

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1088 Session of 2009

INTRODUCED BY EARLL, SEPTEMBER 14, 2009

SENATOR EARLL, COMMUNITY, ECONOMIC AND RECREATIONAL DEVELOPMENT, RE-REPORTED AS AMENDED, OCTOBER 8, 2009

AN ACT

1 ~~Amending Title 4 (Amusements) of the Pennsylvania Consolidated~~ ←
2 ~~Statutes, in administration and enforcement, further~~
3 ~~providing for declaration of exemption from Federal laws~~
4 ~~prohibiting slot machines.~~

5 AMENDING TITLE 4 (AMUSEMENTS) OF THE PENNSYLVANIA CONSOLIDATED ←
6 STATUTES, FURTHER PROVIDING FOR LEGISLATIVE INTENT AND FOR
7 THE DEFINITIONS OF "CONVICTION," "LICENSED ENTITY" AND "SLOT
8 MACHINE LICENSEE"; PROVIDING FOR THE DEFINITIONS OF
9 "EXECUTIVE-LEVEL PUBLIC EMPLOYEE," "LICENSED ENTITY
10 REPRESENTATIVE" AND "TRUSTEE"; FURTHER PROVIDING FOR THE
11 PENNSYLVANIA GAMING CONTROL BOARD, FOR THE APPLICABILITY OF
12 OTHER STATUTES, FOR POWERS OF THE BOARD AND FOR CODE OF
13 CONDUCT; PROVIDING FOR EXPENSES OF PENNSYLVANIA GAMING
14 CONTROL BOARD; FURTHER PROVIDING FOR LICENSE OR PERMIT
15 APPLICATION HEARING PROCESS AND PUBLIC HEARINGS, FOR BOARD
16 MINUTES AND RECORDS, FOR SLOT MACHINE LICENSE FEE, FOR
17 REPORTS OF BOARD, FOR LICENSE OR PERMIT PROHIBITION, FOR
18 APPLICATION FOR LICENSE OR PERMIT, FOR SLOT MACHINE LICENSE
19 APPLICATION CHARACTER REQUIREMENTS, FOR LICENSE RENEWALS, FOR
20 CHANGE IN OWNERSHIP OR CONTROL OF SLOT MACHINE LICENSEES AND
21 FOR NONPORTABILITY OF SLOT MACHINE LICENSE; PROVIDING FOR
22 APPOINTMENT OF TRUSTEE; FURTHER PROVIDING FOR PENNSYLVANIA
23 GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND, FOR DECLARATION
24 OF EXEMPTION FROM FEDERAL LAWS PROHIBITING SLOT MACHINES AND
25 FOR FINANCIAL AND EMPLOYMENT INTERESTS; PROVIDING FOR
26 PROSECUTORIAL AND ADJUDICATIVE FUNCTIONS; FURTHER PROVIDING
27 FOR INVESTIGATIONS AND ENFORCEMENT AND FOR CONDUCT OF PUBLIC
28 OFFICIALS AND EMPLOYEES; AND PROVIDING FOR ADDITIONAL
29 AUTHORITY.

30 The General Assembly of the Commonwealth of Pennsylvania
31 hereby enacts as follows:

1 ~~Section 1. Section 1511(b) of Title 4 of the Pennsylvania~~ ←
2 ~~Consolidated Statutes is amended to read:~~

3 SECTION 1. SECTION 1102(11) OF TITLE 4 OF THE PENNSYLVANIA ←
4 CONSOLIDATED STATUTES IS AMENDED AND THE SECTION IS AMENDED BY
5 ADDING PARAGRAPHS TO READ:

6 § 1102. LEGISLATIVE INTENT.

7 THE GENERAL ASSEMBLY RECOGNIZES THE FOLLOWING PUBLIC POLICY
8 PURPOSES AND DECLARES THAT THE FOLLOWING OBJECTIVES OF THE
9 COMMONWEALTH ARE TO BE SERVED BY THIS PART:

10 * * *

11 (10.1) THE GENERAL ASSEMBLY HAS A COMPELLING INTEREST IN
12 PROTECTING THE INTEGRITY OF BOTH THE ELECTORAL PROCESS AND
13 THE LEGISLATIVE PROCESS BY PREVENTING CORRUPTION AND THE
14 APPEARANCE OF CORRUPTION WHICH MAY ARISE THROUGH PERMITTING
15 CAMPAIGN CONTRIBUTIONS BY THE GAMING INDUSTRY.

16 (11) IT IS NECESSARY TO MAINTAIN THE INTEGRITY OF THE
17 REGULATORY CONTROL AND LEGISLATIVE OVERSIGHT OVER THE
18 OPERATION OF SLOT MACHINES IN THIS COMMONWEALTH; TO PREVENT
19 THE ACTUAL OR APPEARANCE OF CORRUPTION THAT MAY RESULT FROM
20 [LARGE] CAMPAIGN CONTRIBUTIONS; ENSURE THE BIPARTISAN
21 ADMINISTRATION OF THIS PART; AND AVOID ACTIONS THAT MAY ERODE
22 PUBLIC CONFIDENCE IN THE SYSTEM OF REPRESENTATIVE GOVERNMENT.

23 (11.1) COMPLETELY BANNING CAMPAIGN CONTRIBUTIONS BY
24 CERTAIN INDIVIDUALS AND ENTITIES SUBJECT TO THIS ACT IS
25 NECESSARY TO PREVENT CORRUPTION, OR THE APPEARANCE OF
26 CORRUPTION, THAT MAY ARISE WHEN POLITICS AND GAMING ARE
27 INTERMINGLED.

28 SECTION 2. THE DEFINITIONS OF "CONVICTION," "LICENSED
29 ENTITY" AND "SLOT MACHINE LICENSEE" IN SECTION 1103 OF TITLE 4
30 ARE AMENDED AND THE SECTION IS AMENDED BY ADDING DEFINITIONS TO

1 READ:

2 § 1103. DEFINITIONS.

3 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS PART SHALL
4 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
5 CONTEXT CLEARLY INDICATES OTHERWISE:

6 * * *

7 "CONVICTION." A FINDING OF GUILT OR A PLEA OF GUILTY OR NOLO
8 CONTENDERE, WHETHER OR NOT A JUDGMENT OF SENTENCE HAS BEEN
9 IMPOSED AS DETERMINED BY THE LAW OF THE JURISDICTION IN WHICH
10 THE PROSECUTION WAS HELD. THE TERM DOES NOT INCLUDE A CONVICTION
11 THAT HAS BEEN EXPUNGED OR OVERTURNED OR FOR WHICH AN INDIVIDUAL
12 HAS BEEN PARDONED OR AN ORDER OF ACCELERATED REHABILITATIVE
13 DISPOSITION ENTERED.

14 * * *

15 "EXECUTIVE-LEVEL PUBLIC EMPLOYEE." THE TERM SHALL INCLUDE
16 THE FOLLOWING:

17 (1) DEPUTY SECRETARIES OF THE COMMONWEALTH AND THE
18 GOVERNOR'S OFFICE EXECUTIVE STAFF.

19 (2) AN EMPLOYEE OF THE EXECUTIVE BRANCH WITH
20 DISCRETIONARY POWER WHICH MAY AFFECT OR INFLUENCE THE OUTCOME
21 OF A STATE AGENCY'S ACTION OR DECISION AND WHO IS INVOLVED IN
22 THE DEVELOPMENT OF REGULATIONS OR POLICIES RELATING TO A
23 LICENSED ENTITY OR WHO IS INVOLVED IN OTHER MATTERS UNDER
24 THIS PART. THE TERM SHALL INCLUDE AN EMPLOYEE WITH LAW
25 ENFORCEMENT AUTHORITY.

26 (3) AN EMPLOYEE OF A COUNTY OR MUNICIPALITY WITH
27 DISCRETIONARY POWERS WHICH MAY AFFECT OR INFLUENCE THE
28 OUTCOME OF THE COUNTY'S OR MUNICIPALITY'S ACTION OR DECISION
29 AND WHO IS INVOLVED IN THE DEVELOPMENT OF LAW, REGULATION OR
30 POLICY RELATING TO A LICENSED ENTITY OR WHO IS INVOLVED IN

1 OTHER MATTERS UNDER THIS PART. THE TERM SHALL INCLUDE AN
2 EMPLOYEE WITH LAW ENFORCEMENT AUTHORITY.

3 (4) AN EMPLOYEE OF A DEPARTMENT, AGENCY, BOARD,
4 COMMISSION, AUTHORITY OR OTHER GOVERNMENTAL BODY NOT INCLUDED
5 IN PARAGRAPH (1), (2) OR (3) WITH DISCRETIONARY POWER WHICH
6 MAY AFFECT OR INFLUENCE THE OUTCOME OF THE GOVERNMENTAL
7 BODY'S ACTION OR DECISION AND WHO IS INVOLVED IN THE
8 DEVELOPMENT OF REGULATION OR POLICY RELATING TO A LICENSED
9 ENTITY OR WHO IS INVOLVED IN OTHER MATTERS UNDER THIS PART.
10 THE TERM SHALL INCLUDE AN EMPLOYEE WITH LAW ENFORCEMENT
11 AUTHORITY.

12 * * *

13 "LICENSED ENTITY[.]" OR "LICENSEE." ANY SLOT MACHINE
14 LICENSEE, MANUFACTURER LICENSEE, SUPPLIER LICENSEE OR OTHER
15 PERSON LICENSED BY THE PENNSYLVANIA GAMING CONTROL BOARD UNDER
16 THIS PART.

17 "LICENSED ENTITY REPRESENTATIVE." A PERSON ACTING ON BEHALF
18 OF OR REPRESENTING THE INTEREST OF ANY APPLICANT, LICENSEE,
19 PERMITTEE OR REGISTRANT, INCLUDING AN ATTORNEY, AGENT OR
20 LOBBYIST, REGARDING ANY MATTER WHICH MAY REASONABLY BE EXPECTED
21 TO COME BEFORE THE BOARD.

22 * * *

23 ["SLOT MACHINE LICENSEE." A PERSON THAT HOLDS A SLOT MACHINE
24 LICENSE.]

25 * * *

26 "TRUSTEE." AN INDIVIDUAL APPOINTED BY THE PENNSYLVANIA
27 GAMING CONTROL BOARD TO MANAGE AND CONTROL THE OPERATIONS OF A
28 LICENSED FACILITY TO ENSURE COMPLIANCE WITH THIS PART AND WHO
29 HAS THE FIDUCIARY RESPONSIBILITY TO MAKE DECISIONS TO PRESERVE
30 THE VIABILITY OF A LICENSED FACILITY AND THE INTEGRITY OF GAMING

1 IN THIS COMMONWEALTH.

2 * * *

3 SECTION 3. SECTION 1201(F) (3), (H) (5), (7.1), (10), (11),
4 (13), (14) AND (15) AND (K) OF TITLE 4 ARE AMENDED, SUBSECTION
5 (H) IS AMENDED BY ADDING PARAGRAPHS AND THE SECTION IS AMENDED
6 BY ADDING A SUBSECTION TO READ:

7 § 1201. PENNSYLVANIA GAMING CONTROL BOARD ESTABLISHED.

8 * * *

9 (F) QUALIFIED MAJORITY VOTE.--

10 * * *

11 (3) NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART OR
12 65 PA.C.S. § 1103(J) (RELATING TO RESTRICTED ACTIVITIES), A
13 MEMBER SHALL DISCLOSE THE NATURE OF HIS DISQUALIFYING
14 INTEREST, DISQUALIFY HIMSELF AND ABSTAIN FROM VOTING IN A
15 PROCEEDING UNDER THIS PART IN WHICH HIS OBJECTIVITY,
16 IMPARTIALITY, INTEGRITY OR INDEPENDENCE OF JUDGMENT MAY BE
17 REASONABLY QUESTIONED, AS PROVIDED IN SUBSECTION (H) (6) OR
18 SECTION 1202.1(C) (3) (RELATING TO CODE OF CONDUCT). IF A
19 LEGISLATIVE APPOINTEE HAS DISQUALIFIED HIMSELF, THE QUALIFIED
20 MAJORITY SHALL CONSIST OF ALL OF THE REMAINING LEGISLATIVE
21 APPOINTEES AND AT LEAST TWO GUBERNATORIAL APPOINTEES.

22 * * *

23 (H) QUALIFICATIONS AND RESTRICTIONS.--

24 * * *

25 (4.1) NO MEMBER APPOINTED AFTER THE EFFECTIVE DATE OF
26 THIS PARAGRAPH SHALL ENGAGE IN ANY BUSINESS, EMPLOYMENT OR
27 VOCATION FOR WHICH THE MEMBER SHALL RECEIVE ANY COMPENSATION
28 OR REMUNERATION EXCEPT FOR AN INDIVIDUAL WHO IS REAPPOINTED
29 AND WHO IS A MEMBER OF THE BOARD ON THE EFFECTIVE DATE OF
30 THIS PARAGRAPH.

1 (5) NO MEMBER SHALL BE PAID OR RECEIVE ANY FEE OR OTHER
2 COMPENSATION OTHER THAN SALARY AND EXPENSES PROVIDED BY LAW
3 FOR ANY ACTIVITY RELATED TO THE DUTIES OR AUTHORITY OF THE
4 BOARD. [NOTHING IN THIS PART SHALL PROHIBIT A MEMBER FROM
5 ENGAGING IN ANY EMPLOYMENT OR RECEIVING ANY COMPENSATION FOR
6 SUCH EMPLOYMENT THAT IS NOT CONNECTED TO OR INCOMPATIBLE WITH
7 HIS SERVICE AS A MEMBER OF THE BOARD.]

8 * * *

9 (7.1) PRIOR TO BEING SWORN AS A MEMBER, AN APPOINTEE AND
10 HIS IMMEDIATE FAMILY SHALL DIVEST ANY FINANCIAL INTEREST IN
11 ANY APPLICANT, LICENSED FACILITY OR LICENSED ENTITY AND IN AN
12 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY
13 THEREOF OWNED OR HELD BY THE APPOINTEE OR KNOWN TO BE HELD BY
14 THE APPOINTEE'S IMMEDIATE FAMILY. FOR THE DURATION OF THE
15 MEMBER'S TERM AND FOR [ONE YEAR] TWO YEARS THEREAFTER, THE
16 MEMBER AND THE MEMBER'S IMMEDIATE FAMILY MAY NOT ACQUIRE A
17 FINANCIAL INTEREST IN ANY APPLICANT, LICENSED FACILITY OR
18 LICENSED ENTITY OR IN AN AFFILIATE, INTERMEDIARY, SUBSIDIARY
19 OR HOLDING COMPANY THEREOF. FOR PURPOSES OF THIS PARAGRAPH,
20 THE TERM "IMMEDIATE FAMILY" SHALL MEAN SPOUSE AND ANY MINOR
21 OR UNEMANCIPATED CHILD.

22 * * *

23 (10) NO FORMER MEMBER MAY APPEAR BEFORE THE BOARD IN ANY
24 HEARING OR PROCEEDING OR PARTICIPATE IN ANY OTHER ACTIVITY ON
25 BEHALF OF ANY APPLICANT, LICENSED ENTITY, OR AN AFFILIATE,
26 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY THEREOF, OR ANY
27 OTHER LICENSEE OR PERMITTEE FOR A PERIOD OF TWO YEARS FROM
28 THE TERMINATION OF TERM OF OFFICE.

29 (11) NO MEMBER, EMPLOYEE OR INDEPENDENT CONTRACTOR OF
30 THE BOARD SHALL ACCEPT A COMPLIMENTARY SERVICE, WAGER OR BE

1 PAID ANY PRIZE FROM ANY WAGER AT ANY LICENSED FACILITY WITHIN
2 THIS COMMONWEALTH OR AT ANY OTHER FACILITY OUTSIDE THIS
3 COMMONWEALTH WHICH IS OWNED OR OPERATED BY A LICENSED GAMING
4 ENTITY OR ANY OF ITS AFFILIATES, INTERMEDIARIES, SUBSIDIARIES
5 OR HOLDING COMPANIES THEREOF FOR THE DURATION OF THEIR TERM
6 OF OFFICE, EMPLOYMENT OR CONTRACT WITH THE BOARD AND FOR A
7 PERIOD OF [ONE YEAR] TWO YEARS FROM THE TERMINATION OF TERM
8 OF OFFICE, EMPLOYMENT OR CONTRACT WITH THE BOARD. THE
9 PROVISIONS OF THIS PARAGRAPH PROHIBITING WAGERING DURING THE
10 TERM OF EMPLOYMENT SHALL NOT APPLY TO EMPLOYEES OR
11 INDEPENDENT CONTRACTORS OF THE BOARD WHO UTILIZE SLOT
12 MACHINES FOR TESTING PURPOSES OR TO VERIFY THE PERFORMANCE OF
13 A MACHINE AS PART OF AN ENFORCEMENT INVESTIGATION.

14 * * *

15 (13) NO EMPLOYEE OF THE BOARD [OR INDIVIDUAL EMPLOYED BY
16 AN INDEPENDENT CONTRACTOR OF THE BOARD] WHOSE DUTIES
17 SUBSTANTIALLY INVOLVE LICENSING[,] OR ENFORCEMENT [OR] , THE
18 DEVELOPMENT [OR ADOPTION] OF LAWS, OR THE DEVELOPMENT OR
19 ADOPTION OF REGULATIONS OR POLICY OR WHO HAS OTHER
20 DISCRETIONARY AUTHORITY WHICH MAY AFFECT THE OUTCOME OF AN
21 ACTION OR DECISION UNDER THIS PART, INCLUDING THE EXECUTIVE
22 DIRECTOR, BUREAU DIRECTORS AND ATTORNEYS, SHALL DO ANY OF THE
23 FOLLOWING:

24 (I) [ACCEPT] ACCEPT EMPLOYMENT WITH OR BE RETAINED
25 BY AN APPLICANT OR LICENSED ENTITY, OR AN AFFILIATE,
26 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY THEREOF, FOR
27 A PERIOD OF [ONE YEAR] TWO YEARS AFTER THE TERMINATION OF
28 THE EMPLOYMENT RELATING TO THE CONDUCT OF GAMING [OR
29 CONTRACT WITH THE BOARD; OR] .

30 (II) [APPEAR] APPEAR BEFORE THE BOARD IN ANY HEARING

1 OR PROCEEDING OR PARTICIPATE IN ANY OTHER ACTIVITY ON
2 BEHALF OF ANY APPLICANT, LICENSEE, PERMITTEE OR LICENSED
3 ENTITY, OR AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR
4 HOLDING COMPANY THEREOF, FOR A PERIOD OF TWO YEARS AFTER
5 TERMINATION OF THE EMPLOYMENT [OR CONTRACT WITH THE
6 BOARD].

7 (III) AS A CONDITION OF EMPLOYMENT, AN EMPLOYEE
8 SUBJECT TO THIS PARAGRAPH SHALL SIGN AN AFFIDAVIT THAT
9 THE EMPLOYEE WILL NOT ACCEPT EMPLOYMENT WITH OR BE
10 RETAINED BY ANY APPLICANT, LICENSED ENTITY OR AN
11 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY
12 THEREOF FOR A PERIOD OF TWO YEARS FROM THE TERMINATION OF
13 EMPLOYMENT. AN APPLICANT OR LICENSED ENTITY OR AN
14 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY
15 THEREOF SHALL NOT EMPLOY OR RETAIN AN INDIVIDUAL WHO
16 SIGNED AN AFFIDAVIT REQUIRED BY THIS SUBPARAGRAPH. AN
17 APPLICANT OR LICENSED ENTITY OR AN AFFILIATE,
18 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY THAT
19 KNOWINGLY EMPLOYS OR RETAINS AN INDIVIDUAL IN VIOLATION
20 OF THIS SUBPARAGRAPH SHALL BE SUBJECT TO A PENALTY UNDER
21 SECTION 1518(C) (RELATING TO PROHIBITED ACTS; PENALTIES).

22 (13.1) NO INDEPENDENT CONTRACTOR OR INDIVIDUAL EMPLOYED
23 BY AN INDEPENDENT CONTRACTOR OF THE BOARD WHOSE DUTIES
24 SUBSTANTIALLY INVOLVE CONSULTATION RELATING TO LICENSING,
25 ENFORCEMENT OR THE DEVELOPMENT OR ADOPTION OF REGULATIONS OR
26 POLICY UNDER THIS PART SHALL:

27 (I) ACCEPT EMPLOYMENT WITH OR BE RETAINED BY AN
28 APPLICANT OR A LICENSED ENTITY OR AN AFFILIATE,
29 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY THEREOF FOR A
30 PERIOD OF ONE YEAR AFTER THE TERMINATION OF THE CONTRACT

1 WITH THE BOARD.

2 (II) APPEAR BEFORE THE BOARD IN ANY HEARING OR
3 PROCEEDING OR PARTICIPATE IN ANY OTHER ACTIVITY ON BEHALF
4 OF AN APPLICANT, LICENSEE, PERMITTEE OR LICENSED ENTITY
5 OR AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING
6 COMPANY OF AN APPLICANT, LICENSEE, PERMITTEE OR LICENSED
7 ENTITY FOR A PERIOD OF TWO YEARS AFTER TERMINATION OF THE
8 CONTRACT WITH THE BOARD.

9 (III) AS A CONDITION OF A CONTRACT, AN INDEPENDENT
10 CONTRACTOR OR INDIVIDUAL EMPLOYED BY AN INDEPENDENT
11 CONTRACTOR OF THE BOARD UNDER THIS PARAGRAPH SHALL SIGN
12 AN AFFIDAVIT TO NOT ACCEPT EMPLOYMENT WITH OR BE RETAINED
13 BY ANY APPLICANT, LICENSED ENTITY OR AN AFFILIATE,
14 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF AN
15 APPLICANT, LICENSED ENTITY OR AFFILIATE FOR A PERIOD OF
16 ONE YEAR FROM THE TERMINATION OF EMPLOYMENT. A LICENSED
17 ENTITY OR AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR
18 HOLDING COMPANY OF AN APPLICANT, LICENSED ENTITY OR
19 AFFILIATE SHALL NOT EMPLOY OR RETAIN AN INDIVIDUAL WHO
20 SIGNED AN AFFIDAVIT SIGNED UNDER THIS SUBPARAGRAPH. A
21 LICENSED ENTITY OR AN AFFILIATE, INTERMEDIARY, SUBSIDIARY
22 OR HOLDING COMPANY THEREOF THAT KNOWINGLY EMPLOYS OR
23 RETAINS AN INDIVIDUAL IN VIOLATION OF THIS SUBPARAGRAPH
24 SHALL BE SUBJECT TO A PENALTY UNDER SECTION 1518(C).

25 (13.2) NOTHING SHALL PREVENT A CURRENT OR FORMER
26 EMPLOYEE OF THE BOARD UNDER PARAGRAPH (13), OR A CURRENT OR
27 FORMER INDEPENDENT CONTRACTOR OR A CURRENT OR FORMER EMPLOYEE
28 OF AN INDEPENDENT CONTRACTOR OF THE BOARD UNDER PARAGRAPH
29 (13.1), FROM APPEARING AS A WITNESS OR TESTIFYING AS TO ANY
30 FACT OR INFORMATION.

1 (14) UPON THE WRITTEN REQUEST OF AN EMPLOYEE OF THE
2 BOARD, THE EXECUTIVE BRANCH OF THE COMMONWEALTH OR A
3 POLITICAL SUBDIVISION OR OF THE AGENCY OR POLITICAL
4 SUBDIVISION EMPLOYING AN EMPLOYEE, THE STATE ETHICS
5 COMMISSION SHALL DETERMINE WHETHER THE INDIVIDUAL'S DUTIES
6 SUBSTANTIALLY INVOLVE THE DEVELOPMENT [OR ADOPTION] OF LAWS,
7 OR THE DEVELOPMENT OR ADOPTION OF REGULATIONS OR POLICY,
8 LICENSING OR ENFORCEMENT UNDER THIS PART OR OTHER
9 DISCRETIONARY AUTHORITY WHICH MAY AFFECT THE OUTCOME OF AN
10 ACTION, PROCEEDING OR DECISION UNDER THIS PART AND SHALL
11 PROVIDE A WRITTEN DETERMINATION TO THE EMPLOYEE OR THE AGENCY
12 OR POLITICAL SUBDIVISION EMPLOYING THE EMPLOYEE TO INCLUDE
13 ANY PROHIBITION UNDER THIS PARAGRAPH. AN INDIVIDUAL WHO
14 RELIES IN GOOD FAITH ON A DETERMINATION UNDER THIS PARAGRAPH
15 SHALL NOT BE SUBJECT TO ANY PENALTY FOR AN ACTION TAKEN,
16 PROVIDED THAT ALL MATERIAL FACTS SET FORTH IN THE REQUEST FOR
17 A DETERMINATION ARE CORRECT.

18 (15) IF A MEMBER[, EMPLOYEE OR INDEPENDENT CONTRACTOR]
19 OF THE BOARD VIOLATES ANY PROVISION OF THIS SECTION, THE
20 APPOINTING AUTHORITY [OR THE BOARD MAY, UPON NOTICE AND
21 HEARING,] MAY REMOVE THE PERSON FROM THE BOARD[, WITHDRAW THE
22 APPOINTMENT OR]. A MEMBER REMOVED UNDER THIS PARAGRAPH SHALL
23 BE PROHIBITED FROM FUTURE APPOINTMENT TO THE BOARD AND SHALL
24 BE PROHIBITED FROM APPLYING FOR A LICENSE OR PERMIT OR OTHER
25 AUTHORIZATION AND FROM BECOMING AN INDEPENDENT CONTRACTOR OF
26 THE BOARD, OR REGISTERING AS A LICENSED ENTITY REPRESENTATIVE
27 FOR A PERIOD OF FIVE YEARS FROM THE DATE OF REMOVAL FROM THE
28 BOARD. IF AN EMPLOYEE OR INDEPENDENT CONTRACTOR OF THE BOARD
29 VIOLATES ANY PROVISION OF THIS SECTION, THE BOARD MAY, UPON
30 NOTICE AND HEARING, TERMINATE THE EMPLOYMENT OR CONTRACT, AND

1 THE PERSON SHALL BE INELIGIBLE FOR FUTURE [APPOINTMENT,]
2 EMPLOYMENT OR [CONTRACT] CONTRACTING WITH THE BOARD AND [FOR
3 APPROVAL OF A LICENSE OR PERMIT UNDER THIS PART FOR A PERIOD
4 OF TWO YEARS THEREAFTER] SHALL BE PROHIBITED FROM APPLYING
5 FOR A LICENSE, PERMIT OR OTHER AUTHORIZATION AND FROM
6 BECOMING AN INDEPENDENT CONTRACTOR OR REGISTERING AS A
7 LICENSED ENTITY REPRESENTATIVE FOR A PERIOD OF FIVE YEARS
8 FROM THE DATE OF TERMINATION OF THE EMPLOYMENT OR CONTRACT.

9 * * *

10 (K) APPOINTMENTS.--[THE APPOINTING AUTHORITIES] FOLLOWING
11 THE INITIAL APPOINTMENT OF MEMBERS UNDER SUBSECTION (B), THE
12 APPOINTING AUTHORITY SHALL MAKE [THEIR INITIAL] APPOINTMENTS
13 WITHIN 60 DAYS OF [THE EFFECTIVE DATE OF THIS PART] A VACANCY IN
14 AN OFFICE. NO APPOINTMENT SHALL BE FINAL UNTIL RECEIPT BY THE
15 APPOINTING AUTHORITY OF THE REQUIRED BACKGROUND INVESTIGATION OF
16 THE APPOINTEE BY THE PENNSYLVANIA STATE POLICE WHICH SHALL BE
17 COMPLETED WITHIN 30 DAYS. NO PERSON WHO HAS BEEN CONVICTED IN
18 ANY DOMESTIC OR FOREIGN JURISDICTION OF A FELONY, INFAMOUS CRIME
19 OR GAMING OFFENSE SHALL BE APPOINTED TO THE BOARD.

20 * * *

21 (M.1) BUDGETARY IMPASSE.--IF, IN THE EVENT OF A BUDGETARY OR
22 OTHER FISCAL CRISIS, THE GOVERNOR ORDERS THE FURLOUGH OF
23 COMMONWEALTH EMPLOYEES OR THE CLOSING OF ANY COMMONWEALTH
24 AGENCY, THE BOARD AND ITS EMPLOYEES AND ALL EMPLOYEES OF THE
25 DEPARTMENT OF REVENUE, THE PENNSYLVANIA STATE POLICE AND THE
26 OFFICE OF ATTORNEY GENERAL WHOSE DUTIES INVOLVE THE REGULATION
27 AND OVERSIGHT OF GAMING UNDER THIS PART SHALL NOT BE SUBJECT TO
28 FURLOUGH BUT SHALL CONTINUE TO PERFORM THEIR DUTIES OF
29 EMPLOYMENT.

30 * * *

1 SECTION 3.1. SECTION 1201.1(A) (1) OF TITLE 4 IS AMENDED TO
2 READ:

3 § 1201.1. APPLICABILITY OF OTHER STATUTES.

4 (A) GENERAL RULE.--THE FOLLOWING ACTS SHALL APPLY TO THE
5 BOARD:

6 (1) THE ACT OF [JUNE 21, 1957 (P.L.390, NO.212),
7 REFERRED TO] FEBRUARY 14, 2008 (P.L.6, NO.3), KNOWN AS THE
8 RIGHT-TO-KNOW LAW.

9 * * *

10 SECTION 4. SECTION 1202(A) (2) AND (4) AND (B) (7), (23) AND
11 (30) OF TITLE 4 ARE AMENDED AND SUBSECTIONS (A) AND (B) ARE
12 AMENDED BY ADDING PARAGRAPHS TO READ:

13 § 1202. GENERAL AND SPECIFIC POWERS.

14 (A) GENERAL POWERS.--

15 * * *

16 (2) THE BOARD SHALL EMPLOY INDIVIDUALS AS NECESSARY TO
17 CARRY OUT THE POWERS AND DUTIES OF THE BOARD, WHO SHALL SERVE
18 AT THE BOARD'S PLEASURE. AN EMPLOYEE OF THE BOARD SHALL BE
19 CONSIDERED A STATE EMPLOYEE FOR PURPOSES OF 71 PA.C.S. PT.
20 XXV (RELATING TO RETIREMENT FOR STATE EMPLOYEES AND
21 OFFICERS). FOR THE PURPOSES OF THIS PARAGRAPH, THE BOARD
22 SHALL NOT BE CONSIDERED AN EXECUTIVE OR INDEPENDENT AGENCY
23 UNDER THE ACT OF OCTOBER 15, 1980 (P.L.950, NO.164), KNOWN AS
24 THE COMMONWEALTH ATTORNEYS ACT. THE BOARD SHALL NOT TAKE
25 FINAL ACTION TO FILL ANY VACANCY IN THE POSITIONS OF
26 EXECUTIVE DIRECTOR OF THE BOARD, DIRECTOR OF THE BUREAU,
27 CHIEF COUNSEL OF THE BOARD OR DIRECTOR OF THE OFFICE OF
28 ENFORCEMENT COUNSEL UNTIL RECEIPT AND REVIEW OF THE RESULTS
29 OF THE BACKGROUND INVESTIGATION UNDER SECTION 1517(C) (1.1)
30 (RELATING TO INVESTIGATIONS AND ENFORCEMENT).

1 * * *

2 [(4) THE BOARD SHALL ESTABLISH A SYSTEM OF
3 CLASSIFICATION AND COMPENSATION OF ITS EMPLOYEES AND SHALL
4 NOT BE SUBJECT TO THE PROVISIONS OF THE ACT OF APRIL 9, 1929
5 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929,
6 AS TO CLASSIFICATION AND COMPENSATION FOR ITS EMPLOYEES AND
7 CONDUCT ITS ACTIVITIES CONSISTENT WITH THE PRACTICES AND
8 PROCEDURES OF COMMONWEALTH AGENCIES.]

9 (4.1) WITHIN 90 DAYS OF THE EFFECTIVE DATE OF THIS
10 PARAGRAPH, THE BOARD SHALL ESTABLISH A SYSTEM OF
11 CLASSIFICATION AND COMPENSATION OF ITS EMPLOYEES AND SHALL BE
12 SUBJECT TO THE PROVISIONS OF THE ACT OF APRIL 9, 1929
13 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929,
14 AS TO CLASSIFICATION AND COMPENSATION FOR ITS EMPLOYEES AND
15 CONDUCT ITS ACTIVITIES CONSISTENT WITH THE PRACTICES AND
16 PROCEDURES OF COMMONWEALTH AGENCIES. THE PROVISIONS OF THIS
17 PARAGRAPH SHALL APPLY TO EMPLOYEES HIRED AFTER THE EFFECTIVE
18 DATE OF THIS PARAGRAPH. NOTHING IN THIS PARAGRAPH SHALL
19 PREVENT THE BOARD FROM ALTERING A SYSTEM, OR ESTABLISHING A
20 NEW SYSTEM, OF CLASSIFICATION OR COMPENSATION FOR EMPLOYEES
21 HIRED PRIOR TO THE EFFECTIVE DATE OF THIS SECTION.

22 * * *

23 (B) SPECIFIC POWERS.--THE BOARD SHALL HAVE THE SPECIFIC
24 POWER AND DUTY:

25 * * *

26 (7) TO ADMINISTER OATHS, EXAMINE WITNESSES AND ISSUE
27 SUBPOENAS COMPELLING THE ATTENDANCE OF WITNESSES OR THE
28 PRODUCTION OF DOCUMENTS AND RECORDS OR OTHER EVIDENCE[. THE
29 PROVISIONS OF THIS PARAGRAPH SHALL APPLY TO DESIGNATED
30 OFFICERS AND EMPLOYEES.], OR TO DESIGNATE OFFICERS OR

1 EMPLOYEES TO PERFORM THESE DUTIES.

2 * * *

3 (23) THE BOARD SHALL NOT ISSUE OR RENEW A LICENSE OR
4 PERMIT UNLESS IT IS SATISFIED THAT THE APPLICANT HAS
5 DEMONSTRATED BY CLEAR AND CONVINCING EVIDENCE THAT THE
6 APPLICANT IS A PERSON OF GOOD CHARACTER, HONESTY AND
7 INTEGRITY AND IS A PERSON WHOSE PRIOR ACTIVITIES, CRIMINAL
8 RECORD, IF ANY, REPUTATION, HABITS AND ASSOCIATIONS DO NOT
9 POSE A THREAT TO THE PUBLIC INTEREST OR THE EFFECTIVE
10 REGULATION AND CONTROL OF SLOT MACHINE OPERATIONS OR CREATE
11 OR ENHANCE THE DANGER OF UNSUITABLE, UNFAIR OR ILLEGAL
12 PRACTICES, METHODS AND ACTIVITIES IN THE CONDUCT OF SLOT
13 MACHINE OPERATIONS OR THE CARRYING ON OF THE BUSINESS AND
14 FINANCIAL ARRANGEMENTS INCIDENTAL THERETO.

15 * * *

16 (30) TO PROMULGATE RULES AND REGULATIONS NECESSARY FOR
17 THE ADMINISTRATION AND ENFORCEMENT OF THIS PART, INCLUDING
18 REGULATIONS IN COOPERATION WITH THE PENNSYLVANIA LIQUOR
19 CONTROL BOARD AND REGULATIONS RELATING TO THE SALE AND
20 SERVICE OF LIQUOR AND MALT AND BREWED BEVERAGES BY LICENSEES.
21 [EXCEPT AS PROVIDED IN SECTION 1203 (RELATING TO TEMPORARY
22 REGULATIONS), REGULATIONS] REGULATIONS SHALL BE ADOPTED
23 PURSUANT TO THE ACT OF JULY 31, 1968 (P.L.769, NO.240),
24 REFERRED TO AS THE COMMONWEALTH DOCUMENTS LAW, AND THE ACT OF
25 JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS THE REGULATORY
26 REVIEW ACT.

27 (31) TO COLLECT AND POST INFORMATION ON ITS INTERNET
28 WEBSITE WITH SUFFICIENT DETAIL TO INFORM THE PUBLIC OF THE
29 CONTROLLING INTEREST OR OWNERSHIP INTEREST OF AN APPLICANT
30 FOR A SLOT MACHINE LICENSE OR A LICENSED GAMING ENTITY OR

1 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY
2 THEREOF. THE POSTING SHALL INCLUDE:

3 (I) THE NAMES OF ALL PERSONS WITH A CONTROLLING
4 INTEREST IN A PUBLICLY TRADED DOMESTIC OR FOREIGN
5 CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR
6 OTHER LEGAL ENTITY.

7 (II) THE NAMES OF ALL PERSONS WITH AN OWNERSHIP
8 INTEREST EQUAL TO OR GREATER THAN 1% OF A PRIVATELY HELD
9 DOMESTIC OR FOREIGN CORPORATION, PARTNERSHIP, LIMITED
10 LIABILITY COMPANY OR OTHER LEGAL ENTITY.

11 (III) THE NAME OF A TRUSTEE ENTITLED TO CAST THE
12 VOTE OF A PERSON UNDER SUBPARAGRAPH (I) OR (II).

13 (IV) THE NAMES OF ALL OFFICERS, DIRECTORS,
14 PRINCIPALS AND KEY EMPLOYEES OF A LICENSED GAMING ENTITY.

15 (32) TO APPOINT A TRUSTEE AS PRESCRIBED IN SECTION 1332
16 (RELATING TO APPOINTMENT OF TRUSTEE) TO ACT ON BEHALF OF THE
17 COMMONWEALTH AND THE BOARD TO OPERATE A LICENSED FACILITY AND
18 ENSURE COMPLIANCE WITH THIS PART.

19 (33) TO DEVELOP REGULATIONS. THE BOARD MAY CONSULT WITH
20 THE STATE ETHICS COMMISSION AND OTHER GOVERNMENTAL AGENCIES
21 IN DEVELOPING THE REGULATIONS TO GOVERN THE POSTEMPLOYMENT
22 LIMITATIONS AND RESTRICTIONS OF EMPLOYEES OF THE BOARD WHOSE
23 DUTIES SUBSTANTIALLY INVOLVE LICENSING OR ENFORCEMENT, THE
24 DEVELOPMENT OF LAWS OR THE DEVELOPMENT OR ADOPTION OF
25 REGULATIONS OR POLICY OR EMPLOYEES OF THE BOARD WHO HAVE
26 OTHER DISCRETIONARY AUTHORITY WHICH MAY AFFECT THE OUTCOME OF
27 AN ACTION OR DECISION UNDER THIS PART. THE BOARD SHALL
28 CONSULT WITH THE ADMINISTRATIVE OFFICE OF THE PENNSYLVANIA
29 COURTS REGARDING POSTEMPLOYMENT LIMITATIONS AND RESTRICTIONS
30 ON MEMBERS AND EMPLOYEES OF THE BOARD WHO ARE MEMBERS OF THE

1 PENNSYLVANIA BAR.

2 SECTION 5. SECTION 1202.1 OF TITLE 4 IS AMENDED TO READ:
3 § 1202.1. CODE OF CONDUCT.

4 (A) SCOPE.--THE BOARD SHALL ADOPT A COMPREHENSIVE CODE OF
5 CONDUCT PRIOR TO THE CONSIDERATION OF ANY LICENSE, PERMIT OR
6 REGISTRATION APPLICATION. THE CODE OF CONDUCT SHALL SUPPLEMENT
7 ALL OTHER REQUIREMENTS UNDER THIS PART AND 65 PA.C.S. PT. II
8 (RELATING TO ACCOUNTABILITY) AND SHALL PROVIDE GUIDELINES
9 APPLICABLE TO MEMBERS, EMPLOYEES, INDEPENDENT CONTRACTORS OF THE
10 BOARD AND THE IMMEDIATE [FAMILIES] FAMILY OF THE MEMBERS, AS
11 DEFINED IN SUBSECTION (E), EMPLOYEES AND INDEPENDENT CONTRACTORS
12 OF THE BOARD TO ENABLE THEM TO AVOID ANY PERCEIVED OR ACTUAL
13 CONFLICT OF INTEREST AND TO PROMOTE PUBLIC CONFIDENCE IN THE
14 INTEGRITY AND IMPARTIALITY OF THE BOARD. AT A MINIMUM, THE CODE
15 OF CONDUCT ADOPTED UNDER THIS SECTION SHALL INCLUDE REGISTRATION
16 OF LICENSED ENTITY REPRESENTATIVES UNDER SUBSECTION (B) AND THE
17 RESTRICTIONS UNDER [SUBSECTION (C)] SUBSECTIONS (C) AND (C.1).

18 (B) REGISTRATION.--

19 (1) A LICENSED ENTITY REPRESENTATIVE SHALL REGISTER WITH
20 THE BOARD IN A MANNER PRESCRIBED BY THE BOARD, WHICH SHALL
21 INCLUDE THE NAME, EMPLOYER OR FIRM, BUSINESS ADDRESS[,] AND
22 BUSINESS TELEPHONE NUMBER OF BOTH THE LICENSED ENTITY
23 REPRESENTATIVE AND [THE] ANY LICENSED ENTITY OR APPLICANT FOR
24 LICENSED ENTITY LICENSURE BEING REPRESENTED.

25 (2) A LICENSED ENTITY REPRESENTATIVE SHALL HAVE AN
26 [ONGOING] AFFIRMATIVE DUTY TO UPDATE ITS REGISTRATION
27 INFORMATION ON AN ONGOING BASIS AND FAILURE TO DO SO SHALL BE
28 PUNISHABLE BY THE BOARD.

29 (3) THE [REGISTRATION LIST] BOARD SHALL MAINTAIN A
30 REGISTRATION LIST WHICH SHALL CONTAIN THE INFORMATION

1 REQUIRED UNDER PARAGRAPH (1) AND WHICH SHALL BE AVAILABLE FOR
2 PUBLIC INSPECTION AT THE OFFICES OF THE BOARD AND ON THE
3 BOARD'S INTERNET WEBSITE.

4 (C) RESTRICTIONS.--A MEMBER OF THE BOARD SHALL:

5 (1) NOT ENGAGE IN ANY EX PARTE COMMUNICATION WITH ANY
6 PERSON.

7 (2) NOT ACCEPT ANY DISCOUNT, GIFT, GRATUITY,
8 COMPENSATION, TRAVEL, LODGING OR OTHER THING OF VALUE,
9 DIRECTLY OR INDIRECTLY, FROM ANY APPLICANT, [LICENSEE,]
10 LICENSED ENTITY, INCLUDING ANY AFFILIATE, SUBSIDIARY,
11 INTERMEDIARY OR HOLDING COMPANY THEREOF, PERMITTEE,
12 REGISTRANT OR LICENSED ENTITY REPRESENTATIVE THEREOF.

13 (3) DISCLOSE AND [DISQUALIFY] RECUSE HIMSELF FROM ANY
14 HEARING OR OTHER PROCEEDING IN WHICH THE MEMBER'S
15 OBJECTIVITY, IMPARTIALITY, INTEGRITY OR INDEPENDENCE OF
16 JUDGMENT MAY BE REASONABLY QUESTIONED DUE TO THE MEMBER'S
17 RELATIONSHIP OR ASSOCIATION WITH A PARTY CONNECTED TO ANY
18 HEARING OR PROCEEDING OR A PERSON APPEARING BEFORE THE BOARD.

19 (4) REFRAIN FROM ANY FINANCIAL OR BUSINESS DEALING WHICH
20 WOULD TEND TO REFLECT ADVERSELY ON THE MEMBER'S OBJECTIVITY,
21 IMPARTIALITY OR INDEPENDENCE OF JUDGMENT.

22 (5) NOT HOLD OR CAMPAIGN FOR PUBLIC OFFICE, HOLD AN
23 OFFICE IN ANY POLITICAL PARTY OR POLITICAL COMMITTEE AS
24 DEFINED IN SECTION 1513(D) (RELATING TO POLITICAL INFLUENCE),
25 CONTRIBUTE TO OR SOLICIT CONTRIBUTIONS TO A POLITICAL
26 CAMPAIGN, [PARTY,] POLITICAL PARTY, POLITICAL COMMITTEE OR
27 CANDIDATE, PUBLICLY ENDORSE A CANDIDATE OR ACTIVELY
28 PARTICIPATE IN A POLITICAL CAMPAIGN.

29 (6) NOT SOLICIT FUNDS FOR ANY CHARITABLE, EDUCATIONAL,
30 RELIGIOUS, HEALTH, FRATERNAL, CIVIC OR OTHER NONPROFIT ENTITY

1 FROM AN APPLICANT, LICENSED ENTITY OR AFFILIATE, SUBSIDIARY,
2 INTERMEDIARY OR HOLDING COMPANY OF A LICENSED ENTITY,
3 INTERESTED PARTY, PERMITTEE OR LICENSED ENTITY
4 REPRESENTATIVE. [A] UNLESS PROHIBITED UNDER § 1201(H) (4.1)
5 (RELATING TO PENNSYLVANIA GAMING CONTROL BOARD ESTABLISHED),
6 A BOARD MEMBER MAY SERVE AS AN OFFICER, EMPLOYEE OR MEMBER OF
7 THE GOVERNING BODY OF A NONPROFIT ENTITY AND MAY ATTEND, MAKE
8 PERSONAL CONTRIBUTIONS TO AND PLAN OR PRESIDE OVER THE
9 ENTITY'S FUNDRAISING EVENTS. A BOARD MEMBER MAY PERMIT HIS
10 NAME TO APPEAR ON THE LETTERHEAD USED FOR FUNDRAISING EVENTS
11 IF THE LETTERHEAD CONTAINS ONLY THE BOARD MEMBER'S NAME AND
12 POSITION WITH THE NONPROFIT ENTITY.

13 (7) NOT MEET OR ENGAGE IN DISCUSSIONS WITH ANY
14 APPLICANT, [PERSON LICENSED UNDER THIS PART] LICENSED ENTITY,
15 PERMITTEE, [OR A] LICENSED ENTITY REPRESENTATIVE OR PERSON
16 WHO PROVIDES GOODS, PROPERTY OR SERVICES TO A SLOT MACHINE
17 LICENSEE OR ANY OTHER PERSON OR ENTITY UNDER THE JURISDICTION
18 OF THE BOARD UNLESS THE MEETING OR DISCUSSION OCCURS ON THE
19 BUSINESS PREMISES OF THE BOARD AND IS RECORDED IN A LOG
20 MAINTAINED FOR THIS PURPOSE. THE LOG SHALL BE AVAILABLE FOR
21 PUBLIC INSPECTION DURING THE REGULAR BUSINESS HOURS OF THE
22 BOARD AND SHALL BE POSTED ON THE BOARD'S INTERNET WEBSITE.
23 THE LOG SHALL INCLUDE THE DATE AND TIME OF THE MEETING OR
24 DISCUSSION, THE NAMES OF THE PARTICIPANTS AND THE SUBJECT
25 MATTER DISCUSSED. THE PROVISIONS OF THIS PARAGRAPH SHALL NOT
26 APPLY TO MEETINGS [OF THE BOARD] TO CONSIDER MATTERS
27 REQUIRING THE PHYSICAL INSPECTION OF THE EQUIPMENT OR
28 PREMISES OF AN APPLICANT OR A LICENSED ENTITY AT [THEIR] THE
29 LOCATION OF THE LICENSED FACILITY.

30 (8) AVOID IMPROPRIETY AND THE APPEARANCE OF IMPROPRIETY

1 AT ALL TIMES AND OBSERVE STANDARDS AND CONDUCT THAT PROMOTE
2 PUBLIC CONFIDENCE IN THE OVERSIGHT OF GAMING.

3 (9) COMPLY WITH ANY OTHER LAWS, RULES OR REGULATIONS
4 RELATING TO THE CONDUCT OF A MEMBER.

5 (C.1) PROHIBITIONS.--

6 (1) NO MEMBER OR ATTORNEY OF THE OFFICE OF CHIEF COUNSEL
7 ADVISING THE BOARD ON A PARTICULAR LICENSING ISSUE OR
8 PROCEEDING OR EMPLOYEE WHOSE DUTIES RELATE TO LICENSING AND
9 WHO IS ADVISING THE BOARD ON A PARTICULAR LICENSING ISSUE OR
10 PROCEEDING SHALL ENGAGE IN ANY EX PARTE COMMUNICATION WITH
11 ANY PERSON.

12 (2) NO ATTORNEY REPRESENTING THE BUREAU OR THE OFFICE OF
13 ENFORCEMENT COUNSEL OR AN APPLICANT, LICENSEE OR PERMITTEE IN
14 ANY PROCEEDING SHALL ENGAGE IN AN EX PARTE COMMUNICATION WITH
15 A MEMBER, AN ATTORNEY OF THE OFFICE OF CHIEF COUNSEL ADVISING
16 THE BOARD ON A PROCEEDING OR A HEARING OFFICER OF THE BOARD.

17 (3) NO EMPLOYEE OF THE BUREAU OR THE OFFICE OF
18 ENFORCEMENT COUNSEL WHO IS INVOLVED IN A PROCEEDING SHALL
19 ENGAGE IN AN EX PARTE COMMUNICATION WITH A MEMBER, AN
20 ATTORNEY OF THE OFFICE OF CHIEF COUNSEL WHO IS ADVISING THE
21 BOARD ON THE PROCEEDING OR A HEARING OFFICER OF THE BOARD.

22 (C.2) PROCEDURES RELATING TO EX PARTE COMMUNICATIONS.--

23 (1) AN EX PARTE COMMUNICATION RECEIVED OR ENGAGED IN BY
24 A BOARD MEMBER, EMPLOYEE OR HEARING OFFICER SHALL BE RECORDED
25 IN A LOG MAINTAINED FOR THIS PURPOSE. THE LOG SHALL BE
26 AVAILABLE FOR PUBLIC INSPECTION DURING THE REGULAR BUSINESS
27 HOURS OF THE BOARD AND SHALL BE POSTED ON THE BOARD'S
28 INTERNET WEBSITE. THE LOG SHALL INCLUDE:

29 (I) THE NAME OF THE INDIVIDUAL DOCUMENTING THE EX
30 PARTE COMMUNICATION.

1 (II) THE DATE AND TIME OF THE EX PARTE
2 COMMUNICATION.

3 (III) THE NAMES OF ALL INDIVIDUALS INVOLVED IN THE
4 EX PARTE COMMUNICATION.

5 (IV) A DESCRIPTION OF THE SUBJECT MATTER DISCUSSED
6 AND A SUMMARY OF THE SUBSTANCE OF THE EX PARTE
7 COMMUNICATION.

8 (2) IN ADDITION TO DOCUMENTING AN EX PARTE COMMUNICATION
9 UNDER PARAGRAPH (1), NOTIFICATION OF THE SUBSTANCE OF THE
10 COMMUNICATION AND AN OPPORTUNITY TO RESPOND SHALL BE PROVIDED
11 TO ALL PERSONS DIRECTLY AFFECTED BY THE ANTICIPATED VOTE OR
12 ACTION OF THE BOARD RELATED TO THE EX PARTE COMMUNICATION.

13 (3) (I) A BOARD MEMBER, EMPLOYEE OR HEARING OFFICER WHO
14 ENGAGED IN OR RECEIVED AN EX PARTE COMMUNICATION SHALL
15 RECUSE HIMSELF FROM ANY HEARING OR OTHER PROCEEDING
16 RELATED TO THE EX PARTE COMMUNICATION IF THE CONTEXT AND
17 SUBSTANCE OF THE EX PARTE COMMUNICATION CREATES
18 SUBSTANTIAL REASONABLE DOUBT AS TO THE INDIVIDUAL'S
19 ABILITY TO ACT OBJECTIVELY, INDEPENDENTLY OR IMPARTIALLY.

20 (II) A BOARD MEMBER, EMPLOYEE OR HEARING OFFICER WHO
21 ENGAGED IN OR RECEIVED AN EX PARTE COMMUNICATION WHO
22 ELECTS NOT TO RECUSE HIMSELF FROM A HEARING OR OTHER
23 PROCEEDING SHALL STATE HIS REASONS FOR NOT RECUSING
24 HIMSELF ON THE RECORD PRIOR TO THE COMMENCEMENT OF THE
25 HEARING OR PROCEEDING.

26 (III) IF A LEGISLATIVE APPOINTEE RECUSES HIMSELF
27 FROM ANY HEARING OR OTHER PROCEEDING UNDER THIS SECTION,
28 ANY QUALIFIED MAJORITY VOTE REQUIRED UNDER THIS PART
29 SHALL CONSIST OF ALL OF THE REMAINING LEGISLATIVE
30 APPOINTEES AND AT LEAST TWO GUBERNATORIAL APPOINTEES.

1 (IV) FAILURE OF A HEARING OFFICER OR EMPLOYEE WHO
2 ENGAGED IN OR RECEIVED AN EX PARTE COMMUNICATION TO
3 RECUSE HIMSELF WHEN REQUIRED UNDER SUBPARAGRAPH (I) FROM
4 A HEARING OR OTHER PROCEEDING SHALL BE GROUNDS FOR APPEAL
5 TO THE BOARD.

6 (V) FAILURE OF A BOARD MEMBER WHO ENGAGED IN OR
7 RECEIVED AN EX PARTE COMMUNICATION TO RECUSE HIMSELF FROM
8 A HEARING OR OTHER PROCEEDING WHEN REQUIRED UNDER
9 SUBPARAGRAPH (I) SHALL BE GROUNDS FOR APPEAL TO A COURT
10 OF COMPETENT JURISDICTION IF THE BOARD ACTION BEING
11 APPEALED WOULD NOT HAVE OCCURRED WITHOUT THE
12 PARTICIPATION OF THE BOARD MEMBER.

13 (D) EX OFFICIO MEMBERS.--THE RESTRICTIONS UNDER SUBSECTION
14 (C) (5) SHALL NOT APPLY TO EX OFFICIO MEMBERS.

15 (E) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
16 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
17 SUBSECTION:

18 "EX PARTE COMMUNICATION." AN OFF-THE-RECORD COMMUNICATION
19 ENGAGED IN OR RECEIVED BY A MEMBER [OR], EMPLOYEE OR HEARING
20 OFFICER OF THE BOARD REGARDING THE MERITS OF OR ANY FACT IN
21 ISSUE RELATING TO A PENDING MATTER BEFORE THE BOARD OR WHICH MAY
22 REASONABLY BE EXPECTED TO COME BEFORE THE BOARD IN A CONTESTED
23 ON-THE-RECORD PROCEEDING. THE TERM SHALL NOT INCLUDE OFF-THE-
24 RECORD COMMUNICATIONS BY OR BETWEEN A MEMBER [OR], EMPLOYEE OR
25 HEARING OFFICER OF THE BOARD, [DEPARTMENT OF REVENUE]
26 DEPARTMENT, PENNSYLVANIA STATE POLICE, ATTORNEY GENERAL OR OTHER
27 LAW ENFORCEMENT OFFICIAL PRIOR TO THE BEGINNING OF THE
28 PROCEEDING SOLELY FOR THE PURPOSE OF SEEKING CLARIFICATION OR
29 CORRECTION TO EVIDENTIARY MATERIALS INTENDED FOR USE IN THE
30 PROCEEDINGS.

1 "IMMEDIATE FAMILY." THE SPOUSE, PARENTS, CHILDREN AND
2 SIBLINGS.

3 ["LICENSED ENTITY REPRESENTATIVE." A PERSON ACTING ON BEHALF
4 OF OR REPRESENTING THE INTEREST OF ANY APPLICANT, LICENSEE,
5 PERMITTEE OR REGISTRANT, INCLUDING AN ATTORNEY, AGENT OR
6 LOBBYIST, REGARDING ANY MATTER WHICH MAY REASONABLY BE EXPECTED
7 TO COME BEFORE THE BOARD.]

8 SECTION 6. TITLE 4 IS AMENDED BY ADDING A SECTION TO READ:
9 § 1202.2. EXPENSES OF THE PENNSYLVANIA GAMING CONTROL BOARD.

10 MEMBERS AND EMPLOYEES OF THE BOARD SHALL ONLY BE REIMBURSED
11 FOR ACTUAL AND REASONABLE EXPENSES INCURRED DURING THE
12 PERFORMANCE OF THEIR DUTIES UNDER THIS PART. IN ORDER TO RECEIVE
13 REIMBURSEMENT FOR AN EXPENSE IN EXCESS OF \$10, THE MEMBER OR
14 EMPLOYEE SHALL SUBMIT A RECEIPT VALIDATING THE EXPENSE INCURRED.
15 REIMBURSEMENTS, ALLOWANCES OR OTHER PAYMENTS IN AN AMOUNT
16 GREATER THAN THE EXPENSES FOR WHICH RECEIPTS ARE SUBMITTED ARE
17 PROHIBITED. RECEIPTS AND REQUESTS FOR REIMBURSEMENT SHALL BE
18 FINANCIAL RECORDS FOR PURPOSES OF THE ACT OF FEBRUARY 14, 2008
19 (P.L.6, NO.3), KNOWN AS THE RIGHT-TO-KNOW LAW.

20 SECTION 7. SECTION 1205(B)(1) AND (2) OF TITLE 4 ARE AMENDED
21 AND THE SUBSECTION IS AMENDED BY ADDING PARAGRAPHS TO READ:

22 § 1205. LICENSE OR PERMIT APPLICATION HEARING PROCESS; PUBLIC
23 INPUT HEARINGS.

24 * * *

25 (B) PUBLIC INPUT HEARING REQUIREMENT.--

26 (1) [PRIOR TO LICENSING A FACILITY UNDER THIS PART, THE
27 BOARD SHALL HOLD AT LEAST ONE PUBLIC INPUT HEARING ON THE
28 MATTER.] THE BOARD SHALL HOLD AT LEAST ONE PUBLIC INPUT
29 HEARING PRIOR TO:

30 (I) APPROVING A SLOT MACHINE LICENSE APPLICATION OR

1 RENEWING A SLOT MACHINE LICENSE.

2 (II) APPROVING THE STRUCTURAL REDESIGN OF A LICENSED
3 FACILITY LOCATED IN A CITY OF THE FIRST CLASS.

4 (2) ALL PUBLIC INPUT HEARINGS [RELATING TO AN
5 APPLICATION FOR A SLOT MACHINE LICENSE] UNDER PARAGRAPH (1)
6 SHALL BE HELD IN THE MUNICIPALITY WHERE THE LICENSED FACILITY
7 WILL BE, OR IS, LOCATED AND SHALL BE ORGANIZED IN COOPERATION
8 WITH THE MUNICIPALITY.

9 * * *

10 (4) IN ADDITION TO ANY WITNESSES SCHEDULED TO TESTIFY
11 UNDER PARAGRAPH (3), THE BOARD SHALL ESTABLISH A PUBLIC
12 COMMENT PERIOD DURING WHICH TIME MEMBERS OF THE PUBLIC MAY
13 ADDRESS THE BOARD REGARDING THE PROPOSED LICENSE OR
14 STRUCTURAL REDESIGN OF A LICENSED FACILITY UNDER PARAGRAPH
15 (1). THE BOARD, IN ITS DISCRETION, MAY PLACE REASONABLE TIME
16 LIMITS ON AN INDIVIDUAL'S COMMENTS.

17 SECTION 8. SECTIONS 1206(F) AND 1209(B) OF TITLE 4 ARE
18 AMENDED TO READ:

19 § 1206. BOARD MINUTES AND RECORDS.

20 * * *

21 (F) CONFIDENTIALITY OF INFORMATION.--[ALL]

22 (1) THE FOLLOWING INFORMATION SUBMITTED BY AN APPLICANT
23 OR LICENSEE PURSUANT TO SECTION 1310(A) (RELATING TO SLOT
24 MACHINE LICENSE APPLICATION CHARACTER REQUIREMENTS) OR
25 1308(A.1) (RELATING TO APPLICATIONS FOR LICENSE OR PERMIT) OR
26 OBTAINED BY THE BOARD OR THE BUREAU AS PART OF A BACKGROUND
27 OR OTHER INVESTIGATION FROM ANY SOURCE SHALL BE [CONSIDERED]
28 CONFIDENTIAL[.] AND WITHHELD FROM PUBLIC DISCLOSURE:

29 (I) ALL INFORMATION RELATING TO GOOD CHARACTER,
30 HONESTY AND INTEGRITY, INCLUDING FAMILY, HABITS,

1 REPUTATION, HISTORY OF CRIMINAL ACTIVITY, BUSINESS
2 ACTIVITIES, FINANCIAL AFFAIRS AND BUSINESS, PROFESSIONAL
3 AND PERSONAL ASSOCIATIONS SUBMITTED UNDER SECTION 1310(A)
4 OR 1308(A.1) OR OTHERWISE OBTAINED BY THE BOARD OR THE
5 BUREAU.

6 (II) NONPUBLIC PERSONAL INFORMATION, INCLUDING
7 TELEPHONE NUMBERS, SOCIAL SECURITY NUMBERS, EDUCATIONAL
8 RECORDS, MEMBERSHIPS, MEDICAL RECORDS, TAX RETURNS AND
9 DECLARATIONS, ACTUAL OR PROPOSED COMPENSATION, FINANCIAL
10 ACCOUNT RECORDS, CREDITWORTHINESS OR A FINANCIAL
11 CONDITION RELATING TO AN APPLICANT, LICENSEE OR PERMITTEE
12 OR THE IMMEDIATE FAMILY THEREOF.

13 (III) DOCUMENTS AND INFORMATION RELATING TO
14 PROPRIETARY INFORMATION, TRADE SECRETS, PATENTS OR
15 EXCLUSIVE LICENSES, ARCHITECTURAL AND ENGINEERING PLANS
16 AND INFORMATION RELATING TO COMPETITIVE MARKETING
17 MATERIALS AND STRATEGIES, WHICH MAY INCLUDE CUSTOMER-
18 IDENTIFYING INFORMATION OR CUSTOMER PROSPECTS FOR
19 SERVICES SUBJECT TO COMPETITION.

20 (IV) SECURITY INFORMATION, INCLUDING RISK PREVENTION
21 PLANS, DETECTION AND COUNTERMEASURES, LOCATION OF COUNT
22 ROOMS, EMERGENCY MANAGEMENT PLANS, SECURITY AND
23 SURVEILLANCE PLANS, EQUIPMENT AND USAGE PROTOCOLS AND
24 THEFT AND FRAUD PREVENTION PLANS AND COUNTERMEASURES.

25 (V) INFORMATION WITH RESPECT TO WHICH THERE IS A
26 REASONABLE POSSIBILITY THAT PUBLIC RELEASE OR INSPECTION
27 OF THE INFORMATION WOULD CONSTITUTE AN UNWARRANTED
28 INVASION INTO PERSONAL PRIVACY OF ANY INDIVIDUAL AS
29 DETERMINED BY THE BOARD.

30 (VI) RECORDS OF AN APPLICANT OR LICENSEE NOT

1 REQUIRED TO BE FILED WITH THE SECURITIES AND EXCHANGE
2 COMMISSION BY ISSUERS THAT EITHER HAVE SECURITIES
3 REGISTERED UNDER SECTION 12 OF THE SECURITIES EXCHANGE
4 ACT OF 1934 (48 STAT. 881, 15 U.S.C. § 78A ET SEQ.) OR
5 ARE REQUIRED TO FILE REPORTS UNDER SECTION 15(D) OF THE
6 SECURITIES EXCHANGE ACT OF 1934.

7 (VII) RECORDS CONSIDERED NONPUBLIC MATTERS OR
8 INFORMATION BY THE SECURITIES AND EXCHANGE COMMISSION AS
9 PROVIDED BY 17 CFR 200.80 (RELATING TO COMMISSION RECORDS
10 AND INFORMATION).

11 (VIII) ANY FINANCIAL INFORMATION DEEMED CONFIDENTIAL
12 BY THE BOARD UPON A SHOWING OF GOOD CAUSE BY THE
13 APPLICANT OR LICENSEE.

14 (2) NO CLAIM OF CONFIDENTIALITY SHALL BE MADE REGARDING
15 ANY INFORMATION FROM A CRIMINAL HISTORY RECORD CHECK THAT IS
16 AVAILABLE TO THE PUBLIC UNDER 18 PA.C.S. § 9121(B) (RELATING
17 TO NONCRIMINAL JUSTICE AGENCIES AND INDIVIDUALS).

18 (3) NO CLAIM OF CONFIDENTIALITY SHALL BE MADE REGARDING
19 ANY RECORD IN POSSESSION OF THE BOARD THAT IS OTHERWISE
20 PUBLICLY AVAILABLE FROM A COMMONWEALTH AGENCY, LOCAL AGENCY
21 OR OTHER JURISDICTION.

22 (4) EXCEPT AS PROVIDED IN SECTION 1517(F) (RELATING TO
23 [INVESTIGATION] INVESTIGATIONS AND ENFORCEMENT), THE
24 INFORMATION MADE CONFIDENTIAL PURSUANT TO THIS SECTION SHALL
25 BE WITHHELD FROM PUBLIC DISCLOSURE IN WHOLE OR IN PART,
26 EXCEPT THAT ANY CONFIDENTIAL INFORMATION SHALL BE RELEASED
27 UPON THE LAWFUL ORDER OF A COURT OF COMPETENT JURISDICTION
28 OR, WITH THE APPROVAL OF THE ATTORNEY GENERAL, TO A DULY
29 AUTHORIZED LAW ENFORCEMENT AGENCY OR SHALL BE RELEASED TO THE
30 PUBLIC, IN WHOLE OR IN PART, TO THE EXTENT THAT SUCH RELEASE

1 IS REQUESTED BY AN APPLICANT AND DOES NOT OTHERWISE CONTAIN
2 CONFIDENTIAL INFORMATION ABOUT ANOTHER PERSON.

3 (5) THE BOARD MAY SEEK A VOLUNTARY WAIVER OF
4 CONFIDENTIALITY FROM AN APPLICANT OR LICENSED ENTITY BUT MAY
5 NOT REQUIRE ANY APPLICANT OR LICENSED ENTITY TO WAIVE ANY
6 CONFIDENTIALITY PROVIDED FOR IN THIS SUBSECTION AS A
7 CONDITION FOR THE APPROVAL OR RENEWAL OF A LICENSE OR ANY
8 OTHER ACTION OF THE BOARD. ANY [PERSON WHO VIOLATES THIS
9 SUBSECTION] CURRENT OR FORMER BOARD MEMBER, EMPLOYEE OR
10 INDEPENDENT CONTRACTOR AND ANY CURRENT OR FORMER EMPLOYEE OF
11 THE DEPARTMENT, ATTORNEY GENERAL OR PENNSYLVANIA STATE POLICE
12 WHO PUBLICLY DISCLOSES CONFIDENTIAL INFORMATION IN VIOLATION
13 OF THIS SUBSECTION COMMITS A MISDEMEANOR AND SHALL BE
14 ADMINISTRATIVELY DISCIPLINED BY DISCHARGE, SUSPENSION,
15 TERMINATION OF CONTRACT OR OTHER FORMAL DISCIPLINARY ACTION
16 AS [THE BOARD DEEMS] APPROPRIATE.

17 * * *

18 § 1209. SLOT MACHINE LICENSE FEE.

19 * * *

20 (B) TERM.--A SLOT MACHINE LICENSE, AFTER PAYMENT OF THE FEE,
21 SHALL BE IN EFFECT UNLESS SUSPENDED, REVOKED OR NOT RENEWED BY
22 THE BOARD UPON GOOD CAUSE CONSISTENT WITH THE LICENSE
23 REQUIREMENTS AS PROVIDED FOR IN THIS PART. SLOT MACHINE
24 LICENSEES SHALL BE REQUIRED TO UPDATE THE INFORMATION IN THEIR
25 INITIAL APPLICATIONS ANNUALLY, AND THE LICENSE OF A LICENSEE IN
26 GOOD STANDING SHALL BE UPDATED AND RENEWED ANNUALLY FOR TWO
27 SUBSEQUENT YEARS FOLLOWING THE INITIAL LICENSE ISSUANCE.
28 THEREAFTER, LICENSE RENEWALS SHALL BE EVERY THREE YEARS. NOTHING
29 IN THIS SUBSECTION SHALL RELIEVE A LICENSEE OF THE AFFIRMATIVE
30 DUTY TO NOTIFY THE BOARD OF ANY CHANGES RELATING TO THE STATUS

1 OF ITS LICENSE OR TO ANY OTHER INFORMATION CONTAINED IN THE
2 APPLICATION MATERIALS ON FILE WITH THE BOARD. AS TO THE RENEWAL
3 OF A LICENSE, NO ADDITIONAL LICENSE FEE PURSUANT TO SUBSECTION
4 (A) SHALL BE REQUIRED.

5 * * *

6 SECTION 9. SECTION 1211 OF TITLE 4 IS AMENDED BY ADDING
7 SUBSECTIONS TO READ:

8 § 1211. REPORTS OF BOARD.

9 * * *

10 (A.1) ADDITIONAL REPORTING REQUIREMENTS.--(RESERVED).

11 (A.2) FACILITY RESPONSIBILITY.--(RESERVED).

12 (A.3) EXPENSES.--BEGINNING 30 DAYS AFTER THE EFFECTIVE DATE

13 OF THIS SUBSECTION, THE BOARD SHALL POST BY THE FIFTEENTH OF
14 EACH MONTH ON ITS INTERNET WEBSITE A LIST OF ALL ITS ITEMIZED
15 EXPENSES OF EMPLOYEES AND BOARD MEMBERS FOR THE PRECEDING MONTH.

16 THE LIST SHALL IDENTIFY THE NATURE OF THE EXPENSE AND THE
17 EMPLOYEE OR BOARD MEMBER TO WHICH AN EXPENSE IS ATTRIBUTABLE.

18 THE LIST SHALL INCLUDE EACH EXPENSE FOR WHICH A RECEIPT IS
19 SUBMITTED TO OBTAIN REIMBURSEMENT. IF THE EXPENSE IS DIRECTLY

20 ATTRIBUTABLE TO OR PAID BY A LICENSED GAMING ENTITY, THE LIST
21 SHALL IDENTIFY THE LICENSED GAMING ENTITY AND WHETHER THE

22 EXPENSE WAS PAID BY THE LICENSED GAMING ENTITY. BY OCTOBER 1 OF
23 EACH YEAR, A FINAL REPORT OF ALL EXPENSES FOR THE PRECEDING

24 FISCAL YEAR SHALL BE POSTED ON THE BOARD'S INTERNET WEBSITE AND
25 SHALL BE SUBMITTED TO THE APPROPRIATIONS COMMITTEE OF THE

26 SENATE, THE COMMUNITY, ECONOMIC AND RECREATIONAL DEVELOPMENT
27 COMMITTEE OF THE SENATE, THE APPROPRIATIONS COMMITTEE OF THE

28 HOUSE OF REPRESENTATIVES AND THE GAMING OVERSIGHT COMMITTEE OF
29 THE HOUSE OF REPRESENTATIVES.

30 * * *

1 SECTION 10. SECTION 1213 OF TITLE 4 IS AMENDED TO READ:

2 § 1213. LICENSE OR PERMIT PROHIBITION.

3 (1) [NO APPLICANT FOR A LICENSE OR PERMIT UNDER THIS
4 PART, INCLUDING PRINCIPALS AND KEY EMPLOYEES,] THE BOARD
5 SHALL BE PROHIBITED FROM GRANTING A PRINCIPAL LICENSE OR KEY
6 EMPLOYEE LICENSE TO A PERSON WHO HAS BEEN CONVICTED OF A
7 FELONY [OR GAMBLING OFFENSE] IN ANY JURISDICTION [SHALL BE
8 ISSUED A LICENSE OR PERMIT UNLESS 15 YEARS HAS ELAPSED FROM
9 THE DATE OF EXPIRATION OF THE SENTENCE FOR THE OFFENSE].

10 (2) [WHEN DETERMINING WHETHER TO ISSUE A LICENSE OR
11 PERMIT TO AN APPLICANT WHO HAS BEEN CONVICTED IN ANY
12 JURISDICTION OF A FELONY OR GAMBLING OFFENSE,] IN ADDITION TO
13 THE PROHIBITION UNDER PARAGRAPH (1), THE BOARD SHALL BE
14 PROHIBITED FROM GRANTING THE FOLLOWING:

15 (I) A PRINCIPAL LICENSE OR KEY EMPLOYEE LICENSE TO A
16 PERSON WHO HAS BEEN CONVICTED OF A MISDEMEANOR GAMBLING
17 OFFENSE IN ANY JURISDICTION UNLESS 15 YEARS HAS ELAPSED
18 FROM THE DATE OF THE EXPIRATION OF THE SENTENCE FOR THE
19 OFFENSE.

20 (II) A GAMING EMPLOYEE PERMIT OR LICENSE OTHER THAN
21 A PRINCIPAL LICENSE OR KEY EMPLOYEE LICENSE TO A PERSON
22 WHO HAS BEEN CONVICTED OF A FELONY OR GAMBLING OFFENSE IN
23 ANY JURISDICTION UNLESS 15 YEARS HAS ELAPSED FROM THE
24 DATE OF THE EXPIRATION OF THE SENTENCE FOR THE OFFENSE.

25 (3) IN DETERMINING WHETHER TO ISSUE A LICENSE OR PERMIT
26 UNDER PARAGRAPH (2), THE BOARD SHALL CONSIDER THE FOLLOWING
27 FACTORS:

28 [(1)] (I) THE NATURE AND DUTIES OF THE APPLICANT'S
29 POSITION WITH THE LICENSED ENTITY.

30 [(2)] (II) THE NATURE AND SERIOUSNESS OF THE OFFENSE

1 OR CONDUCT.

2 [(3)] (III) THE CIRCUMSTANCES UNDER WHICH THE
3 OFFENSE OR CONDUCT OCCURRED.

4 [(4)] (IV) THE AGE OF THE APPLICANT WHEN THE OFFENSE
5 OR CONDUCT WAS COMMITTED.

6 [(5)] (V) WHETHER THE OFFENSE OR CONDUCT WAS AN
7 ISOLATED OR A REPEATED INCIDENT.

8 [(6)] (VI) ANY EVIDENCE OF REHABILITATION, INCLUDING
9 GOOD CONDUCT IN THE COMMUNITY, COUNSELING OR PSYCHIATRIC
10 TREATMENT RECEIVED AND THE RECOMMENDATION OF PERSONS WHO
11 HAVE SUBSTANTIAL CONTACT WITH THE APPLICANT.

12 SECTION 10.1. SECTION 1308 OF TITLE 4 IS AMENDED BY ADDING A
13 SUBSECTION TO READ:

14 § 1308. APPLICATIONS FOR LICENSE OR PERMIT.

15 * * *

16 (A.1) SUBMISSION OF INFORMATION.--NOTWITHSTANDING THE
17 PROVISIONS OF 18 PA.C.S. § 9124(B) (RELATING TO USE OF RECORDS
18 BY LICENSING AGENCIES), AN APPLICATION FOR A LICENSE OR PERMIT
19 UNDER THIS PART SHALL INCLUDE ALL ARRESTS AND CONVICTIONS OF THE
20 APPLICANT, INCLUDING SUMMARY OFFENSES. THE INFORMATION SHALL
21 INCLUDE:

22 (1) A BRIEF DESCRIPTION OF THE CIRCUMSTANCES SURROUNDING
23 THE ARREST.

24 (2) THE SPECIFIC OFFENSE CHARGED.

25 (3) THE ULTIMATE DISPOSITION OF THE CHARGES, INCLUDING
26 THE DETAILS OF ANY DISMISSAL, PLEA BARGAIN, CONVICTION OR
27 SENTENCE, INCLUDING ANY PARDON, EXPUNGEMENT OR ORDER OF
28 ACCELERATED REHABILITATIVE DISPOSITION.

29 * * *

30 SECTION 10.2. SECTIONS 1310, 1326(A), 1328(A) (1) AND (B) AND

1 1329 OF TITLE 4 ARE AMENDED TO READ:

2 § 1310. SLOT MACHINE LICENSE APPLICATION CHARACTER
3 REQUIREMENTS.

4 (A) APPLICATION.--

5 (1) EVERY APPLICATION FOR A SLOT MACHINE LICENSE SHALL
6 INCLUDE SUCH INFORMATION, DOCUMENTATION AND ASSURANCES AS MAY
7 BE REQUIRED TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE
8 APPLICANT'S SUITABILITY, INCLUDING GOOD CHARACTER, HONESTY
9 AND INTEGRITY. INFORMATION SHALL INCLUDE, WITHOUT LIMITATION,
10 INFORMATION PERTAINING TO FAMILY, HABITS, CHARACTER,
11 REPUTATION, CRIMINAL HISTORY BACKGROUND, BUSINESS ACTIVITIES,
12 FINANCIAL AFFAIRS AND BUSINESS, PROFESSIONAL AND PERSONAL
13 ASSOCIATES, COVERING AT LEAST THE TEN-YEAR PERIOD IMMEDIATELY
14 PRECEDING THE FILING DATE OF THE APPLICATION.

15 (2) NOTWITHSTANDING 18 PA.C.S. § 9124(B) (RELATING TO
16 USE OF RECORDS BY LICENSING AGENCIES), A CONVICTION THAT HAS
17 BEEN EXPUNGED OR OVERTURNED, OR FOR WHICH A PERSON HAS BEEN
18 PARDONED OR AN ORDER OF ACCELERATED REHABILITATIVE
19 DISPOSITION HAS BEEN ENTERED, SHALL BE INCLUDED WITH AN
20 APPLICATION AND SHALL BE CONSIDERED BY THE BOARD AS PART OF
21 THE REVIEW OF THE APPLICANT'S SUITABILITY UNDER PARAGRAPH
22 (1).

23 (B) CIVIL JUDGMENTS AND LAW ENFORCEMENT AGENCY
24 INFORMATION.--EACH APPLICANT SHALL NOTIFY THE BOARD OF ANY CIVIL
25 JUDGMENTS OBTAINED AGAINST THE APPLICANT PERTAINING TO ANTITRUST
26 OR SECURITY REGULATION LAWS OF THE FEDERAL GOVERNMENT, THIS
27 COMMONWEALTH OR ANY OTHER STATE, JURISDICTION, PROVINCE OR
28 COUNTRY. IN ADDITION, EACH APPLICANT SHALL PRODUCE A LETTER OF
29 REFERENCE FROM LAW ENFORCEMENT AGENCIES HAVING JURISDICTION IN
30 THE APPLICANT'S PLACE OF RESIDENCE AND PRINCIPAL PLACE OF

1 BUSINESS, WHICH LETTER OF REFERENCE SHALL INDICATE THAT THE LAW
2 ENFORCEMENT AGENCIES DO NOT HAVE ANY PERTINENT INFORMATION
3 CONCERNING THE APPLICANT OR, IF THE LAW ENFORCEMENT AGENCY DOES
4 HAVE INFORMATION PERTAINING TO THE APPLICANT, SHALL SPECIFY THE
5 NATURE AND CONTENT OF THAT INFORMATION. IF NO LETTERS ARE
6 RECEIVED WITHIN 30 DAYS OF THE REQUEST, THE APPLICANT MAY SUBMIT
7 A STATEMENT UNDER OATH WHICH IS SUBJECT TO THE PENALTY FOR FALSE
8 SWEARING UNDER 18 PA.C.S. § 4903 (RELATING TO FALSE SWEARING)
9 THAT THE APPLICANT IS OR WAS DURING THE PERIOD THE ACTIVITIES
10 WERE CONDUCTED IN GOOD STANDING WITH THE GAMING OR CASINO
11 ENFORCEMENT OR CONTROL AGENCY.

12 (C) GAMING OR CASINO ENFORCEMENT AGENCY INFORMATION.--IF THE
13 APPLICANT HAS HELD A GAMING LICENSE IN A JURISDICTION WHERE
14 GAMING ACTIVITIES ARE PERMITTED, THE APPLICANT SHALL PRODUCE A
15 LETTER OF REFERENCE FROM THE GAMING OR CASINO ENFORCEMENT OR
16 CONTROL AGENCY WHICH SHALL SPECIFY THE EXPERIENCES OF THAT
17 AGENCY WITH THE APPLICANT, THE APPLICANT'S ASSOCIATES AND THE
18 APPLICANT'S GAMING OPERATION. IF NO LETTERS ARE RECEIVED WITHIN
19 30 DAYS OF THE REQUEST, THE APPLICANT MAY SUBMIT A STATEMENT
20 UNDER OATH WHICH IS SUBJECT TO THE PENALTY FOR FALSE SWEARING
21 UNDER 18 PA.C.S. § 4903 THAT THE APPLICANT IS OR WAS DURING THE
22 PERIOD THE ACTIVITIES WERE CONDUCTED IN GOOD STANDING WITH THE
23 GAMING OR CASINO ENFORCEMENT OR CONTROL AGENCY.

24 (D) AGENCY RECORDS.--EACH APPLICANT FOR A SLOT MACHINE
25 LICENSE, PRINCIPAL LICENSE OR KEY EMPLOYEE LICENSE SHALL BE
26 REQUIRED TO APPLY TO THE FEDERAL AGENCY DEEMED APPROPRIATE BY
27 THE BOARD FOR AGENCY RECORDS UNDER THE FREEDOM OF INFORMATION
28 ACT (PUBLIC LAW 89-554, 5 U.S.C. § 522) PERTAINING TO THE
29 APPLICANT AND PROVIDE THE BOARD WITH THE COMPLETE RECORD
30 RECEIVED FROM THE FEDERAL GOVERNMENT. THE BOARD MAY ISSUE A

1 LICENSE TO THE APPLICANT PRIOR TO THE RECEIPT OF INFORMATION
2 UNDER THIS SUBSECTION.

3 § 1326. LICENSE RENEWALS.

4 (A) RENEWAL.--ALL PERMITS AND LICENSES ISSUED UNDER THIS
5 PART UNLESS OTHERWISE PROVIDED SHALL BE SUBJECT TO RENEWAL ON AN
6 ANNUAL BASIS [UPON THE APPLICATION OF THE HOLDER OF THE PERMIT
7 OR LICENSE SUBMITTED TO THE BOARD AT LEAST 60 DAYS PRIOR TO THE
8 EXPIRATION OF THE PERMIT OR LICENSE] FOR THE FIRST TWO YEARS
9 FOLLOWING THE INITIAL ISSUANCE. THEREAFTER, ALL PERMITS AND
10 LICENSES SHALL BE SUBJECT TO RENEWAL EVERY THREE YEARS. NOTHING
11 IN THIS SUBSECTION SHALL RELIEVE A LICENSEE OF THE AFFIRMATIVE
12 DUTY TO NOTIFY THE BOARD OF ANY CHANGES RELATING TO THE STATUS
13 OF ITS LICENSE OR TO ANY OTHER INFORMATION CONTAINED IN THE
14 APPLICATION MATERIALS ON FILE WITH THE BOARD. THE APPLICATION
15 FOR RENEWAL SHALL BE SUBMITTED AT LEAST 60 DAYS PRIOR TO THE
16 EXPIRATION OF THE PERMIT OR LICENSE AND SHALL INCLUDE AN UPDATE
17 OF THE INFORMATION CONTAINED IN THE INITIAL AND ANY PRIOR
18 RENEWAL APPLICATIONS AND THE PAYMENT OF ANY RENEWAL FEE REQUIRED
19 BY THIS PART. THE AMOUNT OF ANY RENEWAL FEE SHALL BE CALCULATED
20 BY THE BOARD TO REFLECT THE LONGER RENEWAL PERIOD. A PERMIT OR
21 LICENSE FOR WHICH A COMPLETED RENEWAL APPLICATION AND FEE, IF
22 REQUIRED, HAS BEEN RECEIVED BY THE BOARD WILL CONTINUE IN EFFECT
23 UNLESS AND UNTIL THE BOARD SENDS WRITTEN NOTIFICATION TO THE
24 HOLDER OF THE PERMIT OR LICENSE THAT THE BOARD HAS DENIED THE
25 RENEWAL OF SUCH PERMIT OR LICENSE.

26 * * *

27 § 1328. CHANGE IN OWNERSHIP OR CONTROL OF SLOT MACHINE
28 LICENSEE.

29 (A) NOTIFICATION AND APPROVAL.--

30 (1) A SLOT MACHINE LICENSEE SHALL NOTIFY THE BOARD

1 [PRIOR TO OR] IMMEDIATELY UPON BECOMING AWARE OF ANY PROPOSED
2 OR CONTEMPLATED CHANGE OF OWNERSHIP OF THE SLOT MACHINE
3 LICENSEE BY A PERSON OR GROUP OF PERSONS ACTING IN CONCERT
4 WHICH INVOLVES ANY OF THE FOLLOWING:

5 (I) MORE THAN 5% OF A SLOT MACHINE LICENSEE'S
6 SECURITIES OR OTHER OWNERSHIP INTERESTS.

7 (II) MORE THAN 5% OF THE SECURITIES OR OTHER
8 OWNERSHIP INTERESTS OF A CORPORATION OR OTHER FORM OF
9 BUSINESS ENTITY THAT OWNS DIRECTLY OR INDIRECTLY AT LEAST
10 20% OF THE VOTING OR OTHER SECURITIES OR OTHER OWNERSHIP
11 INTERESTS OF THE LICENSEE.

12 (III) THE SALE OTHER THAN IN THE ORDINARY COURSE OF
13 BUSINESS OF A LICENSEE'S ASSETS.

14 (IV) ANY OTHER TRANSACTION OR OCCURRENCE DEEMED BY
15 THE BOARD TO BE RELEVANT TO LICENSE QUALIFICATIONS.

16 * * *

17 (B) QUALIFICATION OF PURCHASER OF SLOT MACHINE LICENSEE;
18 CHANGE OF CONTROL.--THE PURCHASER OF THE SLOT MACHINE LICENSE OR
19 ASSETS, OTHER THAN IN THE ORDINARY COURSE OF BUSINESS, OF ANY
20 SLOT MACHINE LICENSEE SHALL INDEPENDENTLY QUALIFY FOR A LICENSE
21 IN ACCORDANCE WITH THIS PART AND SHALL PAY THE LICENSE FEE AS
22 REQUIRED BY SECTION 1209 (RELATING TO SLOT MACHINE LICENSE FEE).
23 A CHANGE IN CONTROL OF ANY SLOT MACHINE LICENSEE SHALL REQUIRE
24 THAT THE SLOT MACHINE LICENSEE INDEPENDENTLY QUALIFY FOR A
25 LICENSE IN ACCORDANCE WITH THIS PART, AND THE SLOT MACHINE
26 LICENSEE SHALL PAY A NEW LICENSE FEE AS REQUIRED BY SECTION
27 1209, EXCEPT AS OTHERWISE REQUIRED BY THE BOARD PURSUANT TO THIS
28 SECTION. THE NEW LICENSE FEE SHALL BE PAID UPON THE ASSIGNMENT
29 AND ACTUAL CHANGE OF CONTROL OR OWNERSHIP OF THE SLOT MACHINE
30 LICENSE.

1 * * *

2 § 1329. [NONPORTABILITY] PORTABILITY AND RELOCATION OF SLOT
3 MACHINE LICENSE.

4 (A) GENERAL RULE.--EACH SLOT MACHINE LICENSE SHALL ONLY BE
5 VALID FOR THE SPECIFIC PHYSICAL LOCATION WITHIN THE MUNICIPALITY
6 AND COUNTY FOR WHICH IT WAS ORIGINALLY GRANTED.

7 (B) PETITION.--AN APPLICANT FOR A SLOT MACHINE LICENSE OR A
8 SLOT MACHINE LICENSEE MAY PETITION THE BOARD TO RELOCATE THE
9 APPROVED PHYSICAL LOCATION OF A LICENSED FACILITY. IN EVALUATING
10 A PETITION TO RELOCATE, THE BOARD SHALL CONSIDER THE FOLLOWING
11 FACTORS:

12 (1) THE ADDRESS OF THE PROPOSED NEW LOCATION AND THE
13 REASON FOR THE RELOCATION.

14 (2) A COMPARATIVE ANALYSIS, SUBMITTED BY THE PETITIONER,
15 DETAILING ESTIMATED GROSS TERMINAL REVENUES AT THE NEW
16 LOCATION WITH ESTIMATED GROSS TERMINAL REVENUES AT THE
17 ORIGINAL LOCATION.

18 (3) A COMPARATIVE ANALYSIS, SUBMITTED BY THE PETITIONER,
19 DETAILING THE ECONOMIC IMPACT OF THE LICENSED FACILITY AT THE
20 NEW LOCATION WITH THE ESTIMATED ECONOMIC IMPACT AT THE
21 ORIGINAL LOCATION. THE COMPARATIVE ANALYSIS SHALL INCLUDE THE
22 TOTAL COST OF THE PROJECT AND PROJECTED DIRECT AND INDIRECT
23 EMPLOYMENT FIGURES.

24 (4) A COMPREHENSIVE TRAFFIC STUDY COMMISSIONED BY THE
25 BOARD.

26 (5) COMMUNITY SUPPORT OR OPPOSITION.

27 (6) ANY OTHER INFORMATION REQUESTED BY THE BOARD.

28 (C) RELOCATION.--A [NO] SLOT MACHINE LICENSEE [SHALL] MAY BE
29 PERMITTED TO MOVE OR RELOCATE THE PHYSICAL LOCATION OF THE
30 LICENSED FACILITY [WITHOUT] WITH BOARD APPROVAL [FOR] UPON GOOD

1 CAUSE SHOWN IF:

2 (1) THE RELOCATED LICENSED FACILITY REMAINS WITHIN THE
3 SAME COUNTY AS ORIGINALLY LICENSED;

4 (2) THE RELOCATION WILL FACILITATE THE TIMELY
5 COMMENCEMENT OF GAMING OPERATIONS;

6 (3) THE RELOCATED LICENSED FACILITY COMPLIES WITH ALL
7 OTHER PROVISIONS OF THIS PART RELATED TO THE SITING AND
8 LOCATION OF A LICENSED FACILITY; AND

9 (4) RELOCATION OF THE LICENSED FACILITY IS IN THE BEST
10 INTERESTS OF THE COMMONWEALTH.

11 (D) PUBLIC INPUT HEARING.--THE BOARD SHALL HOLD AT LEAST ONE
12 PUBLIC INPUT HEARING IN THE MUNICIPALITY WHERE THE LICENSED
13 FACILITY WILL BE LOCATED PRIOR TO RULING ON THE PETITION.

14 (E) RESTRICTION.--NO GRANT OR LOAN FROM THE COMMONWEALTH MAY
15 BE AWARDED FOR THE PURPOSE OF RELOCATING OR DEVELOPING THE
16 RELOCATED LICENSED FACILITY TO COMPLY WITH ANY CONDITIONS OF
17 APPROVAL OF THE RELOCATION.

18 SECTION 11. TITLE 4 IS AMENDED BY ADDING A SECTION TO READ:
19 § 1332. APPOINTMENT OF TRUSTEE.

20 (A) APPOINTMENT.--UPON PETITION OF THE OFFICE OF ENFORCEMENT
21 COUNSEL, THE BOARD MAY ORDER THE APPOINTMENT OF A TRUSTEE FROM
22 THE LIST REQUIRED UNDER SUBSECTION (J) TO ACT ON BEHALF OF THE
23 INTERESTS OF THE COMMONWEALTH AND THE BOARD TO ASSURE COMPLIANCE
24 WITH THIS PART AND ANY CONDITIONS IMPOSED UPON THE SLOT MACHINE
25 LICENSE IN THE FOLLOWING CIRCUMSTANCES:

26 (1) UPON THE REVOCATION, SUSPENSION OR NONRENEWAL OF A
27 SLOT MACHINE LICENSE OR A PRINCIPAL LICENSE IF THE PRINCIPAL
28 LICENSEE IS THE ONLY PRINCIPAL WHO EXERCISES OPERATIONAL
29 CONTROL OF THE LICENSED FACILITY.

30 (2) UPON THE FAILURE TO RENEW A SLOT MACHINE LICENSE OR

1 A PRINCIPAL LICENSE IF THE PRINCIPAL LICENSEE IS THE ONLY
2 PRINCIPAL WHO EXERCISES OPERATIONAL CONTROL OF THE LICENSED
3 FACILITY UNTIL THE SLOT MACHINE OR PRINCIPAL LICENSE IS
4 RENEWED OR UNTIL THE DISCONTINUATION OF THE TRUSTEESHIP
5 PURSUANT TO SUBSECTION (I).

6 (3) IF NECESSARY TO PROTECT THE BEST INTERESTS OF THE
7 COMMONWEALTH.

8 (B) QUALIFICATIONS.--THE FOLLOWING SHALL APPLY:

9 (1) A TRUSTEE SHALL BE REQUIRED TO QUALIFY AS A
10 PRINCIPAL AND OBTAIN A PRINCIPAL LICENSE PURSUANT TO THIS
11 PART. THE BOARD MAY APPOINT A TRUSTEE AND AWARD THE TRUSTEE A
12 TEMPORARY PRINCIPAL LICENSE AS PRESCRIBED IN BOARD
13 REGULATIONS.

14 (2) BEFORE ASSUMING DUTIES, A TRUSTEE SHALL EXECUTE AND
15 FILE A BOND FOR THE FAITHFUL PERFORMANCE OF THE TRUSTEE'S
16 DUTIES. THE BOND SHALL BE PAYABLE TO THE BOARD WITH SURETIES
17 AND IN THE AMOUNT AND FORM AS REQUIRED BY BOARD ORDER. THE
18 COST OF THE BOND SHALL BE PAID BY THE FORMER OR SUSPENDED
19 LICENSEE.

20 (3) A TRUSTEE SHALL BE A RESIDENT OF THIS COMMONWEALTH.

21 (C) POWERS.--A TRUSTEE APPOINTED UNDER THIS SECTION SHALL
22 EXERCISE ONLY THOSE POWERS AND PERFORM THOSE DUTIES EXPRESSLY
23 CONFERRED UPON THE TRUSTEE BY THE BOARD. THE BOARD'S ORDER
24 APPOINTING THE TRUSTEE SHALL SET FORTH THE POWERS, DUTIES AND
25 RESPONSIBILITIES OF THE TRUSTEES WHICH MAY INCLUDE:

26 (1) MAINTAINING AND OPERATING THE LICENSED FACILITY IN A
27 MANNER THAT COMPLIES WITH THIS PART AND ANY CONDITIONS
28 IMPOSED BY THE BOARD.

29 (2) MAINTAINING AND OPERATING THE LICENSED FACILITY
30 CONSISTENT WITH THE MEASURES GENERALLY TAKEN IN THE ORDINARY

1 COURSE OF BUSINESS INCLUDING:

2 (I) ENTERING INTO CONTRACTS.

3 (II) BORROWING MONEY.

4 (III) PLEDGING, MORTGAGING OR OTHERWISE ENCUMBERING
5 THE LICENSED FACILITY OR PROPERTY THEREOF AS SECURITY FOR
6 THE REPAYMENT OF LOANS SUBJECT TO ANY PROVISIONS AND
7 RESTRICTIONS IN ANY EXISTING CREDIT DOCUMENTS.

8 (IV) HIRING, FIRING AND DISCIPLINING EMPLOYEES.

9 (3) EXERCISING THE RIGHTS AND OBLIGATIONS OF THE FORMER
10 OR SUSPENDED LICENSEE.

11 (4) TAKING POSSESSION OF ALL OF THE PROPERTY OF THE SLOT
12 MACHINE LICENSEE, INCLUDING ITS BOOKS, RECORDS AND PAPERS.

13 (5) ESTABLISHING ACCOUNTS WITH FINANCIAL INSTITUTIONS.
14 AN ACCOUNT MAY NOT BE ESTABLISHED WITH A FINANCIAL
15 INSTITUTION IN WHICH AN AFFILIATE OF THE FORMER OR SUSPENDED
16 LICENSEE, OR IN WHICH THE TRUSTEE, OR AN IMMEDIATE FAMILY
17 MEMBER OF THE TRUSTEE, HAS A CONTROLLING INTEREST.

18 (6) MEETING WITH THE FORMER OR SUSPENDED LICENSEE.

19 (7) MEETING WITH PRINCIPALS AND KEY EMPLOYEES AT THE
20 LICENSED FACILITY.

21 (8) MEETING WITH THE INDEPENDENT AUDIT COMMITTEE.

22 (9) MEETING WITH THE BOARD'S EXECUTIVE DIRECTOR AND
23 KEEPING THE BOARD'S EXECUTIVE DIRECTOR APPRISED OF ACTIONS
24 TAKEN AND THE TRUSTEE'S PLANS AND GOALS FOR THE FUTURE.

25 (10) HIRING LEGAL COUNSEL, ACCOUNTANTS OR OTHER
26 CONSULTANTS OR ASSISTANTS, WITH PRIOR APPROVAL OF THE BOARD,
27 AS NECESSARY TO CARRY OUT THE TRUSTEE'S DUTIES AND
28 RESPONSIBILITIES.

29 (11) SETTLING OR COMPROMISING WITH ANY DEBTOR OR
30 CREDITOR OF THE FORMER OR SUSPENDED LICENSEE, INCLUDING ANY

1 TAXING AUTHORITY.

2 (12) REVIEWING OUTSTANDING AGREEMENTS TO WHICH THE
3 FORMER OR SUSPENDED LICENSEE IS A PARTY AND ADVISING THE
4 BOARD AS TO WHICH, IF ANY, OF THE AGREEMENTS SHOULD BE THE
5 SUBJECT OF SCRUTINY, EXAMINATION OR INVESTIGATION BY THE
6 BOARD.

7 (13) OBTAINING BOARD APPROVAL PRIOR TO ANY SALE, CHANGE
8 OF OWNERSHIP, CHANGE OF CONTROL, CHANGE OF FINANCIAL STATUS,
9 RESTRUCTURING, TRANSFER OF ASSETS OR EXECUTION OF A CONTRACT
10 OR ANY OTHER ACTION TAKEN OUTSIDE OF THE ORDINARY COURSE OF
11 BUSINESS.

12 (14) OBTAINING BOARD APPROVAL FOR ANY PAYMENTS OUTSIDE
13 OF THOSE MADE IN THE ORDINARY COURSE OF BUSINESS.
14 NOTWITHSTANDING ANY PROVISION CONTAINED IN THIS SUBSECTION TO
15 THE CONTRARY, THE TRUSTEE SHALL HAVE THE DUTY TO CONSERVE AND
16 PRESERVE THE ASSETS OF THE LICENSED ENTITY.

17 (D) COMPENSATION.--THE BOARD SHALL ESTABLISH THE
18 COMPENSATION OF THE TRUSTEE AND SHALL REVIEW AND APPROVE ACTUAL
19 AND REASONABLE COSTS AND EXPENSES OF THE TRUSTEE, LEGAL COUNSEL,
20 ACCOUNTANTS OR OTHER CONSULTANTS OR ASSISTANTS HIRED BY THE
21 TRUSTEE AND OTHER PERSONS THE BOARD MAY APPOINT IN CONNECTION
22 WITH THE TRUSTEESHIP ACTION. THE COMPENSATION, COSTS AND
23 EXPENSES SHALL BE PAID BY THE FORMER OR SUSPENDED LICENSEE.
24 TOTAL COMPENSATION FOR THE TRUSTEE AND ALL INDIVIDUALS HIRED OR
25 RETAINED BY THE TRUSTEE UNDER SUBSECTION (C) (10) SHALL NOT
26 EXCEED \$600 PER HOUR IN THE AGGREGATE.

27 (E) REPORTS.--A TRUSTEE SHALL FILE REPORTS WITH REGARD TO
28 THE ADMINISTRATION OF THE TRUSTEESHIP WITH THE BOARD IN THE FORM
29 AND AT INTERVALS AS THE BOARD ORDERS. THE BOARD MAY DIRECT THAT
30 COPIES OR PORTIONS OF THE TRUSTEE'S REPORTS BE MAILED TO

1 CREDITORS OR OTHER PARTIES IN INTEREST AND MAKE SUMMARIES OF THE
2 REPORTS AVAILABLE TO THE PUBLIC AND SHALL POST THEM ON THE
3 BOARD'S INTERNET WEBSITE.

4 (F) REVIEW OF ACTIONS.--A CREDITOR OR PARTY IN INTEREST
5 AGGRIEVED BY ANY ALLEGED BREACH OF A DELEGATED POWER OR DUTY OF
6 A TRUSTEE IN THE DISCHARGE OF THE TRUSTEE'S DUTIES MAY REQUEST A
7 REVIEW OF THE TRUSTEE'S ACTION OR INACTION BY FILING A PETITION
8 IN ACCORDANCE WITH BOARD REGULATIONS. THE PETITION MUST SET
9 FORTH IN DETAIL THE PERTINENT FACTS AND THE REASONS WHY THE
10 FACTS CONSTITUTE THE ALLEGED BREACH. THE BOARD WILL REVIEW ANY
11 PETITION FILED UNDER THIS SECTION AND TAKE WHATEVER ACTION, IF
12 ANY, IT DEEMS APPROPRIATE.

13 (G) EFFECT OF THE TRUSTEESHIP.--AFTER ISSUANCE OF AN ORDER
14 TO APPOINT A TRUSTEE, THE FORMER OR SUSPENDED PRINCIPAL OR SLOT
15 MACHINE LICENSEE MAY NOT EXERCISE ANY OF ITS PRIVILEGES, COLLECT
16 OR RECEIVE ANY DEBTS AND PAY OUT, SELL, ASSIGN OR TRANSFER ANY
17 OF ITS PROPERTY TO ANYONE WITHOUT PRIOR APPROVAL OF THE
18 APPOINTED TRUSTEE AND THE BOARD.

19 (H) DISPOSITION OF NET INCOME.--DURING THE PERIOD OF
20 TRUSTEESHIP, NET INCOME SHALL BE DEPOSITED IN AN ESCROW ACCOUNT
21 MAINTAINED FOR THAT PURPOSE. PAYMENT OF NET INCOME DURING THE
22 PERIOD OF TRUSTEESHIP MAY NOT BE MADE BY THE TRUSTEE WITHOUT THE
23 PRIOR APPROVAL OF THE BOARD. A SUSPENDED OR FORMER PRINCIPAL OR
24 SLOT MACHINE LICENSEE MAY REQUEST DISTRIBUTION OF ALL OR A
25 PORTION OF THE NET INCOME DURING THE PERIOD OF TRUSTEESHIP BY
26 FILING A PETITION IN ACCORDANCE WITH BOARD REGULATION. THE
27 SUSPENDED OR FORMER PRINCIPAL OR SLOT MACHINE LICENSEE SHALL
28 HAVE THE BURDEN OF DEMONSTRATING GOOD CAUSE FOR THE DISTRIBUTION
29 OF THE NET INCOME REQUESTED.

30 (I) DISCONTINUATION.--THE BOARD MAY ISSUE AN ORDER TO

1 DISCONTINUE A TRUSTEESHIP WHEN:

2 (1) THE BOARD DETERMINES THAT THE CAUSE FOR WHICH THE
3 TRUSTEE WAS APPOINTED NO LONGER EXISTS.

4 (2) THE TRUSTEE HAS, WITH THE PRIOR APPROVAL OF THE
5 BOARD, CONSUMMATED THE SALE, ASSIGNMENT, CONVEYANCE OR OTHER
6 DISPOSITION OF ALL THE PROPERTY OR INTEREST OF THE FORMER
7 PRINCIPAL OR SLOT MACHINE LICENSEE RELATING TO THE SLOT
8 MACHINE LICENSE.

9 (J) LIST OF APPROVED TRUSTEES.--THE BOARD SHALL PROMULGATE
10 REGULATIONS TO ESTABLISH A LIST OF INDIVIDUALS APPROVED BY THE
11 BOARD AND QUALIFIED TO SERVE AS A TRUSTEE. AT A MINIMUM, THE
12 REGULATIONS SHALL PROVIDE FOR THE FOLLOWING:

13 (1) THE MINIMUM QUALIFICATIONS AN INDIVIDUAL MUST
14 POSSESS TO BE APPROVED AS A TRUSTEE, WHICH SHALL INCLUDE
15 QUALIFICATION AS A PRINCIPAL PURSUANT TO THIS PART AND
16 POSSESSION OF A PRINCIPAL LICENSE.

17 (2) THE PROCEDURE FOR PLACEMENT ON OR REMOVAL FROM THE
18 LIST.

19 (3) ANY OTHER INFORMATION THE BOARD DEEMS NECESSARY TO
20 CARRY OUT THE INTENT OF THIS SECTION.

21 SECTION 12. SECTION 1407 OF TITLE 4 IS AMENDED BY ADDING
22 SUBSECTIONS TO READ:

23 § 1407. PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM
24 FUND.

25 * * *

26 (E) ANNUAL REPORT.--THE OFFICE OF THE BUDGET IN COOPERATION
27 WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT SHALL
28 SUBMIT AN ANNUAL REPORT OF ALL DISTRIBUTION OF FUNDS UNDER THIS
29 SECTION TO THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
30 APPROPRIATIONS COMMITTEE OF THE SENATE, THE CHAIRMAN AND

1 MINORITY CHAIRMAN OF THE COMMUNITY, ECONOMIC AND RECREATIONAL
2 DEVELOPMENT COMMITTEE OF THE SENATE, THE CHAIRMAN AND MINORITY
3 CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF
4 REPRESENTATIVES AND THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
5 GAMING OVERSIGHT COMMITTEE OF THE HOUSE OF REPRESENTATIVES. THE
6 REPORT SHALL INCLUDE DETAILED INFORMATION RELATING TO TRANSFERS
7 MADE FROM THE PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND
8 TOURISM FUND AND ALL REIMBURSEMENTS, DISTRIBUTIONS AND PAYMENTS
9 MADE UNDER SUBSECTION (B) OR THE ACT OF JULY 25, 2007 (P.L.342,
10 NO.53), KNOWN AS PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND
11 TOURISM FUND CAPITAL BUDGET ITEMIZATION ACT OF 2007. THE REPORT
12 SHALL BE SUBMITTED BY JANUARY 31, 2010, AND BY JANUARY 31 OF
13 EACH YEAR THEREAFTER.

14 (F) LOCAL REPORT.--A CITY OF THE FIRST CLASS, CITY OF THE
15 SECOND CLASS, COUNTY OF THE SECOND CLASS, CONVENTION CENTER OR
16 CONVENTION CENTER AUTHORITY, SPORTS AND EXHIBITION AUTHORITY OF
17 A COUNTY OF THE SECOND CLASS, URBAN REDEVELOPMENT AUTHORITY,
18 AIRPORT AUTHORITY OR OTHER ENTITY THAT RECEIVES MONEY FROM THE
19 FUND PURSUANT TO AN ECONOMIC DEVELOPMENT CAPITAL BUDGET UNDER
20 SUBSECTION (B) OR THE ACT OF JULY 25, 2007 (P.L.342, NO.53),
21 KNOWN AS PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM
22 FUND CAPITAL BUDGET ITEMIZATION ACT OF 2007, SHALL SUBMIT AN
23 ANNUAL REPORT TO THE OFFICE OF THE BUDGET, THE CHAIRMAN AND
24 MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE SENATE,
25 THE CHAIRMAN AND MINORITY CHAIRMAN OF THE COMMUNITY, ECONOMIC
26 AND RECREATIONAL DEVELOPMENT COMMITTEE OF THE SENATE, THE
27 CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE
28 OF THE HOUSE OF REPRESENTATIVES AND THE CHAIRMAN AND THE
29 MINORITY CHAIRMAN OF THE GAMING OVERSIGHT COMMITTEE OF THE HOUSE
30 OF REPRESENTATIVES. THE REPORT SHALL INCLUDE DETAILED

1 INFORMATION, INCLUDING RECORDS OF EXPENDITURES, PAYMENTS AND
2 OTHER DISTRIBUTIONS MADE FROM MONEY RECEIVED UNDER SUBSECTION
3 (B). THE INITIAL REPORT SHALL INCLUDE INFORMATION ON ALL FUNDS
4 RECEIVED PRIOR TO JANUARY 31, 2010. THE REPORT SHALL BE
5 SUBMITTED BY JANUARY 31, 2010, AND BY JANUARY 31 OF EACH YEAR
6 THEREAFTER UNTIL ALL FUNDS UNDER THIS SECTION ARE DISTRIBUTED OR
7 RECEIVED. AN ENTITY THAT RECEIVES FUNDS AFTER THE EFFECTIVE DATE
8 OF THIS SECTION SHALL SUBMIT AN INITIAL REPORT BY JANUARY 31 OF
9 THE YEAR FOLLOWING RECEIPT OF THE FUNDS.

10 (G) DISTRIBUTION TO INTERNATIONAL AIRPORT.--NOTWITHSTANDING
11 THE PROVISIONS OF SECTION 7(D) OF THE ACT OF JULY 25, 2007
12 (P.L.342, NO.53), KNOWN AS THE PENNSYLVANIA GAMING ECONOMIC
13 DEVELOPMENT AND TOURISM FUND CAPITAL BUDGET ITEMIZATION ACT OF
14 2007, FOLLOWING THE DISTRIBUTION OF \$42.5 MILLION OF FUNDS
15 ALLOCATED TO THE COUNTY FOR DEBT SERVICE AND ECONOMIC
16 DEVELOPMENT PROJECTS FOR AN INTERNATIONAL AIRPORT IN A COUNTY OF
17 THE SECOND CLASS UNDER SECTION 3(2)(I)(E) OF SAID ACT, ALL
18 REMAINING FUNDS SHALL BE DISTRIBUTED DIRECTLY TO AN AUTHORITY
19 THAT OPERATES AN INTERNATIONAL AIRPORT IN A COUNTY OF THE SECOND
20 CLASS.

21 SECTION 13. SECTIONS 1511(B) AND 1512(A.5) AND (B) OF TITLE
22 4 ARE AMENDED TO READ:

23 § 1511. Declaration of exemption from Federal laws prohibiting
24 slot machines.

25 * * *

26 (b) Legal shipments.--All shipments of ~~slot machines~~
27 ~~gambling devices, as defined in section 1 of the Gambling~~
28 ~~Devices Transportation Act (64 Stat. 1134, 15 U.S.C. § 1171),~~
29 into this Commonwealth, the registering, recording and labeling
30 of which has been effected by the manufacturer and supplier of



1 those devices, in accordance with sections [5 and 7] 3 and 4 of
2 the Gambling Devices Transportation Act (64 Stat. 1134, 15
3 U.S.C. §§ [1175 and 1177] 1173 and 1174), shall be deemed legal
4 shipments of [slot machines] gambling devices into this
5 Commonwealth.

6 ~~Section 2. This act shall take effect in 60 days.~~ ←

7 § 1512. FINANCIAL AND EMPLOYMENT INTERESTS. ←

8 * * *

9 (A.5) STATE ETHICS COMMISSION.--THE STATE ETHICS COMMISSION
10 SHALL PUBLISH A LIST OF ALL STATE, COUNTY, MUNICIPAL AND OTHER
11 GOVERNMENT POSITIONS THAT MEET THE DEFINITIONS OF "PUBLIC
12 OFFICIAL" AS DEFINED UNDER SUBSECTION (B) OR "EXECUTIVE-LEVEL
13 PUBLIC EMPLOYEE" [UNDER SUBSECTION (B)] AS DEFINED IN SECTION
14 1102 (RELATING TO DEFINITIONS). THE OFFICE OF ADMINISTRATION
15 SHALL ASSIST THE [ETHICS COMMISSION] COMMISSION IN THE
16 DEVELOPMENT OF THE LIST, WHICH SHALL BE PUBLISHED IN THE
17 PENNSYLVANIA BULLETIN BIENNIALLY AND ON THE BOARD'S WEBSITE.
18 UPON REQUEST, EACH PUBLIC OFFICIAL SHALL HAVE A DUTY TO PROVIDE
19 THE [ETHICS COMMISSION] COMMISSION WITH ADEQUATE INFORMATION TO
20 ACCURATELY DEVELOP AND MAINTAIN THE LIST. THE [ETHICS
21 COMMISSION] COMMISSION MAY IMPOSE A CIVIL PENALTY UNDER 65
22 PA.C.S. § 1109(F) (RELATING TO PENALTIES) UPON ANY INDIVIDUAL
23 INCLUDING ANY PUBLIC OFFICIAL OR EXECUTIVE-LEVEL PUBLIC EMPLOYEE
24 WHO FAILS TO COOPERATE WITH THE [ETHICS COMMISSION] COMMISSION
25 UNDER THIS SUBSECTION. AN INDIVIDUAL WHO RELIES IN GOOD FAITH ON
26 THE LIST PUBLISHED BY THE COMMISSION SHALL NOT BE SUBJECT TO ANY
27 PENALTY FOR A VIOLATION OF THIS SECTION.

28 (B) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
29 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
30 SUBSECTION:

1 ["EXECUTIVE-LEVEL PUBLIC EMPLOYEE." THE TERM SHALL INCLUDE
2 THE FOLLOWING:

3 (1) DEPUTY SECRETARIES OF THE COMMONWEALTH AND THE
4 GOVERNOR'S OFFICE EXECUTIVE STAFF.

5 (2) AN EMPLOYEE OF THE EXECUTIVE BRANCH WITH
6 DISCRETIONARY POWER WHICH MAY AFFECT OR INFLUENCE THE OUTCOME
7 OF A STATE AGENCY'S ACTION OR DECISION AND WHO IS INVOLVED IN
8 THE DEVELOPMENT OF REGULATIONS OR POLICIES RELATING TO A
9 LICENSED ENTITY OR WHO IS INVOLVED IN OTHER MATTERS UNDER
10 THIS PART. THE TERM SHALL INCLUDE AN EMPLOYEE WITH LAW
11 ENFORCEMENT AUTHORITY.

12 (3) AN EMPLOYEE OF A COUNTY OR MUNICIPALITY WITH
13 DISCRETIONARY POWERS WHICH MAY AFFECT OR INFLUENCE THE
14 OUTCOME OF THE COUNTY'S OR MUNICIPALITY'S ACTION OR DECISION
15 AND WHO IS INVOLVED IN THE DEVELOPMENT OF LAW, REGULATION OR
16 POLICY RELATING TO A LICENSED ENTITY OR WHO IS INVOLVED IN
17 OTHER MATTERS UNDER THIS PART. THE TERM SHALL INCLUDE AN
18 EMPLOYEE WITH LAW ENFORCEMENT AUTHORITY.

19 (4) AN EMPLOYEE OF A DEPARTMENT, AGENCY, BOARD,
20 COMMISSION, AUTHORITY OR OTHER GOVERNMENTAL BODY NOT INCLUDED
21 IN PARAGRAPH (1), (2) OR (3) WITH DISCRETIONARY POWER WHICH
22 MAY AFFECT OR INFLUENCE THE OUTCOME OF THE GOVERNMENTAL
23 BODY'S ACTION OR DECISION AND WHO IS INVOLVED IN THE
24 DEVELOPMENT OF REGULATION OR POLICY RELATING TO A LICENSED
25 ENTITY OR WHO IS INVOLVED IN OTHER MATTERS UNDER THIS PART.
26 THE TERM SHALL INCLUDE AN EMPLOYEE WITH LAW ENFORCEMENT
27 AUTHORITY.]

28 "FINANCIAL INTEREST." OWNING OR HOLDING, OR BEING DEEMED TO
29 HOLD, DEBT OR EQUITY SECURITIES OR OTHER OWNERSHIP INTEREST OR
30 PROFITS INTEREST. A FINANCIAL INTEREST SHALL NOT INCLUDE ANY

1 DEBT OR EQUITY SECURITY, OR OTHER OWNERSHIP INTEREST OR PROFITS
2 INTEREST, WHICH IS HELD OR DEEMED TO BE HELD IN ANY OF THE
3 FOLLOWING:

4 (1) A BLIND TRUST OVER WHICH THE EXECUTIVE-LEVEL PUBLIC
5 EMPLOYEE, PUBLIC OFFICIAL, PARTY OFFICER OR IMMEDIATE FAMILY
6 MEMBER THEREOF MAY NOT EXERCISE ANY MANAGERIAL CONTROL OR
7 RECEIVE INCOME DURING THE TENURE OF OFFICE AND THE PERIOD
8 UNDER SUBSECTION (A). THE PROVISIONS OF THIS PARAGRAPH SHALL
9 APPLY ONLY TO BLIND TRUSTS ESTABLISHED PRIOR TO THE EFFECTIVE
10 DATE OF THIS PARAGRAPH.

11 (2) SECURITIES THAT ARE HELD IN A PENSION PLAN, PROFIT-
12 SHARING PLAN, INDIVIDUAL RETIREMENT ACCOUNT, TAX-SHELTERED
13 ANNUITY, A PLAN ESTABLISHED PURSUANT TO SECTION 457 OF THE
14 INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. §
15 1 ET SEQ.) OR ANY SUCCESSOR PROVISION DEFERRED COMPENSATION
16 PLAN WHETHER QUALIFIED OR NOT QUALIFIED UNDER THE INTERNAL
17 REVENUE CODE OF 1986 OR ANY SUCCESSOR PROVISION OR OTHER
18 RETIREMENT PLAN THAT:

19 (I) IS NOT SELF-DIRECTED BY THE INDIVIDUAL; AND

20 (II) IS ADVISED BY AN INDEPENDENT INVESTMENT ADVISER
21 WHO HAS SOLE AUTHORITY TO MAKE INVESTMENT DECISIONS WITH
22 RESPECT TO CONTRIBUTIONS MADE BY THE INDIVIDUAL TO THESE
23 PLANS.

24 (3) A TUITION ACCOUNT PLAN ORGANIZED AND OPERATED
25 PURSUANT TO SECTION 529 OF THE INTERNAL REVENUE CODE OF 1986
26 (PUBLIC LAW 99-514, 26 U.S.C. § 529) THAT IS NOT SELF-
27 DIRECTED BY THE INDIVIDUAL.

28 (4) A MUTUAL FUND WHERE THE INTEREST OWNED BY THE MUTUAL
29 FUND IN A LICENSED ENTITY DOES NOT CONSTITUTE A CONTROLLING
30 INTEREST AS DEFINED IN THIS PART.

1 "IMMEDIATE FAMILY." A SPOUSE, MINOR CHILD OR UNEMANCIPATED
2 CHILD.

3 "LAW ENFORCEMENT AUTHORITY." THE POWER TO CONDUCT
4 INVESTIGATIONS OF OR TO MAKE ARRESTS FOR CRIMINAL OFFENSES.

5 "PARTY OFFICER." A MEMBER OF A NATIONAL COMMITTEE; A
6 CHAIRMAN, VICE CHAIRMAN, SECRETARY, TREASURER OR COUNSEL OF A
7 STATE COMMITTEE OR MEMBER OF THE EXECUTIVE COMMITTEE OF A STATE
8 COMMITTEE; A COUNTY CHAIRMAN, VICE CHAIRMAN, COUNSEL, SECRETARY
9 OR TREASURER OF A COUNTY COMMITTEE IN WHICH A LICENSED FACILITY
10 IS LOCATED; OR A CITY CHAIRMAN, VICE CHAIRMAN, COUNSEL,
11 SECRETARY OR TREASURER OF A CITY COMMITTEE OF A CITY IN WHICH A
12 LICENSED FACILITY IS LOCATED.

13 "PUBLIC OFFICIAL." THE TERM SHALL INCLUDE THE FOLLOWING:

14 (1) THE GOVERNOR, LIEUTENANT GOVERNOR, A MEMBER OF THE
15 GOVERNOR'S CABINET, TREASURER, AUDITOR GENERAL AND ATTORNEY
16 GENERAL OF THE COMMONWEALTH.

17 (2) A MEMBER OF THE SENATE OR HOUSE OF REPRESENTATIVES
18 OF THE COMMONWEALTH.

19 (3) AN INDIVIDUAL ELECTED OR APPOINTED TO ANY OFFICE OF
20 A COUNTY OR MUNICIPALITY THAT DIRECTLY RECEIVES A
21 DISTRIBUTION OF REVENUE UNDER THIS PART.

22 (4) AN INDIVIDUAL ELECTED OR APPOINTED TO A DEPARTMENT,
23 AGENCY, BOARD, COMMISSION, AUTHORITY OR OTHER GOVERNMENTAL
24 BODY NOT INCLUDED IN PARAGRAPH (1), (2) OR (3) THAT DIRECTLY
25 RECEIVES A DISTRIBUTION OF REVENUE UNDER THIS PART.

26 (5) AN INDIVIDUAL ELECTED OR APPOINTED TO A DEPARTMENT,
27 AGENCY, BOARD, COMMISSION, AUTHORITY, COUNTY, MUNICIPALITY OR
28 OTHER GOVERNMENTAL BODY NOT INCLUDED IN PARAGRAPH (1), (2) OR
29 (3) WITH DISCRETIONARY POWER WHICH MAY INFLUENCE OR AFFECT
30 THE OUTCOME OF AN ACTION OR DECISION AND WHO IS INVOLVED IN

1 THE DEVELOPMENT OF REGULATION OR POLICY RELATING TO A
2 LICENSED ENTITY OR WHO IS INVOLVED IN OTHER MATTERS UNDER
3 THIS PART.

4 THE TERM DOES NOT INCLUDE A MEMBER OF A SCHOOL BOARD OR AN
5 INDIVIDUAL WHO HELD AN UNCOMPENSATED OFFICE WITH A GOVERNMENTAL
6 BODY PRIOR TO JANUARY 1, 2006, AND WHO NO LONGER HOLDS THE
7 OFFICE AS OF JANUARY 1, 2006. THE TERM INCLUDES A MEMBER OF AN
8 ADVISORY BOARD OR COMMISSION WHICH MAKES RECOMMENDATIONS
9 RELATING TO A LICENSED FACILITY.

10 SECTION 14. TITLE 4 IS AMENDED BY ADDING A SECTION TO READ:
11 § 1516.1. PROSECUTORIAL AND ADJUDICATORY FUNCTIONS.

12 THE BOARD SHALL ADOPT REGULATIONS AND PROCEDURES NECESSARY TO
13 ENSURE THAT THE BUREAU OF INVESTIGATIONS AND ENFORCEMENT IS A
14 DISTINCT ENTITY AND TO PREVENT COMMINGLING OF THE INVESTIGATORY
15 AND PROSECUTORIAL FUNCTIONS OF THE BUREAU OF INVESTIGATIONS AND
16 ENFORCEMENT UNDER SECTION 1517 (RELATING TO INVESTIGATIONS AND
17 ENFORCEMENT) AND THE ADJUDICATORY FUNCTIONS OF THE BOARD.
18 REGULATIONS AND PROCEDURES UNDER THIS SECTION SHALL DO ALL OF
19 THE FOLLOWING:

20 (1) PROVIDE THAT THE EXECUTIVE DIRECTOR AND THE CHIEF
21 COUNSEL OF THE BOARD SHALL NOT DIRECT OR LIMIT THE SCOPE OF A
22 BACKGROUND INVESTIGATION CONDUCTED BY THE BUREAU.

23 (2) INCORPORATE SECTION 1202.1(C.1) (RELATING TO CODE OF
24 CONDUCT) AND ANY OTHER APPLICABLE PROVISIONS OF SECTION
25 1202.1.

26 SECTION 15. SECTION 1517(A.1) (6) OF TITLE 4 IS AMENDED,
27 SUBSECTION (A.2) (1) IS AMENDED BY ADDING A SUBPARAGRAPH AND
28 SUBSECTION (C) IS AMENDED BY ADDING PARAGRAPHS TO READ:
29 § 1517. INVESTIGATIONS AND ENFORCEMENT.

30 * * *

1 (A.1) POWERS AND DUTIES OF BUREAU.--THE BUREAU OF
2 INVESTIGATIONS AND ENFORCEMENT SHALL HAVE THE FOLLOWING POWERS
3 AND DUTIES:

4 * * *

5 (6) CONDUCT [AUDITS] REVIEWS OF A LICENSED ENTITY AS
6 NECESSARY TO ENSURE COMPLIANCE WITH THIS PART. [AN AUDIT] A
7 REVIEW MAY INCLUDE THE REVIEW OF ACCOUNTING, ADMINISTRATIVE
8 AND FINANCIAL RECORDS, MANAGEMENT CONTROL SYSTEMS, PROCEDURES
9 AND OTHER RECORDS UTILIZED BY A LICENSED ENTITY.

10 * * *

11 (A.2) OFFICE OF ENFORCEMENT COUNSEL.--

12 (1) THERE IS ESTABLISHED WITHIN THE BUREAU AN OFFICE OF
13 ENFORCEMENT COUNSEL WHICH SHALL ACT AS THE PROSECUTOR IN ALL
14 NONCRIMINAL ENFORCEMENT ACTIONS INITIATED BY THE BUREAU UNDER
15 THIS PART AND SHALL HAVE THE FOLLOWING POWERS AND DUTIES:

16 * * *

17 (IV) PETITION THE BOARD FOR THE APPOINTMENT OF A
18 TRUSTEE UNDER SECTION 1332 (RELATING TO APPOINTMENT OF
19 TRUSTEE).

20 * * *

21 (C) POWERS AND DUTIES OF THE PENNSYLVANIA STATE POLICE.--THE
22 PENNSYLVANIA STATE POLICE SHALL HAVE THE FOLLOWING POWERS AND
23 DUTIES:

24 * * *

25 (1.1) PROMPTLY CONDUCT A BACKGROUND INVESTIGATION ON AN
26 INDIVIDUAL SELECTED BY THE BOARD TO FILL THE POSITION OF
27 EXECUTIVE DIRECTOR OF THE BOARD, DIRECTOR OF THE BUREAU,
28 CHIEF COUNSEL OF THE BOARD OR THE DIRECTOR OF THE OFFICE OF
29 ENFORCEMENT COUNSEL AND SUBMIT THE RESULTS TO THE BOARD.

30 * * *

1 (14) BY MARCH 1 OF EACH YEAR, THE COMMISSIONER OF THE
2 PENNSYLVANIA STATE POLICE SHALL SUBMIT A REPORT TO THE
3 APPROPRIATIONS COMMITTEE OF THE SENATE, THE COMMUNITY,
4 ECONOMIC AND RECREATIONAL DEVELOPMENT COMMITTEE OF THE
5 SENATE, THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF
6 REPRESENTATIVES AND THE GAMING OVERSIGHT COMMITTEE OF THE
7 HOUSE OF REPRESENTATIVES. THE REPORT SHALL SUMMARIZE LAW
8 ENFORCEMENT ACTIVITIES AT EACH LICENSED FACILITY DURING THE
9 PREVIOUS CALENDAR YEAR AND SHALL INCLUDE ALL OF THE
10 FOLLOWING:

11 (I) THE NUMBER OF ARRESTS AT EACH LICENSED FACILITY.

12 (II) A LIST OF SPECIFIC OFFENSES CHARGED FOR EACH
13 OFFENSE.

14 (III) THE NUMBER OF CRIMINAL PROSECUTIONS RESULTING
15 FROM ARRESTS.

16 (IV) THE NUMBER OF CONVICTIONS RESULTING FROM
17 PROSECUTIONS.

18 (V) THE NUMBER OF PENNSYLVANIA STATE POLICE TROOPERS
19 ASSIGNED TO EACH LICENSED FACILITY AND TO THE GAMING UNIT
20 AT THE PENNSYLVANIA STATE POLICE HEADQUARTERS.

21 (VI) THE NUMBER AND NATURE OF DISCIPLINARY ACTIONS
22 TAKEN AND COMPLAINTS MADE AGAINST PENNSYLVANIA STATE
23 POLICE TROOPERS IN A LICENSED FACILITY.

24 (VII) THE CLOSEST LOCAL POLICE STATION, PENNSYLVANIA
25 STATE POLICE STATION AND REGIONAL PENNSYLVANIA STATE
26 POLICE HEADQUARTERS TO EACH LICENSED FACILITY.

27 * * *

28 SECTION 16. SECTION 1517.2 OF TITLE 4 IS AMENDED TO READ:

29 § 1517.2. CONDUCT OF [PUBLIC OFFICIALS AND] BOARD EMPLOYEES.

30 (A) [EX PARTE DISCUSSION PROHIBITED.--AN ATTORNEY

1 REPRESENTING THE BUREAU OR THE OFFICE OF ENFORCEMENT COUNSEL, OR
2 AN EMPLOYEE OF THE BUREAU OR OFFICE INVOLVED IN THE HEARING
3 PROCESS, SHALL NOT DISCUSS THE CASE EX PARTE WITH A HEARING
4 OFFICER, CHIEF COUNSEL OR MEMBER] (RESERVED).

5 (B) [OTHER PROHIBITIONS.--A HEARING OFFICER, THE CHIEF
6 COUNSEL OR A MEMBER SHALL NOT DISCUSS OR EXERCISE ANY
7 SUPERVISORY RESPONSIBILITY OVER ANY EMPLOYEE WITH RESPECT TO AN
8 ENFORCEMENT HEARING WITH WHICH THE EMPLOYEE IS INVOLVED]
9 (RESERVED).

10 (C) DISQUALIFICATION.--IF IT BECOMES NECESSARY FOR THE CHIEF
11 COUNSEL OR MEMBER TO BECOME INVOLVED ON BEHALF OF THE BOARD IN
12 ANY ENFORCEMENT PROCEEDING, THE CHIEF COUNSEL OR MEMBER SHALL BE
13 PROHIBITED FROM PARTICIPATING IN THE ADJUDICATION OF THAT MATTER
14 AND SHALL DESIGNATE APPROPRIATE INDIVIDUALS TO EXERCISE
15 ADJUDICATORY FUNCTIONS.

16 SECTION 17. TITLE 4 IS AMENDED BY ADDING SECTIONS TO READ:

17 § 1518.1. REPORT OF SUSPICIOUS TRANSACTIONS (RESERVED).

18 § 1518.2. ADDITIONAL AUTHORITY.

19 (A) GENERAL RULE.--THE CHIEF ENFORCEMENT COUNSEL MAY
20 PETITION THE COMMONWEALTH COURT FOR AUTHORIZATION TO REVIEW OR
21 OBTAIN INFORMATION IN THE POSSESSION OF AN AGENCY IN THIS
22 COMMONWEALTH BY AVERRING SPECIFIC FACTS DEMONSTRATING THAT THE
23 AGENCY HAS IN ITS POSSESSION INFORMATION MATERIAL TO A PENDING
24 INVESTIGATION OR INQUIRY BEING CONDUCTED BY THE BUREAU PURSUANT
25 TO THIS PART AND THAT DISCLOSURE OR RELEASE IS IN THE BEST
26 INTEREST OF THE COMMONWEALTH. THE PETITION SHALL REQUEST THAT
27 THE COURT ENTER A RULE UPON THE AGENCY TO SHOW CAUSE WHY THE
28 AGENCY SHOULD NOT BE DIRECTED TO DISCLOSE TO THE BUREAU, OR
29 IDENTIFIED AGENTS THEREOF, INFORMATION IN ITS POSSESSION ABOUT
30 ANY PENDING MATTER UNDER THE JURISDICTION OF THE BUREAU PURSUANT

1 TO THIS PART. IF A RESPONDENT IS A LOCAL AGENCY, A COPY OF ANY
2 RULE ISSUED PURSUANT TO THIS SECTION SHALL BE PROVIDED TO THE
3 DISTRICT ATTORNEY OF THE COUNTY IN WHICH THE LOCAL AGENCY IS
4 LOCATED AND THE OFFICE OF ATTORNEY GENERAL. UPON REQUEST OF A
5 LOCAL AGENCY, THE DISTRICT ATTORNEY OR THE ATTORNEY GENERAL MAY
6 ELECT TO ENTER AN APPEARANCE TO REPRESENT THE LOCAL AGENCY IN
7 THE PROCEEDINGS.

8 (B) PROCEDURE.--THE FILING OF A PETITION PURSUANT TO THIS
9 SECTION AND RELATED PROCEEDINGS SHALL BE IN ACCORDANCE WITH
10 COURT RULE, INCLUDING ISSUANCE AS OF COURSE. A PARTY SHALL NOT
11 DISCLOSE THE FILING OF A PETITION OR ANSWER OR RECEIPT, CONTENT
12 OR DISPOSITION OF A RULE OR ORDER ISSUED PURSUANT TO THIS
13 SECTION WITHOUT LEAVE OF COURT. ANY PARTY TO THE PROCEEDINGS MAY
14 REQUEST THAT THE RECORD BE SEALED AND PROCEEDINGS BE CLOSED. THE
15 COURT SHALL GRANT THE REQUEST IF IT IS IN THE BEST INTEREST OF
16 ANY PERSON OR THE COMMONWEALTH TO DO SO.

17 (C) COURT DETERMINATION.--FOLLOWING REVIEW OF THE RECORD,
18 THE COURT SHALL GRANT THE RELIEF SOUGHT BY THE CHIEF ENFORCEMENT
19 COUNSEL, IF THE COURT DETERMINES THAT THE AGENCY HAS IN ITS
20 POSSESSION INFORMATION MATERIAL TO THE INVESTIGATION OR INQUIRY
21 AND THAT DISCLOSURE OR RELEASE OF THE INFORMATION IS IN THE BEST
22 INTEREST OF THE COMMONWEALTH, THAT THE DISCLOSURE OR RELEASE OF
23 THE INFORMATION IS NOT OTHERWISE PROHIBITED BY STATUTE OR
24 REGULATION AND THAT THE DISCLOSURE OR RELEASE OF THE INFORMATION
25 WOULD NOT INHIBIT AN AGENCY IN THE PERFORMANCE OF THE AGENCY'S
26 DUTIES. IF THE COURT SO DETERMINES, THE COURT SHALL ENTER AN
27 ORDER AUTHORIZING AND DIRECTING THE INFORMATION BE MADE
28 AVAILABLE FOR REVIEW IN CAMERA.

29 (D) RELEASE OF MATERIALS OR INFORMATION.--IF, AFTER AN IN
30 CAMERA REVIEW, THE CHIEF ENFORCEMENT COUNSEL SEEKS TO OBTAIN

1 COPIES OF MATERIALS IN THE AGENCY'S POSSESSION, THE COURT MAY,
2 IF NOT OTHERWISE PROHIBITED BY STATUTE OR REGULATION, ENTER AN
3 ORDER THAT THE REQUESTED MATERIALS BE PROVIDED. ANY ORDER
4 AUTHORIZING THE RELEASE OF MATERIALS OR OTHER INFORMATION SHALL
5 CONTAIN DIRECTION REGARDING THE SAFEKEEPING AND USE OF THE
6 MATERIALS OR OTHER INFORMATION SUFFICIENT TO SATISFY THE COURT
7 THAT THE MATERIALS OR INFORMATION WILL BE SUFFICIENTLY
8 SAFEGUARDED. IN MAKING THIS DETERMINATION THE COURT SHALL
9 CONSIDER THE INPUT OF THE AGENCY CONCERNING ANY PENDING
10 INVESTIGATION OR ONGOING MATTER AND THE SAFETY OF PERSON AND
11 PROPERTY.

12 (E) MODIFICATION OF ORDER.--IF SUBSEQUENT INVESTIGATION OR
13 INQUIRY BY THE BUREAU WARRANTS MODIFICATION OF ANY ORDER ENTERED
14 PURSUANT TO THIS SECTION, THE CHIEF ENFORCEMENT COUNSEL MAY
15 PETITION TO REQUEST THE MODIFICATION. UPON SUCH REQUEST, THE
16 COURT MAY MODIFY ITS ORDERS AT ANY TIME AND IN ANY MANNER IT
17 DEEMS NECESSARY AND APPROPRIATE. THE AGENCY NAMED IN THE
18 ORIGINAL PETITION SHALL BE GIVEN NOTICE AND AN OPPORTUNITY TO BE
19 HEARD.

20 (F) USE OF INFORMATION OR MATERIALS.--ANY PERSON WHO, BY ANY
21 MEANS AUTHORIZED BY THIS SECTION, HAS OBTAINED KNOWLEDGE OF
22 INFORMATION OR MATERIALS SOLELY PURSUANT TO THIS SECTION MAY USE
23 SUCH INFORMATION OR MATERIALS IN A MANNER CONSISTENT WITH ANY
24 DIRECTIONS IMPOSED BY THE COURT AND APPROPRIATE TO THE PROPER
25 PERFORMANCE OF THE PERSON'S OFFICIAL DUTIES UNDER THIS PART.

26 (G) VIOLATION.--IN ADDITION TO ANY REMEDIES AND PENALTIES
27 PROVIDED IN THIS PART, ANY VIOLATION OF THE PROVISIONS OF THIS
28 SECTION MAY BE PUNISHED AS CONTEMPT OF THE COURT.

29 (H) DEFINITION.--AS USED IN THIS SECTION THE TERM "AGENCY"
30 SHALL MEAN A "COMMONWEALTH AGENCY" OR A "LOCAL AGENCY" AS THOSE

1 TERMS ARE DEFINED IN SECTION 102 OF THE ACT OF FEBRUARY 14, 2008
2 (P.L.6, NO.3), KNOWN AS THE RIGHT-TO-KNOW LAW.

3 SECTION 18. THE AMENDMENT OF 4 PA.C.S. § 1201(H) (13) SHALL
4 NOT APPLY TO INDIVIDUALS EMPLOYED ON THE EFFECTIVE DATE OF THIS
5 SECTION BY THE PENNSYLVANIA GAMING CONTROL BOARD UNTIL JANUARY
6 1, 2010.

7 SECTION 19. THE AMENDMENT OF 4 PA.C.S. § 1202(A) (2) SHALL
8 NOT APPLY TO AN INDIVIDUAL:

9 (1) WHO, ON JULY 1, 2009, WAS SERVING OFFICIALLY OR
10 ACTING AS EXECUTIVE DIRECTOR OF THE PENNSYLVANIA GAMING
11 CONTROL BOARD, CHIEF COUNSEL OF THE BOARD, OR THE DIRECTOR OF
12 THE OFFICE OF ENFORCEMENT COUNSEL WITHIN THE BUREAU OF
13 INVESTIGATIONS AND ENFORCEMENT; AND

14 (2) ON WHOM THE BOARD, THE BUREAU OR THE PENNSYLVANIA
15 STATE POLICE COMPLETED A BACKGROUND INVESTIGATION AS A
16 CONDITION OF EMPLOYMENT WITH THE BOARD.

17 SECTION 20. THE AMENDMENT OF 4 PA.C.S. § 1213 SHALL NOT
18 APPLY TO ANY OF THE FOLLOWING:

19 (1) AN APPLICATION SUBMITTED BEFORE THE EFFECTIVE DATE
20 OF THIS SECTION.

21 (2) ANY LICENSE OR PERMIT ISSUED PRIOR TO THE EFFECTIVE
22 DATE OF THIS SECTION.

23 (3) THE RENEWAL OF ANY LICENSE OR PERMIT ISSUED PRIOR TO
24 THE EFFECTIVE DATE OF THIS SECTION.

25 SECTION 21. THE ADDITION OF 4 PA.C.S. § 1517(C) (1.1) SHALL
26 NOT APPLY TO AN INDIVIDUAL:

27 (1) WHO, ON JULY 1, 2009, WAS SERVING OFFICIALLY OR
28 ACTING AS EXECUTIVE DIRECTOR OF THE PENNSYLVANIA GAMING
29 CONTROL BOARD, CHIEF COUNSEL OF THE BOARD, OR THE DIRECTOR OF
30 THE OFFICE OF ENFORCEMENT COUNSEL WITHIN THE BUREAU OF

1 INVESTIGATIONS AND ENFORCEMENT; AND

2 (2) ON WHOM THE BOARD, THE BUREAU OR THE PENNSYLVANIA
3 STATE POLICE COMPLETED A BACKGROUND INVESTIGATION AS A
4 CONDITION OF EMPLOYMENT WITH THE BOARD.

5 SECTION 22. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.