

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1857 Session of
2007

INTRODUCED BY WALKO, JAMES, DERMODY, SOLOBAY, BELFANTI,
BIANCUCCI, BUXTON, CALTAGIRONE, CASORIO, DALEY, FABRIZIO,
FRANKEL, GERGELY, GIBBONS, GOODMAN, GRUCELA, HARHAI, HARKINS,
HELM, KORTZ, KOTIK, KULA, LEACH, MAHONEY, MANN, MARKOSEK,
MYERS, PETRARCA, PETRONE, RAMALEY, SABATINA, SEIP, SIPTROTH,
SWANGER, THOMAS AND J. WHITE, SEPTEMBER 27, 2007

REFERRED TO COMMITTEE ON GAMING OVERSIGHT, SEPTEMBER 27, 2007

AN ACT

1 Amending the act of December 19, 1988 (P.L.1262, No.156),
2 entitled, as amended, "An act providing for the licensing of
3 eligible organizations to conduct games of chance, for the
4 licensing 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," further providing for
9 prize limits and for sales limited; providing for the
10 regulation of bingo; making editorial changes; and making a
11 related repeal.

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

14 Section 1. The title of the act of December 19, 1988
15 (P.L.1262, No.156), known as the Local Option Small Games of
16 Chance Act, amended December 19, 1990 (P.L.812, No.195), is
17 amended to read:

AN ACT

18
19 Providing for the licensing of eligible organizations to conduct
20 games of chance, for the licensing of persons to distribute

1 games of chance, for the registration of manufacturers of
2 games of chance, and for suspensions and revocations of
3 licenses and permits; requiring records; providing for local
4 referendum by electorate; regulating the lawful conduct of
5 bingo; and prescribing penalties.

6 Section 2. The act is amended by adding a chapter heading to
7 read:

8 CHAPTER 1

9 PRELIMINARY PROVISIONS

10 Section 3. Section 1 of the act is amended to read:

11 Section [1] 101. Short title.

12 This act shall be known and may be cited as the Local Option
13 Small Games of Chance and Bingo Act.

14 Section 4. The act is amended by adding a chapter heading to
15 read:

16 CHAPTER 3

17 LOCAL OPTION SMALL GAMES OF CHANCE

18 Section 5. Section 2 of the act is amended to read:

19 Section [2] 301. Legislative intent.

20 The General Assembly hereby declares that the playing of
21 small games of chance for the purpose of raising funds, by
22 certain nonprofit associations, for the promotion of charitable
23 or civic purposes, is in the public interest.

24 It is hereby declared to be the policy of the General
25 Assembly that all phases of licensing, operation and regulation
26 of small games of chance be strictly controlled, and that all
27 laws and regulations with respect thereto as well as all
28 gambling laws should be strictly construed and rigidly enforced.

29 The General Assembly recognizes the possibility of
30 association between commercial gambling and organized crime, and

1 wishes to discourage commercialization of small games of chance,
2 prevent participation by organized crime and prevent the
3 diversion of funds from the purposes herein authorized.

4 Section 6. Section 3 of the act, amended December 19, 1990
5 (P.L.812, No.195) and October 18, 2000 (P.L.602, No.79), is
6 amended to read:

7 Section [3] 302. Definitions.

8 The following words and phrases when used in this [act]
9 chapter shall have the meanings given to them in this section
10 unless the context clearly indicates otherwise:

11 "Bona fide member." Any individual who holds a membership in
12 the eligible organization as defined by that organization's
13 constitution, charter, articles of incorporation or bylaws.

14 "Charitable organization." A not-for-profit group or body of
15 persons which is created and exists for the purpose of
16 performing a humane service; promoting the good and welfare of
17 the aged, poor, infirm or distressed; combating juvenile
18 delinquency; or advancing the spiritual, mental, social and
19 physical improvement of young men and women.

20 "Civic and service associations." Any Statewide or branch,
21 lodge or chapter of a nonprofit national or State organization
22 which is authorized by its written constitution, charter,
23 articles of incorporation or bylaws to engage in a civic or
24 service purpose within this Commonwealth, which shall have
25 existed in this Commonwealth for one year. The term also means a
26 similar local nonprofit organization, not affiliated with a
27 national or State organization, which is recognized by a
28 resolution adopted by the governing body of the municipality in
29 which the organization conducts its principal activities. The
30 term shall include, but not be limited to, bona fide sportsmen's

1 and wildlife associations, federations or clubs, Statewide or
2 local in nature, volunteer fire companies, volunteer rescue
3 squads and volunteer ambulance associations and bona fide senior
4 citizens organizations. In the case of bona fide senior citizens
5 organizations, the licensing authority may accept alternative
6 documentation for proof of purposes when there are no bylaws or
7 articles of incorporation in existence. The term shall also
8 include nonprofit organizations which are established to promote
9 and encourage participation and support for extracurricular
10 activities within the established primary and secondary public,
11 private and parochial school systems. Such organizations must be
12 recognized by a resolution adopted by the appropriate governing
13 body. In the case of organizations associated with the public
14 school system, the governing body shall be the school board of
15 the school district. In the case of private or parochial school
16 organizations, that body shall be either the board of trustees
17 or the Archdiocese.

18 "Club." A club, as defined in section 102 of the act of
19 April 12, 1951 (P.L.90, No.21), known as the Liquor Code, that
20 qualifies as an exempt organization under section 501(c) or 527
21 of the Internal Revenue Code of 1954 (68A Stat. 3, 26 U.S.C. §
22 501(c) or 527) and is licensed to sell liquor at retail and has
23 a charitable, religious or civic purpose or is organized to
24 benefit a political party.

25 "Daily drawing." A game in which a bona fide member selects
26 or is assigned a number for a chance at a prize with the winner
27 determined by a random drawing to take place on the eligible
28 organization's premises during the same operating day. The term
29 includes games commonly known as "member sign-in lotteries" and
30 "half-and-half lotteries." Nothing in this [act] chapter shall

1 be construed to prohibit the carrying over of a jackpot where
2 the winning number has not been entered in the game on a
3 particular operating day. Daily drawing winners may be
4 determined with the aid of a passive selection device or
5 reference to drawings conducted by the department pursuant to
6 the act of August 26, 1971 (P.L.351, No.91), known as the State
7 Lottery Law. Daily drawing chances may not be sold for an amount
8 in excess of \$1, and no more than one chance may be sold to an
9 individual during the same operating day.

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

11 "Dispensing machine." A device designed exclusively for the
12 dispensing of the games of chance authorized by this [act]
13 chapter, including, but not limited to, ticket jars, fish bowls
14 and stamp machines. Nothing in this [act] chapter shall be
15 construed to authorize devices commonly known as "slot machines"
16 or "video poker."

17 "Eligible organizations." Includes qualifying nonprofit
18 charitable, religious, fraternal and veterans organizations,
19 clubs and civic and service associations [as defined by this
20 act]. In order to qualify as an eligible organization for
21 purposes of this [act] chapter, an organization shall have been
22 in existence and fulfilling its purposes for one year prior to
23 the date of application for a license.

24 "Fraternal organizations." A nonprofit organization within
25 this Commonwealth which is created and carried on for the mutual
26 benefit of its members, has a limited membership and a a
27 representative form of government and is a branch, lodge or
28 chapter of a national or State organization. Such organizations
29 shall have been in existence in this Commonwealth and fulfilling
30 their purposes for one year prior to the date of application for

1 a license.

2 "Games of chance." Punchboards, daily drawings, weekly
3 drawings, raffles and pull-tabs, as defined in this [act]
4 chapter, provided that no such game shall be played by or with
5 the assistance of any mechanical or electrical devices or media,
6 other than a dispensing machine or passive selection device, and
7 further provided that the particular chance taken by any person
8 in any such game shall not be made contingent upon any other
9 occurrence or the winning of any other contest, but shall be
10 determined solely at the discretion of the purchaser. This
11 definition shall not be construed to authorize any other form of
12 gambling currently prohibited under any provision of Title 18 of
13 the Pennsylvania Consolidated Statutes (relating to crimes and
14 offenses). Nothing in this [act] chapter shall be construed to
15 authorize games commonly known as "slot machines" or "video
16 poker."

17 "Law enforcement official." A municipal police officer, a
18 member of the Pennsylvania State Police, the sheriff of a county
19 or a deputy sheriff.

20 "License." A license to conduct games of chance.

21 "Licensing authority." The county treasurer, or in any home
22 rule county or city of the first class, where there is no
23 elected treasurer, the designee of the governing authority.

24 "Municipality." A city, borough, incorporated town or
25 township or a home rule municipality formerly classified as a
26 city, borough, incorporated town or township.

27 "Passive selection device." A device which is used to hold
28 or denote the universe of possible winning numbers or entrants
29 in a daily drawing or raffle. Such a device may not have the
30 capability of being utilized to conduct or aid in the conducting

1 of unauthorized or illegal forms of gambling.

2 "Public interest purposes." One or more of the following:

3 (1) Benefiting persons by enhancing their opportunity
4 for religious or education advancement, by relieving or
5 protecting them from disease, suffering or distress, by
6 contributing to their physical, emotional or social well-
7 being, by assisting them in establishing themselves in life
8 as worthy and useful citizens or by increasing their
9 comprehension of and devotion to the principles upon which
10 this nation was founded.

11 (2) Initiating, performing or fostering worthy public
12 works or enabling or furthering the erection or maintenance
13 of public structures.

14 (3) Lessening the burdens borne by government or
15 voluntarily supporting, augmenting or supplementing services
16 which government would normally render to the people.

17 (4) Improving, expanding, maintaining or repairing real
18 property owned or leased by an eligible organization and used
19 for purposes specified in paragraphs (1), (2) and (3). The
20 term does not include the erection or acquisition of any real
21 property, unless the property will be used exclusively for
22 one or more of the purposes specified in this definition.

23 "Pull-tab." A single folded or banded ticket or a strip
24 ticket or card with a face covered to conceal one or more
25 numbers or symbols, where one or more of each set of tickets or
26 cards has been designated in advance as a winner.

27 "Punchboard." A board, placard or other device marked off in
28 a grid or columns, in which each section contains a hidden
29 number or numbers, or other symbol, which determines the winning
30 chances.

1 "Raffle." A game in which a participant buys a ticket for a
2 chance at a prize with the winner determined by a random drawing
3 of corresponding ticket stubs to take place at a location and
4 date or dates printed upon each ticket. Such games shall include
5 lotteries but not daily drawings. Raffle winners may be
6 determined by reference to drawings conducted by the department
7 pursuant to the act of August 26, 1971 (P.L.351, No.91), known
8 as the State Lottery Law.

9 "Religious organization." A not-for-profit group or body of
10 persons which is created and which exists for the predominant
11 purpose of regularly holding or conducting religious activities
12 or religious education, without pecuniary benefit to any
13 officer, member or shareholder except as reasonable compensation
14 for actual services rendered to the organization.

15 "Veterans organization." Any congressionally chartered
16 organization within this Commonwealth, or any branch or lodge or
17 chapter of a nonprofit national or State organization within
18 this Commonwealth, the membership of which consists of
19 individuals who were members of the armed services or armed
20 forces of the United States. The term shall also include home
21 associations. Such organizations shall have been in existence in
22 this Commonwealth fulfilling their purposes for one year prior
23 to the date of application for a license.

24 "Weekly drawing." A game in which a bona fide member selects
25 or receives a number or numbers for a chance at a prize with the
26 winner determined by a random drawing to take place on the
27 eligible organization's premises at the end of a seven-day
28 period. Nothing in this [act] chapter shall be construed to
29 prohibit the carrying over of a jackpot where the winning number
30 has not been entered in the game in a particular week. Weekly

1 drawing winners may be determined with the aid of a passive
2 selection device or reference to drawings conducted by the
3 Department of Revenue pursuant to the act of August 26, 1971
4 (P.L.351, No.91), known as the State Lottery Law. Weekly drawing
5 chances may not be sold for an amount in excess of \$1.

6 Section 7. Section 4 of the act, amended December 19, 1990
7 (P.L.812, No.195), is amended to read:

8 Section [4] 303. Games of chance permitted.

9 Every eligible organization to which a license has been
10 issued under the provisions of this [act] chapter may conduct
11 games of chance for the purpose of raising funds for public
12 interest purposes. All proceeds of games of chance shall be used
13 exclusively for public interest purposes or for the purchase of
14 games of chance as permitted by this [act] chapter.

15 Section 8. Section 5 of the act, amended December 19, 1990
16 (P.L.812, No.195) and October 18, 2000 (P.L.602, No.79), is
17 amended to read:

18 [Section 5. Prize limits.

19 (a) Individual prize limit.--The maximum cash value which
20 may be awarded for any single chance shall be \$500.

21 (b) Weekly limit.--No more than \$5,000 in cash or
22 merchandise shall be awarded by any eligible organization in any
23 seven-day period.

24 (c) Limit on raffles.--No more than \$5,000 in cash or
25 merchandise shall be awarded in raffles in any calendar month.

26 (d) Exception.--An eligible organization may conduct a
27 raffle and award a prize or prizes valued in excess of \$500 each
28 only under the following conditions:

29 (1) The licensing authority has issued a special permit
30 for the raffle under section 11.

1 (2) Eligible organizations shall be eligible to receive
2 no more than two special permits in any licensed year except
3 that volunteer fire, ambulance and rescue organizations shall
4 be eligible to receive no more than three special permits in
5 any licensed year.

6 (3) Only one raffle may be conducted under each special
7 permit.

8 (4) The total cash value of all prizes shall be no more
9 than \$100,000 per calendar year.

10 (e) Limit on daily drawings.--Daily drawings shall be
11 governed by the prize limitations contained in subsections (a)
12 and (b). An eligible organization shall not conduct daily
13 drawings during a period when a weekly drawing is taking place.

14 (f) Exception.--The prize limitation contained in
15 subsections (a) and (b) may be exceeded by a daily drawing under
16 the following circumstances: a daily drawing may award a prize
17 where the cash value is in excess of \$500 if such prize is the
18 result of a carryover of a drawing or drawings which resulted
19 from the winning number in such drawing or drawings not being
20 among the eligible entrants in such drawings. Nothing contained
21 herein shall authorize the prize limitations as contained in
22 subsections (a) and (b) to be exceeded as a result of a failure
23 to conduct a drawing on an operating day during which chances
24 were sold for a daily drawing or for a daily drawing for which
25 chances were sold in excess of \$1 or for which more than one
26 chance was sold to an eligible participant.

27 (g) Daily drawing and weekly drawing exception.--When a
28 daily drawing or weekly drawing is set up or conducted in such a
29 manner as to pay out or award 100% of the gross revenues
30 generated from such drawing, the limitations contained in

1 subsection (b) shall not apply.

2 (h) Limit on weekly drawings.--Weekly drawings shall be
3 governed by the prize limitations contained in subsection (b).
4 The prize limitation contained in subsection (b) may be exceeded
5 by a weekly drawing under the following circumstances: a weekly
6 drawing may award a prize where the cash value is in excess of
7 \$5,000 if such prize is the result of a carryover of a drawing
8 or drawings which resulted from the winning number or numbers in
9 such drawing or drawings not being among the eligible entrants
10 in such drawings. Nothing contained in this act shall authorize
11 the prize limitations as contained in subsection (b) to be
12 exceeded as a result of a failure to conduct a drawing for a
13 week during which chances were sold for a weekly drawing or for
14 a weekly drawing for which chances were sold in excess of \$1. An
15 eligible organization shall not conduct weekly drawings during a
16 period when a daily drawing is taking place.]

17 Section 304. (Reserved).

18 Section 9. Sections 6 and 7 of the act, amended December 19,
19 1990 (P.L.812, No.195), are amended to read:

20 [Section 6. Sales limited.

21 No person shall sell, offer for sale or furnish games of
22 chance for use within this Commonwealth except to an eligible
23 organization or distributor licensed under this act. No game of
24 chance, other than a raffle, sold, offered for sale or furnished
25 for use within this Commonwealth shall contain, permit, depict
26 or designate a prize having a cash value in excess of \$500.]

27 Section 305. (Reserved).

28 Section [7] 306. Distributor licenses.

29 (a) License required.--No person shall sell, offer for sale
30 or furnish games of chance to eligible organizations licensed

1 under this [act] chapter unless such person shall have obtained
2 a distributor license as provided in this section.

3 (b) Application.--An applicant for the grant or renewal of a
4 distributor license issued pursuant to this section shall
5 provide to the department, upon the form prescribed, all of the
6 following:

7 (1) The applicant's State sales tax number.

8 (2) The applicant's State corporate tax number.

9 (3) The applicant's State employer withholding tax
10 number.

11 (4) The applicant's unemployment compensation account
12 number.

13 (5) A statement that:

14 (i) all State tax reports have been filed and all
15 State taxes paid;

16 (ii) all State taxes are subject to a timely
17 administrative or judicial appeal; or

18 (iii) all State taxes are subject to a duly approved
19 deferred payment plan.

20 (6) The names and business addresses of all owners,
21 officers, directors, partners and sales personnel.

22 (c) Waiver of confidentiality.--An applicant for the grant
23 or renewal of any license issued pursuant to this section shall,
24 by the filing of an application insofar as it relates to the
25 department, waive any confidentiality with respect to State tax
26 information in the possession of the department, the Office of
27 Attorney General or the Department of Labor and Industry
28 regarding that applicant, regardless of the source of that
29 information, and shall consent to the providing of that
30 information to the department by the Office of Attorney General

1 or the Department of Labor and Industry.

2 (d) Review of tax status.--Upon receipt of any application
3 for the grant or renewal of any license issued pursuant to this
4 section, the department shall review the State tax status of the
5 applicant. The department shall request State tax information
6 regarding the applicant from the Office of Attorney General or
7 the Department of Labor and Industry and that information shall
8 be provided.

9 (e) Limitation on approval.--The department shall not
10 approve any application for the grant or renewal of any license
11 issued pursuant to this section where the applicant has failed
12 to:

13 (1) provide any of the information required by
14 subsection (b);

15 (2) file required State tax reports; or

16 (3) pay any State taxes not subject to a timely
17 administrative or judicial appeal or subject to a duly
18 authorized deferred payment plan.

19 (f) Records.--The licensee shall keep such records, reports
20 and books as the department shall prescribe. Applicants shall be
21 required to make such records, reports and books available as
22 required by the department pursuant to regulation.

23 (g) Ineligibility.--The department shall not issue or renew
24 a distributor license for the sale of games of chance to a
25 person, including any corporation, firm or partnership which has
26 as an officer, director or other person in a supervisory or
27 management position, or employee eligible to make sales on
28 behalf of the distributor, who:

29 (1) has been convicted of a felony in a state or Federal
30 court within the past five years; or

1 (2) has been convicted within ten years of the date of
2 application in a state or Federal court of a violation of the
3 former act of July 10, 1981 (P.L.214, No.67), known as the
4 Bingo Law, or of this act or of a gambling-related offense
5 under Title 18 of the Pennsylvania Consolidated Statutes
6 (relating to crimes and offenses) or other comparable State
7 or Federal law.

8 (h) License and renewal fees.--The fee for a distributor
9 license shall be \$1,000. Licenses shall be renewable on an
10 annual basis.

11 (i) Exception.--This section shall not apply to the
12 manufacture or distribution of raffle tickets.

13 Section 10. Section 8 of the act is amended to read:
14 Section [8] 307. Registration of manufacturers.

15 (a) Registration required.--No manufacturer of games of
16 chance shall sell any games of chance to any person unless the
17 manufacturer has registered with the department and has been
18 issued a certificate of registration.

19 (b) Annual certificate; fee.--A certificate under this
20 section shall be valid for one year. The annual fee for
21 registration shall be \$2,000.

22 (c) Prohibited sales.--A manufacturer shall not sell games
23 of chance to any person not licensed as a distributor unless the
24 manufacturer is also a licensed distributor.

25 (d) Exception.--This section shall not apply to the
26 manufacture or distribution of raffle tickets.

27 Section 11. Section 9 of the act, amended December 19, 1990
28 (P.L.812, No.195), is amended to read:
29 Section [9] 308. Regulations of department.

30 (a) Authorization.--The department shall promulgate

1 regulations to:

2 (1) Impose minimum standards and restrictions applicable
3 to games of chance manufactured for sale in this
4 Commonwealth, which may include standards and restrictions
5 which specify the maximum number of chances available to be
6 sold for any single game or prize and such other standards
7 and restrictions as the department deems necessary for the
8 purposes of this [act] chapter. The department shall consider
9 standards adopted by the National Association of Gambling
10 Regulatory Agencies and other standards commonly accepted in
11 the industry.

12 (2) Establish procedures by which manufacturers may
13 register and distributors of games of chance may apply for
14 licensure on forms which the department shall provide.

15 (3) Provide for the suspension or revocation of
16 distribution licenses or manufacturer certificates for
17 violations of this [act] chapter or regulations of the
18 department.

19 (4) Carry out other provisions of this [act] chapter.

20 (b) Limitation on recordkeeping requirements.--This section
21 shall not be construed to authorize the department to promulgate
22 regulations providing for recordkeeping requirements for
23 eligible organizations which require unreasonable or unnecessary
24 information or a repetitious listing of information. The
25 department shall strive to keep such recordkeeping requirements
26 from being an undue hardship or burden on eligible
27 organizations. Under no circumstances shall the department
28 require the retention of records for a period in excess of two
29 years.

30 Section 12. Section 10 of the act, amended December 19, 1990

1 (P.L.812, No.195) and October 18, 2000 (P.L.602, No.79), is
2 amended to read:

3 Section [10] 309. Licensing of eligible organizations to
4 conduct games of chance.

5 (a) License required.--No eligible organization shall
6 conduct or operate any games of chance unless such eligible
7 organization has obtained and maintains a valid license issued
8 pursuant to this section. Auxiliary groups within eligible
9 organizations shall be eligible to conduct small games of chance
10 using the license issued to the eligible organization provided
11 that the auxiliary group or groups are listed on the application
12 and license of the eligible organization. No additional
13 licensing fee shall be charged for an auxiliary group's
14 eligibility under this [act] chapter. Auxiliary groups shall not
15 include branches, lodges or chapters of a Statewide
16 organization.

17 (b) Issuance and fees.--The licensing authority shall
18 license, upon application, within 30 days any eligible
19 organization meeting the requirements for licensure contained in
20 this [act] chapter to conduct and operate games of chance at
21 such locations within the county or in such manner as stated on
22 the application as limited by subsection (b.1). The license fee
23 to be charged to each eligible organization shall be \$100,
24 except for limited occasion licenses which shall be \$10.
25 Licenses shall be renewable annually upon the anniversary of the
26 date of issue.

27 (b.1) Location of small games of chance.--Where there exists
28 a location or premises which is the normal business or operating
29 site of the eligible organization and is owned or leased by that
30 eligible organization to conduct its normal business, that site

1 shall be the licensed premises for small games of chance
2 conducted by the eligible organization. If that location
3 consists of more than one building and the eligible organization
4 wishes to conduct its games in a different building at that
5 location from the one that is listed on its application and
6 license, the eligible organization must notify, in writing, the
7 district attorney and the licensing authority of the change in
8 building site and the dates and times that will be affected.
9 When an eligible organization does not own or lease a specific
10 location to conduct its normal business, that eligible
11 organization may use another eligible organization's premises to
12 conduct its games or may make such other arrangements that are
13 consistent with this [act] chapter, including, but not limited
14 to, leasing a premise under a written agreement for a rental
15 which is not determined by either the amount of receipts
16 realized from the playing of games of chance nor the number of
17 people attending except that an eligible organization may lease
18 a facility for a banquet where a per head charge is applied in
19 connection with the serving of a meal. When such eligible
20 organization changes the site of its games from that which is
21 listed on its application and license, the eligible organization
22 must notify, in writing, the district attorney and licensing
23 authority of the change in their games' site and dates and times
24 that will be affected.

25 (b.2) Off-premises games of chance.--Notwithstanding any
26 other provisions of this section, an eligible organization may
27 conduct small games of chance at a location off its premises
28 when such games are part of an annual carnival, fair, picnic or
29 banquet held or participated in by that eligible organization on
30 a historical basis. The eligible organization must notify, in

1 writing, the district attorney and licensing authority of the
2 location, date and times of such events where it will be
3 conducting small games of chance.

4 (b.3) Limited occasion licenses.--Eligible organizations
5 which do not own their own premises or which do not lease a
6 specific location to conduct their normal business may apply for
7 a limited occasion license to conduct small games of chance on
8 not more than three occasions covering a total of seven days
9 during a licensed year. A limited occasion license entitles
10 eligible organizations holding such a license to conduct no more
11 than two raffles during a licensed year where prizes may not
12 exceed the established limits for regular monthly raffles.
13 Holders of limited occasion licenses may not apply or be granted
14 any other license or special permit under this [act] chapter. No
15 holder of a regular license or special permit under this [act]
16 chapter shall apply or be granted a limited occasion license.

17 (b.4) Gambling facility prohibited.--It shall be unlawful
18 for a person, corporation, association, partnership or other
19 business entity to offer for rent or offer for use a building or
20 facility to be used exclusively for the conducting of small
21 games of chance. It shall also be unlawful for any eligible
22 organization to lease under any terms a facility or building
23 which used exclusively for the conducting of small games of
24 chance.

25 (c) Display.--Licenses issued pursuant to this section shall
26 be publicly displayed at the site of the small games of chance.

27 (d) Operation.--Each licensed eligible organization shall
28 comply with the following restrictions and rules governing the
29 operation of games of chance:

30 (1) No person under 18 years of age shall be permitted

1 to operate or play games of chance.

2 (2) No eligible organization shall permit any person who
3 has been convicted of a felony in a Federal or State court
4 within the past five years or has been convicted in a Federal
5 or State court within the past ten years of a violation of
6 the former act of July 10, 1981 (P.L.214, No.67), known as
7 the Bingo Law, or of this act to manage, set up, supervise or
8 participate in the operation of games of chance.

9 [(3) No eligible organization shall pay any compensation
10 to any person for conducting any games of chance. Games of
11 chance may only be conducted by managers, officers,
12 directors, bar personnel and bona fide members of the
13 eligible organization.]

14 (4) Games shall be conducted only on the licensed
15 premises or as otherwise provided by this [act] chapter.

16 (5) The eligible organization shall not lease such
17 premises under either an oral or a written agreement for a
18 rental which is determined by either the amount of receipts
19 realized from the playing of games of chance or the number of
20 people attending, except that an eligible organization may
21 lease a facility for a banquet where a per head charge is
22 applied in connection with the serving of a meal. An eligible
23 organization shall not lease such premises from any person
24 who has been convicted of a violation of this [act] chapter
25 within the past ten years.

26 (6) Games, other than raffles, daily drawings and weekly
27 drawings, shall be purchased only from manufacturers and
28 distributors approved by the department.

29 (7) No licensed eligible organization shall permit its
30 premises to be used for small games of chance by another

1 licensed eligible organization at the same time that it is
2 conducting small games of chance on the premises. When a
3 licensed eligible organization is permitting another licensed
4 eligible organization to use its premises for purposes of
5 small games of chance, it must cease the operation of its own
6 small games of chance during the period that the other
7 licensed eligible organization is conducting its games on the
8 premises.

9 (8) Raffle tickets may be sold off the licensed premise
10 in any municipality in this Commonwealth which has adopted
11 the provisions of this [act] chapter by an affirmative vote
12 in a municipal referendum. A licensed eligible organization
13 which plans to sell raffle tickets in a municipality located
14 in a county other than the county in which the eligible
15 organization is licensed must notify that county's district
16 attorney and licensing authority as to the location and the
17 dates that the eligible organization plans to sell raffle
18 tickets.

19 (e) Application for license.--Each eligible organization
20 shall apply to the licensing authority for a license on a form
21 to be prescribed by the Secretary of Revenue. The form shall
22 contain an affidavit to be affirmed by the executive officer or
23 secretary of the eligible organization stating that:

24 (1) No person under 18 years of age will be permitted by
25 the eligible organization to operate or play games of chance.

26 (2) The facility in which the games of chance are to be
27 played has adequate means of ingress and egress and adequate
28 sanitary facilities available in the area.

29 (3) The eligible organization is not leasing such
30 premises from the owner thereof under an oral agreement, nor

1 is it leasing such premises from the owner thereof under a
2 written agreement at a rental which is determined by the
3 amount of receipts realized from the playing of games of
4 chance or by the number of people attending, except that an
5 eligible organization may lease a facility for a banquet
6 where a per head charge is applied in connection with the
7 serving of a meal.

8 (f) List of licensees.--The licensing authority, on a
9 semiannual basis, shall send a copy of all licensees to the
10 Department of Revenue.

11 (g) List of municipalities.--The licensing authority shall
12 include with any license or renewal issued to an eligible
13 organization, an up-to-date listing of those municipalities
14 within the licensing county which have approved the referendum
15 question on small games of chance.

16 Section 13. Sections 11 and 12 of the act, amended December
17 19, 1990 (P.L.812, No.195), are amended to read:

18 Section [11] 310. Special permits.

19 (a) Issuance and fee.--The licensing authority shall issue a
20 special permit for each raffle in which the licensee proposes to
21 award individual prizes having a cash value in excess of \$500.
22 The licensing authority may establish and collect a fee not to
23 exceed \$25 for the issuance of special permits under this
24 section.

25 (b) Permit application.--Each special permit application
26 shall specify the location where the actual drawing will be
27 held, the number of chances to be sold, the price per chance and
28 the cash value of the prize or prizes to be awarded.

29 Section [12] 311. Revocation of licenses.

30 (a) Grounds.--The licensing authority shall revoke or refuse

1 to renew the license of any eligible organization whenever the
2 district attorney finds upon complaint and investigation that:

3 (1) Any of the funds derived from the operation of games
4 of chance are used for any purpose other than for public
5 interest purposes or for the purchase of games of chance as
6 permitted by this [act] chapter.

7 (2) Any person under 18 years of age is operating or
8 playing games of chance [as defined in this act].

9 (3) The eligible organization has permitted any person
10 who has been convicted of a felony in a Federal or State
11 court within the past five years or has been convicted in a
12 Federal or State court within the past ten years of a
13 violation of the former act of July 10, 1981 (P.L.214,
14 No.67), known as the Bingo Law, or of this act, to manage,
15 set up, supervise or participate in the operation of games of
16 chance.

17 (4) The facility in which the games of chance are played
18 does not have adequate means of ingress and egress and does
19 not have adequate sanitary facilities available in the area.

20 [(5) Any person or persons other than a manager,
21 officer, director, bar personnel or a bona fide member of an
22 eligible organization have been involved in managing, setting
23 up, operating or running games of chance.

24 (6) Any person has received compensation for conducting
25 games of chance.

26 (7) Any prize has been awarded in excess of the limits
27 permitted under this act.]

28 (8) The eligible organization has violated any condition
29 of a special permit issued pursuant to section [11] 310.

30 (9) The eligible organization conducts the games of

1 chance under a lease which calls for:

2 (i) leasing such premises from the owner thereof
3 under an oral agreement; or

4 (ii) leasing such premises from the owner thereof
5 under a written agreement at a rental which is determined
6 by the amount of receipts realized from the playing of
7 games of chance.

8 (10) False or erroneous information was provided in the
9 original application.

10 (11) An eligible organization has been convicted of a
11 violation of this [act] chapter as evidenced by a certified
12 record of the conviction.

13 (12) The eligible organization has permitted another
14 eligible organization to conduct small games of chance on its
15 licensed premises without suspending its own operation of
16 small games of chance during the period that the other
17 licensed eligible organization is conducting its games on the
18 premises.

19 (b) Production of records.--The district attorney may
20 require licensees to produce their books, accounts and records
21 relating to the conduct of games of chance in order to determine
22 whether a license should be revoked or renewal thereof denied.
23 Licensees shall also be required to produce their license,
24 books, accounts and records relating to the conduct of games of
25 chance to other law enforcement officials upon proper request.

26 Section 14. Section 13 of the act is amended to read:

27 Section [13] 312. Enforcement.

28 (a) District attorney.--The district attorney shall
29 investigate alleged violations of this [act] chapter. If the
30 district attorney finds probable cause to believe that a

1 violation has occurred, he may file a complaint against the
2 alleged violator in the court of common pleas of said county,
3 except in counties of the first class where the complaint may be
4 filed in the municipal court. In addition, the district attorney
5 shall prosecute said complaint in the manner provided by law.

6 (b) Other law enforcement officials.--Nothing in this [act]
7 chapter shall be interpreted to restrict the power of State,
8 county or local law enforcement officials to conduct
9 investigations and enforce the provisions of this [act] chapter.

10 Section 15. Section 14 of the act, amended or added July 11,
11 1990 (P.L.449, No.108) and December 19, 1990 (P.L.812, No.195),
12 is amended to read:

13 Section [14] 313. Local option.

14 (a) Election to be held.--In any municipality, an election
15 may be held on the date of the primary election immediately
16 preceding any municipal election, but not more than once in four
17 years, to determine the will of the electors with respect to the
18 issuance of licenses within the limits of such municipality
19 under the provisions of this act. Where an election shall have
20 been held at the primary election preceding a municipal election
21 in any year, another election may be held under the provisions
22 of this [act] chapter at the primary election occurring the
23 fourth year after such prior election. Whenever electors equal
24 to at least 25% of the highest vote cast for any office in the
25 municipality at the last preceding general election shall file a
26 petition with the county board of elections of the county, or
27 the governing body of the municipality adopts, by a majority
28 vote, a resolution to place such a question on the ballot and a
29 copy of the resolution is filed with the board of elections of
30 the county, for a referendum on the question of issuing

1 section on May 16, 1989, and a majority of the electors voted
2 "NO" on the question, the municipality shall be able to resubmit
3 the question, in accordance with the procedures set forth in
4 this section, at the general election immediately following the
5 effective date of this amendatory act.]

6 Section 16. Section 15 of the act, amended December 19, 1990
7 (P.L.812, No.195), is amended to read:

8 Section [15] 314. Advertising.

9 It shall be unlawful for any eligible organization or person
10 to advertise the prizes or their dollar value to be awarded in
11 games of chance, provided that prizes may be identified on
12 raffle tickets. Notwithstanding the prohibition of advertising
13 contained within this section, an eligible organization may
14 advertise prizes and values thereof in periodic publications
15 which are limited in their circulation to members of the
16 eligible organization.

17 Section 17. Section 16 of the act is amended to read:

18 Section [16] 315. Certain persons prohibited.

19 No [distributor nor any] person who has been convicted of a
20 felony or of a violation of the former act of July 10, 1981
21 (P.L.214, No.67), known as the Bingo Law, or of this act or of
22 any comparable State or Federal law shall have a pecuniary
23 interest in the operation or proceeds of games of chance.

24 Section 18. Section 17 of the act, amended December 19, 1990
25 (P.L.812, No.195), is amended to read:

26 Section [17] 316. Penalties.

27 (a) Eligible organizations.--Any eligible organization
28 violating the provisions of this [act] chapter shall be guilty
29 of a summary offense and, upon conviction thereof, shall be
30 sentenced to pay a fine not exceeding \$1,000 and shall for a

1 first offense, forfeit the license to conduct games of chance
2 issued to the eligible organization for the remainder of the
3 licensing period or six months, whichever is longer, for a
4 second offense, forfeit the license issued to the eligible
5 organization for the remainder of the current licensing period
6 and be ineligible to be licensed for the following licensing
7 period, for a third or subsequent offense, forfeit the license
8 issued to the eligible organization and be ineligible for a
9 license renewal for 30 months thereafter.

10 (b) Individuals.--Any person who conducts or assists in the
11 conducting of games of chance in violation of the provisions of
12 this [act] chapter is guilty of a summary offense for a first
13 violation. A second violation of this [act] chapter shall be
14 punishable as a misdemeanor of the third degree. A third or
15 subsequent violation shall be punishable as a misdemeanor of the
16 first degree.

17 (c) Distributors and manufacturers.--Any person who
18 distributes games of chance without a license or in violation of
19 any provision of this [act] chapter or applicable regulations,
20 and any manufacturer of games of chance who delivers games of
21 chance for sale or distribution in this Commonwealth who fails
22 to obtain a permit therefor is guilty of a misdemeanor of the
23 first degree, provided that no license or permit shall be
24 required for the manufacture or distribution of raffle tickets.

25 (d) Rigging.--A person commits a misdemeanor of the first
26 degree if, with intent to prevent a game of chance from being
27 conducted in accordance with the requirements of this [act]
28 chapter or the rules and usages governing the game, he:

29 (1) confers or offers or agrees to confer any benefit
30 upon or threatens any injury to a participant or other person

1 associated with the game;

2 (2) tampers with any person or games; or

3 (3) solicits, accepts or agrees to accept any benefit.

4 (e) Contingent fees.--Any person who distributes,
5 manufactures or operates a small game of chance and who
6 requires, for equipment furnished or to play a game, payment
7 equal to a percentage of the total winnings of any game commits
8 a misdemeanor of the first degree.

9 Section 19. The act is amended by adding a chapter to read:

10 CHAPTER 5

11 BINGO

12 Section 501. Scope.

13 This chapter relates to the regulation of bingo.

14 Section 502. Legislative intent.

15 The General Assembly hereby declares that the playing of
16 bingo for the purpose of raising funds, by certain nonprofit
17 associations, for the promotion of charitable or civic purposes,
18 is in the public interest.

19 It is hereby declared to be the policy of the General
20 Assembly that all phases of licensing, operation and regulation
21 of the game of bingo be strictly controlled, and that all laws
22 and regulations with respect thereto as well as all gambling
23 laws should be strictly construed and rigidly enforced.

24 The General Assembly recognizes the possibility of
25 association between commercial gambling and organized crime, and
26 wishes to discourage commercialization of the game of bingo,
27 prevent participation by organized crime and prevent the
28 diversion of funds from the purposes herein authorized.

29 Section 503. Definitions.

30 The following words and phrases when used in this chapter

1 shall have, unless the context clearly indicates otherwise, the
2 meanings given to them in this section:

3 "Association." A volunteer fire company or an ambulance,
4 religious, charitable, fraternal, veterans, civic, county fair
5 or agricultural association, or any separately chartered
6 auxiliary of any of the above associations, organized as a
7 nonprofit organization which shall have existed, and conducted
8 business in furtherance of their written constitution, charter,
9 articles of incorporation or bylaw express purpose, for two
10 years prior to application for a license: Provided, however,
11 That an association whose membership consists exclusively of
12 elderly residents of a senior citizen housing project may apply
13 for a license immediately upon its being organized as such and
14 need not meet the two-year waiting requirement. This term shall
15 not be interpreted to include political organizations as
16 associations eligible for a bingo license. An association shall
17 not be denied a bingo license because its name denotes
18 affiliation with a political organization if in fact the
19 association is not a political organization as evidenced by its
20 written constitution, charter, articles of incorporation or
21 bylaw express purpose.

22 "Bingo." A game in which each player has a card or an
23 electronic representation of a card or board which contains
24 numbers and symbols. Any preannounced combination of spaces when
25 completed by a player constitutes bingo if the numbers or
26 symbols are announced and covered. A wheel or other mechanical
27 device, including a random number or symbol generator, may be
28 used by any person physically calling or electronically
29 displaying the game of bingo and any person may award a prize to
30 any player or players first completing any combination

1 constituting bingo.

2 "Bingo supplies." Paper, pull tabs or daubers used in
3 conjunction with the game of bingo.

4 "Bona fide member." Any individual who holds a full
5 membership in the association as defined by the association's
6 constitution, charter, articles of incorporation or bylaws and
7 has been a member of the association for at least one year. The
8 term shall also include those individuals who are members of an
9 auxiliary or recognized junior affiliate of the parent
10 association.

11 "Charitable purpose." Benevolent or philanthropic purpose.

12 "Civic purpose." Community purpose.

13 "Elderly residents of a senior citizen housing project."
14 Persons aged 62 years or older who reside in an elderly housing
15 project receiving rental assistance pursuant to the Housing and
16 Community Development Act of 1974 (Public Law 93-383, 88 Stat.
17 633).

18 "Electronic bingo device." An electronic or mechanical
19 device that is used by a bingo player to mark representations of
20 bingo card faces stored in the device and shall not include any
21 device into which coin, currency or tokens are inserted directly
22 into the device to activate play. An electronic bingo device may
23 be used to participate in any lawful form of bingo.

24 "Equipment." Tables, chairs, cards, microphones, amplifiers,
25 monitors, speakers and all other machinery and articles used to
26 conduct a game of bingo.

27 "Law enforcement official." A municipal police officer, a
28 member of the Pennsylvania State Police, the sheriff of a county
29 or a deputy sheriff.

30 "Lessor." A person that permits the conduct of bingo on a

1 premises owned by or leased to the person.

2 "Licensing authority." The county treasurer or, in any home
3 rule county or city of the first class where there is no elected
4 treasurer, the designee of the governing authority.

5 "Per bingo session." Authorized bingo games played until the
6 maximum amount of prize money, not including the progressive
7 jackpot, has been given out.

8 "Prize." The maximum allowed to be paid out by an
9 association during a bingo game not including any progressive
10 jackpot.

11 "Progressive jackpot." An amount given along with the
12 regular prize if a win is obtained in the predetermined number
13 of balls or less. If the win is not obtained in the
14 predetermined number of balls or less, the regular game shall
15 continue.

16 Section 504. Associations permitted to conduct bingo.

17 Any association, for a charitable or civic purpose, when
18 licensed pursuant to this chapter, may conduct the game of bingo
19 as herein defined.

20 Section 505. Rules for licensing and operation.

21 (a) Issuance and fee.--The licensing authority shall
22 license, upon application, any association as defined in section
23 503 to conduct the game of bingo at one location in the county,
24 which, when in a county of the second class, shall only be in
25 the city, borough or township where the main business office or
26 headquarters of the association is located. The county treasurer
27 of a county of the second class shall indicate on each license
28 the city, borough or township where the association may conduct
29 bingo. The single municipal location limitation shall not apply
30 to a group of licensed associations conducting bingo at a

1 central location. The license fee to be charged to each
2 nonprofit association shall be \$100 per annum except to those
3 recognized senior citizens' groups who conduct bingo for their
4 members only the fee shall be \$50 per annum. The license fee to
5 be charged to each agricultural association or county fair shall
6 be \$100 per annum. Associations which conduct bingo only one
7 period each year for not more than three consecutive days shall
8 be charged \$15 for the issuance of their license. The fees
9 collected pursuant to this section shall be paid by the
10 licensing authority into the general fund of the county and used
11 for county purposes. All records retained by the licensing
12 authority relating to the issuance of bingo licenses and bingo
13 permits shall be public information.

14 (b) Display.--Licenses issued pursuant to this section shall
15 be publicly displayed at games conducted by licensees.

16 (c) Operation.--Each licensed association shall comply with
17 the following restrictions and rules governing the operation of
18 bingo:

19 (1) No person under the age of 18 shall be permitted to
20 play bingo unless accompanied by an adult. Children under 18
21 years of age shall not be permitted to play bingo using an
22 electronic bingo device.

23 (2) No association shall conduct bingo more than four
24 times in any one week, except an association shall be
25 permitted to conduct the game of bingo for a period not to
26 exceed four days at the association's exposition, carnival or
27 fair site in addition to the regularly scheduled games.

28 (3) No more than \$10,000 in prizes shall be awarded in
29 any calendar day. The value of a progressive jackpot shall
30 not be subject to the prize limitation under this paragraph.

1 (4) (Reserved)

2 (5) The association shall own the equipment used in
3 playing bingo or shall sign a written agreement leasing the
4 equipment from another licensed association for a fee which
5 is not determined by the amount of receipts realized from the
6 playing of bingo or the number of people attending bingo
7 games. Joint ownership of bingo equipment shall be permitted
8 only if both owners of the equipment are licensed
9 associations. This paragraph shall not apply to associations
10 contracting charitable organizations or outside operators to
11 conduct bingo at expositions, carnivals or fairs. The
12 association can be charged a per use fee on an electronic
13 bingo device used during the bingo occasion. The per use fee
14 may not be determined by the amount of receipts realized from
15 the playing of bingo or the number of people attending bingo
16 games.

17 (6) The association shall own both the premises upon
18 which bingo is played and the personal property used in the
19 conduct of the game, or if it does not, the association shall
20 sign a written agreement leasing such premises or personal
21 property from the owner thereof for a fee which is not
22 determined by either the amount of receipts realized from the
23 playing of bingo or the number of people attending bingo
24 games. An association shall not lease such premises or
25 personal property from any person who has been convicted of a
26 felony or a violation of this chapter.

27 (7) Each association shall keep written records of the
28 moneys and merchandise collected and distributed for each day
29 they conduct bingo. These records shall indicate the total
30 proceeds collected, the total prize money distributed, the

1 total value of all merchandise awarded as a prize and the
2 amount of moneys paid as rentals or wages and to whom such
3 rentals or wages were paid. All prizes or progressive
4 jackpots awarded having a value greater than \$250 shall be
5 specifically described in the association's records.

6 (8) Each association shall deposit with a financial
7 institution all proceeds for each day's bingo game in an
8 account in the association's name. This deposit shall be made
9 before any of the proceeds may be used for any other purpose,
10 except for payment of prize money and compensation to members
11 employed in the operation of the game. The following shall
12 apply:

13 (i) No supplier of equipment, bingo supplies or
14 electronic bingo devices shall sell, offer to sell or
15 deliver any equipment, bingo supplies or electronic bingo
16 devices to any licensed organization in this Commonwealth
17 and no organization shall buy or accept delivery of any
18 equipment, bingo supplies or electronic bingo devices,
19 except on terms of immediate payment or on terms
20 requiring payment no later than the 15th day following
21 that on which actual delivery is made. If any payment is
22 not made when due, the supplier shall immediately notify
23 the district attorney of the county in which the
24 organization is located of the default, after which no
25 person shall sell any equipment, bingo supplies or
26 electronic bingo devices to the organization in default
27 on any other terms than immediate payment, until
28 otherwise authorized by the district attorney. Under
29 penalty of suspension of its license, the organization
30 which is in default shall pay its obligation in full

1 within 30 days from the date it became due.

2 (ii) No supplier of equipment, bingo supplies or
3 electronic bingo devices shall accept payment from a
4 licensed organization for any equipment, bingo supplies
5 or electronic bingo devices unless that payment is in the
6 form of a check bearing the organization's license number
7 and drawn on the organization's separate charitable
8 gaming account.

9 (iii) Any licensee who violates this section may
10 have its license suspended for not more than 60 days for
11 a first or a subsequent offense. Each failure of an
12 organization to make payment for any default before the
13 expiration of the period suspension constitutes a
14 subsequent offense. Additionally, the organization may be
15 required to make payments for all equipment, bingo
16 supplies or electronic bingo devices subsequently
17 purchased.

18 (9) An association shall permit any person who is a bona
19 fide member of the association or an employee of a lessor to
20 manage, set up, supervise or participate in the operation of
21 the association's bingo games. No association shall permit
22 any person who has been convicted of a felony or a violation
23 of this chapter to manage, set up, supervise or participate
24 in the operation of the association's bingo games. Nothing
25 contained in this chapter shall be construed to prohibit
26 individuals under 18 years of age from participating in the
27 operation of the game and being compensated therefor if
28 written permission is obtained from their parent or guardian.

29 (10) Associations which obtain a license for the purpose
30 of conducting bingo at an exposition, carnival or fair for a

1 period not exceeding ten days shall be permitted to contract
2 a charitable organization to manage, set up, supervise or
3 participate in the operation of the bingo game provided only
4 merchandise prizes are awarded. Only bona fide members of the
5 contracted charitable organization shall be permitted to
6 participate in the operation of the bingo game. If no
7 charitable organizations are available, the association may
8 contract an outside operator to conduct the game for
9 merchandise at the exposition, carnival or fair site.

10 (d) Application for license.--Each association shall apply
11 to the licensing authority for a license on a form to be
12 prescribed by the Secretary of the Commonwealth. Said form shall
13 contain an affidavit to be affirmed by the executive officer or
14 secretary of the association stating that:

15 (1) No person under 18 years of age will be permitted by
16 the association to play bingo unless accompanied by an adult.
17 Children under 18 years of age shall not be permitted to play
18 bingo using an electronic bingo device.

19 (2) The facility in which any game of bingo is to be
20 played does have adequate means of ingress and egress and
21 adequate sanitary facilities available in the area.

22 (3) The association is the sole or joint owner with a
23 licensed association of the equipment used in playing bingo
24 or it leases the equipment from another licensed association
25 under a written agreement for a fee which is not determined
26 by the amount of receipts realized from the playing of bingo
27 or the number of people attending bingo games. This paragraph
28 shall not apply to associations contracting with charitable
29 organizations or outside operators to conduct bingo at
30 expositions, carnivals or fairs.

1 (4) The association is the owner of both the premises
2 upon which bingo is played and the personal property used in
3 the conduct of the game or, if it is not, that the
4 association is not leasing such premises or personal property
5 from the owner thereof under an oral agreement, nor is it
6 leasing such premises or personal property from the owner
7 thereof under a written agreement at a rental which is
8 determined by either the amount of receipts realized from the
9 playing of bingo or the number of people attending bingo
10 games, nor is it leasing such premises or personal property
11 from a person who has been convicted of a felony or a
12 violation of this chapter.

13 (5) The association will not conduct the playing of
14 bingo more than four times per week in any one week, except
15 those associations conducting bingo at expositions, carnivals
16 or fairs.

17 (6) The association in any bingo session will not award
18 a total of more than \$10,000 in prizes.

19 (7) The association is a nonprofit association as
20 defined in this chapter.

21 (e) Compensation.--Any person compensated shall be paid
22 individually by check or by cash, in which case the payee shall
23 sign a written receipt.

24 Section 505.1. Progressive jackpots.

25 (a) Permitted.--A licensed charitable organization or
26 organizations playing at the same location may deposit a
27 predetermined amount of money before each licensed call bingo
28 session into a special account in order to offer a progressive
29 jackpot prize.

30 (b) Participating organizations.--A participating

organization may conduct a progressive jackpot game which shall be in conjunction with the organization's regular bingo games.

(c) Contents.--A progressive jackpot shall consist of all contributions made by participating organizations.

(d) Method of winning.--A progressive jackpot is won along with a regular jackpot prize when a player achieves a win in a predetermined number of balls or less. If the win is not obtained in the predetermined number of balls or less, the organization's regular game shall continue.

(e) Checking account.--A separate checking account shall be opened by the participating organization for the progressive jackpot. The following shall apply:

(1) The account shall be in the name of "Charitable Gaming Progressive Jackpot Account" which shall be imprinted on all checks. Checks from this account shall require two signatures.

(2) If the organizations are using a lessor, the lessor shall designate a representative who shall make deposits of all funds contributed to the progressive jackpot by 10:00 a.m. on the next banking day and who shall be responsible for maintaining the checking account in accordance with generally accepted accounting principles.

(3) Designated representatives of the lessor and each participating organization shall be authorized signatories on the account and shall be in attendance at the location at the conclusion of each respective organization's progressive jackpot game for the purpose of issuing a check bearing signatures of the lessor representative and the organization representative from the special account to the winner. If no lessor is involved, the organization shall have two of its

representatives at the location to sign and issue a check.

(4) All banking fees and costs shall be borne by the lessor or the organization, if no lessor is involved.

(f) Contribution.--Each participating organization shall submit a check to the designated lessor representative for the predetermined amount prior to the commencement of the organization's scheduled call bingo session made payable to the charitable gaming progressive jackpot account. The contribution shall be nonrefundable except in the event of premises closure. Each predetermined contribution shall constitute part of the total amount of prizes awarded during that call bingo session. If no lessor is involved, the organization shall make a check payable to its charitable gaming progressive jackpot account. The contribution shall be nonrefundable except in the event of premises closure. Each predetermined contribution shall constitute part of the total amount of prizes awarded during that call bingo session. The following shall apply:

(1) The dollar amount of the progressive jackpot shall be continuously and conspicuously displayed during all bingo sessions conducted by participating organizations at the location within view of all patrons purchasing progressive jackpot cards.

(2) All checks written to a charitable gaming progressive jackpot account shall be reported as part of the bingo reports when requested by the local district attorney's office.

(3) The organization involved in the progressive jackpot may establish a maximum cap. Participating organizations may, prior to the progressive jackpot being won, raise but may not lower the maximum jackpot or cap. The following shall apply:

1 (i) In the event that the maximum progressive
2 jackpot or cap established is reached, the organizations
3 may continue to make contributions to the charitable
4 gaming progressive jackpot account in order to accumulate
5 a second or subsequent jackpot. Once the maximum jackpot
6 or cap is reached, the participating organizations shall
7 not offer any subsequent progressive jackpot prize until
8 the time that the first progressive jackpot prize is won.

9 (ii) The dollar amount of the maximum jackpot or cap
10 as established by the organizations shall be continuously
11 and conspicuously displayed with the current dollar
12 amount of the progressive jackpot.

13 (g) Investigation of association.--The licensing authority
14 may request an investigation to verify the statements made in
15 any application for a license.

16 Section 506. Revocation of licenses.

17 (a) Grounds.--The licensing authority shall revoke or refuse
18 to renew the license of any association whenever the district
19 attorney finds upon investigation that:

20 (1) Any of the funds derived from the operation of the
21 game of bingo are used for any purpose which does not support
22 the nonprofit purposes of the association.

23 (2) Any person under the age of 18 unaccompanied by an
24 adult is playing bingo as herein defined.

25 (3) The facility in which any game of bingo is played
26 does not have adequate means of ingress and egress or does
27 not have adequate sanitary facilities available in the area.

28 (4) (Reserved).

29 (5) The association conducts bingo using bingo equipment
30 which it does not own solely or jointly with another licensed

1 association or which it leases in violation of the statement
2 contained in its license application provided by section
3 505(d)(3).

4 (6) The association conducts bingo upon premises which
5 it does not own or with personal property it does not own and
6 is either:

7 (i) leasing such premises or personal property used
8 in the conduct of the game from the owner thereof under
9 an oral agreement;

10 (ii) leasing such premises or personal property from
11 the owner thereof under a written agreement at a rental
12 which is determined by either the amount of receipts
13 realized from the playing of bingo or the number of
14 people attending bingo games; or

15 (iii) leasing such premises or personal property
16 from a person who has been convicted of a felony or a
17 violation of this chapter.

18 (7) False or erroneous information was provided in the
19 original notarized application.

20 (8) An association has been convicted of a violation of
21 this chapter as evidenced by a certified record of the
22 conviction.

23 (b) Production of records.--The district attorney may
24 require the licensees to produce their books, accounts and
25 records relating to the conduct of bingo in order to determine
26 whether a license should be revoked or renewal thereof denied.
27 Licensees shall also be required to produce their license,
28 books, accounts and records relating to the conduct of bingo to
29 other law enforcement officials upon proper request.

30 (c) Possible revocation.--The licensing authority may revoke

1 the license of any association if he finds that the association
2 has knowingly employed any person in the operation of their
3 bingo game who has been convicted of a violation of this
4 chapter.

5 Section 506.1. Special permits to conduct bingo for
6 entertainment.

7 (a) Issuance and fee.--Upon application each year, the
8 licensing authority may issue to community recognized nonprofit
9 organizations a special permit to conduct bingo for
10 entertainment purposes only. No fee shall be charged for the
11 issuance of a special permit.

12 (b) Operation.--Organizations issued special permits shall
13 not conduct bingo for the purpose of making a profit. All prizes
14 awarded shall be of nominal value. No person who has been
15 convicted of a felony or a violation of this chapter shall be
16 permitted to manage, set up, supervise or participate in the
17 operation of the bingo game.

18 (c) Application for permit.--Each organization shall apply
19 to the licensing authority on a form to be prescribed by the
20 Secretary of the Commonwealth. Said form shall contain an
21 affidavit to be affirmed by the executive officer or secretary
22 of the organization stating that:

23 (1) The organization is a nonprofit community recognized
24 organization.

25 (2) No person under the age of 18 will be permitted by
26 the organization to play bingo unless accompanied by an
27 adult.

28 (3) The organization is conducting bingo for
29 entertainment purposes only and all prizes awarded will be of
30 nominal value.

1 Section 506.2. Revocation of special permits.

2 (a) Grounds.--The licensing authority shall revoke or refuse
3 to renew the special permit of any organization whenever the
4 district attorney finds upon investigation that:

5 (1) The organization is conducting bingo for purposes of
6 making a profit.

7 (2) Any person under the age of 18 unaccompanied by an
8 adult is playing bingo as herein defined.

9 (3) Compensation prohibited by this chapter has been
10 paid to or received by any person.

11 (4) False or erroneous information was provided in the
12 original notarized application.

13 (5) The organization has been convicted of a violation
14 of this chapter as evidenced by a certified record of the
15 conviction.

16 (b) Possible revocation.--The licensing authority may revoke
17 the special permit of any organization if it finds that the
18 organization has knowingly employed any person in the operation
19 of their bingo game who has been convicted of a violation of
20 this chapter.

21 Section 506.3. Service of food or drink.

22 It shall be unlawful to serve food or drink, with or without
23 charge, at the location of an association's bingo game unless
24 there has been compliance with the health laws and regulations
25 of the Commonwealth and its political subdivisions.

26 Section 507. Penalty.

27 (a) Summary offense.--Any association violating the
28 provisions of this chapter shall be guilty of a summary offense,
29 and upon conviction thereof shall be sentenced to pay a fine not
30 exceeding \$1,000 and shall forfeit any license issued to the

1 association, and it shall be ineligible for a license renewal
2 for 30 months thereafter.

3 (b) Misdemeanor.--Any person who conducts or assists in the
4 conducting of bingo in violation of the provisions of this
5 chapter, is guilty of a misdemeanor of the first degree.

6 Section 508. Additional powers of the district attorney.

7 The district attorney shall investigate alleged violations of
8 this chapter. If the district attorney finds probable cause to
9 believe that a violation has occurred, he may file a complaint
10 against the alleged violator in the court of common pleas in the
11 court of said county, except in counties of the first class
12 where the complaint may be filed in the municipal court. In
13 addition, the district attorney shall prosecute said complaint
14 in the manner provided by law.

15 Section 508.1. Enforcement powers of law enforcement officials
16 not restricted.

17 Nothing in this chapter shall be interpreted to restrict the
18 power of State, county or local law enforcement officials to
19 conduct investigations and enforce the provisions of this
20 chapter.

21 Section 509. Repeal.

22 The provisions of Title 18 of the Pennsylvania Consolidated
23 Statutes (relating to crimes and offenses) are repealed to the
24 extent that they are inconsistent with this chapter.

25 Section 20. Repeals are as follows:

26 (1) The General Assembly declares that the repeal under
27 paragraph (2) is necessary to effectuate the addition of
28 Chapter 5 of the act.

29 (2) The act of July 10, 1981 (P.L.214, No.67), known as
30 the Bingo Law, is repealed.

1 Section 21. The addition of Chapter 5 of the act is a
2 continuation of the act of July 10, 1981 (P.L.214, No.67), known
3 as the Bingo Law. Except as otherwise provided in Chapter 5 of
4 the act, all activities initiated under the Bingo Law shall
5 continue and remain in full force and effect and may be
6 completed under Chapter 5 of the act. Orders, regulations, rules
7 and decisions which were made under the Bingo Law and which are
8 in effect on the effective date of section 20 of this act shall
9 remain in full force and effect until revoked, vacated or
10 modified under Chapter 5 of the act. Contracts, obligations and
11 collective bargaining agreements entered into under the Bingo
12 Law are not affected nor impaired by the repeal of the Bingo
13 Law.

14 Section 21. This act shall take effect in 60 days.