
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 808 Session of
2015

INTRODUCED BY P. COSTA, KOTIK, KORTZ, BROWNLEE, BURNS,
CALTAGIRONE, COHEN, D. COSTA, P. DALEY, DEASY, DeLUCA,
DERMODY, DRISCOLL, FARINA, FLYNN, GAINNEY, GOODMAN, HANNA,
HARHAI, HARKINS, LONGIETTI, MAHONEY, MASSER, MATZIE, McNEILL,
MUSTIO, PASHINSKI, RAVENSTAHL, SABATINA, SAINATO, SNYDER,
STURLA, TAYLOR AND WHEELAND, MARCH 17, 2015

REFERRED TO COMMITTEE ON GAMING OVERSIGHT, MARCH 17, 2015

AN ACT

1 Amending Title 4 (Amusements) of the Pennsylvania Consolidated
2 Statutes, providing for video gaming; imposing duties on the
3 Pennsylvania Gaming Control Board; establishing the Video
4 Gaming Account; imposing penalties; and providing for
5 funding.

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

8 Section 1. Title 4 of the Pennsylvania Consolidated Statutes
9 is amended by adding a chapter to read:

10 CHAPTER 11A

11 VIDEO GAMING

12 Sec.

13 11A01. Definitions.

14 11A02. Powers and duties.

15 11A03. Video gaming.

16 11A04. Licensing of manufacturers, distributors and terminal

17 operators.

- 1 11A05. Licensed establishment license.
2 11A06. Limitations on licensed establishments.
3 11A07. Central communications system.
4 11A08. Video gaming terminal prototype.
5 11A09. Fees.
6 11A10. Unlawful use by minors.
7 11A11. Inducements prohibited.
8 11A12. Multiple types of licenses prohibited.
9 11A13. Illegal activities.
10 11A14. Establishment of account and distribution of funds.
11 11A15. Preemption of local taxes and license fees.
12 11A16. Exemption from State gaming laws.
13 11A17. Exemption from Federal regulation.
14 11A18. Funding.
15 § 11A01. Definitions.

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

19 "Account." The Video Gaming Account established under
20 section 11A14 (relating to establishment of account and
21 distribution of funds).

22 "Coin-operated amusement game." A machine that requires the
23 insertion of a coin, currency or tokens to play or activate a
24 game, the outcome of which is predominantly and primarily
25 determined by the skill of the player. The term does not include
26 a video lottery terminal.

27 "Distributor." Any individual, partnership, association,
28 limited liability company or corporation, licensed by the board
29 to buy, sell, lease, service or distribute video gaming
30 terminals. The term does not include a terminal operator or a

1 manufacturer.

2 "Gaming machine." A device or game that has the outcome of
3 play primarily determined by chance. The term includes an
4 antique slot machine under 18 Pa.C.S. § 5513(c) (relating to
5 gambling devices, gambling, etc.) when used for profit. The term
6 shall not include any of the following:

7 (1) A coin-operated amusement game.

8 (2) A video gaming terminal that has all of its seals or
9 identification plates.

10 (3) Slot machines as defined under section 1103
11 (relating to definitions).

12 (4) A game of chance under the act of December 19, 1988
13 (P.L.1262, No.156), known as the Local Option Small Games of
14 Chance Act.

15 (5) Lottery terminals used under the act of August 26,
16 1971 (P.L.351, No.91), known as the State Lottery Law.

17 "Inducement." Consideration from a terminal operator, or an
18 agent of the operator, to a licensed establishment owner as an
19 enticement to solicit or maintain the licensed establishment
20 owner's business. The term includes cash, gifts, loans and
21 prepayments of commissions.

22 "Licensed establishment." A restaurant, bar, tavern, hotel,
23 golf course or club that has a valid liquor or malt or brewed
24 beverage license under Article IV of the act of April 12, 1951
25 (P.L.90, No.21), known as the Liquor Code.

26 "Manufacturer." Any individual, partnership, association,
27 limited liability company or corporation that:

28 (1) is licensed by the board; and

29 (2) manufactures, produces or assembles video gaming
30 terminals or major parts and components of video gaming

1 terminals.

2 "Net profits." All money put into a video gaming terminal
3 minus the cash awards paid out to players.

4 "Service technician." An individual holding a service
5 technician's license issued by the board allowing the individual
6 to service, maintain and repair video gaming terminals.

7 "State Lottery." The lottery established and operated under
8 the State Lottery Law.

9 "Terminal operator." Any individual, partnership,
10 association, limited liability company or corporation that:

11 (1) is licensed by the board; and

12 (2) owns, services and maintains video gaming terminals
13 for placement in licensed establishments.

14 "Video gaming terminal." A device or terminal:

15 (1) that, upon insertion of a coin or currency, will
16 play or simulate the play of a video poker, bingo, keno or
17 any other game authorized by the board;

18 (2) that utilizes a video display and microprocessors;
19 and

20 (3) in which, by the skill of the player or by chance,
21 the player may receive free games or credits that may be
22 redeemed for cash.

23 § 11A02. Powers and duties.

24 The board shall regulate and adopt standards for all gaming
25 activities in this Commonwealth, including video gaming as
26 authorized under this chapter.

27 § 11A03. Video gaming.

28 The board shall provide for video gaming at licensed
29 establishments. With the exception of tickets indicating credits
30 won, which are redeemable for cash, no video gaming terminal may

1 directly dispense coins, cash, tokens or anything else of value.
2 The winning ticket may, however, be used in other licensed video
3 gaming terminals in the same establishment.

4 § 11A04. Licensing of manufacturers, distributors and terminal
5 operators.

6 (a) Background investigation.--The board shall have the
7 Pennsylvania State Police conduct a background investigation of
8 an applicant for a manufacturer, distributor or terminal
9 operator license as to personal and business character, honesty
10 and integrity. The investigation may utilize information on the
11 applicant compiled by the Pennsylvania Liquor Control Board. The
12 investigation includes the following:

13 (1) An examination of criminal or civil records.

14 (2) An examination of personal, financial or business
15 records. This paragraph includes tax returns, bank accounts,
16 business accounts, mortgages and contracts to which the
17 license applicant is a party or has an interest.

18 (3) An examination of personal or business relationships
19 which:

20 (i) include a partial ownership or voting interest
21 in a partnership, association or corporation; and

22 (ii) bear on the fitness of the applicant for
23 licensure.

24 (b) Application fee.--Fees are as follows:

25 (1) A manufacturer or distributor applicant must pay a
26 nonrefundable application fee of \$10,000.

27 (2) A terminal operator must pay a nonrefundable
28 application fee of \$5,000.

29 (c) Production of information.--An applicant to become a
30 licensee must produce information, documentation and assurances

1 as required by the board. This subsection includes the
2 following:

3 (1) Each license applicant must:

4 (i) consent in writing to and provide for the
5 examination of financial and business accounts, bank
6 accounts, tax returns and related records in the
7 applicant's possession or under the applicant's control
8 that establish the financial stability, integrity and
9 responsibility of the license applicant; and

10 (ii) authorize all third parties in possession or
11 control of accounts or records under subparagraph (i) to
12 allow for their examination as deemed necessary by the
13 board in conducting background investigations.

14 (2) Each license applicant must disclose on the
15 application form any criminal convictions for offenses graded
16 above summary offenses covering the 10-year period
17 immediately preceding the filing of the application. The
18 license applicant must also include on the application form
19 any convictions of the gambling laws of any jurisdiction.

20 (3) If the license applicant has conducted a gaming
21 operation in a jurisdiction that permits such activity, the
22 license applicant must produce letters of reference from the
23 gaming or casino enforcement or control agency that specify
24 the experiences of the agency with the license applicant, the
25 license applicant's associates and the license applicant's
26 gaming operations. If the license applicant is unable to
27 obtain these letters within 60 days of the request, the
28 license applicant may submit a copy of the letter requesting
29 the information, together with a statement under oath or
30 affirmation that, during the period activities were

1 conducted, the license applicant was in good standing with
2 the appropriate gambling or casino enforcement control
3 agency.

4 (4) Each license applicant must provide information,
5 documentation and assurances as required by the board to
6 establish the license applicant's good character, honesty and
7 integrity. Information under this paragraph may relate to
8 family, habits, character, reputation, business affairs,
9 financial affairs, business associates, professional
10 associates and personal associates, covering the 10-year
11 period immediately preceding the filing of the application.

12 (d) Felony conviction prohibition.--A person that has been
13 convicted of a felony shall not be issued a license under this
14 chapter.

15 (e) Third-party disclosure.--Each license applicant must
16 accept any risk of adverse public notice, embarrassment,
17 criticism, damages or financial loss, which may result from
18 disclosure or publication by a third party of material or
19 information requested by the board pursuant to action on an
20 application. The license applicant expressly must waive a claim
21 against the board or the Commonwealth and its employees from
22 damages as a result of disclosure or publication by a third
23 party.

24 (f) Hearing upon denial.--A person who is denied a license,
25 or the renewal of a license, has the right to a hearing before
26 the board in accordance with the provisions of 2 Pa.C.S. Chs. 5
27 Subch. A (relating to practice and procedure of Commonwealth
28 agencies) and 7 Subch. A (relating to judicial review of
29 Commonwealth agency action).

30 (g) Sole proprietor terminal operators.--A sole proprietor

1 terminal operator must comply with all of the following:

2 (1) Be a resident of this Commonwealth for at least two
3 years prior to application for a license.

4 (2) Be of good moral character and reputation in the
5 community.

6 (3) Be 18 years of age or older.

7 (4) Be current in the payment of all taxes, interest and
8 penalties owed to the Commonwealth and political subdivisions
9 of the Commonwealth. This paragraph excludes items under
10 formal dispute or appeal under applicable law.

11 (5) Demonstrate sufficient financial resources to
12 support the activities required to place and service video
13 gaming terminals.

14 (h) Partnership terminal operators.--Partnership terminal
15 operators must comply with all of the following:

16 (1) Be current in the payment of taxes, interest and
17 penalties owed to the Commonwealth and political subdivisions
18 of the Commonwealth. This paragraph excludes items under
19 formal dispute or appeal under applicable law.

20 (2) Demonstrate sufficient financial resources to
21 support the activities required to place and service video
22 gaming terminals.

23 (3) Each partner must be:

24 (i) of good moral character and reputation in the
25 community;

26 (ii) 18 years of age or older; and

27 (iii) a resident of this Commonwealth for at least
28 two years prior to application for a license.

29 (4) At all times subsequent to licensing, a majority of
30 the ownership interest in the partnership must be held by

1 residents of this Commonwealth.

2 (i) Associations, limited liability companies and corporate
3 terminal operators.--An association, limited liability or
4 corporate terminal operator must comply with all of the
5 following:

6 (1) Be current in the payment of taxes, interest and
7 penalties owed to the Commonwealth and political subdivisions
8 of the Commonwealth. This paragraph excludes items under
9 formal dispute or appeal under applicable law.

10 (2) Demonstrate sufficient financial resources to
11 support the activities required to place and service video
12 gaming terminals.

13 (3) Have each shareholder holding more than 10% of the
14 stock of a corporation be:

15 (i) of good moral character and reputation in the
16 community;

17 (ii) 18 years of age or older; and

18 (iii) a resident of this Commonwealth for at least
19 two years prior to application.

20 (j) Sole proprietor distributors.--A sole proprietor
21 distributor must comply with all of the following:

22 (1) Be of good moral character and reputation in the
23 community.

24 (2) Be 18 years of age or older.

25 (3) Be current in the payment of taxes, interest and
26 penalties owed to the Commonwealth and political subdivisions
27 of the Commonwealth. This paragraph excludes items under
28 formal dispute or appeal under applicable law.

29 (4) Demonstrate sufficient financial resources to
30 support the activities required to sell and service video

1 gaming terminals.

2 (k) Partnership distributors.--Partnership distributors must
3 comply with all of the following:

4 (1) Be current in the payment of taxes, interest and
5 penalties owed to the Commonwealth and political subdivisions
6 of the Commonwealth. This paragraph excludes items under
7 formal dispute or appeal under applicable law.

8 (2) Demonstrate sufficient financial resources to
9 support the activities required to sell and service video
10 gaming terminals.

11 (3) Have each partner be:

12 (i) of good moral character and reputation in the
13 community;

14 (ii) 18 years of age or older.

15 (4) At all times subsequent to licensing, a majority of
16 the partnership ownership interest must be held by residents
17 of this Commonwealth.

18 (l) Associations, limited liability companies and corporate
19 distributors.--An association, limited liability company or
20 corporate distributor must comply with all of the following:

21 (1) Be current in the payment of taxes, interest and
22 penalties owed to the Commonwealth and political subdivisions
23 of the Commonwealth. This paragraph excludes items under
24 formal dispute or appeal under applicable law.

25 (2) Demonstrate sufficient financial resources to
26 support the activities required to sell and service video
27 gaming terminals.

28 (3) Have each shareholder holding more than 10% of the
29 stock of a corporation be:

30 (i) of good moral character and reputation in the

1 community; and

2 (ii) 18 years of age or older.

3 (m) Sole proprietor manufacturers.--A sole proprietor
4 manufacturer must comply with all of the following:

5 (1) Be of good moral character and reputation in the
6 community.

7 (2) Be 18 years of age or older.

8 (3) Be current in the payment of taxes, interest and
9 penalties owed to the Commonwealth and political subdivisions
10 of the Commonwealth. This paragraph excludes items under
11 formal dispute or appeal under applicable law.

12 (4) Demonstrate sufficient financial resources to
13 support the activities required to manufacture and sell video
14 gaming terminals through a licensed distributor.

15 (n) Partnership manufacturers.--Partnership manufacturers
16 must comply with all of the following:

17 (1) Be current in the payment of taxes, interest and
18 penalties owed to the Commonwealth and political subdivisions
19 of the Commonwealth. This paragraph excludes items under
20 formal dispute or appeal under applicable law.

21 (2) Demonstrate sufficient financial resources to
22 support the activities required to manufacture and sell video
23 gaming terminals through a licensed distributor.

24 (3) Have each partner be:

25 (i) 18 years of age or older; and

26 (ii) of good moral character and reputation in the
27 community.

28 (o) Associations, limited liability companies and corporate
29 manufacturers.--An association, limited liability company or
30 corporate manufacturer must comply with all of the following:

1 (1) Be current in the payment of taxes, interest and
2 penalties owed to the Commonwealth and political subdivisions
3 of the Commonwealth. This paragraph excludes items under
4 formal dispute or appeal under applicable law.

5 (2) Demonstrate sufficient financial resources to
6 support the activities required to manufacture and sell video
7 gaming terminals through a licensed distributor.

8 (3) Have each shareholder holding more than 10% of the
9 stock of the corporation or association be:

10 (i) of good moral character and reputation in the
11 community; and

12 (ii) 18 years of age or older.

13 (p) Service technician.--A service technician must comply
14 with the following:

15 (1) Be current in the payment of taxes, interest and
16 penalties owed to the Commonwealth and political subdivisions
17 of the Commonwealth. This paragraph excludes items under
18 formal dispute or appeal under applicable law.

19 (2) Be of good moral character and reputation in the
20 community.

21 (3) Be 18 years of age or older.

22 (q) Written agreement.--Each licensed establishment shall
23 have a written agreement with a terminal operator for a minimum
24 60-month term. The agreement shall be approved by the board and
25 on file at the licensed establishment. An establishment may only
26 sign, or agree to sign, a written agreement with a terminal
27 operator. Unlicensed third parties are prohibited from
28 soliciting written contracts with establishments. No inducement
29 may be offered to an establishment to sign a written agreement.

30 (r) Nonaccessibility to minors.--No video gaming terminal

1 may be in an area easily accessible to minors. A floor-to-
2 ceiling wall is not required. The area must be secure and easily
3 seen and observed by the employees or management of the licensed
4 establishment.

5 (s) Advertising prohibited.--No licensed establishment with
6 a video gaming license may advertise gaming in any form in its
7 licensed name.

8 § 11A05. Licensed establishment license.

9 The board shall issue a license to any licensed establishment
10 upon a showing that its liquor or retail dispenser license is
11 valid and is in good standing with the Pennsylvania Liquor
12 Control Board. The annual fee for a licensed establishment shall
13 be \$1,000. The licensed establishment shall also pay an annual
14 fee of \$500 per video gaming terminal.

15 § 11A06. Limitations on licensed establishments.

16 (a) Limitations.--Licensed establishments shall be subject
17 to the following limitations:

18 (1) If the square footage licensed by the Pennsylvania
19 Liquor Control Board is less than 2,500 square feet, the
20 licensed establishment is allowed up to five video gaming
21 terminals. One additional terminal may be placed for each
22 additional 500 square feet over 2,500, with a maximum of 10
23 gaming terminals.

24 (2) No applicant may hold more than one type of license
25 authorized by this chapter.

26 (3) Each licensee is responsible for payment of its
27 license fee. Payment of the fee by a person, partnership,
28 limited liability company or corporation other than the
29 licensee is prohibited.

30 (b) Unlawful acts.--No licensed establishment shall permit:

1 (1) An individual under 21 years of age to operate or
2 attempt to operate a video gaming terminal.

3 (2) An individual under 21 years of age to receive or
4 attempt to receive a prize from a video gaming terminal.

5 (3) A visibly intoxicated person to play a video gaming
6 terminal.

7 (4) An individual to tamper with the connection of a
8 video gaming terminal to the central computer.

9 (c) Summary offense.--In addition to any other penalty
10 provided by law, a person who violates subsection (b)(1), (2) or
11 (3) commits a summary offense.

12 (d) Seizure, forfeiture and destruction of gaming
13 machines.--A licensee shall have the duty to consent to seizures
14 of its gaming machines. Gaming machines and the proceeds of
15 gaming machines shall be subject to seizure under sections
16 1517(e) (relating to investigations and enforcement) and 1518(f)
17 (relating to prohibited acts; penalties).

18 (e) Penalties.--

19 (1) In the case of a gaming machine seized from a
20 licensed establishment, for a first violation, the penalty
21 shall be at least \$1,000 and not more than \$5,000 and a
22 suspension of the licensed establishment owner's liquor
23 license for not less than seven consecutive days, and for
24 each subsequent violation, a penalty of \$15,000 and a
25 suspension of the liquor license for not less than 14
26 consecutive days.

27 (2) In the case of a gaming machine seized from a place
28 of business other than a licensed establishment, for a first
29 violation, the penalty shall be at least \$1,000 and not more
30 than \$5,000 against the owner of the business from which the

1 gaming machine was seized, and for each subsequent violation,
2 a penalty of \$15,000.

3 § 11A07. Central communications system.

4 The board shall establish and procure a central
5 communications system capable of monitoring and communicating
6 with each licensed video gaming terminal. The board may, by
7 agreement between the Department of Revenue and the State
8 Lottery, utilize the central communications system utilized by
9 the State Lottery. All licensed video gaming terminals must be
10 linked to a central communications system by agreement between
11 the board and the State Lottery, at the State Lottery.

12 § 11A08. Video gaming terminal prototype.

13 The board shall develop a prototype video gaming terminal
14 that includes hardware and software specifications. All video
15 gaming terminals offered for play in this Commonwealth shall
16 conform to an approved model. The board is authorized to utilize
17 the standards approved by other states and may contract for the
18 services of the board's testing laboratory. The board may also
19 contract for services of one or more independent outside testing
20 laboratories that have been accredited by a national
21 accreditation body and that, in the judgment of the board, are
22 qualified to perform such examinations and tests. These
23 specifications shall include:

24 (1) All video gaming terminals must have the ability to
25 interact with the central communications system.

26 (2) Unremovable identification plates shall appear on
27 the exterior of the video gaming terminal containing the name
28 of the manufacturer and the serial and model number of the
29 video gaming terminal.

30 (3) Rules of play shall be displayed on the video gaming

1 terminal face or screen as promulgated by the board.

2 (4) A video gaming terminal may not directly dispense
3 coins, cash, tokens or any other article of exchange or value
4 except for tickets. Such tickets shall be dispensed by
5 pressing the ticket dispensing button on the video gaming
6 terminal at the end of one's turn or play. The ticket shall
7 indicate the total amount of credits and the cash award. The
8 player shall be permitted to insert the ticket into another
9 terminal in the same licensed establishment or turn in the
10 ticket for redemption. Redemption shall be made by giving the
11 ticket to the responsible person in charge at the licensed
12 establishment or through the use of an approved redemption
13 machine. A redemption machine is required at the licensed
14 establishment if the establishment has three or more
15 terminals.

16 (5) The cost of a credit shall be 1¢, 5¢, 10¢ or 25¢,
17 and the maximum wager played per hand shall not exceed \$2.50.

18 (6) No cash award for any individual game may exceed
19 \$500.

20 (7) All video gaming terminals must be designed and
21 manufactured with total accountability to include gross
22 proceeds, net profits, winning percentages and any other
23 information the board requires.

24 (8) Each video gaming terminal shall pay out a minimum
25 of 85% of the amount wagered.

26 § 11A09. Fees.

27 (a) Terminal operator license and fee.--The annual fee for a
28 terminal operator license shall be \$25,000 for 50 or fewer video
29 gaming terminals. An additional annual fee of \$500 shall be
30 charged per video gaming terminal license for more than 50 video

1 gaming terminals.

2 (b) Distributor license fee.--The annual fee for a
3 distributor license shall be \$10,000.

4 (c) Manufacturer license fee.--The annual fee for a
5 manufacturer license shall be \$10,000.

6 (d) Service technician license fee.--The annual fee for a
7 service technician license shall be \$100.

8 § 11A10. Unlawful use by minors.

9 (a) Minors.--No individual under 21 years of age may use or
10 play a video gaming terminal. An individual who violates this
11 subsection commits a summary offense.

12 (b) Licensees.--

13 (1) A licensed establishment may not permit an
14 individual under 21 years of age to play or use a video
15 gaming terminal.

16 (2) A licensed establishment that violates this
17 subsection commits a misdemeanor of the second degree.

18 § 11A11. Inducements prohibited.

19 (a) General rule.--A terminal operator shall not give, or
20 offer to give, any type of inducement to a licensed
21 establishment to secure a video gaming terminal placement
22 agreement.

23 (b) Acceptance of inducements prohibited.--A licensed
24 establishment may not accept any inducement from a terminal
25 operator or any other third party, directly or indirectly,
26 associated with a terminal operator.

27 § 11A12. Multiple types of licenses prohibited.

28 (a) Manufacturer restriction.--A manufacturer may not be
29 licensed as a video gaming terminal distributor or a terminal
30 operator, or own, manage or control a licensed establishment,

1 and shall be licensed only to sell to licensed distributors.

2 (b) Distributor restriction.--A licensed video gaming
3 terminal distributor may not be licensed as a manufacturer or a
4 terminal operator, or own, manage or control a licensed
5 establishment.

6 (c) Terminal operator restriction.--A terminal operator may
7 not be licensed as a manufacturer or distributor, or own, manage
8 or control a licensed establishment, and shall be licensed only
9 to contract with licensed distributors and licensed
10 establishments.

11 (d) Establishment owner restriction.--An owner of a licensed
12 establishment may not be licensed as a manufacturer, distributor
13 or terminal operator and shall only contract with a terminal
14 operator to place and service equipment.

15 § 11A13. Illegal activities.

16 A person may not sell, distribute, service, own, operate or
17 place on location a video gaming terminal unless the person is
18 licensed under this chapter and is in compliance with all
19 requirements of this chapter.

20 § 11A14. Establishment of account and distribution of funds.

21 (a) Video Gaming Account.--A separate account in the State
22 Treasury to be known as the Video Gaming Account is established.
23 Fees and fines under this chapter and the portion of net profits
24 under subsection (b) (3) shall be deposited in the account.

25 (b) Distribution of net profits.--The net profits from each
26 video gaming terminal shall be distributed in the following
27 manner:

28 (1) To the licensed establishment, 33%.

29 (2) To the terminal operator, 33%.

30 (3) To the General Fund, 34%.

1 (c) Board funding.--The board shall derive all funding for
2 its operations related to the establishment, enforcement and
3 operation of video gaming from the account.

4 (d) Payments to municipalities.--The board shall pay each
5 municipality \$1,000 per licensed terminal located in the
6 municipality.

7 (e) Funding for compulsive gambling programs.--The board
8 shall allocate from the account \$1,000,000 annually for the
9 purpose of treating compulsive gambling in this Commonwealth.

10 (f) Continuing appropriation.--The money in the account is
11 appropriated to the account on a continuing basis and shall not
12 lapse at the end of any fiscal year.

13 § 11A15. Preemption of local taxes and license fees.

14 (a) Statutes.--Video gaming terminals shall be exempt from
15 taxes levied under the following:

16 (1) The act of August 5, 1932 (Sp.Sess., P.L.45, No.45),
17 referred to as the Sterling Act.

18 (2) The act of December 31, 1965 (P.L.1257, No.511),
19 known as The Local Tax Enabling Act.

20 (3) 53 Pa.C.S. Pt. III Subpt. E (relating to home rule
21 and optional plan government).

22 (4) Any statute that confers taxing authority to a
23 political subdivision.

24 (b) Licensing fees.--

25 (1) Video gaming terminals are exempt from local
26 licensing fees.

27 (2) Local licensing fees imposed on all other coin-
28 operated amusement games shall not exceed \$100.

29 § 11A16. Exemption from State gaming laws.

30 Video gaming terminals authorized under this chapter and

1 their use as authorized under this chapter are exempt from 18
2 Pa.C.S. § 5513 (relating to gambling devices, gambling, etc.).
3 § 11A17. Exemption from Federal regulation.

4 The General Assembly declares that the Commonwealth is exempt
5 from section 2 of the Gambling Devices Transportation Act (64
6 Stat. 1134, 15 U.S.C. § 1172). Shipments of approved video
7 gaming terminals into this Commonwealth in compliance with
8 sections 3 and 4 of the Gambling Devices Transportation Act (15
9 U.S.C. §§ 1173 and 1174) shall be deemed legal shipments into
10 this Commonwealth.

11 § 11A18. Funding.

12 The sum of \$10,000,000 necessary for the payment of costs
13 associated with the operation of the board and the initial
14 implementation of this chapter and other costs associated with
15 this chapter shall be transferred from the General Fund to the
16 Pennsylvania Gaming Control Board. The transferred funds shall
17 be repaid by the board to the General Fund by June 30, 2017.

18 Section 2. This act shall take effect in 90 days.