

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2176 Session of
1991

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NOVEMBER 12, 1991

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES,
AS AMENDED, NOVEMBER 18, 1991

AN ACT

1 Authorizing limited gambling on excursion boats; imposing a tax
2 on adjusted gross receipts from such gambling; requiring
3 licenses; imposing fees; and providing penalties for
4 violations.

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23 The General Assembly of the Commonwealth of Pennsylvania
24 hereby enacts as follows:

25 Section 1. Short title.

26 This act shall be known and may be cited as the Excursion
27 Boat Gambling Act for Waterfront Economic Development.

28 Section 2. Definitions.

29 The following words and phrases when used in this act shall
30 have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 "Adjusted gross receipts." The gross receipts less winnings
3 paid to wagerers.

4 "Applicant." A person, including an individual, partnership,
5 corporation or association applying for an occupational license
6 or applying for a license to operate an excursion gambling boat.

7 "Cheat." To alter the selection of criteria which determine
8 the result of a gambling game or the amount or frequency of
9 payment in a gambling game.

10 "Commission." The Excursion Boat Gambling Commission created
11 under this act.

12 "Distributor." A person who sells, markets or otherwise
13 distributes gambling games, devices or implements of gambling
14 which are usable in the lawful conduct of gambling games
15 pursuant to this act to a licensee authorized to conduct
16 gambling games pursuant to this act.

17 "Dock." The location where an excursion gambling boat is
18 continuously docked or where it moors for the purpose of
19 embarking passengers for and disembarking passengers from a
20 gambling excursion.

21 "Excursion gambling boat." A self-propelled excursion boat,
22 having a capacity of at least 200 persons, on which lawful
23 gambling is authorized and licensed as provided in this act.

24 ~~"Excursion season." The months of January through December.~~ <—

25 "EXCURSION SEASON." THE PERIOD OF TIME BEGINNING MARCH 1 AND <—
26 ENDING NOVEMBER 30.

27 "Gambling device." A slot machine or video game of chance.

28 "Gambling game." Includes, but is not limited to, twenty-
29 one, poker, keno layout, dice, slot machine, video game of
30 chance or roulette wheel and any other game as may be authorized

1 by this act.

2 "Gross receipts." The total sums wagered under this act.

3 "Holder of occupational license." A person licensed by the
4 Excursion Boat Gambling Commission to perform an occupation
5 which the commission has identified as requiring a license to
6 engage in excursion boat gambling.

7 "Implements of gambling." Any product, device or component
8 thereof the use of which directly influences the outcome of a
9 gambling game.

10 "Law enforcement agency." Any State or local police
11 department or law enforcement agency having the power to
12 exercise jurisdiction over excursion boat gambling.

13 "Licensee." A person licensed under this act.

14 "Manufacturer." A person who designs, assembles, fabricates,
15 produces, constructs or otherwise prepares a product or a
16 component part of a product of any implement of gambling usable
17 in the lawful conduct of gambling games pursuant to this act.

18 ~~"Municipality." A city, borough, incorporated town or~~ <—
19 ~~township, regardless of form of government. The term shall not~~
20 ~~include counties.~~

21 "MUNICIPALITY." A CITY OF THE FIRST OR SECOND CLASS. <—

22 "Operator." A person who is licensed to operate an excursion
23 gambling boat that he owns.

24 Section 3. Application of act.

25 This act applies only to excursion boat gambling. It does not
26 apply to horse racing, the State lottery, bingo or any other
27 type of gambling.

28 Section 4. Powers and authority.

29 The commission shall have full jurisdiction over and shall
30 supervise all gambling operations governed by this act, and

1 shall have the following powers:

2 (1) To investigate and determine the eligibility of
3 applicants for a license, and to select among competing
4 applicants, the applicant or applicants which best serve the
5 interests of the citizens of this Commonwealth.

6 (2) To license operators, to identify occupations within
7 the excursion gambling boat operations which require
8 licensing, to adopt standards for licensing the occupations,
9 and to establish fees for the occupational licenses. The fees
10 shall be paid to the commission and, net of the expenses of
11 the commission and reimbursements to the Attorney General as
12 provided below, the fees shall be deposited in the Lottery
13 Fund for the benefit of senior citizens. All net revenue
14 received by the commission from license fees and admission
15 fees shall likewise be deposited in the special account in
16 the Lottery Fund. The commission shall allocate a minimum of
17 \$1,000,000 annually to be used for the treatment of
18 compulsive behaviors in accordance with regulations adopted
19 by the commission. The first such allocation shall be made in
20 the first fiscal year commencing one year following the
21 effective date of this act. The commission shall also
22 allocate to the Office of Attorney General funds sufficient
23 to reimburse the Office of Attorney General for its expenses
24 incurred for law enforcement activities related to excursion
25 gambling boats and the excursion gambling boat industry. The
26 commission shall also entertain petitions from any other law
27 enforcement agency which requests reimbursement from the
28 commission for costs and expenses directly related to law
29 enforcement activities resulting from excursion boat
30 gambling.

1 (3) To adopt standards under which all excursion
2 gambling boat operations shall be held and standards for the
3 facilities within which the gambling operations shall be
4 held. The commission may authorize the operation of gambling
5 games on an excursion gambling boat which is also licensed to
6 sell or serve alcoholic beverages, wine or beer.

7 (4) To regulate the wagering structure for gambling
8 excursions, including providing a maximum wager of \$5 per
9 hand or play and a maximum loss of \$200 per individual player
10 per gambling excursion.

11 (5) To enter the office, excursion gambling boat,
12 facilities or other places of business of a licensee to
13 determine compliance with this act.

14 (6) To investigate alleged violations of this act or
15 commission rules, regulations, orders or decisions, and, IN <—
16 THE COURSE OF SUCH INVESTIGATIONS, TO SEIZE AND IMPOUND BOOKS
17 AND RECORDS OF OPERATIONS, SUPPLIES, EQUIPMENT, CASH BOXES,
18 COUNTING ROOMS, GAMES OR GAMING DEVICES, AND to take
19 appropriate disciplinary action against a licensee or a
20 holder of an occupational license for a violation, or refer
21 the same to the appropriate law enforcement agency.

22 (7) To require a licensee, an employee of a licensee or
23 holder of an occupational license to remove a person
24 violating a provision of this act or the commission rules,
25 orders, final orders or other person deemed to be undesirable
26 from the excursion gambling boat facilities.

27 (8) To require the removal of a licensee, an employee of
28 a licensee or a holder of an occupational license for a
29 violation of this act or a commission rule, regulation, order
30 or decision or for engaging in a fraudulent practice.

1 (9) To impose fines upon any corporation, association or
2 person participating in any way at any place where any
3 excursion boat gambling is conducted, other than as a patron
4 and whether licensed by the commission or not, for a
5 violation of any provision of this act or the rules and
6 regulations promulgated by the commission, not exceeding
7 \$5,000 for each violation, which fines shall be paid into the
8 State Treasury through the Department of Revenue and credited
9 to the Lottery Fund.

10 (10) To require an operator to file an annual balance
11 sheet and profit and loss statement pertaining to the
12 operator's gambling activities in this Commonwealth, together
13 with a list of the stockholders or other persons having any
14 equity or beneficial interest in the gambling activities of
15 each operator.

16 (11) To issue subpoenas for the attendance of witnesses
17 and subpoenas duces tecum for the production of books,
18 records and other pertinent documents and to administer oaths
19 and affirmations to witnesses.

20 (12) To keep accurate and complete records of its
21 proceedings and to certify the records as may be appropriate.

22 (13) To assess a fine and revoke or suspend licenses.

23 (14) To take any other action as may be reasonable or
24 appropriate to enforce this act and commission rules,
25 regulations, orders and decisions.

26 (15) To require all licensees of gambling game
27 operations to utilize a cashless wagering system whereby all
28 players' money is converted to tokens, electronic cards or
29 chips which can be used only for wagering on the excursion
30 gambling boat.

1 (16) To ensure that the gambling games authorized under
2 this act are conducted fairly. No gambling device shall be
3 set to pay out less than 80% of all wagers.

4 (17) To promulgate such regulations as may be necessary
5 to implement this act.

6 (18) To appoint an executive director to hold office at
7 its pleasure. The executive director shall have powers and
8 duties as the commission shall prescribe and shall receive
9 compensation as the commission shall determine. The executive
10 director shall have the authority to employ personnel
11 necessary to carry out the duties of the office. No executive
12 director shall hold office unless he has a minimum of ten
13 years administrative experience. The Pennsylvania State
14 Police must also conduct a thorough background check on the
15 individuals under consideration by the commission for the
16 position of executive director. The executive director will
17 be required to meet the same qualification criteria and give
18 the same oath of office, and will be subject to the same
19 disqualification criteria, as required of appointees to the
20 commission under sections 20, 21 and 22.

21 (19) To require any applicant for the position of
22 executive director or any other position for which a license
23 is required under this act, to pay the cost of a criminal
24 history record check, as required in 18 Pa.C.S. § 9151
25 (relating to right to access and review) and a record check
26 conducted by the Federal Bureau of Investigations.

27 (20) To use funds derived from license and admission
28 fees to acquire such furnishing, equipment, supplies,
29 stationery, books, motor vehicles and any items or equipment
30 it may deem necessary or desirable in carrying out its duties

as provided for in this act.

(21) To incur such other expenses, within the limits of available funds, as it may deem necessary.

Section 5. Statement of intent.

(a) General rule.--A person who intends to apply for a manufacturer's, distributor's or excursion gambling boat operator's license, must first file a statement of intent with the commission. The statement shall include:

(1) the name and address of the person, partnership or corporation which intends to file an application; and

(2) the type of license that will be applied for.

(b) Fees.--

(1) The filing fees which must accompany the statement of intent shall be as follows:

(i) For manufacturers and distributors \$2,500.

(ii) For operators \$25,000.

(2) The filing fee shall be applied to the applicant's license fee if a license is subsequently approved by the commission.

(3) The full fee shall be refunded if the subsequent application is denied by the commission.

(4) An applicant may also withdraw the statement of intent at any time and shall be entitled to a full refund of the fee.

(c) When not required.--The statement of intent is not required for renewal of a license nor is it required of an applicant for an occupational license.

(d) Waiver.--The requirement of a statement of intent is waived 12 months after the effective date of this act if the commission certifies it has sufficient finances on hand to meet

1 the budget requirements of this act. The certification shall be
2 published in the Pennsylvania Bulletin.

3 Section 6. Applications for excursion gambling boat operators'
4 licenses.

5 (a) General rule.--A person may apply to the commission for
6 a license to operate excursion gambling boats ~~within a county~~ <—
7 FROM A PORT IN A MUNICIPALITY AS described in section 9. The <—
8 application shall be filed with the administrator of the
9 commission at least 90 days before the first day of the next
10 excursion season, shall identify each excursion gambling boat
11 upon which gambling games will be authorized and shall include
12 United States Coast Guard registration number of each such boat,
13 shall specify the exact location where each excursion gambling
14 boat will be docked, and shall be in a form and contain such
15 information as the commission prescribes. Notwithstanding the
16 foregoing, an operator's license issued under the terms of this
17 act will restrict the licensee to operate not more than two
18 excursion gambling boats ~~in any county~~ FROM A PORT eligible <—
19 under section 9.

20 (b) Initial license fee.--The initial license fee shall be
21 \$50,000.

22 (c) Annual license fee.--The annual license fee to operate
23 an excursion gambling boat shall be based on the passenger-
24 carrying capacity, including crew, for which the excursion
25 gambling boat is registered. The initial annual fee shall be \$25
26 per person-capacity and shall be subject to change pursuant to
27 section 13(c).

28 Section 7. Occupational, distributor and manufacturer licenses.

29 (a) License required.--A manufacturer or distributor of
30 gambling games or implements of gambling and any person who will

1 be employed on a excursion gambling boat in an occupation
2 designated by the commission shall apply for a license upon a
3 form prescribed by the commission annually before January 1, and
4 shall submit the appropriate license fee. A prospective licensee
5 shall provide such information as the commission requires. The
6 license fee for a distributor is \$10,000, and the license fee
7 for a manufacturer is \$10,000. The license fee for an
8 occupational license shall be established by the commission. The
9 license fees shall be credited to the special account provided
10 for in section 4(2).

11 (b) Limitations on operators.--

12 (1) An operator shall purchase all gambling games or
13 implements of gambling from a distributor or manufacturer
14 licensed pursuant to this act. An operator shall not sell,
15 lease or give gambling games or implements of gambling to
16 another licensee.

17 (2) An operator shall not be a manufacturer or
18 distributor of gambling games or implements of gambling.

19 (3) A manufacturer shall not be a distributor or an
20 operator.

21 (4) A distributor shall not be a manufacturer or an
22 operator.

23 (c) Certification from crime commission.--Before a
24 manufacturer's or distributor's license is issued pursuant to
25 this section, the commission shall receive a certification from
26 the Pennsylvania Crime Commission that the applicant is not
27 connected to organized crime or involved in organized crime
28 activities.

29 (d) Suspension or revocation of license.--The commission may
30 suspend or revoke the license of a distributor or manufacturer

1 for a violation of this act or a rule adopted pursuant to this
2 act committed by the distributor or manufacturer or an officer,
3 director, employee or agent of the manufacturer or distributor.

4 (e) Procedures.--A manufacturer or distributor of gambling
5 games who has been granted a license under this section shall
6 have a representative within this Commonwealth to take delivery
7 of gambling games or implements of gambling prior to delivery to
8 an operator. The manufacturer or distributor shall provide the
9 commission with a copy of the invoice showing the items shipped
10 and a copy of the bill of lading. When received, the gambling
11 games or implements of gambling shall be stored in a public
12 warehouse in this Commonwealth until delivered to the operator
13 or, after delivery is complete, the shipment may be transferred
14 to an operator.

15 Section 8. Requirements of license applicant.

16 (a) Information.--An applicant to become a licensee, other
17 than a holder of an occupational license, must produce
18 information, documentation and assurances concerning the
19 following:

20 (1) The full name, residence, date of birth,
21 fingerprints and other personal identifying information as
22 the commission deems necessary.

23 (2) A copy of the applicant's criminal history record
24 information pursuant to 18 Pa.C.S. Ch. 91 (relating to
25 criminal history record information). The applicant must also
26 include copies of criminal history record information from
27 any other jurisdiction where the applicant resided or had a
28 principal place of business during a ten-year period
29 immediately preceding the filing of the application. Where no
30 such information exists, the applicant must submit a letter

1 so indicating from the respective law enforcement agency.

2 (3) Information, documentation and assurances concerning
3 financial background and resources as may be required to
4 establish by clear and convincing evidence the financial
5 stability, integrity and responsibility of the applicant.
6 Information under this paragraph includes, but is not limited
7 to, bank references, business and personal income and
8 disbursement schedules, tax returns and other reports filed
9 with governmental agencies and business and personal
10 accounting and check records and ledgers. In addition, the
11 applicant must authorize in writing the examination of all
12 bank accounts and records as deemed necessary by the
13 commission. If a nonpublicly traded corporation has any
14 equitable interest in the applicant, this paragraph applies
15 to all stockholders of the corporation.

16 (4) Information, documentation and assurances as
17 necessary to establish by clear and convincing evidence the
18 integrity of all financial backers; investors; mortgages;
19 bondholders; and holders of indentures, notes or other
20 evidence of indebtedness, either in effect or proposed, which
21 bears any relation to the excursion gambling boat proposal
22 submitted by the applicant. The integrity of financial
23 sources shall be judged upon the same standards as the
24 applicant. The applicant must produce whatever information,
25 documentation or assurances required to establish by clear
26 and convincing evidence the adequacy of financial resources,
27 both as to the completion of the excursion gambling boat and
28 the operation of the excursion gambling boat.

29 (5) Information, documentation and assurances required
30 to establish by clear and convincing evidence the applicant's

1 good character, honesty and integrity. Information under this
2 paragraph includes, without limitation, information
3 pertaining to family, habits, character, reputation, criminal
4 and arrest record, business activities, financial affairs,
5 business associates, professional associates and personal
6 associates, covering at least the ten-year period immediately
7 preceding the filing of the application. The applicant must
8 notify the commission of any civil judgments obtained against
9 the applicant pertaining to Federal, State or foreign
10 antitrust or security regulation laws. If the applicant has
11 conducted gaming operations in a jurisdiction which permits
12 such activity, the applicant must produce letters of
13 reference from the gaming or casino enforcement or control
14 agency which specify the experiences of the agency with the
15 applicant, the applicant's associates and the applicant's
16 gaming operation. If the letters are not received within 60
17 days of request, the applicant may submit a statement under
18 oath that, during the period such activities were conducted,
19 the applicant was in good standing with the appropriate
20 gaming or casino enforcement or control agency.

21 (6) Information, documentation and assurances as
22 required to establish by clear and convincing evidence that
23 the applicant has sufficient business ability and excursion
24 gambling boat experience as to support the likelihood of
25 creation and maintenance of a successful, efficient excursion
26 gambling boat operation. The applicant must produce the names
27 of all proposed excursion gambling boat employees as they
28 become known, a description of their respective or proposed
29 responsibilities and a full description of security systems
30 and management controls proposed for the excursion gambling

1 boat and related facilities. This paragraph shall not apply
2 to applicants for a distributor's license or a manufacturer's
3 license.

4 (b) Applicant disqualification criteria.--The commission
5 shall deny a license to any applicant who is disqualified on the
6 basis of any of the following criteria:

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

10 (2) Failure of the applicant to provide information,
11 documentation and assurances required by this act or
12 requested by the commission; failure of the applicant to
13 reveal any fact which is material to qualification; or
14 supplying information which is untrue or misleading as to a
15 material fact pertaining to the qualification criteria.

16 (3) The applicant or any person required to be qualified
17 under this act as a condition of licensure has been convicted
18 of, or pleaded guilty or no contest to, any of the following
19 offenses or their equivalent in another jurisdiction:

20 Section 1134(a)(14), (30), (36) or (37) of the act of
21 April 14, 1972 (P.L.233, No.64), known as The Controlled
22 Substance, Drug, Device and Cosmetic Act.

23 18 Pa.C.S. § 911 (relating to corrupt organizations).

24 18 Pa.C.S. § 3301 (relating to arson and related
25 offenses).

26 18 Pa.C.S. § 3302 (relating to causing or risking
27 catastrophe).

28 18 Pa.C.S. § 3502 (relating to burglary).

29 18 Pa.C.S. § 3701 (relating to robbery).

30 18 Pa.C.S. § 3921 (relating to theft by unlawful

1 taking or disposition).

2 18 Pa.C.S. § 3922 (relating to theft by deception).

3 18 Pa.C.S. § 3923 (relating to theft by extortion).

4 18 Pa.C.S. § 3924 (relating to theft of property
5 lost, mislaid, or delivered by mistake).

6 18 Pa.C.S. § 3925 (relating to receiving stolen
7 property).

8 18 Pa.C.S. § 3926 (relating to theft of services).

9 18 Pa.C.S. § 3927 (relating to theft by failure to
10 make required disposition of funds received).

11 18 Pa.C.S. § 3930 (relating to theft of trade
12 secrets).

13 18 Pa.C.S. § 3932 (relating to theft of leased
14 property).

15 18 Pa.C.S. § 3933 (relating to unlawful use of
16 computer).

17 18 Pa.C.S. § 4101 (relating to forgery).

18 18 Pa.C.S. § 4104 (relating to tampering with records
19 or identification).

20 18 Pa.C.S. § 4108 (relating to commercial bribery and
21 breach of duty to act disinterestedly).

22 18 Pa.C.S. § 4112 (relating to receiving deposits in
23 a failing financial institution).

24 18 Pa.C.S. § 4302 (relating to incest).

25 18 Pa.C.S. § 4701 (relating to bribery in official
26 and political matters).

27 18 Pa.C.S. § 4702 (relating to threats and other
28 improper influence in official and political matters).

29 18 Pa.C.S. § 4902 (relating to perjury).

30 18 Pa.C.S. § 4911 (relating to tampering with public

1 records or information).

2 18 Pa.C.S. § 5111 (relating to dealing in proceeds of
3 unlawful activities).

4 18 Pa.C.S. § 5301 (relating to official oppression).

5 18 Pa.C.S. § 5302 (relating to speculating or
6 wagering on official action or information).

7 18 Pa.C.S. § 5512 (relating to lotteries, etc.).

8 18 Pa.C.S. § 5513 (relating to gambling devices,
9 gambling, etc.).

10 18 Pa.C.S. § 6312 (relating to sexual abuse of
11 children).

12 18 Pa.C.S. § 6314 (relating to sentencing and
13 penalties for trafficking drugs to minors).

14 (4) The applicant or any person required to be qualified
15 under this act as a condition of licensure has been convicted
16 of, or pleaded guilty or no contest to, any other offense
17 under present Federal or State law which indicates that
18 licensure of the applicant would be inimical to the policy of
19 this act and to excursion gambling boat operations. The
20 automatic disqualification provisions of this paragraph shall
21 not apply with regard to:

22 (i) any conviction which did not occur within the
23 ten-year period immediately preceding application for
24 licensure and which the applicant demonstrates by clear
25 and convincing evidence does not justify automatic
26 disqualification pursuant to this subsection; or

27 (ii) any conviction or plea which has been the
28 subject of a judicial order of expungement or sealing.

29 (5) Current prosecuting or pending charges in any
30 jurisdiction of the applicant or of any person who is

1 required to be qualified under this act as a condition of
2 licensure for any of the offenses enumerated in paragraph
3 (3). At the request of the applicant or the person charged,
4 the commission shall defer decision upon such application
5 during the pendency of such charge.

6 (6) The pursuit, by the applicant or any person who is
7 required to be qualified under this act as a condition of
8 licensure, of economic gain in an occupational manner or
9 context which is in violation of the criminal or civil public
10 policies of this Commonwealth, if such pursuit creates a
11 reasonable belief that the participation of the person in
12 excursion gambling boat operations would be inimical to the
13 policies of this act or to legalized gaming in this
14 Commonwealth. For the purposes of this paragraph,
15 "occupational manner" or "context" shall be defined as the
16 systematic planning, administration, management or execution
17 of an activity for financial gain.

18 (7) The commission by the applicant, or any person who
19 is required to be qualified under this act as a condition of
20 licensure, of any act which would constitute an offense under
21 paragraph (3), even if such conduct has not or may not be
22 prosecuted under the criminal laws of this Commonwealth.

23 (8) The applicant is a corporation and 10% of the stock
24 of the corporation is subject to a contract or option to
25 purchase at any time during the period for which the license
26 is to be issued, unless the contract or option was disclosed
27 to the commission and the commission approved the sale or
28 transfer during the period of the license.

29 (9) The applicant has two other licenses issued under
30 this act.

1 (c) Additional fee.--The commission shall charge the
2 prospective licensee a fee to defray the costs associated with
3 the search and classification of fingerprints and background
4 investigations. This fee is in addition to any other license fee
5 charged by the commission. The commission shall reimburse the
6 Pennsylvania State Police for any costs or expenses connected
7 with the search and classification of fingerprints and
8 background investigations.

9 (d) Background investigation.--Before a license is granted,
10 the Pennsylvania State Police shall conduct a thorough
11 background investigation of the applicant for a license to
12 operate an excursion gambling boat. The Pennsylvania State
13 Police shall submit the fingerprints of the applicant to the
14 Federal Bureau of Investigation for a background check. The
15 applicant shall provide information on a form as required by the
16 Pennsylvania State Police.

17 (e) Additional corporate requirements.--If the applicant for
18 an operator's license is a corporation, before an operator's
19 license is granted, the corporation:

20 (1) shall incorporate in Pennsylvania or create a
21 Pennsylvania subsidiary corporation, which such subsidiary
22 corporation may be a wholly or partially owned subsidiary of
23 a corporation which is organized pursuant to the laws of
24 another state of the United States;

25 (2) shall comply with all the requirements of the laws
26 of the Commonwealth of Pennsylvania pertaining to
27 corporations; and

28 (3) shall maintain all operating accounts required by
29 the commission in a bank in the Commonwealth of Pennsylvania.

30 (f) Tourism.--Before a license is granted, an operator of an

1 excursion gambling boat shall work with the Department of
2 Commerce to promote tourism in this Commonwealth. Tourism
3 information from local civic and private persons may be
4 submitted for dissemination.

5 (g) Offense.--A person who knowingly makes a false statement
6 in connection with the application commits a violation of 18
7 Pa.C.S. § 4903 (relating to false swearing).

8 (h) Certificate from crime commission.--Before an operator's
9 license is granted, the commission shall receive a certification
10 from the Pennsylvania Crime Commission that the applicant is not
11 connected to organized crime or involved in organized crime
12 activities.

13 (i) Warrantless search.--The operator or a holder of an
14 occupational license shall consent to the search by an agent of
15 the commission or law enforcement agency without a warrant of
16 the operator or holder's person, personal property and effects,
17 and premises which are located within the area of the excursion
18 gambling boat where gambling is permitted for criminal
19 violations of this chapter or violations of rules, regulations,
20 orders or decisions of the commission.

21 Section 9. Terms and conditions of licenses; limitation of
22 location; revocation.

23 (a) Issuance.--If the commission is satisfied that this act
24 and its rules adopted under this act applicable to licensees
25 have been or will be complied with, the commission shall issue
26 the appropriate license. The commission shall decide the number,
27 location and type of excursion gambling boats for operation on <—
28 ~~the rivers, lakes and reservoirs of~~ IN this Commonwealth. The <—
29 license shall set forth the name of the licensee, the type of
30 license granted, the place where the excursion gambling boats

1 will operate and dock, and the time and number of days during
2 the excursion season when gambling may be conducted by the
3 licensee, provided, however, that an operator's license to
4 conduct excursion boat gambling shall limit the operator to
5 conduct excursion boat gambling only ~~within a county which~~ <—
6 ~~contains either a city of the first class or a city of the~~
7 ~~second class, as such is determined under the act of June 25,~~
8 ~~1895 (P.L.275), entitled "An act dividing the cities of this~~
9 ~~State into four classes with respect to their population, and~~
10 ~~designating the mode of ascertaining and changing the~~
11 ~~classification thereof in accordance therewith."~~ FROM PORTS <—
12 LOCATED WITHIN CITIES OF THE FIRST AND SECOND CLASS. An
13 operator's license issued pursuant to the terms of this act
14 shall be valid for five years from the date of issue, subject to
15 the prompt payment by the operator licensee of the annual
16 license fee described in section 6(c).

17 (b) Conditions.--A license shall be granted to an applicant
18 only upon the express conditions that:

19 (1) The applicant shall not, by lease, contract,
20 understanding or arrangement of any kind, grant, assign or
21 turn over to any person the operation of an excursion
22 gambling boat licensed under this section or the operation of
23 the system of wagering described in section 12. This section
24 does not prohibit a management contract approved by the
25 commission.

26 (2) The applicant shall not in any manner permit a
27 person other than the operator to have a share, percentage or
28 proportion of the money received for admissions to the
29 excursion gambling boat.

30 (3) Notwithstanding section 10, the sale, assignment,

1 transfer, pledge or other disposition of any security issued
2 by a corporation which holds an operator's license shall be
3 conditional and shall be ineffective if disapproved by the
4 commission.

5 (4) Any violation of the provisions of this act
6 committed by any employee of the operator of an excursion
7 gambling boat shall be immediately reported by the operator
8 to the appropriate law enforcement agencies whether or not
9 the violation is a criminal violation or prosecuted as such.

10 (c) Pennsylvania resources, goods and services.--The
11 commission shall require that an applicant utilize Pennsylvania
12 resources, goods and services in the operation of an excursion
13 gambling boat where feasible and obtainable. The commission
14 shall develop standards to assure that a substantial amount of
15 all resources and goods used in the operation of an excursion
16 gambling boat come from Pennsylvania and that a substantial
17 amount of all services and entertainment be provided by
18 Pennsylvanians. The requirement of this subsection shall not
19 limit hiring for essential crew positions related to the
20 gambling operation, vessel operation or passenger safety.

21 (d) Conditions.--The commission shall, as a condition of
22 granting a license, require an applicant to provide written
23 documentation that, on each excursion gambling boat:

24 (1) The applicant makes every effort to ensure that a
25 substantial number of the staff and entertainers employed are
26 residents of this Commonwealth.

27 (2) All security guards employed to supervise the
28 gambling activities upon an excursion gambling boat are
29 employees of the operator.

30 (3) A section is reserved for promotion and sale of

arts, crafts and gifts native to and made in this
Commonwealth.

(4) NO MORE THAN 50% OF THE SQUARE FOOTAGE SHALL BE USED <—
FOR GAMBLING ACTIVITY UNLESS THE COMMISSION HAS APPROVED A
GREATER PERCENTAGE UPON THE SUBMITTAL OF A PETITION FROM THE
APPLICANT. WHEN REVIEWING SUCH A PETITION FOR SPACE
EXPANSION, THE COMMISSION SHALL TAKE INTO CONSIDERATION THE
ACCOMMODATION OF THE PUBLIC.

(e) Wages.--All employees of an excursion gambling boat
licensee who work on and within the premises of the excursion
gambling boat shall be paid at least 25% above the Federal
minimum wage level.

(f) Loans prohibited.--An operator shall not loan to any
person money or any other thing of value for the purpose of
permitting that person to wager on any gambling game. This does
not prohibit credit card or debit card transactions or cashing
of checks in the ordinary course of business.

(g) Docking fee.--If a docking fee is charged by a
municipality, the operator shall pay the docking fee one year in
advance.

(h) Payment of taxes and fees.--An operator shall not be
delinquent in the payment of property taxes or other taxes or
fees or in the payment of any other contractual obligation or
debt due or owed to a political subdivision ~~of~~ OR the <—
Commonwealth.

(i) Requirements of State agencies.--An excursion gambling
boat operated on waters of this Commonwealth shall be in
compliance with all existing regulatory requirements of State
agencies which have jurisdiction over boating activities in this
Commonwealth.

1 (j) Revocation of license.--Upon a violation of any of the
2 conditions listed in this section, the commission shall
3 immediately revoke the license.

4 Section 10. Operators; filing of information concerning
5 security transfers; necessity for commission
6 approval.

7 (a) Security transfer filing.--Whenever a transfer of
8 securities comprising an interest of 5% or more in an operator
9 which is a licensed corporation, or comprising an interest of 5%
10 or more in any corporation which leases to a licensed
11 corporation the excursion boat at which it conducts excursion
12 boat gambling or comprising an interest of 5% or more in any
13 corporation which owns 25% or more of the securities of the
14 licensed corporation shall be made, there shall be filed,
15 simultaneously, with the corporation which issued such
16 securities the following:

17 (1) In duplicate, an affidavit executed by the
18 transferee of the interest stating that he is to be the sole
19 beneficial owner thereof, and whether or not he:

20 (i) has been convicted of a crime involving moral
21 turpitude;

22 (ii) has been engaged in bookmaking or other forms
23 of illegal gambling;

24 (iii) has been found guilty of any fraud or
25 misrepresentation in connection with excursion boat
26 gambling;

27 (iv) has been guilty of any violation or attempt to
28 violate any law, rule or regulation of any jurisdiction,
29 for which suspension from excursion boat gambling might
30 be imposed in such jurisdiction; or

1 (v) has violated any rule, regulation or order of
2 the commission.

3 If the transferee of the interest is not, or is not to be,
4 the sole beneficial owner, there shall be annexed to the
5 affidavit of the transferee, and expressly stated in such
6 affidavit, a true and complete copy of all terms of the
7 agreement pursuant to which the interest in the corporation
8 is to be held by the transferee, including a detailed
9 statement of the interest of each person who is to have any
10 interest therein.

11 (2) In duplicate, an affidavit executed by each person
12 for whom the interest is to be held by the transferee,
13 setting forth whether or not the affiant:

14 (i) has been convicted of a crime involving moral
15 turpitude;

16 (ii) has engaged in bookmaking or other forms of
17 illegal gambling;

18 (iii) has been found guilty of any fraud or
19 misrepresentation in connection with excursion boat
20 gambling;

21 (iv) has been guilty of any violation or attempt to
22 violate any law, rule or regulation of any racing
23 jurisdiction, for which suspension from excursion boat
24 gambling might be imposed in such jurisdiction; or

25 (v) has violated any rule, regulation or order of
26 the commission.

27 To each of the affidavits shall be annexed, and expressly
28 stated in such affidavit, a true and complete copy of all the
29 terms of the agreement pursuant to which the interest is to
30 be held by the transferee, including a detailed statement of

1 the interest of each person who is to have any interest
2 therein. The corporation shall file with the commission one
3 of each duplicate affidavits.

4 (b) New affidavit.--If, after the filing of any affidavit
5 required to be filed, there shall be any change in the status of
6 any affiant with respect to any of the matters set forth in
7 subsection (a)(1) of the affidavit filed, the affiant shall file
8 with the corporation with which his affidavit was so filed a new
9 affidavit, executed by him in duplicate, setting forth the
10 change of status and the corporation shall file one of these
11 affidavits with the commission.

12 (c) Other filings.--Whenever any change shall be made in the
13 amount, nature or of the interest of any person having an
14 interest of 5% or more in any corporation, or any new interest
15 of 5% or more shall be created therein, without a transfer as
16 provided, the record owner of the securities, and each person
17 whose interest has been attempted to be changed or created,
18 shall file with the corporation which issued the securities, in
19 duplicate, affidavits as provided by subsection (a)(1) and (2),
20 except that these affidavits need not include the matter
21 referred to in subsection (a) unless then required pursuant to
22 subsection (b) and one copy thereof shall be filed by the
23 corporation with the commission.

24 (d) Commission ordered security disposition.--

25 (1) If the commission determines that it is inconsistent
26 with the public interest, convenience, or necessity, or with
27 the best interest or excursion boat gambling generally, that
28 any person continue to be a security holder of record, or the
29 beneficial owner of any interest in securities standing in
30 the name of another in any licensed corporation or of any

1 corporation which leases to such licensed corporation the
2 excursion boat at which it conducts excursion boat gambling
3 or which owns 25% or more of the securities of the licensee,
4 the commission shall have full power and authority to order
5 each security holder or beneficial owner to dispose of his
6 securities or interest within a period of time to be
7 specified by the appropriate commission, which period the
8 appropriate commission shall have full power to extend.

9 (2) If the commission shall make any order or direction
10 as provided in paragraph (1), the person aggrieved shall be
11 given notice of the time and place of a hearing before the
12 commission, at which time the commission will hear the person
13 in reference thereto.

14 Section 11. Bond of operator.

15 An operator shall post a bond to the Commonwealth before the
16 license is issued in such sum as the commission shall fix, with
17 sureties to be approved by the commission. The bond shall be
18 used to guarantee that the operator faithfully makes the
19 payments, keeps its books and records, makes reports, and
20 conducts its gambling games in conformity with this act and the
21 rules adopted by the commission. The bond shall not be canceled
22 by a surety on less than 30-day notice in writing to the
23 commission. If a bond is canceled and the operator fails to file
24 a new bond with the commission in the required amount on or
25 before the effective date of cancellation, the operator's
26 license shall be revoked. The total and aggregate liability of
27 the surety on the bond is limited to the amount specified in the
28 bond.

29 Section 12. Wagering; minors prohibited.

30 (a) Wagering.--The operator shall permit no form of wagering

1 on gambling games, except as permitted in this section.

2 (b) Maximum wagers and losses.--Operators shall allow only a
3 maximum wager of \$5 per hand or play and a maximum loss of \$200
4 per person during each gambling excursion. However, the
5 commission may adopt rules allowing additional wagers consistent
6 with generally accepted wagering options in the games of twenty-
7 one and dice.

8 (c) Wagerers to be present.--The operator may receive wagers
9 only from persons present on an excursion gambling boat.

10 (d) Tokens, chips, etc.--The operator shall exchange the
11 money of each wagerer for tokens, chips or other forms of credit
12 to be wagered on the gambling games. The operator shall exchange
13 the gambling tokens, chips or other forms of wagering credit for
14 money at the request of the wagerer. Wagering shall not be
15 conducted with money or other negotiable currency.

16 (e) Persons under 21 years.--A person under the age of 21
17 years shall not be permitted to make a wager on an excursion
18 gambling boat. No person under the age of 21 years shall be
19 allowed in the area of the excursion boat where gambling is
20 being conducted except where authorized by the act of April 12,
21 1951 (P.L.90, No.21), known as the Liquor Code.

22 (f) Gambling when boat is docked.--An operator shall not
23 conduct gambling games while the excursion gambling boat is
24 docked during the excursion season unless it is only temporarily
25 docked for embarking or disembarking passengers, crew or
26 supplies, or for mechanical problems or adverse weather or other
27 conditions adversely affecting safe navigation, during the
28 course of an excursion cruise. ~~At the operator's discretion, an~~ <—
29 ~~excursion gambling boat is permitted to remain docked during the~~
30 ~~months of December, January and February, provided that the~~

~~1 excursion gambling boat has been operational for at least 250~~
~~2 days during the excursion season.~~

3 (g) Additional prohibition.--Gaffed games are strictly
4 prohibited.

5 Section 13. Admission fee; tax; local fees.

6 (a) State admission fee.--

7 (1) An operator shall collect and remit to the
8 commission a State admission fee for each person embarking on
9 an excursion gambling boat with a ticket of admission. The
10 State admission fee shall be set by the commission.

11 (2) If tickets are issued which are good for more than
12 one excursion, the State admission fee shall be paid for each
13 person using the ticket on each excursion for which the
14 ticket is used.

15 (3) If free passes or complimentary admission tickets
16 are issued, the operator shall pay the same State fee upon
17 the passes or complimentary tickets as if they were sold at
18 the regular and usual admission rate, except that the
19 operator may issue State fee-free passes to actual and
20 necessary officials and employees of the operator and other
21 persons actually working on the excursion gambling boat.

22 (4) The issuance of State fee-free passes is subject to
23 the rules of the commission. A list of all persons to whom
24 State fee-free passes are issued shall be filed with the
25 commission.

26 (b) Local admission fee.--In addition to the State admission
27 fee charged under subsection (a), a municipality may adopt, by
28 ordinance, an admission fee not exceeding ~~50¢~~ \$1 for each person <—
29 embarking on an excursion gambling boat docked within the
30 municipality.

1 (c) Determination of fees.--In determining the annual
2 license fees and State admission fees to be charged, the
3 commission shall use the amount appropriated to the commission
4 as the basis for determining the amount of revenue to be raised
5 from the license fees and State admission fees. It is the intent
6 of the General Assembly that the commission shall be fully
7 funded from the moneys produced by the annual license and
8 admission fees.

9 (d) Prohibition against other taxes or fees.--No license
10 tax, permit tax, occupation tax, ~~excursion fee, or other tax or~~ <—
11 ~~fee,~~ GROSS RECEIPTS TAX OR EXCURSION FEE shall be levied, <—
12 assessed or collected from an operator by a political
13 subdivision except as provided in this section, nor shall any
14 excise tax be levied, assessed or collected from the operator
15 relating to gambling excursions or admission charges by a
16 political subdivision except as provided in this section.

17 (E) SITUS OF EMPLOYMENT.--FOR THE PURPOSE OF DETERMINING <—
18 LOCATION OF EMPLOYMENT, EMPLOYEES OF AN EXCURSION GAMBLING BOAT
19 SHALL BE CONSIDERED EMPLOYED IN THE MUNICIPALITY WHICH CONTAINS
20 THE PORT AT WHICH THE EXCURSION GAMBLING BOAT DOCKS. ALL
21 RELEVANT TAX STATUTES SHALL SO APPLY.

22 Section 14. Wagering tax; rate; credit.

23 A wagering tax is imposed on the adjusted gross receipts
24 received from gambling games authorized under this act at the
25 rate of 15% of adjusted gross receipts. The taxes imposed by
26 this section shall be paid by the operator to the Department of
27 Revenue within ten days after the close of the month when the
28 wagers were made and shall be distributed as follows:

29 (1) (i) Twenty-five percent of the wagering tax shall
30 be distributed to each county having ~~either a home port~~ <—

~~or a port of call~~, A HOME PORT, WITH SUCH DISTRIBUTION
based on the ratio of the number of passengers embarking
from that port, to the total number of Statewide
embarkations during each calendar month.

(ii) Twenty-five percent of the wagering tax shall
be distributed to each municipality having ~~either a home~~
~~port or a port of call~~, A HOME PORT, WITH SUCH
DISTRIBUTION based on the ratio of the number of
passengers embarking from that port, to the total number
of Statewide embarkations during each calendar month.

(iii) The city and county of Philadelphia shall be
entitled to a distributive share under each of the
formulas described in subparagraphs (i) and (ii).

(2) The remaining amount of the wagering tax shall be
credited to the Lottery Fund of the Commonwealth as described
in section 4(2).

Section 15. Books and records; reports; audits; supervision.

(a) Books and records.--An operator shall keep its books and
records so as to clearly show all of the following:

(1) The total number of admissions to gambling
excursions conducted by the operator on each day, including
the number of admissions upon free passes or complimentary
tickets.

(2) The county and municipality of origin of each
passenger admission whether paid, free or complimentary,
excluding officials and employees of the operator.

(3) The amount received daily from admission fees.

(4) The total amount of money wagered during each
excursion day and the adjusted gross receipts for the day.

(b) Reports.--The operator shall furnish to the commission

1 reports and information as the commission may require with
2 respect to its activities. The commission may designate a
3 representative to board an excursion gambling boat, who shall
4 have full access to all places within the enclosure of the boat
5 and who shall supervise and check the admissions. The
6 compensation of the representative shall be fixed and paid by
7 the commission but the costs thereof shall be borne by the
8 operator.

9 (c) Records to be public.--The information provided to the
10 commission in this section shall be compiled on a monthly basis
11 and be made public through an annual report to be published by
12 the commission.

13 (d) Audits.--Within 90 days after the end of each month, the
14 operator shall transmit to the commission an ~~audit~~ EXAMINATION <—
15 STATEMENT of the financial transactions and condition of the
16 operator's books and records. Additionally, within 90 days after
17 the end of the operator's fiscal year, the operator shall
18 transmit to the commission an audit of the financial
19 transactions and condition of the operator. All audits shall be
20 conducted by certified public accountants who are certificated
21 by the Department of State.

22 Section 16. Annual report of commission.

23 The commission shall make an annual report to the Governor
24 for the period ending December 31 of each year. Included in the
25 report shall be an account of the commission's actions, its
26 financial position and results of operations under this act, the
27 practical results attained under this act and any
28 recommendations for legislation which the commission deems
29 advisable.

30 Section 17. Prohibited activities; penalty.

1 (a) Prohibited conduct.--Any person who uses a device to
2 assist in any of the following shall be ejected and barred for
3 life from embarking upon an excursion gambling boat:

4 (1) Projecting the outcome of the game.

5 (2) Card counting.

6 (3) Analyzing the probability of the occurrence of an
7 event relating to the gambling game.

8 (4) Analyzing the strategy for playing or betting used
9 in the game, except as permitted by the commission.

10 (b) Misdemeanor offenses.--A person commits a misdemeanor of
11 the second degree for any of the following:

12 (1) Operating a gambling excursion where wagering is
13 permitted other than in the manner specified by section 12.

14 (2) Knowingly permitting a person under 21 years of age
15 to make a wager.

16 (3) Wagering or accepting a wager at any location
17 outside the excursion gambling boat.

18 (4) Cheating at a gambling game.

19 (c) Felony offenses.--A person commits a felony of the third
20 degree and, in addition, shall be barred for life from excursion
21 gambling boats under the jurisdiction of the commission, if he
22 does any of the following:

23 (1) Offers, promises or gives anything of value or
24 benefit to a person who is connected with an excursion
25 gambling boat operator, including, but not limited to, an
26 officer or employee of a licensee or holder of an
27 occupational license, pursuant to an agreement or arrangement
28 or with the intent that the promise or thing of value or
29 benefit will influence the actions of the person to whom the
30 offer, promise or gift was made in order to affect or attempt

1 to affect the outcome of a gambling game, or to influence
2 official action of a member of the commission.

3 (2) Solicits or knowingly accepts or receives a promise
4 of anything of value or benefit while the person is connected
5 with an excursion gambling boat, including, but not limited
6 to, an officer or employee of a licensee or holder of an
7 occupational license, pursuant to an understanding or
8 arrangement or with the intent that the promise or thing of
9 value or benefit will influence the actions of the person to
10 affect or attempt to affect the outcome of a gambling game,
11 or to influence official action of a member of the
12 commission.

13 (3) Manufactures, sells, or distributes any cards,
14 chips, dice, game or device which is intended to be used to
15 violate any provision of this act.

16 (4) Alters or misrepresents the outcome of a gambling
17 game on which wagers have been made after the outcome is made
18 sure but before it is revealed to the players.

19 (5) Places a bet after acquiring knowledge, not
20 available to all players, of the outcome of the gambling game
21 which is the subject of the bet or to aid a person in
22 acquiring the knowledge for the purpose of placing a bet
23 contingent on that outcome.

24 (6) Uses counterfeit chips or tokens in a gambling game.

25 (7) Knowingly uses, other than chips, tokens, coin, or
26 other methods or credit approved by the commission, legal
27 tender of the United States, or to use coin not of the
28 denomination as the coin intended to be used in the gambling
29 games.

30 (8) Has in his possession any device intended to be used

1 to violate a provision of this act.

2 (9) Except for an operator or employee of an operator
3 acting in furtherance of the employee's employment, has in
4 his possession any key or device designed for the purpose of
5 opening, entering, or affecting the operation of a gambling
6 game, drop box, or an electronic or mechanical device
7 connected with the gambling game or for removing coins,
8 tokens, chips or other contents of a gambling game.

9 (10) Acting, or employing a person to act, as a shill or
10 decoy to encourage participation in a gambling game.

11 (d) Inference.--The possession of more than one of the
12 devices described in subsection (c)(3), (8) or (9) permits a
13 rebuttable inference that the possessor intended to use the
14 devices for cheating.

15 (e) Exchanging tokens, chips, etc.--Except for wagers on
16 gambling games or exchanges for money as provided in section
17 12(d), a licensee who exchanges tokens, chips, or other forms of
18 credit to be used on gambling games for anything of value
19 commits a misdemeanor of the third degree.

20 Section 18. Forfeiture of property.

21 (a) General rule.--Anything of value, including all
22 traceable proceeds, including, but not limited to, real and
23 personal property, moneys, negotiable instruments, securities,
24 and conveyances, is subject to forfeiture to the Commonwealth if
25 the item was used:

26 (1) in exchange for a bribe intended to affect the
27 outcome of a gambling game; or

28 (2) in exchange for or to facilitate any other violation
29 of this act.

30 (b) Presumption.--All moneys, coin and currency found in

1 close proximity of wagers or of records of wagers are presumed
2 forfeited. The burden of proof is upon the claimant of the
3 property to rebut this presumption.

4 (c) Knowledge as prerequisite.--Subsections (a) and (b)
5 apply only if the act or omission which would give rise to the
6 forfeiture was committed or omitted with the owner's knowledge
7 and consent.

8 Section 19. Report of implementation.

9 The commission shall report to the General Assembly by April
10 1, 1993, the number of excursion gambling boat licenses which
11 the commission has issued. The report shall also include the
12 administrative rules which the commission proposes or has
13 adopted to implement the provisions of this act. ~~which the~~ <—
14 ~~commission proposes or has adopted to implement the provisions~~
15 ~~of this act.~~

16 Section 20. Commission.

17 The River Boat Gambling Commission is created, consisting of
18 seven members, two of whom shall be appointed by the Governor
19 under the provisions of section 207.1(d) of the act of April 9,
20 1929 (P.L.177, No.175), known as The Administrative Code of
21 1929. The remaining five members shall consist of one to be
22 appointed by the President pro tempore of the Senate, one by the
23 Speaker of the House of Representatives, one by the Minority
24 Leader of the Senate and one by the Minority Leader of the House
25 of Representatives. The remaining member shall be appointed by
26 the Attorney General. The members of the commission shall serve
27 three-year terms, except that the Governor's original
28 appointments shall be one for four years and one for two years.
29 One of the Governor's appointees shall be a certified public
30 accountant with a minimum of ten years experience, who is

1 licensed to practice accountancy in this Commonwealth. The
2 Governor's other appointee shall have comprehensive knowledge of
3 the principles and practice of corporate finance and have a
4 minimum of ten years experience in the field. The Attorney
5 General's appointee shall have a minimum of ten years experience
6 in the field of law enforcement. Commissioners may not serve on
7 the commission for more than two terms, consecutively or
8 otherwise.

9 Section 21. Qualifications for commission members.

10 (a) Qualifications enumerated.--The members of the
11 commission shall meet the following requirements:

12 (1) The member must be a United States citizen and
13 resident of this Commonwealth.

14 (2) The member must not be a member of the General
15 Assembly, or hold any elective or appointed office in
16 Federal, State or local government.

17 (3) The member shall not be a member of any committee of
18 any political party or engage in any political party
19 activity.

20 (4) The member shall not be pecuniarily interested in
21 any business or organization holding an operator's,
22 distributor's or manufacturer's license under this act or
23 doing business with any person or organization licensed under
24 this act.

25 (b) Oath of office.--An appointee, before entering upon the
26 duties of commissioner, shall swear that he is not pecuniarily
27 interested in any business or organization holding an
28 operator's, distributor's or manufacturer's license or doing
29 business with any such person or organization. The oath shall be
30 filed in the Office of the Secretary of State.

1 Section 22. Disqualification.

2 Any member of the commission shall be removed from office by
3 the Governor for incompetency, misconduct in office, willful
4 neglect of duty or other conduct evidencing unfitness for the
5 office.

6 Section 23. Exemption from State gambling laws.

7 The possession of gambling devices and the conduct of gambling
8 activities authorized by this act shall not be considered
9 violations of 18 Pa.C.S. § 5513 (relating to gambling devices,
10 gambling, etc.).

11 Section 24. Exemption from Federal regulation.

12 For the purposes of this act, the General Assembly declares
13 that the Commonwealth is exempt from section 2 of the Gambling
14 Devices Transportation Act (64 Stat. 1134, 15 U.S.C. § 1172 et
15 seq.). Shipments of video devices into this Commonwealth in
16 compliance with sections 3 and 4 of the Gambling Devices
17 Transportation Act (64 Stat. 1134, 15 U.S.C. §§ 1173 and 1174)
18 shall be deemed legal shipments into this Commonwealth.

19 Section 25. Effective date.

20 This act shall take effect immediately.