

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 444 Session of 2011

INTRODUCED BY EARLL, FOLMER, SOLOBAY, CORMAN, ORIE, SCARNATI, BOSCOLA, FONTANA, FERLO, RAFFERTY, ALLOWAY, PICCOLA, COSTA, YAW, HUGHES, KASUNIC, WAUGH, M. WHITE, WASHINGTON, EICHELBERGER, BROWNE, VOGEL, LEACH, YUDICHAK, PIPPY, MENSCH, BREWSTER, WOZNIAK, DINNIMAN AND ARGALL, FEBRUARY 23, 2011

AS REPORTED FROM COMMITTEE ON GAMING OVERSIGHT, HOUSE OF REPRESENTATIVES, AS AMENDED, DECEMBER 13, 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 ~~legislative intent, for definitions, for games of chance~~
10 ~~permitted, for prize limits, for limits on sales, for~~
11 ~~distributor licenses, for regulations, for licensing of~~
12 ~~eligible organizations and for special permits; providing for~~
13 ~~club licensees; further providing for revocation of licenses,~~
14 ~~for enforcement, for local option, for advertising and for~~
15 ~~prohibited persons; providing for civil penalties; further~~
16 ~~providing for penalties; and making editorial changes.~~

17 AMENDING THE ACT OF DECEMBER 19, 1988 (P.L.1262, NO.156), ←
18 ENTITLED, AS AMENDED, "AN ACT PROVIDING FOR THE LICENSING OF
19 ELIGIBLE ORGANIZATIONS TO CONDUCT GAMES OF CHANCE, FOR THE
20 LICENSING OF PERSONS TO DISTRIBUTE GAMES OF CHANCE, FOR THE
21 REGISTRATION OF MANUFACTURERS OF GAMES OF CHANCE, AND FOR
22 SUSPENSIONS AND REVOCATIONS OF LICENSES AND PERMITS;
23 REQUIRING RECORDS; PROVIDING FOR LOCAL REFERENDUM BY
24 ELECTORATE; AND PRESCRIBING PENALTIES," FURTHER PROVIDING FOR
25 LEGISLATIVE INTENT, FOR DEFINITIONS, FOR GAMES OF CHANCE
26 PERMITTED AND FOR PRIZE LIMITS, FOR LIMITS ON SALES, FOR
27 DISTRIBUTOR LICENSES, FOR REGISTRATION OF MANUFACTURERS, FOR
28 REGULATIONS, FOR LICENSING OF ELIGIBLE ORGANIZATIONS AND FOR
29 SPECIAL PERMITS; PROVIDING FOR CLUB LICENSEES; FURTHER

1 PROVIDING FOR REVOCATION OF LICENSES, FOR LOCAL OPTION, FOR
2 ADVERTISING AND 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. In some cases the~~
21 ~~proceeds from games of chance may be utilized to support certain~~
22 ~~operating expenses of certain organizations.~~

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

28 ~~The General Assembly recognizes the possibility of~~
29 ~~association between commercial gambling and organized crime, and~~
30 ~~wishes to discourage commercialization of [small] games of~~
31 ~~chance, prevent participation by organized crime and prevent the~~

1 ~~diversion of funds from the purposes herein authorized.~~

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

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

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

14 ~~* * *~~

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

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

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

16 ~~(1) is licensed to sell liquor under section 404 of the~~
17 ~~act of April 12, 1951 (P.L.90, No.21), known as the Liquor~~
18 ~~Code[, that]; and~~

19 ~~(2) qualifies as an exempt organization under section~~
20 ~~501(c) or 527 of the Internal Revenue Code of [1954 (68A~~
21 ~~Stat. 3] 1986 (Public Law 99 514, 26 U.S.C. § 501(c) or 527)~~
22 ~~[and is licensed to sell liquor at retail and has a~~
23 ~~charitable, religious or civic purpose or is organized to~~
24 ~~benefit a political party].~~

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

27 ~~"Daily drawing." A game of chance in which a bona fide~~
28 ~~member selects or is assigned a number for a chance at a prize~~
29 ~~with the winner determined by [a] random drawing to take place~~
30 ~~on the licensed eligible organization's licensed premises during~~

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

15 * * *

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

25 ~~"Fraternal [organizations] organization." A nonprofit~~
26 ~~organization within this Commonwealth which is created and~~
27 ~~carried on for the mutual benefit of its members, has a limited~~
28 ~~membership and a representative form of government and is a~~
29 ~~branch, lodge or chapter of a national or State organization.~~
30 ~~Such organizations shall have been in existence in this~~

1 ~~Commonwealth and fulfilling their purposes for one year prior to~~
2 ~~the date of application for a license.~~

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

18 * * *

19 ~~"Licensed distributor." A distributor of games of chance~~
20 ~~licensed under section 307.~~

21 * * *

22 ~~"Prize." Cash or merchandise awarded for games of chance.~~

23 ~~"Proceeds." As follows:~~

24 ~~(1) For games of chance required to be purchased from a~~
25 ~~licensed distributor, the difference between:~~

26 ~~(i) the face value, as indicated by the registered~~
27 ~~manufacturer, collectible by a licensed eligible~~
28 ~~organization from a game of chance; and~~

29 ~~(ii) the maximum amount of prizes available, as~~
30 ~~indicated by the registered manufacturer, by a licensed~~

1 ~~eligible organization from a game of chance.~~

2 ~~(2) For games of chance not required to be purchased~~
3 ~~from a licensed distributor, the difference between:~~

4 ~~(i) the actual gross revenue collected by a licensed~~
5 ~~eligible organization from a game of chance; and~~

6 ~~(ii) the actual amount of prizes paid by a licensed~~
7 ~~eligible organization from a game of chance.~~

8 "Public interest [purposes] purpose." [One or more of the
9 following:

10 ~~(1) Benefiting persons by enhancing their opportunity~~
11 ~~for religious or education advancement, by relieving or~~
12 ~~protecting them from disease, suffering or distress, by~~
13 ~~contributing to their physical, emotional or social well-~~
14 ~~being, by assisting them in establishing themselves in life-~~
15 ~~as worthy and useful citizens or by increasing their~~
16 ~~comprehension of and devotion to the principles upon which~~
17 ~~this nation was founded.~~

18 ~~(2) Initiating, performing or fostering worthy public~~
19 ~~works or enabling or furthering the erection or maintenance~~
20 ~~of public structures.~~

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

24 ~~(4) Improving, expanding, maintaining or repairing real~~
25 ~~property owned or leased by an eligible organization and used~~
26 ~~for purposes specified in paragraphs (1), (2) and (3).~~

27 ~~The term does not include the erection or acquisition of any~~
28 ~~real property, unless the property will be used exclusively for~~
29 ~~one or more of the purposes specified in this definition.] A~~
30 ~~nonprofit benevolent, religious, educational, philanthropic,~~

1 ~~humane, scientific, patriotic, social welfare, social advocacy,~~
2 ~~public health, public safety, environmental or civic objective.~~

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), the maximum [cash value] prize which~~
15 ~~may be awarded for any single chance shall be [\$500] \$1,000.~~

16 ~~(b) [Weekly] Aggregate prize limit. No more than [\$5,000]~~
17 ~~\$25,000 in [cash or merchandise] prizes shall be awarded from~~
18 ~~games of chance by [any] a licensed eligible organization in any~~
19 ~~seven day period.~~

20 ~~(c) [Limit on raffles] Raffles prize limit. [No more than~~
21 ~~\$5,000 in cash or merchandise shall] Subject to the limitations~~
22 ~~under subsection (b), up to \$10,000 in prizes may be awarded in~~
23 ~~raffles in any calendar month.~~

24 ~~(c.1) Total limit. All prizes awarded under this section~~
25 ~~and section 301 shall be subject to the aggregate prize limits~~
26 ~~under subsection (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), the~~
13 ~~total [cash value] of all prizes awarded under this~~
14 ~~subsection shall be no more than [\$100,000 per calendar~~
15 ~~year.] \$200,000 per licensed term.~~

16 ~~(5) A volunteer fire, ambulance or rescue organization~~
17 ~~may, in addition to the total under paragraph (4), award up~~
18 ~~to \$50,000 from raffles which shall not be subject to the~~
19 ~~aggregate limit under subsection (b).~~

20 ~~[(e) Limit on daily drawings. Daily drawings shall be~~
21 ~~governed by the prize limitations contained in subsections (a)~~
22 ~~and (b). An eligible organization shall not conduct daily~~
23 ~~drawings during a period when a weekly drawing is taking place.]~~

24 ~~(f) [Exception] Daily drawing carryover. The prize~~
25 ~~limitation contained in subsections (a) and (b) may be exceeded~~
26 ~~by a daily drawing under the following circumstances: a daily~~
27 ~~drawing may award a prize [where the cash value is] in excess of~~
28 ~~[\$500] \$1,000 if such prize is the result of a carryover of a~~
29 ~~drawing [or drawings] which resulted from the winning number in~~
30 ~~such drawing [or drawings] not being among the eligible entrants~~

1 ~~in such drawings. Nothing contained herein shall authorize the~~
2 ~~prize [limitations] limitation as contained in subsections (a)~~
3 ~~and (b) to be exceeded as a result of a failure to conduct a~~
4 ~~drawing on an operating day during which chances were sold for a~~
5 ~~daily drawing or for a daily drawing for which chances were sold~~
6 ~~in excess of \$1 or for which more than one chance was sold to an~~
7 ~~eligible participant.~~

8 ~~(g) [Daily drawing and weekly drawing] Additional~~
9 ~~exception. When a daily drawing or weekly drawing is set up or~~
10 ~~conducted in such a manner as to pay out or award 100% of the~~
11 ~~gross revenues generated from such drawing, the [limitations]~~
12 ~~limitation contained in subsection (b) shall not apply.~~

13 ~~(h) [Limit on weekly drawings] Weekly drawing carryover~~
14 ~~exception. Weekly drawings shall be governed by the prize~~
15 ~~[limitations] limitation contained in subsection (b). [The prize~~
16 ~~limitation contained in subsection (b) may be exceeded by a~~
17 ~~weekly drawing under the following circumstances: a weekly~~
18 ~~drawing may award a prize where the cash value is in excess of~~
19 ~~\$5,000 if such prize is the result of a carryover of a drawing~~
20 ~~or drawings which resulted from the winning number or numbers in~~
21 ~~such drawing or drawings not being among the eligible entrants~~
22 ~~in such drawings.] The portion of a prize awarded in a weekly~~
23 ~~drawing that results from the carryover of a weekly drawing in~~
24 ~~which the number or numbers were not among the eligible entrants~~
25 ~~in the drawing shall not be included when applying the~~
26 ~~limitation under subsection (b). Nothing contained in this [act]~~
27 ~~chapter shall authorize the prize [limitations as contained in]~~
28 ~~limitation under subsection (b) to be exceeded as a result of a~~
29 ~~failure to conduct a drawing for a week during which chances~~
30 ~~were sold for a weekly drawing or for a weekly drawing for which~~

1 ~~chances were sold in excess of \$1. [An eligible organization~~
2 ~~shall not conduct weekly drawings during a period when a daily~~
3 ~~drawing is taking place.]~~

4 ~~Section 7. Sections 6 and 7 of the act, amended December 19,~~
5 ~~1990 (P.L.812, No.195), are renumbered and amended to read:~~

6 ~~Section [6] 303. Sales limited.~~

7 ~~(a) General rule. No person shall sell, offer for sale or~~
8 ~~furnish games of chance for use within this Commonwealth except~~
9 ~~to an eligible organization or [distributor] licensed~~
10 ~~distributor under this [act] chapter.~~

11 ~~(b) Organizations. No game of chance, other than a raffle~~
12 ~~under section 302(d), sold, offered for sale or furnished to a~~
13 ~~licensed eligible organization for use within this Commonwealth~~
14 ~~shall contain, permit, depict or designate a prize having a~~
15 ~~[cash value] prize limit in excess of [\$500] \$1,000.~~

16 ~~Section [7] 304. Distributor licenses.~~

17 ~~(a) License required. No person shall sell, offer for sale~~
18 ~~or furnish games of chance to eligible organizations licensed~~
19 ~~under this [act] chapter unless such person shall have obtained~~
20 ~~a distributor license as provided in this section.~~

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

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

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

27 ~~(3) The applicant's State employer withholding tax~~
28 ~~number.~~

29 ~~(4) The applicant's unemployment compensation account~~
30 ~~number.~~

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

2 ~~(i) all State tax reports have been filed and all~~
3 ~~State taxes paid;~~

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

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

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

10 ~~(c) Waiver of confidentiality. An applicant for the grant~~
11 ~~or renewal of any license issued pursuant to this section shall,~~
12 ~~by the filing of an application insofar as it relates to the~~
13 ~~department, waive any confidentiality with respect to State tax~~
14 ~~information in the possession of the department, the Office of~~
15 ~~Attorney General or the Department of Labor and Industry~~
16 ~~regarding that applicant, regardless of the source of that~~
17 ~~information, and shall consent to the providing of that~~
18 ~~information to the department by the Office of Attorney General~~
19 ~~or the Department of Labor and Industry.~~

20 ~~(d) Review of tax status. Upon receipt of any application~~
21 ~~for the grant or renewal of any license issued pursuant to this~~
22 ~~section, the department shall review the State tax status of the~~
23 ~~applicant. The department shall request State tax information~~
24 ~~regarding the applicant from the Office of Attorney General or~~
25 ~~the Department of Labor and Industry and that information shall~~
26 ~~be provided.~~

27 ~~(e) Limitation on approval. The department shall not~~
28 ~~approve any application for the grant or renewal of any license~~
29 ~~issued pursuant to this section where the applicant has failed~~
30 ~~to:~~

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

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

4 ~~(3) pay any State taxes not subject to a timely~~
5 ~~administrative or judicial appeal or subject to a duly~~
6 ~~authorized deferred payment plan.~~

7 ~~(f) Records. The licensee shall keep such records, reports~~
8 ~~and books as the department shall prescribe. Applicants shall be~~
9 ~~required to make such records, reports and books available as~~
10 ~~required by the department pursuant to regulation.~~

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

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

19 ~~(2) has been convicted within ten years of the date of~~
20 ~~application in a state or Federal court of a violation of the~~
21 ~~act of July 10, 1981 (P.L.214, No.67), known as the Bingo~~
22 ~~Law, or of this act or of a gambling related offense under~~
23 ~~Title 18 of the Pennsylvania Consolidated Statutes (relating~~
24 ~~to crimes and offenses) or other comparable State or Federal~~
25 ~~law.~~

26 ~~(h) License and renewal fees. The fee for a distributor~~
27 ~~license shall be \$1,000. Licenses shall be renewable on an~~
28 ~~annual basis.~~

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

1 ~~Section 8. Section 8 of the act is renumbered to read:~~

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

3 ~~(a) Registration required. No manufacturer of games of~~
4 ~~chance shall sell any games of chance to any person unless the~~
5 ~~manufacturer has registered with the department and has been~~
6 ~~issued a certificate of registration.~~

7 ~~(b) Annual certificate; fee. A certificate under this~~
8 ~~section shall be valid for one year. The annual fee for~~
9 ~~registration shall be \$2,000.~~

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

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

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

17 ~~Section [9] 306. Regulations of department.~~

18 ~~(a) Authorization. The department shall promulgate~~
19 ~~regulations to:~~

20 ~~(1) Impose minimum standards and restrictions applicable~~
21 ~~to games of chance manufactured for sale in this~~
22 ~~Commonwealth, which may include standards and restrictions~~
23 ~~which specify the maximum number of chances available to be~~
24 ~~sold for any single game of chance or prize and such other~~
25 ~~standards and restrictions as the department deems necessary~~
26 ~~for the purposes of this [act] chapter. The department shall~~
27 ~~consider standards adopted by the National Association of~~
28 ~~Gambling Regulatory Agencies and other standards commonly~~
29 ~~accepted in the industry.~~

30 ~~(2) Establish procedures by which manufacturers may~~

1 ~~register and distributors of games of chance may apply for~~
2 ~~licensure on forms which the department shall provide.~~
3 ~~Procedures shall include a requirement that manufacturer and~~
4 ~~distributor applicants provide criminal history record~~
5 ~~information obtained from the Pennsylvania State Police under~~
6 ~~18 Pa.C.S. § 9121(b) (relating to general regulations) for~~
7 ~~each officer and manager of the manufacturer's or~~
8 ~~distributor's organization and for any other individual~~
9 ~~specified by the department. As used in this paragraph, the~~
10 ~~term "criminal history record information" has the meaning~~
11 ~~given in 18 Pa.C.S. § 9102 (relating to definitions).~~

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

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

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

26 ~~(c) Reporting requirements. Each eligible organization~~
27 ~~shall file an annual report to the department including:~~

28 ~~(1) Prizes awarded as required under section 335 of the~~
29 ~~act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform~~
30 ~~Code of 1971.~~

1 ~~(2) Amounts expended for public interest purposes.~~

2 ~~Section 10. Section 10 of the act, amended December 19, 1990~~
3 ~~(P.L.812, No.195) and October 18, 2000 (P.L.602, No.79), is~~
4 ~~renumbered and amended to read:~~

5 ~~Section [10] 307. Licensing of eligible organizations to~~
6 ~~conduct games of chance.~~

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

21 ~~(b) Issuance and fees. The licensing authority shall~~
22 ~~license, upon application, within 30 days any eligible~~
23 ~~organization meeting the requirements for licensure contained in~~
24 ~~this [act] chapter to conduct and operate games of chance at~~
25 ~~such locations within the county or in such manner as stated on~~
26 ~~the application as limited by subsection (b.1). The license fee~~
27 ~~to be charged to each eligible organization shall be [\$100]~~
28 ~~\$200, except for limited occasion licenses which shall be [\$10]~~
29 ~~\$20. Licenses shall be renewable [annually] on a biennial basis~~
30 ~~upon the anniversary of the date of issue. The license fee shall~~

1 ~~be used by the licensing authority to administer this act.~~

2 ~~(b.1) Location of [small] games of chance.~~

3 ~~(1) Every licensed eligible organization, except a~~
4 ~~limited occasion licensee, may conduct small games of chance~~
5 ~~only at a licensed premises. The licensed premises shall be~~
6 ~~indicated on the eligible organization's license application.~~
7 ~~Only one license shall be issued per licensed premises.~~

8 ~~Except as provided under paragraph (4), a licensed eligible~~
9 ~~organization may not share a licensed premises with another~~
10 ~~licensed eligible organization; and no licensed eligible~~
11 ~~organization may permit its premises to be used for small~~
12 ~~games of chance by another licensed eligible organization.~~

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

28 ~~(3) When an eligible organization does not own or lease~~
29 ~~a specific location to conduct its normal business, [that]~~
30 ~~the eligible organization [may use another eligible~~

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

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

26 (b.2) Off premises games of chance. Notwithstanding any
27 other provisions of this section, [an] all of the following
28 apply:

29 (1) A licensed eligible organization may conduct [small]
30 games of chance at a location off its premises when [such

1 ~~games] the games of chance are part of an annual carnival,~~
2 ~~fair, picnic or banquet held or participated in by that~~
3 ~~licensed eligible organization on a historical basis. The~~
4 ~~licensed eligible organization must notify, in writing, the~~
5 ~~district attorney and licensing authority of the location,~~
6 ~~date and times of [such events] the event where it will be~~
7 ~~conducting [small] games of chance.~~

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

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

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

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

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

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

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

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

29 ~~(4) [Games shall be conducted only] Conducting games of~~
30 ~~chance on any premises other than on the licensed premises or~~

1 ~~as otherwise provided by this [act] chapter.~~

2 ~~(5) [The eligible organization shall not lease such]~~
3 ~~Leasing the licensed premises under either an oral or a~~
4 ~~written agreement for a rental which is determined by either~~
5 ~~the amount of receipts realized from the playing of games of~~
6 ~~chance or 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 ~~servicing of a meal. An eligible organization shall not lease~~
10 ~~such premises from any person who has been convicted of a~~
11 ~~violation of this act or the Bingo Law within the past ten~~
12 ~~years.~~

13 ~~(6) [Games] Purchasing games of chance, other than~~
14 ~~raffles, daily drawings and weekly drawings, [shall be~~
15 ~~purchased only from manufacturers and distributors] from any~~
16 ~~person other than a registered manufacturer or licensed~~
17 ~~distributor approved by the department.~~

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

28 ~~(8) Raffle tickets may be sold off the licensed premise~~
29 ~~in any municipality in this Commonwealth which has adopted~~
30 ~~the provisions of this act by an affirmative vote in a~~

1 ~~municipal referendum. A licensed eligible organization which~~
2 ~~plans to sell raffle tickets in a municipality located in a~~
3 ~~county other than the county in which the eligible~~
4 ~~organization is licensed must notify that county's district~~
5 ~~attorney and licensing authority as to the location and the~~
6 ~~dates that the eligible organization plans to sell raffle~~
7 ~~tickets.]~~

8 ~~(d.1) Bank account and records. The licensed eligible~~
9 ~~organization shall keep a bank account to hold the proceeds of~~
10 ~~games of chance, which shall be separate from all other funds~~
11 ~~belonging to the licensed eligible organization. Account records~~
12 ~~shall show all expenditures and income and shall be retained by~~
13 ~~the licensed eligible organization for at least two years.~~

14 ~~(e) Application for license. Each eligible organization~~
15 ~~shall apply to the licensing authority for a license on a form~~
16 ~~to be prescribed by the Secretary of Revenue. For a club~~
17 ~~license, the application shall include the most recent annual~~
18 ~~report filed by the club licensee under Chapter 5. The form~~
19 ~~shall contain an affidavit to be affirmed by the executive~~
20 ~~officer or secretary of the eligible organization stating that:~~

21 ~~(1) No person under 18 years of age will be permitted by~~
22 ~~the eligible organization to operate or play games of chance.~~

23 ~~(2) The facility in which the games of chance are to be~~
24 ~~played has adequate means of ingress and egress and adequate~~
25 ~~sanitary facilities available in the area.~~

26 ~~(3) The eligible organization is not leasing such~~
27 ~~premises from the owner thereof under an oral agreement, nor~~
28 ~~is it leasing such premises from the owner thereof under a~~
29 ~~written agreement at a rental which is determined by the~~
30 ~~amount of receipts realized from the playing of games of~~

1 ~~chance or by the number of people attending, except that an~~
2 ~~eligible organization may lease a facility for a banquet~~
3 ~~where a per head charge is applied in connection with the~~
4 ~~serving of a meal.~~

5 ~~(e.1) Proceedings. Proceedings before the licensing~~
6 ~~authority are subject to 2 Pa.C.S. Chs. 5 Subch. B (relating to~~
7 ~~practice and procedure of local agencies) and 7 Subch. B~~
8 ~~(relating to judicial review of local agency action).~~

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

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

17 ~~(h) Background checks. Each application for a license shall~~
18 ~~include the results of a criminal history record information~~
19 ~~check obtained from the Pennsylvania State Police, as defined in~~
20 ~~18 Pa.C.S. § 9102 (relating to definitions) and permitted by 18-~~
21 ~~Pa.C.S. § 9121(b) (relating to general regulations), for the~~
22 ~~executive officer and secretary of the eligible organization~~
23 ~~making the application for a license or any other person~~
24 ~~required by the department.~~

25 ~~Section 11. Section 11 of the act, amended December 19, 1990-~~
26 ~~(P.L.812, No.195), is renumbered and amended to read:~~
27 ~~Section [11] 308. Special permits.~~

28 ~~(a) Issuance and fee. The licensing authority shall issue a~~
29 ~~special permit for each raffle in which the [licensee] licensed~~
30 ~~eligible organization proposes to award individual prizes-~~

1 ~~[having a cash value] in excess of [\\$500] \$1,000. The licensing~~
2 ~~authority may establish and collect a fee not to exceed \$25 for~~
3 ~~the issuance of special permits under this section.~~

4 ~~(b) Permit application. Each special permit application~~
5 ~~shall specify the location where the actual drawing will be~~
6 ~~held, the number of chances to be sold, the price per chance and~~
7 ~~the [cash value of the prize or prizes] prize to be awarded.~~

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

9 CHAPTER 5

10 CLUB LICENSEES

11 Section 501. Club licensee.

12 ~~(a) Report.~~

13 ~~(1) Beginning in 2013, the club licensee shall submit~~
14 ~~semi annual reports to the department for the preceding six~~
15 ~~month period on a form and in a manner prescribed by the~~
16 ~~department.~~

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

19 ~~(3) The report shall include all of the following~~
20 ~~information:~~

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

23 ~~(ii) The amount of prizes paid from all games of~~
24 ~~chance, itemized by week.~~

25 ~~(iii) The amount of proceeds for all games of chance~~
26 ~~not purchased from a licensed distributor operated in the~~
27 ~~prior calendar year.~~

28 ~~(iv) Other costs incurred related to the conduct of~~
29 ~~games of chance.~~

30 ~~(v) The verification of amounts distributed for~~

~~public interest purposes itemized under section
502(a)(1), itemized by the recipient.~~

~~(vi) An itemized list of expenditures made or
amounts retained and expenditures under section
502(a)(3).~~

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

~~(viii) Other information or documentation required
by the department.~~

~~(b) Distribution. The department shall provide a copy of
the report to the Bureau of Liquor Control Enforcement.~~

~~(c) Posting. The reports under subsection (a) shall be
published on the department's Internet website.~~

~~Section 502. Distribution of proceeds.~~

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

~~(1) No less than 70% of the proceeds shall be paid to
organizations other than the club licensee for public
interest purposes in the calendar year in which the proceeds
were obtained.~~

~~(2) No more than 30% of the proceeds obtained in a
calendar year may be retained by a club licensee and used for
the following expenses relating to the real property of the
club licensee:~~

~~(i) Real property taxes.~~

~~(ii) Utility and fuel costs.~~

~~(iii) Heating and air conditioning equipment or
repair costs.~~

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

~~(v) Property or liability insurance costs.~~

1 revocation or nonrenewal of a license:

2 ~~(1) Any of the funds derived from the operation of games~~
3 ~~of chance by an eligible organization are used for any~~
4 ~~purpose other than for:~~

5 ~~(i) public interest purposes [or for];~~

6 ~~(ii) the purchase of games of chance [as]; or~~

7 ~~(iii) a purpose permitted by [this act] Chapter 5.~~

8 ~~(1.1) Any of the funds derived from the operation of~~
9 ~~games of chance by a club licensee are used in a manner that~~
10 ~~does not comply with section 502.~~

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

13 ~~(3) The eligible organization has permitted any person~~
14 ~~who has been convicted of a felony in a Federal or State~~
15 ~~court within the past five years or has been convicted in a~~
16 ~~Federal or State court within the past ten years of a~~
17 ~~violation of the act of July 10, 1981 (P.L.214, No.67), known~~
18 ~~as the Bingo Law, or of this act, to manage, set up,~~
19 ~~supervise or participate in the operation of games of chance.~~

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

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

27 ~~(6) Any person has received compensation for conducting~~
28 ~~games of chance.~~

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

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

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

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

7 ~~(ii) leasing such premises from the owner thereof~~
8 ~~under a written agreement at a rental which is determined~~
9 ~~by the amount of receipts realized from the playing of~~
10 ~~games of chance.~~

11 ~~(10) False or erroneous information was provided in the~~
12 ~~original application or in any information provided to the~~
13 ~~licensing authority or the department in any report.~~

14 ~~(11) An eligible organization has been convicted of a~~
15 ~~violation of this act as evidenced by a certified record of~~
16 ~~the conviction.~~

17 ~~(12) The eligible organization has permitted another~~
18 ~~eligible organization to conduct [small] games of chance on~~
19 ~~its licensed premises without suspending its own operation of~~
20 ~~[small] games of chance during the period that the other~~
21 ~~licensed eligible organization is conducting its games on the~~
22 ~~premises.~~

23 ~~(13) A club licensee has failed to file an accurate~~
24 ~~report under section 501(a).~~

25 ~~(14) A club licensee has failed to comply with section~~
26 ~~502.~~

27 ~~(b) Production of records. The district attorney may~~
28 ~~require licensees to produce their books, accounts and records~~
29 ~~relating to the conduct of games of chance in order to determine~~
30 ~~[whether a license should be revoked or renewal thereof denied]~~

1 ~~if a violation of this act has occurred. Licensees shall also be~~
2 ~~required, upon request, to [produce] provide their license,~~
3 ~~books, accounts and records relating to the conduct of games of~~
4 ~~chance to [other] the licensing authority, the Bureau of Liquor~~
5 ~~Control Enforcement or to a law enforcement [officials upon~~
6 ~~proper request.] agency or official. A club licensee shall~~
7 ~~retain records for a period of five years.~~

8 Section 15. Section 13 of the act is renumbered and amended
9 to read:

10 Section [13] 702. Enforcement.

11 ~~[(a) District attorney. The district attorney shall~~
12 ~~investigate alleged violations of this act. If the district~~
13 ~~attorney finds probable cause to believe that a violation has~~
14 ~~occurred, he may file a complaint against the alleged violator~~
15 ~~in the court of common pleas of said county, except in counties~~
16 ~~of the first class where the complaint may be filed in the~~
17 ~~municipal court. In addition, the district attorney shall~~
18 ~~prosecute said complaint in the manner provided by law.~~

19 ~~(b) Other law enforcement officials. Nothing in this act~~
20 ~~shall be interpreted to restrict the power of a State, county or~~
21 ~~local law enforcement officials to conduct investigations and~~
22 ~~enforce the provisions of this act.]~~

23 ~~(a) Licensing authority. The licensing authority may~~
24 ~~enforce the provisions of this act and may impose the penalties~~
25 ~~under subsection (d).~~

26 ~~(b) Bureau of Liquor Control Enforcement. If the licensee~~
27 ~~is a club licensee, the Bureau of Liquor Control Enforcement may~~
28 ~~enforce the provisions of this act. An administrative law judge~~
29 ~~under section 212 of the act of April 12, 1951 (P.L.90, No.21),~~
30 ~~known as the Liquor Code, may impose the penalties under~~

1 ~~subsection (d) following the issuance of a citation by the~~
2 ~~bureau.~~

3 ~~(c) Random audits. The Bureau of Liquor Control Enforcement~~
4 ~~shall conduct annual random audits of 5% of all club licensees.~~

5 ~~(d) Powers and duties. The licensing authority, or, in the~~
6 ~~case of a club licensee, the Bureau of Liquor Control~~
7 ~~Enforcement may impose the following penalties:~~

8 ~~(1) A civil penalty.~~

9 ~~(2) Suspension or revocation of the license.~~

10 ~~(e) District attorney. The district attorney of the county~~
11 ~~that issued the license shall investigate alleged violations of~~
12 ~~this act. If the district attorney finds probable cause to~~
13 ~~believe that a criminal violation has occurred, the district~~
14 ~~attorney may file criminal charges and prosecute the complaint~~
15 ~~against the alleged violator in the court of common pleas of the~~
16 ~~county, except in counties of the first class where the~~
17 ~~complaint may be filed in the municipal court.~~

18 ~~(f) Law enforcement officials. Nothing in this act may~~
19 ~~restrict or limit the power of a State, county or local law~~
20 ~~enforcement official to conduct investigations and file criminal~~
21 ~~charges under this act.~~

22 ~~(g) Liquor Code. A violation of this act shall not~~
23 ~~constitute a violation of the Liquor Code.~~

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

27 Section [14] 703. Local option.

28 (a) Election to be held. In any municipality, an election
29 may be held on the date of the primary election immediately
30 preceding any municipal election, but not more than once in four

1 ~~years, to determine the will of the electors with respect to the~~
2 ~~issuance of licenses within the limits of such municipality~~
3 ~~under the provisions of this act. Where an election shall have~~
4 ~~been held at the primary election preceding a municipal election~~
5 ~~in any year, another election may be held under the provisions~~
6 ~~of this act at the primary election occurring the fourth year~~
7 ~~after such prior election. Whenever electors equal to at least~~
8 ~~25% of the highest vote cast for any office in the municipality~~
9 ~~at the last preceding general election shall file a petition~~
10 ~~with the county board of elections of the county, or the~~
11 ~~governing body of the municipality adopts, by a majority vote, a~~
12 ~~resolution to place such a question on the ballot and a copy of~~
13 ~~the resolution is filed with the board of elections of the~~
14 ~~county, for a referendum on the question of issuing licenses,~~
15 ~~the county board of elections shall cause a question to be~~
16 ~~placed on the ballot or on the voting machine board and~~
17 ~~submitted at the primary election immediately preceding the~~
18 ~~municipal election. The question shall be in the following form:~~

19 ~~Do you favor the issuance of licenses~~
20 ~~to conduct small games of chance in the~~
21 ~~_____ of _____?~~

22 ~~(b) Vote. If a majority of the electors voting on the~~
23 ~~question vote "yes," then licenses shall be issued by the~~
24 ~~licensing authority in such municipality, but if a majority of~~
25 ~~the electors voting on any such question vote "no," then the~~
26 ~~licensing authority shall have no power to issue or to renew,~~
27 ~~upon their expiration, any licenses in such municipality, unless~~
28 ~~and until, at a later election, a majority of the voting~~
29 ~~electors vote "yes" on such question.~~

30 ~~(c) Voting proceedings. Proceedings under this section~~

1 ~~shall be in accordance with the provisions of the act of June 3,~~
2 ~~1937 (P.L.1333, No.320), known as the Pennsylvania Election~~
3 ~~Code.~~

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

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

12 ~~(f) Special exception. Notwithstanding any other provision~~
13 ~~of this act to the contrary, in any municipality except a city~~
14 ~~of the first class where an election was held pursuant to this~~
15 ~~section on May 16, 1989, and a majority of the electors voted~~
16 ~~"NO" on the question, the municipality shall be able to resubmit~~
17 ~~the question, in accordance with the procedures set forth in~~
18 ~~this section, at the general election immediately following [the~~
19 ~~effective date of this amendatory act] July 11, 1990.~~

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

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

23 ~~It shall be unlawful for any eligible organization or person~~
24 ~~to advertise the prizes or their dollar value to be awarded in~~
25 ~~games of chance, provided that prizes may be identified on~~
26 ~~raffle tickets. Notwithstanding the prohibition of advertising~~
27 ~~contained within this section, an eligible organization may~~
28 ~~advertise prizes and values thereof in periodic publications~~
29 ~~which are limited in their circulation to members of the~~
30 ~~eligible organization.~~

1 ~~Section 18. Section 16 of the act is renumbered and amended~~
2 ~~to read:~~

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

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

10 ~~Section 19. The act is amended by adding a section to read:~~
11 ~~Section 706. Civil penalties.~~

12 ~~(a) Penalty. An eligible organization, other than a club~~
13 ~~licensee, that violates the provisions of this act shall be~~
14 ~~subject to the following civil penalties:~~

15 ~~(1) For an initial violation, up to \$500.~~

16 ~~(2) For a second violation, up to \$1,000.~~

17 ~~(3) For a third or subsequent violation, up to \$1,500.~~

18 ~~(b) Club licensee. A club licensee that violates the~~
19 ~~provisions of this act shall be subject to the following civil~~
20 ~~penalties:~~

21 ~~(1) For an initial violation, up to \$1,000.~~

22 ~~(2) For a second violation, up to \$2,000.~~

23 ~~(3) For a third or subsequent violation, up to \$3,000.~~

24 ~~(c) Records. The intentional or willful failure of a club~~
25 ~~licensee to provide accurate records shall result in a license~~
26 ~~suspension of a minimum of six months.~~

27 ~~Section 20. Section 17 of the act, amended December 19, 1990~~
28 ~~(P.L.812, No.195), is renumbered and amended to read:~~

29 ~~Section [17] 707. [Penalties] Criminal penalties.~~

30 ~~(a) Eligible organizations and club licensees. Any eligible~~

1 ~~organization violating the provisions of this act shall be~~
2 ~~guilty of a summary offense and, upon conviction thereof, shall~~
3 ~~be sentenced to pay a fine not exceeding \$1,000 [and shall] for~~
4 ~~a first offense[,], and \$1,500 for a subsequent offense. In~~
5 ~~addition:~~

6 ~~(1) For a first offense, the eligible organization shall~~
7 ~~forfeit the license to conduct games of chance issued to the~~
8 ~~eligible organization for [the remainder of the licensing~~
9 ~~period or six months, whichever is longer, for] a period of~~
10 ~~not more than 30 days.~~

11 ~~(2) For a second offense, the eligible organization~~
12 ~~shall forfeit [the] its license [issued to the eligible~~
13 ~~organization] for [the remainder of the current licensing~~
14 ~~period and be ineligible to be licensed for the following~~
15 ~~licensing period, for] a period of not less than 30 days nor~~
16 ~~more than 180 days.~~

17 ~~(3) For a third or subsequent offense[,], within three~~
18 ~~years of the first offense, the eligible organization shall~~
19 ~~forfeit [the] its license [issued to the eligible~~
20 ~~organization] and be ineligible for a license renewal for 30~~
21 ~~months thereafter.~~

22 ~~(b) Individuals. Any person who conducts or assists in the~~
23 ~~conducting of games of chance in violation of the provisions of~~
24 ~~this act is guilty of a summary offense for a first violation. A~~
25 ~~second violation of this act shall be punishable as a~~
26 ~~misdemeanor of the third degree. A third or subsequent violation~~
27 ~~shall be punishable as a misdemeanor of the first degree.~~

28 ~~(c) Distributors and manufacturers. Any person who~~
29 ~~distributes games of chance without a license or in violation of~~
30 ~~any provision of this act or applicable regulations, and any~~

1 ~~manufacturer of games of chance who delivers games of chance for~~
2 ~~sale or distribution in this Commonwealth who fails to register~~
3 ~~and obtain a permit therefor is guilty of a misdemeanor of the~~
4 ~~first degree, provided that no license or permit shall be~~
5 ~~required for the manufacture or distribution of raffle tickets.~~

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

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

13 ~~(2) tampers with any person or [games] game of chance;~~
14 ~~or~~

15 ~~(3) solicits, accepts or agrees to accept any benefit.~~

16 ~~(e) Contingent fees. Any person who distributes,~~
17 ~~manufactures or operates a small game of chance and who~~
18 ~~requires, for equipment furnished or to play a game of chance,~~
19 ~~payment equal to a percentage of the total winnings of any game~~
20 ~~of chance commits a misdemeanor of the first degree.~~

21 ~~Section 21. The act is amended by adding a chapter heading~~
22 ~~to read:~~

23 CHAPTER 31

24 MISCELLANEOUS PROVISIONS

25 ~~Section 22. Section 18 of the act is renumbered to read:~~

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

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

28 ~~Section 23. This act shall take effect in 30 days.~~

29 SECTION 1. THE ACT OF DECEMBER 19, 1988 (P.L.1262, NO.156),
30 KNOWN AS THE LOCAL OPTION SMALL GAMES OF CHANCE ACT, IS AMENDED



1 BY ADDING A CHAPTER HEADING TO READ:

2 CHAPTER 1

3 PRELIMINARY PROVISIONS

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

5 SECTION [1] 101. SHORT TITLE.

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

8 SECTION 2.1. SECTION 2 OF THE ACT IS RENUMBERED AND AMENDED
9 TO READ:

10 SECTION [2] 102. LEGISLATIVE INTENT.

11 [THE GENERAL ASSEMBLY HEREBY DECLARES THAT THE PLAYING OF
12 SMALL GAMES OF CHANCE FOR THE PURPOSE OF RAISING FUNDS, BY
13 CERTAIN NONPROFIT ASSOCIATIONS, FOR THE PROMOTION OF CHARITABLE
14 OR CIVIC PURPOSES, IS IN THE PUBLIC INTEREST.]

15 THE GENERAL ASSEMBLY HEREBY DECLARES THAT THE PLAYING OF
16 GAMES OF CHANCE BY CERTAIN NONPROFIT ASSOCIATIONS FOR THE
17 PRIMARY PURPOSE OF RAISING FUNDS FOR CHARITABLE OR CIVIC
18 PURPOSES IS IN THE PUBLIC INTEREST.

19 IT IS HEREBY DECLARED TO BE THE POLICY OF THE GENERAL
20 ASSEMBLY THAT ALL PHASES OF LICENSING, OPERATION AND REGULATION
21 OF [SMALL] GAMES OF CHANCE BE STRICTLY CONTROLLED, AND THAT ALL
22 LAWS AND REGULATIONS WITH RESPECT THERETO AS WELL AS ALL
23 GAMBLING LAWS SHOULD BE STRICTLY CONSTRUED AND RIGIDLY ENFORCED.

24 THE GENERAL ASSEMBLY RECOGNIZES THE POSSIBILITY OF
25 ASSOCIATION BETWEEN COMMERCIAL GAMBLING AND ORGANIZED CRIME, AND
26 WISHES TO DISCOURAGE COMMERCIALIZATION OF SMALL GAMES OF CHANCE,
27 PREVENT PARTICIPATION BY ORGANIZED CRIME AND PREVENT THE
28 DIVERSION OF FUNDS FROM THE PURPOSES HEREIN AUTHORIZED.

29 SECTION 3. THE DEFINITIONS OF "CIVIC AND SERVICE
30 ASSOCIATIONS," "CLUB," "DAILY DRAWING," "ELIGIBLE

1 ORGANIZATIONS," "FRATERNAL ORGANIZATIONS," "GAMES OF CHANCE,"
2 "LAW ENFORCEMENT OFFICIAL," "PUBLIC INTEREST PURPOSES," "RAFFLE"
3 AND "WEEKLY DRAWING" IN SECTION 3 OF THE ACT, AMENDED DECEMBER
4 19, 1990 (P.L.812, NO.195) AND OCTOBER 18, 2000 (P.L.602,
5 NO.79), ARE AMENDED AND THE SECTION IS RENUMBERED AND AMENDED BY
6 ADDING DEFINITIONS TO READ:

7 SECTION [3] 103. DEFINITIONS.

8 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL
9 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
10 CONTEXT CLEARLY INDICATES OTHERWISE:

11 * * *

12 "CIVIC AND SERVICE [ASSOCIATIONS] ASSOCIATION." ANY
13 STATEWIDE OR BRANCH, LODGE OR CHAPTER OF A NONPROFIT NATIONAL OR
14 STATE ORGANIZATION WHICH IS AUTHORIZED BY ITS WRITTEN
15 CONSTITUTION, CHARTER, ARTICLES OF INCORPORATION OR BYLAWS TO
16 ENGAGE IN A CIVIC OR SERVICE PURPOSE WITHIN THIS COMMONWEALTH,
17 WHICH SHALL HAVE EXISTED IN THIS COMMONWEALTH FOR ONE YEAR. THE
18 TERM ALSO MEANS A SIMILAR LOCAL NONPROFIT ORGANIZATION, NOT
19 AFFILIATED WITH A NATIONAL OR STATE ORGANIZATION, WHICH IS
20 RECOGNIZED BY A RESOLUTION ADOPTED BY THE GOVERNING BODY OF THE
21 MUNICIPALITY IN WHICH THE ORGANIZATION CONDUCTS ITS PRINCIPAL
22 ACTIVITIES. THE TERM SHALL INCLUDE[, BUT NOT BE LIMITED TO,]
23 STATEWIDE OR LOCAL BONA FIDE SPORTSMEN'S AND WILDLIFE
24 ASSOCIATIONS, FEDERATIONS OR CLUBS, [STATEWIDE OR LOCAL IN
25 NATURE,] VOLUNTEER FIRE COMPANIES, VOLUNTEER RESCUE SQUADS AND
26 VOLUNTEER AMBULANCE ASSOCIATIONS AND [BONA FIDE] SENIOR CITIZENS
27 ORGANIZATIONS. IN THE CASE OF [BONA FIDE] SENIOR CITIZENS
28 ORGANIZATIONS, THE LICENSING AUTHORITY MAY ACCEPT ALTERNATIVE
29 DOCUMENTATION FOR PROOF OF PURPOSES WHEN THERE ARE NO BYLAWS OR
30 ARTICLES OF INCORPORATION IN EXISTENCE. THE TERM SHALL ALSO

1 INCLUDE NONPROFIT ORGANIZATIONS WHICH ARE ESTABLISHED TO PROMOTE
2 AND ENCOURAGE PARTICIPATION AND SUPPORT FOR EXTRACURRICULAR
3 ACTIVITIES WITHIN THE ESTABLISHED PRIMARY AND SECONDARY PUBLIC,
4 PRIVATE AND PAROCHIAL SCHOOL SYSTEMS. SUCH ORGANIZATIONS MUST BE
5 RECOGNIZED BY A RESOLUTION ADOPTED BY THE APPROPRIATE GOVERNING
6 BODY. IN THE CASE OF ORGANIZATIONS ASSOCIATED WITH THE PUBLIC
7 SCHOOL SYSTEM, THE GOVERNING BODY SHALL BE THE SCHOOL BOARD OF
8 THE SCHOOL DISTRICT. IN THE CASE OF PRIVATE OR PAROCHIAL SCHOOL
9 ORGANIZATIONS, THAT BODY SHALL BE EITHER THE BOARD OF TRUSTEES
10 OR THE ARCHDIOCESE.

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

13 (1) HAS BEEN ISSUED A CLUB LICENSE UNDER ARTICLE 4 OF
14 THE ACT OF APRIL 12, 1951 (P.L.90, NO.21), KNOWN AS THE
15 LIQUOR CODE[, THAT]; AND

16 (2) QUALIFIES AS AN EXEMPT ORGANIZATION UNDER SECTION
17 501(C) OR 527 OF THE INTERNAL REVENUE CODE OF [1954 (68A
18 STAT. 3] 1986 (PUBLIC LAW 99-514, 26 U.S.C. § 501(C) OR 527)
19 [AND IS LICENSED TO SELL LIQUOR AT RETAIL AND HAS A
20 CHARITABLE, RELIGIOUS OR CIVIC PURPOSE OR IS ORGANIZED TO
21 BENEFIT A POLITICAL PARTY].

22 "CLUB LICENSEE." A CLUB THAT HOLDS A LICENSE TO CONDUCT
23 SMALL GAMES OF CHANCE.

24 "DAILY DRAWING." A GAME OF CHANCE IN WHICH A BONA FIDE
25 MEMBER SELECTS OR IS ASSIGNED A NUMBER FOR A CHANCE AT A PRIZE
26 WITH THE WINNER DETERMINED BY [A] RANDOM DRAWING TO TAKE PLACE
27 ON THE LICENSED ELIGIBLE ORGANIZATION'S PREMISES DURING THE SAME
28 OPERATING DAY. THE TERM INCLUDES GAMES OF CHANCE COMMONLY KNOWN
29 AS "MEMBER SIGN-IN LOTTERIES" AND "HALF-AND-HALF LOTTERIES."
30 [NOTHING IN THIS ACT SHALL BE CONSTRUED TO PROHIBIT THE CARRYING

1 OVER OF A JACKPOT WHERE THE WINNING NUMBER HAS NOT BEEN ENTERED
2 IN THE GAME ON A PARTICULAR OPERATING DAY.] DAILY DRAWING
3 WINNERS MAY BE DETERMINED WITH THE AID OF A PASSIVE SELECTION
4 DEVICE OR REFERENCE TO DRAWINGS CONDUCTED BY THE DEPARTMENT
5 PURSUANT TO THE ACT OF AUGUST 26, 1971 (P.L.351, NO.91), KNOWN
6 AS THE STATE LOTTERY LAW. DAILY DRAWING CHANCES MAY NOT BE SOLD
7 FOR AN AMOUNT IN EXCESS OF \$1, AND NO MORE THAN ONE CHANCE MAY
8 BE SOLD TO AN INDIVIDUAL DURING THE SAME OPERATING DAY.

9 * * *

10 "ELIGIBLE [ORGANIZATIONS] ORGANIZATION." INCLUDES QUALIFYING
11 NONPROFIT CHARITABLE, RELIGIOUS, FRATERNAL AND VETERANS
12 ORGANIZATIONS, CLUBS AND CIVIC AND SERVICE ASSOCIATIONS AS
13 DEFINED BY THIS ACT. IN ORDER TO QUALIFY AS AN ELIGIBLE
14 ORGANIZATION FOR PURPOSES OF THIS ACT, AN ORGANIZATION SHALL
15 HAVE BEEN IN EXISTENCE AND FULFILLING ITS PURPOSES FOR ONE YEAR
16 PRIOR TO THE DATE OF APPLICATION FOR A LICENSE.

17 "FRATERNAL [ORGANIZATIONS] ORGANIZATION." A NONPROFIT
18 ORGANIZATION WITHIN THIS COMMONWEALTH WHICH IS CREATED AND
19 CARRIED ON FOR THE MUTUAL BENEFIT OF ITS MEMBERS, HAS A LIMITED
20 MEMBERSHIP AND A REPRESENTATIVE FORM OF GOVERNMENT AND IS A
21 BRANCH, LODGE OR CHAPTER OF A NATIONAL OR STATE ORGANIZATION.
22 SUCH ORGANIZATIONS SHALL HAVE BEEN IN EXISTENCE IN THIS
23 COMMONWEALTH AND FULFILLING THEIR PURPOSES FOR ONE YEAR PRIOR TO
24 THE DATE OF APPLICATION FOR A LICENSE.

25 "GAMES OF CHANCE." PUNCHBOARDS, DAILY DRAWINGS, WEEKLY
26 DRAWINGS, RAFFLES AND PULL-TABS, AS DEFINED IN THIS ACT,
27 PROVIDED THAT NO SUCH GAME SHALL BE PLAYED BY OR WITH THE
28 ASSISTANCE OF ANY MECHANICAL OR ELECTRICAL DEVICES OR MEDIA
29 OTHER THAN A DISPENSING MACHINE OR PASSIVE SELECTION DEVICE AND
30 FURTHER PROVIDED THAT THE PARTICULAR CHANCE TAKEN BY ANY PERSON

1 IN ANY SUCH GAME SHALL NOT BE MADE CONTINGENT UPON ANY OTHER
2 OCCURRENCE OR THE WINNING OF ANY OTHER CONTEST, BUT SHALL BE
3 DETERMINED SOLELY AT THE DISCRETION OF THE PURCHASER. THIS
4 DEFINITION SHALL NOT BE CONSTRUED TO AUTHORIZE ANY OTHER FORM OF
5 GAMBLING CURRENTLY PROHIBITED UNDER ANY [PROVISION OF TITLE 18
6 OF THE PENNSYLVANIA CONSOLIDATED STATUTES (RELATING TO CRIMES
7 AND OFFENSES)] OTHER LAW. NOTHING IN THIS ACT SHALL BE CONSTRUED
8 TO AUTHORIZE GAMES COMMONLY KNOWN AS "TABLE GAMES," "SLOT
9 MACHINES" OR "VIDEO POKER."

10 "GENERAL OPERATING EXPENSES."

11 (1) THE FOLLOWING OPERATING EXPENSES ASSOCIATED WITH THE
12 REAL PROPERTY OWNED OR LEASED BY AN ELIGIBLE ORGANIZATION AND
13 USED FOR PUBLIC INTEREST PURPOSES:

14 (I) REAL PROPERTY TAXES.

15 (II) UTILITIES.

16 (III) HEATING AND AIR CONDITIONING.

17 (IV) WATER AND SEWER.

18 (V) PROPERTY INSURANCE.

19 (VI) LIABILITY INSURANCE.

20 (VII) MORTGAGE PAYMENTS.

21 (VIII) INTERIOR AND EXTERIOR REPAIRS, INCLUDING
22 PARKING LOT REPAIRS.

23 (IX) NEW FACILITY CONSTRUCTION.

24 (2) THE TERM SHALL NOT INCLUDE WAGES, ALCOHOL PURCHASES
25 OR PAYMENT OF ANY FINE LEVIED AGAINST THE ELIGIBLE
26 ORGANIZATION.

27 "LAW ENFORCEMENT OFFICIAL." A MUNICIPAL POLICE OFFICER, A
28 MEMBER OF THE PENNSYLVANIA STATE POLICE, INCLUDING THE BUREAU OF
29 LIQUOR CONTROL ENFORCEMENT, THE SHERIFF OF A COUNTY OR A DEPUTY
30 SHERIFF.

1 * * *

2 "LICENSED DISTRIBUTOR." A DISTRIBUTOR OF GAMES OF CHANCE
3 LICENSED UNDER SECTION 304.

4 * * *

5 "PRIZE." CASH OR MERCHANDISE AWARDED FROM A GAME OF CHANCE.

6 "PROCEEDS." THE DIFFERENCE BETWEEN:

7 (1) THE GROSS REVENUE COLLECTED BY A LICENSED ELIGIBLE
8 ORGANIZATION FROM THE CONDUCT OF A GAME OF CHANCE; AND

9 (2) (I) THE AMOUNT OF PRIZES PAID BY A LICENSED
10 ELIGIBLE ORGANIZATION FROM A GAME OF CHANCE; AND

11 (II) THE PURCHASE OF GAMES OF CHANCE.

12 "PUBLIC INTEREST PURPOSES." ONE OR MORE OF THE FOLLOWING:

13 (1) BENEFITING PERSONS, OTHER THAN MEMBERS OF THE
14 ELIGIBLE ORGANIZATION, BY ENHANCING THEIR OPPORTUNITY FOR
15 RELIGIOUS OR EDUCATION ADVANCEMENT, BY RELIEVING OR
16 PROTECTING THEM FROM DISEASE, SUFFERING OR DISTRESS, BY
17 CONTRIBUTING TO THEIR PHYSICAL, EMOTIONAL OR SOCIAL WELL-
18 BEING, BY ASSISTING THEM IN ESTABLISHING THEMSELVES IN LIFE
19 AS WORTHY AND USEFUL CITIZENS OR BY INCREASING THEIR
20 COMPREHENSION OF AND DEVOTION TO THE PRINCIPLES UPON WHICH
21 THIS NATION WAS FOUNDED.

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

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

28 (4) IMPROVING, EXPANDING, MAINTAINING OR REPAIRING REAL
29 PROPERTY OWNED OR LEASED BY AN ELIGIBLE ORGANIZATION AND USED
30 EXCLUSIVELY FOR PURPOSES SPECIFIED IN [PARAGRAPHS] PARAGRAPH

1 (1), (2) [AND] OR (3).

2 THE TERM DOES NOT INCLUDE THE ERECTION OR ACQUISITION OF ANY
3 REAL PROPERTY, UNLESS THE PROPERTY WILL BE USED EXCLUSIVELY FOR
4 ONE OR MORE OF THE PURPOSES SPECIFIED IN THIS DEFINITION.

5 * * *

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

15 * * *

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

28 SECTION 4. THE ACT IS AMENDED BY ADDING A CHAPTER HEADING TO
29 READ:

30 CHAPTER 3

1 GAMES OF CHANCE

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

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

5 EVERY ELIGIBLE ORGANIZATION TO WHICH A LICENSE HAS BEEN
6 ISSUED UNDER THE PROVISIONS OF THIS ACT MAY CONDUCT GAMES OF
7 CHANCE FOR THE PURPOSE OF RAISING FUNDS FOR GENERAL OPERATING
8 EXPENSES AND FOR PUBLIC INTEREST PURPOSES. [ALL PROCEEDS OF
9 GAMES OF CHANCE SHALL BE USED EXCLUSIVELY FOR PUBLIC INTEREST
10 PURPOSES OR FOR THE PURCHASE OF GAMES OF CHANCE AS PERMITTED BY
11 THIS ACT.] PROCEEDS OF GAMES OF CHANCE OF AN ELIGIBLE
12 ORGANIZATION SHALL BE USED AS FOLLOWS:

13 (1) NOT LESS THAN 70% OF PROCEEDS SHALL BE USED FOR
14 PUBLIC INTEREST PURPOSES AS PERMITTED BY THIS ACT.

15 (2) UP TO 30% OF PROCEEDS MAY BE USED FOR GENERAL
16 OPERATING EXPENSES.

17 (3) PROCEEDS MAY NOT BE USED FOR WAGES, ALCOHOL OR FOOD
18 PURCHASES OR FOR THE PAYMENT OF ANY FINE LEVIED AGAINST THE
19 ELIGIBLE ORGANIZATION.

20 (4) AMOUNTS RETAINED UNDER PARAGRAPH (1) SHALL BE
21 EXPENDED WITHIN THE SAME CALENDAR YEAR UNLESS THE ELIGIBLE
22 ORGANIZATION NOTIFIES THE PENNSYLVANIA STATE POLICE THAT
23 FUNDS ARE BEING RETAINED FOR A SUBSTANTIAL PURCHASE OR
24 PROJECT. NOTIFICATION SHALL INCLUDE A DESCRIPTION OF THE
25 PURCHASE OR PROJECT, THE COST AND THE ANTICIPATED DATE OF THE
26 PURCHASE OR PROJECT.

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

30 SECTION [5] 302. PRIZE LIMITS AND REPORTING.

1 [(A) INDIVIDUAL PRIZE LIMIT.--THE MAXIMUM CASH VALUE WHICH
2 MAY BE AWARDED FOR ANY SINGLE CHANCE SHALL BE \$500.

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

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

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

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

13 (2) ELIGIBLE ORGANIZATIONS SHALL BE ELIGIBLE TO RECEIVE
14 NO MORE THAN TWO SPECIAL PERMITS IN ANY LICENSED YEAR EXCEPT
15 THAT VOLUNTEER FIRE, AMBULANCE AND RESCUE ORGANIZATIONS SHALL
16 BE ELIGIBLE TO RECEIVE NO MORE THAN THREE SPECIAL PERMITS IN
17 ANY LICENSED YEAR.

18 (3) ONLY ONE RAFFLE MAY BE CONDUCTED UNDER EACH SPECIAL
19 PERMIT.

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

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.--THE PRIZE LIMITATION CONTAINED IN
27 SUBSECTIONS (A) AND (B) MAY BE EXCEEDED BY A DAILY DRAWING UNDER
28 THE FOLLOWING CIRCUMSTANCES: A DAILY DRAWING MAY AWARD A PRIZE
29 WHERE THE CASH VALUE IS IN EXCESS OF \$500 IF SUCH PRIZE IS THE
30 RESULT OF A CARRYOVER OF A DRAWING OR DRAWINGS WHICH RESULTED

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

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

14 (H) LIMIT ON WEEKLY DRAWINGS.--WEEKLY DRAWINGS SHALL BE
15 GOVERNED BY THE PRIZE LIMITATIONS CONTAINED IN SUBSECTION (B).
16 THE PRIZE LIMITATION CONTAINED IN SUBSECTION (B) MAY BE EXCEEDED
17 BY A WEEKLY DRAWING UNDER THE FOLLOWING CIRCUMSTANCES: A WEEKLY
18 DRAWING MAY AWARD A PRIZE WHERE THE CASH VALUE IS IN EXCESS OF
19 \$5,000 IF SUCH PRIZE IS THE RESULT OF A CARRYOVER OF A DRAWING
20 OR DRAWINGS WHICH RESULTED FROM THE WINNING NUMBER OR NUMBERS IN
21 SUCH DRAWING OR DRAWINGS NOT BEING AMONG THE ELIGIBLE ENTRANTS
22 IN SUCH DRAWINGS. NOTHING CONTAINED IN THIS ACT SHALL AUTHORIZE
23 THE PRIZE LIMITATIONS AS CONTAINED IN SUBSECTION (B) TO BE
24 EXCEEDED AS A RESULT OF A FAILURE TO CONDUCT A DRAWING FOR A
25 WEEK DURING WHICH CHANCES WERE SOLD FOR A WEEKLY DRAWING OR FOR
26 A WEEKLY DRAWING FOR WHICH CHANCES WERE SOLD IN EXCESS OF \$1. AN
27 ELIGIBLE ORGANIZATION SHALL NOT CONDUCT WEEKLY DRAWINGS DURING A
28 PERIOD WHEN A DAILY DRAWING IS TAKING PLACE.]

29 (A) MAXIMUM LIMITS.--EXCEPT AS PROVIDED UNDER THIS SECTION,
30 THE FOLLOWING LIMITS SHALL APPLY TO PRIZES AWARDED BY A LICENSED

1 ELIGIBLE ORGANIZATION:

2 (1) THE MAXIMUM PRIZE WHICH MAY BE AWARDED FOR ANY
3 SINGLE CHANCE SHALL BE \$1,000.

4 (2) NO MORE THAN \$25,000 IN PRIZES SHALL BE AWARDED FROM
5 ANY GAMES OF CHANCE IN ANY SEVEN-DAY PERIOD.

6 (B) RAFFLES.--THE FOLLOWING SHALL APPLY TO RAFFLES:

7 (1) NO MORE THAN \$10,000 IN PRIZES SHALL BE AWARDED IN
8 RAFFLES IN ANY CALENDAR MONTH.

9 (2) AN ELIGIBLE ORGANIZATION MAY CONDUCT A RAFFLE AND
10 AWARD A PRIZE VALUED IN EXCESS OF \$1,000 IF ALL OF THE
11 FOLLOWING APPLY:

12 (I) THE LICENSING AUTHORITY HAS ISSUED A SPECIAL
13 PERMIT FOR THE RAFFLE UNDER SECTION 308.

14 (II) A LICENSED ELIGIBLE ORGANIZATION SHALL BE
15 ELIGIBLE TO RECEIVE NO MORE THAN THREE SPECIAL PERMITS IN
16 ANY LICENSED TERM EXCEPT THAT VOLUNTEER FIRE, AMBULANCE
17 AND RESCUE ORGANIZATIONS SHALL BE ELIGIBLE TO RECEIVE NO
18 MORE THAN FIVE SPECIAL PERMITS IN ANY LICENSED TERM.

19 (III) ONLY ONE RAFFLE MAY BE CONDUCTED UNDER EACH
20 SPECIAL PERMIT ISSUED UNDER SECTION 308.

21 (IV) THE TOTAL CASH VALUE OF ALL PRIZES AWARDED
22 UNDER THIS SUBSECTION PARAGRAPH MAY BE NO MORE THAN
23 \$100,000 PER LICENSED TERM.

24 (C) DAILY DRAWINGS.--THE FOLLOWING SHALL APPLY TO DAILY
25 DRAWINGS:

26 (1) A LICENSED ELIGIBLE ORGANIZATION MAY NOT CONDUCT
27 DAILY DRAWINGS DURING A PERIOD WHEN A WEEKLY DRAWING IS
28 TAKING PLACE.

29 (2) THE FOLLOWING SHALL APPLY:

30 (I) NOTWITHSTANDING THE PRIZE LIMITATION UNDER

1 SUBSECTION (A) (1) AND (2), A DAILY DRAWING MAY AWARD A
2 PRIZE IN EXCESS OF \$1,000 IF THE PRIZE IS THE RESULT OF A
3 CARRYOVER OF A DRAWING WHICH RESULTED FROM THE WINNING
4 NUMBER IN THE DRAWING NOT BEING AMONG THE ELIGIBLE
5 ENTRANTS IN THE DRAWINGS.

6 (II) NOTHING UNDER THIS PARAGRAPH SHALL AUTHORIZE
7 THE PRIZE LIMITATIONS UNDER SUBSECTION (A) (1) AND (2) TO
8 BE EXCEEDED:

9 (A) AS A RESULT OF A FAILURE TO CONDUCT A
10 DRAWING ON AN OPERATING DAY DURING WHICH CHANCES WERE
11 SOLD FOR A DAILY DRAWING; OR

12 (B) FOR A DAILY DRAWING FOR WHICH CHANCES WERE
13 SOLD IN EXCESS OF \$1 OR FOR WHICH MORE THAN ONE
14 CHANCE WAS SOLD TO AN ELIGIBLE PARTICIPANT.

15 (D) WEEKLY DRAWING.--THE FOLLOWING SHALL APPLY TO WEEKLY
16 DRAWINGS:

17 (1) A LICENSED ELIGIBLE ORGANIZATION MAY NOT CONDUCT
18 WEEKLY DRAWINGS DURING A PERIOD WHEN A DAILY DRAWING IS
19 TAKING PLACE.

20 (2) THE FOLLOWING SHALL APPLY:

21 (I) NOTWITHSTANDING THE PRIZE LIMITATION UNDER
22 SUBSECTION (A) (2), A WEEKLY DRAWING MAY AWARD A PRIZE IN
23 EXCESS OF \$30,000 IF THE PRIZE IS THE RESULT OF A
24 CARRYOVER OF A DRAWING WHICH RESULTED FROM THE WINNING
25 NUMBER IN THE DRAWING NOT BEING AMONG THE ELIGIBLE
26 ENTRANTS IN THE DRAWINGS.

27 (II) NOTHING UNDER THIS SUBSECTION SHALL AUTHORIZE
28 THE PRIZE LIMITATION UNDER SUBSECTION (A) (2) TO BE
29 EXCEEDED:

30 (A) AS A RESULT OF A FAILURE TO CONDUCT A

1 DRAWING FOR A WEEK DURING WHICH CHANCES WERE SOLD FOR
2 A WEEKLY DRAWING; OR

3 (B) FOR A WEEKLY DRAWING FOR WHICH CHANCES WERE
4 SOLD IN EXCESS OF \$1.

5 (E) FULL PAYOUT.--IF A DAILY DRAWING OR WEEKLY DRAWING IS
6 SET UP OR CONDUCTED IN SUCH A MANNER AS TO PAY OUT OR AWARD 100%
7 OF THE GROSS REVENUES GENERATED FROM THE DRAWING, THE
8 LIMITATIONS CONTAINED UNDER SUBSECTION (A) (2) AND (3) SHALL NOT
9 APPLY.

10 (F) REPORTING REQUIREMENTS.--EACH LICENSED ELIGIBLE
11 ORGANIZATION SHALL REPORT TO THE DEPARTMENT PRIZES AWARDED AS
12 REQUIRED UNDER SECTION 335 OF THE ACT OF MARCH 4, 1971 (P.L.6,
13 NO.2), KNOWN AS THE TAX REFORM CODE OF 1971.

14 SECTION 7. SECTIONS 6 AND 7 OF THE ACT, AMENDED DECEMBER 19,
15 1990 (P.L.812, NO.195), ARE RENUMBERED AND AMENDED TO READ:

16 SECTION [6] 303. SALES LIMITED.

17 (A) GENERAL RULE.--NO PERSON SHALL SELL, OFFER FOR SALE OR
18 FURNISH GAMES OF CHANCE FOR USE WITHIN THIS COMMONWEALTH EXCEPT
19 TO [AN] A LICENSED ELIGIBLE ORGANIZATION OR [DISTRIBUTOR]
20 LICENSED DISTRIBUTOR UNDER THIS ACT.

21 (B) ORGANIZATIONS.--NO GAME OF CHANCE, OTHER THAN A RAFFLE
22 CONDUCTED UNDER SECTION 302, SOLD, OFFERED FOR SALE OR FURNISHED
23 TO A LICENSED ELIGIBLE ORGANIZATION FOR USE WITHIN THIS
24 COMMONWEALTH SHALL CONTAIN, PERMIT, DEPICT OR DESIGNATE A PRIZE
25 HAVING A CASH VALUE IN EXCESS OF [\$500] \$1,000.

26 SECTION [7] 304. DISTRIBUTOR LICENSES.

27 (A) LICENSE REQUIRED.--NO PERSON SHALL SELL, OFFER FOR SALE
28 OR FURNISH GAMES OF CHANCE TO ELIGIBLE ORGANIZATIONS LICENSED
29 UNDER THIS ACT UNLESS SUCH PERSON SHALL HAVE OBTAINED A
30 DISTRIBUTOR LICENSE AS PROVIDED IN THIS SECTION.

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

5 (1) THE APPLICANT'S STATE SALES TAX NUMBER.

6 (2) THE APPLICANT'S STATE CORPORATE TAX NUMBER.

7 (3) THE APPLICANT'S STATE EMPLOYER WITHHOLDING TAX
8 NUMBER.

9 (4) THE APPLICANT'S UNEMPLOYMENT COMPENSATION ACCOUNT
10 NUMBER.

11 (5) A STATEMENT THAT:

12 (I) ALL STATE TAX REPORTS HAVE BEEN FILED AND ALL
13 STATE TAXES PAID;

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

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

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

20 (C) WAIVER OF CONFIDENTIALITY.--AN APPLICANT FOR THE GRANT
21 OR RENEWAL OF [ANY] A DISTRIBUTOR LICENSE ISSUED PURSUANT TO
22 THIS SECTION SHALL, BY THE FILING OF AN APPLICATION INSOFAR AS
23 IT RELATES TO THE DEPARTMENT, WAIVE ANY CONFIDENTIALITY WITH
24 RESPECT TO STATE TAX INFORMATION IN THE POSSESSION OF THE
25 DEPARTMENT, THE OFFICE OF ATTORNEY GENERAL OR THE DEPARTMENT OF
26 LABOR AND INDUSTRY REGARDING THAT APPLICANT, REGARDLESS OF THE
27 SOURCE OF THAT INFORMATION, AND SHALL CONSENT TO THE PROVIDING
28 OF THAT INFORMATION TO THE DEPARTMENT BY THE OFFICE OF ATTORNEY
29 GENERAL OR THE DEPARTMENT OF LABOR AND INDUSTRY.

30 (D) REVIEW OF TAX STATUS.--UPON RECEIPT OF ANY APPLICATION

1 FOR THE GRANT OR RENEWAL OF [ANY] A DISTRIBUTOR LICENSE ISSUED
2 PURSUANT TO THIS SECTION, THE DEPARTMENT SHALL REVIEW THE STATE
3 TAX STATUS OF THE APPLICANT. THE DEPARTMENT SHALL REQUEST STATE
4 TAX INFORMATION REGARDING THE APPLICANT FROM THE OFFICE OF
5 ATTORNEY GENERAL OR THE DEPARTMENT OF LABOR AND INDUSTRY AND
6 THAT INFORMATION SHALL BE PROVIDED.

7 (E) LIMITATION ON APPROVAL.--THE DEPARTMENT SHALL NOT
8 APPROVE ANY APPLICATION FOR THE GRANT OR RENEWAL OF [ANY] A
9 DISTRIBUTOR LICENSE ISSUED PURSUANT TO THIS SECTION WHERE THE
10 APPLICANT HAS FAILED TO:

11 (1) PROVIDE ANY OF THE INFORMATION REQUIRED BY
12 SUBSECTION (B);

13 (2) FILE REQUIRED STATE TAX REPORTS; OR

14 (3) PAY ANY STATE TAXES NOT SUBJECT TO A TIMELY
15 ADMINISTRATIVE OR JUDICIAL APPEAL OR SUBJECT TO A DULY
16 AUTHORIZED DEFERRED PAYMENT PLAN.

17 (F) RECORDS.--[THE] EACH DISTRIBUTOR LICENSEE SHALL KEEP
18 SUCH RECORDS, REPORTS AND BOOKS AS THE DEPARTMENT SHALL
19 PRESCRIBE. [APPLICANTS] ANNUALLY, EACH DISTRIBUTOR LICENSEE
20 SHALL BE REQUIRED TO MAKE SUCH RECORDS, REPORTS AND BOOKS
21 AVAILABLE [AS] TO LAW ENFORCEMENT OFFICIALS AS REQUESTED OR IN A
22 MANNER REQUIRED BY THE DEPARTMENT PURSUANT TO REGULATION.

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

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

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

8 (H) LICENSE AND RENEWAL FEES.--THE FEE FOR A DISTRIBUTOR
9 LICENSE SHALL BE [\$1,000] \$2,000. LICENSES SHALL BE RENEWABLE ON
10 [AN ANNUAL] A BIENNIAL BASIS.

11 (I) EXCEPTION.--[THIS] EXCEPT AS PROVIDED UNDER SECTION 504,
12 THIS SECTION SHALL NOT APPLY TO THE MANUFACTURE OR DISTRIBUTION
13 OF RAFFLE TICKETS.

14 SECTION 8. SECTION 8 OF THE ACT IS RENUMBERED AND AMENDED TO
15 READ:

16 SECTION [8] 305. REGISTRATION OF MANUFACTURERS.

17 (A) REGISTRATION REQUIRED.--NO MANUFACTURER OF GAMES OF
18 CHANCE SHALL SELL ANY GAMES OF CHANCE TO ANY PERSON UNLESS THE
19 MANUFACTURER HAS REGISTERED WITH THE DEPARTMENT AND HAS BEEN
20 ISSUED A CERTIFICATE OF REGISTRATION.

21 (B) ANNUAL CERTIFICATE; FEE.--A CERTIFICATE UNDER THIS
22 SECTION SHALL BE VALID FOR [ONE YEAR] TWO YEARS. THE [ANNUAL]
23 FEE FOR REGISTRATION SHALL BE [\$2,000] \$4,000.

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

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

29 (E) RECORDS.--THE MANUFACTURER SHALL KEEP RECORDS, REPORTS
30 AND BOOKS AS PRESCRIBED BY THE DEPARTMENT. ANNUALLY,

1 MANUFACTURERS SHALL BE REQUIRED TO MAKE THE RECORDS, REPORTS AND
2 BOOKS AVAILABLE TO THE DEPARTMENT AND LAW ENFORCEMENT OFFICIALS
3 AS REQUESTED OR IN A MANNER REQUIRED BY THE DEPARTMENT BY
4 REGULATION.

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

8 (A) AUTHORIZATION.--THE DEPARTMENT SHALL PROMULGATE
9 REGULATIONS TO:

10 (1) IMPOSE MINIMUM STANDARDS AND RESTRICTIONS APPLICABLE
11 TO GAMES OF CHANCE MANUFACTURED FOR SALE IN THIS
12 COMMONWEALTH, WHICH MAY INCLUDE STANDARDS AND RESTRICTIONS
13 WHICH SPECIFY THE MAXIMUM NUMBER OF CHANCES AVAILABLE TO BE
14 SOLD FOR ANY SINGLE GAME OF CHANCE OR PRIZE AND SUCH OTHER
15 STANDARDS AND RESTRICTIONS AS THE DEPARTMENT DEEMS NECESSARY
16 FOR THE PURPOSES OF THIS ACT. THE DEPARTMENT SHALL CONSIDER
17 STANDARDS ADOPTED BY THE NATIONAL ASSOCIATION OF GAMBLING
18 REGULATORY AGENCIES AND OTHER STANDARDS COMMONLY ACCEPTED IN
19 THE INDUSTRY.

20 (2) ESTABLISH PROCEDURES BY WHICH MANUFACTURERS MAY
21 REGISTER AND DISTRIBUTORS OF GAMES OF CHANCE MAY APPLY FOR
22 LICENSURE ON FORMS WHICH THE DEPARTMENT SHALL PROVIDE. FORMS
23 PROVIDED BY THE DEPARTMENT SHALL INCLUDE A REQUIREMENT THAT
24 MANUFACTURER AND DISTRIBUTOR APPLICANTS PROVIDE A CRIMINAL
25 HISTORY RECORD INFORMATION CHECK OBTAINED FROM THE
26 PENNSYLVANIA STATE POLICE AS DEFINED IN 18 PA.C.S. § 9102
27 (RELATING TO DEFINITIONS) AND PERMITTED BY 18 PA.C.S. §
28 9121(B) (RELATING TO GENERAL REGULATIONS) FOR ALL OFFICERS,
29 MANAGERS AND OTHER PERSONS RESPONSIBLE FOR OVERSEEING GAMES
30 OF CHANCE.

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

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

5 (B) LIMITATION ON RECORDKEEPING REQUIREMENTS.--THIS SECTION
6 SHALL NOT BE CONSTRUED TO AUTHORIZE THE DEPARTMENT TO PROMULGATE
7 REGULATIONS PROVIDING FOR RECORDKEEPING REQUIREMENTS FOR
8 LICENSED ELIGIBLE ORGANIZATIONS WHICH REQUIRE UNREASONABLE OR
9 UNNECESSARY INFORMATION OR A REPETITIOUS LISTING OF INFORMATION.
10 THE DEPARTMENT SHALL STRIVE TO KEEP SUCH RECORDKEEPING
11 REQUIREMENTS FROM BEING AN UNDUE HARDSHIP OR BURDEN ON LICENSED
12 ELIGIBLE ORGANIZATIONS. UNDER NO CIRCUMSTANCES SHALL THE
13 DEPARTMENT REQUIRE THE RETENTION OF RECORDS FOR A PERIOD IN
14 EXCESS OF TWO YEARS.

15 (C) REPORT.--

16 (1) THE DEPARTMENT SHALL, ON A BIENNIAL BASIS, REVIEW
17 THIS ACT AND ANY RULES OR REGULATIONS PROMULGATED UNDER THIS
18 ACT AND SUBMIT A REPORT TO THE GENERAL ASSEMBLY WITH ITS
19 RECOMMENDATIONS. THE RECOMMENDATIONS FOR LEGISLATIVE ACTION
20 MAY INCLUDE:

21 (I) IMPROVEMENTS TO THE ENFORCEMENT PROVISIONS.

22 (II) ADDITIONAL TYPES OF GAMES OF CHANCE AUTHORIZED.

23 (III) CHANGES IN THE PRIZE LIMITATIONS FOR GAMES OF
24 CHANCE.

25 (2) THE DEPARTMENT SHALL CONSULT WITH LAW ENFORCEMENT
26 OFFICIALS IN FORMULATING ITS RECOMMENDATIONS.

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

30 SECTION [10] 307. LICENSING OF ELIGIBLE ORGANIZATIONS TO

1 CONDUCT GAMES OF CHANCE.

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

14 (B) ISSUANCE AND FEES.--THE LICENSING AUTHORITY SHALL
15 LICENSE, UPON APPLICATION, WITHIN 30 DAYS ANY ELIGIBLE
16 ORGANIZATION MEETING THE REQUIREMENTS FOR LICENSURE CONTAINED IN
17 THIS ACT TO CONDUCT AND OPERATE GAMES OF CHANCE AT SUCH
18 LOCATIONS WITHIN THE COUNTY OR IN SUCH MANNER AS STATED ON THE
19 APPLICATION AS LIMITED BY SUBSECTION (B.1). THE LICENSE FEE TO
20 BE CHARGED TO EACH ELIGIBLE ORGANIZATION SHALL BE \$100, EXCEPT
21 FOR LIMITED OCCASION LICENSES WHICH SHALL BE \$10. LICENSES SHALL
22 BE RENEWABLE ANNUALLY UPON THE ANNIVERSARY OF THE DATE OF ISSUE.
23 THE LICENSE FEE SHALL BE USED BY THE LICENSING AUTHORITY FOR THE
24 ADMINISTRATION OF THIS ACT.

25 (B.1) LOCATION OF SMALL GAMES OF CHANCE.--

26 (1) EVERY LICENSED ELIGIBLE ORGANIZATION, EXCEPT A
27 LIMITED OCCASION LICENSEE, SHALL CONDUCT SMALL GAMES OF
28 CHANCE ONLY AT A LICENSED PREMISES. THE LICENSED PREMISES
29 SHALL BE INDICATED ON THE ELIGIBLE ORGANIZATION'S LICENSE
30 APPLICATION. ONLY ONE LICENSE SHALL BE ISSUED PER LICENSED

1 PREMISES. EXCEPT AS PROVIDED UNDER SUBPARAGRAPH (III), A
2 LICENSED ELIGIBLE ORGANIZATION MAY NOT USE ANOTHER LICENSED
3 ELIGIBLE ORGANIZATION'S PREMISES TO CONDUCT ITS GAMES OF
4 CHANCE, AND NO LICENSED ELIGIBLE ORGANIZATION MAY PERMIT ITS
5 PREMISES TO BE USED FOR SMALL GAMES OF CHANCE BY ANOTHER
6 LICENSED ELIGIBLE ORGANIZATION.

7 (I) WHERE THERE EXISTS A LOCATION OR PREMISES WHICH
8 IS THE NORMAL BUSINESS OR OPERATING SITE OF THE ELIGIBLE
9 ORGANIZATION AND THE LOCATION OR PREMISES IS OWNED OR
10 LEASED BY THAT ELIGIBLE ORGANIZATION TO CONDUCT ITS
11 NORMAL BUSINESS, THAT SITE SHALL BE THE ELIGIBLE
12 ORGANIZATION'S LICENSED PREMISES FOR SMALL GAMES OF
13 CHANCE CONDUCTED BY THE ELIGIBLE ORGANIZATION. IF THAT
14 LOCATION CONSISTS OF MORE THAN ONE BUILDING [AND THE
15 ELIGIBLE ORGANIZATION WISHES TO CONDUCT ITS GAMES IN A
16 DIFFERENT BUILDING AT THAT LOCATION FROM THE ONE THAT IS
17 LISTED ON ITS APPLICATION AND LICENSE, THE ELIGIBLE
18 ORGANIZATION MUST NOTIFY, IN WRITING, THE DISTRICT
19 ATTORNEY AND THE LICENSING AUTHORITY OF THE CHANGE IN
20 BUILDING SITE AND THE DATES AND TIMES THAT WILL BE
21 AFFECTED], THE ELIGIBLE ORGANIZATION SHALL DESIGNATE ON
22 ITS APPLICATION THE BUILDING THAT WILL BE THE LICENSED
23 PREMISES.

24 (II) WHEN AN ELIGIBLE ORGANIZATION DOES NOT OWN OR
25 LEASE A SPECIFIC LOCATION TO CONDUCT ITS NORMAL BUSINESS,
26 [THAT] THE ELIGIBLE ORGANIZATION [MAY USE ANOTHER
27 ELIGIBLE ORGANIZATION'S PREMISES TO CONDUCT ITS GAMES OR]
28 MAY MAKE [SUCH OTHER] ARRANGEMENTS THAT ARE CONSISTENT
29 WITH THIS ACT TO ESTABLISH A LICENSED PREMISES,
30 INCLUDING[, BUT NOT LIMITED TO,] LEASING A PREMISE UNDER

1 A WRITTEN AGREEMENT FOR A RENTAL [WHICH IS NOT], EXCEPT
2 THAT THE RENTAL MAY NOT BE DETERMINED BY EITHER THE
3 AMOUNT OF RECEIPTS REALIZED FROM THE [PLAYING] CONDUCT OF
4 GAMES OF CHANCE [NOR] OR THE NUMBER OF PEOPLE ATTENDING
5 [EXCEPT THAT AN]. AN ELIGIBLE ORGANIZATION MAY LEASE A
6 FACILITY FOR A BANQUET [WHERE A PER HEAD CHARGE IS
7 APPLIED] IN CONNECTION WITH THE SERVING OF A MEAL BASED
8 ON A PER-HEAD CHARGE. WHEN SUCH ELIGIBLE ORGANIZATION
9 CHANGES THE SITE OF ITS GAMES FROM THAT WHICH IS LISTED
10 ON ITS APPLICATION AND LICENSE, THE ELIGIBLE ORGANIZATION
11 MUST NOTIFY, IN WRITING, THE DISTRICT ATTORNEY AND
12 LICENSING AUTHORITY OF THE CHANGE IN THEIR GAMES' SITE
13 [AND DATES AND TIMES THAT WILL BE AFFECTED].

14 (III) AN ELIGIBLE ORGANIZATION THAT HAS OBTAINED A
15 LIMITED OCCASION LICENSE UNDER SUBSECTION (B.3) MAY USE
16 ANOTHER ELIGIBLE ORGANIZATION'S LICENSED PREMISES TO
17 CONDUCT ITS GAMES OF CHANCE. WHEN A LICENSED ELIGIBLE
18 ORGANIZATION IS PERMITTING A LIMITED OCCASION LICENSEE TO
19 USE ITS LICENSED PREMISES FOR PURPOSES OF SMALL GAMES OF
20 CHANCE, THE ELIGIBLE ORGANIZATION SHALL CEASE THE
21 OPERATION OF ITS OWN SMALL GAMES OF CHANCE DURING THE
22 PERIOD THAT THE LIMITED OCCASION LICENSEE IS CONDUCTING
23 ITS GAMES ON THE PREMISES.

24 (2) UNLESS OTHERWISE PROVIDED IN THIS CHAPTER, ALL
25 ASPECTS OF THE OPERATION OF GAMES OF CHANCE SHALL BE
26 CONDUCTED ON THE LICENSED PREMISES.

27 (B.2) OFF-PREMISES GAMES OF CHANCE.--NOTWITHSTANDING ANY
28 OTHER PROVISIONS OF THIS SECTION, [AN] ALL OF THE FOLLOWING
29 APPLY:

30 (1) A LICENSED ELIGIBLE ORGANIZATION MAY, ON ONE

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

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

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

1 ACT SHALL APPLY OR BE GRANTED A LIMITED OCCASION LICENSE.

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

10 (C) DISPLAY.--LICENSES ISSUED PURSUANT TO THIS SECTION SHALL
11 BE PUBLICLY DISPLAYED AT THE SITE [OF THE SMALL] WHERE GAMES OF
12 CHANCE WILL BE CONDUCTED.

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

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

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

25 (3) [NO ELIGIBLE ORGANIZATION SHALL PAY] PAYING ANY
26 COMPENSATION TO ANY PERSON FOR CONDUCTING ANY GAMES OF
27 CHANCE. GAMES OF CHANCE MAY ONLY BE CONDUCTED BY MANAGERS,
28 OFFICERS, DIRECTORS, BAR PERSONNEL AND BONA FIDE MEMBERS OF
29 THE ELIGIBLE ORGANIZATION.

30 (3.1) PERMITTING A MANAGER, OFFICER, DIRECTOR, BAR

1 PERSONNEL OR OTHER OPERATOR OF THE GAME OF CHANCE, EXCEPT FOR
2 A RAFFLE, FROM BEING A PLAYER IN THE GAME OF CHANCE THE
3 INDIVIDUAL IS OPERATING.

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

7 (5) [THE ELIGIBLE ORGANIZATION SHALL NOT LEASE SUCH]
8 LEASING THE LICENSED PREMISES UNDER EITHER AN ORAL OR A
9 WRITTEN AGREEMENT FOR A RENTAL WHICH IS DETERMINED BY EITHER
10 THE AMOUNT OF RECEIPTS REALIZED FROM THE PLAYING OF GAMES OF
11 CHANCE OR 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. AN ELIGIBLE ORGANIZATION SHALL NOT LEASE
15 SUCH PREMISES FROM ANY PERSON WHO HAS BEEN CONVICTED OF A
16 VIOLATION OF THIS ACT OR THE BINGO LAW WITHIN THE PAST TEN
17 YEARS.

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

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

1 LICENSED ELIGIBLE ORGANIZATION IS CONDUCTING ITS GAMES ON THE
2 PREMISES.

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

13 (7) OPERATING GAMES OF CHANCE ON A LICENSED PREMISES
14 WHEN ANOTHER ELIGIBLE ORGANIZATION IS OPERATING GAMES OF
15 CHANCE.

16 (D.1) BANK ACCOUNT AND RECORDS.--EACH LICENSED ELIGIBLE
17 ORGANIZATION SHALL ESTABLISH AND MAINTAIN A BANK ACCOUNT TO HOLD
18 THE PROCEEDS OF SMALL GAMES OF CHANCE, WHICH SHALL BE SEPARATE
19 FROM ALL OTHER BANK ACCOUNTS BELONGING TO THE LICENSED ELIGIBLE
20 ORGANIZATION. ACCOUNT RECORDS SHALL SHOW ALL EXPENDITURES AND
21 INCOME AND SHALL BE RETAINED BY THE LICENSED ELIGIBLE
22 ORGANIZATION FOR AT LEAST TWO YEARS.

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

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

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

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

13 (4) THE ELIGIBLE ORGANIZATION HAS A SEPARATE BANK
14 ACCOUNT TO HOLD ALL PROCEEDS OF SMALL GAMES OF CHANCE.

15 (5) THE ELIGIBLE ORGANIZATION HAS COMPLIED WITH THE
16 ANNUAL FINANCIAL REPORT FILING.

17 (E.1) ADDITIONAL APPLICATION COMPONENTS.--AS PART OF THE
18 INITIAL OR RENEWAL APPLICATION FILED UNDER SUBSECTION (E), EACH
19 ELIGIBLE ORGANIZATION SHALL FILE AN ANNUAL REPORT WITH THE
20 LICENSING AUTHORITY. THE FIRST ANNUAL REPORT REQUIRED UNDER THIS
21 PARAGRAPH SHALL CONTAIN INFORMATION FOR THE 12-MONTH PERIOD
22 ENDING AT LEAST 60 DAYS, BUT NOT MORE THAN 90 DAYS, PRIOR TO THE
23 SUBMISSION OF THE APPLICATION. SUBSEQUENT ANNUAL REPORTS SHALL
24 CONTAIN INFORMATION FOR THE MOST RECENT 12-MONTH PERIOD ENDING
25 IN THE SAME MONTH AS THE INITIAL REPORT.

26 (F) LIST OF LICENSEES.--THE LICENSING AUTHORITY, ON A
27 SEMIANNUAL BASIS, SHALL SEND A COPY OF ALL LICENSEES TO THE
28 DEPARTMENT OF REVENUE.

29 (G) LIST OF MUNICIPALITIES.--THE LICENSING AUTHORITY SHALL
30 INCLUDE WITH ANY LICENSE OR RENEWAL LICENSE ISSUED TO AN

1 ELIGIBLE ORGANIZATION, AN UP-TO-DATE LISTING OF THOSE
2 MUNICIPALITIES WITHIN THE LICENSING COUNTY WHICH HAVE APPROVED
3 THE REFERENDUM QUESTION ON SMALL GAMES OF CHANCE.

4 (H) BACKGROUND CHECKS.--EACH APPLICATION FOR A LICENSE SHALL
5 INCLUDE THE RESULTS OF A CRIMINAL HISTORY RECORD INFORMATION
6 CHECK OBTAINED FROM THE PENNSYLVANIA STATE POLICE, AS DEFINED IN
7 18 PA.C.S. § 9102 (RELATING TO DEFINITIONS) AND PERMITTED BY 18
8 PA.C.S. § 9121(B) (RELATING TO GENERAL REGULATIONS), FOR THE
9 EXECUTIVE OFFICER OR SECRETARY OF THE ELIGIBLE ORGANIZATION
10 MAKING THE APPLICATION FOR A LICENSE AND ALL OTHER RESPONSIBLE
11 PERSONS LISTED ON THE APPLICATION.

12 SECTION 11. SECTION 11 OF THE ACT, AMENDED DECEMBER 19, 1990
13 (P.L.812, NO.195), IS RENUMBERED AND AMENDED TO READ:

14 SECTION [11] 308. SPECIAL PERMITS.

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

21 (B) PERMIT APPLICATION.--EACH SPECIAL PERMIT APPLICATION
22 SHALL SPECIFY THE LOCATION WHERE THE ACTUAL DRAWING WILL BE
23 HELD, THE NUMBER OF CHANCES TO BE SOLD, THE PRICE PER CHANCE AND
24 THE CASH VALUE OF THE PRIZE OR PRIZES TO BE AWARDED.

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

26 CHAPTER 5

27 CLUB LICENSEES

28 SECTION 501. REPORT.

29 THE FOLLOWING SHALL APPLY:

30 (1) BY MARCH 31, 2013, AND BY MARCH 31 OF EACH YEAR

1 THEREAFTER, EACH CLUB LICENSEE SHALL SUBMIT AN ANNUAL REPORT
2 TO THE PENNSYLVANIA STATE POLICE FOR THE PRECEDING CALENDAR
3 YEAR ON A FORM PRESCRIBED BY THE PENNSYLVANIA STATE POLICE.

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

6 (3) THE REPORT MUST INCLUDE ALL OF THE FOLLOWING
7 INFORMATION FOR THE PRIOR CALENDAR YEAR:

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

10 (II) THE DISTRIBUTION OF PROCEEDS UNDER SECTION
11 502 (A) (1) AND (2).

12 (III) THE AMOUNT OF PROCEEDS FOR ALL GAMES OF CHANCE
13 NOT PURCHASED FROM A LICENSED DISTRIBUTOR WHICH THE CLUB
14 LICENSEE CONDUCTED, ITEMIZED BY WEEK.

15 (IV) THE AMOUNT OF PRIZES PAID FROM GAMES OF CHANCE
16 AND ITEMIZED COSTS RELATED TO THE CONDUCT OF GAMES OF
17 CHANCE.

18 (V) THE AMOUNTS DISTRIBUTED FOR PUBLIC INTEREST
19 PURPOSES ITEMIZED BY THE RECIPIENT.

20 (VI) AN ITEMIZED LIST OF EXPENDITURES MADE OR
21 AMOUNTS RETAINED FOR GENERAL OPERATING EXPENSES.

22 (VII) THE ADDRESS AND COUNTY IN WHICH THE CLUB
23 LICENSEE IS LOCATED.

24 (VIII) OTHER INFORMATION OR DOCUMENTATION REQUIRED
25 BY THE PENNSYLVANIA STATE POLICE.

26 SECTION 502. PROCEEDS.

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

29 (1) NOT LESS THAN 70% OF PROCEEDS SHALL BE PAID TO
30 ORGANIZATIONS OTHER THAN THE CLUB LICENSEE FOR PUBLIC

1 INTEREST PURPOSES.

2 (2) UP TO 30% OF PROCEEDS MAY BE USED FOR GENERAL
3 OPERATING EXPENSES.

4 (B) PROHIBITION.--PROCEEDS SHALL NOT BE USED FOR WAGES,
5 ALCOHOL OR FOOD PURCHASES OR FOR THE PAYMENT OF ANY FINE LEVIED
6 AGAINST THE CLUB LICENSEE.

7 (C) PROCEEDS FOR PUBLIC INTEREST PURPOSES.--AMOUNTS RETAINED
8 BY A CLUB LICENSEE UNDER SUBSECTION (A) (2) SHALL BE EXPENDED
9 WITHIN THE SAME CALENDAR YEAR UNLESS THE CLUB LICENSEE NOTIFIES
10 THE DEPARTMENT THAT FUNDS ARE BEING RETAINED FOR A SUBSTANTIAL
11 PURCHASE OR PROJECT. NOTIFICATION SHALL INCLUDE A DESCRIPTION OF
12 THE PURCHASE OR PROJECT, THE COST AND THE ANTICIPATED DATE OF
13 THE PURCHASE OR PROJECT.

14 SECTION 503. DOCUMENTATION.

15 EVERY SALE OF A GAME OF CHANCE BY A LICENSED DISTRIBUTOR TO A
16 CLUB LICENSEE SHALL BE DOCUMENTED BY AN INVOICE LISTING THE
17 NAMES AND TYPES OF GAMES OF CHANCE SOLD, QUANTITIES OF EACH GAME
18 SOLD AND ANY OTHER INFORMATION RELATED TO THE SALE OF GAMES OF
19 CHANCE AS REQUIRED BY THE PENNSYLVANIA STATE POLICE. FAILURE TO
20 PROVIDE CORRECT INVOICES SHALL RESULT IN A PENALTY UNDER SECTION
21 706.

22 SECTION 504. RESTRICTION.

23 NOTWITHSTANDING SECTION 307(D) (6), ALL PUNCHBOARDS, RAFFLES
24 AND PULL-TABS SHALL BE PURCHASED FROM A LICENSED DISTRIBUTOR
25 APPROVED BY THE DEPARTMENT.

26 SECTION 505. FAILURE TO COMPLY.

27 (A) OFFENSE DEFINED.--A CLUB LICENSEE COMMITS A MISDEMEANOR
28 OF THE THIRD DEGREE FOR FAILING TO COMPLY WITH THIS CHAPTER OR
29 FAILING TO PROVIDE THEIR BOOKS, ACCOUNTS AND RECORDS RELATING TO
30 THE CONDUCT OF GAMES OF CHANCE UNDER SECTION 701(B).

1 (B) REPORTING.--THE PENNSYLVANIA STATE POLICE SHALL PROVIDE
2 A LIST OF CLUB LICENSEES THAT FAIL TO FILE REPORTS UNDER THIS
3 CHAPTER BY THE REQUIRED DATES OR FAIL TO COMPLY WITH SECTIONS
4 502 AND 503 TO THE APPLICABLE LICENSING AUTHORITY, DISTRICT
5 ATTORNEY AND THE DEPARTMENT.

6 SECTION 13. THE ACT IS AMENDED BY ADDING A CHAPTER HEADING
7 TO READ:

8 CHAPTER 7
9 ENFORCEMENT

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

12 SECTION [12] 701. REVOCATION OF LICENSES.

13 (A) GROUNDS.--THE [LICENSING AUTHORITY SHALL REVOKE OR
14 REFUSE TO RENEW THE LICENSE OF ANY ELIGIBLE ORGANIZATION
15 WHENEVER THE DISTRICT ATTORNEY FINDS UPON COMPLAINT AND
16 INVESTIGATION THAT] FOLLOWING SHALL BE GROUNDS FOR THE
17 SUSPENSION, REVOCATION OR NONRENEWAL OF A LICENSE:

18 (1) ANY OF THE FUNDS DERIVED FROM THE OPERATION OF GAMES
19 OF CHANCE ARE USED FOR ANY PURPOSE OTHER THAN [FOR PUBLIC
20 INTEREST PURPOSES OR FOR THE PURCHASE OF GAMES OF CHANCE AS]
21 THOSE PURPOSES PERMITTED BY THIS ACT.

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

24 (3) THE ELIGIBLE ORGANIZATION HAS PERMITTED ANY PERSON
25 WHO HAS BEEN CONVICTED OF A FELONY IN A FEDERAL OR STATE
26 COURT WITHIN THE PAST FIVE YEARS OR HAS BEEN CONVICTED IN A
27 FEDERAL OR STATE COURT WITHIN THE PAST TEN YEARS OF A
28 VIOLATION OF THE ACT OF JULY 10, 1981 (P.L.214, NO.67), KNOWN
29 AS THE BINGO LAW, OR OF THIS ACT, TO MANAGE, SET UP,
30 SUPERVISE OR PARTICIPATE IN THE OPERATION OF GAMES OF CHANCE.

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

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

8 (5.1) ANY MANAGER, OFFICER, DIRECTOR, BAR PERSONNEL OR
9 OTHER OPERATOR OF THE GAME OF CHANCE, EXCEPT FOR A RAFFLE,
10 HAS BEEN A PLAYER IN THE GAME THE INDIVIDUAL IS OPERATING.

11 (6) ANY PERSON HAS RECEIVED COMPENSATION FOR CONDUCTING
12 GAMES OF CHANCE.

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

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

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

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

21 (II) LEASING SUCH PREMISES FROM THE OWNER THEREOF
22 UNDER A WRITTEN AGREEMENT AT A RENTAL WHICH IS DETERMINED
23 BY THE AMOUNT OF RECEIPTS REALIZED FROM THE PLAYING OF
24 GAMES OF CHANCE.

25 (10) FALSE OR ERRONEOUS INFORMATION WAS PROVIDED IN THE
26 ORIGINAL APPLICATION OR IN ANY INFORMATION PROVIDED TO THE
27 LICENSING AUTHORITY, THE DEPARTMENT OR THE PENNSYLVANIA STATE
28 POLICE IN ANY APPLICATION, RENEWAL FORM OR REPORT.

29 (11) AN ELIGIBLE ORGANIZATION HAS BEEN CONVICTED OF A
30 VIOLATION OF THIS ACT AS EVIDENCED BY A CERTIFIED RECORD OF

1 THE CONVICTION.

2 (12) THE ELIGIBLE ORGANIZATION HAS PERMITTED ANOTHER
3 ELIGIBLE ORGANIZATION TO CONDUCT SMALL GAMES OF CHANCE ON ITS
4 LICENSED PREMISES WITHOUT SUSPENDING ITS OWN OPERATION OF
5 SMALL GAMES OF CHANCE DURING THE PERIOD THAT THE OTHER
6 LICENSED ELIGIBLE ORGANIZATION IS CONDUCTING ITS GAMES ON THE
7 PREMISES.

8 (13) THE ELIGIBLE ORGANIZATION HAS FAILED TO KEEP AND
9 MAINTAIN THE RECORDS REQUIRED UNDER THIS ACT FOR A PERIOD OF
10 AT LEAST TWO YEARS.

11 (14) A CLUB LICENSEE HAS FAILED TO FILE AN ACCURATE
12 REPORT UNDER SECTION 501.

13 (15) A CLUB LICENSEE HAS FAILED TO COMPLY WITH SECTION
14 501 OR 502.

15 (B) PRODUCTION OF RECORDS.--THE DISTRICT ATTORNEY MAY
16 REQUIRE [LICENSEES] LICENSED ELIGIBLE ORGANIZATIONS, REGISTERED
17 MANUFACTURERS AND LICENSED DISTRIBUTORS TO PRODUCE THEIR BOOKS,
18 ACCOUNTS AND RECORDS RELATING TO THE CONDUCT OF GAMES OF CHANCE
19 IN ORDER TO DETERMINE [WHETHER A LICENSE SHOULD BE REVOKED OR
20 RENEWAL THEREOF DENIED] IF A VIOLATION OF THIS ACT HAS OCCURRED.
21 LICENSEES SHALL ALSO BE REQUIRED UPON REQUEST TO [PRODUCE]
22 PROVIDE THEIR LICENSE, BOOKS, ACCOUNTS AND RECORDS RELATING TO
23 THE CONDUCT OF GAMES OF CHANCE TO OTHER LAW ENFORCEMENT
24 OFFICIALS [UPON PROPER REQUEST].

25 SECTION 15. SECTION 13 OF THE ACT IS RENUMBERED TO READ:
26 SECTION [13] 702. ENFORCEMENT.

27 (A) DISTRICT ATTORNEY.--THE DISTRICT ATTORNEY SHALL
28 INVESTIGATE ALLEGED VIOLATIONS OF THIS ACT. IF THE DISTRICT
29 ATTORNEY FINDS PROBABLE CAUSE TO BELIEVE THAT A VIOLATION HAS
30 OCCURRED, HE MAY FILE A COMPLAINT AGAINST THE ALLEGED VIOLATOR

1 IN THE COURT OF COMMON PLEAS OF SAID COUNTY, EXCEPT IN COUNTIES
2 OF THE FIRST CLASS WHERE THE COMPLAINT MAY BE FILED IN THE
3 MUNICIPAL COURT. IN ADDITION, THE DISTRICT ATTORNEY SHALL
4 PROSECUTE SAID COMPLAINT IN THE MANNER PROVIDED BY LAW.

5 (B) OTHER LAW ENFORCEMENT OFFICIALS.--NOTHING IN THIS ACT
6 SHALL BE INTERPRETED TO RESTRICT THE POWER OF STATE, COUNTY OR
7 LOCAL LAW ENFORCEMENT OFFICIALS TO CONDUCT INVESTIGATIONS AND
8 ENFORCE THE PROVISIONS OF THIS ACT.

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 AND AMENDED 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.] ANY LICENSED ELIGIBLE ORGANIZATION OR
16 PERSON MAY ADVERTISE THE PRIZES TO BE AWARDED IN GAMES OF CHANCE
17 IF THE ADVERTISEMENTS CONTAIN THE DATE, TIME, LOCATION, THE
18 PRIZES THAT WILL BE AWARDED AND THE NAME OF THE LICENSED
19 ELIGIBLE ORGANIZATION. ADVERTISEMENTS TO THE PUBLIC MAY BE NO
20 LARGER THAN 8 1/2 INCHES BY 11 INCHES. AN ELIGIBLE ORGANIZATION
21 MAY ADVERTISE PRIZES IN PERIODIC PUBLICATIONS WHICH ARE LIMITED
22 IN THEIR CIRCULATION TO MEMBERS OF THE ELIGIBLE ORGANIZATION.
23 THIS SECTION SHALL NOT APPLY TO A SIGN DISPLAYED INSIDE THE
24 LICENSED PREMISES.

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

27 SECTION [16] 705. CERTAIN PERSONS PROHIBITED.

28 NO LICENSED DISTRIBUTOR NOR ANY PERSON WHO HAS BEEN CONVICTED
29 OF A FELONY OR OF A VIOLATION OF THE ACT OF JULY 10, 1981
30 (P.L.214, NO.67), KNOWN AS THE BINGO LAW, OR OF THIS ACT OR OF

1 ANY COMPARABLE STATE OR FEDERAL LAW SHALL HAVE A PECUNIARY
2 INTEREST IN THE OPERATION OR PROCEEDS OF GAMES OF CHANCE.

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

5 SECTION [17] 706. [PENALTIES] CRIMINAL PENALTIES.

6 (A) ELIGIBLE ORGANIZATIONS.--ANY ELIGIBLE ORGANIZATION
7 VIOLATING THE PROVISIONS OF THIS ACT SHALL BE GUILTY OF A
8 SUMMARY OFFENSE AND, UPON CONVICTION THEREOF, SHALL BE SENTENCED
9 TO PAY A FINE NOT EXCEEDING [\$1,000 AND SHALL] \$2,000 FOR A
10 FIRST OFFENSE[,] AND NOT EXCEEDING \$3,000 FOR A SUBSEQUENT
11 VIOLATION. IN ADDITION, THE FOLLOWING SHALL APPLY:

12 (1) FOR A FIRST OFFENSE, THE ELIGIBLE ORGANIZATION SHALL
13 FORFEIT THE LICENSE TO CONDUCT GAMES OF CHANCE ISSUED TO THE
14 ELIGIBLE ORGANIZATION FOR [THE REMAINDER OF THE LICENSING
15 PERIOD OR SIX MONTHS, WHICHEVER IS LONGER, FOR] A PERIOD OF
16 NOT MORE THAN 30 DAYS.

17 (2) FOR A SECOND OFFENSE[,] WITHIN THREE YEARS OF THE
18 FIRST OFFENSE, THE ELIGIBLE ORGANIZATION SHALL FORFEIT [THE]
19 ITS LICENSE [ISSUED TO THE ELIGIBLE ORGANIZATION FOR THE
20 REMAINDER OF THE CURRENT LICENSING PERIOD AND BE INELIGIBLE
21 TO BE LICENSED FOR THE FOLLOWING LICENSING PERIOD,] FOR A
22 PERIOD OF NOT LESS THAN 30 DAYS NOR MORE THAN 180 DAYS.

23 (3) FOR A THIRD OR SUBSEQUENT OFFENSE[,] WITHIN THREE
24 YEARS OF THE MOST RECENT OFFENSE, THE ELIGIBLE ORGANIZATION
25 SHALL FORFEIT [THE] ITS LICENSE [ISSUED TO THE ELIGIBLE
26 ORGANIZATION] AND BE INELIGIBLE FOR A LICENSE RENEWAL FOR 30
27 MONTHS THEREAFTER.

28 (B) INDIVIDUALS.--ANY PERSON WHO CONDUCTS OR ASSISTS IN THE
29 CONDUCTING OF GAMES OF CHANCE IN VIOLATION OF THE PROVISIONS OF
30 THIS ACT IS GUILTY OF A SUMMARY OFFENSE FOR A FIRST VIOLATION. A

1 SECOND VIOLATION OF THIS ACT SHALL BE PUNISHABLE AS A
2 MISDEMEANOR OF THE THIRD DEGREE. A THIRD OR SUBSEQUENT VIOLATION
3 SHALL BE PUNISHABLE AS A MISDEMEANOR OF THE FIRST DEGREE.

4 (C) DISTRIBUTORS AND MANUFACTURERS.--ANY PERSON WHO
5 DISTRIBUTES GAMES OF CHANCE WITHOUT A LICENSE OR IN VIOLATION OF
6 ANY PROVISION OF THIS ACT OR APPLICABLE REGULATIONS, AND ANY
7 MANUFACTURER OF GAMES OF CHANCE WHO DELIVERS GAMES OF CHANCE FOR
8 SALE OR DISTRIBUTION IN THIS COMMONWEALTH WHO FAILS TO REGISTER
9 AND OBTAIN A PERMIT THEREFOR IS GUILTY OF A MISDEMEANOR OF THE
10 FIRST DEGREE, PROVIDED THAT NO LICENSE OR PERMIT SHALL BE
11 REQUIRED FOR THE MANUFACTURE OR DISTRIBUTION OF RAFFLE TICKETS.

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

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

19 (2) TAMPERS WITH ANY PERSON ASSOCIATED WITH THE GAME OF
20 CHANCE;

21 [(2)] (3) TAMPERS WITH ANY [PERSON OR GAMES] SMALL GAME
22 OF CHANCE; OR

23 [(3)] (4) SOLICITS, ACCEPTS OR AGREES TO ACCEPT ANY
24 BENEFIT.

25 (E) CONTINGENT FEES.--ANY PERSON WHO DISTRIBUTES,
26 MANUFACTURES OR OPERATES A SMALL GAME OF CHANCE AND WHO
27 REQUIRES, FOR EQUIPMENT FURNISHED OR TO PLAY A GAME OF CHANCE,
28 PAYMENT EQUAL TO A PERCENTAGE OF THE TOTAL WINNINGS OF ANY GAME
29 OF CHANCE COMMITS A MISDEMEANOR OF THE FIRST DEGREE.

30 SECTION 20. THE ACT IS AMENDED BY ADDING A CHAPTER HEADING

1 TO READ:

2 CHAPTER 31

3 MISCELLANEOUS PROVISIONS

4 SECTION 21. SECTION 18 OF THE ACT IS RENUMBERED TO READ:

5 SECTION [18] 3101. EFFECTIVE DATE.

6 THIS ACT SHALL TAKE EFFECT IN 60 DAYS.

7 SECTION 22. THIS ACT SHALL TAKE EFFECT IN 60 DAYS.