

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1887 Session of
2015

INTRODUCED BY ORTITAY, BAKER, V. BROWN, D. COSTA, ENGLISH,
PHILLIPS-HILL, JOZWIAK, KAUFER, KAUFFMAN, KLUNK, KOTIK,
MILLARD, MURT, NEILSON, O'BRIEN, QUIGLEY, RADER, SAYLOR,
STAATS, THOMAS, WARD, ROZZI, KORTZ, D. PARKER, MICCARELLI AND
NELSON, MARCH 10, 2016

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, OCTOBER 25, 2016

AN ACT

1 Amending Title 4 (Amusements) of the Pennsylvania Consolidated
2 Statutes, IN LICENSEES, PROVIDING FOR SLOT MACHINE LICENSE <--
3 OPERATION FEE; IN TABLE GAMES, FURTHER PROVIDING FOR LOCAL
4 SHARE ASSESSMENT; IN REVENUES, FURTHER PROVIDING FOR
5 ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE
6 REVENUE DISTRIBUTION; ~~AND~~, in administration and enforcement <--
7 relating to gaming, further providing for compulsive and
8 problem gambling program; AND MAKING A RELATED REPEAL. <--

9 The General Assembly of the Commonwealth of Pennsylvania

10 hereby enacts as follows:

11 ~~Section 1. Section 1509 of Title 4 of the Pennsylvania~~ <--

12 ~~Consolidated Statutes is amended to read:~~

13 SECTION 1. TITLE 4 OF THE PENNSYLVANIA CONSOLIDATED STATUTES <--

14 IS AMENDED BY ADDING A SECTION TO READ:

15 § 1326.1. SLOT MACHINE LICENSE OPERATION FEE.

16 (A) IMPOSITION.--BEGINNING JANUARY 1, 2017, THE BOARD SHALL

17 IMPOSE AN ANNUAL SLOT MACHINE LICENSE OPERATION FEE ON EACH

18 CATEGORY 1 AND CATEGORY 2 LICENSED GAMING ENTITY, OTHER THAN A

19 CATEGORY 1 OR CATEGORY 2 LICENSED GAMING ENTITY OPERATING IN A

1 COUNTY OF THE FIRST CLASS, IN AN AMOUNT EQUAL TO 20% OF THE SLOT
2 MACHINE LICENSE FEE PAID AT THE TIME OF ISSUANCE UNDER SECTION
3 1209(A) (RELATING TO SLOT MACHINE LICENSE FEE). THE SLOT MACHINE
4 LICENSE OPERATION FEE SHALL BE PAID BY EACH CATEGORY 1 AND
5 CATEGORY 2 LICENSED GAMING ENTITY, OTHER THAN A CATEGORY 1 OR
6 CATEGORY 2 LICENSED GAMING ENTITY OPERATING IN A COUNTY OF THE
7 FIRST CLASS, IN EQUAL INSTALLMENTS ON A MONTHLY BASIS.

8 (B) PAYMENT OF FEE.--THE SLOT MACHINE LICENSE OPERATION FEE
9 IMPOSED UNDER SUBSECTION (A) SHALL BE PAID ON OR BEFORE THE
10 FIRST DAY OF EACH MONTH.

11 (C) FAILURE TO PAY.--THE BOARD MAY AT THE BOARD'S DISCRETION
12 SUSPEND, REVOKE OR DENY ANY PERMIT OR LICENSE ISSUED UNDER THIS
13 PART IF A CATEGORY 1 OR CATEGORY 2 LICENSED GAMING ENTITY FAILS
14 TO PAY THE SLOT MACHINE LICENSE OPERATION FEE IMPOSED UNDER
15 SUBSECTION (A).

16 (D) DEPOSIT OF SLOT MACHINE LICENSE OPERATION FEE.--THE
17 TOTAL AMOUNT OF ALL LICENSE OPERATION FEES IMPOSED AND COLLECTED
18 BY THE BOARD UNDER THIS SECTION SHALL BE DEPOSITED IN THE FUND
19 AND SHALL BE APPROPRIATED TO THE DEPARTMENT ON A CONTINUING
20 BASIS FOR THE PURPOSES UNDER SECTION 1403(C) (3) (RELATING TO
21 ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE REVENUE
22 DISTRIBUTION).

23 (E) EXPIRATION.--THIS SECTION SHALL EXPIRE MAY 1, 2017.

24 SECTION 2. SECTION 13A63(B) (3) (III) (A) AND (C) OF TITLE 4
25 ARE AMENDED TO READ:

26 § 13A63. LOCAL SHARE ASSESSMENT.

27 * * *

28 (B) DISTRIBUTIONS TO COUNTIES.--THE DEPARTMENT SHALL MAKE
29 QUARTERLY DISTRIBUTIONS FROM THE LOCAL SHARE ASSESSMENTS
30 DEPOSITED INTO THE FUND UNDER SUBSECTION (A) TO COUNTIES,

1 INCLUDING HOME RULE COUNTIES, HOSTING A LICENSED FACILITY
2 AUTHORIZED TO CONDUCT TABLE GAMES UNDER THIS CHAPTER IN
3 ACCORDANCE WITH THE FOLLOWING:

4 * * *

5 (3) IF THE FACILITY IS A CATEGORY 2 LICENSED FACILITY
6 AND IF THE COUNTY IN WHICH THE LICENSED FACILITY IS LOCATED
7 IS:

8 * * *

9 (III) A COUNTY OF THE THIRD CLASS WHERE A CITY OF
10 THE THIRD CLASS HOSTING THE LICENSED FACILITY IS LOCATED
11 IN TWO COUNTIES OF THE THIRD CLASS: 50% OF THE LICENSED
12 FACILITY'S LOCAL SHARE ASSESSMENT SHALL BE DISTRIBUTED AS
13 FOLLOWS:

14 (A) SIXTY PERCENT TO THE COUNTY IN WHICH THE
15 LICENSED FACILITY IS LOCATED, WHICH SHALL BE
16 DEPOSITED INTO A RESTRICTED RECEIPTS ACCOUNT TO BE
17 ESTABLISHED IN THE COMMONWEALTH FINANCING AUTHORITY
18 TO BE USED EXCLUSIVELY FOR ECONOMIC DEVELOPMENT
19 PROJECTS, COMMUNITY IMPROVEMENT PROJECTS AND OTHER
20 PROJECTS IN THE PUBLIC INTEREST WITHIN THE COUNTY.

21 * * *

22 (C) TWENTY PERCENT TO THE NONHOST COUNTY IN
23 WHICH THE HOST CITY IS LOCATED, OF WHICH 50% SHALL BE
24 DEPOSITED INTO A RESTRICTED RECEIPTS ACCOUNT TO BE
25 ESTABLISHED IN THE COMMONWEALTH FINANCING AUTHORITY
26 TO BE USED [SOLELY] EXCLUSIVELY FOR GRANTS TO
27 MUNICIPALITIES [THAT ARE CONTIGUOUS TO THE HOST CITY]
28 WITHIN THE NONHOST COUNTY FOR ECONOMIC DEVELOPMENT
29 PROJECTS, COMMUNITY IMPROVEMENT PROJECTS AND OTHER
30 PROJECTS IN THE PUBLIC INTEREST.

1 * * *

2 SECTION 3. SECTIONS 1403 AND 1509 OF TITLE 4 ARE AMENDED TO
3 READ:

4 § 1403. ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE
5 REVENUE DISTRIBUTION.

6 (A) FUND ESTABLISHED.--THERE IS HEREBY ESTABLISHED THE STATE
7 GAMING FUND WITHIN THE STATE TREASURY.

8 (B) SLOT MACHINE TAX.--THE DEPARTMENT SHALL DETERMINE AND
9 EACH SLOT MACHINE LICENSEE SHALL PAY A DAILY TAX OF 34% FROM ITS
10 DAILY GROSS TERMINAL REVENUE FROM THE SLOT MACHINES IN OPERATION
11 AT ITS FACILITY AND A LOCAL SHARE ASSESSMENT AS PROVIDED IN
12 SUBSECTION (C). ALL FUNDS OWED TO THE COMMONWEALTH, A COUNTY OR
13 A MUNICIPALITY UNDER THIS SECTION SHALL BE HELD IN TRUST BY THE
14 LICENSED GAMING ENTITY FOR THE COMMONWEALTH, THE COUNTY AND THE
15 MUNICIPALITY UNTIL THE FUNDS ARE PAID OR TRANSFERRED TO THE
16 FUND. UNLESS OTHERWISE AGREED TO BY THE BOARD, A LICENSED GAMING
17 ENTITY SHALL ESTABLISH A SEPARATE BANK ACCOUNT TO MAINTAIN
18 GROSS TERMINAL REVENUE UNTIL SUCH TIME AS THE FUNDS ARE PAID OR
19 TRANSFERRED UNDER THIS SECTION. MONEYS IN THE FUND ARE HEREBY
20 APPROPRIATED TO THE DEPARTMENT ON A CONTINUING BASIS FOR THE
21 PURPOSES SET FORTH IN SUBSECTION (C).

22 (C) TRANSFERS AND DISTRIBUTIONS.--THE DEPARTMENT SHALL:

23 (1) TRANSFER THE SLOT MACHINE TAX AND ASSESSMENT IMPOSED
24 IN SUBSECTION (B) TO THE FUND.

25 (2) FROM THE LOCAL SHARE ASSESSMENT ESTABLISHED IN
26 SUBSECTION (B), MAKE QUARTERLY DISTRIBUTIONS AMONG THE
27 COUNTIES HOSTING A LICENSED FACILITY IN ACCORDANCE WITH THE
28 FOLLOWING SCHEDULE:

29 (I) IF THE LICENSED FACILITY IS A CATEGORY 1
30 LICENSED FACILITY THAT IS LOCATED AT A HARNESS RACETRACK

1 AND THE COUNTY, INCLUDING A HOME RULE COUNTY, IN WHICH
2 THE LICENSED FACILITY IS LOCATED IS:

3 (A) A COUNTY OF THE FIRST CLASS: 4% OF THE
4 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
5 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
6 NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY,
7 FUNDS FROM LICENSED GAMING ENTITIES LOCATED WITHIN A
8 COUNTY OF THE FIRST CLASS SHALL NOT BE DISTRIBUTED
9 OUTSIDE OF A COUNTY OF THE FIRST CLASS.

10 (B) A COUNTY OF THE SECOND CLASS: 2% OF THE
11 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
12 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.

13 (C) A COUNTY OF THE SECOND CLASS A: 1% OF THE
14 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
15 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
16 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
17 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
18 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
19 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

20 (D) (I) A COUNTY OF THE THIRD CLASS: EXCEPT AS
21 PROVIDED IN SUBCLAUSE (II), 2% OF THE GROSS
22 TERMINAL REVENUE FROM EACH SUCH LICENSED FACILITY
23 SHALL BE DEPOSITED INTO A RESTRICTED RECEIPTS
24 ACCOUNT TO BE ESTABLISHED IN THE COMMONWEALTH
25 FINANCING AUTHORITY TO BE USED EXCLUSIVELY FOR
26 GRANTS FOR PROJECTS IN THE PUBLIC INTEREST TO
27 MUNICIPALITIES WITHIN THE COUNTY WHERE THE
28 LICENSED FACILITY IS LOCATED.

29 (I.1) PRIORITY SHALL BE GIVEN TO MULTIYEAR
30 PROJECTS APPROVED OR AWARDED BY THE DEPARTMENT OF

1 COMMUNITY AND ECONOMIC DEVELOPMENT UNDER
2 SUBCLAUSE (I) ON OR BEFORE THE EFFECTIVE DATE OF
3 THIS SUBCLAUSE.

4 (I.2) IN ADDITION TO MUNICIPALITIES THAT ARE
5 ELIGIBLE TO RECEIVE GRANT FUNDING UNDER SUBCLAUSE
6 (I), A COUNTY REDEVELOPMENT AUTHORITY WITHIN THE
7 COUNTY SHALL ALSO BE ELIGIBLE TO RECEIVE GRANT
8 FUNDING TO BE USED EXCLUSIVELY FOR ECONOMIC
9 DEVELOPMENT PROJECTS OR INFRASTRUCTURE. A COUNTY
10 REDEVELOPMENT AUTHORITY SHALL NOT BE ELIGIBLE TO
11 RECEIVE MORE THAN 10% OF THE TOTAL GRANT FUNDS
12 AWARDED.

13 (I.3) NOTWITHSTANDING THE ACT OF FEBRUARY 9,
14 1999 (P.L.1, NO.1), KNOWN AS THE CAPITAL
15 FACILITIES DEBT ENABLING ACT, GRANTS MADE UNDER
16 SUBCLAUSE (I) MAY BE UTILIZED AS LOCAL MATCHING
17 FUNDS FOR OTHER GRANTS OR LOANS FROM THE
18 COMMONWEALTH.

19 (II) IF A LICENSED FACILITY IS LOCATED IN
20 ONE OF TWO COUNTIES OF THE THIRD CLASS WHERE A
21 CITY OF THE THIRD CLASS IS LOCATED IN BOTH
22 COUNTIES OF THE THIRD CLASS, THE COUNTY IN WHICH
23 THE LICENSED FACILITY IS LOCATED SHALL RECEIVE
24 1.2% OF THE GROSS TERMINAL REVENUE TO BE
25 DISTRIBUTED AS FOLLOWS: 20% TO THE HOST CITY,
26 30% TO THE HOST COUNTY AND 50% TO THE HOST COUNTY
27 FOR THE PURPOSE OF MAKING MUNICIPAL GRANTS WITHIN
28 THE COUNTY, WITH PRIORITY GIVEN TO MUNICIPALITIES
29 CONTIGUOUS TO THE HOST CITY. THE COUNTY OF THE
30 THIRD CLASS, WHICH INCLUDES A CITY OF THE THIRD

1 CLASS THAT IS LOCATED IN TWO COUNTIES OF THE
2 THIRD CLASS AND IS NOT THE HOST COUNTY FOR THE
3 LICENSED FACILITY, SHALL RECEIVE .8% OF THE GROSS
4 TERMINAL REVENUE TO BE DISTRIBUTED AS FOLLOWS:
5 60% TO A NONHOST CITY OF THE THIRD CLASS LOCATED
6 SOLELY IN THE NONHOST COUNTY IN WHICH THE HOST
7 CITY OF THE THIRD CLASS IS ALSO LOCATED OR 60% TO
8 THE NONHOST CITY OF THE THIRD CLASS LOCATED BOTH
9 IN THE HOST AND NONHOST COUNTIES OF THE THIRD
10 CLASS, 35% TO THE NONHOST COUNTY AND 5% TO THE
11 NONHOST COUNTY FOR THE PURPOSE OF MAKING
12 MUNICIPAL GRANTS WITHIN THE COUNTY.

13 (E) A COUNTY OF THE FOURTH CLASS: 2% OF THE
14 GROSS TERMINAL REVENUE FROM EACH SUCH LICENSED
15 FACILITY SHALL BE DISTRIBUTED AS FOLLOWS:

16 (I) THE DEPARTMENT SHALL MAKE DISTRIBUTIONS
17 DIRECTLY TO EACH MUNICIPALITY WITHIN THE COUNTY,
18 EXCEPT THE HOST MUNICIPALITY, BY USING A FORMULA
19 EQUAL TO THE SUM OF \$25,000 PLUS \$10 PER RESIDENT
20 OF THE MUNICIPALITY USING THE MOST RECENT
21 POPULATION FIGURES PROVIDED BY THE DEPARTMENT OF
22 COMMUNITY AND ECONOMIC DEVELOPMENT, PROVIDED,
23 HOWEVER, THAT THE AMOUNT SO DISTRIBUTED TO ANY
24 MUNICIPALITY SHALL NOT EXCEED 50% OF ITS TOTAL
25 BUDGET FOR FISCAL YEAR 2009 OR 2013, WHICHEVER IS
26 GREATER, ADJUSTED FOR INFLATION IN SUBSEQUENT
27 FISCAL YEARS BY AN AMOUNT NOT TO EXCEED AN ANNUAL
28 COST-OF-LIVING ADJUSTMENT CALCULATED BY APPLYING
29 ANY UPWARD PERCENTAGE CHANGE IN THE CONSUMER
30 PRICE INDEX IMMEDIATELY PRIOR TO THE DATE THE

1 ADJUSTMENT IS DUE TO TAKE EFFECT. DISTRIBUTIONS
2 TO A MUNICIPALITY IN ACCORDANCE WITH THIS
3 SUBCLAUSE SHALL BE DEPOSITED INTO A SPECIAL FUND
4 WHICH SHALL BE ESTABLISHED BY THE MUNICIPALITY.
5 THE GOVERNING BODY OF THE MUNICIPALITY SHALL HAVE
6 THE RIGHT TO DRAW UPON THE SPECIAL FUND FOR ANY
7 LAWFUL PURPOSE PROVIDED THAT THE MUNICIPALITY
8 IDENTIFIES THE FUND AS THE SOURCE OF THE
9 EXPENDITURE. EACH MUNICIPALITY SHALL ANNUALLY
10 SUBMIT A REPORT TO THE DEPARTMENT OF COMMUNITY
11 AND ECONOMIC DEVELOPMENT DETAILING THE AMOUNT AND
12 PURPOSE OF EACH EXPENDITURE MADE FROM THE SPECIAL
13 FUND DURING THE PRIOR FISCAL YEAR.

14 (II) ANY FUNDS NOT DISTRIBUTED UNDER
15 SUBCLAUSE (I) SHALL BE DEPOSITED INTO A
16 RESTRICTED RECEIPTS ACCOUNT ESTABLISHED IN THE
17 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
18 TO BE USED EXCLUSIVELY FOR GRANTS TO THE COUNTY,
19 TO ECONOMIC DEVELOPMENT AUTHORITIES OR
20 REDEVELOPMENT AUTHORITIES WITHIN THE COUNTY FOR
21 GRANTS FOR ECONOMIC DEVELOPMENT PROJECTS,
22 INFRASTRUCTURE PROJECTS, JOB TRAINING, COMMUNITY
23 IMPROVEMENT PROJECTS, OTHER PROJECTS IN THE
24 PUBLIC INTEREST, AND NECESSARY AND REASONABLE
25 ADMINISTRATIVE COSTS. NOTWITHSTANDING THE
26 PROVISIONS OF THE ACT OF FEBRUARY 9, 1999 (P.L.1,
27 NO.1), KNOWN AS THE CAPITAL FACILITIES DEBT
28 ENABLING ACT, GRANTS MADE UNDER THIS CLAUSE MAY
29 BE UTILIZED AS LOCAL MATCHING FUNDS FOR OTHER
30 GRANTS OR LOANS FROM THE COMMONWEALTH.

1 (F) COUNTIES OF THE FIFTH THROUGH EIGHTH
2 CLASSES:

3 (I) EXCEPT AS SET FORTH IN SUBCLAUSE (II),
4 2% OF THE GROSS TERMINAL REVENUE FROM EACH SUCH
5 LICENSED FACILITY SHALL BE DEPOSITED INTO A
6 RESTRICTED ACCOUNT ESTABLISHED IN THE DEPARTMENT
7 OF COMMUNITY AND ECONOMIC DEVELOPMENT TO BE USED
8 EXCLUSIVELY FOR GRANTS TO THE COUNTY.

9 (II) IF THE LICENSED FACILITY IS LOCATED IN
10 A SECOND CLASS TOWNSHIP IN A COUNTY OF THE FIFTH
11 CLASS, 2% OF THE GROSS TERMINAL REVENUE FROM THE
12 LICENSED FACILITY SHALL BE DISTRIBUTED AS
13 FOLLOWS:

14 (A) 1% SHALL BE DEPOSITED INTO A
15 RESTRICTED RECEIPTS ACCOUNT TO BE ESTABLISHED
16 IN THE COMMONWEALTH FINANCING AUTHORITY TO BE
17 USED EXCLUSIVELY FOR GRANTS FOR PROJECTS IN
18 THE PUBLIC INTEREST TO MUNICIPALITIES WITHIN
19 THE COUNTY WHERE THE LICENSED FACILITY IS
20 LOCATED.

21 (B) 1% SHALL BE DISTRIBUTED TO THE COUNTY
22 FOR PROJECTS IN THE PUBLIC INTEREST IN THE
23 COUNTY.

24 (G) ANY COUNTY NOT SPECIFICALLY ENUMERATED IN
25 CLAUSES (A) THROUGH (F), 2% OF THE GROSS TERMINAL
26 REVENUE TO THE COUNTY HOSTING THE LICENSED FACILITY
27 FROM EACH SUCH LICENSED FACILITY.

28 (II) IF THE LICENSED FACILITY IS A CATEGORY 1
29 LICENSED FACILITY AND IS LOCATED AT A THOROUGHBRED
30 RACETRACK AND THE COUNTY IN WHICH THE LICENSED FACILITY

1 IS LOCATED IS:

2 (A) A COUNTY OF THE FIRST CLASS: 4% OF THE
3 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
4 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
5 NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY,
6 FUNDS FROM LICENSED GAMING ENTITIES LOCATED WITHIN
7 THE COUNTY OF THE FIRST CLASS SHALL NOT BE
8 DISTRIBUTED OUTSIDE OF A COUNTY OF THE FIRST CLASS.

9 (B) A COUNTY OF THE SECOND CLASS: 2% OF THE
10 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
11 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.

12 (C) A COUNTY OF THE SECOND CLASS A: 1% OF THE
13 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
14 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
15 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
16 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
17 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
18 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

19 (D) A COUNTY OF THE THIRD CLASS: 1% OF THE
20 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
21 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
22 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
23 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
24 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
25 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

26 (E) A COUNTY OF THE FOURTH CLASS: 2% OF THE
27 GROSS TERMINAL REVENUE FROM EACH SUCH LICENSED
28 FACILITY SHALL BE DEPOSITED INTO A RESTRICTED ACCOUNT
29 ESTABLISHED IN THE DEPARTMENT OF COMMUNITY AND
30 ECONOMIC DEVELOPMENT TO BE USED EXCLUSIVELY FOR

1 GRANTS TO THE COUNTY, TO ECONOMIC DEVELOPMENT
2 AUTHORITIES OR REDEVELOPMENT AUTHORITIES WITHIN THE
3 COUNTY FOR GRANTS FOR ECONOMIC DEVELOPMENT PROJECTS,
4 COMMUNITY IMPROVEMENT PROJECTS, JOB TRAINING, OTHER
5 PROJECTS IN THE PUBLIC INTEREST AND REASONABLE
6 ADMINISTRATIVE COSTS. NOTWITHSTANDING THE CAPITAL
7 FACILITIES DEBT ENABLING ACT, GRANTS MADE UNDER THIS
8 CLAUSE MAY BE UTILIZED AS LOCAL MATCHING FUNDS FOR
9 OTHER GRANTS OR LOANS FROM THE COMMONWEALTH.

10 (F) COUNTIES OF THE FIFTH THROUGH EIGHTH
11 CLASSES: 2% OF THE GROSS TERMINAL REVENUE FROM EACH
12 SUCH LICENSED FACILITY SHALL BE DEPOSITED INTO A
13 RESTRICTED ACCOUNT ESTABLISHED IN THE DEPARTMENT OF
14 COMMUNITY AND ECONOMIC DEVELOPMENT TO BE USED
15 EXCLUSIVELY FOR GRANTS TO THE COUNTY.

16 (G) ANY COUNTY NOT SPECIFICALLY ENUMERATED IN
17 CLAUSES (A) THROUGH (F), 2% OF THE GROSS TERMINAL
18 REVENUE TO THE COUNTY HOSTING THE LICENSED FACILITY
19 FROM EACH SUCH LICENSED FACILITY.

20 (III) IF THE FACILITY IS A CATEGORY 2 LICENSED
21 FACILITY AND IF THE COUNTY IN WHICH THE LICENSED FACILITY
22 IS LOCATED IS:

23 (A) A COUNTY OF THE FIRST CLASS: 4% OF THE
24 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
25 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
26 NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY,
27 FUNDS FROM LICENSED GAMING ENTITIES LOCATED WITHIN A
28 COUNTY OF THE FIRST CLASS SHALL NOT BE DISTRIBUTED
29 OUTSIDE OF A COUNTY OF THE FIRST CLASS. THE FIRST
30 \$5,000,000 OF THE TOTAL AMOUNT DISTRIBUTED ANNUALLY

1 TO THE COUNTY OF THE FIRST CLASS SHALL BE DISTRIBUTED
2 TO THE PHILADELPHIA SCHOOL DISTRICT.

3 (B) A COUNTY OF THE SECOND CLASS: 2% OF THE
4 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
5 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.

6 (C) A COUNTY OF THE SECOND CLASS A: 1% OF THE
7 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
8 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
9 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
10 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
11 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
12 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

13 (D) A COUNTY OF THE THIRD CLASS: 1% OF THE
14 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
15 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
16 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
17 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
18 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
19 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

20 NOTWITHSTANDING THE PROVISIONS OF THE CAPITAL
21 FACILITIES DEBT ENABLING ACT, GRANTS MADE UNDER THIS
22 CLAUSE MAY BE UTILIZED AS LOCAL MATCHING FUNDS FOR
23 OTHER GRANTS OR LOANS FROM THE COMMONWEALTH.

24 (D.1) IF A LICENSED FACILITY IS LOCATED IN ONE
25 OF TWO COUNTIES OF THE THIRD CLASS WHERE A CITY OF
26 THE THIRD CLASS IS LOCATED IN BOTH COUNTIES OF THE
27 THIRD CLASS, THE COUNTY IN WHICH THE LICENSED
28 FACILITY IS LOCATED SHALL RECEIVE 1.2% OF THE GROSS
29 TERMINAL REVENUE TO BE DISTRIBUTED AS FOLLOWS: 20%
30 TO THE HOST CITY, 30% TO THE HOST COUNTY AND 50%.

1 WHICH SHALL BE DEPOSITED INTO A RESTRICTED RECEIPTS
2 ACCOUNT TO BE ESTABLISHED IN THE COMMONWEALTH
3 FINANCING AUTHORITY TO BE USED EXCLUSIVELY FOR
4 ECONOMIC DEVELOPMENT PROJECTS, COMMUNITY IMPROVEMENT
5 PROJECTS AND OTHER PROJECTS IN THE PUBLIC INTEREST
6 WITHIN THE COUNTY, TO THE HOST COUNTY [FOR THE
7 PURPOSE OF MAKING MUNICIPAL GRANTS WITHIN THE
8 COUNTY], WITH PRIORITY GIVEN TO MUNICIPALITIES
9 CONTIGUOUS TO THE HOST CITY. THE COUNTY OF THE THIRD
10 CLASS, WHICH INCLUDES A CITY OF THE THIRD CLASS THAT
11 IS LOCATED IN TWO COUNTIES OF THE THIRD CLASS AND IS
12 NOT THE HOST COUNTY FOR THE LICENSED FACILITY, SHALL
13 RECEIVE .8% OF THE GROSS TERMINAL REVENUE TO BE
14 DISTRIBUTED AS FOLLOWS: 60% TO A NONHOST CITY OF THE
15 THIRD CLASS LOCATED SOLELY IN THE NONHOST COUNTY IN
16 WHICH THE HOST CITY OF THE THIRD CLASS IS ALSO
17 LOCATED OR 60% TO THE NONHOST CITY OF THE THIRD CLASS
18 LOCATED BOTH IN THE HOST AND NONHOST COUNTIES OF THE
19 THIRD CLASS, 35% TO THE NONHOST COUNTY AND 5%, WHICH
20 SHALL BE DEPOSITED INTO A RESTRICTED RECEIPTS ACCOUNT
21 TO BE ESTABLISHED IN THE COMMONWEALTH FINANCING
22 AUTHORITY TO BE USED EXCLUSIVELY FOR ECONOMIC
23 DEVELOPMENT PROJECTS, COMMUNITY IMPROVEMENT PROJECTS
24 AND OTHER PROJECTS IN THE PUBLIC INTEREST WITHIN THE
25 COUNTY, TO THE NONHOST COUNTY [FOR THE PURPOSE OF
26 MAKING MUNICIPAL GRANTS WITHIN THE COUNTY].

27 (E) A COUNTY OF THE FOURTH CLASS: 2% OF THE
28 GROSS TERMINAL REVENUE FROM EACH SUCH LICENSED
29 FACILITY SHALL BE DEPOSITED INTO A RESTRICTED ACCOUNT
30 ESTABLISHED IN THE DEPARTMENT OF COMMUNITY AND

1 ECONOMIC DEVELOPMENT TO BE USED EXCLUSIVELY FOR
2 GRANTS TO THE COUNTY, TO ECONOMIC DEVELOPMENT
3 AUTHORITIES OR REDEVELOPMENT AUTHORITIES WITHIN THE
4 COUNTY FOR GRANTS FOR ECONOMIC DEVELOPMENT PROJECTS,
5 COMMUNITY IMPROVEMENT PROJECTS, JOB TRAINING, OTHER
6 PROJECTS IN THE PUBLIC INTEREST AND REASONABLE
7 ADMINISTRATIVE COSTS. NOTWITHSTANDING THE CAPITAL
8 FACILITIES DEBT ENABLING ACT, GRANTS MADE UNDER THIS
9 CLAUSE MAY BE UTILIZED AS LOCAL MATCHING FUNDS FOR
10 OTHER GRANTS OR LOANS FROM THE COMMONWEALTH.

11 (F) COUNTIES OF THE FIFTH CLASS: 2% OF THE
12 GROSS TERMINAL REVENUE FROM EACH SUCH LICENSED
13 FACILITY SHALL BE DEPOSITED AND DISTRIBUTED AS
14 FOLLOWS:

15 (I) ONE PERCENT TO BE DISTRIBUTED AS
16 FOLLOWS:

17 (A) BEGINNING IN 2010, THE SUM OF
18 \$2,400,000 ANNUALLY FOR A PERIOD OF 20 YEARS
19 TO THE COUNTY FOR PURPOSES OF FUNDING DEBT
20 SERVICE RELATED TO THE CONSTRUCTION OF A
21 COMMUNITY COLLEGE CAMPUS LOCATED WITHIN THE
22 COUNTY.

23 (B) ANY FUNDS NOT DISTRIBUTED UNDER
24 SUBCLAUSE (A) SHALL BE DEPOSITED INTO A
25 RESTRICTED RECEIPTS ACCOUNT TO BE ESTABLISHED
26 IN THE COMMONWEALTH FINANCING AUTHORITY TO BE
27 USED EXCLUSIVELY FOR GRANTS WITHIN THE COUNTY
28 FOR ECONOMIC DEVELOPMENT PROJECTS, ROAD
29 PROJECTS LOCATED WITHIN A 20-MILE RADIUS OF
30 THE LICENSED FACILITY AND LOCATED WITHIN THE

1 COUNTY, COMMUNITY IMPROVEMENT PROJECTS AND
2 OTHER PROJECTS IN THE PUBLIC INTEREST WITHIN
3 THE COUNTY. THE AMOUNT UNDER THIS SUBCLAUSE
4 INCLUDES REASONABLE ADMINISTRATIVE COSTS.

5 (II) ONE PERCENT SHALL BE DEPOSITED INTO A
6 RESTRICTED RECEIPTS ACCOUNT TO BE ESTABLISHED IN
7 THE COMMONWEALTH FINANCING AUTHORITY TO BE USED
8 EXCLUSIVELY FOR GRANTS WITHIN CONTIGUOUS COUNTIES
9 FOR ECONOMIC DEVELOPMENT PROJECTS, COMMUNITY
10 IMPROVEMENT PROJECTS AND OTHER PROJECTS IN THE
11 PUBLIC INTEREST WITHIN CONTIGUOUS COUNTIES. THE
12 AMOUNT UNDER THIS SUBCLAUSE INCLUDES REASONABLE
13 ADMINISTRATIVE COSTS. A CONTIGUOUS COUNTY THAT
14 HOSTS A CATEGORY 1 LICENSED FACILITY SHALL BE
15 INELIGIBLE TO RECEIVE GRANTS UNDER THIS
16 SUBCLAUSE.

17 (II.1) PRIORITY SHALL BE GIVEN TO MULTIYEAR
18 PROJECTS APPROVED OR AWARDED BY THE DEPARTMENT OF
19 COMMUNITY AND ECONOMIC DEVELOPMENT UNDER
20 SUBCLAUSE (I) (B) OR (II) ON OR BEFORE THE
21 EFFECTIVE DATE OF THIS SUBCLAUSE.

22 (III) FIFTY PERCENT OF ANY REVENUE REQUIRED
23 TO BE TRANSFERRED UNDER PARAGRAPH (3) (V) SHALL BE
24 DEPOSITED INTO THE RESTRICTED RECEIPTS ACCOUNT
25 ESTABLISHED UNDER SUBCLAUSE (I) (B), AND 50% SHALL
26 BE DEPOSITED INTO THE RESTRICTED RECEIPTS ACCOUNT
27 ESTABLISHED UNDER SUBCLAUSE (II). NOTWITHSTANDING
28 THE CAPITAL FACILITIES DEBT ENABLING ACT, GRANTS
29 MADE UNDER THIS CLAUSE MAY BE UTILIZED AS LOCAL
30 MATCHING FUNDS FOR OTHER GRANTS OR LOANS FROM THE

1 COMMONWEALTH.

2 (G) ANY COUNTY NOT SPECIFICALLY ENUMERATED IN
3 CLAUSES (A) THROUGH (F), 2% OF THE GROSS TERMINAL
4 REVENUE TO THE COUNTY HOSTING THE LICENSED FACILITY
5 FROM EACH SUCH LICENSED FACILITY.

6 (IV) (A) EXCEPT AS PROVIDED IN CLAUSE (B) OR (C),
7 IF THE FACILITY IS A CATEGORY 3 LICENSED FACILITY, 2%
8 OF THE GROSS TERMINAL REVENUE FROM THE LICENSED
9 FACILITY SHALL BE DEPOSITED INTO A RESTRICTED
10 RECEIPTS ACCOUNT ESTABLISHED IN THE DEPARTMENT OF
11 COMMUNITY AND ECONOMIC DEVELOPMENT TO BE USED
12 EXCLUSIVELY FOR GRANTS TO THE COUNTY, TO ECONOMIC
13 DEVELOPMENT AUTHORITIES OR REDEVELOPMENT AUTHORITIES
14 WITHIN THE COUNTY FOR GRANTS FOR ECONOMIC DEVELOPMENT
15 PROJECTS, COMMUNITY IMPROVEMENT PROJECTS AND OTHER
16 PROJECTS IN THE PUBLIC INTEREST.

17 (B) IF THE FACILITY IS A CATEGORY 3 LICENSED
18 FACILITY LOCATED IN A COUNTY OF THE SECOND CLASS A,
19 2% OF THE GROSS TERMINAL REVENUE FROM THE LICENSED
20 FACILITY SHALL BE DEPOSITED INTO A RESTRICTED
21 RECEIPTS ACCOUNT TO BE ESTABLISHED IN THE
22 COMMONWEALTH FINANCING AUTHORITY TO BE USED
23 EXCLUSIVELY FOR GRANTS OR GUARANTEES FOR PROJECTS IN
24 THE HOST COUNTY THAT QUALIFY UNDER 64 PA.C.S. §§ 1551
25 (RELATING TO BUSINESS IN OUR SITES PROGRAM), 1556
26 (RELATING TO TAX INCREMENT FINANCING GUARANTEE
27 PROGRAM) AND 1558 (RELATING TO WATER SUPPLY AND
28 WASTEWATER INFRASTRUCTURE PROGRAM) .

29 (C) IF THE FACILITY IS A CATEGORY 3 LICENSED
30 FACILITY LOCATED IN A COUNTY OF THE FIFTH CLASS THAT

1 IS CONTIGUOUS TO A COUNTY OF THE SEVENTH CLASS, 2% OF
2 THE GROSS TERMINAL REVENUE FROM THE LICENSED FACILITY
3 SHALL BE DEPOSITED INTO A RESTRICTED RECEIPTS ACCOUNT
4 TO BE ESTABLISHED IN THE COMMONWEALTH FINANCING
5 AUTHORITY TO BE USED EXCLUSIVELY FOR GRANTS WITHIN
6 THE COUNTY FOR ECONOMIC DEVELOPMENT PROJECTS,
7 INFRASTRUCTURE PROJECTS, COMMUNITY IMPROVEMENT
8 PROJECTS AND OTHER PROJECTS IN THE PUBLIC INTEREST
9 WITHIN THE COUNTY AND FOR INFRASTRUCTURE PROJECTS
10 WITHIN A 20-MILE RADIUS OF THE LICENSED FACILITY IN A
11 CONTIGUOUS COUNTY OF THE SEVENTH CLASS.

12 (V) UNLESS OTHERWISE SPECIFIED, FOR THE PURPOSES OF
13 THIS PARAGRAPH MONEY DESIGNATED FOR MUNICIPAL GRANTS
14 WITHIN A COUNTY, OTHER THAN A COUNTY OF THE FIRST CLASS,
15 IN WHICH A LICENSED FACILITY IS LOCATED SHALL BE USED TO
16 FUND GRANTS TO THE MUNICIPALITY IN WHICH THE LICENSED
17 FACILITY IS LOCATED, TO THE COUNTY IN WHICH THE LICENSED
18 FACILITY IS LOCATED AND TO THE MUNICIPALITIES WHICH ARE
19 CONTIGUOUS TO THE MUNICIPALITY IN WHICH THE LICENSED
20 FACILITY IS LOCATED AND WHICH ARE LOCATED WITHIN THE
21 COUNTY IN WHICH THE LICENSED FACILITY IS LOCATED. GRANTS
22 SHALL BE ADMINISTERED BY THE COUNTY THROUGH ITS ECONOMIC
23 DEVELOPMENT OR REDEVELOPMENT AUTHORITY IN WHICH THE
24 LICENSED FACILITY IS LOCATED. GRANTS SHALL BE USED TO
25 FUND THE COSTS OF HUMAN SERVICES, INFRASTRUCTURE
26 IMPROVEMENTS, FACILITIES, EMERGENCY SERVICES, HEALTH AND
27 PUBLIC SAFETY EXPENSES ASSOCIATED WITH LICENSED FACILITY
28 OPERATIONS. IF AT THE END OF A FISCAL YEAR UNCOMMITTED
29 FUNDS EXIST, THE COUNTY SHALL PAY TO THE ECONOMIC
30 DEVELOPMENT OR REDEVELOPMENT AUTHORITY OF THE COUNTY IN

1 WHICH THE LICENSED FACILITY IS LOCATED THE UNCOMMITTED
2 FUNDS.

3 (VI) IF THE LICENSED FACILITY IS LOCATED IN MORE
4 THAN ONE COUNTY, THE AMOUNT AVAILABLE SHALL BE
5 DISTRIBUTED ON A PRO RATA BASIS DETERMINED BY THE
6 PERCENTAGE OF ACREAGE LOCATED IN EACH COUNTY TO THE TOTAL
7 ACREAGE OF ALL COUNTIES OCCUPIED BY THE LICENSED
8 FACILITY.

9 (VII) THE DISTRIBUTIONS PROVIDED IN THIS PARAGRAPH
10 SHALL BE BASED UPON COUNTY CLASSIFICATIONS IN EFFECT ON
11 THE EFFECTIVE DATE OF THIS SECTION. ANY RECLASSIFICATION
12 OF COUNTIES AS A RESULT OF A FEDERAL DECENNIAL CENSUS OR
13 OF A STATE STATUTE SHALL NOT APPLY TO THIS SUBPARAGRAPH.

14 (VIII) IF ANY PROVISION OF THIS PARAGRAPH IS FOUND
15 TO BE UNENFORCEABLE FOR ANY REASON, THE DISTRIBUTION
16 PROVIDED FOR IN THE UNENFORCEABLE PROVISION SHALL BE MADE
17 TO THE COUNTY IN WHICH THE LICENSED FACILITY IS LOCATED
18 FOR THE PURPOSES OF GRANTS TO MUNICIPALITIES IN THAT
19 COUNTY, INCLUDING MUNICIPAL GRANTS AS SPECIFIED IN
20 SUBPARAGRAPH (V).

21 (IX) NOTHING IN THIS PARAGRAPH SHALL PREVENT ANY OF
22 THE ABOVE COUNTIES WHICH DIRECTLY RECEIVE A DISTRIBUTION
23 UNDER THIS SECTION FROM ENTERING INTO INTERGOVERNMENTAL
24 COOPERATIVE AGREEMENTS WITH OTHER JURISDICTIONS FOR
25 SHARING THIS MONEY.

26 (3) FROM THE LOCAL SHARE ASSESSMENT ESTABLISHED IN
27 SUBSECTION (B) AND THE SLOT MACHINE OPERATION FEES IMPOSED
28 UNDER SECTION 1326.1 (RELATING TO SLOT MACHINE LICENSE
29 OPERATION FEE) AND DEPOSITED UNDER SECTION 1326.1(D), MAKE
30 QUARTERLY DISTRIBUTIONS AMONG THE MUNICIPALITIES, INCLUDING

1 HOME RULE MUNICIPALITIES, HOSTING A LICENSED FACILITY IN
2 ACCORDANCE WITH THE FOLLOWING SCHEDULE:

3 (I) TO A CITY OF THE SECOND CLASS HOSTING A LICENSED
4 FACILITY, OTHER THAN A CATEGORY 3 LICENSED FACILITY, [2%
5 OF THE GROSS TERMINAL REVENUE OR] \$10,000,000 ANNUALLY[,
6 WHICHEVER IS GREATER, SHALL BE PAID BY EACH LICENSED
7 GAMING ENTITY OPERATING A FACILITY LOCATED IN THAT CITY.
8 IN THE EVENT THAT THE REVENUES GENERATED BY THE 2% DO NOT
9 MEET THE \$10,000,000 MINIMUM SPECIFIED IN THIS
10 SUBPARAGRAPH, THE DEPARTMENT SHALL COLLECT THE REMAINDER
11 OF THE MINIMUM AMOUNT OF \$10,000,000 FROM EACH LICENSED
12 GAMING ENTITY OPERATING A FACILITY IN THE CITY AND
13 DEPOSIT THAT AMOUNT IN THE CITY TREASURY] SHALL BE
14 DISTRIBUTED TO THE CITY TREASURY.

15 (II) TO A CITY OF THE SECOND CLASS A HOSTING A
16 LICENSED FACILITY, OTHER THAN A CATEGORY 3 LICENSED
17 FACILITY, [2% OF THE GROSS TERMINAL REVENUE OR
18 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, SHALL BE PAID
19 BY EACH LICENSED ENTITY OPERATING A LICENSED FACILITY
20 LOCATED IN THAT CITY] \$10,000,000 ANNUALLY SHALL BE
21 DISTRIBUTED TO THE CITY, SUBJECT, HOWEVER, TO THE
22 BUDGETARY LIMITATION IN THIS SUBPARAGRAPH. THE AMOUNT
23 ALLOCATED TO THE DESIGNATED MUNICIPALITIES SHALL NOT
24 EXCEED 50% OF THEIR TOTAL BUDGET FOR FISCAL YEAR 2003-
25 2004, ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY AN
26 AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT
27 CALCULATED BY APPLYING THE PERCENTAGE CHANGE IN THE
28 CONSUMER PRICE INDEX IMMEDIATELY PRIOR TO THE DATE THE
29 ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING MONEYS
30 SHALL BE [COLLECTED BY THE DEPARTMENT FROM EACH LICENSED

1 GAMING ENTITY AND] DISTRIBUTED IN ACCORDANCE WITH
2 PARAGRAPH (2) BASED UPON THE CLASSIFICATION OF COUNTY
3 WHERE THE LICENSED FACILITY IS LOCATED. [IN THE EVENT
4 THAT THE REVENUES GENERATED BY THE 2% DO NOT MEET THE
5 \$10,000,000 MINIMUM SPECIFIED IN THIS SUBPARAGRAPH, THE
6 DEPARTMENT SHALL COLLECT THE REMAINDER OF THE MINIMUM
7 AMOUNT OF \$10,000,000 FROM EACH LICENSED GAMING ENTITY
8 OPERATING A FACILITY IN THE CITY, PAY ANY BALANCE DUE TO
9 THE CITY AND TRANSFER ANY REMAINDER IN ACCORDANCE WITH
10 PARAGRAPH (2).]

11 (III) TO A CITY OF THE THIRD CLASS HOSTING A
12 LICENSED FACILITY, OTHER THAN A CATEGORY 3 LICENSED
13 FACILITY, [2% OF THE GROSS TERMINAL REVENUE OR
14 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, SHALL BE PAID
15 BY EACH LICENSED GAMING ENTITY OPERATING A LICENSED
16 FACILITY LOCATED IN THAT CITY] \$10,000,000 ANNUALLY SHALL
17 BE DISTRIBUTED TO THE CITY, SUBJECT, HOWEVER, TO THE
18 BUDGETARY LIMITATION IN THIS SUBPARAGRAPH. [IN THE EVENT
19 THAT THE CITY HAS A WRITTEN AGREEMENT WITH A LICENSED
20 GAMING ENTITY EXECUTED PRIOR TO THE EFFECTIVE DATE OF
21 THIS PART, THE AMOUNT PAID UNDER THE AGREEMENT TO THE
22 CITY SHALL BE APPLIED AND CREDITED TO THE DIFFERENCE
23 BETWEEN 2% OF THE GROSS TERMINAL REVENUE AND THE
24 \$10,000,000 OWED UNDER THIS SUBPARAGRAPH IF THE 2% OF THE
25 GROSS TERMINAL REVENUE IS LESS THAN \$10,000,000. IF 2% OF
26 THE GROSS TERMINAL REVENUE IS GREATER THAN THE
27 \$10,000,000 REQUIRED TO BE PAID UNDER THIS SUBPARAGRAPH,
28 THE CREDIT SHALL NOT APPLY. THE AMOUNT OF GROSS TERMINAL
29 REVENUE REQUIRED TO BE PAID PURSUANT TO THE AGREEMENT
30 SHALL BE DEEMED TO BE GROSS TERMINAL REVENUE FOR PURPOSES

1 OF THIS SUBPARAGRAPH.] THE AMOUNT ALLOCATED TO THE
2 DESIGNATED MUNICIPALITIES SHALL NOT EXCEED 50% OF THEIR
3 TOTAL BUDGET FOR FISCAL YEAR 2003-2004, ADJUSTED FOR
4 INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO EXCEED
5 AN ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED BY
6 APPLYING THE PERCENTAGE CHANGE IN THE CONSUMER PRICE
7 INDEX IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT IS DUE
8 TO TAKE EFFECT. ANY REMAINING MONEYS SHALL BE [COLLECTED
9 BY THE DEPARTMENT FROM EACH LICENSED GAMING ENTITY AND]
10 DISTRIBUTED IN ACCORDANCE WITH PARAGRAPH (2) BASED UPON
11 THE CLASSIFICATION OF COUNTY WHERE THE LICENSED FACILITY
12 IS LOCATED. [IN THE EVENT THAT THE REVENUES GENERATED BY
13 THE 2% DO NOT MEET THE \$10,000,000 MINIMUM SPECIFIED IN
14 THIS SUBPARAGRAPH, THE DEPARTMENT SHALL COLLECT THE
15 REMAINDER OF THE MINIMUM AMOUNT OF \$10,000,000 FROM EACH
16 LICENSED GAMING ENTITY OPERATING A FACILITY, PAY ANY
17 BALANCE DUE TO THE CITY OF THE THIRD CLASS AND TRANSFER
18 ANY REMAINDER IN ACCORDANCE WITH PARAGRAPH (2).]

19 (III.1) IF A LICENSED FACILITY IS LOCATED IN A CITY
20 OF THE THIRD CLASS AND THE CITY IS LOCATED IN MORE THAN
21 ONE COUNTY OF THE THIRD CLASS, [2% OF THE GROSS TERMINAL
22 REVENUE OR \$10,000,000 ANNUALLY, WHICHEVER IS GREATER,]
23 \$10,000,000 ANNUALLY SHALL BE DISTRIBUTED AS FOLLOWS:
24 80% TO THE HOST CITY AND 20% TO THE CITY OF THE THIRD
25 CLASS LOCATED SOLELY IN A NONHOST COUNTY IN WHICH THE
26 HOST CITY OF THE THIRD CLASS IS ALSO LOCATED. IF A
27 LICENSED FACILITY IS LOCATED IN A CITY OF THE THIRD CLASS
28 AND THAT CITY IS LOCATED SOLELY IN A HOST COUNTY OF THE
29 THIRD CLASS IN WHICH A NONHOST CITY OF THE THIRD CLASS IS
30 ALSO LOCATED[, 2% OF GROSS TERMINAL REVENUE OR

1 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER], \$10,000,000
2 ANNUALLY SHALL BE DISTRIBUTED AS FOLLOWS: 80% TO THE
3 HOST CITY AND 20% TO A CITY OF THE THIRD CLASS LOCATED
4 BOTH IN A NONHOST COUNTY OF THE THIRD CLASS AND IN A HOST
5 COUNTY OF THE THIRD CLASS IN WHICH THE HOST CITY OF THE
6 THIRD CLASS IS LOCATED.

7 (IV) TO A TOWNSHIP OF THE FIRST CLASS HOSTING A
8 LICENSED FACILITY, OTHER THAN A CATEGORY 3 LICENSED
9 FACILITY, [2% OF THE GROSS TERMINAL REVENUE OR
10 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, SHALL BE PAID
11 BY EACH LICENSED GAMING ENTITY OPERATING A LICENSED
12 FACILITY LOCATED IN THE TOWNSHIP] \$10,000,000 ANNUALLY
13 SHALL BE DISTRIBUTED TO THE TOWNSHIP, SUBJECT, HOWEVER,
14 TO THE BUDGETARY LIMITATION IN THIS SUBPARAGRAPH. THE
15 AMOUNT ALLOCATED TO THE DESIGNATED MUNICIPALITIES SHALL
16 NOT EXCEED 50% OF THEIR TOTAL BUDGET FOR FISCAL YEAR
17 2003-2004, ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY
18 AN AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING
19 ADJUSTMENT CALCULATED BY APPLYING THE PERCENTAGE CHANGE
20 IN THE CONSUMER PRICE INDEX IMMEDIATELY PRIOR TO THE DATE
21 THE ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING MONEY
22 SHALL BE [COLLECTED BY THE DEPARTMENT FROM EACH LICENSED
23 GAMING ENTITY AND] DISTRIBUTED IN ACCORDANCE WITH
24 PARAGRAPH (2) BASED UPON THE CLASSIFICATION OF COUNTY
25 WHERE THE LICENSED FACILITY IS LOCATED. [IN THE EVENT
26 THAT THE REVENUES GENERATED BY THE 2% DO NOT MEET THE
27 \$10,000,000 MINIMUM SPECIFIED IN THIS SUBPARAGRAPH, THE
28 DEPARTMENT SHALL COLLECT THE REMAINDER OF THE MINIMUM
29 AMOUNT OF \$10,000,000 FROM EACH LICENSED GAMING ENTITY
30 OPERATING A LICENSED FACILITY IN THE TOWNSHIP, PAY ANY

1 BALANCE DUE TO THE TOWNSHIP AND TRANSFER ANY REMAINDER IN
2 ACCORDANCE WITH PARAGRAPH (2).]

3 (V) TO A TOWNSHIP OF THE SECOND CLASS HOSTING A
4 LICENSED FACILITY:

5 (A) [2% OF THE GROSS TERMINAL REVENUE OR
6 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, SHALL BE
7 PAID BY EACH LICENSED GAMING ENTITY OPERATING A
8 LICENSED FACILITY, OTHER THAN A CATEGORY 3 LICENSED
9 FACILITY OR A LICENSED FACILITY OWNING LAND ADJACENT
10 TO THE LICENSED FACILITY LOCATED IN MORE THAN ONE
11 TOWNSHIP OF THE SECOND CLASS,] \$10,000,000 ANNUALLY
12 SHALL BE DISTRIBUTED TO THE TOWNSHIP OF THE SECOND
13 CLASS HOSTING [THE] A LICENSED FACILITY, OTHER THAN A
14 CATEGORY 3 LICENSED FACILITY OR A LICENSED FACILITY
15 LOCATED IN MORE THAN ONE TOWNSHIP OF THE SECOND
16 CLASS, SUBJECT, HOWEVER, TO THE BUDGETARY LIMITATION
17 IN THIS SUBPARAGRAPH. THE AMOUNT ALLOCATED TO THE
18 DESIGNATED MUNICIPALITIES SHALL NOT EXCEED 50% OF
19 THEIR TOTAL BUDGET FOR FISCAL YEAR 2003-2004,
20 ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY AN
21 AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING
22 ADJUSTMENT CALCULATED BY APPLYING THE PERCENTAGE
23 CHANGE IN THE CONSUMER PRICE INDEX IMMEDIATELY PRIOR
24 TO THE DATE THE ADJUSTMENT IS DUE TO TAKE EFFECT. ANY
25 REMAINING MONEY SHALL BE [COLLECTED BY THE DEPARTMENT
26 FROM EACH LICENSED GAMING ENTITY AND] DISTRIBUTED IN
27 ACCORDANCE WITH PARAGRAPH (2) BASED UPON THE
28 CLASSIFICATION OF COUNTY WHERE THE LICENSED FACILITY
29 IS LOCATED. [IF REVENUES GENERATED BY THE 2% DO NOT
30 MEET THE \$10,000,000 MINIMUM SPECIFIED IN THIS

1 SUBPARAGRAPH, THE DEPARTMENT SHALL COLLECT THE
2 REMAINDER OF THE MINIMUM AMOUNT OF \$10,000,000 FROM
3 EACH LICENSED GAMING ENTITY OPERATING A LICENSED
4 FACILITY IN THE TOWNSHIP, PAY ANY BALANCE DUE TO THE
5 TOWNSHIP AND TRANSFER ANY REMAINDER IN ACCORDANCE
6 WITH PARAGRAPH (2).]

7 (B) [2% OF THE GROSS TERMINAL REVENUE OR
8 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER,]
9 \$10,000,000 ANNUALLY, LESS THE AMOUNT PAID UNDER
10 CLAUSE (C), SHALL BE [PAID BY EACH LICENSED GAMING
11 ENTITY OPERATING A LICENSED FACILITY AND OWNING LAND
12 ADJACENT TO THE LICENSED FACILITY LOCATED IN MORE
13 THAN ONE TOWNSHIP OF THE SECOND CLASS, OTHER THAN A
14 CATEGORY 3 LICENSED FACILITY,] DISTRIBUTED TO THE
15 TOWNSHIP OF THE SECOND CLASS HOSTING [THE] A LICENSED
16 FACILITY WHICH OWNS LAND ADJACENT TO THE LICENSED
17 FACILITY LOCATED IN MORE THAN ONE TOWNSHIP OF THE
18 SECOND CLASS, OTHER THAN A CATEGORY 3 LICENSED
19 FACILITY, SUBJECT, HOWEVER, TO THE BUDGETARY
20 LIMITATION IN THIS SUBPARAGRAPH. THE AMOUNT ALLOCATED
21 TO THE DESIGNATED MUNICIPALITIES MAY NOT EXCEED 50%
22 OF THEIR TOTAL BUDGET FOR THE FISCAL YEAR 2003-2004,
23 ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY AN
24 AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING
25 ADJUSTMENT CALCULATED BY APPLYING THE PERCENTAGE
26 CHANGE IN THE CONSUMER PRICE INDEX IMMEDIATELY PRIOR
27 TO THE DATE THE ADJUSTMENT IS DUE TO TAKE EFFECT. ANY
28 REMAINING MONEY SHALL BE [COLLECTED BY THE DEPARTMENT
29 FROM EACH LICENSED GAMING ENTITY AND] DISTRIBUTED IN
30 ACCORDANCE WITH PARAGRAPH (2) BASED UPON THE

1 CLASSIFICATION OF THE COUNTY WHERE THE LICENSED
2 FACILITY IS LOCATED. THE COUNTY COMMISSIONERS OF A
3 COUNTY OF THE THIRD CLASS IN WHICH THE LICENSED
4 FACILITY IS LOCATED SHALL APPOINT AN ADVISORY
5 COMMITTEE FOR THE PURPOSE OF ADVISING THE COUNTY AS
6 TO THE NEED FOR MUNICIPAL GRANTS FOR HEALTH, SAFETY,
7 TRANSPORTATION AND OTHER PROJECTS IN THE PUBLIC
8 INTEREST TO BE COMPRISED OF TWO INDIVIDUALS FROM THE
9 HOST MUNICIPALITY, TWO FROM CONTIGUOUS MUNICIPALITIES
10 WITHIN THE COUNTY OF THE THIRD CLASS AND ONE FROM THE
11 HOST COUNTY. [IN THE EVENT THAT THE REVENUES
12 GENERATED BY THE 2% DO NOT MEET THE \$10,000,000
13 MINIMUM SPECIFIED IN THIS SUBPARAGRAPH, THE
14 DEPARTMENT SHALL COLLECT THE REMAINDER OF THE MINIMUM
15 AMOUNT OF \$10,000,000 FROM EACH LICENSED GAMING
16 ENTITY OPERATING A LICENSED FACILITY IN THE TOWNSHIP,
17 PAY ANY BALANCE DUE TO THE TOWNSHIP AND TRANSFER ANY
18 REMAINDER IN ACCORDANCE WITH PARAGRAPH (2).]

19 (C) [\$160,000 ANNUALLY SHALL BE PAID BY EACH
20 LICENSED GAMING ENTITY OPERATING A LICENSED FACILITY
21 AND OWNING LAND ADJACENT TO THE LICENSED FACILITY
22 LOCATED IN MORE THAN ONE TOWNSHIP OF THE SECOND
23 CLASS, OTHER THAN A CATEGORY 3 LICENSED FACILITY, TO
24 THE TOWNSHIP OF THE SECOND CLASS THAT IS LOCATED IN A
25 COUNTY OF THE FIFTH CLASS IN WHICH THE ADJACENT LAND
26 IS LOCATED, INCLUDING RACETRACKS, GRAZING FIELDS OR
27 ANY OTHER ADJOINING REAL PROPERTY.] FOR LAND OWNED BY
28 A LICENSED GAMING ENTITY, OTHER THAN A CATEGORY 3
29 LICENSED FACILITY, AND LOCATED IN MORE THAN ONE
30 TOWNSHIP OF THE SECOND CLASS: \$160,000 SHALL BE

1 DISTRIBUTED ANNUALLY TO THE TOWNSHIP OF THE SECOND
2 CLASS WHICH IS LOCATED IN A COUNTY OF THE FIFTH CLASS
3 IF THE LAND OWNED, INCLUDING RACETRACKS, GRAZING
4 FIELDS AND OTHER ADJOINING REAL PROPERTY, IS ADJACENT
5 TO THE LICENSED FACILITY.

6 (VI) TO A BOROUGH HOSTING A LICENSED FACILITY, OTHER
7 THAN A CATEGORY 3 LICENSED FACILITY, [2% OF THE GROSS
8 TERMINAL REVENUE OR \$10,000,000 ANNUALLY, WHICHEVER IS
9 GREATER, SHALL BE PAID BY EACH LICENSED GAMING ENTITY
10 OPERATING A LICENSED FACILITY LOCATED IN THAT BOROUGH,]
11 \$10,000,000 ANNUALLY SHALL BE DISTRIBUTED TO THE BOROUGH,
12 SUBJECT, HOWEVER, TO THE BUDGETARY LIMITATION IN THIS
13 SUBPARAGRAPH. THE AMOUNT ALLOCATED TO THE DESIGNATED
14 MUNICIPALITIES SHALL NOT EXCEED 50% OF THEIR TOTAL BUDGET
15 FOR FISCAL YEAR 2003-2004, ADJUSTED FOR INFLATION IN
16 SUBSEQUENT YEARS BY AN AMOUNT NOT TO EXCEED AN ANNUAL
17 COST-OF-LIVING ADJUSTMENT CALCULATED BY APPLYING THE
18 PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX IMMEDIATELY
19 PRIOR TO THE DATE THE ADJUSTMENT IS DUE TO TAKE EFFECT.
20 ANY REMAINING MONEY SHALL BE [COLLECTED BY THE DEPARTMENT
21 FROM EACH LICENSED GAMING ENTITY AND] DISTRIBUTED IN
22 ACCORDANCE WITH PARAGRAPH (2) BASED UPON THE
23 CLASSIFICATION OF COUNTY WHERE THE LICENSED FACILITY IS
24 LOCATED. [IN THE EVENT THAT THE REVENUES GENERATED BY THE
25 2% DO NOT MEET THE \$10,000,000 MINIMUM SPECIFIED IN THIS
26 SUBPARAGRAPH, THE DEPARTMENT SHALL COLLECT THE REMAINDER
27 OF THE MINIMUM AMOUNT OF \$10,000,000 FROM EACH LICENSED
28 GAMING ENTITY OPERATING A LICENSED FACILITY IN THE
29 BOROUGH, PAY ANY BALANCE DUE TO THE BOROUGH AND TRANSFER
30 ANY REMAINDER IN ACCORDANCE WITH PARAGRAPH (2).]

1 (VII) TO AN INCORPORATED TOWN HOSTING A LICENSED
2 FACILITY, OTHER THAN A CATEGORY 3 LICENSED FACILITY, [2%
3 OF THE GROSS TERMINAL REVENUE OR \$10,000,000 ANNUALLY,
4 WHICHEVER IS GREATER, SHALL BE PAID BY EACH LICENSED
5 ENTITY OPERATING A LICENSED FACILITY LOCATED IN THE
6 TOWN,] \$10,000,000 ANNUALLY SHALL BE DISTRIBUTED TO THE
7 INCORPORATED TOWN, SUBJECT, HOWEVER, TO THE BUDGETARY
8 LIMITATION IN THIS SUBPARAGRAPH. THE AMOUNT ALLOCATED TO
9 THE DESIGNATED MUNICIPALITIES SHALL NOT EXCEED 50% OF
10 THEIR TOTAL BUDGET FOR FISCAL YEAR 2003-2004, ADJUSTED
11 FOR INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO
12 EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED BY
13 APPLYING THE PERCENTAGE CHANGE IN THE CONSUMER PRICE
14 INDEX IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT IS DUE
15 TO TAKE EFFECT. ANY REMAINING MONEY SHALL BE [COLLECTED
16 BY THE DEPARTMENT FROM EACH LICENSED GAMING ENTITY AND]
17 DISTRIBUTED IN ACCORDANCE WITH PARAGRAPH (2) BASED UPON
18 THE CLASSIFICATION OF COUNTY WHERE THE LICENSED FACILITY
19 IS LOCATED. [IN THE EVENT THAT THE REVENUES GENERATED BY
20 THE 2% DO NOT MEET THE \$10,000,000 MINIMUM SPECIFIED IN
21 THIS SUBPARAGRAPH, THE DEPARTMENT SHALL COLLECT THE
22 REMAINDER OF THE MINIMUM AMOUNT OF \$10,000,000 FROM EACH
23 LICENSED GAMING ENTITY OPERATING A LICENSED FACILITY IN
24 THE INCORPORATED TOWN, PAY ANY BALANCE DUE TO THE TOWN
25 AND TRANSFER ANY REMAINDER IN ACCORDANCE WITH PARAGRAPH
26 (2).]

27 (VIII) (A) EXCEPT AS PROVIDED IN CLAUSE (B) OR (C),
28 TO A MUNICIPALITY OF ANY CLASS HOSTING A CATEGORY 3
29 FACILITY, 2% OF THE GROSS TERMINAL REVENUE FROM THE
30 CATEGORY 3 LICENSED FACILITY LOCATED IN THE

1 MUNICIPALITY, SUBJECT, HOWEVER, TO THE BUDGETARY
2 LIMITATION IN THIS CLAUSE. THE AMOUNT ALLOCATED TO
3 THE DESIGNATED MUNICIPALITIES SHALL NOT EXCEED 50% OF
4 THEIR TOTAL BUDGET FOR FISCAL YEAR 2009, ADJUSTED FOR
5 INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO
6 EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED
7 BY APPLYING THE PERCENTAGE CHANGE IN THE CONSUMER
8 PRICE INDEX IMMEDIATELY PRIOR TO THE DATE THE
9 ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING MONEY
10 SHALL BE COLLECTED BY THE DEPARTMENT FROM EACH
11 LICENSED GAMING ENTITY AND DISTRIBUTED IN ACCORDANCE
12 WITH PARAGRAPH (2) BASED UPON THE CLASSIFICATION OF
13 COUNTY WHERE THE LICENSED FACILITY IS LOCATED.

14 (B) IF THE MUNICIPALITY HOSTING A CATEGORY 3
15 LICENSED FACILITY IS A BOROUGH LOCATED IN A COUNTY OF
16 THE THIRD CLASS AND THE BOROUGH IS CONTIGUOUS TO A
17 CITY OF THE THIRD CLASS, 1% OF GROSS TERMINAL REVENUE
18 SHALL BE DISTRIBUTED TO THE HOST BOROUGH AND 1% OF
19 GROSS TERMINAL REVENUE SHALL BE DISTRIBUTED TO THE
20 CITY OF THE THIRD CLASS THAT IS CONTIGUOUS TO THE
21 HOST BOROUGH, SUBJECT, HOWEVER, TO THE BUDGETARY
22 LIMITATION IN THIS CLAUSE. THE AMOUNT ALLOCATED TO
23 EACH DESIGNATED MUNICIPALITY SHALL NOT EXCEED 50% OF
24 ITS TOTAL BUDGET FOR FISCAL YEAR 2009, ADJUSTED FOR
25 INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO
26 EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED
27 BY APPLYING THE PERCENTAGE INCREASE, IF ANY, IN THE
28 CONSUMER PRICE INDEX IMMEDIATELY PRIOR TO THE DATE
29 THE ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING
30 MONEY SHALL BE COLLECTED BY THE DEPARTMENT FROM EACH

1 LICENSED GAMING ENTITY AND DISTRIBUTED IN ACCORDANCE
2 WITH PARAGRAPH (2) BASED UPON THE CLASSIFICATION OF
3 COUNTY WHERE THE LICENSED FACILITY IS LOCATED.

4 (C) IF THE MUNICIPALITY HOSTING A CATEGORY 3
5 LICENSED FACILITY IS A TOWNSHIP OF THE SECOND CLASS
6 IN A COUNTY OF THE FIFTH CLASS WHICH IS CONTIGUOUS TO
7 A COUNTY OF THE SEVENTH CLASS, 2% OF THE GROSS
8 TERMINAL REVENUE FROM THE CATEGORY 3 LICENSED
9 FACILITY LOCATED IN THE MUNICIPALITY SHALL BE
10 DISTRIBUTED TO THE MUNICIPALITY, SUBJECT, HOWEVER, TO
11 THE BUDGETARY LIMITATION IN THIS CLAUSE. THE AMOUNT
12 ALLOCATED TO THE DESIGNATED MUNICIPALITIES SHALL NOT
13 EXCEED THE LESSER OF \$1,000,000 OR 50% OF THEIR TOTAL
14 BUDGET FOR FISCAL YEAR 2009, ADJUSTED FOR INFLATION
15 IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO EXCEED AN
16 ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED BY
17 APPLYING THE PERCENTAGE CHANGE IN THE CONSUMER PRICE
18 INDEX IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT IS
19 DUE TO TAKE EFFECT. ANY REMAINING MONEY SHALL BE
20 COLLECTED BY THE DEPARTMENT FROM EACH LICENSED GAMING
21 ENTITY AND DISTRIBUTED IN EQUAL AMOUNTS TO EACH
22 MUNICIPALITY CONTIGUOUS TO THE HOST MUNICIPALITY.
23 HOWEVER, THE AMOUNT TO BE ALLOCATED TO ANY CONTIGUOUS
24 MUNICIPALITY SHALL NOT EXCEED THE LESSER OF
25 \$1,000,000 OR 50% OF THE MUNICIPALITY'S TOTAL BUDGET
26 FOR FISCAL YEAR 2009, ADJUSTED FOR INFLATION IN
27 SUBSEQUENT YEARS BY AN AMOUNT NOT TO EXCEED AN ANNUAL
28 COST-OF-LIVING ADJUSTMENT CALCULATED BY APPLYING THE
29 PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX
30 IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT IS DUE

1 TO TAKE EFFECT. ANY MONEY REMAINING FOLLOWING
2 DISTRIBUTION TO CONTIGUOUS MUNICIPALITIES SHALL BE
3 COLLECTED BY THE DEPARTMENT AND DISTRIBUTED IN
4 ACCORDANCE WITH PARAGRAPH (2) BASED UPON THE
5 CLASSIFICATION OF COUNTY WHERE THE LICENSED FACILITY
6 IS LOCATED.

7 (IX) [ANY MUNICIPALITY NOT SPECIFICALLY ENUMERATED
8 IN SUBPARAGRAPHS (I) THROUGH (VIII),] TO ANY
9 MUNICIPALITY, EXCEPT FOR A CITY OF THE FIRST CLASS, NOT
10 SPECIFICALLY ENUMERATED IN SUBPARAGRAPHS (I) THROUGH
11 (VIII) HOSTING A LICENSED FACILITY, OTHER THAN A CATEGORY
12 3 LICENSED FACILITY, \$10,000,000 ANNUALLY SHALL BE
13 DISTRIBUTED TO THE HOST MUNICIPALITY. TO ANY MUNICIPALITY
14 NOT ENUMERATED IN SUBPARAGRAPHS (I) THROUGH (VIII)
15 HOSTING A CATEGORY 3 LICENSED FACILITY, 2% OF THE GROSS
16 TERMINAL REVENUE TO THE MUNICIPALITY HOSTING THE CATEGORY
17 3 LICENSED FACILITY FROM EACH SUCH CATEGORY 3 LICENSED
18 FACILITY.

19 (X) IF THE LICENSED FACILITY IS LOCATED IN MORE THAN
20 ONE MUNICIPALITY, THE AMOUNT AVAILABLE SHALL BE
21 DISTRIBUTED ON A PRO RATA BASIS DETERMINED BY THE
22 PERCENTAGE OF ACREAGE LOCATED IN EACH MUNICIPALITY TO THE
23 TOTAL ACREAGE OF ALL MUNICIPALITIES OCCUPIED BY THE
24 LICENSED FACILITY.

25 (XI) IF THE LICENSED FACILITY IS LOCATED AT A RESORT
26 WHICH IS ALSO AN INCORPORATED MUNICIPALITY, SUCH
27 MUNICIPALITY SHALL NOT BE ELIGIBLE TO RECEIVE ANY
28 DISTRIBUTION UNDER THIS PARAGRAPH. THE DISTRIBUTION IT
29 WOULD HAVE OTHERWISE BEEN ENTITLED TO UNDER THIS
30 PARAGRAPH SHALL INSTEAD BE DISTRIBUTED IN ACCORDANCE WITH

1 PARAGRAPH (2) BASED UPON THE COUNTY WHERE THE LICENSED
2 FACILITY IS LOCATED.

3 (XII) THE DISTRIBUTIONS PROVIDED IN THIS PARAGRAPH
4 SHALL BE BASED UPON MUNICIPAL CLASSIFICATIONS IN EFFECT
5 ON THE EFFECTIVE DATE OF THIS SECTION. FOR THE PURPOSES
6 OF THIS PARAGRAPH, ANY RECLASSIFICATION OF MUNICIPALITIES
7 AS A RESULT OF A FEDERAL DECENNIAL CENSUS OR OF A STATE
8 STATUTE SHALL NOT APPLY TO THIS PARAGRAPH.

9 (XIII) IF ANY PROVISION OF THIS PARAGRAPH IS FOUND
10 TO BE UNENFORCEABLE FOR ANY REASON, THE DISTRIBUTION
11 PROVIDED FOR IN SUCH UNENFORCEABLE PROVISION SHALL BE
12 MADE TO THE MUNICIPALITY IN WHICH THE LICENSED FACILITY
13 IS LOCATED.

14 (XIV) NOTHING IN THIS PARAGRAPH SHALL PREVENT ANY OF
15 THE ABOVE MUNICIPALITIES FROM ENTERING INTO
16 INTERGOVERNMENTAL COOPERATIVE AGREEMENTS WITH OTHER
17 JURISDICTIONS FOR SHARING THIS MONEY.

18 (XV) NOTWITHSTANDING ANY OTHER LAW, AGREEMENT OR
19 PROVISION IN THIS PART TO THE CONTRARY, ALL REVENUES
20 PROVIDED, DIRECTED OR EARMARKED UNDER THIS SECTION TO OR
21 FOR THE BENEFIT OF A CITY OF THE SECOND CLASS IN WHICH AN
22 INTERGOVERNMENTAL COOPERATION AUTHORITY HAS BEEN
23 ESTABLISHED AND IS IN EXISTENCE PURSUANT TO THE ACT OF
24 FEBRUARY 12, 2004 (P.L.73, NO.11), KNOWN AS THE
25 INTERGOVERNMENTAL COOPERATION AUTHORITY ACT FOR CITIES OF
26 THE SECOND CLASS, SHALL BE DIRECTED TO AND UNDER THE
27 EXCLUSIVE CONTROL OF SUCH INTERGOVERNMENTAL COOPERATION
28 AUTHORITY TO BE USED:

29 (A) TO REDUCE THE DEBT OF THE SECOND CLASS CITY;

30 (B) TO INCREASE THE LEVEL OF FUNDING OF THE

1 MUNICIPAL PENSION FUNDS OF THE SECOND CLASS CITY; OR
2 (C) FOR ANY OTHER PURPOSES AS DETERMINED TO BE
3 IN THE BEST INTEREST OF THE SECOND CLASS CITY BY SUCH
4 INTERGOVERNMENTAL COOPERATION AUTHORITY. SUCH
5 REVENUES SHALL NOT BE DIRECTED TO OR UNDER THE
6 CONTROL OF SUCH CITY OF THE SECOND CLASS OR ANY
7 COORDINATOR APPOINTED PURSUANT TO THE ACT OF JULY 10,
8 1987 (P.L.246, NO.47), KNOWN AS THE MUNICIPALITIES
9 FINANCIAL RECOVERY ACT, FOR SUCH CITY OF THE SECOND
10 CLASS.

11 (D) CONSUMER PRICE INDEX.--FOR PURPOSES OF SUBSECTION (C),
12 REFERENCES TO THE CONSUMER PRICE INDEX SHALL MEAN THE CONSUMER
13 PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE PENNSYLVANIA, NEW
14 JERSEY, DELAWARE AND MARYLAND AREA FOR THE MOST RECENT 12-MONTH
15 PERIOD FOR WHICH FIGURES HAVE BEEN OFFICIALLY REPORTED BY THE
16 UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS.

17 (E) REPORTING.--

18 (1) IN COOPERATION WITH THE DEPARTMENT AND THE
19 COMMONWEALTH FINANCING AUTHORITY, THE DEPARTMENT OF COMMUNITY
20 AND ECONOMIC DEVELOPMENT SHALL SUBMIT AN ANNUAL REPORT ON ALL
21 DISTRIBUTIONS OF LOCAL SHARE ASSESSMENTS AND SLOT MACHINE
22 LICENSE OPERATION FEES TO COUNTIES AND MUNICIPALITIES UNDER
23 THIS SECTION TO THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
24 APPROPRIATIONS COMMITTEE OF THE SENATE, THE CHAIRMAN AND
25 MINORITY CHAIRMAN OF THE COMMUNITY, ECONOMIC AND RECREATIONAL
26 DEVELOPMENT COMMITTEE OF THE SENATE, THE CHAIRMAN AND
27 MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE
28 HOUSE OF REPRESENTATIVES AND THE CHAIRMAN AND MINORITY
29 CHAIRMAN OF THE GAMING OVERSIGHT COMMITTEE OF THE HOUSE OF
30 REPRESENTATIVES. THE REPORT SHALL BE SUBMITTED BY [AUGUST 31,

1 2010] MARCH 31, 2018, AND BY [AUGUST] MARCH 31 OF EACH YEAR
2 THEREAFTER.

3 (2) ALL COUNTIES AND MUNICIPALITIES RECEIVING
4 DISTRIBUTIONS OF LOCAL SHARE ASSESSMENTS OR SLOT MACHINE
5 LICENSE OPERATION FEES UNDER THIS SECTION SHALL SUBMIT
6 INFORMATION TO THE DEPARTMENT OF COMMUNITY AND ECONOMIC
7 DEVELOPMENT ON A FORM PREPARED BY THE DEPARTMENT OF COMMUNITY
8 AND ECONOMIC DEVELOPMENT THAT SETS FORTH THE AMOUNT AND USE
9 OF THE FUNDS RECEIVED IN THE PRIOR CALENDAR YEAR. THE FORM
10 SHALL SET FORTH WHETHER THE FUNDS RECEIVED WERE DEPOSITED IN
11 THE COUNTY'S OR MUNICIPALITY'S GENERAL FUND OR COMMITTED TO A
12 SPECIFIC PROJECT OR USE.

13 (F) PROHIBITED ACTIVITIES.--

14 (1) A PERSON OR ITS AFFILIATED ENTITY OR A POLITICAL
15 SUBDIVISION SHALL NOT COMPENSATE OR INCUR AN OBLIGATION TO
16 COMPENSATE A PERSON TO ENGAGE IN LOBBYING FOR COMPENSATION
17 CONTINGENT IN WHOLE OR IN PART UPON THE APPROVAL, AWARD,
18 RECEIPT OR DENIAL OF FUNDS UNDER THIS SECTION. A PERSON OR
19 ITS AFFILIATED ENTITY SHALL NOT ENGAGE IN OR AGREE TO ENGAGE
20 IN LOBBYING FOR COMPENSATION CONTINGENT IN WHOLE OR IN PART
21 UPON THE APPROVAL, AWARD, RECEIPT OR DENIAL OF FUNDS UNDER
22 THIS SECTION. THIS SUBSECTION SHALL NOT APPLY TO A COUNTY OR
23 MUNICIPALITY THAT COMPENSATES A PERSON TO PREPARE A GRANT
24 APPLICATION FOR FUNDS UNDER THIS SECTION IF THE FOLLOWING
25 REQUIREMENTS ARE MET:

26 (I) THE PERSON IS NOT IDENTIFIED IN THE APPLICATION.

27 (II) THE PERSON HAS NO DIRECT CONTACT WITH THE
28 AGENCY, COUNTY OR MUNICIPALITY PROVIDING THE FUNDING.

29 (III) THE PERSON IS PAID A FIXED FEE OR PERCENTAGE
30 OF THE AMOUNT OF ANY FUNDS APPROVED, AWARDED OR RECEIVED

1 UP TO .5%.

2 (2) A VIOLATION OF THIS SECTION SHALL BE CONSIDERED AN
3 INTENTIONAL VIOLATION OF 65 PA.C.S. § 13A09(E) (RELATING TO
4 PENALTIES).

5 § 1509. Compulsive and problem gambling program.

6 (a) Establishment of program.--The Department of [Health]
7 Drug and Alcohol Programs, in consultation with organizations
8 similar to the Mid-Atlantic Addiction Training Institute, shall
9 develop program guidelines for public education, awareness and
10 training regarding compulsive and problem gambling and the
11 treatment and prevention of compulsive and problem gambling. The
12 guidelines shall include strategies for the prevention of
13 compulsive and problem gambling. The Department of [Health] Drug
14 and Alcohol Programs may consult with the board and licensed
15 gaming entities to develop such strategies.

16 (a.1) Duties of Department of [Health] Drug and Alcohol
17 Programs.--From funds available in the Compulsive and Problem
18 Gambling Treatment Fund, the Department of [Health] Drug and
19 Alcohol Programs shall:

20 (1) Maintain [a] one compulsive gamblers assistance
21 organization's toll-free problem gambling telephone number,
22 which shall be the number 1-800-GAMBLER, to provide crisis
23 counseling and referral services to individuals and families
24 experiencing difficulty as a result of problem or compulsive
25 gambling. If the Department of Drug and Alcohol Programs
26 determines that it is unable to adopt the number 1-800-
27 GAMBLER, the Department of Drug and Alcohol Programs shall
28 maintain another number.

29 (2) Facilitate, through in-service training and other
30 means, the availability of effective assistance programs for

1 problem and compulsive gamblers and family members affected
2 by problem and compulsive gambling.

3 (3) At its discretion, conduct studies to identify
4 individuals in this Commonwealth who are or are at risk of
5 becoming problem or compulsive gamblers.

6 (4) Provide grants to and contract with single county
7 authorities and other organizations which provide services as
8 set forth in this section.

9 (5) Reimburse organizations for reasonable expenses
10 incurred assisting the Department of [Health] Drug and
11 Alcohol Programs with implementing this section.

12 (a.2) Duties of Department of [Health] Drug and Alcohol
13 Programs and board.--[Within 60 days following the effective
14 date of this subsection, the] The Department of [Health's Bureau
15 of] Drug and Alcohol Programs and the board's Office of
16 Compulsive and Problem Gambling shall jointly collaborate with
17 other appropriate offices and agencies of State or local
18 government, including single county authorities, and providers
19 and other persons, public or private, with expertise in
20 compulsive and problem gambling treatment to do the following:

21 (1) Implement a strategic plan for the prevention and
22 treatment of compulsive and problem gambling.

23 (2) Adopt compulsive and problem gambling treatment
24 standards to be integrated with the [Bureau] Department of
25 Drug and Alcohol Program's uniform Statewide guidelines that
26 govern the provision of addiction treatment services.

27 (3) Develop a method to coordinate compulsive and
28 problem gambling data collection and referral information to
29 crisis response hotlines, child welfare and domestic violence
30 programs and providers and other appropriate programs and

1 providers.

2 (4) Develop and disseminate educational materials to
3 provide public awareness related to the prevention,
4 recognition and treatment of compulsive and problem gambling.

5 (5) Develop demographic-specific compulsive and problem
6 gambling prevention, intervention and treatment programs.

7 (6) Prepare an itemized budget outlining how funds will
8 be allocated to fulfill the responsibilities under this
9 section.

10 (b) Compulsive and Problem Gambling Treatment Fund.--There
11 is hereby established in the State Treasury a special fund to be
12 known as the Compulsive and Problem Gambling Treatment Fund. All
13 moneys in the fund shall be administered by the Department of
14 [Health] Drug and Alcohol Programs and expended solely for
15 programs for the prevention and treatment of gambling addiction
16 and other emotional and behavioral problems associated with or
17 related to gambling addiction and for the administration of the
18 compulsive and problem gambling program, provided that the
19 Department of [Health] Drug and Alcohol Programs shall annually
20 distribute at least 50% of the money in the fund to single
21 county authorities under subsection (d). The fund shall consist
22 of money annually allocated to it from the annual payment
23 established under section 1408(a) (relating to transfers from
24 State Gaming Fund), money which may be allocated by the board,
25 interest earnings on moneys in the fund and any other
26 contributions, payments or deposits which may be made to the
27 fund.

28 (c) Notice of availability of assistance.--

29 (1) [Each] Except as otherwise provided for in paragraph
30 (4), each slot machine licensee shall [obtain a] use the

1 toll-free telephone number [to be used] established by the
2 Department of Drug and Alcohol Programs in subsection (a.1)
3 (1) to provide persons with information on assistance for
4 compulsive or problem gambling. Each licensee shall
5 conspicuously post at least 20 signs similar to the following
6 statement:

7 If you or someone you know has a gambling problem, help
8 is available. Call (Toll-free telephone number).

9 The signs must be posted within 50 feet of each entrance and
10 exit, within 50 feet of each automated teller machine
11 location within the licensed facility and in other
12 appropriate public areas of the licensed facility as
13 determined by the slot machine licensee.

14 (2) Each racetrack where slot machines or table games
15 are operated shall print a statement on daily racing programs
16 provided to the general public that is similar to the
17 following:

18 If you or someone you know has a gambling problem, help
19 is available. Call (Toll-free telephone number).

20 Except as otherwise provided for in paragraph (4), the toll-
21 free telephone number shall be the same telephone number
22 established by the Department of Drug and Alcohol Programs
23 under subsection (a.1)(1).

24 (3) A licensed facility which fails to post or print the
25 warning sign in accordance with paragraph (1) or (2) shall be
26 assessed a fine of \$1,000 a day for each day the minimum
27 number of signs are not posted or the required statement is
28 not printed as provided in this subsection.

29 (4) Slot machine licensees or racetracks utilizing a
30 toll-free telephone number other than the number established

1 by the Department of Drug and Alcohol Programs under
2 subsection (a.1)(1) prior to the effective date of this
3 paragraph may continue to use that number for a period not to
4 exceed three years from the effective date of this paragraph
5 upon showing good cause to the Department of Drug and Alcohol
6 Programs.

7 (d) Single county authorities.--The Department of [Health]
8 Drug and Alcohol Programs shall make grants from the fund
9 established under subsection (b) to single county authorities
10 created pursuant to the act of April 14, 1972 (P.L.221, No.63),
11 known as the Pennsylvania Drug and Alcohol Abuse Control Act,
12 for the purpose of providing compulsive gambling and gambling
13 addiction prevention, treatment and education programs.
14 Treatment may include financial counseling, irrespective of
15 whether the financial counseling is provided by the single
16 county authority, the treatment service provider or
17 subcontracted to a third party. It is the intention of the
18 General Assembly that any grants made by the Department of
19 [Health] Drug and Alcohol Programs to any single county
20 authority in accordance with the provisions of this subsection
21 be used exclusively for the development and implementation of
22 compulsive and problem gambling programs authorized under this
23 section.

24 (d.1) Eligibility.--Eligibility to receive treatment
25 services for treatment of compulsive and problem gambling under
26 this section shall be determined using financial eligibility and
27 other requirements of the single county authorities as approved
28 by the Department of [Health] Drug and Alcohol Programs.

29 (d.2) Report.--[No later than October 1, 2010, and each]
30 Annually on October 1 [thereafter], the Department of [Health]

1 Drug and Alcohol Programs, in consultation with the board, shall
2 prepare and submit a report on the impact of the programs funded
3 by the Compulsive and Problem Gambling Treatment Fund to the
4 Governor and to the members of the General Assembly. The report
5 shall include aggregate demographic-specific data, including
6 race, gender, geography and income of those individuals treated.

7 (e) Definition.--As used in subsection (d), the term "single
8 county authority" means the agency designated by the Department
9 of Health pursuant to the act of April 14, 1972 (P.L.221,
10 No.63), known as the Pennsylvania Drug and Alcohol Abuse Control
11 Act, to plan and coordinate drug and alcohol prevention,
12 intervention and treatment services for a geographic area, which
13 may consist of one or more counties.

14 ~~Section 2. This act shall take effect in 60 days.~~ <--

15 SECTION 4. REPEALS ARE AS FOLLOWS: <--

16 (1) THE GENERAL ASSEMBLY DECLARES THAT THE REPEAL UNDER
17 PARAGRAPH (2) IS NECESSARY TO EFFECTUATE THE ADDITION OF 4
18 PA.C.S. § 1403(C) (2) (I) (D) (I.2) AND (I.3).

19 (2) SECTION 1753-E OF THE ACT OF APRIL 9, 1929 (P.L.343,
20 NO.176), KNOWN AS THE FISCAL CODE, IS REPEALED.

21 SECTION 5. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

22 (1) THE AMENDMENT OF 4 PA.C.S. § 1509 SHALL TAKE EFFECT
23 IN 60 DAYS.

24 (2) THE FOLLOWING PROVISIONS SHALL TAKE EFFECT JANUARY
25 1, 2017:

26 (I) THE ADDITION OF 4 PA.C.S. § 1326.1.

27 (II) THE AMENDMENT OF 4 PA.C.S. § 1403.

28 (III) SECTION 4 OF THIS ACT.

29 (3) THE FOLLOWING PROVISIONS SHALL TAKE EFFECT
30 IMMEDIATELY:

1 (I) THIS SECTION.

2 (II) THE REMAINDER OF THIS ACT.