THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1462 Session of 2015

INTRODUCED BY PASHINSKI, KOTIK, THOMAS, CALTAGIRONE, MAHONEY AND HARHAI, JULY 21, 2015

REFERRED TO COMMITTEE ON GAMING OVERSIGHT, JULY 21, 2015

AN ACT

- Providing for the regulation of video gaming and for powers and duties of the Department of Revenue; establishing the Video Gaming Fund and the Public School Employees' Retirement Contribution Restricted Account; and prescribing penalties.
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- 8 The General Assembly of the Commonwealth of Pennsylvania
- 9 hereby enacts as follows:
- 10 Section 1. Short title.
- 11 This act shall be known and may be cited as the Video Gaming
- 12 Regulation Act.
- 13 Section 2. Definitions.
- 14 The following words and phrases when used in this act shall
- 15 have the meanings given to them in this section unless the
- 16 context clearly indicates otherwise:
- "Coin-operated amusement machine." A machine that requires
- 18 the insertion of a coin, currency or tokens to play or activate
- 19 a game, the outcome of which is primarily determined by the
- 20 skill of the player. The term does not include a video lottery
- 21 terminal.
- "Department." The Department of Revenue of the Commonwealth.
- "Distributor." Any individual, partnership, association or
- 24 corporation, licensed by the Department of Revenue to buy, sell,
- 25 service or distribute video gaming machines. The term does not
- 26 include a machine vendor or a manufacturer.
- 27 "Fund." The Video Gaming Fund established under section 14.
- "Gaming machine." A device or machine that has the outcome
- 29 of play primarily determined by chance. The term includes an
- 30 antique slot machine under 18 Pa.C.S. § 5513(c) (relating to

- 1 gambling devices, gambling, etc.) when used for profit. The term
- 2 does not include any of the following:
- 3 (1) A coin-operated amusement machine.
- 4 (2) A video lottery terminal that has all of its seals
- 5 or identification plates.
- 6 (3) Slot machines as defined under 4 Pa.C.S. § 1103
- 7 (relating to definitions).
- 8 (4) A game of chance under the act of December 19, 1988
- 9 (P.L.1262, No.156), known as the Local Option Small Games of
- 10 Chance Act.
- 11 (5) Lottery machines used under the act of August 26,
- 12 1971 (P.L.351, No.91), known as the State Lottery Law.
- 13 "Host municipality." A municipality in which a licensed
- 14 establishment licensed under section 5 is located.
- 15 "Licensed establishment." A restaurant, bar, tavern, hotel
- 16 or club that has a valid liquor or malt or brewed beverage
- 17 license under Article IV of the act of April 12, 1951 (P.L.90,
- 18 No.21), known as the Liquor Code.
- 19 "Machine vendor." Any individual, partnership, association
- 20 or corporation that:
- 21 (1) is licensed by the Department of Revenue; and
- 22 (2) owns, services and maintains video gaming machines
- for placement in licensed establishments.
- 24 "Manufacturer." Any individual, partnership, association or
- 25 corporation that:
- 26 (1) is licensed by the Department of Revenue; and
- 27 (2) manufactures or assembles video gaming machines.
- 28 "Net profits." All money put into a video gaming machine
- 29 minus the cash awards paid out to players.
- "Restricted account." The Public School Employees'

- 1 Retirement Contribution Restricted Account.
- 2 "Service technician." An individual holding a service
- 3 technician's license issued by the Department of Revenue
- 4 allowing the individual to service, maintain and repair video
- 5 gaming machines.
- 6 "State Lottery." The lottery established and operated under
- 7 the act of August 26, 1971 (P.L.351, No.91), known as the State
- 8 Lottery Law.
- 9 "Video gaming machine." A device or machine:
- 10 (1) that, upon insertion of a coin or currency, will
- 11 play or simulate the play of a video poker, bingo, keno,
- 12 blackjack or any other game authorized by the Department of
- 13 Revenue;
- 14 (2) that utilizes a video display and microprocessors;
- 15 and
- 16 (3) in which, by the skill of the player or by chance,
- the player may receive free games or credits that may be
- 18 redeemed for cash.
- 19 Section 3. Video gaming generally.
- The department shall provide for video gaming at licensed
- 21 establishments. With the exception of tickets indicating credits
- 22 won, which are redeemable for cash, no machine may directly
- 23 dispense coins, cash, tokens or anything else of value.
- 24 Section 4. Licensing of manufacturers, distributors and
- vendors.
- 26 (a) Background investigation and application fee. -- The
- 27 department shall have the Pennsylvania State Police conduct a
- 28 background investigation of an applicant for a manufacturer,
- 29 distributor or machine vendor license as to personal and
- 30 business character, honesty and integrity. An applicant must pay

- 1 a nonrefundable application fee of \$5,000. The investigation may
- 2 utilize information on the applicant compiled by the
- 3 Pennsylvania Liquor Control Board. The investigation includes
- 4 the following:
- 5 (1) An examination of criminal or civil records.
- 6 (2) An examination of personal, financial or business
- 7 records. This paragraph includes tax returns, bank accounts,
- 8 business accounts, mortgages and contracts to which the
- 9 license applicant is a party or has an interest.
- 10 (3) An examination of personal or business relationships
- 11 which:
- 12 (i) include a partial ownership or voting interest
- in a partnership, association or corporation; and
- 14 (ii) bear on the fitness of the applicant for
- 15 licensure.
- 16 (b) Production of information.--
- 17 (1) In order to become a licensee, an applicant must
- 18 produce information, documentation and assurances as required
- 19 by the department.
- 20 (2) A license applicant must:
- 21 (i) consent in writing to and provide for the
- 22 examination of financial and business accounts, bank
- accounts, tax returns and related records in the
- applicant's possession or under the applicant's control
- 25 that establish by clear and convincing evidence the
- 26 financial stability, integrity and responsibility of the
- 27 license applicant; and
- 28 (ii) authorize all third parties in possession or
- control of accounts or records under subparagraph (i) to
- 30 allow for their examination as deemed necessary by the

- department in conducting background investigations.
- 2 (3) A license applicant must disclose on the application
 3 form any criminal convictions for offenses graded above
 4 summary offenses covering the 10-year period immediately
 5 preceding the filing of the application. The license
 6 applicant must also include on the application form any
 7 convictions of the gambling laws of any jurisdiction.
 - operation in a jurisdiction that permits such activity, the license applicant must produce letters of reference from the gaming or casino enforcement or control agency that specify the experiences of the agency with the license applicant, the license applicant's associates and the license applicant's gaming operations. If the license applicant is unable to obtain these letters within 60 days of the request, the license applicant may submit a copy of the letter requesting the information together with a statement under oath or affirmation that, during the period activities were conducted, the license applicant was in good standing with the appropriate gambling or casino enforcement control agency.
 - (5) A license applicant must provide information, documentation and assurances as required by the department to establish by clear and convincing evidence the license applicant's good character, honesty and integrity.

 Information under this paragraph may relate to family, habits, character, reputation, business affairs, financial affairs, business associates, professional associates and personal associates, covering the 10-year period immediately preceding the filing of the application.

- 1 (b.1) Felony conviction prohibition. -- A person that has been
- 2 convicted of a felony within 10 years of the date of application
- 3 shall not be issued a license under this act.
- 4 (c) Third-party disclosure.--
- 5 (1) A license applicant must accept any risk of adverse
- 6 public notice, embarrassment, criticism, damages or financial
- 7 loss, which may result from disclosure or publication by a
- 8 third party of material or information requested by the
- 9 department pursuant to action on an application.
- 10 (2) A license applicant expressly must waive a claim
- against the department, executive director or the
- 12 Commonwealth and its employees from damages as a result of
- disclosure or publication by a third party.
- 14 (d) Hearing upon denial. -- A person who is denied a license
- 15 has the right to a hearing before the department in accordance
- 16 with the provisions of 2 Pa.C.S. Chs. 5 Subch. A (relating to
- 17 practice and procedure of Commonwealth agencies) and 7 Subch. A
- 18 (relating to judicial review of Commonwealth agency action).
- 19 (e) Sole proprietor vendors.--A sole proprietor vendor must
- 20 comply with all of the following:
- 21 (1) Be a resident of this Commonwealth for at least two
- years prior to application for a license.
- 23 (2) Be of good moral character and reputation in the
- 24 community.
- 25 (3) Be at least 18 years of age.
- 26 (4) Be current in the payment of all taxes, interest and
- 27 penalties owed to the Commonwealth and political
- subdivisions. This paragraph excludes items under formal
- dispute or appeal under applicable law.
- 30 (5) Demonstrate sufficient financial resources to

- 1 support the activities required to place and service video
- 2 gaming machines.
- 3 (f) Partnership vendors.--Partnership vendors must comply
- 4 with all of the following:
- 5 (1) Be current in the payment of taxes, interest and
- 6 penalties owed to the Commonwealth and political
- 7 subdivisions. This paragraph excludes items under formal
- 8 dispute or appeal under applicable law.
- 9 (2) Demonstrate sufficient financial resources to
- 10 support the activities required to place and service video
- 11 gaming machines.
- 12 (3) Have each partner be:
- 13 (i) of good moral character and reputation in the
- 14 community;
- 15 (ii) at least 18 years of age; and
- 16 (iii) a resident of this Commonwealth for at least
- 17 two years prior to application for a license.
- 18 (4) At all times subsequent to licensing, a majority of
- 19 the partnership ownership interest must be held by residents
- of this Commonwealth.
- 21 (q) Association and corporate vendors. -- Association or
- 22 corporate vendors must comply with all of the following:
- 23 (1) Be current in the payment of taxes, interest and
- 24 penalties owed to the Commonwealth and political
- subdivisions. This paragraph excludes items under formal
- dispute or appeal under applicable law.
- 27 (2) Demonstrate sufficient financial resources to
- support the activities required to place and service video
- 29 gaming machines.
- 30 (3) Have each shareholder holding more than 10% of the

- 1 stock of a corporation be:
- 2 (i) of good moral character and reputation in the
- 3 community;
- 4 (ii) at least 18 years of age; and
- 5 (iii) a resident of this Commonwealth for at least
- 6 two years prior to application.
- 7 (h) Sole proprietor distributors.--A sole proprietor
- 8 distributor must comply with all of the following:
- 9 (1) Be a resident of this Commonwealth for at least one
- 10 year prior to application.
- 11 (2) Be of good moral character and reputation in the
- 12 community.
- 13 (3) Be at least 18 years of age.
- 14 (4) Be current in the payment of taxes, interest and
- penalties owed to the Commonwealth and political
- subdivisions. This paragraph excludes items under formal
- dispute or appeal under applicable law.
- 18 (5) Demonstrate sufficient financial resources to
- 19 support the activities required to sell and service video
- 20 gaming machines.
- 21 (i) Partnership distributors.--Partnership distributors must
- 22 comply with all of the following:
- 23 (1) Be current in the payment of taxes, interest and
- penalties owed to the Commonwealth and political
- subdivisions. This paragraph excludes items under formal
- dispute or appeal under applicable law.
- 27 (2) Demonstrate sufficient financial resources to
- support the activities required to sell and service video
- 29 gaming machines.
- 30 (3) Have each partner be:

- 1 (i) of good moral character and reputation in the
- 2 community;

3

- (ii) at least 18 years of age; and
- 4 (iii) a resident of this Commonwealth for at least
- 5 one year prior to application.
- 6 (4) At all times subsequent to licensing, a majority of
- 7 the partnership ownership interest must be held by residents
- 8 of this Commonwealth.
- 9 (j) Association and corporate distributors.--Association or
- 10 corporate distributors must comply with all of the following:
- 11 (1) Be current in the payment of taxes, interest and
- penalties owed to the Commonwealth and political
- subdivisions. This paragraph excludes items under formal
- dispute or appeal under applicable law.
- 15 (2) Demonstrate sufficient financial resources to
- support the activities required to sell and service video
- 17 gaming machines.
- 18 (3) Have each shareholder holding more than 10% of the
- 19 stock of a corporation be:
- 20 (i) of good moral character and reputation in the
- 21 community; and
- (ii) at least 18 years of age.
- 23 (4) For at least one year immediately prior to
- 24 application, have maintained and operated a coin machine
- distributorship office and sales staff within this
- Commonwealth. This paragraph does not apply to an association
- 27 distributor.
- 28 (k) Sole proprietor manufacturers. -- A sole proprietor
- 29 manufacturer must comply with all of the following:
- 30 (1) Be of good moral character and reputation in the

- 1 community.
- 2 (2) Be at least 18 years of age.
- 3 (3) Be current in the payment of taxes, interest and
- 4 penalties owed to the Commonwealth and political
- 5 subdivisions. This paragraph excludes items under formal
- 6 dispute or appeal under applicable law.
- 7 (4) Demonstrate sufficient financial resources to
- 8 support the activities required to manufacture and sell video
- 9 gaming machines through a licensed distributor.
- 10 (1) Partnership manufacturers. -- Partnership manufacturers
- 11 must comply with all of the following:
- 12 (1) Be current in the payment of taxes, interest and
- penalties owed to the Commonwealth and political
- subdivisions. This paragraph excludes items under formal
- dispute or appeal under applicable law.
- 16 (2) Demonstrate sufficient financial resources to
- 17 support the activities required to manufacture and sell video
- gaming machines through a licensed distributor.
- 19 (3) Have each partner be:
- 20 (i) at least 18 years of age; and
- 21 (ii) of good moral character and reputation in the
- 22 community.
- 23 (m) Association and corporate manufacturers.--Association or
- 24 corporate manufacturers must comply with all of the following:
- 25 (1) Be current in the payment of taxes, interest and
- 26 penalties owed to the Commonwealth and political
- 27 subdivisions. This paragraph excludes items under formal
- dispute or appeal under applicable law.
- 29 (2) Demonstrate sufficient financial resources to
- 30 support the activities required to manufacture and sell video

- 1 gaming machines through a licensed distributor.
- 2 (3) Have each shareholder holding more than 10% of the
- 3 stock of the corporation or association be:
- 4 (i) of good moral character and reputation in the community; and
- 6 (ii) at least 18 years of age.
- 7 (n) Service technician.——A service technician must comply 8 with the following:
- 9 (1) Be current in the payment of taxes, interest and
- 10 penalties owed to the Commonwealth and political
- 11 subdivisions. This paragraph excludes items under formal
- 12 dispute or appeal under applicable law.
- 13 (2) Be of good moral character and reputation in the
- 14 community.
- 15 (3) Be at least 18 years of age.
- 16 (o) Written agreement. -- A licensed establishment shall have
- 17 a written agreement with a licensed machine vendor for a minimum
- 18 12-month term. The agreement shall be approved by the department
- 19 and on file at the licensed establishment.
- 20 (p) Nonaccessibility to minors. -- No video gaming machine may
- 21 be in an area easily accessible to minors. A floor-to-ceiling
- 22 wall is not required, but the area must be secure and easily
- 23 seen and observed by the employees or management of the licensed
- 24 establishment.
- 25 (q) Advertising prohibited. -- No licensed establishment with
- 26 a video gaming license may advertise gaming in any form, written
- 27 or electronic, nor may its name include the words "casino,"
- 28 "gambling," "gaming" or any other term that may be interpreted
- 29 to advertise gaming.
- 30 Section 5. Licensed establishment license.

- 1 The department shall issue a license to any licensed
- 2 establishment upon a showing that its liquor or retail dispenser
- 3 license is valid and is in good standing with the Pennsylvania
- 4 Liquor Control Board. The annual fee for a licensed
- 5 establishment shall be \$500 per video gaming machine.
- 6 Section 6. Limitations on licensed establishments.
- 7 (a) Limitations.--Licensed establishments shall be subject
- 8 to the following limitations:
- 9 (1) No licensed establishment may have more than three
- 10 video gaming machines.
- 11 (2) No applicant may hold more than one type of license
- 12 authorized by this chapter.
- 13 (3) A licensee is responsible for payment of its license
- 14 fee. Payment of the fee by a person, partnership or
- corporation other than the licensee is prohibited.
- 16 (b) Unlawful acts.--No licensed establishment shall permit:
- 17 (1) An individual under 21 years of age to operate or
- 18 attempt to operate a video gaming machine.
- 19 (2) An individual under 21 years of age to receive or
- 20 attempt to receive a prize from a video gaming machine.
- 21 (3) A visibly intoxicated person to play a video gaming
- 22 machine.
- 23 (4) An individual to tamper with the connection of a
- video gaming machine to the central computer.
- 25 In addition to any other penalties provided by law, a person who
- 26 violates paragraph (1), (2) or (3) commits a summary offense.
- 27 (c) Seizure, forfeiture and destruction of gaming
- 28 machines. -- Gaming machines shall be considered to be per se
- 29 illegal. Gaming machines and their proceeds may be seized upon
- 30 view as illegal contraband by agents of the department and any

- 1 other law enforcement agency. The owner of a gaming machine
- 2 shall have no right to compensation for the seizure and
- 3 destruction of a gaming machine or the proceeds of a gaming
- 4 machine.
- 5 (d) Penalties.--
- 6 (1) In the case of a gaming machine seized from a
- 7 licensed establishment, for a first violation, the penalty
- 8 shall be no less than \$1,000 nor more than \$5,000 and a
- 9 suspension of the licensed establishment owner's liquor
- 10 license for not less than seven consecutive days, and for
- each subsequent violation, the penalty shall be \$15,000 and a
- suspension of the liquor license for not less than 14
- 13 consecutive days.
- 14 (2) In the case of a gaming machine seized from a place
- of business other than a licensed establishment, for a first
- violation, the penalty shall be not less than \$1,000 nor more
- 17 than \$5,000 against the owner of the business from which the
- gaming machine was seized, and for each subsequent violation,
- the penalty shall be \$15,000.
- 20 Section 7. Central computer system.
- 21 The department shall utilize the central computer system
- 22 utilized by the State Lottery. All licensed video gaming
- 23 machines must be linked to the central computer system at the
- 24 State Lottery.
- 25 Section 8. Video gaming machine prototype.
- The department shall develop a prototype video gaming machine
- 27 that includes hardware and software specifications. These
- 28 specifications shall include:
- 29 (1) All machines must have the ability to interact with
- 30 the central communications system.

- 1 (2) Unremovable identification plates shall appear on
 2 the exterior of the machine containing the name of the
 3 manufacturer and the serial and model number of the machine.
 - (3) Rules of play shall be displayed on the machine face or screen as promulgated by the department.
 - (4) A video gaming machine may not directly dispense coins, cash, tokens or any other article of exchange or value except for tickets. Such tickets shall be dispensed by pressing the ticket-dispensing button on the machine at the end of one's turn or play. The ticket shall indicate the total amount of credits and the cash award, and the player shall turn in this ticket to the appropriate person at the licensed establishment to receive the cash award. The cost of the credit shall be 25¢, and the number of credits played per game shall not exceed 10.
- 16 (5) No cash award for any individual game may exceed \$1,000.
- 18 (6) All video gaming machines must be designed and
 19 manufactured with total accountability to include gross
 20 proceeds, net profits, winning percentages and any other
 21 information the department requires.
- 22 (7) Each machine shall pay out a minimum of 85% of the amount wagered.
- 24 (8) The department may contract with the board to 25 develop and verify specifications for video gaming machines.
- 26 Section 9. Fees.

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- 27 (a) Vendors license and fee.--
- 28 (1) The annual fee for a machine vendor license shall be 29 \$25,000 for the first 50 video gaming machines and an 30 additional \$500 per video gaming machine license in excess of

- 1 50.
- 2 (2) A machine vendor license permits the vendor to sell
- 3 video gaming machines to another licensed machine vendor or
- 4 licensed distributor.
- 5 (b) Distributor license fee. -- The annual fee for a
- 6 distributor license shall be \$10,000.
- 7 (c) Manufacturer license fee. -- The annual fee for a
- 8 manufacturer license shall be \$10,000.
- 9 (d) Service technician license fee. -- The annual fee for a
- 10 service technician license shall be \$100.
- 11 Section 10. Unlawful use by minors.
- 12 (a) Minors.--No individual under 21 years of age may use or
- 13 play a video gaming machine. An individual who violates this
- 14 subsection commits a summary offense.
- 15 (b) Licensees.--Licensees shall be subject to the following:
- 16 (1) A licensed establishment may not, regardless of
- 17 knowledge or intent, permit an individual under 21 years of
- age to play or use a video gaming machine.
- 19 (2) A licensed establishment that violates this
- 20 subsection commits a misdemeanor of the second degree.
- 21 Section 11. Inducements prohibited.
- 22 (a) General rule. -- A video gaming machine owner may not
- 23 offer or give any type of inducement or incentive to a licensed
- 24 establishment to secure a machine placement agreement.
- 25 (b) Definition.--As used in this section, the term
- 26 "inducement" or "incentive" means consideration from a licensed
- 27 machine vendor to a licensed establishment owner as an
- 28 enticement to solicit or maintain the licensed establishment
- 29 owner's business. The term includes cash, gifts, loans and
- 30 prepayment of commissions.

- 1 Section 12. Multiple types of licenses prohibited.
- 2 (a) Manufacturer restriction. -- A manufacturer may not be
- 3 licensed as a machine vendor or own, manage or control a
- 4 licensed establishment and shall be licensed only to sell to
- 5 licensed distributors.
- 6 (b) Distributor restriction. -- A licensed machine distributor
- 7 may not be licensed as a machine vendor or own, manage or
- 8 control a licensed establishment and shall only contract with
- 9 licensed machine vendors.
- 10 (c) Vendor restriction. -- A machine vendor may not be
- 11 licensed as a manufacturer or distributor or own, manage or
- 12 control a licensed establishment and shall be licensed only to
- 13 contract with licensed distributors and licensed establishments.
- 14 This shall not prohibit a licensed vendor from selling used
- 15 equipment to another licensed vendor.
- 16 (d) Establishment owner restriction. -- An owner of a licensed
- 17 establishment may not be licensed as a manufacturer, distributor
- 18 or vendor and shall only contract with a machine vendor to place
- 19 and service equipment.
- 20 Section 13. Illegal activities.
- 21 A person may not sell, distribute, service, own, operate or
- 22 place on location a video gaming machine unless the person is
- 23 licensed under this act and is in compliance with all
- 24 requirements of this act.
- 25 Section 14. Video Gaming Fund.
- 26 (a) Establishment.--The Video Gaming Fund is established in
- 27 the State Treasury. Fees and fines under this act shall be
- 28 deposited in the fund.
- 29 (b) Distribution of net profits. -- The following shall apply
- 30 to the distribution of net profits:

- 1 (1) Net profits shall be calculated by subtracting cash
- 2 awards from the total consideration played on the machine.
- 3 (2) The net profits from each video gaming machine shall 4 be distributed in the following manner:
- 5 (i) Thirty-three percent to the licensed 6 establishment.
- 7 (ii) Twenty-seven percent to the licensed vendor.
- 8 (iii) Thirty percent to the restricted account.
- 9 (iv) Five percent to the host municipality.
- 10 (v) Five percent to Category 1, Category 2 and
- 11 Category 3 licensed facilities.
- 12 (c) Department funding. -- The department shall derive all
- 13 funding for its operations related to the establishment,
- 14 enforcement and operation of video gaming from the fund.
- 15 (d) Payments to municipalities. -- In addition to the funds
- 16 distributed under subsection (b) (2) (iv), the department shall
- 17 pay each municipality from the account \$500 per licensed machine
- 18 located in the municipality.
- 19 (e) Funds maintained in account. -- An annual minimum balance
- 20 of \$2,000,000 shall be maintained in the fund. Money in excess
- 21 of this amount on June 30 of each year shall be transferred to
- 22 the Property Tax Relief Fund.
- 23 (f) Funding for compulsive gambling programs. -- The
- 24 department shall allocate from the fund at least \$1,000,000
- 25 annually for the purpose of treating compulsive gambling in this
- 26 Commonwealth.
- 27 (g) Continuous appropriation. -- The money in the fund is
- 28 appropriated on a continuing basis to the department for the
- 29 purposes enumerated in this act and shall not lapse at the end
- 30 of any fiscal year.

- 1 Section 15. Public School Employees' Retirement Contribution
- 2 Restricted Account.
- 3 (a) Establishment. -- The Public School Employees' Retirement
- 4 Contribution Restricted Account is established in the State
- 5 Treasury.
- 6 (b) Deposits.--The restricted account shall consist of the
- 7 distributions of net profits required by section 14(b)(2)(iii),
- 8 interest earned on the distributions and any other money
- 9 authorized to be deposited into the restricted account.
- 10 (c) Use. -- The money of the restricted account shall be used
- 11 as provided by law.
- 12 Section 16. Preemption of local taxes and license fees.
- 13 (a) Statutes. -- Video gaming machines shall be exempt from
- 14 taxes levied under the following:
- 15 (1) The act of August 5, 1932 (Sp.Sess., P.L.45, No.45),
- 16 referred to as the Sterling Act.
- 17 (2) The act of December 31, 1965 (P.L.1257, No.511),
- 18 known as The Local Tax Enabling Act.
- 19 (3) 53 Pa.C.S. Pt. III Subpt. E (relating to home rule
- and optional plan government).
- 21 (4) Any statute that confers taxing authority to a
- 22 political subdivision.
- 23 (b) Licensing fees.--Licensing fees shall comply with the
- 24 following:
- 25 (1) Video gaming machines are exempt from local
- licensing fees.
- 27 (2) Local licensing fees imposed on all other coin-
- operated amusement machines shall not exceed \$150.
- 29 Section 17. Exemption from State gaming laws.
- 30 Video gaming machines authorized under this act and their use

- 1 as authorized under this act are exempt from 18 Pa.C.S. § 5513
- 2 (relating to gambling devices, gambling, etc.).
- 3 Section 18. Exemption from Federal regulation.
- 4 The General Assembly declares that the Commonwealth is exempt
- 5 from section 2 of the Gambling Devices Transportation Act (64
- 6 Stat. 1134, 15 U.S.C. § 1172). Shipments of approved video
- 7 gaming machines into this Commonwealth in compliance with
- 8 sections 3 and 4 of the Gambling Devices Transportation Act (64
- 9 Stat. 1134, 15 U.S.C. §§ 1173 and 1174) shall be deemed legal
- 10 shipments into this Commonwealth.
- 11 Section 19. Effective date.
- 12 This act shall take effect in 60 days.