

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

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**HOUSE BILL****No. 1313** Session of  
2015

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INTRODUCED BY MOUL, SNYDER, PICKETT, MILLARD, GROVE AND KLUNK,  
SEPTEMBER 29, 2015

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AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES,  
SEPTEMBER 26, 2016

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## 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," in preliminary  
9 provisions, further providing for legislative intent and for  
10 definitions; in games of chance, further providing for prize  
11 limits and for sales limited, providing for pull-tab deal,  
12 further providing for distributor licenses and for major  
13 league sports drawing, providing for airport 50/50 drawing,  
14 further providing for registration of manufacturers, for  
15 regulations of department, for licensing of eligible  
16 organizations and for special permits and providing for  
17 special location permits, for vertical wheel game permits and  
18 for poker run permits; in club licensees, further providing  
19 for club licensee, providing for definition and for club  
20 licensee, further providing for distribution of proceeds and  
21 providing for club licensee location permits; in enforcement,  
22 further providing for revocation of licenses and for  
23 enforcement; and, in tavern gaming, further providing for  
24 definitions, for licenses, for application, for approval, for  
25 tavern raffle, for distribution of net revenue, for tavern  
26 games tax, for host municipality tavern games tax and for  
27 enforcement.

28 The General Assembly of the Commonwealth of Pennsylvania  
29 hereby enacts as follows:

30 Section 1. Section 102 of the act of December 19, 1988

1 (P.L.1262, No.156), known as the Local Option Small Games of  
2 Chance Act, amended November 27, 2013 (P.L.1045, No.90), is  
3 amended to read:

4 Section 102. Legislative intent.

5 The General Assembly hereby declares that the playing of  
6 games of chance for the purpose of raising funds, by certain  
7 nonprofit associations, for the promotion of charitable or civic  
8 purposes, is in the public interest. In some cases, the proceeds  
9 from games of chance may be utilized to support certain  
10 operating expenses of certain organizations.

11 The General Assembly hereby declares that raising public  
12 funds from games of chance in licensed restaurants and  
13 protecting the competitiveness of these restaurants is also in  
14 the public interest.

15 The General Assembly hereby declares that raising funds from  
16 a 50/50 drawing conducted in airport systems, the net proceeds  
17 of which will be used for charitable purposes, is in the public  
18 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 games of chance be strictly controlled, and that all laws and  
22 regulations with respect thereto as well as all gambling laws  
23 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 prevent participation by organized crime and prevent  
27 the diversion of funds from the purposes herein authorized.

28 Section 2. The definitions of "affiliated nonprofit  
29 organization," "games of chance," "major league sports drawing,"  
30 "major league sports team," "pull-tab" and "tavern games" in

1 section 103 of the act, amended or added November 27, 2013  
2 (P.L.1045, No.90) and November 27, 2013 (P.L.1062, No.92), are  
3 amended and the section is amended by adding definitions to  
4 read:

5 Section 103. Definitions.

6 The following words and phrases when used in this act shall,  
7 except as provided under section 902, have the meanings given to  
8 them in this section unless the context clearly indicates  
9 otherwise:

10 \* \* \*

11 "Affiliated nonprofit organization." An organization  
12 established by or affiliated with [a Major League Baseball,  
13 National Hockey League, National Basketball Association or Major  
14 League Soccer team] an athletic team or an institution of higher  
15 education for the purpose of raising funds for charity, which is  
16 qualified for an exemption under section 501(c)(3) of the  
17 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §  
18 101(c)(3)).

19 "Airport." A publicly owned commercial service airport that  
20 is designated by the Federal Government as an international  
21 airport.

22 "Airport 50/50 drawing." A 50/50 drawing that is conducted  
23 by an airport in accordance with section 304.2.

24 "Athletic event drawing." A 50/50 drawing that is conducted  
25 by an affiliated nonprofit organization in accordance with  
26 section 304.1.

27 "Athletic team." A sports team or racing facility that is  
28 any of the following:

29 (1) A member of Major League Baseball, the National  
30 Hockey League, the National Basketball Association, the

1 National Football League or Major League Soccer.

2 (2) A professional sports team affiliated with a team  
3 under paragraph (1).

4 (3) Any other professional sports team that has a sports  
5 facility or an agreement with a sports facility to conduct  
6 home games at the facility.

7 (4) A stadium, grandstand or bleacher at a closed-course  
8 motor facility where spectators are directly observing motor  
9 races with NASCAR, Indy, stock or drag racing cars.

10 (5) A collegiate team.

11 \* \* \*

12 "BINGO." AS DEFINED IN SECTION 3 OF THE ACT OF JULY 10, 1981 <--  
13 (P.L.214, NO.67), KNOWN AS THE BINGO LAW.

14 "Coin auction." A game in which a participant buys a  
15 numbered paddle for a chance to bid on a donated prize with the  
16 winner determined by a random drawing of corresponding numbers.

17 "Collegiate team." A sports team comprised of student  
18 athletes that is organized and controlled by an institution of  
19 higher education.

20 \* \* \*

21 "Event game." A type of pull-tab game, played SIMULTANEOUSLY <--  
22 WITH BINGO AND with or without a seal card, in which certain  
23 prizes are determined by the draw of a bingo ball ~~or some other~~ <--  
24 ~~approved specified event~~ which randomly selects numbers or  
25 symbols that correspond to the numbers or symbols printed by the  
26 manufacturer on the pull-tab and which game satisfies the  
27 following:

28 (1) No event pull-tab may be both an instant winner and  
29 a hold card.

30 (2) The game may not contain duplicate hold

1 combinations. If the game contains multiple sets of hold  
2 combinations, each set must be distinguishable by color or  
3 distinguishing features.

4 (3) An event pull-tab ticket may contain more than one  
5 hold combination.

6 (4) The number of winners and the prize amount must be  
7 built into the payout structure for the game by the  
8 manufacturer.

9 \* \* \*

10 "Games of chance." Punchboards, daily drawings, weekly  
11 drawings, 50/50 drawings, raffles, tavern games, pools, race  
12 night games, poker runs, coin auctions, vertical wheel games, <--  
13 EVENT GAMES and pull-tabs, as defined in this act, provided that  
14 no such game, except vertical wheel games AND EVENT GAMES, shall <--  
15 be played by or with the assistance of any mechanical or  
16 electrical devices or media other than a dispensing machine or  
17 passive selection device and further provided that the  
18 particular chance taken by any person in any such game shall not  
19 be made contingent upon any other occurrence or the winning of  
20 any other contest, but shall be determined solely at the  
21 discretion of the purchaser. This definition shall not be  
22 construed to authorize any other form of gambling currently  
23 prohibited under any provision of 18 Pa.C.S. (relating to crimes  
24 and offenses) or authorized under 4 Pa.C.S. (relating to  
25 amusements). Nothing in this act shall be construed to authorize  
26 games commonly known as "slot machines" or "video poker" or  
27 other games regulated by the Pennsylvania Gaming Control Board.

28 "Institution of higher education." Any of the following:

29 (1) A community college operating under Article XIX-A of  
30 the act of March 10, 1949 (P.L.30, No.14), known as the

1 Public School Code of 1949.

2 (2) A university within the State System of Higher  
3 Education.

4 (3) The Pennsylvania State University.

5 (4) The University of Pittsburgh.

6 (5) Temple University.

7 (6) Lincoln University.

8 (7) Any other institution that is designated as "State-  
9 related" by the Commonwealth.

10 (8) Any accredited private or independent college or  
11 university.

12 \* \* \*

13 ["Major league sports drawing." A 50/50 drawing conducted by  
14 a nonprofit affiliate of a major league sports team in  
15 accordance with section 304.1.

16 "Major league sports team." A sports team or racing facility  
17 that is any of the following:

18 (1) A member of Major League Baseball, the National  
19 Hockey League, the National Basketball Association, the  
20 National Football League or Major League Soccer.

21 (2) A professional sports team affiliated with a team  
22 under paragraph (1).

23 (3) Any other professional sports team that has a sports  
24 facility or an agreement with a sports facility to conduct  
25 home games at the facility.

26 (4) A stadium, grandstand or bleacher at a closed-course  
27 motor facility where spectators are directly observing motor  
28 races with NASCAR, Indy, stock or drag racing cars.]

29 \* \* \*

30 "Poker run." A game operated by one or more licensed

1 eligible organizations in which a participant purchases a  
2 scorecard to participate in a game where all of the following  
3 occurs:

4 (1) A participant meets at a designated location to  
5 receive instructions for the event.

6 (2) Each participant receives a detailed explanation of  
7 the game destinations and a score card to be completed as the  
8 participant progresses to each location within the county.

9 (3) At each designated location on the run route, the  
10 participant draws or is dealt a playing card at random. The  
11 card which is drawn or dealt is recorded on the participant's  
12 score card.

13 (4) The participant or participants who have obtained  
14 the highest hand or hands, according to the instructions  
15 established for the event under paragraph (1), win a prize or  
16 prizes, which is determined at the final location on the run  
17 route.

18 For purposes of this act, the term is not a "table game" as  
19 defined in 4 Pa.C.S. § 1103 (relating to definitions).

20 \* \* \*

21 "Progressive pull-tab game." A game of one or more pull-tab  
22 deals, each bearing a different serial number that, in addition  
23 to any consolation prize awarded by a winning ticket, offers a  
24 winning player a chance to select and open a sealed tab on the  
25 flare that accompanies the game to determine if the jackpot  
26 prize has been won, and the jackpot prize of which game is  
27 predetermined by the manufacturer and consists of an amount to  
28 which each deal of the game where the jackpot prize is not won  
29 contributes to an accumulating jackpot prize level.

30 \* \* \*

1 "Pull-tab." A single folded or banded ticket or a strip  
2 ticket or card with a face covered to conceal one or more  
3 numbers or symbols, where one or more of each set of tickets or  
4 cards has been designated in advance as a winner. The term  
5 includes an event game, a subset pull-tab game and progressive <--  
6 pull-tab game.

7 \* \* \*

8 "Subset pull-tab game." A game consisting of a single pull-  
9 tab deal of tickets having the same serial number that is  
10 segregated and packaged by the manufacturer into smaller  
11 subdeals, each of which is played separately from the rest of  
12 the subsets during the game, and the winning tickets purchased  
13 by a player of which game will bear a designation that entitles  
14 the player to select and open a sealed tab on the flare which  
15 accompanies the game to determine the prize level to be awarded  
16 to the player.

17 "Tavern games." Pull-tabs, race night games, tavern weekly  
18 drawings, tavern daily drawings and tavern raffles.

19 \* \* \*

20 "Vertical wheel game." A game in which a participant places  
21 a coin or token on a color, number or word or purchases a ticket  
22 containing a color, number or word and watches a spinning  
23 vertical wheel until the pointer of the wheel rests on a section  
24 of the wheel designating a winner. Vertical wheel game chances  
25 may not be sold for an amount in excess of \$10. For the purposes  
26 of this act, the term is not a "table game" as defined in 4  
27 Pa.C.S. § 1103 (relating to definitions).

28 \* \* \*

29 SECTION 2.1. SECTION 301 OF THE ACT, AMENDED NOVEMBER 27, <--  
30 2013 (P.L.1045, NO.90) AND NOVEMBER 27, 2013 (P.L.1062, NO.92),



1 IS AMENDED TO READ:

2 SECTION 301. GAMES OF CHANCE PERMITTED.

3 [EVERY] (A) GENERAL RULE.--EXCEPT AS OTHERWISE PROVIDED IN  
4 SUBSECTION (B), EVERY ELIGIBLE ORGANIZATION TO WHICH A LICENSE  
5 HAS BEEN ISSUED UNDER THE PROVISIONS OF THIS CHAPTER MAY CONDUCT  
6 GAMES OF CHANCE FOR THE PURPOSE OF RAISING FUNDS FOR PUBLIC  
7 INTEREST PURPOSES. EXCEPT AS PROVIDED IN CHAPTER 5, ALL PROCEEDS  
8 OF A LICENSED ELIGIBLE ORGANIZATION SHALL BE USED EXCLUSIVELY  
9 FOR PUBLIC INTEREST PURPOSES, FOR THE PURCHASE OF GAMES OF  
10 CHANCE OR FOR THE PAYMENT OF THE LICENSE FEE, AS REQUIRED BY  
11 THIS ACT. AN ELIGIBLE ORGANIZATION WHOSE PRIMARY PURPOSE IS THE  
12 PROMOTION OF A PUBLIC INTEREST MAY UTILIZE THE PROCEEDS FROM  
13 SMALL GAMES OF CHANCE TO FULFILL THAT PURPOSE.

14 (B) EXCEPTION.--AN EVENT GAME MAY ONLY BE OPERATED BY A  
15 LICENSED ELIGIBLE ORGANIZATION THAT:

16 (1) IS AN ASSOCIATION AS DEFINED IN SECTION 3 OF THE ACT  
17 OF JULY 10, 1981 (P.L.214, NO.67), KNOWN AS THE BINGO LAW;  
18 AND

19 (2) HOLDS A BINGO LICENSE ISSUED TO THE ASSOCIATION  
20 UNDER SECTION 5 OF THE BINGO LAW.

21 Section 3. Sections 302 and 303(b) of the act, amended or  
22 added November 27, 2013 (P.L.1062, No.92), are amended to read:

23 Section 302. Prize limits.

24 ~~(a) Individual prize limit. Except as provided under~~ <--

25 (A) INDIVIDUAL PRIZE LIMIT.-- <--

26 (1) EXCEPT AS PROVIDED UNDER subsections (d) [and (d.1)],  
27 (d.1) and (d.2), the maximum prize which may be awarded for any  
28 single chance shall be \$2,000.

29 (2) FOR AN EVENT GAME, THE MAXIMUM PRIZE LIMIT CONTAINED <--  
30 IN PARAGRAPH (1) SHALL ONLY APPLY TO THE PRIZES AWARDED

1 THROUGH THE PLAY OF THE EVENT GAME AND SHALL NOT APPLY TO THE  
2 PRIZES AWARDED THROUGH THE PLAY OF BINGO THAT IS  
3 SIMULTANEOUSLY CONDUCTED WITH THE EVENT GAME.

4 [(b) Aggregate prize limit.--No more than \$35,000 in prizes  
5 shall be awarded from games of chance by a licensed eligible  
6 organization in any seven-day period.]

7 (c) Raffle prize limit.--Up to \$15,000 in prizes may be  
8 awarded in raffles in any calendar month.

9 [(c.1) Total limit.--All prizes awarded under this section  
10 shall be subject to the aggregate prize limits under subsection  
11 (b).]

12 (d) Exception for raffles.--Notwithstanding subsection [(b)  
13 or] (c), a licensed eligible organization may conduct a raffle  
14 under section 308 and award a prize or prizes valued in excess  
15 of \$3,000 each only under the following conditions:

16 (1) The licensing authority has issued a special permit  
17 for the raffle under section 308.

18 (2) A licensed eligible organization shall be eligible  
19 to receive no more than ten special permits in any [licensed  
20 term] calendar year except that a volunteer fire, ambulance,  
21 rescue or conservation organization that is not a club  
22 licensee shall be eligible to receive 12 special permits in  
23 any [licensed term] calendar year.

24 (3) Only one raffle may be conducted under each special  
25 permit issued under section 308.

26 (4) Except as provided under subsection (d.1), the total  
27 of all prizes awarded under this subsection shall be no more  
28 than \$150,000 per calendar year, which shall not be subject  
29 to the aggregate limit under subsection [(b) or] (c).

30 (d.1) Additional award.--A volunteer fire, ambulance, rescue

1 or conservation organization may, in addition to the total under  
2 subsection (d) (4), award up to \$100,000 from raffles which shall  
3 not be subject to the aggregate limit under subsection [(b),]  
4 (c) or (d).

5 (d.2) Exception for poker runs.--Notwithstanding subsection  
6 (a), a licensed eligible organization may conduct a poker run  
7 under section 311 and award a prize or prizes valued in excess  
8 of \$2,000, subject to the following conditions:

9 (1) The licensing authority has issued a poker run permit to  
10 each participating eligible organization under section 311.

11 (2) Only one poker run may be conducted under each poker run  
12 permit issued under section 311.

13 (3) The total of all prizes awarded for a single poker run  
14 may not exceed \$15,000.

15 (f) Daily drawing carryover.--The prize limitation contained  
16 in [subsections] subsection (a) [and (b)] may be exceeded by a  
17 daily drawing under the following circumstances: a daily drawing  
18 may award a prize in excess of \$2,000 if such prize is the  
19 result of a carryover of a drawing which resulted from the  
20 winning number in such drawing not being among the eligible  
21 entrants in such drawings. Nothing contained herein shall  
22 authorize the prize limitation as contained in [subsections]  
23 subsection (a) [and (b)] to be exceeded as a result of a failure  
24 to conduct a drawing on an operating day during which chances  
25 were sold for a daily drawing or for a daily drawing for which  
26 chances were sold in excess of \$1 or for which more than one  
27 chance was sold to an eligible participant.

28 [(g) Additional exception.--When a daily drawing or weekly  
29 drawing is set up or conducted in such a manner as to pay out or  
30 award 100% of the gross revenues generated from such drawing,

1 the limitation contained in subsection (b) shall not apply.

2 (h) Weekly drawing carryover exception.--Weekly drawings  
3 shall be governed by the prize limitation contained in  
4 subsection (b). The prize limitation contained in subsection (b)  
5 may be exceeded by a weekly drawing under the following  
6 circumstances: a weekly drawing may award a prize where the cash  
7 value is in excess of \$35,000 if such prize is the result of a  
8 carryover of a drawing or drawings which resulted from the  
9 winning number or numbers in such drawing or drawings not being  
10 among the eligible entrants in such drawings. Nothing contained  
11 in this chapter shall authorize the prize limitation under  
12 subsection (b) to be exceeded as a result of a failure to  
13 conduct a drawing for a week during which chances were sold for  
14 a weekly drawing or for a weekly drawing for which chances were  
15 sold in excess of \$1.]

16 (i) Concurrent operation.--Nothing under this act shall  
17 prohibit the concurrent operation of daily or weekly drawings.  
18 Section 303. Sales limited.

19 \* \* \*

20 (b) Limitation.--No game of chance, other than a raffle  
21 under section 302(d) or a poker run under section 302(d.2),  
22 sold, offered for sale or furnished to a licensed eligible  
23 organization for use within this Commonwealth shall contain,  
24 permit, depict or designate a prize having a prize limit in  
25 excess of \$2,000.

26 Section 4. The act is amended by adding a section to read:  
27 Section 303.2. Pull-tab deal.

28 Nothing in this act shall be construed:

29 (1) To prohibit the sale of a pull-tab deal which  
30 contains more than 4,000 individual pull-tabs.

1           (2) To place any restriction on the number of pull-tabs  
2           that may be put out for public play as part of a single deal.

3           Section 5. ~~Sections~~ SECTION 304(i) ~~and 305(d)~~ of the act,       <--  
4 amended November 27, 2013 (P.L.1062, No.92), ~~are~~ IS amended to       <--  
5 read:

6 Section 304. Distributor licenses.

7           \* \* \*

8           (i) Exception.--This section shall not apply to the  
9 manufacture or distribution of raffle tickets, 50/50 drawings,  
10 daily drawings, weekly drawings, poker runs, coin auctions,  
11 vertical wheel games, tavern raffles, tavern daily drawings,  
12 tavern weekly drawings or pools.

13          Section 6. Section 304.1 of the act, amended or added  
14 October 24, 2012 (P.L.1462, No.184) and November 27, 2013  
15 (P.L.1045, No.90), is amended to read:

16 Section 304.1. [Major league sports] Athletic event drawing.

17          (a) General rule.--A person may purchase one or more [major  
18 league sports] athletic event drawing tickets at a home game,  
19 and each ticket purchased shall represent one entry in the  
20 drawing for a winner. A single ticket shall be randomly chosen  
21 as the winner after a certain number of tickets are sold or a  
22 specified time period expires as designated by the affiliated  
23 nonprofit organization. Purchase of athletic event drawing  
24 tickets may be made by cash, credit card or debit card.

25          (b) Frequency.--An affiliated nonprofit organization may  
26 conduct no more than one [major league sports] athletic event  
27 drawing per home game.

28          (b.1) Sales restricted.--Tickets for [a major league sports]  
29 an athletic event drawing may not be sold in any seating area  
30 designated as a family section.

1 (b.2) Charitable event.--[A major league sports] An athletic  
2 event drawing may be conducted by the affiliated nonprofit  
3 organization during a charitable event held within the same  
4 arena, stadium, grandstand, bleachers or other facility during a  
5 home game or car race of the [major league sports] athletic  
6 team. Drawings may only be held within spectator areas within  
7 the arena, stadium, grandstand or bleachers where the home game  
8 or car race is being conducted and, except as provided for in  
9 subsection (b.3), not at ancillary areas or facilities,  
10 including parking areas, restaurants and bars or areas outside  
11 the arena, stadium, grandstand or bleachers or areas where the  
12 sport is shown on remote electronic equipment.

13 (b.3) Outside sales.--Notwithstanding subsection (b.2),  
14 athletic event drawing tickets may be sold prior to a home game  
15 or car race in an officially designated parking area adjacent to  
16 the arena, stadium, grandstand or bleachers or similar facility  
17 where the home game or car race is being conducted and which is  
18 not separated by a highway or street, unless the highway or  
19 street is adjacent to the arena, stadium, grandstand, bleachers  
20 or similar facility.

21 (c) Distribution.--The prize amount of [a major league  
22 sports] an athletic event drawing shall be 50% of the total  
23 amount collected from the sale of [major league sports] athletic  
24 event drawing tickets. Except as set forth in subsection (c.1),  
25 the other 50% of the total amount collected from the sale of  
26 [major league sports] athletic event drawing tickets shall be  
27 donated within seven days from the date of the drawing by the  
28 affiliated nonprofit organization conducting the [major league  
29 sports] athletic event drawing to one or more designated  
30 charitable organizations for which the drawing was conducted.

1 (c.1) Use of funds.--

2 (1) The affiliated nonprofit organization may utilize  
3 nonprize money collected for the following:

4 (i) To employ or provide payment to individuals 18  
5 years of age or older to sell [major league sports]  
6 athletic event drawing tickets [at a professional  
7 sporting event].

8 (ii) For administrative expenses directly related to  
9 the conduct of the athletic event drawing under this  
10 section.

11 (2) Authorized expenses under paragraph (1)(ii) may not  
12 exceed 2% of the total amount collected from the sale of  
13 [major league sports] athletic event drawing tickets.

14 (d) Designated charitable organization.--The affiliated  
15 nonprofit organization conducting the [major league sports]  
16 athletic event drawing shall disclose to all ticket purchasers  
17 the designated charitable organization for which the [major  
18 league sports] athletic event drawing is being conducted.

19 (e) Eligibility.--In order to receive proceeds from [a major  
20 league sports] an athletic event drawing, a charitable  
21 organization must be in existence and fulfilling its purposes  
22 for at least two years prior to the drawing and shall be  
23 eligible for exemption under section 501(c)(3) of the Internal  
24 Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3)).  
25 A political subdivision shall not qualify as a charitable  
26 organization under this section.

27 (f) Unclaimed prizes.--Any [major league sports] athletic  
28 event drawing prize remaining unclaimed by a winner at the end  
29 of the [major league sports] athletic team's season shall be  
30 donated within 30 days from the end of the season by the

1 affiliated nonprofit organization to the designated charitable  
2 organization for which the [major league sports] athletic event  
3 drawing was conducted.

4 (g) Applicability.--The limitations under sections 302,  
5 303(b), 308 and 704 shall not apply to [a major league sports]  
6 an athletic event drawing.

7 (h) Additional recordkeeping.--The department may require  
8 additional recordkeeping or accountability measures for [major  
9 league sports] athletic event drawings.

10 Section 7. The act is amended by adding a section to read:  
11 Section 304.2. Airport 50/50 drawing.

12 (a) General rule.--A person may purchase one or more airport  
13 50/50 drawing tickets, and each ticket shall represent one entry  
14 in the drawing for a winner. A single ticket shall be randomly  
15 chosen as the winner after a certain number of tickets are sold  
16 or a specified time period expires, as designated by the  
17 airport. Purchase of airport 50/50 drawing tickets may be made  
18 by cash, credit card or debit card.

19 (b) Frequency and location.--An airport 50/50 drawing may be  
20 conducted at an airport no more than one time per calendar day.  
21 Drawings may only be held within the spaces of an airport  
22 terminal to which the general public, including ticketed  
23 passengers, regularly have access.

24 (c) Distribution.--The prize amount of an airport 50/50  
25 drawing shall be 50% of the total amount collected from the sale  
26 of airport 50/50 drawing tickets. The other 50% of the total  
27 amount collected from the sale of airport 50/50 drawing tickets  
28 shall be donated within seven days from the date of the drawing  
29 by the airport to the designated charitable organization for  
30 which the drawing was conducted.



1 (d) Designated charitable organization.--The identity of the  
2 designated charitable organization for which the airport 50/50  
3 drawing is being conducted shall be disclosed to all ticket  
4 purchasers.

5 (e) Eligibility.--In order to receive proceeds from an  
6 airport 50/50 drawing, a charitable organization must be in  
7 existence and fulfill its purposes prior to the airport 50/50  
8 drawing and shall be eligible for exemption under section 501(c)  
9 (3) of the Internal Revenue Code of 1986 (Public Law 99-514, 26  
10 U.S.C. § 501(c)(3)). A political subdivision shall not qualify  
11 as a charitable organization under this act, but an organization  
12 formed by a political subdivision that is eligible for exemption  
13 under section 501(c)(3) of the Internal Revenue Code of 1986  
14 shall qualify as a charitable organization under this act.

15 (f) Unclaimed prizes.--Any airport 50/50 drawing prize  
16 remaining unclaimed by a winner 180 days after the drawing shall  
17 be donated to the designated charitable organization for which  
18 the airport 50/50 drawing was conducted.

19 (g) Applicability.--The limitations under sections 302,  
20 303(b), 308 and 704 shall not apply to an airport 50/50 drawing.

21 (h) Additional recordkeeping.--The department may require  
22 additional recordkeeping or accountability measures for airport  
23 50/50 drawings.

24 Section 8. Section 305(d) of the act, amended November 27,  
25 2013 (P.L.1062, No.92), is amended to read:

26 Section 305. Registration of manufacturers.

27 \* \* \*

28 (d) Exception.--This section shall not apply to the  
29 manufacture or distribution of raffle tickets, 50/50 drawings,  
30 daily drawings, weekly drawings, poker runs, coin auctions,

1 vertical wheel games, tavern raffles, tavern daily drawings,  
2 tavern weekly drawings or pools.

3 Section 9. Section 306 of the act, amended or added October  
4 24, 2012 (P.L.1462, No.184) and November 27, 2013 (P.L.1062,  
5 No.92), is amended to read:

6 Section 306. Regulations of department.

7 (a) Authorization.--The department shall promulgate  
8 regulations to:

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

19 (2) Establish procedures by which manufacturers may  
20 register and distributors of games of chance may apply for  
21 licensure on forms which the department shall provide.  
22 Procedures shall include a requirement that manufacturer and  
23 distributor applicants provide criminal history record  
24 information obtained from the Pennsylvania State Police under  
25 18 Pa.C.S. § 9121(b) (relating to general regulations) for  
26 each officer and manager of the manufacturer's or  
27 distributor's organization and for any other individual  
28 specified by the department. As used in this paragraph, the  
29 term "criminal history record information" has the meaning  
30 given in 18 Pa.C.S. § 9102 (relating to definitions).

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 (3.1) Establish procedures to ensure that race night  
5 games are secure, random and totally dependent upon chance.

6 (3.2) Nothing in this act shall be construed to require  
7 games of chance distributed for play in this Commonwealth to  
8 be approved by the department.

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

10 (b) Limitation on recordkeeping requirements.--This section  
11 shall not be construed to authorize the department to promulgate  
12 regulations providing for recordkeeping requirements for  
13 licensed eligible organizations which require unreasonable or  
14 unnecessary information or a repetitious listing of information.  
15 The department shall strive to keep such recordkeeping  
16 requirements from being an undue hardship or burden on licensed  
17 eligible organizations. [Except as provided under section  
18 701(b), the] The department may not require the retention of  
19 records for a period in excess of two years. If an individual  
20 prize is in excess of \$600, the record shall include the name  
21 and address of the winner. An eligible organization shall  
22 provide each winner with a receipt of the value of the prize  
23 when the prize exceeds \$600.

24 (c) (Reserved).

25 Section 10. Section 307(a)(1), (b), (b.1) and (b.2) of the  
26 act, amended November 27, 2013 (P.L.1062, No.92), are amended  
27 and the section is amended by adding a subsection to read:  
28 Section 307. Licensing of eligible organizations.

29 (a) License required.--The following shall apply:

30 (1) An eligible organization shall not conduct or

1 operate games of chance unless the eligible organization has  
2 obtained a valid license as follows:

3 (i) A regular license which must be renewed  
4 annually.

5 (ii) A triennial license which must be renewed every  
6 three years.

7 ~~[(ii)]~~ (iii) A monthly license which permits the  
8 eligible organization to conduct games of chance for a  
9 30-consecutive-day period.

10 \* \* \*

11 (b) Issuance.--The licensing authority shall issue a license  
12 within 30 days of the submission of an application by an  
13 eligible organization that meets the requirements under this  
14 chapter. Upon issuance, the licensing authority shall provide  
15 the eligible organization with a unique license number, THE <--  
16 FIRST NUMBER OR NUMBERS OF WHICH SHALL BE THE UNIFORM COUNTY  
17 CODE NUMBERS USED BY THE DEPARTMENT OF REVENUE FOR THE FILING OF  
18 TAX RETURNS.

19 (b.1) Fee.--The [license fee to be charged to each eligible  
20 organization for a regular license shall be \$125. The license  
21 fee to be charged for a monthly license shall be \$25. A regular  
22 license must be renewed annually. The fee shall be used by the  
23 licensing authority to administer this act.] licensing authority  
24 shall charge a license fee to each eligible organization to be  
25 used by the licensing authority to administer this act. The fees  
26 shall be as follows:

27 (1) A regular license fee shall be \$125.

28 (2) A triennial license fee shall be \$375.

29 (3) A monthly license fee shall be \$25.

30 (b.2) Location.--[An] Except as provided for in section 311

1 and notwithstanding sections 309 and 505.2, an eligible  
2 organization that holds a license under subsection (a) and that  
3 is not a club licensee may conduct small games of chance in the  
4 county where the license is issued at a premises which is the  
5 operating site of the eligible organization or at a premises or  
6 other location not prohibited by local ordinance, and for which  
7 the treasurer has been notified. The following shall apply:

8 (1) No more than three licensees, including the licensee  
9 that owns or leases the premises, may conduct small games of  
10 chance simultaneously at a premises or location.

11 (2) A licensee shall ensure that the conduct of small  
12 games of chance by different organizations are separate and  
13 clearly identified within a premises or location.

14 (3) A licensee that is not a club licensee may conduct  
15 games of chance simultaneously with the conduct of games of  
16 chance by a club licensee on not more than three occasions  
17 covering a total of seven days during the year.

18 (4) The following shall apply:

19 (i) Notwithstanding paragraph (1), if a club  
20 licensee is unable to conduct games of chance at the  
21 location listed on its application and license due to  
22 natural disaster, fire or other circumstance that renders  
23 the location unusable, the club licensee may submit a  
24 written request to the district attorney to conduct games  
25 of chance in a different location, including the licensed  
26 premises of another eligible organization.

27 (ii) A request under subparagraph (i) must include  
28 the change in the location and the dates and times the  
29 games of chance will be operated at the alternative  
30 location.

1 (iii) The district attorney shall approve or deny  
2 the request and shall establish a limit on the duration  
3 of the authorization to conduct games of chance at the  
4 alternative location. Following the expiration of the  
5 authorization period, the club licensee must return to  
6 the location specified in its application and license or  
7 apply to the licensing authority for a new permanent  
8 location. The district attorney may stipulate additional  
9 requirements as a condition of approval.

10 (iv) If a club licensee permits another club  
11 licensee to use its licensed premises under this  
12 paragraph to conduct games of chance, the host club  
13 licensee must cease its operation of games of chance  
14 during the time the club licensee utilizing its premises  
15 is conducting its games of chance.

16 \* \* \*

17 (b.5) License renewal.--A regular license or triennial  
18 license may be renewed by the eligible organization up to 90  
19 days prior to the expiration of the license. A renewed regular  
20 or triennial license shall contain the same unique license  
21 number provided to the eligible organization under subsection  
22 (b), THE FIRST NUMBER OR NUMBERS OF WHICH SHALL BE THE UNIFORM <--  
23 COUNTY CODE NUMBERS USED BY THE DEPARTMENT OF REVENUE FOR THE  
24 FILING OF TAX RETURNS.

25 \* \* \*

26 Section 11. Section 308 of the act, amended February 2, 2012  
27 (P.L.7, No.2) and November 27, 2013 (P.L.1062, No.92), is  
28 amended to read:

29 Section 308. Special raffle permits.

30 (a) Issuance and fee.--The licensing authority shall issue a

1 special permit for each raffle in which the licensed eligible  
2 organization proposes to award individual prizes in excess of  
3 \$3,000. The licensing authority may establish and collect a fee  
4 not to exceed \$25 for the issuance of special permits under this  
5 section.

6 (b) Permit application.--Each special permit application  
7 shall specify the location where the actual drawing will be  
8 held, the number of chances to be sold, the price per chance and  
9 the prize to be awarded.

10 Section 12. The act is amended by adding sections to read:  
11 Section 309. Special location permits.

12 (a) Special permit required.--Notwithstanding section 307  
13 (b.2), a licensed eligible organization that is not a club  
14 licensee may conduct games of chance in any county outside the  
15 county where the license is issued at a premises or other  
16 location not prohibited by local ordinance or this act and for  
17 which the licensing authority of the county in which the  
18 licensed eligible organization proposes to conduct games of  
19 chance has issued a special location permit under this section.

20 (b) Permit application.--Each special location permit  
21 application shall be submitted on a form and in a manner as  
22 required by the licensing authority, provided that each  
23 application shall specify:

24 (1) The games of chance to be offered.

25 (2) The date, time and location of where the games of  
26 chance will be offered.

27 (3) The prices for chances to be sold.

28 (4) The prizes to be awarded.

29 (5) The license number of the licensed eligible  
30 organization.

1           (6) The address of the operating site of the licensed  
2           eligible organization.

3           (c) Issuance and fee.--Prior to issuing a special location  
4           permit, the licensing authority shall confirm with the licensing  
5           authority that issued the license to the eligible organization  
6           that the eligible organization's license is valid. A licensed  
7           eligible organization whose license is valid and proposes to  
8           offer games of chance at a location not otherwise prohibited by  
9           local ordinance or this act shall be considered suitable for  
10           issuance of a special location permit by the licensing  
11           authority. The licensing authority may establish and collect a  
12           fee not to exceed \$25 for the issuance of special location  
13           permits under this section.

14           (d) Limitations.--The following limitations shall apply to a  
15           licensed eligible organization issued a special location permit  
16           under this section:

17           (1) A licensed eligible organization shall be eligible  
18           to receive no more than ten special location permits in a  
19           calendar year except that a volunteer fire, ambulance, rescue  
20           or conservation organization that is not a club licensee  
21           shall be eligible to receive 12 special location permits in a  
22           calendar year.

23           (2) A special location permit shall authorize the  
24           licensed organization to conduct games of chance only at the  
25           location, time and date as indicated on the application for  
26           the special location permit, provided that the duration does  
27           not exceed one calendar day.

28           (3) No more than three licensed eligible organizations,  
29           including the licensed eligible organization that owns or  
30           leases the premises, may conduct games of chance



1 simultaneously at a premises or location.

2 (4) A licensed eligible organization shall ensure that  
3 the conduct of games of chance by different licensed eligible  
4 organizations are separate and clearly identified within a  
5 premises or location.

6 (5) A licensed eligible organization that is not a club  
7 licensee may conduct games of chance simultaneously with the  
8 conduct of games of chance by a club licensee not more than a  
9 total of seven days during the calendar year.

10 (e) Proceeds.--A licensed eligible organization shall use  
11 proceeds from games of chance operated under a special location  
12 permit for public interest purposes within or directly  
13 benefiting the county in which the licensing authority issued  
14 the special location permit. Nothing in this paragraph shall be  
15 construed to require proceeds to be used exclusively for public  
16 interest purposes within the county.

17 (f) Additional permits.--A licensed eligible organization  
18 issued a special location permit under this section may also  
19 apply to the licensing authority for a special raffle permit in  
20 accordance with section 308 and a vertical wheel game permit in  
21 accordance with section 310, provided that a special raffle  
22 permit or a vertical wheel game permit shall only be valid for  
23 the duration of the special location permit.

24 Section 310. Vertical wheel game permits.

25 (a) Special permit required.--Notwithstanding any other  
26 provisions of this act, a licensed eligible organization may  
27 operate a vertical wheel game at one location not prohibited by  
28 local ordinance or this act for no more than seven consecutive  
29 days upon issuance of a vertical wheel game permit from the  
30 licensing authority.

1 (b) Permit application.--Each vertical wheel game permit  
2 application shall be submitted on a form and in a manner as  
3 required by the licensing authority, provided that each  
4 application shall specify the location where the vertical wheel  
5 game will be offered, the price per chance and the prizes to be  
6 awarded.

7 (c) Issuance and fee.--A licensed eligible organization  
8 whose license is valid, proposes to offer the vertical wheel  
9 game at a location not otherwise prohibited by local ordinance  
10 or this act and whose application specifies that no single  
11 chance will be sold in excess of \$10 shall be considered  
12 suitable for issuance of a vertical wheel game permit by the  
13 licensing authority. The licensing authority may establish and  
14 collect a fee not to exceed \$25 for the issuance of vertical  
15 wheel game permits under this section.

16 (d) Limitation.--A licensing authority may issue no more  
17 than four vertical wheel game permits under this section to any  
18 one licensed eligible organization in a calendar year.  
19 Section 311. Poker run permits.

20 (a) Special permit required.--A licensed eligible  
21 organization may operate a poker run for no more than one day  
22 upon issuance of a poker run permit from the licensing  
23 authority. Licensed eligible organizations may jointly operate a  
24 single poker run, provided that each participating licensed  
25 eligible organization is issued a poker run permit. No more than  
26 five licensed eligible organizations may jointly operate a poker  
27 run.

28 (b) Permit application.--Each poker run permit application  
29 shall be submitted on a form and in a manner as required by the  
30 licensing authority. A licensing authority may require the

1 submission of a single consolidated application for a poker run  
2 to be operated jointly by multiple licensed eligible  
3 organizations. Each application shall include:

4 (1) The poker run locations of operation.

5 (2) The date and hours of operation of the poker run.

6 (3) The price per chance.

7 (4) The prizes to be awarded.

8 (5) A copy of the agreement required under subsection

9 (e) if the poker run will be operated jointly with other  
10 licensed eligible organizations.

11 (6) Any other information required by the licensing  
12 authority.

13 (c) Issuance and fee.--A licensed eligible organization  
14 whose license is valid, proposes to offer a poker run at  
15 locations permitted under subsection (d) and whose application  
16 specifies that the total of all prizes to be awarded for the  
17 poker run will not exceed \$15,000 shall be considered suitable  
18 for issuance of a poker run permit. The licensing authority may  
19 establish and collect a fee not to exceed \$25 for the issuance  
20 of poker run permits under this section. A licensing authority  
21 shall issue no more than two poker run permits to a single  
22 licensed eligible organization in any calendar year.

23 (d) Locations.--A poker run may only be operated at  
24 locations within the county in which the eligible organization  
25 has been issued a poker run permit under this section and a  
26 license under section 307 by the licensing authority, provided  
27 that the locations are not prohibited by local ordinance. A club  
28 licensee issued a poker run permit under this section may  
29 operate a poker run, including jointly with other eligible  
30 organizations, at its own licensed premises, locations outside

1 its licensed premises not prohibited by local ordinance or at  
2 the licensed premises of another club licensee also holding a  
3 poker run permit.

4 (e) Joint operation agreement.--If a poker run is to be  
5 jointly operated by more than one licensed eligible  
6 organization, each licensed organization must enter into a  
7 written agreement that is signed by the executive officer or  
8 secretary of each participating eligible organization. The  
9 written agreement shall contain at minimum:

10 (1) The date and hours of operation of the poker run.

11 (2) The locations the poker run will be operated.

12 (3) The responsibilities of each eligible organization  
13 for operating the poker run.

14 (4) Use of the proceeds from the poker run.

15 (5) A list of other games of chance that will be  
16 operated at poker run locations, itemized by licensed  
17 eligible organization.

18 (f) Concurrent operation.--The following shall apply to the  
19 concurrent operation of a poker run with other games of chance  
20 operated by a licensed organization holding a poker run permit:

21 (1) Except at the licensed premises of a club licensee,  
22 an eligible organization that is not a club licensee may  
23 operate other games of chance at any location in which the  
24 poker run is operated.

25 (2) A club licensee operating a poker run may  
26 concurrently operate other games of chance at its licensed  
27 premises. A club licensee may not operate any game of chance,  
28 other than a poker run, outside its licensed premises during  
29 the operation of a poker run.

30 (3) If a poker run is operated by more than one licensed

1 eligible organization, each licensed eligible organization  
2 issued a poker run permit that is not a club licensee may  
3 operate other games of chance at any poker run location  
4 provided that:

5 (i) The location is not the licensed premises of a  
6 club licensee.

7 (ii) The operation of games of chance by each  
8 licensed eligible organization is separate and clearly  
9 identified at the poker run location.

10 (g) Applicability.--Section 307(b.2) shall not apply to a  
11 poker run or other games of chance operated at poker run  
12 locations by a licensed eligible organization issued a poker run  
13 permit under this section.

14 Section 13. Section 501 of the act is repealed:

15 [Section 501. Club licensee.

16 (a) Report.--

17 (1) Beginning in 2014, a club licensee with proceeds in  
18 excess of \$20,000 in a calendar year shall submit annual  
19 reports to the department for the preceding 12-month period  
20 on a form and in a manner prescribed by the department.

21 (2) The report under paragraph (1) must be filed under  
22 oath or affirmation of an authorized officer of the club  
23 licensee and shall include all of the following information:

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

26 (ii) The amount of prizes paid from all games of  
27 chance, itemized by week.

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

30 (iv) Verification and itemization of amounts

1 distributed for public interest.

2 (vii) Other information or documentation required by  
3 the department.

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

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

8 Section 14. The act is amended by adding sections to read:

9 Section 501.1. Definition.

10 As used in this chapter, the term "proceeds" shall mean:

11 (1) For any game of chance, other than a poker run  
12 operated jointly with other licensed eligible organizations  
13 under section 311, the difference between:

14 (i) the actual gross revenue collected by a club  
15 licensee from a game of chance; and

16 (ii) the actual amount of prizes paid by a club  
17 licensee from a game of chance plus the cost to purchase  
18 games of chance.

19 (2) For a poker run operated jointly by a club licensee  
20 with other licensed eligible organizations under section 311,  
21 an amount, unless otherwise specified in the joint operation  
22 agreement between the club licensee and the other licensed  
23 eligible organizations, equal to:

24 (i) the difference between the actual gross revenue  
25 collected from the operation of the poker run and the  
26 actual amount of prizes paid from the poker run plus the  
27 cost to purchase the poker run; and

28 (ii) divided by the total number of eligible  
29 organizations jointly operating the poker run.

30 Section 501.2. Club licensee.

1 (a) Report.--

2 (1) A club licensee with proceeds in excess of \$20,000  
3 in a calendar year shall submit annual reports to the  
4 department for the preceding 12-month period on a form and in  
5 a manner prescribed by the department.

6 (2) The report under paragraph (1) must be filed under  
7 oath or affirmation of an authorized officer of the club  
8 licensee and shall include all of the following information:

9 (i) The proceeds received by the club licensee from  
10 each game of chance conducted.

11 (ii) The amount of prizes paid from all games of  
12 chance.

13 (iii) Other costs incurred related to the conduct of  
14 games of chance.

15 (iv) Verification and itemization of amounts  
16 distributed for public interest.

17 (v) Other information or documentation required by  
18 the department.

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

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

23 Section 15. Section 502(a.1) of the act, amended November  
24 27, 2013 (P.L.1045, No.90), is amended to read:

25 Section 502. Distribution of proceeds.

26 \* \* \*

27 (a.1) Amounts retained.--

28 (1) Notwithstanding subsection (a), [if in a calendar  
29 year beginning January 1, 2013, the proceeds from a game of  
30 chance for a club licensee are \$40,000 or less, the licensee

1 shall be eligible to retain the first \$20,000 in proceeds in  
2 the following calendar year before subsection (a) applies.]  
3 in each calendar year beginning on or after January 1, 2017,  
4 a club licensee may retain the greater of the following:

5 (i) the first \$20,000 in proceeds before subsection  
6 (a) applies; or

7 (ii) an amount necessary for the purchase or repair  
8 of electronic pull-tab dispensing machines or a point of  
9 sale software system which records data relative to the  
10 sale of games of chance before subsection (a) applies.

11 (2) Amounts retained by a club licensee under subsection  
12 (a) (2) shall be expended within one year of the end of the  
13 calendar year in which the proceeds were obtained unless the  
14 club licensee notifies the department that funds are being  
15 retained for a substantial public interest purchase or  
16 project.

17 \* \* \*

18 Section 16. The act is amended by adding a section to read:  
19 Section 505.2. Club licensee location permits.

20 (a) Special permit required.--Notwithstanding section  
21 307(b.2), a club licensee may conduct games of chance outside  
22 the club licensee's licensed premises in the county where the  
23 license is issued at a premises or other location not prohibited  
24 by local ordinance or this act, and for which the licensing  
25 authority has issued a club licensee location permit under this  
26 section.

27 (b) Permit application.--Each club licensee location permit  
28 application shall be submitted on a form and in a manner as  
29 required by the licensing authority, provided that each  
30 application shall specify:



1           (1) The games of chance to be offered.

2           (2) The dates, times and location of where the games of  
3 chance will be offered.

4           (3) The prices for chances to be sold.

5           (4) The prizes to be awarded.

6           (c) Issuance and fee.--A club licensee whose license is  
7 valid and proposes to offer games of chance at a location not  
8 otherwise prohibited by local ordinance or this act shall be  
9 considered suitable for issuance of a club licensee location  
10 permit by the licensing authority. The licensing authority may  
11 establish and collect a fee not to exceed \$25 for the issuance  
12 of club licensee location permits under this section.

13           (d) Limitations.--The following limitations shall apply to a  
14 club licensee issued a club licensee location permit under this  
15 section:

16           (1) The club licensee shall be eligible to receive no  
17 more than two club licensee location permits in a calendar  
18 year.

19           (2) The club licensee location permit shall authorize  
20 the club licensee to conduct games of chance only at the  
21 location, times and dates as indicated on the application for  
22 the club licensee location permit, provided that the duration  
23 does not exceed seven consecutive calendar days.

24           (3) No more than three licensed eligible organizations,  
25 including the licensed eligible organization that owns or  
26 leases the premises, may conduct games of chance  
27 simultaneously at a premises or location.

28           (4) A licensed eligible organization shall ensure that  
29 the conduct of games of chance by different licensed eligible  
30 organizations are separate and clearly identified within a

1 premises or location.

2 (5) Except as provided for in section 307(b.2)(4), a  
3 club licensee may not conduct games of chance at the licensed  
4 premises of another club licensee.

5 (e) Additional permits.--

6 (1) A club licensee issued a club licensee location  
7 permit under this section may operate a raffle or vertical  
8 wheel game in accordance with sections 308 and 310.

9 (2) A club licensee location permit shall not be  
10 required for the operation of a poker run in accordance with  
11 section 311.

12 Section 17. Section 701(a)(8) and (b) of the act, amended  
13 February 2, 2012 (P.L.7, No.2), are amended to read:

14 Section 701. Revocation of licenses.

15 (a) Grounds.--The following shall be grounds for suspension,  
16 revocation or nonrenewal of a license:

17 \* \* \*

18 (8) The eligible organization has violated any condition  
19 of a [special] permit issued pursuant to section 308, 309,  
20 310, 311 or 505.2.

21 \* \* \*

22 (b) Production of records.--The district attorney may  
23 require licensees to produce their books, accounts and records  
24 relating to the conduct of games of chance in order to determine  
25 if a violation of this act has occurred. Licensees shall also be  
26 required, upon request, to provide their license, books,  
27 accounts and records relating to the conduct of games of chance  
28 to the licensing authority, the Bureau of Liquor Control  
29 Enforcement or to a law enforcement agency or official. [A club  
30 licensee shall retain records for a period of five years.]

1 Section 18. Section 702(b) and (g) of the act, amended  
2 February 2, 2012 (P.L.7, No.2), November 27, 2013 (P.L.1045,  
3 No.90) and November 27, 2013 (P.L.1062, No.92), are amended to  
4 read:

5 Section 702. Enforcement.

6 \* \* \*

7 (b) Bureau of Liquor Control Enforcement.--If the licensee  
8 is a club licensee or a licensee under Chapter 9, the Bureau of  
9 Liquor Control Enforcement may enforce the provisions of this  
10 act in accordance with subsection (g). An administrative law  
11 judge under section 212 of the act of April 12, 1951 (P.L.90,  
12 No.21), known as the Liquor Code, may impose the penalties under  
13 subsection (d) following the issuance of a citation by the  
14 bureau. The Bureau of Liquor Control Enforcement shall have no  
15 jurisdiction to enforce the provisions of this act on any  
16 special occasion permit holder under section 408.4 of the Liquor  
17 Code. The Bureau of Liquor Control Enforcement shall retain all  
18 powers and duties to enforce the provisions of the Liquor Code  
19 on a special occasion permit holder.

20 \* \* \*

21 (g) [General rule] Violations of Liquor Code.--

22 (1) Except as provided in paragraph (2), a violation of  
23 this act by a club licensee shall not constitute a violation  
24 of the Liquor Code.

25 (2) If a club licensee has committed three or more  
26 violations of this act, the Bureau of Liquor Control  
27 Enforcement may enforce a violation of this act as a  
28 violation of the Liquor Code.

29 (3) A violation of this act shall not constitute a  
30 violation of the Liquor Code for the purposes of section

1 471(c) of the Liquor Code.

2 (4) A violation of section 304.1 or 304.2 shall not  
3 constitute a violation of the Liquor Code.

4 Section 19. The definitions of "bureau" and "net revenue" in  
5 section 902 of the act, added November 27, 2013 (P.L.1045,  
6 No.90), are amended and the section is amended by adding a  
7 definition to read:

8 Section 902. Definitions.

9 The following words and phrases when used in this chapter  
10 shall have the meanings given to them in this section unless the  
11 context clearly indicates otherwise:

12 \* \* \*

13 ["Bureau." The Bureau of Investigations and Enforcement of  
14 the Pennsylvania Gaming Control Board.]

15 \* \* \*

16 "Net revenue." As follows:

17 (1) For tavern games required to be purchased from a  
18 licensed distributor under this act, the difference between:

19 (i) the amount of the face value, as indicated by  
20 the manufacturer, minus the cost of the game, collectible  
21 by a licensee from a tavern game; and

22 (ii) the maximum amount of prizes payable, as  
23 indicated by the manufacturer, by a licensee from a  
24 tavern game.

25 (2) For tavern games not required to be purchased from a  
26 licensed distributor, the term has the same meaning as  
27 proceeds.

28 \* \* \*

29 "Tavern weekly drawing." A game in which:

30 (1) an individual at a tavern selects or is assigned a

1 number for a chance at a prize with the winner determined by  
2 random drawing to take place at the tavern at the end of a  
3 seven-day period;

4 (2) a winner may be determined with the aid of a passive  
5 selection device or reference to drawings conducted by the  
6 department under the act of August 26, 1971 (P.L.351, No.91),  
7 known as the State Lottery Law;

8 (3) chances are not sold for an amount in excess of \$1;  
9 and

10 (4) no more than one chance per individual is sold per  
11 drawing.

12 Section 20. Sections 903, 904, 905, 908.1, 909, 909.1(a) and  
13 (c), 909.2(c) and 913 of the act, added November 27, 2013  
14 (P.L.1045, No.90), are amended to read:

15 Section 903. Licenses.

16 (a) Application.--A restaurant licensee may apply to the  
17 board for a license to conduct tavern games at a licensed  
18 premises located in a municipality that has adopted a referendum  
19 to allow small games of chance under section 703.

20 (b) Information.--The application under subsection (a) shall  
21 include the following information:

22 (1) The name, address and photograph of the applicant.

23 (2) A current tax lien certificate issued by the  
24 department and a certificate from the Department of Labor and  
25 Industry of payment of all workers' compensation and  
26 unemployment compensation owed.

27 (3) The details of any license issued under 4 Pa.C.S.  
28 Pt. II (relating to gaming), the act of April 12, 1951  
29 (P.L.90, No.21), known as the Liquor Code, or this act which  
30 was applied for or in which the applicant or other owner has

1 an interest.

2 (4) Certified consent by the applicant, including each  
3 owner and officer of the restaurant licensee, to a background  
4 investigation [by the bureau] in accordance with subsection  
5 (e).

6 (5) Relating to criminal information, disclosure of all  
7 arrests and citations of the applicant, including nontraffic  
8 summary offenses. The information shall include all of the  
9 following:

10 (i) A brief description of the circumstances  
11 surrounding the arrest or issuance of the citation.

12 (ii) The specific offense charged.

13 (iii) The ultimate disposition of the charge,  
14 including any dismissal, plea bargain, conviction,  
15 sentence[, pardon, expungement] or order of Accelerated  
16 Rehabilitative Disposition.

17 (6) Financial interests and transactions as required by  
18 the [bureau] board.

19 (7) Relating to citations of the applicant issued under  
20 the Liquor Code.

21 (8) Relating to disclosure of conditional license  
22 agreements entered into under the Liquor Code.

23 (9) Any other information required by the board.

24 [(c) Duty of bureau.--The bureau shall conduct a background  
25 investigation of each applicant, the scope of which shall be  
26 determined by the bureau.]

27 (d) Review.--[Within six months of receipt of the background  
28 investigation report from the bureau, the] The board shall  
29 approve or disapprove the application within 30 days of receipt  
30 of the application.

1 (e) Background investigation.--Each applicant shall include  
2 information and documentation as required to establish personal  
3 and financial suitability, honesty and integrity. Information  
4 shall include:

5 (1) [Criminal history record information.] A criminal  
6 history record information check obtained from the  
7 Pennsylvania State Police as defined in 18 Pa.C.S. § 9102  
8 (relating to definitions) and permitted by 18 Pa.C.S. §  
9 9121(b) (relating to general regulations), for the applicant,  
10 including each owner and officer of the restaurant licensee.

11 (2) Financial background information.

12 (3) Regulatory history before the board or other  
13 Commonwealth agency.

14 (4) Other information required by the [bureau] board.

15 (f) Personal interview.--If the [bureau] board determines  
16 that the results of the background report investigation warrant  
17 additional review of the individual, the [bureau] board shall  
18 conduct a personal interview with the applicant and may request  
19 information and interviews from other personal or professional  
20 associates.

21 (g) Cooperation.--The applicant shall cooperate with the  
22 [bureau] board as requested during the conduct of the background  
23 investigation. Any refusal to provide the information required  
24 under this section or to consent to a background investigation  
25 shall result in the immediate denial of a license by the board.

26 [(h) Costs.--The applicant shall reimburse the bureau for  
27 the actual costs of conducting the background investigation. The  
28 board shall not approve an applicant that has not fully  
29 reimbursed the bureau for the investigation.]

30 (i) Approval.--[The bureau shall transmit the investigative

1 report and may make a recommendation to the board.] The board  
2 shall review the information [obtained] required under this  
3 section to determine if the applicant possesses the following:

4 (1) Financial stability, integrity and responsibility.

5 (2) Sufficient business experience and ability to  
6 effectively operate tavern games as part of the restaurant  
7 licensee's operator.

8 (3) Character, honesty and integrity to be licensed to  
9 operate tavern games in a responsible and lawful manner.

10 (j) Disapproval.--The board may disapprove the issuance of a  
11 tavern gaming license for the following reasons:

12 (1) A license shall not be issued to a restaurant  
13 licensee whose liquor license is in safekeeping pursuant to  
14 section 474.1 of the Liquor Code.

15 (2) A license shall not be issued to a location that is  
16 subject to a pending objection under section 470(a.1) of the  
17 Liquor Code.

18 (3) A license shall not be issued to a location that is  
19 subject to:

20 (i) a pending license suspension under section 471  
21 of the Liquor Code; or

22 (ii) a one-year prohibition on the issuance or  
23 transfer of a license under section 471(b) of the Liquor  
24 Code.

25 Section 904. Application.

26 (a) Application fee.--An applicant shall pay the board a  
27 nonrefundable application fee of [\$1,000] \$500.

28 [(b) Investigative fee.--An applicant shall pay an  
29 investigative fee of \$1,000 to the bureau.

30 (c) Costs.--In addition to the fee under subsection (b), an



1 applicant and any owner and officer of the applicant shall pay  
2 for the actual costs of a background investigation conducted by  
3 the bureau that exceed the application fee. The bureau may:

4 (1) Charge an estimated amount to be provided prior to  
5 the background investigation.

6 (2) Submit for reimbursement from the applicant for the  
7 additional costs incurred in the background investigation.

8 (d) Funds.--Funds collected under subsections (b) and (c)  
9 shall augment the funds appropriated to the Pennsylvania Gaming  
10 Control Board under 4 Pa.C.S. (relating to amusements).]

11 Section 905. Approval.

12 (a) Issuance.--Upon being satisfied that the requirements of  
13 section 903 have been met, the board may approve the application  
14 and issue a tavern games license for a period of one year. The  
15 board may enter into an agreement with the licensee concerning  
16 additional restrictions on the license, and this agreement shall  
17 be binding on the licensee. Failure of the licensee to adhere to  
18 the agreement will be cause for penalties under section 913(c)  
19 and for the nonrenewal of the license under section 913(f).

20 (b) Renewal.--A license shall be renewed annually. A license  
21 renewal shall not require review of the [bureau] board, unless  
22 [requested] required by the board. The board may refuse to renew  
23 a tavern gaming license for the following reasons:

24 (1) A license shall not be issued to a restaurant  
25 licensee whose liquor license is in safekeeping under section  
26 474.1 of the act of April 12, 1951 (P.L.90, No.21), known as  
27 the Liquor Code.

28 (2) A license shall not be issued to a location that is  
29 subject to a pending objection under section 470(a.1) of the  
30 Liquor Code.

1 (3) A license shall not be issued to a location that is  
2 subject to:

3 (i) a pending license suspension under section 471  
4 of the Liquor Code; or

5 (ii) a one-year prohibition on the issuance or  
6 transfer of a license under section 471(b) of the Liquor  
7 Code.

8 (c) Fee.--Upon approval, the applicant shall pay a [\$2,000]  
9 \$1,000 license fee to be deposited in the General Fund. The  
10 annual renewal fee shall be [\$1,000] \$500.

11 (d) Entitlement.--Nothing under this chapter shall be  
12 construed to create an entitlement to a license by a person. The  
13 board shall have sole discretion to issue, renew, condition,  
14 suspend, revoke or deny a license based on the requirements of  
15 this chapter and whether the issuance and maintenance of the  
16 license are in the best interests of the Commonwealth.

17 (e) Nontransferability.--A license shall be a grant of  
18 privilege to conduct tavern games. A license may not be sold,  
19 transferred or assigned to any other person. A licensee may not  
20 pledge or otherwise grant a security interest in or lien on the  
21 license. The board shall have the sole discretion to issue,  
22 renew, condition or deny the issuance of a license.

23 Section 908.1. Tavern raffle.

24 The following shall apply to a tavern raffle:

25 (1) No more than [one] two tavern [raffle] raffles may  
26 be held in a calendar month.

27 (2) A tavern raffle must be held for a designated  
28 charitable purpose.

29 (3) Each individual participating in the tavern raffle  
30 must be informed of the charitable purpose involved.

1 (4) At least 50% of the net revenues from the tavern  
2 raffle shall be transmitted to the designated charity within  
3 seven days of the tavern raffle.

4 (5) Any net revenues not transmitted under paragraph (4)  
5 shall be distributed as follows:

6 (i) [~~Sixty~~] Fifty percent shall be paid to the  
7 Commonwealth as the tax imposed under section 909.1(c).

8 (ii) [~~Thirty-five~~] Forty-five percent may be  
9 retained by the licensee.

10 (iii) Five percent shall be paid to the Commonwealth  
11 as the tax imposed under section 909.2(c) and deposited  
12 into the restricted receipts account established in  
13 section 909.3.

14 (6) A tavern raffle prize remaining unclaimed by a  
15 winner 60 days after the tavern raffle was held shall be  
16 donated by the licensee within 30 days to the designated  
17 charitable organization for which the tavern raffle was  
18 conducted.

19 Section 909. Distribution of net revenue.

20 Beginning January 1, 2014, the net revenue from tavern games  
21 received by a licensee shall be distributed as follows:

22 (1) [~~Sixty~~] Fifty percent of the net revenue obtained in  
23 any calendar year shall be paid to the Commonwealth.

24 (2) [~~Thirty-five~~] Forty-five percent of the net revenue  
25 obtained in any calendar year may be retained by the  
26 licensee.

27 (3) Five percent shall be paid to the Commonwealth and  
28 deposited into the restricted receipts account established in  
29 section 909.3.

30 Section 909.1. Tavern games tax.

1 (a) Imposition.--There is imposed a tax of [60%] 50% of the  
2 net revenue from tavern games sold by a licensed distributor to  
3 a licensee within this Commonwealth.

4 \* \* \*

5 (c) Other games.--In an instance where the tavern game is  
6 not required to be purchased from a licensed distributor under  
7 this act, a tax of [60%] 50% is imposed upon the net revenue  
8 from tavern daily drawings, tavern weekly drawings and tavern  
9 raffles under section 908.1 and must be paid to the Commonwealth  
10 by the licensee.

11 \* \* \*

12 Section 909.2. Host municipality tavern games tax.

13 \* \* \*

14 (c) Other games.--In an instance where the tavern game is  
15 not required to be purchased from a licensed distributor under  
16 this act, a tax of 5% is imposed upon the net revenue from  
17 tavern daily drawings, tavern weekly drawings and tavern raffles  
18 under section 908.1 and must be paid to the Commonwealth and  
19 deposited into the restricted receipts account established in  
20 section 909.3.

21 \* \* \*

22 Section 913. Enforcement.

23 (a) Board.--The board may, following notice and hearing,  
24 impose penalties or suspend or revoke a license under this  
25 chapter.

26 (b) Authority of department.--Notwithstanding any law to the  
27 contrary, the department may report violations of this chapter  
28 to the board and to the Bureau of Liquor Control Enforcement.

29 (c) [Penalties] Civil penalties.--The board may impose a  
30 civil penalty for a violation of this chapter in accordance with

1 the following:

2 (1) Up to [\$2,000] \$800 for an initial violation.

3 (2) Up to [\$3,000] \$1,000 for a second violation.

4 (3) Up to [\$5,000] \$2,000 for a third violation.

5 (d) Criminal [penalty] penalties.--A violation of this  
6 chapter shall be a [misdemeanor of the third degree] summary  
7 offense. A second or subsequent offense shall be a misdemeanor  
8 of the [second] third degree.

9 (e) Administrative law judge.--An administrative law judge  
10 under section 212 of the act of April 12, 1951 (P.L.90, No.21),  
11 known as the Liquor Code, may impose the penalties under this  
12 section following the issuance of a citation by the Bureau of  
13 Liquor Control Enforcement.

14 (f) Suspension, revocation or failure to renew.--

15 (1) In addition to any other sanctions the board may  
16 impose under this chapter or under the Liquor Code, the board  
17 may, at its discretion, suspend, revoke or deny renewal of  
18 any license issued under this chapter if it receives any  
19 information from any source and determines that:

20 (i) The applicant or any of its officers, directors,  
21 owners or employees:

22 (A) Is in violation of any provision of this  
23 chapter.

24 (B) Furnished the board with false or misleading  
25 information.

26 (ii) The information contained in the applicant's  
27 initial application or any renewal application is no  
28 longer true and correct.

29 (2) In the event of a revocation, suspension or failure  
30 to renew, the applicant's authorization to conduct the

1 previously approved activity shall immediately cease, and all  
2 fees paid in connection therewith shall be deemed to be  
3 forfeited. In the event of a suspension, the applicant's  
4 authorization to conduct the previously approved activity  
5 shall immediately cease until the board has notified the  
6 applicant that the suspension is no longer in effect.

7 (3) The board shall immediately and permanently revoke a  
8 license issued under this chapter if the licensee has  
9 committed four or more violations of this chapter in a two-  
10 year period.

11 (g) Law enforcement officials.--Nothing in this chapter  
12 shall be construed to restrict or limit the power of a State,  
13 county or local law enforcement official to conduct  
14 investigations and file criminal charges under this chapter.

15 (h) Violations.--

16 (1) Except as provided in paragraph (2), a violation of  
17 this chapter by a restaurant licensee shall not constitute a  
18 violation of the Liquor Code.

19 (2) If a restaurant licensee has committed three or more  
20 violations of this act in a calendar year, the bureau may  
21 enforce a violation of this chapter as a violation of the  
22 Liquor Code.

23 (3) A violation of this chapter shall not constitute a  
24 violation of the Liquor Code for the purposes of section  
25 471(c) of the Liquor Code.

26 Section 21. Within two years of the effective date of this  
27 section, the Department of Revenue shall publish regulations to  
28 implement and administer the provisions of this act.

29 Section 22. This act shall take effect in 60 days.