

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

liquor license; in miscellaneous provisions, further providing for appropriations; making an editorial change; and making a related repeal.

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

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

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

* * *

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

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

* * *

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

§ 1103. Definitions.

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

* * *

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

"Airport gaming area." A location or locations within a 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,

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

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

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

(3) The value of a wagering instrument.

(4) The value of a wagering credit.

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

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

* * *

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

* * *

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

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

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

* * *

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

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

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

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

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

* * *

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

* * *

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

* * *

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

(1) Cashiers.

(2) Change personnel.

(3) Count room personnel.

(4) Slot attendants.

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

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

(7) Security personnel.

(8) Surveillance personnel.

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

(10) Boxmen.

(11) Dealers or croupiers.

(12) Floormen.

(13) Personnel authorized to issue promotional play.

(14) Personnel authorized to issue credit.

The term shall include employees of a person holding a supplier's license whose duties are directly involved with the 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

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

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

* * *

"Multi-use computing device." As follows:

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

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

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

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

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

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

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

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

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

* * *

"Nongaming service provider." A person that is not a gaming service provider or required to be licensed as a manufacturer, supplier, management company or gaming junket enterprise under 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 2.1. Title 4 is amended by adding a chapter to read:

21 CHAPTER 11A
22 VIDEO GAMING

23 Sec.

24 11A01. Definitions.

25 11A02. Powers and duties.

26 11A03. Licensing of manufacturers, distributors, terminal
27 operators and service technicians.

28 11A04. Video gaming license.

29 11A05. License prohibitions.

30 11A06. Video gaming limitations.

31 11A07. Central computer system.

32 11A08. Video gaming terminal and redemption terminal.

33 11A09. Unlawful acts.

34 11A10. Enforcement.

35 11A11. Multiple types of licenses prohibited.

36 11A12. Establishment of account and distribution of funds.

37 11A13. Initial funding.

38 11A14. Preemption of local taxes and license fees.

39 11A15. Exemption from State gaming laws.

40 11A16. Exemption from Federal regulation.

41 11A17. Preemption.

42 11A18. Compulsive and problem gambling.

43 11A19. Provisional licenses.

44 11A20. Temporary video gaming regulations.

45 § 11A01. Definitions.

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

49 "Central computer system." A central site computer system
50 controlled by the department and accessible by the board that at
51 all times is connected to video gaming terminals at licensed

1 establishments and that, at a minimum, is capable of monitoring,
2 communicating, auditing, retrieving information, generating
3 games, activating and disabling each video gaming terminal.

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

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

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

13 "Enforcement Bureau." The Bureau of Liquor Control
14 Enforcement of the Pennsylvania State Police.

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

20 (1) A coin-operated amusement game.

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

23 (3) A slot machine as defined under section 1103
24 (relating to definitions).

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

28 (5) A lottery terminal used under the act of August 26,
29 1971 (P.L.351, No.91), known as the State Lottery Law.

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

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

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

46 "Inducement." Any consideration paid directly or indirectly,
47 from a terminal operator, employee of the terminal operator or
48 any other person on behalf of the terminal operator, to a
49 licensed establishment owner or an employee of the licensed
50 establishment, directly or indirectly as an enticement to
51 solicit or maintain the licensed establishment owner's business.

1 The term includes cash, a gift, loan and prepayment of gross
2 revenue.

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

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

15 "Manufacturer." A person that:

- 16 (1) is licensed by the board; and
17 (2) manufactures, produces or assembles video gaming
18 terminals or major parts and components of video gaming
19 terminals.

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

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

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

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

30 "Terminal operator." A person that:

- 31 (1) is licensed by the board; and
32 (2) owns, services or maintains video gaming terminals
33 for placement in licensed establishments.

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

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

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

- 47 (1) that, upon insertion of a coin or currency, will
48 play or simulate the play of a video poker, bingo, keno, slot
49 machine, blackjack or any other game authorized by the board;
50 (2) that utilizes a video display and microprocessor;
51 and

1 (3) in which, by the skill of the player or by chance,
2 the player may receive a free game or credit that may be
3 redeemed for cash at a redemption terminal.

4 § 11A02. Powers and duties.

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

7 § 11A03. Licensing of manufacturers, distributors, terminal
8 operators and service technicians.

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

13 (b) Application fee.--

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

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

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

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

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

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

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

46 (4) Information, documentation and assurances as
47 required by the board to establish the applicant's good
48 character, honesty and integrity. Information under this
49 paragraph may relate to family, habits, character,
50 reputation, business affairs, financial affairs, business
51 associates, professional associates and personal associates,

1 covering the 10-year period immediately preceding the filing
2 of the application.

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

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

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

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

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

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

36 (ii) Bear on the fitness of the applicant for
37 licensure.

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

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

47 (1) Be of good moral character and reputation in the
48 community.

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

50 (3) Be current in the payment of all taxes, interest and
51 penalties owed to the Commonwealth and political subdivisions

1 of the Commonwealth. This paragraph excludes taxes subject to
2 a timely administrative or judicial appeal or subject to a
3 duly authorized deferred payment plan.

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

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

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

22 (2) The license shall be nontransferable.

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

24 (g) Annual fees.--

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

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

34 (3) The annual fee for a manufacturer license shall be
35 \$10,000.

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

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

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

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

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

51 (4) The board may accept renewal applications filed less

1 than 60 days before the effective date of renewal upon the
2 payment of the requisite annual fees and an additional late
3 filing fee of \$100. A renewal application filed on or after
4 the effective date of renewal shall be accompanied by the
5 requisite annual fee and an additional late filing fee of
6 \$250. A renewal application may not be considered for
7 approval unless accompanied by the requisite annual and late
8 filing fees, tax clearance and any other information required
9 by the board.

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

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

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

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

34 (k) Hearing upon denial.--A person that is denied a license
35 or the renewal of a license under this section has the right to
36 a hearing before the board in accordance with the provisions of
37 2 Pa.C.S. Chs. 5 Subch. A (relating to practice and procedure of
38 Commonwealth agencies) and 7 Subch. A (relating to judicial
39 review of Commonwealth agency action).
40 § 11A04. Video gaming license.

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

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

50 (c) Truck stop establishment.--The board shall issue a
51 license to a truck stop establishment if the person who owns

1 establishment meets the following requirements:

2 (1) Is of good moral character and reputation in the
3 community.

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

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

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

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

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

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

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

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

50 (6) Consent to a background investigation and provide
51 any and all information requested by the Pennsylvania State

1 Police and consent to a release to obtain any and all
2 information necessary for the completion of the background
3 investigation, which information shall include fingerprints.
4 The background investigation shall include the following:

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

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

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

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

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

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

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

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

50 (2) The license shall be nontransferable.

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

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

2 (1) Sixty days prior to expiration of the license, the
3 licensee seeking renewal of the license shall submit a
4 renewal application accompanied by the renewal fee or the
5 license shall be subject to appropriate late filing fees.

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

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

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

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

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

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

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

49 (j) Hearing upon denial.--A person who is denied a license
50 or the renewal of a license under this section has the right to
51 a hearing before the board in accordance with the provisions of

1 2 Pa.C.S. Chs. 5 Subch. A (relating to practice and procedure of
2 Commonwealth agencies) and 7 Subch. A (relating to judicial
3 review of Commonwealth agency action).

4 § 11A05. License prohibitions.

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

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

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

18 (1) The nature and seriousness of the offense or
19 conduct.

20 (2) The circumstances under which the offense or conduct
21 occurred.

22 (3) The age of the applicant when the offense or conduct
23 was committed.

24 (4) Whether the offense or conduct was an isolated or
25 repeated incident.

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

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

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

34 (2) An offense which, under the laws of another
35 jurisdiction, is:

36 (i) classified as a felony; or

37 (ii) punishable by imprisonment for more than five
38 years.

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

42 § 11A06. Video gaming limitations.

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

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

47 (2) With the exception of tickets indicating amounts
48 won, which are redeemable for cash, or which can be
49 reinserted into video gaming machines for play of games
50 authorized by the board, no video gaming terminal may
51 directly dispense a coin, cash, token or anything else of

1 value. The winning ticket may, however, be used in other
2 video gaming terminals in the same licensed establishment.

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

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

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

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

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

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

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

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

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

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

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

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

51 (b) Fines.--A person found in violation of any of the

1 limitations in subsection (a) shall be subject to the following
2 fines:

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

5 (2) For more than one violation or subsequent
6 violations, a fine of not less than \$500, nor more than
7 \$1,000.

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

11 § 11A07. Central computer system.

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

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

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

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

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

25 § 11A08. Video gaming terminal and redemption terminal.

26 (a) Specifications.--

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

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

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

40 (c) Contents of specifications.--The specifications shall
41 include:

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

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

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

50 (4) A video gaming terminal may not directly dispense
51 coins, cash, tokens or any other article of exchange or value

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

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

16 (6) No cash award for any individual game may exceed
17 \$1,000.

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

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

24 § 11A09. Unlawful acts.

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

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

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

33 (3) To permit a visibly intoxicated person to play a
34 video gaming terminal.

35 (4) To possess a gaming machine.

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

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

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

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

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

1 associated with a terminal operator.
2 (b) Penalties and fines.--In addition to any other penalty
3 provided by law, the following shall apply:
4 (1) A person convicted of violating subsection (a)(1) or
5 (3) is guilty of a summary offense.
6 (2) A person convicted of violating subsection (a)(4) is
7 guilty of a misdemeanor of the first degree and shall be
8 subject to additional penalties as provided in subsection
9 (c).
10 (3) Except for subsection (a)(1), (3) or (4):
11 (i) A person convicted of violating any other
12 provision of subsection (a) is guilty of a misdemeanor of
13 the third degree and shall pay fine of not less than
14 \$5,000.
15 (ii) A person convicted of violating any other
16 provision of subsection (a) that is convicted of a second
17 or subsequent violation is guilty of a misdemeanor of the
18 second degree and shall pay a fine of not less than
19 \$15,000.
20 (c) Seizure, forfeiture and destruction of gaming machines
21 and fines.--
22 (1) A licensee under this chapter shall consent to
23 seizure of its gaming machines. Gaming machines and the
24 proceeds of gaming machines shall be subject to seizure under
25 sections 1517(e) (relating to investigations and enforcement)
26 and 1518(f) (relating to prohibited acts; penalties).
27 (2) In the case of a gaming machine seized from a
28 licensed establishment:
29 (i) For a first violation, the penalty shall be a
30 fine of at least \$10,000 and not more than \$25,000 and a
31 suspension of the licensed establishment owner's liquor
32 license for not less than seven consecutive days.
33 (ii) For a second or subsequent violation, the
34 penalty shall be a fine of \$50,000 and a suspension of
35 the liquor license for not less than 60 consecutive days,
36 or a revocation of the establishment's license.
37 (3) In the case of a gaming machine seized from a place
38 of business other than a licensed establishment:
39 (i) For a first violation, the penalty shall be a
40 fine of at least \$10,000 and not more than \$25,000
41 against the owner of the business from which the gaming
42 machine was seized, and a suspension of the licensed
43 establishment owner's liquor license for not less than 30
44 consecutive days.
45 (ii) For a second or subsequent violation, the
46 penalty shall be a fine of \$50,000, and a suspension of
47 the liquor license for not less than 60 consecutive days.
48 § 11A10. Enforcement.
49 In addition to any other law enforcement agency with
50 jurisdiction, the enforcement bureau shall have the jurisdiction
51 and the authority to enter a business in order to enforce the

provisions of this chapter.

§ 11A11. Multiple types of licenses prohibited.

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

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

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

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

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

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

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

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

(1) To the licensed establishment, 33%.

(2) To the terminal operator, 33%.

(3) To the Commonwealth, 34%.

(d) Video Gaming Account appropriations.--

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

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

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

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

(2) The board, department and bureau shall prepare and annually submit to the chairperson and minority chairperson of the Appropriations Committee of the Senate and the chairperson and minority chairperson of the Appropriations Committee of the House of Representatives, an itemized budget

1 consisting of amounts to be appropriated out of the Video
2 Gaming Account necessary to pay such costs.

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

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

11 § 11A13. Initial funding.

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

19 § 11A14. Preemption of local taxes and license fees.

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

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

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

26 (3) 53 Pa.C.S. Pt. III Subpt. E (relating to home rule
27 and optional plan government).

28 (4) Any statute that confers taxing authority to a
29 political subdivision.

30 (b) Licensing fees.--

31 (1) Video gaming terminals are exempt from local
32 licensing fees.

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

35 § 11A15. Exemption from State gaming laws.

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

40 § 11A16. Exemption from Federal regulation.

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

48 § 11A17. Preemption.

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

1 § 11A18. Compulsive and problem gambling.

2 (a) Establishment of program.--

3 (1) The Department of Health shall develop program
4 guidelines for public education, awareness and training
5 regarding compulsive and problem gambling and the treatment
6 and prevention of compulsive and problem gambling
7 specifically in the area of video gaming. The program shall
8 supplement and be complimentary to the existing program under
9 4 Pa.C.S. § 1509 (relating to compulsive and problem gambling
10 program).

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

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

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

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

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

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

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

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

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

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

1 the licensed establishment.

2 (2) A licensed establishment shall have available in its
3 establishment written handout materials in a format
4 prescribed by the Department of Health which contain the same
5 information as the signs referenced in paragraph (1).

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

11 (c) Mandatory training.--The board's Office of Compulsive and
12 Problem Gambling shall develop mandatory training for employees
13 and management of a licensed establishment who oversee the video
14 gaming terminal to identify and address compulsory gambling
15 behaviors and provide assistance to problem gamblers. The board
16 shall establish a fee to cover the cost of the training.
17 § 11A19. Provisional licenses.

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

26 (b) Provisional licensing of licensed liquor
27 establishments.--

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

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

36 (i) The applicant has never been convicted of a
37 felony.

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

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

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

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

49 (3) The board shall issue a provisional license to an
50 applicant for a video gaming license as a licensed liquor
51 establishment, within 60 days after the application has been

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

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

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

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

12 (iii) one calendar year has passed since the
13 provisional license was issued.

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

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

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

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

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

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

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

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

42 (i) The applicant has never been convicted of a
43 felony.

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

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

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

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

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

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

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

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

17 (iii) one calendar year has passed since the
18 provisional license was issued.

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

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

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

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

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

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

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

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

48 (i) The applicant has never been convicted of a
49 felony.

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

51 (iii) The applicant has submitted a completed

1 application for licensure as a service technician, which
2 may be submitted concurrently with the applicant's
3 request for a provisional license.

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

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

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

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

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

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

25 (iii) one calendar year has passed since the
26 provisional license was issued.

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

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

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

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

44 (d) Provisional licensing of manufacturers and
45 distributors.--

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

49 (2) The board shall issue a provisional license to an
50 applicant for licensure as a licensed manufacturer or
51 distributor if the applicant satisfies, as determined by the

board, all of the following criteria:

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

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

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

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

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

(4) A provisional license shall be valid until:

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

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

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

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

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

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

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

§ 11A20. Temporary video gaming regulations.

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

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

1 Commonwealth Documents Law.

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

4 (3) Sections 204(b) and 301(10) of the act of October
5 15, 1980 (P.L.950, No.164), known as the Commonwealth
6 Attorneys Act.

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

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

14 Section 3. Section 1202(a)(1) and (b)(20) and (23) of Title
15 4 are amended and subsection (b) is amended by adding paragraphs
16 to read:

17 § 1202. General and specific powers.

18 (a) General powers.--

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

31 * * *

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

34 * * *

35 (12.2) At its discretion, to award, revoke, suspend,
36 condition or deny an interactive gaming certificate or an
37 interactive gaming license in accordance with Chapter 13B
38 (relating to interactive gaming).

39 (12.3) At its discretion, to award, revoke, suspend,
40 condition or deny authorization for the placement and
41 operation of slot machines at a nonprimary location in
42 accordance with Chapter 13D (relating to slot machines at
43 nonprimary locations).

44 * * *

45 (20) In addition to the power of the board regarding
46 license and permit applicants, to determine at its discretion
47 the suitability of any person who furnishes or seeks to
48 furnish to a slot machine licensee directly or indirectly any
49 goods, services or property related to slot machines, table
50 games, table game devices or associated equipment,
51 interactive games and interactive gaming devices and

1 associated equipment or through any arrangements under which
2 that person receives payment based directly or indirectly on
3 earnings, profits or receipts from the slot machines, table
4 games, table game devices and associated equipment, and
5 interactive games, interactive gaming devices and associated
6 equipment. The board may require any such person to comply
7 with the requirements of this part and the regulations of the
8 board and may prohibit the person from furnishing the goods,
9 services or property.

10 * * *

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

27 * * *

28 (27.2) Within six months of the effective date of this
29 section, to publish on the board's Internet website a
30 complete list of all slot machine licensees who filed a
31 petition seeking authorization to conduct interactive gaming
32 and the status of each petition or interactive gaming
33 certificate.

34 * * *

35 (35) To review detailed site plans identifying the
36 interactive gaming restricted area or room where a slot
37 machine licensee proposes to manage, administer or control
38 interactive gaming operations to determine the adequacy of
39 the proposed internal and external security and proposed
40 surveillance measures.

41 (36) To require each slot machine licensee that holds an
42 interactive gaming certificate to provide on a quarterly
43 basis the following information with respect to interactive
44 gaming:

45 (i) the name of any person, entity or firm to whom
46 any payment, remuneration or other benefit or thing of
47 value has been made or conferred for professional
48 services, including, but not limited to, interactive
49 gaming system operations or management, legal, consulting
50 and lobbying services;

51 (ii) the amount or value of the payments,

1 remuneration, benefit or thing of value;

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

4 (iv) the reason or purpose for the procurement of
5 the services.

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

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

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

23 § 1204. Licensed gaming entity application appeals from board.

24 The Supreme Court of Pennsylvania shall be vested with
25 exclusive appellate jurisdiction to consider appeals of any
26 final order, determination or decision of the board involving
27 the approval, issuance, denial or conditioning of a slot machine
28 license [or], the award, denial or conditioning of a table game
29 operation certificate[.] or the award, denial or conditioning of
30 an interactive gaming certificate, an interactive gaming
31 license, a nonprimary location permit or an airport gaming
32 operation certificate. Notwithstanding the provisions of 2
33 Pa.C.S. Ch. 7 Subch. A (relating to judicial review of
34 Commonwealth agency action) and 42 Pa.C.S. § 763 (relating to
35 direct appeals from government agencies), the Supreme Court
36 shall affirm all final orders, determinations or decisions of
37 the board involving the approval, issuance, denial or
38 conditioning of a slot machine license [or], the award, denial
39 or conditioning of a table game operation certificate or the
40 award, denial or conditioning of an interactive gaming
41 certificate, an interactive gaming license, a nonprimary
42 location permit or an airport gaming operation certificate,
43 unless it shall find that the board committed an error of law or
44 that the order, determination or decision of the board was
45 arbitrary and there was a capricious disregard of the evidence.
46 § 1206. Board minutes and records.

47 * * *

48 (f) Confidentiality of information.--

49 (1) The following information submitted by an applicant,
50 permittee, certificate holder or licensee pursuant to section
51 1310(a) (relating to slot machine license application

1 character requirements) [or], 1308(a.1) (relating to
2 applications for license or permit), 13B12 (relating to
3 interactive gaming certificate required and content of
4 petition), 13B14 (relating to interactive gaming operators),
5 13D11 (relating to application for nonprimary location
6 permit) or 13E12 (relating to application) or obtained by the
7 board or the bureau as part of a background or other
8 investigation from any source shall be confidential and
9 withheld from public disclosure:

10 (i) All information relating to character, honesty
11 and integrity, including family, habits, reputation,
12 history of criminal activity, business activities,
13 financial affairs and business, professional and personal
14 associations submitted under section 1310(a) or 1308(a.1)
15 or otherwise obtained by the board or the bureau.

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

27 (iii) Information relating to proprietary
28 information, trade secrets, patents or exclusive
29 licenses, architectural and engineering plans and
30 information relating to competitive marketing materials
31 and strategies, which may include customer-identifying
32 information or customer prospects for services subject to
33 competition.

34 (iv) Security information, including risk prevention
35 plans, detection and countermeasures, location of count
36 rooms, location of interactive gaming restricted areas
37 and redundancy facilities, emergency management plans,
38 security and surveillance plans, equipment and usage
39 protocols and theft and fraud prevention plans and
40 countermeasures.

41 (v) Information with respect to which there is a
42 reasonable possibility that public release or inspection
43 of the information would constitute an unwarranted
44 invasion into personal privacy of any individual as
45 determined by the board.

46 (vi) Records of an applicant or licensee not
47 required to be filed with the Securities and Exchange
48 Commission by issuers that either have securities
49 registered under section 12 of the Securities Exchange
50 Act of 1934 (48 Stat. 881, 15 U.S.C. § 781) or are
51 required to file reports under section 15(d) of the

Securities Exchange Act of 1934 (48 Stat. 881, 15 U.S.C. § 78o).

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

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

* * *

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

§ 1207. Regulatory authority of board.

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

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

* * *

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

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

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

(6) Prescribe criteria and conditions for the operation of slot machine progressive systems, including multistate wide-area progressive slot machine systems. A wide area progressive slot system shall be collectively administered by participating slot machine licensees in accordance with the terms of a written agreement executed by each participating slot machine licensee and, in the case of a multistate wide-area progressive slot machine system, in accordance with the terms of an agreement executed by the slot machine licensee

1 and authorized gaming entities in other states or
2 jurisdictions, as approved by the board.

3 (6.1) Collaborate with the appropriate gaming
4 authorities in other states or jurisdictions to facilitate
5 the establishment of multistate wide-area progressive slot
6 machine systems by slot machine licensees in this
7 Commonwealth and, if determined necessary, enter into the
8 necessary agreements with such other states or jurisdictions
9 as necessary for the operation of multistate wide-area
10 progressive slot machine systems by slot machine licensees in
11 this Commonwealth.

12 * * *

13 (7.2) Enforce prescribed hours for the operation of
14 authorized interactive games so that an interactive gaming
15 certificate holder or interactive gaming licensee may conduct
16 authorized interactive games on any day during the year in
17 order to meet the needs of registered players or to meet
18 competition.

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

23 (9) Establish procedures for the inspection and
24 certification of compliance of each slot machine, table game,
25 table game device and associated equipment, interactive game
26 and interactive gaming device and associated equipment prior
27 to being placed into use by a slot machine licensee.

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

49 * * *

50 (21) Authorize, in its discretion, a slot machine
51 licensee to conduct slot machine contests or tournaments,___

1 table game tournaments or contests in accordance with section
2 13A22.1 (relating to table game tournaments) or interactive
3 gaming contests or tournaments and adopt regulations
4 governing the conduct of such tournaments and contests.

5 (21.1) Authorize, at its discretion, a slot machine
6 licensee to place and make multistate wide-area progressive
7 slot machines, skill slot machines or hybrid slot machines
8 available for play at licensed facilities.

9 (21.2) Adopt and promulgate regulations to govern the
10 operation and placement of skill slot machines and hybrid
11 slot machines by slot machine licensees at licensed
12 facilities. In order to facilitate the operation and
13 placement of skill and hybrid slot machines at licensed
14 facilities pursuant to this paragraph, regulations
15 promulgated by the board shall be deemed temporary
16 regulations which shall expire two years after the date of
17 publication in the Pennsylvania Bulletin.

18 (22) License, regulate, investigate and take any other
19 action determined necessary regarding all aspects of
20 interactive gaming and the operation of slot machines at
21 nonprimary locations and qualified airports.

22 (23) Define and limit the areas of operation and the
23 rules of authorized interactive games, including odds,
24 devices and associated equipment permitted and the method of
25 operation of authorized interactive games and interactive
26 gaming devices and associated equipment.

27 (24) Require, as applicable, that all wagering offered
28 through interactive gaming display online the permissible
29 minimum and maximum wagers associated with each authorized
30 interactive game.

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

49 (27) Enter into agreements with other states for the
50 operation of multistate wide-area progressive slot machine
51 systems.

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

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

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

17 Section 5.1. Section 1209(b) of Title 4 is amended to read:
18 § 1209. Slot machine license fee.

19 * * *

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

34 * * *

35 Section 6. Section 1211 of Title 4 is amended by adding
36 subsections to read:

37 § 1211. Reports of board.

38 * * *

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

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

43 (i) Total gross interactive gaming revenue.

44 (ii) The number and win by type of authorized
45 interactive game at each licensed facility conducting
46 interactive gaming during the previous year.

47 (iii) All taxes, fees, fines and other revenue
48 collected and, where appropriate, revenue disbursed
49 during the previous year. The department shall
50 collaborate with the board to carry out the requirements
51 of this subparagraph.

1 (2) The board may require interactive gaming certificate
2 holders and other persons involved in the operation of
3 interactive gaming on behalf of a slot machine licensee to
4 provide information to the board to assist in the preparation
5 of the report.

6 * * *

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

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

25 (1) One year after the commencement of the operation of
26 skill slot machines, hybrid slot machines, the operation of
27 slot machines at nonprimary locations in accordance with
28 Chapter 13D (relating to slot machines at nonprimary
29 locations) and the operation of a multistate wide-area slot
30 machine system, the report required under subsection (a)
31 shall include information related to the following:

32 (i) The operation of skill slot machines and hybrid
33 slot machines.

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

36 (iii) The operation of slot machines at nonprimary
37 locations.

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

47 (d.3) Annual report.--In addition to its duties under
48 subsection (d), the board shall have the continuing duty to
49 study and annually report to the chairperson and minority
50 chairperson of the Community, Economic and Recreational
51 Development Committee of the Senate and to the chairperson and

minority chairperson of the Gaming Oversight Committee of the House of Representatives on developments in gaming technology and the impact, if any, new technologies are having or will have on the sustainability and competitiveness of the commercial gaming industry in this Commonwealth. The report shall specifically address the following:

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

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

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

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

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

* * *

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

§ 1212. Diversity goals of board.

* * *

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

* * *

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

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

(a) Eligibility.--

(1) A person may be eligible to apply for a Category 3 slot machine license if the applicant, its affiliate, intermediary, subsidiary or holding company has not applied for or been approved or issued a Category 1 or Category 2 slot machine license and the person is seeking to locate a Category 3 licensed facility in a well-established resort hotel having no fewer than 275 guest rooms under common ownership and having substantial year-round [recreational] guest amenities. The applicant for a Category 3 license shall be the owner or be a wholly owned subsidiary of the owner of the well-established resort hotel. [A Category 3 license may only be granted upon the express condition that an individual may not enter a gaming area of the licensed facility if the individual is not any of the following:

1 (i) A registered overnight guest of the well-
2 established resort hotel.

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

5 (iii) An authorized employee of the slot machine
6 licensee, of a gaming service provider, of the board or
7 of any regulatory, emergency response or law enforcement
8 agency while engaged in the performance of the employee's
9 duties.

10 (iv) An individual holding a valid membership
11 approved in accordance with paragraph (1.1) or a guest of
12 such individual.

13 (1.1) The board may approve a seasonal or year-round
14 membership that allows an individual to use one or more of
15 the amenities provided by the well-established resort hotel
16 holding a Category 3 slot machine license. The membership
17 shall allow the member and one guest to enter the gaming
18 floor at any time as long as the guest is accompanied by the
19 individual owning or holding the membership. The board shall
20 base its approval of a membership on all of the following:

21 (i) The duration of the membership.

22 (ii) The amenity covered by the membership.

23 (iii) Whether the fee charged for the membership
24 represents the fair market value for the use of the
25 amenity.]

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

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

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

50 (1) [Except as provided in paragraph (1.1), no] No
51 Category 3 license shall be located by the board within 15

1 linear miles of another licensed facility.

2 (1.1) A Category 3 license established on or after [July
3 20, 2017] January 1, 2016, shall [not be located by the board
4 within 30 linear miles of another licensed facility.] only be
5 located in a county that:

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

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

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

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

43 (c.1) Additional slot machines.--Upon submission of a
44 petition to the board, in such form and manner as the board may
45 require, the board may authorize the Category 3 slot machine
46 licensee to increase the number of slot machines at its licensed
47 facility. An increase in the number of slot machines by a
48 Category 3 slot machine licensee pursuant to this subsection may
49 not, at the discretion of the board, exceed 250 additional slot
50 machines, which shall be in addition to the number of
51 permissible slot machines authorized under subsection (c).

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

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

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

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

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

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

42 "Patron of the amenities." Any individual who is a
43 registered attendee of a convention, meeting or banquet event or
44 a participant in a sport or recreational event or any other
45 social, cultural or business event held at a resort hotel or who
46 participates in one or more of the amenities provided to
47 registered guests of the well-established resort hotel.]

48 Section 9. Section 1309(a.1) heading of Title 4 is amended
49 and the subsection is amended by adding a paragraph to read:
50 § 1309. Slot machine license application.

51 * * *

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

2 * * *

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

15 * * *

16 Section 10. Sections 1317(a) and (c) and 1317.1(a), (b),
17 (c), (c.1), (d.1) and (e) of Title 4 are amended and the
18 sections are amended by adding subsections to read:

19 § 1317. Supplier licenses.

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

30 * * *

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

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

43 (2) The license shall be nontransferable.

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

45 * * *

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

47 (1) Notwithstanding subsection (c.1) (1) or any
48 regulations of the board to the contrary, the board may
49 extend the use of the abbreviated process authorized under
50 subsection (c.1) to an applicant for a supplier license to
51 supply slot machines used in a multistate wide-area

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

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

17 * * *

18 § 1317.1. Manufacturer licenses.

19 (a) Application.--A person seeking to manufacture slot
20 machines, table game devices and associated equipment or
21 interactive gaming devices and associated equipment for use in
22 this Commonwealth shall apply to the board for a manufacturer
23 license.

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

27 (1) The name and business address of the applicant and
28 the applicant's affiliates, intermediaries, subsidiaries and
29 holding companies; the principals and key employees of each
30 business; and a list of employees and their positions within
31 each business, as well as any financial information required
32 by the board.

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

36 (3) The consent to a background investigation of the
37 applicant, its principals and key employees or other persons
38 required by the board and a release to obtain any and all
39 information necessary for the completion of the background
40 investigation.

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

46 (5) The type of slot machines, table game devices or
47 associated equipment or interactive gaming devices or
48 associated equipment to be manufactured or repaired.

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

51 (c) Review and approval.--Upon being satisfied that the

requirements of subsection (b) have been met, the board may approve the application and grant the applicant a manufacturer license consistent with all of the following:

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

(2) The license shall be nontransferable.

(3) Any other condition established by the board.

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

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

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

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

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

(1) Notwithstanding subsection (c.1) (1) or any regulations of the board to the contrary, the board may extend the use of the abbreviated process authorized under subsection (c.1) to an applicant for a manufacturer license to manufacture multistate wide-area progressive slot machines, skill slot machines, hybrid slot machines or associated equipment used in connection with multistate wide-area progressive slot machines, skill or hybrid slot machines or interactive gaming devices or associated equipment used in connection with interactive gaming, if the applicant holds a valid manufacturer license issued by the board to manufacturer slot machines or associated equipment or table

1 games or table game devices or associated equipment. The
2 requirements of subsection (c.1) (2) and (3) shall apply to
3 this subsection.

4 (2) An applicant for a manufacturer license to
5 manufacture slot machines used in a multistate wide-area
6 progressive system, skill or hybrid slot machines or
7 associated equipment or interactive gaming devices or
8 associated equipment shall be subject to the applicable
9 provisions of this part.

10 * * *

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

13 (1) A manufacturer or its designee, as licensed by the
14 board, may supply or repair any slot machine, table game
15 device or associated equipment or interactive gaming device
16 or associated equipment manufactured by the manufacturer,
17 provided the manufacturer holds the appropriate manufacturer
18 license.

19 (2) A manufacturer of slot machines may contract with a
20 supplier under section 1317 (relating to supplier licenses)
21 to provide slot machines or associated equipment to a slot
22 machine licensee within this Commonwealth, provided the
23 supplier is licensed to supply slot machines or associated
24 equipment used in connection with slot machines.

25 (3) A manufacturer may contract with a supplier under
26 section 1317 to provide table game devices or associated
27 equipment to a certificate holder, provided the supplier is
28 licensed to supply table game devices or associated equipment
29 used in connection with table games.

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

40 (e) Prohibitions.--

41 (1) No person may manufacture slot machines, table game
42 devices or associated equipment or interactive gaming devices
43 or associated equipment for use within this Commonwealth by a
44 slot machine licensee unless the person has been issued the
45 appropriate manufacturer license under this section.

46 (2) Except as permitted in section 13A23.1 (relating to
47 training equipment), no slot machine licensee may use slot
48 machines, table game devices or associated equipment,
49 authorized interactive games or interactive gaming devices or
50 associated equipment unless the slot machines, table game
51 devices or associated equipment, interactive games or

1 interactive gaming devices or associated equipment were
2 manufactured by a person that has been issued the appropriate
3 manufacturer license under this section.

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

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

11 read:

12 § 1317.3. Nongaming service provider.

13 (a) Notification required.--

14 (1) A slot machine licensee or applicant for a slot
15 machine license that contracts with or otherwise engages in
16 business with a nongaming service provider shall provide
17 notification to the board prior to:

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

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

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

26 (b) Contents of notification.--Notification under this
27 section shall include:

28 (1) The name and business address of the nongaming
29 service provider.

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

32 (3) An affirmation from the slot machine licensee or
33 applicant for a slot machine license that the goods or
34 services to be provided by the nongaming service provider
35 will not require access to the gaming floor or a gaming-
36 related restricted area of a licensed facility.

37 (4) An affirmation from the slot machine licensee or
38 applicant for a slot machine license certifying that the
39 licensee or applicant has performed due diligence regarding
40 the nongaming service provider and believes that the
41 nongaming service provider and its employees will not
42 adversely affect the public interest or integrity of gaming.

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

44 (c) Duration of notification.--The nongaming service
45 provider notification required under subsection (a) may be valid
46 for three years unless modified by the board. In determining the
47 duration of a nongaming service provider notification, the board
48 shall consider the following:

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

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

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

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

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

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

12 (2) The slot machine licensee or applicant for a slot
13 machine license shall notify the board of any material change
14 in the information provided in the notification under this
15 section. No fee shall be required for a subsequent change
16 during the time for which the notification remains valid
17 under subsection (c).

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

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

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

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

29 (5) The board may prohibit a nongaming service provider
30 and any employees from providing goods or services to a slot
31 machine licensee or applicant for a slot machine license at a
32 licensed facility if the bureau determines the prohibition is
33 necessary to protect the public interest or integrity of
34 gaming.

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

38 (1) The nongaming service provider or the type or nature
39 of the nongaming service provider's business is regulated by
40 an agency of the Federal Government, an agency of the
41 Commonwealth or the Pennsylvania Supreme Court.

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

44 (f) Additional authority of board.--The board, at its
45 discretion, may require an employee, individual or entity
46 associated with a nongaming service provider to obtain a
47 license, permit, registration, certification or any other
48 authorization required by the board under this part.

49 (g) Criminal history record information.--Notwithstanding
50 any other provision of this part or regulation of the board, a
51 nongaming service provider shall provide a criminal history

1 record information check obtained from the Pennsylvania State
2 Police as defined in 18 Pa.C.S. § 9102 (relating to definitions)
3 and permitted by 18 Pa.C.S. § 9121(b) (relating to general
4 regulations).

5 (h) Emergency notification.--

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

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

15 (i) Notify the board immediately upon engaging a
16 nongaming service provider for which the board has not
17 previously received notification in accordance with
18 subsection (a).

19 (ii) Provide the notification required under
20 subsection (a) within a reasonable time as established by
21 the board.

22 (i) Nongaming service provider list.--

23 (1) The board shall have the authority to prohibit a
24 nongaming service provider from engaging in business with a
25 slot machine licensee upon a finding by the bureau that the
26 prohibition is necessary to protect the public interest and
27 the integrity of gaming.

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

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

34 (j) Duties of nongaming service provider.--A nongaming
35 service provider shall:

36 (1) Cooperate with the board and bureau regarding an
37 investigation, hearing, enforcement action or disciplinary
38 action.

39 (2) Comply with each condition, restriction,
40 requirement, order or ruling of the board in accordance with
41 this part.

42 (3) Report any change in circumstances to the slot
43 machine licensee or applicant for a slot machine license that
44 may render the nongaming service provider ineligible,
45 unqualified or unsuitable for the provision of goods or
46 services at a licensed facility or use in the operation of a
47 licensed facility. The slot machine licensee shall report any
48 change in circumstances to the board in such form and manner
49 as the board may establish.

50 (k) Construction.--Nothing in this section shall be
51 construed to limit the powers and authority of the board under

section 1202 (relating to general and specific powers of the board) or the regulatory authority of the board under section 1207 (relating to regulatory authority of the board).

Section 10.2. Section 1320(a) of Title 4 is amended and the section is amended by adding a subsection to read:
§ 1320. Slot machine testing and certification standards.

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

* * *

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

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

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

(3) Establish and collect an application fee for persons

1 seeking registration. The application fee shall include the
2 costs of all background investigations as determined
3 necessary and appropriate by the bureau.

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

7 (5) Utilize information provided by private testing and
8 certification facilities for the abbreviated certification of
9 slot machines.

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

13 (7) Establish fees that must be paid by licensed
14 manufacturers.

15 (8) Require slot machines submitted for abbreviated
16 certification to be approved or denied by the board within 30
17 days from the date of submission to the board. If the board
18 fails to act within the 30-day period, the abbreviated
19 certification shall be deemed conditionally approved.

20 (9) Provide procedures and standards for the suspension
21 and revocation of the registration of a private testing and
22 certification facility and the reinstatement of a suspended
23 or revoked registration, as determined appropriate by the
24 board.

25 * * *

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

28 § 1326. [License renewals] Renewals.

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

51 (b) Revocation or failure to renew.--In addition to any

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

18 § 13A11. Authorization to conduct table games.

19 * * *

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

21 (1) A Category 1 and Category 2 slot machine licensee
22 awarded a table game operation certificate may operate up to
23 250 gaming tables at any one time at its licensed facility.
24 No more than 30% of these gaming tables may be used to play
25 nonbanking games at any one time. Six months following the
26 date of commencement of table game operations, the board may
27 permit a Category 1 or Category 2 certificate holder to
28 increase the number of gaming tables above the number
29 authorized under this paragraph. The certificate holder shall
30 petition the board for the increase at its licensed facility.
31 The board, in considering the petition, shall take into
32 account the appropriateness of the physical space where the
33 gaming tables will be located and the convenience of the
34 public attending the facility. The board may also take into
35 account the potential benefit to the Commonwealth.

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

41 (2.1) A Category 3 slot machine licensee awarded a table
42 game operation certificate may petition the board for
43 additional table games at its licensed facility. The board
44 may authorize up to 15 additional gaming tables. The
45 additional tables shall be used to play nonbanking games. The
46 board, in considering the petition, shall take into account
47 the appropriateness of the physical space where the gaming
48 tables will be located and the convenience of the public
49 attending the facility. The board may also take into account
50 the potential benefit to the Commonwealth.

51 (3) Nonbanking gaming tables shall seat a maximum of ten

1 players.

2 § 13A22.1. Table game tournaments.

3 * * *

4 (c) Exemptions and additional tables.--The following shall
5 apply:

6 (1) For a Category 1 or Category 2 licensed facility,
7 gaming tables used in tournaments shall be exempt from
8 section 13A11 (b) (1) (relating to authorization to conduct
9 table games) and shall not be used in any calculation of the
10 total number of gaming tables authorized in the table game
11 authorization certificate.

12 (2) For a Category 3 licensed facility, the executive
13 director may authorize the licensed facility to operate up to
14 15 additional gaming tables for use in tournaments. [The
15 executive director may grant the use of the additional gaming
16 tables for tournaments authorized under this paragraph only
17 one day per month.] Additional gaming tables for use in
18 tournaments shall be exempt from section 13A11(b) (2)
19 (relating to authorization to conduct table games) and shall
20 not be used in any calculation of the total number of gaming
21 tables authorized in the table game authorization
22 certificate. The executive director may grant the use of
23 additional gaming tables on the dates and times listed in the
24 proposed schedule of tournaments submitted by the Category 3
25 slot machine licensee in accordance with subsection (b).

26 * * *

27 § 13A27. Other financial transactions.

28 * * *

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

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

38 (2) That the applicant's name is not included on an
39 exclusion list under section 1514 (relating to regulation
40 requiring exclusion [or], ejection or denial of access of
41 certain persons) or 1516 (relating to list of persons self
42 excluded from gaming activities) or the voluntary credit
43 suspension list under subsection (h).

44 * * *

45 Section 12. Section 13A41 of Title 4 is amended by adding a
46 subsection to read:

47 § 13A41. Table game device and associated equipment testing and
48 certification standards.

49 * * *

50 (b.1) Use of private testing and certification facilities.--
51 Notwithstanding any provision of this part or regulation of the

1 board, if a table game device or associated equipment is tested
2 and certified by a private testing and certification facility
3 registered with the board, the board shall use an abbreviated
4 certification process requiring only that information determined
5 by it to be necessary to consider the issuance of a table game
6 device or associated equipment certification under this section.
7 Within one year of the effective date of this subsection, the
8 board shall promulgate regulations that:

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

13 (2) Specify the form and content of the application for
14 registration.

15 (3) Establish and collect an application fee for persons
16 seeking registration. The application fee shall include the
17 costs of all background investigations as determined
18 necessary and appropriate by the board.

19 (4) Establish uniform procedures and standards which
20 private testing and certification facilities must comply with
21 during the testing and certification of table game devices
22 and associated equipment.

23 (5) Utilize information provided by private testing and
24 certification facilities for the abbreviated certification of
25 table game devices and associated equipment.

26 (6) Establish an abbreviated certification process that
27 may be used by registered private testing and certification
28 facilities to test and certify table game devices and
29 associated equipment.

30 (7) Establish fees that must be paid by a licensed
31 manufacturer.

32 (8) Require table game devices and associated equipment
33 submitted for abbreviated certification to be approved or
34 denied by the board within 30 days from the date of
35 submission to the board. If the board fails to act within the
36 30-day period, the abbreviated certification shall be deemed
37 conditionally approved.

38 (9) Provide procedures and standards for the suspension
39 and revocation of the registration of a private testing and
40 certification facility and the reinstatement of a suspended
41 or revoked registration.

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

44 § 13A61. Table game authorization fee.

45 (a) Amount of authorization fee.--

46 (1) A Category 1 or a Category 2 slot machine licensee
47 that submits a petition for a table game operation
48 certificate under section 13A12 (relating to petition
49 requirements) on or before June 1, 2010, shall pay a one-time
50 nonrefundable authorization fee in the amount of \$16,500,000.
51 A Category 1 or a Category 2 slot machine licensee that

1 submits a petition for a table game operation certificate
2 under section 13A12 after June 1, 2010, shall pay a one-time
3 nonrefundable authorization fee in the amount of \$24,750,000.

4 (2) A Category 3 slot machine licensee that submits a
5 petition for a table game operation certificate under section
6 13A12 on or before June 1, 2010, shall pay a one-time
7 nonrefundable authorization fee in the amount of \$7,500,000.
8 A Category 3 slot machine licensee that submits a petition
9 for a table game operation certificate under section 13A12
10 after June 1, 2010, shall pay a one-time nonrefundable
11 authorization fee in the amount of \$11,250,000.

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

18 (3.1) Notwithstanding paragraphs (2) and (3), the holder
19 of a Category 3 slot machine license issued on or after
20 January 1, 2016, that submits a petition for a table game
21 operation certificate shall pay a one-time nonrefundable
22 authorization fee in the amount of \$8,500,000.

23 (3.2) Notwithstanding any other provision of this part,
24 no later than 60 days after the board approves a request for
25 additional table games in accordance with section 13A11
26 (relating to authorization to conduct table games) submitted
27 by the holder of a Category 3 slot machine license issued
28 prior to January 1, 2016, the Category 3 slot machine
29 licensee shall pay a one-time nonrefundable fee in the amount
30 of \$1,000,000.

31 (4) A table game operation certificate shall not be
32 subject to renewal or payment of an additional authorization
33 fee.

34 * * *

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

43 § 13A63. Local share assessment.

44 * * *

45 (b) Distributions to counties.--The department shall make
46 quarterly distributions from the local share assessments
47 deposited into the fund under subsection (a) to counties,
48 including home rule counties, hosting a licensed facility
49 authorized to conduct table games under this chapter in
50 accordance with the following:

51 * * *

(4) The following apply:

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

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

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

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

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

* * *

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

CHAPTER 13B

INTERACTIVE GAMING

Subchapter

A. General Provisions

B. Interactive Gaming Authorized

C. Conduct of Interactive Gaming

D. Facilities and Equipment

E. Testing and Certification

F. Taxes and Fees

G. Miscellaneous Provisions

SUBCHAPTER A

GENERAL PROVISIONS

1 Sec.

2 13B01. Legislative findings.

3 13B02. Regulatory authority.

4 13B03. Temporary interactive gaming regulations.

5 § 13B01. Legislative findings.

6 The General Assembly finds and declares that:

7 (1) The primary objective of the Pennsylvania Race Horse
8 Development and Gaming Act, to which all other objectives are
9 secondary, is to protect the public through the regulation
10 and policing of all activities involving gaming and practices
11 that continue to be unlawful.

12 (2) Legislative authorization of slot machine gaming and
13 the conduct of table games is intended to enhance live horse
14 racing, breeding programs, entertainment and employment in
15 this Commonwealth.

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

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

27 (5) The General Assembly remains committed to ensuring a
28 robust gaming industry in this Commonwealth that is capable
29 of competing internationally, nationally and regionally at
30 the highest levels of quality while maintaining strict
31 regulatory oversight to ensure the integrity of all gaming
32 operations as supervised by the board.

33 (6) Since its development, the Internet has provided the
34 opportunity for millions of people worldwide to engage in
35 online gambling, mostly through illegal, unregulated off-
36 shore gambling operations.

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

43 (8) Although the Unlawful Internet Gambling Enforcement
44 Act of 2006 prohibits interstate Internet gambling by United
45 States citizens, it permits individual states to create a
46 regulatory framework to govern intrastate Internet or
47 interactive gambling.

48 (9) Interactive gaming is illegal in this Commonwealth
49 and without legislative authorization and strict regulation,
50 the public's trust and confidence in legalized commercial
51 gaming may be impacted.

1 (10) In this Commonwealth, interactive gaming has been
2 conducted without oversight, regulation or enforcement, all
3 of which raises significant concerns for the protection of
4 the health, welfare and safety of the citizens of this
5 Commonwealth.

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

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

24 (13) An effective regulatory, licensing and enforcement
25 system to govern interactive gaming in this Commonwealth is
26 consistent with the original objectives and intent of the
27 Pennsylvania Race Horse Development and Gaming Act, thereby
28 ensuring the public trust and confidence in the commercial
29 gaming industry in this Commonwealth.

30 (14) The Commonwealth has a legitimate State interest in
31 protecting the integrity of State-authorized interactive
32 gaming by licensing those entities already engaged in the
33 conduct of gaming in this Commonwealth, which are subject to
34 the scrutiny and discipline of the board and other regulatory
35 agencies and which are in good standing with those agencies.
36 § 13B02. Regulatory authority.

37 (a) Authority.--The board shall promulgate and adopt rules
38 and regulations to govern the conduct of interactive gaming in
39 order to ensure that it will be implemented in a manner that
40 provides for the security and effective management,
41 administration and control of interactive gaming, including, but
42 not limited to, regulations:

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

46 (2) Establishing standards and procedures for testing
47 and approving interactive games and interactive gaming
48 devices and associated equipment, and any variations or
49 composites of authorized interactive games, provided that the
50 board determines that the interactive games and any new
51 interactive games or any variations or composites are

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

24 (3) Establishing standards and rules to govern the
25 conduct of interactive gaming and the system of and wagering
26 associated with interactive gaming, including internal
27 controls and accounting controls, and the type, number,
28 payout, wagering limits and rules for interactive games.

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

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

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

42 (7) Establishing technical standards for the approval of
43 interactive games, interactive gaming devices and associated
44 equipment, including mechanical, electrical or program
45 reliability, security against tampering and any other
46 standards as it may deem necessary to protect registered
47 players from fraud or deception.

48 (8) Governing the creation and utilization of
49 interactive gaming accounts by registered players, including
50 requiring that:

51 (i) Interactive gaming accounts be possessed by a

1 natural person and not in the name of any beneficiary,
2 custodian, joint trust, corporation, partnership or other
3 organization or entity.

4 (ii) Interactive gaming accounts shall not be
5 assignable or otherwise transferable.

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

8 (9) Establishing procedures for registered players to
9 log into their interactive gaming accounts, authenticate
10 identities, agree to terms, conditions and rules applicable
11 to authorized interactive games and log out of interactive
12 gaming accounts, including procedures for automatically
13 logging off registered players from an interactive game after
14 a specified period of inactivity.

15 (10) Establishing procedures for:

16 (i) Depositing funds in an interactive gaming
17 account by cash, transfer or other means, as approved by
18 the board.

19 (ii) The withdrawal of funds from interactive gaming
20 accounts.

21 (iii) The suspension of interactive gaming account
22 activity for security reasons.

23 (iv) The termination of interactive gaming accounts
24 and disposition of proceeds in accounts.

25 (v) The disposition of unclaimed amounts in dormant
26 interactive gaming accounts.

27 (11) Establishing mechanisms by which registered players
28 may place limits on the amount of money being wagered per
29 authorized interactive game or during any specified time
30 period or the amount of losses incurred during any specified
31 time period.

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

41 (13) Establishing procedures for the protection,
42 security and reliability of interactive gaming accounts,
43 authorized interactive games, interactive gaming devices and
44 associated equipment and mechanisms to prevent tampering or
45 utilization by unauthorized persons.

46 (14) Establishing data security standards to govern age,
47 identity and location verification of persons engaged in
48 interactive gaming activity.

49 (15) Requiring each interactive gaming certificate
50 holder to:

51 (i) Provide written information on its interactive

1 gaming skin or Internet website, which explains the rules
2 for each authorized interactive game, payoffs or winning
3 wagers and other information as the board may require.

4 (ii) Designate one or more interactive gaming
5 restricted areas where interactive gaming will be
6 managed, administered or controlled.

7 (iii) Provide the board with access to the
8 interactive gaming skin or website, interactive gaming
9 platform, signal or transmission used in connection with
10 interactive gaming and interactive gaming restricted
11 areas.

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

15 (v) Provide statements on its interactive gaming
16 skin or website about the permissible minimum and maximum
17 wagers for each authorized interactive game, as
18 applicable.

19 (vi) Adopt policies or procedures to prohibit any
20 unauthorized person from having access to interactive
21 gaming devices and associated equipment, including
22 software, system programs, hardware and any other gaming
23 equipment or devices which are used to manage, administer
24 or control interactive gaming.

25 (vii) Adopt data security standards to verify the
26 age, identity and location of persons engaged in
27 interactive gaming activity and prevent unauthorized
28 access by any person whose age and location have not been
29 verified or whose age and location cannot be verified in
30 accordance with regulations adopted by the board.

31 (viii) Adopt standards to protect the privacy and
32 security of registered players engaged in interactive
33 gaming.

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

44 (b) Additional authority.--

45 (1) At its discretion, the board may determine whether
46 persons that provide the following goods or services and any
47 other goods or services related to interactive gaming as the
48 board may determine shall be required to obtain a license,
49 permit or other authorization:

50 (i) Payment processing and related money
51 transmitting and services.

1 (ii) Customer identity or age verification and
2 geospatial technology services.

3 (iii) General telecommunications services, which are
4 not specifically designed for or related to interactive
5 gaming.

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

14 (2) The board shall develop a classification system for
15 the licensure, permitting or other authorization of persons
16 that provide the following goods or services related to
17 interactive gaming:

18 (i) Persons that provide interactive games and
19 interactive gaming devices and associated equipment.

20 (ii) Persons that manage, control or administer the
21 interactive games or the wagers associated with
22 interactive games.

23 (iii) Providers of customer lists comprised of
24 persons identified or selected, in whole or in part,
25 because they placed or may place wagers on interactive
26 gaming.

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

30 § 13B03. Temporary interactive gaming regulations.

31 (a) Promulgation.--

32 (1) In order to facilitate the prompt implementation of
33 this chapter, regulations promulgated by the board shall be
34 deemed temporary regulations which shall expire not later
35 than two years following the publication of the temporary
36 regulation in the Pennsylvania Bulletin and on the board's
37 publicly accessible Internet website.

38 (2) The board may promulgate temporary regulations not
39 subject to:

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

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

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

48 (b) Temporary regulations.--The board shall begin publishing
49 temporary regulations governing the rules for interactive
50 gaming, the issuance of interactive gaming certificates and
51 interactive gaming licenses, standards for approving

1 manufacturers, suppliers and other persons seeking to provide
2 interactive games, interactive gaming devices and associated
3 equipment, including age and location verification software or
4 system programs and security and surveillance standards in the
5 Pennsylvania Bulletin within 30 days of the effective date of
6 this subsection.

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

18 SUBCHAPTER B

19 INTERACTIVE GAMING AUTHORIZED

20 Sec.

21 13B11. Authorization to conduct interactive gaming.

22 13B12. Interactive gaming certificate required and content of
23 petition.

24 13B13. Issuance of interactive gaming certificate.

25 13B14. Interactive gaming operators.

26 13B15. Interactive gaming certificate and license.

27 13B16. Timing of initial interactive gaming authorizations.

28 § 13B11. Authorization to conduct interactive gaming.

29 (a) Authority of board.--

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

31 (i) To conduct interactive gaming, including
32 contests and tournaments and any other game which is
33 determined by the board to be suitable for interactive
34 gaming.

35 (ii) To deploy interactive gaming skins or Internet
36 websites to facilitate the conduct of interactive gaming
37 activities.

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

45 (b) Authority to play interactive games.--Notwithstanding
46 any other provision of law, an individual who is 21 years of age
47 or older is hereby permitted to participate as a registered
48 player in interactive gaming and wagering associated with
49 playing an authorized interactive game offered by an interactive
50 gaming certificate holder in accordance with regulations of the
51 board.

1 § 13B12. Interactive gaming certificate required and content of
2 petition.

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

15 (b) Content of petition.--In addition to information and
16 documentation demonstrating that the slot machine licensee is
17 qualified for an interactive gaming certificate under this
18 chapter, a petition seeking board approval to conduct
19 interactive gaming within this Commonwealth shall include the
20 following:

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

23 (2) The name, business address and contact information
24 of any affiliate, interactive gaming operator or other person
25 that will be a party to an agreement related to the operation
26 of interactive gaming or an interactive gaming system on
27 behalf of a slot machine licensee.

28 (3) The name and business address, job title and a
29 photograph of each principal and key employee of the slot
30 machine licensee who will be involved in the conduct of
31 interactive gaming and who is not currently licensed by the
32 board, if known.

33 (4) The name and business address, job title and a
34 photograph of each principal and key employee of the
35 interactive gaming certificate holder and interactive gaming
36 licensee, if any, who will be involved in the conduct of
37 interactive gaming and who is currently licensed by the
38 board.

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

46 (6) The estimated number of full-time and part-time
47 employment positions that will be created at the licensed
48 facility if interactive gaming is authorized and an updated
49 hiring plan under section 1510(a) (relating to labor hiring
50 preferences) which outlines the slot machine licensee's plan
51 to promote the representation of diverse groups and

1 Commonwealth residents in the employment positions.

2 (7) A brief description of the economic benefits
3 expected to be realized by the Commonwealth, the host
4 municipalities and residents if interactive gaming is
5 authorized.

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

10 (9) Information and documentation concerning financial
11 background and resources, as the board may require, to
12 establish by clear and convincing evidence the financial
13 stability, integrity and responsibility of the slot machine
14 licensee, and information or documentation concerning any
15 interactive gaming operator that will operate interactive
16 gaming or an interactive gaming system on behalf of the slot
17 machine licensee, as the board may require.

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

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

30 (12) Detailed site plans identifying the proposed
31 interactive gaming restricted area where interactive gaming
32 operations will be managed, administered or controlled as
33 approved by the board.

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

35 (i) The slot machine licensee's initial system of
36 internal and accounting controls applicable to
37 interactive gaming.

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

41 (iii) How the slot machine licensee will facilitate
42 compliance with all of the requirements set forth in this
43 chapter and in section 802(a) of the Unlawful Internet
44 Gambling Enforcement Act of 2006 (Public Law 109-347, 31
45 U.S.C. § 5362(10)(B)), including, but not limited to, all
46 of the following:

47 (A) Age, identity and location verification
48 requirements designed to block access to individuals
49 under 21 years of age.

50 (B) Appropriate data security standards to
51 prevent unauthorized access by any person whose age,

identity and location have not been verified or whose age, identity and location cannot be verified in accordance with this chapter and applicable regulations of the board.

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

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

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

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

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

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

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

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

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

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

(15) Compliance certification of its interactive gaming devices and associated equipment, including interactive gaming software and hardware, by a board-approved gaming laboratory to ensure that the gaming software and hardware comply with the requirements of this chapter and regulations of the board.

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

(i) Interactive gaming accounts.

1 (ii) Per-hand charges, if applicable.
2 (iii) Transparency and reporting to the board and
3 the department.
4 (iv) Distribution of revenue to the Commonwealth and
5 winnings to registered players.
6 (v) Ongoing auditing and internal control compliance
7 reviews.
8 (17) Detailed information on security systems at the
9 licensed facility to protect the interactive gaming skins or
10 Internet website from internal and external breaches and
11 threats.
12 (18) Any other information the board may require.
13 (c) Confidentiality.--Information submitted to the board
14 under subsection (b) may be considered confidential by the board
15 if the information would be confidential under section 1206(f)
16 (relating to board minutes and records).
17 § 13B13. Issuance of interactive gaming certificate.
18 (a) Requirements for approval of petition.--
19 (1) The board may approve a petition under section 13B12
20 (relating to interactive gaming certificate required and
21 content of petition) upon finding clear and convincing
22 evidence of all of the following:
23 (i) The slot machine licensee's conduct of
24 interactive gaming complies in all respects with the
25 requirements of this chapter and regulations promulgated
26 by the board.
27 (ii) Age, identity and location verification
28 requirements designed to block access to individuals
29 under 21 years of age and persons otherwise prohibited
30 from engaging in interactive gaming in accordance with
31 this chapter, as approved by the board, have been
32 implemented by the slot machine licensee.
33 (iii) The slot machine licensee has implemented or
34 will implement appropriate data security standards to
35 prevent unauthorized access by any person whose age,
36 identity and location has not been verified or cannot be
37 verified in accordance with the regulations promulgated
38 and adopted by the board.
39 (iv) The slot machine licensee has implemented or
40 will implement appropriate standards to protect the
41 privacy and security of registered players.
42 (v) The slot machine licensee's initial system of
43 internal and accounting controls applicable to
44 interactive gaming, and the security and integrity of all
45 financial transactions in connection with the system,
46 complies with this chapter and regulations promulgated
47 and adopted by the board.
48 (vi) The slot machine licensee is in good standing
49 with the board.
50 (vii) The slot machine licensee agrees that the
51 number of slot machines and table games in operation at

1 its licensed facility, as of the effective date of this
2 section, will not be reduced as a result of the
3 authorization and commencement of interactive gaming.

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

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

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

25 (2) Upon issuing an interactive gaming certificate, the
26 board shall amend the slot machine licensee's statement of
27 conditions to include conditions pertaining to the
28 requirements of this chapter.

29 (c) Term of interactive gaming certificate.--Subject to the
30 power of the board to deny, revoke or suspend an interactive
31 gaming certificate issued in accordance with the requirements of
32 this section, an interactive gaming certificate shall be renewed
33 every five years and shall be subject to the requirements of
34 section 1326 (relating to renewals).

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

44 (e) Background investigations.--Each petition for an
45 interactive gaming certificate shall be accompanied by a
46 nonrefundable fee established by the board to cover the cost of
47 background investigations. The board shall determine by
48 regulation the persons involved, directly or indirectly, in a
49 slot machine licensee's interactive gaming operations and
50 persons involved in the operations of an interactive gaming
51 operator who shall be subject to background investigation. Any

1 additional costs and expenses incurred in any background
2 investigation or other investigation or proceeding under this
3 chapter shall be reimbursed to the board.

4 § 13B14. Interactive gaming operators.

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

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

30 (2) Provide for the approval of the terms and conditions
31 of all agreements entered into by or between an interactive
32 gaming certificate holder and an interactive gaming operator
33 or any other person related to the operation of interactive
34 games or an interactive gaming system on behalf of the
35 interactive gaming certificate holder.

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

37 (1) The board shall establish a classification system
38 for employees of interactive gaming operators or other
39 persons who provide products or services associated with or
40 related to interactive gaming, interactive gaming platforms
41 and interactive gaming systems.

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

46 (c) Applicability of certain provisions.--Interactive gaming
47 operators shall be subject to the applicable provisions of this
48 part that apply to interactive gaming certificate holders, as
49 determined by the board.

50 (d) Operators owned, controlled by slot machine licensee.--
51 This section shall not apply to an interactive gaming operator

1 that is owned by, affiliated with or otherwise controlled by a
2 slot machine licensee that has been approved for and issued an
3 interactive gaming certificate under this chapter. The board
4 shall determine by regulation the criteria or conditions
5 necessary to determine whether an interactive gaming operator is
6 owned by, affiliated with or otherwise controlled by a slot
7 machine licensee to effectuate the purpose of this subsection.

8 (e) Interactive gaming license and conditional
9 authorization.--

10 (1) The following shall apply:

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

15 (ii) Conditional authorization awarded to an
16 interactive gaming operator may remain in effect until
17 the shorter of 12 months after the date of issue or the
18 date by which the board considers the subject
19 application.

20 (iii) Conditional authorization may be renewed by
21 the board not more than once, upon a showing of good
22 cause.

23 (iv) Conditional authorization shall allow an
24 applicant for an interactive gaming license to engage in
25 all of the functions of a licensed interactive gaming
26 operator for the duration of the conditional
27 authorization.

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

29 (i) The applicant has submitted a complete
30 application for an interactive gaming license to the
31 board.

32 (ii) The applicant agrees to pay or has paid the fee
33 prescribed in section 13B51 (relating to interactive
34 gaming authorization fee) prior to the issuance of
35 conditional authorization, which may be refundable in the
36 event the license is not approved and issued by the
37 board.

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

40 (3) Within 45 days of the date that the bureau receives
41 the completed application for an interactive gaming license
42 from an applicant for investigation, the bureau shall conduct
43 a preliminary investigation of the applicant and any key
44 interactive gaming employee of the applicant, as determined
45 by the board, which shall include a criminal background
46 investigation of the applicant and any interactive gaming
47 employees of the applicant, as determined by the board in
48 accordance with section 1202(b) (relating to general and
49 specific powers).

50 (4) If the bureau's preliminary investigation discloses
51 no adverse information that would impact suitability for

1 licensure, the bureau shall provide the board with a
2 statement of no objection to issuance of conditional
3 authorization to the applicant.

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

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

13 § 13B15. Interactive gaming certificate and license.

14 The following shall apply:

15 (1) An interactive gaming certificate and interactive
16 gaming license shall be in effect unless:

17 (i) The certificate or license is suspended or
18 revoked by the board consistent with the requirements of
19 this part.

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

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

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

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

45 (3) A slot machine licensee shall be required to update
46 the information in its initial interactive gaming petition at
47 times and in the form and manner as prescribed by the board.

48 § 13B16. Timing of initial interactive gaming authorizations.

49 The board shall prescribe the date on which petitions for an
50 interactive gaming certificate and applications for an
51 interactive gaming license must be filed with the board and

1 shall approve or deny a petition or application within 90 days
2 following receipt.

3 SUBCHAPTER B.1
4 MULTI-USE COMPUTING DEVICES

5 Sec.

6 13B20. Authorization.

7 13B20.1. Board authorization required.

8 13B20.2. Standard for review of applications.

9 13B20.3. Fees.

10 13B20.4. Multi-use gaming device tax.

11 13B20.5. Local share assessment.

12 13B20.6. Regulations.

13 13B20.7. Construction.

14 § 13B20. Authorization.

15 (a) Authority.--

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

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

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

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

40 (1) The interactive gaming certificate holder has
41 submitted a petition to the board seeking authorization to
42 manage the conduct of interactive gaming at the qualified
43 airport and the board has approved the petition.

44 (2) The interactive gaming certificate holder has
45 disclosed that it has or will enter into an agreement with an
46 interactive gaming operator who will manage, operate and
47 control the conduct of interactive gaming at a qualified
48 airport on behalf of the interactive gaming certificate
49 holder and the interactive gaming operator has petitioned the
50 board for approval and the board has approved the agreement
51 and the petition.

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

6 (4) The interactive gaming certificate holder or
7 interactive gaming operator, as applicable, has provided
8 adequate assurances that the conduct of interactive gaming at
9 the qualified airport will be conducted and operated in
10 accordance with this part and regulations promulgated by the
11 board.

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

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

15 (1) An interactive gaming certificate holder may seek
16 authorization for the operation and placement of authorized
17 interactive games at a qualified airport or may enter into an
18 agreement with an interactive gaming operator to provide for
19 the conduct of interactive gaming at the qualified airport.

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

23 § 13B20.1. Board authorization required.

24 (a) Contents of petition.--An interactive gaming certificate
25 holder seeking authorization to conduct interactive gaming at a
26 qualified airport through the use of a multi-use computing
27 device shall petition the board for approval. The petition shall
28 include:

29 (1) The name, business address and contact information
30 of the interactive gaming certificate holder or the name,
31 business address and contact information of the interactive
32 gaming operator, if an interactive gaming operator will
33 manage the operation of interactive gaming at a qualified
34 airport on behalf of an interactive gaming certificate holder
35 pursuant to an interactive gaming agreement.

36 (2) The name and business address, job title and a
37 photograph of each principal and key employee of the
38 interactive gaming certificate holder and, if relevant, the
39 interactive gaming operator who will be directly involved in
40 the conduct of authorized interactive games at the qualified
41 airport and who is not currently licensed by the board, if
42 known.

43 (3) The name and business address of the airport
44 authority, the location of the qualified airport and the
45 names of the governing body of the airport authority, if the
46 airport authority is incorporated in accordance with 53
47 Pa.C.S. Ch. 56 (relating to municipal authorities).

48 (4) If the use and control of a qualified airport is
49 regulated by a city of the first class, an identification of
50 the municipal agency and primary officials of a city of the
51 first class, which regulates the use and control of the

1 qualified airport.

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

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

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

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

20 (9) Information on the terms and conditions of any
21 interactive gaming agreement entered into by or between an
22 interactive gaming certificate holder and interactive gaming
23 operator or other person related to the conduct of
24 interactive gaming through the use of multi-use computing
25 devices at a qualified airport, if the board deems necessary
26 and appropriate.

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

29 (11) Information and documentation concerning financial
30 background and resources, as the board may require, to
31 establish by clear and convincing evidence the financial
32 stability, integrity and responsibility of the petitioner.

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

34 (b) Confidentiality.--Information submitted to the board
35 under subsection (a) (8), (9), (11) and (12) may be considered
36 confidential by the board if the information would be
37 confidential under section 1206(f) (relating to board minutes
38 and records).

39 (c) Approval of petition.--Upon approval of a petition as
40 required under this section, the board shall authorize an
41 interactive gaming certificate holder or an interactive gaming
42 operator, as applicable, to conduct interactive gaming at a
43 qualified airport through the use of multi-use computing
44 devices. The authorization of an interactive gaming certificate
45 holder or an interactive gaming operator, as applicable, to
46 conduct interactive gaming at a qualified airport in accordance
47 with this chapter prior to the full payment of the authorization
48 fee under section 13B20.3 (relating to fees) shall not relieve
49 the interactive gaming certificate holder or interactive gaming
50 operator, as applicable, from the obligation to pay the
51 authorization fee in accordance with section 13B20.3.

1 § 13B20.2. Standard for review of petitions.

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

8 (1) The interactive gaming certificate holder or
9 interactive gaming operator, as the case may be, has entered
10 into an agreement with a concession operator for the conduct
11 of interactive gaming through the use of multi-use computing
12 devices within the airport gaming area of a qualified
13 airport.

14 (2) The interactive gaming operator has an agreement
15 with an interactive gaming certificate holder relating to the
16 conduct of authorized interactive games by the interactive
17 gaming operator on behalf of the interactive gaming
18 certificate holder.

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

21 (4) The interactive gaming operator has paid the
22 authorization fee under section 13B51 (relating to
23 interactive gaming authorization fee).

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

27 (6) The proposed internal and external security and
28 surveillance measures within the airport gaming area of the
29 qualified airport are adequate.

30 § 13B20.3. Fees.

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

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

40 § 13B20.4. Multi-use gaming device tax.

41 (a) Imposition.--

42 (1) Each interactive gaming certificate holder
43 authorized to conduct interactive gaming at a qualified
44 airport in accordance with the provisions of this subchapter
45 shall report to the department and pay from its daily gross
46 interactive gaming revenue generated from the conduct of
47 interactive gaming through multi-use computing devices at the
48 qualified airport, on a form and in the manner prescribed by
49 the department, a tax of 14% of its daily gross interactive
50 gaming revenue generated from multi-use computing devices at
51 the qualified airport and a local share assessment.

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

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

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

16 § 13B20.5. Local share assessment.

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

27 (b) Distributions to qualified airports.--

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

31 (2) Notwithstanding paragraph (1) or any other provision
32 of law, the multi-use computing device local share assessment
33 generated at a qualified airport located in a city of the
34 first class which regulates the use and control of a
35 qualified airport shall be distributed to the school district
36 of the city of the first class for pre-kindergarten programs.

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

41 § 13B20.6. Regulations.

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

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

50 (2) Procedures to govern credits, debits, deposits and
51 payments to interactive gaming accounts established through

multi-use computing devices at qualified airports.

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

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

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

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

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

§ 13B20.7. Construction.

Nothing in this subchapter shall be construed to:

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

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

SUBCHAPTER C

CONDUCT OF INTERACTIVE GAMING

Sec.

13B21. Situs of interactive gaming operations.

13B22. Establishment of interactive gaming accounts.

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

13B24. Acceptance of account wagers.

13B25. Dormant interactive gaming accounts.

13B26. Log-in procedure required.

13B27. Information provided at login.

13B28. Prohibitions.

13B29. Commencement of interactive gaming operations.

§ 13B21. Situs of interactive gaming operations.

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

1 initiated, received or otherwise made.

2 § 13B22. Establishment of interactive gaming accounts.

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

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

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

22 (i) The filing and execution of an interactive
23 gaming account application, the form of which has been
24 preapproved by the board.

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

28 (iii) Physical address or the principal residence of
29 the prospective account holder, e-mail address of the
30 prospective account holder and other contact information,
31 as the board or interactive gaming certificate holder may
32 require.

33 (iv) Password or other secured identification
34 provided by the interactive gaming certificate holder to
35 access the interactive gaming account or some other
36 mechanism approved by the board to authenticate the
37 player as the holder to the interactive gaming account.

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

42 (2) The interactive gaming certificate holder may accept
43 or reject an application after receipt and review of the
44 application and verification of age and identity for
45 compliance with the provisions of this chapter. The
46 interactive gaming certificate holder shall have the right,
47 at any time with or without cause, to suspend or close any
48 interactive gaming account at its sole discretion.

49 (3) The address provided by the applicant in the
50 application for an interactive gaming account shall be deemed
51 the address of record for the purposes of mailing checks,

1 account withdrawals, notices and other materials to the
2 interactive gaming account holder.

3 (4) An interactive gaming account shall not be
4 assignable or otherwise transferable and an interactive
5 gaming certificate holder may, at any time, declare all or
6 any part of an interactive gaming account to be closed for
7 wagering.

8 (c) Password required.--As part of the application process,
9 the interactive gaming certificate holder shall provide the
10 prospective interactive gaming account holder with a password to
11 access the interactive gaming account or shall establish some
12 other method approved by the board to authenticate the
13 individual as the holder of the interactive gaming account and
14 allow the registered player access to the interactive gaming
15 account.

16 (d) Grounds for rejection.--Any individual who provides
17 false or misleading information in the application for an
18 interactive gaming account may be subject to rejection of the
19 application or cancellation of the account by the interactive
20 gaming certificate holder.

21 (e) Suspension of interactive gaming account.--The
22 interactive gaming certificate holder shall have the right to
23 suspend or close any interactive gaming account at its
24 discretion.

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

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

29 (2) Any person on the list of persons who are or will be
30 excluded or ejected from or denied access to any licensed
31 facility under section 1514 (relating to regulation requiring
32 exclusion, ejection or denial of access of certain persons),
33 1515 (relating to repeat offenders excludable from licensed
34 gaming facility) or 1516 (relating to list of persons self
35 excluded from gaming activities).

36 (3) Any gaming employee, key employee or principal
37 employee of a slot machine licensee and any employee or key
38 employee of an interactive gaming operator or any other
39 person directly involved in the operation of interactive
40 gaming or an interactive gaming system on behalf of a slot
41 machine licensee.

42 § 13B23. Interactive gaming account credits, debits, deposits
43 and payments.

44 (a) Duty of board.--The board shall, by regulation, develop
45 procedures to govern credits, debits and deposits to interactive
46 gaming accounts. Notwithstanding any provision of this part to
47 the contrary, all credits, debits and deposits to interactive
48 gaming accounts shall be made in accordance with regulations
49 promulgated by the board, in consultation with the department,
50 and all payments of winnings shall be made in accordance with
51 the rules of each particular authorized interactive game.

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

3 (1) Credit an interactive gaming account as part of a
4 promotion.

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

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

10 § 13B24. Acceptance of account wagers.

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

13 (1) The wager shall be placed directly with the
14 interactive gaming certificate holder by the registered
15 player, after the interactive gaming certificate holder has
16 verified that the individual seeking to place a wager or bet
17 is the registered player.

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

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

28 § 13B25. Dormant interactive gaming accounts.

29 Before closing a dormant interactive gaming account, the
30 interactive gaming certificate holder shall attempt to contact
31 the interactive gaming account holder by mail and phone or e-
32 mail to inform the account holder that the interactive gaming
33 account is inactive and may be subject to termination at such
34 time and manner as determined by regulation of the board.

35 § 13B26. Log-in procedure required.

36 Each interactive gaming certificate holder shall establish a
37 log-in procedure for registered players to access interactive
38 gaming. The log-in procedure shall include the provision of the
39 appropriate authentication information by the registered player
40 for access to the interactive gaming account. The interactive
41 gaming certificate holder shall not allow a registered player to
42 log in and access the interactive gaming account unless the
43 correct password or other authentication information is
44 provided.

45 § 13B27. Information provided at login.

46 The interactive gaming certificate holder shall configure its
47 interactive gaming skin to include a link that, upon login, will
48 allow a registered player to access all of the following
49 information:

50 (1) The current amount of funds in the interactive
51 gaming account.

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

3 (3) The wins and losses at the beginning of the current
4 gaming session and the wins and losses at the end of the
5 current gaming session.

6 (4) The complete text in searchable format of the rules
7 of each authorized interactive game offered by the
8 interactive gaming certificate holder and any other
9 information as the board may require.

10 § 13B28. Prohibitions.

11 Except as provided in this part, no interactive gaming
12 certificate holder or any person licensed under this part to
13 operate interactive gaming or an interactive gaming system and
14 no person acting on behalf of, or under any arrangement with, an
15 interactive gaming certificate holder or other person licensed
16 under this part shall:

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

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

24 § 13B29. Commencement of interactive gaming operations.

25 An interactive gaming certificate holder may not operate or
26 offer interactive games for play on its interactive gaming skin
27 until the board determines that:

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

30 (2) The interactive gaming certificate holder's
31 internal, administrative and accounting controls are
32 sufficient to meet the requirements of section 13B32
33 (relating to internal, administrative and accounting
34 controls).

35 (3) The interactive gaming certificate holder's
36 interactive gaming employees, where applicable, are licensed,
37 permitted, registered, certified or otherwise authorized by
38 the board to perform their respective duties.

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

42 (5) The interactive gaming certificate holder is
43 prepared in all respects to offer interactive gaming to the
44 public over its interactive gaming skin.

45 (6) The interactive gaming certificate holder has
46 implemented necessary internal, administrative and accounting
47 controls, security arrangements and surveillance systems for
48 the operation of interactive gaming.

49 (7) The interactive gaming certificate holder is in
50 compliance with or will comply with section 13B31 (relating
51 to responsibilities of interactive gaming certificate

holder).

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

SUBCHAPTER D FACILITIES AND EQUIPMENT

Sec.

13B31. Responsibilities of interactive gaming certificate holder.

13B32. Internal, administrative and accounting controls.

§ 13B31. Responsibilities of interactive gaming certificate holder.

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

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

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

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

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

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

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

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

§ 13B32. Internal, administrative and accounting controls.

(a) Submissions to board.--Notwithstanding any provision of this part, each slot machine licensee who holds or has applied for an interactive gaming certificate in accordance with this chapter shall submit a description of its system of internal procedures and administrative and accounting controls for interactive gaming to the board, including provisions that provide for real-time monitoring, recordation or storage of all

1 interactive games and a description of any changes to its
2 procedures and controls. The submission shall be made at least
3 90 days before authorized interactive gaming is to commence or
4 at least 90 days before any change in those procedures or
5 controls is to take effect, unless otherwise directed by the
6 board.

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

14 (1) Accounting controls, including the standardization
15 of forms and definition of terms to be utilized in the
16 interactive gaming operations.

17 (2) Procedures, forms and, where appropriate, formulas
18 to govern the following:

- 19 (i) calculation of hold percentages;
- 20 (ii) revenue drops;
- 21 (iii) expense and overhead schedules;
- 22 (iv) complimentary services; and
- 23 (v) cash-equivalent transactions.

24 (3) Job descriptions and the system of personnel and
25 chain of command, establishing a diversity of responsibility
26 among employees engaged in interactive gaming operations,
27 including employees of an interactive gaming operator, and
28 identifying primary and secondary management and supervisory
29 positions for areas of responsibility, salary structure and
30 personnel practices.

31 (4) Procedures for the registration of players and
32 establishment of interactive gaming accounts, including a
33 procedure for authenticating the age, identity and location
34 of applicants for interactive gaming accounts.

35 (5) Procedures for terminating a registered player's
36 interactive gaming account and the return of any funds
37 remaining in the interactive gaming account to the registered
38 player.

39 (6) Procedures for suspending or terminating a dormant
40 interactive gaming account.

41 (7) Procedures for the logging in and authentication of
42 a registered player in order to enable the player to commence
43 interactive gaming and the logging off of the registered
44 player when the player has completed play, including a
45 procedure to automatically log a registered player out of the
46 player's interactive gaming account after a specified period
47 of inactivity.

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

50 (9) Procedures for cashing checks, receiving electronic
51 negotiable instruments and for redeeming chips, tokens or

1 other cash equivalents.

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

4 (11) Procedures for the protection of player funds,
5 including the segregation of player funds from operating
6 funds.

7 (12) Procedures for recording transactions pertaining to
8 interactive gaming.

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

22 (14) Procedures and security for the calculation and
23 recordation of revenue.

24 (15) Procedures for the security of interactive gaming
25 devices and associated equipment within an interactive gaming
26 restricted area on the premises of the licensed facility or
27 in a secure facility inaccessible to the public and
28 specifically designed for that purpose off the premises of a
29 licensed facility as approved by the board.

30 (16) Procedures and security standards as to receipt of
31 and the handling and storage of interactive gaming devices
32 and associated equipment.

33 (17) Procedures and security standards to protect the
34 interactive gaming certificate holder's interactive gaming
35 skin or Internet website and interactive gaming devices and
36 associated equipment from hacking or tampering by any person.

37 (18) Procedures for responding to suspected or actual
38 hacking or tampering with an interactive gaming certificate
39 holder's interactive gaming skin or Internet website and
40 interactive gaming devices and associated equipment,
41 including partial or complete suspension of interactive
42 gaming or the suspension of any or all interactive gaming
43 accounts when warranted.

44 (19) Procedures to verify each registered player's
45 physical location each time a wager is placed on an
46 interactive game.

47 (20) Procedures to ensure, to a reasonable degree of
48 certainty, that the interactive games are fair and honest and
49 that appropriate measures are in place to deter, detect and,
50 to the extent reasonably possible, to prevent cheating,
51 including collusion, and use of cheating devices, including

1 the use of software programs that make bets or wagers
2 according to algorithms.

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

11 (22) Procedures to govern emergencies, including
12 suspected or actual cyber attacks, hacking or tampering with
13 the interactive gaming certificate holder's interactive
14 gaming portal, platform or Internet website.

15 (c) Review of submissions.--

16 (1) The board shall review each submission required by
17 subsections (a) and (b) and shall determine whether the
18 submission conforms to the requirements of this chapter and
19 regulations promulgated by the board and whether the system
20 submitted provides adequate and effective controls for
21 interactive gaming of the particular interactive gaming
22 certificate holder.

23 (2) If the board determines that insufficiencies exist,
24 it shall specify the insufficiencies in writing to the
25 interactive gaming certificate holder, who shall make
26 appropriate alterations to ensure compliance with the
27 requirements of this chapter and regulations of the board.
28 When the board determines a submission to be adequate in all
29 respects, it shall notify the interactive gaming certificate
30 holder.

31 (3) Except as otherwise provided in subsection (a), no
32 interactive gaming certificate holder, interactive gaming
33 operator or other person shall commence or alter interactive
34 gaming operations unless and until the system of procedures,
35 controls and alternations is approved by the board.

36 SUBCHAPTER E

37 TESTING AND CERTIFICATION

38 Sec.

39 13B41. Interactive games and interactive gaming devices and
40 associated equipment testing and certification
41 standards.

42 § 13B41. Interactive games and interactive gaming devices and
43 associated equipment testing and certification
44 standards.

45 (a) Testing required.--

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

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

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

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

32 SUBCHAPTER F
33 TAXES AND FEES

34 Sec.

35 13B51. Interactive gaming authorization fee.

36 13B52. Interactive gaming tax.

37 13B53. Local share assessment.

38 13B54. Compulsive and problem gambling.

39 § 13B51. Interactive gaming authorization fee.

40 (a) Amount of authorization fee.--

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

46 (2) Each interactive gaming operator or an affiliate of
47 an interactive gaming certificate holder that is issued an
48 interactive gaming license under this chapter to operate
49 interactive gaming or an interactive gaming system on behalf
50 of a slot machine licensee pursuant to an interactive gaming
51 agreement and that is not owned, affiliated with or otherwise

1 controlled by a slot machine licensee shall pay a one-time
2 nonrefundable authorization fee in the amount of \$2,000,000.

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

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

21 (c) Renewal fee.--

22 (1) Notwithstanding any other provision of this chapter,
23 an interactive gaming certificate holder shall pay a renewal
24 fee in the amount of \$250,000 upon the renewal of its
25 interactive gaming certificate in accordance with sections
26 1326 (relating to renewals) and 13B13(c) (relating to
27 issuance of interactive gaming certificate).

28 (2) Each interactive gaming operator under subsection
29 (a)(2) shall pay a renewal fee of \$100,000 upon the renewal
30 of its interactive gaming license in accordance with this
31 chapter.

32 (d) Deposit of fees.--The fees imposed and collected under
33 this section shall be deposited in the General Fund.
34 § 13B52. Interactive gaming tax.

35 (a) Imposition of tax.--Each interactive gaming certificate
36 holder that conducts interactive gaming shall report to the
37 department and pay from its daily gross interactive gaming
38 revenue, on a form and in the manner prescribed by the
39 department, a tax of 14% of its daily gross interactive gaming
40 revenue and a local share assessment as provided in section
41 13B53 (relating to local share assessment).

42 (b) Deposits and distributions.--

43 (1) The tax imposed under subsection (a) shall be
44 payable to the department on a weekly basis and shall be
45 based upon gross interactive gaming revenue derived during
46 the previous week.

47 (2) All funds owed to the Commonwealth under this
48 section shall be held in trust for the Commonwealth by the
49 interactive gaming certificate holder until the funds are
50 paid to the department for deposit in the General Fund. An
51 interactive gaming certificate holder shall establish a

1 separate bank account into which gross interactive gaming
2 revenue shall be deposited and maintained until such time as
3 the funds are paid to the department under this section.

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

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

15 § 13B53. Local share assessment.

16 (a) Required payment.--

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

29 (2) The Department of Community and Economic Development
30 shall develop policies and procedures to govern the
31 distribution of grants from the local share assessment
32 established under paragraph (1). The policies and procedures
33 shall be of sufficient scope to ensure equal access to grant
34 funds by all counties in this Commonwealth.

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

38 "Local share assessment." Two percent of an interactive
39 gaming certificate holder's daily gross interactive gaming
40 revenue.

41 § 13B54. Compulsive and problem gambling.

42 The following shall apply:

43 (1) Each year, from the tax imposed in section 13B52
44 (relating to interactive gaming tax), \$2,000,000 or an amount
45 equal to .002 multiplied by the total gross interactive
46 gaming revenue of all active and operating interactive gaming
47 certificate holders, whichever is greater, shall be
48 transferred into the Compulsive and Problem Gambling
49 Treatment Fund established in section 1509 (relating to
50 compulsive and problem gambling program).

51 (2) Each year, from the tax imposed in section 13B52,

1 \$2,000,000 or an amount equal to .002 multiplied by the total
2 gross interactive gaming revenue of all active and operating
3 interactive gaming certificate holders, whichever is greater,
4 shall be transferred to the Department of Drug and Alcohol
5 Programs to be used for drug and alcohol addiction treatment
6 services, including treatment for drug and alcohol addiction
7 related to compulsive and problem gambling, as set forth in
8 section 1509.1 (relating to drug and alcohol treatment).

9 SUBCHAPTER G

10 MISCELLANEOUS PROVISIONS

11 Sec.

12 13B61. Participation in interactive gaming by persons outside
13 Commonwealth.

14 13B62. Institutional investors.

15 13B63. Internet cafes and prohibition.

16 § 13B61. Participation in interactive gaming by persons outside
17 Commonwealth.

18 Notwithstanding any other provision of this chapter to the
19 contrary, an interactive gaming certificate holder may accept
20 interactive gaming wagers from a person who is not physically
21 present in this Commonwealth, if the board determines the
22 following:

23 (1) Participation in interactive gaming and acceptance
24 of wagers associated with interactive gaming from a person
25 not physically present in this Commonwealth is not
26 inconsistent with Federal law or regulation or the law or
27 regulation of the jurisdiction, including any foreign
28 jurisdiction, in which the person is located.

29 (2) Participation in interactive gaming is conducted
30 pursuant to an interactive gaming reciprocal agreement
31 between the Commonwealth and another state or jurisdiction,
32 including a foreign jurisdiction, to which the Commonwealth
33 is a party and the interactive gaming reciprocal agreement is
34 not inconsistent with Federal law or regulation.

35 § 13B62. Institutional investors.

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

38 (1) An institutional investor holding 20% or less of the
39 equity securities of an interactive gaming certificate
40 holder's, interactive gaming operator's or applicant's
41 holding, subsidiary or intermediary companies shall be
42 granted a waiver of any investigation of suitability or other
43 requirement if the securities are those of a corporation,
44 whether publicly traded or privately held, and the holdings
45 of the securities were purchased for investment purposes
46 only. The institutional investor shall file a certified
47 statement that it has no intention of influencing or
48 affecting the affairs of the interactive gaming certificate
49 holder, interactive gaming operator, applicant or any
50 holding, subsidiary or intermediary company of an interactive
51 gaming certificate holder, interactive gaming operator or

1 applicant. However, an institutional investor shall be
2 permitted to vote on matters put to the vote of the
3 outstanding security holders.

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

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

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

29 (5) The interactive gaming certificate holder or
30 interactive gaming operator or applicant or any holding,
31 intermediary or subsidiary company of an interactive gaming
32 certificate holder, interactive gaming operator or applicant
33 shall notify the board immediately of any information about,
34 or actions of, an institutional investor holding its equity
35 securities where the information or action may impact the
36 eligibility of the institutional investor for a waiver under
37 this subsection.

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

39 (1) that an institutional investor holding any security
40 of a holding or intermediary company of an interactive gaming
41 certificate holder or interactive gaming operator or
42 applicant or, where relevant, of another subsidiary company
43 of a holding or intermediary company of an interactive gaming
44 certificate holder or interactive gaming operator or
45 applicant which is related in any way to the financing of the
46 interactive gaming certificate holder or interactive gaming
47 operator or applicant, fails to comply with the provisions of
48 subsection (a); or

49 (2) by reason of the extent or nature of its holdings,
50 an institutional investor is in a position to exercise such a
51 substantial impact upon the controlling interests of an

interactive gaming certificate holder or interactive gaming operator or applicant that investigation and determination of suitability of the institutional investor is necessary to protect the public interest;
then the board may take any necessary action otherwise authorized under this chapter to protect the public interest.
§ 13B63. Internet cafes and prohibition.

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

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

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

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

CHAPTER 13C

(RESERVED)

CHAPTER 13D

SLOT MACHINES AT NONPRIMARY LOCATIONS

Subchapter

A. General Provisions

B. Category 1 Licensed Gaming Entities and Nonprimary Locations

C. Application and Issuance of Nonprimary Location Permit

D. Fees and Taxes

SUBCHAPTER A

GENERAL PROVISIONS

Sec.

13D01. (Reserved).

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

13D03. Temporary regulations.

§ 13D01. (Reserved).

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

(a) Placement of slot machines at nonprimary locations.--Notwithstanding any provision of this part, Article XXVIII-D of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, or any other law or regulation to

1 the contrary, a Category 1 licensed gaming entity that is a
2 licensed racing entity under Article XXVIII-D of The
3 Administrative Code of 1929 shall apply to the board for a
4 nonprimary location permit to place and make slot machines
5 available for play at nonprimary locations.

6 (b) Duty of the board and commission.--The board shall have
7 general and regulatory authority over the placement and
8 operation of slot machines at nonprimary locations and shall, in
9 consultation with the commission, promulgate regulations to
10 govern the placement and operation of slot machines at
11 nonprimary locations. Except that, any regulations specific to
12 the operation of nonprimary locations by licensed racing
13 entities promulgated under 58 Pa. Code Ch. 171 (relating to
14 nonprimary locations) or any regulations related to the
15 operation of nonprimary locations which may be adopted by the
16 commission subsequent to the effective date of this chapter
17 shall be adopted as regulations under this chapter, unless the
18 board, in consultation with the commission, determine that such
19 regulations are not sufficient for the administration and
20 enforcement of this chapter. In that event, the board shall, in
21 consultation with the commission, promulgate such regulations
22 specific to the operation of slot machines at nonprimary
23 locations as the board and commission deem necessary to
24 facilitate the administration and enforcement of this chapter.
25 § 13D03. Temporary regulations.

26 (a) Promulgation.--In order to facilitate the prompt
27 implementation of this chapter, regulations promulgated by the
28 board or commission shall be deemed temporary regulations which
29 shall expire not later than two years after the publication of
30 the temporary regulation in the Pennsylvania Bulletin. The board
31 may promulgate temporary regulations not subject to:

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

35 (2) Sections 204(b) and 301(10) of the act of October
36 15, 1980 (P.L.950, No.164), known as the Commonwealth
37 Attorneys Act.

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

40 (b) Expiration.--The authority of the board and the
41 commission to adopt temporary regulations under subsection (a)
42 shall expire two years after the effective date of this section.
43 Regulations adopted after this period shall be promulgated as
44 provided by law.

45 (c) Temporary regulations.--The board, in consultation with
46 the commission, shall begin publishing temporary regulations
47 governing placement and operation of slot machines at nonprimary
48 locations in the Pennsylvania Bulletin within 60 days of the
49 effective date of this section.

SUBCHAPTER B

CATEGORY 1 LICENSED GAMING ENTITIES

1 AND NONPRIMARY LOCATIONS

2 Sec.

3 13D07. Authority to place slot machines at nonprimary
4 locations.

5 § 13D07. Authority to place slot machines at nonprimary
6 locations.

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

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

23 (2) Each Category 1 licensed gaming entity under section
24 13D02 that is authorized to hold horse race meetings at a
25 racetrack at which only one license is authorized may be
26 granted approval to place and make slot machines available
27 for play at four nonprimary locations, if the board, in
28 consultation with the commission, determines that a
29 nonprimary location newly proposed or approved in accordance
30 with regulations of the commission will benefit economic
31 development, employment, tourism, the race horse industry and
32 result in enhanced revenues to the Commonwealth and the
33 municipality where the newly proposed or approved nonprimary
34 location will be or is situated.

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

43 (4) No Category 1 licensed gaming entity, which is also
44 a licensed racing entity as set forth in section 13D02(a),
45 shall be authorized to place and make slot machines available
46 for play at a nonprimary location which is located within the
47 primary market area of another licensed facility or another
48 nonprimary location.

49 (5) A nonprimary location may be located within the
50 primary market area of a licensed facility if the Category 1
51 licensed gaming entity owns the nonprimary location and the

1 licensed gaming entity enters into an agreement with the
2 affected licensed gaming entity or entities and the agreement
3 is filed with the commission and the board.

4 (6) A Category 1 licensed gaming entity that places and
5 makes slot machines available for play at a nonprimary
6 location shall be subject to the requirements of section
7 1303(a), (b) and (d) (relating to additional Category 1 slot
8 machine license requirements).

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

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

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

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

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

34 (1) Notwithstanding section 1210 (relating to number of
35 slot machines), a Category 1 licensed gaming entity, upon
36 approval of the board and remittance of the fee under section
37 13D17 (relating to nonprimary location permit fee), may place
38 and make available for play no more than 250 slot machines at
39 a nonprimary location.

40 (2) The permissible number of slot machines that may be
41 placed and made available for play at a nonprimary location
42 under this subsection shall not be included in the complement
43 of slot machines authorized for a Category 1 licensed
44 facility under section 1210.

45 (3) In determining the permissible number of slot
46 machines that may be placed at a nonprimary location in
47 accordance with this subsection, the board shall consider the
48 appropriateness of the physical space of the nonprimary
49 location where the slot machines will be placed and the
50 convenience of the public patronizing the nonprimary
51 location. The board may also consider the potential benefit

1 to economic development, employment, tourism, the race horse
2 industry and enhanced revenues to the Commonwealth and the
3 municipality where the nonprimary location is situated.

4 SUBCHAPTER C

5 APPLICATION AND ISSUANCE OF
6 NONPRIMARY LOCATION PERMIT

7 Sec.

8 13D11. Application for nonprimary location permit.

9 13D12. Issuance and terms of nonprimary location permit.

10 13D13. Confidentiality.

11 13D14. Key employees and occupation permits.

12 § 13D11. Application for nonprimary location permit.

13 (a) Application.--An application for a nonprimary location
14 permit to place and make slot machines available for play at a
15 nonprimary location shall be submitted on a form and in a manner
16 as shall be required by the board. In reviewing and approving
17 each application, the board shall:

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

22 (2) Confirm that the nonprimary location permit fee
23 under section 13D17 (relating to nonprimary location permit
24 fee) has been paid or will be paid in accordance section
25 13D17.

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

28 (1) The name of the Category 1 slot machine licensee and
29 the licensed racing entity and location of the existing
30 nonprimary location, if any, or the location of any proposed
31 relocated or new nonprimary location.

32 (2) The name, address and current photograph of the
33 applicant and of all directors and owners and key employees
34 and their positions within the licensed racing entity, if
35 required by the board.

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

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

41 (5) The number of slot machines requested.

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

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

46 (8) The details of any loans or other financing obtained
47 or that will be obtained to fund an expansion, modification
48 or construction project at an existing nonprimary location, a
49 relocated nonprimary location or a proposed or newly approved
50 nonprimary location to accommodate slot machines at the
51 nonprimary location.

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

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

11 § 13D12. Issuance and terms of nonprimary location permit.

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

19 (b) Terms of permit.--A nonprimary location permit approved
20 and issued by the board in accordance with subsection (a) shall
21 be in effect unless suspended or revoked by the board upon good
22 cause consistent with the requirements of this part, regulations
23 promulgated pursuant to this part or regulations of the
24 commission.

25 (c) Notification of change in status.--Nothing in this
26 section shall relieve a nonprimary location permit holder of the
27 affirmative duty to notify the board of any changes relating to
28 the status of its nonprimary location permit, its horse racing
29 license or to any other information contained in the application
30 materials on file with the board.

31 § 13D13. Confidentiality.

32 Information submitted to the board under section 13D11
33 (relating to application for nonprimary location permit) may be
34 considered confidential by the board if the information would be
35 confidential under section 1206(f) (relating to board minutes
36 and records).

37 § 13D14. Key employees and occupation permits.

38 Nothing in this subchapter shall be construed to require any
39 individual who holds a principal license, a key employee license
40 or gaming employee license under Chapters 13 (relating to
41 licensees) and 13A (relating to table games) or who holds a
42 license under Article XXVIII-D of the act of April 9, 1929
43 (P.L.177, No.175), known as The Administrative Code of 1929, to
44 obtain a separate license, permit or registration to be employed
45 in a permit holder's slot machine operation at a nonprimary
46 location under this chapter, if the board determines, in
47 consultation with the commission, that licensure under the
48 provisions of this part or Article XXVIII-D of The
49 Administrative Code of 1929, is sufficient and will not
50 compromise the integrity of the operation of slot machines at
51 nonprimary locations.

SUBCHAPTER D
FEES AND TAXES

Sec.

13D17. Nonprimary location permit fee.

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

§ 13D17. Nonprimary location permit fee.

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

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

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

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

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

(b) Distribution.--

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

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

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

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

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

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

(c) Payments and deposits.--

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

(2) All money owed to the Commonwealth and collected by

1 the department in accordance with this subchapter shall be
2 deposited in the General Fund.

3 CHAPTER 13E

4 SLOT MACHINES IN QUALIFIED AIRPORTS

5 Subchapter

6 A. Preliminary Provisions

7 B. Airport Gaming Authorized

8 C. Conduct of Airport Gaming

9 D. Airport Gaming Fees and Taxes

10 E. Miscellaneous Provisions

11 SUBCHAPTER A

12 PRELIMINARY PROVISIONS

13 Sec.

14 13E01. Definitions.

15 § 13E01. Definitions.

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

19 "Airport authority." The governing body of a municipal
20 authority organized and incorporated in accordance with 53
21 Pa.C.S. Ch. 56 (relating to municipal authorities) to oversee
22 the operations of a qualified airport. The term shall include
23 the governing body of any joint municipal authority which
24 operates a qualified airport and the governing body of a city of
25 the first class which owns and operates a qualified airport
26 located in a county of the first class.

27 "Airport gaming." The licensed placement, operation and play
28 of slot machines in a qualified airport as authorized and
29 approved by the board.

30 "Airport gaming certificate holder." The authorization
31 issued under this chapter to conduct airport gaming.

32 "Airport gaming operation certificate." A certificate issued
33 by the Pennsylvania Gaming Control Board under Chapter 13B
34 (relating to interactive gaming) that authorizes a slot machine
35 licensee to conduct airport gaming in accordance with this
36 chapter.

37 "Airport gaming revenue." The daily gross terminal revenue
38 derived from the conduct of airport gaming.

39 "Applicant." A slot machine licensee.

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

43 "Specified area." The secure area of a qualified airport
44 where slot machines are placed and made available to play and
45 members of the public, other than passengers, are prohibited
46 from entering.

47 SUBCHAPTER B

48 AIRPORT GAMING AUTHORIZED

49 Sec.

50 13E11. Authorization.

51 13E12. Application.

1 13E13. Standard for review of applications.

2 13E14. Approval of application.

3 13E15. Airport gaming operation certificate.

4 13E16. Timing of initial airport gaming authorizations.

5 § 13E11. Authorization.

6 (a) General rule.--Upon application of a slot machine
7 licensee, the board may authorize the slot machine licensee to
8 conduct airport gaming. A slot machine licensee seeking
9 authorization to conduct airport gaming must enter into an
10 agreement with the governing body of a qualified airport and
11 submit the agreement to the board for approval. No person shall
12 cause or make slot machines available for play at a qualified
13 airport without first obtaining an airport gaming operation
14 certificate in accordance with the provisions of this chapter.

15 (b) Conditions.--Authorization shall be contingent upon the
16 slot machine licensee's agreement to ensure that slot machine
17 operations will be conducted in accordance with this part and
18 any other conditions established by the board. The agreement
19 shall specify the fees to be paid to the qualified airport by
20 the slot machine licensee for the privilege of conducting
21 airport gaming. Nothing in this part shall be construed to
22 create a separate license governing the conduct of airport
23 gaming by slot machine licensees within this Commonwealth.

24 (c) Number of slot machines.--The board shall approve the
25 maximum number of slot machines that a slot machine licensee may
26 operate at a qualified airport. The board, in making its
27 determination, shall consider the physical space where the slot
28 machines will be located and the convenience of passengers. The
29 board may also consider the potential employment, enhanced
30 revenues to the Commonwealth and other economic indicators it
31 deems applicable in making its decision.

32 § 13E12. Application.

33 (a) Information to be provided.--An applicant seeking
34 authorization to conduct airport gaming shall provide the
35 following information to the board:

36 (1) The name, business address and contact information
37 of the applicant, and the name, business address and contact
38 information of the airport authority and the location of the
39 qualified airport.

40 (2) The name and business address, job title and a
41 photograph of each principal and key employee of the
42 applicant who will be involved in the conduct of airport
43 gaming and who is not currently licensed by the board, if
44 known.

45 (3) The number of slot machines for which authorization
46 is being sought.

47 (4) The estimated number of full-time and part-time
48 employment positions that will be created at the qualified
49 airport if the slot machine licensee is authorized to operate
50 slot machines under this chapter and an updated hiring plan
51 under section 1510(a) (relating to labor hiring preferences)

1 which outlines the applicant's plan to promote the employment
2 representation of diverse groups and Commonwealth residents.

3 (5) The details of any financing obtained or that will
4 be obtained to fund an expansion or modification of the
5 qualified airport to accommodate the conduct of airport
6 gaming and to otherwise fund the cost of commencing airport
7 gaming operations.

8 (6) Information and documentation concerning financial
9 background and resources, as the board may require, to
10 establish by clear and convincing evidence the financial
11 stability, integrity and responsibility of the applicant.

12 (7) Information and documentation, as the board may
13 require, to establish by clear and convincing evidence that
14 the applicant has sufficient business ability and experience
15 to conduct airport gaming. In making this determination, the
16 board may consider the results of the applicant's slot
17 machine operation, including financial information,
18 employment data and capital investment.

19 (8) Information and documentation, as the board may
20 require, to establish by clear and convincing evidence that
21 the applicant has or will have the financial ability to pay
22 the required fee under section 13E51 (relating to fees).

23 (9) Detailed site plans identifying the applicant's
24 proposed specified area.

25 (10) A copy of the agreement entered into by the slot
26 machine licensee and the qualified airport. The agreement
27 shall identify the members of the governing board of the
28 airport authority and all employees of the airport authority
29 who, directly or indirectly, regulate the use and control of
30 the qualified airport and who will oversee airport gaming at
31 the qualified airport.

32 (11) Other information as the board may require.

33 (b) Confidentiality.--Information submitted to the board
34 under subsection (a)(6), (7), (8), (9) and (10) may be
35 considered confidential by the board if the information would be
36 confidential under section 1206(f) (relating to board minutes
37 and records).

38 § 13E13. Standard for review of applications.

39 The board shall approve an application if the applicant
40 establishes, by clear and convincing evidence, all of the
41 following:

42 (1) The applicant's slot machine license is in good
43 standing with the board, and the applicant has an agreement
44 with the airport authority authorizing the placement of slot
45 machines at the qualified airport.

46 (2) The applicant possesses adequate funds or has
47 secured adequate financing to:

48 (i) Fund any necessary expansion or modification of
49 the qualified airport to accommodate the conduct of
50 airport gaming if required in the agreement with the
51 governing body of the airport authority.

1 (ii) Pay the required fee in accordance with section
2 13E51 (relating to fees).

3 (iii) Commence airport gaming operations at the
4 qualified airport.

5 (3) The applicant has the financial stability, integrity
6 and responsibility to conduct airport gaming.

7 (4) The applicant has sufficient business ability and
8 experience to create and maintain airport gaming.

9 (5) The applicant's proposed internal and external
10 security and proposed surveillance measures within the
11 specified area where the applicant seeks to conduct airport
12 gaming are adequate.

13 (6) The applicant agrees that the number of slot
14 machines in operation at its licensed facility will not be
15 permanently reduced in order to conduct airport gaming.

16 § 13E14. Approval of application.

17 Upon approval of an application, the board shall issue an
18 airport gaming operation certificate to the applicant. Issuing
19 an airport gaming operation certificate prior to the payment in
20 full of the fee required by section 13E51 (relating to fees)
21 shall not relieve the applicant from complying with the
22 provisions of section 13E51.

23 § 13E15. Airport gaming operation certificate.

24 The following shall apply:

25 (1) An airport gaming operation certificate shall be in
26 effect unless:

27 (i) Suspended or revoked by the board consistent
28 with the requirements of this part.

29 (ii) The slot machine license held by the airport
30 gaming certificate holder is suspended, revoked or not
31 renewed by the board consistent with the requirements of
32 this part.

33 (iii) The airport gaming certificate holder
34 relinquishes or does not seek renewal of its slot machine
35 license.

36 (iv) The agreement between the airport gaming
37 certificate holder and the governing body of the
38 authority is not renewed.

39 (2) The airport gaming operation certificate shall
40 include the maximum number of slot machines approved by the
41 board and permitted in the specified area. The airport gaming
42 certificate holder may increase or decrease the number of
43 slot machines permitted in the specified area or change the
44 configuration of the slot machines upon notice to and
45 approval by the board. Unless approved by the board, the
46 total number of slot machines in operation in the specified
47 area may not exceed the number authorized in the airport
48 gaming operation certificate.

49 (3) A airport gaming certificate holder shall be
50 required to update the information in its initial airport
51 gaming application at times prescribed by the board.

1 § 13E16. Timing of initial airport gaming authorizations.

2 The board shall approve or deny an application within 180
3 days following receipt of the completed application.

4 SUBCHAPTER C

5 CONDUCT OF AIRPORT GAMING

6 Sec.

7 13E31. Authorized locations for operation.

8 13E32. Commencement of airport gaming operations.

9 13E33. Condition of continued operation.

10 13E34. Airport gaming accounting controls and audit protocols.

11 13E35. Cash equivalents.

12 13E36. Occupation permits.

13 § 13E31. Authorized locations for operation.

14 (a) Restriction.--An airport gaming certificate holder shall
15 only be permitted to operate slot machines in the specified area
16 authorized by the board.

17 (b) Powers and duties of board.--No airport gaming
18 certificate holder may be approved to operate slot machines
19 unless the specified area is equipped with adequate security and
20 surveillance equipment to ensure the integrity of the conduct of
21 airport gaming. An authorization granted under this section may
22 not impose any criteria or requirements regarding the contents
23 or structure of a qualified airport which are unrelated to the
24 conduct of airport gaming.

25 § 13E32. Commencement of airport gaming operations.

26 An airport gaming certificate holder may not operate or offer
27 slot machines for play at a qualified airport until the board
28 determines that:

29 (1) The airport gaming certificate holder is in
30 compliance with the requirements of this part.

31 (2) The airport gaming certificate holder's internal
32 controls and audit protocols are sufficient to meet the
33 requirements of section 13E34 (relating to airport gaming
34 accounting controls and audit protocols).

35 (3) The airport gaming certificate holder's gaming
36 employees, where applicable, are licensed, permitted or
37 otherwise authorized by the board to perform their respective
38 duties.

39 (4) The airport gaming certificate holder is prepared in
40 all respects to offer slot machine play to eligible
41 passengers at the qualified airport.

42 (5) The airport gaming certificate holder has
43 implemented necessary internal and management controls and
44 security arrangements and surveillance systems for the
45 conduct of airport gaming.

46 (6) The airport gaming certificate holder is in
47 compliance with or has complied with section 13E51 (relating
48 to fees).

49 (7) All slot machines certified and approved for use
50 under this chapter have been approved by the board and are
51 compatible with the central control computer and protocol

1 specifications approved by the department.

2 (8) The airport gaming certificate holder has
3 implemented or will implement the necessary procedures and
4 safeguards to ensure that no individual under 21 years of age
5 will be permitted to enter the specified area of the
6 qualified airport.

7 § 13E33. Condition of continued operation.

8 As a condition of continued operation, an airport gaming
9 certificate holder shall maintain all books, records and
10 documents pertaining to airport gaming in a manner and location
11 within this Commonwealth as approved by the board. All books,
12 records and documents related to airport gaming shall:

13 (1) be segregated by separate accounts within the slot
14 machine licensee's books, records and documents, except for
15 any books, records or documents that are common to the
16 licensee's slot machine operations at a licensed facility and
17 a qualified airport;

18 (2) be immediately available for inspection upon request
19 of the board, the bureau, the department, the Pennsylvania
20 State Police or the Attorney General, or agents thereof,
21 during all hours of operation at the qualified airport in
22 accordance with regulations promulgated by the board; and

23 (3) be maintained for a period as the board, by
24 regulation, may require.

25 § 13E34. Airport gaming accounting controls and audit
26 protocols.

27 (a) Approval.--Prior to the commencement of airport gaming
28 operations, an airport gaming certificate holder shall submit to
29 the board for approval all proposed site plans, internal and
30 accounting control systems and audit protocols for the airport
31 gaming certificate holder's airport gaming operations.

32 (b) Minimum requirements.--The airport gaming certificate
33 holder's internal and accounting controls and audit protocols
34 shall meet the requirements set forth in section 1322(b) and (c)
35 (relating to slot machine accounting controls and audits).

36 § 13E35. Cash equivalents.

37 Notwithstanding any other provisions of this part, the board
38 may, through regulations, determine the cash equivalents that
39 may be authorized and accepted by an airport gaming certificate
40 holder in the conduct of airport gaming.

41 § 13E36. Occupation permits.

42 (a) Application.--Any person who desires to be a gaming
43 employee and has a bona fide offer of employment from a airport
44 gaming certificate holder authorized to operate slot machines
45 under this chapter shall apply to the board for an occupation
46 permit. A person may not be employed as a gaming employee unless
47 and until that person holds an appropriate occupation permit
48 issued under this section. The board may promulgate regulations
49 to reclassify a category of nongaming employees or gaming
50 employees upon a finding that the reclassification is in the
51 public interest and consistent with the objectives of this part.

1 (b) Requirements.--The application for an occupation permit
2 shall include, at a minimum:

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

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

5 (3) The criminal history record of the person, as well
6 as the person's consent for the Pennsylvania State Police to
7 conduct a background investigation.

8 (4) A current photograph of the person.

9 (5) Evidence of the offer of employment and the nature
10 and scope of the proposed duties of the person, if known.

11 (6) The details of any occupation permit or similar
12 license granted or denied to the person in other
13 jurisdictions.

14 (7) Any other information determined by the board to be
15 appropriate.

16 (c) Prohibition.--No airport gaming certificate holder may
17 employ or permit any person under 18 years of age to render any
18 service in any specified area where slot machines are physically
19 located.

20 (d) Construction.--Nothing in this part shall be construed
21 to require any person who holds a principal license, a key
22 employee license or gaming employee occupation permit under
23 Chapter 13 (relating to licensees) to obtain a separate license,
24 permit, certificate, registration or other authorization to be
25 employed in an airport gaming certificate holder's airport
26 gaming operations.

27 SUBCHAPTER D

28 AIRPORT GAMING FEES AND TAXES

29 Sec.

30 13E51. Fees.

31 13E52. Airport gaming tax and assessment.

32 § 13E51. Fees.

33 (a) Required fees.--A slot machine licensee shall pay:

34 (1) Except as set forth in paragraph (2) or (3), a one-
35 time, nonrefundable fee of \$1,000,000 upon the issuance of a
36 certificate to operate slot machines under this chapter in a
37 qualified airport.

38 (2) A one-time, nonrefundable fee of \$5,000,000 upon the
39 issuance of a certificate to operate slot machines under this
40 chapter in a qualified airport located in a city of the first
41 class.

42 (3) A one-time, nonrefundable fee of \$2,500,000 upon the
43 issuance of a certificate to operate slot machines under this
44 chapter in a qualified airport located in a county of the
45 second class.

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

50 § 13E52. Airport gaming tax and assessment.

51 (a) Imposition.--Each airport gaming certificate holder

1 shall report to the department and pay from its airport gaming
2 revenue, on a form and in the manner prescribed by the
3 department, a tax of 34% of its airport gaming revenue and an
4 airport local share assessment.

5 (b) Deposits and distributions.--

6 (1) The tax and local share assessment imposed under
7 subsection (a) shall be payable to the department on a weekly
8 basis and shall be based upon gross terminal revenue derived
9 during the previous week.

10 (2) All funds owed to the Commonwealth under this
11 section shall be held in trust for the Commonwealth by the
12 airport gaming certificate holder until the funds are paid to
13 the department. Unless otherwise agreed to by the board, a
14 airport gaming certificate holder shall establish a separate
15 bank account into which gross terminal revenue shall be
16 deposited and maintained until such time as the funds are
17 paid to the department under this section.

18 (3) The department shall transfer the tax revenues
19 collected under this section to the General Fund.

20 (4) The department shall quarterly distribute to each
21 qualified airport the airport local share assessment from the
22 airport gaming revenue generated from airport gaming at each
23 qualified airport.

24 (c) Definitions.--As used in this section, the following
25 words and phrases shall have the meanings given to them in this
26 subsection unless the context clearly indicates otherwise:

27 "Airport local share assessment." Twenty percent of an
28 airport gaming certificate holder's airport gaming revenue.

29 SUBCHAPTER E

30 MISCELLANEOUS PROVISIONS

31 Sec.

32 13E91. Regulations.

33 § 13E91. Regulations.

34 (a) Regulations.--The board shall promulgate regulations
35 consistent with the provisions of this part to govern the
36 conduct of airport gaming at qualified airports.

37 (b) Temporary regulations.--In order to facilitate the
38 prompt implementation of this chapter, regulations promulgated
39 by the board in accordance with subsection (a) shall be deemed
40 temporary regulations which shall expire not later than two
41 years following the publication of the temporary regulation. The
42 board may promulgate temporary regulations not subject to:

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

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

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

51 (c) Expiration.--The board's authority to adopt temporary

1 regulations under subsection (a) shall expire two years after
2 the effective date of this section. Regulations adopted after
3 this period shall be promulgated as provided by law.

4 Section 15. Sections 1403(b), (c)(2)(ii)(D), (iii)(A) and
5 (iv)(B), 1405, 1407 and 1408(c) of Title 4 are amended to read:
6 § 1403. Establishment of State Gaming Fund and net slot machine
7 revenue distribution.

8 * * *

9 (b) Slot machine tax.--The department shall determine and
10 each slot machine licensee shall pay a daily tax of 34% from its
11 daily gross terminal revenue from the slot machines in operation
12 at its licensed facility and a local share assessment as
13 provided in subsection (c). All funds owed to the Commonwealth,
14 a county or a municipality under this section shall be held in
15 trust by the licensed gaming entity for the Commonwealth, the
16 county and the municipality until the funds are paid or
17 transferred to the fund. Unless otherwise agreed to by the
18 board, a licensed gaming entity shall establish a separate bank
19 account to maintain gross terminal revenue until such time as
20 the funds are paid or transferred under this section. Moneys in
21 the fund are hereby appropriated to the department on a
22 continuing basis for the purposes set forth in subsection (c).
23 For the purpose of this subsection, the term licensed facility
24 shall not be construed to include a nonprimary location at which
25 a Category 1 slot machine licensee is authorized to place and
26 make slot machines available for play in accordance with Chapter
27 13D (relating to slot machines at nonprimary locations) or the
28 physical land-based location of a qualified airport under
29 Chapter 13E (relating to slot machines in qualified airports).

30 (c) Transfers and distributions.--The department shall:

31 * * *

32 (2) From the local share assessment established in
33 subsection (b), make quarterly distributions among the
34 counties hosting a licensed facility in accordance with the
35 following schedule:

36 * * *

37 (ii) If the licensed facility is a Category 1
38 licensed facility and is located at a thoroughbred
39 racetrack and the county in which the licensed facility
40 is located is:

41 * * *

42 (D) A county of the third class: 1% of the
43 gross terminal revenue to the county hosting the
44 licensed facility from each such licensed facility.
45 An additional 1% of the gross terminal revenue to the
46 county hosting the licensed facility from each such
47 licensed facility for the purpose of municipal grants
48 within the county in which the licensee is located.
49 Notwithstanding the provisions of the act of February
50 9, 1999 (P.L.1, No.1), known as the Capital
51 Facilities Debt Enabling Act, grants made under this

1 clause may be utilized as local matching funds for
2 other grants or loans from the Commonwealth.

3 * * *

4 (iii) If the facility is a Category 2 licensed
5 facility and if the county in which the licensed facility
6 is located is:

7 (A) A county of the first class: 4% of the
8 gross terminal revenue to the county hosting the
9 licensed facility from each such licensed facility.
10 Notwithstanding any other provision to the contrary,
11 funds from licensed gaming entities located within a
12 county of the first class shall not be distributed
13 outside of a county of the first class. [The first
14 \$5,000,000] Fifty percent or \$5,000,000, whichever is
15 greater, of the total amount distributed annually to
16 the county of the first class shall be distributed to
17 the Philadelphia School District.

18 * * *

19 (iv) * * *

20 (B) If the facility is a Category 3 licensed
21 facility located in a county of the second class A,
22 2% of the gross terminal revenue [from the licensed
23 facility shall be deposited into a restricted
24 receipts account to be established in the
25 Commonwealth Financing Authority to be used
26 exclusively for grants or guarantees for projects in
27 the host county that qualify under 64 Pa.C.S. §§ 1551
28 (relating to Business in Our Sites Program), 1556
29 (relating to Tax Increment Financing Guarantee
30 Program) and 1558 (relating to Water Supply and
31 Wastewater Infrastructure Program).] to the county
32 hosting the licensed facility from each such licensed
33 facility shall be deposited as follows:

34 (I) Seventy-five percent shall be deposited
35 for the purpose of supporting the maintenance and
36 refurbishment of the parks and heritage sites
37 throughout the county in which the licensed
38 facility is located.

39 (II) Twelve and one-half percent shall be
40 deposited for the purpose of supporting a child
41 advocacy center located within the county in
42 which the licensed facility is located.

43 (III) Twelve and one-half percent shall be
44 deposited for the purpose of supporting an
45 organization providing comprehensive support
46 services to victims of domestic violence,
47 including legal and medical aid, shelters,
48 transitional housing and counseling located
49 within the county in which the licensed facility
50 is located.

51 * * *

1 § 1405. Pennsylvania Race Horse Development Fund.

2 (b) Pennsylvania race horse improvement assessment.--Each
3 active and operating licensed gaming entity shall pay a daily
4 assessment to the Pennsylvania Race Horse Development Fund as
5 determined by the department. Subject to the daily assessment
6 cap established under subsection (c), the licensed gaming
7 entity's assessment shall be a percentage of each licensed
8 gaming entity's gross terminal revenue from the slot machines in
9 operation at its licensed facility, equal to an amount
10 calculated as "A" multiplied by "B", with "A" being equal to
11 each licensed gaming entity's gross terminal revenue for that
12 day divided by the total gross terminal revenue for that day
13 from all licensed gaming entities, and "B" being equal to 18% of
14 that day's gross terminal revenue for all active and operating
15 Category 1 licensees conducting live racing.

16 (c) Daily assessment cap.--If the resulting daily assessment
17 for a licensed gaming entity exceeds 12% of that licensed gaming
18 entity's gross terminal revenue from the slot machines in
19 operation at its licensed facility for the day, the licensed
20 gaming entity shall pay a daily assessment of 12% of its gross
21 terminal revenue for that day.

22 (e) Definition.--For the purposes of this section, the term
23 "licensed facility" shall not include the physical land-based
24 location at which a licensed gaming entity is authorized to
25 place and operate slot machines in a nonprimary location under
26 Chapter 13D (relating to slot machines at nonprimary locations)
27 or in a qualified airport under Chapter 13E (relating to slot
28 machines in qualified airports).

29 § 1407. Pennsylvania Gaming Economic Development and Tourism
30 Fund.

31 (a) Fund established.--There is hereby established a
32 Pennsylvania Gaming Economic Development and Tourism Fund within
33 the State Treasury.

34 (b) Fund administration and distribution.--The Pennsylvania
35 Gaming Economic Development and Tourism Fund shall be
36 administered by the Department of Community and Economic
37 Development. All moneys in the Pennsylvania Gaming Economic
38 Development and Tourism Fund shall be distributed pursuant to a
39 subsequently enacted Economic Development Capital Budget that
40 appropriates money from the fund pursuant to this section. The
41 procedures for enactment, authorization and release of economic
42 development and tourism funds authorized under this section for
43 both capital projects and operational expenditures shall be the
44 same as those provided for in sections 303(a), (b) and (c) and
45 318(a) of the act of February 9, 1999 (P.L.1, No.1), known as
46 the Capital Facilities Debt Enabling Act, without reference to
47 the nature or purpose of the project, and any other statutory
48 provision, if any, necessary to effectuate the release of funds
49 appropriated in such economic development capital budget.

50 (c) Pennsylvania Gaming Economic Development and Tourism
51 Fund Assessment.--Each licensed gaming entity shall pay a daily

1 assessment of 5% of its gross terminal revenue from the slot
2 machines in operation at its licensed facility to the
3 Pennsylvania Gaming Economic Development and Tourism Fund.

4 (d) Restrictions on projects for certain counties and
5 cities.--Except as set forth in subsection (d.1), for a ten-year
6 period beginning with the first fiscal year during which
7 deposits are made into this fund, no moneys from the
8 Pennsylvania Gaming Economic Development and Tourism Fund shall
9 be distributed for any project located in a city or county of
10 the first or second class except as authorized by this
11 subsection. Moneys not used for the authorized projects in
12 cities and counties of the first and second classes may be used
13 throughout this Commonwealth. Moneys from the fund for projects
14 within cities and counties of the first and second classes may
15 only be used for the following projects during this ten-year
16 period:

17 (1) for reimbursement to a city of the first class for
18 debt service made by such city to the extent that such
19 payments have been made for the expansion of the Pennsylvania
20 Convention Center;

21 (2) for distribution to the General Fund to the extent
22 that the Commonwealth has made debt service payments for the
23 expansion of the Pennsylvania Convention Center;

24 (3) for reimbursement to a city of the first class for
25 payments made by such city for the operation expenses of the
26 Pennsylvania Convention Center during the prior calendar
27 year;

28 (4) for debt service and for development and economic
29 development projects for an international airport located in
30 a county of the second class;

31 (5) for distribution to a community infrastructure
32 development fund of a county of the second class to fund
33 construction, development, improvement and maintenance of
34 infrastructure projects;

35 (6) for the retirement of the indebtedness of an urban
36 redevelopment authority created pursuant to the act of May
37 24, 1945 (P.L.991, No.385), known as the Urban Redevelopment
38 Law, in a city of the second class which is financed in part
39 with the utilization of funds transferred to the regional
40 asset district pursuant to Article XXXI-B of the act of July
41 28, 1953 (P.L.723, No.230), known as the Second Class County
42 Code;

43 (8) for retirement of indebtedness of a county of the
44 second class development fund created pursuant to the
45 authority of Article XXXI-B of the Second Class County Code
46 and the Urban Redevelopment Law;

47 (9) for retirement of indebtedness of a convention
48 center in a city of the second class established pursuant to
49 the authority of the Public Auditorium Authorities Law;

50 (10) for payment of the operating deficit for the
51 operation of a convention center in a city of the second

1 class established pursuant to the Public Auditorium
2 Authorities Law.

3 (d.1) Community and economic development.--

4 (1) Notwithstanding subsection (b) or any other
5 provision of law to the contrary, the money authorized but
6 not expended under former subsection (d)(7) as of the
7 effective date of this subsection shall be deposited into a
8 restricted receipts account to be established in the
9 Commonwealth Financing Authority exclusively for eligible
10 applications submitted by the redevelopment authority of a
11 county of the second class created pursuant to the act of May
12 24, 1945 (P.L.991, No.385), known as the Urban Redevelopment
13 Law, for economic development, infrastructure development,
14 job training, community improvement, public safety or other
15 projects in the public interest located in a county of the
16 second class. Community development corporations, political
17 subdivisions, urban redevelopment authorities, municipal
18 authorities, for-profit entities and nonprofit entities
19 located in a county of the second class shall be eligible to
20 receive funds made available under this paragraph.

21 (2) Notwithstanding the Capital Facilities Debt Enabling
22 Act, funding under the paragraph (1) may be utilized as local
23 matching funds for grants or loans from the Commonwealth.

24 (e) Annual report.--The Office of the Budget, in cooperation
25 with the Department of Community and Economic Development and
26 the Commonwealth Financing Authority, shall submit an annual
27 report of all distribution of funds under this section to the
28 chairman and minority chairman of the Appropriations Committee
29 of the Senate, the chairman and minority chairman of the
30 Community, Economic and Recreational Development Committee of
31 the Senate, the chairman and minority chairman of the
32 Appropriations Committee of the House of Representatives and the
33 chairman and minority chairman of the Gaming Oversight Committee
34 of the House of Representatives. The report shall include
35 detailed information relating to transfers made from the
36 Pennsylvania Gaming Economic Development and Tourism Fund and
37 all reimbursements, distributions and payments made under
38 subsection (b) or the act of July 25, 2007 (P.L.342, No.53),
39 known as Pennsylvania Gaming Economic Development and Tourism
40 Fund Capital Budget Itemization Act of 2007. The report shall be
41 submitted by August 31, 2010, and by August 31 of each year
42 thereafter.

43 (f) Local report.--A city of the first class, city of the
44 second class, county of the second class, convention center or
45 convention center authority, sports and exhibition authority of
46 a county of the second class, urban redevelopment authority,
47 airport authority or other entity that receives money from the
48 fund pursuant to an Economic Development Capital Budget under
49 subsection (b) or the Pennsylvania Gaming Economic Development
50 and Tourism Fund Capital Budget Itemization Act of 2007 shall
51 submit an annual report to the Office of the Budget. The report

1 shall include detailed information, including records of
2 expenditures, payments and other distributions made from funds
3 received under subsection (b). The initial report shall include
4 information on all funds received prior to August 31, 2010. The
5 report shall be submitted by August 31, 2010, and by August 31
6 of each year thereafter until all funds under this section are
7 distributed or received. An entity that receives funds for the
8 first time after the effective date of this section shall submit
9 its initial report by August 31 of the year following receipt of
10 the funds.

11 (g) Definition.--For the purposes of this section, the term
12 "licensed facility" shall not include the physical land-based
13 location at which a licensed gaming entity is authorized to
14 place and operate slot machines in a nonprimary location under
15 Chapter 13D (relating to slot machines at nonprimary locations)
16 or in a qualified airport under Chapter 13E (relating to slot
17 machines in qualified airports).

18 Amend Bill, page 2, lines 15 and 16, by striking out all of
19 said lines and inserting

20 Section 15.1. Title 4 is amended by adding a section to
21 read:

22 § 1410. Public School Employees' Retirement Contribution Fund.

23 (a) Establishment.--The Public School Employees' Retirement
24 Contribution Fund is established within the State Treasury.

25 (b) Contents of fund.--The fund shall contain the money
26 transferred to the fund under subsection (c) and any other money
27 transferred to or deposited into the fund.

28 (c) Transfers to fund.--Notwithstanding any provision of
29 this part, the following shall apply:

30 (1) For the 2016-2017 fiscal year, \$303,000,000 of the
31 receipts deposited into the General Fund under Chapters 13A
32 (relating to table games), 13B (relating to interactive
33 gaming), 13D (relating to slot machines at nonprimary
34 locations) and 13E (relating to slot machines in qualified
35 airports) shall be transferred to the fund. The transfers
36 required by this paragraph shall be made in equal monthly
37 amounts beginning on the first day of the first month
38 following the effective date of this paragraph.

39 (2) For the 2017-2018 fiscal year and each fiscal year
40 thereafter, \$310,000,000 of the receipts deposited into the
41 General Fund under Chapters 13A, 13B, 13D and 13E shall be
42 transferred to the fund. The transfers required by this
43 paragraph shall be made in equal monthly amounts beginning on
44 July 1, 2017.

45 (d) Use of money in fund.--Money in the fund is hereby
46 appropriated to the Department of Education as an augmentation
47 to the appropriation for required contribution for public school
48 employees' retirement.

49 (e) Definition.--As used in this section, the term "fund"

1 means the Public School Employees' Retirement Contribution Fund.

2 Section 15.2. Sections 1501(b) and 1509(c) of Title 4 are
3 amended to read:

4 § 1501. Responsibility and authority of department.

5 * * *

6 (b) Application of rules and regulations.--The department
7 may prescribe the extent, if any, to which any rules and
8 regulations shall be applied without retroactive effect. The
9 department shall have authority to prescribe the forms and the
10 system of accounting and recordkeeping to be employed and
11 through its representative shall at all times have power of
12 access to and examination and audit of any equipment and records
13 relating to all aspects of the operation of slot machines [and],
14 including slot machines at nonprimary locations and qualified
15 airports, table games and interactive gaming under this part.

16 * * *

17 § 1509. Compulsive and problem gambling program.

18 * * *

19 (c) Notice of availability of assistance.--

20 (1) Each slot machine licensee shall obtain a toll-free
21 telephone number to be used to provide persons with
22 information on assistance for compulsive or problem gambling.
23 Each licensee shall conspicuously post at least 20 signs
24 similar to the following statement:

25 If you or someone you know has a gambling problem, help
26 is available. Call (Toll-free telephone number).
27 The signs must be posted within 50 feet of each entrance and
28 exit, within 50 feet of each automated teller machine
29 location within the licensed facility and in other
30 appropriate public areas of the licensed facility as
31 determined by the slot machine licensee.

32 (2) Each racetrack where slot machines or table games
33 are operated shall print a statement on daily racing programs
34 provided to the general public that is similar to the
35 following:

36 If you or someone you know has a gambling problem, help
37 is available. Call (Toll-free telephone number).

38 (2.1) Each interactive gaming certificate holder,
39 interactive gaming operator or other person that operates
40 interactive gaming or an interactive gaming system on behalf
41 of an interactive gaming certificate holder:

42 (i) Shall cause the words:

43 If you or someone you know has a gambling problem,
44 help is available. Call (Toll-free telephone number).
45 or some comparable language approved by the board, which
46 language shall include the words "gambling problem" and
47 "call 1-800-XXXX," to be prominently and continuously
48 displayed to any person visiting or logged onto the
49 interactive gaming certificate holder's interactive
50 gaming skin or Internet website.

51 (ii) Shall provide a mechanism by which an

1 interactive gaming account holder may establish the
2 following controls on wagering activity through the
3 interactive gaming account:

4 (A) A limit on the amount of money lost within a
5 specified period of time and the length of time the
6 account holder will be unable to participate in
7 gaming if the holder reaches the established loss
8 limit.

9 (B) A limit on the maximum amount of any single
10 wager on any interactive game.

11 (C) A temporary suspension of interactive gaming
12 through the account for any number of hours or days.

13 (iii) Shall not mail or otherwise forward any
14 gaming-related promotional material or e-mail to a
15 registered player during any period in which interactive
16 gaming through the registered players' interactive gaming
17 account has been suspended or terminated. The interactive
18 gaming certificate holder shall provide a mechanism by
19 which a registered player may change the controls, except
20 that, while interactive gaming through the interactive
21 gaming account is suspended, the registered player may
22 not change gaming controls until the suspension expires,
23 but the registered player shall continue to have access
24 to the account and shall be permitted to withdraw funds
25 from the account upon proper application for the funds to
26 the interactive gaming certificate holder.

27 (3) A [licensed facility] licensed gaming entity which
28 fails to post or print the warning sign in accordance with
29 paragraph (1) [or], (2) or (2.1)(i) shall be assessed a fine
30 of \$1,000 a day for each day the minimum number of signs are
31 not posted or the required statement is not printed as
32 provided in this subsection.

33 (4) An interactive gaming certificate holder or
34 interactive gaming license holder, as the case may be, that
35 fails to establish the mechanisms, controls and systems in
36 accordance with paragraph (2.1)(ii) and (iii) shall be
37 assessed a fine of not less than \$5,000 per day for each day
38 the mechanisms, controls and systems are not available to
39 interactive gaming account holders.

40 * * *

41 Section 16. Title 4 is amended by adding a section to read:
42 § 1509.2. Child endangerment protection.

43 (a) Posting of signs.--The following shall apply:

44 (1) Each licensed gaming entity shall post the necessary
45 signage to notify patrons of the prohibition against leaving
46 a child unattended in a vehicle under section 1518(a)(18)
47 (relating to prohibited acts; penalties) and underage
48 gambling under section 1518(a)(13) and (13.1) and the penalty
49 for violations.

50 (2) The signs shall be conspicuously posted in clear
51 view of all parking areas and other public areas of the

1 licensed facility and, including where applicable, nonprimary
2 locations, as determined by the licensed gaming entity and
3 approved by the board.

4 (3) The board shall determine the written content and
5 minimum number of signs to be posted at each licensed
6 facility.

7 (b) Fine.--A licensed gaming entity that fails to post
8 signage in accordance with subsection (a) shall be assessed a
9 fine of \$1,000 per day for each day the minimum number of signs
10 as prescribed by the board are not posted.

11 Section 17. Section 1512 of Title 4 is amended by adding a
12 subsection to read:

13 § 1512. Financial and employment interests.

14 * * *

15 (a.6) Prohibition related to interactive gaming.--

16 (1) Except as may be provided by rule or order of the
17 Pennsylvania Supreme Court and except as provided in section
18 1202.1 (relating to code of conduct) or 1512.1 (relating to
19 additional restrictions), no executive-level public employee,
20 public official or party officer or immediate family member
21 thereof shall hold, directly or indirectly, a financial
22 interest in, be employed by or represent, appear for, or
23 negotiate on behalf of, or derive any remuneration, payment,
24 benefit or any other thing of value for any services,
25 including, but not limited to, consulting or similar services
26 from any holder of or applicant for an interactive gaming
27 certificate, holder or applicant for an interactive gaming
28 license or other authorization to conduct interactive gaming
29 or any holding, subsidiary or intermediary company with
30 respect thereto, or any business, association, enterprise or
31 other entity that is organized in whole or in part for the
32 purpose of promoting, advocating for or advancing the
33 interests of the interactive gaming industry generally or any
34 interactive gaming-related business or businesses in
35 connection with any cause, application or matter. The
36 financial interest and employment prohibitions under this
37 paragraph shall remain in effect for one year following
38 termination of the individual's status as an executive-level
39 public employee, public official or party officer.

40 (2) Notwithstanding paragraph (1), a member of the
41 immediate family of an executive-level public employee,
42 public official or party officer may hold employment with the
43 holder of or applicant for an interactive gaming certificate,
44 holder or applicant for an interactive gaming license or
45 other authorization to conduct interactive gaming or any
46 holding, subsidiary or intermediary company with respect
47 thereto, if in the judgment of the State Ethics Commission or
48 the Supreme Court, as appropriate, employment will not
49 interfere with the responsibilities of the executive-level
50 public employee, public official or party officer and will
51 not create a conflict of interest or reasonable risk of the

1 public perception of a conflict of interest on the part of
2 the executive-level public employee, public official or party
3 officer.

4 (3) The financial interest and employment prohibitions
5 specified in paragraphs (1) and (2) shall apply to slot
6 machines at nonprimary locations under Chapter 13D (relating
7 to slot machines at nonprimary locations).

8 * * *

9 Section 18. Sections 1514 heading, (a), (d), (e) and (f),
10 1515, 1516 and 1517(b)(1), (c)(12) and (e)(1) of Title 4 are
11 amended to read:

12 § 1514. Regulation requiring exclusion [or], ejection or denial
13 of access of certain persons.

14 (a) General rule.--The board shall by regulation provide for
15 the establishment of a list of persons who are to be excluded or
16 ejected from any licensed facility or who may be denied access
17 to interactive gaming or slot machines at nonprimary locations.
18 The provisions shall define the standards for exclusion and
19 shall include standards relating to persons who are career or
20 professional offenders as defined by regulations of the board or
21 whose presence in a licensed facility or whose access to
22 interactive gaming and slot machines at nonprimary locations
23 would, in the opinion of the board, be inimical to the interest
24 of the Commonwealth or of licensed gaming therein, or both.

25 * * *

26 (d) Sanctions.--The board may impose sanctions upon a
27 licensed gaming entity or interactive gaming licensee in
28 accordance with this part if the licensed gaming entity
29 knowingly fails to exclude or eject from the premises of any
30 licensed facility or deny access to interactive gaming or to
31 slot machines at a nonprimary location any person placed by the
32 board on the list of persons to be excluded [or], ejected or
33 denied access.

34 (e) List not all-inclusive.--Any list compiled by the board
35 of persons to be excluded [or], ejected or denied access shall
36 not be deemed an all-inclusive list, and a licensed gaming
37 entity shall have a duty to keep from the licensed facility and
38 from interactive gaming and slot machines at a nonprimary
39 location persons known to it to be within the classifications
40 declared in this section and the regulations promulgated under
41 this section whose presence in a licensed facility or whose
42 participation in interactive gaming and the play of slot
43 machines at a nonprimary location would be inimical to the
44 interest of the Commonwealth or of licensed gaming therein, or
45 both, as defined in standards established by the board.

46 (f) Notice.--Whenever the bureau seeks to place the name of
47 any person on a list pursuant to this section, the bureau shall
48 serve notice of this fact to such person by personal service or
49 certified mail at the last known address of the person. The
50 notice shall inform the person of the right to request a hearing
51 under subsection (g). The bureau may also provide notice by e-

1 mail, if the electronic mail address of the person is known to
2 the bureau.

3 * * *

4 § 1515. Repeat offenders excludable from licensed gaming
5 facility.

6 A licensed gaming entity may exclude or eject from its
7 licensed facility or deny access to interactive gaming and slot
8 machines at a nonprimary location any person who is known to it
9 to have been convicted of a misdemeanor or felony committed in
10 or on the premises of any licensed facility. Nothing in this
11 section or in any other law of this Commonwealth shall limit the
12 right of a licensed gaming entity to exercise its common law
13 right to exclude or eject permanently from its licensed facility
14 or permanently deny access to its interactive gaming and slot
15 machines at a nonprimary location any person who disrupts the
16 operations of its premises or its interactive gaming or the
17 operation of slot machines at a nonprimary location, threatens
18 the security of its premises or its occupants or is disorderly
19 or intoxicated[.] or who threatens the security of its licensed
20 facility, including the area of a nonprimary location where slot
21 machines are placed and made available for play or the area of a
22 licensed facility where interactive gaming operations are
23 managed, administered or controlled.

24 § 1516. List of persons self excluded from gaming activities.

25 (a) General rule.--The board shall provide by regulation for
26 the establishment of a list of persons self excluded from gaming
27 activities, including interactive gaming and the play of slot
28 machines at nonprimary locations, at all licensed facilities.
29 Any person may request placement on the list of self-excluded
30 persons by acknowledging in a manner to be established by the
31 board that the person is a problem gambler and by agreeing that,
32 during any period of voluntary exclusion, the person may not
33 collect any winnings or recover any losses resulting from any
34 gaming activity at licensed facilities, including interactive
35 gaming and the play of slot machines at a nonprimary location.

36 (b) Regulations.--The regulations of the board shall
37 establish procedures for placements on and removals from the
38 list of self-excluded persons. The regulations shall establish
39 procedures for the transmittal to licensed gaming entities of
40 identifying information concerning self-excluded persons and
41 shall require licensed gaming entities to establish procedures
42 designed at a minimum to deny self-excluded persons access to
43 interactive gaming and the play of slot machines at nonprimary
44 locations and to remove self-excluded persons from targeted
45 mailings or other forms of advertising or promotions and deny
46 self-excluded persons access to complimentaries, check cashing
47 privileges, club programs and other similar benefits.

48 (c) Liability.--A licensed gaming entity or employee thereof
49 shall not be liable to any self-excluded person or to any other
50 party in any judicial proceeding for any harm, monetary or
51 otherwise, which may arise as a result of:

1 (1) the failure of a licensed gaming entity to withhold
2 gaming privileges from or restore gaming privileges to a
3 self-excluded person; [or]

4 (1.1) the failure of a interactive gaming certificate
5 holder or interactive gaming licensee to withhold interactive
6 gaming privileges from or restore interactive gaming
7 privileges to a self-excluded person;

8 (1.2) the failure of a Category 1 licensed gaming entity
9 to withhold or restore access to slot machines at a
10 nonprimary location to a self-excluded person; or

11 (2) otherwise permitting or not permitting a self-
12 excluded person to engage in gaming activity in the facility
13 or participate in interactive gaming or slot machine play at
14 a nonprimary location while on the list of self-excluded
15 persons.

16 (d) Disclosure.--Notwithstanding any other law to the
17 contrary, the board's list of self-excluded persons shall not be
18 open to public inspection. Nothing in this section, however,
19 shall be construed to prohibit a licensed gaming entity from
20 disclosing the identity of persons self excluded pursuant to
21 this section to affiliated gaming entities in this Commonwealth
22 or other jurisdictions for the limited purpose of assisting in
23 the proper administration of responsible gaming programs
24 operated by affiliated licensed gaming entities.

25 § 1517. Investigations and enforcement.

26 * * *

27 (b) Powers and duties of department.--

28 (1) The department shall at all times have the power of
29 access to examine and audit equipment and records relating to
30 all aspects of the operation of slot machines [or], including
31 slot machines at nonprimary locations and, consistent with
32 airport security rules, at qualified airports, table games or
33 interactive games under this part.

34 * * *

35 (c) Powers and duties of the Pennsylvania State Police.--The
36 Pennsylvania State Police shall have the following powers and
37 duties:

38 * * *

39 (12) Conduct audits or verification of information of
40 slot machine [or], table game operations, including the
41 operation of slot machines used in a multistate wide-area
42 progressive slot machine system and in the operation of skill
43 or hybrid slot machines, interactive gaming operations and
44 the operation of slot machines at a nonprimary location and
45 in the specified area of a qualified airport at such times,
46 under such circumstances and to such extent as the bureau
47 determines. This paragraph includes reviews of accounting,
48 administrative and financial records and management control
49 systems, procedures and records utilized by a slot machine
50 licensee.

51 * * *

1 (e) Inspection, seizure and warrants.--

2 (1) The bureau, the department and the Pennsylvania
3 State Police shall have the authority without notice and
4 without warrant to do all of the following in the performance
5 of their duties:

6 (i) Inspect and examine all premises, including the
7 premises of a nonprimary location and the specified area
8 of a qualified airport, where slot machine [or], table
9 game and interactive gaming operations are conducted,
10 slot machines, table game devices and associated
11 equipment, interactive gaming devices and associated
12 equipment are manufactured, sold, distributed or serviced
13 or where records of these activities are prepared or
14 maintained.

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

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

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

23 (v) Seize, impound or assume physical control of any
24 book, record, ledger, game, device, cash box and its
25 contents, count room or its equipment, interactive gaming
26 devices and associated equipment or slot machine [or],
27 table game or interactive gaming operations.

28 * * *

29 Section 19. Section 1518(a)(1), (2), (3), (4), (5), (7.1),
30 (11), (13), (13.1), (15) and (17) and (b)(1), (2) and (3) of
31 Title 4 are amended, subsections (a) and (b) are amended by
32 adding paragraphs and subsection (c)(1) is amended by adding a
33 subparagraph to read:

34 § 1518. Prohibited acts; penalties.

35 (a) Criminal offenses.--

36 (1) The provisions of 18 Pa.C.S. § 4902 (relating to
37 perjury), 4903 (relating to false swearing) or 4904 (relating
38 to unsworn falsification to authorities) shall apply to any
39 person providing information or making any statement, whether
40 written or oral, to the board, the commission, the bureau,
41 the department, the Pennsylvania State Police or the Office
42 of Attorney General, as required by this part.

43 (2) It shall be unlawful for a person to willfully:

44 (i) fail to report, pay or truthfully account for
45 and pay over any license fee, authorization fee, permit
46 fee, tax or assessment imposed under this part; or

47 (ii) attempt in any manner to evade or defeat any
48 license fee, authorization fee, permit fee, registration
49 fee, tax or assessment or any other fee imposed under
50 this part.

51 (3) It shall be unlawful for any licensed entity, gaming

1 employee, key employee or any other person to permit a slot
2 machine, table game or table game device, interactive game or
3 interactive gaming device or associated equipment to be
4 operated, transported, repaired or opened on the premises of
5 a licensed facility by a person other than a person licensed
6 or permitted by the board pursuant to this part.

7 (3.1) It shall be unlawful for any person who does not
8 possess a valid and then effective interactive gaming
9 certificate or interactive gaming license issued by the board
10 in accordance with Chapter 13B (relating to interactive
11 gaming) to accept any wager associated with any authorized
12 interactive game from any individual without verifying the
13 age, identity and physical location of the player at the time
14 of play or wager.

15 (3.2) It shall be unlawful for any person who does not
16 possess a valid nonprimary location permit issued by the
17 board in accordance with section 13D12 (relating to issuance
18 and terms of nonprimary location permit) to place and make
19 slot machines available for play at a nonprimary location.

20 (4) It shall be unlawful for any licensed entity or
21 other person to manufacture, supply or place slot machines,
22 table games, table game devices or associated equipment,
23 authorized interactive game or interactive gaming devices or
24 associated equipment into play or display slot machines,
25 including slot machines at a nonprimary location or in a
26 specified area of a qualified airport, table games, table
27 game devices or associated equipment on the premises of a
28 licensed facility without the authority of the board.

29 (4.1) It shall be unlawful for any slot machine licensee
30 to offer interactive games into play or display such games on
31 its interactive gaming skin or Internet website without the
32 approval of the board.

33 (4.2) It shall be unlawful for any licensed entity or
34 other person to manufacture, supply or place interactive
35 gaming devices or associated equipment into operation at a
36 licensed facility without the approval of the board.

37 (4.3) It shall be unlawful for any Category 1 slot
38 machine licensee to place and make slot machines available
39 for play at a nonprimary location or in a specified area of a
40 qualified airport without the approval of the board.

41 (5) Except as provided for in section 1326 (relating to
42 [license] renewals), it shall be unlawful for a licensed
43 entity or other person to manufacture, supply, operate, carry
44 on or expose for play any slot machine, including slot
45 machines at a nonprimary location, table game, table game
46 device or associated equipment, interactive game or
47 interactive gaming device or associated equipment after the
48 person's license has expired and prior to the actual renewal
49 of the license.

50 * * *

51 (7.1) It shall be unlawful for an individual to do any

1 of the following:

2 (i) Use or possess counterfeit, marked, loaded or
3 tampered with table game devices or associated equipment,
4 chips or other cheating devices in the conduct of gaming
5 under this part, except that an authorized employee of a
6 licensee or an authorized employee of the board may
7 possess and use counterfeit chips or table game devices
8 or associated equipment that have been marked, loaded or
9 tampered with, or other cheating devices or any
10 unauthorized interactive gaming device or associated
11 equipment in performance of the duties of employment for
12 training, investigative or testing purposes only.

13 (ii) Knowingly, by a trick or sleight of hand
14 performance or by fraud or fraudulent scheme, or
15 manipulation, table game device or other device, or
16 interactive gaming device for himself or for another, win
17 or attempt to win any cash, property or prize at a
18 licensed facility or to reduce or attempt to reduce a
19 losing wager.

20 (7.2) It shall be unlawful for a person to knowingly
21 alter, tamper or manipulate interactive gaming devices or
22 associated equipment, including software, system programs,
23 hardware and any other device or associated equipment used in
24 interactive gaming operations, in order to alter the odds or
25 the payout of an interactive game or to disable the
26 interactive game from operating according to the rules of the
27 game as authorized by the board.

28 (7.3) It shall be unlawful for a person to knowingly
29 offer or allow to be offered any authorized interactive game
30 that has been altered, tampered with or manipulated in a way
31 that affects the odds or the payout of an authorized
32 interactive game or disables the interactive game from
33 operating according to the authorized rules of the game as
34 authorized by the board.

35 * * *

36 (11) It shall be unlawful for a licensed gaming entity
37 that is a licensed racing entity and that has lost the
38 license issued to it by [either] the State Horse Racing
39 Commission [or the State Harness Racing Commission under the
40 Race Horse Industry Reform Act] under Article XXVIII-D of the
41 act of April 19, 1929 (P.L.177, No.175), known as The
42 Administrative Code of 1929, or that has had that license
43 suspended to operate slot machines [or], table games or
44 authorized interactive games at the racetrack or nonprimary
45 location for which its slot machine license was issued unless
46 the license issued to it by either the State Horse Racing
47 Commission or the State Harness Racing Commission will be
48 subsequently reissued or reinstated within 30 days after the
49 loss or suspension.

50 * * *

51 (13) It shall be unlawful for an individual under 21

1 years of age to enter and remain in any area of a licensed
2 facility where slot machines are operated, including any area
3 of a nonprimary location or a specified area of a qualified
4 airport, or the play of table games is conducted, except that
5 an individual 18 years of age or older employed by a slot
6 machine licensee, a gaming service provider, the board or any
7 other regulatory or emergency response agency may enter and
8 remain in any such area while engaged in the performance of
9 the individual's employment duties.

10 (13.1) It shall be unlawful for an individual under 21
11 years of age to wager, play or attempt to play a slot machine
12 or table game, or wager, play or attempt to play an
13 interactive game at a licensed facility, including a
14 nonprimary location and the specified area of a qualified
15 airport.

16 (13.2) It shall be unlawful to allow a person under 21
17 years of age to open, maintain or use in any way an
18 interactive gaming account. Any interactive gaming
19 certificate holder, interactive gaming licensee or employee
20 of an interactive gaming certificate holder or interactive
21 gaming licensee or other such person who knowingly allows a
22 person under 21 years of age to open, maintain or use an
23 interactive gaming account shall be subject to the penalty
24 set forth in this section, except that the establishment of
25 all of the following facts by an interactive gaming
26 certificate holder, interactive gaming licensee or employee
27 of an interactive gaming certificate holder, interactive
28 gaming licensee or other such person shall constitute a
29 defense to any regulatory action by the board or the penalty
30 authorized under this section:

31 (i) the underage person falsely represented that he
32 was of the permitted 21 years of age in the application
33 for an interactive gaming account; and

34 (ii) the establishment of the interactive gaming
35 account was made in good faith reliance upon such
36 representation and in the reasonable belief that the
37 underage person was 21 years of age.

38 * * *

39 (15) It shall be unlawful for a licensed gaming entity
40 to require a wager to be greater than the stated minimum
41 wager or less than the stated maximum wager. However, a wager
42 made by a player and not rejected by a licensed gaming entity
43 prior to commencement of play shall be treated as a valid
44 wager. A wager accepted by a dealer or through an authorized
45 interactive game shall be paid or lost in its entirety in
46 accordance with the rules of the game, notwithstanding that
47 the wager exceeded the current table maximum wager or
48 authorized interactive game wager or was lower than the
49 current table minimum wager or minimum interactive game
50 wager.

51 * * *

1 (17) It shall be unlawful for an individual to claim,
2 collect or take, or attempt to claim, collect or take, money
3 or anything of value in or from a slot machine, including
4 from slot machines at a nonprimary location or in a specified
5 area of a qualified airport, gaming table or other table game
6 device, interactive game or interactive gaming device with
7 the intent to defraud, or to claim, collect or take an amount
8 greater than the amount won, or to manipulate with the intent
9 to cheat, any component of any slot machine, including slot
10 machines at a nonprimary location or in a specified area of a
11 qualified airport, table game or table game device, __
12 interactive game or interactive gaming device in a manner
13 contrary to the designed and normal operational purpose.

14 (18) Notwithstanding any other provision of law, it
15 shall be unlawful for an individual driving or in charge of a
16 motor vehicle to permit a child under 14 years of age to
17 remain unattended in the vehicle if the vehicle is located on
18 property owned, leased or controlled by a licensed gaming
19 entity or its affiliate, intermediary, subsidiary or holding
20 company. In addition to the penalties in subsection (b), the
21 individual shall be subject to exclusion or ejection from
22 licensed facilities under sections 1514 (relating to
23 regulation requiring exclusion, ejection or denial of access
24 of certain persons) and 1515 (relating to repeat offenders
25 excludable from licensed gaming facility). Notwithstanding
26 any of the provisions of 18 Pa.C.S. Ch. 91 (relating to
27 criminal history record information), the investigating
28 officer in the jurisdiction in which the vehicle is located
29 shall be responsible for providing written notice of the
30 violation within 48 hours to the director of the county
31 children and youth service agency of the county where the
32 violation occurred. The notice shall contain:

33 (i) The name of the individual charged under this
34 section.

35 (ii) The address or addresses at which the
36 individual resides.

37 (iii) The name of the child or children left
38 unattended.

39 (b) Criminal penalties and fines.--

40 (1) (i) A person that commits a first offense in
41 violation of 18 Pa.C.S. § 4902, 4903 or 4904 in
42 connection with providing information or making any
43 statement, whether written or oral, to the board, the
44 bureau, the department, the Pennsylvania State Police,
45 the Office of Attorney General or a district attorney as
46 required by this part commits an offense to be graded in
47 accordance with the applicable section violated. A person
48 that is convicted of a second or subsequent violation of
49 18 Pa.C.S. § 4902, 4903 or 4904 in connection with
50 providing information or making any statement, whether
51 written or oral, to the board, the bureau, the

department, the Pennsylvania State Police, the Office of Attorney General or a district attorney as required by this part commits a felony of the second degree.

(ii) A person that violates subsection (a) (2), (3) and (4) through (12) or (17) commits a misdemeanor of the first degree. A person that is convicted of a second or subsequent violation of subsection (a) (2), (3) and (4) through (12) or (17) commits a felony of the second degree.

(2) (i) For a first violation of subsection (a) (1) through (12) or (17), a person shall be sentenced to pay a fine of:

(A) not less than \$75,000 nor more than \$150,000 if the person is an individual;

(B) not less than \$300,000 nor more than \$600,000 if the person is a licensed gaming entity or an interactive gaming licensee; or

(C) not less than \$150,000 nor more than \$300,000 if the person is a licensed manufacturer or supplier.

(ii) For a second or subsequent violation of subsection (a) (1), (2), (3) and (4) through (12) or (17), a person shall be sentenced to pay a fine of:

(A) not less than \$150,000 nor more than \$300,000 if the person is an individual;

(B) not less than \$600,000 nor more than \$1,200,000 if the person is a licensed gaming entity; or

(C) not less than \$300,000 nor more than \$600,000 if the person is a licensed manufacturer or supplier.

(2.1) A person that commits an offense in violation of subsection (a) (3.1) or (3.2) commits a felony and, upon conviction, shall be sentenced to pay a fine of not less than \$500,000 nor more than \$1,000,000. A person that is convicted of a second or subsequent violation of subsection (a) (3.1) commits a felony of the first degree and shall be sentenced to pay a fine of not less than \$1,000,000 nor more than \$2,500,000.

(3) An individual who commits an offense in violation of subsection (a) (13) [or], (13.1) or (13.2) commits a nongambling summary offense and upon conviction of a first offense shall be sentenced to pay a fine of not less than \$200 nor more than \$1,000. An individual that is convicted of a second or subsequent offense under subsection (a) (13) [or], (13.1) or (13.2) shall be sentenced to pay a fine of not less than \$500 nor more than \$1,500. In addition to the fine imposed, an individual convicted of an offense under subsection (a) (13) [or], (13.1) or (13.2) may be sentenced to perform a period of community service not to exceed 40 hours.

(3.1) Notwithstanding paragraph (3), whenever an

1 individual is convicted of a second or subsequent offense
2 under subsection (a) (13) or (13.1), the court, including a
3 court not of record if it is exercising jurisdiction pursuant
4 to 42 Pa.C.S. § 1515(a) (relating to jurisdiction and venue),
5 shall order the operating privileges of the individual
6 suspended. A copy of the court order shall be transmitted to
7 the Department of Transportation.

8 (3.2) When the department suspends the operating
9 privilege of a person under paragraph (3.1), the duration of
10 the suspension shall be as follows:

11 (i) For a first offense, a period of 90 days from
12 the date of suspension.

13 (ii) For a second offense, a period of one year from
14 the date of suspension.

15 (iii) For a third offense, and any offense
16 thereafter, a period of two years from the date of
17 suspension. Any multiple sentences imposed shall be
18 served consecutively.

19 Reinstatement of operating privilege shall be governed by 75
20 Pa.C.S. § 1545 (relating to restoration of operating
21 privilege).

22 * * *

23 (5) An individual who commits an offense in violation of
24 subsection (a) (18) commits a misdemeanor of the third degree
25 for the first offense. A person that is convicted of a second
26 or subsequent violation of subsection (a) (18) commits a
27 misdemeanor of the second degree.

28 (c) Board-imposed administrative sanctions.--

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

32 * * *

33 (x) Assess a fine for failure to report a violation
34 under subsection (a) (18), of which the licensed gaming
35 entity knew or should have known, to the appropriate law
36 enforcement authority. The amount of the fine shall be
37 not less than \$75,000 nor more than \$150,000 for a first
38 violation of this subparagraph, and not less than
39 \$150,000 nor more than \$300,000 for a second or
40 subsequent violation of this subparagraph.

41 * * *

42 Section 20. Title 4 is amended by adding a section to read:
43 § 1521.1. Casino liquor license.

44 (a) Application.--Notwithstanding section 1521 (relating to
45 liquor license at licensed facilities) or any provision of law
46 or regulation to the contrary, a slot machine licensee holding a
47 restaurant liquor or eating place retail dispenser license under
48 the act of April 12, 1951 (P.L.90, No.21), known as the Liquor
49 Code, may apply to the Pennsylvania Liquor Control Board for a
50 casino liquor license. The Pennsylvania Liquor Control Board may
51 issue a casino liquor license to a slot machine licensee for use

1 at its licensed facility in accordance with this section.

2 (b) Fees.--Each application for a casino license under this
3 section shall be accompanied by a fee of \$1,000,000.

4 (c) Renewal.--

5 (1) The license must be renewed on an annual basis.

6 (2) For each year of the first four years after the
7 initial issue of the license, the license shall not be
8 subject to an annual renewal fee.

9 (3) After the expiration of the four-year license period
10 under paragraph (2), the licensee shall be subject to an
11 annual renewal fee of \$50,000.

12 (4) All fees collected or received by the Pennsylvania
13 Liquor Control Board under this subsection shall be paid into
14 the State Treasury through the Department of Revenue for
15 deposit into the General Fund.

16 (d) Disposition of restaurant liquor or eating place retail
17 dispenser license.--

18 (1) An applicant under this section that currently holds
19 a restaurant liquor or eating place retail dispenser license
20 issued under the authority of the Liquor Code may continue to
21 utilize that license until such time as the casino liquor
22 license is issued by the Pennsylvania Liquor Control Board.
23 Upon the issuance of a license under this section, the
24 applicant must surrender the restaurant liquor or eating
25 place retail dispenser license to the Pennsylvania Liquor
26 Control Board.

27 (2) An applicant under this section that currently holds
28 a restaurant liquor or eating place retail dispenser license
29 purchased through private sale may continue to utilize that
30 license until such time as the casino liquor license is
31 issued by the Pennsylvania Liquor Control Board. Upon
32 issuance of a license under this section, the applicant may
33 sell the previously purchased restaurant liquor or eating
34 place retail dispenser license.

35 (e) Hours of operation.--Notwithstanding any other provision
36 of law to the contrary, a holder of a casino liquor license may
37 sell or serve liquor and malt or brewed beverages 24 hours a
38 day, seven days a week.

39 (f) Transfers.--Licenses issued under this section are
40 nontransferable, provided that nothing in this subsection shall
41 preclude a transfer of ownership of a casino liquor license to
42 another eligible person to be used at the same licensed
43 facility.

44 (g) Expiration.--Licenses under this section shall expire
45 under the following circumstances:

46 (1) revocation by an administrative law judge under
47 section 471 of the Liquor Code;

48 (2) nonrenewal by the Pennsylvania Liquor Control Board
49 under section 470 of the Liquor Code;

50 (3) nonrenewal of the license by the slot machine
51 licensee; or

1 (4) upon request by the slot machine licensee.
2 (h) New applicant.--The Pennsylvania Liquor Control Board
3 may issue a license under this section at any time to a new
4 applicant even if the previous license had:
5 (1) been revoked by an administrative law judge under
6 section 471 of the Liquor Code;
7 (2) not been renewed by the Pennsylvania Liquor Control
8 Board under section 470 of the Liquor Code;
9 (3) not been renewed by the slot machine licensee; or
10 (4) expired upon request by the slot machine licensee.
11 (i) Restrictions and privileges.--Licenses issued under this
12 section are subject to the following additional restrictions and
13 privileges:
14 (1) Sales may be made at any time the facility is open
15 to the public.
16 (2) Liquor or malt or brewed beverages may be
17 transported and consumed off the gaming floor so long as it
18 remains within the premises of the licensed facility.
19 (3) Sales of malt or brewed beverages for off-premises
20 consumption are prohibited.
21 (4) In addition to the provisions of section 493(24)(ii)
22 of the Liquor Code, the holder of a casino liquor license may
23 give liquor and malt or brewed beverages free of charge to
24 any person attending an invitation-only event held anywhere
25 on the premises of the licensed facility.
26 (5) Licenses issued under this section shall not be
27 subject to:
28 (i) the proximity provisions of sections 402 and 404
29 of the Liquor Code;
30 (ii) the restrictions on discount pricing practices
31 set forth in section 406(g) of the Liquor Code;
32 (iii) the quota restrictions of section 461 of the
33 Liquor Code;
34 (iv) the provisions of section 493(10) of the Liquor
35 Code, except as it relates to lewd, immoral or improper
36 entertainment;
37 (v) the prohibition against minors frequenting as
38 described in section 493(14) of the Liquor Code;
39 (vi) the cost and total display area limitations of
40 section 493(20)(i) of the Liquor Code;
41 (vii) the restrictions on events, tournaments or
42 contests set forth in 40 Pa. Code § 5.32 (relating to
43 restrictions/exceptions); and
44 (viii) the restrictions on the awarding of trophies,
45 prizes or premiums set forth in 40 Pa. Code § 5.32.
46 (6) The authorization to sell or serve liquor and malt
47 or brewed beverages by a holder of a casino liquor license
48 pursuant to subsection (e) shall not apply to the operation
49 of slot machines at a nonprimary location or at a qualified
50 airport.
51 (j) Multiple licenses.--More than one license issued by the

Pennsylvania Liquor Control Board may be in effect at a licensed facility at any one time. However, no more than one license issued under this section shall be in effect at any specific location within the premises of a licensed facility at the same time.

Section 21. Section 1901(a) of Title 4 is amended by adding a paragraph to read:

§ 1901. Appropriations.

(a) Appropriation to board.--

* * *

(3) The sum of \$5,000,000 is hereby appropriated from the State Gaming Fund to the Pennsylvania Gaming Control Board for salaries, wages and all necessary expenses for the proper operation and administration of the board for the activities authorized under this act. This appropriation shall be a supplemental appropriation for fiscal year 2015-2016 and shall be in addition to the appropriation contained in the act of July 2, 2015 (P.L. , No.), known as the Gaming Control Appropriation Act of 2015.

* * *

Section 22. The amendment of 4 Pa.C.S. § 1305 in the act of January 7, 2010 (P.L.1, No.1), entitled "An act amending Title 4 (Amusements) of the Pennsylvania Consolidated Statutes, making extensive revisions to provisions on gaming, in the areas of legislative intent, definitions, the Pennsylvania Gaming Control Board, applicability of other statutes, powers of the board, code of conduct, expenses of regulatory agencies, licensed gaming entity application appeals from board, license or permit application hearing process and public hearings, board minutes and records, regulatory authority, collection of fees and fines, slot machine license fee, number of slot machines, reports of board, diversity goals of board, license or permit prohibition, specific authority to suspend slot machine license, Category 2 slot machine license, Category 3 slot machine license, number of slot machine licenses, applications for license or permit, slot machine license application, slot machine license application character requirements, supplier licenses, manufacturer licenses, gaming service provider, occupation permit application, alternative manufacturer licensing standards, alternative supplier licensing standards, additional licenses and permits and approval of agreements, license renewals, change in ownership or control of slot machine licensee, nonportability of slot machine license, appointment of trustee, table games, slot machine licensee deposits, gross terminal revenue deductions, itemized budget reporting, establishment of State Gaming Fund and net slot machine revenue distribution, distributions from Pennsylvania Race Horse Development Fund, Pennsylvania Gaming Economic Development and Tourism Fund, transfers from State Gaming Fund, responsibility and authority of Department of Revenue, wagering on credit, eminent domain authority, compulsive and problem gambling program, drug and

1 alcohol treatment, labor hiring preferences, declaration of
2 exemption from Federal laws prohibiting slot machines, financial
3 and employment interests, additional restrictions, political
4 influence, regulation requiring exclusion of certain persons,
5 prosecutorial and adjudicative functions, investigations and
6 enforcement, conduct of public officials and employees,
7 prohibited acts and penalties, report of suspicious
8 transactions, additional authority, applicability of Clean
9 Indoor Air Act, liquor licenses at licensed facilities,
10 interception of oral communications, electronic funds transfer
11 terminals, junkets, gaming schools, appropriations and
12 Commonwealth Financing Authority; and making related repeals,"
13 shall take effect on January 1, 2016, if all Category 3 licensed
14 facilities authorized by 4 Pa.C.S. Pt. II before the effective
15 date of this section have commenced the operation of slot
16 machines.

17 Section 23. Repeals are as follows:

18 (1) The General Assembly finds that the repeal under
19 paragraph (2) is necessary to effectuate this act.

20 (2) Section 21(2) of the act of January 7, 2010 (P.L.1,
21 No.1), entitled "An act amending Title 4 (Amusements) of the
22 Pennsylvania Consolidated Statutes, making extensive
23 revisions to provisions on gaming, in the areas of
24 legislative intent, definitions, the Pennsylvania Gaming
25 Control Board, applicability of other statutes, powers of the
26 board, code of conduct, expenses of regulatory agencies,
27 licensed gaming entity application appeals from board,
28 license or permit application hearing process and public
29 hearings, board minutes and records, regulatory authority,
30 collection of fees and fines, slot machine license fee,
31 number of slot machines, reports of board, diversity goals of
32 board, license or permit prohibition, specific authority to
33 suspend slot machine license, Category 2 slot machine
34 license, Category 3 slot machine license, number of slot
35 machine licenses, applications for license or permit, slot
36 machine license application, slot machine license application
37 character requirements, supplier licenses, manufacturer
38 licenses, gaming service provider, occupation permit
39 application, alternative manufacturer licensing standards,
40 alternative supplier licensing standards, additional licenses
41 and permits and approval of agreements, license renewals,
42 change in ownership or control of slot machine licensee,
43 nonportability of slot machine license, appointment of
44 trustee, table games, slot machine licensee deposits, gross
45 terminal revenue deductions, itemized budget reporting,
46 establishment of State Gaming Fund and net slot machine
47 revenue distribution, distributions from Pennsylvania Race
48 Horse Development Fund, Pennsylvania Gaming Economic
49 Development and Tourism Fund, transfers from State Gaming
50 Fund, responsibility and authority of Department of Revenue,
51 wagering on credit, eminent domain authority, compulsive and

1 problem gambling program, drug and alcohol treatment, labor
2 hiring preferences, declaration of exemption from Federal
3 laws prohibiting slot machines, financial and employment
4 interests, additional restrictions, political influence,
5 regulation requiring exclusion of certain persons,
6 prosecutorial and adjudicative functions, investigations and
7 enforcement, conduct of public officials and employees,
8 prohibited acts and penalties, report of suspicious
9 transactions, additional authority, applicability of Clean
10 Indoor Air Act, liquor licenses at licensed facilities,
11 interception of oral communications, electronic funds
12 transfer terminals, junkets, gaming schools, appropriations
13 and Commonwealth Financing Authority; and making related
14 repeals," is repealed.
15 Section 24. This act shall take effect immediately.