

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 169 Session of 2011

INTRODUCED BY DELOZIER, SWANGER, BARRAR, BUXTON, FLECK, GINGRICH, GRELL, GROVE, HARKINS, KAUFFMAN, M. K. KELLER, LONGIETTI, MATZIE, MILLARD, MILLER, OBERLANDER, QUINN, REICHLEY, ROCK, SAINATO, SONNEY, VULAKOVICH, BENNINGHOFF, KAVULICH, REESE, KORTZ, HELM, EVERETT, PERRY, HORNAMAN, MASSER, GABLER AND CALTAGIRONE, JANUARY 19, 2011

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, JANUARY 17, 2012

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 legislative intent, for definitions, for games of chance
10 permitted and for prize limits, for limits on sales, for
11 distributor licenses, for registration of manufacturers, for
12 regulations, for licensing of eligible organizations and for
13 special permits; providing for club licensees; further
14 providing for revocation of licenses, for local option, for
15 advertising and for penalties; and making editorial changes.
16 AMENDING THE ACT OF DECEMBER 19, 1988 (P.L.1262, NO.156), ←
17 ENTITLED, AS AMENDED, "AN ACT PROVIDING FOR THE LICENSING OF
18 ELIGIBLE ORGANIZATIONS TO CONDUCT GAMES OF CHANCE, FOR THE
19 LICENSING OF PERSONS TO DISTRIBUTE GAMES OF CHANCE, FOR THE
20 REGISTRATION OF MANUFACTURERS OF GAMES OF CHANCE, AND FOR
21 SUSPENSIONS AND REVOCATIONS OF LICENSES AND PERMITS;
22 REQUIRING RECORDS; PROVIDING FOR LOCAL REFERENDUM BY
23 ELECTORATE; AND PRESCRIBING PENALTIES," FURTHER PROVIDING FOR
24 LEGISLATIVE INTENT, FOR DEFINITIONS, FOR GAMES OF CHANCE
25 PERMITTED, FOR PRIZE LIMITS, FOR LIMITS ON SALES, FOR
26 DISTRIBUTOR LICENSES, FOR REGULATIONS, FOR LICENSING OF
27 ELIGIBLE ORGANIZATIONS AND FOR SPECIAL PERMITS; PROVIDING FOR
28 CLUB LICENSEES; FURTHER PROVIDING FOR REVOCATION OF LICENSES,
29 FOR ENFORCEMENT, FOR LOCAL OPTION, FOR ADVERTISING AND FOR

1 PROHIBITED PERSONS; PROVIDING FOR CIVIL PENALTIES; FURTHER
2 PROVIDING FOR PENALTIES; AND MAKING EDITORIAL CHANGES.

3 The General Assembly of the Commonwealth of Pennsylvania
4 hereby enacts as follows:

5 ~~Section 1. The act of December 19, 1988 (P.L.1262, No.156),~~ ←
6 ~~known as the Local Option Small Games of Chance Act, is amended~~
7 ~~by adding a chapter heading to read:~~

8 CHAPTER 1

9 PRELIMINARY PROVISIONS

10 ~~Section 2. Section 1 of the act is renumbered to read:~~
11 ~~Section [1] 101. Short title.~~

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

14 ~~Section 2.1. Section 2 of the act is renumbered and amended~~
15 ~~to read:~~

16 ~~Section [2] 102. Legislative intent.~~

17 ~~{The General Assembly hereby declares that the playing of~~
18 ~~small games of chance for the purpose of raising funds, by~~
19 ~~certain nonprofit associations, for the promotion of charitable~~
20 ~~or civic purposes, is in the public interest.}~~

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

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

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

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

4 Section 3. ~~The definitions of "civic and service~~
5 ~~associations," "club," "daily drawing," "eligible~~
6 ~~organizations," "fraternal organizations," "games of chance,"~~
7 ~~"law enforcement official," "public interest purposes," "raffle"~~
8 ~~and "weekly drawing" in section 3 of the act, amended December~~
9 ~~19, 1990 (P.L.812, No.195) and October 18, 2000 (P.L.602,~~
10 ~~No.79), are amended and the section is renumbered and amended by~~
11 ~~adding definitions to read:~~

12 Section [3] 103. ~~Definitions.~~

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

16 * * *

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

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

16 ~~"Club." [A club, as defined in section 102] An organization~~
17 ~~that:~~

18 ~~(1) has been issued a club license under Article 4 of~~
19 ~~the act of April 12, 1951 (P.L.90, No.21), known as the~~
20 ~~Liquor Code[, that]; and~~

21 ~~(2) qualifies as an exempt organization under section~~
22 ~~501(c) or 527 of the Internal Revenue Code of [1954 (68A~~
23 ~~Stat. 3] 1986 (Public Law 99 514, 26 U.S.C. § 501(c) or 527)~~
24 ~~[and is licensed to sell liquor at retail and has a~~
25 ~~charitable, religious or civic purpose or is organized to~~
26 ~~benefit a political party].~~

27 ~~"Club licensee." A club that holds a license to conduct~~
28 ~~small games of chance.~~

29 ~~"Daily drawing." A game of chance in which a bona fide~~
30 ~~member selects or is assigned a number for a chance at a prize~~

1 with the winner determined by [a] random drawing to take place
2 on the licensed eligible organization's premises during the same
3 operating day. The term includes games of chance commonly known
4 as "member sign in lotteries" and "half and half lotteries."
5 [Nothing in this act shall be construed to prohibit the carrying
6 over of a jackpot where the winning number has not been entered
7 in the game on a particular operating day.] Daily drawing
8 winners may be determined with the aid of a passive selection
9 device or reference to drawings conducted by the department
10 pursuant to the act of August 26, 1971 (P.L.351, No.91), known
11 as the State Lottery Law. Daily drawing chances may not be sold
12 for an amount in excess of \$1, and no more than one chance may
13 be sold to an individual during the same operating day.

14 * * *

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

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

30 "Games of chance." Punchboards, daily drawings, weekly

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

16 "General operating expenses."

17 ~~(1) The following operating expenses associated with the~~
18 ~~real property owned or leased by an eligible organization and~~
19 ~~used for public interest purposes:~~

20 ~~(i) Real property taxes.~~

21 ~~(ii) Utilities.~~

22 ~~(iii) Heating and air conditioning.~~

23 ~~(iv) Water and sewer.~~

24 ~~(v) Property insurance.~~

25 ~~(vi) Liability insurance.~~

26 ~~(vii) Mortgage payments.~~

27 ~~(viii) Interior and exterior repairs, including~~
28 ~~parking lot repairs.~~

29 ~~(ix) New facility construction.~~

30 ~~(x) Any other expense as provided in regulations~~

1 ~~promulgated by the department.~~

2 ~~(2) The term shall not include wages, alcohol purchases~~
3 ~~or payment of any fine levied against the eligible~~
4 ~~organization.~~

5 ~~"Law enforcement official." A municipal police officer, a~~
6 ~~member of the Pennsylvania State Police, including the Bureau of~~
7 ~~Liquor Control Enforcement, the sheriff of a county or a deputy~~
8 ~~sheriff.~~

9 * * *

10 ~~"Licensed distributor." A distributor of games of chance~~
11 ~~licensed under section 304.~~

12 * * *

13 ~~"Monthly drawing." A game of chance in which a bona fide~~
14 ~~member selects or is assigned a number for a chance at a prize~~
15 ~~with the winner determined by random drawing to take place on~~
16 ~~the licensed eligible organization's premises during an~~
17 ~~operating month. A monthly drawing winner may be determined with~~
18 ~~the aid of a passive selection device or reference to drawings~~
19 ~~conducted by the department under the act of August 26, 1971~~
20 ~~(P.L.351, No.91), known as the State Lottery Law. A monthly~~
21 ~~drawing chance may not be sold for more than \$1 and no more than~~
22 ~~one chance per individual may be sold per drawing.~~

23 * * *

24 ~~"Prize." Cash or merchandise awarded from a game of chance.~~

25 ~~"Proceeds." The difference between:~~

26 ~~(1) the gross revenue collected by a licensed eligible~~
27 ~~organization from the conduct of a game of chance; and~~

28 ~~(2) (i) the amount of prizes paid by a licensed~~
29 ~~eligible organization from a game of chance; and~~

30 ~~(ii) the purchase of games of chance.~~

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

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

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

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

17 ~~(4) Improving, expanding, maintaining or repairing real~~
18 ~~property owned or leased by an eligible organization and used~~
19 ~~exclusively for purposes specified in [paragraphs] Paragraph~~
20 ~~(1), (2) [and] or (3).~~

21 ~~The term does not include the erection or acquisition of any~~
22 ~~real property, unless the property will be used exclusively for~~
23 ~~one or more of the purposes specified in this definition.~~

24 * * *

25 ~~"Raffle." A game of chance in which a participant buys a~~
26 ~~ticket for a chance at a prize with the winner determined by a~~
27 ~~random drawing of corresponding ticket stubs to take place at a~~
28 ~~location and date or dates printed upon each ticket. Such games~~
29 ~~of chance shall include lotteries but not daily drawings, weekly~~
30 ~~drawings or monthly drawings. Raffle winners may be determined~~

1 ~~by reference to drawings conducted by the department pursuant to~~
2 ~~the act of August 26, 1971 (P.L.351, No.91), known as the State~~
3 ~~Lottery Law.~~

4 * * *

5 ~~"Vertical wheel game." A game in which a participant places~~
6 ~~a coin or chip on a color, number or word or purchases a ticket~~
7 ~~containing a color, number or word and watches a spinning~~
8 ~~vertical wheel until the pointer of the wheel rests on a section~~
9 ~~of the wheel designating a winner.~~

10 * * *

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

23 ~~Section 4. The act is amended by adding a chapter heading to~~
24 ~~read:~~

25 CHAPTER 3

26 GAMES OF CHANCE

27 ~~Section 5. Section 4 of the act, amended December 19, 1990~~
28 ~~(P.L.812, No.195), is renumbered and amended to read:~~

29 ~~Section [4] 301. Games of chance permitted.~~

30 ~~Every eligible organization to which a license has been~~

1 ~~issued under the provisions of this act may conduct games of~~
2 ~~chance for the purpose of raising funds for general operating~~
3 ~~expenses and for public interest purposes. [All proceeds of~~
4 ~~games of chance shall be used exclusively for public interest~~
5 ~~purposes or for the purchase of games of chance as permitted by~~
6 ~~this act.] Proceeds of games of chance of an eligible~~
7 ~~organization shall be used as follows:~~

8 ~~(1) Not less than 70% of proceeds shall be used for~~
9 ~~public interest purposes as permitted by this act.~~

10 ~~(2) Up to 30% of proceeds may be used for general~~
11 ~~operating expenses.~~

12 ~~(3) Proceeds may not be used for wages, alcohol or food~~
13 ~~purchases or for the payment of any fine levied against the~~
14 ~~eligible organization.~~

15 ~~(4) Amounts retained under paragraph (1) shall be~~
16 ~~expended within the same calendar year unless the eligible~~
17 ~~organization notifies the department that funds are being~~
18 ~~retained for a substantial purchase or project. Notification~~
19 ~~shall include a description of the purchase or project, the~~
20 ~~cost and the anticipated date of the purchase or project.~~

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

24 ~~Section [5] 302. Prize limits and reporting.~~

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

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

30 ~~(c) Limit on raffles. No more than \$5,000 in cash or~~

1 ~~merchandise shall be awarded in raffles in any calendar month.~~

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

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

7 ~~(2) Eligible organizations shall be eligible to receive~~
8 ~~no more than two special permits in any licensed year except~~
9 ~~that volunteer fire, ambulance and rescue organizations shall~~
10 ~~be eligible to receive no more than three special permits in~~
11 ~~any licensed year.~~

12 ~~(3) Only one raffle may be conducted under each special~~
13 ~~permit.~~

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

16 ~~(e) Limit on daily drawings. Daily drawings shall be~~
17 ~~governed by the prize limitations contained in subsections (a)~~
18 ~~and (b). An eligible organization shall not conduct daily~~
19 ~~drawings during a period when a weekly drawing is taking place.~~

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

1 ~~chances were sold in excess of \$1 or for which more than one~~
2 ~~chance was sold to an eligible participant.~~

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

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

23 ~~(a) Maximum limits. Except as provided under this section,~~
24 ~~the following limits shall apply to prizes awarded by a licensed~~
25 ~~eligible organization:~~

26 ~~(1) The maximum prize which may be awarded for any~~
27 ~~single chance shall be \$1,000.~~

28 ~~(2) No more than \$30,000 in prizes shall be awarded from~~
29 ~~any games of chance in any seven day period.~~

30 ~~(3) No more than \$50,000 in prizes from a monthly~~

~~1 drawing shall be awarded by a licensed eligible organization
2 in any calendar month.~~

~~3 (4) The total amount of prizes awarded under paragraphs
4 (1), (2) and (3) may not exceed \$100,000 per calendar month.~~

~~5 (b) Raffles. The following shall apply to raffles:~~

~~6 (1) No more than \$10,000 in prizes shall be awarded in
7 raffles in any calendar month.~~

~~8 (2) An eligible organization may conduct a raffle and
9 award a prize valued in excess of \$1,000 if all of the
10 following apply:~~

~~11 (i) The licensing authority has issued a special
12 permit for the raffle under section 308.~~

~~13 (ii) A licensed eligible organization shall be
14 eligible to receive no more than three special permits in
15 any licensed term except that volunteer fire, ambulance
16 and rescue organizations shall be eligible to receive no
17 more than five special permits in any licensed term.~~

~~18 (iii) Only one raffle may be conducted under each
19 special permit issued under section 308.~~

~~20 (iv) The total cash value of all prizes awarded
21 under this subsection paragraph may be no more than
22 \$100,000 per licensed term.~~

~~23 (c) Daily drawings. The following shall apply to daily
24 drawings:~~

~~25 (1) A licensed eligible organization may not conduct
26 daily drawings during a period when a weekly or monthly
27 drawing is taking place.~~

~~28 (2) The following shall apply:~~

~~29 (i) Notwithstanding the prize limitation under
30 subsection (a) (1) and (2), a daily drawing may award a~~

1 ~~prize in excess of \$1,000 if the prize is the result of a~~
2 ~~carryover of a drawing which resulted from the winning~~
3 ~~number in the drawing not being among the eligible~~
4 ~~entrants in the drawings.~~

5 ~~(ii) Nothing under this paragraph shall authorize~~
6 ~~the prize limitations under subsection (a) (1) and (2) to~~
7 ~~be exceeded:~~

8 ~~(A) as a result of a failure to conduct a~~
9 ~~drawing on an operating day during which chances were~~
10 ~~sold for a daily drawing; or~~

11 ~~(B) for a daily drawing for which chances were~~
12 ~~sold in excess of \$1 or for which more than one~~
13 ~~chance was sold to an eligible participant.~~

14 ~~(d) Weekly drawing. The following shall apply to weekly~~
15 ~~drawings:~~

16 ~~(1) A licensed eligible organization may not conduct~~
17 ~~weekly drawings during a period when a daily or monthly~~
18 ~~drawing is taking place.~~

19 ~~(2) The following shall apply:~~

20 ~~(i) Notwithstanding the prize limitation under~~
21 ~~subsection (a) (2), a weekly drawing may award a prize in~~
22 ~~excess of \$30,000 if the prize is the result of a~~
23 ~~carryover of a drawing which resulted from the winning~~
24 ~~number in the drawing not being among the eligible~~
25 ~~entrants in the drawings.~~

26 ~~(ii) Nothing under this subsection shall authorize~~
27 ~~the prize limitation under subsection (a) (2) to be~~
28 ~~exceeded:~~

29 ~~(A) as a result of a failure to conduct a~~
30 ~~drawing for a week during which chances were sold for~~

1 ~~a weekly drawing; or~~

2 ~~(B) for a weekly drawing for which chances were~~
3 ~~sold in excess of \$1.~~

4 ~~(e) Monthly drawing. A licensed eligible organization may~~
5 ~~not conduct a monthly drawing during a period when a daily or~~
6 ~~weekly drawing is taking place.~~

7 ~~(f) Full payout. If a daily drawing, weekly drawing or~~
8 ~~monthly drawing is set up or conducted in such a manner as to~~
9 ~~pay out or award 100% of the gross revenues generated from the~~
10 ~~drawing, the limitations contained under subsection (a) (2) and~~
11 ~~(3) shall not apply.~~

12 ~~(g) Reporting requirements. Each licensed eligible~~
13 ~~organization shall report to the department prizes awarded as~~
14 ~~required under section 335 of the act of March 4, 1971 (P.L.6,~~
15 ~~No.2), known as the Tax Reform Code of 1971.~~

16 Section 7. Sections 6 and 7 of the act, amended December 19,
17 1990 (P.L.812, No.195), are renumbered and amended to read:
18 Section [6] 303. Sales limited.

19 ~~(a) General rule. No person shall sell, offer for sale or~~
20 ~~furnish games of chance for use within this Commonwealth except~~
21 ~~to an eligible organization or [distributor] licensed~~
22 ~~distributor under this act.~~

23 ~~(b) Organizations. No game of chance, other than a raffle~~
24 ~~conducted under section 302, sold, offered for sale or furnished~~
25 ~~to a licensed eligible organization for use within this~~
26 ~~Commonwealth shall contain, permit, depict or designate a prize~~
27 ~~having a cash value in excess of [\$500] \$1,000.~~

28 Section [7] 304. Distributor licenses.

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

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

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

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

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

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

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

13 ~~(5) A statement that:~~

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

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

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

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

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

1 ~~General or the Department of Labor and Industry.~~

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

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

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

15 ~~(2) file required State tax reports; or~~

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

19 ~~(f) Records. [The] Each distributor licensee shall keep~~
20 ~~such records, reports and books as the department shall~~
21 ~~prescribe. [Applicants] Annually, each distributor licensee~~
22 ~~shall be required to make such records, reports and books~~
23 ~~available [as] to law enforcement officials as requested or in a~~
24 ~~manner required by the department pursuant to regulation.~~

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

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

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

10 ~~(h) License and renewal fees. The fee for a distributor~~
11 ~~license shall be [\$1,000] \$2,000. Licenses shall be renewable on~~
12 ~~an annual basis.~~

13 ~~(i) Exception. [This] Except as provided under section 504,~~
14 ~~this section shall not apply to the manufacture or distribution~~
15 ~~of raffle tickets.~~

16 ~~Section 8. Section 8 of the act is renumbered and amended to~~
17 ~~read:~~

18 ~~Section [8] 305. Registration of manufacturers.~~

19 ~~(a) Registration required. No manufacturer of games of~~
20 ~~chance shall sell any games of chance to any person unless the~~
21 ~~manufacturer has registered with the department and has been~~
22 ~~issued a certificate of registration.~~

23 ~~(b) Annual certificate; fee. A certificate under this~~
24 ~~section shall be valid for one year. The annual fee for~~
25 ~~registration shall be [\$2,000] \$4,000.~~

26 ~~(c) Prohibited sales. A manufacturer shall not sell games~~
27 ~~of chance to any person not licensed as a distributor unless the~~
28 ~~manufacturer is also a licensed distributor.~~

29 ~~(d) Exception. This section shall not apply to the~~
30 ~~manufacture or distribution of raffle tickets.~~

1 ~~(e) Records. The manufacturer shall keep records, reports~~
2 ~~and books as prescribed by the department. Annually,~~
3 ~~manufacturers shall be required to make the records, reports and~~
4 ~~books available to the department and law enforcement officials~~
5 ~~as requested or in a manner required by the department by~~
6 ~~regulation.~~

7 Section 9. Section 9 of the act, amended December 19, 1990
8 (P.L.812, No.195), is renumbered and amended to read:
9 Section [9] 306. Regulations of department.

10 (a) Authorization. The department shall promulgate
11 regulations to:

12 (1) ~~Impose minimum standards and restrictions applicable~~
13 ~~to games of chance manufactured for sale in this~~
14 ~~Commonwealth, which may include standards and restrictions~~
15 ~~which specify the maximum number of chances available to be~~
16 ~~sold for any single game of chance or prize and such other~~
17 ~~standards and restrictions as the department deems necessary~~
18 ~~for the purposes of this act. The department shall consider~~
19 ~~standards adopted by the National Association of Gambling~~
20 ~~Regulatory Agencies and other standards commonly accepted in~~
21 ~~the industry.~~

22 (2) ~~Establish procedures by which manufacturers may~~
23 ~~register and distributors of games of chance may apply for~~
24 ~~licensure on forms which the department shall provide. Forms~~
25 ~~provided by the department shall include a requirement that~~
26 ~~manufacturer and distributor applicants provide a criminal~~
27 ~~history record information check obtained from the~~
28 ~~Pennsylvania State Police as defined in 18 Pa.C.S. § 9102~~
29 ~~(relating to definitions) and permitted by 18 Pa.C.S. §~~
30 ~~9121(b) (relating to general regulations) for all officers,~~

~~managers and other persons responsible for overseeing games of chance.~~

~~(3) Provide for the suspension or revocation of distribution licenses or manufacturer certificates for violations of this act or regulations of the department.~~

~~(4) Carry out other provisions of this act.~~

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

~~(c) Report.~~

~~(1) The department shall, on a biennial basis, review this act and any rules or regulations promulgated under this act and submit a report to the General Assembly with its recommendations. The recommendations for legislative action may include:~~

~~(i) Improvements to the enforcement provisions.~~

~~(ii) Additional types of games of chance authorized.~~

~~(iii) Changes in the prize limitations for games of chance.~~

~~(2) The department shall consult with law enforcement officials in formulating its recommendations.~~

~~Section 10. Section 10 of the act, amended December 19, 1990 (P.L.812, No.195) and October 18, 2000 (P.L.602, No.79), is~~

1 ~~renumbered and amended to read:~~

2 ~~Section [10] 307. Licensing of eligible organizations to~~
3 ~~conduct games of chance.~~

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

16 ~~(b) Issuance and fees. The licensing authority shall~~
17 ~~license, upon application, within 30 days any eligible~~
18 ~~organization meeting the requirements for licensure contained in~~
19 ~~this act to conduct and operate games of chance at such~~
20 ~~locations within the county or in such manner as stated on the~~
21 ~~application as limited by subsection (b.1). The license fee to~~
22 ~~be charged to each eligible organization shall be [\$100] \$150,~~
23 ~~except for limited occasion licenses which shall be [\$10] \$15.~~
24 ~~Licenses shall be renewable annually upon the anniversary of the~~
25 ~~date of issue. The license fee shall be used by the licensing~~
26 ~~authority for the administration of this act.~~

27 ~~(b.1) Location of small games of chance.~~

28 ~~(1) Every licensed eligible organization, except a~~
29 ~~limited occasion licensee, shall conduct small games of~~
30 ~~chance only at a licensed premises. The licensed premises~~

1 ~~shall be indicated on the eligible organization's license~~
2 ~~application. Only one license shall be issued per licensed~~
3 ~~premises. Except as provided under subparagraph (iii), a~~
4 ~~licensed eligible organization may not use another licensed~~
5 ~~eligible organization's premises to conduct its games of~~
6 ~~chance, and no licensed eligible organization may permit its~~
7 ~~premises to be used for small games of chance by another~~
8 ~~licensed eligible organization.~~

9 ~~(i) Where there exists a location or premises which~~
10 ~~is the normal business or operating site of the eligible~~
11 ~~organization and the location or premises is owned or~~
12 ~~leased by that eligible organization to conduct its~~
13 ~~normal business, that site shall be the eligible~~
14 ~~organization's licensed premises for small games of~~
15 ~~chance conducted by the eligible organization. If that~~
16 ~~location consists of more than one building [and the~~
17 ~~eligible organization wishes to conduct its games in a~~
18 ~~different building at that location from the one that is~~
19 ~~listed on its application and license, the eligible~~
20 ~~organization must notify, in writing, the district~~
21 ~~attorney and the licensing authority of the change in~~
22 ~~building site and the dates and times that will be~~
23 ~~affected], the eligible organization shall designate on~~
24 ~~its application the building that will be the licensed~~
25 ~~premises.~~

26 ~~(ii) When an eligible organization does not own or~~
27 ~~lease a specific location to conduct its normal business,~~
28 ~~[that] the eligible organization [may use another~~
29 ~~eligible organization's premises to conduct its games or]~~
30 ~~may make [such other] arrangements that are consistent~~

1 ~~with this act to establish a licensed premises,~~
2 ~~including[, but not limited to,] leasing a premise under~~
3 ~~a written agreement for a rental [which is not], except~~
4 ~~that the rental may not be determined by either the~~
5 ~~amount of receipts realized from the [playing] conduct of~~
6 ~~games of chance [nor] or the number of people attending~~
7 ~~[except that an]. An eligible organization may lease a~~
8 ~~facility for a banquet [where a per head charge is~~
9 ~~applied] in connection with the serving of a meal based~~
10 ~~on a per head charge. When such eligible organization~~
11 ~~changes the site of its games from that which is listed~~
12 ~~on its application and license, the eligible organization~~
13 ~~must notify, in writing, the district attorney and~~
14 ~~licensing authority of the change in their games' site~~
15 ~~[and dates and times that will be affected].~~

16 ~~(iii) An eligible organization that has obtained a~~
17 ~~limited occasion license under subsection (b.3) may use~~
18 ~~another eligible organization's licensed premises to~~
19 ~~conduct its games of chance. When a licensed eligible~~
20 ~~organization is permitting a limited occasion licensee to~~
21 ~~use its licensed premises for purposes of small games of~~
22 ~~chance, the eligible organization shall cease the~~
23 ~~operation of its own small games of chance during the~~
24 ~~period that the limited occasion licensee is conducting~~
25 ~~its games on the premises.~~

26 ~~(2) Unless otherwise provided in this chapter, all~~
27 ~~aspects of the operation of games of chance shall be~~
28 ~~conducted on the licensed premises.~~

29 ~~(b.2) Off premises games of chance. Notwithstanding any~~
30 ~~other provisions of this section, [an] all of the following~~

1 apply:

2 ~~(1) A licensed eligible organization may, on one~~
3 ~~occasion during a license term, conduct small games of chance~~
4 ~~at a location off its premises when [such games] the games of~~
5 ~~chance are part of an annual carnival, fair, picnic or~~
6 ~~banquet held or participated in by that licensed eligible~~
7 ~~organization on a historical basis. The licensed eligible~~
8 ~~organization must notify, in writing, the district attorney~~
9 ~~and licensing authority of the location, date and times of~~
10 ~~[such events] the event where it will be conducting small~~
11 ~~games of chance.~~

12 ~~(2) Raffle tickets may be sold off the licensed premises~~
13 ~~in a municipality which has adopted the provisions of this~~
14 ~~act by an affirmative vote in a municipal referendum. A~~
15 ~~licensed eligible organization which plans to sell raffle~~
16 ~~tickets in a municipality located in a county other than the~~
17 ~~county in which the eligible organization is licensed shall~~
18 ~~notify that county's district attorney and licensing~~
19 ~~authority as to the location and the dates that the eligible~~
20 ~~organization plans to sell raffle tickets.~~

21 ~~(b.3) Limited occasion licenses. Eligible organizations~~
22 ~~which do not own their own premises or which do not lease a~~
23 ~~specific location to conduct their normal business may apply for~~
24 ~~a limited occasion license to conduct small games of chance on~~
25 ~~not more than three occasions covering a total of seven days~~
26 ~~during a licensed year. A limited occasion license entitles~~
27 ~~eligible organizations holding such a license to conduct no more~~
28 ~~than two raffles during a licensed year where prizes may not~~
29 ~~exceed the established limits for regular monthly raffles.~~
30 ~~Holders of a limited occasion [licenses] license may not apply~~

1 ~~or be granted any other license or special permit under this~~
2 ~~act. No holder of a regular license or special permit under this~~
3 ~~act shall apply or be granted a limited occasion license.~~

4 ~~(b.4) Gambling facility prohibited. It shall be unlawful~~
5 ~~for a person, corporation, association, partnership or other~~
6 ~~business entity to offer for rent or offer for use a building or~~
7 ~~facility to be used exclusively for the [conducting] conduct of~~
8 ~~small games of chance. It shall also be unlawful for any~~
9 ~~eligible organization to rent or lease under any terms a~~
10 ~~[facility or] building or facility which is used exclusively for~~
11 ~~the [conducting] conduct of small games of chance.~~

12 ~~(c) Display. Licenses issued pursuant to this section shall~~
13 ~~be publicly displayed at the site [of the small] where games of~~
14 ~~chance will be conducted.~~

15 ~~(d) Operation. Each licensed eligible organization shall~~
16 ~~[comply with the following restrictions and rules governing the~~
17 ~~operation of games of chance] be prohibited from the following:~~

18 ~~(1) [No] Permitting any person under 18 years of age~~
19 ~~[shall be permitted] to operate or play games of chance.~~

20 ~~(2) [No eligible organization shall permit] Permitting~~
21 ~~any person who has been convicted of a felony in a Federal or~~
22 ~~State court within the past five years or has been convicted~~
23 ~~in a Federal or State court within the past ten years of a~~
24 ~~violation of the act of July 10, 1981 (P.L.214, No.67), known~~
25 ~~as the Bingo Law, or of this act to manage, set up, supervise~~
26 ~~or participate in the operation of games of chance.~~

27 ~~(3) [No eligible organization shall pay] Paying any~~
28 ~~compensation to any person for conducting any games of~~
29 ~~chance. Games of chance may only be conducted by managers,~~
30 ~~officers, directors, bar personnel and bona fide members of~~

1 ~~the eligible organization.~~

2 ~~(3.1) Permitting a manager, officer, director, bar~~
3 ~~personnel or other operator of the game of chance, except for~~
4 ~~a raffle, from being a player in the game of chance the~~
5 ~~individual is operating.~~

6 ~~(4) [Games shall be conducted only] Conducting small~~
7 ~~games of chance on any premises other than on the licensed~~
8 ~~premises or as otherwise provided by this act.~~

9 ~~(5) [The eligible organization shall not lease such]~~
10 ~~Leasing the licensed premises under either an oral or a~~
11 ~~written agreement for a rental which is determined by either~~
12 ~~the amount of receipts realized from the playing of games of~~
13 ~~chance or the number of people attending, except that an~~
14 ~~eligible organization may lease a facility for a banquet~~
15 ~~where a per head charge is applied in connection with the~~
16 ~~servicing of a meal. An eligible organization shall not lease~~
17 ~~such premises from any person who has been convicted of a~~
18 ~~violation of this act or the Bingo Law within the past ten~~
19 ~~years.~~

20 ~~(6) [Games] Purchasing games of chance, other than~~
21 ~~raffles, daily drawings [and], weekly drawings[, shall be~~
22 ~~purchased only from manufacturers and distributors] and~~
23 ~~monthly drawings from any person other than a licensed~~
24 ~~distributor approved by the department.~~

25 ~~[(7) No licensed eligible organization shall permit its~~
26 ~~premises to be used for small games of chance by another~~
27 ~~licensed eligible organization at the same time that it is~~
28 ~~conducting small games of chance on the premises. When a~~
29 ~~licensed eligible organization is permitting another licensed~~
30 ~~eligible organization to use its premises for purposes of~~

1 ~~small games of chance, it must cease the operation of its own~~
2 ~~small games of chance during the period that the other~~
3 ~~licensed eligible organization is conducting its games on the~~
4 ~~premises.~~

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

15 ~~(7) Operating games of chance on a licensed premises~~
16 ~~when another eligible organization is operating games of~~
17 ~~chance.~~

18 ~~(d.1) Bank account and records. Each licensed eligible~~
19 ~~organization shall establish and maintain a bank account to hold~~
20 ~~the proceeds of small games of chance, which shall be separate~~
21 ~~from all other bank accounts belonging to the licensed eligible~~
22 ~~organization. Account records shall show all expenditures and~~
23 ~~income and shall be retained by the licensed eligible~~
24 ~~organization for at least two years.~~

25 ~~(e) Application for license. Each eligible organization~~
26 ~~shall apply to the licensing authority for a license on a form~~
27 ~~to be prescribed by the Secretary of Revenue. The form shall~~
28 ~~contain an annual report filed by the eligible organization and~~
29 ~~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 ~~(4) The eligible organization has a separate bank~~
16 ~~account to hold all proceeds of small games of chance.~~

17 ~~(5) The eligible organization has complied with the~~
18 ~~annual financial report filing.~~

19 ~~(e.1) Additional application components. As part of the~~
20 ~~initial or renewal application filed under subsection (e), each~~
21 ~~eligible organization shall file an annual report with the~~
22 ~~licensing authority. The first annual report required under this~~
23 ~~paragraph shall contain information for the 12 month period~~
24 ~~ending at least 60 days, but not more than 90 days, prior to the~~
25 ~~submission of the application. Subsequent annual reports shall~~
26 ~~contain information for the most recent 12 month period ending~~
27 ~~in the same month as the initial report.~~

28 ~~(f) List of licensees. The licensing authority, on a~~
29 ~~semiannual basis, shall send a copy of all licensees to the~~
30 ~~Department of Revenue.~~

1 ~~(g) List of municipalities. The licensing authority shall~~
2 ~~include with any license or renewal license issued to an~~
3 ~~eligible organization, an up to date listing of those~~
4 ~~municipalities within the licensing county which have approved~~
5 ~~the referendum question on small games of chance.~~

6 ~~(h) Background checks. Each application for a license shall~~
7 ~~include the results of a criminal history record information~~
8 ~~check obtained from the Pennsylvania State Police, as defined in~~
9 ~~18 Pa.C.S. § 9102 (relating to definitions) and permitted by 18~~
10 ~~Pa.C.S. § 9121(b) (relating to general regulations), for the~~
11 ~~executive officer or secretary of the eligible organization~~
12 ~~making the application for a license and all other responsible~~
13 ~~persons listed on the application.~~

14 Section 11. Section 11 of the act, amended December 19, 1990
15 (P.L.812, No.195), is renumbered and amended to read:

16 Section [11] 308. Special permits.

17 ~~(a) Issuance and fee. The licensing authority shall issue a~~
18 ~~special permit for each raffle in which the [licensee] licensed~~
19 ~~eligible organization proposes to award individual prizes having~~
20 ~~a cash value in excess of [\$500] \$1,000. The licensing authority~~
21 ~~may establish and collect a fee not to exceed \$25 for the~~
22 ~~issuance of special permits under this section.~~

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

27 Section 12. The act is amended by adding a chapter to read:

28 CHAPTER 5

29 CLUB LICENSEES

30 Section 501. Report.

1 ~~The following shall apply:~~

2 ~~(1) By March 31, 2013, and by March 31 of each year~~
3 ~~thereafter, each club licensee shall submit an annual report~~
4 ~~to the Pennsylvania State Police for the preceding calendar~~
5 ~~year on a form prescribed by the Pennsylvania State Police.~~

6 ~~(2) The report must be filed under oath or affirmation~~
7 ~~of an authorized officer of the club licensee.~~

8 ~~(3) The report must include all of the following~~
9 ~~information for the prior calendar year:~~

10 ~~(i) The proceeds received by the club licensee from~~
11 ~~each game of chance conducted, itemized by week.~~

12 ~~(ii) The distribution of proceeds under section~~
13 ~~502(a)(1) and (2).~~

14 ~~(iii) The amount of proceeds for all games of chance~~
15 ~~not purchased from a licensed distributor which the club~~
16 ~~licensee conducted, itemized by week.~~

17 ~~(iv) The amount of prizes paid from games of chance~~
18 ~~and itemized costs related to the conduct of games of~~
19 ~~chance.~~

20 ~~(v) The amounts distributed for public interest~~
21 ~~purposes itemized by the recipient.~~

22 ~~(vi) An itemized list of expenditures made or~~
23 ~~amounts retained for general operating expenses.~~

24 ~~(vii) The address and county in which the club~~
25 ~~licensee is located.~~

26 ~~(viii) Other information or documentation required~~
27 ~~by the Pennsylvania State Police.~~

28 ~~Section 502. Proceeds.~~

29 ~~(a) Distribution. The proceeds from games of chance~~
30 ~~received by a club licensee shall be distributed as follows:~~

1 ~~(1) Not less than 70% of proceeds shall be paid to~~
2 ~~organizations other than the club licensee for public~~
3 ~~interest purposes.~~

4 ~~(2) Up to 30% of proceeds may be used for general~~
5 ~~operating expenses.~~

6 ~~(b) Prohibition. Proceeds shall not be used for wages,~~
7 ~~alcohol or food purchases or for the payment of any fine levied~~
8 ~~against the club licensee.~~

9 ~~(c) Proceeds for public interest purposes. Amounts retained~~
10 ~~by a club licensee under subsection (a) (2) shall be expended~~
11 ~~within the same calendar year unless the club licensee notifies~~
12 ~~the department that funds are being retained for a substantial~~
13 ~~purchase or project. Notification shall include a description of~~
14 ~~the purchase or project, the cost and the anticipated date of~~
15 ~~the purchase or project.~~

16 ~~Section 503. Documentation.~~

17 ~~Every sale of a game of chance by a licensed distributor to a~~
18 ~~club licensee shall be documented by an invoice listing the~~
19 ~~names and types of games of chance sold, quantities of each game~~
20 ~~sold and any other information related to the sale of games of~~
21 ~~chance as required by the Pennsylvania State Police. Failure to~~
22 ~~provide correct invoices shall result in a penalty under section~~
23 ~~706.~~

24 ~~Section 504. Restriction.~~

25 ~~Notwithstanding section 307(d)(6), all punchboards, daily~~
26 ~~drawings, weekly drawings, monthly drawings, raffles and pull~~
27 ~~tabs shall be purchased from a licensed distributor approved by~~
28 ~~the department.~~

29 ~~Section 505. Failure to comply.~~

30 ~~(a) Offense defined. A club licensee commits a misdemeanor~~

1 ~~of the third degree for failing to comply with this chapter or~~
2 ~~failing to provide their books, accounts and records relating to~~
3 ~~the conduct of games of chance under section 701(b).~~

4 ~~(b) Reporting. The Pennsylvania State Police shall provide~~
5 ~~a list of club licensees that fail to file reports under this~~
6 ~~chapter by the required dates or fail to comply with sections~~
7 ~~502 and 503 to the applicable licensing authority, district~~
8 ~~attorney and the department.~~

9 Section 13. The act is amended by adding a chapter heading
10 to read:

11 CHAPTER 7

12 ENFORCEMENT

13 Section 14. Section 12 of the act, amended December 19, 1990
14 (P.L.812, No.195), is renumbered and amended to read:

15 Section [12] 701. Revocation of licenses.

16 (a) ~~Grounds. The [licensing authority shall revoke or~~
17 ~~refuse to renew the license of any eligible organization~~
18 ~~whenever the district attorney finds upon complaint and~~
19 ~~investigation that] following shall be grounds for the~~
20 ~~suspension, revocation or nonrenewal of a license:~~

21 (1) ~~Any of the funds derived from the operation of games~~
22 ~~of chance are used for any purpose other than [for public~~
23 ~~interest purposes or for the purchase of games of chance as]~~
24 ~~those purposes permitted by this act.~~

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

27 (3) ~~The eligible organization has permitted any person~~
28 ~~who has been convicted of a felony in a Federal or State~~
29 ~~court within the past five years or has been convicted in a~~
30 ~~Federal or State court within the past ten years of a~~

1 ~~violation of the act of July 10, 1981 (P.L.214, No.67), known~~
2 ~~as the Bingo Law, or of this act, to manage, set up,~~
3 ~~supervise or participate in the operation of games of chance.~~

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

7 ~~(5) Any person or persons other than a manager, officer,~~
8 ~~director, bar personnel or a bona fide member of an eligible~~
9 ~~organization have been involved in managing, setting up,~~
10 ~~operating or running games of chance.~~

11 ~~(5.1) Any manager, officer, director, bar personnel or~~
12 ~~other operator of the game of chance, except for a raffle,~~
13 ~~has been a player in the game the individual is operating.~~

14 ~~(6) Any person has received compensation for conducting~~
15 ~~games of chance.~~

16 ~~(7) Any prize has been awarded in excess of the limits~~
17 ~~permitted under this act.~~

18 ~~(8) The eligible organization has violated any condition~~
19 ~~of a special permit issued pursuant to section [11] 308.~~

20 ~~(9) The eligible organization conducts the games of~~
21 ~~chance under a lease which calls for:~~

22 ~~(i) leasing such premises from the owner thereof~~
23 ~~under an oral agreement; or~~

24 ~~(ii) leasing such premises from the owner thereof~~
25 ~~under a written agreement at a rental which is determined~~
26 ~~by the amount of receipts realized from the playing of~~
27 ~~games of chance.~~

28 ~~(10) False or erroneous information was provided in the~~
29 ~~original application or in any information provided to the~~
30 ~~licensing authority, the department or the Pennsylvania State~~

1 ~~Police in any application, renewal form or report.~~

2 ~~(11) An eligible organization has been convicted of a~~
3 ~~violation of this act as evidenced by a certified record of~~
4 ~~the conviction.~~

5 ~~(12) The eligible organization has permitted another~~
6 ~~eligible organization to conduct small games of chance on its~~
7 ~~licensed premises without suspending its own operation of~~
8 ~~small games of chance during the period that the other~~
9 ~~licensed eligible organization is conducting its games on the~~
10 ~~premises.~~

11 ~~(13) The eligible organization has failed to keep and~~
12 ~~maintain the records required under this act for a period of~~
13 ~~at least two years.~~

14 ~~(14) A club licensee has failed to file an accurate~~
15 ~~report under section 501.~~

16 ~~(15) A club licensee has failed to comply with section~~
17 ~~501 or 502.~~

18 ~~(b) Production of records. The district attorney may~~
19 ~~require [licensees] licensed eligible organizations, registered~~
20 ~~manufacturers and licensed distributors to produce their books,~~
21 ~~accounts and records relating to the conduct of games of chance~~
22 ~~in order to determine [whether a license should be revoked or~~
23 ~~renewal thereof denied] if a violation of this act has occurred.~~
24 ~~Licensees shall also be required upon request to [produce]~~
25 ~~provide their license, books, accounts and records relating to~~
26 ~~the conduct of games of chance to other law enforcement~~
27 ~~officials [upon proper request].~~

28 ~~Section 15. Section 13 of the act is renumbered to read:~~
29 ~~Section [13] 702. Enforcement.~~

30 ~~(a) District attorney. The district attorney shall~~

1 ~~investigate alleged violations of this act. If the district~~
2 ~~attorney finds probable cause to believe that a violation has~~
3 ~~occurred, he may file a complaint against the alleged violator~~
4 ~~in the court of common pleas of said county, except in counties~~
5 ~~of the first class where the complaint may be filed in the~~
6 ~~municipal court. In addition, the district attorney shall~~
7 ~~prosecute said complaint in the manner provided by law.~~

8 ~~(b) Other law enforcement officials. Nothing in this act~~
9 ~~shall be interpreted to restrict the power of State, county or~~
10 ~~local law enforcement officials to conduct investigations and~~
11 ~~enforce the provisions of this act.~~

12 ~~Section 16. Section 14 of the act, amended July 11, 1990~~
13 ~~(P.L.449, No.108) and December 19, 1990 (P.L.812, No.195), is~~
14 ~~renumbered and amended to read:~~

15 ~~Section [14] 703. Local option.~~

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

1 ~~the resolution is filed with the board of elections of the~~
2 ~~county, for a referendum on the question of issuing licenses,~~
3 ~~the county board of elections shall cause a question to be~~
4 ~~placed on the ballot or on the voting machine board and~~
5 ~~submitted at the primary election immediately preceding the~~
6 ~~municipal election. The question shall be in the following form:~~

7 ~~Do you favor the issuance of licenses~~
8 ~~to conduct small games of chance in the~~
9 ~~_____ of _____?~~

10 ~~(b) Vote. If a majority of the electors voting on the~~
11 ~~question vote "yes," then licenses shall be issued by the~~
12 ~~licensing authority in such municipality, but if a majority of~~
13 ~~the electors voting on any such question vote "no," then the~~
14 ~~licensing authority shall have no power to issue or to renew,~~
15 ~~upon their expiration, any licenses in such municipality, unless~~
16 ~~and until, at a later election, a majority of the voting~~
17 ~~electors vote "yes" on such question.~~

18 ~~(c) Voting proceedings. Proceedings under this section~~
19 ~~shall be in accordance with the provisions of the act of June 3,~~
20 ~~1937 (P.L.1333, No.320), known as the Pennsylvania Election~~
21 ~~Code.~~

22 ~~(d) Applicability. This act applies only to those eligible~~
23 ~~organizations located in municipalities which have adopted the~~
24 ~~provisions of this act by an affirmative vote in a municipal~~
25 ~~referendum in accordance with the provisions of this section.~~

26 ~~(e) Withdrawal of approval. The referendum procedure~~
27 ~~contained in this section shall also be available to withdraw~~
28 ~~the approval of the issuance of such licenses within such~~
29 ~~municipality which was granted through a prior referendum.~~

30 ~~(f) Special exception. Notwithstanding any other provision~~

1 ~~of this act to the contrary, in any municipality except a city~~
2 ~~of the first class where an election was held pursuant to this~~
3 ~~section on May 16, 1989, and a majority of the electors voted~~
4 ~~"NO" on the question, the municipality shall be able to resubmit~~
5 ~~the question, in accordance with the procedures set forth in~~
6 ~~this section, at the general election immediately following [the~~
7 ~~effective date of this amendatory act] July 11, 1990.~~

8 Section 17. ~~Section 15 of the act, amended December 19, 1990~~
9 ~~(P.L.812, No.195), is renumbered and amended to read:~~

10 ~~Section [15] 704. Advertising.~~

11 ~~[It shall be unlawful for any eligible organization or person~~
12 ~~to advertise the prizes or their dollar value to be awarded in~~
13 ~~games of chance, provided that prizes may be identified on~~
14 ~~raffle tickets. Notwithstanding the prohibition of advertising~~
15 ~~contained within this section, an eligible organization may~~
16 ~~advertise prizes and values thereof in periodic publications~~
17 ~~which are limited in their circulation to members of the~~
18 ~~eligible organization.] Any licensed eligible organization or~~
19 ~~person may advertise the prizes to be awarded in games of chance~~
20 ~~if the advertisements contain the date, time, location, the~~
21 ~~prizes that will be awarded and the name of the licensed~~
22 ~~eligible organization. Advertisements to the public may be no~~
23 ~~larger than 8 1/2 inches by 11 inches. An eligible organization~~
24 ~~may advertise prizes in periodic publications which are limited~~
25 ~~in their circulation to members of the eligible organization.~~
26 ~~This section shall not apply to a sign displayed inside the~~
27 ~~licensed premises.~~

28 Section 18. ~~Section 16 of the act is renumbered and amended~~
29 ~~to read:~~

30 ~~Section [16] 705. Certain persons prohibited.~~

1 No licensed distributor nor any person who has been convicted
2 of a felony or of a violation of the act of July 10, 1981
3 (P.L.214, No.67), known as the Bingo Law, or of this act or of
4 any comparable State or Federal law shall have a pecuniary
5 interest in the operation or proceeds of games of chance.

6 Section 19. Section 17 of the act, amended December 19, 1990
7 (P.L.812, No.195), is renumbered and amended to read:

8 Section [17] 706. [Penalties] Criminal penalties.

9 (a) Eligible organizations. Any eligible organization
10 violating the provisions of this act shall be guilty of a
11 summary offense and, upon conviction thereof, shall be sentenced
12 to pay a fine not exceeding [\$1,000 and shall] \$2,000 for a
13 first offense[,] and not exceeding \$3,000 for a subsequent
14 violation. In addition, the following shall apply:

15 (1) For a first offense, the eligible organization shall
16 forfeit the license to conduct games of chance issued to the
17 eligible organization for [the remainder of the licensing
18 period or six months, whichever is longer, for] a period of
19 not more than 30 days.

20 (2) For a second offense[,] within three years of the
21 first offense, the eligible organization shall forfeit [the]
22 its license [issued to the eligible organization for the
23 remainder of the current licensing period and be ineligible
24 to be licensed for the following licensing period,] for a
25 period of not less than 30 days nor more than 180 days.

26 (3) For a third or subsequent offense[,] within three
27 years of the most recent offense, the eligible organization
28 shall forfeit [the] its license [issued to the eligible
29 organization] and be ineligible for a license renewal for 30
30 months thereafter.

1 ~~(b) Individuals. Any person who conducts or assists in the~~
2 ~~conducting of games of chance in violation of the provisions of~~
3 ~~this act is guilty of a summary offense for a first violation. A~~
4 ~~second violation of this act shall be punishable as a~~
5 ~~misdemeanor of the third degree. A third or subsequent violation~~
6 ~~shall be punishable as a misdemeanor of the first degree.~~

7 ~~(c) Distributors and manufacturers. Any person who~~
8 ~~distributes games of chance without a license or in violation of~~
9 ~~any provision of this act or applicable regulations, and any~~
10 ~~manufacturer of games of chance who delivers games of chance for~~
11 ~~sale or distribution in this Commonwealth who fails to register~~
12 ~~and obtain a permit therefor is guilty of a misdemeanor of the~~
13 ~~first degree, provided that no license or permit shall be~~
14 ~~required for the manufacture or distribution of raffle tickets.~~

15 ~~(d) Rigging. A person commits a misdemeanor of the first~~
16 ~~degree if, with intent to prevent a game of chance from being~~
17 ~~conducted in accordance with the requirements of this act or the~~
18 ~~rules and usages governing the game of chance, he:~~

19 ~~(1) confers or offers or agrees to confer any benefit~~
20 ~~upon or threatens any injury to a participant or other person~~
21 ~~associated with the game of chance;~~

22 ~~(2) tampers with any person associated with the game of~~
23 ~~chance;~~

24 ~~[(2)] (3) tampers with any [person or games] small game~~
25 ~~of chance; or~~

26 ~~[(3)] (4) solicits, accepts or agrees to accept any~~
27 ~~benefit.~~

28 ~~(e) Contingent fees. Any person who distributes,~~
29 ~~manufactures or operates a small game of chance and who~~
30 ~~requires, for equipment furnished or to play a game of chance,~~

1 ~~payment equal to a percentage of the total winnings of any game~~
2 ~~of chance commits a misdemeanor of the first degree.~~

3 ~~Section 20. The act is amended by adding a chapter heading~~
4 ~~to read:~~

5 CHAPTER 31

6 MISCELLANEOUS PROVISIONS

7 ~~Section 21. Section 18 of the act is renumbered to read:~~

8 ~~Section [18] 3101. Effective date.~~

9 ~~This act shall take effect in 60 days.~~

10 ~~Section 22. This act shall take effect in 60 days.~~

11 SECTION 1. THE ACT OF DECEMBER 19, 1988 (P.L.1262, NO.156),
12 KNOWN AS THE LOCAL OPTION SMALL GAMES OF CHANCE ACT, IS AMENDED
13 BY ADDING A CHAPTER HEADING TO READ: ←

14 CHAPTER 1

15 PRELIMINARY PROVISIONS

16 SECTION 2. SECTION 1 OF THE ACT IS RENUMBERED TO READ:

17 SECTION [1] 101. SHORT TITLE.

18 THIS ACT SHALL BE KNOWN AND MAY BE CITED AS THE LOCAL OPTION
19 SMALL GAMES OF CHANCE ACT.

20 SECTION 2.1. SECTION 2 OF THE ACT IS RENUMBERED AND AMENDED
21 TO READ:

22 SECTION [2] 102. LEGISLATIVE INTENT.

23 THE GENERAL ASSEMBLY HEREBY DECLARES THAT THE PLAYING OF
24 [SMALL] GAMES OF CHANCE FOR THE PURPOSE OF RAISING FUNDS, BY
25 CERTAIN NONPROFIT ASSOCIATIONS, FOR THE PROMOTION OF CHARITABLE
26 OR CIVIC PURPOSES, IS IN THE PUBLIC INTEREST. IN SOME CASES THE
27 PROCEEDS FROM GAMES OF CHANCE MAY BE UTILIZED TO SUPPORT CERTAIN
28 OPERATING EXPENSES OF CERTAIN ORGANIZATIONS.

29 IT IS HEREBY DECLARED TO BE THE POLICY OF THE GENERAL
30 ASSEMBLY THAT ALL PHASES OF LICENSING, OPERATION AND REGULATION

1 OF [SMALL] GAMES OF CHANCE BE STRICTLY CONTROLLED, AND THAT ALL
2 LAWS AND REGULATIONS WITH RESPECT THERETO AS WELL AS ALL
3 GAMBLING LAWS SHOULD BE STRICTLY CONSTRUED AND RIGIDLY ENFORCED.

4 THE GENERAL ASSEMBLY RECOGNIZES THE POSSIBILITY OF
5 ASSOCIATION BETWEEN COMMERCIAL GAMBLING AND ORGANIZED CRIME, AND
6 WISHES TO DISCOURAGE COMMERCIALIZATION OF [SMALL] GAMES OF
7 CHANCE, PREVENT PARTICIPATION BY ORGANIZED CRIME AND PREVENT THE
8 DIVERSION OF FUNDS FROM THE PURPOSES HEREIN AUTHORIZED.

9 SECTION 3. THE DEFINITIONS OF "CIVIC AND SERVICE
10 ASSOCIATIONS," "CLUB," "DAILY DRAWING," "ELIGIBLE
11 ORGANIZATIONS," "FRATERNAL ORGANIZATIONS," "GAMES OF CHANCE,"
12 "PUBLIC INTEREST PURPOSES," "RAFFLE" AND "WEEKLY DRAWING" IN
13 SECTION 3 OF THE ACT, AMENDED DECEMBER 19, 1990 (P.L.812,
14 NO.195) AND OCTOBER 18, 2000 (P.L.602, NO.79), ARE AMENDED AND
15 THE SECTION IS RENUMBERED AND AMENDED BY ADDING DEFINITIONS TO
16 READ:

17 SECTION [3] 103. DEFINITIONS.

18 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL
19 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
20 CONTEXT CLEARLY INDICATES OTHERWISE:

21 * * *

22 "CIVIC AND SERVICE [ASSOCIATIONS] ASSOCIATION." ANY
23 STATEWIDE OR BRANCH, LODGE OR CHAPTER OF A NONPROFIT NATIONAL OR
24 STATE ORGANIZATION WHICH IS AUTHORIZED BY ITS WRITTEN
25 CONSTITUTION, CHARTER, ARTICLES OF INCORPORATION OR BYLAWS TO
26 ENGAGE IN A CIVIC OR SERVICE PURPOSE WITHIN THIS COMMONWEALTH,
27 WHICH SHALL HAVE EXISTED IN THIS COMMONWEALTH FOR ONE YEAR. THE
28 TERM ALSO MEANS A SIMILAR LOCAL NONPROFIT ORGANIZATION, NOT
29 AFFILIATED WITH A NATIONAL OR STATE ORGANIZATION, WHICH IS
30 RECOGNIZED BY A RESOLUTION ADOPTED BY THE GOVERNING BODY OF THE

1 MUNICIPALITY IN WHICH THE ORGANIZATION CONDUCTS ITS PRINCIPAL
2 ACTIVITIES. THE TERM SHALL INCLUDE[, BUT NOT BE LIMITED TO,]
3 STATEWIDE OR LOCAL BONA FIDE SPORTSMEN'S AND WILDLIFE
4 ASSOCIATIONS, FEDERATIONS OR CLUBS, [STATEWIDE OR LOCAL IN
5 NATURE,] VOLUNTEER FIRE COMPANIES, VOLUNTEER RESCUE SQUADS AND
6 VOLUNTEER AMBULANCE ASSOCIATIONS AND [BONA FIDE] SENIOR CITIZENS
7 ORGANIZATIONS. IN THE CASE OF BONA FIDE SENIOR CITIZENS
8 ORGANIZATIONS, THE LICENSING AUTHORITY MAY ACCEPT ALTERNATIVE
9 DOCUMENTATION FOR PROOF OF PURPOSES WHEN THERE ARE NO BYLAWS OR
10 ARTICLES OF INCORPORATION IN EXISTENCE. THE TERM SHALL ALSO
11 INCLUDE NONPROFIT ORGANIZATIONS WHICH ARE ESTABLISHED TO PROMOTE
12 AND ENCOURAGE PARTICIPATION AND SUPPORT FOR EXTRACURRICULAR
13 ACTIVITIES WITHIN THE ESTABLISHED PRIMARY AND SECONDARY PUBLIC,
14 PRIVATE AND PAROCHIAL SCHOOL SYSTEMS. SUCH ORGANIZATIONS MUST BE
15 RECOGNIZED BY A RESOLUTION ADOPTED BY THE APPROPRIATE GOVERNING
16 BODY. IN THE CASE OF ORGANIZATIONS ASSOCIATED WITH THE PUBLIC
17 SCHOOL SYSTEM, THE GOVERNING BODY SHALL BE THE SCHOOL BOARD OF
18 THE SCHOOL DISTRICT. IN THE CASE OF PRIVATE OR PAROCHIAL SCHOOL
19 ORGANIZATIONS, THAT BODY SHALL BE EITHER THE BOARD OF TRUSTEES
20 OR THE ARCHDIOCESE.

21 "CLUB." [A CLUB, AS DEFINED IN SECTION 102] AN ORGANIZATION
22 THAT:

23 (1) IS LICENSED TO SELL LIQUOR UNDER SECTION 404 OF THE
24 ACT OF APRIL 12, 1951 (P.L.90, NO.21), KNOWN AS THE LIQUOR
25 CODE[, THAT]; AND

26 (2) QUALIFIES AS AN EXEMPT ORGANIZATION UNDER SECTION
27 501(C) OR 527 OF THE INTERNAL REVENUE CODE OF [1954 (68A
28 STAT. 3] 1986 (PUBLIC LAW 99-514, 26 U.S.C. § 501(C) OR 527)
29 [AND IS LICENSED TO SELL LIQUOR AT RETAIL AND HAS A
30 CHARITABLE, RELIGIOUS OR CIVIC PURPOSE OR IS ORGANIZED TO

1 BENEFIT A POLITICAL PARTY].

2 "CLUB LICENSEE." A CLUB THAT HOLDS A LICENSE TO CONDUCT
3 SMALL GAMES OF CHANCE.

4 "DAILY DRAWING." A GAME OF CHANCE IN WHICH A BONA FIDE
5 MEMBER SELECTS OR IS ASSIGNED A NUMBER FOR A CHANCE AT A PRIZE
6 WITH THE WINNER DETERMINED BY [A] RANDOM DRAWING TO TAKE PLACE
7 ON THE LICENSED ELIGIBLE ORGANIZATION'S LICENSED PREMISES DURING
8 THE SAME OPERATING DAY. THE TERM INCLUDES GAMES OF CHANCE
9 COMMONLY KNOWN AS "MEMBER SIGN-IN LOTTERIES" AND "HALF-AND-HALF
10 LOTTERIES." [NOTHING IN THIS ACT SHALL BE CONSTRUED TO PROHIBIT
11 THE CARRYING OVER OF A JACKPOT WHERE THE WINNING NUMBER HAS NOT
12 BEEN ENTERED IN THE GAME ON A PARTICULAR OPERATING DAY.] DAILY
13 DRAWING WINNERS MAY BE DETERMINED WITH THE AID OF A PASSIVE
14 SELECTION DEVICE OR REFERENCE TO DRAWINGS CONDUCTED BY THE
15 DEPARTMENT PURSUANT TO THE ACT OF AUGUST 26, 1971 (P.L.351,
16 NO.91), KNOWN AS THE STATE LOTTERY LAW. DAILY DRAWING CHANCES
17 MAY NOT BE SOLD FOR AN AMOUNT IN EXCESS OF \$1, AND NO MORE THAN
18 ONE CHANCE PER INDIVIDUAL MAY BE SOLD [TO AN INDIVIDUAL DURING
19 THE SAME OPERATING DAY] PER DRAWING. NOTHING IN THIS DEFINITION
20 SHALL RESTRICT AN ELIGIBLE ORGANIZATION FROM CONDUCTING MORE
21 THAN ONE DRAWING PER DAY.

22 * * *

23 "ELIGIBLE [ORGANIZATIONS." INCLUDES QUALIFYING NONPROFIT
24 CHARITABLE, RELIGIOUS, FRATERNAL AND VETERANS ORGANIZATIONS,
25 CLUBS AND CIVIC AND SERVICE ASSOCIATIONS AS DEFINED BY THIS ACT]
26 ORGANIZATION." A CHARITABLE, RELIGIOUS, FRATERNAL OR VETERANS'
27 ORGANIZATION, CLUB, CLUB LICENSEE OR CIVIC AND SERVICE
28 ASSOCIATION. IN ORDER TO QUALIFY AS AN ELIGIBLE ORGANIZATION FOR
29 PURPOSES OF THIS ACT, AN ORGANIZATION SHALL HAVE BEEN IN
30 EXISTENCE AND FULFILLING ITS PURPOSES FOR ONE YEAR PRIOR TO THE

1 DATE OF APPLICATION FOR A LICENSE.

2 "FRATERNAL [ORGANIZATIONS] ORGANIZATION." A NONPROFIT
3 ORGANIZATION WITHIN THIS COMMONWEALTH WHICH IS CREATED AND
4 CARRIED ON FOR THE MUTUAL BENEFIT OF ITS MEMBERS, HAS A LIMITED
5 MEMBERSHIP AND A REPRESENTATIVE FORM OF GOVERNMENT AND IS A
6 BRANCH, LODGE OR CHAPTER OF A NATIONAL OR STATE ORGANIZATION.
7 SUCH ORGANIZATIONS SHALL HAVE BEEN IN EXISTENCE IN THIS
8 COMMONWEALTH AND FULFILLING THEIR PURPOSES FOR ONE YEAR PRIOR TO
9 THE DATE OF APPLICATION FOR A LICENSE.

10 "GAMES OF CHANCE." PUNCHBOARDS, DAILY DRAWINGS, WEEKLY
11 DRAWINGS, RAFFLES AND PULL-TABS, AS DEFINED IN THIS ACT,
12 PROVIDED THAT NO SUCH GAME SHALL BE PLAYED BY OR WITH THE
13 ASSISTANCE OF ANY MECHANICAL OR ELECTRICAL DEVICES OR MEDIA
14 OTHER THAN A DISPENSING MACHINE OR PASSIVE SELECTION DEVICE AND
15 FURTHER PROVIDED THAT THE PARTICULAR CHANCE TAKEN BY ANY PERSON
16 IN ANY SUCH GAME SHALL NOT BE MADE CONTINGENT UPON ANY OTHER
17 OCCURRENCE OR THE WINNING OF ANY OTHER CONTEST, BUT SHALL BE
18 DETERMINED SOLELY AT THE DISCRETION OF THE PURCHASER. THIS
19 DEFINITION SHALL NOT BE CONSTRUED TO AUTHORIZE ANY OTHER FORM OF
20 GAMBLING CURRENTLY PROHIBITED UNDER ANY PROVISION OF TITLE 18 OF
21 THE PENNSYLVANIA CONSOLIDATED STATUTES (RELATING TO CRIMES AND
22 OFFENSES) OR AUTHORIZED UNDER 4 PA.C.S. (RELATING TO
23 AMUSEMENTS). NOTHING IN THIS ACT SHALL BE CONSTRUED TO AUTHORIZE
24 GAMES COMMONLY KNOWN AS "SLOT MACHINES" OR "VIDEO POKER."

25 * * *

26 "LICENSED DISTRIBUTOR." A DISTRIBUTOR OF GAMES OF CHANCE
27 LICENSED UNDER SECTION 307.

28 * * *

29 "PRIZE." CASH OR MERCHANDISE AWARDED FOR GAMES OF CHANCE.

30 "PROCEEDS." THE DIFFERENCE BETWEEN:

1 (1) THE ACTUAL GROSS REVENUE COLLECTED BY A LICENSED
2 ELIGIBLE ORGANIZATION FROM A GAME OF CHANCE; AND

3 (2) THE ACTUAL AMOUNT OF PRIZES PAID BY A LICENSED
4 ELIGIBLE ORGANIZATION FROM A GAME OF CHANCE, PLUS THE COST TO
5 PURCHASE GAMES OF CHANCE.

6 "PUBLIC INTEREST [PURPOSES] PURPOSE." ONE OR MORE OF THE
7 FOLLOWING:

8 (1) [BENEFITING PERSONS BY ENHANCING THEIR OPPORTUNITY
9 FOR RELIGIOUS OR EDUCATION ADVANCEMENT, BY RELIEVING OR
10 PROTECTING THEM FROM DISEASE, SUFFERING OR DISTRESS, BY
11 CONTRIBUTING TO THEIR PHYSICAL, EMOTIONAL OR SOCIAL WELL-
12 BEING, BY ASSISTING THEM IN ESTABLISHING THEMSELVES IN LIFE
13 AS WORTHY AND USEFUL CITIZENS OR BY INCREASING THEIR
14 COMPREHENSION OF AND DEVOTION TO THE PRINCIPLES UPON WHICH
15 THIS NATION WAS FOUNDED.] THE ACTIVITIES AND OPERATIONS OF A
16 NONPROFIT BENEVOLENT, RELIGIOUS, EDUCATIONAL, PHILANTHROPIC,
17 HUMANE, SCIENTIFIC, PATRIOTIC, SOCIAL WELFARE, SOCIAL
18 ADVOCACY, PUBLIC HEALTH, PUBLIC SAFETY, EMERGENCY RESPONSE,
19 ENVIRONMENTAL OR CIVIC OBJECTIVE.

20 (2) INITIATING, PERFORMING OR FOSTERING WORTHY PUBLIC
21 WORKS OR ENABLING OR FURTHERING THE ERECTION OR MAINTENANCE
22 OF PUBLIC STRUCTURES.

23 (3) LESSENING THE BURDENS BORNE BY GOVERNMENT OR
24 VOLUNTARILY SUPPORTING, AUGMENTING OR SUPPLEMENTING SERVICES
25 WHICH GOVERNMENT WOULD NORMALLY RENDER TO THE PEOPLE.

26 (4) IMPROVING, EXPANDING, MAINTAINING OR REPAIRING REAL
27 PROPERTY OWNED OR LEASED BY AN ELIGIBLE ORGANIZATION AND
28 RELATING OPERATIONAL EXPENSES USED FOR PURPOSES SPECIFIED IN
29 PARAGRAPHS (1), (2) AND (3).

30 THE TERM DOES NOT INCLUDE THE ERECTION OR ACQUISITION OF ANY



1 REAL PROPERTY, UNLESS THE PROPERTY WILL BE USED EXCLUSIVELY FOR
2 ONE OR MORE OF THE PURPOSES SPECIFIED IN THIS DEFINITION.

3 * * *

4 "RAFFLE." A GAME OF CHANCE IN WHICH A PARTICIPANT BUYS A
5 TICKET FOR A CHANCE AT A PRIZE WITH THE WINNER DETERMINED BY A
6 RANDOM DRAWING OF CORRESPONDING TICKET STUBS TO TAKE PLACE AT A
7 LOCATION AND DATE OR DATES PRINTED UPON EACH TICKET. SUCH GAMES
8 OF CHANCE SHALL INCLUDE LOTTERIES BUT NOT DAILY DRAWINGS. RAFFLE
9 WINNERS MAY BE DETERMINED BY REFERENCE TO DRAWINGS CONDUCTED BY
10 THE DEPARTMENT PURSUANT TO THE ACT OF AUGUST 26, 1971 (P.L.351,
11 NO.91), KNOWN AS THE STATE LOTTERY LAW.

12 * * *

13 "WEEKLY DRAWING." A GAME OF CHANCE IN WHICH A BONA FIDE
14 MEMBER SELECTS OR RECEIVES A NUMBER OR NUMBERS FOR A CHANCE AT A
15 PRIZE WITH THE WINNER DETERMINED BY A RANDOM DRAWING TO TAKE
16 PLACE ON THE LICENSED ELIGIBLE ORGANIZATION'S LICENSED PREMISES
17 AT THE END OF A SEVEN-DAY PERIOD. [NOTHING IN THIS ACT SHALL BE
18 CONSTRUED TO PROHIBIT THE CARRYING OVER OF A JACKPOT WHERE THE
19 WINNING NUMBER HAS NOT BEEN ENTERED IN THE GAME IN A PARTICULAR
20 WEEK.] WEEKLY DRAWING WINNERS MAY BE DETERMINED WITH THE AID OF
21 A PASSIVE SELECTION DEVICE OR REFERENCE TO DRAWINGS CONDUCTED BY
22 THE DEPARTMENT OF REVENUE PURSUANT TO THE ACT OF AUGUST 26, 1971
23 (P.L.351, NO.91), KNOWN AS THE STATE LOTTERY LAW. WEEKLY DRAWING
24 CHANCES MAY NOT BE SOLD FOR AN AMOUNT IN EXCESS OF \$1.

25 SECTION 4. THE ACT IS AMENDED BY ADDING A CHAPTER HEADING TO
26 READ:

27 CHAPTER 3

28 GAMES OF CHANCE

29 SECTION 5. SECTION 4 OF THE ACT, AMENDED DECEMBER 19, 1990
30 (P.L.812, NO.195), IS RENUMBERED AND AMENDED TO READ:

1 SECTION [4] 301. GAMES OF CHANCE PERMITTED.

2 EVERY ELIGIBLE ORGANIZATION TO WHICH A LICENSE HAS BEEN
3 ISSUED UNDER THE PROVISIONS OF THIS [ACT] CHAPTER MAY CONDUCT
4 GAMES OF CHANCE FOR THE PURPOSE OF RAISING FUNDS FOR PUBLIC
5 INTEREST PURPOSES. [ALL] EXCEPT AS PROVIDED IN CHAPTER 5, ALL
6 PROCEEDS OF [GAMES OF CHANCE] A LICENSED ELIGIBLE ORGANIZATION
7 SHALL BE USED EXCLUSIVELY FOR PUBLIC INTEREST PURPOSES OR FOR
8 THE PURCHASE OF GAMES OF CHANCE AS PERMITTED BY THIS ACT.

9 SECTION 6. SECTION 5 OF THE ACT, AMENDED DECEMBER 19, 1990
10 (P.L.812, NO.195) AND OCTOBER 18, 2000 (P.L.602, NO.79), IS
11 RENUMBERED AND AMENDED TO READ:

12 SECTION [5] 302. PRIZE LIMITS.

13 (A) INDIVIDUAL PRIZE LIMIT.--[THE] EXCEPT AS PROVIDED UNDER
14 SUBSECTIONS (C) AND (D) SUBSECTIONS (D) AND (D.1), THE MAXIMUM ←
15 [CASH VALUE] PRIZE WHICH MAY BE AWARDED FOR ANY SINGLE CHANCE
16 SHALL BE [\$500] \$1,000.

17 (B) [WEEKLY] AGGREGATE PRIZE LIMIT.--NO MORE THAN [\$5,000]
18 \$25,000 IN [CASH OR MERCHANDISE] PRIZES SHALL BE AWARDED FROM
19 GAMES OF CHANCE BY [ANY] A LICENSED ELIGIBLE ORGANIZATION IN ANY
20 SEVEN-DAY PERIOD.

21 (C) [LIMIT ON RAFFLES] RAFFLE PRIZE LIMIT.--[NO MORE THAN
22 \$5,000 IN CASH OR MERCHANDISE SHALL] UP TO \$10,000 IN PRIZES MAY
23 BE AWARDED IN RAFFLES IN ANY CALENDAR MONTH.

24 (C.1) TOTAL LIMIT.--ALL PRIZES AWARDED UNDER THIS SECTION
25 SHALL BE SUBJECT TO THE AGGREGATE PRIZE LIMITS UNDER SUBSECTION
26 (B).

27 (D) EXCEPTION FOR RAFFLES.--[AN] NOTWITHSTANDING SUBSECTION
28 (B) OR (C), A LICENSED ELIGIBLE ORGANIZATION MAY CONDUCT A
29 RAFFLE AND AWARD A PRIZE OR PRIZES VALUED IN EXCESS OF [\$500]
30 \$1,000 EACH ONLY UNDER THE FOLLOWING CONDITIONS:

1 (1) THE LICENSING AUTHORITY HAS ISSUED A SPECIAL PERMIT
2 FOR THE RAFFLE UNDER SECTION [11] 308.

3 (2) [ELIGIBLE ORGANIZATIONS] A LICENSED ELIGIBLE
4 ORGANIZATION SHALL BE ELIGIBLE TO RECEIVE NO MORE THAN [TWO]
5 EIGHT SPECIAL PERMITS IN ANY LICENSED [YEAR] TERM EXCEPT THAT
6 A VOLUNTEER FIRE, AMBULANCE [AND] OR RESCUE [ORGANIZATIONS]
7 ORGANIZATION THAT IS NOT A CLUB LICENSEE SHALL BE ELIGIBLE TO
8 RECEIVE [NO MORE THAN THREE] TEN SPECIAL PERMITS IN ANY
9 LICENSED [YEAR] TERM.

10 (3) ONLY ONE RAFFLE MAY BE CONDUCTED UNDER EACH SPECIAL
11 PERMIT ISSUED UNDER SECTION 308.

12 (4) [THE] EXCEPT AS PROVIDED UNDER PARAGRAPH (5) ←
13 SUBSECTION (D.1), THE TOTAL [CASH VALUE] OF ALL PRIZES ←
14 AWARDED UNDER THIS SUBSECTION SHALL BE NO MORE THAN ~~+~~\$100,000 ←
15 PER CALENDAR YEAR.] \$200,000 PER LICENSED TERM. ←

16 ~~(5) A VOLUNTEER FIRE, AMBULANCE OR RESCUE ORGANIZATION~~ ←
17 (D.1) ADDITIONAL AWARD.--A VOLUNTEER FIRE, AMBULANCE OR ←
18 RESCUE ORGANIZATION MAY, IN ADDITION TO THE TOTAL UNDER
19 PARAGRAPH (4), AWARD UP TO \$50,000 FROM RAFFLES WHICH SHALL NOT
20 BE SUBJECT TO THE AGGREGATE LIMIT UNDER SUBSECTION (B) OR (C), ←
21 (C) OR (D).

22 [(E) LIMIT ON DAILY DRAWINGS.--DAILY DRAWINGS SHALL BE
23 GOVERNED BY THE PRIZE LIMITATIONS CONTAINED IN SUBSECTIONS (A)
24 AND (B). AN ELIGIBLE ORGANIZATION SHALL NOT CONDUCT DAILY
25 DRAWINGS DURING A PERIOD WHEN A WEEKLY DRAWING IS TAKING PLACE.]

26 (F) [EXCEPTION] DAILY DRAWING CARRYOVER.--THE PRIZE
27 LIMITATION CONTAINED IN SUBSECTIONS (A) AND (B) MAY BE EXCEEDED
28 BY A DAILY DRAWING UNDER THE FOLLOWING CIRCUMSTANCES: A DAILY
29 DRAWING MAY AWARD A PRIZE [WHERE THE CASH VALUE IS] IN EXCESS OF
30 [\$500] \$1,000 IF SUCH PRIZE IS THE RESULT OF A CARRYOVER OF A

1 DRAWING [OR DRAWINGS] WHICH RESULTED FROM THE WINNING NUMBER IN
2 SUCH DRAWING [OR DRAWINGS] NOT BEING AMONG THE ELIGIBLE ENTRANTS
3 IN SUCH DRAWINGS. NOTHING CONTAINED HEREIN SHALL AUTHORIZE THE
4 PRIZE [LIMITATIONS] LIMITATION AS CONTAINED IN SUBSECTIONS (A)
5 AND (B) TO BE EXCEEDED AS A RESULT OF A FAILURE TO CONDUCT A
6 DRAWING ON AN OPERATING DAY DURING WHICH CHANCES WERE SOLD FOR A
7 DAILY DRAWING OR FOR A DAILY DRAWING FOR WHICH CHANCES WERE SOLD
8 IN EXCESS OF \$1 OR FOR WHICH MORE THAN ONE CHANCE WAS SOLD TO AN
9 ELIGIBLE PARTICIPANT.

10 (G) [DAILY DRAWING AND WEEKLY DRAWING] ADDITIONAL
11 EXCEPTION.--WHEN A DAILY DRAWING OR WEEKLY DRAWING IS SET UP OR
12 CONDUCTED IN SUCH A MANNER AS TO PAY OUT OR AWARD 100% OF THE
13 GROSS REVENUES GENERATED FROM SUCH DRAWING, THE [LIMITATIONS]
14 LIMITATION CONTAINED IN SUBSECTION (B) SHALL NOT APPLY.

15 (H) [LIMIT ON WEEKLY DRAWINGS] WEEKLY DRAWING CARRYOVER
16 EXCEPTION.--WEEKLY DRAWINGS SHALL BE GOVERNED BY THE PRIZE
17 [LIMITATIONS] LIMITATION CONTAINED IN SUBSECTION (B). ~~THE PRIZE~~ ←
18 LIMITATION CONTAINED IN SUBSECTION (B) MAY BE EXCEEDED BY A
19 WEEKLY DRAWING UNDER THE FOLLOWING CIRCUMSTANCES: A WEEKLY
20 DRAWING MAY AWARD A PRIZE WHERE THE CASH VALUE IS IN EXCESS OF
21 ~~[\$5,000]~~ \$25,000 IF SUCH PRIZE IS THE RESULT OF A CARRYOVER OF A ←
22 DRAWING OR DRAWINGS WHICH RESULTED FROM THE WINNING NUMBER OR
23 NUMBERS IN SUCH DRAWING OR DRAWINGS NOT BEING AMONG THE ELIGIBLE
24 ENTRANTS IN SUCH DRAWINGS.] ~~THE PORTION OF A PRIZE AWARDED IN A~~ ←
25 ~~WEEKLY DRAWING THAT RESULTS FROM THE CARRYOVER OF A WEEKLY~~
26 ~~DRAWING IN WHICH THE NUMBER OR NUMBERS WERE NOT AMONG THE~~
27 ~~ELIGIBLE ENTRANTS IN THE DRAWING SHALL NOT BE INCLUDED WHEN~~
28 ~~APPLYING THE LIMITATION UNDER SUBSECTION (B)~~. NOTHING CONTAINED
29 IN THIS [ACT] CHAPTER SHALL AUTHORIZE THE PRIZE [LIMITATIONS AS
30 CONTAINED IN] LIMITATION UNDER SUBSECTION (B) TO BE EXCEEDED AS

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

6 SECTION 7. SECTIONS 6 AND 7 OF THE ACT, AMENDED DECEMBER 19,
7 1990 (P.L.812, NO.195), ARE RENUMBERED AND AMENDED TO READ:

8 SECTION [6] 303. SALES LIMITED.

9 (A) GENERAL RULE.--NO PERSON SHALL SELL, OFFER FOR SALE OR
10 FURNISH GAMES OF CHANCE FOR USE WITHIN THIS COMMONWEALTH EXCEPT
11 TO AN ELIGIBLE ORGANIZATION OR [DISTRIBUTOR] LICENSED
12 DISTRIBUTOR UNDER THIS [ACT] CHAPTER.

13 (B) ORGANIZATIONS LIMITATION.--NO GAME OF CHANCE, OTHER THAN ←
14 A RAFFLE UNDER SECTION 302(D), SOLD, OFFERED FOR SALE OR
15 FURNISHED TO A LICENSED ELIGIBLE ORGANIZATION FOR USE WITHIN
16 THIS COMMONWEALTH SHALL CONTAIN, PERMIT, DEPICT OR DESIGNATE A
17 PRIZE HAVING A [CASH VALUE] PRIZE LIMIT IN EXCESS OF [\$500]
18 \$1,000.

19 SECTION [7] 304. DISTRIBUTOR LICENSES.

20 (A) LICENSE REQUIRED.--NO PERSON SHALL SELL, OFFER FOR SALE
21 OR FURNISH GAMES OF CHANCE TO ELIGIBLE ORGANIZATIONS LICENSED
22 UNDER THIS [ACT] CHAPTER UNLESS SUCH PERSON SHALL HAVE OBTAINED
23 A DISTRIBUTOR LICENSE AS PROVIDED IN THIS SECTION.

24 (B) APPLICATION.--AN APPLICANT FOR THE GRANT OR RENEWAL OF A
25 DISTRIBUTOR LICENSE ISSUED PURSUANT TO THIS SECTION SHALL
26 PROVIDE TO THE DEPARTMENT, UPON THE FORM PRESCRIBED, ALL OF THE
27 FOLLOWING:

- 28 (1) THE APPLICANT'S STATE SALES TAX NUMBER.
- 29 (2) THE APPLICANT'S STATE CORPORATE TAX NUMBER.
- 30 (3) THE APPLICANT'S STATE EMPLOYER WITHHOLDING TAX

1 NUMBER.

2 (4) THE APPLICANT'S UNEMPLOYMENT COMPENSATION ACCOUNT
3 NUMBER.

4 (5) A STATEMENT THAT:

5 (I) ALL STATE TAX REPORTS HAVE BEEN FILED AND ALL
6 STATE TAXES PAID;

7 (II) ALL STATE TAXES ARE SUBJECT TO A TIMELY
8 ADMINISTRATIVE OR JUDICIAL APPEAL; OR

9 (III) ALL STATE TAXES ARE SUBJECT TO A DULY APPROVED
10 DEFERRED PAYMENT PLAN.

11 (6) THE NAMES AND BUSINESS ADDRESSES OF ALL OWNERS,
12 OFFICERS, DIRECTORS, PARTNERS AND SALES PERSONNEL.

13 (C) WAIVER OF CONFIDENTIALITY.--AN APPLICANT FOR THE GRANT
14 OR RENEWAL OF [ANY] A DISTRIBUTOR LICENSE ISSUED PURSUANT TO
15 THIS SECTION SHALL, BY THE FILING OF AN APPLICATION INsofar AS
16 IT RELATES TO THE DEPARTMENT, WAIVE ANY CONFIDENTIALITY WITH
17 RESPECT TO STATE TAX INFORMATION IN THE POSSESSION OF THE
18 DEPARTMENT, THE OFFICE OF ATTORNEY GENERAL OR THE DEPARTMENT OF
19 LABOR AND INDUSTRY REGARDING THAT APPLICANT, REGARDLESS OF THE
20 SOURCE OF THAT INFORMATION, AND SHALL CONSENT TO THE PROVIDING
21 OF THAT INFORMATION TO THE DEPARTMENT BY THE OFFICE OF ATTORNEY
22 GENERAL OR THE DEPARTMENT OF LABOR AND INDUSTRY.

23 (D) REVIEW OF TAX STATUS.--UPON RECEIPT OF ANY APPLICATION
24 FOR THE GRANT OR RENEWAL OF [ANY] A DISTRIBUTOR LICENSE ISSUED
25 PURSUANT TO THIS SECTION, THE DEPARTMENT SHALL REVIEW THE STATE
26 TAX STATUS OF THE APPLICANT. THE DEPARTMENT SHALL REQUEST STATE
27 TAX INFORMATION REGARDING THE APPLICANT FROM THE OFFICE OF
28 ATTORNEY GENERAL OR THE DEPARTMENT OF LABOR AND INDUSTRY AND
29 THAT INFORMATION SHALL BE PROVIDED.

30 (E) LIMITATION ON APPROVAL.--THE DEPARTMENT SHALL NOT

1 APPROVE ANY APPLICATION FOR THE GRANT OR RENEWAL OF [ANY] A
2 DISTRIBUTOR LICENSE ISSUED PURSUANT TO THIS SECTION WHERE THE
3 APPLICANT HAS FAILED TO:

4 (1) PROVIDE ANY OF THE INFORMATION REQUIRED BY
5 SUBSECTION (B);

6 (2) FILE REQUIRED STATE TAX REPORTS; OR

7 (3) PAY ANY STATE TAXES NOT SUBJECT TO A TIMELY
8 ADMINISTRATIVE OR JUDICIAL APPEAL OR SUBJECT TO A DULY
9 AUTHORIZED DEFERRED PAYMENT PLAN.

10 (F) RECORDS.--[THE] A DISTRIBUTOR LICENSEE SHALL KEEP SUCH
11 RECORDS, REPORTS AND BOOKS AS THE DEPARTMENT SHALL PRESCRIBE.
12 APPLICANTS SHALL BE REQUIRED TO MAKE SUCH RECORDS, REPORTS AND
13 BOOKS AVAILABLE AS REQUIRED BY THE DEPARTMENT PURSUANT TO
14 REGULATION.

15 (G) INELIGIBILITY.--THE DEPARTMENT SHALL NOT ISSUE OR RENEW
16 A DISTRIBUTOR LICENSE FOR THE SALE OF GAMES OF CHANCE TO A
17 PERSON, INCLUDING ANY CORPORATION, FIRM OR PARTNERSHIP WHICH HAS
18 AS AN OFFICER, DIRECTOR OR OTHER PERSON IN A SUPERVISORY OR
19 MANAGEMENT POSITION, OR EMPLOYEE ELIGIBLE TO MAKE SALES ON
20 BEHALF OF THE DISTRIBUTOR, WHO:

21 (1) HAS BEEN CONVICTED OF A FELONY IN A STATE OR FEDERAL
22 COURT WITHIN THE PAST FIVE YEARS; OR

23 (2) HAS BEEN CONVICTED WITHIN TEN YEARS OF THE DATE OF
24 APPLICATION IN A STATE OR FEDERAL COURT OF A VIOLATION OF THE
25 ACT OF JULY 10, 1981 (P.L.214, NO.67), KNOWN AS THE BINGO
26 LAW, OR OF THIS ACT OR OF A GAMBLING-RELATED OFFENSE UNDER
27 TITLE 18 OF THE PENNSYLVANIA CONSOLIDATED STATUTES (RELATING
28 TO CRIMES AND OFFENSES) OR OTHER COMPARABLE STATE OR FEDERAL
29 LAW.

30 (H) LICENSE AND RENEWAL FEES.--THE FEE FOR A DISTRIBUTOR

1 LICENSE SHALL BE \$1,000. LICENSES SHALL BE RENEWABLE ON AN
2 ANNUAL BASIS.

3 (I) EXCEPTION.--THIS SECTION SHALL NOT APPLY TO THE
4 MANUFACTURE OR DISTRIBUTION OF RAFFLE TICKETS.

5 SECTION 8. SECTION 8 OF THE ACT IS RENUMBERED TO READ:
6 SECTION [8] 305. REGISTRATION OF MANUFACTURERS.

7 (A) REGISTRATION REQUIRED.--NO MANUFACTURER OF GAMES OF
8 CHANCE SHALL SELL ANY GAMES OF CHANCE TO ANY PERSON UNLESS THE
9 MANUFACTURER HAS REGISTERED WITH THE DEPARTMENT AND HAS BEEN
10 ISSUED A CERTIFICATE OF REGISTRATION.

11 (B) ANNUAL CERTIFICATE; FEE.--A CERTIFICATE UNDER THIS
12 SECTION SHALL BE VALID FOR ONE YEAR. THE ANNUAL FEE FOR
13 REGISTRATION SHALL BE \$2,000.

14 (C) PROHIBITED SALES.--A MANUFACTURER SHALL NOT SELL GAMES
15 OF CHANCE TO ANY PERSON NOT LICENSED AS A DISTRIBUTOR UNLESS THE
16 MANUFACTURER IS ALSO A LICENSED DISTRIBUTOR.

17 (D) EXCEPTION.--THIS SECTION SHALL NOT APPLY TO THE
18 MANUFACTURE OR DISTRIBUTION OF RAFFLE TICKETS.

19 SECTION 9. SECTION 9 OF THE ACT, AMENDED DECEMBER 19, 1990
20 (P.L.812, NO.195), IS RENUMBERED AND AMENDED TO READ:
21 SECTION [9] 306. REGULATIONS OF DEPARTMENT.

22 (A) AUTHORIZATION.--THE DEPARTMENT SHALL PROMULGATE
23 REGULATIONS TO:

24 (1) IMPOSE MINIMUM STANDARDS AND RESTRICTIONS APPLICABLE
25 TO GAMES OF CHANCE MANUFACTURED FOR SALE IN THIS
26 COMMONWEALTH, WHICH MAY INCLUDE STANDARDS AND RESTRICTIONS
27 WHICH SPECIFY THE MAXIMUM NUMBER OF CHANCES AVAILABLE TO BE
28 SOLD FOR ANY SINGLE GAME OF CHANCE OR PRIZE AND SUCH OTHER
29 STANDARDS AND RESTRICTIONS AS THE DEPARTMENT DEEMS NECESSARY
30 FOR THE PURPOSES OF THIS [ACT] CHAPTER. THE DEPARTMENT SHALL

1 CONSIDER STANDARDS ADOPTED BY THE NATIONAL ASSOCIATION OF
2 GAMBLING REGULATORY AGENCIES AND OTHER STANDARDS COMMONLY
3 ACCEPTED IN THE INDUSTRY.

4 (2) ESTABLISH PROCEDURES BY WHICH MANUFACTURERS MAY
5 REGISTER AND DISTRIBUTORS OF GAMES OF CHANCE MAY APPLY FOR
6 LICENSURE ON FORMS WHICH THE DEPARTMENT SHALL PROVIDE.
7 PROCEDURES SHALL INCLUDE A REQUIREMENT THAT MANUFACTURER AND
8 DISTRIBUTOR APPLICANTS PROVIDE CRIMINAL HISTORY RECORD
9 INFORMATION OBTAINED FROM THE PENNSYLVANIA STATE POLICE UNDER
10 18 PA.C.S. § 9121(B) (RELATING TO GENERAL REGULATIONS) FOR
11 EACH OFFICER AND MANAGER OF THE MANUFACTURER'S OR
12 DISTRIBUTOR'S ORGANIZATION AND FOR ANY OTHER INDIVIDUAL
13 SPECIFIED BY THE DEPARTMENT. AS USED IN THIS PARAGRAPH, THE
14 TERM "CRIMINAL HISTORY RECORD INFORMATION" HAS THE MEANING
15 GIVEN IN 18 PA.C.S. § 9102 (RELATING TO DEFINITIONS).

16 (3) PROVIDE FOR THE SUSPENSION OR REVOCATION OF
17 DISTRIBUTION LICENSES OR MANUFACTURER CERTIFICATES FOR
18 VIOLATIONS OF THIS ACT OR REGULATIONS OF THE DEPARTMENT.

19 (4) CARRY OUT OTHER PROVISIONS OF THIS ACT.

20 (B) LIMITATION ON RECORDKEEPING REQUIREMENTS.--THIS SECTION
21 SHALL NOT BE CONSTRUED TO AUTHORIZE THE DEPARTMENT TO PROMULGATE
22 REGULATIONS PROVIDING FOR RECORDKEEPING REQUIREMENTS FOR
23 LICENSED ELIGIBLE ORGANIZATIONS WHICH REQUIRE UNREASONABLE OR
24 UNNECESSARY INFORMATION OR A REPETITIOUS LISTING OF INFORMATION.
25 THE DEPARTMENT SHALL STRIVE TO KEEP SUCH RECORDKEEPING
26 REQUIREMENTS FROM BEING AN UNDUE HARDSHIP OR BURDEN ON LICENSED
27 ELIGIBLE ORGANIZATIONS. [UNDER NO CIRCUMSTANCES SHALL] EXCEPT AS ←
28 PROVIDED UNDER SECTION 701(B), THE DEPARTMENT MAY NOT REQUIRE ←
29 THE RETENTION OF RECORDS FOR A PERIOD IN EXCESS OF TWO YEARS.

30 (C) REPORTING REQUIREMENTS.--EACH ELIGIBLE ORGANIZATION



1 SHALL ~~FILE~~ SUBMIT AN ANNUAL REPORT TO THE DEPARTMENT INCLUDING:

2 (1) PRIZES AWARDED AS REQUIRED UNDER SECTION 335 OF THE
3 ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM
4 CODE OF 1971.

5 (2) AMOUNTS EXPENDED FOR PUBLIC INTEREST PURPOSES.

6 SECTION 10. SECTION 10 OF THE ACT, AMENDED DECEMBER 19, 1990
7 (P.L.812, NO.195) AND OCTOBER 18, 2000 (P.L.602, NO.79), IS
8 RENUMBERED AND AMENDED TO READ:

9 SECTION [10] 307. LICENSING OF ELIGIBLE ORGANIZATIONS TO
10 CONDUCT GAMES OF CHANCE.

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

25 (B) ISSUANCE AND FEES.--THE LICENSING AUTHORITY SHALL
26 LICENSE, UPON APPLICATION, WITHIN 30 DAYS ANY ELIGIBLE
27 ORGANIZATION MEETING THE REQUIREMENTS FOR LICENSURE CONTAINED IN
28 THIS [ACT] CHAPTER TO CONDUCT AND OPERATE GAMES OF CHANCE AT
29 SUCH LOCATIONS WITHIN THE COUNTY OR IN SUCH MANNER AS STATED ON
30 THE APPLICATION AS LIMITED BY SUBSECTION (B.1). THE LICENSE FEE

1 TO BE CHARGED TO EACH ELIGIBLE ORGANIZATION SHALL BE ~~+\$100+~~ ←
2 ~~\$200~~, EXCEPT FOR LIMITED OCCASION LICENSES WHICH SHALL BE ~~+\$10+~~ ←
3 ~~\$20~~. LICENSES SHALL BE RENEWABLE ~~[ANNUALLY]~~ ~~ON A BIENNIAL BASIS~~ ←
4 UPON THE ANNIVERSARY OF THE DATE OF ISSUE. THE LICENSE FEE SHALL
5 BE USED BY THE LICENSING AUTHORITY TO ADMINISTER THIS ACT.

6 (B.1) LOCATION OF [SMALL] GAMES OF CHANCE.--

7 (1) EVERY LICENSED ELIGIBLE ORGANIZATION, EXCEPT A
8 LIMITED OCCASION LICENSEE, MAY CONDUCT SMALL GAMES OF CHANCE
9 ONLY AT A LICENSED PREMISES. THE LICENSED PREMISES SHALL BE
10 INDICATED ON THE ELIGIBLE ORGANIZATION'S LICENSE APPLICATION.
11 ONLY ONE LICENSE SHALL BE ISSUED PER LICENSED PREMISES.
12 EXCEPT AS PROVIDED UNDER PARAGRAPH (4), A LICENSED ELIGIBLE
13 ORGANIZATION MAY NOT SHARE A LICENSED PREMISES WITH ANOTHER
14 LICENSED ELIGIBLE ORGANIZATION; AND NO LICENSED ELIGIBLE
15 ORGANIZATION MAY PERMIT ITS PREMISES TO BE USED FOR SMALL
16 GAMES OF CHANCE BY ANOTHER LICENSED ELIGIBLE ORGANIZATION.

17 (2) WHERE THERE EXISTS A LOCATION OR PREMISES WHICH IS
18 THE NORMAL BUSINESS OR OPERATING SITE OF THE ELIGIBLE
19 ORGANIZATION AND THE LOCATION OR PREMISES IS OWNED OR LEASED
20 BY THAT ELIGIBLE ORGANIZATION TO CONDUCT ITS NORMAL BUSINESS,
21 THAT SITE SHALL BE THE ELIGIBLE ORGANIZATION'S LICENSED
22 PREMISES [FOR SMALL GAMES OF CHANCE CONDUCTED BY THE ELIGIBLE
23 ORGANIZATION]. IF THAT LOCATION CONSISTS OF MORE THAN ONE
24 BUILDING [AND THE ELIGIBLE ORGANIZATION WISHES TO CONDUCT ITS
25 GAMES IN A DIFFERENT BUILDING AT THAT LOCATION FROM THE ONE
26 THAT IS LISTED ON ITS APPLICATION AND LICENSE, THE ELIGIBLE
27 ORGANIZATION MUST NOTIFY, IN WRITING, THE DISTRICT ATTORNEY
28 AND THE LICENSING AUTHORITY OF THE CHANGE IN BUILDING SITE
29 AND THE DATES AND TIMES THAT WILL BE AFFECTED], THE ELIGIBLE
30 ORGANIZATION SHALL CHOOSE THE BUILDING THAT WILL BE THE

1 LICENSED PREMISES.

2 (3) WHEN AN ELIGIBLE ORGANIZATION DOES NOT OWN OR LEASE
3 A SPECIFIC LOCATION TO CONDUCT ITS NORMAL BUSINESS, [THAT]
4 THE ELIGIBLE ORGANIZATION [MAY USE ANOTHER ELIGIBLE
5 ORGANIZATION'S PREMISES TO CONDUCT ITS GAMES OR] MAY MAKE
6 [SUCH OTHER] ARRANGEMENTS THAT ARE CONSISTENT WITH THIS ACT
7 TO ESTABLISH A LICENSED PREMISES, INCLUDING[, BUT NOT LIMITED
8 TO,] LEASING A PREMISE UNDER A WRITTEN AGREEMENT FOR A RENTAL
9 [WHICH IS NOT]; HOWEVER, THE RENTAL MAY NOT BE DETERMINED BY
10 EITHER THE AMOUNT OF RECEIPTS REALIZED FROM THE [PLAYING]
11 CONDUCT OF GAMES OF CHANCE [NOR] OR THE NUMBER OF PEOPLE
12 ATTENDING [EXCEPT THAT AN]. AN ELIGIBLE ORGANIZATION MAY
13 LEASE A FACILITY FOR A BANQUET [WHERE A PER HEAD CHARGE IS
14 APPLIED] IN CONNECTION WITH THE SERVING OF A MEAL BASED ON A
15 PER-HEAD CHARGE. [WHEN SUCH ELIGIBLE ORGANIZATION CHANGES THE
16 SITE OF ITS GAMES FROM THAT WHICH IS LISTED ON ITS
17 APPLICATION AND LICENSE, THE ELIGIBLE ORGANIZATION MUST
18 NOTIFY, IN WRITING, THE DISTRICT ATTORNEY AND LICENSING
19 AUTHORITY OF THE CHANGE IN THEIR GAMES' SITE AND DATES AND
20 TIMES THAT WILL BE AFFECTED.]

21 (4) AN ELIGIBLE ORGANIZATION THAT HAS OBTAINED A LIMITED
22 OCCASION LICENSE UNDER SUBSECTION (B.3) MAY USE ANOTHER
23 ELIGIBLE ORGANIZATION'S LICENSED PREMISES TO CONDUCT ITS
24 GAMES OF CHANCE. WHEN A LICENSED ELIGIBLE ORGANIZATION IS
25 PERMITTING A LIMITED OCCASION LICENSEE TO USE ITS LICENSED
26 PREMISES FOR PURPOSES OF GAMES OF CHANCE, IT SHALL CEASE THE
27 OPERATION OF ITS OWN GAMES OF CHANCE DURING THE PERIOD THAT
28 THE LIMITED OCCASION LICENSEE IS CONDUCTING ITS GAMES ON THE
29 PREMISES.

30 (B.2) OFF-PREMISES GAMES OF CHANCE.--NOTWITHSTANDING ANY

1 OTHER PROVISIONS OF THIS SECTION, [AN] ALL OF THE FOLLOWING
2 APPLY:

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

12 (2) RAFFLE TICKETS MAY BE SOLD OFF THE LICENSED PREMISES
13 IN A MUNICIPALITY WHICH HAS ADOPTED THE PROVISIONS OF THIS
14 ACT BY AN AFFIRMATIVE VOTE IN A MUNICIPAL REFERENDUM. A
15 LICENSED ELIGIBLE ORGANIZATION WHICH PLANS TO SELL RAFFLE
16 TICKETS IN A MUNICIPALITY LOCATED IN A COUNTY OTHER THAN THE
17 COUNTY IN WHICH THE ELIGIBLE ORGANIZATION IS LICENSED SHALL
18 NOTIFY THAT COUNTY'S DISTRICT ATTORNEY AND LICENSING
19 AUTHORITY AS TO THE LOCATION AND THE DATES THAT THE LICENSED
20 ELIGIBLE ORGANIZATION PLANS TO SELL RAFFLE TICKETS.

21 (B.3) LIMITED OCCASION LICENSES.--ELIGIBLE ORGANIZATIONS
22 WHICH DO NOT OWN THEIR OWN PREMISES OR WHICH DO NOT LEASE A
23 SPECIFIC LOCATION TO CONDUCT THEIR NORMAL BUSINESS MAY APPLY FOR
24 A LIMITED OCCASION LICENSE TO CONDUCT [SMALL] GAMES OF CHANCE ON
25 NOT MORE THAN THREE OCCASIONS COVERING A TOTAL OF SEVEN DAYS
26 DURING A LICENSED YEAR. A LIMITED OCCASION LICENSE ENTITLES AN
27 ELIGIBLE [ORGANIZATIONS HOLDING SUCH A LICENSE] ORGANIZATION TO
28 CONDUCT NO MORE THAN TWO RAFFLES DURING A LICENSED YEAR WHERE
29 PRIZES MAY NOT EXCEED THE ESTABLISHED LIMITS FOR REGULAR MONTHLY
30 RAFFLES. HOLDERS OF A LIMITED OCCASION [LICENSES] LICENSE MAY

1 NOT APPLY OR BE GRANTED ANY OTHER LICENSE OR SPECIAL PERMIT
2 UNDER THIS ACT. NO HOLDER OF A REGULAR LICENSE OR SPECIAL PERMIT
3 UNDER THIS ACT SHALL APPLY OR BE GRANTED A LIMITED OCCASION
4 LICENSE.

5 (B.4) GAMBLING FACILITY PROHIBITED.--IT SHALL BE UNLAWFUL
6 FOR A PERSON, CORPORATION, ASSOCIATION, PARTNERSHIP OR OTHER
7 BUSINESS ENTITY TO OFFER FOR RENT OR OFFER FOR USE A BUILDING OR
8 FACILITY TO BE USED EXCLUSIVELY FOR THE [CONDUCTING] CONDUCT OF
9 [SMALL] GAMES OF CHANCE. IT SHALL ALSO BE UNLAWFUL FOR ANY
10 ELIGIBLE ORGANIZATION TO ~~RENT OR~~ LEASE UNDER ANY TERMS A ←
11 [FACILITY OR] BUILDING OR FACILITY WHICH IS USED EXCLUSIVELY FOR
12 THE [CONDUCTING] CONDUCT OF [SMALL] GAMES OF CHANCE.

13 (C) DISPLAY.--LICENSES ISSUED PURSUANT TO THIS SECTION SHALL
14 BE PUBLICLY DISPLAYED AT THE SITE [OF THE SMALL] WHERE GAMES OF
15 CHANCE ~~WILL BE~~ ARE CONDUCTED. ←

16 (D) OPERATION.--EACH LICENSED ELIGIBLE ORGANIZATION SHALL
17 [COMPLY WITH THE FOLLOWING RESTRICTIONS AND RULES GOVERNING THE
18 OPERATION OF GAMES OF CHANCE] BE PROHIBITED FROM THE FOLLOWING:

19 (1) [NO] PERMITTING ANY PERSON UNDER 18 YEARS OF AGE
20 [SHALL BE PERMITTED] TO OPERATE OR PLAY GAMES OF CHANCE.

21 (2) [NO ELIGIBLE ORGANIZATION SHALL PERMIT] PERMITTING
22 ANY PERSON WHO HAS BEEN CONVICTED OF A FELONY IN A FEDERAL OR
23 STATE COURT WITHIN THE PAST FIVE YEARS OR HAS BEEN CONVICTED
24 IN A FEDERAL OR STATE COURT WITHIN THE PAST TEN YEARS OF A
25 VIOLATION OF THE ACT OF JULY 10, 1981 (P.L.214, NO.67), KNOWN
26 AS THE BINGO LAW, OR OF THIS ACT TO MANAGE, SET UP, SUPERVISE
27 OR PARTICIPATE IN THE OPERATION OF GAMES OF CHANCE.

28 (3) [NO ELIGIBLE ORGANIZATION SHALL PAY] PAYING ANY
29 COMPENSATION TO ANY PERSON FOR CONDUCTING ANY GAMES OF
30 CHANCE. GAMES OF CHANCE MAY ONLY BE CONDUCTED BY MANAGERS,

1 OFFICERS, DIRECTORS, BAR PERSONNEL AND BONA FIDE MEMBERS OF
2 THE ELIGIBLE ORGANIZATION.

3 (4) [GAMES SHALL BE CONDUCTED ONLY] CONDUCTING GAMES OF
4 CHANCE ON ANY PREMISES OTHER THAN ON THE LICENSED PREMISES OR
5 AS OTHERWISE PROVIDED BY THIS [ACT] CHAPTER.

6 (5) [THE ELIGIBLE ORGANIZATION SHALL NOT LEASE SUCH]
7 LEASING THE LICENSED PREMISES UNDER EITHER AN ORAL OR A
8 WRITTEN AGREEMENT FOR A RENTAL WHICH IS DETERMINED BY EITHER
9 THE AMOUNT OF RECEIPTS REALIZED FROM THE PLAYING OF GAMES OF
10 CHANCE OR THE NUMBER OF PEOPLE ATTENDING, EXCEPT THAT AN
11 ELIGIBLE ORGANIZATION MAY LEASE A FACILITY FOR A BANQUET
12 WHERE A PER HEAD CHARGE IS APPLIED IN CONNECTION WITH THE
13 SERVING OF A MEAL. AN ELIGIBLE ORGANIZATION SHALL NOT LEASE
14 SUCH PREMISES FROM ANY PERSON WHO HAS BEEN CONVICTED OF A
15 VIOLATION OF THIS ACT OR THE BINGO LAW WITHIN THE PAST TEN
16 YEARS.

17 (6) [GAMES] PURCHASING GAMES OF CHANCE, OTHER THAN
18 RAFFLES, DAILY DRAWINGS AND WEEKLY DRAWINGS, [SHALL BE
19 PURCHASED ONLY FROM MANUFACTURERS AND DISTRIBUTORS] FROM ANY
20 PERSON OTHER THAN A REGISTERED MANUFACTURER OR LICENSED
21 DISTRIBUTOR APPROVED BY THE DEPARTMENT.

22 [(7) NO LICENSED ELIGIBLE ORGANIZATION SHALL PERMIT ITS
23 PREMISES TO BE USED FOR SMALL GAMES OF CHANCE BY ANOTHER
24 LICENSED ELIGIBLE ORGANIZATION AT THE SAME TIME THAT IT IS
25 CONDUCTING SMALL GAMES OF CHANCE ON THE PREMISES. WHEN A
26 LICENSED ELIGIBLE ORGANIZATION IS PERMITTING ANOTHER LICENSED
27 ELIGIBLE ORGANIZATION TO USE ITS PREMISES FOR PURPOSES OF
28 SMALL GAMES OF CHANCE, IT MUST CEASE THE OPERATION OF ITS OWN
29 SMALL GAMES OF CHANCE DURING THE PERIOD THAT THE OTHER
30 LICENSED ELIGIBLE ORGANIZATION IS CONDUCTING ITS GAMES ON THE

1 PREMISES.

2 (8) RAFFLE TICKETS MAY BE SOLD OFF THE LICENSED PREMISE
3 IN ANY MUNICIPALITY IN THIS COMMONWEALTH WHICH HAS ADOPTED
4 THE PROVISIONS OF THIS ACT BY AN AFFIRMATIVE VOTE IN A
5 MUNICIPAL REFERENDUM. A LICENSED ELIGIBLE ORGANIZATION WHICH
6 PLANS TO SELL RAFFLE TICKETS IN A MUNICIPALITY LOCATED IN A
7 COUNTY OTHER THAN THE COUNTY IN WHICH THE ELIGIBLE
8 ORGANIZATION IS LICENSED MUST NOTIFY THAT COUNTY'S DISTRICT
9 ATTORNEY AND LICENSING AUTHORITY AS TO THE LOCATION AND THE
10 DATES THAT THE ELIGIBLE ORGANIZATION PLANS TO SELL RAFFLE
11 TICKETS.]

12 (D.1) BANK ACCOUNT AND RECORDS.--THE LICENSED ELIGIBLE
13 ORGANIZATION SHALL KEEP A BANK ACCOUNT TO HOLD THE PROCEEDS OF
14 GAMES OF CHANCE, WHICH SHALL BE SEPARATE FROM ALL OTHER FUNDS
15 BELONGING TO THE LICENSED ELIGIBLE ORGANIZATION. ACCOUNT RECORDS
16 SHALL SHOW ALL EXPENDITURES AND INCOME AND SHALL BE RETAINED BY
17 THE LICENSED ELIGIBLE ORGANIZATION FOR AT LEAST TWO YEARS.

18 (E) APPLICATION FOR LICENSE.--EACH ELIGIBLE ORGANIZATION
19 SHALL APPLY TO THE LICENSING AUTHORITY FOR A LICENSE ON A FORM
20 TO BE PRESCRIBED BY THE SECRETARY OF REVENUE. FOR A CLUB
21 LICENSE, THE APPLICATION AND EACH RENEWAL APPLICATION SHALL ←
22 INCLUDE THE MOST RECENT ANNUAL REPORT FILED BY THE CLUB LICENSEE
23 UNDER CHAPTER 5. THE FORM SHALL CONTAIN AN AFFIDAVIT TO BE
24 AFFIRMED BY THE EXECUTIVE OFFICER OR SECRETARY OF THE ELIGIBLE
25 ORGANIZATION STATING THAT:

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

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

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

10 (E.1) PROCEEDINGS.--PROCEEDINGS BEFORE THE LICENSING
11 AUTHORITY ARE SUBJECT TO 2 PA.C.S. CHS. 5 SUBCH. B (RELATING TO
12 PRACTICE AND PROCEDURE OF LOCAL AGENCIES) AND 7 SUBCH. B
13 (RELATING TO JUDICIAL REVIEW OF LOCAL AGENCY ACTION).

14 (F) LIST OF LICENSEES.--THE LICENSING AUTHORITY, ON A
15 SEMIANNUAL BASIS, SHALL SEND A COPY OF ALL LICENSEES TO THE
16 [DEPARTMENT OF REVENUE] DEPARTMENT.

17 (G) LIST OF MUNICIPALITIES.--THE LICENSING AUTHORITY SHALL
18 INCLUDE WITH ANY LICENSE OR RENEWAL LICENSE ISSUED TO AN
19 ELIGIBLE ORGANIZATION, AN UP-TO-DATE LISTING OF THOSE
20 MUNICIPALITIES WITHIN THE LICENSING COUNTY WHICH HAVE APPROVED
21 THE REFERENDUM QUESTION ON SMALL GAMES OF CHANCE.

22 (H) BACKGROUND CHECKS.--EACH APPLICATION FOR A LICENSE SHALL
23 INCLUDE THE RESULTS OF A CRIMINAL HISTORY RECORD INFORMATION
24 CHECK OBTAINED FROM THE PENNSYLVANIA STATE POLICE, AS DEFINED IN
25 18 PA.C.S. § 9102 (RELATING TO DEFINITIONS) AND PERMITTED BY 18
26 PA.C.S. § 9121(B) (RELATING TO GENERAL REGULATIONS), FOR THE
27 EXECUTIVE OFFICER AND SECRETARY OF THE ELIGIBLE ORGANIZATION
28 MAKING THE APPLICATION FOR A LICENSE OR ANY OTHER PERSON
29 REQUIRED BY THE DEPARTMENT.

30 SECTION 11. SECTION 11 OF THE ACT, AMENDED DECEMBER 19, 1990

1 (P.L.812, NO.195), IS RENUMBERED AND AMENDED TO READ:

2 SECTION [11] 308. SPECIAL PERMITS.

3 (A) ISSUANCE AND FEE.--THE LICENSING AUTHORITY SHALL ISSUE A
4 SPECIAL PERMIT FOR EACH RAFFLE IN WHICH THE [LICENSEE] LICENSED
5 ELIGIBLE ORGANIZATION PROPOSES TO AWARD INDIVIDUAL PRIZES
6 [HAVING A CASH VALUE] IN EXCESS OF [\$500] \$1,000. THE LICENSING
7 AUTHORITY MAY ESTABLISH AND COLLECT A FEE NOT TO EXCEED \$25 FOR
8 THE ISSUANCE OF SPECIAL PERMITS UNDER THIS SECTION.

9 (B) PERMIT APPLICATION.--EACH SPECIAL PERMIT APPLICATION
10 SHALL SPECIFY THE LOCATION WHERE THE ACTUAL DRAWING WILL BE
11 HELD, THE NUMBER OF CHANCES TO BE SOLD, THE PRICE PER CHANCE AND
12 THE [CASH VALUE OF THE PRIZE OR PRIZES] PRIZE TO BE AWARDED.

13 SECTION 12. THE ACT IS AMENDED BY ADDING A CHAPTER TO READ:

14 CHAPTER 5

15 CLUB LICENSEES

16 SECTION 501. CLUB LICENSEE.

17 (A) REPORT.--

18 (1) BEGINNING IN 2013, THE A CLUB LICENSEE SHALL SUBMIT ←
19 SEMI-ANNUAL REPORTS TO THE DEPARTMENT FOR THE PRECEDING SIX-
20 MONTH PERIOD ON A FORM AND IN A MANNER PRESCRIBED BY THE
21 DEPARTMENT.

22 (2) THE REPORT MUST BE FILED UNDER OATH OR AFFIRMATION
23 OF AN AUTHORIZED OFFICER OF THE CLUB LICENSEE.

24 (3) THE REPORT SHALL INCLUDE ALL OF THE FOLLOWING
25 INFORMATION:

26 (I) THE PROCEEDS RECEIVED BY THE CLUB LICENSEE FROM
27 EACH GAME OF CHANCE CONDUCTED, ITEMIZED BY WEEK.

28 (II) THE AMOUNT OF PRIZES PAID FROM ALL GAMES OF
29 CHANCE, ITEMIZED BY WEEK.

30 ~~(III) THE AMOUNT OF PROCEEDS FOR ALL GAMES OF CHANCE~~ ←

1 ~~NOT PURCHASED FROM A LICENSED DISTRIBUTOR OPERATED IN THE~~
2 ~~PRIOR CALENDAR YEAR.~~

3 ~~(IV)~~ (III) OTHER COSTS INCURRED RELATED TO THE ←
4 CONDUCT OF GAMES OF CHANCE.

5 ~~(V)~~ (IV) THE VERIFICATION OF AMOUNTS DISTRIBUTED FOR ←
6 PUBLIC INTEREST PURPOSES ITEMIZED UNDER SECTION
7 502 (A) (1), ITEMIZED BY THE RECIPIENT.

8 ~~(VI)~~ (V) AN ITEMIZED LIST OF EXPENDITURES MADE OR ←
9 AMOUNTS RETAINED AND EXPENDITURES UNDER SECTION
10 502 (A) (3).

11 ~~(VII)~~ (VI) THE ADDRESS AND THE COUNTY IN WHICH THE ←
12 CLUB LICENSEE IS LOCATED.

13 ~~(VIII)~~ (VII) OTHER INFORMATION OR DOCUMENTATION ←
14 REQUIRED BY THE DEPARTMENT.

15 (B) DISTRIBUTION.--THE DEPARTMENT SHALL PROVIDE A COPY OF
16 THE REPORT TO THE BUREAU OF LIQUOR CONTROL ENFORCEMENT.

17 (C) POSTING.--THE REPORTS UNDER SUBSECTION (A) SHALL BE
18 PUBLISHED ON THE DEPARTMENT'S INTERNET WEBSITE.
19 SECTION 502. DISTRIBUTION OF PROCEEDS.

20 (A) DISTRIBUTION.--THE PROCEEDS FROM GAMES OF CHANCE
21 RECEIVED BY A CLUB LICENSEE SHALL BE DISTRIBUTED AS FOLLOWS:

22 (1) NO LESS THAN 70% OF THE PROCEEDS SHALL BE PAID TO
23 ORGANIZATIONS ~~OTHER THAN THE CLUB LICENSEE~~ FOR PUBLIC ←
24 INTEREST PURPOSES IN THE CALENDAR YEAR IN WHICH THE PROCEEDS
25 WERE OBTAINED.

26 (2) NO MORE THAN 30% OF THE PROCEEDS OBTAINED IN A
27 CALENDAR YEAR MAY BE RETAINED BY A CLUB LICENSEE AND USED FOR
28 THE FOLLOWING OPERATIONAL EXPENSES RELATING TO ~~THE REAL~~ ←
29 PROPERTY OF THE CLUB LICENSEE:

30 (I) REAL PROPERTY TAXES.

- 1 (II) UTILITY AND FUEL COSTS.
- 2 (III) HEATING AND AIR CONDITIONING EQUIPMENT OR
3 REPAIR COSTS.
- 4 (IV) WATER AND SEWER COSTS.
- 5 (V) PROPERTY OR LIABILITY INSURANCE COSTS.
- 6 (VI) MORTGAGE PAYMENTS.
- 7 (VII) INTERIOR AND EXTERIOR REPAIR COSTS, INCLUDING
8 REPAIR TO PARKING LOTS.
- 9 (VIII) NEW FACILITY CONSTRUCTION COSTS.
- 10 (IX) ENTERTAINMENT EQUIPMENT, INCLUDING TELEVISION,
11 VIDEO AND ELECTRONIC GAMES.
- 12 (X) OTHER EXPENSES ADOPTED IN REGULATION BY THE ←
13 DEPARTMENT.

14 (A.1) AMOUNTS RETAINED.--AMOUNTS RETAINED BY A CLUB LICENSEE
15 UNDER SUBSECTION (A) (2) SHALL BE EXPENDED WITHIN THE SAME
16 CALENDAR YEAR UNLESS THE CLUB LICENSEE NOTIFIES THE DEPARTMENT
17 THAT FUNDS ARE BEING RETAINED FOR A SUBSTANTIAL PURCHASE OR
18 PROJECT. NOTIFICATION SHALL INCLUDE A DESCRIPTION OF THE
19 PURCHASE OR PROJECT, THE COST AND THE ANTICIPATED DATE OF THE
20 PURCHASE OR THE PROJECT.

21 ~~(B) PROHIBITION. PROCEEDS SHALL NOT BE USED FOR WAGES,~~ ←
22 ~~ALCOHOL OR FOOD PURCHASES OR FOR THE PAYMENT OF ANY FINE LEVIED~~
23 ~~AGAINST THE CLUB LICENSEE.~~

24 (B) PROHIBITION.-- ←

25 (1) PROCEEDS SHALL NOT BE USED FOR WAGES, ALCOHOL OR
26 FOOD PURCHASES OR FOR THE PAYMENT OF ANY FINE LEVIED AGAINST
27 THE CLUB LICENSEE.

28 (2) AN OFFICER OR EMPLOYEE OF A CLUB LICENSEE WHO
29 OPERATES THE GAME OF CHANCE SHALL NOT PARTICIPATE IN THE
30 GAME. THIS PARAGRAPH SHALL NOT APPLY TO A RAFFLE.

1 SECTION 503. RECORDS.

2 A CLUB LICENSEE SHALL MAINTAIN RECORDS AS REQUIRED BY THIS
3 ACT OR BY THE DEPARTMENT, INCLUDING INVOICES FOR GAMES OF CHANCE ←
4 PURCHASED. RECORDS NECESSARY TO CONDUCT AN AUDIT UNDER SECTION
5 ~~702(C)~~ 702(B) SHALL BE MADE AVAILABLE TO THE BUREAU OF LIQUOR ←
6 CONTROL ENFORCEMENT OR OTHER ENTITY AUTHORIZED TO ENFORCE THIS
7 ACT.

8 SECTION 504. RAFFLE TICKETS.

9 A CLUB LICENSEE SHALL PURCHASE ALL RAFFLE TICKETS FROM A ←
10 ~~LICENSED DISTRIBUTOR.~~ MAINTAIN RECORDS RELATING TO THE PRINTING ←
11 OR PURCHASE OF RAFFLE TICKETS. RECORDS SHALL INCLUDE A RECEIPT
12 OR INVOICE FROM THE PLACE OF PURCHASE THAT SHOWS THE COST AND
13 NUMBER OR AMOUNT OF TICKETS PURCHASED.

14 SECTION 505. WEEKLY DRAWINGS.

15 A CLUB LICENSEE SHALL MAINTAIN RECORDS RELATING TO THE
16 PRINTING OR PURCHASE OF MATERIALS TO BE USED FOR WEEKLY
17 DRAWINGS. RECORDS SHALL INCLUDE A RECEIPT OR INVOICE FROM THE ←
18 PLACE OF PURCHASE THAT SHOWS THE COST AND NUMBER OR AMOUNT OF ←
19 MATERIALS PURCHASED. RECORDS SHALL INCLUDE POTENTIAL PROCEEDS, ←
20 ~~DRAWINGS SOLD AND SUCH OTHER INFORMATION AS THE BUREAU OF LIQUOR~~
21 ~~CONTROL ENFORCEMENT MAY REQUIRE TO MONITOR AND AUDIT WEEKLY~~
22 ~~DRAWINGS.~~

23 SECTION 13. THE ACT IS AMENDED BY ADDING A CHAPTER HEADING
24 TO READ:

25 CHAPTER 7

26 ENFORCEMENT

27 SECTION 14. SECTION 12 OF THE ACT, AMENDED DECEMBER 19, 1990
28 (P.L.812, NO.195), IS RENUMBERED AND AMENDED TO READ:

29 SECTION [12] 701. REVOCATION OF LICENSES.

30 (A) GROUNDS.--THE [LICENSING AUTHORITY SHALL REVOKE OR

1 REFUSE TO RENEW THE LICENSE OF ANY ELIGIBLE ORGANIZATION
2 WHENEVER THE DISTRICT ATTORNEY FINDS UPON COMPLAINT AND
3 INVESTIGATION THAT] FOLLOWING SHALL BE GROUNDS FOR SUSPENSION,
4 REVOCAION OR NONRENEWAL OF A LICENSE:

5 (1) ANY OF THE [FUNDS] PROCEEDS DERIVED FROM THE ←
6 OPERATION OF GAMES OF CHANCE BY AN ELIGIBLE ORGANIZATION ARE
7 USED FOR ANY PURPOSE OTHER THAN FOR:

8 (I) PUBLIC INTEREST PURPOSES [OR FOR];

9 (II) THE PURCHASE OF GAMES OF CHANCE [AS]; OR

10 (III) A PURPOSE PERMITTED BY [THIS ACT] CHAPTER 5.

11 (1.1) ANY OF THE FUNDS DERIVED FROM THE OPERATION OF
12 GAMES OF CHANCE BY A CLUB LICENSEE ARE USED IN A MANNER THAT
13 DOES NOT COMPLY WITH SECTION 502.

14 (2) ANY PERSON UNDER 18 YEARS OF AGE IS OPERATING OR
15 PLAYING GAMES OF CHANCE [AS DEFINED IN THIS ACT].

16 (3) THE ELIGIBLE ORGANIZATION HAS PERMITTED ANY PERSON
17 WHO HAS BEEN CONVICTED OF A FELONY IN A FEDERAL OR STATE
18 COURT WITHIN THE PAST FIVE YEARS OR HAS BEEN CONVICTED IN A
19 FEDERAL OR STATE COURT WITHIN THE PAST TEN YEARS OF A
20 VIOLATION OF THE ACT OF JULY 10, 1981 (P.L.214, NO.67), KNOWN
21 AS THE BINGO LAW, OR OF THIS ACT, TO MANAGE, SET UP,
22 SUPERVISE OR PARTICIPATE IN THE OPERATION OF GAMES OF CHANCE.

23 (4) THE FACILITY IN WHICH THE GAMES OF CHANCE ARE PLAYED
24 DOES NOT HAVE ADEQUATE MEANS OF INGRESS AND EGRESS AND DOES
25 NOT HAVE ADEQUATE SANITARY FACILITIES AVAILABLE IN THE AREA.

26 (5) ANY PERSON OR PERSONS OTHER THAN A MANAGER, OFFICER,
27 DIRECTOR, BAR PERSONNEL OR A BONA FIDE MEMBER OF AN ELIGIBLE
28 ORGANIZATION HAVE BEEN INVOLVED IN MANAGING, SETTING UP,
29 OPERATING OR RUNNING GAMES OF CHANCE.

30 (6) ANY PERSON HAS RECEIVED COMPENSATION FOR CONDUCTING

1 GAMES OF CHANCE.

2 (7) ANY PRIZE HAS BEEN AWARDED IN EXCESS OF THE LIMITS
3 PERMITTED UNDER THIS ACT.

4 (8) THE ELIGIBLE ORGANIZATION HAS VIOLATED ANY CONDITION
5 OF A SPECIAL PERMIT ISSUED PURSUANT TO SECTION [11] 308.

6 (9) THE ELIGIBLE ORGANIZATION CONDUCTS THE GAMES OF
7 CHANCE UNDER A LEASE WHICH CALLS FOR:

8 (I) LEASING SUCH PREMISES FROM THE OWNER THEREOF
9 UNDER AN ORAL AGREEMENT; OR

10 (II) LEASING SUCH PREMISES FROM THE OWNER THEREOF
11 UNDER A WRITTEN AGREEMENT AT A RENTAL WHICH IS DETERMINED
12 BY THE AMOUNT OF RECEIPTS REALIZED FROM THE PLAYING OF
13 GAMES OF CHANCE.

14 (10) FALSE OR ERRONEOUS INFORMATION WAS PROVIDED IN THE
15 ORIGINAL APPLICATION OR IN ANY INFORMATION PROVIDED TO THE
16 LICENSING AUTHORITY OR THE DEPARTMENT IN ANY REPORT.

17 (11) AN ELIGIBLE ORGANIZATION HAS BEEN CONVICTED OF A
18 VIOLATION OF THIS ACT AS EVIDENCED BY A CERTIFIED RECORD OF
19 THE CONVICTION.

20 (12) THE ELIGIBLE ORGANIZATION HAS PERMITTED ANOTHER
21 ELIGIBLE ORGANIZATION TO CONDUCT [SMALL] GAMES OF CHANCE ON
22 ITS LICENSED PREMISES WITHOUT SUSPENDING ITS OWN OPERATION OF
23 [SMALL] GAMES OF CHANCE DURING THE PERIOD THAT THE OTHER
24 LICENSED ELIGIBLE ORGANIZATION IS CONDUCTING ITS GAMES ON THE
25 PREMISES.

26 (13) A CLUB LICENSEE HAS FAILED TO FILE AN ACCURATE
27 REPORT UNDER SECTION 501(A).

28 (14) A CLUB LICENSEE HAS FAILED TO COMPLY WITH SECTION
29 502.

30 (15) FAILURE TO FILE REPORTS UNDER SECTION 501.

1 (B) PRODUCTION OF RECORDS.--THE DISTRICT ATTORNEY MAY
2 REQUIRE LICENSEES TO PRODUCE THEIR BOOKS, ACCOUNTS AND RECORDS
3 RELATING TO THE CONDUCT OF GAMES OF CHANCE IN ORDER TO DETERMINE
4 [WHETHER A LICENSE SHOULD BE REVOKED OR RENEWAL THEREOF DENIED]
5 IF A VIOLATION OF THIS ACT HAS OCCURRED. LICENSEES SHALL ALSO BE
6 REQUIRED, UPON REQUEST, TO [PRODUCE] PROVIDE THEIR LICENSE,
7 BOOKS, ACCOUNTS AND RECORDS RELATING TO THE CONDUCT OF GAMES OF
8 CHANCE TO [OTHER] THE LICENSING AUTHORITY, THE BUREAU OF LIQUOR
9 CONTROL ENFORCEMENT OR TO A LAW ENFORCEMENT [OFFICIALS UPON
10 PROPER REQUEST.] AGENCY OR OFFICIAL. A CLUB LICENSEE SHALL
11 RETAIN RECORDS FOR A PERIOD OF FIVE YEARS.

12 SECTION 15. SECTION 13 OF THE ACT IS RENUMBERED AND AMENDED
13 TO READ:

14 SECTION [13] 702. ENFORCEMENT.

15 [(A) DISTRICT ATTORNEY.--THE DISTRICT ATTORNEY SHALL
16 INVESTIGATE ALLEGED VIOLATIONS OF THIS ACT. IF THE DISTRICT
17 ATTORNEY FINDS PROBABLE CAUSE TO BELIEVE THAT A VIOLATION HAS
18 OCCURRED, HE MAY FILE A COMPLAINT AGAINST THE ALLEGED VIOLATOR
19 IN THE COURT OF COMMON PLEAS OF SAID COUNTY, EXCEPT IN COUNTIES
20 OF THE FIRST CLASS WHERE THE COMPLAINT MAY BE FILED IN THE
21 MUNICIPAL COURT. IN ADDITION, THE DISTRICT ATTORNEY SHALL
22 PROSECUTE SAID COMPLAINT IN THE MANNER PROVIDED BY LAW.

23 (B) OTHER LAW ENFORCEMENT OFFICIALS.--NOTHING IN THIS ACT
24 SHALL BE INTERPRETED TO RESTRICT THE POWER OF A STATE, COUNTY OR
25 LOCAL LAW ENFORCEMENT OFFICIALS TO CONDUCT INVESTIGATIONS AND
26 ENFORCE THE PROVISIONS OF THIS ACT.]

27 (A) LICENSING AUTHORITY.--THE LICENSING AUTHORITY MAY
28 ENFORCE THE PROVISIONS OF THIS ACT AND MAY IMPOSE THE PENALTIES
29 UNDER SUBSECTION (D).

30 (B) BUREAU OF LIQUOR CONTROL ENFORCEMENT.--IF THE LICENSEE

1 IS A CLUB LICENSEE, THE BUREAU OF LIQUOR CONTROL ENFORCEMENT MAY
2 ENFORCE THE PROVISIONS OF THIS ACT. AN ADMINISTRATIVE LAW JUDGE
3 UNDER SECTION 212 OF THE ACT OF APRIL 12, 1951 (P.L.90, NO.21),
4 KNOWN AS THE LIQUOR CODE, MAY IMPOSE THE PENALTIES UNDER
5 SUBSECTION (D) FOLLOWING THE ISSUANCE OF A CITATION BY THE
6 BUREAU.

7 (C) RANDOM AUDITS.--THE BUREAU OF LIQUOR CONTROL ENFORCEMENT
8 SHALL CONDUCT ANNUAL RANDOM AUDITS OF 5% OF ALL CLUB LICENSEES.

9 (D) POWERS AND DUTIES.--THE LICENSING AUTHORITY, OR, IN THE
10 CASE OF A CLUB LICENSEE, THE BUREAU OF LIQUOR CONTROL
11 ENFORCEMENT MAY IMPOSE THE FOLLOWING PENALTIES:

12 (1) A CIVIL PENALTY.

13 (2) SUSPENSION OR REVOCATION OF THE LICENSE.

14 (E) DISTRICT ATTORNEY.--THE DISTRICT ATTORNEY OF THE COUNTY
15 THAT ISSUED THE LICENSE SHALL INVESTIGATE ALLEGED VIOLATIONS OF
16 THIS ACT. IF THE DISTRICT ATTORNEY FINDS PROBABLE CAUSE TO
17 BELIEVE THAT A CRIMINAL VIOLATION HAS OCCURRED, THE DISTRICT
18 ATTORNEY MAY FILE CRIMINAL CHARGES AND PROSECUTE THE COMPLAINT
19 AGAINST THE ALLEGED VIOLATOR IN THE COURT OF COMMON PLEAS OF THE
20 COUNTY, EXCEPT IN COUNTIES OF THE FIRST CLASS WHERE THE
21 COMPLAINT MAY BE FILED IN THE MUNICIPAL COURT.

22 (F) LAW ENFORCEMENT OFFICIALS.--NOTHING IN THIS ACT MAY
23 RESTRICT OR LIMIT THE POWER OF A STATE, COUNTY OR LOCAL LAW
24 ENFORCEMENT OFFICIAL TO CONDUCT INVESTIGATIONS AND FILE CRIMINAL
25 CHARGES UNDER THIS ACT.

26 ~~(G) LIQUOR CODE. A VIOLATION OF THIS ACT SHALL NOT~~ ←
27 ~~CONSTITUTE A VIOLATION OF THE LIQUOR CODE.~~

28 (G) GENERAL RULE.-- ←

29 (1) EXCEPT AS PROVIDED IN PARAGRAPH (2), A VIOLATION OF
30 THIS ACT BY A CLUB LICENSEE SHALL NOT CONSTITUTE A VIOLATION

1 OF THE LIQUOR CODE.

2 (2) IF A CLUB LICENSEE HAS COMMITTED THREE OR MORE
3 VIOLATIONS OF THIS ACT, THE BUREAU OF LIQUOR CONTROL
4 ENFORCEMENT MAY ENFORCE A VIOLATION OF THIS ACT AS A
5 VIOLATION OF THE LIQUOR CODE.

6 (3) A VIOLATION OF THIS ACT SHALL NOT CONSTITUTE A
7 VIOLATION OF THE LIQUOR CODE FOR THE PURPOSES OF SECTION
8 471(C) OF THE LIQUOR CODE.

9 SECTION 16. SECTION 14 OF THE ACT, AMENDED JULY 11, 1990
10 (P.L.449, NO.108) AND DECEMBER 19, 1990 (P.L.812, NO.195), IS
11 RENUMBERED AND AMENDED TO READ:

12 SECTION [14] 703. LOCAL OPTION.

13 (A) ELECTION TO BE HELD.--IN ANY MUNICIPALITY, AN ELECTION
14 MAY BE HELD ON THE DATE OF THE PRIMARY ELECTION IMMEDIATELY
15 PRECEDING ANY MUNICIPAL ELECTION, BUT NOT MORE THAN ONCE IN FOUR
16 YEARS, TO DETERMINE THE WILL OF THE ELECTORS WITH RESPECT TO THE
17 ISSUANCE OF LICENSES WITHIN THE LIMITS OF SUCH MUNICIPALITY
18 UNDER THE PROVISIONS OF THIS ACT. WHERE AN ELECTION SHALL HAVE
19 BEEN HELD AT THE PRIMARY ELECTION PRECEDING A MUNICIPAL ELECTION
20 IN ANY YEAR, ANOTHER ELECTION MAY BE HELD UNDER THE PROVISIONS
21 OF THIS ACT AT THE PRIMARY ELECTION OCCURRING THE FOURTH YEAR
22 AFTER SUCH PRIOR ELECTION. WHENEVER ELECTORS EQUAL TO AT LEAST
23 25% OF THE HIGHEST VOTE CAST FOR ANY OFFICE IN THE MUNICIPALITY
24 AT THE LAST PRECEDING GENERAL ELECTION SHALL FILE A PETITION
25 WITH THE COUNTY BOARD OF ELECTIONS OF THE COUNTY, OR THE
26 GOVERNING BODY OF THE MUNICIPALITY ADOPTS, BY A MAJORITY VOTE, A
27 RESOLUTION TO PLACE SUCH A QUESTION ON THE BALLOT AND A COPY OF
28 THE RESOLUTION IS FILED WITH THE BOARD OF ELECTIONS OF THE
29 COUNTY, FOR A REFERENDUM ON THE QUESTION OF ISSUING LICENSES,
30 THE COUNTY BOARD OF ELECTIONS SHALL CAUSE A QUESTION TO BE

1 PLACED ON THE BALLOT OR ON THE VOTING MACHINE BOARD AND
2 SUBMITTED AT THE PRIMARY ELECTION IMMEDIATELY PRECEDING THE
3 MUNICIPAL ELECTION. THE QUESTION SHALL BE IN THE FOLLOWING FORM:

4 DO YOU FAVOR THE ISSUANCE OF LICENSES
5 TO CONDUCT SMALL GAMES OF CHANCE IN THE
6 OF ?

7 (B) VOTE.--IF A MAJORITY OF THE ELECTORS VOTING ON THE
8 QUESTION VOTE "YES," THEN LICENSES SHALL BE ISSUED BY THE
9 LICENSING AUTHORITY IN SUCH MUNICIPALITY, BUT IF A MAJORITY OF
10 THE ELECTORS VOTING ON ANY SUCH QUESTION VOTE "NO," THEN THE
11 LICENSING AUTHORITY SHALL HAVE NO POWER TO ISSUE OR TO RENEW,
12 UPON THEIR EXPIRATION, ANY LICENSES IN SUCH MUNICIPALITY, UNLESS
13 AND UNTIL, AT A LATER ELECTION, A MAJORITY OF THE VOTING
14 ELECTORS VOTE "YES" ON SUCH QUESTION.

15 (C) VOTING PROCEEDINGS.--PROCEEDINGS UNDER THIS SECTION
16 SHALL BE IN ACCORDANCE WITH THE PROVISIONS OF THE ACT OF JUNE 3,
17 1937 (P.L.1333, NO.320), KNOWN AS THE PENNSYLVANIA ELECTION
18 CODE.

19 (D) APPLICABILITY.--THIS ACT APPLIES ONLY TO THOSE ELIGIBLE
20 ORGANIZATIONS LOCATED IN MUNICIPALITIES WHICH HAVE ADOPTED THE
21 PROVISIONS OF THIS ACT BY AN AFFIRMATIVE VOTE IN A MUNICIPAL
22 REFERENDUM IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION.

23 (E) WITHDRAWAL OF APPROVAL.--THE REFERENDUM PROCEDURE
24 CONTAINED IN THIS SECTION SHALL ALSO BE AVAILABLE TO WITHDRAW
25 THE APPROVAL OF THE ISSUANCE OF SUCH LICENSES WITHIN SUCH
26 MUNICIPALITY WHICH WAS GRANTED THROUGH A PRIOR REFERENDUM.

27 (F) SPECIAL EXCEPTION.--NOTWITHSTANDING ANY OTHER PROVISION
28 OF THIS ACT TO THE CONTRARY, IN ANY MUNICIPALITY EXCEPT A CITY
29 OF THE FIRST CLASS WHERE AN ELECTION WAS HELD PURSUANT TO THIS
30 SECTION ON MAY 16, 1989, AND A MAJORITY OF THE ELECTORS VOTED

1 "NO" ON THE QUESTION, THE MUNICIPALITY SHALL BE ABLE TO RESUBMIT
2 THE QUESTION, IN ACCORDANCE WITH THE PROCEDURES SET FORTH IN
3 THIS SECTION, AT THE GENERAL ELECTION IMMEDIATELY FOLLOWING [THE
4 EFFECTIVE DATE OF THIS AMENDATORY ACT] JULY 11, 1990.

5 SECTION 17. SECTION 15 OF THE ACT, AMENDED DECEMBER 19, 1990
6 (P.L.812, NO.195), IS RENUMBERED TO READ:

7 SECTION [15] 704. ADVERTISING.

8 IT SHALL BE UNLAWFUL FOR ANY ELIGIBLE ORGANIZATION OR PERSON
9 TO ADVERTISE THE PRIZES OR THEIR DOLLAR VALUE TO BE AWARDED IN
10 GAMES OF CHANCE, PROVIDED THAT PRIZES MAY BE IDENTIFIED ON
11 RAFFLE TICKETS. NOTWITHSTANDING THE PROHIBITION OF ADVERTISING
12 CONTAINED WITHIN THIS SECTION, AN ELIGIBLE ORGANIZATION MAY
13 ADVERTISE PRIZES AND VALUES THEREOF IN PERIODIC PUBLICATIONS
14 WHICH ARE LIMITED IN THEIR CIRCULATION TO MEMBERS OF THE
15 ELIGIBLE ORGANIZATION.

16 SECTION 18. SECTION 16 OF THE ACT IS RENUMBERED AND AMENDED
17 TO READ:

18 SECTION [16] 705. CERTAIN PERSONS PROHIBITED.

19 NO LICENSED DISTRIBUTOR NOR ANY PERSON WHO HAS BEEN CONVICTED
20 OF A FELONY OR OF A VIOLATION OF THE ACT OF JULY 10, 1981
21 (P.L.214, NO.67), KNOWN AS THE BINGO LAW, OR OF THIS ACT OR OF
22 ANY COMPARABLE STATE OR FEDERAL LAW SHALL HAVE A PECUNIARY
23 INTEREST IN THE OPERATION [OR PROCEEDS OF GAMES OF CHANCE] OR IN
24 PROCEEDS.

25 SECTION 19. THE ACT IS AMENDED BY ADDING A SECTION TO READ:
26 SECTION 706. CIVIL PENALTIES.

27 (A) PENALTY.--AN ELIGIBLE ORGANIZATION, OTHER THAN A CLUB
28 LICENSEE, THAT VIOLATES THE PROVISIONS OF THIS ACT SHALL BE
29 SUBJECT TO THE FOLLOWING CIVIL PENALTIES:

30 (1) FOR AN INITIAL VIOLATION, UP TO \$500.

1 (2) FOR A SECOND VIOLATION, UP TO \$1,000.
2 (3) FOR A THIRD OR SUBSEQUENT VIOLATION, UP TO \$1,500.
3 (B) CLUB LICENSEE.--A CLUB LICENSEE THAT VIOLATES THE

4 PROVISIONS OF THIS ACT SHALL BE SUBJECT TO THE FOLLOWING CIVIL
5 PENALTIES:

6 (1) FOR AN INITIAL VIOLATION, UP TO \$800.
7 (2) FOR A SECOND VIOLATION, UP TO \$1,000.
8 (3) FOR A THIRD OR SUBSEQUENT VIOLATION, UP TO \$2,000.

9 (C) RECORDS.--THE INTENTIONAL OR WILLFUL FAILURE OF A CLUB
10 LICENSEE TO PROVIDE ACCURATE RECORDS SHALL RESULT IN A LICENSE
11 SUSPENSION OF A MINIMUM OF SIX MONTHS.

12 SECTION 20. SECTION 17 OF THE ACT, AMENDED DECEMBER 19, 1990
13 (P.L.812, NO.195), IS RENUMBERED AND AMENDED TO READ:

14 SECTION [17] 707. [PENALTIES] CRIMINAL PENALTIES.

15 (A) ELIGIBLE ORGANIZATIONS AND CLUB LICENSEES.--ANY ELIGIBLE
16 ORGANIZATION VIOLATING THE PROVISIONS OF THIS ACT SHALL BE
17 GUILTY OF A SUMMARY OFFENSE AND, UPON CONVICTION THEREOF, SHALL
18 BE SENTENCED TO PAY A FINE NOT EXCEEDING \$1,000 [AND SHALL] FOR
19 A FIRST OFFENSE[,] AND \$1,500 FOR A SUBSEQUENT OFFENSE. IN
20 ADDITION:

21 (1) FOR A FIRST OFFENSE, THE ELIGIBLE ORGANIZATION SHALL
22 FORFEIT THE LICENSE TO CONDUCT GAMES OF CHANCE ISSUED TO THE
23 ELIGIBLE ORGANIZATION FOR [THE REMAINDER OF THE LICENSING
24 PERIOD OR SIX MONTHS, WHICHEVER IS LONGER, FOR] A PERIOD OF
25 NOT MORE THAN 30 DAYS.

26 (2) FOR A SECOND OFFENSE, THE ELIGIBLE ORGANIZATION
27 SHALL FORFEIT [THE] ITS LICENSE [ISSUED TO THE ELIGIBLE
28 ORGANIZATION] FOR [THE REMAINDER OF THE CURRENT LICENSING
29 PERIOD AND BE INELIGIBLE TO BE LICENSED FOR THE FOLLOWING
30 LICENSING PERIOD, FOR] A PERIOD OF NOT LESS THAN 30 DAYS NOR

1 MORE THAN 180 DAYS.

2 (3) FOR A THIRD OR SUBSEQUENT OFFENSE[,] WITHIN THREE
3 YEARS OF THE FIRST OFFENSE, THE ELIGIBLE ORGANIZATION SHALL
4 FORFEIT [THE] ITS LICENSE [ISSUED TO THE ELIGIBLE
5 ORGANIZATION] AND BE INELIGIBLE FOR A LICENSE RENEWAL FOR 30
6 MONTHS THEREAFTER.

7 (B) INDIVIDUALS.--ANY PERSON WHO CONDUCTS OR ASSISTS IN THE
8 CONDUCTING OF GAMES OF CHANCE IN VIOLATION OF THE PROVISIONS OF
9 THIS ACT IS GUILTY OF A SUMMARY OFFENSE FOR A FIRST VIOLATION. A
10 SECOND VIOLATION OF THIS ACT SHALL BE PUNISHABLE AS A
11 MISDEMEANOR OF THE THIRD DEGREE. A THIRD OR SUBSEQUENT VIOLATION
12 SHALL BE PUNISHABLE AS A MISDEMEANOR OF THE FIRST DEGREE.

13 (C) DISTRIBUTORS AND MANUFACTURERS.--ANY PERSON WHO
14 DISTRIBUTES GAMES OF CHANCE WITHOUT A LICENSE OR IN VIOLATION OF
15 ANY PROVISION OF THIS ACT OR APPLICABLE REGULATIONS, AND ANY
16 MANUFACTURER OF GAMES OF CHANCE WHO DELIVERS GAMES OF CHANCE FOR
17 SALE OR DISTRIBUTION IN THIS COMMONWEALTH WHO FAILS TO REGISTER
18 AND OBTAIN A PERMIT THEREFOR IS GUILTY OF A MISDEMEANOR OF THE
19 FIRST DEGREE, PROVIDED THAT NO LICENSE OR PERMIT SHALL BE
20 REQUIRED FOR THE MANUFACTURE OR DISTRIBUTION OF RAFFLE TICKETS.

21 (D) RIGGING.--A PERSON COMMITS A MISDEMEANOR OF THE FIRST
22 DEGREE IF, WITH INTENT TO PREVENT A GAME OF CHANCE FROM BEING
23 CONDUCTED IN ACCORDANCE WITH THE REQUIREMENTS OF THIS ACT OR THE
24 RULES AND USAGES GOVERNING THE GAME OF CHANCE, HE:

25 (1) CONFERS OR OFFERS OR AGREES TO CONFER ANY BENEFIT
26 UPON OR THREATENS ANY INJURY TO A PARTICIPANT OR OTHER PERSON
27 ASSOCIATED WITH THE GAME OF CHANCE;

28 (2) TAMPERS WITH ANY PERSON OR [GAMES] GAME OF CHANCE;
29 OR

30 (3) SOLICITS, ACCEPTS OR AGREES TO ACCEPT ANY BENEFIT.

1 (E) CONTINGENT FEES.--ANY PERSON WHO DISTRIBUTES,
2 MANUFACTURES OR OPERATES A SMALL GAME OF CHANCE AND WHO
3 REQUIRES, FOR EQUIPMENT FURNISHED OR TO PLAY A GAME OF CHANCE,
4 PAYMENT EQUAL TO A PERCENTAGE OF THE TOTAL WINNINGS OF ANY GAME
5 OF CHANCE COMMITS A MISDEMEANOR OF THE FIRST DEGREE.

6 SECTION 21. THE ACT IS AMENDED BY ADDING A CHAPTER HEADING
7 TO READ:

8 CHAPTER 31

9 MISCELLANEOUS PROVISIONS

10 SECTION 22. SECTION 18 OF THE ACT IS RENUMBERED TO READ:

11 SECTION [18] 3101. EFFECTIVE DATE.

12 THIS ACT SHALL TAKE EFFECT IN 60 DAYS.

13 SECTION 23. THIS ACT SHALL TAKE EFFECT IN 30 DAYS.