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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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**HOUSE BILL**

**No. 1089** Session of  
2003

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INTRODUCED BY VEON, DeWEESE, KENNEY, CAWLEY, STABACK, FABRIZIO,  
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BELFANTI AND PALLONE, APRIL 8, 2003

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REFERRED TO COMMITTEE ON FINANCE, APRIL 8, 2003

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AN ACT

1 Amending Title 12 (Commerce and Trade) of the Pennsylvania  
2 Consolidated Statutes, providing for waterfront development  
3 and riverboat gaming; establishing the Pennsylvania Gaming  
4 Commission, Gaming Commission Fund and the Riverboat Gaming  
5 Fund; levying a tax; and imposing penalties.

6 The General Assembly of the Commonwealth of Pennsylvania  
7 hereby enacts as follows:

8 Section 1. Title 12 of the Pennsylvania Consolidated  
9 Statutes is amended by adding a chapter to read:

10 CHAPTER 71

11 PENNSYLVANIA GAMING COMMISSION AND WATERFRONT

12 DEVELOPMENT AND RIVERBOAT GAMING

13 Sec.

14 7111. Definitions.

15 7112. Pennsylvania Gaming Commission established.

16 7113. Composition and governance of Pennsylvania Gaming  
17 Commission.

- 1 7114. Meetings of Pennsylvania Gaming Commission.
- 2 7115. Ethics.
- 3 7116. Powers and duties.
- 4 7117. Executive director.
- 5 7118. Criminal history information.
- 6 7119. ExemptionS to disclosure rules.
- 7 7120. Administrative procedures.
- 8 7121. Establishment and use of Gaming Commission Fund; fiscal  
9 affairs of Pennsylvania Gaming Commission.
- 10 7122. Authorized riverboat gaming licenses; applications.
- 11 7123. Qualifications for licenses or findings of suitability.
- 12 7124. Investigations for licenses, action of commission and  
13 further investigation.
- 14 7125. Disclosure of records.
- 15 7126. License not a property right.
- 16 7127. Operator license authorized.
- 17 7128. Distribution of operator licenses; limitation.
- 18 7129. Application for operator license; application fee.
- 19 7130. Suitability for operator license.
- 20 7131. Criteria for award of operator licenses.
- 21 7132. Award and appeal of operator licenses.
- 22 7133. Terms and conditions of operator licenses.
- 23 7134. Obligations of operator licensees.
- 24 7135. Prohibition on assignment; exception.
- 25 7136. Renewal of operator licenses.
- 26 7137. Denial of license; revocation for unsuitability;  
27 forfeiture.
- 28 7138. Supplier licenses authorized.
- 29 7139. Application for supplier license; application fee.
- 30 7140. Background investigation.

- 1 7141. Suitability for supplier license.
- 2 7142. Terms and conditions of supplier licenses.
- 3 7143. Renewal of supplier licenses.
- 4 7144. Denial of license; revocation for unsuitability.
- 5 7145. Occupational license authorized.
- 6 7146. Application for occupation license; application fee.
- 7 7147. Background investigation.
- 8 7148. Standards for award of license.
- 9 7149. Reasons for refusing occupational license.
- 10 7150. Terms and conditions of occupational licenses.
- 11 7151. Training of occupational licensees.
- 12 7152. Renewal of occupational licenses.
- 13 7153. Denial of license; revocation for unsuitability.
- 14 7154. Requirement to register and qualify.
- 15 7155. Transfers of interests in operator licensee.
- 16 7156. Finding of suitability; divestiture by persons found  
17 unsuitable.
- 18 7157. Power to regulate method and timing of riverboat  
19 operations.
- 20 7158. Wagering.
- 21 7159. Use of chips, tokens, etc.
- 22 7160. Age requirement for patrons and gaming employees.
- 23 7161. Gaming debts.
- 24 7162. Exclusion or ejection of certain persons from riverboats.
- 25 7163. Detention of persons.
- 26 7164. Exemption from civil and criminal liability.
- 27 7165. Recordkeeping and reporting.
- 28 7166. Internal control systems; internal audits.
- 29 7167. Responsibilities of Department of Revenue.
- 30 7168. Riverboat Gaming Tax.

- 1 7169. Monthly reports.
- 2 7170. Limitations on taxes and license fees; exception.
- 3 7171. Riverboat Gaming Fund.
- 4 7172. Prohibited activities; penalties.
- 5 7173. Riverboat liquor license.
- 6 7174. Cooperation.
- 7 7175. Administrative procedures.
- 8 7176. Local waterfront commissions.
- 9 § 7111. Definitions.

10 The following words and phrases when used in this chapter  
11 shall have the meanings given to them in this section unless the  
12 context clearly indicates otherwise:

13 "Adjusted gross receipts." The total of cash or cash  
14 equivalent spent by riverboat patrons on games minus the total  
15 of:

16 (1) Cash or the cash equivalent paid out to riverboat  
17 patrons as a result of playing a game.

18 (2) Cash paid to purchase annuities to fund cash paid to  
19 riverboat patrons over several years by independent  
20 administrators as a result of playing a game.

21 (3) Any personal property distributed to a riverboat  
22 patron as a result of playing a game.

23 "Affiliate" or "affiliated company." A person that directly  
24 or indirectly, through one or more intermediaries, controls, is  
25 controlled by or is under common control with a specified  
26 person.

27 "Applicant." A person, including a company, who has applied  
28 for a license or a finding of suitability under this chapter.

29 "Application." A request for the issuance of a license or a  
30 finding of suitability under this chapter.

1 "Board." The Board of Finance and Revenue.

2 "Chairman." The chairman of the Pennsylvania Gaming  
3 Commission.

4 "Cheat." To alter the selection of criteria which determine  
5 the result of a game or the amount or frequency of payment in a  
6 game.

7 "Commission." The Pennsylvania Gaming Commission established  
8 in section 7112 (relating to Pennsylvania Gaming Commission  
9 established).

10 "Commissioner." A member of the Pennsylvania Gaming  
11 Commission.

12 "Company." A corporation, partnership, limited partnership,  
13 trust, association, joint stock company, joint venture, limited  
14 liability company or other form of business organization which  
15 is not a natural person.

16 "Creditor interest." With respect to any person, any right  
17 or claim of whatever character against such person for the  
18 payment of money borrowed, whether secured or unsecured, matured  
19 or unmatured, liquidated, absolute, fixed or contingent and  
20 including obligations based upon such person's earnings, profits  
21 or receipts.

22 "Department." The Department of Revenue of the Commonwealth.

23 "Dock." The location where a riverboat gaming watercraft is  
24 moored for the purpose of embarking and disembarking patrons and  
25 for the conduct of dockside gaming.

26 "Eligible county." Any county in which an operator license  
27 can be issued under this chapter.

28 "Eligible waters." Any rivers or lakes existing on the  
29 effective date of this chapter within any eligible county in  
30 this Commonwealth which are used or are susceptible to being

1 used as arteries of navigation or commerce, including any  
2 natural or artificial space, inlet, hollow or basin, in or  
3 adjacent to a bank of such rivers or lakes, but shall not  
4 include any artificial space which is located more than 500 feet  
5 from the closest edge of the main channel of the river or lake,  
6 as established by the United States Army Corps of Engineers or  
7 the Pennsylvania Department of Environmental Protection.

8 "Equity interest." With respect to any company, any  
9 proprietary right or claim allowing the holder either to vote  
10 with respect to matters of organizational governance or  
11 participate in the profits and residual assets of such company.  
12 The term includes, without limitation:

13 (1) Common and preferred stock in a corporation.

14 (2) General and limited partnership interests in a  
15 partnership and similar interests in any other form of  
16 business organization.

17 (3) Any warrant, right or similar interest convertible  
18 into, or to subscribe for any of the foregoing, with or  
19 without payment of additional consideration.

20 "Executive director." The executive director of the  
21 Pennsylvania Gaming Commission, including, where appropriate,  
22 his employees.

23 "Family." The spouse, parents, children and siblings of a  
24 natural person.

25 "Finding of suitability." A determination by the  
26 Pennsylvania Gaming Commission under section 7156 (relating to  
27 finding of suitability; divestiture by persons found  
28 unsuitable).

29 "Game." Any banking, nonbanking or percentage game played  
30 with cards, with dice or with any mechanical, electromechanical

1 or electronic device or machine for money, property, checks,  
2 credit or any representation of value, including, without  
3 limiting the generality of the foregoing, acey-deucey, beat the  
4 dealer, bouncing ball, faro, monte, roulette, keno, fan-tan,  
5 twenty-one, blackjack, Caribbean poker, seven-and-a-half, 12  
6 klondike, craps, poker, Red-dog sic bo, chuck-a-luck (dai shu),  
7 wheel of fortune, big six wheel, chemin de fer, baccarat,  
8 minibaccarat, paigow, beat the banker, panguingui, slot machine  
9 (including progressive slot machines) or any other game or  
10 device approved by the Pennsylvania Gaming Commission. The term  
11 does not include:

12 (1) The Pennsylvania State Lottery as authorized under  
13 the act of August 26, 1971 (P.L.351, No.91), known as the  
14 State Lottery Law.

15 (2) Bingo as authorized under the act of July 10, 1981  
16 (P.L.214, No.67), known as the Bingo Law.

17 (3) Pari-mutuel betting on the outcome of horse racing  
18 as authorized under the act of December 17, 1981 (P.L.435,  
19 No.135), known as the Race Horse Industry Reform Act.

20 (4) Small games of chance as authorized by the act of  
21 December 19, 1988 (P.L.1262, No.156), known as the Local  
22 Option Small Games of Chance Act.

23 "Gaming." To deal, operate, carry on, conduct, maintain or  
24 expose for play any game.

25 "Gaming device." Any mechanical, electromechanical or  
26 electronic contrivance, component or machine used in connection  
27 with gaming or any game which affects the result of a wager by  
28 determining win or loss. The term includes, without limitation,  
29 slot machines and video lottery terminals, but does not include  
30 dice, cards or other nonmechanical instrumentalities that may be

1 used in a game.

2 "Gaming employee." Any person connected directly with the  
3 operation of a gaming establishment licensed to conduct any  
4 game, including:

5 (1) Boxmen.

6 (2) Cashiers.

7 (3) Change personnel.

8 (4) Counting room personnel.

9 (5) Dealers or croupiers.

10 (6) Floormen.

11 (7) Hosts or other persons empowered to extend credit or  
12 complimentary services.

13 (8) Keno runners.

14 (9) Keno writers.

15 (10) Machine mechanics.

16 (11) Security personnel.

17 (12) Shift or pit bosses.

18 (13) Supervisors, managers, assistant supervisors and  
19 assistant managers.

20 (14) Ticket writers.

21 (15) Cage personnel.

22 (16) Collection personnel.

23 (17) Credit executives.

24 (18) Accounting or internal auditing personnel who are  
25 directly involved in any recordkeeping or the examination of  
26 records associated with revenue from gaming.

27 (19) Bartenders.

28 (20) Employees of a person holding a supplier license  
29 whose duties are directly involved with manufacture, repair  
30 or distribution of slot machines or gaming devices within

1 this Commonwealth.

2 The term does not include cocktail servers or other persons  
3 engaged in preparing or serving food or beverages, secretarial  
4 and janitorial personnel, stage, sound and light technicians and  
5 other nongaming personnel.

6 "Gross receipts." The total amount of money spent by  
7 riverboat patrons on games.

8 "Host municipality." A city, borough, town, incorporated  
9 town or township within an eligible county in which an applicant  
10 for an operator license or an operator licensee has docked or,  
11 in the case of an applicant, proposes to dock a riverboat.

12 "Institutional investor" or "institutional lender." These  
13 terms shall mean:

14 (1) A bank as defined in section 3(a)(6) of the  
15 Securities Exchange Act of 1934 (48 Stat. 881, 15 U.S.C.  
16 §78c(a)(6)).

17 (2) An insurance company as defined in section 2(a)(17)  
18 of the Investment Company Act of 1940 (54 Stat. 789, 15  
19 U.S.C. § 80a-1 et seq.).

20 (3) An investment company registered under section 8 of  
21 the Investment Company Act of 1940 (54 Stat. 789, 15 U.S.C. §  
22 80a-1 et seq.).

23 (4) An investment adviser registered under section 203  
24 of the Investment Advisers Act of 1940 (54 Stat. 847, 15  
25 U.S.C. § 80b-3).

26 (5) Collective trust funds as defined in section  
27 3(c)(11) of the Investment Company Act of 1940 (54 Stat. 789,  
28 15 U.S.C. § 80a-1 et seq.).

29 (6) An employee benefit plan or pension fund that is  
30 subject to the Employee Retirement Income Security Act of

1 1974 (Public Law 93-406, 88 Stat. 829), excluding an employee  
2 benefit plan or pension fund sponsored by a publicly traded  
3 corporation licensed by the Pennsylvania Gaming Commission.

4 (7) A Federal or State Government pension plan.

5 (8) A group comprised entirely of institutional  
6 investors or institutional lenders specified in paragraphs  
7 (1) through (7).

8 (9) Such other persons as the Pennsylvania Gaming  
9 Commission may determine for reasons consistent with the  
10 Commonwealth policies expressed in section 7112 (relating to  
11 Pennsylvania Gaming Commission established). To qualify as an  
12 institutional investor or lender, a person other than a  
13 Federal or State pension plan must meet the requirements of a  
14 "qualified institutional buyer" as defined by the Securities  
15 Exchange Commission.

16 "Key executive." Any executive who is a department head of  
17 an operator licensee or has the power to exercise a significant  
18 influence over decisions concerning any part of the gaming  
19 operations of the operator licensee and whose compensation  
20 exceeds an amount determined by regulation of the Pennsylvania  
21 Gaming Commission.

22 "License." Any temporary or permanent license awarded  
23 pursuant to this chapter.

24 "Licensee." Any person to whom a valid license has been  
25 awarded pursuant to this chapter.

26 "Negotiable instrument." A writing which evidences a gaming  
27 debt owed to a person who holds an operator license at the time  
28 the debt is created and includes any writing taken in  
29 consolidation, redemption or payment of a prior negotiable  
30 instrument.

1 "Occupational license." A license awarded under this chapter  
2 as required by section 7145 (relating to occupational license  
3 authorized).

4 "Occupational licensee." Any person holding an occupational  
5 license.

6 "Operator license." A license issued by the Pennsylvania  
7 Gaming Commission under this chapter which authorizes the person  
8 who holds the license to engage in gaming.

9 "Operator licensee." Any person holding an operator license.

10 "Party officer." The following members or officers of any  
11 political party:

12 (1) A member of a national committee.

13 (2) A chairman, vice chairman, secretary, treasurer or  
14 counsel of a Commonwealth committee or member of the  
15 executive committee of a Commonwealth committee.

16 (3) A county chairman or vice chairman or counsel,  
17 secretary or treasurer of a county committee.

18 (4) A city chairman or vice chairman or counsel,  
19 secretary or treasurer of a city committee.

20 (5) A borough chairman or vice chairman or counsel,  
21 secretary or treasurer of a borough committee.

22 (6) A town chairman or vice chairman or counsel,  
23 secretary or treasurer of a town committee.

24 (7) A township chairman or vice chairman or counsel,  
25 secretary or treasurer of a township committee.

26 "Person." A natural person or a company.

27 "Public official." Any elected or appointed official or  
28 employee in the executive, legislative or judicial branch of the  
29 Commonwealth or any political subdivision. The term does not  
30 include members of advisory boards which have no authority to

1 expend public funds other than reimbursement for personal  
2 expense or to otherwise exercise the power of the Commonwealth  
3 or any political subdivision; nor does the term include any  
4 appointed official who receives no compensation other than  
5 reimbursement for actual expenses.

6 "Publicly traded corporation." A company which:

7 (1) has one or more classes of securities registered  
8 pursuant to section 12 of the Securities Exchange Act of 1934  
9 (48 Stat. 881, 15 U.S.C. § 781 et seq.);

10 (2) is an issuer subject to section 15(d) of the  
11 Securities Exchange Act of 1934.

12 The term does not include any company or other legal entity  
13 which has securities registered or is an issuer under paragraph  
14 (1) solely because it guaranteed a security issued by an  
15 affiliated company pursuant to a public offering or is  
16 considered by the Securities and Exchange Commission to be a  
17 coissuer of a public offering of securities pursuant to 17 CFR §  
18 230.140 (relating to definition of "distribution" in section  
19 2(11) for certain transactions).

20 "Regulation." A rule, regulation, standard, directive or  
21 statement of general applicability which is promulgated under  
22 this chapter in the administration of this chapter or under any  
23 other act conferring jurisdiction on the Pennsylvania Gaming  
24 Commission and which effectuates the law or policy or which  
25 describes the procedure or requirements of the Pennsylvania  
26 Gaming Commission. The term does not include:

27 (1) A statement concerning only the internal management  
28 of the Pennsylvania Gaming Commission and not affecting the  
29 rights or procedures available to any licensee or other  
30 person.

1 (2) A declaratory ruling or order.

2 (3) An interagency memorandum.

3 (4) The Pennsylvania Gaming Commission's decision or  
4 order in a contested case or relating to an application for a  
5 license.

6 "Riverboat." Every description of watercraft on which  
7 gaming, dockside or otherwise, is conducted in accordance with  
8 this chapter. The watercraft need not be self-propelled and may  
9 be permanently moored.

10 "Slot machine." Any mechanical, electrical,  
11 electromechanical or other device, contrivance or machine  
12 (including video lottery terminals) which, upon insertion of a  
13 coin, token or object of value, including, without limitation,  
14 paper tickets, magnetically striped cards, cards with embedded  
15 chips or other media, which may be exchanged for currency or  
16 entered into another game for game credits, if upon payment of  
17 any consideration, is available to play or operate, the play or  
18 operation of which, whether by reason of the skill of the  
19 operator or application of the element of chance, or both, may  
20 deliver or entitle the person playing or operating the machine  
21 to receive cash, premiums, merchandise, tokens or anything of  
22 value whether the payoff is made automatically from the machine  
23 or in any other manner.

24 "Supplier." Any person who manufactures, distributes,  
25 assembles, produces, sells, leases or otherwise provides gaming  
26 devices.

27 "Supplier license." A license awarded under this chapter.

28 "Supplier licensee." Any person holding a supplier license.

29 § 7112. Pennsylvania Gaming Commission established.

30 An independent commission to be known as the Pennsylvania

1 Gaming Commission is hereby established.

2 § 7113. Composition and governance of Pennsylvania Gaming  
3 Commission.

4 (a) Composition of commission.--The commission shall consist  
5 of seven members three of whom shall be appointed by the  
6 Governor, one of whom shall be appointed by the President pro  
7 tempore of the Senate, one of whom shall be appointed by the  
8 Minority Leader of the Senate, one of whom shall be appointed by  
9 the Speaker of the House of Representatives and one of whom  
10 shall be appointed by the Minority Leader of the House of  
11 Representatives. All appointments by the Governor, other than  
12 initial appointments to the commission, shall comply with the  
13 provisions of section 207.1(d) of the act of April 9, 1929  
14 (P.L.177, No.175), known as The Administrative Code of 1929. The  
15 appointing authorities shall appoint each of the initial members  
16 of the commission within 30 days of the effective date of this  
17 act.

18 (b) Terms of office.--The members of the commission shall  
19 serve three-year terms, except that the terms of the initial  
20 appointments shall be staggered with the terms of the three  
21 members appointed by the Governor expiring two years after their  
22 initial appointments. Commissioners may not serve on the  
23 commission for more than two terms, consecutively or otherwise.

24 (c) Vacancies.--Vacancies in the commission occurring  
25 otherwise than by expiration of term shall be filled for the  
26 unexpired term in the same manner as original appointments.

27 (d) Qualifications.--The members of the commission shall  
28 meet the following requirements:

29 (1) Each member shall be a United States citizen and  
30 resident of this Commonwealth.

1           (2) The member shall not hold any elective or appointed  
2 office in the executive, legislative or judicial branch of  
3 the Commonwealth or any political subdivision.

4           (3) The member shall not be a party officer.

5           (4) The member shall not during the period commencing  
6 two years prior to the appointment have held a direct or  
7 indirect interest in a person licensed by or subject to  
8 regulation by the commission.

9           (5) The member shall not have any direct or indirect  
10 financial interest in any gaming activity regulated by the  
11 commission or in any person holding a license awarded by the  
12 commission; nor shall any member of the commissioner's family  
13 have such an interest.

14           (6) No member shall be appointed who has been convicted  
15 of any crime, excluding summary convictions.

16           (e) Officers.--The Governor shall designate one member to  
17 serve as chairman of the commission. The commission shall select  
18 from its membership a vice chairman and whatever other officers  
19 the commission deems necessary.

20           (f) Oath of office.--An appointee before entering upon the  
21 duties of the commissioner shall swear that he is not  
22 financially interested in any person holding a license issued by  
23 the commission or subject to regulation by the commission and  
24 that he will abide by the terms of this chapter and regulations  
25 promulgated by the commission and all statutory and regulatory  
26 provisions of this Commonwealth that apply to the commission.  
27 The oath shall be filed with the Secretary of State.

28           (g) Removal.--Any member of the commission shall be removed  
29 from office, by the authority that appointed him, regardless of  
30 any unexpired term of appointment for incompetency, misconduct,

1 willful neglect of duty or other conduct evidencing unfitness  
2 for the office, including, but not limited to, violation of the  
3 oath of office.

4 (h) Compensation and expenses.--The members of the  
5 commission shall receive a salary of \$95,000 per year and shall  
6 receive reimbursement for their actual and necessary expenses  
7 while performing the business of the commission.

8 § 7114. Meetings of Pennsylvania Gaming Commission.

9 (a) Regular and special meetings.--Regular and special  
10 meetings of the commission may be held at the discretion of the  
11 commission and at such times and places as it may deem  
12 convenient, but at least one regular meeting shall be held each  
13 month. The provisions of 65 Pa.C.S. Ch. 7 (relating to open  
14 meetings) shall apply to the commission, except that commission  
15 meetings may be closed to discuss information deemed  
16 confidential pursuant to section 7125 (relating to disclosure of  
17 records) or 65 Pa.C.S. Ch. 7.

18 (b) Voting requirements.--Four members shall constitute a  
19 quorum for the purpose of conducting the business of the  
20 commission and for all other purposes. All actions of the  
21 commission shall be taken by a majority of the members, and in  
22 no event fewer than four members.

23 § 7115. Ethics.

24 (a) Code of ethics.--The commission shall adopt a code of  
25 ethics for commission members, employees and agents and shall  
26 provide that none of these shall be permitted to engage in  
27 gaming activities in an establishment licensed by the  
28 commission, except in the course of a person's duties. No person  
29 who has served as a commissioner shall accept employment from a  
30 person licensed by the commission for a period of two years

1 after termination of his duties as a commissioner.

2 (b) Statutes applying to commission.--The commission, its  
3 members and all of its employees shall be subject to 65 Pa.C.S.  
4 Ch. 11 (relating to ethics standards and financial disclosure)  
5 and the act of July 19, 1957 (P.L.1017, No.451), known as the  
6 State Adverse Interest Act, except that, if any provision of  
7 this act is in conflict with the provisions of either 65 Pa.C.S.  
8 Ch. 11 or the State Adverse Interest Act, the provision  
9 requiring the more restrictive conduct shall control.

10 § 7116. Powers and duties.

11 (a) General powers and duties.--Except as provided in  
12 subsection (b), the commission shall have full jurisdiction over  
13 and shall supervise, license and regulate all gaming activities  
14 in this Commonwealth as provided in this chapter and any other  
15 act.

16 (b) Exceptions.--The powers and duties of the commission  
17 under subsection (a) shall not include:

18 (1) The Pennsylvania State Lottery as authorized under  
19 the act of August 26, 1971 (P.L.351, No.91), known as the  
20 State Lottery Law.

21 (2) Bingo as authorized under the act of July 10, 1981  
22 (P.L.214, No.67), known as the Bingo Law.

23 (3) Small games of chance as authorized by the act of  
24 December 19, 1988 (P.L.1262, No.156), known as the Local  
25 Option Small Games of Chance Act.

26 (c) Horse racing.--The provisions of the act of December 17,  
27 1981 (P.L.435, No.135), known as the Race Horse Industry Reform  
28 Act, shall continue to apply to pari-mutuel betting on the  
29 outcome of horse racing but the State Horse Racing Commission  
30 and the State Harness Racing Commission are hereby transferred

1 from the Department of Agriculture and established as  
2 administrative commissions within the Pennsylvania Gaming  
3 Commission. They shall continue to exercise independent  
4 jurisdiction over pari-mutuel betting on the outcome of horse  
5 racing in this Commonwealth but any other form of gaming  
6 conducted at facilities subject to their jurisdiction shall be  
7 licensed, supervised and regulated by the Pennsylvania Gaming  
8 Commission.

9 (d) Specific duties.--The commission shall have the powers  
10 and its duties shall be:

11 (1) To investigate and determine the eligibility of  
12 applicants for licenses and to select from among competing  
13 applicants the applicant or applicants which best serve the  
14 interests of the citizens of this Commonwealth.

15 (2) To regulate and adopt standards for all gaming  
16 activities in this Commonwealth.

17 (3) To establish specifications for the design,  
18 appearance, accommodation and construction of any riverboats  
19 and to require mandatory inspections to insure compliance.  
20 Under no circumstances shall this power supersede any  
21 provision of any zoning ordinance adopted in conformity with  
22 the act of July 31, 1968 (P.L.805, No.247), known as the  
23 Pennsylvania Municipalities Planning Code, or the act of May  
24 6, 1929 (P.L.1551, No.469), entitled, "An act authorizing  
25 cities of the first class to adopt and enforce zoning  
26 ordinances; regulating and restricting the height, location,  
27 size, bulk and use of buildings and/or land, the areas to be  
28 occupied by buildings in proportion to the size of the lots  
29 upon which they stand, the size of courts, yards and other  
30 open spaces appurtenant thereto, and the density of

1 population, and for these purposes to establish districts and  
2 boundaries; to designate and regulate residential, commercial  
3 and industrial or other uses within such districts and  
4 boundaries; and providing for the appointment of a zoning  
5 commission and a board of adjustment, the creation of a  
6 bureau of zoning, and setting forth the duties and functions  
7 of said commission, board and bureau; providing for the  
8 administration and enforcement of rules and ordinances  
9 authorized by this chapter, and penalties for violations  
10 thereof."

11 (4) To determine in accordance with this chapter which  
12 games may be played on riverboats and ensure that the games  
13 so authorized are conducted fairly. No gaming device shall be  
14 set to pay out less than 80% of all wagers.

15 (5) To maintain accurate and complete records of the  
16 proceedings of the commission and to certify such records as  
17 may be appropriate. The provisions of the act of June 21,  
18 1957 (P.L.390, No.212), referred to as the Right-to-Know Act,  
19 shall apply to the commission, except that the provisions of  
20 this chapter shall be deemed to control with respect to any  
21 documents or communications deemed confidential or privileged  
22 pursuant to section 7125 (relating to disclosure of records).

23 (6) To levy and provide for the collection of  
24 application fees and license fees and of fines and penalties  
25 for violations of this chapter and any other law conferring  
26 jurisdiction on the commission or the rules and regulations  
27 promulgated by the commission. All such fees, fines and  
28 penalties shall be paid to the State Treasurer through the  
29 commission for use as provided in this chapter or in any  
30 other law.

1           (7) To enforce the civil provisions of this chapter or  
2 any other law conferring jurisdiction on the commission and  
3 to prosecute violations of those provisions.

4           (8) To cooperate with and assist the Pennsylvania State  
5 Police and the various district attorneys of this  
6 Commonwealth, who shall have primary responsibility for the  
7 enforcement of the criminal provisions of this chapter and  
8 any other law conferring jurisdiction on the commission.

9           (9) To cooperate with the department in administering  
10 the collection of taxes under this chapter or any other  
11 gaming activities subject to the jurisdiction of the  
12 commission.

13           (10) To conduct hearings pertaining to civil violations  
14 of this chapter and any other law conferring jurisdiction on  
15 the commission or rules and regulations promulgated by the  
16 commission.

17           (11) To enhance the representation of minority groups in  
18 the operation of riverboats and other gaming activities and  
19 through ownership and operation of business activities  
20 utilized by the riverboats and other gaming activities in  
21 this Commonwealth.

22           (12) To submit to the Governor and to the General  
23 Assembly an annual report which shall include a statement of  
24 receipts and disbursements by the commission, including any  
25 special account or fund under its control, an account of the  
26 commission's actions and any other information which the  
27 commission deems significant or which the Governor and the  
28 General Assembly may request.

29           (13) To take any and all actions it deems appropriate to  
30 achieve the purposes of this chapter and any other law over

1       which it has jurisdiction.

2           (14) To promulgate such regulations as may be necessary  
3 to achieve the purposes of this chapter and any other law  
4 conferring jurisdiction on the commission and regulations it  
5 deems necessary for the protection of the health, safety,  
6 morals and general welfare of this Commonwealth and for the  
7 reputation of this Commonwealth's gaming industry.

8       (e) Specific powers.--In addition to the powers and duties  
9 set forth elsewhere in this chapter and any other law, the  
10 commission shall have, without limitation, the following  
11 specific powers:

12           (1) To have jurisdiction over all gaming operations in  
13 this Commonwealth.

14           (2) To adopt regulations for the issuance of licenses or  
15 determinations of suitability consistent with the standards  
16 set forth in this chapter or any other law conferring  
17 jurisdiction on the commission.

18           (3) To classify licenses and to establish regulations  
19 relating to the issuance of the various classes of licenses.

20           (4) To prescribe rules and regulations governing the  
21 manufacture, distribution, sale, operation and servicing of  
22 gaming devices.

23           (5) To prescribe, where appropriate, the manner in which  
24 winnings, compensation from games and gaming devices and  
25 gaming revenue must be computed and reported by licensees.

26           (6) To prescribe, where appropriate, financial reporting  
27 requirements for licensees.

28           (7) To approve, where appropriate, internal control  
29 procedures for licensees that are within accepted industry  
30 standards.

1 (8) To conduct audits of licensees.

2 (9) To prescribe in conjunction with the department the  
3 manner of computing and collecting taxes on gaming activities  
4 authorized by this chapter or otherwise subject to the  
5 jurisdiction of the commission.

6 (10) To require any applicant for a license or a finding  
7 of suitability under this chapter or any other law conferring  
8 jurisdiction on the commission to pay the costs of a  
9 background investigation which are not covered by the  
10 application fee.

11 (11) To require any applicant for a license or a finding  
12 of suitability to provide one or more sets of fingerprints  
13 and to require the applicant to bear the costs associated  
14 with the search and classification of the fingerprints.

15 (12) To enter riverboats, offices, facilities and other  
16 places of business of a licensee to obtain evidence of  
17 compliance or noncompliance with and to enforce the  
18 provisions of this chapter and any other law conferring  
19 jurisdiction on the commission.

20 (13) To investigate alleged violations of this chapter  
21 or commission rules, and any other law conferring  
22 jurisdiction on the commission, regulations, orders or  
23 decisions and, in the course of such investigations, to copy,  
24 seize and impound books and records of operations, supplies,  
25 equipment, cash boxes, counting rooms, games or gaming  
26 devices and to take appropriate disciplinary action against a  
27 licensee for a violation or refer the same to the appropriate  
28 law enforcement agency.

29 (14) To adopt, where appropriate, regulations  
30 establishing the reasons for and the procedures by which

1 persons may be ejected from riverboats or other licensed  
2 gaming facilities and providing for the establishment of a  
3 list of persons to be excluded from riverboats or other  
4 licensed gaming facilities. The regulations may provide for  
5 ejection or exclusion of persons who have violated this  
6 chapter or any other law authorizing gaming activities in  
7 this Commonwealth or regulations promulgated by the  
8 commission or when the person's presence is deemed  
9 detrimental to the best interests of gaming.

10 (15) To impose civil fines and penalties for violations  
11 of this chapter or any other law conferring jurisdiction on  
12 the commission.

13 (16) To issue emergency orders regarding the  
14 navigability of eligible waters in the event of extreme  
15 weather conditions, acts of God and similar circumstances  
16 should an operator licensee offer excursions for the purpose  
17 of conducting gaming activities.

18 (17) To issue subpoenas requiring the attendance of  
19 witnesses and subpoenas duces tecum requiring the production  
20 of documents, to appoint hearing officers and to administer  
21 oaths and affirmations to witnesses, as may be required to  
22 administer and enforce this chapter or any other law  
23 conferring jurisdiction on the commission.

24 (18) To prescribe, where necessary, the manner and  
25 method of alcohol and drug testing for employees of the  
26 commission and for persons employed in connection with gaming  
27 activities.

28 (19) To issue orders in accordance with this chapter and  
29 any other law conferring jurisdiction on the commission and  
30 regulations promulgated by the commission, granting,

1       revoking, suspending, limiting or making conditional any  
2       license or finding of suitability issued by the commission.

3           (20) To suspend a license or finding of suitability  
4       issued under this chapter or any other law conferring  
5       jurisdiction on the commission without notice or hearing if  
6       the commission finds that the safety or health of patrons or  
7       employees is imminently jeopardized by the licensee's  
8       continued operation or if the issuance of an emergency order  
9       is otherwise warranted under circumstances set forth in  
10      regulations and procedures promulgated by the commission.

11          (21) To delegate to the executive director and staff of  
12      the commission the execution of any of its powers under this  
13      chapter or any other law conferring jurisdiction on the  
14      commission for the purpose of administering and enforcing  
15      this chapter or any other law conferring jurisdiction on the  
16      commission and its rules and regulations, provided that such  
17      delegation shall be in accordance with standards established  
18      by the commission and the laws of this Commonwealth.

19          (22) To develop and implement forms to be used for the  
20      purposes of this chapter and any other law conferring  
21      jurisdiction on the commission.

22          (23) To adopt, use and alter at will a corporate seal.

23          (24) To sue and be sued, implead and be impleaded,  
24      complain and defend in all courts.

25          (25) To make and enter into contracts and other  
26      instruments necessary or convenient for the conduct of its  
27      business and the exercise of the powers of the commission.

28          (26) To retain counsel and auditors to render such  
29      professional services as the commission deems appropriate.

30      The commission shall not be considered either an executive

1 agency or an independent agency for the purpose of the act of  
2 October 15, 1980 (P.L.950, No.164), known as the Commonwealth  
3 Attorneys Act, but shall possess the same status for such  
4 purpose as the Auditor General, the State Treasurer and the  
5 Pennsylvania Public Utility Commission. The commission,  
6 through its legal counsel after consultation with the  
7 Attorney General, shall defend actions brought against the  
8 commission or its members, officers, officials and employees  
9 when acting within the scope of their official duties.

10 (27) To acquire, by gift or otherwise, purchase, hold,  
11 receive, lease, sublease and use any franchise, license or  
12 property, real, personal or mixed, tangible or intangible, or  
13 any interest in such property, and to sell, transfer, lease,  
14 convey and dispose of any property, real, personal or mixed,  
15 tangible or intangible, or any interest in such property, all  
16 as may be necessary or convenient to implement this chapter  
17 or any other law conferring jurisdiction on the commission.

18 (28) To accept from, purchase or borrow equipment,  
19 supplies, services or other things necessary or convenient to  
20 the work of the commission from any government agencies, and  
21 all government agencies are authorized to sell, lend or grant  
22 to the commission the equipment, supplies, services or other  
23 things necessary or convenient for the work of the  
24 commission. In addition, the commission is authorized to  
25 reimburse any government agency and any government agency is  
26 authorized to accept reimbursement from the commission for  
27 any equipment, supplies, services or other things provided by  
28 any government agency that are utilized by the commission.

29 (29) To purchase or lease such furniture, furnishings,  
30 stationery supplies, materials, equipment, fuel, motor

1 vehicles and printing and binding materials as may be  
2 necessary to conduct the work of the commission.

3 (30) To enter into contracts for individual or group  
4 insurance and to contribute to retirement plans for the  
5 benefit of its employees and to enroll its employees in an  
6 existing retirement system of a government agency.

7 (31) To take any other action that may be reasonable or  
8 appropriate to implement and enforce this chapter and any  
9 other law conferring jurisdiction on the commission and  
10 commission regulations, orders, decisions and rulings.

11 (32) To employ an executive director, deputies,  
12 secretaries, officers and representatives as it may deem  
13 necessary, who shall serve at the commission's pleasure. The  
14 commission shall also employ other employees as it sees fit  
15 and whose duties and compensation shall be prescribed by the  
16 commission. The commission shall be subject to the provisions  
17 of the act of April 9, 1929 (P.L.177, No.175), known as The  
18 Administrative Code of 1929, as to classification and  
19 compensation for all its employees and conduct its activities  
20 consistent with the practices and procedures of Commonwealth  
21 agencies.

22 § 7117. Executive director.

23 (a) Appointment.--The commission shall appoint an executive  
24 director who shall serve at the pleasure of the commission.

25 (b) Qualifications.--The person appointed by the commission  
26 as executive director shall:

27 (1) Have at least ten years of responsible  
28 administrative experience in public or business  
29 administration or possess broad and recognized management  
30 skills.

1           (2) Meet the same qualification criteria and be subject  
2 to the same disqualification criteria as required of  
3 appointees to the commission under section 7113 (relating to  
4 composition and governance of Pennsylvania Gaming  
5 Commission).

6           (3) Take the same oath of office as appointees to the  
7 commission and abide by the same statutes and codes referred  
8 to in that oath.

9           (4) Devote full time and attention to the duties  
10 assigned under this chapter and any other law conferring  
11 jurisdiction on the commission and not hold any other  
12 employment.

13       (c) Background investigation.--The Pennsylvania State Police  
14 shall conduct a thorough background investigation of any person  
15 under consideration for the position of executive director prior  
16 to his appointment and provide the results of the investigation  
17 to the commission.

18       (d) Salary.--The annual salary and other compensation of the  
19 executive director shall be set by the commission.

20       (e) Duties.--The executive director shall have the following  
21 duties:

22           (1) To maintain all commission records and preserve all  
23 applications, records, books and other documents submitted to  
24 the commission or entrusted to its care.

25           (2) To administer the provisions of this chapter and any  
26 other law conferring jurisdiction on the commission and the  
27 regulations of the commission relating to the confidentiality  
28 and disclosure of documents and information.

29           (3) To hire personnel necessary to implement and  
30 accomplish the purposes of this chapter and any other law

1 conferring jurisdiction on the commission.

2 (4) To develop a commission budget which will be  
3 submitted to and approved by the commission.

4 (5) To sign contracts on behalf of the commission which  
5 the commission has approved by resolution or otherwise.

6 (6) To make purchases authorized by the commission.

7 (7) To perform any and all duties assigned by the  
8 commission.

9 § 7118. Criminal history information.

10 When the commission is authorized or required to consider an  
11 applicant's criminal history, the commission shall initiate a  
12 criminal history record investigation to obtain any information  
13 in the possession of the Pennsylvania State Police or the  
14 Federal Bureau of Investigation or other relevant law  
15 enforcement agencies. The Pennsylvania State Police shall be  
16 authorized to and shall provide, at the commission's request,  
17 information concerning any criminal charges and their  
18 disposition which have been filed against an applicant for or  
19 holder of a license issued by the commission. The commission  
20 shall use the information obtained as a result of any  
21 investigation under this section in determining the eligibility  
22 of a person for a license or a finding of suitability. The  
23 applicant shall be responsible for the payment of all costs  
24 incurred for the investigation which are not covered by the  
25 application fee.

26 § 7119. Exemptions to disclosure rules.

27 (a) General rule.--The commission shall not be required to  
28 disclose any information, the disclosure of which would not be  
29 required by the act of June 21, 1957 (P.L.390, No.212), referred  
30 to as the Right-to-Know Law, or would be prohibited by the

1 statutes, rules, regulations or intergovernmental agreements of  
2 any jurisdiction.

3 (b) Confidential information.--Notwithstanding any provision  
4 of the Right-to-Know Law and subject to the provisions of this  
5 section, the commission shall not, except subject to a court  
6 order or with the prior written consent of a licensee or  
7 applicant and after notice, disclose any information or data  
8 required under this chapter or any other law conferring  
9 jurisdiction on the commission or pursuant to regulations  
10 promulgated by the commission to be designated and maintained as  
11 confidential.

12 (c) Categories of confidential information.--The following  
13 types of documents or information concerning an applicant or a  
14 licensee shall be designated and maintained as confidential  
15 pursuant to this section:

16 (1) Financial information, including statements, audits  
17 and financing applications, including, but not limited to,  
18 offering memoranda, placement documents and purchase  
19 agreements.

20 (2) Marketing information, business plans and  
21 proprietary information, including, without limitation, trade  
22 secrets.

23 (3) Investigatory materials developed by or provided to  
24 the commission during an investigation of an applicant for or  
25 holder of a license or a finding of suitability.

26 (4) Books and records kept by a licensee relating to  
27 gaming revenues as required by the commission are not to be  
28 considered public records. The commission may, however,  
29 publish and disseminate gaming revenues of each licensee at  
30 such frequency and in such detail as it deems appropriate.

1 § 7120. Administrative procedures.

2 Except as provided in this chapter or any other law  
3 conferring jurisdiction on the commission, a person may appeal  
4 from any final order, decree, decision, determination or ruling  
5 of the commission as provided in 2 Pa.C.S. (relating to  
6 administrative law and procedure).

7 § 7121. Establishment and use of Gaming Commission Fund; fiscal  
8 affairs of Pennsylvania Gaming Commission.

9 (a) Establishment of fund.--All fees, fines, penalties and  
10 other moneys paid, received, recovered and collected under the  
11 provisions of this chapter shall be placed in a separate fund by  
12 the State Treasurer to be known as the Riverboat Gaming Fund  
13 established under section 7171 (relating to Riverboat Gaming  
14 Fund). Twenty million dollars shall be allocated annually to a  
15 separate fund to be known as the Gaming Commission Fund. All  
16 interest received on the Gaming Commission Fund shall be  
17 credited to the Gaming Commission Fund.

18 (b) Purposes of fund.--The Gaming Commission Fund shall be  
19 used for the following purposes:

20 (1) Payment of all administrative expenses of the  
21 commission, including, without limitation, expenses incident  
22 to processing, investigating and issuing licenses and  
23 determinations of suitability.

24 (2) Payment of the salaries, wages, compensation and  
25 expenses of the commissioners, the executive director and the  
26 agents, employees and other persons who may be required to  
27 perform work for the commission pursuant to this chapter.

28 (3) Purchase of such furniture, furnishings, stationery  
29 supplies, materials, equipment, fuel, motor vehicles and  
30 printing and binding materials as may be necessary to the

1 conduct of the work of the commission.

2 (4) Payment of moneys due for the purchase, lease or  
3 rental of any offices required by the commission.

4 (5) Payment of contingent, incidental or other expenses  
5 reasonably necessary to carry on the work of the commission.

6 (6) Allocation by the commission of at least \$1,000,000  
7 annually for the purpose of treating compulsive gambling in  
8 Pennsylvania. Approximately one-half of this amount should be  
9 earmarked for treatment, and the remainder directed toward  
10 prevention, education, training, research and intervention.

11 (c) Payment from fund.--All moneys in the Gaming Commission  
12 Fund shall be appropriated annually by the General Assembly to  
13 the commission and may be expended for the purposes authorized  
14 under this section.

15 § 7122. Authorized riverboat gaming licenses; applications.

16 (a) Authorized licenses.--

17 (1) The commission shall be authorized to promulgate  
18 regulations concerning, to accept applications for and to  
19 award the following types of licenses relating to riverboat  
20 gaming:

21 (i) Operator licenses.

22 (ii) Supplier licenses.

23 (iii) Occupational licenses.

24 (2) The commission is also authorized to promulgate  
25 regulations concerning, to accept applications for and to  
26 make findings of suitability under section 7156 (relating to  
27 finding of suitability; divestiture by persons found  
28 unsuitable).

29 (b) Temporary licenses.--A temporary occupational license  
30 awarded by the commission shall continue in effect until the

1 commission awards or denies a final license. The commission may  
2 promulgate regulations concerning the experience and training  
3 that the holder of a temporary occupational license must possess  
4 in order to obtain a permanent license.

5 (c) Fees.--Except for any fee which is specifically set  
6 forth in this chapter, the commission shall have the power and  
7 the duty to establish and amend fees for initial applications,  
8 periodic renewals and for other purposes the commission deems  
9 necessary to effectively and efficiently implement and  
10 administer the provisions of this chapter. All fees shall be  
11 established to cover all costs incurred by the commission in the  
12 administration of this chapter.

13 (d) Forms.--Applications for licenses and findings of  
14 suitability shall be made to the commission on forms furnished  
15 by the commission according to the regulations of the  
16 commission.

17 § 7123. Qualifications for licenses or findings of suitability.

18 (a) General standard for licensing.--Any person whom the  
19 commission determines to be qualified to receive a license or  
20 whom the commission finds to be suitable under the provisions of  
21 this chapter and the regulations adopted under this chapter,  
22 having due consideration for the proper protection of the  
23 health, safety, morals and general welfare of this Commonwealth  
24 and the declared policy of this Commonwealth, may be awarded a  
25 license or be found suitable. The applicant bears the burden of  
26 establishing that he is qualified to receive and hold any  
27 license.

28 (b) Specific findings.--An application for a license or to  
29 be found suitable shall not be approved unless the commission is  
30 satisfied that the applicant is a person:

1 (1) Of good character, honesty and integrity.

2 (2) Whose prior activities, criminal record, if any,  
3 reputation, habits and associations do not pose a threat to  
4 the public interest of this Commonwealth or to the effective  
5 regulation and control of gaming or create or enhance the  
6 dangers of unsuitable, unfair or illegal practices, methods  
7 and activities in the conduct of gaming or the carrying on of  
8 the business and financial arrangements incidental thereto.

9 (3) Who possesses the knowledge, experience and  
10 qualifications necessary to perform the tasks required by the  
11 position for which licensing or a finding of suitability has  
12 been requested.

13 (4) Who in all other respects is qualified to be  
14 licensed or found suitable under the laws of this  
15 Commonwealth.

16 (c) Criminal history information.--When the commission is  
17 authorized or required to consider an applicant's criminal  
18 history, the commission shall initiate a criminal history record  
19 investigation to obtain any information in the possession of the  
20 Pennsylvania State Police or the Federal Bureau of Investigation  
21 or other relevant law enforcement agencies. The Pennsylvania  
22 State Police shall be authorized to and shall provide at the  
23 commission's request information concerning any criminal charges  
24 and their disposition which have been filed against an applicant  
25 for or holder of a license. The commission shall use the  
26 information obtained as a result of any investigation under this  
27 section in determining the eligibility of a person for a license  
28 or a finding of suitability. The applicant shall be responsible  
29 for the payment of all costs incurred for the investigation  
30 which are not covered by the application fee.

1 § 7124. Investigations for licenses, action of commission and  
2 further investigation.

3 (a) Investigations.--The commission shall, as required by  
4 this chapter, investigate the qualifications of each applicant  
5 before any license or finding of suitability is issued by the  
6 commission. Information provided on the application may be used  
7 as a basis for a background investigation.

8 (b) Commencement of investigation.--The commission shall  
9 commence the investigation of the applicant within 30 days after  
10 the filing of an application and such supplemental information  
11 as the commission may require.

12 (c) Completion of investigation.--If a person has applied  
13 for a position which cannot be held pending licensure or a  
14 finding of suitability by the commission, the commission shall  
15 use its best efforts to complete the investigation and file a  
16 written report concerning the application within three months  
17 after the application and supporting data are completed and  
18 filed with the commission.

19 § 7125. Disclosure of records.

20 (a) Mandated disclosures.--Notwithstanding any statutory  
21 provision to the contrary, the commission shall, upon written  
22 request from any person and in accordance with procedures  
23 established by regulation, provide the following types of  
24 information furnished by an applicant for or holder of an  
25 operator license concerning the applicant or licensee, his  
26 products, services or gaming enterprises and his business  
27 holdings:

28 (1) The name, business address and business telephone  
29 number of any applicant or licensee.

30 (2) An identification of any applicant or licensee,

1 including, if the person is not an individual, the state of  
2 incorporation, the corporate officers and the identity of all  
3 shareholders or participants. If an applicant or licensee is  
4 a publicly traded corporation, only the names of those  
5 persons or entities holding an interest of 5% or more must be  
6 provided.

7 (3) Identification of any company, including, if  
8 applicable, the state of incorporation in which an applicant  
9 or licensee or an applicant's or licensee's family has an  
10 equity interest of 5% or more.

11 (4) Whether an applicant or licensee has been indicted,  
12 convicted, pleaded guilty or nolo contendere or forfeited  
13 bail concerning any criminal offense under the laws of any  
14 jurisdiction, either felony or misdemeanor but not summary  
15 offenses, including the date, name and location of the court,  
16 arresting agency and prosecuting agency, case number, the  
17 offense, disposition and location and length of  
18 incarceration.

19 (5) Whether an application for any license or  
20 certificate in this Commonwealth or any other jurisdiction  
21 was denied, restricted, suspended, revoked or not renewed,  
22 and a statement describing the facts and circumstances  
23 concerning the denial, restriction, suspension, revocation or  
24 nonrenewal, including the licensing authority, the date each  
25 such action was taken and the reason for each such action.

26 (6) A statement listing the names and titles of all  
27 public officials or officers of any unit of government and of  
28 their adult family members who, directly or indirectly, own  
29 any financial interest in, have any beneficial interest in,  
30 are the creditors of or hold any debt instrument issued by or

1 hold or have any interest in any contractual or service  
2 relationship with an applicant or licensee.

3 (7) The amount of gaming tax paid to the Commonwealth by  
4 the holder of an operator license.

5 (b) Exemptions to disclosure rules.--Subject to the  
6 provisions of subsection (a), the commission shall not be  
7 required to disclose any information, the disclosure of which  
8 would not be required by the act of June 21, 1957 (P.L.390,  
9 No.212), referred to as the Right-to-Know Law, or would be  
10 prohibited by the statutes, rules, regulations or  
11 intergovernmental agreements of any jurisdiction.

12 (c) Confidential information.--Notwithstanding any provision  
13 of the Right-to-Know Law and subject to the provisions of this  
14 section, the commission shall not, except subject to a court  
15 order or with the prior written consent of a licensee or  
16 applicant and after notice, disclose any information or data  
17 required under this chapter or pursuant to regulations  
18 promulgated by the commission to be designated and maintained as  
19 confidential.

20 (d) Categories of confidential information.--The following  
21 types of documents or information concerning an applicant or a  
22 licensee shall be designated and maintained as confidential  
23 pursuant to this section:

24 (1) Financial information, including statements, audits  
25 and financing applications, including, but not limited to,  
26 offering memoranda, placement documents and purchase  
27 agreements.

28 (2) Marketing information, business plans and  
29 proprietary information, including, without limitation, trade  
30 secrets.

1           (3) Investigatory materials developed by or provided to  
2           the commission during an investigation of an applicant for or  
3           holder of a license or a finding of suitability.

4 § 7126. License not a property right.

5           Any license awarded by the commission pursuant to this  
6           chapter is a revocable privilege and not a right, property or  
7           otherwise, under the Constitution of the United States or the  
8           Constitution of Pennsylvania, and no applicant for or holder of  
9           any license has any vested interest or right in any license  
10          granted under this chapter.

11 § 7127. Operator license authorized.

12          The commission is authorized to award operator licenses  
13          authorizing persons to conduct riverboat gaming under this  
14          chapter. It shall be unlawful for a person to conduct riverboat  
15          gaming in this Commonwealth without an operator license.

16 § 7128. Distribution of operator licenses; limitation.

17          (a) Allocation.--The commission shall allocate operator  
18          licenses, as follows:

19               (1) Two licenses to first class counties.

20               (2) One license to one of the following counties:

21                     (i) A first class county.

22                     (ii) A second class A county.

23                     (iii) A third class county which is contiguous to  
24                     three second class A counties.

25               (3) One license to a city of the second class.

26               (4) One license to one of the following counties:

27                     (i) A second class county.

28                     (ii) A county, regardless of classification, that is  
29                     contiguous to a second class county.

30               (5) One license to a third class city with a population

1 not less than 100,000 nor more than 104,000 according to the  
2 2000 Federal decennial census.

3 (6) One license to a third class city with a population  
4 not less than 48,000 nor more than 49,000 according to the  
5 2000 Federal decennial census and which experienced a  
6 population loss of no less than 6.5% nor more than 7% since  
7 the 1990 Federal decennial census.

8 (7) One license to any county of this Commonwealth,  
9 regardless of classification.

10 (b) Restriction.--The operator license issued under this  
11 chapter restricts the licensee to operate one riverboat per  
12 license in Pennsylvania.

13 (c) Ownership interest.--No person may beneficially own,  
14 directly or indirectly, an equity interest in more than two  
15 operator licenses under this chapter, provided that equity  
16 interests not exceeding 5% of the total equity interest in any  
17 operator license shall be excluded for purposes of computing the  
18 foregoing. No person may operate more than two riverboats  
19 licensed under this chapter.

20 § 7129. Application for operator license; application fee.

21 (a) Required information.--Application for an operator  
22 license shall be in a form and contain such information as the  
23 commission prescribes, including, but not limited to, all of the  
24 following:

25 (1) The name of the proposed licensee.

26 (2) The proposed location where the riverboat will be  
27 docked.

28 (3) Evidence necessary to determine the compliance of  
29 the proposed riverboat with the specifications prescribed by  
30 the commission for the design, appearance, accommodation and

1 construction of any riverboat on which gaming is to be  
2 conducted.

3 (4) Evidence that the applicant possesses or has the  
4 right to acquire sufficient title to the proposed site  
5 contiguous to eligible waters.

6 (5) A site development plan approved by the local  
7 waterfront development commission as set forth in section  
8 7176 (relating to local waterfront commissions) of the  
9 municipality where the riverboat is to be docked, including  
10 lighted parking, traffic patterns, shelter facilities and a  
11 permanent docking structure at a minimum. The development of  
12 the site, including these facilities and structures, shall be  
13 in accordance with zoning, building, occupancy and other  
14 applicable codes as defined by municipal or county  
15 ordinances.

16 (6) Evidence that the applicant possesses or reasonably  
17 expects to obtain all funds or financing necessary for the  
18 entire proposed operation.

19 (7) The names of all persons who have a direct or  
20 indirect ownership interest of 5% or more in the riverboat  
21 gaming operation for which the license is sought. If the  
22 applicant is a trust, the application shall disclose the  
23 names and addresses of the trustees and beneficiaries; if a  
24 corporation, the names and addresses of stockholders,  
25 officers and directors; if a partnership, the names and  
26 addresses of partners, both general and limited; or, if a  
27 limited liability company, the names and addresses of  
28 members.

29 (8) Such other information and details as the commission  
30 may require by regulation.

1 (b) Application fee.--An applicant for an operator license  
2 must pay a nonrefundable application fee as determined by the  
3 commission, but no less than \$250,000.

4 (c) Notification as to completeness.--The commission shall  
5 notify an applicant for an operator license within 30 days of  
6 the filing of an application whether the application is complete  
7 or additional information will be required. The commission shall  
8 notify an applicant within 30 days of receiving a supplemental  
9 submission whether the application is complete or additional  
10 information will be required.

11 § 7130. Suitability for operator license.

12 (a) General criteria.--The commission shall determine the  
13 suitability of each applicant for or holder of an operator  
14 license based upon such suitability criteria as the commission  
15 shall prescribe to ensure that:

16 (1) The applicant is of good character, has honesty and  
17 integrity.

18 (2) The applicant's prior activities, including criminal  
19 record, if any, reputation, habits and associations do not  
20 pose a threat to the public interest of this Commonwealth or  
21 to the effective regulation and control of gaming.

22 (3) The applicant has adequate business probity,  
23 competence and experience in gaming.

24 (b) Additional criteria.--In considering the suitability of  
25 an applicant for or holder of an operator license, the  
26 commission may concurrently consider the suitability of any  
27 person:

28 (1) who holds any equity interest or creditor interest  
29 in the applicant or holder;

30 (2) who holds or is proposed to receive any supplier

1 license or occupation license with respect to the applicant  
2 or holder; or

3 (3) who is affiliated with the applicant or holder.

4 (c) Exception.--Notwithstanding any other provisions of this  
5 chapter, the commission shall not award operator licenses to any  
6 persons who have been convicted of any felony criminal violation  
7 in this or any other jurisdiction.

8 § 7131. Criteria for award of operator licenses.

9 In determining whether or, in the case of multiple applicants  
10 competing for a limited number of operator licenses within the  
11 same classification of county, to whom to grant an operator  
12 license, the commission shall consider the following factors:

13 (1) the location of the proposed riverboat operation,  
14 including the site development plan;

15 (2) the financial ability of the applicant to meet  
16 commitments made pursuant to its application under this  
17 chapter;

18 (3) the commitment and successful operations of the  
19 applicant in other gaming jurisdictions;

20 (4) the potential for new job creation that will result  
21 from granting a license to the applicant;

22 (5) the applicant's good faith affirmative action plan  
23 to recruit, train and upgrade minorities in all employment  
24 classifications therein;

25 (6) the facilities or proposed facilities for the  
26 conduct of riverboat operations, including the size,  
27 suitability and quality of the proposed facilities;

28 (7) the extent to which the applicant's proposed  
29 riverboat operations and any associated nongaming businesses  
30 could reasonably be expected to encourage interstate tourism

1 to this Commonwealth;

2 (8) the highest prospective total revenue to be  
3 collected by the Commonwealth from the conduct of riverboat  
4 gaming as determined by studies and projections done either  
5 in accordance with standards and regulations of the  
6 commission or by an independent organization approved by the  
7 commission;

8 (9) the level of local governmental support for the  
9 riverboat operation;

10 (10) the history of the applicant's financial stability;

11 (11) the background and history of the applicant's  
12 operations in other gaming jurisdictions, including, but not  
13 limited to, the applicant's history of compliance with the  
14 laws of the jurisdictions in which it operates;

15 (12) the history and success of the applicant in  
16 developing tourism facilities ancillary to gaming  
17 development; and

18 (13) such other factors as the commission may determine  
19 are relevant to the policies of this chapter, such factors  
20 having been set forth by regulations adopted pursuant to the  
21 provisions of this chapter.

22 § 7132. Award and appeal of operator licenses.

23 (a) Award of license.--The following procedures shall govern  
24 the award of operator licenses and appeals from decisions of the  
25 commission with respect to operator licenses:

26 (1) Applicants for an operator license who complete the  
27 application process shall have an opportunity to make a  
28 presentation at a hearing before the commission within 90  
29 days after the application is complete. The commission shall  
30 establish procedures for the hearings and shall allow

1 applicants for operator licenses to present oral and written  
2 information to assist the commission in evaluating the merits  
3 of the application. The commission shall also establish rules  
4 and procedures to enable members of the public, including,  
5 but not limited to, elected public officials, to comment on  
6 the various applications for operator licenses.

7 (2) The commission shall review all information  
8 available to it concerning applicants for operator licenses,  
9 including, but not limited to, application materials, the  
10 results of background investigations that shall be conducted  
11 of all applicants and information presented at the  
12 presentations described in paragraph (1).

13 (3) The commission shall have full and absolute power  
14 and authority to award operator licenses in the manner it  
15 determines best satisfies the standards and criteria and  
16 implements the purposes and legislative intent of this  
17 chapter after a thorough evaluation of all relevant  
18 information and circumstances. All decisions by the  
19 commission to grant an operator license shall be by majority  
20 vote.

21 (4) If the commission awards an operator license, the  
22 commission shall prepare an award notification stating that  
23 the commission has complied with the procedures set forth in  
24 this section and has determined that the applicant satisfies  
25 the criteria set forth in this chapter and that the award is  
26 consistent with the purposes and policies of this chapter.  
27 The commission shall notify all applicants for operator  
28 licenses of the awards and provide for notice to members of  
29 the public.

30 (5) The commission's award of an operator license shall

1 not be stayed during the pendency of a review of the  
2 commission's award of the license unless otherwise ordered by  
3 the Commonwealth Court and upon the posting of a bond by the  
4 protestant in an amount approved by the court, with  
5 appropriate security, conditioned that, if the protestant's  
6 protest of the commission's award of an operator license is  
7 denied, the protestant shall pay all damages to any party  
8 resulting from delays occasioned by the litigation.

9 (b) Right to protest.--An applicant who has been denied the  
10 award of an operator license by the commission and who is  
11 aggrieved in connection therewith may protest to the commission  
12 in writing. All protests under this subsection must be made  
13 within seven days after the denial of or failure to award an  
14 operator license to the protestant. No person other than a  
15 denied applicant shall have standing to protest any license  
16 award or denial by the commission.

17 (c) Authority to resolve protest.--The commission shall have  
18 the authority to settle and resolve a protest of an aggrieved  
19 applicant concerning the denial of the application or failure to  
20 award an operator license to the aggrieved applicant.

21 (d) Decision.--If the protest is not resolved by mutual  
22 agreement, the commission shall promptly, but in no event later  
23 than 30 days from the filing of the protest, issue a decision in  
24 writing. The decision shall:

25 (1) State the reasons for the action taken.

26 (2) Inform the protestant of his right to file an action  
27 in Commonwealth Court as provided in subsection (f).

28 (e) Notice of decision.--A copy of the decision under  
29 subsection (d) shall be delivered by registered or certified  
30 mail to the protestant and any other person determined by the

1 commission to be affected by the decision.

2 (f) Finality of decision.--A decision under subsection (d)  
3 shall be final and conclusive unless the aggrieved applicant  
4 files an action challenging the decision of the commission in  
5 Commonwealth Court within 14 days of receipt of the decision. No  
6 action may be commenced in Commonwealth Court under this  
7 subsection until the protestant has exhausted the administrative  
8 remedies provided for in this section.

9 (g) Affirmation of commission actions.--If an action under  
10 subsection (f) is timely filed in Commonwealth Court, the court  
11 shall affirm the commission's actions in connection with the  
12 denial of an operator license or failure to award an operator  
13 license to the aggrieved applicant if it determines that the  
14 commission has made no errors of law and that its findings are  
15 not arbitrary or capricious.

16 § 7133. Terms and conditions of operator licenses.

17 (a) Issuance.--The commission may issue a license to an  
18 operator if it is satisfied that the applicant has complied with  
19 all of the appropriate requirements for licensure and the  
20 commission determines that the issuance of the license best  
21 satisfies the standards and criteria and implements the purposes  
22 and legislative intent of this chapter.

23 (b) Contents of operator licenses.--An operator license  
24 awarded by the commission shall specify:

25 (1) The name of the licensee.

26 (2) The place where the riverboat will operate.

27 (3) Such other information as the commission by  
28 regulation shall require.

29 (c) Transferability of operator license.--An operator  
30 license is not transferable and relates only to the specific

1 site and operator identified therein.

2 (d) Term of operator license.--The term of an operator  
3 license shall be two years from the date of issuance or most  
4 recent renewal, as applicable.

5 (e) Limitation on operator license.--An operator license  
6 awarded by the commission shall limit the operator to conduct  
7 riverboat gaming only on eligible waters located in or adjacent  
8 to a host municipality.

9 (f) Permanent docking.--All operator licenses shall permit  
10 continuous docking of riverboats and dockside gaming, including  
11 riverboats or barges within basins which are adjacent to such  
12 eligible waters.

13 (g) Improvements permitted.--Improvements made to or  
14 adjacent to eligible waters shall be permitted and may be  
15 required by the commission to minimize navigational hazards and  
16 maximize public safety. All improvements shall be subject to  
17 commission approval. All improvements shall satisfy all  
18 environmental standards and requirements mandated by applicable  
19 Federal and State law and regulations.

20 § 7134. Obligations of operator licensees.

21 Any person who holds an operator license issued under this  
22 chapter shall:

23 (1) Be incorporated or otherwise organized and in good  
24 standing in this Commonwealth or incorporated or otherwise  
25 organized in another state and qualified to do business in  
26 this Commonwealth. For the purpose of the corporate net  
27 income tax, such corporation shall be considered a  
28 "corporation" as defined in Article IV of the act of March 4,  
29 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971.

30 Such corporation, limited liability company or business trust

1 shall not elect to be treated as a Pennsylvania S  
2 corporation.

3 (2) Maintain an office in this Commonwealth.

4 (3) Comply with all of the requirements of this chapter,  
5 the regulations of the commission and the laws of this  
6 Commonwealth.

7 (4) Maintain a ledger in the principal office of the  
8 company in this Commonwealth which shall:

9 (i) At all times reflect the ownership of interests  
10 in the licensee, including every class of security issued  
11 by the licensee, provided that, with respect to a  
12 publicly traded corporation, the ledger may initially  
13 consist of a copy of its latest list of record equity  
14 securityholders and thereafter be maintained by adding a  
15 copy of such material as it regularly receives from the  
16 transfer agent for its equity securities of any class  
17 which is outstanding.

18 (ii) Be available for inspection by the commission  
19 at all reasonable times without notice.

20 (5) Conduct gaming only as authorized under this chapter  
21 and by regulations of the commission.

22 (6) Purchase or lease gaming devices only from the  
23 holder of a valid supplier license. However, a holder of an  
24 operator license may transfer and receive properly obtained  
25 gaming devices between affiliated companies that hold gaming  
26 licenses in other jurisdictions.

27 (7) To the extent required by this chapter, employ only  
28 persons who hold valid occupational licenses.

29 (8) Adopt, subject to the approval of the commission, an  
30 internal control system designed to safeguard assets and

1 revenues.

2 (9) Maintain books and records in accordance with  
3 regulations promulgated by the commission and prepare such  
4 reports as the commission may require.

5 (10) Cooperate fully in any background or other  
6 investigation conducted by the commission or by any law  
7 enforcement agency.

8 (11) Provide all financial, management, background and  
9 other information as may be requested by the commission  
10 regarding itself and any affiliated company.

11 (12) Seek approval for any assignment or transfer of an  
12 ownership interest of 5% or more in a licensee, except as  
13 otherwise permitted by regulations or orders of the  
14 commission.

15 (13) Notify the commission within 30 days of any  
16 transaction involving the incurrence of any indebtedness in  
17 connection with the construction, operation or expansion of a  
18 riverboat gaming facility in this Commonwealth when such  
19 indebtedness exceeds \$300,000.

20 (14) Report any change of personnel among the licensee's  
21 officers, board of directors or key executives.

22 (15) To the extent allowed by applicable law, use the  
23 licensee's best efforts to give priority to residents of this  
24 Commonwealth in the hiring of employees.

25 § 7135. Prohibition on assignment; exception.

26 An operator licensee shall not grant, assign or contract to  
27 turn over the license or right to operate a riverboat to another  
28 person, except that an operator licensee may make collateral  
29 assignment of the license to a financing institution or lender  
30 with the approval of the commission.

1 § 7136. Renewal of operator licenses.

2 Subject to the power of the commission to deny, revoke or  
3 suspend licenses, any operator license in force shall be renewed  
4 biannually by the commission upon the proper application for  
5 renewal and payment of a license renewal fee of \$25,000. The  
6 application for renewal and application fee shall be filed with  
7 the commission no later than 120 days before the expiration of  
8 the current license, and all license fees and taxes as required  
9 by law shall be paid to the commission on or before the date of  
10 expiration of the current license.

11 § 7137. Denial of license; revocation for unsuitability;  
12 forfeiture.

13 (a) Denial of license.--The commission shall have full  
14 authority to deny any application or revoke any operator license  
15 for any cause which it deems reasonable.

16 (b) Revocation for unsuitability.--If at any time the  
17 commission determines that it has reasonable grounds to believe  
18 that any holder of an operator license may be unsuitable to  
19 continue to hold an operator license under this chapter having  
20 due consideration for the protection of the health, safety,  
21 morals and general welfare of this Commonwealth and for the  
22 reputation of the Commonwealth's gaming industry, the commission  
23 shall initiate an investigation and hearing and may, based upon  
24 its determination thereupon, suspend, limit or revoke any  
25 license. Upon suspension or revocation of an operator license,  
26 the licensee must immediately cease all gaming.

27 (c) Forfeiture.--If the recipient of any operator license  
28 fails to begin development of the site to which the license  
29 relates within one year of the receipt of such license or fails  
30 to begin gaming operations within three years of the receipt of

1 such license, then the license shall be deemed to be forfeited  
2 unless, for good cause, the commission has previously granted an  
3 appropriate extension of time.

4 § 7138. Supplier licenses authorized.

5 The commission is authorized to award supplier licenses to  
6 suppliers. It shall be unlawful to manufacture, distribute,  
7 assemble, produce, sell, lease or otherwise provide gaming  
8 devices without a supplier license.

9 § 7139. Application for supplier license; application fee.

10 (a) Required information.--Application for a supplier  
11 license shall be in a form and contain such information the  
12 commission prescribes, including, but not limited to, all of the  
13 following:

14 (1) The name of the proposed licensee.

15 (2) The location of the proposed operation.

16 (3) The names of all persons who have a direct or  
17 indirect ownership interest of 5% or more in the supplier's  
18 operation for which the license is sought. If the applicant  
19 is a trust, the application shall disclose the names and  
20 addresses of the trustee and beneficiaries; if a corporation,  
21 the names and addresses of officers, directors and  
22 stockholders; if a partnership, the names and addresses of  
23 partners, both general and limited; or, if a limited  
24 liability company, the names and addresses of the members.

25 (4) The nature of the gaming devices to be sold, leased  
26 or provided.

27 (5) Such other information and details as the commission  
28 may require by regulation.

29 (b) Application fee.--An applicant for a supplier license  
30 must pay a nonrefundable application fee as determined by the

1 commission.

2 (c) Notification as to completeness.--The commission shall  
3 notify an applicant for a supplier license within 60 days of the  
4 filing of an application whether the application is complete or  
5 additional information will be required. The commission shall  
6 notify applicants within 30 days of receiving a supplemental  
7 submission whether the application is complete or additional  
8 information will be required.

9 § 7140. Background investigation.

10 The commission shall require an applicant for a supplier  
11 license to undergo a complete background investigation. The  
12 applicant shall be responsible for the payment of all costs  
13 incurred for the investigation which are not covered by the  
14 application fee.

15 § 7141. Suitability for supplier license.

16 (a) General criteria.--The commission shall determine the  
17 suitability of each applicant for or holder of a supplier  
18 license based upon such suitability criteria as the commission  
19 shall prescribe to ensure that:

20 (1) The applicant is of good character, has honesty and  
21 integrity.

22 (2) The applicant's prior activities, including criminal  
23 record, if any, reputation, habits and associations do not  
24 pose a threat to the public interest of the Commonwealth or  
25 to the effective regulation and control of gaming.

26 (3) The applicant possesses the knowledge, experience  
27 and qualifications that the commission deems necessary to  
28 perform the tasks for which the supplier license is sought.

29 (b) Additional criteria.--In considering the suitability of  
30 an applicant for or holder of a supplier license, the commission

1 may concurrently consider the suitability of any person:

2 (1) who holds any equity interest or creditor interest  
3 in the applicant or holder;

4 (2) who is a principal manager to the applicant or  
5 holder; or

6 (3) who is affiliated with or involved in the business  
7 affairs of the applicant or holder.

8 § 7142. Terms and conditions of supplier licenses.

9 (a) Issuance.--The commission shall issue a license to a  
10 supplier if it is satisfied that the applicant has complied with  
11 all of the appropriate requirements for licensure. Supplier  
12 licenses shall be personal to the licensee and shall entitle the  
13 licensee to do business with any riverboat in this Commonwealth.

14 (b) Term of supplier licenses.--The term of a supplier  
15 license shall be one year from the date of issuance or most  
16 recent renewal, as applicable.

17 (c) Supplies, devices and equipment must conform to  
18 requirements.--A person holding a supplier license may not  
19 distribute gaming supplies, devices and equipment unless those  
20 supplies, devices and equipment conform to standards adopted by  
21 the commission.

22 § 7143. Renewal of supplier licenses.

23 Subject to the power of the commission to deny, revoke or  
24 suspend licenses, any supplier license in force shall be renewed  
25 annually by the commission upon the proper application for  
26 renewal and payment of a license renewal fee to be determined by  
27 the commission. The application for renewal and application fee  
28 shall be filed with the commission no later than 120 days before  
29 the expiration of the current license, and all license fees and  
30 taxes as required by law shall be paid to the commission on or

1 before the date of expiration of the current license.

2 § 7144. Denial of license; revocation for unsuitability.

3 (a) Authority.--The commission shall have full authority to  
4 deny any application or revoke any supplier license for any  
5 cause which it deems reasonable.

6 (b) Investigation and hearing.--If at any time the  
7 commission determines that it has reasonable grounds to believe  
8 that any licensee may be unsuitable to continue to hold a  
9 supplier license, the commission shall initiate an investigation  
10 and hearing and may, based upon its determination thereupon,  
11 suspend, limit or revoke any license. Upon suspension or  
12 revocation of a supplier license, the licensee must cease the  
13 performance of any activity requiring a supplier license under  
14 this chapter. From and after the revocation or suspension of a  
15 licensee's license, the affected licensee shall not receive,  
16 directly or indirectly, any compensation, consideration or  
17 payment of any kind relating to any activity requiring a  
18 supplier license under this chapter, other than in payment for  
19 goods or services provided prior to such suspension or  
20 revocation.

21 § 7145. Occupational license authorized.

22 The commission is authorized to award occupational licenses  
23 for gaming employees. A person, including a company employed by  
24 an operator licensee to manage all or any part of its gaming  
25 operations, shall not be employed as a gaming employee or a key  
26 executive unless the person holds a valid occupational license  
27 awarded by the commission.

28 § 7146. Application for occupation license; application fee.

29 (a) Required information.--Application for an occupation  
30 license shall be in a form and contain such information the

1 commission prescribes, including, but not limited to, all of the  
2 following:

3 (1) The name and address of the applicant.

4 (2) Whether the applicant has been awarded prior  
5 occupational licenses related to gaming in this or any other  
6 state or nation under this or another name and, if so, the  
7 name and state or nation.

8 (3) Whether any license or permit awarded to the  
9 applicant has been suspended, restricted, revoked or denied  
10 and, if so, the reason for the action and the period of time.

11 (4) If the applicant is a company, the disclosures  
12 required by an operator license in section 7129(a)(7)  
13 (relating to application for operator license; application  
14 fee).

15 (5) Such other information and details as the commission  
16 may require by regulation.

17 (b) Application fee.--An applicant for an occupational  
18 license must pay a nonrefundable application fee, the amount of  
19 which shall be determined by the commission.

20 § 7147. Background investigation.

21 A person seeking an occupational license, including a license  
22 for the purpose of managing all or a part of a riverboat gaming  
23 operation, shall be required to undergo a background  
24 investigation. The applicant shall be responsible for the  
25 payment of all costs incurred for the investigation which are  
26 not covered by the application fee.

27 § 7148. Standards for award of license.

28 The commission may award an occupational license to an  
29 applicant if the applicant:

30 (1) Has paid a nonrefundable fee set by the commission.

1 (2) Is at least 21 years of age if the applicant is to  
2 perform any function involving gaming by patrons.

3 (3) Has not been convicted of a felony or any crime  
4 involving dishonesty, false statement or moral turpitude  
5 under the laws of this Commonwealth, the laws of any other  
6 state or the laws of the United States.

7 (4) Has demonstrated a level of skill or knowledge that  
8 the commission determines to be sufficient to perform the  
9 tasks for which the occupational license is sought.

10 (5) Has satisfied regulations for holding an  
11 occupational license as adopted by the commission.

12 § 7149. Reasons for refusing occupational license.

13 The commission may refuse to award an occupational license to  
14 a person:

15 (1) who is unqualified to perform the duties required of  
16 the applicant;

17 (2) who does not disclose or states falsely any  
18 information required by the application;

19 (3) who has been found guilty of a violation of this  
20 chapter or whose gaming-related license in another state or  
21 nation has been suspended, restricted, revoked or denied for  
22 just cause; or

23 (4) whose licensing would, in the opinion of the  
24 commission, not be in the best interests of gaming in this  
25 Commonwealth.

26 § 7150. Terms and conditions of occupational licenses.

27 (a) Issuance.--The commission shall issue an occupational  
28 license to a person if it is satisfied that the applicant has  
29 complied with all of the appropriate requirements for licensure.

30 (b) Term.--The term of an occupational license shall be one

1 year from the date of issuance or most recent renewal, as  
2 applicable.

3 (c) Temporary occupational licenses.--The commission may  
4 issue a temporary occupational license pending issuance of a  
5 final license.

6 § 7151. Training of occupational licensees.

7 An operator licensee may enter into an agreement with a  
8 school that has been approved by the commission for the training  
9 of occupational licensees. Any training program conducted by a  
10 school shall be approved by the commission and conducted in  
11 accordance with a written agreement between the operator  
12 licensee and the school. The training program may be conducted  
13 on a riverboat.

14 § 7152. Renewal of occupational licenses.

15 Subject to the power of the commission to deny, revoke or  
16 suspend licenses, any occupational license in force shall be  
17 renewed annually by the commission upon the proper application  
18 for renewal and payment of a license renewal fee to be  
19 determined by the commission. The application for renewal and  
20 application fee shall be filed with the commission no later than  
21 120 days before the expiration of the current license, and all  
22 license fees and taxes as required by law shall be paid to the  
23 commission on or before the date of expiration of the current  
24 license.

25 § 7153. Denial of license; revocation for unsuitability.

26 (a) Denial of license.--The commission shall have full  
27 authority to deny any application or revoke any occupational  
28 license for any cause which it deems reasonable.

29 (b) Revocation for unsuitability.--If at any time the  
30 commission determines that it has reasonable grounds to believe

1 that any licensee may be unsuitable to continue to hold an  
2 occupational license under this chapter having due consideration  
3 for the protection of the health, safety, morals and general  
4 welfare of this Commonwealth and for the reputation of this  
5 Commonwealth's gaming industry, the commission shall initiate an  
6 investigation and hearing and may, based upon its determination  
7 thereupon, suspend, limit or revoke any license. Upon suspension  
8 or revocation of an occupational licensee's license, the  
9 licensee must cease the provision of all services in any  
10 capacity requiring an occupational license under this chapter.  
11 From and after the revocation or suspension of an occupational  
12 licensee's license, the affected licensee shall not receive,  
13 directly or indirectly, any compensation, consideration or  
14 payment of any kind relating to the conduct of gaming in any  
15 capacity requiring an occupational license other than in payment  
16 for services rendered prior to such suspension or revocation.

17 § 7154. Requirement to register and qualify.

18 (a) General rule.--Except as provided in subsection (b),  
19 every person who directly or indirectly owns any equity or  
20 creditor interest in any applicant for or holder of an operator  
21 license under this chapter shall register and qualify with the  
22 commission in accordance with regulations prescribed by the  
23 commission and shall provide such information as the commission  
24 deems necessary to determine the suitability and eligibility of  
25 such person to retain such interest.

26 (b) Exceptions.--The following persons are not required to  
27 register or qualify under this section:

- 28 (1) an institutional investor;
- 29 (2) a person who beneficially owns less than 5% of the  
30 total equity or creditor interest of the operator licensee;

1 or

2 (3) any other group or class of persons which the  
3 commission shall by regulation identify in light of the  
4 purpose of this chapter.

5 (c) Fee.--Each registration filed under this section shall  
6 be accompanied by an application fee determined by the  
7 commission.

8 § 7155. Transfers of interests in operator licensee.

9 (a) Commission approval required.--No operator licensee may  
10 issue any equity or creditor interest to any person prior to the  
11 commission's determination of the qualification of the proposed  
12 subscriber or purchaser to hold the interest under this chapter.  
13 Notwithstanding the foregoing, an operator licensee which is a  
14 publicly held company may issue equity or creditor interests not  
15 exceeding 5% of its equity or creditor interest to any person  
16 without the consent of the commission.

17 (b) Certain transfers prohibited.--No person beneficially  
18 owning in excess of 5% of the equity or creditor interest of an  
19 operator licensee shall transfer all or any portion of its  
20 interest in such licensee to any person prior to the  
21 commission's determination of the qualification of the proposed  
22 transferee to hold such interest under this chapter.

23 (c) Information.--A subscriber or proposed transferee of an  
24 interest by an operator licensee shall provide the commission  
25 with such information as the commission deems necessary to  
26 determine the qualification of the person to whom the interest  
27 is proposed to be issued or transferred. The commission shall  
28 have 90 days within which to determine the qualification of any  
29 subscriber or proposed transferee and to approve or deny the  
30 issuance or transfer.

1 § 7156. Finding of suitability; divestiture by persons found  
2 unsuitable.

3 (a) Finding of suitability.--The commission shall determine  
4 the qualification of any person to acquire or continue to hold  
5 any equity or creditor interest in an applicant for or holder of  
6 an operator license under this chapter based upon such criteria  
7 as the commission shall prescribe for the protection of the  
8 public interest in order to ensure that the persons holding  
9 securities issued by licensees are of good character, honesty,  
10 integrity and financial stability and that they are otherwise  
11 qualified to hold the interest, in all cases having due  
12 consideration for the protection of the health, safety, morals  
13 and general welfare of this Commonwealth and for the reputation  
14 of this Commonwealth's gaming industry. The burden of proving  
15 qualification to acquire or hold any equity or creditor interest  
16 in a licensee shall be on the person acquiring or holding such  
17 interest.

18 (b) Unsuitable.--A person shall be conclusively deemed  
19 unsuitable to acquire or retain an equity or creditor interest  
20 in any applicant for or holder of an operator license if such  
21 qualified persons would be unsuitable to receive an operator  
22 license under this chapter.

23 (c) Investigation and hearing.--If at any time the  
24 commission has reasonable grounds to believe that any person  
25 holding any equity or creditor interest in an applicant for or  
26 holder of an operator license may be unqualified to retain its  
27 interest, the commission shall initiate an investigation and  
28 hearing and may, based upon its determination, issue an  
29 unsuitability finding and divestiture order to the holder of  
30 such interest and the issuer thereof. Upon receipt of a

1 divestiture order, the person holding the interest shall tender  
2 its entire interest for purchase to the issuer thereof or a  
3 third party on such terms as the commission shall approve.

4 (d) Restrictions.--From and after the time that the  
5 commission issues an unsuitability finding and divestiture order  
6 to a holder of an equity interest or creditor interest, the  
7 person subject to the order shall not:

8 (1) receive, directly or indirectly, any dividend,  
9 interest, payment or distribution of any kind with respect to  
10 the security to which the order relates; or

11 (2) exercise, directly or indirectly, any voting power  
12 or other right with respect to the security to which the  
13 order relates. The person subject to the order may, however,  
14 receive payment for the sale of its interest on such terms as  
15 the commission has approved.

16 § 7157. Power to regulate method and timing of riverboat  
17 operations.

18 (a) Regulations.--The commission shall promulgate  
19 regulations applicable to the operation of riverboat gaming in  
20 this Commonwealth as the commission deems necessary for the  
21 protection of the health, safety, morals and general welfare of  
22 this Commonwealth and for the reputation of this Commonwealth's  
23 gaming industry.

24 (b) Hours and days of operation.--Riverboats shall be  
25 allowed to operate 24 hours a day, seven days per week. Operator  
26 licensees may, at their option, select hours of operation.

27 § 7158. Wagering.

28 (a) Wagering prohibited except as provided.--Persons  
29 licensed under this chapter shall permit no form of wagering  
30 except as provided by this chapter.

1 (b) Wagering allowed only on riverboats.--Persons licensed  
2 pursuant to this chapter shall receive wagers only from persons  
3 present on a riverboat.

4 (c) Gaffed games.--Gaffed games are prohibited.

5 (d) Wagering by gaming employees.--A gaming employee shall  
6 not wager on a riverboat where that person is employed.

7 (e) Minimum and maximum wagers.--An operator licensee shall  
8 set minimum and maximum wagers on games which may be adjusted  
9 from time to time by the operator in the normal course of  
10 conducting business. However, changes in minimum wagers at any  
11 given table shall not apply to persons already engaged in  
12 wagering at that table when the minimum wager is changed.

13 § 7159. Use of chips, tokens, etc.

14 (a) General rule.--All wagering must be conducted with  
15 chips, tokens, any object of value including, without  
16 limitation, paper tickets, magnetically striped cards, cards  
17 with embedded chips or other media which may be exchanged for  
18 currency or entered into another game for game credits, or other  
19 forms of credit approved by the commission. In addition to the  
20 aforementioned methods of wagering, United States coins in the  
21 denominations of one cent, five cents, ten cents, twenty-five  
22 cents, fifty cents and one dollar may be used to wager.

23 (b) Exchanges.--

24 (1) The operator shall exchange United States currency  
25 or other bearer instruments or debit cards of each wagerer  
26 for approved chips, tokens or other forms of credit for  
27 purposes of wagering on the games.

28 (2) At the request of the wagerer, the operator shall  
29 exchange the approved chips, tokens or other forms of credit  
30 for United States currency.

1 (c) Prohibition.--No wagering shall be conducted with United  
2 States currency or the currency of any other nation except  
3 United States coins in the denominations of one cent, five  
4 cents, ten cents, twenty-five cents, fifty cents and one dollar.

5 § 7160. Age requirement for patrons and gaming employees.

6 (a) Wagering.--No person under 21 years of age shall be  
7 permitted to place, win, lose or collect any wager. Any person  
8 under 21 years of age attempting to place, win, lose or collect  
9 a wager or any person attempting to assist a person under 21  
10 years of age to place, win, lose or collect a wager will be  
11 guilty of committing a misdemeanor of the third degree.

12 (b) Patrons.--Except as provided in subsection (c), no  
13 person under 21 years of age shall be permitted in the area of a  
14 riverboat where gaming is being conducted.

15 (c) Employees.--No person under 18 years of age shall be  
16 employed in any capacity at a riverboat gaming operation.  
17 Employees under 21 years of age shall not participate directly  
18 or indirectly in any function related to gaming by the patrons.

19 § 7161. Gaming debts.

20 (a) Gaming debts enforceable.--A negotiable instrument  
21 evidencing a gaming debt incurred pursuant to this chapter may  
22 be enforced by legal process.

23 (b) Incomplete negotiable instruments.--An operator licensee  
24 or an agent of a licensee may accept an incomplete negotiable  
25 instrument which:

26 (1) Is signed by a patron.

27 (2) States the amount of the debt in figures. An  
28 operator licensee or an agent may complete the instrument as  
29 is necessary for the instrument to be presented for payment.

30 (c) Conditions of acceptance; refusal of instruments.--An

1 operator licensee or agent of such licensee:

2 (1) Shall not accept a negotiable instrument which is  
3 incomplete, except as authorized in subsection (b).

4 (2) May accept a negotiable instrument that is payable  
5 to an affiliate or affiliated company or may complete a  
6 negotiable instrument in the name of an affiliate or  
7 affiliated company as payee if the negotiable instrument  
8 otherwise complies with this subsection and the records of  
9 the affiliate or an affiliated company pertaining to the  
10 negotiable instrument are made available to the commission  
11 upon request.

12 (d) Establishment of accounts.--This section does not  
13 prohibit the establishment of an account by a deposit of cash,  
14 recognized traveler's check or any other instrument which is  
15 generally recognized as equivalent to cash.

16 (e) Unenforceable debts.--Except as provided in this  
17 chapter, gaming debts not evidenced by a negotiable instrument  
18 are void and unenforceable and do not give rise to any  
19 administrative or civil cause of action.

20 (f) Claims resolution.--A claim by a patron of an operator  
21 licensee for payment of a gaming debt not evidenced by a  
22 negotiable instrument may be resolved by the commission in  
23 accordance with its regulations.

24 § 7162. Exclusion or ejection of certain persons from  
25 riverboats.

26 The commission shall by regulation provide for the  
27 establishment a list of persons who are to be excluded or  
28 ejected from any riverboat. The list may include any person  
29 whose presence in the establishment is determined by the  
30 commission to pose a threat to the interest of this Commonwealth

1 or to licensed gaming, or both.

2 § 7163. Detention of persons.

3 (a) General rule.--Any operator licensee or any of its  
4 officers or employees who have probable cause for believing that  
5 there has been a violation of this chapter on its riverboat by  
6 any person may take that person into custody and detain him on  
7 the riverboat in a reasonable manner and for a reasonable length  
8 of time. Such a taking into custody and detention do not render  
9 the operator licensee or its officers, employees or agents  
10 criminally or civilly liable unless it is established by clear  
11 and convincing evidence that the taking into custody and  
12 detention are unreasonable under all the circumstances.

13 (b) Posting requirement.--An operator licensee or its  
14 officers or employees is not entitled to the immunity from  
15 liability provided in subsection (a) unless there is displayed  
16 in a conspicuous place in the establishment a notice in boldface  
17 type clearly legible and in substantially this form:

18 Any operator licensee or any officers or employees of a  
19 licensee having probable cause to believe that any person has  
20 violated any provision of the Pennsylvania Waterfront  
21 Development and Riverboat Gaming Act may detain that person  
22 in the establishment.

23 § 7164. Exemption from civil and criminal liability.

24 An operator licensee or its officers, employees or agents may  
25 question any person on a riverboat suspected of violating any  
26 provision of this chapter. An operator licensee or its officers,  
27 employees or agents is not criminally or civilly liable:

28 (1) on account of any such questioning; or

29 (2) for reporting to the commission or law enforcement  
30 authorities the person suspected of the violation.

1 § 7165. Recordkeeping and reporting.

2 (a) Records.--Each operator licensee shall keep its books  
3 and records to clearly show the total amount of gross gaming  
4 revenue, adjusted gross receipts and other revenues received.

5 (b) Not public records.--The books and records kept by an  
6 operator licensee relating to gaming operations as provided by  
7 this section are not to be considered public records. The  
8 commission may, however, publish and disseminate gaming revenues  
9 of each operator licensee at such frequency and in such detail  
10 as it deems appropriate.

11 § 7166. Internal control systems; internal audits.

12 (a) Elements.--Each operator licensee shall adopt an  
13 internal control system which shall include, without limitation,  
14 provisions for:

15 (1) the safeguarding of its assets and revenues,  
16 especially the recording of cash and evidences of  
17 indebtedness; and

18 (2) the provision of reliable records, accounts and  
19 reports of transactions, operations and events, including  
20 reports to the commission.

21 (b) Purposes.--The internal control system must be designed  
22 to reasonably ensure that:

23 (1) Assets are safeguarded.

24 (2) Financial records are accurate and reliable.

25 (3) Transactions are performed only in accordance with  
26 management's general or specific authorization.

27 (4) Transactions are recorded adequately to permit  
28 proper reporting of gaming revenue and of fees and taxes and  
29 to maintain accountability for assets.

30 (5) Access to assets is permitted only in accordance

1 with management's specific authorization.

2 (6) Recorded accountability for assets is compared with  
3 actual assets at reasonable intervals and appropriate action  
4 is taken with respect to any discrepancies.

5 (7) Functions, duties and responsibilities are  
6 appropriately segregated and performed in accordance with  
7 sound practices by competent, qualified personnel.

8 (c) Written internal control procedures.--Each operator  
9 licensee and each applicant for an operator license shall  
10 describe, in such manner as the commission may approve or  
11 require, its administrative and accounting procedures in detail  
12 in a written system of internal control. Each operator licensee  
13 and applicant for an operator license shall submit a copy of its  
14 written system to the commission. Each written system must  
15 include:

16 (1) An organizational chart depicting appropriate  
17 segregation of functions and responsibilities.

18 (2) A description of the duties and responsibilities of  
19 each position shown on the organizational chart.

20 (3) A detailed, narrative description of the  
21 administrative and accounting procedures designed to satisfy  
22 the requirements of section 7165 (relating to recordkeeping  
23 and reporting).

24 (4) A written statement signed by the licensee's chief  
25 financial officer and the licensee's chief executive officer  
26 attesting that the system satisfies the requirements of this  
27 section.

28 (5) If the written system is submitted by an applicant,  
29 a letter from an independent certified public accountant  
30 stating that the applicant's written system has been reviewed

1 by the certified public accountant and complies with the  
2 requirements of this section.

3 (6) Such other items as the commission may require.

4 (d) Minimum standards.--The commission shall adopt and  
5 publish minimum standards for internal control procedures.

6 § 7167. Responsibilities of Department of Revenue.

7 The department is charged with the administration and  
8 collection of the taxes imposed under this chapter. The  
9 department shall have the power to prescribe the forms to be  
10 employed.

11 § 7168. Riverboat Gaming Tax.

12 A tax to be known as the Riverboat Gaming Tax is imposed on  
13 the adjusted gross receipts received from games authorized by  
14 this chapter at the rate of 15%. This tax shall be paid by all  
15 operator licensees 20 days after the close of each month in  
16 which wagers were made. Twenty million dollars from all fees,  
17 fines, penalties, riverboat gaming taxes and other moneys paid,  
18 received, recovered and collected under the provisions of this  
19 chapter shall be placed in the Gaming Commission Fund by the  
20 State Treasurer. All other money collected under this chapter  
21 shall be placed in the Riverboat Gaming Fund.

22 § 7169. Monthly reports.

23 In order to determine the amount of tax payable under this  
24 chapter, it shall be the duty of every operator licensee to  
25 submit to the department, upon forms prepared and furnished by  
26 the department, monthly reports under oath or affirmation of an  
27 operator licensee's principal officer, setting forth the  
28 following financial information concerning the preceding fiscal  
29 month:

30 (1) The number of admissions.

- 1 (2) The amount of gross receipts.
- 2 (3) The amount of adjusted gross receipts.
- 3 (4) The amount of taxes paid to the department.
- 4 (5) Such other information as the department shall
- 5 require.

6 § 7170. Limitations on taxes and license fees; exception.

7 No political subdivision, authority or governmental or quasi-  
8 governmental instrumentality or taxing authority of this  
9 Commonwealth shall impose any tax, fee or assessment on the  
10 conduct of gaming or on operator licensees except as authorized  
11 under this chapter, including, without limitation, a permit,  
12 privilege, docking, gaming device, occupation or excursion tax  
13 or fee. Nothing in this chapter precludes the imposition of  
14 local real property taxes, sales taxes, hotel taxes or normal  
15 fees for standard municipal services. This section shall not be  
16 deemed to exempt operator licensees from taxes imposed under the  
17 act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code  
18 of 1971.

19 § 7171. Riverboat Gaming Fund.

20 (a) Fund established.--There is hereby established the  
21 Riverboat Gaming Fund. Revenues from the Riverboat Gaming Fund  
22 shall be used for the purposes provided in subsection (b). The  
23 State Treasurer shall be custodian of the Riverboat Gaming Fund,  
24 which shall be subject to the provisions of law applicable to  
25 funds listed in section 302 of the act of April 9, 1929  
26 (P.L.343, No.176), known as The Fiscal Code. Taxes and other  
27 revenues imposed and collected pursuant to this chapter shall be  
28 received by the department and paid to the State Treasurer and,  
29 along with interest and penalties, less any refunds and credits  
30 paid, shall be credited to the Riverboat Gaming Fund not less

1 frequently than monthly. During any period before the credit of  
2 moneys to the Riverboat Gaming Fund, interest earned on moneys  
3 received by the department and paid to the State Treasurer under  
4 this section shall be deposited into the Riverboat Gaming Fund.

5 (b) Distribution of revenue.--

6 (1) The State Treasurer shall make distributions  
7 according to the following schedule:

8 (i) Forty-nine percent of the revenues in the  
9 Riverboat Gaming Fund annually to the Lottery Fund for  
10 use in the Pharmaceutical Assistance Contract for the  
11 Elderly as established in the act of August 26, 1971  
12 (P.L.351, No.91) known as the State Lottery Law.

13 (ii) Forty-nine percent of the revenues in the  
14 Riverboat Gaming Fund to the Commonwealth's 501 public  
15 school districts for the purpose of property tax  
16 reduction in accordance with the following formula. The  
17 total moneys available each school year shall be divided  
18 by the Statewide total average daily membership, and that  
19 amount shall be multiplied by the average daily  
20 membership of each school district. The result of this  
21 calculation shall be multiplied by a school district's  
22 market value personal income aid ratio.

23 (iii) One percent of the revenues to be divided  
24 among the eligible counties where each licensed riverboat  
25 is operating. The money shall be divided based on the  
26 ratio the Riverboat Gaming Tax collected in a county  
27 bears to the total Riverboat Gaming Tax collected in this  
28 Commonwealth.

29 (iv) One percent of the revenues to be divided among  
30 the municipalities where each licensed riverboat is

1 operating. The money shall be divided based on the ratio  
2 the Riverboat Gaming Tax collected in a municipality  
3 bears to the total Riverboat Gaming Tax collected in this  
4 Commonwealth.

5 (2) The revenues in the Riverboat Gaming Fund shall not  
6 be used to replace Federal or State funds.

7 § 7172. Prohibited activities; penalties.

8 (a) Exclusion of persons.--A person who uses or possesses,  
9 with intent to use, a device or system to assist in the  
10 following activities shall be ejected from a riverboat and may  
11 be excluded from a riverboat pursuant to regulations established  
12 by the commission:

13 (1) Projecting the outcome of a game.

14 (2) Keeping track of cards played other than by a  
15 person's own mental abilities.

16 (3) Analyzing the probability of the occurrence of an  
17 event relating to a game.

18 (b) Misdemeanor offenses.--A person commits a misdemeanor of  
19 the first degree for any of the following:

20 (1) Wagering or accepting a wager in violation of any  
21 provision of section 7158 (relating to wagering).

22 (2) Cheating at a game.

23 (3) Instructing another person in cheating or in the use  
24 of any device for that purpose with the knowledge or intent  
25 that the information or use so conveyed may be employed to  
26 violate any provision of this chapter.

27 (4) Making a false statement on any application  
28 submitted pursuant to this chapter.

29 (5) Knowingly permitting a person under 21 years of age  
30 to wager in violation of section 7160 (relating to age

1 requirement for patrons and gaming employees).

2 (c) Felony offenses.--A person commits a felony of the third  
3 degree for any of the following:

4 (1) Offering, promising or giving anything of value or  
5 benefit to a person who is connected with a riverboat gaming  
6 operation, including, but not limited to, an officer or  
7 employee of any person licensed under this chapter, as part  
8 of an agreement or arrangement or with the intent that the  
9 promise or thing of value or benefit will influence the  
10 actions of the person to whom the offer, promise or gift was  
11 made in order to influence or attempt to influence the  
12 outcome of a game or to influence official action of a member  
13 of the commission.

14 (2) Soliciting or knowingly accepting or receiving a  
15 promise of anything of value or benefit while the person is  
16 connected with a riverboat, including, but not limited to, an  
17 officer or employee of any person licensed under this  
18 chapter, pursuant to an understanding or arrangement or with  
19 the intent that the promise or thing of value or benefit will  
20 influence the actions of the person to affect or attempt to  
21 affect the outcome of a game or to influence official action  
22 of a member of the commission.

23 (3) Manufacturing, selling or distributing any card,  
24 chip or gaming device which is intended to be used to violate  
25 any provision of this chapter.

26 (4) Placing a bet after acquiring knowledge not  
27 available to all players of the outcome of the game which is  
28 the subject of the bet or aiding a person to acquire  
29 knowledge for the purpose of placing a bet contingent on that  
30 outcome.

- 1           (5) Knowingly using:
- 2           (i) a counterfeit chip or token in a game;
- 3           (ii) a chip or token which has not been approved by
- 4 the commission; or
- 5           (iii) a coin not of the same denomination as the
- 6 coin intended to be used in the game.
- 7           (6) Possession of a slug or paraphernalia for the
- 8 manufacturing of slugs.
- 9           (7) Possession of:
- 10           (i) a key or device designed for the purpose of
- 11 opening, entering or affecting the operation of a game,
- 12 drop box or electronic or mechanical device connected
- 13 with a game or for removing coins, tokens, chips or other
- 14 contents of a game; or
- 15           (ii) any other device intended to be used to violate
- 16 a provision of this chapter.
- 17 Subparagraphs (i) and (ii) do not apply to an operator
- 18 licensee or to an employee of an operator licensee acting in
- 19 furtherance of the employee's employment.
- 20           (8) Claiming, collecting or taking or attempting to
- 21 claim, collect or take money or anything of value in or from
- 22 a game with intent to defraud, without having made a wager
- 23 contingent on winning a game or claiming, collecting or
- 24 taking an amount of money or thing of value of greater value
- 25 than the amount won.
- 26           (9) Reducing the amount wagered or canceling the bet
- 27 after acquiring knowledge of the outcome of the game or other
- 28 event which is the subject of the bet, including pinching
- 29 bets.
- 30           (10) Manipulating with the intent to cheat any component

1 of a gaming device in a manner contrary to the designed and  
2 normal operational purpose of the component, including, but  
3 not limited to, varying the pull of the handle of a slot  
4 machine, with knowledge that the manipulation affects the  
5 outcome of the game or with knowledge of any event that  
6 affects the outcome of the game.

7 (11) Marking, altering or otherwise modifying any gaming  
8 device in a manner that:

9 (i) affects the result of a wager by determining win  
10 or loss; or

11 (ii) alters the normal criteria of random selection  
12 which affects the operation of a game or which determines  
13 the outcome of a game.

14 (12) Willfully failing to report, account for or pay any  
15 license fee, tax or other payment required by this chapter.

16 (13) Knowingly possessing any slot machine or gaming  
17 device which has been manufactured, sold or distributed in  
18 violation of this chapter.

19 (d) Civil penalties.--In addition to other penalties  
20 provided, any person who:

21 (1) conducts a gaming operation without first obtaining  
22 a license to do so;

23 (2) continues to conduct such games after revocation of  
24 his license; or

25 (3) conducts or allows to be conducted any unauthorized  
26 games on a riverboat

27 shall be subject to a civil penalty equal to the amount of gross  
28 receipts derived from wagering on the games, whether authorized  
29 or unauthorized, conducted on that day, as well as confiscation  
30 and forfeiture of all game equipment used in the conduct of

1 unauthorized games.

2 (e) Rebuttable inference of intent to cheat.--Possession of  
3 any of the devices described in subsection (a) or (c)(3), (5),  
4 (7) or (8) permits a rebuttable inference that the possessor  
5 intended to use them for cheating.

6 (f) Certain persons barred from riverboats.--A person  
7 convicted of a felony under this section shall be excluded from  
8 all riverboats.

9 (g) Venue.--An action to prosecute a crime occurring on a  
10 riverboat shall be tried in the county where the riverboat is  
11 docked.

12 § 7173. Riverboat liquor license.

13 (a) Establishment.--There is hereby established, and the  
14 Pennsylvania Liquor Control Board shall have the authority to  
15 issue, a retail liquor license known as a riverboat liquor  
16 license for the brewing and sale of liquor, alcohol and malt or  
17 brewed beverages for consumption only on the premises of a  
18 riverboat and its adjacent support facilities licensed and  
19 operated under the provisions of this chapter.

20 (b) Hours of operation.--The holder of a riverboat liquor  
21 license may sell and serve liquor, alcohol and malt or brewed  
22 beverages only during the hours of operation of the riverboat as  
23 approved by the commission.

24 (c) License conversion.--Upon receipt of written  
25 notification from the commission of the successful applicants  
26 for operator licenses issued under this chapter, the  
27 Pennsylvania Liquor Control Board shall convert any restaurant  
28 liquor license held by or transferred to the successful  
29 applicant into a riverboat liquor license.

30 § 7174. Cooperation.

1 The Pennsylvania Liquor Control Board and the commission  
2 shall enter into cooperative agreements to facilitate the  
3 effective and efficient administration of the provisions of this  
4 chapter.

5 § 7175. Administrative procedures.

6 Except with respect to the award of operator licenses under  
7 this chapter, a person may appeal from any final order, decree,  
8 decision, determination or ruling of the commission as provided  
9 in 2 Pa.C.S. (relating to administrative law and procedure).

10 § 7176. Local waterfront commissions.

11 (a) Local waterfront development commission established.--  
12 Within 30 days of the filing of an application for a riverboat  
13 gaming license in a host municipality, the mayor of such  
14 municipality shall establish and appoint members to a local  
15 waterfront development commission.

16 (b) Commission purpose.--For purposes of this chapter, the  
17 local waterfront development commission shall have the following  
18 powers and duties:

19 (1) Review and approve the proposed site development  
20 plan prepared by an operator license applicant who proposes  
21 to dock a riverboat in the host municipality.

22 (2) Ensure that construction and development of an  
23 operator licensee's location in the host municipality is in  
24 accordance with the approved site development plan.

25 (3) Notify the commission of an operator licensee's  
26 failure to comply with provisions of the approved site  
27 development plan. Nothing in this section shall preclude the  
28 mayor of a host municipality from delegating to a local  
29 waterfront development commission any other local powers and  
30 duties.

1 Section 2. This act shall take effect in 60 days.