

AMENDMENTS TO HOUSE BILL NO. 271

Sponsor: REPRESENTATIVE KAUFER

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1 Amend Bill, page 1, line 7, by inserting after "LICENSES; "
2 in table games, repealing provisions relating to cash
3 equivalents and to other financial transactions;

4 Amend Bill, page 1, line 9, by inserting after "for" where it
5 occurs the first time
6 wagering on credit, for

7 Amend Bill, page 11, by inserting between lines 22 and 23

8 Section 5.1. Sections 13A26 and 13A27 of Title 4 are
9 repealed:

10 [§ 13A26. Cash equivalents.

11 (a) Checks.--

12 (1) A certificate holder may accept a check from a
13 patron in exchange for cash or chips. The certificate holder
14 shall present each check for payment to the financial
15 institution upon which the check is drawn within ten days of
16 receipt by the certificate holder. No third party checks
17 shall be permitted.

18 (2) Notwithstanding any law to the contrary, checks
19 cashed in conformity with the requirements of this section or
20 13 Pa.C.S. Div. 3 (relating to negotiable instruments) shall
21 be valid instruments, enforceable at law in the courts of
22 this Commonwealth. Any check cashed, transferred, conveyed,
23 given or accepted in violation of this section shall be
24 invalid and unenforceable for the purposes of collection by a
25 certificate holder but shall be included in the calculation
26 of gross table game revenue.

27 (b) Notice of fees.--All fees charged for the conversion of
28 cash equivalents shall be disclosed.

29 (c) Payment of cash equivalents.--Other than credit extended
30 by a certificate holder, an instrument that constitutes a cash
31 equivalent shall be made payable to the slot machine licensee,
32 to the bearer or to cash. An instrument made payable to a third
33 party shall not be considered a cash equivalent and shall be
34 prohibited.

35 § 13A27. Other financial transactions.

1 (a) Credit.--Notwithstanding section 1504 (relating to
2 wagering on credit), a certificate holder may extend interest-
3 free, unsecured credit to patrons for the purpose of playing
4 slot machines or table games in accordance with this section;
5 however, a certificate holder shall not accept credit cards,
6 charge cards or debit cards from a patron or player for the
7 exchange or purchase of chips, slot machine or table game
8 credits or for an advance of coins or currency to be utilized by
9 a player to play slot machine or table games. No credit card
10 advance machine may be placed on the gaming floor.

11 (b) Credit applications.--Each application for credit
12 submitted by a patron to a certificate holder shall be
13 maintained in a confidential credit file. The application shall
14 include the patron's name, address, telephone number and
15 comprehensive bank account information, the requested credit
16 limit, the patron's approximate amount of current indebtedness,
17 the amount and source of income in support of the application,
18 the patron's signature on the application, a certification of
19 truthfulness and any other information deemed relevant by the
20 certificate holder. The certificate holder shall notify each
21 applicant that, as a condition of receiving credit, the
22 certificate holder will verify identity and indebtedness
23 information through a credit bureau or casino credit bureau and,
24 if appropriate, through direct contact with other slot machine
25 licensees.

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

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

35 (2) That the applicant's name is not included on an
36 exclusion list under section 1514 (relating to regulation
37 requiring exclusion or ejection of certain persons) or 1516
38 (relating to list of persons self excluded from gaming
39 activities) or the voluntary credit suspension list under
40 subsection (h).

41 (d) Establishment of credit.--Upon completion of the
42 verification required under subsection (c), a certificate holder
43 may grant a patron credit. The certificate holder shall
44 establish a credit limit for each patron to whom the certificate
45 holder grants credit. Each applicant's credit limit shall be
46 approved by two or more employees of the certificate holder
47 holding the job positions of credit manager, assistant credit
48 manager, credit shift manager, credit executive or a key
49 employee in a direct reporting line above the manager or credit
50 manager. The approval shall be recorded in the applicant's
51 credit file and shall include the reasons and information relied

1 on for the approval of credit and verification by the employees
2 approving the applicant's credit limit. Increases to an
3 individual's credit limit may be approved following a written
4 request from the individual and reverification of an
5 individual's credit information.

6 (e) Recordkeeping.--Detailed information pertaining to all
7 transactions affecting an individual's outstanding indebtedness
8 to a certificate holder shall be recorded in chronological order
9 in the individual's credit file.

10 (f) Reduction or suspension of credit.--A certificate holder
11 may reduce an individual's credit limit or suspend credit to an
12 individual for any reason.

13 (g) Voluntary credit suspension.--An individual may request
14 a certificate holder to suspend the individual's credit. Each
15 certificate holder shall inform the board when an individual
16 requests a suspension of credit and shall provide the board with
17 all information necessary to maintain the voluntary credit
18 suspension list under subsection (h).

19 (h) Voluntary credit suspension list.--The board shall
20 maintain a voluntary credit suspension list of all individuals
21 who have requested suspension of credit privileges and shall
22 provide the list on a continuous basis to the credit department
23 of each certificate holder. An individual may request placement
24 on the voluntary credit suspension list by submitting to the
25 board the individual's name, address and date of birth. The
26 individual does not need to provide a reason for the request.
27 Notwithstanding any other provision of law to the contrary, the
28 board's list of individuals who have had credit privileges
29 voluntarily suspended shall be confidential, and neither the
30 board nor the credit department of a certificate holder shall
31 divulge the name of any individual on this list to any person or
32 entity other than those provided for in this subsection. To be
33 removed from the list, the individual shall submit a request to
34 the board. The board shall remove the individual from the list
35 and inform the credit department of each certificate holder not
36 later than three business days after the board's receipt of the
37 request.

38 (i) Liability.--A certificate holder or employee thereof
39 shall not be liable to any individual on the voluntary credit
40 suspension list or to any other party in any judicial proceeding
41 for any harm, monetary or otherwise, which may arise as a result
42 of:

43 (1) the failure of a certificate holder to restore
44 credit privileges to an individual on the voluntary credit
45 suspension list; or

46 (2) otherwise permitting an individual on the voluntary
47 credit suspension list to engage in gaming activity in the
48 licensed facility while on the voluntary credit suspension
49 list.

50 (j) Tax liability.--Draws against unsecured credit extended
51 to patrons pursuant to this section which become uncollectible

1 may not be claimed by a certificate holder as a deduction,
2 credit or any other type of reduction or offset against any tax
3 imposed by this part or the act of March 4, 1971 (P.L.6, No.2),
4 known as the Tax Reform Code of 1971.]

5 Amend Bill, page 19, line 3, by striking out all of said line
6 and inserting

7 Section 7. Sections 1504 and 1509 of Title 4 are amended to
8 read:

9 § 1504. Wagering on credit.

10 [Except as otherwise provided in this section, slot] Slot
11 machine licensees shall not extend credit. Slot machine
12 licensees shall not accept credit cards[,] or charge cards [or
13 debit cards] from a patron or a player for the exchange or
14 purchase of slot machine credits or for an advance of coins, or
15 chips or currency to be utilized by a player to [play slot
16 machine games] engage in any gaming authorized by this part or
17 extend credit in any manner to a player so as to enable the
18 player to [play slot machines. Slot machine licensees who hold a
19 table game operation certificate may extend credit for slot
20 machine gaming in accordance with section 13A26 (relating to
21 cash equivalents).] engage in any gaming authorized by this
22 part.