

AMENDMENTS TO SENATE BILL NO. 352

Sponsor: SENATOR VOGEL

Printer's No. 505

1 Amend Bill, page 1, line 10, by inserting after "wagering;"
2 providing for compliance;

3 Amend Bill, page 2, lines 5 through 8, by striking out all of
4 said lines and inserting

5 "Account." An account for account wagering with a specific
6 identifiable record of deposits, wagers and withdrawals
7 established by an account holder and managed by the licensed
8 racing entity or secondary pari-mutuel organization.

9 "Account holder." An individual who successfully completed
10 an application and for whom the licensed racing entity or
11 secondary pari-mutuel organization has opened an account.

12 "Advance deposit account wagering system." A system by which
13 wagers are debited and payouts are credited to an advance
14 deposit account held by a licensed racing entity or secondary
15 pari-mutuel organization on behalf of a person.

16 Amend Bill, page 2, lines 16 and 17, by striking out "As
17 defined in 4 Pa.C.S. § 1103 (relating to" in line 16 and all of
18 line 17 and inserting

19 An area of the racetrack enclosure that is not generally
20 accessible to the public and which includes, but is not limited
21 to, a facility commonly referred to as a barn, track kitchen,
22 recreation hall, backside employee quarters and training track,
23 and roadways providing access to the area. The term does not
24 include an area of the racetrack enclosure which is generally
25 accessible to the public, including the various buildings
26 commonly referred to as the grandstand or the racing surface,
27 paddock enclosure and walking ring.

28 Amend Bill, page 3, lines 4 through 11, by striking out all
29 of said lines and inserting

30 "Conviction." A finding of guilt or a plea of guilty or nolo
31 contendere, whether or not a judgment of sentence has been
32 imposed as determined by the law of the jurisdiction in which

1 the prosecution was held. The term does not include a conviction
2 that has been expunged or overturned or for which an individual
3 has been pardoned or an order of accelerated rehabilitative
4 disposition.

5 "Electronic wagering." A method of placing or transmitting a
6 legal wager by an individual in this Commonwealth through
7 telephone, electro-mechanical, computerized system or any other
8 form of electronic media approved by the commission and accepted
9 by a secondary pari-mutuel organization or a licensed racing
10 entity or the licensed racing entity's approved off-track
11 betting system located in this Commonwealth.

12 Amend Bill, page 3, line 15, by striking out "or hearing
13 officer"

14 Amend Bill, page 3, lines 17 and 18, by striking out "or
15 hearing officer"

16 Amend Bill, page 3, line 19, by striking out "or hearing
17 officer"

18 Amend Bill, page 3, lines 21 and 22, by striking out "or
19 hearing officer of the commission"

20 Amend Bill, page 3, line 30; page 4, line 1; by striking out
21 all of said lines on said pages and inserting

22 "Felony." An offense under the laws of this Commonwealth or
23 the laws of another jurisdiction, punishable by imprisonment for
24 more than five years.

25 Amend Bill, page 5, lines 18 through 26, by striking out all
26 of said lines

27 Amend Bill, page 5, line 27, by inserting after ""Licensed"
28 racing

29 Amend Bill, page 6, by inserting between lines 10 and 11

30 "Nominal change in ownership." The sale, pledge,
31 encumbrance, execution of an option agreement or other transfer
32 of less than 5% of the equity securities or other ownership
33 interest of a person whose percentage ownership does not affect
34 the decisions of the licensed racing entity.

35 Amend Bill, page 6, line 22, by striking out all of said line

1 and inserting

2 "Pari-mutuel wagering." A form of wagering, including
3 manual, electronic, computerized and other forms as approved by
4 the commission, on the outcome of a horse racing event in which
5 all wagers are pooled and held by a licensed racing entity or
6 secondary pari-mutuel organization for distribution of the total
7 amount, less the deductions authorized by law, to holders of
8 winning tickets.

9 Amend Bill, page 6, by inserting after line 30

10 "Principal." Any of the following individuals associated
11 with a partnership, trust association, limited liability company
12 or corporation:

13 (1) The chairman and each member of the board of
14 directors of a corporation.

15 (2) Each partner of a partnership and each participating
16 member of a limited liability company.

17 (3) Each trustee and trust beneficiary of an
18 association.

19 (4) The president or chief executive officer and each
20 other officer, manager and employee who has policy-making or
21 fiduciary responsibility within the organization.

22 (5) Each stockholder or other individual who owns, holds
23 or controls, either directly or indirectly, 5% or more of
24 stock or financial interest in the collective organization.

25 (6) Any other employee, agent, guardian, personal
26 representative, lender or holder of indebtedness who has the
27 power to exercise a significant influence over the
28 applicant's or licensee's operation.

29 Amend Bill, page 7, line 10, by inserting after "conducted,"

30 including the grandstand, frontside and backside facilities

31 Amend Bill, page 7, line 16, by inserting a bracket before

32 "televised"

33 Amend Bill, page 7, line 16, by inserting after "televised"

34] transmitted

35 Amend Bill, page 7, lines 21 through 23, by striking out all

36 of said lines and inserting

37 "Secondary pari-mutuel organization." A licensed entity,
38 other than a licensed racing entity, that offers and accepts
39 pari-mutuel wagers.

40 "Simulcast." [The transmission of live electronically
41 televised video/audio races from the host racetrack to the race
42 track receiving the television transmission.] Live video and

1 audio transmission of a race and pari-mutuel information for the
2 purpose of pari-mutuel wagering at locations other than the
3 racetrack where the race is run.

4 Amend Bill, page 7, by inserting between lines 27 and 28

5 "Substantial change in ownership." The sale, pledge,
6 encumbrance, execution of an option agreement or another
7 transfer of 5% or more of the equity securities or other
8 ownership interest of a person whose percentage ownership
9 affects the decisions of the licensed racing entity.

10 Amend Bill, page 83, line 24, by inserting after "PROMOTION"
11 and marketing

12 Amend Bill, page 84, line 20, by inserting after "MEMBERS"
13 , who must be residents of this Commonwealth

14 Amend Bill, page 87, line 6, by striking out the comma after
15 "applicant" and inserting

16 and

17 Amend Bill, page 87, line 7, by striking out "or licensed
18 facility ENTITY"

19 Amend Bill, page 87, lines 22 through 30; page 88, lines 1
20 through 9; by striking out "Prior to entering into employment or
21 a" in line 22, all of lines 23 through 30 on page 87 and all of
22 lines 1 through 9 on page 88 and inserting

23 (Reserved).

24 Amend Bill, page 88, line 10, by striking out "employee" and
25 inserting

26 bureau director

27 Amend Bill, page 90, line 14, by striking out ", permittee"

28 Amend Bill, page 90, line 16, by striking out ", permittee"

29 Amend Bill, page 92, lines 13 through 18, by striking out all
30 of said lines

31 Amend Bill, page 92, line 19, by striking out "(9)" and
32 inserting

1 (7)

2 Amend Bill, page 93, line 4, by striking out "MEMBER" and
3 inserting

4 commissioner

5 Amend Bill, page 95, line 28, by inserting after "VOTE"

6 consisting of at least six of the nine commissioners

7 Amend Bill, page 96, line 7, by inserting after "ACT."

8 The commission may, by order, delegate duties and
9 responsibilities to the bureau director as the commission
10 determines necessary to discharge the day-to-day licensing,
11 enforcement and administrative operations of the commission.

12 Amend Bill, page 96, line 8, by striking out "any" and
13 inserting

14 all

15 Amend Bill, page 96, lines 9 and 10, by striking out all of
16 said lines and inserting

17 (i) Has either:

18 (A) been certified as a racing official; or

19 (B) has at least five years' experience in the

20 Amend Bill, page 96, by inserting between lines 12 and 13

21 (ii) Any other criteria established by the
22 commission.

23 Amend Bill, page 96, line 28, by inserting after "entities"

24 and racetrack facilities

25 Amend Bill, page 97, by inserting between lines 8 and 9

26 (vii) Issue administrative subpoenas to effectuate
27 an inspection and review under this paragraph, administer
28 oaths and take testimony as necessary for the
29 administration of this act.

30 Amend Bill, page 97, line 16, by striking out "all horses"

31 and inserting

32 any horse

33 Amend Bill, page 97, line 16, by inserting after "race,"

34 notwithstanding the physical location of the horse,

35 Amend Bill, page 97, line 27, by inserting after

1 "commissioners."

2 The super majority vote under this paragraph shall be a
3 qualified majority vote which must consist of the vote of at
4 least one appointee under section 201-A(b) (1) and four
5 appointees under section 201-A(b) (2).

6 Amend Bill, page 97, line 28, by inserting after "action"
7 by the board of judges or stewards

8 Amend Bill, page 98, line 3, by inserting after

9 "commissioners"

10 , unless the duties have been delegated by the commission
11 to the bureau directors

12 Amend Bill, page 98, line 11, by inserting after "the"

13 action requiring a

14 Amend Bill, page 98, line 11, by striking out "consist" and
15 inserting

16 require a vote of the majority

17 Amend Bill, page 98, line 12, by inserting after

18 "commissioners"

19 plus one additional vote

20 Amend Bill, page 98, line 15, by inserting after "documents"

21 , digital or nondigital,

22 Amend Bill, page 98, line 17, by striking out "Documents" and
23 inserting

24 The commission may accept digital signatures on
25 documents provided or filed and documents

26 Amend Bill, page 99, line 9, by inserting after "act."

27 Notwithstanding any other provision of this act or law,
28 regulations must be approved by a qualified majority vote
29 which must consist of the vote of at least one appointee
30 under section 201-A(b) (1) and four appointees under section
31 201-A(b) (2). Regulations relating to standardbred horse
32 racing must be promulgated separately from regulations
33 relating to thoroughbred horse racing.

34 Amend Bill, page 99, line 9, by inserting after "in"

35 this paragraph and

1 Amend Bill, page 100, line 6, by inserting after "commission"
2 , through the Department of Agriculture,

3 Amend Bill, page 100, line 14, by inserting after
4 "appropriate."

5 Notwithstanding any other reporting requirements in 4
6 Pa.C.S. § 1211 (relating to reports of board), the Pennsylvania
7 Gaming Control Board and the Department of Agriculture must
8 jointly submit the report under this subsection relating to
9 racing on an annual basis.

10 Amend Bill, page 100, line 17, by striking out "The" and
11 inserting

12 A

13 Amend Bill, page 100, line 18, by striking out "shall be the
14 property of the commission and"

15 Amend Bill, page 100, lines 19 and 20, by striking out "upon
16 the request of any commissioner or"

17 Amend Bill, page 100, line 20, by striking out "other"

18 Amend Bill, page 100, lines 22 and 23, by striking out
19 "Beginning 30 days after the effective date of this section,
20 the" and inserting

21 The

22 Amend Bill, page 100, line 23, by inserting after "shall"
23 annually

24 Amend Bill, page 100, lines 23 and 24, by striking out ",
25 within 45 days after the end of each month"

26 Amend Bill, page 100, lines 25 and 26, by striking out "for
27 that month"

28 Amend Bill, page 101, by inserting between lines 9 and 10

29 (n) Reimbursement.--The Department of Agriculture's
30 provision of shared administrative services, shared staff and
31 shared facilities to the commission must be reimbursed from the
32 State Racing Fund and shall be limited to actual costs of

1 providing the services, staff and facilities, including
2 salaries, benefits and expenses of employees providing the
3 shared administrative services. The Department of Agriculture
4 must retain records regarding administrative shared services
5 provided to the commission by a Department of Agriculture's
6 employee.

7 Amend Bill, page 101, lines 17 through 30; page 102, lines 1
8 through 10; by striking out all of said lines on said pages and
9 inserting

10 (2) The following shall apply:

11 (i) The commission shall require an applicant under
12 this act to submit to fingerprinting for a report of
13 Federal criminal history record information.

14 (ii) The applicant must submit a full set of
15 fingerprints to the Pennsylvania State Police or the
16 Pennsylvania State Police's authorized agent for the
17 purpose or a record check. The Pennsylvania State Police
18 or the Pennsylvania State Police's authorized agent must
19 then submit the fingerprints to the Federal Bureau of
20 Investigation for the purpose of verifying the identity
21 of the applicant and obtaining a current record of any
22 criminal arrests and convictions.

23 (iii) The commission shall consider information
24 obtained pursuant to this paragraph for the purpose of
25 screening applicants for fitness for licensure in
26 accordance with the provisions of this act.

27 (iv) National criminal history record information
28 received by the commission shall be handled and
29 maintained in accordance with Federal Bureau of
30 Investigation policy.

31 (v) Fingerprints obtained under this paragraph may
32 be maintained by the commission and Pennsylvania State
33 Police to enforce this act and for general law
34 enforcement purposes.

35 (vi) In addition to any other fee or cost assessed
36 by the commission, an applicant must pay for the cost of
37 the fingerprint process.

38 (vii) The commission may exempt applicants for
39 positions not related to the care or training of horses,
40 racing, wagering, security or the management of a
41 licensed racing entity, from the provisions of this
42 chapter.

43 Amend Bill, page 102, line 11, by inserting after "(3) "

44 Within 90 days of the effective date of this section,
45 the commission must adopt and publish a comprehensive fee
46 schedule in the Pennsylvania Bulletin.

1 Amend Bill, page 102, line 22, by striking out "permit
2 applications" and inserting

3 other regulatory administrative actions

4 Amend Bill, page 103, lines 1 and 2, by striking out "enter
5 into interstate compacts with" and inserting

6 adopt national standards from

7 Amend Bill, page 103, line 2, by inserting after
8 "jurisdictions"

9 or commission-approved trade organizations

10 Amend Bill, page 103, line 7, by inserting after "online"

11 pari-mutuel

12 Amend Bill, page 103, line 15, by inserting after "paragraph"

13 and may contract with, hire or otherwise consult with
14 racetrack surface experts to carry out the provisions of this
15 section

16 Amend Bill, page 103, line 25, by inserting after

17 "COMMISSION"

18 and the Department of Agriculture

19 Amend Bill, page 103, line 30, by striking out "OR" and
20 inserting

21 and

22 Amend Bill, page 104, lines 2 through 6, by striking out "THE
23 COMMISSION SHALL TRANSMIT A COPY OF ITS BUDGET" in line 2 and
24 all of lines 3 through 6 and inserting

25 Annually, 1% of the previous fiscal year's deposits into the
26 Pennsylvania Race Horse Development Fund shall be transfered
27 from the Pennsylvania Race Horse Development Fund to the State
28 Racing Fund to provide for the promotion of horse racing.

29 Amend Bill, page 104, line 12, by striking out "six" and
30 inserting

31 five

32 Amend Bill, page 104, line 13, by striking out "meet" and
33 inserting

1 wager

2 Amend Bill, page 104, line 17, by striking out "five" and
3 inserting

4 six

5 Amend Bill, page 106, line 20, by inserting after "right"
6 and may not be used as collateral or be encumbered

7 Amend Bill, page 106, line 29, by striking out "upon" and
8 inserting

9 and remain in effect if the licensed racing entity complies
10 with each condition, rule and regulation of the commission and
11 the provisions of this act, including

12 Amend Bill, page 109, by inserting between lines 16 and 17

13 (iv) Has been convicted of a crime involving moral
14 turpitude.

15 (v) Has been convicted of a misdemeanor gambling
16 offense in any jurisdiction.

17 (vi) Has been convicted in any jurisdiction of fraud
18 or misrepresentation related to horse racing or horse
19 breeding.

20 Amend Bill, page 110, line 10, by inserting after "cease"
21 , subject to 2 Pa.C.S. (relating to administrative law and
22 procedure)

23 Amend Bill, page 110, line 13, by inserting after "effect."

24 After request for a hearing by a licensee, the commission
25 may grant a supersedeas, pending the final determination of the
26 suspension.

27 Amend Bill, page 110, line 14, by inserting after "Renewal.--

28 A "

29 horse racing

30 Amend Bill, page 110, line 14, by inserting after "years"

31 upon application

32 Amend Bill, page 110, line 25, by striking out "shall" and
33 inserting

34 may

35 Amend Bill, page 110, lines 26 through 29, by striking out

1 "prior to the consideration of any license, permit or" in line
2 26 and all of lines 27 through 29

3 Amend Bill, page 111, lines 5 through 9, by striking out "At
4 a minimum, the code of" in line 5, all of lines 6 through 8 and
5 "(b) Registration.--" in line 9 and inserting
6 (b) Licensed racing entity representative.--

7 Amend Bill, page 111, line 10, by inserting after "licensed"
8 racing

9 Amend Bill, page 111, line 13, by inserting after "licensed"
10 racing

11 Amend Bill, page 111, line 16, by inserting after "licensed"
12 racing

13 Amend Bill, page 112, lines 1 and 2, by striking out "a
14 licensed racing entity, permittee, registrant or licensed entity
15 representative" and inserting
16 other licensee

17 Amend Bill, page 112, line 13, by striking out "Not" and
18 inserting

19 Except for commissioners appointed under section 201-
20 A(b) (3) and (4), not

21 Amend Bill, page 112, lines 29 and 30, by striking out "or
22 hearing officer"

23 Amend Bill, page 113, lines 2 and 3, by striking out "or
24 hearing officer"

25 Amend Bill, page 113, line 11, by striking out "or hearing
26 officer's"

27 Amend Bill, page 114, line 6, by striking out "and
28 employment"

29 Amend Bill, page 114, line 7, by inserting after "No"

1 director,

2 Amend Bill, page 114, lines 14 through 24, by striking out
3 all of said lines and inserting

4 (a) Racetrack racing official.--The commission shall approve
5 each racetrack employee whose duties include the enforcement of
6 pari-mutuel racing activities which directly or indirectly
7 affect the racing product. Compensation for an official under
8 this subsection shall be paid by the licensed racing entity.

9 (b) Commission racing official.--The commission shall employ
10 individuals who shall be designated as commission racing
11 officials and whose duties shall include the oversight and
12 enforcement of this act, regulations and commission policies
13 related to prerace activities, the conduct of live racing and
14 pari-mutuel wagering. The commission, by regulation, shall
15 establish the duties and responsibilities for a commission
16 racing official. The cost for and compensation of a commission
17 racing official shall be paid by the commission.

18 Section 212-A. Secondary pari-mutuel organization.

19 (a) Requirements.--The following shall apply to a secondary
20 pari-mutuel organization:

21 (1) A secondary pari-mutuel organization offering and
22 accepting pari-mutuel wagers within this Commonwealth must be
23 properly licensed by the commission. Each secondary pari-
24 mutuel organization employee directly or indirectly
25 responsible for the acceptance of wagers on horse races or
26 the transmittal of wagering information to and from the
27 Commonwealth must be properly licensed.

28 (2) A secondary pari-mutuel organization must comply
29 with each rule and regulation of the commission.

30 (3) As a condition of licensing and annual license
31 renewal, a license application of a secondary pari-mutuel
32 organization must include all of the following:

33 (i) Disclosure of each officer, director, partner
34 and share holder with a 5% or greater share of ownership
35 or beneficial interest.

36 (ii) A list of personnel assigned to work in this
37 Commonwealth.

38 (iii) Certification of compliance with totalisator
39 standards and licensing requirements adopted by the
40 commission.

41 (iv) A type II SAS 70 report, or other independent
42 report in a form acceptable to the commission, completed
43 within the preceding 12 months, to assure adequate
44 financial controls are in place in the secondary pari-
45 mutuel organization.

46 (v) An agreement to allow the commission to inspect
47 and monitor each facility used by the secondary pari-
48 mutuel organization for accepting, recording or
49 processing pari-mutuel wagers accepted in this

1 Commonwealth.

2 (vi) Certification of the use of a pari-mutuel
3 system which meets all requirements for a pari-mutuel
4 system utilized by a licensed racing entity in this
5 Commonwealth.

6 (4) Fitness and experience of a secondary pari-mutuel
7 organization must be consistent with the public interest,
8 convenience and necessity and the best interests of racing
9 generally, including, but not limited to, all of the
10 following:

11 (i) Meeting general industry standards for business
12 and financial practices, procedures and controls.

13 (ii) Possession of a wagering system that ensures
14 that all wagering information is transmitted to and
15 calculated in the appropriate host track pool.

16 (iii) Utilization of a totalisator system that meets
17 wagering-industry standards and certification criteria.

18 (iv) Meeting general industry standards for physical
19 security of computerized wagering systems, business
20 records, facilities and patrons.

21 (v) Having no indications of improper manipulation
22 of a secondary pari-mutuel organization's wagering
23 system, including software.

24 (vi) Having policies and procedures that ensure a
25 secondary pari-mutuel organization's key individuals have
26 applied and are eligible for all required occupational
27 licenses.

28 (vii) Having an annual independent audit with no
29 audit opinion qualifications that reflect adversely on
30 integrity.

31 (viii) Having a system that verifies the identity of
32 each person placing a wager and requires the person
33 placing a wager to disclose each beneficial interest in a
34 wager the secondary pari-mutuel organization accepts.

35 (ix) Having a real-time independent monitoring
36 system to monitor wagering activity to detect suspicious
37 patterns including any that might indicate criminal
38 activity or regulatory violations. The system must verify
39 each transaction performed by the totalisator system and
40 provide expeditious notice of any discrepancies or
41 suspicious activity to the host track, wagering site, due
42 diligence investigating body and any affected regulatory
43 agency.

44 (x) Having a satisfactory record of customer
45 relations, including no excessive unresolved patron
46 complaints concerning the secondary pari-mutuel
47 organization's business practices.

48 (xi) Holding required permits, licenses,
49 certifications or similar documents that may be required
50 by a racing, gaming or other pari-mutuel wagering
51 jurisdiction.

1 (xii) Having sufficient measures to protect customer
2 funds.

3 (xiii) Publicizing and providing a sufficient
4 program for customer self-exclusion and wagering
5 limitation.

6 (xiv) Having expertise in pari-mutuel wagering and
7 being technologically capable of participating in
8 simulcast and wagering activities.

9 (5) Financial responsibility of a secondary pari-mutuel
10 organization must be consistent with the public interest,
11 convenience and necessity and the best interests of racing
12 generally, including all of the following:

13 (i) The secondary pari-mutuel organization and the
14 secondary pari-mutuel organization's key individuals may
15 not be in default or have a history of defaulting in the
16 payment of an financial obligation, including the payment
17 of taxes due to a taxing jurisdiction or on the payment
18 of gaming, wagering or pari-mutuel racing-related
19 financial obligations. A secondary pari-mutuel
20 organization's key individuals may not be four or more
21 months in arrears for child support that is ordered or
22 approved by a court in any jurisdiction within the United
23 States.

24 (ii) The secondary pari-mutuel organization and the
25 secondary pari-mutuel organization's owners and sources
26 of funds must have sufficient financial means to
27 participate in simulcast and wagering activities,
28 including sufficient assets and means to pay industry-
29 related debts and obligations and to fund the operations
30 of the secondary pari-mutuel organization.

31 (6) The secondary pari-mutuel organization must be fully
32 cooperative and act in good faith with all disclosure and
33 other duties involved in a due diligence investigation,
34 voluntarily submit to regulatory and investigating body
35 oversight, permit inspection of each business record upon
36 request by a regulatory authority or investigating body,
37 promptly honor regulatory or investigating body requests for
38 wagering patterns or other information and, after reasonable
39 notice, permit full access to each facility and property by a
40 regulatory authority or investigating body.

41 (b) Waiver.--

42 (1) A due diligence investigation may rely on an
43 investigation and oversight conducted by a commission-
44 approved entity.

45 (2) The commission may not consent to the acceptance of
46 an interstate off-track wager by a secondary pari-mutuel
47 organization that has not been determined to be suitable
48 under this section.

49 Amend Bill, page 114, line 28, by striking out "horseman's

1 organizations,"

2 Amend Bill, page 115, line 11, by inserting after "years"
3 upon application and review

4 Amend Bill, page 115, line 25, by striking out "one" and
5 inserting
6 any

7 Amend Bill, page 116, line 5, by striking out "or permit"

8 Amend Bill, page 118, line 6, by striking out "between" and
9 inserting

10 directly affecting the administration of the racing product
11 and wagering activities between a secondary pari-mutuel
12 organization,

13 Amend Bill, page 118, line 14, by striking out "applicant's"
14 and inserting

15 licensee's

16 Amend Bill, page 118, lines 26 through 29, by striking out
17 "Reciprocity.--The commission shall not grant licenses to" in
18 line 26 and all of lines 27 through 29 and inserting

19 (Reserved).

20 Amend Bill, page 119, line 22, by inserting after "warrants"
21 on racetrack enclosures

22 Amend Bill, page 120, lines 12 through 17, by striking out
23 all of said lines

24 Amend Bill, page 121, line 3, by striking out "\$100,000" and
25 inserting

26 \$10,000

27 Amend Bill, page 121, line 17, by striking out "shall" and
28 inserting

29 may

30 Amend Bill, page 121, line 28, by inserting after

1 "determination"

2 in writing

3 Amend Bill, page 121, line 28, by striking out ", if"

4 Amend Bill, page 121, line 30, by striking out the comma
5 after "enclosure"

6 Amend Bill, page 122, line 1, by inserting after "effect"

7 unless a supersedeas has been granted by the bureau director

8 Amend Bill, page 122, line 12, by inserting after "security"

9 where it occurs the first time

10 as determined by the commission

11 Amend Bill, page 122, line 16, by inserting after

12 "enforcement"

13 agencies

14 Amend Bill, page 122, lines 17 through 25, by striking out

15 all of lines 17 through 24 and "(3)" in line 25 and inserting

16 (2)

17 Amend Bill, page 122, line 25, by striking out "interrogate,"

18 Amend Bill, page 123, lines 3 through 18, by striking out

19 "Interstate simulcasting." in line 3 and all of lines 4 through

20 18 and inserting

21 (Reserved).

22 Amend Bill, page 123, line 19, by striking out "Televised

23 simulcastings" and inserting

24 Interstate simulcasting

25 Amend Bill, page 123, line 20, by inserting after

26 "licensees.--"

27 The commission may approve the application of a licensed

28 racetrack entity or secondary pari-mutuel organization to

29 electronically simulcast horse races to and from this

30 Commonwealth.

31 Amend Bill, page 123, line 21, by inserting after "entity"

1 where it occurs the first time

2 or secondary pari-mutuel organization

3 Amend Bill, page 124, line 11, by striking out "Forms" and
4 inserting

5 All forms

6 Amend Bill, page 124, line 12, by striking out "to be
7 televised by simulcasting" and inserting

8 simulcasted

9 Amend Bill, page 124, line 27, by inserting after "wagering"
10 at racetrack enclosure

11 Amend Bill, page 125, line 18, by striking out "wagering.--A"
12 and inserting

13 wagering system.--In addition to other forms of live
14 wagering, including cash at a window teller, a

15 Amend Bill, page 125, line 19, by inserting after "operate"
16 an

17 Amend Bill, page 125, line 19, by inserting after "wagering"
18 system

19 Amend Bill, page 125, by inserting between lines 25 and 26

20 (3) A license fee may not be imposed on a licensed
21 racing entity in conjunction with the ability to operate
22 electronic wagering.

23 Amend Bill, page 126, line 2, by inserting after "wagering"
24 systems

25 Amend Bill, page 126, line 3, by inserting after "entity"
26 , secondary pari-mutuel organization

27 Amend Bill, page 126, lines 4 and 5, by striking out all of
28 said lines and inserting

29 (e) Conditions.--A licensed racing entity shall only accept
30 and

31 Amend Bill, page 126, lines 10 and 11, by striking out all of
32 said lines

1 Amend Bill, page 126, line 13, by striking out "No" and
2 inserting

3 A

4 Amend Bill, page 126, line 13, by striking out "may" and
5 inserting

6 or secondary pari-mutuel organization may not

7 Amend Bill, page 126, line 14, by inserting after "wagering"
8 or advanced deposit account wagering

9 Amend Bill, page 131, lines 2 and 3, by striking out
10 "licensed advance deposit account wagering entity" and inserting
11 secondary pari-mutuel organization

12 Amend Bill, page 131, line 6, by striking out "licensed
13 advance deposit account wagering entity" and inserting
14 secondary pari-mutuel organization

15 Amend Bill, page 131, line 7, by inserting after "day"
16 on win, place or show wagers

17 Amend Bill, page 131, line 8, by inserting after "on"
18 an exotic wager, including

19 Amend Bill, page 131, lines 9 through 15, by striking out all
20 of said lines and inserting

21 (c) Expenditures.--Funds collected under subsection (b) and
22 any interest shall be used as follows:

23 (1) For the administration and enforcement of this act
24 including:

25 (i) Funds to the commission in an amount
26 appropriated by the General Assembly.

27 (ii) Funds to the Department of Revenue in an amount
28 appropriated by the General Assembly.

29 (2) If annual revenue under subsection (b) is sufficient
30 to satisfy the requirement under paragraph (1), the remainder
31 of the money shall be distributed as follows:

32 (i) An amount equivalent to 1% of the amount wagered
33 each racing day at thoroughbred horse race meetings shall
34 be paid by the Department of Revenue from the State
35 Racing Fund for credit to the Pennsylvania Breeding Fund.

36 (ii) An amount equivalent to 1.5% of the amount
37 wagered each racing day at standardbred horse race

1 meetings shall be paid by the Department of Revenue from
2 the State Racing Fund for credit to the Pennsylvania Sire
3 Stakes Fund.

4 Amend Bill, page 132, lines 2 through 17, by striking out all
5 of said lines and inserting

6 (e) Transfer.--If funds in the State Racing Fund are
7 insufficient to fund the costs of the administration and
8 enforcement of this act, the amount necessary to eliminate the
9 funding deficiency shall, notwithstanding any other provision of
10 law, be transferred by the State Treasury from the Race Horse
11 Development Fund to the State Racing Fund.

12 Amend Bill, page 133, lines 19 and 20, by striking out
13 "Department of Revenue" and inserting

14 commission

15 Amend Bill, page 133, line 22, by striking out "Department of
16 Revenue" and inserting

17 commission

18 Amend Bill, page 136, line 9, by inserting after "racing "

19 breeding issues

20 Amend Bill, page 137, line 9, by striking out "5%" and
21 inserting

22 10%

23 Amend Bill, page 139, line 28, by striking out "Department of
24 Agriculture" and inserting

25 commission

26 Amend Bill, page 140, lines 2 and 3, by striking out
27 "Department of Agriculture" and inserting

28 commission

29 Amend Bill, page 140, line 8, by striking out ", permittee"

30 Amend Bill, page 140, line 9, by striking out "or permit"

31 Amend Bill, page 140, line 14, by inserting after "apply"
32 , unless superseded by the commission's administrative
33 regulations

34 Amend Bill, page 141, line 10, by striking out "licensed

1 racing entity" and inserting

2 commission

3 Amend Bill, page 141, line 12, by striking out "COMMISSION"
4 and inserting

5 Department of Agriculture

6 Amend Bill, page 141, line 16, by inserting after "Act."

7 Pari-mutuel wagering may not be conducted at a horse race at
8 a fair of a political subdivision.

9 Amend Bill, page 141, line 25, by inserting after "including"
10 , but not limited to,

11 Amend Bill, page 142, line 10, by striking out "Simulcasting"
12 and inserting

13 Intrastate simulcasting

14 Amend Bill, page 142, line 12, by striking out "racing" and
15 inserting

16 horse racing between the licensed racing entities that
17 conduct live racing

18 Amend Bill, page 142, line 17, by striking out "The" and
19 inserting

20 All

21 Amend Bill, page 142, line 18, by striking out "are" and
22 inserting

23 shall be

24 Amend Bill, page 142, line 19, by striking out "televised by
25 simulcasting" and inserting

26 simulcasted

27 Amend Bill, page 146, lines 12 through 30; pages 147 and 148,
28 lines 1 through 30; page 149, lines 1 through 27; by striking
29 out all of said lines on said pages and inserting

30 CHAPTER 2-B

31 LICENSING REQUIREMENTS FOR SECONDARY

32 PARI-MUTUEL ORGANIZATION

33 Section 201-B. General license requirements.

1 (a) New application.--A person seeking to offer pari-mutuel
2 wagering and electronic wagering to individuals within this
3 Commonwealth must apply to the commission for a license by
4 submitting a completed Initial/Renewal License Application. The
5 license shall take effect and the secondary pari-mutuel
6 organization may begin operations after approval by the
7 commission.

8 (b) Renewal applications.--A license must be renewed
9 annually in accordance with this chapter. A renewal application
10 shall be submitted on the Initial/Renewal License Application on
11 or before September 1 of the preceding year. If approved by the
12 commission, a renewal license shall take effect January 1.

13 Amend Bill, page 149, line 28, by striking out "203-B" and
14 inserting

15 202-B

16 Amend Bill, page 151, lines 3 through 7, by striking out all
17 of lines 3 through 6 and "(4)" in line 7 and inserting

18 (3)

19 Amend Bill, page 151, line 8, by inserting after "license"
20 and the renewal license

21 Amend Bill, page 151, lines 8 through 10, by striking out "
22 A" in line 8, all of line 9 and "commission." in line 10

23 Amend Bill, page 151, line 13, by striking out "(5)" and
24 inserting

25 (4)

26 Amend Bill, page 151, line 13, by striking out "track the"
27 and inserting

28 be reimbursed for any

29 Amend Bill, page 151, by inserting between lines 14 and 15

30 (5) Beginning two years following the effective date of
31 this paragraph, the commission may annually increase a fee,
32 charge or cost provided for under this section by an amount
33 not to exceed an annual cost-of-living adjustment calculated
34 by applying the percentage change in the Consumer Price Index
35 for All Urban Consumers (CPI-U) for the Pennsylvania, New
36 Jersey, Delaware and Maryland area for the most recent 12-
37 month period for which figures have been officially reported
38 by the United States Department of Labor, Bureau of Labor
39 Statistics, immediately prior to the date the adjustment is

1 due to take effect.

2 Amend Bill, page 151, line 15, by striking out "204-B" and
3 inserting

4 203-B

5 Amend Bill, page 152, line 3, by striking out "advance
6 deposit account"

7 Amend Bill, page 153, line 9, by striking out "advance
8 deposit account"

9 Amend Bill, page 153, line 26, by striking out "205-B" and
10 inserting

11 204-B

12 Amend Bill, page 154, line 14, by striking out "206-B" and
13 inserting

14 205-B

15 Amend Bill, page 154, line 24, by striking out "207-B" and
16 inserting

17 206-B

18 Amend Bill, page 154, line 25, by striking out "operations"
19 and inserting

20 to operating requirements

21 Amend Bill, page 155, line 12, by striking out "advance
22 deposit account"

23 Amend Bill, page 155, lines 17 and 18, by striking out "
24 generated by advanced deposit account wagering"

25 Amend Bill, page 155, line 23, by striking out "licensed
26 racetrack entity" and inserting

27 licensee

28 Amend Bill, page 155, line 25, by striking out "204-B(a)(4)"
29 and inserting

30 203-B(a)(4)

1 Amend Bill, page 156, lines 5 through 9, by striking out "in
2 the jurisdiction where" in line 5, all of lines 6 through 8 and
3 "this Commonwealth" in line 9 and inserting

4 by the commission

5 Amend Bill, page 156, line 26, by inserting after

6 "commission."

7 A secondary pari-mutuel organization must verify that
8 the account holder does not reside within the primary market
9 area of a licensed racing entity.

10 Amend Bill, page 159, line 10, by striking out "208-B" and
11 inserting

12 207-B

13 Amend Bill, page 160, line 14, by striking out "209-B" and
14 inserting

15 208-B

16 Amend Bill, page 160, line 18, by striking out "210-B" and
17 inserting

18 209-B

19 Amend Bill, page 160, line 24, by inserting after "finer"
20 under section 215-A

21 Amend Bill, page 160, line 26, by striking out "advanced
22 deposit account" and inserting

23 pari-mutuel

24 Amend Bill, page 160, by inserting after line 30

25 (3) Upon the finding of a violation by a secondary pari-
26 mutuel organization of this chapter or of a commission
27 regulation or order or upon the finding of unlicensed
28 electronic or advanced deposit account wagering by an
29 individual or entity, the commission may impose a fine as
30 authorized under section 215-A.

31 CHAPTER 2-C

32 COMPLIANCE

33 Section 201-C. Tax compliance requirement.

34 (a) Applicant.--An applicant must be tax compliant to be
35 eligible for a license or permit issued under this act. Upon
36 receipt of an application for a license or permit, the

1 commission shall request the Department of Revenue to conduct a
2 tax compliance review of the applicant.

3 (b) Licensees and permittees.--A licensee or permittee must be
4 tax compliant to be eligible for renewal of a license or permit
5 issued under this act. Prior to renewing a license or permit,
6 the commission shall request the Department of Revenue to
7 conduct a tax compliance review of the licensee or permittee.

8 (c) Commissioners and commission employees.--An individual
9 must be tax compliant to be eligible to serve as a commissioner
10 or to be employed by the commission. Commissioners and
11 commission employees shall be subject to an annual tax
12 compliance review to ensure they are tax compliant.

13 (d) Contractors.--Each contractor of the commission shall be
14 subject to an annual tax compliance review to ensure that the
15 contractor is tax compliant.

16 (e) Review.--The annual tax compliance review under
17 subsections (c) and (d) must be performed on the dates as
18 determined by the commission.

19 (f) Definitions.--For purposes of this section, the
20 following words and phrases shall have the following meanings:

21 "Tax compliant." Being current with all applicable
22 Commonwealth tax filing and reporting obligations for any
23 applicable tax year and current with payment of any balance of
24 tax, interest or penalty due the Commonwealth as determined by
25 the Department of Revenue for an applicable tax year.

26 "Tax compliance review." The process by which the Department
27 of Revenue determines whether an individual or entity is tax
28 compliant.

29 Amend Bill, page 161, lines 14 and 15, by striking out "and
30 therapeutic dose allowances"

31 Amend Bill, page 161, line 15, by inserting after
32 "allowances. "

33 In order to properly determine the schedule of drugs and the
34 tolerance levels under this subsection, the commission may
35 conduct research or contract with a vendor to conduct the
36 research.

37 Amend Bill, page 161, line 15, by striking out "shall" and
38 inserting
39 may

40 Amend Bill, page 161, line 18, by inserting a period after
41 "experts"

42 Amend Bill, page 161, lines 18 through 22, by striking out "

1 as necessary to develop the approved" in line 18 and all of
2 lines 19 through 22

3 Amend Bill, page 162, lines 11 and 12, by striking out "in
4 consultation with the associations representing the majority of
5 the horse owners"

6 Amend Bill, page 164, lines 3 and 4, by striking out "THE
7 ACTUAL COST OF COLLECTION AND" and inserting
8 each cost associated with the collection and research of and

9 Amend Bill, page 164, line 9, by inserting after "IN"
10 12 equal

11 Amend Bill, page 167, lines 16 through 24, by striking out
12 all of said lines

13 Amend Bill, page 167, line 25, by striking out "8" and
14 inserting

15 7