pursuant to this section, the bureau shall  
3 serve notice of this fact to such person by personal service or  
4 certified mail at the last known address of the person. The  
5 notice shall inform the person of the right to request a hearing  
6 under subsection (g). The bureau may also provide notice by e-  
7 mail, if the electronic mail address of the person is known to  
8 the bureau.

9 \* \* \*

10 § 1515. Repeat offenders excludable from licensed gaming  
11 facility.

12 A licensed gaming entity may exclude or eject from its  
13 licensed facility or deny access to interactive gaming and slot  
14 machines at a nonprimary location any person who is known to it  
15 to have been convicted of a misdemeanor or felony committed in  
16 or on the premises of any licensed facility. Nothing in this  
17 section or in any other law of this Commonwealth shall limit the  
18 right of a licensed gaming entity to exercise its common law  
19 right to exclude or eject permanently from its licensed facility  
20 or permanently deny access to its interactive gaming and slot  
21 machines at a nonprimary location any person who disrupts the  
22 operations of its premises or its interactive gaming or the  
23 operation of slot machines at a nonprimary location, threatens  
24 the security of its premises or its occupants or is disorderly  
25 or intoxicated[.] or who threatens the security of its licensed  
26 facility, including the area of a nonprimary location where slot  
27 machines are placed and made available for play or the area of a  
28 licensed facility where interactive gaming operations are  
29 managed, administered or controlled.

30 § 1516. List of persons self excluded from gaming activities.

31 (a) General rule.--The board shall provide by regulation for  
32 the establishment of a list of persons self excluded from gaming  
33 activities, including interactive gaming and the play of slot  
34 machines at nonprimary locations, at all licensed facilities.  
35 Any person may request placement on the list of self-excluded  
36 persons by acknowledging in a manner to be established by the  
37 board that the person is a problem gambler and by agreeing that,  
38 during any period of voluntary exclusion, the person may not  
39 collect any winnings or recover any losses resulting from any  
40 gaming activity at licensed facilities, including interactive  
41 gaming and the play of slot machines at a nonprimary location.

42 (b) Regulations.--The regulations of the board shall  
43 establish procedures for placements on and removals from the  
44 list of self-excluded persons. The regulations shall establish  
45 procedures for the transmittal to licensed gaming entities of  
46 identifying information concerning self-excluded persons and  
47 shall require licensed gaming entities to establish procedures  
48 designed at a minimum to deny self-excluded persons access to  
49 interactive gaming and the play of slot machines at nonprimary  
50 locations and to remove self-excluded persons from targeted  
51 mailings or other forms of advertising or promotions and deny

1 self-excluded persons access to complimentaries, check cashing  
2 privileges, club programs and other similar benefits.

3 (c) Liability.--A licensed gaming entity or employee thereof  
4 shall not be liable to any self-excluded person or to any other  
5 party in any judicial proceeding for any harm, monetary or  
6 otherwise, which may arise as a result of:

7 (1) the failure of a licensed gaming entity to withhold  
8 gaming privileges from or restore gaming privileges to a  
9 self-excluded person; [or]

10 (1.1) the failure of a interactive gaming certificate  
11 holder or interactive gaming licensee to withhold interactive  
12 gaming privileges from or restore interactive gaming  
13 privileges to a self-excluded person;

14 (1.2) the failure of a Category 1 licensed gaming entity  
15 to withhold or restore access to slot machines at a  
16 nonprimary location to a self-excluded person; or

17 (2) otherwise permitting or not permitting a self-  
18 excluded person to engage in gaming activity in the facility  
19 or participate in interactive gaming or slot machine play at  
20 a nonprimary location while on the list of self-excluded  
21 persons.

22 (d) Disclosure.--Notwithstanding any other law to the  
23 contrary, the board's list of self-excluded persons shall not be  
24 open to public inspection. Nothing in this section, however,  
25 shall be construed to prohibit a licensed gaming entity from  
26 disclosing the identity of persons self excluded pursuant to  
27 this section to affiliated gaming entities in this Commonwealth  
28 or other jurisdictions for the limited purpose of assisting in  
29 the proper administration of responsible gaming programs  
30 operated by affiliated licensed gaming entities.

31 § 1517. Investigations and enforcement.

32 \* \* \*

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

34 (1) The department shall at all times have the power of  
35 access to examine and audit equipment and records relating to  
36 all aspects of the operation of slot machines [or], including  
37 slot machines at nonprimary locations and, consistent with  
38 airport security rules, at qualified airports, table games or  
39 interactive games under this part.

40 \* \* \*

41 (c) Powers and duties of the Pennsylvania State Police.--The  
42 Pennsylvania State Police shall have the following powers and  
43 duties:

44 \* \* \*

45 (12) Conduct audits or verification of information of  
46 slot machine [or], table game operations, including the  
47 operation of slot machines used in a multistate wide-area  
48 progressive slot machine system and in the operation of skill  
49 or hybrid slot machines, interactive gaming operations and  
50 the operation of slot machines at a nonprimary location and  
51 in the specified area of a qualified airport at such times,

1 under such circumstances and to such extent as the bureau  
2 determines. This paragraph includes reviews of accounting,  
3 administrative and financial records and management control  
4 systems, procedures and records utilized by a slot machine  
5 licensee.

6 \* \* \*

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

8 (1) The bureau, the department and the Pennsylvania  
9 State Police shall have the authority without notice and  
10 without warrant to do all of the following in the performance  
11 of their duties:

12 (i) Inspect and examine all premises, including the  
13 premises of a nonprimary location and the specified area  
14 of a qualified airport, where slot machine [or], table  
15 game and interactive gaming operations are conducted,  
16 slot machines, table game devices and associated  
17 equipment, interactive gaming devices and associated  
18 equipment are manufactured, sold, distributed or serviced  
19 or where records of these activities are prepared or  
20 maintained.

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

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

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

29 (v) Seize, impound or assume physical control of any  
30 book, record, ledger, game, device, cash box and its  
31 contents, count room or its equipment, interactive gaming  
32 devices and associated equipment or slot machine [or],  
33 table game or interactive gaming operations.

34 \* \* \*

35 Section 19. Section 1518(a)(1), (2), (3), (4), (5), (7.1),  
36 (11), (13), (13.1), (15) and (17) and (b)(1), (2) and (3) of  
37 Title 4 are amended, subsections (a) and (b) are amended by  
38 adding paragraphs and subsection (c)(1) is amended by adding a  
39 subparagraph to read:

40 § 1518. Prohibited acts; penalties.

41 (a) Criminal offenses.--

42 (1) The provisions of 18 Pa.C.S. § 4902 (relating to  
43 perjury), 4903 (relating to false swearing) or 4904 (relating  
44 to unsworn falsification to authorities) shall apply to any  
45 person providing information or making any statement, whether  
46 written or oral, to the board, the commission, the bureau,  
47 the department, the Pennsylvania State Police or the Office  
48 of Attorney General, as required by this part.

49 (2) It shall be unlawful for a person to willfully:

50 (i) fail to report, pay or truthfully account for  
51 and pay over any license fee, authorization fee, permit

1       fee, tax or assessment imposed under this part; or

2           (ii) attempt in any manner to evade or defeat any  
3       license fee, authorization fee, permit fee, registration  
4       fee, tax or assessment or any other fee imposed under  
5       this part.

6       (3) It shall be unlawful for any licensed entity, gaming  
7       employee, key employee or any other person to permit a slot  
8       machine, table game or table game device, interactive game or  
9       interactive gaming device or associated equipment to be  
10      operated, transported, repaired or opened on the premises of  
11      a licensed facility by a person other than a person licensed  
12      or permitted by the board pursuant to this part.

13      (3.1) It shall be unlawful for any person who does not  
14      possess a valid and then effective interactive gaming  
15      certificate or interactive gaming license issued by the board  
16      in accordance with Chapter 13B (relating to interactive  
17      gaming) to accept any wager associated with any authorized  
18      interactive game from any individual without verifying the  
19      age, identity and physical location of the player at the time  
20      of play or wager.

21      (3.2) It shall be unlawful for any person who does not  
22      possess a valid nonprimary location permit issued by the  
23      board in accordance with section 13D12 (relating to issuance  
24      and terms of nonprimary location permit) to place and make  
25      slot machines available for play at a nonprimary location.

26      (4) It shall be unlawful for any licensed entity or  
27      other person to manufacture, supply or place slot machines,  
28      table games, table game devices or associated equipment,  
29      authorized interactive game or interactive gaming devices or  
30      associated equipment into play or display slot machines,  
31      including slot machines at a nonprimary location or in a  
32      specified area of a qualified airport, table games, table  
33      game devices or associated equipment on the premises of a  
34      licensed facility without the authority of the board.

35      (4.1) It shall be unlawful for any slot machine licensee  
36      to offer interactive games into play or display such games on  
37      its interactive gaming skin or Internet website without the  
38      approval of the board.

39      (4.2) It shall be unlawful for any licensed entity or  
40      other person to manufacture, supply or place interactive  
41      gaming devices or associated equipment into operation at a  
42      licensed facility without the approval of the board.

43      (4.3) It shall be unlawful for any Category 1 slot  
44      machine licensee to place and make slot machines available  
45      for play at a nonprimary location or in a specified area of a  
46      qualified airport without the approval of the board.

47      (5) Except as provided for in section 1326 (relating to  
48      [license] renewals), it shall be unlawful for a licensed  
49      entity or other person to manufacture, supply, operate, carry  
50      on or expose for play any slot machine, including slot  
51      machines at a nonprimary location, table game, table game

1 device or associated equipment, interactive game or  
2 interactive gaming device or associated equipment after the  
3 person's license has expired and prior to the actual renewal  
4 of the license.

5 \* \* \*

6 (7.1) It shall be unlawful for an individual to do any  
7 of the following:

8 (i) Use or possess counterfeit, marked, loaded or  
9 tampered with table game devices or associated equipment,  
10 chips or other cheating devices in the conduct of gaming  
11 under this part, except that an authorized employee of a  
12 licensee or an authorized employee of the board may  
13 possess and use counterfeit chips or table game devices  
14 or associated equipment that have been marked, loaded or  
15 tampered with, or other cheating devices or any  
16 unauthorized interactive gaming device or associated  
17 equipment in performance of the duties of employment for  
18 training, investigative or testing purposes only.

19 (ii) Knowingly, by a trick or sleight of hand  
20 performance or by fraud or fraudulent scheme, or  
21 manipulation, table game device or other device, or  
22 interactive gaming device for himself or for another, win  
23 or attempt to win any cash, property or prize at a  
24 licensed facility or to reduce or attempt to reduce a  
25 losing wager.

26 (7.2) It shall be unlawful for a person to knowingly  
27 alter, tamper or manipulate interactive gaming devices or  
28 associated equipment, including software, system programs,  
29 hardware and any other device or associated equipment used in  
30 interactive gaming operations, in order to alter the odds or  
31 the payout of an interactive game or to disable the  
32 interactive game from operating according to the rules of the  
33 game as authorized by the board.

34 (7.3) It shall be unlawful for a person to knowingly  
35 offer or allow to be offered any authorized interactive game  
36 that has been altered, tampered with or manipulated in a way  
37 that affects the odds or the payout of an authorized  
38 interactive game or disables the interactive game from  
39 operating according to the authorized rules of the game as  
40 authorized by the board.

41 \* \* \*

42 (11) It shall be unlawful for a licensed gaming entity  
43 that is a licensed racing entity and that has lost the  
44 license issued to it by [either] the State Horse Racing  
45 Commission [or the State Harness Racing Commission under the  
46 Race Horse Industry Reform Act] under Article XXVIII-D of the  
47 act of April 19, 1929 (P.L.177, No.175), known as The  
48 Administrative Code of 1929, or that has had that license  
49 suspended to operate slot machines [or], table games or  
50 authorized interactive games at the racetrack or nonprimary  
51 location for which its slot machine license was issued unless



1 the license issued to it by either the State Horse Racing  
2 Commission or the State Harness Racing Commission will be  
3 subsequently reissued or reinstated within 30 days after the  
4 loss or suspension.

5 \* \* \*

6 (13) It shall be unlawful for an individual under 21  
7 years of age to enter and remain in any area of a licensed  
8 facility where slot machines are operated, including any area  
9 of a nonprimary location or a specified area of a qualified  
10 airport, or the play of table games is conducted, except that  
11 an individual 18 years of age or older employed by a slot  
12 machine licensee, a gaming service provider, the board or any  
13 other regulatory or emergency response agency may enter and  
14 remain in any such area while engaged in the performance of  
15 the individual's employment duties.

16 (13.1) It shall be unlawful for an individual under 21  
17 years of age to wager, play or attempt to play a slot machine  
18 or table game, or wager, play or attempt to play an  
19 interactive game at a licensed facility, including a  
20 nonprimary location and the specified area of a qualified  
21 airport.

22 (13.2) It shall be unlawful to allow a person under 21  
23 years of age to open, maintain or use in any way an  
24 interactive gaming account. Any interactive gaming  
25 certificate holder, interactive gaming licensee or employee  
26 of an interactive gaming certificate holder or interactive  
27 gaming licensee or other such person who knowingly allows a  
28 person under 21 years of age to open, maintain or use an  
29 interactive gaming account shall be subject to the penalty  
30 set forth in this section, except that the establishment of  
31 all of the following facts by an interactive gaming  
32 certificate holder, interactive gaming licensee or employee  
33 of an interactive gaming certificate holder, interactive  
34 gaming licensee or other such person shall constitute a  
35 defense to any regulatory action by the board or the penalty  
36 authorized under this section:

37 (i) the underage person falsely represented that he  
38 was of the permitted 21 years of age in the application  
39 for an interactive gaming account; and

40 (ii) the establishment of the interactive gaming  
41 account was made in good faith reliance upon such  
42 representation and in the reasonable belief that the  
43 underage person was 21 years of age.

44 \* \* \*

45 (15) It shall be unlawful for a licensed gaming entity  
46 to require a wager to be greater than the stated minimum  
47 wager or less than the stated maximum wager. However, a wager  
48 made by a player and not rejected by a licensed gaming entity  
49 prior to commencement of play shall be treated as a valid  
50 wager. A wager accepted by a dealer or through an authorized  
51 interactive game shall be paid or lost in its entirety in

1 accordance with the rules of the game, notwithstanding that  
2 the wager exceeded the current table maximum wager or  
3 authorized interactive game wager or was lower than the  
4 current table minimum wager or minimum interactive game  
5 wager.

6 \* \* \*

7 (17) It shall be unlawful for an individual to claim,  
8 collect or take, or attempt to claim, collect or take, money  
9 or anything of value in or from a slot machine, including  
10 from slot machines at a nonprimary location or in a specified  
11 area of a qualified airport, gaming table or other table game  
12 device, interactive game or interactive gaming device with  
13 the intent to defraud, or to claim, collect or take an amount  
14 greater than the amount won, or to manipulate with the intent  
15 to cheat, any component of any slot machine, including slot  
16 machines at a nonprimary location or in a specified area of a  
17 qualified airport, table game or table game device,  
18 interactive game or interactive gaming device in a manner  
19 contrary to the designed and normal operational purpose.

20 (18) Notwithstanding any other provision of law, it  
21 shall be unlawful for an individual driving or in charge of a  
22 motor vehicle to permit a child under 14 years of age to  
23 remain unattended in the vehicle if the vehicle is located on  
24 property owned, leased or controlled by a licensed gaming  
25 entity or its affiliate, intermediary, subsidiary or holding  
26 company. In addition to the penalties in subsection (b), the  
27 individual shall be subject to exclusion or ejection from  
28 licensed facilities under sections 1514 (relating to  
29 regulation requiring exclusion, ejection or denial of access  
30 of certain persons) and 1515 (relating to repeat offenders  
31 excludable from licensed gaming facility). Notwithstanding  
32 any of the provisions of 18 Pa.C.S. Ch. 91 (relating to  
33 criminal history record information), the investigating  
34 officer in the jurisdiction in which the vehicle is located  
35 shall be responsible for providing written notice of the  
36 violation within 48 hours to the director of the county  
37 children and youth service agency of the county where the  
38 violation occurred. The notice shall contain:

39 (i) The name of the individual charged under this  
40 section.

41 (ii) The address or addresses at which the  
42 individual resides.

43 (iii) The name of the child or children left  
44 unattended.

45 (b) Criminal penalties and fines.--

46 (1) (i) A person that commits a first offense in  
47 violation of 18 Pa.C.S. § 4902, 4903 or 4904 in  
48 connection with providing information or making any  
49 statement, whether written or oral, to the board, the  
50 bureau, the department, the Pennsylvania State Police,  
51 the Office of Attorney General or a district attorney as

1 required by this part commits an offense to be graded in  
2 accordance with the applicable section violated. A person  
3 that is convicted of a second or subsequent violation of  
4 18 Pa.C.S. § 4902, 4903 or 4904 in connection with  
5 providing information or making any statement, whether  
6 written or oral, to the board, the bureau, the  
7 department, the Pennsylvania State Police, the Office of  
8 Attorney General or a district attorney as required by  
9 this part commits a felony of the second degree.

10 (ii) A person that violates subsection (a) (2), (3)  
11 and (4) through (12) or (17) commits a misdemeanor of the  
12 first degree. A person that is convicted of a second or  
13 subsequent violation of subsection (a) (2), (3) and (4)  
14 through (12) or (17) commits a felony of the second  
15 degree.

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

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

21 (B) not less than \$300,000 nor more than  
22 \$600,000 if the person is a licensed gaming entity or  
23 an interactive gaming licensee; or

24 (C) not less than \$150,000 nor more than  
25 \$300,000 if the person is a licensed manufacturer or  
26 supplier.

27 (ii) For a second or subsequent violation of  
28 subsection (a) (1), (2), (3) and (4) through (12) or (17),  
29 a person shall be sentenced to pay a fine of:

30 (A) not less than \$150,000 nor more than  
31 \$300,000 if the person is an individual;

32 (B) not less than \$600,000 nor more than  
33 \$1,200,000 if the person is a licensed gaming entity;  
34 or

35 (C) not less than \$300,000 nor more than  
36 \$600,000 if the person is a licensed manufacturer or  
37 supplier.

38 (2.1) A person that commits an offense in violation of  
39 subsection (a) (3.1) or (3.2) commits a felony and, upon  
40 conviction, shall be sentenced to pay a fine of not less than  
41 \$500,000 nor more than \$1,000,000. A person that is convicted  
42 of a second or subsequent violation of subsection (a) (3.1)  
43 commits a felony of the first degree and shall be sentenced  
44 to pay a fine of not less than \$1,000,000 nor more than  
45 \$2,500,000.

46 (3) An individual who commits an offense in violation of  
47 subsection (a) (13) [or], (13.1) or (13.2) commits a  
48 nongambling summary offense and upon conviction of a first  
49 offense shall be sentenced to pay a fine of not less than  
50 \$200 nor more than \$1,000. An individual that is convicted of  
51 a second or subsequent offense under subsection (a) (13) [or],

1 (13.1) or (13.2) shall be sentenced to pay a fine of not less  
2 than \$500 nor more than \$1,500. In addition to the fine  
3 imposed, an individual convicted of an offense under  
4 subsection (a)(13) [or], (13.1) or (13.2) may be sentenced to  
5 perform a period of community service not to exceed 40 hours.

6 (3.1) Notwithstanding paragraph (3), whenever an  
7 individual is convicted of a second or subsequent offense  
8 under subsection (a)(13) or (13.1), the court, including a  
9 court not of record if it is exercising jurisdiction pursuant  
10 to 42 Pa.C.S. § 1515(a) (relating to jurisdiction and venue),  
11 shall order the operating privileges of the individual  
12 suspended. A copy of the court order shall be transmitted to  
13 the Department of Transportation.

14 (3.2) When the department suspends the operating  
15 privilege of a person under paragraph (3.1), the duration of  
16 the suspension shall be as follows:

17 (i) For a first offense, a period of 90 days from  
18 the date of suspension.

19 (ii) For a second offense, a period of one year from  
20 the date of suspension.

21 (iii) For a third offense, and any offense  
22 thereafter, a period of two years from the date of  
23 suspension. Any multiple sentences imposed shall be  
24 served consecutively.

25 Reinstatement of operating privilege shall be governed by 75  
26 Pa.C.S. § 1545 (relating to restoration of operating  
27 privilege).

28 \* \* \*

29 (5) An individual who commits an offense in violation of  
30 subsection (a)(18) commits a misdemeanor of the third degree  
31 for the first offense. A person that is convicted of a second  
32 or subsequent violation of subsection (a)(18) commits a  
33 misdemeanor of the second degree.

34 (c) Board-imposed administrative sanctions.--

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

38 \* \* \*

39 (x) Assess a fine for failure to report a violation  
40 under subsection (a)(18), of which the licensed gaming  
41 entity knew or should have known, to the appropriate law  
42 enforcement authority. The amount of the fine shall be  
43 not less than \$75,000 nor more than \$150,000 for a first  
44 violation of this subparagraph, and not less than  
45 \$150,000 nor more than \$300,000 for a second or  
46 subsequent violation of this subparagraph.

47 \* \* \*

48 Section 20. Title 4 is amended by adding a section to read:  
49 § 1521.1. Casino liquor license.

50 (a) Application.--Notwithstanding section 1521 (relating to  
51 liquor license at licensed facilities) or any provision of law

1 or regulation to the contrary, a slot machine licensee holding a  
2 restaurant liquor or eating place retail dispenser license under  
3 the act of April 12, 1951 (P.L.90, No.21), known as the Liquor  
4 Code, may apply to the Pennsylvania Liquor Control Board for a  
5 casino liquor license. The Pennsylvania Liquor Control Board may  
6 issue a casino liquor license to a slot machine licensee for use  
7 at its licensed facility in accordance with this section.

8 (b) Fees.--Each application for a casino license under this  
9 section shall be accompanied by a fee of \$1,000,000.

10 (c) Renewal.--

11 (1) The license must be renewed on an annual basis.

12 (2) For each year of the first four years after the  
13 initial issue of the license, the license shall not be  
14 subject to an annual renewal fee.

15 (3) After the expiration of the four-year license period  
16 under paragraph (2), the licensee shall be subject to an  
17 annual renewal fee of \$50,000.

18 (4) All fees collected or received by the Pennsylvania  
19 Liquor Control Board under this subsection shall be paid into  
20 the State Treasury through the Department of Revenue for  
21 deposit into the General Fund.

22 (d) Disposition of restaurant liquor or eating place retail  
23 dispenser license.--

24 (1) An applicant under this section that currently holds  
25 a restaurant liquor or eating place retail dispenser license  
26 issued under the authority of the Liquor Code may continue to  
27 utilize that license until such time as the casino liquor  
28 license is issued by the Pennsylvania Liquor Control Board.  
29 Upon the issuance of a license under this section, the  
30 applicant must surrender the restaurant liquor or eating  
31 place retail dispenser license to the Pennsylvania Liquor  
32 Control Board.

33 (2) An applicant under this section that currently holds  
34 a restaurant liquor or eating place retail dispenser license  
35 purchased through private sale may continue to utilize that  
36 license until such time as the casino liquor license is  
37 issued by the Pennsylvania Liquor Control Board. Upon  
38 issuance of a license under this section, the applicant may  
39 sell the previously purchased restaurant liquor or eating  
40 place retail dispenser license.

41 (e) Hours of operation.--Notwithstanding any other provision  
42 of law to the contrary, a holder of a casino liquor license may  
43 sell or serve liquor and malt or brewed beverages 24 hours a  
44 day, seven days a week.

45 (f) Transfers.--Licenses issued under this section are  
46 nontransferable, provided that nothing in this subsection shall  
47 preclude a transfer of ownership of a casino liquor license to  
48 another eligible person to be used at the same licensed  
49 facility.

50 (g) Expiration.--Licenses under this section shall expire  
51 under the following circumstances:

1 (1) revocation by an administrative law judge under  
2 section 471 of the Liquor Code;

3 (2) nonrenewal by the Pennsylvania Liquor Control Board  
4 under section 470 of the Liquor Code;

5 (3) nonrenewal of the license by the slot machine  
6 licensee; or

7 (4) upon request by the slot machine licensee.

8 (h) New applicant.--The Pennsylvania Liquor Control Board  
9 may issue a license under this section at any time to a new  
10 applicant even if the previous license had:

11 (1) been revoked by an administrative law judge under  
12 section 471 of the Liquor Code;

13 (2) not been renewed by the Pennsylvania Liquor Control  
14 Board under section 470 of the Liquor Code;

15 (3) not been renewed by the slot machine licensee; or

16 (4) expired upon request by the slot machine licensee.

17 (i) Restrictions and privileges.--Licenses issued under this  
18 section are subject to the following additional restrictions and  
19 privileges:

20 (1) Sales may be made at any time the facility is open  
21 to the public.

22 (2) Liquor or malt or brewed beverages may be  
23 transported and consumed off the gaming floor so long as it  
24 remains within the premises of the licensed facility.

25 (3) Sales of malt or brewed beverages for off-premises  
26 consumption are prohibited.

27 (4) In addition to the provisions of section 493(24)(ii)  
28 of the Liquor Code, the holder of a casino liquor license may  
29 give liquor and malt or brewed beverages free of charge to  
30 any person attending an invitation-only event held anywhere  
31 on the premises of the licensed facility.

32 (5) Licenses issued under this section shall not be  
33 subject to:

34 (i) the proximity provisions of sections 402 and 404  
35 of the Liquor Code;

36 (ii) the restrictions on discount pricing practices  
37 set forth in section 406(g) of the Liquor Code;

38 (iii) the quota restrictions of section 461 of the  
39 Liquor Code;

40 (iv) the provisions of section 493(10) of the Liquor  
41 Code, except as it relates to lewd, immoral or improper  
42 entertainment;

43 (v) the prohibition against minors frequenting as  
44 described in section 493(14) of the Liquor Code;

45 (vi) the cost and total display area limitations of  
46 section 493(20)(i) of the Liquor Code;

47 (vii) the restrictions on events, tournaments or  
48 contests set forth in 40 Pa. Code § 5.32 (relating to  
49 restrictions/exceptions); and

50 (viii) the restrictions on the awarding of trophies,  
51 prizes or premiums set forth in 40 Pa. Code § 5.32.

1           (6) The authorization to sell or serve liquor and malt  
2           or brewed beverages by a holder of a casino liquor license  
3           pursuant to subsection (e) shall not apply to the operation  
4           of slot machines at a nonprimary location or at a qualified  
5           airport.

6           (j) Multiple licenses.--More than one license issued by the  
7           Pennsylvania Liquor Control Board may be in effect at a licensed  
8           facility at any one time. However, no more than one license  
9           issued under this section shall be in effect at any specific  
10           location within the premises of a licensed facility at the same  
11           time.

12           Section 21. Section 1901(a) of Title 4 is amended by adding  
13 a paragraph to read:

14 § 1901. Appropriations.

15           (a) Appropriation to board.--

16           \* \* \*

17           (3) The sum of \$5,000,000 is hereby appropriated from  
18           the State Gaming Fund to the Pennsylvania Gaming Control  
19           Board for salaries, wages and all necessary expenses for the  
20           proper operation and administration of the board for the  
21           activities authorized under this act. This appropriation  
22           shall be a supplemental appropriation for fiscal year 2015-  
23           2016 and shall be in addition to the appropriation contained  
24           in the act of July 2, 2015 (P.L. , No. ), known as the  
25           Gaming Control Appropriation Act of 2015.

26           \* \* \*

27           Section 22. The amendment of 4 Pa.C.S. § 1305 in the act of  
28 January 7, 2010 (P.L.1, No.1), entitled "An act amending Title 4  
29 (Amusements) of the Pennsylvania Consolidated Statutes, making  
30 extensive revisions to provisions on gaming, in the areas of  
31 legislative intent, definitions, the Pennsylvania Gaming Control  
32 Board, applicability of other statutes, powers of the board,  
33 code of conduct, expenses of regulatory agencies, licensed  
34 gaming entity application appeals from board, license or permit  
35 application hearing process and public hearings, board minutes  
36 and records, regulatory authority, collection of fees and fines,  
37 slot machine license fee, number of slot machines, reports of  
38 board, diversity goals of board, license or permit prohibition,  
39 specific authority to suspend slot machine license, Category 2  
40 slot machine license, Category 3 slot machine license, number of  
41 slot machine licenses, applications for license or permit, slot  
42 machine license application, slot machine license application  
43 character requirements, supplier licenses, manufacturer  
44 licenses, gaming service provider, occupation permit  
45 application, alternative manufacturer licensing standards,  
46 alternative supplier licensing standards, additional licenses  
47 and permits and approval of agreements, license renewals, change  
48 in ownership or control of slot machine licensee, nonportability  
49 of slot machine license, appointment of trustee, table games,  
50 slot machine licensee deposits, gross terminal revenue  
51 deductions, itemized budget reporting, establishment of State

1 Gaming Fund and net slot machine revenue distribution,  
2 distributions from Pennsylvania Race Horse Development Fund,  
3 Pennsylvania Gaming Economic Development and Tourism Fund,  
4 transfers from State Gaming Fund, responsibility and authority  
5 of Department of Revenue, wagering on credit, eminent domain  
6 authority, compulsive and problem gambling program, drug and  
7 alcohol treatment, labor hiring preferences, declaration of  
8 exemption from Federal laws prohibiting slot machines, financial  
9 and employment interests, additional restrictions, political  
10 influence, regulation requiring exclusion of certain persons,  
11 prosecutorial and adjudicative functions, investigations and  
12 enforcement, conduct of public officials and employees,  
13 prohibited acts and penalties, report of suspicious  
14 transactions, additional authority, applicability of Clean  
15 Indoor Air Act, liquor licenses at licensed facilities,  
16 interception of oral communications, electronic funds transfer  
17 terminals, junkets, gaming schools, appropriations and  
18 Commonwealth Financing Authority; and making related repeals,"  
19 shall take effect on January 1, 2016, if all Category 3 licensed  
20 facilities authorized by 4 Pa.C.S. Pt. II before the effective  
21 date of this section have commenced the operation of slot  
22 machines.

23 Section 23. Repeals are as follows:

24 (1) The General Assembly finds that the repeal under  
25 paragraph (2) is necessary to effectuate this act.

26 (2) Section 21(2) of the act of January 7, 2010 (P.L.1,  
27 No.1), entitled "An act amending Title 4 (Amusements) of the  
28 Pennsylvania Consolidated Statutes, making extensive  
29 revisions to provisions on gaming, in the areas of  
30 legislative intent, definitions, the Pennsylvania Gaming  
31 Control Board, applicability of other statutes, powers of the  
32 board, code of conduct, expenses of regulatory agencies,  
33 licensed gaming entity application appeals from board,  
34 license or permit application hearing process and public  
35 hearings, board minutes and records, regulatory authority,  
36 collection of fees and fines, slot machine license fee,  
37 number of slot machines, reports of board, diversity goals of  
38 board, license or permit prohibition, specific authority to  
39 suspend slot machine license, Category 2 slot machine  
40 license, Category 3 slot machine license, number of slot  
41 machine licenses, applications for license or permit, slot  
42 machine license application, slot machine license application  
43 character requirements, supplier licenses, manufacturer  
44 licenses, gaming service provider, occupation permit  
45 application, alternative manufacturer licensing standards,  
46 alternative supplier licensing standards, additional licenses  
47 and permits and approval of agreements, license renewals,  
48 change in ownership or control of slot machine licensee,  
49 nonportability of slot machine license, appointment of  
50 trustee, table games, slot machine licensee deposits, gross  
51 terminal revenue deductions, itemized budget reporting,



1 establishment of State Gaming Fund and net slot machine  
2 revenue distribution, distributions from Pennsylvania Race  
3 Horse Development Fund, Pennsylvania Gaming Economic  
4 Development and Tourism Fund, transfers from State Gaming  
5 Fund, responsibility and authority of Department of Revenue,  
6 wagering on credit, eminent domain authority, compulsive and  
7 problem gambling program, drug and alcohol treatment, labor  
8 hiring preferences, declaration of exemption from Federal  
9 laws prohibiting slot machines, financial and employment  
10 interests, additional restrictions, political influence,  
11 regulation requiring exclusion of certain persons,  
12 prosecutorial and adjudicative functions, investigations and  
13 enforcement, conduct of public officials and employees,  
14 prohibited acts and penalties, report of suspicious  
15 transactions, additional authority, applicability of Clean  
16 Indoor Air Act, liquor licenses at licensed facilities,  
17 interception of oral communications, electronic funds  
18 transfer terminals, junkets, gaming schools, appropriations  
19 and Commonwealth Financing Authority; and making related  
20 repeals," is repealed.  
21 Section 24. This act shall take effect immediately.