

AN ACT

1 Amending the act of December 19, 1988 (P.L.1262, No.156),
2 entitled "An act providing for the licensing of eligible
3 organizations to conduct games of chance, for the licensing
4 of persons to distribute games of chance, for the
5 registration of manufacturers of games of chance, and for
6 suspensions and revocations of licenses and permits;
7 requiring records; providing for local referendum by
8 electorate; and prescribing penalties," in games of chance,
9 further providing for prize limits, providing for raffle
10 prize limits and further providing for licensing of eligible
11 organizations and for special permits; and, in club
12 licensees, further providing for distribution of proceeds.

13 The General Assembly of the Commonwealth of Pennsylvania
14 hereby enacts as follows:

15 Section 1. Section 302(a), (b), (c), (c.1), (d) and (d.1) of
16 the act of December 19, 1988 (P.L.1262, No.156), known as the
17 Local Option Small Games of Chance Act, are amended to read:

18 Section 302. Prize limits.

19 (a) Individual prize limit.--[Except as provided under
20 subsections (d) and (d.1), the] The maximum prize which may be
21 awarded for any single chance shall be [~~\$2,000~~] \$3,000.

22 (b) Aggregate prize limit.--No more than [~~\$35,000~~] \$50,000

1 in prizes shall be awarded from games of chance by a licensed
2 eligible organization in any seven-day period.

3 [(c) Raffle prize limit.--Up to \$15,000 in prizes may be
4 awarded in raffles in any calendar month.

5 (c.1) Total limit.--All prizes awarded under this section
6 shall be subject to the aggregate prize limits under subsection
7 (b).

8 (d) Exception for raffles.--Notwithstanding subsection (b)
9 or (c), a licensed eligible organization may conduct a raffle
10 under section 308 and award a prize or prizes valued in excess
11 of \$3,000 each only under the following conditions:

12 (1) The licensing authority has issued a special permit
13 for the raffle under section 308.

14 (2) A licensed eligible organization shall be eligible
15 to receive no more than ten special permits in any licensed
16 term except that a volunteer fire, ambulance, rescue or
17 conservation organization that is not a club licensee shall
18 be eligible to receive 12 special permits in any licensed
19 term.

20 (3) Only one raffle may be conducted under each special
21 permit issued under section 308.

22 (4) Except as provided under subsection (d.1), the total
23 of all prizes awarded under this subsection shall be no more
24 than \$150,000 per calendar year, which shall not be subject
25 to the aggregate limit under subsection (b) or (c).

26 (d.1) Additional award.--A volunteer fire, ambulance, rescue
27 or conservation organization may, in addition to the total under
28 subsection (d) (4), award up to \$100,000 from raffles which shall
29 not be subject to the aggregate limit under subsection (b), (c)
30 or (d).]

1 * * *

2 Section 2. The act is amended by adding a section to read:

3 Section 302.1. Raffle prize limits.

4 (a) Raffle prize limit.--The maximum prize which may be
5 awarded for a raffle shall be \$5,000.

6 (b) Monthly raffle prize limit.--Up to \$30,000 in prizes may
7 be awarded in raffles in a calendar month.

8 (c) Exception for raffles.--A licensed eligible organization
9 may conduct a raffle under section 308 and award a prize or
10 prizes valued in excess of \$5,000 each only under the following
11 conditions:

12 (1) The licensing authority has issued a special permit
13 for the raffle under section 308.

14 (2) There shall be no limit on the number of special
15 permits a licensed eligible organization may obtain under
16 section 308.

17 (3) Only one raffle may be conducted under each special
18 permit issued under section 308.

19 (4) Except as provided under subsection (d), the total
20 of all prizes awarded under this subsection shall be no more
21 than \$300,000 per calendar year, which is not subject to the
22 limit under subsection (a).

23 (d) Additional award.--A volunteer fire, ambulance, rescue
24 or conservation organization may, in addition to the total under
25 subsection (c) (4), award up to \$500,000 which is not subject to
26 the limit under subsection (a).

27 Section 3. Section 307(a), (b) and (b.2) of the act are
28 amended and the section is amended by adding a subsection to
29 read:

30 Section 307. Licensing of eligible organizations.

1 (a) License required.--The following shall apply:

2 (1) An eligible organization shall not conduct or
3 operate games of chance unless the eligible organization has
4 obtained a valid license as follows:

5 (i) A regular license which must be renewed
6 annually.

7 (ii) A monthly license which permits the eligible
8 organization to conduct games of chance for a 30-
9 consecutive-day period.

10 (2) An auxiliary group of a licensed eligible
11 organization may conduct games of chance using the license
12 issued to the eligible organization if the auxiliary group is
13 listed on the application and license of the eligible
14 organization. An auxiliary group shall not be eligible to
15 obtain a license if the auxiliary group is listed on the
16 application. No additional licensing fee shall be charged for
17 an auxiliary group[. If the eligible organization is a club
18 licensee,] if the auxiliary group is listed on the
19 application. If the auxiliary group is listed on the
20 application of the licensed organization, the games of chance
21 conducted by the auxiliary group must be held on the [club's]
22 licensed organization's licensed premises.

23 (3) Auxiliary groups not listed on the application with
24 an eligible organization may apply for their own license as
25 an eligible organization.

26 (b) Issuance.--The licensing authority shall issue a license
27 within [30] 10 days of the submission of an application by an
28 eligible organization that meets the requirements under this
29 chapter.

30 * * *

1 (b.2) Location.--An eligible organization that is not a club
2 licensee that holds a license under subsection (a) [and that is
3 not a club licensee] may conduct small games of chance in the
4 county where the license is issued at a premises which is the
5 operating site of the eligible organization or at a premises or
6 other location not prohibited by local ordinance, and for which
7 the treasurer has been notified. The following shall apply:

8 (1) No more than three licensees, including the licensee
9 that owns or leases the premises, may conduct small games of
10 chance simultaneously at a premises or location.

11 (2) A licensee shall ensure that the conduct of small
12 games of chance by different organizations are separate and
13 clearly identified within a premises or location.

14 [(3) A licensee that is not a club licensee may conduct
15 games of chance simultaneously with the conduct of games of
16 chance by a club licensee on not more than three occasions
17 covering a total of seven days during the year.

18 (4) The following shall apply:

19 (i) Notwithstanding paragraph (1), if a club
20 licensee is unable to conduct games of chance at the
21 location listed on its application and license due to
22 natural disaster, fire or other circumstance that renders
23 the location unusable, the club licensee may submit a
24 written request to the district attorney to conduct games
25 of chance in a different location, including the licensed
26 premises of another eligible organization.

27 (ii) A request under subparagraph (i) must include
28 the change in the location and the dates and times the
29 games of chance will be operated at the alternative
30 location.

1 (iii) The district attorney shall approve or deny
2 the request and shall establish a limit on the duration
3 of the authorization to conduct games of chance at the
4 alternative location. Following the expiration of the
5 authorization period, the club licensee must return to
6 the location specified in its application and license or
7 apply to the licensing authority for a new permanent
8 location. The district attorney may stipulate additional
9 requirements as a condition of approval.

10 (iv) If a club licensee permits another club
11 licensee to use its licensed premises under this
12 paragraph to conduct games of chance, the host club
13 licensee must cease its operation of games of chance
14 during the time the club licensee utilizing its premises
15 is conducting its games of chance.]

16 (b.3) Location for a club licensee.--A club licensee may
17 conduct small games of chance in the county where the license is
18 issued at a premises which is the operating site of the club
19 licensee or at a premises or other location not prohibited by
20 local ordinance, for which the treasurer has been notified. The
21 following shall apply:

22 (1) No more than three eligible organizations, including
23 the club licensee, that own or lease the premises, may
24 conduct small games of chance simultaneously at a premises or
25 location.

26 (2) A club licensee shall ensure that the conduct of
27 small games of chance by different organizations are separate
28 and clearly identified within a premises or location.

29 (3) Notwithstanding paragraph (1), if a club licensee is
30 unable to conduct games of chance at the location listed on

1 the club licensee's application and license due to natural
2 disaster, fire or other circumstance that renders the
3 location unusable, the club licensee may submit a written
4 request to the district attorney to conduct games of chance
5 in a different location, including the licensed premises of
6 another eligible organization.

7 (4) A request under paragraph (3) must include the
8 change in the location and the dates and times the games of
9 chance will be operated at the alternative location.

10 (5) The district attorney shall approve or deny the
11 request and shall establish a limit on the duration of the
12 authorization to conduct games of chance at the alternative
13 location. Following the expiration of the authorization
14 period, the club licensee must return to the location
15 specified in the club licensee's application and license or
16 apply to the licensing authority for a new permanent
17 location. The district attorney may stipulate additional
18 requirements as a condition of approval.

19 (6) If a club licensee permits another club licensee to
20 use the licensed premises under this paragraph to conduct
21 games of chance, the host club licensee must cease the
22 operation of games of chance during the time the club
23 licensee utilizing the premises is conducting the games of
24 chance.

25 * * *

26 Section 4. Sections 308(a) and 502(a) of the act are amended
27 to read:

28 Section 308. Special permits.

29 (a) Issuance and fee.--The licensing authority shall issue a
30 special permit for each raffle in which the licensed eligible

1 organization proposes to award individual prizes in excess of
2 [~~\$3,000~~] \$5,000. The licensing authority may establish and
3 collect a fee not to exceed \$25 for the issuance of special
4 permits under this section.

5 * * *

6 Section 502. Distribution of proceeds.

7 (a) Distribution.--The proceeds from games of chance
8 received by a club licensee shall be distributed as follows:

9 (1) No less than [~~60%~~] 40% of the proceeds shall be paid
10 for public interest purposes within one year of the end of
11 the calendar year in which the proceeds were obtained.

12 (2) No more than [~~40%~~] 60% of the proceeds obtained in a
13 calendar year may be retained by a club licensee.

14 * * *

15 Section 5. This act shall take effect in 60 days.