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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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**SENATE BILL**

**No. 1588** Session of  
1978

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INTRODUCED BY MCKINNEY, ORLANDO, ARLENE, FUMO, HANKINS, SMITH,  
LYNCH, DUFFIELD AND McCORMACK, JUNE 27, 1978

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REFERRED TO STATE GOVERNMENT, JUNE 27, 1978

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AN ACT

1 Authorizing the establishment of gambling casinos in the  
2 Commonwealth, providing for the licensing, regulation and  
3 taxation thereof, creating the Commonwealth Casino Control  
4 Commission and the Bureau of Gaming Enforcement, prescribing  
5 the powers, duties and functions of the commission and bureau  
6 and making an appropriation.

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18 The General Assembly of the Commonwealth of Pennsylvania  
19 hereby enacts as follows:

20 CHAPTER 1

21 GENERAL PROVISIONS

22 Section 101. Short title.

23 This act shall be known and may be cited as the "Commonwealth  
24 Casino Control Act."

25 Section 102. Declaration of policy.

26 The General Assembly hereby finds, and declares to be the  
27 public policy of this Commonwealth, the following:

28 The tourist, resort and convention industry of this  
29 Commonwealth constitutes a critical component of its economic  
30 structure and, if properly developed, controlled and fostered,

1 is capable of providing a substantial contribution to the  
2 general welfare, health and prosperity of the Commonwealth and  
3 its inhabitants.

4 The rehabilitation and redevelopment of existing tourist and  
5 convention facilities in the major cities of the Commonwealth  
6 and the fostering and encouragement of new construction in these  
7 cities will improve the quality of life in the Commonwealth's  
8 major cities.

9 The resort areas of the Commonwealth are valuable assets and  
10 their continued prosperity is of critical importance to the  
11 inhabitants of the Commonwealth.

12 The establishment of casino gambling in the Commonwealth  
13 especially in the major cities and resort areas would attract  
14 new investment capital to the Commonwealth.

15 The establishment of casino gambling in the Commonwealth  
16 would benefit all of the Commonwealth's inhabitants.

17 An integral and essential element of the regulation and  
18 control of casino gambling facilities by the Commonwealth rests  
19 in the public confidence and trust in the credibility and  
20 integrity of the regulatory process and of casino operations. To  
21 further such public confidence and trust, the regulatory  
22 provisions of this act are designed to extend strict  
23 Commonwealth regulation to all persons, locations, practices and  
24 associations related to the operation of licensed casino  
25 enterprises and all related service industries as herein  
26 provided.

27 Legalized casino gaming in the Commonwealth can attain,  
28 maintain and retain integrity, public confidence and trust, and  
29 remain compatible with the general public interest only under  
30 such a system of control and regulation as insures, so far as

1 practicable, the exclusion from participation therein of persons  
2 with known criminal records, habits or associations, and the  
3 exclusion or removal from any positions of authority or  
4 responsibility within casino gaming operations and  
5 establishments of any persons known to be so deficient in  
6 business probity, ability or experience, either generally or  
7 with specific reference to gaming, as to create or enhance the  
8 dangers of unsound, unfair or illegal practices, methods and  
9 activities in the conduct of gaming or the carrying on of the  
10 business and financial arrangements incident thereto.

11       Since the public has a vital interest in casino operations,  
12 participation in casino operations as a licensee under this act  
13 shall be deemed a revokable privilege conditioned upon the  
14 proper and continued qualification of the individual licensee  
15 and upon the discharge of the affirmative responsibility of each  
16 such licensee to provide to the regulatory and investigatory  
17 authorities established by this act any assistance and  
18 information necessary to assure that the policies declared by  
19 this act are achieved. Consistent with this policy, it is the  
20 intent of this act to preclude the creation of any property  
21 right in any license, certificate or reservation permitted by  
22 this act, the accrual of any value to the privilege of  
23 participation in gaming operations, or the transfer of any  
24 license, certificate, or reservation, and to require that  
25 participation in gaming be solely conditioned upon the  
26 individual qualifications of the person seeking such privilege.

27       Since casino operations are especially sensitive and in need  
28 of public control and supervision, and since it is vital to the  
29 interests of the Commonwealth to prevent entry, directly or  
30 indirectly, into such operations or the ancillary industries



1 regulated by this act of persons who have pursued economic gains  
2 in an occupational manner or context which are in violation of  
3 the criminal or civil public policies of the Commonwealth, the  
4 regulatory and investigatory powers and duties shall be  
5 exercised to the fullest extent consistent with law to avoid  
6 entry of such persons into the casino operations or the  
7 ancillary industries regulated by this act.

8 The facilities in which licensed casinos are to be located  
9 are of vital law enforcement and social interest to the  
10 Commonwealth, and it is in the public interest that the  
11 regulatory and investigatory powers and duties conferred by this  
12 act include the power and duty to review architectural and site  
13 plans to assure that the proposal is suitable by law  
14 enforcement, aesthetic and architectural standards.

15 Since the economic stability of casino operations is in the  
16 public interest and competition in casino operations is  
17 desirable and necessary to assure the residents of the  
18 Commonwealth and visitors varied attractions and exceptional  
19 facilities, the regulatory and investigatory powers and duties  
20 conferred by this act shall include the power and duty to  
21 regulate, control and prevent economic concentration in the  
22 casino operations and the ancillary industries regulated by this  
23 act, and to encourage and preserve competition.

24 It is in the public interest that the institution of licensed  
25 casino establishments in the Commonwealth be strictly regulated  
26 and controlled pursuant to the above findings and pursuant to  
27 the provisions of this act, which provisions are designed to  
28 engender and maintain public confidence and trust in the  
29 regulation of the licensed enterprises, to provide an effective  
30 method of rebuilding and redeveloping existing facilities and of

1 encouraging new capital investment in the Commonwealth, and to  
2 provide a meaningful and permanent contribution to the economic  
3 viability of the resort, convention and tourist industry of the  
4 Commonwealth and its major cities.

5 Section 103. Definitions.

6 The following words and phrases when used in this act shall  
7 have, unless the context clearly indicates otherwise, the  
8 meanings given to them in this section:

9 "Applicant." Any person who on his own behalf or on behalf  
10 of another has applied for permission to engage in any act or  
11 activity which is regulated under the provisions of this act.

12 "Application." A written request for permission to engage in  
13 any act or activity which is regulated under the provisions of  
14 this act.

15 "Authorized game " or "authorized gambling game." Roulette,  
16 baccarat, blackjack, craps, big six wheel and slot machines.

17 "Bureau." The Bureau of Gaming Enforcement.

18 "Casino." A single room of at least 15,000 square feet in  
19 which casino gaming is conducted pursuant to the provisions of  
20 this act.

21 "Casino employee." Any natural person employed in the  
22 operation of a licensed casino, including, without limitation,  
23 boxmen; dealers or croupiers; floormen; machine mechanics; and  
24 bartenders, waiters and waitresses or other persons whose  
25 employment duties require or authorize access to the casino but  
26 who are not included in the definition of casino hotel employee,  
27 casino key employee, casino security employee, or principal  
28 employee as hereinafter stated.

29 "Casino hotel employee." Any natural person employed by a  
30 casino hotel licensed under this act to perform service or

1 custodial duties not directly related to operations of the  
2 casino, including, without limitation, bartenders, waiters,  
3 waitresses, maintenance personnel, kitchen staff, but whose  
4 employment duties do not require or authorize access to the  
5 casino.

6 "Casino key employee." Any natural person employed in the  
7 operation of a licensed casino in a supervisory capacity or  
8 empowered to make discretionary decisions which regulate casino  
9 operation, and who is not within an employee category defined  
10 elsewhere in this act, including, without limitation, pit  
11 bosses, shift bosses, supervisors and cashiers; casino managers  
12 and assistant managers; managers or supervisors of casino  
13 security employees; and any other employee so designated by the  
14 Casino Control Commission.

15 "Casino license." Any license issued pursuant to this act  
16 which authorizes the holder thereof to own or operate a casino.

17 "Casino security employee." Any natural person employed by a  
18 casino or its agent to provide physical security in a casino  
19 hotel.

20 "Casino service industry." Any form of enterprise which  
21 provides casinos with goods or services on a regular or  
22 continuing basis, including, without limitation, security  
23 businesses, gaming schools, manufacturers, distributors and  
24 servicers of gaming devices or equipment, garbage haulers,  
25 maintenance companies, food purveyors, or any other enterprise  
26 which does business with licensed casinos on a regular or  
27 continuing basis.

28 "Chairman" and "commissioner" or "member." The chairman and  
29 any member of the Casino Control Commission, respectively.

30 "Commission." The Commonwealth Casino Control Commission.

1 "Director." The Director of the Bureau of Gaming  
2 Enforcement.

3 "Equal employment opportunity." Equality in opportunity for  
4 employment by any person licensed pursuant to the provisions of  
5 this act.

6 "Equity security." Any voting stock of a corporation or  
7 similar security; any security convertible, with or without  
8 consideration, into such a security or carrying any warrant or  
9 right to subscribe to or purchase such a security; any such  
10 warrant or right; or any security having a direct or indirect  
11 participation in the profits of the issuer.

12 "Establishment." Any premises wherein or whereon any gaming  
13 is done.

14 "Family." Spouse, parents, grandparents, children,  
15 grandchildren, siblings, uncles, aunts, nephews, nieces,  
16 fathers-in-law, mothers-in-law, daughters-in-law, sons-in-law,  
17 brothers-in-law and sisters-in-law, whether by the whole or half  
18 blood, by marriage, adoption or natural relationship.

19 "Game" or "gambling game." Any banking or percentage game  
20 located exclusively within the casino played with cards, dice or  
21 any mechanical device or machine for money, property or any  
22 representative of value.

23 "Gaming" or "gambling." The dealing, operating, carrying on,  
24 conducting, maintaining or exposing for pay of any game.

25 "Gaming device" or "gaming equipment." Any mechanical  
26 contrivance or machine used in connection with gaming or any  
27 game.

28 "Gross revenue." The total of all sums, including checks  
29 received pursuant to the provisions of this act, whether  
30 collected or not, actually received by a licensee from gaming

1 operations, less only the total of all sums paid out as winnings  
2 to patrons and an allowance for uncollected gaming receivables  
3 not to exceed the lesser of such receivables actually  
4 uncollected or 4% of the total of all sums including checks,  
5 whether collected or not.

6 "Hearing examiner." A commissioner or other person  
7 authorized by the commission to conduct hearings.

8 "Holding company." Any corporation, association, firm,  
9 partnership, trust or other form of business organization not a  
10 natural person which, directly or indirectly, owns, has the  
11 power or right to control, or has the power to vote all or any  
12 part of the outstanding voting securities of a corporation which  
13 holds or applies for a casino license. For the purpose of this  
14 section, in addition to any other reasonable meaning of the  
15 words used, a "holding company" indirectly has, holds or owns  
16 any such power, right or security if it does so through any  
17 interest in a subsidiary or successive subsidiaries, however,  
18 many such subsidiaries may intervene between the holding company  
19 and the corporate licensee or applicant.

20 "Hotel" or "approved hotel." A single building under one  
21 ownership and containing not fewer than 100 sleeping units, each  
22 of at least 250 square feet measured to the center of perimeter  
23 walls, including bathroom and closet space and excluding  
24 hallways, balconies and lounges; each containing private  
25 bathroom facilities; and each held available and used regularly  
26 for the lodging of tourists and convention guests and conforming  
27 in all respects to the facilities requirements contained in this  
28 act. For the purpose of exceeding the maximum casino size  
29 specified in this act, an approved hotel may, by means of  
30 physical connection, annex additional buildings or facilities.

1 "Physical connection" for the purposes herein means an enclosed  
2 permanent pedestrian passageway. In no event shall the main  
3 entrance or only access to an approved hotel be through a  
4 casino.

5 "Intermediary company." Any corporation, association, firm,  
6 partnership, trust or any other form of business organization  
7 other than a natural person which:

8 (1) is a holding company with respect to a corporation  
9 which holds or applies for a casino license; and

10 (2) is a subsidiary with respect to any holding company.

11 "Junket." An arrangement or arrangements the primary purpose  
12 of which is to induce any person to gamble at a licensed casino  
13 hotel and pursuant to which, and as consideration for which,  
14 over \$200 of the cost of transportation, food, lodging, and  
15 entertainment for said person is directly or indirectly paid by  
16 a casino licensee or employee or agent thereof. For purposes of  
17 this act, the furnishing of any of the above items on a  
18 complimentary basis shall be deemed to constitute the indirect  
19 payment for such food or lodging in the amount of the retail  
20 price normally charged by the licensee.

21 "License." Any license required by this act.

22 "License fee." Any moneys required by law to be paid for the  
23 issuance or renewal of a casino license, or any other license  
24 required by this act.

25 "Licensed casino operation." Any casino licensed pursuant to  
26 the provisions of this act.

27 "Licensee." Any person who is licensed under any of the  
28 provisions of this act.

29 "Operation." The conduct of gaming as herein defined.

30 "Operation certificate." A certificate issued by the

1 commission which certifies that operation of a casino conforms  
2 to the requirements of this act and applicable regulations and  
3 that its personnel and procedures are efficient and prepared to  
4 entertain the public.

5 "Party." The commission, or any licensee, or any person  
6 appearing of record for any licensee in any proceeding before  
7 the commission or in any proceeding for judicial review of any  
8 action, decision or order of the commission.

9 "Person." Any corporation, association, operation, firm,  
10 partnership, trust or other form of business association, as  
11 well as a natural person.

12 "Principal employee." Any employee who, by reason of  
13 remuneration or of a management, supervisory or policy-making  
14 position or such other criteria as may be established by the  
15 commission by regulation, holds or exercises such authority as  
16 shall in the judgment of the commission be sufficiently related  
17 to the operation of a licensee so as to require approval by the  
18 commission in the protection of the public interest.

19 "Publicly traded corporation." Any corporation or other  
20 legal entity, except a natural person, which has one or more  
21 classes of security registered pursuant to section 102 of the  
22 Securities Exchange Act of 1934, as amended (15 U.S.C. Section  
23 781.), or is an issuer subject to section 15(d) of the  
24 Securities Exchange Act of 1934 as amended (15 U.S.C. 78o).

25 "Registration." Any requirement other than one which  
26 requires a license as a prerequisite to conduct a particular  
27 business as specified by this act.

28 "Registrant." Any person who is registered pursuant to the  
29 provisions of this act.

30 "Regulated complimentary service account." An account

1 maintained by a casino licensee on a regular basis which  
2 itemizes complimentary services and includes, without  
3 limitation, a listing of the cost of junket activities and any  
4 other service provided at no cost or reduced price.

5 "Respondent." Any person against whom a complaint has been  
6 filed or a written request for information served.

7 "Security." Any instrument evidencing a direct or indirect  
8 beneficial ownership or creditor interest in a corporation,  
9 including but not limited to, stock, common and preferred;  
10 bonds; mortgages; debentures; security agreements; notes;  
11 warrants; options and rights.

12 "Slot machine." Any mechanical, electrical or other device,  
13 contrivance or machine which, upon insertion of a coin, token or  
14 similar object therein, or upon payment of any consideration  
15 whatsoever, is available to play or operate, the play or  
16 operation of which, whether by reason of the skill of the  
17 operator or application of the element of chance, or both, may  
18 deliver or entitle the person playing or operating the machine  
19 to receive cash or tokens to be exchanged for cash, whether the  
20 payoff is made automatically from the machine or in any other  
21 manner whatsoever.

22 "Statement of compliance." A statement by the commission  
23 which may be issued to an applicant indicating satisfactory  
24 completion of a particular stage or stages of the license  
25 consideration process, and which states that unless there is a  
26 change of any material circumstance pertaining to such  
27 particular stage or stages of license consideration involved in  
28 the statement, such applicant has complied with requirements  
29 mandated by this act and by the commission and is therefore  
30 approved for license qualification to the stage or stages for



1 which the statement has been issued.

2 "Subsidiary." Any corporation, all or any part of whose  
3 outstanding equity securities are owned, subject to a power or  
4 right of control, or held with power to vote, by a holding  
5 company or an intermediary company; or any firm, association,  
6 partnership, trust or other form of business organization, not a  
7 natural person, or any interest therein, which is owned, subject  
8 to a power or right of control, or held with power to vote, by a  
9 holding company or an intermediary company.

10 "Work permit." A writing provided by the commission to a  
11 casino licensee which authorizes the employment of a particular  
12 casino hotel employee, casino employee or casino key employee in  
13 a particular capacity by a casino licensee.

14 CHAPTER 2

15 ESTABLISHMENT AND ORGANIZATION OF

16 THE COMMONWEALTH CASINO CONTROL COMMISSION

17 AND THE BUREAU OF GAMING ENFORCEMENT

18 Section 201. Commonwealth Casino Control Commission.

19 There is hereby created as an independent administrative  
20 commission the Commonwealth Casino Control Commission which  
21 shall consist of five members.

22 Section 202. Commission members; appointment and  
23 qualifications.

24 The members of the commission shall be appointed by the  
25 Governor by and with the advice and consent of a majority of the  
26 members elected to the Senate. Prior to nomination, the Governor  
27 shall cause an inquiry to be conducted by the Attorney General  
28 into the nominee's background, with particular regard to the  
29 nominee's financial stability, integrity, and responsibility and  
30 his reputation for good character, honesty and integrity. No

1 more than three members of the commission may be of the same  
2 political affiliation. Each member of the commission shall be a  
3 citizen of the United States and a resident of the Commonwealth  
4 of Pennsylvania. No member of the General Assembly, or person  
5 holding any elective or appointive office in Federal, State or  
6 local government shall be eligible to serve as a member of the  
7 commission.

8 Section 203. Term of office; removal.

9 (a) Initial appointments to the commission shall be for  
10 terms as follows:

11 (1) one member for one year;

12 (2) One member for two years;

13 (3) one member for three years;

14 (4) One member for four years; and

15 (5) One member for five years, who shall be designated  
16 chairman.

17 (b) The term of each of the members first appointed shall be  
18 designated by the Governor.

19 (c) After the initial appointments, all members shall be  
20 appointed for terms of five years: Provided, however, That no  
21 member shall serve more than two terms of five years each.

22 (d) Appointments to fill vacancies on the commission shall  
23 be for the unexpired term of the member to be replaced.

24 (e) The member designated by the Governor to serve as  
25 chairman shall serve in such capacity throughout such member's  
26 entire term and until his successor shall have been duly  
27 appointed and qualified. No such member, however, shall serve in  
28 such capacity for more than ten years. The chairman shall be the  
29 chief executive officer of the commission, shall devote full  
30 time to the duties of his office and shall not pursue or engage

1 in any other business, occupation or other gainful employment.

2 (f) A commissioner may be removed from office for misconduct  
3 in office, willful neglect of duty, or other conduct evidencing  
4 unfitness for his office, or for incompetence. A proceeding for  
5 removal may be instituted by the Attorney General in the  
6 Commonwealth Court. Notwithstanding any provision of this or any  
7 other act, any commissioner or employee of the commission shall  
8 automatically forfeit his office or position upon conviction of  
9 any crime.

10 (g) Each member of the commission shall serve for the  
11 duration of his term and until his successor shall be duly  
12 appointed and qualified, subject to the limitations contained in  
13 this section.

14 Section 204. Compensation of members.

15 Each member of the commission other than the chairman shall  
16 receive compensation of \$18,000 per annum and shall also be  
17 entitled to reimbursement for his expenses actually and  
18 necessarily incurred in the performance of his duties, including  
19 expenses of travel outside of the Commonwealth. The compensation  
20 of the chairman shall be \$60,000 per annum.

21 Section 205. Organization and employees.

22 (a) The commission may establish, and from time to time  
23 alter, such plan of organization as it may deem expedient, and  
24 may incur expenses within the limits of funds available to it.

25 (b) The commission shall elect annually by a majority of the  
26 full commission one of its members, other than the chairman, to  
27 serve as vice-chairman for the ensuing year. The vice-chairman  
28 shall be empowered to carry out all of the responsibilities of  
29 the chairman as prescribed in this act during his absence or  
30 inability to serve.

1 (c) The Commission shall appoint an executive secretary who  
2 shall serve at its pleasure and shall be responsible for the  
3 conduct of its administrative affairs. No person shall be  
4 eligible for such appointment unless he shall have at least five  
5 years of responsible experience in public or business  
6 administration or possesses broad management skills. The salary  
7 of the executive secretary shall be fixed by the commission:  
8 Provided, however, That such salary shall not exceed \$35,000.

9 (d) The commission may employ such other personnel as it  
10 deems necessary. No employees of the commission, except for  
11 secretarial and clerical personnel, shall be included in  
12 "classified service" for purposes of (d) of the act of August 5,  
13 1941 (P.L.752, No.286), as amended, known as the "Civil Service  
14 Act." All employees of the commission shall be deemed  
15 confidential employees for the purposes of the act of July 23,  
16 1970 (P.L.563, No.195), known as the "Public Employe Relations  
17 Act."

18 (e) The commission may employ legal counsel who shall  
19 represent the commission in any proceeding to which it is a  
20 party, and who shall render legal advice to the commission upon  
21 its request. The commission may contract for the services of  
22 other professional, technical and operational personnel and  
23 consultants as may be necessary to the performance of its  
24 responsibilities under this act.

25 Section 206. Bureau of Gaming Enforcement.

26 (a) There is hereby established in the Department of Justice  
27 the Bureau of Gaming Enforcement. The bureau shall be under the  
28 immediate supervision of a director who shall also be sworn as  
29 an Assistant Attorney General and who shall administer the work  
30 of the bureau under the direction and supervision of the

1 Attorney General. The director shall be appointed by the  
2 Governor by and with the advice and consent of a majority of the  
3 members elected to the Senate, and shall serve during the term  
4 of office of the Governor, except that the first director shall  
5 be appointed for a term of two years. The director may be  
6 removed from office by the Attorney General for cause upon  
7 notice and opportunity to be heard. The Attorney General shall  
8 be responsible for the exercise of the duties and powers  
9 assigned to the bureau.

10 (b) The Attorney General shall organize the work of the  
11 bureau in such organizational units as he may determine to be  
12 necessary for efficient and effective operation and shall assign  
13 to the bureau such employees of the Department of Justice as may  
14 be necessary to assist the director in the performance of his  
15 duties. Subject to approval of the Attorney General, the  
16 commission of State Police shall assign such supervisory and  
17 investigative personnel and other resources to the Bureau of  
18 Gaming Enforcement as may be necessary to fulfill its  
19 obligations under this act.

20 (c) No employees of the bureau, except for secretarial and  
21 clerical personnel, shall be included in "classified service"  
22 for purposes of the "Civil Service Act." All employees of the  
23 division shall be deemed confidential employees for the purposes  
24 of the "Public Employee Relations Act."

25 The bureau may incur expenses within the limits of funds  
26 available to it.

27 Section 207. Expenses of bureau.

28 The bureau may incur expenses within the limits of funds  
29 available.

30 Section 208. Restrictions on preemployment by commissions,

1                   commission employees and bureau employees and  
2                   agents.

3       (a) No person shall be appointed to or be employed by the  
4 commission or bureau if, during the period commencing three  
5 years prior to appointment or employment, said person held any  
6 direct or indirect interest in, or any employment by, any person  
7 engaged in gaming; any manufacturer, distributor or servicer of  
8 gaming equipment; or any operator of licensed pari-mutuel  
9 betting.

10       (b) No person shall be appointed to or employed by the  
11 commission or bureau if, during the period commencing three  
12 years prior to appointment or employment, said person held any  
13 direct or indirect interest in, or any employment by, any person  
14 which is licensed by or has an application for a license pending  
15 before or is registered with the commission.

16       (c) Prior to appointment or employment, each member of the  
17 commission, each employee of the commission, the director of the  
18 Bureau of Gaming Enforcement and each employee and agent of the  
19 bureau shall swear or affirm that he possesses no interest in  
20 any business or organization licensed by or registered with the  
21 commission.

22       (d) Each member of the commission and the director of the  
23 bureau shall file with the Office of the Governor a financial  
24 disclosure statement listing all assets and liabilities,  
25 property and business interests, and sources of income of said  
26 member or director and his spouse and shall provide to the  
27 Attorney General a financial disclosure statement listing all  
28 assets and liabilities, property and business interests, and  
29 sources of income of the parents, brothers, sisters, and  
30 children of said member or director. Such statement shall be

1 under oath and shall be filed at the time of appointment and  
2 annually thereafter.

3 (e) Each employee of the commission, except for secretarial  
4 and clerical personnel, and each employee and agent of the  
5 bureau, except for secretarial and clerical personnel, shall  
6 file with the Office of the Governor a financial disclosure  
7 statement listing all assets and liabilities, property and  
8 business interests, and sources of income of said employee or  
9 agent and his spouse. Such statement shall be under oath and  
10 shall be filed at the time of employment and annually  
11 thereafter.

12 Section 209. Employment restrictions on commissioners,  
13 commission employees and bureau employees.

14 (a) A code of ethics governing the specific needs of the  
15 commission and the bureau shall be promulgated by each and shall  
16 include, among other provisions, that:

17 (1) No commission member or employee or bureau employee  
18 or agent shall be permitted to gamble in any establishment  
19 licensed by the commission except in the course of his  
20 duties.

21 (2) No commission member or employee or bureau employee  
22 or agent shall solicit or accept employment from any person  
23 licensed by or registered with the commission or from any  
24 applicant for a period of four years after termination of  
25 service with the commission, or bureau, unless subject to  
26 section 210(b).

27 (b) No commission member or employee or bureau employee or  
28 agent shall have any interest, direct or indirect, in any  
29 applicant or in any person licensed by or registered with the  
30 commission during his term of office or employment.

1 (c) No commission member shall be employed in any capacity  
2 by any person licensed by or registered with the commission.

3 (d) Each employee of the commission, including legal counsel  
4 and hearing examiners, and each employee and agent of the bureau  
5 shall devote his entire time and attention to his duties and  
6 shall not pursue any other business or occupation or other  
7 gainful employment, except that secretarial and clerical  
8 personnel may engage in such other gainful employment as shall  
9 not interfere with their duties to the commission or bureau,  
10 unless otherwise directed.

11 (e) No member of the commission, employee of the commission,  
12 or employee or agent of the bureau shall:

13 (1) use his official authority or influence for the  
14 purpose of interfering with or affecting the result of an  
15 election or a nomination for office;

16 (2) directly or indirectly coerce, attempt to coerce,  
17 command or advise any person to pay, lend or contribute  
18 anything of value to a party, committee, organization, agency  
19 or person for political purposes; or

20 (3) take any active part in political campaigns or the  
21 management thereof; provided, however, that nothing herein  
22 shall prohibit a person from voting as he chooses or from  
23 expressing his personal opinions on political subjects and  
24 candidates.

25 Section 210. Post-employment restrictions.

26 (a) No member of the commission shall hold any direct or  
27 indirect interest in, or be employed by, any applicant or by any  
28 person licensed by or registered with the commission for a  
29 period of four years commencing on the date his membership on  
30 the commission terminates.



1 (b) No employee of the commission or employee or agent of  
2 the bureau may acquire any direct or indirect interest in, or  
3 accept employment with, any applicant or any person licensed by  
4 or registered with the commission, for a period of two years  
5 commencing at the termination of employment with the commission  
6 or bureau. At the end of two years, the former employee or agent  
7 may acquire an interest in, or accept employment with, any  
8 applicant or person licensed by or registered with the  
9 commission upon application to and the approval of the  
10 commission upon a finding that the interest to be acquired or  
11 the employment will not create the appearance of a conflict of  
12 interest and does not evidence a conflict of interest in fact.

13 (c) No commission member or person employed by the  
14 commission or bureau shall represent any person or party other  
15 than the Commonwealth before or against the commission for a  
16 period of two years from the termination of his office or  
17 employment with the commission or bureau.

18 (d) No partnership, firm or corporation in which a former  
19 commission member or employee or former bureau employee or agent  
20 has an interest, nor any partner, officer or employee of any  
21 such partnership, firm or corporation shall make any appearance  
22 or representation which is prohibited to said former member,  
23 employee, or agent.

24 Section 211. Applicant and licensee liability for violations.

25 (a) No applicant or person or organization licensed by or  
26 registered with the commission shall employ or offer to employ,  
27 or provide, transfer or sell, or offer to provide, transfer or  
28 sell any interest, direct or indirect, in any person licensed by  
29 or registered with the commission to any person restricted from  
30 such transactions by the provisions of sections 208, 209 and

1 210.

2 (b) The commission shall impose such sanctions upon an  
3 applicant or a licensed or registered person for violations of  
4 this section as authorized by this act.

5 Section 212. Enforcement.

6 (a) The Attorney General shall enforce the provisions of  
7 sections 208, 209 and 210.

8 (b) Any person who violates the provisions of sections 208,  
9 209 and 210 shall be guilty of a misdemeanor of the third  
10 degree.

11 CHAPTER 3

12 POWERS AND DUTIES OF THE COMMONWEALTH

13 CASINO CONTROL COMMISSION

14 Section 301. General responsibilities of the commission.

15 The Commonwealth Casino Control Commission shall have general  
16 responsibility for the implementation of this act, as  
17 hereinafter provided, including, without limitation, the  
18 responsibility:

19 (1) to hear and decide promptly and in reasonable order  
20 all license, certificate, and permit applications and causes  
21 affecting the granting, suspension, revocation, or renewal  
22 thereof;

23 (2) to conduct all hearings pertaining to civil  
24 violations of this act or regulations promulgated hereunder;

25 (3) to promulgate such regulations as in its judgment  
26 may be necessary to fulfill the policies of this act;

27 (4) to collect all license fees and taxes imposed by  
28 this act and the regulations issued pursuant hereto;

29 (5) to levy and collect penalties for the violation of  
30 provisions of this act and the regulations promulgated

1 hereunder;

2 (6) to be present through its inspectors and agents at  
3 all times during the operation of any casino for the purpose  
4 of certifying the revenue thereof, receiving complaints from  
5 the public, and conducting such other investigations into the  
6 conduct of the games and the maintenance of the equipment as  
7 from time to time the commission may deem necessary and  
8 proper; and

9 (7) to review and rule upon any complaint by a casino  
10 licensee regarding any investigative procedures of the bureau  
11 which are unnecessarily disruptive of casino operations. The  
12 need to inspect and investigate shall be presumed at all  
13 times. The disruption of a licensee's operations shall be  
14 proved by clear and convincing evidence, and establish that:

15 (i) the procedures had no reasonable law enforcement  
16 purpose; and

17 (ii) the procedures were so disruptive as to inhibit  
18 unreasonable casino operations.

19 Section 302. Commission powers; denials and sanctions.

20 The commission shall assure that licenses, certificates, or  
21 permits shall not be issued to nor held by, nor shall there be  
22 any material involvement, directly or indirectly, with the  
23 licensed casino operation or the ownership thereof by,  
24 unqualified or disqualified persons or unsuitable persons, or  
25 persons whose operations are conducted in a manner not  
26 conforming with the provisions of this act. For the purposes of  
27 this section, "unqualified person," "disqualified person," or  
28 "unsuitable person" shall mean any person who is found by the  
29 commission to be disqualified pursuant to the criteria set forth  
30 hereinafter, or lack the financial responsibility and capability

1 specified hereinafter. In enforcing the provisions of this act,  
2 the commission shall have the power and authority to deny any  
3 application; limit or restrict any certificate, permit or  
4 approval; suspend or revoke any license, certificate, permit or  
5 approval; and impose a penalty on any person licensed or  
6 previously approved for any cause deemed reasonable by the  
7 commission pursuant to rules and regulations promulgated  
8 thereby, except that no such denial, limitation, suspension or  
9 revocation shall be issued solely by reason of the fact that an  
10 applicant or licensee holds an interest in or is associated with  
11 any licensed casino enterprise in any other jurisdiction.

12 Section 303. Subpoenas and oaths.

13 The commission shall have the power and authority to issue  
14 subpoenas and to compel the attendance of witnesses at any place  
15 within this Commonwealth, to administer oaths and to require  
16 testimony under oath. The commission may serve its process or  
17 notices in a manner provided for the service of process and  
18 notice in civil actions in accordance with law. The commission  
19 shall have the authority to propound written interrogatories and  
20 may appoint hearing examiners, to whom may be delegated the  
21 power and authority to administer oaths, issue subpoenas,  
22 propound written interrogatories, and require testimony under  
23 oath.

24 Section 304. Investigative hearings.

25 The commission shall have the authority to conduct  
26 investigative hearings concerning the conduct of gaming and  
27 gaming operations as well as the development and well-being of  
28 the industries controlled by this act.

29 Section 305. Testimonial immunity.

30 The commission may order any person to answer a question or

1 questions or produce evidence of any kind and confer immunity as  
2 provided in this section. If, in the course of any investigation  
3 or hearing conducted under this act, a person refuses to answer  
4 a question or produce evidence on the ground that he will be  
5 exposed to criminal prosecution thereby, then in addition to any  
6 other remedies or sanctions provided for by this act, the  
7 commission may, by resolution of four of its members and after  
8 the written approval of the Attorney General, issue an order to  
9 answer or to produce evidence with immunity.

10 If, upon issuance of such an order, the person complies  
11 therewith, he shall be immune from having such responsive answer  
12 given by him or such responsive evidence produced by him, or  
13 evidence derived therefrom, used to expose him to criminal  
14 prosecution, except that such person may nevertheless be  
15 prosecuted for any perjury committed in such answer or in  
16 producing such evidence, or for contempt for failing to give an  
17 answer or produce evidence in accordance with the order of the  
18 commission; provided, however, that no period of incarceration  
19 for contempt shall exceed 18 months in duration pursuant to this  
20 section. Any such answer given or evidence produced shall be  
21 admissible against him upon any criminal investigation,  
22 proceeding or trial against him for such perjury; upon any  
23 investigation, proceeding or trial against him for such  
24 contempt; or in any manner consonant with State and  
25 Constitutional provisions.

26 Section 306. Collection of fees, penalties or tax.

27 At any time within five years after any amount of fees,  
28 interest, penalties or tax required to be collected pursuant to  
29 the provisions of this act shall become due and payable, the  
30 commission may bring a civil action in the courts of this

1 Commonwealth or any other state or of the United States, in the  
2 name of the Commonwealth of Pennsylvania, to collect the amount  
3 delinquent, together with penalties and interest. An action may  
4 be brought whether or not the person owing the amount is at such  
5 time a licensee pursuant to the provisions of this act. If such  
6 action is brought in this Commonwealth, a writ of attachment may  
7 be issued and no bond or affidavit prior to the issuance thereof  
8 shall be required. In all actions in this Commonwealth, the  
9 records of the commission shall be prima facie evidence of the  
10 determination of the tax or the amount of the delinquency.

11 Section 307. Regulations.

12 (a) The commission shall be authorized to adopt, amend, or  
13 repeal such regulations, consistent with the policy and  
14 objectives of this act, as it may deem necessary or desirable  
15 for the public interest in carrying out the provisions of this  
16 act.

17 (b) Such regulations shall be adopted, amended, and repealed  
18 in accordance with law.

19 (c) Any interested person may file a petition with the  
20 commission requesting the adoption, amendment or repeal of a  
21 regulation. Such petition shall state clearly and concisely:

22 (1) the substance and nature of the regulation,  
23 amendment or repeal requested;

24 (2) the reason for the request; and

25 (3) reference to the authority of the commission to take  
26 the action requested.

27 Upon receipt of the petition, the commission shall schedule  
28 the matter for hearing within 90 days and shall render a  
29 decision within 30 days after the completion of said hearing.

30 Section 308. Required regulations.

1 The commission shall, without limitation on the powers  
2 conferred in the preceding section, include within its  
3 regulations the following specific provisions in accordance with  
4 the provisions of this act:

5 (1) prescribing the methods and forms of application  
6 which any applicant shall follow and complete prior to  
7 consideration of his application by the commission;

8 (2) prescribing the methods, procedures and form for  
9 delivery of information concerning any person's family,  
10 habits, character, associates, criminal record, business  
11 activities and financial affairs;

12 (3) prescribing procedures for the fingerprinting of an  
13 applicant, employee of a licensee, or registrant, or other  
14 methods of identification which may be necessary in the  
15 judgment of the commission to accomplish effective  
16 enforcement of restrictions on access to the casino floor and  
17 other restricted areas of the casino hotel complex;

18 (4) prescribing the manner and procedure of all hearings  
19 conducted by the commission or any hearing examiner,  
20 including special rules of evidence applicable thereto and  
21 notices thereof;

22 (5) prescribing the manner and method of collection of  
23 payments of taxes, fees, and penalties;

24 (6) defining and limiting the areas of operation, the  
25 rules of authorized games, odds, and devices permitted, and  
26 the method of operation of such games and devices;

27 (7) regulating the practice and procedures for  
28 negotiable transactions involving patrons, including  
29 limitations on the circumstances and amounts of such  
30 transactions, and the establishment of forms and procedures

1 for negotiable instrument transactions, redemptions, and  
2 consolidations;

3 (8) prescribing grounds and procedures for the  
4 revocation or suspension of operation certificates and  
5 licenses;

6 (9) governing the manufacture, distribution, sale and  
7 servicing of gaming devices and equipment;

8 (10) prescribing the procedures, forms and methods of  
9 management controls, including employee and supervisory  
10 tables of organization and responsibility, and minimum  
11 security standards, including security personnel structure,  
12 alarm and other electrical or visual security measures;

13 (11) prescribing the qualifications of, and the  
14 conditions pursuant to which, engineers, accountants, and  
15 others shall be permitted to practice before the commission  
16 or to submit materials on behalf of any applicant or  
17 licensee; provided, however, that no member of the General  
18 Assembly, nor any firm with which said member is associated,  
19 shall be permitted to appear or practice or act in any  
20 capacity whatsoever before the commission or bureau regarding  
21 any matter whatsoever, nor shall any member of the family of  
22 the Governor or of a member of the General Assembly be  
23 permitted to so practice or appear in any capacity whatsoever  
24 before the commission or bureau regarding any matter  
25 whatsoever;

26 (12) prescribing minimum procedures for the exercise of  
27 effective control over the internal fiscal affairs of a  
28 licensee, including provisions for the safeguarding of assets  
29 and revenues, the recording of cash and evidence of  
30 indebtedness, and the maintenance of reliable records,



1 accounts, and reports of transactions, operations and events,  
2 including reports to the commission;

3 (13) providing for a minimum uniform standard of  
4 accountancy methods, procedures and forms; a uniform code of  
5 accounts and accounting classifications; and other standard  
6 operating procedures, as may be necessary to assure  
7 consistency, comparability, and effective disclosure of all  
8 financial information, including calculations of percentages  
9 of profit by game, table, gaming device and slot machines;

10 (14) requiring periodic financial reports and the form  
11 thereof, including an annual audit prepared by a certified  
12 public accountant licensed to do business in this  
13 Commonwealth attesting to the financial condition of a  
14 licensee and disclosing whether the accounts, records and  
15 control procedures examined are maintained by the licensee as  
16 required by this act and the regulations promulgated  
17 hereunder;

18 (15) governing the advertising of casino licensees,  
19 their employees and agents, with the view toward assuring  
20 that gaming is portrayed as an activity for adults conducted  
21 in an atmosphere of social graciousness, and that such  
22 advertisements are in no way deceptive; provided, however,  
23 that such regulations shall not prohibit the advertisement of  
24 casino location, hours of operation, or types of games and  
25 other amenities offered, but in no circumstance shall permit  
26 the advertisement of information about odds, the number of  
27 games, or the size of the casino; and provided further,  
28 however, that such regulations shall require the words "Bet  
29 with your head, not over it" to appear on all billboards,  
30 signs, and other on-sight advertising of a casino operation;

1 (16) governing entertainment presented by casino  
2 licensees in accordance with the prevailing community  
3 standards as determined by the commission;

4 (17) concerning the distribution and consumption of  
5 alcoholic beverages on the premises of the licensee, which  
6 regulations shall be insofar as possible consistent with the  
7 act of April 12, 1951 (P.L.90, No.21), known as the "Liquor  
8 Code," as amended, and shall deviate only insofar as  
9 necessary because of the unique character of the hotel casino  
10 premises and operations; and

11 (18) limiting signs and other on-sight advertising, with  
12 a view toward minimizing solicitation for gaming purposes  
13 from the public thoroughfares or otherwise dominating or  
14 despoiling the architecture or environment.

15 Section 309. Regulation requiring exclusion of certain persons.

16 (a) The commission shall, by regulation, provide for the  
17 establishment of a list of persons who are to be excluded or  
18 ejected from any licensed casino establishment. Such provisions  
19 shall define the standards for exclusion, and shall include  
20 standards relating to persons:

21 (1) who are career or professional offenders as defined  
22 by regulation of the commission;

23 (2) who have been convicted of a criminal offense under  
24 the laws of this Commonwealth or of the United States, which  
25 is punishable by more than six months in prison, or any crime  
26 or offense involving moral turpitude; or

27 (3) whose presence in a licensed casino would, in the  
28 opinion of the commission, be inimical to the interest of the  
29 Commonwealth of Pennsylvania or of licensed gaming therein,  
30 or both.

1 The commission shall promulgate definitions establishing  
2 those categories of persons who shall be excluded pursuant to  
3 this section, including cheats and persons whose privileges for  
4 licensure have been revoked.

5 (b) Race, color, creed, national origin or ancestry, or sex  
6 shall not be a reason for placing the name of any person upon  
7 such list.

8 (c) The commission may impose sanctions upon a licensed  
9 casino or individual licensee in accordance with the provisions  
10 of this act if such casino or individual licensee knowingly  
11 fails to exclude or eject from the premises of any licensed  
12 casino any person placed by the commission on the list of  
13 persons to be excluded or ejected.

14 (d) Any list compiled by the commission of persons to be  
15 excluded or ejected shall not be deemed an all inclusive list,  
16 and licensed casino establishments shall have a duty to keep  
17 from their premises persons known to them to be within the  
18 classifications declared in subsection (a) and the regulations  
19 promulgated thereunder.

20 (e) Whenever the name or description of any person is placed  
21 on a list pursuant to this section, the commission shall serve  
22 notice of such fact to such person by personal service, by  
23 certified mail at the last known address of such person, or by  
24 publication daily for one week in a newspaper of general  
25 circulation in the county wherein the last known address is  
26 situate.

27 (f) Within 30 days after service by mail or in person or 60  
28 days from the time of last publication, as the case may be, the  
29 person named for exclusion or ejection may demand a hearing  
30 before the commission and show cause why he should have his name

1 removed from such list. Failure to demand such a hearing within  
2 the time allotted in this section shall preclude a person from  
3 having an administrative hearing, but shall in no way affect his  
4 right to judicial review as provided herein.

5 (g) Upon receipt of a demand for a hearing, the commission  
6 shall set a time and place for such hearing. Unless otherwise  
7 agreed by the commission and the named person, such hearing  
8 shall not be later than 30 days after the receipt of a demand  
9 for such hearing.

10 (h) If, upon completion of the hearing, the commission  
11 determines that the regulation does not or should not apply to  
12 the person so listed, the commission shall notify all casino  
13 licensees of such determination.

14 (i) If, upon completion of a hearing, the commission  
15 determines that the placement of the name of the person on the  
16 exclusionary list was appropriate, the commission shall make and  
17 enter an order to that effect. Such order shall be subject to  
18 review by the Superior Court in accordance with law.

19 Section 310. Commission reports and recommendations.

20 The commission shall carry on a continuous study of the  
21 operation and administration of casino control laws which may be  
22 in effect in other jurisdictions, literature on this subject  
23 which may from time to time become available, Federal laws which  
24 may affect the operation of casino gaming in this State, and the  
25 reaction of Pennsylvania citizens to existing and potential  
26 features of casino gaming under this act. It shall be  
27 responsible for ascertaining any defects in this act or in the  
28 rules and regulations issued thereunder, formulating  
29 recommendations for changes in this act to prevent abuses  
30 thereof, guarding against the use of this act as a cloak for the

1 carrying on of illegal gambling or other criminal activities,  
2 and insuring that this act and the rules and regulations shall  
3 be in such form and be so administered as to serve the true  
4 purposes of this act. The commission shall make to the Governor  
5 and the General Assembly an annual report of all revenues,  
6 expenses and disbursements, and shall include therein such  
7 recommendations for changes in this act as the commission deems  
8 necessary or desirable. The commission shall report immediately  
9 to the Governor and the General Assembly any matters which in  
10 its judgment require immediate changes in the laws of this  
11 Commonwealth in order to prevent abuses and evasions of this act  
12 or of rules and regulations promulgated hereunder, or to rectify  
13 undesirable conditions in connection with the operation and  
14 regulation of casino gaming.

15 Section 311. Meetings; quorum.

16 (a) Meetings of the commission will be held at the  
17 discretion of the chairman at such times and places as he may  
18 deem necessary and convenient, or at the call of three members  
19 of the commission.

20 (b) The commission shall in all respects comply with the  
21 provisions of the act of July 19, 1974 (P.L.486, No.175),  
22 referred to as the Public Agency Open Meeting Law.

23 (c) A majority of the full commission shall determine any  
24 action of the commission, except that no casino license may be  
25 issued without the approval of four members. In the event that a  
26 vacancy has existed on the commission for more than 60 days, a  
27 majority of the full commission may act with respect to any  
28 matter, including the issuance of a casino license.

29 Section 312. Minutes and records.

30 (a) The commission shall cause to be made and kept a

1 verbatim record of all proceedings held at public meetings of  
2 the commission, which record shall be open to public inspection.

3 A true copy of the minutes of every meeting of the commission  
4 and of any regulations finally adopted by the commission shall  
5 be forthwith delivered, by and under the certification of the  
6 executive secretary, to the Governor, the Clerk of the Senate,  
7 and the Clerk of the House of Representatives.

8 (b) The commission shall keep and maintain a list of all  
9 applicants for licenses under this act together with a record of  
10 all actions taken with respect to such applicants, which file  
11 and record shall be open to public inspection; provided,  
12 however, that the foregoing information regarding any applicant  
13 whose license has been denied, revoked, or not renewed shall be  
14 removed from such list after five years from the date of such  
15 action.

16 (c) The commission shall maintain such other files and  
17 records as may be deemed desirable.

18 (d) Except as provided in subsection (h), all information  
19 and data required by the commission to be furnished hereunder,  
20 or which may otherwise be obtained, relative to the internal  
21 controls specified in this act or to the earnings or revenue of  
22 any applicant or licensee shall be considered to be confidential  
23 and shall not be revealed in whole or in part except in the  
24 course of the necessary administration of this act, or upon the  
25 lawful order of a court of competent jurisdiction, or, with the  
26 approval of the Attorney General, to a duly authorized law  
27 enforcement agency.

28 (e) All information and data pertaining to an applicant's  
29 criminal record, family, and background furnished to or obtained  
30 by the commission from any source shall be considered

1 confidential and may be withheld in whole or in part, except  
2 that any information shall be released upon the lawful order of  
3 a court of competent jurisdiction or, with the approval of the  
4 Attorney General, to a duly authorized law enforcement agency.

5 (f) Notice of the contents of any information or data  
6 released, except to a duly authorized law enforcement agency  
7 pursuant to subsections (d) or (e), may be given to any  
8 applicant or licensee in a manner prescribed by the rules and  
9 regulations adopted by the commission.

10 (g) Files, records, reports and other information in the  
11 possession of the Commonwealth's bureaus or agencies pertaining  
12 to licensees shall be made available to the commission and the  
13 bureau as may be necessary to the effective administration of  
14 this act.

15 (h) The following information to be reported periodically to  
16 the commission shall not be considered confidential and shall be  
17 made available for public inspection:

18 (1) A licensee's operating revenues and expenses from  
19 all authorized games as herein defined.

20 (2) The dollar amounts of patron checks initially  
21 accepted by a licensee, the dollar amount of patron checks  
22 deposited to the licensee's bank account, the dollar amount  
23 of such checks initially dishonored by the bank and returned  
24 to the licensee "as uncollected," and the dollar amount  
25 ultimately uncollected after all reasonable efforts.

26 (3) The amount of gross revenue tax actually paid and  
27 the amount of investment, if any, required and allowed,  
28 pursuant to the provisions of this act.

29 (4) A list of the premises and the nature of  
30 improvements, costs thereof and the payees for all such

1 improvements, which were the subject of an investment  
2 required and allowed pursuant to the provisions of this act.

3 (5) The amount, if any, of tax in lieu of full local  
4 real property tax paid pursuant to the provisions of this act  
5 and the amount of profits, if any, recaptured pursuant to the  
6 provisions of this act.

7 (6) A list of the premises, nature of improvements and  
8 costs thereof which constitute the cumulative investments by  
9 which a licensee has recaptured profits pursuant to the  
10 provisions of this act.

11 (7) All information and data submitted to the commission  
12 relating to the licensee's annual revenues and expenditures,  
13 including annual audits.

14 Nothing in this subsection shall be construed to limit access  
15 by the public to those forms and documents required to be filed  
16 pursuant to the provisions of this act.

17 Section 313. Powers not enumerated.

18 The commission may exercise any proper power or authority  
19 necessary to perform the duties assigned to it by law, and no  
20 specific enumeration of powers in this act shall be read to  
21 limit the authority of the commission to administer this act.

## 22 CHAPTER 4

### 23 POWERS AND DUTIES OF THE BUREAU OF GAMING ENFORCEMENT

24 Section 401. General duties and powers.

25 (a) The Bureau of Gaming Enforcement shall promptly and in  
26 reasonable order investigate all applications, enforce the  
27 provisions of this act and any regulations promulgated  
28 hereunder, and prosecute before the commission all proceedings  
29 for violations of this act or any regulations promulgated  
30 hereunder. The bureau shall provide the commission with all



1 information necessary for all action under Chapter 5 of this act  
2 and for all proceedings involving enforcement of the regulations  
3 of this act or any regulations promulgated hereunder.

4 (b) The bureau shall:

5 (1) investigate the qualifications of each applicant  
6 before any license, certificate or permit is issued pursuant  
7 to the provisions of this act;

8 (2) investigate the circumstances surrounding any act or  
9 transaction for which commission approval is required;

10 (3) investigate violations of this act and regulations  
11 promulgated hereunder;

12 (4) initiate, prosecute and defend such proceedings  
13 before the commission, or appeals therefrom, as the bureau  
14 may deem appropriate;

15 (5) provide assistance upon request by the commission in  
16 the consideration and promulgation of rules and regulations;

17 (6) conduct continuing reviews of casino operations  
18 through on-site observation and other reasonable means to  
19 assure compliance with this act and regulations promulgated  
20 hereunder;

21 (7) conduct audits of casino operations, including  
22 reviews of accounting, administrative and financial records,  
23 and management control systems, procedures and records  
24 utilized by a casino licensee; and

25 (8) be entitled to request information, materials and  
26 any other data from any licensee or registrant, or applicant  
27 for a license or registration under this act.

28 Section 402. Prosecution.

29 The bureau shall prosecute all criminal violations of this  
30 act except those it may refer to the Attorney General. The

1 bureau and its employees and agents shall have such other law  
2 enforcement powers as may be delegated to it by the Attorney  
3 General to effectuate the purposes of this act.

4 Section 403. Cooperation by licensee or registrant.

5 Each licensee or registrant, or applicant for a license or  
6 registration under this act shall cooperate with the bureau in  
7 the performance of its duties.

8 Section 404. Inspection, seizure and warrants.

9 (a) The bureau and its employees and agents, upon approval  
10 of the director, shall have the authority, without notice and  
11 without warrant:

12 (1) to inspect and examine all premises wherein casino  
13 gaming is conducted; or gaming devices or equipment are  
14 manufactured, sold, distributed, or serviced; or wherein any  
15 records of such activities are prepared or maintained;

16 (2) to inspect all equipment and supplies, in, about,  
17 upon or around such premises;

18 (3) to seize summarily and remove from such premises and  
19 impound any such equipment or supplies for the purposes of  
20 examination and inspection;

21 (4) to inspect, examine and audit all books, records,  
22 and documents pertaining to a casino licensee's operation;

23 (5) to seize, impound or assume physical control of any  
24 book, record, ledger, game, device, cash box and its  
25 contents, counting room or its equipment, or casino  
26 operations; and

27 (6) to inspect the person and personal effects present  
28 in a casino facility licensed under this act, of any holder  
29 of a license issued pursuant to this act while that person is  
30 present in a licensed casino facility.

1 (b) The provisions of subsection (a) shall in no way be  
2 deemed to limit warrantless inspections except in accordance  
3 with constitutional requirements.

4 (c) To effectuate further the purposes of this act, the  
5 bureau and its employees and agents may obtain administrative  
6 warrants for the inspection and seizure of any property  
7 possessed, controlled, bailed or otherwise held by any  
8 applicant, licensee, registrant, intermediary company, or  
9 holding company.

10 (d) Issuance and execution of warrants for administrative  
11 inspection shall be in accordance with the following:

12 (1) Any district justice having jurisdiction in the  
13 magisterial district where the inspection or seizure is to be  
14 conducted may, upon proper oath or affirmation showing  
15 probable cause, issue warrants for the purpose of conducting  
16 administrative inspections authorized by this act or  
17 regulations thereunder and seizures of property appropriate  
18 to such inspections. For the purposes of this section,  
19 "probable cause" means a valid public interest in the  
20 effective enforcement of the act or regulations sufficient to  
21 justify administrative inspection of the area, premises,  
22 building or conveyance in the circumstances specified in the  
23 application for the warrant.

24 (2) A warrant shall issue only upon an affidavit of a  
25 person duly designated and having knowledge of the facts  
26 alleged, sworn to before the district justice and  
27 establishing the grounds for issuing the warrant. If the  
28 district justice is satisfied that grounds for the  
29 application exist or that there is probable cause to believe  
30 they exist, he shall issue a warrant identifying the area,

1 premises, building, or conveyance to be inspected; the  
2 purpose of such inspection; and, where appropriate, the type  
3 of property to be inspected, if any. The warrant shall  
4 identify the item or types of property to be seized, if any.  
5 The warrant shall be directed to a person authorized to  
6 execute it. The warrant shall state the grounds for its  
7 issuance and the name of the person or persons whose  
8 affidavit has been taken in support thereof. It shall command  
9 the person to whom it is directed to inspect the area,  
10 premises, building, or conveyance identified for the purpose  
11 specified, and where appropriate, shall direct the seizure of  
12 the property specified. The warrant shall direct that it be  
13 served during normal business hours of the licensee. It shall  
14 designate the district justice to whom it shall be returned.

15 (3) A warrant issued pursuant to this section must be  
16 executed and returned within ten days of its date. If  
17 property is seized pursuant to a warrant, the person  
18 executing the warrant shall give to the person from whom or  
19 from whose premises the property was taken a copy of the  
20 warrant and a receipt for the property taken or shall leave  
21 the copy and receipt at the place from which the property was  
22 taken. The return of the warrant shall be made promptly and  
23 shall be accompanied by a written inventory of any property  
24 taken. The inventory shall be made in the presence of the  
25 person executing the warrant and of the person from whose  
26 possession or premises the property was taken, if they are  
27 present, or in the presence of at least one credible person  
28 other than the person executing the warrant. The district  
29 justice, upon request, shall deliver a copy of the inventory  
30 to the person from whom or from whose premises the property

1 was taken and to the applicant for the warrant.

2 (4) The district justice who has issued a warrant under  
3 this section shall attach to the warrant a copy of the return  
4 and all papers filed in connection therewith and shall cause  
5 them to be filed with the appropriate court of common pleas.

6 (e) The bureau is authorized to make administrative  
7 inspections to check for compliance by any applicant, licensee,  
8 registrant, intermediary company or holding company with the  
9 provisions of this act or regulations promulgated thereunder,  
10 and to investigate any violations thereof.

11 (f) This section shall not be construed to prevent entries  
12 and administrative inspections, including seizures of property,  
13 without a warrant:

14 (1) with the consent of the owner, operator or agent in  
15 charge of the controlled premises;

16 (2) in situations presenting imminent danger to health  
17 or safety;

18 (3) in situations involving inspection of conveyances  
19 where there is reasonable cause to believe that the mobility  
20 of the conveyance makes it impracticable to obtain a warrant  
21 or in any other exceptional or emergency circumstance where  
22 time or opportunity to apply for a warrant is lacking;

23 (4) in accordance with the provisions of this act; or

24 (5) in all other situations where a warrant is not  
25 constitutionally required.

26 CHAPTER 5

27 LICENSING

28 Section 501. General provisions.

29 (a) It shall be the affirmative responsibility of each  
30 applicant and licensee to establish by clear and convincing

1 evidence his individual qualifications, and for a casino license  
2 the qualifications of each person who is required to be  
3 qualified under this act as well as the qualifications of the  
4 facility in which the casino is to be located.

5 (b) Any applicant, licensee or any other person who must be  
6 qualified pursuant to this act shall provide all information  
7 required by this act and satisfy all requests for information  
8 pertaining to qualification and in the form specified by the  
9 commission. All applicants and licensees shall waive liability  
10 as to the Commonwealth, and its instrumentalities and agents,  
11 for any damages resulting from lawful or unintentional  
12 disclosure or publication in any manner of any material or  
13 information acquired during inquiries, investigations or  
14 hearings.

15 (c) All applicants, licensees, registrants, intermediary  
16 companies, and holding companies shall consent to inspections,  
17 searches and seizures and the supplying of handwriting exemplars  
18 as authorized by this act and regulations promulgated hereunder.

19 (d) All applicants, licensees, registrants, and any other  
20 person who shall be qualified pursuant to this act shall have  
21 the continuing duty to provide any assistance or information  
22 required by the commission or division, and to cooperate in any  
23 inquiry or investigation conducted by the bureau and any  
24 inquiry, investigation, or hearing conducted by the commission.  
25 If, upon issuance of a formal request to answer or produce  
26 information, evidence or testimony, any applicant, licensee,  
27 registrant, or any other person who shall be qualified pursuant  
28 to this act refuses to comply, the application, license,  
29 registration or qualification of such person may be denied or  
30 revoked by the commission.

1 (e) No applicant or licensee shall give or provide, offer to  
2 give or provide, directly or indirectly, any compensation or  
3 reward or any percentage or share of the money or property  
4 played or received through gaming activities, except as  
5 authorized by this act, in consideration for obtaining any  
6 license, authorization, permission or privilege to participate  
7 in any way in gaming operations.

8 (f) Each applicant or person who must be qualified under  
9 this act shall be photographed and fingerprinted for  
10 identification and investigation purposes in accordance with  
11 procedures established by the commission.

12 Section 502. Statement of compliance.

13 (a) The commission may issue a statement of compliance to an  
14 applicant for any license under this act at any time the  
15 commission is satisfied that one or more particular eligibility  
16 criteria have been satisfied by an applicant.

17 (b) Such statement shall specify the eligibility criterion  
18 satisfied, the date of such satisfaction and a reservation to  
19 the commission to revoke the statement of compliance at any time  
20 based upon a change of circumstances affecting such compliance.

21 (c) A statement of compliance certifying satisfaction of all  
22 of the requirements of this act with respect to a specific  
23 casino hotel proposal submitted by an eligible applicant may be  
24 accompanied by a written commitment from the commission that a  
25 casino license shall be reserved for a period not to exceed 18  
26 months and shall be issued to such eligible applicant with  
27 respect to such proposal provided that such applicant:

28 (1) complies in all respects with the provisions of this  
29 act;

30 (2) qualifies for a casino license within a period not

1 to exceed 18 months of the date of such commitment; and

2 (3) complies with such other conditions as the  
3 commission shall impose.

4 The commission may revoke such reservation at any time it finds  
5 that the applicant is disqualified from receiving or holding a  
6 casino license or has failed to comply with any conditions  
7 imposed by the commission. Such reservation shall be  
8 automatically revoked if the applicant does not qualify for a  
9 casino license within the period of such commitment.

10 Section 503. Casino license; applicant eligibility.

11 (a) No casino shall operate unless all necessary licenses  
12 and approvals therefor have been obtained in accordance with  
13 law.

14 (b) Any person shall be eligible to apply for a casino  
15 license if he agrees to comply in all respects with this act and  
16 the regulations promulgated hereunder and if he:

17 (1) owns 100% of an approved hotel as herein defined;

18 (2) leases 100% of an approved hotel in accordance with  
19 the provisions of this act;

20 (3) owns or has a contract to purchase or construct a  
21 hotel, or leases or has an agreement to lease in accordance  
22 with the provisions of this act 100% of a hotel, which, in  
23 the judgment of the commission, can become an approved hotel  
24 within 18 months; or

25 (4) has a written agreement with a casino licensee or  
26 with an eligible applicant for a casino license, for the  
27 complete management of a casino in accordance with the  
28 provisions of this act, and owns 100% of or controls any  
29 approved hotel, including the approved hotel which is the  
30 subject of the management agreement. For purposes of this



1 subsection, control of an approved hotel shall mean the  
2 ownership of at least 10% of all outstanding equity  
3 securities of a casino licensee or of an eligible applicant  
4 for a casino license, and the sole and unrestricted power to  
5 direct the operations of such casino licensee or eligible  
6 applicant.

7 (c) No casino license shall be issued to any person leasing  
8 a hotel pursuant to the provisions of this act unless a separate  
9 casino license has first been issued to the owner of the casino  
10 hotel facility which is the subject of such lease.

11 (d) No corporation shall be eligible to apply for a casino  
12 license unless the corporation shall:

13 (1) be incorporated in the Commonwealth of Pennsylvania,  
14 although such corporation may be a wholly or partially owned  
15 subsidiary of a corporation which is chartered in another  
16 state of the United States;

17 (2) maintain an office of the corporation in the  
18 premises licensed or to be licensed;

19 (3) comply with all the requirements of the laws of the  
20 Commonwealth of Pennsylvania pertaining to corporations;

21 (4) maintain a ledger in the principal office of the  
22 corporation in the Commonwealth which shall at all times  
23 reflect the current ownership of every class of security  
24 issued by the corporation and shall be available for  
25 inspection by the commission or the bureau and authorized  
26 agents of the commission and the bureau at all reasonable  
27 times without notice;

28 (5) maintain all operating accounts required by the  
29 commission in a bank in the Commonwealth;

30 (6) include among the purposes stated in its articles of

1 incorporation the conduct of casino gaming;

2 (7) if it is not a publicly traded corporation, file  
3 with the commission such adopted corporate charter or bylaws  
4 provisions as may be necessary to establish the right of the  
5 commission to approve future transfers of corporate  
6 securities, shares, and other interests in the applicant  
7 corporation and in any holding company, intermediary company,  
8 or subsidiary thereof; and, if it is a publicly traded  
9 corporation, said corporation shall provide in its corporate  
10 charter or bylaws that any securities of such corporation are  
11 held subject to the condition that if a holder thereof is  
12 found to be disqualified by the commission pursuant to the  
13 provisions of this act, such holder shall dispose of his  
14 security interest in the corporation; provided, however, that  
15 nothing herein shall be deemed to require that any security  
16 of such corporation bear any legend to this effect; and

17 (8) if it is not a publicly traded corporation,  
18 established to the satisfaction of the commission that  
19 appropriate charter or bylaws provisions create the absolute  
20 right of such corporations and companies to repurchase at the  
21 market price or the purchase price, whichever is the lesser,  
22 any security, share or other interest in the corporation in  
23 the event that the commission disapproves a transfer in  
24 accordance with the provisions of this act.

25 (e) No person shall be issued or be the holder of more than  
26 three casino licenses. For the purpose of this subsection a  
27 person shall be considered the holder of a casino license if  
28 such license is issued to such person or if such license is held  
29 by any holding, intermediary or subsidiary company thereof, or  
30 by any officer, director, casino key employee or principal

1 employee of such person, or of any holding, intermediary or  
2 subsidiary company thereof.

3 Section 504. Approved hotel.

4 An approved hotel for purposes of this act shall be a hotel  
5 providing facilities in accordance with this section. Nothing in  
6 this section shall be construed to limit the authority of the  
7 commission to determine the suitability of facilities as  
8 provided in this act, and nothing in this section shall be  
9 construed to require a casino to be larger than the minimum size  
10 or smaller than the maximum size herein provided. An approved  
11 hotel shall, in accordance with the following table:

12 (1) contain the minimum number of sleeping units as  
13 hereinbefore defined;

14 (2) contain the minimum amount of meeting and exhibition  
15 space, consisting of indoor public space available and of the  
16 sort regularly used for conventions, exhibits, meetings,  
17 banquets and similar functions, but not including space  
18 regularly used as restaurants, lobbies, lounges, bars, show  
19 theaters, sports facilities, casinos, or parking areas;

20 (3) contain the minimum amount of indoor space used for  
21 dining, entertainment, and sports facilities, including  
22 restaurants, bars, lounges, show theaters, shops, dance  
23 halls, and swimming facilities but excluding lobbies,  
24 casinos, parking areas and tennis facilities. For purposes of  
25 this subsection, only the actual swimming pool and a 25-foot  
26 area on all sides thereof shall be eligible for inclusion in  
27 the allowable indoor sports space; and

28 (4) contain a casino room as hereinbefore defined, in  
29 accordance with the relative size of room, meeting and  
30 exhibition, and indoor dining, entertainment and sports space

1 as provided in the following chart, but, except as  
 2 hereinafter provided, in no event may a casino room exceed  
 3 the maximum square footage stated:

	Meeting space	Dining, entertainment and indoor sports	Casino space
No. of rooms	Sq. Ft.	Sq. Ft.	Sq. Ft.
	Minimum	Minimum	Maximum
8 100	2,000	4,000	4,000
9 150	2,500	5,000	5,000
10 200	3,000	6,000	6,000
11 250	3,500	7,000	7,000
12 300	4,000	8,000	8,000
13 350	4,500	9,000	9,000
14 400	5,000	10,000	10,000

15 If a licensed facility shall provide more meeting space and  
 16 dining, entertainment, and indoor sports space than is required  
 17 by subsection (d), the maximum allowable casino space may be  
 18 increased by a figure representing one-half of the amount of  
 19 such excess meeting space and excess dining and kitchen support  
 20 facilities, entertainment, and indoor sports space; provided,  
 21 however, that at least 25% of the total of such excess space  
 22 shall be either meeting space or dining and kitchen support  
 23 facilities, entertainment, and indoor sports space; and provided  
 24 further, however, that the total of the increased allowable  
 25 casino space shall not exceed a figure representing the original  
 26 maximum casino size.

27 Section 505. Casino license; applicant requirements.

28 Any applicant for a casino license must produce information,  
 29 documentation and assurances concerning the following  
 30 qualification criteria:

1           (1) Each applicant shall produce such information,  
2           documentation and assurances concerning financial background  
3           and resources as may be required to establish by clear and  
4           convincing evidence the financial stability, integrity and  
5           responsibility of the applicant, including but not limited to  
6           bank references, business and personal income and  
7           disbursement schedules, tax returns and other reports filed  
8           with governmental agencies, and business and personal  
9           accounting and check records and ledgers. In addition, each  
10          applicant shall, in writing, authorize the examination of all  
11          bank accounts and records as may be deemed necessary by the  
12          commission or the division.

13          (2) Each applicant shall produce such information,  
14          assurances as may be necessary to establish by clear and  
15          convincing evidence the integrity and reputation of all  
16          financial backers, investors, mortgagees, bond holders, and  
17          holders of indentures, notes or other evidences of  
18          indebtedness, either in effect or proposed, which bears any  
19          relation to the casino proposal submitted by the applicant or  
20          applicants. The reputation and integrity of financial sources  
21          shall be judged upon the same standards as the applicant. In  
22          addition, the applicant shall produce whatever information,  
23          documentation or assurance may be required to establish by  
24          clear and convincing evidence the adequacy of financial  
25          resources both as to the completion of the casino proposal  
26          and the operation of the casino.

27          (3) Each applicant shall produce such information,  
28          documentation and assurances of good character as may be  
29          required to establish by clear and convincing evidence the  
30          applicant's good reputation for honesty and integrity. Such

1 information shall include, without limitation, information  
2 pertaining to family, habits, character, criminal and arrest  
3 record, business activities, financial affairs, and business,  
4 professional and personal associates, covering at least the  
5 ten-year period immediately preceding the filing of the  
6 application. Each applicant shall notify the commission of  
7 any civil judgments obtained against any such applicant  
8 pertaining to antitrust or security regulation laws of the  
9 Federal Government, of this Commonwealth or of any other  
10 state, jurisdiction, province or country. In addition, each  
11 applicant shall produce letters of reference from law  
12 enforcement agencies having jurisdiction in the applicant's  
13 place of residence and principal place of business, which  
14 letters of reference shall indicate that such law enforcement  
15 agencies do not have any pertinent information concerning the  
16 applicant, or if such law enforcement agency does have  
17 information pertaining to the applicant, shall specify what  
18 that information is. If the applicant has conducted gaming  
19 operations in a jurisdiction which permits such activity, the  
20 applicant shall produce letters of reference from the gaming  
21 or casino enforcement or control agency which shall specify  
22 the experiences of such agency with the applicant, his  
23 associates, and his gaming operation; provided, however, that  
24 if no such letters are received within 60 days of request  
25 therefor, the applicant may submit a statement under oath  
26 that he is or was during the period such activities were  
27 conducted in good standing with such gaming or casino  
28 enforcement or control agency.

29 (4) Each applicant shall produce such information,  
30 documentation and assurances as may be required to establish

1 by clear and convincing evidence that the applicant has  
2 sufficient business ability and casino experience as to  
3 establish the likelihood of creation and maintenance of a  
4 successful, efficient casino operation. The applicant shall  
5 produce the names of all proposed casino key employees as  
6 they become known and a description of their respective or  
7 proposed responsibilities, and a full description of security  
8 systems and management controls proposed for the casino and  
9 related facilities.

10 (5) Each applicant shall produce such information,  
11 documentation and assurances to establish to the satisfaction  
12 of the commission the suitability of the casino and related  
13 facilities and its proposed location, and that the proposal  
14 will not adversely affect casino operations or overall  
15 environmental conditions. A market impact study which  
16 analyzes the adequacy of the patron market and the effect of  
17 the proposal on such market and on the existing casino  
18 facilities licensed under this act shall be submitted by each  
19 applicant. An analysis of the effect of the proposal on the  
20 overall environment, including, without limitation, economic,  
21 social, demographic and competitive conditions shall also be  
22 submitted by each applicant.

23 Section 506. Additional requirements.

24 (a) In addition to other information required by this act, a  
25 corporation applying for a casino license shall provide the  
26 following information:

27 (1) the organization, financial structure and nature of  
28 all businesses operated by the corporation and its holding,  
29 intermediary and subsidiary companies, including names and  
30 personal employment and criminal histories of all officers,

1 directors and principal employees of all such corporations  
2 and companies;

3 (2) the rights and privileges acquired by the holders of  
4 different classes of authorized securities of all such  
5 corporations and companies, including the names, addresses  
6 and amounts held by all holders of such securities;

7 (3) the terms upon which securities have been or are to  
8 be offered;

9 (4) the terms and conditions of all outstanding loans,  
10 mortgages, trust deeds, pledges or any other indebtedness or  
11 security devices utilized by the corporation;

12 (5) the extent of the equity security holding in the  
13 corporation of all officers, directors and underwriters, and  
14 their remuneration in the form of salary, wages, fees or  
15 otherwise;

16 (6) names of persons other than directors and officers  
17 whose compensation exceeds \$25,000 per annum, and amounts  
18 thereof;

19 (7) a description of all bonus and profit sharing  
20 arrangements;

21 (8) copies of all management and service contracts; and

22 (9) a listing of stock options existing or to be  
23 created.

24 (b) If a corporation applying for a casino license is, or if  
25 a corporation holding a casino license is to become, a  
26 subsidiary, each holding company and each intermediary company  
27 with respect thereto must, as a condition of acquiring or  
28 retaining such license, as the case may be:

29 (1) qualify to do business in the Commonwealth of  
30 Pennsylvania; and



1 (2) if it is a corporation, register with the commission  
2 and furnish the commission with all the information required  
3 of a corporate licensee as specified in subsection (a); or

4 (3) if it is not a corporation, register with the  
5 commission and furnish the commission with such information  
6 as the commission may prescribe. The commission may, in its  
7 discretion, make such investigations concerning the officers,  
8 directors, underwriters, security holders, partners,  
9 principals, trustees or persons owning or beneficially  
10 holding any interest in any holding company or intermediary  
11 company as it deems necessary, either at the time of initial  
12 registration or at any time thereafter.

13 (c) Any noncorporate applicant for a casino license shall  
14 provide the information required in subsection (a) in such form  
15 as may be required by the commission or the division. No such  
16 applicant shall be eligible to hold a casino license unless each  
17 person who directly or indirectly holds any beneficial interest  
18 or ownership in the applicant, or who in the opinion of the  
19 commission has the ability to control the applicant, or whom the  
20 commission may consider appropriate for approval or  
21 qualification, would, but for residence, individually be  
22 qualified for approval as a casino key employee pursuant to the  
23 provisions of this act.

24 Section 507. Casino license; disqualification criteria.

25 The commission shall deny a casino license to any applicant  
26 who is disqualified on the basis of any of the following  
27 criteria:

28 (1) Failure of the applicant to prove by clear and  
29 convincing evidence that the applicant is qualified in  
30 accordance with the provisions of this act.

1           (2) Failure of the applicant to provide information,  
2           documentation and assurances required by the act or requested  
3           by the commission, or failure of the applicant to reveal any  
4           fact material to qualification, or the supplying of  
5           information which is untrue or misleading as to a material  
6           fact pertaining to the qualification criteria.

7           (3) The conviction of the applicant or of any person  
8           required to be qualified under this act as a condition of any  
9           offense in any jurisdiction which would be under Pennsylvania  
10          law at the time of application a capital offense, a felony, a  
11          misdemeanor involving moral turpitude or any other offense  
12          which indicates that licensure of the applicant would be  
13          inimical to the policy of this act and to casino operations.

14          (4) Current prosecution or pending charges in any  
15          jurisdiction of the applicant or of any person who is  
16          required to be qualified under this act as a condition of a  
17          casino license, for any of the offenses enumerated in  
18          subsection (c); provided, however, that at the request of the  
19          applicant or the person charged, the commission shall defer  
20          decision upon such application during the pendency of such  
21          charge.

22          (5) The pursuit by the applicant or any person who is  
23          required to be qualified under this act as a condition of a  
24          casino license of economic gain in an occupational manner or  
25          context which is in violation of the criminal or civil public  
26          policies of this Commonwealth, if such pursuit creates a  
27          reasonable belief that the participation of such person in  
28          casino operations would be inimical to the policies of this  
29          act or to legalized gaming in this Commonwealth. For purposes  
30          of this section, occupational manner or context shall be

1 defined as the systematic planning, administration,  
2 management, or execution of an activity for financial gain.

3 (6) The identification of the applicant or any person  
4 who is required to be qualified under this act as a condition  
5 of a casino license as a career offender or a member of a  
6 career offender cartel or an associate of a career offender  
7 or career offender cartel in such a manner which creates a  
8 reasonable belief that the association is of such a nature as  
9 to be inimical to the policy of this act and to gaming  
10 operations. For purposes of this section, career offender  
11 shall be defined as any person whose behavior is pursued in  
12 an occupational manner or context for the purpose of economic  
13 gain, utilizing such methods as are deemed criminal  
14 violations of the public policy of this Commonwealth. A  
15 career offender cartel shall be defined as any group of  
16 persons who operate together as career offenders.

17 (7) The commission by the applicant or any person who is  
18 required to be qualified under this act as a condition of a  
19 casino license of any act or acts which would constitute any  
20 offense under subsection (c), even if such conduct has not or  
21 may not be prosecuted under the criminal laws of this  
22 Commonwealth.

23 (8) Contumacious defiance by the applicant or any person  
24 who is required to be qualified under this act of any  
25 legislative investigatory body or other official  
26 investigatory body of this Commonwealth or of the United  
27 States when such body is engaged in the investigation of  
28 crimes relating to gaming, official corruption, or organized  
29 crime activity.

30 Section 508. Investigation of applicants; order approving or

1                   denying license.

2           (a) Upon the filing of an application and such supplemental  
3 information as the commission may require, the commission shall  
4 request the bureau to conduct such investigation into the  
5 qualification of the applicant, and the commission shall conduct  
6 such hearings concerning the qualification of the applicant in  
7 accordance with its regulations as may be necessary to determine  
8 qualifications for casino license.

9           (b) After such investigation, the commission may either deny  
10 the application or grant a casino license to an applicant whom  
11 it determines to be qualified to hold such license.

12           (c) The commission shall have the authority to deny any  
13 application pursuant to the provisions of this act. When an  
14 application is denied, the commission shall prepare and file an  
15 order denying such application with the general reasons  
16 therefor, and if requested by the applicant, shall further  
17 prepare and file a statement of the reasons for the denial,  
18 including the specific findings of facts.

19           (d) After an application is submitted to the commission,  
20 final action of the commission shall be taken within 90 days  
21 after completion of all hearings and investigations and the  
22 receipt of all information required by the commission.

23           (e) If satisfied that an applicant is qualified to receive a  
24 casino license, and upon tender of all license fees and taxes as  
25 required by law and regulations of the commission, and such  
26 bonds as the commission may require for the faithful performance  
27 of all requirements imposed by law or regulations, the  
28 commission shall issue a casino license for the term of one  
29 year.

30           (f) The commission shall fix the amount of the bond or bonds

1 to be required under this section in such amounts as it may deem  
2 appropriate, by rules of uniform application. The bond so  
3 furnished may be applied by the commission to the payment of any  
4 unpaid liability of the licensee under this act. The bond shall  
5 be furnished in cash or negotiable securities, by a surety bond  
6 guaranteed by a satisfactory guarantor, or by an irrevocable  
7 letter of credit issued by a banking institution of the  
8 Commonwealth acceptable to the commission. If furnished in cash  
9 or negotiable securities, the principal shall be placed without  
10 restriction at the disposal of the commission, but any income  
11 shall inure to the benefit of the licensee.

12 (g) No more than one casino license may be issued with  
13 respect to any approved hotel, except that in the case of any  
14 lease agreement or management contract approved in accordance  
15 with the provisions of this act, each party to such agreement or  
16 contract may be issued a casino license.

17 Section 509. Renewal of casino licenses.

18 (a) Subject to the power of the commission to deny, revoke,  
19 or suspend licenses, any casino license in force shall be  
20 renewed by the commission for the next succeeding license period  
21 upon proper application for renewal and payment of license fees  
22 and taxes as required by law and the regulations of the  
23 commission. The commission shall act upon any such application  
24 no later than 30 days prior to the date of expiration of the  
25 current license.

26 (b) Application for renewal shall be filed with the  
27 commission no later than 90 days prior to the expiration of the  
28 current license, and all license fees and taxes as required by  
29 law shall be paid to the commission on or before the date of  
30 expiration of the current license.

1 (c) Upon renewal of any license the commission shall issue  
2 an appropriate renewal certificate or validating device or  
3 sticker which shall be attached to each casino license.

4 Section 510. Licensing of casino key employees.

5 (a) No person may be employed as a casino key employee  
6 unless he is the holder of a valid casino key employee license  
7 issued by the commission.

8 (b) Each applicant must, prior to the issuance of any casino  
9 key employee license, produce information, documentation and  
10 assurances concerning the following qualification criteria:

11 (1) Each applicant for a casino key employee license  
12 shall produce such information, documentation and assurances  
13 as may be required to establish by clear and convincing  
14 evidence the financial stability, integrity and  
15 responsibility of the applicant, including but not limited to  
16 bank references, business and personal income and  
17 disbursement schedules, tax returns and other reports filed  
18 with governmental agencies, and business and personal  
19 accounting and check records and ledgers. In addition, each  
20 applicant shall, in writing, authorize the examination of all  
21 bank accounts and records as may be deemed necessary by the  
22 commission or the division.

23 (2) Each applicant for a casino key employee license  
24 shall produce such information, documentation and assurances  
25 as may be required to establish by clear and convincing  
26 evidence the applicant's reputation for good character,  
27 honesty and integrity. Such information shall include,  
28 without limitation, data pertaining to family, habits,  
29 character, criminal and arrest record, business activities,  
30 financial affairs, and business, professional and personal

1 associates, covering at least the ten-year period immediately  
2 preceding the filing of the application. Each applicant shall  
3 notify the commission of any civil judgments obtained against  
4 such applicant pertaining to antitrust or security regulation  
5 laws of the Federal Government, of this Commonwealth or of  
6 any state, jurisdiction, province or country. In addition,  
7 each applicant shall produce letters of reference from law  
8 enforcement agencies having jurisdiction in the applicant's  
9 place of residence and principal place of business, which  
10 letters of reference shall indicate that such law enforcement  
11 agencies do not have any pertinent information concerning the  
12 applicant, or if such law enforcement agency does have  
13 information pertaining to the applicant, shall specify what  
14 that information is. If the applicant has been associated  
15 with gaming or casino operations in any capacity, position or  
16 employment in a jurisdiction which permits such activity, the  
17 applicant shall produce letters of reference from the gaming  
18 or casino enforcement or control agency which shall specify  
19 the experiences of such agency with the applicant, his  
20 associates and his participation in the gaming operations of  
21 that jurisdiction; provided, however, that if no such letters  
22 are received within 60 days of request therefor, the  
23 applicant may submit a statement under oath that he is or was  
24 during the period such activities were conducted in good  
25 standing with such gaming or casino enforcement or control  
26 agency.

27 (3) Each applicant shall produce such information,  
28 documentation and assurances as may be required to establish  
29 by clear and convincing evidence that the applicant has  
30 sufficient business ability and casino experience as to

1 establish the reasonable likelihood of success and efficiency  
2 in the particular position involved.

3 (4) Each applicant shall be a resident of the  
4 Commonwealth of Pennsylvania prior to the issuance of a  
5 casino key employee license.

6 (c) The commission shall endorse upon any license issued  
7 hereunder the particular positions as defined by this act or by  
8 regulation which the licensee is qualified to hold.

9 (d) The commission shall deny a casino key employee license  
10 to any applicant who is disqualified on the basis of the  
11 criteria contained in this chapter.

12 Section 511. Licensing of casino employees.

13 (a) No person may commence employment as a casino employee  
14 unless he is the holder of a valid casino employee license  
15 issued by the commission.

16 (b) Any applicant for a casino employee license must, prior  
17 to the issuance of any such license, produce sufficient  
18 information, documentation and assurances to meet the  
19 qualification criteria, including Pennsylvania residency,  
20 contained in section 510(b); except that the standards for  
21 business ability and casino experience may be satisfied by a  
22 showing of casino job experience and knowledge of the provisions  
23 of this act and regulations pertaining to the particular  
24 position involved, or by successful completion of a course of  
25 study at a licensed school in an approved curriculum.

26 (c) The commission shall endorse upon any license issued  
27 hereunder the particular positions as defined by regulation  
28 which the licensee is qualified to hold.

29 (d) The commission shall deny a casino employee license to  
30 any applicant who is disqualified on the basis of the criteria



1 contained in this chapter.

2 (e) For purposes of this section, casino security employees  
3 shall be considered casino employees and must, in addition to  
4 any requirements under other laws, be licensed in accordance  
5 with the provisions of this act.

6 Section 512. Casino hotel employee licenses.

7 (a) No person may commence employment as a casino hotel  
8 employee unless he is the holder of a valid casino hotel  
9 employee license issued by the chairman.

10 (b) Any applicant for a casino hotel employee license must,  
11 prior to the issuance of any such license, produce sufficient  
12 information, documentation and assurances to meet the  
13 qualification criteria, including Pennsylvania residency,  
14 contained in section 510(b)(1), (b)(2) and (b)(4). No casino  
15 hotel employee license shall be issued to any person  
16 disqualified on the basis of the criteria contained in this  
17 chapter.

18 (c) Notwithstanding the provisions of subsection (b), no  
19 applicant shall be denied a casino hotel employee license on the  
20 basis of a conviction of any of the offenses enumerated in this  
21 act as disqualification criteria, provided that the applicant  
22 has demonstrated his rehabilitation or can produce a certificate  
23 of rehabilitation, or that the offense for which the applicant  
24 has been convicted is not reasonably related to the duties for  
25 which the applicant will be employed in the casino hotel.

26 (d) The commission may waive any disqualification criterion  
27 for a casino hotel employee consistent with the public policy of  
28 this act and upon a finding that the interests of justice so  
29 require.

30 (e) A temporary license of five days duration may be issued

1 by the chairman if in his judgment the issuance of a permanent  
2 license will be restricted by necessary investigations and said  
3 temporary licensing of the applicant is necessary for the  
4 continuing operations of the hotel.

5 Section 513. Licensing and registration of casino service  
6 industries.

7 (a) All casino service industries offering goods or services  
8 on a regular basis which directly relate to casino or gaming  
9 activity, including gaming equipment manufacturers, suppliers  
10 and repairers, schools teaching gaming and either playing or  
11 dealing techniques, and casino security services, shall be  
12 licensed in accordance with the provisions of this act prior to  
13 conducting any business whatsoever with a casino licensee, its  
14 employees or agents, and in the case of a school, prior to  
15 enrollment of any students or offering of any courses to the  
16 public whether for compensation or not.

17 (b) Each casino service industry in subsection (a), as well  
18 as its owners, management and supervisory personnel and other  
19 principal employees must qualify under the standards, except  
20 residency, established for qualification of a casino key  
21 employee under this act. In addition, if the business or  
22 enterprise is a school teaching gaming and either playing or  
23 dealing techniques, each employee of such school must qualify  
24 under the standards established for qualification of a casino  
25 employee under this act; provided, however, that nothing in this  
26 subsection shall be deemed to require, in the case of a public  
27 school district or a public institution of higher education, the  
28 licensure or qualification of any individuals except those  
29 instructors and other principal employees responsible for the  
30 teaching of playing or dealing techniques.

1 (c) All casino service industries not included in subsection  
2 (a) shall be licensed in accordance with rules of the commission  
3 prior to commencement or continuation of any business with a  
4 casino licensee or its agents. Such casino service industries,  
5 whether or not directly related to gaming operations, shall  
6 include suppliers of alcoholic beverages, food and nonalcoholic  
7 beverages; garbage handlers; vending machine providers; linen  
8 suppliers; maintenance companies; shopkeepers located within the  
9 approved hotel; and limousine services contracting with casino  
10 licensees. The commission may exempt any person or field of  
11 commerce from the licensing requirements of this subsection if  
12 it finds that such person or field of commerce is regulated by a  
13 public agency and that licensure is not necessary to protect the  
14 public interest or to accomplish the policies established by  
15 this act.

16 (d) Licensure pursuant to subsection (c) of any casino  
17 service industry may be denied to any applicant disqualified in  
18 accordance with the criteria contained in this chapter.

19 Section 514. Registration of labor organizations.

20 (a) Each labor organization, union or affiliate seeking to  
21 represent employees licensed under this act and employed by a  
22 casino hotel or a casino licensee shall register with the  
23 commission annually, and shall disclose such information to the  
24 commission as the commission may require, including the names of  
25 all affiliated organizations, pension and welfare systems and  
26 all officers and agents of such organizations and systems;  
27 provided, however, that no labor organization, union, or  
28 affiliate shall be required to furnish such information to the  
29 extent such information is included in a report filed by any  
30 labor organization, union, or affiliate with the Secretary of

1 Labor pursuant to 29 U.S.C. §§ 431 et seq. (relating to  
2 reporting by labor organizations, officers and employees of  
3 labor organizations, and employers) or 1001 et seq. (relating to  
4 protection of employee benefit rights) if a copy of such report,  
5 or of the portion thereof containing such information, is  
6 furnished to the commission pursuant to the aforesaid Federal  
7 provisions. The commission may in its discretion exempt any  
8 labor organization, union, or affiliate from the registration  
9 requirements of this subsection where the commission finds that  
10 such organization, union or affiliate is not the certified  
11 bargaining representative of any employee licensed under this  
12 act, is not involved actively, directly or substantially in the  
13 control or direction of the representation of any such employee,  
14 and is not seeking to do so.

15 (b) No labor organization, union or affiliate registered or  
16 required to be registered pursuant to this section and  
17 representing or seeking to represent employees licensed under  
18 this act may receive any dues from any employee licensed under  
19 this act and employed by a casino licensee or its agent, or  
20 administer any pension or welfare funds, if any officer, agent,  
21 or principal employee of the labor organization, union or  
22 affiliate is disqualified in accordance with the criteria  
23 contained in this chapter. The commission may for the purposes  
24 of this subsection waive any disqualification criterion  
25 consistent with the public policy of this act and upon a finding  
26 that the interests of justice so require.

27 (c) Neither a labor organization, union or affiliate nor its  
28 officers and agents not otherwise individually licensed under  
29 this act and employed by a casino licensee may hold any  
30 financial interest whatsoever in the casino hotel or casino

1 licensee whose employees they represent.

2 Section 515. Approval and denial of registrations and licenses  
3 other than casino licenses.

4 (a) Upon the filing of an application for any license or  
5 registration required by this act other than a casino license,  
6 and after submission of such supplemental information as the  
7 commission may require, the commission shall request the bureau  
8 to conduct such investigation into the qualification of the  
9 applicant, and the commission shall conduct such hearings  
10 concerning the qualification of the applicant in accordance with  
11 its regulations as may be necessary to determine qualification  
12 for such license or registration.

13 (b) After such investigation, the commission may either deny  
14 the application or grant a license to or accept the registration  
15 of an applicant whom it determines to be qualified to hold such  
16 license or registration. Notwithstanding the above, the chairman  
17 may grant a casino hotel employee license upon application  
18 therefor; if said application is denied, the applicant may  
19 appeal to the commission in the normal course.

20 (c) The commission shall have the authority to deny any  
21 application pursuant to the provisions of this act. When an  
22 application is denied, the commission shall prepare and file its  
23 order denying such application with the general reasons  
24 therefor, and if requested by the applicant, shall further  
25 prepare and file a statement of the reasons for the denial,  
26 including the specific findings of facts.

27 (d) When the commission grants an application, the  
28 commission may limit or place such restrictions thereupon as it  
29 may deem necessary in the public interest. Licenses shall be  
30 granted and registrations approved for a term of one year.

1 (e) After an application is submitted to the commission,  
2 final action of the commission shall be taken within 90 days  
3 after completion of all hearings and investigations and the  
4 receipt of all information required by the commission.

5 Section 516. Renewal of licenses and registrations.

6 Subject to the power of the commission to deny, revoke or  
7 suspend any license or registration, any license other than a  
8 casino license or any registration may be renewed upon proper  
9 application for renewal no later than 90 days prior to the  
10 expiration of the current license or registration, and the  
11 payment of fees as provided by law on or before the date of  
12 expiration of the current license or registration. The  
13 commission shall act upon such application for renewal no later  
14 than 30 days prior to the date of expiration of the current  
15 license or registration.

16 CHAPTER 6

17 CONDITIONS OF OPERATION

18 Section 601. Operation certificate.

19 (a) Notwithstanding the issuance of a license therefor, no  
20 casino may be opened or remain open to the public, and no gaming  
21 activity, except for test purposes, may be conducted therein,  
22 unless and until a valid operation certificate has been issued  
23 to the casino licensee by the commission. Such certificate shall  
24 be issued by the commission upon a finding that a casino  
25 complies in all respects with the requirements of this act and  
26 regulations promulgated hereunder, that the casino licensee has  
27 implemented necessary management controls and security  
28 precautions, that casino personnel are properly trained and  
29 licensed for their respective responsibilities, and that the  
30 casino is prepared in all respects to receive the public.

1 (b) The operation certificate shall include a statement of  
2 compliance with subsection (a) and an itemized list by category  
3 and number of the authorized games permitted in the particular  
4 casino establishment.

5 (c) A casino licensee shall notify the commission 30 days in  
6 advance of any proposed change in the number of authorized games  
7 to be played in a particular casino, and shall request the  
8 issuance of an operation certificate which permits such changes  
9 to occur. The commission shall issue a revised operation  
10 certificate unless it finds that the planned change in  
11 authorized games does not conform to the requirements of this  
12 act or regulations promulgated hereunder, or that there has been  
13 a change of circumstances in the casino or with respect to the  
14 casino licensee materially affecting compliance with subsection  
15 (a).

16 (d) An operation certificate shall remain in force and  
17 effect unless altered in accordance with subsection (c), or  
18 revoked, suspended, limited or otherwise altered by the  
19 commission in accordance with this act.

20 (e) It shall be an express condition of continued operation  
21 under this act that a casino licensee shall maintain all books,  
22 records, and documents pertaining to the licensee's operations  
23 on the licensed premises immediately available for inspection  
24 during all hours of operation. All such books, records, and  
25 documents shall be maintained for a period of not less than  
26 seven years.

27 Section 602. Hours of operation.

28 (a) No casino licensed pursuant to this act shall operate  
29 between the hours of 6 a.m. and 10 a.m. on Saturdays, Sundays,  
30 and State and Federal holidays, or between the hours of 4 a.m.

1 and 10 a.m. on all other days.

2 (b) A casino licensee shall file with the commission a  
3 schedule of hours prior to the issuance of an initial operation  
4 certificate. If the casino licensee proposes any change in  
5 scheduled hours, such change may not be effected until such  
6 licensee files a notice of the new schedule of hours with the  
7 commission. Such filing must be made 30 days prior to the  
8 effective date of the proposed change in hours.

9 (c) Nothing herein shall be construed to limit a casino  
10 licensee in opening its casino later than, or closing its casino  
11 earlier than, the times stated in its schedule of operating  
12 hours; provided, however, that any such alterations in its hours  
13 shall comply with the provisions of subsection (a) and with  
14 regulations of the commission pertaining to such alterations.  
15 Section 603. Casino facility requirements.

16 (a) Each casino licensee shall arrange the facilities of its  
17 casino in such a manner as to promote maximum comfort for the  
18 patrons and optimum security for the casino operation, and shall  
19 comply in all respects with regulations of the commission  
20 pertaining thereto.

21 (b) Each casino licensee shall:

22 (1) Install a closed circuit television system according  
23 to specifications approved by the commission, and provide  
24 access on the licensed premises to the system or its signal  
25 by the commission or the division, in accordance with  
26 regulations pertaining thereto.

27 (2) Provide exterior public entrances to a casino only  
28 through an enclosed lobby or receiving foyer of not less than  
29 400 square feet; provided, however, that nothing herein shall  
30 limit the number of such entrances to a casino.



1           (3) Establish a single room of at least 15,000 square  
2 feet as its casino, and provide that visibility between any  
3 two areas in the casino, whether or not contiguous, may not  
4 be obstructed by partitions of any kind which cover more than  
5 50% of the structural opening; provided, however, that multi-  
6 level casinos otherwise complying with this subsection shall  
7 be permitted.

8           (4) Not permit the interior of the casino to be visible  
9 from outside the casino hotel facility.

10          (5) Not be entitled to have considered any meeting space  
11 and restaurant, entertainment, and sports space which has  
12 direct public access only through the casino as counting  
13 toward the minimum ancillary space requirements of section  
14 504.

15 Section 604. Internal controls.

16          (a) Each casino licensee shall submit to the commission a  
17 description of its system of internal procedures and  
18 administrative and accounting controls. Such submission shall be  
19 made at least 90 days before gaming operations are to commence  
20 or before changes in previously submitted control plans are to  
21 become effective, unless otherwise directed by the commission.  
22 Each such submission shall contain both narrative and  
23 diagrammatic representations of the internal control system to  
24 be utilized by the casino, including, but not limited to:

25           (1) Accounting control, including the standardization of  
26 forms and definition of terms to be utilized in the gaming  
27 operations.

28           (2) Procedures, forms, and, where appropriate, formulas  
29 covering the calculation of hold percentages, revenue drop,  
30 expense and overhead schedules, complimentary services,

1 junkets, cash equivalent transactions, salary structure and  
2 personnel practices.

3 (3) Job descriptions and the system of personnel and  
4 chain-of-command, establishing a diversity of responsibility  
5 among employees engaged in casino operations and identifying  
6 primary and secondary supervisory positions for areas of  
7 responsibility, which areas shall not be so extensive as to  
8 be impractical for an individual to monitor.

9 (4) Procedures within the cashier's cage for the  
10 receipt, storage and disbursal of chips and cash; the cashing  
11 of checks; the redemption of chips; the pay-off of jackpots;  
12 and the recording of transactions pertaining to gaming  
13 operations.

14 (5) Procedures for the collection and security of moneys  
15 at the gaming tables.

16 (6) Procedures for the transfer and recordation of chips  
17 between the gaming tables and the cashier's cage.

18 (7) Procedures for the transfer of moneys from the  
19 gaming tables to the counting process.

20 (8) Procedures and security for the counting and  
21 recordation of revenue.

22 (9) Procedures for the security, storage and recordation  
23 of chips utilized in the gaming operation.

24 (10) Procedures for the transfer of moneys or chips from  
25 and to the slot machines.

26 (11) Procedures and standards for the opening and  
27 security of slot machines.

28 (12) Procedures for the payment and recordation of slot  
29 machine jackpots.

30 (13) Procedures for the cashing and recordation of

1 checks exchanged by casino patrons.

2 (14) Procedures governing the utilization of the private  
3 security force within the casino.

4 (15) Procedures and security standards for the handling  
5 and storage of gaming apparatus including cards, dice,  
6 machines, wheels and all other gaming equipment.

7 (16) Procedures and rules governing the conduct of  
8 particular games and the responsibility of casino personnel  
9 in respect thereto.

10 (b) The commission shall review each submission required by  
11 subsection (a) hereof, and shall determine whether it conforms  
12 to the requirements of this act and to the regulations  
13 promulgated thereunder and whether the system submitted provides  
14 adequate and effective controls for the operations of the  
15 particular casino submitting it. If the commission finds any  
16 insufficiencies, it shall specify same in writing to the casino  
17 licensee, who shall make appropriate alterations. When the  
18 commission determines a submission to be adequate in all  
19 respects, it shall notify the casino licensee of same. No casino  
20 licensee shall commence gaming operations, or alter in fact its  
21 internal controls, unless and until such system of controls is  
22 approved by the commission.

23 Section 605. Games and gaming equipment.

24 (a) This act shall not be construed to permit any gaming  
25 except the conduct of authorized games in a casino room in  
26 accordance with this act and the regulations promulgated  
27 hereunder.

28 (b) Gaming equipment shall not be possessed, maintained or  
29 exhibited by any person on the premises of a casino hotel  
30 complex except in the casino room and in secure areas used for

1 the inspection, repair or storage of such equipment and  
2 specifically designated for that purpose by the casino licensee  
3 with the approval of the commission. No gaming equipment shall  
4 be possessed, maintained, exhibited, brought into or removed  
5 from a casino room by any person unless such equipment is  
6 necessary to the conduct of an authorized game, has permanently  
7 affixed, imprinted, impressed or engraved thereon an  
8 identification number or symbol authorized by the commission, is  
9 under the exclusive control of a casino licensee or his  
10 employees, and is brought into or removed from the casino room  
11 at times authorized for that purpose by the commission or at  
12 other times when prior notice has been given to and written  
13 approval granted by an authorized agent of the commission.

14 (c) Each casino hotel shall contain a count room and such  
15 other secure facilities as may be required by the commission for  
16 the counting and storage of cash, coin, tokens and checks  
17 received in the conduct of gaming and for the inspection,  
18 counting and storage of dice, cards, chips and other  
19 representatives of value. All drop boxes and other devices  
20 wherein cash, coins, or tokens are deposited at the gaming  
21 tables or in slot machines, and all areas wherein such boxes and  
22 devices are kept while in use, shall be equipped with two  
23 locking devices, one key to which shall be under the exclusive  
24 control of the commission and the other under the exclusive  
25 control of the casino licensee, and said drop boxes and other  
26 devices shall not be brought into or removed from the casino  
27 room, or locked or unlocked, except at such times, in such  
28 places, and according to such procedures as the commission may  
29 require.

30 (d) All chips used in gaming at all casinos shall be of such

1 size and uniform color by denomination as the commission shall  
2 require by regulation.

3 (e) All gaming shall be conducted according to rules  
4 promulgated by the commission. All wagers and pay-offs of  
5 winning wagers at table games shall be made according to rules  
6 promulgated by the commission, which shall establish such  
7 minimum wagers and other limitations as may be necessary to  
8 assure the vitality of casino operations and fair odds to and  
9 maximum participation by casino patrons; provided, however, that  
10 a licensee may establish a higher minimum wager with the prior  
11 approval of the commission. Each slot machine shall have a  
12 minimum payout of 83%.

13 (f) Each casino licensee shall make available in printed  
14 form to any casino patron upon request the complete text of the  
15 rules of the commission regarding games and the conduct of  
16 gaming, pay-offs of winning wagers, an approximation of the odds  
17 of winning for each wager, and such other advice to the player  
18 as the commission shall require. Each casino licensee shall  
19 prominently post within the casino room according to regulations  
20 of the commission such information about gaming rules, pay-offs  
21 of winning wagers, the odds of winning for each wager, and such  
22 other advice to the player as the commission shall require.

23 (g) Each gaming table shall be equipped with a sign  
24 indicating the permissible minimum and maximum wagers pertaining  
25 thereto. It shall be unlawful to conduct gaming activity at any  
26 table in any manner inconsistent with the information stated  
27 upon the signs required by this subsection.

28 (h) No slot machine shall be used to conduct gaming unless  
29 it is identical in all electrical, mechanical and other aspects  
30 to a model thereof which has been specifically tested by the

1 division and licensed for use by the commission. The commission  
2 shall, by regulation, establish such technical standards for  
3 licensure, including mechanical and electrical reliability,  
4 security against tampering, the comprehensibility of wagering,  
5 and noise and light levels, as it may deem necessary to protect  
6 the player from fraud or deception and to insure the integrity  
7 of gaming. In no event shall slot machines, including walkways  
8 between them, occupy more than 30% of the first 50,000 square  
9 feet of floor space of a casino, or more than 25% of any  
10 additional floor space of a casino larger than 50,000 square  
11 feet. The commission shall, by regulation, determine the  
12 permissible density of particular licensed slot machines or  
13 combinations thereof, based upon their size and light and noise  
14 levels, so as to create and maintain a gracious playing  
15 environment in the casino and to avoid deception or frequent  
16 distraction to players at gaming tables. The denominations of  
17 such machines shall be set by the licensee, subject to the prior  
18 approval of the commission.

19 (i) Each casino shall be arranged in such fashion as to  
20 allow floor space for each gaming table, including the space  
21 occupied by the table, in accordance with the following:

22 Baccarat--300 square feet.

23 Blackjack--100 square feet.

24 Craps--200 square feet.

25 Roulette--150 square feet.

26 Big Six Wheel--150 square feet.

27 (j) Each casino shall be arranged in such fashion as to  
28 assure that gaming tables shall at all times be present:

29 (1) At least one baccarat table for every 5,000 square  
30 feet of casino space or part thereof.

1           (2) At least one craps table for every 1,000 square feet  
2 of casino space or part thereof.

3           (3) At least one roulette table for every 1,000 square  
4 feet of casino space or part thereof.

5           (4) At least four blackjack tables for every 1,000  
6 square feet of casino space or part thereof.

7           (5) No more than one Big Six Wheel and table for every  
8 1,000 square feet of casino space or part thereof.

9           (k) It shall be unlawful for any person to exchange or  
10 redeem chips for anything whatsoever, except currency,  
11 negotiable personal checks, negotiable counter checks or other  
12 chips. A casino licensee shall, upon the request of any person,  
13 redeem that licensee's gaming chips surrendered by that person  
14 in any amount over \$25 with a check drawn upon the licensee's  
15 account at any banking institution in this Commonwealth and made  
16 payable to that person.

17           (l) It shall be unlawful for any casino licensee or his  
18 agents or employees to employ, contract with, or use any skill  
19 or barker to induce any person to enter a casino or play at any  
20 game or for any purpose whatsoever.

21           (m) It shall be unlawful for a dealer in any authorized game  
22 in which cards are dealt to deal cards by hand or other than  
23 from a device specifically designed for that purpose.

24           (n) It shall be unlawful for any casino key employee, other  
25 than a junket representative, or any casino employee, other than  
26 a bartender, waiter, waitress, or other casino employee who in  
27 the judgment of the commission is not directly involved with the  
28 conduct of gaming operations, to wager at any game in any casino  
29 in this Commonwealth.

30           (o) It shall be unlawful for any casino key employee or

1 boxman, floorman, or any other casino employee who shall serve  
2 in a supervisory position to solicit or accept, and for any  
3 other casino employee to solicit, any tip or gratuity from any  
4 player or patron at the casino where he is employed.

5 (p) A dealer may accept tips or gratuities from a patron at  
6 the table at which such dealer is conducting play, subject to  
7 the provisions of this subsection. All such tips or gratuities  
8 shall be immediately deposited in a lock box reserved for that  
9 purpose accounted for, and placed in a pool for distribution pro  
10 rata among the dealers on a weekly basis, with the distribution  
11 based upon the number of hours each dealer has worked.

12 Section 606. Credit.

13 (a) Except as otherwise provided in this section, no casino  
14 licensee or any person licensed under this act, and no person  
15 acting on behalf of or under any arrangement with a casino  
16 licensee or other person licensed under this act, shall:

17 (1) Cash any check, make any loan, or otherwise provide  
18 or allow to any person any credit or advance of anything of  
19 value or which represents value to enable any person to take  
20 part in gaming activity as a player; or

21 (2) Release or discharge any debt, either in whole or in  
22 part, or make any loan which represents any losses incurred  
23 by any player in gaming activity without maintaining a  
24 written record thereof in accordance with the rules of the  
25 commission.

26 (b) No casino licensee or any person licensed under this  
27 act, and no person acting on behalf of or under any arrangement  
28 with a casino licensee or other person licensed under this act,  
29 may accept a check, other than a recognized traveler's check or  
30 other cash equivalent, from any person to enable such person to



1 take part in gaming activity as a player, or may give cash or  
2 cash equivalents in exchange for such check unless:

3 (1) The check is made payable to the casino licensee.

4 (2) The check is dated, but not postdated.

5 (3) The check is presented to the cashier or his  
6 representative and is exchanged only for a credit slip or  
7 slips which total an amount equal to the amount for which the  
8 check is drawn, which slip or slips may be presented for  
9 chips at a gaming table.

10 (4) The regulations concerning check cashing procedures  
11 are observed by the casino licensee and its employees and  
12 agents.

13 Nothing in this subsection shall be deemed to preclude the  
14 establishment of an account by any person with a casino licensee  
15 by a deposit of cash or recognized traveler's check or other  
16 cash equivalent, or to preclude the withdrawal, either in whole  
17 or in part, of any amount contained in such account.

18 (c) When a casino licensee or other person licensed under  
19 this act, or any person acting on behalf of or under any  
20 arrangement with a casino licensee or other person licensed  
21 under this act, cashes a check in conformity with the  
22 requirements of subsection (b), the casino licensee shall cause  
23 the deposit of such check in a bank for collection or payment  
24 within seven banking days of the date of the transaction for a  
25 check in an amount less than \$1,000; 14 banking days of the date  
26 of the transaction for a check of at least \$1,000 but less than  
27 \$2,500; or 90 banking days of the date of the transaction for a  
28 check of \$2,500 or more. Notwithstanding the foregoing, the  
29 drawer of the check may redeem the check by exchanging cash or  
30 chips in an amount equal to the amount for which the check is

1 drawn; or he may redeem the check in part by exchanging cash or  
2 chips and another check which meets the requirements of  
3 subsection (b) for the difference between the original check and  
4 the cash or chips tendered; or he may issue one check which  
5 meets the requirements of subsection (b) in an amount sufficient  
6 to redeem two or more checks drawn to the order of the casino  
7 licensee. If there has been a partial redemption or a  
8 consolidation in conformity with the provisions of this  
9 subsection, the newly issued check shall be delivered to a bank  
10 for collection or payment within the period herein specified. No  
11 casino licensee or any person licensed under this act, and no  
12 person acting on behalf of or under any arrangement with a  
13 casino licensee or other person licensed under this act shall  
14 accept any check or series of checks in redemption or  
15 consolidation of another check or checks in accordance with this  
16 subsection for the purpose of avoiding or delaying the deposit  
17 of a check in a bank for collection or payment within the time  
18 period prescribed by this subsection.

19 (d) No casino licensee or any other person licensed under  
20 this act, or any other person acting on behalf of or under any  
21 arrangement with a casino licensee or other person licensed  
22 under this act, shall transfer, convey, or give, with or without  
23 consideration, a check cashed in conformity with the  
24 requirements of this section to any person other than:

25 (1) The drawer of the check upon redemption or  
26 consolidation in accordance with subsection (c).

27 (2) A bank for collection or payment of the check.

28 (3) A purchaser of the casino license as approved by the  
29 commission.

30 The limitation on transferability of checks imposed herein shall

1 apply to checks returned by any bank to the casino licensee  
2 without full and final payment.

3 (e) No person other than one licensed as a casino key  
4 employee or as a casino employee may engage in efforts to  
5 collect upon checks that have been returned by banks without  
6 full and final payment, except that an attorney-at-law  
7 representing a casino licensee may bring action for such  
8 collection.

9 (f) Notwithstanding the provisions of any law to the  
10 contrary, checks cashed in conformity with the requirements of  
11 this act shall be valid instruments, enforceable at law in the  
12 courts of this Commonwealth. Any check cashed, transferred,  
13 conveyed or given in violation of this act shall be invalid and  
14 unenforceable.

15 Section 607. Junkets; complimentary services.

16 (a) No junkets may be organized or permitted except in  
17 accordance with the provisions of this act. No person may act as  
18 a junket representative except in accordance with this section.  
19 For purposes of this section, the term "junket representative"  
20 shall mean any person who is responsible for or directly engaged  
21 in the creation, organization, or operation of a junket,  
22 regardless of whether or not such junket is engaged in or  
23 organized with the Commonwealth.

24 (b) A junket representative shall be licensed as a casino  
25 key employee in accordance with the provisions of this act;  
26 provided, however, that said licensee need not be a resident of  
27 this Commonwealth. No casino licensee may employ or otherwise  
28 engage a junket representative who is not so licensed.

29 (c) A casino licensee shall be responsible for the conduct  
30 of any junket representative associated with it and for the

1 terms and conditions of any junket engaged in on its premises,  
2 regardless of the employment status of any junket representative  
3 associated therewith.

4 (d) Each casino licensee shall either:

5 (1) Submit to the commission, in accordance with its  
6 rules, a report in advance of any junket which shall include  
7 the names of the participants, the terms of the junket, the  
8 origin and dates of the junket, and such other information as  
9 may be required by the commission, including, without  
10 limitation, acknowledgments by the participants that they  
11 understand the terms of the particular junket.

12 (2) Submit to the commission, in accordance with its  
13 rules, proposals for junkets, which proposals may be approved  
14 by the commission for continued use upon the condition that  
15 no material aspect of any proposal will be changed except as  
16 to participants and that quarterly reports regarding such  
17 junkets shall be submitted to the commission, including such  
18 information as it may be required.

19 (e) A casino licensee shall be responsible for any violation  
20 or deviation from the terms of a junket. Notwithstanding any  
21 other provisions of this act, the commission may, after hearings  
22 in accordance with this act, order restitution to junket  
23 participants, assess penalties for such violations or  
24 deviations, prohibit future junkets by the casino licensee or  
25 junket representatives, and order such further relief as it  
26 deems appropriate.

27 (f) Each casino licensee shall maintain a regulated  
28 complimentary service account and shall submit a quarterly  
29 report to the commission based upon such account and covering  
30 all complimentary services offered or engaged in by the licensee

1 during the immediately preceding quarter. Such reports shall  
2 include identification of the regulated complimentary services  
3 and their respective costs, the number of persons by category of  
4 service who received same, and such other information as the  
5 commission may require.

6 Section 608. Alcoholic beverages on casino hotel facilities.

7 (a) Notwithstanding any law to the contrary, the authority  
8 to grant any license for, or to permit or prohibit the presence  
9 of, alcoholic beverages in, on, or about any premises licensed  
10 as part of a casino hotel shall exclusively be vested in the  
11 commission.

12 (b) Unless otherwise stated, and except where inconsistent  
13 with the purpose or intent of this act or the common  
14 understanding of usage thereof, definitions contained in the  
15 "Liquor Code," as amended, shall apply to this section.

16 (c) Notwithstanding any provision of the "Liquor Code," the  
17 rules, regulations and bulletins promulgated by the Pennsylvania  
18 Liquor Control Board, or any provision promulgated by any local  
19 authority, including the authority to issue, renew, transfer,  
20 revoke or suspend any casino hotel alcoholic beverage license or  
21 any portion, location, privilege or condition thereof; to fine  
22 or penalize any casino hotel alcoholic beverage licensee; to  
23 enforce all statutes, laws, rulings, or regulations relating to  
24 such license; and to collect license fees and establish  
25 application standards therefor, shall be, consistent with this  
26 act, exclusively vested in the commission or the bureau.

27 (d) Except as otherwise provided in this section, the  
28 provisions of the "Liquor Code," and the rules, regulations and  
29 bulletins promulgated by the Pennsylvania Liquor Control Board  
30 shall apply to any casino hotel and casino hotel alcoholic

1 beverage licensee licensed under this act.

2 (e) Notwithstanding any provision to the contrary, the  
3 commission may promulgate any regulations and special rulings  
4 and findings as may be necessary for the proper enforcement,  
5 regulation, and control of alcoholic beverages in casino hotels  
6 when the commission finds that the uniqueness of casino  
7 operations and the public interest require that such  
8 regulations, rulings and findings are appropriate. Regulations  
9 of the commission may include but are not limited to:  
10 designation and duties of enforcement personnel; all forms  
11 necessary or convenient in the administration of this section;  
12 inspections, investigations, searches, seizures; licensing and  
13 disciplinary standards; requirements and standards for any  
14 hearings or disciplinary or other proceedings that may be  
15 required from time to time; the assessment of fines or penalties  
16 for violations; hours of sale; sale in original containers;  
17 sales on credit; out-of-door sales; limitations of sales; gifts  
18 and promotional materials; locations or places for sale; control  
19 of signs and other displays; identification of licensees and  
20 their employees; employment of aliens and minors; storage,  
21 transportation and sanitary requirements; records to be kept by  
22 the casino hotel alcoholic beverage licensees and availability  
23 thereof; practices unduly designed to increase consumption of  
24 alcoholic beverages; and such other matters whatsoever as are or  
25 may become necessary and consistent with the administration of  
26 this act.

27 (f) (1) It shall be unlawful for any casino licensee, or  
28 any of its lessees, agents or employees to expose for sale,  
29 solicit or promote the sale of, possess with intent to sell,  
30 sell, give, dispense, or otherwise transfer or dispose of

1 alcoholic beverages in, on or about any portion of the  
2 premises of a casino hotel, unless said person possesses an  
3 appropriate casino hotel alcoholic beverage license.

4 (2) It shall be unlawful for any person issued a casino  
5 hotel alcoholic beverage license to expose, possess, sell,  
6 give, dispense, transfer, or otherwise dispose of alcoholic  
7 beverages, other than within the terms and conditions of the  
8 casino hotel alcoholic beverage license issued, the  
9 provisions of the "Liquor Code," the rules and regulations  
10 promulgated by the Pennsylvania Liquor Control Board, and,  
11 when applicable, the regulations promulgated pursuant to this  
12 act.

13 (g) All casino hotel alcoholic beverage licenses shall be  
14 classified as follows:

15 Class I: Casino License.--The holder of this license  
16 shall be entitled, subject to applicable laws, rules and  
17 regulations, to sell any alcoholic beverage by the glass or  
18 other open receptacle, but not in an original container, for  
19 on-premises consumption within a casino; provided, however,  
20 that no food or alcoholic beverage, other than nonalcoholic  
21 beverages or garnishments used in the preparation of  
22 alcoholic beverages for consumption by the glass, shall be  
23 sold, given or be available for consumption; offered,  
24 delivered or otherwise brought to a patron; or consumed at a  
25 gaming table unless so requested by the patron.

26 Class II: Cabaret; Entertainment Room License.--The  
27 holder of this license shall be entitled, subject to  
28 applicable laws, rules and regulations, to sell any alcoholic  
29 beverage by the glass or other open receptacle for on-  
30 premises consumption within an enclosed room not in a casino;

1 provided, however, that the Class II licensed room shall  
2 regularly and principally be used for the purpose of  
3 providing live cabaret, show, revue, or performing arts  
4 entertainment available to the public, with or without the  
5 availability of food.

6 Class III: Restaurant; Banquet Room License.--The holder  
7 of this license shall be entitled, subject to applicable  
8 laws, rules and regulations, to sell any alcoholic beverage  
9 by the glass or other open receptacle for on-premises  
10 consumption within an enclosed room or a series of enclosed  
11 connected rooms, with or without an adjacent outdoor dining  
12 area, not in a casino; provided, however, that the Class III  
13 licensed area shall regularly and principally be used for the  
14 purpose of providing meals to the public and has adequate  
15 kitchen and dining area equipped for the preparing, cooking  
16 and serving of meals for consumption therein; or that the  
17 room or rooms shall regularly and principally be used for the  
18 purpose of banquets or conventions into which food may be  
19 brought or catered. For the purpose of this section, "meals  
20 for consumption" shall be defined as offering of any food  
21 other than sandwiches, salads, crackers, chips, nuts or  
22 similar snacks; and "rooms regularly and principally used for  
23 banquets or conventions" shall be defined as rooms in which  
24 any food other than sandwiches, salads, chips, nuts or  
25 similar snacks is offered for consumption.

26 Class IV: Pub Area License.--The holder of this license  
27 shall be entitled, subject to applicable laws, rules and  
28 regulations, to sell any alcoholic beverage by the glass or  
29 other open receptacle for on-premises consumption within a  
30 room not in a casino, or from one fixed location outside a



1 building or structure containing a casino but on a casino  
2 hotel premises; provided, however, that the regular and  
3 principal purpose of such facility shall not be for the  
4 consumption of meals by customers or for banquets or  
5 conventions.

6 Class V: Package License.--The holder of this license  
7 shall be entitled, subject to applicable laws, rules and  
8 regulations, to sell any alcoholic beverage in original  
9 containers for consumption outside the Class V licensed area  
10 from one enclosed room not in a casino; provided, however,  
11 that no food shall be made available for consumption in a  
12 Class V room and no direct access to or from a casino may  
13 exist in a Class V room.

14 Class VI: Room Service License.--The holder of this  
15 license shall be entitled, subject to applicable laws, rules  
16 and regulations, to sell any alcoholic beverage from one  
17 fixed location within an enclosed room not in a casino;  
18 provided, however, that the Class VI licensed room has no  
19 direct access to or from a casino and any sale of alcoholic  
20 beverages is delivered only to a room and to a registered  
21 guest of the casino hotel and not in or on any area, room or  
22 location licensed under Class I, II, III, IV or V.

23 Class VII: Storage License.--The holder of any casino  
24 hotel alcoholic beverage license shall be entitled, subject  
25 to applicable laws, rules and regulations, to possess or to  
26 store alcoholic beverages intended but not actually exposed  
27 for sale in an area, room or location so licensed. The holder  
28 of a storage license shall be entitled, subject to applicable  
29 laws, rules and regulations, to store any alcoholic beverage  
30 intended for sale at a fixed enclosed location on a casino

1 hotel premises, not in a casino, and not otherwise licensed  
2 under Class I, II, III, IV, V or VI; and to transfer or  
3 deliver such alcoholic beverages only to a licensed location  
4 for which such licensee is licensed; provided, however, that  
5 no access to or from a Class VII licensed location shall be  
6 permitted except during the normal course of business by  
7 employees or agents of the Class VII licensee, or by licensed  
8 employees or agents of wholesalers or distributors licensed  
9 pursuant to the "Liquor Code" and any applicable rules and  
10 regulations.

11 (h) (1) No Class I casino hotel alcoholic beverage license  
12 shall issue to any applicant who does not hold a casino  
13 license issued pursuant to this act.

14 (2) No Class II, III, IV, V, VI or VII casino hotel  
15 alcoholic beverage license shall issue to any applicant who  
16 would not qualify under the standards for licensure of a  
17 casino employee as defined under this act, except that such  
18 applicant need not be an employee of the casino licensee.

19 (3) No Class VII casino hotel alcoholic beverage license  
20 shall issue to any applicant who does not hold a Class I, II,  
21 III, IV, V or VI casino hotel alcoholic beverage license.

22 (i) The commission may revoke, suspend, refuse to renew or  
23 refuse to transfer any casino hotel alcoholic beverage license,  
24 or fine or penalize any casino hotel alcoholic beverage licensee  
25 for violations of any provision of the "Liquor Code," the rules  
26 and regulations promulgated by the Pennsylvania Liquor Control  
27 Board, and the regulations promulgated by the commission.

28 (j) Jurisdiction over all alcoholic beverage licenses  
29 previously issued with respect to the casino hotel facility is  
30 hereby vested in the commission, which in its discretion may, by

1 regulation, provide for the conversion thereof into casino hotel  
2 alcoholic beverage licenses as provided in this section.

3 Section 609. Casino licensee; leases and contracts.

4 (a) It shall be unlawful for any person to lend, let, lease  
5 or otherwise provide any thing, or furnish any service,  
6 including service in managing a casino or in maintaining any  
7 equipment for any gambling game, including slot machines, for  
8 any interest or any percentage or share of the money or property  
9 gambled at or derived from such casino, equipment, or service,  
10 or for any interest, however defined, in the revenues, profits  
11 or earnings of the casino other than pursuant to the terms of a  
12 written agreement providing:

13 (1) For casino employee profit sharing.

14 (2) For casino key employee profit sharing.

15 (3) For the leasing of 100% of the entire casino hotel  
16 facility for a term exceeding 30 years.

17 (4) For the complete management of the casino.

18 Such agreements shall not be effective unless approved by the  
19 commission, except that receipts of percentage charges between a  
20 corporate licensee and another entity which is a holding company  
21 or intermediary company with respect to such licensee shall be  
22 permitted. Under no circumstances shall any such agreement be  
23 approved unless all parties thereto are themselves holders of  
24 licenses issued pursuant to the provisions of this act, and in  
25 the case of leases and management contracts, each party thereto  
26 holds or is eligible to apply for a casino license. Receipts,  
27 rentals, or charges for real property, personal property, or  
28 services shall not lose their character as payments of a fixed  
29 sum because of contract, lease, or license provisions for  
30 adjustments in charges, rentals, or fees on account of changes

1 in taxes or assessments, cost-of-living index escalations,  
2 expansion or improvement of facilities, or changes in services  
3 supplied. In the case of leases and management contracts  
4 permitted under this subsection, each party thereto shall be  
5 individually and severally liable for all acts, omissions, and  
6 violations of this act by the other party thereto, regardless of  
7 actual knowledge of such act, omission, or violation and  
8 notwithstanding any provision of such lease or contract to the  
9 contrary. The commission shall adopt such regulations as it may  
10 deem necessary to further define or restrict the terms of such  
11 agreements. No casino licensee shall be permitted to enter into  
12 contracts for the management of a total of more than three  
13 casinos.

14 (b) Each casino licensee shall be required to present to the  
15 commission any written or unwritten agreement regarding the  
16 realty of, or any business or person doing business with or on  
17 the premises of, its casino hotel facility. Such agreement shall  
18 be reviewed by the commission on the basis of the reasonableness  
19 of its terms, including the terms of compensation, and of the  
20 qualifications of the person involved in the agreement with such  
21 casino licensee, which qualifications shall be reviewed  
22 according to the standards enumerated in this act. If the  
23 commission does not approve such an agreement or association,  
24 the commission may require its termination.

25 Every agreement with a casino hotel shall be deemed to  
26 include a provision for its termination without liability on the  
27 part of the licensee, if the commission shall disapprove of the  
28 business or of any person associated therewith, by reason of a  
29 finding that said business or person is unsuitable to be  
30 associated with a casino enterprise in accordance with the

1 regulations promulgated under this act. Failure expressly to  
2 include such a condition in the agreement shall not constitute a  
3 defense in any action brought to terminate the agreement. If the  
4 agreement is not presented to the commission in accordance with  
5 commission regulations, or the disapproved agreement or  
6 association is not terminated, the commission may pursue any  
7 remedy or combination of remedies provided in this act.

8 (c) Nothing in this act shall be deemed to permit the  
9 transfer of any license, or any interest in any license, or any  
10 certificate of compliance or any commitment or reservation.

11 Section 610. Disposition of securities by corporate licensee.

12 (a) The sale, assignment, transfer, pledge or other  
13 disposition of any security issued by a corporation which holds  
14 a casino license is conditional and shall be ineffective if  
15 disapproved by the commission.

16 (b) Every security issued by a corporation which holds a  
17 casino license shall bear, on both sides of the certificate  
18 evidencing such security, a statement of the restrictions  
19 imposed by this section, except that in the case of a publicly  
20 traded corporation incorporated prior to the effective date of  
21 this act, a statement of restriction shall be necessary only  
22 insofar as certificates are issued by such corporation after the  
23 effective date of this act.

24 (c) The Department of State shall not accept for filing any  
25 articles of incorporation of any corporation which includes as a  
26 stated purpose the conduct of casino gaming, or any amendment  
27 which adds such purpose to articles of incorporation already  
28 filed, unless such articles or amendments have been approved by  
29 the commission and a copy of such approval is annexed thereto  
30 upon presentation for filing with the Department of State.

1 (d) If at any time the commission finds that an individual  
2 owner or holder of any security of a corporate licensee or of a  
3 holding or intermediary company with respect thereto is not  
4 qualified under this act, and if as a result the corporate  
5 licensee is no longer qualified to continue as a casino licensee  
6 in this Commonwealth, the commission shall, pursuant to the  
7 provisions of this act, propose any necessary action to protect  
8 the public interest, including the suspension or revocation of  
9 the casino license of the corporation; provided, however, that  
10 if the holding or intermediary company is a publicly traded  
11 corporation and the commission finds disqualified any holder of  
12 any security thereof who is required to be qualified under this  
13 act, and the commission also finds that:

14 (1) The holding or intermediary company has complied  
15 with the provisions of this act.

16 (2) The holding or intermediary company has made a good  
17 faith effort, including the prosecution of all legal  
18 remedies, to comply with any order of the commission  
19 requiring the divestiture of the security interest held by  
20 the disqualified holder.

21 (3) Such disqualified holder does not have the ability  
22 to control the corporate licensee or any holding or  
23 intermediary company with respect thereto, or to elect one or  
24 more members of the board of directors of such corporation or  
25 company, the commission shall not take action against the  
26 casino licensee or the holding or intermediary company with  
27 respect to the continued ownership of the security interest  
28 by the disqualified holder. For purposes of this act, a  
29 security holder shall be presumed to have the ability to  
30 control a publicly traded corporation, or to elect one or

1 more members of its board of directors, if such holder owns  
2 or beneficially holds 5% or more of the securities of such  
3 corporation, unless such presumption of control or ability to  
4 elect is rebutted by clear and convincing evidence.

5 (e) Commencing on the date the commission serves notice upon  
6 a corporation of the determination of disqualification under  
7 subsection (d), it shall be unlawful for the named individual:

8 (1) To receive any dividends or interest upon any such  
9 securities.

10 (2) To exercise, directly or through any trustee or  
11 nominee, any right conferred by such securities.

12 (3) To receive any remuneration in any form from the  
13 corporate licensee for services rendered or otherwise.

14 (f) After a nonpublic corporation has been issued a casino  
15 license pursuant to the provisions of this act, but prior to the  
16 issuance or transfer of any security to any person required to  
17 be but not yet qualified in accordance with the provisions of  
18 this act, such corporation shall file a report of its proposed  
19 action with the commission, and shall request the approval of  
20 the commission for the transaction. If the commission shall deny  
21 the request, the corporation shall not issue or transfer such  
22 security. After a public corporation has been issued a casino  
23 license, such corporation shall file a report quarterly with the  
24 commission, which report shall list all owners and holders of  
25 any security issued by such corporate casino licensee.

26 (g) Each corporation which has been issued a casino license  
27 pursuant to the provisions of this act shall file a report of  
28 any change of its corporate officers or members of its board of  
29 directors with the commission. No officer or director shall be  
30 entitled to exercise any powers of the office to which he was so

1 elected or appointed until qualified by the commission in  
2 accordance with the provisions of this act.

3 Section 611. Work permits.

4 (a) A casino licensee shall not appoint or employ any person  
5 not possessing a current and valid license permitting such  
6 appointment or employment. Prior to the effective date of such  
7 appointment or employment, the casino licensee shall apply for a  
8 work permit for such employee, which shall be granted by the  
9 commission if the employee is the holder of a current and valid  
10 license. The casino licensee shall return such work permit to  
11 the commission within five days of the termination or cessation  
12 of such appointment or employment for any cause whatsoever. Each  
13 work permit shall be renewed annually in accordance with rules  
14 and regulations promulgated by the commission.

15 (b) A casino licensee shall, within 24 hours of receipt of  
16 written notice thereof, terminate the appointment or employment  
17 of any person whose license has been revoked or has expired. A  
18 casino licensee shall comply in all respects with any order of  
19 the commission imposing limitations or restrictions upon the  
20 terms of employment or appointment in the course of any  
21 investigation or hearing.

22 CHAPTER 7

23 HEARINGS

24 Section 701. Commencement.

25 (a) Any proceeding against a licensee shall be brought on by  
26 written complaint, which shall include a statement setting forth  
27 in ordinary and concise language the charges and the acts or  
28 omissions supporting such charges.

29 (b) Upon filing of the complaint, the commission shall serve  
30 a copy upon the licensee either personally or by certified mail



1 to his address on file with the commission.

2 (c) Within 15 days after service upon him of the complaint,  
3 the licensee may file with the commission a notice of defense,  
4 in which he may:

5 (1) Request a hearing.

6 (2) Admit the accusation in whole or in part.

7 (3) Present new matters or explanations by way of  
8 defense.

9 (4) State any legal objections to the complaint. Within  
10 the time specified, the licensee may file one or more notices  
11 of defense upon any or all of the above grounds.

12 (d) The licensee shall be entitled to a hearing on the  
13 merits if he files the required notice of defense within the  
14 time allowed by subsection (c), and any such notice shall be  
15 deemed a specific denial of all parts of the complaint not  
16 expressly admitted. Failure to file a notice of defense within  
17 such time shall constitute a waiver of the licensee's rights to  
18 a hearing, but the commission, in its discretion, may  
19 nevertheless order a hearing. All affirmative defenses must be  
20 specifically stated, and unless objection is taken as provided  
21 in subsection (c)(4), all objections to the form of complaint  
22 shall be deemed waived.

23 (e) The commission shall determine the time and place of the  
24 hearing as soon as is reasonably practical after receiving the  
25 licensee's notice of defense. The commission shall deliver or  
26 send by certified mail a notice to all parties at least ten days  
27 prior to the hearing. Unless the licensee consents, the hearing  
28 shall not be held prior to the expiration time within which the  
29 licensee is entitled to file the notice of defense.

30 (f) Prior to a hearing before the commission, and during a

1 hearing upon reasonable cause shown, the commission shall issue  
2 subpoenas and subpoenas duces tecum at the request of a licensee  
3 or the bureau.

4 Section 702. Conduct of hearings; rules of evidence; punishment  
5 of contempts; decisions; rehearing.

6 (a) At all hearings of the commission pursuant to this  
7 article:

8 (1) At least one member of the commission shall be  
9 present and shall exercise all powers relating to the conduct  
10 of the hearing.

11 (2) The proceedings at the hearing shall be recorded or  
12 transcribed.

13 (3) Oral evidence shall be taken only upon oath or  
14 affirmation administered by the commission.

15 (4) Each party to a hearing shall have the right to call  
16 and examine witnesses; to introduce exhibits relevant to the  
17 issues of the case, including the transcript of testimony at  
18 any investigative hearing conducted by or on behalf of the  
19 commission; to cross-examine opposing witnesses in any  
20 matters relevant to the issue of the case; to impeach any  
21 witness, regardless of which party called him to testify; and  
22 to offer rebuttal evidence.

23 (5) If the licensee shall not testify in his own behalf,  
24 he may be called and examined as if under cross-examination.

25 (6) The hearing need not be conducted according to rules  
26 relating to the admissibility of evidence in courts of law.  
27 Any relevant evidence may be admitted and shall be sufficient  
28 in itself to support a finding if it is the sort of evidence  
29 upon which responsible persons are accustomed to rely in the  
30 conduct of serious affairs, regardless of the existence of

1 any common law or statutory rule which might make improper  
2 the admission of such evidence over objection in a civil  
3 action.

4 (7) The parties or their counsel may by written  
5 stipulation agree that certain specified evidence may be  
6 admitted, although such evidence may be otherwise subject to  
7 objection.

8 (b) The commission may take official notice of any generally  
9 accepted information or technical or scientific matter in the  
10 field of gaming, and of any other fact which may be judicially  
11 noticed by the courts of this Commonwealth. The parties shall be  
12 informed of any information, matters or facts so noticed and  
13 shall be given a reasonable opportunity, on request, to refute  
14 such information, matters or facts by evidence or by written or  
15 oral presentation of authorities, the manner of such refutation  
16 to be determined by the commission. The commission may in its  
17 discretion, before rendering its decision, permit the filing of  
18 amended or supplemental pleadings and shall notify all parties  
19 thereof and provide a reasonable opportunity for objections  
20 thereto.

21 (c) If any person in proceedings before the commission  
22 disobeys or resists any lawful order, refuses to respond to a  
23 subpoena or refuses to take the oath or affirmation as a witness  
24 or thereafter refuses to be examined, or is guilty of misconduct  
25 at the hearing or so near the place thereof as to obstruct the  
26 proceeding, the person may be punished for contempt in  
27 accordance with law if the commission certifies the facts  
28 underlying the contumacious behavior to the Commonwealth Court.  
29 Thereafter, the courts shall have jurisdiction in the matter,  
30 and the same proceeding shall be had, the same penalties may be

1 imposed, and the person charged may purge himself of the  
2 contempt in the same way as in the case of a person who has  
3 committed contempt in the trial of a civil action before the  
4 court of common pleas.

5 (d) Failure of a licensee to file a notice of defense or to  
6 request or appear at the hearing shall constitute an admission  
7 of all matters and facts contained in the complaint filed with  
8 respect to such respondent. In such cases the commission may  
9 take action based upon such admission or upon any other  
10 evidence, without any further notice whatever to the licensee.  
11 In such cases the commission shall prepare and file a record  
12 containing the evidence upon which the action was based.

13 (e) After the hearing in a contested matter, and upon review  
14 of the transcript, the commission shall render a written  
15 decision on the merits, which shall contain findings of fact,  
16 determination of the issues presented, and specifications of the  
17 penalty or penalties to be imposed, if any; and shall thereafter  
18 make and enter its written order in accordance with such  
19 decision. Copies of the decision and order shall be served on  
20 the parties personally or sent to them by certified mail. The  
21 decision shall become and remain effective upon such service and  
22 until the commission shall otherwise order.

23 (f) The commission may, upon motion therefor made within ten  
24 days after service of the decision and order, order a rehearing  
25 before the commission upon such terms and conditions as it may  
26 deem just and proper. Such motion shall be granted only upon a  
27 showing that there is additional evidence which is material and  
28 necessary, and which would be reasonably likely to change the  
29 decision of the commission, and that sufficient reason existed  
30 for failure to present such evidence at the hearing of the

1 commission. The motion shall be supported by an affidavit of the  
2 moving party or his counsel showing with particularity the  
3 materiality and necessity of the additional evidence and the  
4 reason why it was not introduced at the hearing. Upon rehearing,  
5 rebuttal evidence to the additional evidence shall be admitted.  
6 After rehearing, the commission may notify its decision and  
7 order as the additional evidence may warrant.

8 Section 703. Emergency orders.

9 Notwithstanding any provisions of this article, the  
10 commission may issue an emergency order for the suspension,  
11 limitation or conditioning of any operation certificate or any  
12 license, other than a casino license, or may issue an emergency  
13 order requiring the licensed casino to keep an individual from  
14 the premises of such licensed casino or not to pay such  
15 individual any remuneration for services or any profits, income  
16 or accruals on his investment in such casino, in the following  
17 manner:

18 (1) An emergency order shall be issued only when the  
19 commission finds that:

20 (i) There has been charged a violation of any of the  
21 criminal laws of this Commonwealth by a licensee.

22 (ii) Such action is necessary to prevent a violation  
23 of any such provision.

24 (iii) Such action is necessary immediately for the  
25 preservation of the public peace, health, safety, morals,  
26 good order and general welfare or to preserve the public  
27 policies declared by this act.

28 (2) An emergency order shall set forth the grounds upon  
29 which it is issued, including the statement of facts  
30 constituting the alleged emergency necessitating such action.

1           (3) The emergency order shall be effective immediately  
2 upon issuance and service upon the licensee or resident agent  
3 of the licensee. The emergency order may suspend, limit,  
4 condition or take other action in relation to the approval of  
5 one or more individuals who were required to be approved in  
6 any operation, without necessarily affecting any other  
7 individuals or the licensed casino establishment. The  
8 emergency order shall remain effective until further order of  
9 the commission or final disposition of the case.

10           (4) Within five days after issuance of an emergency  
11 order, the commission shall cause a complaint to be filed and  
12 served upon the person or entity involved in accordance with  
13 the provisions of this act.

14           (5) Thereafter, the person or entity against whom the  
15 emergency order has been issued and served shall be entitled  
16 to a hearing before the commission in accordance with the  
17 provisions of this act.

18 Section 704. Judicial review.

19           (a) The bureau or any person aggrieved by a final decision  
20 or order of the commission made after hearing or rehearing by  
21 the commission, whether or not a petition for hearing was filed,  
22 may obtain judicial review thereof by appeal to the Commonwealth  
23 Court in accordance with law.

24           (b) Filing of an appeal shall not stay enforcement of the  
25 decision or order of the commission unless the stay is obtained  
26 from the court upon application in accordance with law or from  
27 the commission upon such terms and conditions as it deems  
28 proper.

29           (c) The reviewing court may affirm the decision and order of  
30 the commission, may remand the case for further proceedings, or

1 may reverse the decision if the substantive rights of the  
2 petitioner have been prejudiced because the decision is:

3 (1) In violation of constitutional provisions.

4 (2) In excess of the statutory authority and  
5 jurisdiction of the commission.

6 (3) Arbitrary or capricious or otherwise not in  
7 accordance with law.

8 (d) In order to protect the public interest and the  
9 regulatory authority of the commission, any action by the  
10 commission taken pursuant to the provisions of this act shall  
11 not be subject to the injunctive authority of the Commonwealth  
12 Court prior to the exhaustion of the administrative procedures  
13 herein specified, unless it shall appear evident to the court,  
14 by clear and convincing evidence, that a manifest denial of  
15 justice would be effectuated by the refusal to enjoin the  
16 contemplated action of the commission.

17 CHAPTER 8

18 SANCTIONS

19 Section 801. Penalties for willful evasion of payment of  
20 license fees, other acts and omissions.

21 Any person who willfully fails to report, pay or truthfully  
22 account for and pay over any license fee or tax imposed by the  
23 provisions of this act, or willfully attempts in any manner to  
24 evade or defeat any such license fee, tax, or payment thereof is  
25 guilty of a misdemeanor and subject to not more than three years  
26 imprisonment or a fine of \$25,000 or both, and in the case of a  
27 person other than a natural person, to a fine of not more than  
28 \$100,000, and shall in addition be liable for a penalty of three  
29 times the amount of the license fee evaded and not paid,  
30 collected or paid over, which penalty shall be assessed by the

1 commission and collected in accordance with the provisions of  
2 this act.

3 Section 802. Unlicensed casino gambling games unlawful;  
4 penalties.

5 (a) Any person who permits any gambling game, slot machine  
6 or device to be conducted, operated, dealt or carried on in any  
7 casino by a person other than a person licensed for such  
8 purposes pursuant to this act is guilty of a misdemeanor and  
9 subject to a term of imprisonment of not more than three years  
10 or a fine of \$25,000 or both, and in the case of a person other  
11 than a natural person, to a fine of not more than \$100,000.

12 (b) Any licensee who places games or slot machines into play  
13 or displays such games or slot machines in a casino without  
14 authority of the commission to do so is guilty of a misdemeanor  
15 and subject to not more than three years imprisonment or a fine  
16 of \$25,000 or both, and in the case of a person other than a  
17 natural person, to a fine of not more than \$100,000.

18 (c) Any person who operates, carries on or exposes for play  
19 any gambling game, gaming device or slot machine after his  
20 license has expired and prior to the actual renewal thereof is  
21 guilty of a misdemeanor and subject to not more than three years  
22 imprisonment or a fine of \$25,000 or both, and in the case of a  
23 person other than a natural person, to a fine of not more than  
24 \$100,000.

25 Section 803. Swindling and cheating; penalties.

26 Any person who by any trick or slight of hand performance, or  
27 by a fraud or fraudulent scheme, cards, dice or device, wins for  
28 himself or for another, money or property or a representative of  
29 either in connection with casino gaming is guilty of a  
30 misdemeanor and subject to not more than three years



1 imprisonment or a fine of \$25,000 or both, and in the case of a  
2 person other than a natural person to a fine of not more than  
3 \$100,000.

4 Section 804. Unlawful use of bogus chips, marked cards, dice,  
5 cheating devices, unlawful coins; penalty.

6 (a) It shall be unlawful for any person playing any licensed  
7 gambling game:

8 (1) Knowingly to use bogus or counterfeit chips, or  
9 knowingly to substitute and use in any such game cards or  
10 dice that have been marked, loaded or tampered with.

11 (2) Knowingly to use or possess any cheating device with  
12 intent to cheat or defraud.

13 (b) It shall be unlawful for any person, playing or using  
14 any slot machine in a licensed casino:

15 (1) Knowingly to use other than a lawful coin or legal  
16 tender of the United States of America, or to use coin not of  
17 the same denomination as the coin intended to be used in such  
18 slot machine, except that in the playing of any slot machine  
19 it shall be lawful for any person to use tokens or similar  
20 objects therein which are approved by the commission.

21 (2) To use any cheating or thieving device, including  
22 but not limited to tools, drills, wires, coins or tokens  
23 attached to strings or wires, or electronic or magnetic  
24 devices, to facilitate the alignment of any winning  
25 combination or removing from any slot machine any money or  
26 other contents thereof.

27 (c) It shall be unlawful for any person knowingly to possess  
28 or use while on the premises of a licensed casino, any cheating  
29 or thieving device, including but not limited to tools, wires,  
30 drills, coins attached to strings or wires or electronic or

1 magnetic devices to facilitate removing from any slot machine  
2 any money or contents thereof, except that a duly authorized  
3 employee of a licensed casino may possess and use any of the  
4 foregoing only in furtherance of his employment in the casino.

5 (d) It shall be unlawful for any person knowingly to possess  
6 or use while on the premises of any licensed casino any key or  
7 device designed for the purpose of or suitable for opening or  
8 entering any slot machine or drop box, except that a duly  
9 authorized employee of a licensed casino or of the commission  
10 may possess and use any of the foregoing only in furtherance of  
11 his employment.

12 (e) Any person who violates this section is guilty of a  
13 misdemeanor and shall be subject to not more than three years  
14 imprisonment or a fine of \$25,000 or both, and in the case of a  
15 person other than a natural person, to a fine of not more than  
16 \$100,000.

17 Section 805. Cheating games and devices in a licensed casino;  
18 penalty.

19 (a) It shall be unlawful:

20 (1) Knowingly to conduct, carry on, operate, deal or  
21 allow to be conducted, carried on, operated or dealt any  
22 cheating or thieving game or device.

23 (2) Knowingly to deal, conduct, carry on, operate or  
24 expose for play any game or games played with cards, dice or  
25 any mechanical device, or any combination of games or  
26 devices, which have in any manner been marked or tampered  
27 with, or placed in a condition, or operated in a manner, the  
28 result of which tends to deceive the public or tends to alter  
29 the normal random selection of characteristics or the normal  
30 chance of the game which could determine or alter the result

1 of the game.

2 (b) It shall be unlawful knowingly to use or possess any  
3 marked cards, loaded dice, plugged or tampered with machines or  
4 devices.

5 (c) Any person who violates this section is guilty of a  
6 misdemeanor and subject to not more than three years  
7 imprisonment or a fine of \$25,000 or both, and in the case of a  
8 person other than a natural person, to a fine of not more than  
9 \$100,000.

10 Section 806. Unlawful possession of device, equipment or  
11 other material illegally manufactured,  
12 distributed, sold or serviced.

13 Any person who possesses any device, equipment or material  
14 which he knows has been manufactured, distributed, sold,  
15 tampered with or serviced in violation of the provisions of this  
16 act is guilty of a misdemeanor and subject to not more than  
17 three years imprisonment or a fine of \$25,000 or both, and in  
18 the case of a person other than a natural person, to a fine of  
19 not more than \$100,000.

20 Section 807. Employment without license and work permit;  
21 penalty.

22 (a) Any person who, without obtaining the requisite license  
23 as provided in this act, works or is employed in a position  
24 whose duties would require licensing under the provisions of  
25 this act is guilty of a misdemeanor and subject to not more than  
26 three years imprisonment or a fine of \$10,000 or both, and in  
27 the case of a person other than a natural person, to a fine of  
28 not more than \$50,000.

29 (b) Any person who employs or continues to employ an  
30 individual not duly licensed under the provisions of this act in

1 a position whose duties require a license under the provisions  
2 of this act is guilty of a misdemeanor and subject to not more  
3 than three years imprisonment or a fine of \$10,000 or both, and  
4 in the case of a person other than a natural person, to a fine  
5 of not more than \$50,000.

6 (c) Any person who employs an individual without obtaining a  
7 work permit or does not return such permit as required by this  
8 act, is guilty of a misdemeanor and subject to a fine of not  
9 more than \$10,000, and in the case of a person other than a  
10 natural person, to a fine of not more than \$50,000.

11 (d) Any person violating the provisions of this act relating  
12 to collection of checks shall be guilty of a misdemeanor, and  
13 shall be subject to imprisonment for not more than seven years  
14 or a fine of not more than \$25,000, or both. Any licensee  
15 permitting or allowing such a violation shall also be punishable  
16 under this subsection, in addition to any other sanctions the  
17 commission may impose.

18 Section 808. Unlawful entry by person whose name has been  
19 placed on list; penalty.

20 Any person whose name is on the list of persons promulgated  
21 by the commission pursuant to the provisions of this act who  
22 knowingly enters the premises of a licensed casino is guilty of  
23 a misdemeanor of the third degree.

24 Section 809. Gaming by minors prohibited; penalties; defenses.

25 (a) No person under the age of 18 years shall enter a  
26 licensed casino except by way of passage to another room.

27 (b) Any licensee or employee of a casino who allows a minor  
28 under the age of 18 to remain in a casino commits a summary  
29 offense; except that the establishment of all of the following  
30 facts by a person allowing any such minor to remain shall

1 constitute a defense to any prosecution therefor:

2 (1) That the minor falsely represented in writing that  
3 he or she was 18 years of age or over.

4 (2) That the appearance of the minor was such than an  
5 ordinary prudent person would believe him or her to be 18  
6 years of age or over.

7 (3) That the admission was made in good faith, relying  
8 upon such written representation and appearance, and in the  
9 reasonable belief that the minor was actually 18 years of age  
10 or over.

11 Section 810. Prohibited political contributions; penalty.

12 Any person who makes or causes to be made a political  
13 contribution prohibited by the provisions of this act, or files  
14 or causes to be filed any report of political contributions  
15 which misstates or omits any material fact with respect to such  
16 contribution is guilty of a misdemeanor and subject to not more  
17 than three years imprisonment or a fine of \$100,000 or both, and  
18 in the case of a person other than a natural person, to a fine  
19 of not more than \$250,000.

20 Section 811. Authority of gaming licensee and agents to detain

21 or question persons suspected of cheating;

22 immunity from liability; posted notice required.

23 (a) Any licensee or its officers, employees or agents may  
24 question any individual in the casino reasonably suspected of  
25 violating any of the provisions of sections 802 through 806. No  
26 licensee or its officers, employees or agents shall be  
27 criminally or civilly liable by reason of any such questioning.

28 (b) Any licensee or its officers, employees or agents who  
29 shall have probable cause for believing there has been a  
30 violation of sections 802 through 806 in the casino by any

1 person may take such person into custody and detain him in the  
2 establishment in a reasonable manner for a reasonable length of  
3 time, for the purpose of notifying law enforcement or commission  
4 authorities. Such taking into custody and detention shall not  
5 render such licensee or its officers, employees or agents  
6 criminally or civilly liable for false arrest, false  
7 imprisonment, slander or unlawful detention, unless such taking  
8 into custody or detention is unreasonable under all of the  
9 circumstances.

10 (c) No licensee or his officers, employees or agents shall  
11 be entitled to any immunity from civil or criminal liability  
12 provided in this section unless there is displayed in a  
13 conspicuous manner in the casino a notice in bold face type  
14 clearly legible and in substantially this form:

15 "Any gaming licensee or officer, employee or agent thereof  
16 who has probable cause for believing that any person is  
17 violating any of the provisions of the "Commonwealth Casino  
18 Control Act" prohibiting cheating or swindling in gaming may  
19 detain such person in the establishment for the purpose of  
20 notifying a police officer or Commonwealth Casino Control  
21 Commission authorities."

22 Section 812. Other offenses; general penalty.

23 Any person who violates any provision of this act the penalty  
24 for which is not specifically fixed in this act is guilty of a  
25 disorderly persons offense.

26 Section 813. Continuing offenses.

27 (a) A violation of any of the provisions of this act shall  
28 be deemed to be a separate offense on each day during which it  
29 occurs.

30 (b) Any person who aids, abets, counsels, commands, induces,

1 procures or causes another to violate a provision of this act is  
2 punishable as a principal and subject to all sanctions and  
3 penalties, both civil and criminal, provided by this act.

4 Section 814. Exemption from gambling statutes.

5 The provisions of 18 Pa.C.S. § 5513 (relating to gambling  
6 devices, gambling, etc.) and § 5514 (relating to pool selling  
7 and bookmaking) shall not apply to any person who, as a licensee  
8 operating pursuant to the provisions of this act, or as a player  
9 in any game authorized pursuant to the provisions of this act,  
10 engages in gaming as authorized herein.

11 Section 815. Racketeer; influenced and corrupt organizations;  
12 definitions.

13 For purposes of this section and sections 816 through 819:

14 (a) "Racketeering activity."

15 (1) Any act or threat involving murder, kidnapping,  
16 gambling, arson, robbery, bribery, extortion, or dealing in  
17 narcotic or other dangerous drugs, which is chargeable under  
18 the laws of this Commonwealth and punishable by imprisonment  
19 for more than one year.

20 (2) Any act which is indictable under any of the  
21 following provisions of Title 18, United States Code: section  
22 201 (relating to bribery of public officials and witnesses),  
23 section 224 (relating to bribery in sporting contests),  
24 sections 471 through 509 (relating to counterfeiting and  
25 forgery), section 659 (relating to interstate or foreign  
26 shipments by carrier; State prosecutions) if the act  
27 indictable under section 659 is felonious, section 664  
28 (relating to theft or embezzlement from employee benefit  
29 plan), sections 891 through 894 of Chapter 42 (relating to  
30 extortionate credit transactions), section 1084 (relating to

1 the transmission of wagering information), section 1341  
2 (relating to mail fraud), section 1343 (relating to wire  
3 fraud), section 1503 (relating to obstruction of justice),  
4 section 1510 (relating to obstruction of criminal  
5 investigations), section 1511 (relating to the obstruction of  
6 State or local law enforcement), section 1951 (relating to  
7 interference with commerce, robbery, or extortion), section  
8 1952 (relating to racketeering), section 1953 (relating to  
9 interstate transportation of wagering paraphernalia), section  
10 1954 (relating to unlawful fund payments), section 1955  
11 (relating to the prohibition of illegal gambling businesses),  
12 sections 2314 and 2315 (relating to interstate transportation  
13 of stolen property), sections 2421 through 2424 (relating to  
14 white slave traffic).

15 (3) Any act which is indictable under Title 29, United  
16 States Code, section 186 (relating to restrictions on  
17 payments and loans to labor organizations) or section 501(c)  
18 (relating to embezzlement from union funds).

19 (4) Any offense involving bankruptcy fraud, fraud in the  
20 sale of securities, or the felonious manufacture,  
21 importation, receiving, concealment, buying, selling, or  
22 otherwise dealing in narcotic or other dangerous drugs,  
23 punishable under any law of the United States.

24 (b) "Person." Any individual or entity holding or capable  
25 of holding a legal or beneficial interest in property.

26 (c) "Enterprise." Any individual, partnership, corporation,  
27 association, or other legal entity, and any union or group of  
28 individuals associated in fact although not a legal entity.

29 (d) "Pattern of racketeering activity." Requires at least  
30 two acts of racketeering activity, one of which occurred after



1 the effective date of this act and the last of which occurred  
2 within ten years (excluding any period of imprisonment) after  
3 the commission of a prior act of racketeering activity.

4 (e) "Unlawful debt." A debt:

5 (1) Which was incurred or contracted in gambling  
6 activity which was in violation of the law of the United  
7 States, a state or political subdivision thereof.

8 (2) Which is unenforceable under Commonwealth or Federal  
9 law in whole or in part as to principal or interest because  
10 of the laws relating to usury.

11 (3) Which was incurred in connection with the business  
12 of gambling in violation of the law of the United States, a  
13 state or political subdivision thereof.

14 (4) Which was incurred in connection with the business  
15 of lending money or a thing of value at a rate usurious under  
16 Commonwealth or Federal law, where the usurious rate is at  
17 least twice the enforceable rate.

18 (f) "Documentary material." Any book, paper, document,  
19 record, recording, or other material.

20 Section 816. Prohibited activities.

21 (a) It shall be unlawful for any person who has received any  
22 income derived, directly or indirectly, from pattern of  
23 racketeering activity or through collection of an unlawful debt  
24 in which such person has participated as a principal to use or  
25 invest, directly or indirectly, any part of such income, or the  
26 proceeds of such income, in acquisition of any interest in, or  
27 the establishment or operation of, any enterprise which is  
28 engaged in or the activities of which affect casino gaming  
29 operations or ancillary industries which do business with any  
30 casino licensee. A purchase of securities on the open market for

1 purposes of investment, and without the intention of controlling  
2 or participating in the control of the issuer or of assisting  
3 another to do so, shall not be unlawful under this subsection,  
4 provided that the sum total of the securities of the issuer held  
5 by the purchaser, the members of his family, and his or their  
6 accomplices in any pattern of racketeering activity or in the  
7 collection of an unlawful debt does not amount in the aggregate  
8 to 1% of the outstanding securities of any one class, or does  
9 not, either in law or in fact, empower the holders thereof to  
10 elect one or more directors of the issuer.

11 (b) It shall be unlawful for any person through a pattern of  
12 racketeering activity or through collection of an unlawful debt  
13 to acquire or maintain, directly or indirectly, any interest in  
14 or control of any enterprise which is engaged in, or the  
15 activities of which affect, casino gaming operations or  
16 ancillary industries which do business with any casino licensee.

17 (c) It shall be unlawful for any person employed by or  
18 associated with any enterprise engaged in, or the activities of  
19 which affect, casino gaming operations or ancillary industries  
20 which do business with any casino licensee, to conduct or  
21 participate, directly or indirectly, in the conduct of such  
22 enterprise's affairs through a pattern of racketeering activity  
23 or collection of unlawful debt.

24 (d) It shall be unlawful for any person to conspire to  
25 violate any of the provisions of subsections (a), (b) or (c).

26 (e) Any person who violates any provision of this section  
27 shall be fined not more than \$50,000 or imprisoned not more than  
28 20 years or both and shall forfeit to the Commonwealth:

29 (1) Any interest he has acquired or maintained in  
30 violation of this section.

1           (2) Any interest in, security of, claim against, or  
2 property or contractual right of any kind affording a source  
3 of influence over any enterprise which he has established,  
4 operated, controlled, conducted, or participated in the  
5 conduct of, in violation of this section.

6           (f) In any action brought by the Attorney General under this  
7 section, the Commonwealth Court shall have jurisdiction to enter  
8 such restraining orders or prohibitions, or to take such other  
9 actions, including but not limited to, the acceptance of  
10 satisfactory performance bonds, in connection with any property  
11 or other interest subject to forfeiture under this section, as  
12 it shall deem proper.

13           (g) Upon conviction of a person under this section, the  
14 court shall authorize the Attorney General to seize all property  
15 or other interest declared forfeited under this section upon  
16 such terms and conditions as the court shall deem proper. If a  
17 property right or other interest is not exercisable or  
18 transferable for value by the Commonwealth, it shall expire and  
19 shall not revert to the convicted person.

20 Section 817. Civil remedies.

21           (a) The Commonwealth Court shall have jurisdiction to  
22 prevent and restrain violations of section 816 by issuing  
23 appropriate orders, including, but not limited to, ordering any  
24 person to divest himself of any interest, direct or indirect, in  
25 any enterprise; imposing reasonable restrictions on the future  
26 activities or investments of any person, including, but not  
27 limited to, prohibiting any person from engaging in the same  
28 type of endeavor as the enterprise engaged in, the activities of  
29 which affect casino gaming operations or ancillary industries  
30 which do business with any casino licensee; or ordering

1 dissolution or reorganization of any enterprise, making due  
2 provision for the rights of innocent persons.

3 (b) The Attorney General may institute proceedings in  
4 Commonwealth Court for violations of section 816. In any action  
5 brought under this section, the court shall proceed as soon as  
6 practicable to the hearing and determination thereof. Pending  
7 final determination thereof, the court may at any time enter  
8 such restraining orders or prohibitions, or take such other  
9 actions, including the acceptance of satisfactory performance  
10 bonds, as it shall deem proper.

11 (c) Any person injured in his business or property by reason  
12 of a violation of section 816 may sue therefor in any  
13 appropriate court and shall recover threefold any damages he  
14 sustains and the cost of the suit, including a reasonable  
15 attorney's fee.

16 (d) A final judgment or decree rendered in favor of the  
17 Commonwealth in any criminal proceeding brought under this act  
18 shall estop the defendant from denying the essential allegations  
19 of the criminal offense in any subsequent civil proceeding  
20 brought by the Attorney General.

21 Section 818. Civil investigative demand.

22 (a) Whenever the Attorney General has reason to believe that  
23 any person or enterprise may be in possession, custody, or  
24 control of any documentary materials relevant to an  
25 investigation under this act, he may, prior to the institution  
26 of a civil or criminal proceeding thereon, issue in writing, and  
27 cause to be served upon such person, a civil investigative  
28 demand requiring such person to produce such material for  
29 examination.

30 (b) Each such demand shall:

1           (1) State the nature of the conduct constituting the  
2 alleged violation which is under investigation and the  
3 provision of law applicable thereto.

4           (2) Describe the class or classes of documentary  
5 material to be produced thereunder with such specificity and  
6 certainty as to permit such material to be fairly identified.

7           (3) Prescribe a return date which will provide a  
8 reasonable period of time within which the material so  
9 demanded may be assembled and made available for inspection  
10 and copying or reproduction.

11           (4) Identify the custodian to whom such material shall  
12 be made available.

13 (c) No such demand shall:

14           (1) Contain any requirement which would be held to be  
15 unreasonable if contained in a subpoena duces tecum issued in  
16 aid of a grand jury investigation.

17           (2) Require the production of any documentary evidence  
18 which would be otherwise privileged from disclosure if  
19 demanded by a subpoena duces tecum issued in aid of a grand  
20 jury investigation.

21 (d) Service of any such demand or any petition filed under  
22 this section may be made upon a person by:

23           (1) Delivering a duly executed copy thereof to any  
24 partner, executive officer, managing agent, or general agent  
25 thereof, or to any agent thereof authorized by appointment or  
26 by law to receive service of process on behalf of such  
27 person, or upon any individual person.

28           (2) Delivering a duly executed copy thereof to the  
29 principal office or place of business of the person to be  
30 served.

1           (3) Depositing such copy in the United States mail, by  
2           registered or certified mail duly addressed to such person at  
3           its principal office or place of business.

4           (e) A verified return by the individual serving any demand  
5           or petition setting forth the manner of such service shall be  
6           prima facie proof of such service. In the case of service by  
7           registered or certified mail, such return shall be accompanied  
8           by the return post office receipt of delivery of such demand.

9           (f) Any person upon whom any demand issued under this  
10          section has been duly served shall make such material available  
11          for inspection and copying or reproduction to the Attorney  
12          General at the principal place of business of such person, or at  
13          such other place as the Attorney General and such person  
14          thereafter may agree and prescribe in writing, on the return  
15          date specified in such demand or on such later date as the  
16          Attorney General may prescribe in writing. Upon written  
17          agreement between such person and the Attorney General, copies  
18          may be substituted for all or any part of such original  
19          materials. The Attorney General may cause the preparation of  
20          such copies of documentary material as may be required for  
21          official use by the Attorney General. While in the possession of  
22          the Attorney General, no material so produced shall be available  
23          for examination, without the consent of the person who produced  
24          such material, by any individual other than the Attorney General  
25          or his duly appointed representatives. Under such reasonable  
26          terms and conditions as the Attorney General shall prescribe,  
27          documentary material while in his possession shall be available  
28          for examination by the person who produced such material or any  
29          duly authorized representatives of such person.

30          (g) Upon completion of the review and investigation for

1 which any documentary material was produced under this action,  
2 and any case or proceeding arising from such investigation, the  
3 Attorney General shall return to the person who produced such  
4 material all such material other than copies thereof made by the  
5 Attorney General pursuant to this section which has not passed  
6 into the control of any court or grand jury through the  
7 introduction thereof into the record of such case or proceeding.

8 (h) When any documentary material has been produced by any  
9 person under this section for use in any racketeering  
10 investigation, and no such case or proceeding arising therefrom  
11 has been instituted within a reasonable time after completion of  
12 the examination and analysis of all evidence assembled in the  
13 course of such investigation, such person shall be entitled,  
14 upon written demand made upon the Attorney General, to the  
15 return of all documentary material other than copies thereof  
16 made pursuant to this section so produced by such person.

17 (i) Whenever any person fails to comply with any civil  
18 investigative demand duly served upon him under this section or  
19 whenever satisfactory copying or reproduction of any such  
20 material cannot be done and such person refuses to surrender  
21 such material, the Attorney General may file in the Commonwealth  
22 Court a petition for an order of such court for the enforcement  
23 of this section.

24 (j) The provisions of this section shall not apply to any  
25 situation covered by the provisions of this act relating to  
26 searches by division employees and agents, and shall in no way  
27 limit the bureau's authority under such provisions.

28 Section 819. Supplemental sanctions.

29 In addition to any penalty, fine or term of imprisonment  
30 authorized by law, the commission shall, after appropriate

1 hearings and factual determinations, have the authority to  
2 impose the following sanctions upon any person licensed pursuant  
3 to this act:

4 (1) revoke the license of any person for the conviction  
5 of any criminal offense under this act or for the commission  
6 of any other offense or violation of this act which would  
7 disqualify such person from holding his license;

8 (2) revoke the license of any person for willfully and  
9 knowingly violating an order of the commission directed to  
10 such person;

11 (3) suspend the license of any person pending hearing  
12 and determination, in any case in which license revocation  
13 could result;

14 (4) suspend the operation certificate of any casino for  
15 violation of any provisions of this act or regulations  
16 promulgated hereunder related to the casino operation,  
17 including games, internal and accountancy controls and  
18 security;

19 (5) assess such civil penalties as may be necessary to  
20 punish misconduct and to deter future violations, which  
21 penalties may not exceed \$10,000 in the case of any  
22 individual licensee, except that in the case of a casino  
23 licensee the penalty may not exceed \$50,000;

24 (6) order restitution of any moneys or property  
25 unlawfully obtained or retained by a licensee;

26 (7) enter a cease and desist order which specifies the  
27 conduct which is to be discontinued, altered or implemented  
28 by the licensee;

29 (8) issue letters of reprimand or censure, which letters  
30 shall be made a permanent part of the file of each licensee



1 so sanctioned; or

2 (9) impose any or all of the foregoing sanctions in  
3 combination with each other.

4 Section 820. Imposition of sanctions; standards.

5 In considering appropriate sanctions in a particular case,  
6 the commission shall consider:

7 (1) the risk to the public and to the integrity of  
8 gaming operations created by the conduct of the licensee;

9 (2) the seriousness of the conduct of the licensee, and  
10 whether the conduct was purposeful and with knowledge that it  
11 was in contravention of the provisions of this act or  
12 regulations promulgated hereunder;

13 (3) any justification or excuse for such conduct by the  
14 licensee;

15 (4) the prior history of the particular licensee  
16 involved with respect to gaming activity;

17 (5) the corrective action taken by the licensee to  
18 prevent future misconduct of a like nature from occurring;

19 (6) in the case of a monetary penalty, the amount of the  
20 penalty in relation to the severity of the misconduct and the  
21 financial means of the licensee. The commission may impose  
22 any schedule or terms of payment of such penalty as it may  
23 deem appropriate; and

24 (7) it shall be no defense to a disciplinary action  
25 before the commission that an applicant, licensee,  
26 registrant, intermediary company, or holding company  
27 inadvertently, unintentionally, or unknowingly violated a  
28 provision of this act. Such factors shall only go the degree  
29 of the penalty to be imposed by the commission, and not to a  
30 finding of a violation itself.

1 CHAPTER 9

2 MISCELLANEOUS PROVISIONS

3 Section 901. Declaration of Commonwealth's exemption from  
4 operation of provisions of 15 U.S.C. § 1172.

5 Pursuant to 15 U.S.C. § 1172, the Commonwealth of  
6 Pennsylvania, acting by and through the duly elected and  
7 qualified members of its General Assembly, does hereby, in  
8 accordance with and in compliance with the provisions of such  
9 section, declare and proclaim that it is exempt from the  
10 provisions of section 2 of said act of Congress.

11 Section 902. Legal shipments of gaming devices into  
12 Pennsylvania.

13 All shipments into this Commonwealth of gaming devices,  
14 including slot machines, the registering, recording and labeling  
15 of which has been duly had by the manufacturer or dealer thereof  
16 in accordance with 15 U.S.C. § 1173 and 1174, shall be deemed  
17 legal shipments thereof into this Commonwealth.

18 Section 903. Severability and preemption.

19 (a) If any clause, sentence, subparagraph, paragraph,  
20 subsection, section, chapter or other portion of this act or the  
21 application thereof to any person or circumstances shall be held  
22 to be invalid, such holding shall not affect, impair or  
23 invalidate the remainder of this act or the application of such  
24 portion held invalid to any other person or circumstances, but  
25 shall be confined in its operation to the clause, sentence,  
26 paragraph, subparagraph, paragraph, subsection, section, chapter  
27 or other portion thereof directly involved in such holding or to  
28 the person or circumstance therein involved.

29 (b) If any provision of this act is inconsistent with, in  
30 conflict with, or contrary to any other provision of law, such

1 provision of this act shall prevail over such other provision  
2 and such other provision shall be deemed to be amended,  
3 superseded or repealed to the extent of such inconsistency or  
4 conflict. Notwithstanding the provisions of any other law to the  
5 contrary, no local government unit of this Commonwealth may  
6 enact or enforce any ordinance or resolution conflicting with  
7 any provision of this act or with any policy of this  
8 Commonwealth expressed or implied herein, whether by exclusion  
9 or inclusion. The commission shall have exclusive jurisdiction  
10 over all matters delegated to it or within the scope of its  
11 powers under the provisions of this act.

12 Section 904. Equal employment opportunity; requirements of  
13 license.

14 (a) Each applicant at the time of submitting architectural  
15 plans or site plans to the commission for approval of proposed  
16 construction, renovation or reconstruction of any structure or  
17 facility to be used as an approved hotel or casino shall  
18 accompany same with a written guaranty that all contracts and  
19 subcontracts to be awarded in connection therewith shall contain  
20 appropriate provisions by which contractors and subcontractors  
21 or their assignees agree to afford an equal employment  
22 opportunity to all prospective employees and to all actual  
23 employees to be employed by the contractor or subcontractor in  
24 accordance with an affirmative action program approved by the  
25 commission and consonant with the provisions of the act of  
26 October 27, 1955 (P.L.744, No.222), as amended, known as the  
27 "Pennsylvania Human Relations Act."

28 (b) No license shall be issued by the commission to any  
29 applicant, including a casino service industry as defined in  
30 this act, who has not agreed to afford an equal employment

1 opportunity to all prospective employees in accordance with an  
2 affirmative-action program approved by the commission and  
3 consonant with the provisions of the "Pennsylvania Human  
4 Relations Act."

5 (c) Each applicant shall formulate for commission approval  
6 and abide by an affirmative-action program of equal opportunity  
7 whereby the applicant guarantees to provide equal employment  
8 opportunity to rehabilitated offenders eligible for employment  
9 under this act and members of minority groups qualified for  
10 licensure in all employment categories, including the  
11 handicapped, in accordance with the provisions of the  
12 "Pennsylvania Human Relations Act," except in the case of the  
13 mentally handicapped, if it can be clearly shown that such  
14 handicap would prevent such person from performing a particular  
15 job.

16 (d) Any license issued by the commission in violation of  
17 this section shall be null and void.  
18 Section 905. Equal employment opportunity; enforcement by the  
19 commission.

20 The commission, in addition to and without limitation of  
21 other powers which it may have by law, shall have the following  
22 powers:

23 (1) to investigate and determine the percentage of  
24 population of minority groups in the Commonwealth or in areas  
25 thereof from which the work force for the licensee is or may  
26 be drawn;

27 (2) to establish and promulgate such percentages as  
28 guidelines in determining the adequacy of affirmative-action  
29 programs submitted for approval pursuant to the provisions of  
30 section 904;

1 (3) to impose such sanctions as may be necessary to  
2 accomplish the objectives of section 904;

3 (4) to refer to the Pennsylvania Human Relations  
4 Commission circumstances which may constitute violation of  
5 the "Pennsylvania Human Relations Act";

6 (5) to enforce in a court of law the provisions of  
7 section 904 or to join in or assist any enforcement  
8 proceeding initiated by any aggrieved person; and

9 (6) to require the designation by a licensee of an equal  
10 employment officer to enforce the provisions of section 904  
11 and this section and the regulations promulgated hereunder.

12 Section 906. Facilities for the handicapped.

13 All hotels and other facilities of a casino licensee, which  
14 are public accommodations and are subject to the regulatory  
15 powers of the commission under this act, shall be constructed or  
16 renovated to conform with the provisions of the act of September  
17 1, 1965 (P.L.459, No.235), as amended, relating to standards and  
18 specifications to make certain buildings accessible to the  
19 physically handicapped and regulations issued by the Department  
20 of Labor and Industry.

21 Section 907. Early settlement dates and certain transfers of  
22 gaming property prohibited.

23 When any person contracts to sell or lease any property or  
24 interest in property, real or personal, under circumstances  
25 which require the approval or licensing of the purchaser or  
26 lessee by the commission, the contract shall not specify a  
27 settlement or closing date for the transaction which is earlier  
28 than the ninety-first day after the date of submission of the  
29 completed application for such approval or licensing. Any  
30 provision of such a contract which specifies an earlier

1 settlement or closing date is void for all purposes, but such  
2 invalidity shall not affect the validity of any other provision  
3 of the contract.

4 Section 908. Prohibited political contributions.

5 No applicant for or holder of a casino license, nor any  
6 holding, intermediary or subsidiary company thereof, nor any  
7 officer, director, casino key employee or principal employee of  
8 an applicant for or holder of a casino license or of any  
9 holding, intermediary or subsidiary company thereof nor any  
10 person or agent on behalf of any such applicant, holder, company  
11 or person, shall directly or indirectly, pay or contribute any  
12 money or thing of value to any candidate for nomination or  
13 election to any public office in this Commonwealth, or to any  
14 committee of any political party in this Commonwealth, or to any  
15 group, committee or association organized in support of any such  
16 candidate or political party.

17 CHAPTER 10

18 FEES AND TAXES

19 Section 1001. Casino license fees.

20 (a) The commission shall, by regulation, establish annual  
21 fees for the issuance or renewal of casino licenses. The  
22 issuance fee shall be based upon the cost of investigation and  
23 consideration of the license application and shall be not less  
24 than \$200,000. The renewal fee shall be based upon the cost of  
25 maintaining control and regulatory activities contemplated by  
26 this act and shall be not less than \$100,000 annually.

27 (b) The Attorney General shall certify to the commission  
28 actual and prospective costs of the investigative and  
29 enforcement functions of the bureau, which costs shall be the  
30 basis, together with the operating expenses of the commission,

1 for the establishment of annual license issuance and renewal  
2 fees.

3 (c) A nonrefundable deposit of at least \$100,000 shall be  
4 required to be posted with each application for a casino license  
5 and shall be applied to the initial license fee if the  
6 application is approved.

7 Section 1002. License fee on slot machines.

8 (a) In addition to any other tax or fee imposed by this act,  
9 there is also hereby imposed an annual license fee of \$200 upon  
10 every slot machine which is subject to the occupational tax on  
11 coin-operated devices under the provisions of the Federal  
12 Internal Revenue Code of 1954 and the amendments thereof and  
13 supplements thereto.

14 (b) License fees imposed under the provisions of this  
15 section shall be imposed as of the first day of July of each  
16 year, with regard to all slot machines in use on that date, and  
17 on a pro rata basis thereafter during the year with regard to  
18 all slot machines placed in use after July 1.

19 Section 1003. License fees for other than casino licenses.

20 The commission shall, by regulation, establish annual fees  
21 for the issuance and renewal of licenses other than casino  
22 licenses, which fees shall be payable by the licensee.

23 Section 1004. Work permit fee.

24 The commission shall, by regulation, establish annual fees  
25 for the issuance and renewal of work permits for the various  
26 classes of employees, which fees shall be payable by the  
27 employer licensee.

28 Section 1005. Casino Control Fund.

29 (a) There is hereby created and established in the  
30 Commonwealth Treasury a separate special account to be known as

1 the "Commonwealth Casino Control Fund," into which shall be  
2 deposited all license fee revenues imposed by this chapter.

3 (b) Moneys in the Commonwealth Casino Control Fund shall be  
4 appropriated exclusively for the operating expenses of the  
5 commission and the bureau.

6 Section 1006. Tax on gross revenues.

7 (a) There is hereby imposed an annual tax on gross revenues  
8 as hereinbefore defined in the amount of 8% of such gross  
9 revenues.

10 (b) Commencing with the third annual tax return of a  
11 licensee and based upon a determination that in said return or  
12 any annual return thereafter the gross revenue of a licensee in  
13 the calendar year upon which the tax is based exceeds the  
14 cumulative investments in this Commonwealth of said licensee as  
15 of that year, such licensee shall make investments in an amount  
16 not less than 2% of the gross revenue for said calendar year  
17 within a period of five years from the end of said calendar  
18 year. Investments required as a result of any of the five annual  
19 tax returns commencing with the third annual tax return shall be  
20 made in the municipality in which the licensed premises are  
21 located. Not less than 50% of investments required as a result  
22 of any annual tax return subsequent to the seventh such return  
23 shall be made in any other municipality of this Commonwealth.

24 All investments and cumulative investments made pursuant to  
25 this chapter shall be subject to a determination by the  
26 commission as to the eligibility of such investments. In  
27 determining eligibility, the commission shall consider the  
28 public interest, including the social and economic benefits to  
29 be derived from such investments for the people of this  
30 Commonwealth.



1 (c) For the purposes of this chapter, "investments" means  
2 equity investments in land and real property on which  
3 improvements are made and in real property improvements. For the  
4 purposes of this chapter, "cumulative investments" means  
5 investments in and debt financing of the licensed premises, plus  
6 other investments in and debt financing of land and real  
7 property on which improvements are made and real property  
8 improvements; provided, however, that the investments and debt  
9 financing not associated with the licensed premises have been  
10 made subsequent to July 6, 1976. Real property and real property  
11 improvements sold or otherwise disposed of by the licensee shall  
12 not be included for the purposes of determining cumulative  
13 investments.

14 (d) For the purposes of satisfying the amount of investments  
15 in any given year and of determining cumulative investments as  
16 of any given year, pursuant to subsection (b), actual monetary  
17 contributions shall be included if the commission determines  
18 that such contributions directly relate to the improvement,  
19 furtherance, and promotion of the tourist industry in this  
20 Commonwealth through the planning, acquisition, construction,  
21 improvement, maintenance, and operation of recreational and  
22 entertainment facilities for the public, including, without  
23 limitation, a performing arts center.

24 (e) In the event that the investments required in subsection  
25 (b) are not made within the time set forth therein, there shall  
26 be imposed an investment alternative tax in an amount equivalent  
27 to 2% of gross revenue, which tax shall be added to the tax  
28 determined under subsection (a) and shall be due and payable in  
29 accordance with this section. For purposes of determining  
30 whether the investment alternative tax shall be paid, the State

1 Treasurer shall certify, under such rules and regulations as he  
2 shall promulgate consistent with the provisions of this chapter,  
3 the amount of cumulative investments made by each licensee. In  
4 the event of the sale or other disposition of the licensed  
5 premises, any investment obligation imposed by subsection (b),  
6 which is not satisfied shall be immediately deemed due and  
7 payable as investment alternative tax, and said amount shall  
8 constitute a lien upon the licensed premises until paid,  
9 together with interest at the rate of 6% per annum.

10 (f) The commission shall promulgate rules and regulations  
11 consistent with the provisions of this chapter as to the  
12 eligibility of the investments and cumulative investments  
13 required by this chapter.

14 Section 1007. Commonwealth Casino Revenue Fund.

15 (a) There is hereby created and established in the  
16 Commonwealth Treasury a separate special account to be known as  
17 the "Commonwealth Casino Revenue Fund," into which shall be  
18 deposited all revenues from the tax imposed by section 1006.

19 (b) The commission shall require at least monthly deposits  
20 by the licensee of the tax at such times, under such conditions,  
21 and in such depositories as shall be prescribed by the State  
22 Treasurer. The deposits shall be deposited to the credit of the  
23 Commonwealth Casino Revenue Fund. The commission may require a  
24 monthly report and reconciliation statement, to be filed with it  
25 on or before the tenth day of each month, with respect to gross  
26 revenues and deposits received and made, respectively, during  
27 the preceding month.

28 (c) Moneys in the Commonwealth Casino Revenue Fund shall be  
29 appropriated, exclusively for reductions in property taxes,  
30 rentals, telephone, gas, electric, and municipal utilities

1 charges of eligible senior citizens and disabled residents of  
2 the Commonwealth as shall be provided by law.

3 Section 1008. Payment of taxes.

4 The tax imposed under section 1006 hereof shall be due and  
5 payable annually on or before March 15 and shall be based upon  
6 gross revenues derived during the previous calendar year. A  
7 licensee shall file its first return and shall report gross  
8 revenues from the time it commenced operations and ending on the  
9 last day of said calendar year. Such report shall be filed with  
10 the commission on or before the following March 15.

11 Section 1009. Determination of tax liability.

12 If a return or deposit required by section 1007 is not filed  
13 or paid, or if a return or deposit when filed or paid is  
14 incorrect or insufficient in the opinion of the State Treasurer,  
15 the amount of tax due or deposit shall be determined by the  
16 State Treasurer from such information as may be available.  
17 Notice of such determination shall be given to the licensee  
18 liable for the payment of the tax or deposit. Such determination  
19 shall finally and irrevocably fix the tax unless the person  
20 against whom it is assessed, within 30 days after receiving  
21 notice of such determination, shall apply to the State Treasurer  
22 for a hearing, or unless the State Treasurer on his own motion  
23 shall redetermine the same. After such hearing the State  
24 Treasurer shall give notice of his determination to the person  
25 against whom the tax is assessed.

26 Section 1010. Penalties.

27 (a) Any licensee who shall fail to file his return when due  
28 or to pay any tax or deposit when the same becomes due, as  
29 herein provided, shall be subject to such penalties and interest  
30 as are provided for in section 403 of the act of March 4, 1971

1 (P.L.6, No.2), as amended, known as the "Tax Reform Code of  
2 1971." If the State Treasurer determines that the failure to  
3 comply with any provision of this chapter was excusable under  
4 the circumstances, he may remit such part or all of the penalty  
5 as shall be appropriate under such circumstances.

6 (b) Any person failing to file a return, failing to pay the  
7 tax or deposit, or filing or causing to be filed, or making or  
8 causing to be made, or giving or causing to be given any return,  
9 certificate, affidavit, representation, information, testimony  
10 or statement required or authorized by this act, or rules or  
11 regulations adopted hereunder which is willfully false, or  
12 failing to keep any records required by this act or rules and  
13 regulations adopted hereunder, shall, in addition to any other  
14 penalties herein or elsewhere prescribed, be guilty of a  
15 misdemeanor and subject to not more than three years  
16 imprisonment or a fine of \$100,000 or both.

17 (c) The certificate of the State Treasurer to the effect  
18 that a tax or deposit has not been paid, that a return has not  
19 been filed, that information has not been supplied, or that  
20 inaccurate information has been supplied pursuant to the  
21 provisions of this act or rules or regulations adopted  
22 hereunder, shall be presumptive evidence thereof.

23 (d) If any part of any underpayment of tax required to be  
24 shown on a return is due to fraud, there shall be added to the  
25 tax an amount equal to 50% of the underpayment.

26 Section 1011. Forms.

27 In addition to the other powers granted by this act, the  
28 commission is hereby authorized and empowered to promulgate and  
29 distribute all forms and returns necessary to the implementation  
30 of this act.

1 CHAPTER 11

2 APPROPRIATIONS AND EFFECTIVE DATE

3 Section 1101. Appropriations.

4 (a) There is hereby appropriated the sum of \$800,000 or as  
5 much thereof as may be necessary for initial expenses of the  
6 commission.

7 (b) There is hereby appropriated the sum of \$3,300,000 or as  
8 much thereof as may be necessary to the Department of Justice  
9 for the operating expenses of the bureau and other agencies  
10 directly related to the enforcement of this act.

11 (c) The sums hereinabove appropriated shall be repaid to the  
12 General Fund from the first proceeds received in the  
13 Commonwealth Casino Control Fund during the first six years of  
14 its operation.

15 Section 1102. Effective date.

16 This act shall take effect immediately.