

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 169 Session of 2007

INTRODUCED BY SOLOBAY, BELFANTI, BUXTON, CALTAGIRONE, CAPPELLI, CARROLL, FABRIZIO, FRANKEL, GALLOWAY, GEIST, GEORGE, GIBBONS, GOODMAN, GRUCELA, HORNAMAN, JAMES, KOTIK, KULA, MAHONEY, MANN, MELIO, NAILOR, PALLONE, PETRARCA, PETRONE, SAINATO, TANGRETTI, WOJNAROSKI, YOUNGBLOOD, SIPTROTH AND LONGIETTI, FEBRUARY 1, 2007

AS REPORTED FROM COMMITTEE ON GAMING OVERSIGHT, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 14, 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 definitions, for permitted games of chance and for prize
10 limits.

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

13 ~~Section 1. The definition of "daily drawing" in section 3 of~~ <—
14 ~~the act of December 19, 1988 (P.L.1262, No.156), known as the~~
15 ~~Local Option Small Games of Chance Act, amended December 19,~~
16 ~~1990 (P.L.812, No.195), is amended and the section is amended by~~
17 ~~adding a definition to read:~~

18 SECTION 1. THE DEFINITIONS OF "DAILY DRAWING" AND "GAMES OF <—
19 CHANCE" IN SECTION 3 OF THE ACT OF DECEMBER 19, 1988 (P.L.1262,

1 NO.156), KNOWN AS THE LOCAL OPTION SMALL GAMES OF CHANCE ACT,
2 AMENDED DECEMBER 19, 1990 (P.L.812, NO.195) AND OCTOBER 18, 2000
3 (P.L.602, NO.79), ARE AMENDED AND THE SECTION IS AMENDED BY
4 ADDING A DEFINITION TO READ:

5 Section 3. Definitions.

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

9 * * *

10 "Daily drawing." A game in which a bona fide member selects
11 or is assigned a number for a chance at a prize with the winner
12 determined by a random drawing to take place on the eligible
13 organization's premises during the same operating day. The term
14 includes games commonly known as "member sign-in lotteries" and
15 "half-and-half lotteries." Nothing in this act shall be
16 construed to prohibit the carrying over of a jackpot where the
17 winning number has not been entered in the game on a particular
18 operating day. Daily drawing winners may be determined with the
19 aid of a passive selection device or reference to drawings
20 conducted by the department pursuant to the act of August 26,
21 1971 (P.L.351, No.91), known as the State Lottery Law. Daily
22 drawing chances may not be sold for an amount in excess of \$1,
23 and no more than one chance per individual may be sold [to an
24 individual during the same operating day.] per drawing. Nothing
25 in this definition shall restrict an eligible organization from
26 conducting more than one drawing per day.

27 * * *

28 "GAMES OF CHANCE." PUNCHBOARDS, DAILY DRAWINGS, WEEKLY
29 DRAWINGS, MONTHLY DRAWINGS, RAFFLES AND PULL-TABS, AS DEFINED IN
30 THIS ACT, PROVIDED THAT NO SUCH GAME SHALL BE PLAYED BY OR WITH

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1 THE ASSISTANCE OF ANY MECHANICAL OR ELECTRICAL DEVICES OR MEDIA
2 OTHER THAN A DISPENSING MACHINE OR PASSIVE SELECTION DEVICE AND
3 FURTHER PROVIDED THAT THE PARTICULAR CHANCE TAKEN BY ANY PERSON
4 IN ANY SUCH GAME SHALL NOT BE MADE CONTINGENT UPON ANY OTHER
5 OCCURRENCE OR THE WINNING OF ANY OTHER CONTEST, BUT SHALL BE
6 DETERMINED SOLELY AT THE DISCRETION OF THE PURCHASER. THIS
7 DEFINITION SHALL NOT BE CONSTRUED TO AUTHORIZE ANY OTHER FORM OF
8 GAMBLING CURRENTLY PROHIBITED UNDER ANY PROVISION OF TITLE 18 OF
9 THE PENNSYLVANIA CONSOLIDATED STATUTES (RELATING TO CRIMES AND
10 OFFENSES). NOTHING IN THIS ACT SHALL BE CONSTRUED TO AUTHORIZE
11 GAMES COMMONLY KNOWN AS "SLOT MACHINES" OR "VIDEO POKER."

12 * * *

13 "Monthly drawing." A game in which a bona fide member
14 selects or receives a number or numbers for chance at a prize
15 with the winner determined by a random drawing to take place on
16 the eligible organization's premises during any operating month.
17 Nothing in this act shall be construed to prohibit the carrying
18 over of a jackpot where the winning number has not been entered
19 in the game in a particular month. Monthly drawing winners may
20 be determined with the aid of a passive selection device or
21 reference to drawings conducted by the Department of Revenue
22 pursuant to the act of August 26, 1971 (P.L.351, No.91), known
23 as the State Lottery Law. Monthly drawing chances may not be
24 sold for an amount in excess of \$1.

25 * * *

26 Section 2. Section 4 of the act, amended December 19, 1990
27 (P.L.812, No.195), is amended to read:

28 Section 4. Games of chance permitted.

29 Every eligible organization to which a license has been
30 issued under the provisions of this act may conduct games of

1 chance for the purpose of raising funds for general operating
2 expenses and for public interest purposes. All proceeds of games
3 of chance shall be used [exclusively] for general operating
4 expenses, for public interest purposes or for the purchase of
5 games of chance as permitted by this act.

6 ~~Section 3. Section 5(e) and (h) of the act, amended or added~~ <—
7 ~~October 18, 2000 (P.L.602, No.79), are amended to read:~~

8 SECTION 3. SECTION 5 OF THE ACT, AMENDED DECEMBER 19, 1990 <—
9 (P.L.812, NO.195) AND OCTOBER 18, 2000 (P.L.602, NO.79), IS
10 AMENDED TO READ:

11 Section 5. Prize limits.

12 * * * <—

13 (A) INDIVIDUAL PRIZE LIMIT.--THE MAXIMUM CASH VALUE WHICH <—
14 MAY BE AWARDED FOR ANY SINGLE CHANCE SHALL BE \$500.

15 (B) WEEKLY LIMIT.--NO MORE THAN \$5,000 IN CASH OR
16 MERCHANDISE SHALL BE AWARDED BY ANY ELIGIBLE ORGANIZATION IN ANY
17 SEVEN-DAY PERIOD.

18 (C) LIMIT ON RAFFLES.--NO MORE THAN \$5,000 IN CASH OR
19 MERCHANDISE SHALL BE AWARDED IN RAFFLES IN ANY CALENDAR MONTH.

20 (D) EXCEPTION.--AN ELIGIBLE ORGANIZATION MAY CONDUCT A
21 RAFFLE AND AWARD A PRIZE OR PRIZES VALUED IN EXCESS OF \$500 EACH
22 ONLY UNDER THE FOLLOWING CONDITIONS:

23 (1) THE LICENSING AUTHORITY HAS ISSUED A SPECIAL PERMIT
24 FOR THE RAFFLE UNDER SECTION 11.

25 (2) ELIGIBLE ORGANIZATIONS SHALL BE ELIGIBLE TO RECEIVE
26 NO MORE THAN TWO SPECIAL PERMITS IN ANY LICENSED YEAR EXCEPT
27 THAT VOLUNTEER FIRE, AMBULANCE AND RESCUE ORGANIZATIONS SHALL
28 BE ELIGIBLE TO RECEIVE NO MORE THAN THREE SPECIAL PERMITS IN
29 ANY LICENSED YEAR.

30 (3) ONLY ONE RAFFLE MAY BE CONDUCTED UNDER EACH SPECIAL

1 PERMIT.

2 (4) THE TOTAL CASH VALUE OF ALL PRIZES SHALL BE NO MORE
3 THAN \$100,000 PER CALENDAR YEAR.

4 (e) Limit on daily drawings.--Daily drawings shall be
5 governed by the prize limitations contained in subsections (a)
6 and (b). [An eligible organization shall not conduct daily
7 drawings during a period when a weekly drawing is taking place.]

8 * * *

<—

9 (F) EXCEPTION.--THE PRIZE LIMITATION CONTAINED IN <—
10 SUBSECTIONS (A) AND (B) MAY BE EXCEEDED BY A DAILY DRAWING UNDER
11 THE FOLLOWING CIRCUMSTANCES: A DAILY DRAWING MAY AWARD A PRIZE
12 WHERE THE CASH VALUE IS IN EXCESS OF \$500 IF SUCH PRIZE IS THE
13 RESULT OF A CARRYOVER OF A DRAWING OR DRAWINGS WHICH RESULTED
14 FROM THE WINNING NUMBER IN SUCH DRAWING OR DRAWINGS NOT BEING
15 AMONG THE ELIGIBLE ENTRANTS IN SUCH DRAWINGS. NOTHING CONTAINED
16 HEREIN SHALL AUTHORIZE THE PRIZE LIMITATIONS AS CONTAINED IN
17 SUBSECTIONS (A) AND (B) TO BE EXCEEDED AS A RESULT OF A FAILURE
18 TO CONDUCT A DRAWING ON AN OPERATING DAY DURING WHICH CHANCES
19 WERE SOLD FOR A DAILY DRAWING OR FOR A DAILY DRAWING FOR WHICH
20 CHANCES WERE SOLD IN EXCESS OF \$1 OR FOR WHICH MORE THAN ONE
21 CHANCE WAS SOLD TO AN ELIGIBLE PARTICIPANT.

22 (G) DAILY DRAWING AND WEEKLY DRAWING EXCEPTION.--WHEN A
23 DAILY DRAWING OR WEEKLY DRAWING IS SET UP OR CONDUCTED IN SUCH A
24 MANNER AS TO PAY OUT OR AWARD 100% OF THE GROSS REVENUES
25 GENERATED FROM SUCH DRAWING, THE LIMITATIONS CONTAINED IN
26 SUBSECTION (B) SHALL NOT APPLY.

27 (h) Limit on weekly drawings.--Weekly drawings shall be
28 governed by the prize limitations contained in subsection (b).
29 The prize limitation contained in subsection (b) may be exceeded
30 by a weekly drawing under the following circumstances: a weekly

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

12 (I) LIMIT ON MONTHLY DRAWINGS.--NO MORE THAN \$10,000 IN CASH ←
13 OR MERCHANDISE MAY BE AWARDED IN ANY CALENDAR MONTH EXCEPT UNDER
14 THE FOLLOWING CIRCUMSTANCES: A MONTHLY DRAWING MAY AWARD A PRIZE
15 WHERE THE CASH VALUE IS IN EXCESS OF \$10,000 IF THE PRIZE IS THE
16 RESULT OF A CARRYOVER OF A DRAWING OR DRAWINGS THAT RESULTED
17 FROM THE WINNING NUMBER OR NUMBERS IN THE DRAWING OR DRAWINGS
18 NOT BEING AMONG THE ELIGIBLE ENTRANTS IN THE DRAWING. NOTHING
19 CONTAINED IN THIS ACT SHALL AUTHORIZE THE PRIZE LIMITATIONS TO
20 BE EXCEEDED AS A RESULT OF A FAILURE TO CONDUCT A DRAWING FOR A
21 MONTH DURING WHICH CHANCES WERE SOLD FOR A MONTHLY DRAWING OR
22 FOR A MONTHLY DRAWING FOR WHICH CHANCES WERE SOLD IN EXCESS OF
23 \$1.

24 Section 4. This act shall take effect in 60 days.