
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 318

Session of
1979

INTRODUCED BY MCKINNEY, ARLENE, SMITH, LYNCH AND FUMO,
FEBRUARY 27, 1979

REFERRED TO STATE GOVERNMENT, FEBRUARY 27, 1979

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 licenses 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.

CHAPTER 11

APPROPRIATIONS AND EFFECTIVE DATE

Section 1101. Appropriations.

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

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

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

Section 1102. Effective date.

This act shall take effect immediately.