
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 344

Session of
1985

INTRODUCED BY KELLEY AND LYNCH, FEBRUARY 11, 1985

REFERRED TO FINANCE, FEBRUARY 11, 1985

AN ACT

1 Providing for the licensing of clubs to conduct games of chance,
2 for the licensing of persons to manufacture and distribute
3 games of chance, for suspensions and revocations of licenses,
4 and for fees and disposition of revenues; requiring records;
5 providing for local referendum on gambling by electorate; and
6 prescribing penalties.

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

9 Section 1. Short title.

10 This act shall be known and may be cited as the Games of
11 Chance Act.

12 Section 2. Definitions.

13 The following words and phrases when used in this act shall
14 have the meanings given to them in this section unless the
15 context clearly indicates otherwise:

16 "Club." An incorporated unit of a national veterans'
17 organization as defined in section 461.1 of the act of April 12,
18 1951 (P.L.90, No.21), known as the Liquor Code, and licensed to
19 sell liquor at retail under the act, or an organized fraternal

1 society, created and carried on for the mutual benefit of its
2 members, not for profit and not issuing capital stock, having a
3 limited membership and a representative form of government and
4 licensed to sell liquor at retail under the Liquor Code, or a
5 nonprofit religious or charitable organization organized as
6 defined by 15 Pa.C.S. § 7103 (relating to definitions), which
7 shall have existed and conducted business in accordance with the
8 express purpose of a written constitution, charter, articles of
9 incorporation or bylaws for two years prior to applying for a
10 license. The term "club" shall also include any volunteer fire
11 company, volunteer rescue squads or volunteer ambulance
12 associations.

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

14 "Games of chance." Punchboards and fishbowl tickets.

15 Section 3. Games of chance permitted.

16 Every club to which a license has been issued under the
17 provisions of this act may conduct games of chance for the
18 purpose of raising funds for the legitimate purposes and
19 activities of the club. Charitable and religious organizations
20 may conduct games of chance.

21 Section 4. Prize limits.

22 There shall be a maximum limit of \$100 on any individual
23 prize or winning offered or provided by a club under this act.

24 Section 5. Manufacture and distribution of games of chance.

25 (a) Manufacturer's license.--Any person to whom a
26 manufacturer's license has been issued under the provisions of
27 this act may manufacture games of chance in this Commonwealth.

28 (b) Distributor's license.--Any person to whom a
29 distributor's license has been issued under the provisions of
30 this act may distribute games of chance in this Commonwealth.

1 Section 6. Duties of department.

2 The department shall have the duty to:

3 (1) Provide for the licensing of clubs to hold, operate
4 and conduct games of chance.

5 (2) Provide for the licensing of persons to manufacture
6 games of chance.

7 (3) Provide for the licensing of persons to distribute
8 games of chance.

9 (4) Prescribe the form of licenses and applications for
10 licenses.

11 (5) Issue licenses permitting the holding of games of
12 chance.

13 (6) Prescribe rules and regulations for the supervision,
14 conduct and type of games of chance.

15 (7) Prescribe rules and regulations for the manufacture
16 and distribution of games of chance.

17 (8) Suspend and revoke licenses for violations of this
18 act or the rules and regulations thereunder.

19 (9) Hold a public hearing to consider the application
20 prior to the issuance of a license at a site within the
21 municipality where the applying club proposes to hold games
22 of chance.

23 (10) Give notice of the application for license and the
24 date, time and place of the public hearing at least 20 days
25 prior to it being held by posting a notice on the front of
26 the building in which the applying club proposes to hold the
27 games of chance and by publishing an advertisement once in a
28 newspaper of general circulation published or circulated
29 within the municipality in which the license may be issued.

30 (11) Prescribe such other rules and regulations as may

1 be necessary to carry out the provisions of this act.

2 Section 7. Licenses; tax on gross receipts.

3 (a) Fees and tax.--

4 (1) Licenses to conduct games of chance shall be issued
5 to clubs in any calendar year and the fee therefor shall be
6 \$100.

7 (2) There shall be levied a 5% tax on the gross receipts
8 of the games of chance.

9 (3) Licenses to manufacture games of chance shall be
10 issued to persons in any calendar year and the fee therefor
11 shall be \$500.

12 (4) Licenses to distribute games of chance shall be
13 issued to persons in any calendar year and the fee therefor
14 shall be \$250.

15 (5) All license fees and taxes collected pursuant to
16 this subsection shall be returned to the school district
17 situate within the municipality in which the fees and taxes
18 were collected. When more than a single school district is
19 situate within a municipality, the fees and taxes shall be
20 returned in equal parts to each school district. The
21 department may retain a maximum of 2% of the fees and taxes
22 collected for purposes of the administration of this act.

23 (b) Renewals.--Licenses shall be renewable each calendar
24 year unless revoked under the provisions of this act.

25 Section 8. Limitations on issuance of licensing revocation.

26 The department shall not issue a license to, and shall revoke
27 the license of, any club whenever it finds any of the following:

28 (1) Compensation, salary or fees are paid to anyone for
29 setting up or conducting the games of chance, excluding club
30 managers, bar personnel, officers and directors.

1 (2) Any provision of this act has been violated.

2 (3) Any of the funds derived from the operation of games
3 of chance are used for purposes other than for the legitimate
4 purposes and activities of the club.

5 Section 9. Records.

6 The licensee shall keep such records and books as the
7 department shall prescribe.

8 Section 10. Violation of act.

9 Whoever conducts, manufactures or distributes games of chance
10 without a license as provided in this act shall, upon conviction
11 in a summary proceeding, be sentenced to pay a fine of \$1,000
12 and costs of prosecution and, in default of the payment thereof,
13 shall undergo imprisonment for not less than 30 nor more than
14 120 days.

15 Section 11. Sales to minors prohibited.

16 Whoever sells or causes to be sold any game of chance to any
17 person under 21 years of age shall, upon conviction in a summary
18 proceeding, be sentenced to pay a fine of \$1,000 and costs of
19 prosecution and, in default of the payment thereof, shall
20 undergo imprisonment for not less than 30 nor more than 120
21 days.

22 Section 12. Local option.

23 (a) Election to be held.--In any municipality, an election
24 may be held on the date of the primary election immediately
25 preceding any municipal election, but not more than once in four
26 years, to determine the will of the electors with respect to the
27 issuance of licenses, within the limits of such municipality,
28 under the provisions of this act. Where an election shall have
29 been held at the primary preceding a municipal election in any
30 year, another election may be held under the provisions of this

1 act at the primary occurring the fourth year after such prior
2 election. Whenever electors equal to at least 25% of the highest
3 vote cast for any office in the municipality at the last
4 preceding general election shall file a petition with the county
5 board of elections of the county, or the governing body of the
6 municipality adopts, by a majority vote, a resolution to place
7 such a question on the ballot and a copy of the resolution is
8 filed with the board of elections of the county, for a
9 referendum on the question of issuing licenses, the county board
10 of elections shall cause a question to be placed on the ballot
11 or on the voting machine board and submitted at the primary
12 election immediately preceding the municipal election. The
13 question shall be in the following form:

14 Do you favor the issuance of licenses to conduct small
15 games of chance in the of ?

16 (b) Vote.--If a majority of the electors voting on the
17 question vote "yes," then licenses shall be issued by the
18 department in such municipality, but if a majority of the
19 electors voting on any such question vote "no," then the
20 department shall have no power to issue or to renew, upon their
21 expiration, any licenses in such municipality unless and until,
22 at a later election, a majority of the voting electors vote
23 "yes" on such question.

24 (c) Voting proceedings.--Proceedings under this section
25 shall be in accordance with the provisions of the act of June 3,
26 1937 (P.L.1333, No.320), known as the Pennsylvania Election
27 Code.

28 (d) Applicability.--This act shall apply only to those clubs
29 located in municipalities which have adopted the provisions of
30 this act by an affirmative vote in a municipal referendum in

1 accordance with the provisions of this section.

2 Section 13. Repeals.

3 (a) Inconsistent repeal.--The provisions of Title 18 of the
4 Pennsylvania Consolidated Statutes (relating to crimes and
5 offenses) are repealed insofar as they are inconsistent with
6 this act.

7 (b) General repeal.--All other acts and parts of acts are
8 repealed insofar as they are inconsistent with this act.

9 Section 14. Effective date.

10 This act shall take effect in 60 days.