

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 75

Session of
2005

INTRODUCED BY BOSCOLA, JANUARY 31, 2005

REFERRED TO STATE GOVERNMENT, JANUARY 31, 2005

AN ACT

1 Amending Title 65 (Public Officers) of the Pennsylvania
2 Consolidated Statutes, further providing for restricted
3 activities of public officials and certain public employees
4 relating to prohibited interests relating to horse racing and
5 gaming and for penalties; and making a related repeal.

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

8 Section 1. Section 1103 of Title 65 of the Pennsylvania
9 Consolidated Statutes is amended by adding a subsection to read:

10 § 1103. Restricted activities.

11 * * *

12 (k) Prohibited interest related to horse racing and
13 gaming.--

14 (1) No executive-level State employee, public official,
15 party officer nor an immediate family member of such an
16 individual may hold or own any interest in, or be employed
17 by, either directly or indirectly, any:

18 (i) applicant;

19 (ii) licensed entity;

1 (iii) licensed racing entity;

2 (iv) licensed facility; or

3 (v) person doing business with any applicant,
4 licensed entity, licensed racing entity or licensed
5 facility.

6 (2) An individual subject to paragraph (1) shall, within
7 30 days of the effective date of this subsection:

8 (i) divest the interest or terminate the employment;
9 and

10 (ii) notify the commission in writing of the action
11 under subparagraph (i).

12 (3) The prohibition in paragraph (1) shall continue for
13 one year following termination of the individual's status as
14 an executive-level State employee, public official or party
15 officer.

16 (4) As used in this subsection, the following words and
17 phrases shall have the meanings given to them in this
18 paragraph:

19 "Applicant." Any person who applies for any license
20 required under 4 Pa.C.S. Pt. II (relating to gaming) or
21 required under the act of December 17, 1981 (P.L.435,
22 No.135), known as the Race Horse Industry Reform Act.

23 "Executive-level State employee." The Governor,
24 Lieutenant Governor, cabinet members, deputy secretaries, the
25 Governor's office executive staff, any State employee with
26 discretionary powers which may affect the outcome of a State
27 agency's decision in relation to the private corporation or
28 business, with respect to any matter covered by 4 Pa.C.S. Pt.
29 II (relating to gaming) or any executive employee who by
30 virtue of his job function could influence the outcome of

1 such a decision.

2 "Interest." As follows:

3 (i) The term includes any security, equity,
4 indebtedness, assets or other form of ownership of any:

5 (A) applicant;

6 (B) licensed entity;

7 (C) licensed racing entity;

8 (D) licensed facility; or

9 (E) person doing business with any applicant,
10 licensed entity, licensed racing entity or licensed
11 facility.

12 (ii) The term does not include:

13 (A) an investment made by a retirement system
14 established pursuant to 71 Pa.C.S. Pt. XXV (relating
15 to retirement for State employees and officers) or by
16 a pension plan or system governed by the act of
17 December 18, 1984 (P.L.1005, No.205), known as the
18 Municipal Pension Plan Funding Standard and Recovery
19 Act;

20 (B) an investment in a mutual fund, as defined
21 in 20 Pa.C.S. § 7201 (relating to definitions); or

22 (C) a security held in a blind trust over which
23 the holder may not exercise any control or receive
24 income during the holder's tenure of office and for
25 one year following termination of the holder's status
26 as an executive-level State employee, public official
27 or party officer.

28 "Licensed entity." As defined in 4 Pa.C.S. Pt. II
29 (relating to gaming). The term includes any holding,
30 affiliate, intermediary or subsidiary company of the licensed

1 entity.

2 "Licensed facility." As defined in 4 Pa.C.S. Pt. II
3 (relating to gaming). The term includes any holding,
4 affiliate, intermediary or subsidiary company of the licensed
5 facility.

6 "Licensed racing entity." As defined in 4 Pa.C.S. Pt. II
7 (relating to gaming). The term includes any holding,
8 affiliate, intermediary or subsidiary company of the licensed
9 racing entity.

10 "Party officer." A member of a national committee; a
11 chairman, vice chairman, secretary, treasurer or counsel of a
12 State committee or member of the executive committee of a
13 State committee; a county chairman, vice chairman, counsel,
14 secretary or treasurer of a county committee; or a city
15 chairman, vice chairman, counsel, secretary or treasurer of a
16 city committee.

17 "Person." As defined under 4 Pa.C.S. Pt. II (relating to
18 gaming). The term includes any holding, affiliate,
19 intermediary or subsidiary company of the person.

20 "Security." As defined in section 102 of the act of
21 December 5, 1972 (P.L.1280, No.284), known as the
22 Pennsylvania Securities Act of 1972.

23 Section 2. Section 1109(a) of Title 65 is amended to read:

24 § 1109. Penalties.

25 (a) Restricted activities violation.--Any person who
26 violates the provisions of section 1103(a), (b) [and (c)], (c)
27 and (k) (relating to restricted activities) commits a felony and
28 shall, upon conviction, be sentenced to pay a fine of not more
29 than \$10,000 or to imprisonment for not more than five years, or
30 both.

1 * * *

2 Section 3. The provisions of 4 Pa.C.S. § 1512 are repealed
3 insofar as they are inconsistent with this act.

4 Section 4. This act shall take effect immediately.