

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 349 Session of 2011

INTRODUCED BY SONNEY, EVERETT, FABRIZIO, GROVE, HENNESSEY,
KORTZ, MILLER, PYLE, REICHLEY AND VULAKOVICH,
JANUARY 31, 2011

REFERRED TO COMMITTEE ON GAMING OVERSIGHT, JANUARY 31, 2011

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 licensing of eligible organizations to conduct games of
10 chance.

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

13 Section 1. Section 10 of the act of December 19, 1988 (P.L.
14 1262, No.156), known as the Local Option Small Games of Chance
15 Act, amended December 19, 1990 (P.L.812, No.195) and October 18,
16 2000 (P.L.602, No.79), is amended to read:

17 Section 10. Licensing of eligible organizations to conduct
18 games of chance.

19 (a) License required.--No eligible organization shall
20 conduct or operate any games of chance unless such eligible
21 organization has obtained and maintains a valid license issued

pursuant to this section. Auxiliary groups within eligible organizations shall be eligible to conduct small games of chance using the license issued to the eligible organization provided that the auxiliary group or groups are listed on the application and license of the eligible organization. No additional licensing fee shall be charged for an auxiliary group's eligibility under this act. Auxiliary groups shall not include branches, lodges or chapters of a Statewide organization.

(b) Issuance and fees.--The licensing authority shall license, upon application, within 30 days any eligible organization meeting the requirements for licensure contained in this act to conduct and operate games of chance at such locations within the county or in such manner as stated on the application as limited by subsection (b.1). The license fee to be charged to each eligible organization shall be \$100, except for limited occasion licenses which shall be \$10. Licenses shall be renewable annually upon the anniversary of the date of issue.

(b.1) Location of small games of chance.--Where there exists a location or premises which is the normal business or operating site of the eligible organization and is owned or leased by that eligible organization to conduct its normal business, that site shall be the licensed premises for small games of chance conducted by the eligible organization. If that location consists of more than one building and the eligible organization wishes to conduct its games in a different building at that location from the one that is listed on its application and license, the eligible organization must notify, in writing, the district attorney and the licensing authority of the change in building site and the dates and times that will be affected.

When an eligible organization does not own or lease a specific

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

16 (b.2) Off-premises games of chance.--Notwithstanding any
17 other provisions of this section, an eligible organization may
18 conduct small games of chance at a location off its premises
19 when such games are part of an annual carnival, fair, picnic or
20 banquet held or participated in by that eligible organization on
21 a historical basis. The eligible organization must notify, in
22 writing, the district attorney and licensing authority of the
23 location, date and times of such events where it will be
24 conducting small games of chance.

25 (b.3) Limited occasion licenses.--Eligible organizations
26 which do not own their own premises or which do not lease a
27 specific location to conduct their normal business may apply for
28 a limited occasion license to conduct small games of chance on
29 not more than three occasions covering a total of seven days
30 during a licensed year. A limited occasion license entitles

1 eligible organizations holding such a license to conduct no more
2 than two raffles during a licensed year where prizes may not
3 exceed the established limits for regular monthly raffles.

4 Holders of limited occasion licenses may not apply or be granted
5 any other license or special permit under this act. No holder of
6 a regular license or special permit under this act shall apply
7 or be granted a limited occasion license.

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

16 (c) Display.--Licenses issued pursuant to this section shall
17 be publicly displayed at the site of the small games of chance.

18 (d) Operation.--Each licensed eligible organization shall
19 comply with the following restrictions and rules governing the
20 operation of games of chance:

21 (1) No person under 18 years of age shall be permitted
22 to operate or play games of chance.

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

30 (3) No eligible organization shall pay any compensation

1 to any person for conducting any games of chance. Games of
2 chance may only be conducted by managers, officers,
3 directors, bar personnel and bona fide members of the
4 eligible organization.

5 (4) Games shall be conducted only on the licensed
6 premises or as otherwise provided by this act.

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

17 (6) Games, other than raffles, daily drawings and weekly
18 drawings, shall be purchased only from manufacturers and
19 distributors approved by the department.

20 (7) No licensed eligible organization shall permit its
21 premises to be used for small games of chance by another
22 licensed eligible organization at the same time that it is
23 conducting small games of chance on the premises. When a
24 licensed eligible organization is permitting another licensed
25 eligible organization to use its premises for purposes of
26 small games of chance, it must cease the operation of its own
27 small games of chance during the period that the other
28 licensed eligible organization is conducting its games on the
29 premises.

30 (8) (i) Raffle tickets may be sold off the licensed

1 premise in any municipality in this Commonwealth which
2 has adopted the provisions of this act by an affirmative
3 vote in a municipal referendum. A licensed eligible
4 organization which plans to sell raffle tickets in a
5 municipality located in a county other than the county in
6 which the eligible organization is licensed must notify
7 that county's district attorney and licensing authority
8 as to the location and the dates that the eligible
9 organization plans to sell raffle tickets.

10 (ii) Raffle tickets may be sold off the licensed
11 premises in any licensed eating place, restaurant or
12 retail dispenser as defined under section 102 of the act
13 of April 12, 1951 (P.L.90, No.21), known as the Liquor
14 Code. A licensed eligible organization which plans to
15 sell raffle tickets at any licensed eating place,
16 restaurant or retail dispenser must notify the county's
17 district attorney and licensing authority as to the
18 location of the eating place, restaurant or retail
19 dispenser and the dates that the eligible organization
20 plans to sell raffle tickets at the club.

21 (e) Application for license.--Each eligible organization
22 shall apply to the licensing authority for a license on a form
23 to be prescribed by the Secretary of Revenue. The form shall
24 contain an affidavit to be affirmed by the executive officer or
25 secretary of the eligible 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 (f) List of licensees.--The licensing authority, on a
11 semiannual basis, shall send a copy of all licensees to the
12 Department of Revenue.

13 (g) List of municipalities.--The licensing authority shall
14 include with any license or renewal issued to an eligible
15 organization, an up-to-date listing of those municipalities
16 within the licensing county which have approved the referendum
17 question on small games of chance.

18 Section 2. This act shall take effect in 60 days.