

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, LONGIETTI AND VULAKOVICH, FEBRUARY 1, 2007

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, JUNE 29, 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, FOR INSURED GAMES, FOR LIMITED SALES, FOR
11 RECORDKEEPING, FOR ELIGIBLE ORGANIZATIONS' USE OF LOCATIONS
12 FOR CONDUCTING SMALL GAMES OF CHANCE, FOR SEPARATE INDIVIDUAL
13 PRIZE LIMITATIONS AND FOR ADVERTISING.

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

16 Section 1. The definitions of "daily drawing" and "games of
17 chance" in section 3 of the act of December 19, 1988 (P.L.1262,
18 No.156), known as the Local Option Small Games of Chance Act,
19 amended December 19, 1990 (P.L.812, No.195) and October 18, 2000
20 (P.L.602, No.79), are amended and the section is amended by
21 adding a definition DEFINITIONS to read:

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1 Section 3. Definitions.

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

5 * * *

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

23 * * *

24 "Games of chance." Punchboards, daily drawings, weekly
25 drawings, monthly drawings, raffles and pull-tabs, as defined in
26 this act, provided that no such game shall be played by or with
27 the assistance of any mechanical or electrical devices or media
28 other than a dispensing machine or passive selection device and
29 further provided that the particular chance taken by any person
30 in any such game shall not be made contingent upon any other

1 occurrence or the winning of any other contest, but shall be
2 determined solely at the discretion of the purchaser. This
3 definition shall not be construed to authorize any other form of
4 gambling currently prohibited under any provision of Title 18 of
5 the Pennsylvania Consolidated Statutes (relating to crimes and
6 offenses). Nothing in this act shall be construed to authorize
7 games commonly known as "slot machines" or "video poker."

8 "GENERAL OPERATING EXPENSES." THE FOLLOWING OPERATING ←
9 EXPENSES ASSOCIATED WITH THE REAL PROPERTY OWNED OR LEASED BY AN
10 ELIGIBLE ORGANIZATION AND USED FOR PUBLIC INTEREST PURPOSES OR
11 FOR CONDUCTING SMALL GAMES OF CHANCE:

- 12 (1) REAL PROPERTY TAXES.
- 13 (2) UTILITIES.
- 14 (3) HEATING AND AIR CONDITIONING.
- 15 (4) WATER AND SEWER.
- 16 (5) PROPERTY INSURANCE.
- 17 (6) LIABILITY INSURANCE.
- 18 (7) ANY OTHER EXPENSE AS PROVIDED IN REGULATIONS
19 PROMULGATED BY THE DEPARTMENT.

20 * * *

21 "Monthly drawing." A game in which a bona fide member
22 selects or receives a number or numbers for chance at a prize
23 with the winner determined by a random drawing to take place on
24 the eligible organization's premises during any operating month.
25 Nothing in this act shall be construed to prohibit the carrying
26 over of a jackpot where the winning number has not been entered
27 in the game in a particular month. Monthly drawing winners may
28 be determined with the aid of a passive selection device or
29 reference to drawings conducted by the Department of Revenue
30 pursuant to the act of August 26, 1971 (P.L.351, No.91), known

1 as the State Lottery Law. Monthly drawing chances may not be
2 sold for an amount in excess of \$1.

3 * * *

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

6 Section 4. Games of chance permitted.

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

14 ~~Section 3. Section 5 of the act, amended December 19, 1990~~ <—
15 ~~(P.L.812, No.195) and October 18, 2000 (P.L.602, No.79), is~~
16 ~~amended to read:~~

17 ~~Section 5. Prize limits.~~

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

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

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

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

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

30 ~~(2) Eligible organizations shall be eligible to receive~~

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

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

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

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

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

26 ~~(g) Daily drawing and weekly drawing exception. When a~~
27 ~~daily drawing or weekly drawing is set up or conducted in such a~~
28 ~~manner as to pay out or award 100% of the gross revenues~~
29 ~~generated from such drawing, the limitations contained in~~
30 ~~subsection (b) shall not apply.~~

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

16 ~~(i) Limit on monthly drawings. No more than \$10,000 in cash~~
17 ~~or merchandise may be awarded in any calendar month except under~~
18 ~~the following circumstances: a monthly drawing may award a prize~~
19 ~~where the cash value is in excess of \$10,000 if the prize is the~~
20 ~~result of a carryover of a drawing or drawings that resulted~~
21 ~~from the winning number or numbers in the drawing or drawings~~
22 ~~not being among the eligible entrants in the drawing. Nothing~~
23 ~~contained in this act shall authorize the prize limitations to~~
24 ~~be exceeded as a result of a failure to conduct a drawing for a~~
25 ~~month during which chances were sold for a monthly drawing or~~
26 ~~for a monthly drawing for which chances were sold in excess of~~
27 ~~\$1.~~

28 ~~Section 4. This act shall take effect in 60 days.~~

29 SECTION 3. SECTION 5 OF THE ACT, AMENDED DECEMBER 19, 1990
30 (P.L.812, NO.195) AND OCTOBER 18, 2000 (P.L.602, NO.79), IS

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1 AMENDED TO READ:

2 SECTION 5. PRIZE LIMITS.

3 (A) INDIVIDUAL PRIZE LIMIT.--[THE] EXCEPT AS PROVIDED FOR IN
4 SUBSECTION (J), THE MAXIMUM CASH VALUE WHICH MAY BE AWARDED FOR
5 ANY SINGLE CHANCE SHALL BE [\$500] \$1,000.

6 (B) WEEKLY LIMIT.--NO MORE THAN [\$5,000] \$20,000 IN CASH OR
7 MERCHANDISE SHALL BE AWARDED BY ANY ELIGIBLE ORGANIZATION IN ANY
8 SEVEN-DAY PERIOD. PAYOUTS OF LESS THAN \$26 SHALL NOT BE COUNTED
9 TOWARD THE WEEKLY LIMIT.

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

12 (D) EXCEPTION.--AN ELIGIBLE ORGANIZATION MAY CONDUCT A
13 RAFFLE AND AWARD A PRIZE OR PRIZES VALUED IN EXCESS OF [\$500]
14 \$1,000 EACH ONLY UNDER THE FOLLOWING CONDITIONS:

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

17 (2) ELIGIBLE ORGANIZATIONS SHALL BE ELIGIBLE TO RECEIVE
18 NO MORE THAN TWO SPECIAL PERMITS IN ANY LICENSED YEAR EXCEPT
19 THAT VOLUNTEER FIRE, AMBULANCE AND RESCUE ORGANIZATIONS SHALL
20 BE ELIGIBLE TO RECEIVE NO MORE THAN THREE SPECIAL PERMITS IN
21 ANY LICENSED YEAR.

22 (3) ONLY ONE RAFFLE MAY BE CONDUCTED UNDER EACH SPECIAL
23 PERMIT.

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

26 (E) LIMIT ON DAILY DRAWINGS.--DAILY DRAWINGS SHALL BE
27 GOVERNED BY THE PRIZE [LIMITATIONS] LIMITATION CONTAINED IN
28 [SUBSECTIONS (A) AND (B)] SUBSECTION (A). [AN ELIGIBLE
29 ORGANIZATION SHALL NOT CONDUCT DAILY DRAWINGS DURING A PERIOD
30 WHEN A WEEKLY DRAWING IS TAKING PLACE.]

1 (F) EXCEPTION.--THE PRIZE LIMITATION CONTAINED IN
2 [SUBSECTIONS (A) AND (B)] SUBSECTION (A) MAY BE EXCEEDED BY A
3 DAILY DRAWING UNDER THE FOLLOWING CIRCUMSTANCES: A DAILY DRAWING
4 MAY AWARD A PRIZE WHERE THE CASH VALUE IS IN EXCESS OF [\$500]
5 \$1,000 IF SUCH PRIZE IS THE RESULT OF A CARRYOVER OF A DRAWING
6 OR DRAWINGS WHICH RESULTED FROM THE WINNING NUMBER IN SUCH
7 DRAWING OR DRAWINGS NOT BEING AMONG THE ELIGIBLE ENTRANTS IN
8 SUCH DRAWINGS. NOTHING CONTAINED HEREIN SHALL AUTHORIZE THE
9 PRIZE [LIMITATIONS] LIMITATION AS CONTAINED IN [SUBSECTIONS (A)
10 AND (B)] SUBSECTION (A) TO BE EXCEEDED AS A RESULT OF A FAILURE
11 TO CONDUCT A DRAWING ON AN OPERATING DAY DURING WHICH CHANCES
12 WERE SOLD FOR A DAILY DRAWING OR FOR A DAILY DRAWING FOR WHICH
13 CHANCES WERE SOLD IN EXCESS OF \$1 OR FOR WHICH MORE THAN ONE
14 CHANCE WAS SOLD TO AN ELIGIBLE PARTICIPANT.

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

20 (H) LIMIT ON WEEKLY DRAWINGS.--WEEKLY DRAWINGS SHALL BE
21 GOVERNED BY THE PRIZE LIMITATIONS CONTAINED IN SUBSECTION (B).
22 THE PRIZE LIMITATION CONTAINED IN SUBSECTION (B) MAY BE EXCEEDED
23 BY A WEEKLY DRAWING UNDER THE FOLLOWING CIRCUMSTANCES: A WEEKLY
24 DRAWING MAY AWARD A PRIZE WHERE THE CASH VALUE IS IN EXCESS OF
25 [\$5,000] \$20,000 IF SUCH PRIZE IS THE RESULT OF A CARRYOVER OF A
26 DRAWING OR DRAWINGS WHICH RESULTED FROM THE WINNING NUMBER OR
27 NUMBERS IN SUCH DRAWING OR DRAWINGS NOT BEING AMONG THE ELIGIBLE
28 ENTRANTS IN SUCH DRAWINGS. NOTHING CONTAINED IN THIS ACT SHALL
29 AUTHORIZE THE PRIZE LIMITATIONS AS CONTAINED IN SUBSECTION (B)
30 TO BE EXCEEDED AS A RESULT OF A FAILURE TO CONDUCT A DRAWING FOR

1 A WEEK DURING WHICH CHANCES WERE SOLD FOR A WEEKLY DRAWING OR
2 FOR A WEEKLY DRAWING FOR WHICH CHANCES WERE SOLD IN EXCESS OF
3 \$1. [AN ELIGIBLE ORGANIZATION SHALL NOT CONDUCT WEEKLY DRAWINGS
4 DURING A PERIOD WHEN A DAILY DRAWING IS TAKING PLACE.]

5 (I) LIMIT ON MONTHLY DRAWINGS.--NO MORE THAN \$50,000 IN CASH
6 OR MERCHANDISE MAY BE AWARDED IN ANY CALENDAR MONTH EXCEPT UNDER
7 THE FOLLOWING CIRCUMSTANCES: A MONTHLY DRAWING MAY AWARD A PRIZE
8 WHERE THE CASH VALUE IS IN EXCESS OF \$50,000 IF THE PRIZE IS THE
9 RESULT OF A CARRYOVER OF A DRAWING OR DRAWINGS THAT RESULTED
10 FROM THE WINNING NUMBER OR NUMBERS IN THE DRAWING OR DRAWINGS
11 NOT BEING AMONG THE ELIGIBLE ENTRANTS IN THE DRAWING. NOTHING
12 CONTAINED IN THIS ACT SHALL AUTHORIZE THE PRIZE LIMITATIONS TO
13 BE EXCEEDED AS A RESULT OF A FAILURE TO CONDUCT A DRAWING FOR A
14 MONTH DURING WHICH CHANCES WERE SOLD FOR A MONTHLY DRAWING OR
15 FOR A MONTHLY DRAWING FOR WHICH CHANCES WERE SOLD IN EXCESS OF
16 \$1.

17 (J) PROGRESSIVE GAMES.--PROGRESSIVE GAMES SHALL BE PERMITTED
18 WITH A MAXIMUM CASH VALUE OF \$5,000. CONTRIBUTIONS TO THE POT
19 SHALL BE COUNTED AGAINST THE LIMIT FOR THE WEEK IN WHICH THE
20 CONTRIBUTION IS MADE EXCEPT THAT WHEN THE LIMIT IS REACHED THE
21 AMOUNT AWARDED SHALL BE COUNTED TOWARD THE LIMIT ONLY TO THE
22 EXTENT IT WAS NOT PREVIOUSLY COUNTED TOWARD A PRIOR WEEK'S
23 LIMIT. FOR THE PURPOSE OF THIS SECTION, PROGRESSIVE GAMES ARE
24 THOSE IN WHICH A WINNING TICKET AWARDS THE TICKET HOLDER AN
25 ADDITIONAL CHANCE AT ANOTHER GAME OR GAMES.

26 SECTION 4. THE ACT IS AMENDED BY ADDING A SECTION TO READ:
27 SECTION 5.1. INSURED GAMES.

28 NOTWITHSTANDING ANY PROVISION OF THIS ACT TO THE CONTRARY, AN
29 ELIGIBLE ORGANIZATION MAY CONDUCT SMALL GAMES OF CHANCE USING
30 INSURED GAMES. INSURED GAMES SOLD BY A LICENSED DISTRIBUTOR

1 SHALL BE BACKED BY A VALID INSURANCE CONTRACT ISSUED BY AN
2 INSURANCE COMPANY LICENSED TO DO BUSINESS IN THIS COMMONWEALTH.
3 PROOF OF THE INSURANCE CONTRACT MUST BE PROVIDED TO THE
4 DEPARTMENT PRIOR TO THE GAME BEING SOLD. THE LICENSE OF A
5 DISTRIBUTOR AND AN INSURANCE COMPANY ISSUING A CONTRACT FOR AN
6 INSURED GAME MAY BE SUSPENDED OR REVOKED FOR FAILURE TO PAY AN
7 AWARD. FOR THE PURPOSES OF THIS SECTION, AN INSURED GAME IS A
8 GAME IN WHICH THE DISTRIBUTOR OR OTHER LICENSED THIRD PARTY
9 GUARANTEES MAKING THE PAYMENT ON A WIN OF A JACKPOT.

10 SECTION 5. SECTIONS 6 AND 9(B) OF THE ACT, AMENDED DECEMBER
11 19, 1990 (P.L.812, NO.195), ARE AMENDED TO READ:

12 SECTION 6. SALES LIMITED.

13 NO PERSON SHALL SELL, OFFER FOR SALE OR FURNISH GAMES OF
14 CHANCE FOR USE WITHIN THIS COMMONWEALTH EXCEPT TO AN ELIGIBLE
15 ORGANIZATION OR DISTRIBUTOR LICENSED UNDER THIS ACT. NO GAME OF
16 CHANCE, OTHER THAN A RAFFLE, SOLD, OFFERED FOR SALE OR FURNISHED
17 FOR USE WITHIN THIS COMMONWEALTH SHALL CONTAIN, PERMIT, DEPICT
18 OR DESIGNATE A PRIZE HAVING A CASH VALUE IN EXCESS OF [\$500]
19 \$1,000.

20 SECTION 9. REGULATIONS OF DEPARTMENT.

21 * * *

22 (B) LIMITATION ON RECORDKEEPING REQUIREMENTS.--THIS SECTION
23 SHALL NOT BE CONSTRUED TO AUTHORIZE THE DEPARTMENT TO PROMULGATE
24 REGULATIONS PROVIDING FOR RECORDKEEPING REQUIREMENTS FOR
25 ELIGIBLE ORGANIZATIONS WHICH REQUIRE UNREASONABLE OR UNNECESSARY
26 INFORMATION OR A REPETITIOUS LISTING OF INFORMATION. THE
27 DEPARTMENT SHALL STRIVE TO KEEP SUCH RECORDKEEPING REQUIREMENTS
28 FROM BEING AN UNDUE HARDSHIP OR BURDEN ON ELIGIBLE
29 ORGANIZATIONS. UNDER NO CIRCUMSTANCES SHALL THE DEPARTMENT
30 REQUIRE THE RETENTION OF RECORDS FOR A PERIOD IN EXCESS OF TWO

1 YEARS. EACH ELIGIBLE ORGANIZATION SHALL REPORT TO THE DEPARTMENT
2 PRIZES AWARDED AS REQUIRED BY SECTION 335 OF THE ACT OF MARCH 4,
3 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971.

4 SECTION 6. SECTION 10 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 10. LICENSING OF ELIGIBLE ORGANIZATIONS TO CONDUCT
8 GAMES OF CHANCE.

9 (A) LICENSE REQUIRED.--NO ELIGIBLE ORGANIZATION SHALL
10 CONDUCT OR OPERATE ANY GAMES OF CHANCE UNLESS SUCH ELIGIBLE
11 ORGANIZATION HAS OBTAINED AND MAINTAINS A VALID LICENSE ISSUED
12 PURSUANT TO THIS SECTION. AUXILIARY GROUPS WITHIN ELIGIBLE
13 ORGANIZATIONS SHALL BE ELIGIBLE TO CONDUCT SMALL GAMES OF CHANCE
14 USING THE LICENSE ISSUED TO THE ELIGIBLE ORGANIZATION PROVIDED
15 THAT THE AUXILIARY GROUP OR GROUPS ARE LISTED ON THE APPLICATION
16 AND LICENSE OF THE ELIGIBLE ORGANIZATION. NO ADDITIONAL
17 LICENSING FEE SHALL BE CHARGED FOR AN AUXILIARY GROUP'S
18 ELIGIBILITY UNDER THIS ACT. AUXILIARY GROUPS SHALL NOT INCLUDE
19 BRANCHES, LODGES OR CHAPTERS OF A STATEWIDE ORGANIZATION.

20 (B) ISSUANCE AND FEES.--THE LICENSING AUTHORITY SHALL
21 LICENSE, UPON APPLICATION, WITHIN 30 DAYS ANY ELIGIBLE
22 ORGANIZATION MEETING THE REQUIREMENTS FOR LICENSURE CONTAINED IN
23 THIS ACT TO CONDUCT AND OPERATE GAMES OF CHANCE AT SUCH
24 LOCATIONS WITHIN THE COUNTY OR IN SUCH MANNER AS STATED ON THE
25 APPLICATION AS LIMITED BY SUBSECTION (B.1). THE LICENSE FEE TO
26 BE CHARGED TO EACH ELIGIBLE ORGANIZATION SHALL BE [~~\$100~~] \$300,
27 EXCEPT FOR LIMITED OCCASION LICENSES WHICH SHALL BE [~~\$10~~] \$30.
28 LICENSES SHALL BE RENEWABLE [~~ANNUALLY~~] ON A BIENNIAL BASIS UPON
29 THE ANNIVERSARY OF THE DATE OF ISSUE.

30 (B.1) LOCATION OF SMALL GAMES OF CHANCE.--WHERE THERE EXISTS

1 A LOCATION OR PREMISES WHICH IS THE NORMAL BUSINESS OR OPERATING
2 SITE OF THE ELIGIBLE ORGANIZATION AND IS OWNED OR LEASED BY THAT
3 ELIGIBLE ORGANIZATION TO CONDUCT ITS NORMAL BUSINESS, THAT SITE
4 SHALL BE THE LICENSED PREMISES FOR SMALL GAMES OF CHANCE
5 CONDUCTED BY THE ELIGIBLE ORGANIZATION. IF THAT LOCATION
6 CONSISTS OF MORE THAN ONE BUILDING AND THE ELIGIBLE ORGANIZATION
7 WISHES TO CONDUCT ITS GAMES IN A DIFFERENT BUILDING AT THAT
8 LOCATION FROM THE ONE THAT IS LISTED ON ITS APPLICATION AND
9 LICENSE, THE ELIGIBLE ORGANIZATION MUST NOTIFY, IN WRITING, THE
10 DISTRICT ATTORNEY AND THE LICENSING AUTHORITY OF THE CHANGE IN
11 BUILDING SITE AND THE DATES AND TIMES THAT WILL BE AFFECTED.
12 WHEN AN ELIGIBLE ORGANIZATION DOES NOT OWN OR LEASE A SPECIFIC
13 LOCATION TO CONDUCT ITS NORMAL BUSINESS, THAT ELIGIBLE
14 ORGANIZATION MAY USE ANOTHER ELIGIBLE ORGANIZATION'S PREMISES TO
15 CONDUCT ITS GAMES OR MAY MAKE SUCH OTHER ARRANGEMENTS THAT ARE
16 CONSISTENT WITH THIS ACT, INCLUDING, BUT NOT LIMITED TO, LEASING
17 A PREMISE UNDER A WRITTEN AGREEMENT FOR A RENTAL WHICH IS NOT
18 DETERMINED BY EITHER THE AMOUNT OF RECEIPTS REALIZED FROM THE
19 PLAYING OF GAMES OF CHANCE NOR THE NUMBER OF PEOPLE ATTENDING
20 EXCEPT THAT AN ELIGIBLE ORGANIZATION MAY LEASE A FACILITY FOR A
21 BANQUET WHERE A PER HEAD CHARGE IS APPLIED IN CONNECTION WITH
22 THE SERVING OF A MEAL. WHEN SUCH ELIGIBLE ORGANIZATION CHANGES
23 THE SITE OF ITS GAMES FROM THAT WHICH IS LISTED ON ITS
24 APPLICATION AND LICENSE, THE ELIGIBLE ORGANIZATION MUST NOTIFY,
25 IN WRITING, THE DISTRICT ATTORNEY AND LICENSING AUTHORITY OF THE
26 CHANGE IN THEIR GAMES' SITE AND DATES AND TIMES THAT WILL BE
27 AFFECTED. MORE THAN ONE ORGANIZATION MAY USE THE SAME LOCATION,
28 PROVIDED THAT EACH ORGANIZATION HAS ITS OWN LICENSE AND THAT THE
29 PRIZE LIMITATIONS OF THIS ACT SHALL APPLY SEPARATELY TO EACH
30 ORGANIZATION.

1 (B.2) OFF-PREMISES GAMES OF CHANCE.--NOTWITHSTANDING ANY
2 OTHER PROVISIONS OF THIS SECTION, AN ELIGIBLE ORGANIZATION MAY
3 CONDUCT SMALL GAMES OF CHANCE AT A LOCATION OFF ITS PREMISES
4 WHEN SUCH GAMES ARE PART OF AN ANNUAL CARNIVAL, FAIR, PICNIC OR
5 BANQUET HELD OR PARTICIPATED IN BY THAT ELIGIBLE ORGANIZATION ON
6 A HISTORICAL BASIS. THE ELIGIBLE ORGANIZATION MUST NOTIFY, IN
7 WRITING, THE DISTRICT ATTORNEY AND LICENSING AUTHORITY OF THE
8 LOCATION, DATE AND TIMES OF SUCH EVENTS WHERE IT WILL BE
9 CONDUCTING SMALL GAMES OF CHANCE.

10 (B.3) LIMITED OCCASION LICENSES.--ELIGIBLE ORGANIZATIONS
11 WHICH DO NOT OWN THEIR OWN PREMISES OR WHICH DO NOT LEASE A
12 SPECIFIC LOCATION TO CONDUCT THEIR NORMAL BUSINESS MAY APPLY FOR
13 A LIMITED OCCASION LICENSE TO CONDUCT SMALL GAMES OF CHANCE ON
14 NOT MORE THAN THREE OCCASIONS COVERING A TOTAL OF SEVEN DAYS
15 DURING A LICENSED YEAR. A LIMITED OCCASION LICENSE ENTITLES
16 ELIGIBLE ORGANIZATIONS HOLDING SUCH A LICENSE TO CONDUCT NO MORE
17 THAN TWO RAFFLES DURING A LICENSED YEAR WHERE PRIZES MAY NOT
18 EXCEED THE ESTABLISHED LIMITS FOR REGULAR MONTHLY RAFFLES.
19 HOLDERS OF LIMITED OCCASION LICENSES MAY NOT APPLY OR BE GRANTED
20 ANY OTHER LICENSE OR SPECIAL PERMIT UNDER THIS ACT. NO HOLDER OF
21 A REGULAR LICENSE OR SPECIAL PERMIT UNDER THIS ACT SHALL APPLY
22 OR BE GRANTED A LIMITED OCCASION LICENSE.

23 (B.4) GAMBLING FACILITY PROHIBITED.--IT SHALL BE UNLAWFUL
24 FOR A PERSON, CORPORATION, ASSOCIATION, PARTNERSHIP OR OTHER
25 BUSINESS ENTITY TO OFFER FOR RENT OR OFFER FOR USE A BUILDING OR
26 FACILITY TO BE USED EXCLUSIVELY FOR THE CONDUCTING OF SMALL
27 GAMES OF CHANCE. IT SHALL ALSO BE UNLAWFUL FOR ANY ELIGIBLE
28 ORGANIZATION TO LEASE UNDER ANY TERMS A FACILITY OR BUILDING
29 WHICH IS USED EXCLUSIVELY FOR THE CONDUCTING OF SMALL GAMES OF
30 CHANCE.

1 (C) DISPLAY.--LICENSES ISSUED PURSUANT TO THIS SECTION SHALL
2 BE PUBLICLY DISPLAYED AT THE SITE OF THE SMALL GAMES OF CHANCE.

3 (D) OPERATION.--EACH LICENSED ELIGIBLE ORGANIZATION SHALL
4 COMPLY WITH THE FOLLOWING RESTRICTIONS AND RULES GOVERNING THE
5 OPERATION OF GAMES OF CHANCE:

6 (1) NO PERSON UNDER 18 YEARS OF AGE SHALL BE PERMITTED
7 TO OPERATE OR PLAY GAMES OF CHANCE.

8 (2) NO ELIGIBLE ORGANIZATION SHALL PERMIT ANY PERSON WHO
9 HAS BEEN CONVICTED OF A FELONY IN A FEDERAL OR STATE COURT
10 WITHIN THE PAST FIVE YEARS OR HAS BEEN CONVICTED IN A FEDERAL
11 OR STATE COURT WITHIN THE PAST TEN YEARS OF A VIOLATION OF
12 THE ACT OF JULY 10, 1981 (P.L.214, NO.67), KNOWN AS THE BINGO
13 LAW, OR OF THIS ACT TO MANAGE, SET UP, SUPERVISE OR
14 PARTICIPATE IN THE OPERATION OF GAMES OF CHANCE.

15 (3) NO ELIGIBLE ORGANIZATION SHALL PAY ANY COMPENSATION
16 TO ANY PERSON FOR CONDUCTING ANY GAMES OF CHANCE. GAMES OF
17 CHANCE MAY ONLY BE CONDUCTED BY MANAGERS, OFFICERS,
18 DIRECTORS, BAR PERSONNEL AND BONA FIDE MEMBERS OF THE
19 ELIGIBLE ORGANIZATION.

20 (4) GAMES SHALL BE CONDUCTED ONLY ON THE LICENSED
21 PREMISES OR AS OTHERWISE PROVIDED BY THIS ACT.

22 (5) THE ELIGIBLE ORGANIZATION SHALL NOT LEASE SUCH
23 PREMISES UNDER EITHER AN ORAL OR A WRITTEN AGREEMENT FOR A
24 RENTAL WHICH IS DETERMINED BY EITHER THE AMOUNT OF RECEIPTS
25 REALIZED FROM THE PLAYING OF GAMES OF CHANCE OR THE NUMBER OF
26 PEOPLE ATTENDING, EXCEPT THAT AN ELIGIBLE ORGANIZATION MAY
27 LEASE A FACILITY FOR A BANQUET WHERE A PER HEAD CHARGE IS
28 APPLIED IN CONNECTION WITH THE SERVING OF A MEAL. AN ELIGIBLE
29 ORGANIZATION SHALL NOT LEASE SUCH PREMISES FROM ANY PERSON
30 WHO HAS BEEN CONVICTED OF A VIOLATION OF THIS ACT WITHIN THE

1 PAST TEN YEARS.

2 (6) GAMES, OTHER THAN RAFFLES, DAILY DRAWINGS [AND],
3 WEEKLY DRAWINGS AND MONTHLY DRAWINGS, SHALL BE PURCHASED ONLY
4 FROM MANUFACTURERS AND DISTRIBUTORS APPROVED BY THE
5 DEPARTMENT.

6 (7) NO LICENSED ELIGIBLE ORGANIZATION SHALL PERMIT ITS
7 PREMISES TO BE USED FOR SMALL GAMES OF CHANCE BY ANOTHER
8 LICENSED ELIGIBLE ORGANIZATION AT THE SAME TIME THAT IT IS
9 CONDUCTING SMALL GAMES OF CHANCE ON THE PREMISES. WHEN A
10 LICENSED ELIGIBLE ORGANIZATION IS PERMITTING ANOTHER LICENSED
11 ELIGIBLE ORGANIZATION TO USE ITS PREMISES FOR PURPOSES OF
12 SMALL GAMES OF CHANCE, IT MUST CEASE THE OPERATION OF ITS OWN
13 SMALL GAMES OF CHANCE DURING THE PERIOD THAT THE OTHER
14 LICENSED ELIGIBLE ORGANIZATION IS CONDUCTING ITS GAMES ON THE
15 PREMISES.

16 (8) RAFFLE TICKETS MAY BE SOLD OFF THE LICENSED PREMISE
17 IN ANY MUNICIPALITY IN THIS COMMONWEALTH WHICH HAS ADOPTED
18 THE PROVISIONS OF THIS ACT BY AN AFFIRMATIVE VOTE IN A
19 MUNICIPAL REFERENDUM. A LICENSED ELIGIBLE ORGANIZATION WHICH
20 PLANS TO SELL RAFFLE TICKETS IN A MUNICIPALITY LOCATED IN A
21 COUNTY OTHER THAN THE COUNTY IN WHICH THE ELIGIBLE
22 ORGANIZATION IS LICENSED MUST NOTIFY THAT COUNTY'S DISTRICT
23 ATTORNEY AND LICENSING AUTHORITY AS TO THE LOCATION AND THE
24 DATES THAT THE ELIGIBLE ORGANIZATION PLANS TO SELL RAFFLE
25 TICKETS.

26 (E) APPLICATION FOR LICENSE.--EACH ELIGIBLE ORGANIZATION
27 SHALL APPLY TO THE LICENSING AUTHORITY FOR A LICENSE ON A FORM
28 TO BE PRESCRIBED BY THE SECRETARY OF REVENUE. THE FORM SHALL
29 CONTAIN AN AFFIDAVIT TO BE AFFIRMED BY THE EXECUTIVE OFFICER OR
30 SECRETARY OF THE ELIGIBLE ORGANIZATION STATING THAT:

1 (1) NO PERSON UNDER 18 YEARS OF AGE WILL BE PERMITTED BY
2 THE ELIGIBLE ORGANIZATION TO OPERATE OR PLAY GAMES OF CHANCE.

3 (2) THE FACILITY IN WHICH THE GAMES OF CHANCE ARE TO BE
4 PLAYED HAS ADEQUATE MEANS OF INGRESS AND EGRESS AND ADEQUATE
5 SANITARY FACILITIES AVAILABLE IN THE AREA.

6 (3) THE ELIGIBLE ORGANIZATION IS NOT LEASING SUCH
7 PREMISES FROM THE OWNER THEREOF UNDER AN ORAL AGREEMENT, NOR
8 IS IT LEASING SUCH PREMISES FROM THE OWNER THEREOF UNDER A
9 WRITTEN AGREEMENT AT A RENTAL WHICH IS DETERMINED BY THE
10 AMOUNT OF RECEIPTS REALIZED FROM THE PLAYING OF GAMES OF
11 CHANCE OR BY THE NUMBER OF PEOPLE ATTENDING, EXCEPT THAT AN
12 ELIGIBLE ORGANIZATION MAY LEASE A FACILITY FOR A BANQUET
13 WHERE A PER HEAD CHARGE IS APPLIED IN CONNECTION WITH THE
14 SERVING OF A MEAL.

15 (E.1) SUPPLEMENTAL MATERIALS TO ACCOMPANY APPLICATION.--AN
16 ANNUAL FINANCIAL REPORT LIMITED TO THE OPERATION OF GAMES OF
17 CHANCE DETAILING GROSS PROFIT, ALLOWABLE EXPENSES, RENT, STAFF
18 PER DIEM, COST OF SUPPLIES, NET PROFIT AND CONTRIBUTIONS TO
19 CHARITABLE CAUSES SHALL BE FILED WITH THE LICENSING AUTHORITY
20 AND SUBMITTED WITH THE APPLICATION. THIS REPORT SHALL BE FILED
21 WITH THE APPLICATION FOR LICENSE AND SHALL BE FILED BY THE
22 MIDTERM ANNIVERSARY DATE OF THE LICENSE IN NONAPPLICATION YEARS.
23 THIS REPORT SHALL BE PREPARED ON A ONE-PAGE FORM TO BE DESIGNED
24 BY THE DEPARTMENT. THE REPORT SHALL CONTAIN INFORMATION FOR THE
25 12-MONTH PERIOD IMMEDIATELY PRECEDING A DATE 60 DAYS PRIOR TO
26 THE FILING OF THE REPORT. FAILURE TO FILE THE REPORT BY THE
27 MIDTERM ANNIVERSARY DATE OF THE LICENSE SHALL RESULT IN THE
28 AUTOMATIC SUSPENSION OF THE LICENSE UNTIL THE COUNTY TREASURER
29 CERTIFIES THE REPORT HAS BEEN FILED IN COMPLIANCE WITH THIS ACT.

30 (F) LIST OF LICENSEES.--THE LICENSING AUTHORITY, ON A

1 SEMIANNUAL BASIS, SHALL SEND A COPY OF ALL LICENSEES TO THE
2 DEPARTMENT OF REVENUE.

3 (G) LIST OF MUNICIPALITIES.--THE LICENSING AUTHORITY SHALL
4 INCLUDE WITH ANY LICENSE OR RENEWAL ISSUED TO AN ELIGIBLE
5 ORGANIZATION, AN UP-TO-DATE LISTING OF THOSE MUNICIPALITIES
6 WITHIN THE LICENSING COUNTY WHICH HAVE APPROVED THE REFERENDUM
7 QUESTION ON SMALL GAMES OF CHANCE.

8 (H) BACKGROUND CHECKS.--EACH APPLICATION SHALL INCLUDE
9 CRIMINAL HISTORY RECORDS OBTAINED FROM THE PENNSYLVANIA STATE
10 POLICE FOR THE EXECUTIVE OFFICER OR SECRETARY OF THE ELIGIBLE
11 ORGANIZATION MAKING THE APPLICATION AND ALL OTHER RESPONSIBLE
12 PERSONS LISTED ON THE APPLICATION.

13 SECTION 7. SECTION 15 OF THE ACT, AMENDED DECEMBER 19, 1990
14 (P.L.812, NO.195), IS AMENDED TO READ:

15 SECTION 15. ADVERTISING.

16 IT SHALL NOT BE UNLAWFUL FOR ANY ELIGIBLE ORGANIZATION OR
17 PERSON TO ADVERTISE THE PRIZES OR THEIR DOLLAR VALUE TO BE
18 AWARDED IN GAMES OF CHANCE, PROVIDED THAT [PRIZES MAY BE
19 IDENTIFIED ON RAFFLE TICKETS. NOTWITHSTANDING THE PROHIBITION OF
20 ADVERTISING CONTAINED WITHIN THIS SECTION, AN ELIGIBLE
21 ORGANIZATION MAY ADVERTISE PRIZES AND VALUES THEREOF IN PERIODIC
22 PUBLICATIONS WHICH ARE LIMITED IN THEIR CIRCULATION TO MEMBERS
23 OF THE ELIGIBLE ORGANIZATION.] SUCH ADVERTISEMENTS SHALL CONTAIN
24 THE DATE, TIME, LOCATION, WHETHER CASH OR MERCHANDISE PRIZES
25 WILL BE AWARDED AND THE NAME OF THE ELIGIBLE ORGANIZATION
26 LICENSED TO CONDUCT GAMES OF CHANCE AND THE NAME OF THE PERSON
27 WHO CONDUCTS THE GAMES OF CHANCE.

28 SECTION 8. THE AMENDMENT OR ADDITION OF SECTION 10(B), (E.1)
29 AND (H) OF THE ACT SHALL APPLY TO APPLICATIONS FILED MORE THAN
30 TWO YEARS AFTER THE EFFECTIVE DATE OF THIS SECTION.

1 SECTION 9. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

2 (1) THE FOLLOWING PROVISIONS SHALL TAKE EFFECT
3 IMMEDIATELY:

4 (I) THE AMENDMENT OR ADDITION OF SECTION 10(B),
5 (E.1) AND (H) OF THE ACT.

6 (II) SECTION 8 OF THIS ACT.

7 (III) THIS SECTION.

8 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60
9 DAYS.