

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1654 Session of  
2005

INTRODUCED BY METCALFE, CLYMER, ARGALL, ARMSTRONG, BAKER,  
BALDWIN, BASTIAN, BENNINGHOFF, BOYD, CAWLEY, CRAHALLA,  
CREIGHTON, DALLY, DENLINGER, FAIRCHILD, FORCIER, GINGRICH,  
GRUCELA, HABAY, HARRIS, HENNESSEY, HERMAN, HERSHEY,  
HICKERNELL, HUTCHINSON, McILHATTAN, MUSTIO, PYLE, REED,  
REICHLEY, RUBLEY, SATHER, SAYLOR, SCAVELLO, SCHRODER, STERN,  
R. STEVENSON, T. STEVENSON, E. Z. TAYLOR, TIGUE, TRUE,  
TURZAI, WATSON AND WILT, JUNE 7, 2005

REFERRED TO COMMITTEE ON TOURISM AND RECREATIONAL DEVELOPMENT,  
JUNE 7, 2005

AN ACT

1 Amending Titles 4 (Amusements) and 18 (Crimes and Offenses) of  
2 the Pennsylvania Consolidated Statutes, further providing for  
3 definitions and for the Pennsylvania Gaming Control Board  
4 established; providing for applicability of other statutes  
5 and for review of deeds, leases and contracts; further  
6 providing for general and specific powers, for temporary  
7 regulations, for board minutes and records and for supplier  
8 and manufacturer licenses application; providing for  
9 manufacturer licenses; and further providing for occupation  
10 permit application, for local land use preemption, for public  
11 official financial interest, for enforcement and for corrupt  
12 organizations.

13 The General Assembly of the Commonwealth of Pennsylvania  
14 hereby enacts as follows:

15 Section 1. The definition of "supplier" in section 1103 of  
16 Title 4 of the Pennsylvania Consolidated Statutes is amended and  
17 the section is amended by adding a definition to read:

18 § 1103. Definitions.

19 The following words and phrases when used in this part shall

1 have the meanings given to them in this section unless the  
2 context clearly indicates otherwise:

3 \* \* \*

4 "Member." An individual appointed to the Pennsylvania Gaming  
5 Control Board pursuant to section 1201(b) (relating to  
6 Pennsylvania Gaming Control Board).

7 \* \* \*

8 "Supplier." A person that sells, leases, offers or otherwise  
9 provides, distributes or services any slot machine or associated  
10 equipment for use or play of slot machines in this Commonwealth.  
11 The term does not include a person who sells slot monitoring  
12 systems, casino management systems, player tracking systems and  
13 wide-area progressive systems.

14 \* \* \*

15 Section 2. Section 1201 heading, (f)(3), (h)(7) and (l) of  
16 Title 4 are amended and subsection (h) is amended by adding  
17 paragraphs to read:

18 § 1201. Pennsylvania Gaming Control Board [established].

19 \* \* \*

20 (f) Qualified majority vote.--

21 \* \* \*

22 (3) Notwithstanding any other provision [to the  
23 contrary] of this part or 65 Pa.C.S. § 1103(j) (relating to  
24 restricted activities), a member shall disclose the nature of  
25 his disqualifying interest, disqualify himself and abstain  
26 from voting in a proceeding in which his or her impartiality  
27 may be reasonably questioned, including, but not limited to,  
28 instances where he or she knows that they possess a  
29 substantial financial interest in the subject matter of the  
30 proceeding or any other interest that could be substantially

1 affected by the outcome of the proceeding. In such  
2 circumstances in which it is a legislative appointee member  
3 that has disqualified himself or herself, the qualified  
4 majority shall consist of the remaining three legislative  
5 appointees and at least two gubernatorial appointees.

6 \* \* \*

7 (h) [Qualifications and restrictions] Restrictions.--

8 \* \* \*

9 [(7) At the time of appointment and annually thereafter,  
10 each member shall disclose the existence of all ownership  
11 interests in licensed facilities and all securities in any  
12 licensed entity or applicant, its affiliates or subsidiaries  
13 held by the member, the member's spouse and any minor or  
14 unemancipated children and must divest such ownership  
15 interests in licensed facilities or securities prior to an  
16 appointment becoming final. A member may not acquire any  
17 security in any licensed entity, its affiliates or  
18 subsidiaries during the member's tenure. The disclosure  
19 statement shall be filed with the executive director of the  
20 board and with the appointing authority for such member and  
21 shall be open to inspection by the public at the office of  
22 the board during the normal business hours of the board  
23 during the tenure of the member and for two years after the  
24 member leaves office.]

25 (7) (i) At the time of appointment, and annually  
26 thereafter, each member of the board shall disclose the  
27 existence of all financial, property, leasehold or other  
28 beneficial interest in any slot machine license  
29 applicant, manufacturer license applicant, supplier  
30 license applicant, licensed entity or licensed facility

1 and in any holding companies, affiliates, intermediaries  
2 or subsidiary businesses thereof, which are held by the  
3 member or the immediate family of the member. The  
4 disclosure statement shall be filed with the executive  
5 director of the board and with the appointing authority  
6 of the member. The disclosure statement shall be open to  
7 inspection by the public at the office of the board  
8 during the normal business hours of the board during the  
9 member's term on the board and continuing for two years  
10 after the member leaves office. Prior to the member's  
11 appointment becoming final, any financial, property,  
12 leasehold, ownership or other beneficial interest in any  
13 slot machine license applicant, manufacturer license  
14 applicant, supplier license applicant, licensed entity or  
15 licensed facility and in any holding companies,  
16 affiliates, intermediaries or subsidiary businesses  
17 thereof, owned or held by the member or the immediate  
18 family of the member must be divested. During the  
19 member's term and continuing for one year thereafter, the  
20 member and the immediate family of the member may not  
21 acquire by purchase, gift, exchange or otherwise, any  
22 financial, property, leasehold, ownership or other  
23 beneficial interest in any slot machine license  
24 applicant, manufacturer license applicant, supplier  
25 license applicant, licensed entity or licensed facility  
26 and in any holding companies, affiliates, intermediaries  
27 or subsidiary businesses thereof.

28 (ii) As used in this paragraph, the following words  
29 and phrases shall have the meanings given to them in this  
30 subparagraph:

1                   "Financial interest." Owning or holding or being  
2                   deemed to hold debt or equity securities or other  
3                   ownership interest or profits interest.

4                   "Immediate family." The term shall have the same  
5                   meaning given to it in section 1512 (relating to  
6                   public official financial interest).

7                   (7.1) (i) At the time of employment, and annually  
8                   thereafter, each employee or contract employee of the  
9                   board shall disclose the existence of all financial,  
10                  property, leasehold or other beneficial interest in any  
11                  slot machine license applicant, manufacturer license  
12                  applicant, supplier license applicant, licensed entity or  
13                  licensed facility and in any holding companies,  
14                  affiliates, intermediaries or subsidiary businesses  
15                  thereof, which are held by the employee or contract  
16                  employee or the immediate family of the employee or  
17                  contract employee. The disclosure statement shall be  
18                  filed with the executive director of the board. The  
19                  disclosure statement shall be open to inspection by the  
20                  public at the office of the board during normal business  
21                  hours of the board during the employee's or contract  
22                  employee's employment with the board and continuing for  
23                  two years after the employee or contract employee  
24                  terminates employment with the board. Prior to commencing  
25                  employment, any financial, property, leasehold, ownership  
26                  or other beneficial interest in any slot machine license  
27                  applicant, manufacturer license applicant, supplier  
28                  license applicant, licensed entity or licensed facility  
29                  and in any holding companies, affiliates, intermediaries  
30                  or subsidiary businesses thereof, owned or held by the

employee or contract employee or the immediate family of  
the employee or contract employee must be divested.  
During the employee's or contract employee's employment  
and continuing for one year thereafter, the employee or  
contract employee and the immediate family of the  
employee or contract employee may not acquire by  
purchase, gift, exchange or otherwise, any financial,  
property, leasehold, ownership or other beneficial  
interest in any slot machine license applicant,  
manufacturer license applicant, supplier license  
applicant, licensed entity or licensed facility and in  
any holding companies, affiliates, intermediaries or  
subsidiary businesses thereof.

(ii) As used in this paragraph, the following words  
and phrases shall have the meanings given to them in this  
subparagraph:

"Financial interest." Owning or holding or being  
deemed to hold debt or equity securities or other  
ownership interest or profits interest.

"Immediate family." The term shall have the same  
meaning given to it in section 1512 (relating to  
public official financial interest).

\* \* \*

(13) No person may be employed, whether as an employee  
or a contract employee, by the board until the board receives  
a background investigation conducted on the person in  
accordance with this part.

(14) No member shall hold or campaign for any other  
public office, hold office in any political party or  
political committee or actively participate in any political

1 campaign.

2 (15) No employee of the board shall hold or campaign for  
3 any other public office, hold office in any political party  
4 or political committee or actively participate in or  
5 contribute to any political campaign.

6 \* \* \*

7 [(1) Disclosure statements.--Members and employees of the  
8 board are subject to the provisions of 65 Pa.C.S. Ch. 11  
9 (relating to ethics standards and financial disclosure) and the  
10 act of July 19, 1957 (P.L.1017, No.451), known as the State  
11 Adverse Interest Act.]

12 Section 3. Title 4 is amended by adding sections to read:

13 § 1201.1. Applicability of other statutes.

14 The following shall apply:

15 (1) The following acts shall apply to the board, its  
16 members and employees:

17 (i) Act of June 21, 1957 (P.L.390, No.212), referred  
18 to as the Right-to-Know Law.

19 (ii) Act of July 19, 1957 (P.L.1017, No.451), known  
20 as the State Adverse Interest Act.

21 (iii) The provisions of 65 Pa.C.S. Chs. 7 (relating  
22 to open meetings) and 11 (relating to ethics standards  
23 and financial disclosure).

24 (2) The board shall be considered an "independent  
25 agency" for the purposes of all of the following:

26 (i) Act of October 15, 1980 (P.L.950, No.164), known  
27 as the Commonwealth Attorneys Act.

28 (ii) The provisions of 62 Pa.C.S. Pt. I (relating to  
29 Commonwealth Procurement Code).

30 (3) The board shall be considered an "agency" for the

1 purposes of all of the following:

2 (i) Act of July 31, 1968 (P.L.769, No.240), referred  
3 to as the Commonwealth Documents Law.

4 (ii) Act of June 25, 1982 (P.L.633, No.181), known  
5 as the Regulatory Review Act.

6 § 1201.2. Review of deeds, leases and contracts.

7 (a) Timing.--Review of a deed, lease or contract of the  
8 board by the Attorney General under the act of October 15, 1980  
9 (P.L.950, No.164), known as the Commonwealth Attorneys Act, must  
10 be completed within 30 days of delivery of the deed, lease or  
11 contract by the board to the Attorney General.

12 (b) Limitation.--An issue not raised by the Attorney General  
13 during the review period required by subsection (a) is deemed  
14 waived.

15 Section 4. Sections 1202 heading and (a), 1203, 1206(a), (d)  
16 and (f) and 1317 of Title 4 are amended to read:

17 § 1202. [General and specific powers] Powers and duties.

18 (a) General powers.--The board shall have general  
19 jurisdiction over all gaming activities or related activities as  
20 described in this part. The board shall be responsible to ensure  
21 the integrity of the acquisition and operation of slot machines  
22 and associated equipment and shall have jurisdiction over every  
23 aspect of the authorization and operation of slot machines. The  
24 board shall employ an executive director, chief counsel,  
25 deputies, secretaries, officers, hearing officers and agents as  
26 it may deem necessary, who shall serve at the board's pleasure.  
27 The board shall also employ other employees as it deems  
28 appropriate whose duties shall be determined by the board. The  
29 board shall establish and publish in the Pennsylvania Bulletin  
30 and on its Internet website a classification of its employees.



1 The classification shall include the scope of the background  
2 investigations required by section 1201(h)(13) (relating to  
3 Pennsylvania Gaming Control Board) for each class of employees  
4 and contract employees of the board. In order to ensure the  
5 ability of the board to recruit and retain individuals necessary  
6 to execute its responsibilities under this part, the board shall  
7 set the classification and compensation of its employees and  
8 shall not be subject to the provisions of the act of April 9,  
9 1929 (P.L.177, No.175), known as The Administrative Code of  
10 1929, as to classification and compensation for its employees  
11 and conduct its activities consistent with the practices and  
12 procedures of Commonwealth agencies. [For the purposes of the  
13 act of October 15, 1980 (P.L.950, No.164), known as the  
14 Commonwealth Attorneys Act, the board shall not be considered an  
15 executive or independent agency.] The board shall have such  
16 other powers and authority necessary to carry out its duties and  
17 the objectives of this part.

18 \* \* \*

19 § 1203. Temporary regulations.

20 (a) Promulgation.--[Notwithstanding any other provision of  
21 law to the contrary and in] In order to facilitate the prompt  
22 implementation of this part, [regulations promulgated by the  
23 board during the two years following the effective date of this  
24 part shall be deemed temporary regulations which shall expire no  
25 later than three years following the effective date of this part  
26 or upon promulgation of regulations as generally provided by  
27 law. The temporary regulations shall not be] the board may  
28 promulgate regulations not subject to:

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

Commonwealth Documents Law.

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

(b) Expiration.--[The authority provided to the board to adopt temporary regulations in] Regulations promulgated in accordance with subsection (a) shall expire [two] three years from the effective date of this section. [Regulations adopted after the two-year period shall be promulgated as provided by law.]

§ 1206. Board minutes and records.

[(a) Open proceedings and records.--The proceedings of the board shall be conducted in accordance with the provisions of 65 Pa.C.S. Ch. 7 (relating to open meetings). The board shall be an agency for purposes of the act of June 21, 1957 (P.L.390, No.212), referred to as the Right-to-Know Law. Notwithstanding any provision of law to the contrary, confidential documents relative to personal background information provided to the board pursuant to this part and any closed deliberations of the board, including disciplinary proceedings, shall be confidential and considered in closed executive session pursuant to subsection (f).]

\* \* \*

(d) Applicant information.--

(1) The board shall [keep and] maintain a list of [all] applicants for licenses and [permits under this part together with] permits. The list shall include a record of all actions taken with respect to [the applicants, which file and record] each applicant. The list shall be open to public inspection during normal business hours of the board.

(2) Information under paragraph (1) regarding any

1 applicant whose license or permit has been denied, revoked or  
2 not renewed shall be removed from such list after seven years  
3 from the date of the action.

4 \* \* \*

5 (f) Confidentiality of information.--[All information  
6 contained in the application process pursuant to section 1310(a)  
7 (relating to slot machine license application character  
8 requirements) and the report of an applicant's] An applicant's  
9 architecture and engineering plans, security and surveillance  
10 systems and background investigation furnished to or obtained by  
11 the board or the bureau from any source shall be considered  
12 confidential. [and shall be withheld from public disclosure in  
13 whole or in part, except that any information shall be released  
14 upon the lawful order of a court of competent jurisdiction or,  
15 with the approval of the Attorney General, to a duly authorized  
16 law enforcement agency or shall be released to the public, in  
17 whole or in part, to the extent that such release is requested  
18 by an applicant and does not otherwise contain confidential  
19 information about another person. The board may not require any  
20 applicant to waive any confidentiality provided for in this  
21 subsection as a condition for the approval of a license or any  
22 other action of the board. Any person who violates this  
23 subsection shall be administratively disciplined by discharge,  
24 suspension or other formal disciplinary action as the board  
25 deems appropriate.]

26 \* \* \*

27 § 1317. Supplier [and manufacturer] licenses [application].

28 (a) Application.--[Any] A person seeking to provide slot  
29 machines or associated equipment to a slot machine licensee  
30 within this Commonwealth [or to manufacture slot machines for

1 use in this Commonwealth] shall apply to the board for [either]  
2 a supplier [or manufacturer] license. [No person, its affiliate,  
3 intermediary, subsidiary or holding company who has applied for  
4 or is a holder of a manufacturer or slot machine license shall  
5 be eligible to apply for or hold a supplier license. A supplier  
6 licensee shall establish a principle place of business in this  
7 Commonwealth within one year of issuance of its supplier license  
8 and maintain such during the period in which the license is  
9 held. No slot machine licensee shall enter into any sale, lease,  
10 contract or any other type of agreement providing slot machines,  
11 progressive slot machines, parts or associated equipment for use  
12 or play with any person other than a supplier licensed pursuant  
13 to this section. Slot monitoring systems, casino management  
14 systems, player tracking systems and wide-area progressive  
15 systems are excluded from any requirements that they be provided  
16 through a licensed supplier as set forth in this part.]

17 (b) Requirements.--[The application for a supplier or  
18 manufacturer license shall include, at a minimum:] The  
19 application for a supplier license shall be on the form required  
20 by the board, accompanied by the application fee and shall  
21 include all of the following:

22 (1) The name and business address of the applicant, the  
23 directors and owners of the applicant and a list of employees  
24 and their positions within the business, as well as any  
25 financial information required by the board.

26 (1.1) A statement that the applicant or an affiliate,  
27 intermediary, subsidiary or holding company of the applicant  
28 is not a slot machine licensee.

29 (2) The consent to a background investigation of the  
30 applicant, its officers, directors, owners, key employees or

1 other persons required by the board and a release to obtain  
2 any and all information necessary for the completion of the  
3 background investigation.

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

9 (4) The type of goods and services to be supplied [or  
10 manufactured] and whether those goods and services will be  
11 provided through purchase, lease, contract or otherwise.

12 (5) Any other information determined by the board to be  
13 appropriate.

14 (c) Review and approval.--Upon being satisfied that the  
15 requirements of subsection (b) have been met, the board may  
16 approve the application and grant the applicant a supplier  
17 license consistent with all of the following:

18 (1) The license shall be for a period of one year. Upon  
19 expiration, a license may be renewed in accordance with  
20 subsection (d).

21 (2) The license shall be nontransferable.

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

23 (d) Renewal.--Six months prior to expiration of a supplier  
24 license, a supplier licensee seeking renewal of its license  
25 shall submit a renewal application accompanied by the renewal  
26 fee to the board. If the renewal application satisfies the  
27 requirements of subsection (b), the board may renew the  
28 licensee's supplier license. If the board receives a complete  
29 renewal application but fails to act upon the renewal  
30 application prior to the expiration of the supplier license, the

supplier license shall continue in effect for an additional six-month period or until acted upon by the board, whichever occurs first.

(e) Prohibitions.--

(1) No person may provide slot machines or associated equipment to a slot machine licensee within this Commonwealth unless the person has been issued a supplier license under this section or a manufacturer license under section 1317.1 (relating to manufacturer licenses).

(2) No slot machine licensee may acquire, purchase or lease slot machines or associated equipment from a person unless the person has been issued a supplier license under this section or a manufacturer license under section 1317.1.

Section 5. Title 4 is amended by adding a section to read:

§ 1317.1. Manufacturer licenses.

(a) Application.--A person seeking to manufacture slot machines for use in this Commonwealth and to provide slot machines or associated equipment to a slot machine licensee within this Commonwealth shall apply to the board for a manufacturer license.

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

(1) The name and business address of the applicant, the directors and owners of the applicant and a list of employees and their positions within the business, as well as any financial information required by the board.

(2) A statement that the applicant or an affiliate, intermediary, subsidiary or holding company of the applicant is not a slot machine licensee.

1       (3) The consent to a background investigation of the  
2       applicant, its officers, directors, owners, key employees or  
3       other persons required by the board and a release to obtain  
4       any and all information necessary for the completion of the  
5       background investigation.

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

11      (5) The type of slot machines or associated equipment to  
12      be manufactured and supplied and whether those slot machines  
13      or associated equipment will be provided through purchase,  
14      lease, contract or otherwise.

15      (6) Any other information determined by the board to be  
16      appropriate.

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

21      (1) The license shall be for a period of one year. Upon  
22      expiration, a license may be renewed in accordance with  
23      subsection (d).

24      (2) The license shall be nontransferable.

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

26      (d) Renewal.--Six months prior to expiration of a  
27      manufacturer license, a manufacturer licensee seeking renewal of  
28      its license shall submit a renewal application accompanied by  
29      the renewal fee to the board. If the renewal application  
30      satisfies the requirements of subsection (b), the board may

1 renew the licensee's manufacturer license. If the board receives  
2 a complete renewal application but fails to act upon the renewal  
3 application prior to the expiration of the manufacturer license,  
4 the manufacturer license shall continue in effect for an  
5 additional six-month period or until acted upon by the board,  
6 whichever occurs first.

7 (e) Prohibitions.--

8 (1) No person may manufacture and provide slot machines  
9 or associated equipment to a slot machine licensee within  
10 this Commonwealth unless the person has been issued a  
11 manufacturer license under this section.

12 (2) No slot machine licensee may acquire, purchase or  
13 lease slot machines or associated equipment to a slot machine  
14 licensee within this Commonwealth unless the person has been  
15 issued a manufacturer license under this section or a  
16 supplier license under section 1317 (relating to supplier  
17 licenses).

18 Section 6. Sections 1318, 1506 and 1512 of Title 4 are  
19 amended to read:

20 § 1318. Occupation [permit application] permits.

21 (a) Application.--[Any] A person who desires to be a gaming  
22 employee and has a bona fide offer of employment from a licensed  
23 gaming entity shall apply to the board for an occupation permit.  
24 [A person may not be employed as a gaming employee unless and  
25 until that person holds an appropriate occupation permit issued  
26 under this section. The board may promulgate regulations to  
27 reclassify a category of nongaming employees or gaming employees  
28 upon a finding that the reclassification is in the public  
29 interest and consistent with the objectives of this part.]

30 (b) Requirements.--[The application for an occupation permit



1 shall include, at a minimum:] The application for an occupation  
2 permit shall be on the form required by the board, accompanied  
3 by the application fee and shall include all of the following:

4 (1) The name and home address of the person.

5 (2) The previous employment history of the person.

6 (3) The criminal history record of the person, as well  
7 as the person's consent for the Pennsylvania State Police to  
8 conduct a background investigation.

9 (4) A photograph and handwriting exemplar of the person.

10 (5) Evidence of the offer of employment and the nature  
11 and scope of the proposed duties of the person, if known.

12 (6) The details of any occupation permit or similar  
13 license granted or denied to the applicant in other  
14 jurisdictions where gaming activities as authorized by this  
15 part are permitted and consent for the board to obtain copies  
16 of applications submitted or permits or licenses issued in  
17 connection therewith.

18 (7) Any other information determined by the board to be  
19 appropriate.

20 [(c) Prohibition.--No slot machine licensee may employ or  
21 permit any person under 18 years of age to render any service  
22 whatsoever in any area of its licensed facility at which slot  
23 machines are physically located.]

24 (c.1) Review and approval.--Upon being satisfied that the  
25 requirements of subsection (b) have been met, the board may  
26 approve the application and grant the applicant an occupation  
27 permit consistent with all of the following:

28 (1) The occupation permit shall be for a period of one  
29 year. Upon expiration, an occupation permit may be renewed in  
30 accordance with subsection (d).

1           (2) The occupation permit shall be nontransferable.

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

3           (d) Renewal.--Six months prior to expiration of an  
4 occupation permit, an individual holding an occupation permit  
5 and seeking renewal of the occupation permit shall submit a  
6 renewal application accompanied by the renewal fee to the board.  
7 If the renewal application satisfies the requirements of  
8 subsection (b), the board may renew the occupation permit. If  
9 the board receives a complete renewal application but fails to  
10 act upon the renewal application prior to the expiration of the  
11 occupation permit, the occupation permit shall continue in  
12 effect for an additional six-month period or until acted upon by  
13 the board, whichever occurs first.

14          (e) Prohibitions.--

15           (1) No slot machine licensee may employ or permit any  
16 person under 18 years of age to render any service in any  
17 area of its licensed facility at which slot machines are  
18 physically located.

19           (2) No slot machine licensee may employ an individual as  
20 a gaming employee unless the individual has been issued an  
21 occupation permit under this section.

22 § 1506. [Local land use preemption] Preemption.

23 [The conduct of gaming as permitted under this part,  
24 including the physical location of any licensed facility,] (a)  
25 Regulation.--Gaming authorized by this part shall not be  
26 prohibited or, except as provided in subsection (b), otherwise  
27 regulated by any ordinance, home rule charter provision,  
28 resolution, rule or regulation of any [political subdivision or  
29 any local or State instrumentality or authority that relates to  
30 zoning or land use to the extent that the licensed facility has

1 been approved by the board.] municipality.

2 (b) Land use.--

3 (1) Except as provided in paragraphs (2) and (3), any  
4 zoning and land use ordinances, home rule charter provisions,  
5 resolutions, rules or regulations of any municipality shall  
6 not apply to property upon which a licensed facility or  
7 licensed racetrack is or will be located. The board may [in  
8 its discretion consider such] consider local zoning  
9 ordinances when considering an application for a slot machine  
10 license. The board shall provide the political subdivision,  
11 within which an applicant for a slot machine license has  
12 proposed to locate a licensed [gaming] facility, a 60-day  
13 comment period prior to the board's final approval, condition  
14 or denial of approval of its application for a slot machine  
15 license. The political subdivision may make recommendations  
16 to the board for improvements to the applicant's proposed  
17 site plans that take into account the impact on the local  
18 community.[, including, but not limited to, land use and  
19 transportation impact. This section shall also apply to any  
20 proposed racetrack or licensed racetrack.]

21 (2) Plans and ordinances adopted by a municipality in  
22 accordance with the act of July 31, 1968 (P.L.805, No.247),  
23 known as the Pennsylvania Municipalities Planning Code, shall  
24 apply to property upon which a licensed facility or licensed  
25 racetrack is or will be located.

26 (3) An ordinance, home rule charter provision,  
27 resolution, rule or regulation which relates to zoning or  
28 land use adopted by a city of the second class shall apply to  
29 property upon which a licensed facility or licensed racetrack  
30 is or will be located.

1 § 1512. [Public official financial interest] Financial  
2 interests and complimentary services and discounts.

3 [(a) General rule.--Except as may be provided by rule or  
4 order of the Pennsylvania Supreme Court, no executive-level  
5 State employee, public official, party officer or immediate  
6 family member thereof shall have, at or following the effective  
7 date of this part, a financial interest in or be employed,  
8 directly or indirectly, by any licensed racing entity or  
9 licensed gaming entity, or any holding, affiliate, intermediary  
10 or subsidiary company, thereof, or any such applicant, nor  
11 solicit or accept, directly or indirectly, any complimentary  
12 service or discount from any licensed racing entity or licensed  
13 gaming entity which he or she knows or has reason to know is  
14 other than a service or discount that is offered to members of  
15 the general public in like circumstances during his or her  
16 status as an executive-level State employee, public official or  
17 party officer and for one year following termination of the  
18 person's status as an executive-level State employee, public  
19 official or party officer.]

20 (a) Financial interests.--An executive-level State employee,  
21 public official or party officer, or an immediate family member  
22 thereof, shall not do any of the following:

23 (1) Hold, whether directly or indirectly, a financial  
24 interest in any slot machine licensee, manufacturer licensee,  
25 supplier licensee, licensed racing entity or in any holding,  
26 affiliate, intermediary or subsidiary company thereof while  
27 the individual is an executive-level State employee, public  
28 official or party officer and for one year following  
29 termination of the individual's status as an executive-level  
30 State employee, public official or party officer.

1       (2) Hold, whether directly or indirectly, a financial  
2 interest in any applicant for a slot machine license,  
3 manufacturer license, supplier license or racetrack or in any  
4 holding, affiliate, intermediary or subsidiary company of the  
5 applicant while the individual is an executive-level State  
6 employee, public official or party officer and for one year  
7 following termination of the individual's status as an  
8 executive-level State employee, public official or party  
9 officer.

10       (a.1) Employment.--

11       (1) An executive-level State employee, public official  
12 or party officer shall not be employed, whether directly or  
13 indirectly, by any slot machine licensee, manufacturer  
14 licensee, supplier licensee, licensed racing entity or  
15 racetrack, or an applicant therefor, or by any holding,  
16 affiliate, intermediary or subsidiary company thereof, while  
17 the individual is an executive-level State employee, public  
18 official or party officer and for one year following  
19 termination of the individual's status as an executive-level  
20 State employee, public official or party officer.

21       (2) An immediate family member of an executive-level  
22 State employee, public official or party officer shall not be  
23 employed to provide services for any slot machine licensee,  
24 manufacturer licensee, supplier licensee, licensed racing  
25 entity or racetrack, or an applicant therefor, or by any  
26 holding, affiliate, intermediary or subsidiary company  
27 thereof, while the executive-level State employee, public  
28 official or party officer of the immediate family member is  
29 an executive-level State employee, public official or party  
30 officer.

1     (a.2) Complimentary services and discounts.--No executive-  
2     level State employee, public official or party officer, or an  
3     immediate family member thereof, shall solicit or accept,  
4     whether directly or indirectly, any complimentary service or  
5     discount from any slot machine licensee, manufacturer licensee,  
6     supplier licensee or licensed racing entity which the executive-  
7     level State employee, public official or party officer, or an  
8     immediate family member thereof, knows or has reason to know is  
9     other than a service or discount that is offered to members of  
10    the general public in like circumstances while the individual is  
11    an executive-level State employee, public official or party  
12    officer.

13    (a.3) Grading.--An individual who violates this section  
14    commits a misdemeanor and shall, upon conviction, be sentenced  
15    to pay a fine of not more than \$1,000 or to imprisonment for not  
16    more than one year, or both.

17    (a.4) Divestiture.--An executive-level State employee,  
18    public official or party officer, or an immediate family member  
19    thereof, who holds a financial interest prohibited by this  
20    section shall divest the financial interest within three months  
21    of the effectuation of the restrictions set forth in subsection  
22    (a), as applicable.

23    (a.5) List of applicants.--The board shall publish monthly  
24    in the Pennsylvania Bulletin and on its Internet website a list  
25    of applicants for slot machine licenses, supplier licenses and  
26    manufacturer licenses.

27    (b) Definitions.--As used in this section, the following  
28 words and phrases shall have the meanings given to them in this  
29 subsection:

30       "Executive-level State employee."   The Governor, Lieutenant

Governor, cabinet members, deputy secretaries, the Governor's office executive staff, any State employee with discretionary powers which may affect the outcome of a State agency's decision in relation to a private corporation or business, with respect to any matter covered by this part or any executive employee who by virtue of his job function could influence the outcome of such a decision.

"Financial interest." Owning or holding securities [exceeding 1% of the equity or fair market value of the] of a licensed racing entity, manufacturer licensee, supplier licensee or licensed gaming entity, its holding company, affiliate, intermediary or subsidiary business or an applicant for such a license. A financial interest shall not include any [such stock that is held in a blind trust over which the executive-level State employee, public official, party officer or immediate family member thereof may not exercise any managerial control or receive income during the tenure of office and the period under subsection (a).] of the following:

(1) A stock that is held in a blind trust over which the executive-level State employee, public official or party officer, or an immediate family member thereof, may not exercise managerial control or receive income during the tenure of office and the period under subsection (a).

(2) An interest held through a defined benefit pension plan.

(3) An interest held through a tuition account plan organized and operated pursuant to section 529 of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.).

(4) An interest held in a mutual fund where the interest

1 owned by the individual fund in the licensed gaming entity  
2 does not amount to control of the licensed gaming entity as  
3 defined by the Investment Company Act of 1940 (54 Stat. 789,  
4 15 U.S.C. § 80a-1 et seq.).

5 "Immediate family." A parent, spouse, minor or unemancipated  
6 child, brother or sister.

7 "Party officer." A member of a national committee; a  
8 chairman, vice chairman, secretary, treasurer or counsel of a  
9 State committee or member of the executive committee of a State  
10 committee; a county chairman, vice chairman, counsel, secretary  
11 or treasurer of a county committee; or a city chairman, vice  
12 chairman, counsel, secretary or treasurer of a city committee.

13 "Public official." Any person elected by the public or  
14 elected or appointed by a governmental body or an appointed  
15 official in the executive, legislative or judicial branch of  
16 this Commonwealth or any political subdivision thereof, provided  
17 that it shall not include members of advisory boards that have  
18 no authority to expend public funds other than reimbursement for  
19 personal expense or to otherwise exercise the power of the  
20 Commonwealth or any political subdivision [or commissioner of  
21 any authority or joint-state commission].

22 Section 7. Section 1517(d) of Title 4 is amended and the  
23 section is amended by adding subsections to read:

24 § 1517. Enforcement.

25 \* \* \*

26 (c.1) Powers and duties of Attorney General.--Within the  
27 Office of Attorney General, the Attorney General shall establish  
28 a gaming division. The division shall investigate and institute  
29 criminal proceedings as authorized by subsection (d).

30 (d) Criminal action.--



1           (1) The district attorneys of the several counties shall  
2 have authority to investigate and to institute criminal  
3 proceedings for [any] a violation of this part.

4           (2) In addition to the authority conferred upon the  
5 Attorney General [by] under the act of October 15, 1980  
6 (P.L.950, No.164), known as the Commonwealth Attorneys Act,  
7 the Attorney General shall have the authority to investigate  
8 and, following consultation with the appropriate district  
9 attorney, to institute criminal proceedings for [any] a  
10 violation of this part, [or any series of such violations  
11 involving any county of this Commonwealth and another state.  
12 No] A person charged with a violation of this part by the  
13 Attorney General shall not have standing to challenge the  
14 authority of the Attorney General to investigate or prosecute  
15 the case, and, if any such challenge is made, the challenge  
16 shall be dismissed and no relief shall be available in the  
17 courts of this Commonwealth to the person making the  
18 challenge.

19       (d.1) Regulatory action.--Nothing contained in subsection  
20 (d) shall be construed to limit the existing regulatory or  
21 investigative authority of a department or agency of the  
22 Commonwealth whose functions relate to persons or matters  
23 falling within the scope of this part.

24       \* \* \*

25       Section 8. Section 911(h)(1) of Title 18 is amended to read:

26       § 911. Corrupt organizations.

27       \* \* \*

28       (h) Definitions.--As used in this section:

29           (1) "Racketeering activity" means all of the following:

30               (i) [any] An act which is indictable under any of

the following provisions of this title:

Chapter 25 (relating to criminal homicide)

Section 2706 (relating to terroristic threats)

Chapter 29 (relating to kidnapping)

Chapter 33 (relating to arson, etc.)

Chapter 37 (relating to robbery)

Chapter 39 (relating to theft and related offenses)

Section 4108 (relating to commercial bribery and breach of duty to act disinterestedly)

Section 4109 (relating to rigging publicly exhibited contest)

Section 4117 (relating to insurance fraud)

Chapter 47 (relating to bribery and corrupt influence)

Chapter 49 (relating to falsification and intimidation)

Section 5111 (relating to dealing in proceeds of unlawful activities)

Section 5512 through 5514 (relating to gambling)

Chapter 59 (relating to public indecency)

(ii) [any] An offense indictable under section 13 of the act of April 14, 1972 (P.L.233, No.64), known as The Controlled Substance, Drug, Device and Cosmetic Act (relating to the sale and dispensing of narcotic drugs)[;].

(iii) [any] A conspiracy to commit any of the offenses set forth in [subparagraphs (i) and (ii) of this paragraph; or] subparagraph (i), (ii) or (v).

(iv) [the] The collection of any money or other

1 property in full or partial satisfaction of a debt which  
2 arose as the result of the lending of money or other  
3 property at a rate of interest exceeding 25% per annum or  
4 the equivalent rate for a longer or shorter period, where  
5 not otherwise authorized by law.

6 (v) An offense indictable under 4 Pa.C.S. Pt. II  
7 (relating to gaming).

8 [Any] An act which otherwise would be considered racketeering  
9 activity by reason of the application of this paragraph,  
10 shall not be excluded from its application solely because the  
11 operative acts took place outside the jurisdiction of this  
12 Commonwealth, if such acts would have been in violation of  
13 the law of the jurisdiction in which they occurred.

14 \* \* \*

15 Section 9. All acts and parts of acts are repealed insofar  
16 as they are inconsistent with this act.

17 Section 10. This act shall take effect immediately.