

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1229 Session of
2015

INTRODUCED BY VOGEL, RAFFERTY AND HUGHES, MAY 6, 2016

AMENDMENTS TO SENATE AMENDMENTS, HOUSE OF REPRESENTATIVES,
OCTOBER 26, 2016

AN ACT

1 ~~Amending the act of April 9, 1929 (P.L.177, No.175), entitled~~ <--
2 ~~"An act providing for and reorganizing the conduct of the~~
3 ~~executive and administrative work of the Commonwealth by the~~
4 ~~Executive Department thereof and the administrative~~
5 ~~departments, boards, commissions, and officers thereof,~~
6 ~~including the boards of trustees of State Normal Schools, or~~
7 ~~Teachers Colleges; abolishing, creating, reorganizing or~~
8 ~~authorizing the reorganization of certain administrative~~
9 ~~departments, boards, and commissions; defining the powers and~~
10 ~~duties of the Governor and other executive and administrative~~
11 ~~officers, and of the several administrative departments,~~
12 ~~boards, commissions, and officers; fixing the salaries of the~~
13 ~~Governor, Lieutenant Governor, and certain other executive~~
14 ~~and administrative officers; providing for the appointment of~~
15 ~~certain administrative officers, and of all deputies and~~
16 ~~other assistants and employes in certain departments, boards,~~
17 ~~and commissions; providing for the regulation of pari mutuel~~
18 ~~thoroughbred horse racing and harness horse racing~~
19 ~~activities, imposing certain taxes and providing for the~~
20 ~~disposition of funds from pari mutuel tickets; and~~
21 ~~prescribing the manner in which the number and compensation~~
22 ~~of the deputies and all other assistants and employes of~~
23 ~~certain departments, boards and commissions shall be~~
24 ~~determined," in powers and duties of the Department of~~
25 ~~Environmental Resources, its officers and departmental and~~
26 ~~advisory boards and commissions, providing for production~~
27 ~~reports, for restoration of well site, for water standards~~
28 ~~and for solar photovoltaic technology; in powers and duties~~
29 ~~of the Department of Corrections, providing for notice of~~
30 ~~public hearing for State correctional institution closure;~~
31 ~~and, in horse race industry reform, further providing for~~
32 ~~Pennsylvania Breeding Fund.~~

1 AMENDING TITLE 3 (AGRICULTURE) OF THE PENNSYLVANIA CONSOLIDATED <--
2 STATUTES, MAKING EDITORIAL CHANGES; CONSOLIDATING AN ARTICLE
3 OF THE ADMINISTRATIVE CODE OF 1929 RELATING TO RACE HORSE
4 INDUSTRY REFORM; FURTHER PROVIDING FOR PENNSYLVANIA BREEDING
5 FUND; AND MAKING A RELATED REPEAL.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 ~~Section 1. The act of April 9, 1929 (P.L.177, No.175), known <--~~
9 ~~as The Administrative Code of 1929, is amended by adding~~
10 ~~sections to read:~~

11 ~~Section 1938 A. Production Reports. The production reports~~
12 ~~required under the act of October 22, 2014 (P.L.2853, No.173),~~
13 ~~known as the Unconventional Well Report Act, which are submitted~~
14 ~~on February 15 and August 15 of each year shall include~~
15 ~~information on the amount and type of waste produced and the~~
16 ~~method of waste disposal or reuse for the preceding six months.~~
17 ~~The Department of Environmental Protection may not require more~~
18 ~~frequent reporting than what is required under this section.~~
19 ~~Waste information submitted to the Department of Environmental~~
20 ~~Protection in accordance with this section shall be deemed to~~
21 ~~satisfy the residual waste biennial reporting requirements under~~
22 ~~25 Pa. Code § 287.52 (relating to biennial report).~~

23 ~~Section 1939 A. Restoration of Well Site. If multiple wells~~
24 ~~are drilled or permitted to be drilled on a single well site,~~
25 ~~the restoration provisions of 58 Pa.C.S. § 3216(c) (relating to~~
26 ~~well site restoration) shall apply. The Department of~~
27 ~~Environmental Protection shall ensure that the restoration~~
28 ~~provisions are complied with within 24 months after completion~~
29 ~~of all wells drilled on the well site or within 24 months after~~
30 ~~the expiration of all existing well permits on the well site,~~
31 ~~whichever is later.~~

32 ~~Section 1940 A. Water Standards. The Department of~~

1 ~~Environmental Protection may not prescribe standards or~~
2 ~~requirements for the storage of surface water, fresh groundwater~~
3 ~~or water obtained from an approved public water purveyor for use~~
4 ~~in oil and gas development that are more stringent than those~~
5 ~~imposed for the storage of similar freshwater sources used for~~
6 ~~purposes other than oil and gas development.~~

7 ~~Section 1941 A. Solar Photovoltaic Technology. (a)~~
8 ~~Notwithstanding the provisions of section 4 of the act of~~
9 ~~November 30, 2004 (P.L.1672, No.213), known as the "Alternative~~
10 ~~Energy Portfolio Standards Act," to meet the requirements of~~
11 ~~section 4 of the "Alternative Energy Portfolio Standards Act,"~~
12 ~~all solar photovoltaic technology registered in accordance with~~
13 ~~the "Alternative Energy Portfolio Standards Act" shall directly~~
14 ~~deliver the electricity it generates to the distribution system~~
15 ~~operated by an electric distribution company operating within~~
16 ~~this Commonwealth and currently obligated to meet the compliance~~
17 ~~requirements contained in the "Alternative Energy Portfolio~~
18 ~~Standards Act."~~

19 ~~(b) For purposes of this section, "electric distribution~~
20 ~~company" shall have the same meaning given to it under 66~~
21 ~~Pa.C.S. Ch. 28 (relating to restructuring of electric utility~~
22 ~~industry).~~

23 ~~Section 915 B. Notice of Public Hearing for State~~
24 ~~Correctional Institution Closure. During the fiscal year 2016~~
25 ~~2017, the Department of Corrections may not close a State~~
26 ~~correctional institution as defined in 61 Pa.C.S. § 102~~
27 ~~(relating to definitions), unless the Department of Corrections~~
28 ~~conducts a public hearing. The Department of Corrections shall~~
29 ~~provide notice thirty (30) days before the public hearing in the~~
30 ~~Pennsylvania Bulletin and in at least two local newspapers.~~

1 ~~Section 2. Section 2836 D of the act, added February 23,~~
2 ~~2016 (P.L.15, No.7), is amended to read:~~

3 ~~Section 2836 D. Pennsylvania Breeding Fund.~~

4 ~~{(a) Establishment. There is hereby created a restricted~~
5 ~~account in the State Racing Fund to be known as the Pennsylvania~~
6 ~~Breeding Fund which shall consist of the money deposited under~~
7 ~~section 2834 D and any provision of 4 Pa.C.S. Pt. II (relating~~
8 ~~to gaming) and which shall be distributed by the commission.~~

9 ~~(b) Awards from the Pennsylvania Breeding Fund. The~~
10 ~~commission shall distribute money from the Pennsylvania Breeding~~
11 ~~Fund as follows:~~

12 ~~(1) An award of 30% of the purse earned by every~~
13 ~~registered thoroughbred racing horse sired in this~~
14 ~~Commonwealth by a registered Pennsylvania sire at the time of~~
15 ~~conception of the registered thoroughbred racing horse sired~~
16 ~~in this Commonwealth, or an award of 20% of the purse earned~~
17 ~~by every registered thoroughbred racing horse sired in this~~
18 ~~Commonwealth sired by a nonregistered sire, which finishes~~
19 ~~first, second or third in any race conducted by a licensed~~
20 ~~racing entity under this article shall be paid to the breeder~~
21 ~~of said registered thoroughbred racing horse sired in this~~
22 ~~Commonwealth. A single award under this paragraph may not~~
23 ~~exceed 1% of the total annual fund money.~~

24 ~~(2) An award of 10% of the purse earned by any~~
25 ~~registered thoroughbred racing horse sired in this~~
26 ~~Commonwealth which finishes first, second or third in any~~
27 ~~race conducted by a licensed racing entity under this article~~
28 ~~shall be paid to the owner of the registered Pennsylvania~~
29 ~~sire which regularly stood in Pennsylvania at the time of~~
30 ~~conception of the thoroughbred racing horse sired in this~~

1 ~~Commonwealth. A single award under this paragraph may not~~
2 ~~exceed 0.5% of the total annual fund money.~~

3 ~~(3) An award of 10% of the purse earned by any~~
4 ~~registered thoroughbred racing horse sired in this~~
5 ~~Commonwealth which finishes first in any race conducted by a~~
6 ~~licensed racing entity under this article not restricting~~
7 ~~entry to registered thoroughbreds racing horse sired in this~~
8 ~~Commonwealth shall be paid to the licensed owner of said~~
9 ~~registered thoroughbred horse sired in this Commonwealth at~~
10 ~~the time of winning. A single award under this paragraph may~~
11 ~~not exceed 0.5% of the total annual fund money.~~

12 ~~(c) Purses from Pennsylvania Breeding Fund. Up to one fifth~~
13 ~~of the total of the estimated Pennsylvania Breeding Fund money~~
14 ~~remaining each year after the deduction of expenses related to~~
15 ~~the administration and development of the Pennsylvania Breeding~~
16 ~~Fund program and the payment of breeder, stallion and owner~~
17 ~~awards, shall be divided among the licensed racing entities that~~
18 ~~conduct thoroughbred horse race meetings in direct proportion to~~
19 ~~the rate by which each licensed racing entity generated the fund~~
20 ~~money during the previous year to be used solely for purses for~~
21 ~~Pennsylvania Breeding Fund stakes races which restrict entry to~~
22 ~~registered thoroughbred racing horse sired in this Commonwealth.~~

23 ~~(d) Remaining funds. The Pennsylvania Breeding Fund money~~
24 ~~remaining following disbursements as directed in subsections (b)~~
25 ~~(1), (2) and (3) and (c) shall be divided among the licensed~~
26 ~~racing entities that conduct thoroughbred horse race meetings in~~
27 ~~direct proportion to the rate by which each licensed racing~~
28 ~~entity generated the fund money during the previous year to be~~
29 ~~used for purses as follows:~~

30 ~~(1) Claiming and nonclaiming Pennsylvania Breeding Fund~~

1 ~~races which restrict entry to registered thoroughbred racing~~
2 ~~horses sired in this Commonwealth.~~

3 ~~(2) Claiming and nonclaiming Pennsylvania Breeding Fund~~
4 ~~races which prefer registered thoroughbred racing horses~~
5 ~~sired in this Commonwealth as starters. In these races,~~
6 ~~should eight or more registered thoroughbred racing horses~~
7 ~~sired in this Commonwealth pass the entry box, the race shall~~
8 ~~be considered closed to horses other than registered~~
9 ~~thoroughbred racing horses sired in this Commonwealth.~~

10 ~~(e) Funds not expended. Pennsylvania Breeding Fund money~~
11 ~~due to licensed racing entities, as outlined in subsections (c)~~
12 ~~and (d), but not expended during the calendar year may be~~
13 ~~carried forth in the fund on the accounts of the licensed racing~~
14 ~~entities to be expended during the succeeding year in addition~~
15 ~~to the racing entities' fund money annually due to them for~~
16 ~~purses.~~

17 ~~(e.1) Committee. There is hereby established the~~
18 ~~Pennsylvania Breeding Fund Advisory Committee within the~~
19 ~~commission. The committee shall consist of five individuals, who~~
20 ~~are residents of this Commonwealth, to be appointed by the~~
21 ~~commission by June 1 of each year based on the recommendation of~~
22 ~~the groups identified in this subsection. If a member other than~~
23 ~~a commissioner has not been recommended by June 1 of each year,~~
24 ~~the commission shall make an appointment for the organization~~
25 ~~failing to so recommend a member of the committee. The committee~~
26 ~~shall assist and advise the commission on the regulation of~~
27 ~~horse racing breeding issues under this article but shall have~~
28 ~~no power in administering the fund. Members of the advisory~~
29 ~~committee shall not receive compensation or reimbursements for~~
30 ~~participation on the committee. The committee shall consist of~~

1 ~~the following members:~~

2 ~~(1) Two members representing the Pennsylvania Horse~~
3 ~~Breeders' Association.~~

4 ~~(2) One member representing licensed racing entities.~~

5 ~~(3) One member representing the association representing~~
6 ~~horsemen racing in Pennsylvania.~~

7 ~~(4) One member of the commission.~~

8 ~~(f) Pennsylvania Horse Breeders' Association. The~~
9 ~~commission shall contract with the Pennsylvania Horse Breeders'~~
10 ~~Association as the organization responsible for the registration~~
11 ~~and records of thoroughbred racing horses sired in this~~
12 ~~Commonwealth. The Pennsylvania Horse Breeders' Association shall~~
13 ~~advise the commission when called upon and shall determine the~~
14 ~~qualifications for thoroughbred racing horses sired in this~~
15 ~~Commonwealth and Pennsylvania sires. Registration and records of~~
16 ~~the association shall be official records of the Commonwealth~~
17 ~~and shall be subject to the act of February 14, 2008 (P.L.6,~~
18 ~~No.3), known as the Right to Know Law. At the close of each~~
19 ~~calendar year, the Pennsylvania Horse Breeders' Association~~
20 ~~shall submit to the commission for its approval an itemized~~
21 ~~budget of projected expenses for the ensuing year relating to~~
22 ~~the administration and development of the Pennsylvania Breeding~~
23 ~~Fund Program. The commission shall reimburse the Pennsylvania~~
24 ~~Horse Breeders' Association for those expenses actually incurred~~
25 ~~in the administration and development of the Pennsylvania~~
26 ~~Breeding Fund Program from the Pennsylvania Breeding Fund, no~~
27 ~~more than on a quarterly basis.] (a) Establishment. There is~~
28 ~~created a restricted account in the State Racing Fund to be~~
29 ~~known as the Pennsylvania Breeding Fund which shall consist of~~
30 ~~the money deposited under section 2834 D and any provision of 4~~

1 ~~Pa.C.S. Pt. II (relating to gaming) and which shall be~~
2 ~~distributed by the commission.~~

3 ~~(b) Awards from the Pennsylvania Breeding Fund. The~~
4 ~~commission shall distribute money from the Pennsylvania Breeding~~
5 ~~Fund as follows:~~

6 ~~(1) An award of 30% of the purse earned by every~~
7 ~~registered Pennsylvania bred thoroughbred racing horse sired~~
8 ~~by a registered Pennsylvania sire at the time of conception~~
9 ~~of the registered Pennsylvania bred thoroughbred racing~~
10 ~~horse, or an award of 20% of the purse earned by every~~
11 ~~registered Pennsylvania bred thoroughbred racing horse sired~~
12 ~~by a nonregistered sire, which finishes first, second or~~
13 ~~third in any race conducted by a licensed racing entity under~~
14 ~~this article shall be paid to the breeder of said registered~~
15 ~~Pennsylvania bred thoroughbred racing horse. A single award~~
16 ~~under this paragraph may not exceed 1% of the total annual~~
17 ~~fund money.~~

18 ~~(2) An award of 10% of the purse earned by any~~
19 ~~registered Pennsylvania bred thoroughbred racing horse which~~
20 ~~finishes first, second or third in any race conducted by a~~
21 ~~licensed racing entity under this article shall be paid to~~
22 ~~the owner of the registered Pennsylvania sire which regularly~~
23 ~~stood in Pennsylvania at the time of conception of the~~
24 ~~Pennsylvania bred thoroughbred racing horse. A single award~~
25 ~~under this paragraph may not exceed 0.5% of the total annual~~
26 ~~fund money.~~

27 ~~(c) Purses from Pennsylvania Breeding Fund. Up to one fifth~~
28 ~~of the total of the estimated Pennsylvania Breeding Fund money~~
29 ~~remaining each year after the deduction of expenses related to~~
30 ~~the administration and development of the Pennsylvania Breeding~~

1 ~~Fund program and the payment of breeder and stallion awards,~~
2 ~~shall be divided among the licensed racing entities that conduct~~
3 ~~thoroughbred horse race meetings in direct proportion to the~~
4 ~~rate by which each licensed racing entity generated the fund~~
5 ~~money during the previous year to be used solely for purses for~~
6 ~~Pennsylvania Breeding Fund stakes races which restrict entry to~~
7 ~~a registered Pennsylvania bred thoroughbred racing horse.~~

8 ~~(d) Remaining funds. The Pennsylvania Breeding Fund money~~
9 ~~remaining following disbursements as directed in subsections (b)~~
10 ~~(1) and (2) and (c) shall be divided among the licensed racing~~
11 ~~entities that conduct thoroughbred horse race meetings in direct~~
12 ~~proportion to the rate by which each licensed racing entity~~
13 ~~generated the fund money during the previous year to be used for~~
14 ~~purses as follows:~~

15 ~~(1) Claiming and nonclaiming Pennsylvania Breeding Fund~~
16 ~~races which restrict entry to registered Pennsylvania bred~~
17 ~~thoroughbred racing horses.~~

18 ~~(2) Claiming and nonclaiming Pennsylvania Breeding Fund~~
19 ~~races which prefer registered Pennsylvania bred thoroughbred~~
20 ~~racing horses as starters. In these races, should eight or~~
21 ~~more registered Pennsylvania bred thoroughbred racing horses~~
22 ~~pass the entry box, the race shall be considered closed to~~
23 ~~horses other than registered Pennsylvania bred thoroughbred~~
24 ~~racing horses.~~

25 ~~(e) Funds not expended. Pennsylvania Breeding Fund money~~
26 ~~due to licensed racing entities, as outlined in subsections (c)~~
27 ~~and (d), but not expended during the calendar year may be~~
28 ~~carried forth in the fund on the accounts of the licensed racing~~
29 ~~entities to be expended during the succeeding year in addition~~
30 ~~to the licensed racing entities' fund money annually due to them~~

1 ~~for purses.~~

2 ~~(c.1) Committee. There is hereby established the~~
3 ~~Pennsylvania Breeding Fund Advisory Committee within the~~
4 ~~commission. The committee shall consist of five individuals, who~~
5 ~~are residents of this Commonwealth, to be appointed by the~~
6 ~~commission by June 1 of each year based on the recommendation of~~
7 ~~the groups identified in this subsection. If a member other than~~
8 ~~a commissioner has not been recommended by June 1 of each year,~~
9 ~~the commission shall make an appointment for the organization~~
10 ~~failing to so recommend a member of the committee. The committee~~
11 ~~shall assist and advise the commission on the regulation of~~
12 ~~horse racing breeding issues under this article but shall have~~
13 ~~no power in administering the fund. Members of the advisory~~
14 ~~committee shall not receive compensation or reimbursements for~~
15 ~~participation on the committee. The committee shall consist of~~
16 ~~the following members:~~

17 ~~(1) Two members representing the Pennsylvania Horse~~
18 ~~Breeders' Association.~~

19 ~~(2) One member representing licensed racing entities.~~

20 ~~(3) One member representing the association representing~~
21 ~~horsemen racing in Pennsylvania.~~

22 ~~(4) One member of the commission.~~

23 ~~(f) Pennsylvania Horse Breeders' Association. The~~
24 ~~commission shall contract with the Pennsylvania Horse Breeders'~~
25 ~~Association as the organization responsible for the registration~~
26 ~~and records of Pennsylvania bred thoroughbred racing horses. The~~
27 ~~Pennsylvania Horse Breeders' Association shall advise the~~
28 ~~commission when called upon and shall determine the~~
29 ~~qualifications for Pennsylvania bred thoroughbred racing horses~~
30 ~~and Pennsylvania sires. Registration and records of the~~

1 ~~association shall be official records of the Commonwealth and~~
2 ~~shall be subject to the act of February 14, 2008 (P.L.6, No.3),~~
3 ~~known as the Right to Know Law. At the close of each calendar~~
4 ~~year, the Pennsylvania Horse Breeders' Association shall submit~~
5 ~~to the commission for its approval an itemized budget of~~
6 ~~projected expenses for the ensuing year relating to the~~
7 ~~administration and development of the Pennsylvania Breeding Fund~~
8 ~~Program. The commission, on no more than a quarterly basis,~~
9 ~~shall reimburse from the fund the Pennsylvania Horse Breeders'~~
10 ~~Association for those expenses actually incurred in the~~
11 ~~administration and development of the Pennsylvania Breeding Fund~~
12 ~~Program.~~

13 ~~(g) Adjustment of awards. The following shall apply:~~

14 ~~(1) Subject to paragraph (3), the commission may adjust~~
15 ~~the awards under subsection (b) after:~~

16 ~~(i) its review of the report issued under section~~
17 ~~4.1 of the act of February 23, 2016 (P.L.15, No.7),~~
18 ~~entitled "An act amending the act of April 9, 1929~~
19 ~~(P.L.177, No.175), entitled 'An act providing for and~~
20 ~~reorganizing the conduct of the executive and~~
21 ~~administrative work of the Commonwealth by the Executive~~
22 ~~Department thereof and the administrative departments,~~
23 ~~boards, commissions, and officers thereof, including the~~
24 ~~boards of trustees of State Normal Schools, or Teachers~~
25 ~~Colleges; abolishing, creating, reorganizing or~~
26 ~~authorizing the reorganization of certain administrative~~
27 ~~departments, boards, and commissions; defining the powers~~
28 ~~and duties of the Governor and other executive and~~
29 ~~administrative officers, and of the several~~
30 ~~administrative departments, boards, commissions, and~~

~~officers; fixing the salaries of the Governor, Lieutenant Governor, and certain other executive and administrative officers; providing for the appointment of certain administrative officers, and of all deputies and other assistants and employes in certain departments, boards, and commissions; and prescribing the manner in which the number and compensation of the deputies and all other assistants and employes of certain departments, boards and commissions shall be determined,' in organization of independent administrative boards and commissions, providing for Pennsylvania Gaming Control Board; in organization, further providing for advisory boards and commissions; in Commonwealth agency fees, further providing for distillery of historical significance license fee reduction; providing for race horse industry reform; conferring duties upon the Joint State Government Commission; making editorial changes; and making related repeals"; and~~

~~(ii) a hearing on the matter of the adjustment.~~

~~(2) The review and hearing process under this subsection must be completed by December 31, 2017, with any adjustment effective January 1, 2018.~~

~~(3) (i) With respect to an award under subsection (b) (1), any adjustment regarding the award of the purse earned by a racing horse sired by a registered Pennsylvania sire may not be less than 30% and may not be more than 50%.~~

~~(ii) Any adjustment regarding the award of the purse earned by a racing horse sired by a nonregistered sire may not be less than 20% and may not be more than 40%.~~

~~(4) Any adjustment under this subsection may only occur once under this subsection, unless another review process is established by law.~~

~~Section 3. The addition of section 2836 D(b), (c) and (d) of the act shall apply retroactively to February 23, 2016.~~

~~Section 4. This act shall take effect immediately.~~

SECTION 1. THE HEADING OF PART VIII OF TITLE 3 OF THE PENNSYLVANIA CONSOLIDATED STATUTES IS RENUMBERED TO READ:

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PART [VIII] C

MISCELLANEOUS PROVISIONS

SECTION 2. THE HEADING OF CHAPTER 81 OF TITLE 3 IS RENUMBERED TO READ:

CHAPTER [81] 999

MISCELLANEOUS PROVISIONS

SECTION 3. SECTION 8101 OF TITLE 3 IS RENUMBERED TO READ:

§ [8101] 99901. (RESERVED).

SECTION 4. TITLE 3 IS AMENDED BY ADDING A PART TO READ:

PART VIII

HORSE RACING

CHAPTER

91. PRELIMINARY PROVISIONS (RESERVED)

93. RACE HORSE INDUSTRY REFORM

CHAPTER 91

PRELIMINARY PROVISIONS

(RESERVED)

CHAPTER 93

RACE HORSE INDUSTRY REFORM

SUBCHAPTER

A. PRELIMINARY PROVISIONS

B. RACING OVERSIGHT

1 C. ADDITIONAL LICENSING REQUIREMENTS FOR LICENSED RACING
2 ENTITY, SECONDARY PARI-MUTUEL ORGANIZATION, TOTALISATOR
3 AND RACING VENDORS

4 D. COMPLIANCE

5 E. MEDICATION RULES AND ENFORCEMENT PROVISIONS

6 SUBCHAPTER A

7 PRELIMINARY PROVISIONS

8 SEC.

9 9301. DEFINITIONS.

10 § 9301. DEFINITIONS.

11 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
12 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
13 CONTEXT CLEARLY INDICATES OTHERWISE:

14 "ACCOUNT." AN ACCOUNT FOR ACCOUNT WAGERING WITH A SPECIFIC
15 IDENTIFIABLE RECORD OF DEPOSITS, WAGERS AND WITHDRAWALS
16 ESTABLISHED BY AN ACCOUNT HOLDER AND MANAGED BY THE LICENSED
17 RACING ENTITY OR SECONDARY PARI-MUTUEL ORGANIZATION.

18 "ACCOUNT HOLDER." AN INDIVIDUAL WHO SUCCESSFULLY COMPLETED
19 AN APPLICATION AND FOR WHOM THE LICENSED RACING ENTITY OR
20 SECONDARY PARI-MUTUEL ORGANIZATION HAS OPENED AN ACCOUNT.

21 "ADVANCE DEPOSIT ACCOUNT WAGERING SYSTEM." A SYSTEM BY WHICH
22 WAGERS ARE DEBITED AND PAYOUTS ARE CREDITED TO AN ADVANCE
23 DEPOSIT ACCOUNT HELD BY A LICENSED RACING ENTITY OR SECONDARY
24 PARI-MUTUEL ORGANIZATION ON BEHALF OF A PERSON.

25 "APPLICANT." A PERSON WHO, ON HIS OWN BEHALF OR ON BEHALF OF
26 ANOTHER, IS APPLYING FOR PERMISSION TO ENGAGE IN AN ACT OR
27 ACTIVITY WHICH IS REGULATED UNDER THE PROVISIONS OF THIS
28 CHAPTER. IF THE APPLICANT IS A PERSON OTHER THAN AN INDIVIDUAL,
29 THE COMMISSION SHALL DETERMINE THE ASSOCIATED PERSONS WHOSE
30 QUALIFICATIONS ARE NECESSARY AS A PRECONDITION TO THE LICENSING

1 OF THE APPLICANT.

2 "BACKSIDE AREA." AN AREA OF THE RACETRACK ENCLOSURE THAT IS
3 NOT GENERALLY ACCESSIBLE TO THE PUBLIC AND WHICH INCLUDES, BUT
4 IS NOT LIMITED TO, A FACILITY COMMONLY REFERRED TO AS A BARN,
5 PADDOCK ENCLOSURE, TRACK KITCHEN, RECREATION HALL, BACKSIDE
6 EMPLOYEE QUARTERS AND TRAINING TRACK AND ROADWAYS PROVIDING
7 ACCESS TO THE AREA. THE TERM DOES NOT INCLUDE AN AREA OF THE
8 RACETRACK ENCLOSURE WHICH IS GENERALLY ACCESSIBLE TO THE PUBLIC,
9 INCLUDING THE VARIOUS BUILDINGS COMMONLY REFERRED TO AS THE
10 GRANDSTAND OR THE RACING SURFACE AND WALKING RING.

11 "BREAKAGE." THE ODD CENTS OF REDISTRIBUTIONS TO BE MADE ON
12 CONTRIBUTIONS TO PARI-MUTUEL POOLS EXCEEDING A SUM EQUAL TO THE
13 NEXT LOWEST MULTIPLE OF 10.

14 "CLEAN LETTER OF CREDIT." A LETTER OF CREDIT WHICH IS
15 AVAILABLE TO THE BENEFICIARY AGAINST PRESENTATION OF ONLY A
16 DRAFT OR RECEIPT.

17 "COMMISSION." THE STATE HORSE RACING COMMISSION.

18 "COMMISSIONER." AN INDIVIDUAL APPOINTED TO AND SWORN IN AS A
19 MEMBER OF THE COMMISSION IN ACCORDANCE WITH SECTION 9311(B)
20 (RELATING TO STATE HORSE RACING COMMISSION).

21 "CONVICTION." A FINDING OF GUILT OR A PLEA OF GUILTY OR NOLO
22 CONTENDERE, WHETHER OR NOT A JUDGMENT OF SENTENCE HAS BEEN
23 IMPOSED AS DETERMINED BY THE LAW OF THE JURISDICTION IN WHICH
24 THE PROSECUTION WAS HELD. THE TERM DOES NOT INCLUDE A CONVICTION
25 THAT HAS BEEN EXPUNGED OR OVERTURNED OR FOR WHICH AN INDIVIDUAL
26 HAS BEEN PARDONED OR AN ORDER OF ACCELERATED REHABILITATIVE
27 DISPOSITION.

28 "ELECTRONIC WAGERING." A METHOD OF PLACING OR TRANSMITTING A
29 LEGAL WAGER BY AN INDIVIDUAL IN THIS COMMONWEALTH THROUGH
30 TELEPHONE, ELECTROMECHANICAL, COMPUTERIZED SYSTEM OR ANY OTHER

1 FORM OF ELECTRONIC MEDIA APPROVED BY THE COMMISSION AND ACCEPTED
2 BY A SECONDARY PARI-MUTUEL ORGANIZATION OR A LICENSED RACING
3 ENTITY OR THE LICENSED RACING ENTITY'S APPROVED OFF-TRACK
4 BETTING SYSTEM LOCATED IN THIS COMMONWEALTH.

5 "EVERGREEN CLAUSE." A TERM IN A LETTER OF CREDIT PROVIDING
6 FOR AUTOMATIC RENEWAL OF THE LETTER OF CREDIT.

7 "EX PARTE COMMUNICATION." AN OFF-THE-RECORD COMMUNICATION
8 ENGAGED IN OR RECEIVED BY A COMMISSIONER OF THE COMMISSION
9 REGARDING THE MERITS OF, OR ANY FACT IN ISSUE RELATING TO, A
10 PENDING MATTER BEFORE THE COMMISSION OR WHICH MAY REASONABLY BE
11 EXPECTED TO COME BEFORE THE COMMISSION IN A CONTESTED ON-THE-
12 RECORD PROCEEDING. THE TERM SHALL NOT INCLUDE:

13 (1) AN OFF-THE-RECORD COMMUNICATION BY A COMMISSIONER,
14 THE DEPARTMENT OF REVENUE, PENNSYLVANIA STATE POLICE,
15 ATTORNEY GENERAL OR OTHER LAW ENFORCEMENT OFFICIAL, PRIOR TO
16 THE BEGINNING OF THE PROCEEDING SOLELY FOR THE PURPOSE OF
17 SEEKING CLARIFICATION OR CORRECTION TO EVIDENTIARY MATERIALS
18 INTENDED FOR USE IN THE PROCEEDINGS.

19 (2) A COMMUNICATION BETWEEN THE COMMISSION OR A
20 COMMISSIONER AND LEGAL COUNSEL.

21 "FELONY." AN OFFENSE UNDER THE LAWS OF THIS COMMONWEALTH OR
22 THE LAWS OF ANOTHER JURISDICTION, PUNISHABLE BY IMPRISONMENT FOR
23 MORE THAN FIVE YEARS.

24 "FINANCIAL INTEREST." AN OWNERSHIP, PROPERTY, LEASEHOLD OR
25 OTHER BENEFICIAL INTEREST IN AN ENTITY. THE TERM SHALL NOT
26 INCLUDE AN INTEREST WHICH IS HELD OR DEEMED TO BE HELD IN ANY OF
27 THE FOLLOWING:

28 (1) SECURITIES THAT ARE HELD IN A PENSION PLAN, PROFIT-
29 SHARING PLAN, INDIVIDUAL RETIREMENT ACCOUNT, TAX-SHELTERED
30 ANNUITY, A PLAN ESTABLISHED UNDER SECTION 457 OF THE INTERNAL

1 REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. § 457), OR
2 ANY SUCCESSOR PROVISION, DEFERRED COMPENSATION PLAN WHETHER
3 QUALIFIED OR NOT QUALIFIED UNDER THE INTERNAL REVENUE CODE OF
4 1986, OR ANY SUCCESSOR PROVISION OR OTHER RETIREMENT PLAN
5 THAT:

6 (I) IS NOT SELF-DIRECTED BY THE INDIVIDUAL.

7 (II) IS ADVISED BY AN INDEPENDENT INVESTMENT ADVISER
8 WHO HAS SOLE AUTHORITY TO MAKE INVESTMENT DECISIONS WITH
9 RESPECT TO CONTRIBUTIONS MADE BY THE INDIVIDUAL TO THESE
10 PLANS.

11 (2) A TUITION ACCOUNT PLAN ORGANIZED AND OPERATED UNDER
12 SECTION 529 OF THE INTERNAL REVENUE CODE OF 1986 THAT IS NOT
13 SELF-DIRECTED BY THE INDIVIDUAL.

14 (3) A MUTUAL FUND WHERE THE INTEREST OWNED BY THE MUTUAL
15 FUND IN A LICENSED RACING ENTITY DOES NOT CONSTITUTE A
16 CONTROLLING INTEREST AS DEFINED IN 4 PA.C.S. § 1103 (RELATING
17 TO DEFINITIONS).

18 "HORSE RACE MEETING." A SPECIFIED PERIOD AND DATES EACH YEAR
19 DURING WHICH A LICENSED RACING ENTITY IS AUTHORIZED TO CONDUCT
20 LIVE RACING OR PARI-MUTUEL WAGERING AS APPROVED BY THE
21 COMMISSION.

22 "HORSE RACING." STANDARD BRED HORSE RACING AND THOROUGHBRED
23 HORSE RACING.

24 "HORSEMEN'S ORGANIZATION." A TRADE ASSOCIATION WHICH
25 REPRESENTS THE MAJORITY OF OWNERS AND TRAINERS WHO OWN AND RACE
26 HORSES AT A RACETRACK.

27 "IMMEDIATE FAMILY." A SPOUSE, PARENT, BROTHER, SISTER OR
28 CHILD.

29 "IRREVOCABLE CLEAN LETTER OF CREDIT." A CLEAN LETTER OF
30 CREDIT WHICH CANNOT BE CANCELED OR AMENDED UNLESS THERE IS AN

1 AGREEMENT TO CANCEL OR AMEND AMONG ALL PARTIES TO THE LETTER OF
2 CREDIT.

3 "LAND MILE." A UNIT OF DISTANCE EQUAL TO 1,609.3 METERS OR
4 5,280 FEET, AS MEASURED IN A STRAIGHT LINE.

5 "LICENSED RACING ENTITY." ANY PERSON THAT HAS OBTAINED A
6 LICENSE TO CONDUCT LIVE THOROUGHBRED OR HARNESS HORSE RACE
7 MEETINGS RESPECTIVELY WITH PARI-MUTUEL WAGERING FROM THE
8 COMMISSION.

9 "LICENSEE." THE HOLDER OF A LICENSE ISSUED UNDER THIS
10 CHAPTER.

11 "NOMINAL CHANGE IN OWNERSHIP." THE SALE, PLEDGE,
12 ENCUMBRANCE, EXECUTION OF AN OPTION AGREEMENT OR OTHER TRANSFER
13 OF LESS THAN 5% OF THE EQUITY SECURITIES OR OTHER OWNERSHIP
14 INTEREST OF A PERSON WHOSE PERCENTAGE OWNERSHIP DOES NOT AFFECT
15 THE DECISIONS OF THE LICENSED RACING ENTITY.

16 "NONPRIMARY LOCATION." ANY FACILITY IN WHICH PARI-MUTUEL
17 WAGERING IS CONDUCTED BY A LICENSED RACING ENTITY UNDER THIS
18 CHAPTER OTHER THAN THE RACETRACK WHERE LIVE RACING IS CONDUCTED.

19 "OWNERSHIP INTEREST." OWNING OR HOLDING, OR BEING DEEMED TO
20 HOLD, DEBT OR EQUITY SECURITIES OR OTHER OWNERSHIP INTEREST OR
21 PROFIT INTEREST.

22 "PARI-MUTUEL WAGERING." A FORM OF WAGERING, INCLUDING
23 MANUAL, ELECTRONIC, COMPUTERIZED AND OTHER FORMS AS APPROVED BY
24 THE COMMISSION, ON THE OUTCOME OF A HORSE RACING EVENT IN WHICH
25 ALL WAGERS ARE POOLED AND HELD BY A LICENSED RACING ENTITY OR
26 SECONDARY PARI-MUTUEL ORGANIZATION FOR DISTRIBUTION OF THE TOTAL
27 AMOUNT, LESS THE DEDUCTIONS AUTHORIZED BY LAW, TO HOLDERS OF
28 WINNING TICKETS.

29 "PERSON." ANY NATURAL PERSON, CORPORATION, FOUNDATION,
30 ORGANIZATION, BUSINESS TRUST, ESTATE, LIMITED LIABILITY COMPANY,

1 LICENSE CORPORATION, TRUST, PARTNERSHIP, LIMITED LIABILITY
2 PARTNERSHIP, ASSOCIATION OR ANY OTHER FORM OF LEGAL BUSINESS
3 ENTITY.

4 "PRIMARY MARKET AREA OF A RACETRACK." THE LAND AREA INCLUDED
5 IN A CIRCLE DRAWN WITH THE RACETRACK AS THE CENTER AND A RADIUS
6 OF 35 LAND MILES.

7 "PRINCIPAL." ANY OF THE FOLLOWING INDIVIDUALS ASSOCIATED
8 WITH A PARTNERSHIP, TRUST ASSOCIATION, LIMITED LIABILITY COMPANY
9 OR CORPORATION:

10 (1) THE CHAIRMAN AND EACH MEMBER OF THE BOARD OF
11 DIRECTORS OF A CORPORATION.

12 (2) EACH PARTNER OF A PARTNERSHIP AND EACH PARTICIPATING
13 MEMBER OF A LIMITED LIABILITY COMPANY.

14 (3) EACH TRUSTEE AND TRUST BENEFICIARY OF AN
15 ASSOCIATION.

16 (4) THE PRESIDENT OR CHIEF EXECUTIVE OFFICER AND EACH
17 OTHER OFFICER, MANAGER AND EMPLOYEE WHO HAS POLICY-MAKING OR
18 FIDUCIARY RESPONSIBILITY WITHIN THE ORGANIZATION.

19 (5) EACH STOCKHOLDER OR OTHER INDIVIDUAL WHO OWNS, HOLDS
20 OR CONTROLS, EITHER DIRECTLY OR INDIRECTLY, 5% OR MORE OF
21 STOCK OR FINANCIAL INTEREST IN THE COLLECTIVE ORGANIZATION.

22 (6) ANY OTHER EMPLOYEE, AGENT, GUARDIAN, PERSONAL
23 REPRESENTATIVE, LENDER OR HOLDER OF INDEBTEDNESS WHO HAS THE
24 POWER TO EXERCISE A SIGNIFICANT INFLUENCE OVER THE
25 APPLICANT'S OR LICENSEE'S OPERATION.

26 "RACETRACK." THE PHYSICAL FACILITY WHERE A LICENSED RACING
27 ENTITY CONDUCTS THOROUGHBRED OR STANDARD BRED HORSE RACE MEETINGS
28 RESPECTIVELY WITH PARI-MUTUEL WAGERING.

29 "RACETRACK ENCLOSURE." FOR PURPOSES OF THIS CHAPTER, THE
30 TERM "RACETRACK ENCLOSURE," WITH RESPECT TO EACH LICENSED RACING

1 ENTITY, SHALL BE DEEMED TO INCLUDE AT LEAST ONE PRIMARY
2 RACETRACK LOCATION AT WHICH HORSE RACE MEETINGS AUTHORIZED TO BE
3 HELD BY THE LICENSED RACING ENTITIES ARE CONDUCTED, INCLUDING
4 THE GRANDSTAND, FRONTSIDE AND BACKSIDE FACILITIES AND ALL
5 PRIMARY, NONPRIMARY, CONTIGUOUS AND NONCONTIGUOUS LOCATIONS OF
6 THE LICENSED RACING ENTITY WHICH ARE SPECIFICALLY APPROVED BY
7 THE COMMISSION FOR CONDUCTING THE PARI-MUTUEL SYSTEM OF WAGERING
8 ON THE RESULTS OF HORSE RACING HELD AT SUCH MEETINGS OR RACE
9 MEETINGS CONDUCTED BY ANOTHER LICENSED RACING ENTITY OR
10 TRANSMITTED TO SUCH LOCATIONS BY SIMULCASTING.

11 "RACING VENDOR." A PERSON WHO PROVIDES GOODS OR SERVICES TO
12 A LICENSED RACING ENTITY DIRECTLY RELATED TO RACING OR THE
13 RACING PRODUCT, AS DETERMINED BY THE COMMISSION.

14 "SECONDARY MARKET AREA OF A RACETRACK." THE LAND AREA
15 INCLUDED IN A CIRCLE DRAWN WITH THE RACETRACK AS THE CENTER AND
16 A RADIUS OF 50 LAND MILES, NOT INCLUDING THE PRIMARY MARKET AREA
17 OF THE RACETRACK.

18 "SECONDARY PARI-MUTUEL ORGANIZATION." A LICENSED ENTITY,
19 OTHER THAN A LICENSED RACING ENTITY, THAT OFFERS AND ACCEPTS
20 PARI-MUTUEL WAGERS. A PERSON OR ENTITY THAT PROVIDES TO A
21 LICENSED RACING ENTITY HARDWARE, SOFTWARE, EQUIPMENT, CONTENT OR
22 SERVICES USED TO MANAGE, CONDUCT, OPERATE OR RECORD PARI-MUTUEL
23 WAGERING ACTIVITY BY OR FROM RESIDENTS OF THIS COMMONWEALTH
24 SHALL NOT BE DEEMED TO BE A SECONDARY PARI-MUTUEL ORGANIZATION
25 SOLELY BY VIRTUE OF THE PROVISION OF THE ASSETS OR SERVICES.

26 "SIMULCAST." LIVE VIDEO AND AUDIO TRANSMISSION OF A RACE AND
27 PARI-MUTUEL INFORMATION FOR THE PURPOSE OF PARI-MUTUEL WAGERING
28 AT LOCATIONS OTHER THAN THE RACETRACK WHERE THE RACE IS RUN.

29 "STANDARD BRED HORSE RACING" OR "HARNESS RACING." A FORM OF
30 HORSE RACING IN WHICH THE HORSES PARTICIPATING ARE ATTACHED "IN

1 HARNESS" TO A SULKY OR OTHER SIMILAR VEHICLE, AT A SPECIFIC
2 GAIT, EITHER A TROT OR PACE.

3 "SUBSTANTIAL CHANGE IN OWNERSHIP." THE SALE, PLEDGE,
4 ENCUMBRANCE, EXECUTION OF AN OPTION AGREEMENT OR ANOTHER
5 TRANSFER OF 5% OR MORE OF THE EQUITY SECURITIES OR OTHER
6 OWNERSHIP INTEREST OF A PERSON WHOSE PERCENTAGE OWNERSHIP
7 AFFECTS THE DECISIONS OF THE LICENSED RACING ENTITY.

8 "THOROUGHBRED HORSE RACING." THE FORM OF HORSE RACING IN
9 WHICH EACH PARTICIPATING HORSE IS MOUNTED BY A JOCKEY, IS DULY
10 REGISTERED WITH THE JOCKEY CLUB OF NEW YORK AND ENGAGES IN HORSE
11 RACING ON THE FLAT, WHICH MAY INCLUDE A STEEPLECHASE OR HURDLE
12 RACE.

13 "TOTALISATOR." A COMPUTER SYSTEM USED TO POOL WAGERS, RECORD
14 SALES, CALCULATE PAYOFFS AND DISPLAY WAGERING DATA ON A DISPLAY
15 DEVICE THAT IS LOCATED AT A PARI-MUTUEL FACILITY OR NONPRIMARY
16 LOCATION.

17 SUBCHAPTER B

18 RACING OVERSIGHT

19 SEC.

20 9311. STATE HORSE RACING COMMISSION.

21 9312. ADDITIONAL POWERS OF COMMISSION.

22 9313. BUDGET.

23 9314. LOCATION.

24 9315. NUMBER OF LICENSED RACING ENTITIES.

25 9316. DEPARTMENT OF REVENUE.

26 9317. ALLOCATION OF RACING DAYS.

27 9318. LICENSES FOR HORSE RACE MEETINGS.

28 9319. CODE OF CONDUCT.

29 9320. FINANCIAL INTERESTS.

30 9321. OFFICIALS AT HORSE RACE MEETINGS.

1 9322. SECONDARY PARI-MUTUEL ORGANIZATION.
2 9323. OCCUPATIONAL LICENSES FOR INDIVIDUALS.
3 9324. (RESERVED).
4 9325. POWER OF COMMISSION TO IMPOSE FINES.
5 9326. ADMISSION TO RACETRACK.
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7 9328. (RESERVED).
8 9329. INTERSTATE SIMULCASTING.
9 9330. PLACE AND MANNER OF CONDUCTING PARI-MUTUEL WAGERING AT
10 RACETRACK ENCLOSURE.
11 9331. PARI-MUTUEL WAGERING AT NONPRIMARY LOCATIONS.
12 9332. BOOKS AND RECORDS OF PARI-MUTUEL WAGERING.
13 9333. FILING OF CERTAIN AGREEMENTS WITH COMMISSION.
14 9334. STATE RACING FUND AND TAX RATE.
15 9335. PARI-MUTUEL POOL DISTRIBUTION.
16 9336. PENNSYLVANIA BREEDING FUND.
17 9337. PENNSYLVANIA SIRE STAKES FUND.
18 9338. FAIR FUND PROCEEDS.
19 9339. HEARING.
20 9340. PROHIBITION OF WAGERING.
21 9341. VETERINARIANS AND STATE STEWARDS.
22 9342. PROMOTIONS AND DISCOUNTS.
23 9343. MONITORING OF WAGERING ON VIDEO SCREENS.
24 9344. INTRASTATE SIMULCASTING.
25 9345. COMMINGLING.
26 9346. STANDARD BRED HORSE RACING PURSE MONEY.
27 § 9311. STATE HORSE RACING COMMISSION.
28 (A) ESTABLISHMENT.--THE STATE HORSE RACING COMMISSION IS
29 ESTABLISHED AS A COMMISSION WITHIN THE DEPARTMENT OF AGRICULTURE
30 TO INDEPENDENTLY REGULATE THE OPERATIONS OF HORSE RACING, THE

1 CONDUCT OF PARI-MUTUEL WAGERING AND THE PROMOTION AND MARKETING
2 OF HORSE RACING IN THIS COMMONWEALTH IN ACCORDANCE WITH THIS
3 CHAPTER.

4 (B) MEMBERSHIP.--THE COMMISSION SHALL CONSIST OF THE
5 FOLLOWING MEMBERS:

6 (1) FOUR MEMBERS APPOINTED BY THE GOVERNOR AS FOLLOWS:

7 (I) ONE INDIVIDUAL REPRESENTING THE THOROUGHBRED
8 HORSEMEN'S ORGANIZATIONS IN THIS COMMONWEALTH, SELECTED
9 FROM A LIST OF AT LEAST 10 QUALIFIED INDIVIDUALS
10 SUBMITTED BY THE THOROUGHBRED HORSEMEN'S ORGANIZATIONS.

11 (II) ONE INDIVIDUAL REPRESENTING A THOROUGHBRED
12 BREEDER ORGANIZATION IN THIS COMMONWEALTH, SELECTED FROM
13 A LIST OF AT LEAST 10 QUALIFIED INDIVIDUALS SUBMITTED BY
14 A THOROUGHBRED BREEDER ORGANIZATION.

15 (III) ONE INDIVIDUAL REPRESENTING THE STANDARDBRED
16 HORSEMEN'S ORGANIZATIONS IN THIS COMMONWEALTH, SELECTED
17 FROM A LIST OF AT LEAST 10 QUALIFIED INDIVIDUALS
18 SUBMITTED BY THE STANDARDBRED HORSEMEN'S ORGANIZATIONS.

19 (IV) ONE INDIVIDUAL REPRESENTING A STANDARDBRED
20 BREEDER ORGANIZATION IN THIS COMMONWEALTH, SELECTED FROM
21 A LIST OF AT LEAST 10 QUALIFIED INDIVIDUALS SUBMITTED BY
22 A STANDARDBRED BREEDER ORGANIZATION.

23 (2) ONE MEMBER APPOINTED BY EACH OF THE FOLLOWING, NONE
24 OF WHOM SHALL BE A MEMBER OF A HORSEMEN'S ORGANIZATION OR
25 BREEDER ORGANIZATION:

26 (I) THE PRESIDENT PRO TEMPORE OF THE SENATE.

27 (II) THE MINORITY LEADER OF THE SENATE.

28 (III) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

29 (IV) THE MINORITY LEADER OF THE HOUSE OF
30 REPRESENTATIVES.

1 (3) THE SECRETARY OF AGRICULTURE OR THE SECRETARY'S
2 DESIGNEE, WHO SHALL BE A NONVOTING EX OFFICIO MEMBER.

3 (4) ONE INDIVIDUAL WHO IS A LICENSED DOCTOR OF
4 VETERINARY MEDICINE IN THIS COMMONWEALTH, WHO SHALL NOT BE A
5 MEMBER OF A HORSEMEN'S ORGANIZATION OR A BREEDER
6 ORGANIZATION, APPOINTED BY THE GOVERNOR.

7 (5) EACH APPOINTING AUTHORITY SHALL MAKE ITS
8 APPOINTMENTS WITHIN 30 DAYS OF THE EFFECTIVE DATE OF THIS
9 SECTION. APPOINTMENTS TO FILL A VACANCY SHALL BE MADE WITHIN
10 10 DAYS OF THE CREATION OF THE VACANCY. AN APPOINTMENT SHALL
11 NOT BE FINAL UNTIL RECEIPT BY THE APPOINTING AUTHORITY OF A
12 BACKGROUND INVESTIGATION OF THE APPOINTEE BY THE PENNSYLVANIA
13 STATE POLICE, WHICH SHALL BE COMPLETED WITHIN 30 DAYS OF THE
14 APPOINTMENT. A PERSON WHO HAS BEEN CONVICTED IN A DOMESTIC OR
15 FOREIGN JURISDICTION OF A FELONY, INFAMOUS CRIME, GAMBLING
16 OFFENSE OR AN OFFENSE RELATED TO FIXING HORSE RACES OR ANIMAL
17 CRUELTY MAY NOT BE APPOINTED TO THE COMMISSION.

18 (6) THE FOLLOWING SHALL APPLY TO APPOINTEES,
19 COMMISSIONERS, EMPLOYEES AND INDEPENDENT CONTRACTORS:

20 (I) EACH COMMISSIONER AT THE TIME OF APPOINTMENT
21 MUST BE AT LEAST 25 YEARS OF AGE AND MUST HAVE BEEN A
22 RESIDENT OF THIS COMMONWEALTH FOR A PERIOD OF AT LEAST
23 ONE YEAR IMMEDIATELY PRECEDING APPOINTMENT. EACH
24 COMMISSIONER MUST REMAIN A RESIDENT OF THIS COMMONWEALTH
25 DURING THE TERM OF MEMBERSHIP ON THE COMMISSION.

26 (II) EXCEPT FOR THE COMMISSIONER APPOINTED UNDER
27 PARAGRAPH (3), A PERSON MAY NOT BE APPOINTED A
28 COMMISSIONER IF THE PERSON IS A PUBLIC OFFICIAL OR PARTY
29 OFFICER AS DEFINED IN 4 PA.C.S. § 1512 (RELATING TO
30 FINANCIAL AND EMPLOYMENT INTERESTS) IN THIS COMMONWEALTH

1 OR ANY OF ITS POLITICAL SUBDIVISIONS.

2 (III) EACH COMMISSIONER, EMPLOYEE AND INDEPENDENT
3 CONTRACTOR OF THE COMMISSION MUST SIGN AN AGREEMENT NOT
4 TO DISCLOSE CONFIDENTIAL INFORMATION.

5 (IV) EXCEPT FOR A COMMISSIONER APPOINTED UNDER
6 PARAGRAPH (1), A COMMISSIONER, EMPLOYEE OR INDEPENDENT
7 CONTRACTOR OF THE COMMISSION OR OTHER AGENCY HAVING
8 REGULATORY AUTHORITY OVER HORSE RACING UNDER THIS CHAPTER
9 MAY NOT BE EMPLOYED, HOLD AN OFFICE OR POSITION OR BE
10 ENGAGED IN AN ACTIVITY WHICH IS INCOMPATIBLE WITH THE
11 POSITION, EMPLOYMENT OR CONTRACT.

12 (V) A COMMISSIONER MAY NOT BE PAID OR RECEIVE A FEE
13 OR OTHER COMPENSATION FOR ANY ACTIVITY RELATED TO THE
14 DUTIES OR AUTHORITY OF THE COMMISSION OTHER THAN
15 COMPENSATION AND EXPENSES PROVIDED BY LAW.

16 (VI) A COMMISSIONER, EMPLOYEE OR INDEPENDENT
17 CONTRACTOR OF THE COMMISSION MAY NOT PARTICIPATE IN A
18 HEARING, PROCEEDING OR OTHER MATTER IN WHICH THE MEMBER,
19 EMPLOYEE OR INDEPENDENT CONTRACTOR, OR THE IMMEDIATE
20 FAMILY THEREOF, HAS A FINANCIAL INTEREST IN THE SUBJECT
21 MATTER OF THE HEARING OR PROCEEDING OR OTHER INTEREST
22 THAT COULD BE SUBSTANTIALLY AFFECTED BY THE OUTCOME OF
23 THE HEARING OR PROCEEDING WITHOUT FIRST FULLY DISCLOSING
24 THE NATURE OF THE INTEREST TO THE COMMISSION AND OTHER
25 PERSONS PARTICIPATING IN THE HEARING OR PROCEEDING. THE
26 COMMISSION SHALL DETERMINE IF THE INTEREST IS A
27 DISQUALIFYING INTEREST THAT REQUIRES THE DISQUALIFICATION
28 OR NONPARTICIPATION OF A COMMISSIONER, AN EMPLOYEE OR
29 INDEPENDENT CONTRACTOR.

30 (VII) AT THE TIME OF APPOINTMENT AND ANNUALLY

1 THEREAFTER, EACH COMMISSIONER SHALL DISCLOSE THE
2 EXISTENCE OF ANY FINANCIAL INTEREST IN ANY APPLICANT OR
3 LICENSED RACING ENTITY AND IN AN AFFILIATE, INTERMEDIARY,
4 SUBSIDIARY OR HOLDING COMPANY THEREOF HELD BY THE
5 COMMISSIONER OR KNOWN TO BE HELD BY A COMMISSIONER'S
6 IMMEDIATE FAMILY. THE DISCLOSURE STATEMENT SHALL BE FILED
7 WITH EACH DIRECTOR ESTABLISHED UNDER SUBSECTION (D) (2)
8 AND WITH THE APPOINTING AUTHORITY FOR SUCH COMMISSIONER
9 AND SHALL BE OPEN TO INSPECTION BY THE PUBLIC AT THE
10 OFFICE OF THE COMMISSION DURING THE NORMAL BUSINESS HOURS
11 OF THE COMMISSION AND POSTED ON THE COMMISSION'S INTERNET
12 WEBSITE FOR THE DURATION OF A COMMISSIONER'S TERM AND FOR
13 TWO YEARS AFTER A COMMISSIONER LEAVES OFFICE.

14 (VIII) (RESERVED).

15 (IX) A COMMISSIONER, EMPLOYEE OR BUREAU DIRECTOR OF
16 THE COMMISSION MAY NOT DIRECTLY OR INDIRECTLY SOLICIT,
17 REQUEST, SUGGEST OR RECOMMEND TO ANY APPLICANT, LICENSED
18 RACING ENTITY OR AN AFFILIATE, INTERMEDIARY, SUBSIDIARY
19 OR HOLDING COMPANY THEREOF OR TO AN EMPLOYEE OR AGENT
20 THEREOF, THE APPOINTMENT OR EMPLOYMENT OF ANY PERSON IN
21 ANY CAPACITY BY THE APPLICANT, LICENSED RACING ENTITY OR
22 AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY
23 THEREOF DURING THE TERM OF OFFICE OR EMPLOYMENT WITH THE
24 COMMISSION.

25 (X) EXCEPT FOR A COMMISSIONER APPOINTED UNDER
26 PARAGRAPH (1), A COMMISSIONER MAY NOT ACCEPT EMPLOYMENT
27 WITH AN APPLICANT FOR A HORSE RACING LICENSE, A LICENSED
28 RACING ENTITY, OR AN AFFILIATE, INTERMEDIARY, SUBSIDIARY
29 OR HOLDING COMPANY THEREOF, FOR A PERIOD OF TWO YEARS
30 FROM THE TERMINATION OF THE TERM OF OFFICE.

1 (XI) A FORMER COMMISSIONER MAY NOT APPEAR BEFORE THE
2 COMMISSION IN ANY HEARING OR PROCEEDING OR PARTICIPATE IN
3 ANY OTHER ACTIVITY ON BEHALF OF ANY APPLICANT FOR A HORSE
4 RACING LICENSE, A LICENSED RACING ENTITY, OR AN
5 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF
6 AN APPLICANT OR LICENSED RACING ENTITY FOR A PERIOD OF
7 TWO YEARS FROM THE TERMINATION OF TERM OF OFFICE.

8 (XII) A COMMISSIONER OR EMPLOYEE OF THE COMMISSION
9 MAY NOT ACCEPT A COMPLIMENTARY SERVICE, PLACE A WAGER OR
10 BE PAID ANY PRIZE FROM ANY WAGER ON A HORSE RACE AT A
11 RACETRACK OR NONPRIMARY LOCATION WITHIN THIS COMMONWEALTH
12 OR AT ANY OTHER RACETRACK OR NONPRIMARY LOCATION OUTSIDE
13 THIS COMMONWEALTH WHICH IS OWNED OR OPERATED BY A
14 LICENSED RACING ENTITY OR ANY OF ITS AFFILIATES,
15 INTERMEDIARIES, SUBSIDIARIES OR HOLDING COMPANIES FOR THE
16 DURATION OF THE COMMISSIONER'S OR EMPLOYEE'S TERM OF
17 OFFICE OR EMPLOYMENT. NOTHING IN THIS SECTION SHALL BE
18 CONSTRUED TO PROHIBIT A COMMISSIONER APPOINTED UNDER
19 PARAGRAPH (1) FROM BEING AWARDED A PURSE OR BREEDERS'
20 AWARD FOR THE COMMISSIONER'S PARTICIPATION IN HORSE
21 RACING.

22 (XIII) A COMMISSIONER WHO HAS BEEN CONVICTED DURING
23 HIS TERM OF OFFICE IN A DOMESTIC OR FOREIGN JURISDICTION
24 OF A FELONY, INFAMOUS CRIME, OFFENSE RELATED TO FIXING OR
25 RIGGING HORSE RACES OR GAMBLING OFFENSE SHALL, UPON
26 CONVICTION, BE AUTOMATICALLY REMOVED FROM THE COMMISSION
27 AND SHALL BE INELIGIBLE TO BECOME A COMMISSIONER IN THE
28 FUTURE.

29 (XIV) THE FOLLOWING SHALL APPLY TO AN EMPLOYEE OF
30 THE COMMISSION, WHO IS NOT SUBJECT TO A COLLECTIVE

1 BARGAINING AGREEMENT, WHOSE DUTIES SUBSTANTIALLY INVOLVE
2 LICENSING, ENFORCEMENT, DEVELOPMENT OF LAW, PROMULGATION
3 OF REGULATIONS OR DEVELOPMENT OF POLICY RELATING TO HORSE
4 RACING UNDER THIS CHAPTER OR WHO HAS OTHER DISCRETIONARY
5 AUTHORITY WHICH MAY AFFECT OR INFLUENCE THE OUTCOME OF AN
6 ACTION, PROCEEDING OR DECISION UNDER THIS CHAPTER,
7 INCLUDING THE DIRECTOR OF A BUREAU:

8 (A) THE INDIVIDUAL MAY NOT, FOR A PERIOD OF TWO
9 YEARS FOLLOWING TERMINATION OF EMPLOYMENT, ACCEPT
10 EMPLOYMENT WITH OR BE RETAINED BY AN APPLICANT FOR A
11 HORSE RACING LICENSE OR A LICENSED RACING ENTITY OR
12 BY AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING
13 COMPANY OF AN APPLICANT OR A LICENSED RACING ENTITY.

14 (B) THE INDIVIDUAL MAY NOT, FOR A PERIOD OF TWO
15 YEARS FOLLOWING TERMINATION OF EMPLOYMENT, APPEAR
16 BEFORE THE COMMISSION IN A HEARING OR PROCEEDING OR
17 PARTICIPATE IN ACTIVITY ON BEHALF OF ANY APPLICANT,
18 LICENSEE OR LICENSED RACING ENTITY OR ON BEHALF OF AN
19 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING
20 COMPANY OF ANY APPLICANT, LICENSEE OR LICENSED RACING
21 ENTITY.

22 (C) THIS SUBPARAGRAPH SHALL NOT APPLY TO AN
23 EMPLOYEE SUBJECT TO THE JURISDICTION OF THE
24 PENNSYLVANIA SUPREME COURT UNDER SECTION 10(C) OF
25 ARTICLE V OF THE CONSTITUTION OF PENNSYLVANIA.

26 (XV) NOTHING UNDER SUBPARAGRAPH (XIV) SHALL PREVENT
27 A CURRENT OR FORMER EMPLOYEE OF THE COMMISSION FROM
28 APPEARING BEFORE THE COMMISSION IN A HEARING OR
29 PROCEEDING AS A WITNESS OR TESTIFYING AS TO A FACT OR
30 INFORMATION.

1 (XVI) THE STATE ETHICS COMMISSION SHALL ISSUE A
2 WRITTEN DETERMINATION OF WHETHER A PERSON IS SUBJECT TO
3 SUBPARAGRAPH (XIV) UPON THE WRITTEN REQUEST OF THE PERSON
4 OR THE PERSON'S EMPLOYER OR POTENTIAL EMPLOYER. A PERSON
5 THAT RELIES IN GOOD FAITH ON A DETERMINATION ISSUED UNDER
6 THIS PARAGRAPH SHALL NOT BE SUBJECT TO ANY PENALTY FOR AN
7 ACTION TAKEN, IF ALL MATERIAL FACTS SET FORTH IN THE
8 REQUEST FOR THE DETERMINATION ARE CORRECT.

9 (XVII) THE STATE ETHICS COMMISSION SHALL PUBLISH A
10 LIST OF ALL EMPLOYMENT POSITIONS WITHIN THE COMMISSION
11 WHOSE DUTIES WOULD SUBJECT THE INDIVIDUALS IN THOSE
12 POSITIONS TO THE PROVISIONS OF SUBPARAGRAPH (XIV). THE
13 COMMISSION SHALL ASSIST THE STATE ETHICS COMMISSION IN
14 THE DEVELOPMENT OF THE LIST, WHICH SHALL BE PUBLISHED BY
15 THE STATE ETHICS COMMISSION IN THE PENNSYLVANIA BULLETIN
16 BIENNIALLY AND POSTED BY THE COMMISSION ON THE
17 COMMISSION'S INTERNET WEBSITE. UPON REQUEST, EMPLOYEES OF
18 THE COMMISSION SHALL HAVE A DUTY TO PROVIDE THE STATE
19 ETHICS COMMISSION WITH ADEQUATE INFORMATION TO ACCURATELY
20 DEVELOP AND MAINTAIN THE LIST. THE STATE ETHICS
21 COMMISSION MAY IMPOSE A CIVIL PENALTY UNDER 65 PA.C.S. §
22 1109(F) (RELATING TO PENALTIES) UPON AN INDIVIDUAL WHO
23 FAILS TO COOPERATE WITH THE STATE ETHICS COMMISSION UNDER
24 THIS SUBPARAGRAPH. AN INDIVIDUAL WHO RELIES IN GOOD FAITH
25 ON THE LIST PUBLISHED BY THE STATE ETHICS COMMISSION
26 SHALL NOT BE SUBJECT TO ANY PENALTY FOR A VIOLATION OF
27 SUBPARAGRAPH (XIV).

28 (XVIII) A COMMISSIONER MAY NOT SOLICIT, REQUEST,
29 SUGGEST OR RECOMMEND THE EMPLOYMENT BY THE COMMISSION OF
30 AN IMMEDIATE FAMILY MEMBER.

1 (XIX) IF A COMMISSIONER VIOLATES ANY PROVISION OF
2 THIS SECTION, THE APPOINTING AUTHORITY MAY REMOVE THE
3 PERSON FROM THE COMMISSION. A COMMISSIONER REMOVED UNDER
4 THIS PARAGRAPH SHALL, FOR A PERIOD OF FIVE YEARS
5 FOLLOWING REMOVAL, BE PROHIBITED FROM FUTURE APPOINTMENT
6 TO THE COMMISSION AND SHALL BE PROHIBITED FROM APPLYING
7 FOR A LICENSE OR OTHER AUTHORIZATION UNDER THIS CHAPTER
8 AND FROM BECOMING AN INDEPENDENT CONTRACTOR WITH THE
9 COMMISSION.

10 (XX) EXCEPT FOR A COMMISSIONER APPOINTED UNDER
11 PARAGRAPH (1), A COMMISSIONER OR EMPLOYEE OF THE
12 COMMISSION MAY NOT DIRECTLY OR INDIRECTLY HAVE AN
13 OWNERSHIP INTEREST IN A RACE HORSE WHICH IS ENTERED IN A
14 HORSE RACE MEETING IN THIS COMMONWEALTH.

15 (7) A COMMISSIONER SHALL NOT BE PERSONALLY LIABLE FOR
16 ANY OF THE FOLLOWING:

17 (I) OBLIGATIONS OF THE COMMISSION.

18 (II) ACTIONS WHICH WERE WITHIN THE SCOPE OF THEIR
19 OFFICE AND MADE IN GOOD FAITH.

20 (B.1) INITIAL APPOINTMENTS TO COMMISSION.--

21 (1) APPOINTEES INITIALLY APPOINTED UNDER SUBSECTION (B)
22 SHALL SERVE AN INITIAL TERM OF TWO YEARS AND UNTIL THEIR
23 SUCCESSORS ARE APPOINTED AND QUALIFIED.

24 (2) AN APPOINTMENT TO FILL A VACANCY CREATED BY A
25 COMMISSIONER APPOINTED IN ACCORDANCE WITH PARAGRAPH (1) SHALL
26 BE FOR THE REMAINDER OF THE UNEXPIRED TERM.

27 (B.2) TERMS OF OFFICE.--UPON THE EXPIRATION OF A TERM OF A
28 COMMISSIONER APPOINTED UNDER SUBSECTIONS (B) AND (B.1), THE
29 FOLLOWING SHALL APPLY:

30 (1) THE TERM OF OFFICE OF A GUBERNATORIAL APPOINTEE

1 SHALL BE THREE YEARS AND UNTIL A SUCCESSOR IS APPOINTED AND
2 QUALIFIED.

3 (2) THE TERM OF OFFICE OF A LEGISLATIVE APPOINTEE SHALL
4 BE TWO YEARS AND UNTIL A SUCCESSOR IS APPOINTED AND
5 QUALIFIED.

6 (3) A LEGISLATIVE APPOINTEE SHALL SERVE NO MORE THAN
7 THREE FULL CONSECUTIVE TERMS.

8 (4) A GUBERNATORIAL APPOINTEE SHALL SERVE NO MORE THAN
9 TWO FULL CONSECUTIVE TERMS.

10 (5) AN APPOINTMENT TO FILL A VACANCY SHALL BE FOR THE
11 REMAINDER OF THE UNEXPIRED TERM.

12 (6) A COMMISSIONER APPOINTED TO FILL A VACANCY UNDER
13 PARAGRAPH (3) MAY SERVE THREE FULL TERMS FOLLOWING THE
14 EXPIRATION OF THE TERM RELATED TO THE VACANCY.

15 (7) A COMMISSIONER APPOINTED TO FILL A VACANCY UNDER
16 PARAGRAPH (4) MAY SERVE TWO FULL TERMS FOLLOWING THE
17 EXPIRATION OF THE TERM RELATED TO THE VACANCY.

18 (C) CHAIRPERSON.--THE GOVERNOR SHALL APPOINT THE CHAIRPERSON
19 OF THE COMMISSION.

20 (C.1) COMPENSATION.--COMMISSIONERS SHALL BE REIMBURSED FOR
21 DOCUMENTED EXPENSES INCURRED IN THE PERFORMANCE OF THEIR
22 OFFICIAL DUTIES AND, EXCEPT FOR COMMISSIONERS APPOINTED UNDER
23 SUBSECTION (B) (3), COMMISSIONERS SHALL BE PAID \$150 PER DIEM.

24 (C.2) MEETINGS.--THE COMMISSION SHALL MEET AT LEAST ONCE A
25 MONTH AND AT OTHER TIMES AS THE COMMISSION CHAIRPERSON DEEMS
26 NECESSARY. PUBLIC NOTICE OF THE TIME AND PLACE OF MEETINGS OF
27 THE COMMISSION SHALL BE GIVEN IN ACCORDANCE WITH 65 PA.C.S. CH.
28 7 (RELATING TO OPEN MEETINGS).

29 (D) OFFICE OF HORSE RACING.--THERE IS ESTABLISHED WITHIN THE
30 COMMISSION AN OFFICE OF HORSE RACING.

1 (1) THE OFFICE SHALL BE COMPRISED OF THE FOLLOWING:

2 (I) THE BUREAU OF THOROUGHBRED HORSE RACING SHALL
3 HAVE OVERSIGHT OVER THE CONDUCT OF THOROUGHBRED HORSE
4 RACING IN THIS COMMONWEALTH.

5 (II) THE BUREAU OF STANDARDBRED HORSE RACING SHALL
6 HAVE OVERSIGHT OVER THE CONDUCT OF STANDARDBRED HORSE
7 RACING IN THIS COMMONWEALTH.

8 (2) THERE SHALL BE A DIRECTOR OF THE BUREAU OF
9 THOROUGHBRED HORSE RACING AND A DIRECTOR OF THE BUREAU OF
10 STANDARDBRED HORSE RACING TO SERVE AND REPORT TO THE
11 COMMISSION. THE DIRECTOR OF EACH BUREAU SHALL NOT BE
12 SUPERVISED BY THE DEPARTMENT OF AGRICULTURE. THE COMMISSION
13 SHALL ASSIGN THE DIRECTORS DUTIES AND RESPONSIBILITIES AS
14 REQUIRED TO FULFILL THE COMMISSION'S OBLIGATIONS UNDER THIS
15 CHAPTER OR ANY OTHER ACT. THE COMMISSION MAY, BY ORDER,
16 DELEGATE DUTIES AND RESPONSIBILITIES TO THE BUREAU DIRECTOR
17 AS THE COMMISSION DETERMINES NECESSARY TO DISCHARGE THE DAY-
18 TO-DAY LICENSING, ENFORCEMENT AND ADMINISTRATIVE OPERATIONS
19 OF THE COMMISSION. THE DIRECTOR OF EACH BUREAU ESTABLISHED IN
20 THIS SECTION MUST MEET ALL OF THE FOLLOWING REQUIREMENTS:

21 (I) HAS EITHER:

22 (A) BEEN CERTIFIED AS A RACING OFFICIAL; OR

23 (B) HAS AT LEAST FIVE YEARS' EXPERIENCE IN THE
24 MANAGEMENT OF A LICENSED RACING ENTITY OR EQUIVALENT
25 RACING EXPERIENCE.

26 (II) ANY OTHER CRITERIA ESTABLISHED BY THE
27 COMMISSION.

28 (3) EACH BUREAU ESTABLISHED UNDER THIS SUBSECTION SHALL
29 HAVE THE FOLLOWING POWERS AND DUTIES:

30 (I) EVALUATE AND REVIEW ALL APPLICANTS AND

1 APPLICATIONS FOR A THOROUGHBRED HORSE RACING OR
2 STANDARD BRED HORSE RACING LICENSE. A BUREAU UNDER THIS
3 SECTION SHALL BE PROHIBITED FROM DISCLOSING ANY PORTION
4 OF AN EVALUATION TO A COMMISSIONER PRIOR TO THE DECISION
5 RELATING TO THE APPLICANT'S SUITABILITY FOR LICENSURE BY
6 THE COMMISSION.

7 (II) INSPECT AND MONITOR LICENSEES AND OTHER PERSONS
8 REGULATED UNDER THIS CHAPTER FOR NONCRIMINAL VIOLATIONS,
9 INCLUDING POTENTIAL VIOLATIONS REFERRED TO EITHER BUREAU
10 BY THE COMMISSION OR OTHER PERSON.

11 (III) MONITOR HORSE RACING OPERATIONS TO ENSURE
12 COMPLIANCE WITH THIS CHAPTER.

13 (IV) INSPECT AND EXAMINE LICENSED RACING ENTITIES
14 AND RACETRACK FACILITIES.

15 (A) INSPECTIONS MAY INCLUDE THE REVIEW AND
16 REPRODUCTION OF ANY DOCUMENT OR RECORD.

17 (B) EXAMINATIONS MAY INCLUDE THE REVIEW OF
18 ACCOUNTING, ADMINISTRATIVE AND FINANCIAL RECORDS,
19 MANAGEMENT CONTROL SYSTEMS, PROCEDURES AND OTHER
20 RECORDS.

21 (V) REFER POSSIBLE CRIMINAL VIOLATION TO LAW
22 ENFORCEMENT.

23 (VI) COOPERATE IN THE INVESTIGATION AND PROSECUTION
24 OF ANY CRIMINAL VIOLATION.

25 (VII) ISSUE ADMINISTRATIVE SUBPOENAS TO EFFECTUATE
26 AN INSPECTION AND REVIEW UNDER THIS PARAGRAPH, ADMINISTER
27 OATHS AND TAKE TESTIMONY AS NECESSARY FOR THE
28 ADMINISTRATION OF THIS CHAPTER.

29 (E) JURISDICTION.--THE COMMISSION SHALL HAVE JURISDICTION
30 AND REGULATORY AUTHORITY OVER THE FOLLOWING:

1 (1) PARI-MUTUEL WAGERING AND OTHER HORSE RACING
2 ACTIVITIES IN THIS COMMONWEALTH.

3 (2) A LICENSED PERSON ENGAGED IN PARI-MUTUEL HORSE
4 RACING ACTIVITIES.

5 (3) OUT-OF-COMPETITION DRUG TESTING, WHICH SHALL INCLUDE
6 THE RANDOM DRUG TESTING OF ANY HORSE ENTERED IN A RACE,
7 NOTWITHSTANDING THE PHYSICAL LOCATION OF THE HORSE, STABLED
8 ON THE GROUNDS OR SHIPPED INTO A LICENSED RACING ENTITY'S
9 FACILITY.

10 (4) THE CONDUCT OF HORSE RACING IN THIS COMMONWEALTH.
11 (F) VOTING.--

12 (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION,
13 ACTIONS OF THE COMMISSION SHALL BE SUBJECT TO A SIMPLE
14 MAJORITY VOTE OF THE COMMISSION.

15 (2) A QUALIFIED MAJORITY VOTE CONSISTING OF THE TWO
16 COMMISSIONERS APPOINTED UNDER SUBSECTION (B) (1) (I) AND (II)
17 AND AS MANY VOTES OF THE REMAINING VOTING COMMISSIONERS AS
18 NECESSARY TO CONSTITUTE A MAJORITY OF THOSE COMMISSIONERS
19 VOTING SHALL BE REQUIRED TO:

20 (I) APPROVE, ISSUE, DENY OR CONDITION A LICENSE TO
21 CONDUCT THOROUGHBRED HORSE RACE MEETINGS UNDER SECTION
22 9318 (RELATING TO LICENSES FOR HORSE RACE MEETINGS).

23 (II) ADOPT REGULATIONS GOVERNING THOROUGHBRED HORSE
24 RACE MEETINGS UNDER THIS SECTION.

25 (III) EMPLOY A DIRECTOR OF THE BUREAU OF
26 THOROUGHBRED HORSE RACING UNDER SUBSECTION (D) (2).

27 (3) A QUALIFIED MAJORITY VOTE CONSISTING OF THE TWO
28 COMMISSIONERS APPOINTED UNDER SUBSECTION (B) (1) (III) AND (IV)
29 AND AS MANY VOTES OF THE REMAINING VOTING COMMISSIONERS AS
30 NECESSARY TO CONSTITUTE A MAJORITY OF THOSE COMMISSIONERS

1 VOTING SHALL BE REQUIRED TO:

2 (I) APPROVE, ISSUE, DENY OR CONDITION A LICENSE TO
3 CONDUCT STANDARDBRED HORSE RACE MEETINGS UNDER SECTION
4 9318.

5 (II) ADOPT RULES AND REGULATIONS GOVERNING
6 STANDARDBRED HORSE RACE MEETINGS UNDER THIS SECTION.

7 (III) EMPLOY A DIRECTOR OF THE BUREAU OF
8 STANDARDBRED HORSE RACING UNDER SUBSECTION (D) (2).

9 (4) COMMISSIONERS APPOINTED UNDER SUBSECTION (B) (1) (I)
10 AND (II) SHALL BE DISQUALIFIED AND MUST ABSTAIN FROM VOTING
11 ON ANY MATTER UNDER PARAGRAPH (3).

12 (5) COMMISSIONERS APPOINTED UNDER SUBSECTION (B) (1) (III)
13 AND (IV) SHALL BE DISQUALIFIED AND MUST ABSTAIN FROM VOTING
14 ON ANY MATTER UNDER PARAGRAPH (2).

15 (6) IF ONE OR MORE APPOINTEES UNDER SUBSECTION (B) (1) IS
16 NOT PARTICIPATING IN VOTING ON ANY MATTER UPON WHICH THEY ARE
17 OTHERWISE ELIGIBLE TO VOTE UNDER PARAGRAPH (2) OR (3), THE
18 QUALIFIED MAJORITY SHALL CONSIST OF THE REMAINING APPOINTEE
19 UNDER THE RESPECTIVE SUBPARAGRAPH OF SUBSECTION (B) (1)
20 PURSUANT TO WHICH THE NONPARTICIPATING COMMISSIONER HAS BEEN
21 APPOINTED, IF ANY, AND AS MANY COMMISSIONERS AS NECESSARY TO
22 CONSTITUTE A MAJORITY OF THOSE COMMISSIONERS VOTING.

23 (G) RECORDS.--THE COMMISSION SHALL MAINTAIN AT ITS OFFICE
24 THE FOLLOWING:

25 (1) ALL DOCUMENTS, DIGITAL OR NONDIGITAL, PROVIDED TO OR
26 FILED WITH THE COMMISSION RELATING TO THE REGULATION OF HORSE
27 RACING AND PARI-MUTUEL WAGERING UNDER THIS CHAPTER. THE
28 COMMISSION MAY ACCEPT DIGITAL SIGNATURES ON DOCUMENTS
29 PROVIDED OR FILED AND DOCUMENTS MAY BE DESIGNATED AS
30 CONFIDENTIAL IN ACCORDANCE WITH COMMISSION POLICY.

1 (2) A DOCKET SETTING FORTH THE NAMES OF ALL STOCKHOLDERS
2 IN A LICENSED RACING ENTITY. THE DOCKET SHALL BE AVAILABLE
3 FOR PUBLIC INSPECTION DURING NORMAL BUSINESS HOURS OF THE
4 COMMISSION.

5 (3) THE NUMBER OF SHARES HELD BY EACH STOCKHOLDER.

6 (4) A COMPLETE RECORD OF PROCEEDINGS OF THE COMMISSION
7 RELATING TO HORSE RACING AND PARI-MUTUEL WAGERING.

8 (H) RULES AND REGULATIONS.--THE FOLLOWING SHALL APPLY:

9 (1) ALL RULES AND REGULATIONS PROMULGATED UNDER THE
10 FORMER ACT OF DECEMBER 11, 1967 (P.L.707, NO.331), REFERRED
11 TO AS THE PENNSYLVANIA THOROUGHBRED HORSE RACING LAW, OR THE
12 FORMER ACT OF DECEMBER 22, 1959 (P.L.1978, NO.728), REFERRED
13 TO AS THE PENNSYLVANIA HARNESS RACING LAW, SHALL REMAIN IN
14 EFFECT EXCEPT TO THE EXTENT THAT THEY ARE IN DIRECT CONFLICT
15 WITH THIS CHAPTER. THE COMMISSION MAY ADOPT, AMEND, REVISE OR
16 ALTER THE RULES AND REGULATIONS AS THE COMMISSION DEEMS
17 NECESSARY.

18 (2) THE COMMISSION SHALL PROMULGATE RULES AND
19 REGULATIONS NECESSARY FOR THE ADMINISTRATION AND ENFORCEMENT
20 OF THIS CHAPTER. EXCEPT AS PROVIDED IN THIS PARAGRAPH AND
21 PARAGRAPH (3), REGULATIONS SHALL BE PROMULGATED IN ACCORDANCE
22 WITH LAW.

23 (3) IN ORDER TO FACILITATE THE PROMPT IMPLEMENTATION OF
24 THIS CHAPTER, REGULATIONS PROMULGATED BY THE COMMISSION SHALL
25 BE DEEMED TEMPORARY REGULATIONS WHICH SHALL NOT EXPIRE FOR A
26 PERIOD OF THREE YEARS FOLLOWING PUBLICATION. TEMPORARY
27 REGULATIONS SHALL NOT BE SUBJECT TO:

28 (I) SECTIONS 201, 202, 203, 204 AND 205 OF THE ACT
29 OF JULY 31, 1968 (P.L.769, NO.240), REFERRED TO AS THE
30 COMMONWEALTH DOCUMENTS LAW.

1 (II) SECTIONS 204(B) AND 301(10) OF THE ACT OF
2 OCTOBER 15, 1980 (P.L.950, NO.164), KNOWN AS THE
3 COMMONWEALTH ATTORNEYS ACT.

4 (III) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181),
5 KNOWN AS THE REGULATORY REVIEW ACT.

6 (4) THE COMMISSION'S AUTHORITY TO PROMULGATE TEMPORARY
7 REGULATIONS UNDER PARAGRAPH (3) SHALL EXPIRE THREE YEARS
8 AFTER THE EFFECTIVE DATE OF THIS SECTION. REGULATIONS ADOPTED
9 AFTER THIS PERIOD SHALL BE PROMULGATED AS PROVIDED BY LAW.

10 (I) APPLICATION.--THE COMMISSION SHALL DEVELOP AN
11 APPLICATION FOR APPLICANTS SEEKING A LICENSE TO CONDUCT HORSE
12 RACING UNDER THIS CHAPTER.

13 (J) LICENSES.--EACH LICENSE TO CONDUCT HORSE RACING OR ANY
14 OTHER ACTIVITY UNDER THIS CHAPTER ISSUED PRIOR TO JANUARY 1,
15 2017, SHALL REMAIN IN EFFECT FOR THE REMAINDER OF THE TERM FOR
16 WHICH THE LICENSE WAS ISSUED UNLESS REVOKED OR SUSPENDED.
17 BEGINNING JANUARY 1, 2017, A LICENSE SHALL BE RENEWED OR A NEW
18 LICENSE SHALL BE ISSUED IN ACCORDANCE WITH THIS CHAPTER.

19 (K) REPORT OF COMMISSION.--TWELVE MONTHS AFTER THE EFFECTIVE
20 DATE OF THIS SECTION AND EVERY YEAR ON THAT DATE THEREAFTER, THE
21 COMMISSION, THROUGH THE DEPARTMENT OF AGRICULTURE, SHALL ISSUE A
22 REPORT TO THE GOVERNOR AND EACH MEMBER OF THE GENERAL ASSEMBLY
23 ON THE GENERAL OPERATION OF THE COMMISSION AND EACH LICENSEE'S
24 PERFORMANCE, INCLUDING NUMBER AND WIN PER RACE AND TOTAL GROSS
25 REVENUE AT EACH FACILITY OF A LICENSED RACING ENTITY DURING THE
26 PREVIOUS YEAR, ALL TAXES, FEES, FINES AND OTHER REVENUES
27 COLLECTED AND, WHERE APPROPRIATE, DISBURSED, THE COSTS OF
28 OPERATION OF THE COMMISSION, ALL HEARINGS CONDUCTED AND THE
29 RESULTS OF THE HEARINGS AND OTHER INFORMATION THAT THE
30 COMMISSION DEEMS NECESSARY AND APPROPRIATE. NOTWITHSTANDING ANY

1 OTHER REPORTING REQUIREMENTS IN 4 PA.C.S. § 1211 (RELATING TO
2 REPORTS OF BOARD), THE PENNSYLVANIA GAMING CONTROL BOARD AND THE
3 DEPARTMENT OF AGRICULTURE MUST JOINTLY SUBMIT THE REPORT UNDER
4 THIS SUBSECTION RELATING TO RACING ON AN ANNUAL BASIS.

5 (L) RECORD OF PROCEEDINGS.--THE COMMISSION SHALL CAUSE TO BE
6 MADE AND KEPT A RECORD OF ALL PROCEEDINGS HELD AT PUBLIC
7 MEETINGS OF THE COMMISSION. A VERBATIM TRANSCRIPT OF THOSE
8 PROCEEDINGS SHALL BE PREPARED BY THE COMMISSION UPON THE REQUEST
9 OF ANY PERSON AND THE PAYMENT BY THAT PERSON OF THE COSTS OF
10 PREPARATION.

11 (M) PUBLIC RECORDS.--THE COMMISSION SHALL ANNUALLY POST ON
12 ITS INTERNET WEBSITE A LIST OF ALL THE ITEMIZED EXPENSES OF
13 EMPLOYEES AND COMMISSIONERS THAT WERE OR ARE TO BE REIMBURSED
14 FROM THE STATE RACING FUND. THE LIST SHALL IDENTIFY THE NATURE
15 OF THE EXPENSE, THE EMPLOYEE, MEMBER OR THE AGENCY AND EMPLOYEE
16 OF THE AGENCY TO WHICH AN EXPENSE IS ATTRIBUTABLE. BY OCTOBER 1
17 OF EACH YEAR, A FINAL REPORT OF ALL EXPENSES DESCRIBED IN THIS
18 SUBSECTION FOR THE PRECEDING FISCAL YEAR SHALL BE POSTED ON THE
19 COMMISSION'S INTERNET WEBSITE AND SHALL BE SUBMITTED TO THE
20 APPROPRIATIONS COMMITTEE OF THE SENATE, THE AGRICULTURE AND
21 RURAL AFFAIRS COMMITTEE OF THE SENATE, THE APPROPRIATIONS
22 COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE AGRICULTURE
23 AND RURAL AFFAIRS COMMITTEE OF THE HOUSE OF REPRESENTATIVES.
24 INFORMATION POSTED ON THE INTERNET WEBSITE UNDER THIS SUBSECTION
25 SHALL BE FINANCIAL RECORDS FOR THE PURPOSES OF AND SUBJECT TO
26 REDACTION UNDER THE ACT OF FEBRUARY 14, 2008 (P.L.6, NO.3),
27 KNOWN AS THE RIGHT-TO-KNOW LAW.

28 (N) REIMBURSEMENT.--THE DEPARTMENT OF AGRICULTURE'S
29 PROVISION OF SHARED ADMINISTRATIVE SERVICES, SHARED STAFF AND
30 SHARED FACILITIES TO THE COMMISSION MUST BE REIMBURSED FROM THE

1 STATE RACING FUND AND SHALL BE LIMITED TO ACTUAL COSTS OF
2 PROVIDING THE SERVICES, STAFF AND FACILITIES, INCLUDING
3 SALARIES, BENEFITS AND EXPENSES OF EMPLOYEES PROVIDING THE
4 SHARED ADMINISTRATIVE SERVICES. THE DEPARTMENT OF AGRICULTURE
5 MUST RETAIN RECORDS REGARDING ADMINISTRATIVE SHARED SERVICES
6 PROVIDED TO THE COMMISSION BY A DEPARTMENT OF AGRICULTURE'S
7 EMPLOYEE.

8 § 9312. ADDITIONAL POWERS OF COMMISSION.

9 THE COMMISSION SHALL REGULATE HORSE RACING AT WHICH PARI-
10 MUTUEL WAGERING IS CONDUCTED AND APPROVE THE NUMBER OF RACING
11 DAYS ALLOCATED TO EACH LICENSED RACING ENTITY. IN ADDITION TO
12 ANY OTHER POWERS OF THE COMMISSION:

13 (1) THE COMMISSION SHALL PROMULGATE REGULATIONS
14 REGARDING MEDICATION RULES AS REQUIRED UNDER SUBCH. E
15 (RELATING TO MEDICATION RULES AND ENFORCEMENT PROVISIONS).

16 (2) THE FOLLOWING SHALL APPLY:

17 (I) THE COMMISSION SHALL REQUIRE AN APPLICANT UNDER
18 THIS CHAPTER TO SUBMIT TO FINGERPRINTING FOR A REPORT OF
19 FEDERAL CRIMINAL HISTORY RECORD INFORMATION.

20 (II) THE APPLICANT MUST SUBMIT A FULL SET OF
21 FINGERPRINTS TO THE PENNSYLVANIA STATE POLICE OR THE
22 PENNSYLVANIA STATE POLICE'S AUTHORIZED AGENT FOR THE
23 PURPOSE OF A RECORD CHECK. THE PENNSYLVANIA STATE POLICE
24 OR THE PENNSYLVANIA STATE POLICE'S AUTHORIZED AGENT MUST
25 THEN SUBMIT THE FINGERPRINTS TO THE FEDERAL BUREAU OF
26 INVESTIGATION FOR THE PURPOSE OF VERIFYING THE IDENTITY
27 OF THE APPLICANT AND OBTAINING A CURRENT RECORD OF ANY
28 CRIMINAL ARRESTS AND CONVICTIONS.

29 (III) THE COMMISSION SHALL CONSIDER INFORMATION
30 OBTAINED UNDER THIS PARAGRAPH FOR THE PURPOSE OF

1 SCREENING APPLICANTS FOR FITNESS FOR LICENSURE IN
2 ACCORDANCE WITH THE PROVISIONS OF THIS CHAPTER.

3 (IV) NATIONAL CRIMINAL HISTORY RECORD INFORMATION
4 RECEIVED BY THE COMMISSION SHALL BE HANDLED AND
5 MAINTAINED IN ACCORDANCE WITH FEDERAL BUREAU OF
6 INVESTIGATION POLICY.

7 (V) FINGERPRINTS OBTAINED UNDER THIS PARAGRAPH MAY
8 BE MAINTAINED BY THE COMMISSION AND PENNSYLVANIA STATE
9 POLICE TO ENFORCE THIS CHAPTER AND FOR GENERAL LAW
10 ENFORCEMENT PURPOSES.

11 (VI) IN ADDITION TO ANY OTHER FEE OR COST ASSESSED
12 BY THE COMMISSION, AN APPLICANT MUST PAY FOR THE COST OF
13 THE FINGERPRINT PROCESS.

14 (VII) THE COMMISSION MAY EXEMPT APPLICANTS FOR
15 POSITIONS NOT RELATED TO THE CARE OR TRAINING OF HORSES,
16 RACING, WAGERING, SECURITY OR THE MANAGEMENT OF A
17 LICENSED RACING ENTITY, FROM THE PROVISIONS OF THIS
18 CHAPTER.

19 (3) WITHIN 90 DAYS OF THE EFFECTIVE DATE OF THIS
20 SECTION, THE COMMISSION MUST ADOPT AND PUBLISH A
21 COMPREHENSIVE FEE SCHEDULE IN THE PENNSYLVANIA BULLETIN. TWO
22 YEARS FOLLOWING THE EFFECTIVE DATE OF THIS SECTION, THE
23 COMMISSION MAY ADOPT REGULATIONS TO ANNUALLY INCREASE ANY
24 FEE, CHARGE OR COST AUTHORIZED UNDER THIS CHAPTER.

25 (4) THE COMMISSION OR DESIGNATED EMPLOYEE OF THE
26 COMMISSION SHALL HAVE THE POWER TO ADMINISTER OATHS AND
27 EXAMINE WITNESSES AND MAY ISSUE SUBPOENAS TO COMPEL
28 ATTENDANCE OF WITNESSES AND PRODUCTION OF ALL RELEVANT AND
29 MATERIAL REPORTS, BOOKS, PAPERS, DOCUMENTS, CORRESPONDENCE
30 AND OTHER EVIDENCE RELATED TO REGULATION AND ENFORCEMENT OF

1 HORSE RACING UNDER THIS CHAPTER.

2 (5) THE COMMISSION'S CONSIDERATION AND RESOLUTION OF ALL
3 LICENSE OR OTHER REGULATORY ADMINISTRATIVE ACTIONS SHALL BE
4 CONDUCTED IN ACCORDANCE WITH 2 PA.C.S. (RELATING TO
5 ADMINISTRATIVE LAW AND PROCEDURE) OR WITH PROCEDURES ADOPTED
6 BY ORDER OF THE COMMISSION. NOTWITHSTANDING 2 PA.C.S. §§ 504
7 (RELATING TO HEARING AND RECORD) AND 505 (RELATING TO
8 EVIDENCE AND CROSS-EXAMINATION), THE COMMISSION MAY ADOPT
9 PROCEDURES TO PROVIDE PARTIES BEFORE IT WITH A DOCUMENTARY
10 HEARING AND MAY RESOLVE DISPUTED MATERIAL FACTS WITHOUT
11 CONDUCTING AN ORAL HEARING WHERE CONSTITUTIONALLY
12 PERMISSIBLE.

13 (6) THE COMMISSION MAY ADOPT NATIONAL STANDARDS FROM
14 OTHER RACING JURISDICTIONS OR COMMISSION-APPROVED TRADE
15 ORGANIZATIONS TO ESTABLISH:

16 (I) UNIFORM DRUG THRESHOLD LEVELS;

17 (II) CONSISTENT SANCTIONS FOR DRUG TESTING
18 VIOLATIONS; AND

19 (III) A SYSTEM TO MONITOR ADVANCED DEPOSIT WAGERING
20 AND ONLINE PARI-MUTUEL WAGERING COMPANY ACTIVITIES.

21 (7) THE COMMISSION MAY ISSUE GRANTS FROM THE ANNUAL
22 APPROPRIATIONS TO RACE HORSE RESCUE AND REHABILITATION
23 PROGRAMS OPERATING WITHIN THIS COMMONWEALTH.

24 (8) THE COMMISSION SHALL DIRECT AND OVERSEE THAT EACH
25 LICENSED RACING ENTITY'S RACETRACK SURFACE IS MAINTAINED IN
26 SUCH A WAY AS TO MAXIMIZE THE SAFETY OF THE HORSE, JOCKEY OR
27 DRIVER. THE COMMISSION MAY DEVELOP GUIDELINES TO CARRY OUT
28 THIS PARAGRAPH AND MAY CONTRACT WITH, HIRE OR OTHERWISE
29 CONSULT WITH RACETRACK SURFACE EXPERTS TO CARRY OUT THE
30 PROVISIONS OF THIS SECTION.

1 (9) THE STATE HORSE RACING COMMISSION SHALL HAVE
2 JURISDICTION OVER AND SHALL PROMULGATE REGULATIONS AS
3 NECESSARY FOR THE PROPER ADMINISTRATION OF ALL RACING
4 CONDUCTED BY A COUNTY AGRICULTURAL SOCIETY OR AN INDEPENDENT
5 AGRICULTURAL SOCIETY AS PROVIDED IN THE ACT OF JULY 8, 1986
6 (P.L.437, NO.92), KNOWN AS THE PENNSYLVANIA AGRICULTURAL FAIR
7 ACT.

8 § 9313. BUDGET.

9 BEGINNING JULY 1, 2016, THE COMMISSION AND THE DEPARTMENT OF
10 AGRICULTURE SHALL ANNUALLY SUBMIT A BUDGET REQUEST TO THE
11 SECRETARY OF THE BUDGET IN ACCORDANCE WITH THE PROVISIONS
12 CONTAINED IN SECTION 610 OF THE ACT OF APRIL 9, 1929 (P.L.177,
13 NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929, CONSISTING OF
14 AMOUNTS TO BE APPROPRIATED FROM THE STATE RACING FUND, THE
15 PENNSYLVANIA RACE HORSE DEVELOPMENT FUND AND THE GENERAL FUND TO
16 ADMINISTER AND ENFORCE THIS CHAPTER AND FOR THE PROMOTION OF
17 HORSE RACING. BEGINNING JULY 1, 2016, AND ANNUALLY THEREAFTER,
18 1% OF THE PREVIOUS FISCAL YEAR'S DEPOSITS INTO THE PENNSYLVANIA
19 RACE HORSE DEVELOPMENT FUND SHALL BE TRANSFERRED FROM THE
20 PENNSYLVANIA RACE HORSE DEVELOPMENT FUND TO THE STATE RACING
21 FUND TO PROVIDE FOR THE PROMOTION OF HORSE RACING.

22 § 9314. LOCATION.

23 AFTER JANUARY 1, 2017, A LICENSED RACING ENTITY SHALL CONDUCT
24 A HORSE RACE MEETING AT THE LOCATION DESIGNATED AND APPROVED BY
25 THE COMMISSION.

26 § 9315. NUMBER OF LICENSED RACING ENTITIES.

27 (A) STANDARDBRED HORSE RACING.--NO MORE THAN FIVE PERSONS
28 SHALL BE LICENSED TO CONDUCT A HORSE RACE MEETING. NO PERSON
29 LICENSED UNDER THIS CHAPTER TO CONDUCT STANDARDBRED HORSE RACING
30 WITH PARI-MUTUEL WAGERING SHALL BE LICENSED TO CONDUCT

1 THOROUGHBRED HORSE RACING WITH PARI-MUTUEL WAGERING.

2 (B) THOROUGHBRED HORSE RACING.--NO MORE THAN SIX PERSONS
3 SHALL BE LICENSED BY THE COMMISSION TO CONDUCT A HORSE RACE
4 MEETING. NO PERSON LICENSED UNDER THIS CHAPTER TO CONDUCT
5 THOROUGHBRED HORSE RACING WITH PARI-MUTUEL WAGERING SHALL BE
6 LICENSED TO CONDUCT STANDARDBRED HORSE RACING WITH PARI-MUTUEL
7 WAGERING.

8 § 9316. DEPARTMENT OF REVENUE.

9 THE DEPARTMENT OF REVENUE SHALL PROVIDE FINANCIAL
10 ADMINISTRATION OF PARI-MUTUEL WAGERING UNDER THIS CHAPTER IN
11 ACCORDANCE WITH DEPARTMENT OF REVENUE REGULATIONS AND
12 REGULATIONS OF THE COMMISSION. THE DEPARTMENT OF REVENUE SHALL
13 PRESCRIBE THE FORM AND SYSTEM OF ACCOUNTING TO BE USED BY
14 LICENSED RACING ENTITIES AND MAY ACCESS AND EXAMINE RECORDS,
15 EQUIPMENT AND OTHER INFORMATION RELATING TO PARI-MUTUEL
16 WAGERING.

17 § 9317. ALLOCATION OF RACING DAYS.

18 (A) GENERAL RULE.--

19 (1) HORSE RACING SHALL BE CONDUCTED CONSISTENT WITH 4
20 PA.C.S. § 1303 (RELATING TO ADDITIONAL CATEGORY 1 SLOT
21 MACHINE LICENSE REQUIREMENTS).

22 (2) THE REQUIRED RACING DAYS UNDER THIS SECTION AND 4
23 PA.C.S. § 1303(A)(2) AND (B) MAY BE WAIVED OR MODIFIED BY THE
24 COMMISSION IF THE WAIVER OR MODIFICATION HAS BEEN AGREED TO
25 BY THE HORSEMEN'S ORGANIZATION AND THE LICENSED RACING ENTITY
26 AT THE RACETRACK WHERE THE RACING DAYS ARE TO BE SCHEDULED OR
27 RACED.

28 (3) THE PROVISIONS OF 4 PA.C.S. § 1303(D) SHALL NOT
29 APPLY IF THE REASON FOR NONCOMPLIANCE WITH THAT SECTION BY A
30 LICENSED RACING ENTITY IS THE CANCELLATION OF RACING DAYS DUE

1 TO THE COMMISSION'S INABILITY TO PROPERLY REGULATE AND
2 OVERSEE THE CONDUCT OF HORSE RACING IN THIS COMMONWEALTH DUE
3 TO INADEQUATE FUNDING.

4 (B) CERTIFICATION.--THE COMMISSION SHALL SUBMIT TO THE
5 SECRETARY OF REVENUE THE APPROVED NUMBER OF RACING DAYS FOR EACH
6 LICENSED RACING ENTITY, INCLUDING THE FOLLOWING INFORMATION:

7 (1) THE NAMES AND ADDRESSES OF THE LICENSED RACING
8 ENTITY;

9 (2) THE NAMES AND ADDRESSES OF THE OWNERS, OFFICERS AND
10 GENERAL MANAGERS OF THE LICENSED RACING ENTITY; AND

11 (3) ANY OTHER INFORMATION THE COMMISSION DEEMS
12 APPROPRIATE.

13 (C) CANCELLATION.--

14 (1) IF A RACING DAY IS CANCELED BY A LICENSED RACING
15 ENTITY FOR REASONS BEYOND THE LICENSED RACING ENTITY'S
16 CONTROL, THE COMMISSION SHALL GRANT THE LICENSED RACING
17 ENTITY THE RIGHT TO CONDUCT THAT RACING DAY IN THE SAME OR
18 THE NEXT ENSUING CALENDAR YEAR, IF SCHEDULES PERMIT.

19 (2) A DIRECTOR OF A BUREAU ESTABLISHED UNDER SECTION
20 9311 (RELATING TO STATE HORSE RACING COMMISSION), AFTER
21 CONSULTATION WITH THE LICENSED RACING ENTITY AND THE
22 HORSEMEN'S ORGANIZATION AT THE RACETRACK, MAY CANCEL A RACE
23 IF IT IS DETERMINED THAT FEWER THAN SIX HORSES HAVE ENTERED
24 THE RACE.

25 § 9318. LICENSES FOR HORSE RACE MEETINGS.

26 (A) PROCEDURE AND TERMS.--

27 (1) AFTER JANUARY 1, 2017, A PERSON SEEKING A LICENSE TO
28 CONDUCT HORSE RACE MEETINGS AT WHICH PARI-MUTUEL WAGERING IS
29 PERMITTED OR SEEKING TO RENEW THE LICENSE SHALL FILE AN
30 APPLICATION OR RENEWAL APPLICATION WITH THE COMMISSION IN THE

1 MANNER PRESCRIBED BY THE COMMISSION. A LICENSE TO CONDUCT
2 HORSE RACE MEETINGS SHALL BE ISSUED FOR A PERIOD OF THREE
3 YEARS.

4 (2) A LICENSED RACING ENTITY SHALL HAVE THE PRIVILEGE TO
5 CONDUCT A HORSE RACE MEETING AT WHICH PARI-MUTUEL WAGERING IS
6 PERMITTED. A LICENSE TO CONDUCT A HORSE RACE MEETING SHALL
7 NOT BE A PROPERTY RIGHT AND MAY NOT BE USED AS COLLATERAL OR
8 BE ENCUMBERED.

9 (3) THE COMMISSION MAY REVOKE OR SUSPEND THE LICENSE OF
10 A LICENSED RACING ENTITY IF THE COMMISSION FINDS THAT THE
11 LICENSED RACING ENTITY, OR ITS OWNERS, OFFICERS, MANAGERS OR
12 AGENTS, HAVE NOT COMPLIED WITH THIS CHAPTER AND REGULATIONS
13 PROMULGATED IN ACCORDANCE WITH THIS CHAPTER.

14 (4) A LICENSED RACING ENTITY MAY NOT TRANSFER A LICENSE
15 WITHOUT THE APPROVAL OF THE COMMISSION.

16 (B) CONDITIONS.--EACH HORSE RACING LICENSE SHALL BE ISSUED
17 AND REMAIN IN EFFECT IF THE LICENSED RACING ENTITY COMPLIES WITH
18 EACH CONDITION, RULE AND REGULATION OF THE COMMISSION AND THE
19 PROVISIONS OF THIS CHAPTER, INCLUDING THE FOLLOWING CONDITIONS:

20 (1) A HORSE RACE MEETING AT WHICH PARI-MUTUEL WAGERING
21 IS CONDUCTED SHALL BE REGULATED BY THE COMMISSION.

22 (2) THE CONDUCT OF PARI-MUTUEL WAGERING SHALL ALSO BE
23 REGULATED BY THE DEPARTMENT OF REVENUE.

24 (3) THE LICENSED RACING ENTITY SHALL PRINT IN ITS RACING
25 PROGRAMS THE PROCEDURE FOR FILING A COMPLAINT WITH THE
26 COMMISSION.

27 (C) APPLICATIONS.--APPLICATIONS TO CONDUCT HORSE RACE
28 MEETINGS SHALL BE IN THE FORM PRESCRIBED BY THE COMMISSION AND
29 SHALL CONTAIN INFORMATION AS THE COMMISSION MAY REQUIRE.

30 (D) FEE.--AN APPLICANT OR LICENSEE SEEKING TO CONDUCT A

1 HORSE RACE MEETING OR SEEKING RENEWAL OF A LICENSE SHALL PAY TO
2 THE COMMISSION A FEE OF \$50,000. NOTWITHSTANDING THE FOREGOING,
3 A LICENSED RACING ENTITY THAT HOLDS MORE THAN ONE HORSE RACE
4 MEETING LICENSE SHALL PAY NO MORE THAN \$50,000 UPON RENEWAL OF
5 THE LICENSES. THE LICENSE OR RENEWAL FEE SHALL BE DEPOSITED INTO
6 THE STATE RACING FUND.

7 (E) ACTION ON LICENSES.--THE FOLLOWING SHALL APPLY:

8 (1) THE COMMISSION SHALL BE PROHIBITED FROM ISSUING A
9 LICENSE TO CONDUCT A HORSE RACE MEETING AT WHICH PARI-MUTUEL
10 WAGERING IS PERMITTED TO AN INDIVIDUAL OR APPLICANT OR AN
11 OWNER, OFFICER, DIRECTOR OR MANAGER OF THE APPLICANT WHO HAS
12 BEEN CONVICTED OF:

13 (I) A FELONY IN ANY JURISDICTION.

14 (II) A MISDEMEANOR GAMBLING OFFENSE IN ANY
15 JURISDICTION, UNLESS 15 YEARS HAS ELAPSED FROM THE DATE
16 OF CONVICTION.

17 (III) FRAUD OR MISREPRESENTATION IN ANY JURISDICTION
18 RELATED TO HORSE RACING OR HORSE BREEDING, UNLESS 15
19 YEARS HAS ELAPSED FROM THE DATE OF CONVICTION.

20 (IV) AN OFFENSE UNDER 18 PA.C.S. § 5511 (RELATING TO
21 CRUELTY TO ANIMALS).

22 (V) AN OFFENSE RELATED TO FIXING OR RIGGING HORSE
23 RACES, INCLUDING 18 PA.C.S. § 4109 (RELATING TO RIGGING
24 PUBLICLY EXHIBITED CONTEST) OR 7102 (RELATING TO
25 ADMINISTERING DRUGS TO RACE HORSES), OR ANY SIMILAR CRIME
26 IN ANOTHER JURISDICTION, UNLESS THE CONVICTION HAS BEEN
27 OVERTURNED ON APPEAL UNDER THE LAWS OF THE JURISDICTION
28 OF THE ORIGINAL FINDING OR A PARDON HAS BEEN ISSUED.

29 (2) FOLLOWING EXPIRATION OF ANY PERIOD APPLICABLE TO AN
30 APPLICANT UNDER PARAGRAPH (1) (II) OR (III), IN DETERMINING

1 WHETHER TO ISSUE A HORSE RACING LICENSE TO AN APPLICANT, THE
2 COMMISSION SHALL CONSIDER THE FOLLOWING FACTORS:

3 (I) THE INDIVIDUAL OR A PRINCIPAL OF THE APPLICANT'S
4 POSITION WITH THE APPLICANT.

5 (II) THE NATURE AND SERIOUSNESS OF THE OFFENSE OR
6 CONDUCT.

7 (III) THE CIRCUMSTANCES UNDER WHICH THE OFFENSE OR
8 CONDUCT OCCURRED.

9 (IV) THE AGE OF THE APPLICANT WHEN THE OFFENSE OR
10 CONDUCT OCCURRED.

11 (V) WHETHER THE OFFENSE OR CONDUCT WAS AN ISOLATED
12 OR A REPEATED INCIDENT.

13 (VI) ANY EVIDENCE OF REHABILITATION, INCLUDING GOOD
14 CONDUCT IN THE COMMUNITY, COUNSELING OR PSYCHIATRIC
15 TREATMENT RECEIVED AND THE RECOMMENDATIONS OF PERSONS WHO
16 HAVE SUBSTANTIAL CONTACT WITH THE APPLICANT.

17 (3) IF, IN THE JUDGMENT OF THE COMMISSION, THE APPLICANT
18 HAS DEMONSTRATED BY CLEAR AND CONVINCING EVIDENCE THAT THE
19 PARTICIPATION OF THE APPLICANT IN HORSE RACING OR RELATED
20 ACTIVITIES IS NOT:

21 (I) INCONSISTENT WITH THE PUBLIC INTEREST OR BEST
22 INTERESTS OF HORSE RACING;

23 (II) INTERFERING WITH THE EFFECTIVE REGULATION OF
24 HORSE RACING; OR

25 (III) CREATING OR ENHANCING THE DANGER OF
26 UNSUITABLE, UNFAIR OR ILLEGAL PRACTICES, METHODS OR
27 ACTIVITIES IN THE CONDUCT OF HORSE RACING.

28 (F) DENIAL, SUSPENSION OR REVOCATION.--THE COMMISSION MAY
29 DENY AN APPLICATION FOR A LICENSE OR REVOKE, SUSPEND OR FAIL TO
30 RENEW THE LICENSE OF ANY APPLICANT OR LICENSED RACING ENTITY, IF

1 THE COMMISSION FINDS BY A PREPONDERANCE OF THE EVIDENCE THAT:

2 (1) THE APPLICANT OR LICENSED RACING ENTITY, OR ANY OF
3 ITS OWNERS, OFFICERS, DIRECTOR, MANAGERS, EMPLOYEES OR
4 AGENTS:

5 (I) HAS NOT COMPLIED WITH THE CONDITIONS, RULES,
6 REGULATIONS AND PROVISIONS OF THIS CHAPTER AND THAT IT
7 WOULD BE IN THE PUBLIC INTEREST, CONVENIENCE OR NECESSITY
8 TO DENY, REVOKE, SUSPEND OR NOT RENEW THE LICENSE.

9 (II) HAS BEEN CONVICTED OF A VIOLATION OR ATTEMPT TO
10 VIOLATE A HORSE RACING LAW, RULE OR REGULATION OF A HORSE
11 RACING JURISDICTION.

12 (III) HAS FURNISHED THE COMMISSION WITH FALSE OR
13 MISLEADING INFORMATION RELATING TO THE APPLICATION OR
14 LICENSE RENEWAL.

15 (IV) HAS BEEN CONVICTED OF A CRIME INVOLVING MORAL
16 TURPITUDE.

17 (V) HAS BEEN CONVICTED OF A MISDEMEANOR GAMBLING
18 OFFENSE IN ANY JURISDICTION.

19 (VI) HAS BEEN CONVICTED IN ANY JURISDICTION OF FRAUD
20 OR MISREPRESENTATION RELATED TO HORSE RACING OR HORSE
21 BREEDING.

22 (2) THE APPLICANT OR LICENSED RACING ENTITY DOES NOT
23 HAVE THE USE OF A RACETRACK OR RACETRACK ENCLOSURE IN
24 ACCORDANCE WITH THE PROVISIONS OF 4 PA.C.S. PT. II (RELATING
25 TO GAMING).

26 (3) THE LICENSED RACING ENTITY HAS COMMINGLED HORSEMEN'S
27 ORGANIZATION FUNDS IN VIOLATION OF SECTION 9345(C) (RELATING
28 TO COMMINGLING) OR HAS REFUSED TO PLACE ON DEPOSIT A LETTER
29 OF CREDIT UNDER SECTION 9346 (RELATING TO STANDARDBRED HORSE
30 RACING PURSE MONEY).

1 (4) THE COMMISSION DETERMINES THAT THE LICENSED RACING
2 ENTITY HAS FAILED TO PROPERLY MAINTAIN ITS RACETRACK AND
3 RACETRACK ENCLOSURE IN GOOD CONDITION UNDER THIS CHAPTER OR
4 TO PROVIDE ADEQUATE CAPITAL IMPROVEMENTS TO THE RACETRACK AND
5 RACETRACK ENCLOSURE AS REQUIRED UNDER THIS CHAPTER AND 4
6 PA.C.S. § 1404 (RELATING TO DISTRIBUTIONS FROM LICENSEE'S
7 REVENUE RECEIPTS).

8 (5) THE LICENSEE HAS BEEN CONVICTED IN ANY JURISDICTION
9 OF AN OFFENSE RELATED TO FIXING OR RIGGING HORSE RACES,
10 INCLUDING 18 PA.C.S. § 4109 OR 7102, OR ANY SIMILAR CRIME IN
11 ANOTHER JURISDICTION, UNLESS THE CONVICTION HAS BEEN
12 OVERTURNED ON APPEAL UNDER THE LAWS OF THE JURISDICTION OF
13 THE ORIGINAL FINDING OR A PARDON HAS BEEN ISSUED.

14 (G) CESSATION.--IF A REVOCATION OR FAILURE TO RENEW A
15 LICENSE UNDER SUBSECTION (E) OCCURS, THE LICENSEE'S
16 AUTHORIZATION TO CONDUCT PREVIOUSLY APPROVED ACTIVITY SHALL
17 IMMEDIATELY CEASE, SUBJECT TO 2 PA.C.S. (RELATING TO
18 ADMINISTRATIVE LAW AND PROCEDURE). IN THE CASE OF A SUSPENSION,
19 THE LICENSEE'S AUTHORIZATION TO CONDUCT PREVIOUSLY APPROVED
20 ACTIVITY SHALL IMMEDIATELY CEASE UNTIL THE COMMISSION HAS
21 NOTIFIED THE LICENSEE THAT THE SUSPENSION IS NO LONGER IN
22 EFFECT. AFTER REQUEST FOR A HEARING BY A LICENSEE, THE
23 COMMISSION MAY GRANT A SUPERSEDEAS, PENDING THE FINAL
24 DETERMINATION OF THE SUSPENSION.

25 (H) RENEWAL.--A HORSE RACE MEETING LICENSE SHALL BE RENEWED
26 EVERY THREE YEARS UPON APPLICATION AND, EXCEPT AS PROVIDED FOR
27 UNDER SUBSECTION (A) (4), SHALL NOT BE TRANSFERRED. RENEWALS OF
28 HORSE RACE MEETING LICENSES SHALL NOT BE GRANTED AUTOMATICALLY.

29 (I) CONDITIONAL LICENSES.--PENDING A FINAL DETERMINATION
30 UNDER THIS SECTION, THE COMMISSION MAY ISSUE A CONDITIONAL

1 LICENSE UPON THE TERMS AND CONDITIONS AS ARE NECESSARY TO
2 EFFECTUATE THE PROVISIONS OF THIS CHAPTER.

3 (J) COMPLIANCE.--NOTHING IN THIS SECTION SHALL BE CONSTRUED
4 TO RELIEVE A LICENSED RACING ENTITY OF ITS DUTY TO COMPLY WITH
5 THE REQUIREMENTS OF 4 PA.C.S. PT. II.
6 § 9319. CODE OF CONDUCT.

7 (A) SCOPE.--THE COMMISSION MAY ADOPT A COMPREHENSIVE CODE OF
8 CONDUCT APPLICABLE TO COMMISSIONERS, EMPLOYEES OF THE
9 COMMISSION, INDEPENDENT CONTRACTORS AND THE IMMEDIATE FAMILY OF
10 THE COMMISSIONERS, EMPLOYEES AND INDEPENDENT CONTRACTORS TO
11 ENABLE THEM TO AVOID ANY PERCEIVED OR ACTUAL CONFLICT OF
12 INTEREST AND TO PROMOTE PUBLIC CONFIDENCE IN THE INTEGRITY AND
13 IMPARTIALITY OF THE COMMISSION.

14 (B) RESTRICTIONS.--IN ADDITION TO THE OTHER PROHIBITIONS
15 CONTAINED IN THIS CHAPTER, A COMMISSIONER SHALL:

16 (1) NOT ACCEPT ANY DISCOUNT, GIFT, GRATUITY,
17 COMPENSATION, TRAVEL, LODGING OR OTHER THING OF VALUE,
18 DIRECTLY OR INDIRECTLY, FROM ANY APPLICANT, LICENSED RACING
19 ENTITY, AFFILIATE, SUBSIDIARY OR INTERMEDIARY OF AN APPLICANT
20 OR OTHER LICENSEE.

21 (2) DISCLOSE A CONFLICT OF INTEREST AND RECUSE HIMSELF
22 FROM ANY HEARING OR OTHER PROCEEDING IN WHICH THE
23 COMMISSIONER'S OBJECTIVITY, IMPARTIALITY, INTEGRITY OR
24 INDEPENDENCE OF JUDGMENT MAY BE REASONABLY QUESTIONED DUE TO
25 THE COMMISSIONER'S RELATIONSHIP OR ASSOCIATION WITH A PARTY
26 CONNECTED TO ANY HEARING OR PROCEEDING OR A PERSON APPEARING
27 BEFORE THE COMMISSION.

28 (3) REFRAIN FROM ANY FINANCIAL OR BUSINESS DEALING WHICH
29 WOULD TEND TO REFLECT ADVERSELY ON THE COMMISSIONER'S
30 OBJECTIVITY, IMPARTIALITY OR INDEPENDENCE OF JUDGMENT.

1 (4) AVOID IMPROPRIETY AND THE APPEARANCE OF IMPROPRIETY
2 AT ALL TIMES AND OBSERVE STANDARDS AND CONDUCT THAT PROMOTE
3 PUBLIC CONFIDENCE IN THE OVERSIGHT OF HORSE RACING.

4 (5) COMPLY WITH ANY OTHER LAWS, RULES OR REGULATIONS
5 RELATING TO THE CONDUCT OF A COMMISSIONER.

6 (6) EXCEPT FOR A COMMISSIONER APPOINTED UNDER SECTION
7 9311(B) (3) (RELATING TO STATE HORSE RACING COMMISSION), NOT
8 HOLD OR CAMPAIGN FOR PUBLIC OFFICE, HOLD AN OFFICE IN ANY
9 POLITICAL PARTY OR POLITICAL COMMITTEE AS DEFINED IN 4
10 PA.C.S. § 1513(D) (RELATING TO POLITICAL INFLUENCE),
11 CONTRIBUTE TO OR SOLICIT CONTRIBUTIONS TO A POLITICAL
12 CAMPAIGN, POLITICAL PARTY, POLITICAL COMMITTEE OR CANDIDATE,
13 PUBLICLY ENDORSE A CANDIDATE OR ACTIVELY PARTICIPATE IN A
14 POLITICAL CAMPAIGN.

15 (C) (RESERVED).

16 (D) EX PARTE COMMUNICATIONS.--

17 (1) A COMMISSIONER, EXCEPT THE COMMISSIONER APPOINTED
18 UNDER SECTION 9311(B) (3), MAY NOT ENGAGE IN ANY EX PARTE
19 COMMUNICATION WITH ANY PERSON.

20 (2) IF A COMMISSIONER RECEIVED OR ENGAGED IN AN EX PARTE
21 COMMUNICATION, A COMMISSIONER SHALL INFORM THE DIRECTOR OF
22 THE APPROPRIATE BUREAU WHO SHALL NOTIFY ALL PARTIES DIRECTLY
23 AFFECTED BY THE ANTICIPATED VOTE OR ACTION OF THE
24 COMMISSIONER RELATED TO THE EX PARTE COMMUNICATION OF THE
25 SUBSTANCE OF THE COMMUNICATION AND PROVIDE THE PARTIES WITH
26 AN OPPORTUNITY TO RESPOND.

27 (3) A COMMISSIONER WHO ENGAGED IN OR RECEIVED AN EX
28 PARTE COMMUNICATION SHALL DISQUALIFY HIMSELF FROM THE HEARING
29 OR PROCEEDING RELATED TO THE EX PARTE COMMUNICATION IF THE
30 CONTEXT AND SUBSTANCE OF THE COMMUNICATION CREATES

1 SUBSTANTIAL REASONABLE DOUBT AS TO A COMMISSIONER'S ABILITY
2 TO ACT OBJECTIVELY, INDEPENDENTLY OR IMPARTIALLY.

3 (4) A COMMISSIONER WHO ENGAGED IN OR RECEIVED AN EX
4 PARTE COMMUNICATION AND ELECTS NOT TO DISQUALIFY HIMSELF FROM
5 THE HEARING OR PROCEEDING SHALL STATE THE REASONS FOR NOT
6 DISQUALIFYING HIMSELF ON THE RECORD PRIOR TO THE COMMENCEMENT
7 OF THE HEARING OR PROCEEDING.

8 (5) (RESERVED).

9 (6) FAILURE OF A COMMISSIONER WHO RECEIVED OR ENGAGED IN
10 AN EX PARTE COMMUNICATION TO DISQUALIFY HIMSELF UNDER THIS
11 SUBSECTION SHALL BE GROUNDS FOR APPEAL TO A COURT OF
12 COMPETENT JURISDICTION IF THE COMMISSION ACTION BEING
13 APPEALED COULD NOT HAVE OCCURRED WITHOUT THE PARTICIPATION OF
14 THE COMMISSIONER.

15 (7) THIS SUBSECTION SHALL NOT PRECLUDE A COMMISSIONER
16 FROM CONSULTING WITH OTHER COMMISSIONERS INDIVIDUALLY IF THE
17 CONSULTATION COMPLIES WITH 65 PA.C.S. CH. 7 (RELATING TO OPEN
18 MEETINGS) OR WITH COMMISSION EMPLOYEES OR INDEPENDENT
19 CONTRACTORS WHOSE FUNCTIONS ARE TO ASSIST THE COMMISSION IN
20 CARRYING OUT ITS ADJUDICATIVE FUNCTIONS.

21 § 9320. FINANCIAL INTERESTS.

22 NO DIRECTOR, OWNER, OFFICER, MANAGER OR EMPLOYEE OF AN
23 APPLICANT OR LICENSED RACING ENTITY OR THEIR IMMEDIATE FAMILY
24 SHALL ACCEPT GIFTS FROM BREEDERS, OWNERS, TRAINERS OR OTHER
25 INDIVIDUALS WHO PARTICIPATE IN THE CONDUCT OF HORSE RACING IN
26 THIS COMMONWEALTH.

27 § 9321. OFFICIALS AT HORSE RACE MEETINGS.

28 (A) RACETRACK RACING OFFICIAL.--THE COMMISSION SHALL APPROVE
29 EACH RACETRACK EMPLOYEE WHOSE DUTIES INCLUDE THE ENFORCEMENT OF
30 PARI-MUTUEL RACING ACTIVITIES WHICH DIRECTLY OR INDIRECTLY

1 AFFECT THE RACING PRODUCT. COMPENSATION FOR AN OFFICIAL UNDER
2 THIS SUBSECTION SHALL BE PAID BY THE LICENSED RACING ENTITY.

3 (B) COMMISSION RACING OFFICIAL.--THE COMMISSION SHALL EMPLOY
4 INDIVIDUALS WHO SHALL BE DESIGNATED AS COMMISSION RACING
5 OFFICIALS AND WHOSE DUTIES SHALL INCLUDE THE OVERSIGHT AND
6 ENFORCEMENT OF THIS CHAPTER, REGULATIONS AND COMMISSION POLICIES
7 RELATED TO PRERACE ACTIVITIES, THE CONDUCT OF LIVE RACING AND
8 PARI-MUTUEL WAGERING. THE COMMISSION, BY REGULATION, SHALL
9 ESTABLISH THE DUTIES AND RESPONSIBILITIES FOR A COMMISSION
10 RACING OFFICIAL. THE COST FOR AND COMPENSATION OF A COMMISSION
11 RACING OFFICIAL SHALL BE PAID BY THE COMMISSION.

12 § 9322. SECONDARY PARI-MUTUEL ORGANIZATION.

13 (A) REQUIREMENTS.--THE FOLLOWING SHALL APPLY TO A SECONDARY
14 PARI-MUTUEL ORGANIZATION:

15 (1) A SECONDARY PARI-MUTUEL ORGANIZATION OFFERING AND
16 ACCEPTING PARI-MUTUEL WAGERS WITHIN THIS COMMONWEALTH MUST BE
17 PROPERLY LICENSED BY THE COMMISSION. EACH SECONDARY PARI-
18 MUTUEL ORGANIZATION EMPLOYEE DIRECTLY OR INDIRECTLY
19 RESPONSIBLE FOR THE ACCEPTANCE OF WAGERS ON HORSE RACES OR
20 THE TRANSMITTAL OF WAGERING INFORMATION TO AND FROM THE
21 COMMONWEALTH MUST BE PROPERLY LICENSED.

22 (2) A SECONDARY PARI-MUTUEL ORGANIZATION MUST COMPLY
23 WITH EACH RULE AND REGULATION OF THE COMMISSION.

24 (3) AS A CONDITION OF LICENSING AND ANNUAL LICENSE
25 RENEWAL, A LICENSE APPLICATION OF A SECONDARY PARI-MUTUEL
26 ORGANIZATION MUST INCLUDE ALL OF THE FOLLOWING:

27 (I) DISCLOSURE OF EACH OFFICER, DIRECTOR, PARTNER
28 AND SHARE HOLDER WITH A 5% OR GREATER SHARE OF OWNERSHIP
29 OR BENEFICIAL INTEREST.

30 (II) A LIST OF PERSONNEL ASSIGNED TO WORK IN THIS

1 COMMONWEALTH.

2 (III) CERTIFICATION OF COMPLIANCE WITH TOTALISATOR
3 STANDARDS AND LICENSING REQUIREMENTS ADOPTED BY THE
4 COMMISSION.

5 (IV) A TYPE II SAS 70 REPORT, OR OTHER INDEPENDENT
6 REPORT IN A FORM ACCEPTABLE TO THE COMMISSION, COMPLETED
7 WITHIN THE PRECEDING 12 MONTHS, TO ASSURE ADEQUATE
8 FINANCIAL CONTROLS ARE IN PLACE IN THE SECONDARY PARI-
9 MUTUEL ORGANIZATION.

10 (V) AN AGREEMENT TO ALLOW THE COMMISSION TO INSPECT
11 AND MONITOR EACH FACILITY USED BY THE SECONDARY PARI-
12 MUTUEL ORGANIZATION FOR ACCEPTING, RECORDING OR
13 PROCESSING PARI-MUTUEL WAGERS ACCEPTED IN THIS
14 COMMONWEALTH.

15 (VI) CERTIFICATION OF THE USE OF A PARI-MUTUEL
16 SYSTEM WHICH MEETS ALL REQUIREMENTS FOR A PARI-MUTUEL
17 SYSTEM UTILIZED BY A LICENSED RACING ENTITY IN THIS
18 COMMONWEALTH.

19 (4) FITNESS AND EXPERIENCE OF A SECONDARY PARI-MUTUEL
20 ORGANIZATION MUST BE CONSISTENT WITH THE PUBLIC INTEREST,
21 CONVENIENCE AND NECESSITY AND THE BEST INTERESTS OF RACING
22 GENERALLY, INCLUDING, BUT NOT LIMITED TO, ALL OF THE
23 FOLLOWING:

24 (I) MEETING GENERAL INDUSTRY STANDARDS FOR BUSINESS
25 AND FINANCIAL PRACTICES, PROCEDURES AND CONTROLS.

26 (II) POSSESSION OF A WAGERING SYSTEM THAT ENSURES
27 THAT ALL WAGERING INFORMATION IS TRANSMITTED TO AND
28 CALCULATED IN THE APPROPRIATE HOST TRACK POOL.

29 (III) UTILIZATION OF A TOTALISATOR SYSTEM THAT MEETS
30 WAGERING-INDUSTRY STANDARDS AND CERTIFICATION CRITERIA.

1 (IV) MEETING GENERAL INDUSTRY STANDARDS FOR PHYSICAL
2 SECURITY OF COMPUTERIZED WAGERING SYSTEMS, BUSINESS
3 RECORDS, FACILITIES AND PATRONS.

4 (V) HAVING NO INDICATIONS OF IMPROPER MANIPULATION
5 OF A SECONDARY PARI-MUTUEL ORGANIZATION'S WAGERING
6 SYSTEM, INCLUDING SOFTWARE.

7 (VI) HAVING POLICIES AND PROCEDURES THAT ENSURE A
8 SECONDARY PARI-MUTUEL ORGANIZATION'S KEY INDIVIDUALS HAVE
9 APPLIED AND ARE ELIGIBLE FOR ALL REQUIRED OCCUPATIONAL
10 LICENSES.

11 (VII) HAVING AN ANNUAL INDEPENDENT AUDIT WITH NO
12 AUDIT OPINION QUALIFICATIONS THAT REFLECT ADVERSELY ON
13 INTEGRITY.

14 (VIII) HAVING A SYSTEM THAT VERIFIES THE IDENTITY OF
15 EACH PERSON PLACING A WAGER AND REQUIRES THE PERSON
16 PLACING A WAGER TO DISCLOSE EACH BENEFICIAL INTEREST IN A
17 WAGER THE SECONDARY PARI-MUTUEL ORGANIZATION ACCEPTS.

18 (IX) HAVING A REAL-TIME INDEPENDENT MONITORING
19 SYSTEM TO MONITOR WAGERING ACTIVITY TO DETECT SUSPICIOUS
20 PATTERNS, INCLUDING ANY THAT MIGHT INDICATE CRIMINAL
21 ACTIVITY OR REGULATORY VIOLATIONS. THE SYSTEM MUST VERIFY
22 EACH TRANSACTION PERFORMED BY THE TOTALISATOR SYSTEM AND
23 PROVIDE EXPEDITIOUS NOTICE OF ANY DISCREPANCIES OR
24 SUSPICIOUS ACTIVITY TO THE HOST TRACK, WAGERING SITE, DUE
25 DILIGENCE INVESTIGATING BODY AND ANY AFFECTED REGULATORY
26 AGENCY.

27 (X) HAVING A SATISFACTORY RECORD OF CUSTOMER
28 RELATIONS, INCLUDING NO EXCESSIVE UNRESOLVED PATRON
29 COMPLAINTS CONCERNING THE SECONDARY PARI-MUTUEL
30 ORGANIZATION'S BUSINESS PRACTICES.

1 (XI) HOLDING REQUIRED PERMITS, LICENSES,
2 CERTIFICATIONS OR SIMILAR DOCUMENTS THAT MAY BE REQUIRED
3 BY A RACING, GAMING OR OTHER PARI-MUTUEL WAGERING
4 JURISDICTION.

5 (XII) HAVING SUFFICIENT MEASURES TO PROTECT CUSTOMER
6 FUNDS.

7 (XIII) PUBLICIZING AND PROVIDING A SUFFICIENT
8 PROGRAM FOR CUSTOMER SELF-EXCLUSION AND WAGERING
9 LIMITATION.

10 (XIV) HAVING EXPERTISE IN PARI-MUTUEL WAGERING AND
11 BEING TECHNOLOGICALLY CAPABLE OF PARTICIPATING IN
12 SIMULCAST AND WAGERING ACTIVITIES.

13 (5) FINANCIAL RESPONSIBILITY OF A SECONDARY PARI-MUTUEL
14 ORGANIZATION MUST BE CONSISTENT WITH THE PUBLIC INTEREST,
15 CONVENIENCE AND NECESSITY AND THE BEST INTERESTS OF RACING
16 GENERALLY, INCLUDING ALL OF THE FOLLOWING:

17 (I) THE SECONDARY PARI-MUTUEL ORGANIZATION AND THE
18 SECONDARY PARI-MUTUEL ORGANIZATION'S KEY INDIVIDUALS MAY
19 NOT BE IN DEFAULT OR HAVE A HISTORY OF DEFAULTING IN THE
20 PAYMENT OF AN FINANCIAL OBLIGATION, INCLUDING THE PAYMENT
21 OF TAXES DUE TO A TAXING JURISDICTION OR ON THE PAYMENT
22 OF GAMING, WAGERING OR PARI-MUTUEL RACING-RELATED
23 FINANCIAL OBLIGATIONS. A SECONDARY PARI-MUTUEL
24 ORGANIZATION'S KEY INDIVIDUALS MAY NOT BE FOUR OR MORE
25 MONTHS IN ARREARS FOR CHILD SUPPORT THAT IS ORDERED OR
26 APPROVED BY A COURT IN ANY JURISDICTION WITHIN THE UNITED
27 STATES.

28 (II) THE SECONDARY PARI-MUTUEL ORGANIZATION AND THE
29 SECONDARY PARI-MUTUEL ORGANIZATION'S OWNERS AND SOURCES
30 OF FUNDS MUST HAVE SUFFICIENT FINANCIAL MEANS TO

1 PARTICIPATE IN SIMULCAST AND WAGERING ACTIVITIES,
2 INCLUDING SUFFICIENT ASSETS AND MEANS TO PAY INDUSTRY-
3 RELATED DEBTS AND OBLIGATIONS AND TO FUND THE OPERATIONS
4 OF THE SECONDARY PARI-MUTUEL ORGANIZATION.

5 (6) THE SECONDARY PARI-MUTUEL ORGANIZATION MUST BE FULLY
6 COOPERATIVE AND ACT IN GOOD FAITH WITH ALL DISCLOSURE AND
7 OTHER DUTIES INVOLVED IN A DUE DILIGENCE INVESTIGATION,
8 VOLUNTARILY SUBMIT TO REGULATORY AND INVESTIGATING BODY
9 OVERSIGHT, PERMIT INSPECTION OF EACH BUSINESS RECORD UPON
10 REQUEST BY A REGULATORY AUTHORITY OR INVESTIGATING BODY,
11 PROMPTLY HONOR REGULATORY OR INVESTIGATING BODY REQUESTS FOR
12 WAGERING PATTERNS OR OTHER INFORMATION AND, AFTER REASONABLE
13 NOTICE, PERMIT FULL ACCESS TO EACH FACILITY AND PROPERTY BY A
14 REGULATORY AUTHORITY OR INVESTIGATING BODY.

15 (B) WAIVER.--

16 (1) A DUE DILIGENCE INVESTIGATION MAY RELY ON AN
17 INVESTIGATION AND OVERSIGHT CONDUCTED BY A COMMISSION-
18 APPROVED ENTITY.

19 (2) THE COMMISSION MAY NOT CONSENT TO THE ACCEPTANCE OF
20 AN INTERSTATE OFF-TRACK WAGER BY A SECONDARY PARI-MUTUEL
21 ORGANIZATION THAT HAS NOT BEEN DETERMINED TO BE SUITABLE
22 UNDER THIS SECTION.

23 § 9323. OCCUPATIONAL LICENSES FOR INDIVIDUALS.

24 (A) GENERAL RULE.--THE COMMISSION SHALL DEVELOP A LICENSING
25 OR OTHER CLASSIFICATION SYSTEM FOR THE REGULATION OF RACING
26 VENDORS, TRAINERS, JOCKEYS, DRIVERS, HORSE OWNERS, BACKSIDE AREA
27 EMPLOYEES AND OTHER INDIVIDUALS PARTICIPATING IN HORSE RACING
28 AND ALL OTHER PERSONS REQUIRED TO BE LICENSED AS DETERMINED BY
29 THE COMMISSION. THE LICENSE SHALL NOT BE A PROPERTY RIGHT.

30 (B) FEE.--THE COMMISSION SHALL FIX AND MAY ESTABLISH CLASSES

1 FOR APPLICATION FEES TO BE PAID BY INDIVIDUALS. A LICENSE FEE
2 SHALL NOT EXCEED \$500. ALL FEES SHALL BE PAID TO THE COMMISSION
3 AND DEPOSITED INTO THE STATE RACING FUND.

4 (C) APPLICATION.--THE APPLICATION FOR A LICENSE SHALL BE IN
5 THE FORM AND CONTAIN THE INFORMATION AS THE COMMISSION MAY
6 REQUIRE.

7 (D) RENEWAL.--ALL LICENSES SHALL BE SUBJECT TO RENEWAL EVERY
8 THREE YEARS UPON APPLICATION AND REVIEW. NOTHING IN THIS CHAPTER
9 SHALL BE CONSTRUED TO RELIEVE A LICENSEE OF THE AFFIRMATIVE DUTY
10 TO NOTIFY THE COMMISSION OF ANY CHANGES RELATING TO THE STATUS
11 OF ITS LICENSE OR TO ANY OTHER INFORMATION CONTAINED IN THE
12 APPLICATION MATERIALS ON FILE WITH THE COMMISSION. THE
13 APPLICATION FOR RENEWAL SHALL BE SUBMITTED AT LEAST 60 DAYS
14 PRIOR TO EXPIRATION OF THE LICENSE AND SHALL INCLUDE AN UPDATE
15 OF THE INFORMATION CONTAINED IN THE INITIAL APPLICATION AND ANY
16 PRIOR RENEWAL APPLICATIONS AND THE PAYMENT OF ANY RENEWAL FEE
17 REQUIRED BY THE COMMISSION. A LICENSE FOR WHICH A COMPLETED
18 RENEWAL APPLICATION AND FEE, IF REQUIRED, HAS BEEN RECEIVED BY
19 THE COMMISSION SHALL CONTINUE IN EFFECT UNLESS AND UNTIL THE
20 COMMISSION SENDS WRITTEN NOTIFICATION TO THE HOLDER OF THE
21 LICENSE THAT THE COMMISSION HAS DENIED THE RENEWAL OF THE
22 LICENSE.

23 (E) LICENSES.--THE COMMISSION MAY ISSUE ANY OF THE
24 FOLLOWING:

25 (1) A TEMPORARY LICENSE FOR FOUR MONTHS WITHIN A 12-
26 MONTH PERIOD PENDING A FINAL DETERMINATION.

27 (2) A CONDITIONAL LICENSE UPON THE TERMS AND CONDITIONS
28 AS NECESSARY TO ADMINISTER THIS CHAPTER.

29 (F) PROCESSING AND ISSUANCE.--THE COMMISSION SHALL ADOPT
30 REGULATIONS TO FIX THE MANNER BY WHICH LICENSES ARE PROCESSED

1 AND ISSUED.

2 (G) ACTION ON APPLICATIONS.--THE FOLLOWING SHALL APPLY:

3 (1) THE COMMISSION MAY NOT ISSUE A LICENSE UNDER THIS
4 SECTION TO AN INDIVIDUAL WHO HAS BEEN CONVICTED IN A
5 JURISDICTION OF A FELONY OFFENSE, A MISDEMEANOR GAMBLING
6 OFFENSE OR A FRAUD OR MISREPRESENTATION IN CONNECTION WITH
7 HORSE RACING OR BREEDING, UNLESS 15 YEARS HAS PASSED FROM THE
8 DATE OF CONVICTION OF THE OFFENSE.

9 (2) FOLLOWING EXPIRATION OF A PERIOD APPLICABLE TO AN
10 APPLICANT UNDER PARAGRAPH (1), IN DETERMINING WHETHER TO
11 ISSUE A LICENSE TO AN APPLICANT, THE COMMISSION SHALL
12 CONSIDER THE FOLLOWING FACTORS:

13 (I) THE NATURE OF THE APPLICANT'S INVOLVEMENT WITH
14 HORSE RACING.

15 (II) THE NATURE AND SERIOUSNESS OF THE OFFENSE OR
16 CONDUCT.

17 (III) THE CIRCUMSTANCES UNDER WHICH THE OFFENSE OR
18 CONDUCT OCCURRED.

19 (IV) THE AGE OF THE APPLICANT WHEN THE OFFENSE OR
20 CONDUCT OCCURRED.

21 (V) WHETHER THE OFFENSE OR CONDUCT WAS AN ISOLATED
22 OR A REPEATED INCIDENT.

23 (VI) ANY EVIDENCE OF REHABILITATION, INCLUDING GOOD
24 CONDUCT IN THE COMMUNITY, COUNSELING OR PSYCHIATRIC
25 TREATMENT RECEIVED AND THE RECOMMENDATIONS OF PERSONS WHO
26 HAVE SUBSTANTIAL CONTACT WITH THE APPLICANT.

27 (G.1) DENIAL.--THE COMMISSION MAY DENY AN APPLICATION FOR A
28 LICENSE OR SUSPEND, REVOKE OR REFUSE TO RENEW A LICENSE ISSUED
29 UNDER THIS SECTION IF IT DETERMINES THAT THE APPLICANT OR
30 LICENSEE MEETS ANY OF THE FOLLOWING:

1 (1) (RESERVED).

2 (2) HAS BEEN CONVICTED OF ANY VIOLATION OR ATTEMPTS TO
3 VIOLATE ANY LAW, RULE OR REGULATION OF HORSE RACING IN ANY
4 JURISDICTION.

5 (3) HAS BEEN CONVICTED OF AN OFFENSE UNDER 18 PA.C.S. §
6 5511 (RELATING TO CRUELTY TO ANIMALS).

7 (4) HAS VIOLATED A RULE, REGULATION OR ORDER OF THE
8 COMMISSION.

9 (5) HAS BEEN CONVICTED IN ANY JURISDICTION OF AN OFFENSE
10 RELATED TO FIXING OR RIGGING HORSE RACES, INCLUDING 18
11 PA.C.S. § 4109 (RELATING TO RIGGING PUBLICLY EXHIBITED
12 CONTEST) OR 7102 (RELATING TO ADMINISTERING DRUGS TO RACE
13 HORSES), OR ANY SIMILAR CRIME IN ANY OTHER JURISDICTION,
14 UNLESS THE CONVICTION HAS BEEN OVERTURNED ON APPEAL UNDER THE
15 LAWS OF THE JURISDICTION OF THE ORIGINAL FINDING OR A PARDON
16 HAS BEEN ISSUED.

17 (6) HAS NOT DEMONSTRATED BY CLEAR AND CONVINCING
18 EVIDENCE THAT THE APPLICANT OR LICENSEE:

19 (I) IS A PERSON OF GOOD CHARACTER, HONESTY AND
20 INTEGRITY.

21 (II) IS A PERSON WHOSE PRIOR ACTIVITIES, CRIMINAL
22 RECORD, IF ANY, REPUTATION, HABITS AND ASSOCIATIONS:

23 (A) DO NOT POSE A THREAT TO THE PUBLIC INTEREST
24 OR THE EFFECTIVE REGULATION AND CONTROL OF HORSE
25 RACING.

26 (B) DO NOT CREATE OR ENHANCE THE DANGER OF
27 UNSUITABLE, UNFAIR OR ILLEGAL PRACTICES, METHODS AND
28 ACTIVITIES IN THE CONDUCT OF HORSE RACING OR THE
29 CARRYING ON OF THE BUSINESS AND FINANCIAL
30 ARRANGEMENTS INCIDENTAL TO THE CONDUCT OF HORSE

1 RACING.

2 (H) INSPECTION.--THE COMMISSION SHALL HAVE THE RIGHT TO
3 INSPECT ALL CONTRACTS DIRECTLY AFFECTING THE ADMINISTRATION OF
4 THE RACING PRODUCT AND WAGERING ACTIVITIES BETWEEN A SECONDARY
5 PARI-MUTUEL ORGANIZATION, LICENSED RACING ENTITIES AND RACING
6 VENDORS FOR GOODS AND SERVICES. THE COMMISSION SHALL ADOPT
7 REGULATIONS TO REQUIRE RACING VENDORS TO DISCLOSE ALL PRINCIPAL
8 OWNERS AND OFFICERS AND A DESCRIPTION OF THEIR INTERESTS IN THE
9 VENDORS' BUSINESSES. FAILURE TO DISCLOSE THIS INFORMATION SHALL
10 CONSTITUTE GROUNDS TO DENY, TO REVOKE OR TO SUSPEND ANY RACING
11 VENDOR'S LICENSE ISSUED UNDER THIS CHAPTER.

12 (I) REVOCATION OR FAILURE TO RENEW.--IN THE EVENT OF A
13 REVOCATION OR FAILURE TO RENEW, THE LICENSEE'S AUTHORIZATION TO
14 CONDUCT PREVIOUSLY APPROVED ACTIVITY SHALL IMMEDIATELY CEASE AND
15 ALL FEES PAID IN CONNECTION THEREWITH SHALL BE DEEMED TO BE
16 FORFEITED. IN THE EVENT OF A SUSPENSION, THE APPLICANT'S
17 AUTHORIZATION TO CONDUCT THE PREVIOUSLY APPROVED ACTIVITY SHALL
18 IMMEDIATELY CEASE UNTIL THE COMMISSION HAS NOTIFIED THE
19 APPLICANT THAT THE SUSPENSION IS NO LONGER IN EFFECT.

20 (J) HEARINGS.--THE COMMISSION MAY SUSPEND A LICENSE UNDER
21 SUBSECTION (I) PENDING A HEARING ON THE MATTER, WHICH MUST OCCUR
22 WITHIN 10 DAYS OF THE SUSPENSION. THE COMMISSION OR ITS DIRECTOR
23 MAY GRANT A SUPERSEDEAS, IF REQUESTED, PENDING A FINAL
24 RESOLUTION OF THE MATTER.

25 (K) (RESERVED).

26 (L) CRIMINAL ACTION.--

27 (1) EACH DISTRICT ATTORNEY SHALL HAVE AUTHORITY TO
28 INVESTIGATE AND TO INSTITUTE CRIMINAL PROCEEDINGS FOR A
29 VIOLATION OF THIS CHAPTER.

30 (2) IN ADDITION TO THE AUTHORITY CONFERRED UPON THE

1 ATTORNEY GENERAL UNDER THE ACT OF OCTOBER 15, 1980 (P.L.950,
2 NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT, THE
3 ATTORNEY GENERAL SHALL HAVE THE AUTHORITY TO INVESTIGATE AND,
4 FOLLOWING CONSULTATION WITH THE APPROPRIATE DISTRICT
5 ATTORNEY, TO INSTITUTE CRIMINAL PROCEEDINGS FOR A VIOLATION
6 OF THIS CHAPTER. A PERSON CHARGED WITH A VIOLATION OF THIS
7 CHAPTER BY THE ATTORNEY GENERAL SHALL NOT HAVE STANDING TO
8 CHALLENGE THE AUTHORITY OF THE ATTORNEY GENERAL TO
9 INVESTIGATE OR PROSECUTE THE CASE, AND, IF ANY SUCH CHALLENGE
10 IS MADE, THE CHALLENGE SHALL BE DISMISSED AND NO RELIEF SHALL
11 BE AVAILABLE IN THE COURTS OF THIS COMMONWEALTH TO THE PERSON
12 MAKING THE CHALLENGE.

13 (M) REGULATORY ACTION.--NOTHING CONTAINED IN SUBSECTION (L)
14 SHALL BE CONSTRUED TO LIMIT THE EXISTING REGULATORY OR
15 INVESTIGATIVE AUTHORITY OF AN AGENCY OR THE COMMONWEALTH WHOSE
16 FUNCTIONS RELATE TO PERSONS OR MATTERS WITHIN THE SCOPE OF THIS
17 PART.

18 (N) INSPECTION, SEIZURE AND WARRANTS ON RACETRACK
19 ENCLOSURES.--

20 (1) THE COMMISSION, THE ATTORNEY GENERAL AND THE
21 PENNSYLVANIA STATE POLICE SHALL HAVE THE AUTHORITY WITHOUT
22 NOTICE AND WITHOUT WARRANT TO DO ALL OF THE FOLLOWING IN THE
23 PERFORMANCE OF THEIR DUTIES:

24 (I) INSPECT AND EXAMINE ALL PREMISES WHERE HORSE
25 RACING IS CONDUCTED, OR WHERE RECORDS OF THESE ACTIVITIES
26 ARE PREPARED OR MAINTAINED.

27 (II) INSPECT ALL EQUIPMENT AND SUPPLIES IN, ABOUT,
28 UPON OR AROUND PREMISES REFERRED TO IN SUBPARAGRAPH (I).

29 (III) SEIZE, SUMMARILY REMOVE AND IMPOUND EQUIPMENT
30 AND SUPPLIES FROM PREMISES REFERRED TO IN SUBPARAGRAPH

1 (I) FOR THE PURPOSES OF EXAMINATION AND INSPECTION.

2 (IV) INSPECT, EXAMINE AND AUDIT ALL BOOKS, RECORDS
3 AND DOCUMENTS PERTAINING TO A LICENSEE'S OPERATION.

4 (V) SEIZE, IMPOUND OR ASSUME PHYSICAL CONTROL OF ANY
5 BOOK, RECORD, LEDGER OR DEVICE.

6 (2) THE PROVISIONS OF PARAGRAPH (1) SHALL NOT BE DEEMED
7 TO LIMIT WARRANTLESS INSPECTIONS EXCEPT IN ACCORDANCE WITH
8 CONSTITUTIONAL REQUIREMENTS.

9 § 9324. (RESERVED).

10 § 9325. POWER OF COMMISSION TO IMPOSE FINES.

11 (A) GENERAL RULE.--THE COMMISSION MAY IMPOSE ADMINISTRATIVE
12 FINES UPON ANY LICENSED OR UNLICENSED RACING ENTITY, ASSOCIATION
13 OR PERSON PARTICIPATING IN HORSE RACING AT WHICH PARI-MUTUEL
14 WAGERING IS CONDUCTED, OTHER THAN AS A PATRON, FOR A VIOLATION
15 OF ANY PROVISION OF THIS CHAPTER OR RULE OR REGULATION OF THE
16 COMMISSION, NOT EXCEEDING \$10,000 FOR EACH VIOLATION. EACH DAY
17 MAY BE CONSIDERED A SEPARATE VIOLATION. FINES SHALL BE DEPOSITED
18 IN THE STATE RACING FUND AND MAY BE APPROPRIATED FOR THE
19 ENFORCEMENT OF THIS CHAPTER.

20 (B) INTERESTS.--

21 (1) NO OWNER, OFFICER OR EMPLOYEE OF A LICENSED RACING
22 ENTITY OR THEIR IMMEDIATE FAMILY SHALL HAVE ANY DIRECT OR
23 INDIRECT INTEREST IN A RACE HORSE THAT IS PARTICIPATING IN A
24 HORSE RACE MEETING AT WHICH THE PERSON OR RELATIVE LISTED
25 UNDER THIS PARAGRAPH HOLDS ANY INTEREST IN THE LICENSED
26 RACING ENTITY CONDUCTING THE HORSE RACE MEETING OR IN THE
27 RACETRACK FACILITY.

28 (2) THE COMMISSION MAY IMPOSE A FINE UPON ANY PERSON FOR
29 A VIOLATION OF THIS SUBSECTION IN ACCORDANCE WITH SUBSECTION
30 (A).

1 § 9326. ADMISSION TO RACETRACK.

2 (A) POWER OF LICENSED RACING ENTITY.--EXCEPT AS PROVIDED IN
3 SUBSECTION (B), A LICENSED RACING ENTITY MAY REFUSE ADMISSION TO
4 AND EJECT FROM THE RACETRACK ENCLOSURE OPERATED BY THE LICENSED
5 RACING ENTITY, ANY PERSON LICENSED BY THE COMMISSION UNDER THIS
6 CHAPTER AND EMPLOYED AT AN OCCUPATION AT THE RACETRACK IF THE
7 PERSON'S PRESENCE IS DEEMED DETRIMENTAL TO THE BEST INTERESTS OF
8 HORSE RACING AND AFTER CITING THE REASONS FOR THE DETERMINATION
9 IN WRITING. THE ACTION OF THE LICENSED RACING ENTITY REFUSING
10 THE PERSON ADMISSION TO OR EJECTING THE PERSON FROM A HORSE RACE
11 MEETING GROUND OR RACETRACK ENCLOSURE SHALL HAVE IMMEDIATE
12 EFFECT UNLESS A SUPERSEDEAS HAS BEEN GRANTED BY THE BUREAU
13 DIRECTOR. THE PERSON REFUSED ADMISSION OR EJECTED SHALL RECEIVE
14 A HEARING BEFORE THE COMMISSION, IF REQUESTED, PURSUANT TO RULES
15 AND REGULATIONS ADOPTED FOR THAT PURPOSE BY THE COMMISSION AND A
16 DECISION RENDERED FOLLOWING THAT HEARING.

17 (B) ADMISSION.--A LICENSED RACING ENTITY MAY NOT REFUSE
18 ADMISSION TO OR EJECT A LAW ENFORCEMENT OFFICIAL, COMMISSION
19 MEMBER OR EMPLOYEE OR EMPLOYEE OF THE DEPARTMENT OF REVENUE
20 WHILE THE OFFICIAL IS ENGAGED IN THE PERFORMANCE OF THE
21 INDIVIDUAL'S OFFICIAL DUTIES.

22 § 9327. SECURITY PERSONNEL.

23 (A) GENERAL RULE.--THE COMMISSION SHALL REQUIRE LICENSED
24 RACING ENTITIES TO EMPLOY PERSONS AS SECURITY AS DETERMINED BY
25 THE COMMISSION. DESIGNATED SECURITY PERSONNEL:

26 (1) SHALL REFER POSSIBLE VIOLATIONS OF THE CRIMINAL LAWS
27 OF THIS COMMONWEALTH WITHIN THE RACETRACK OR RACETRACK
28 ENCLOSURE TO LAW ENFORCEMENT AGENCIES.

29 (2) MAY NOT EJECT OR EXCLUDE FROM THE RACETRACK OR
30 RACETRACK ENCLOSURE ANY PERSON BECAUSE OF THE RACE, CREED,

1 COLOR, SEX, SEXUAL ORIENTATION, NATIONAL ORIGIN OR RELIGION
2 OF THAT PERSON.

3 (B) PENALTY.--AN INDIVIDUAL FOUND WITHIN A RACETRACK OR
4 RACETRACK ENCLOSURE AFTER HAVING BEEN EJECTED THEREFROM SHALL,
5 UPON CONVICTION, BE GUILTY OF A SUMMARY OFFENSE AND BE SENTENCED
6 TO PAY A FINE OF NOT MORE THAN \$500.

7 § 9328. (RESERVED).

8 § 9329. INTERSTATE SIMULCASTING.

9 (A) HOST LICENSEES.--THE COMMISSION MAY APPROVE THE
10 APPLICATION OF A LICENSED RACING ENTITY OR SECONDARY PARI-MUTUEL
11 ORGANIZATION TO ELECTRONICALLY SIMULCAST HORSE RACES TO AND FROM
12 THIS COMMONWEALTH. UPON REQUEST BY A LICENSED RACING ENTITY OR
13 SECONDARY PARI-MUTUEL ORGANIZATION, THE COMMISSION MAY DESIGNATE
14 THE ENTITY AS A HOST LICENSEE, AUTHORIZED TO MAINTAIN COMMON
15 PARI-MUTUEL POOLS ON INTERNATIONAL AND INTERSTATE RACES
16 TRANSMITTED TO AND FROM THE RACETRACK ENCLOSURES WITHIN THIS
17 COMMONWEALTH. ALL SIMULCASTS OF HORSE RACES SHALL COMPLY WITH
18 THE PROVISIONS OF THE INTERSTATE HORSERACING ACT OF 1978 (PUBLIC
19 LAW 95-515, 15 U.S.C. § 3001 ET SEQ.) AND THE LAWS OF EACH STATE
20 INVOLVED, PLACED OR TRANSMITTED BY AN INDIVIDUAL IN ONE STATE
21 VIA TELEPHONE, INTERNET OR OTHER ELECTRONIC MEDIA AND ACCEPTED
22 AND MAINTAINED IN COMMON PARI-MUTUEL POOLS. THE DESIGNATION AS A
23 HOST LICENSEE FOR INTERNATIONAL AND INTERSTATE SIMULCAST RACES
24 SHALL BE LIMITED TO LICENSED RACING ENTITIES WHICH COMPLY WITH 4
25 PA.C.S. § 1303(D) (RELATING TO ADDITIONAL CATEGORY 1 SLOT
26 MACHINE LICENSE REQUIREMENTS).

27 (B) SIMULCASTS.--THE FOLLOWING APPLY:

28 (1) CROSS SIMULCASTING OF THE RACES DESCRIBED IN
29 SUBSECTION (A) SHALL BE PERMITTED IF ALL AMOUNTS WAGERED ON
30 THE RACES IN THIS COMMONWEALTH ARE INCLUDED IN COMMON PARI-

1 MUTUEL POOLS. A HOST LICENSEE SEEKING PERMISSION TO CROSS
2 SIMULCAST MUST OBTAIN APPROVAL FROM THE COMMISSION.

3 (2) ALL FORMS OF PARI-MUTUEL WAGERING SHALL BE ALLOWED
4 ON HORSE RACES SIMULCASTED. THE COMMISSION MAY PERMIT PARI-
5 MUTUEL POOLS IN THIS COMMONWEALTH TO BE COMBINED WITH PARI-
6 MUTUEL POOLS CREATED UNDER THE LAWS OF ANOTHER JURISDICTION
7 AND MAY PERMIT PARI-MUTUEL POOLS CREATED UNDER THE LAWS OF
8 ANOTHER JURISDICTION TO BE COMBINED WITH PARI-MUTUEL POOLS IN
9 THIS COMMONWEALTH. THE COMMISSION SHALL PROMULGATE
10 REGULATIONS NECESSARY TO REGULATE WAGERING ON TELEVISED
11 SIMULCASTS.

12 (C) TAXATION.--MONEY WAGERED BY PATRONS IN THIS COMMONWEALTH
13 ON HORSE RACES SHALL BE COMPUTED BY THE AMOUNT OF MONEY WAGERED
14 EACH RACING DAY FOR PURPOSES OF TAXATION UNDER SECTION 9334
15 (RELATING TO STATE RACING FUND AND TAX RATE). THOROUGHBRED RACES
16 SHALL BE CONSIDERED A PART OF A THOROUGHBRED HORSE RACE MEETING
17 AND STANDARDBRED HORSE RACES SHALL BE CONSIDERED A PART OF A
18 STANDARDBRED HORSE RACE MEETING.

19 § 9330. PLACE AND MANNER OF CONDUCTING PARI-MUTUEL WAGERING AT
20 RACETRACK ENCLOSURE.

21 (A) WAGERING LOCATION.--A LICENSED RACING ENTITY SHALL
22 PROVIDE A LOCATION DURING A HORSE RACE MEETING WITHIN THE
23 RACETRACK ENCLOSURE WHERE THE LICENSED RACING ENTITY SHALL
24 OPERATE THE PARI-MUTUEL SYSTEM OF WAGERING BY ITS PATRONS ON THE
25 RESULTS OF HORSE RACES HELD AT THE RACETRACK OR TELEVISED TO THE
26 RACETRACK ENCLOSURE BY SIMULCASTING UNDER SECTION 9329 (RELATING
27 TO INTERSTATE SIMULCASTING). THE LICENSED RACING ENTITY SHALL
28 ERECT A SIGN OR BOARD COMPATIBLE WITH THE TOTALISATOR SYSTEMS
29 WHICH SHALL DISPLAY ALL OF THE FOLLOWING:

30 (1) THE APPROXIMATE STRAIGHT ODDS ON EACH HORSE IN ANY

1 RACE.

2 (2) THE VALUE OF A WINNING MUTUEL TICKET, STRAIGHT,
3 PLACE OR SHOW ON THE FIRST THREE HORSES IN THE RACE.

4 (3) THE ELAPSED TIME OF THE RACE.

5 (4) THE VALUE OF A WINNING DAILY DOUBLE TICKET, IF A
6 DAILY DOUBLE IS CONDUCTED, AND ANY OTHER INFORMATION THAT THE
7 COMMISSION DEEMS NECESSARY TO INFORM THE GENERAL PUBLIC.

8 (B) EQUIPMENT.--THE COMMISSION MAY TEST AND EXAMINE THE
9 EQUIPMENT TO BE USED FOR THE DISPLAY OF THE INFORMATION UNDER
10 SUBSECTION (A).

11 (C) ELECTRONIC WAGERING SYSTEM.--IN ADDITION TO OTHER FORMS
12 OF LIVE WAGERING, INCLUDING CASH AT A WINDOW TELLER, A LICENSED
13 RACING ENTITY MAY OPERATE AN ELECTRONIC WAGERING SYSTEM ON HORSE
14 RACING IN ACCORDANCE WITH ALL OF THE FOLLOWING:

15 (1) MESSAGES TO PLACE WAGERS SHALL BE TO A PLACE WITHIN
16 THE RACETRACK ENCLOSURE.

17 (2) MONEY USED TO PLACE WAGERS UNDER THIS SUBSECTION
18 SHALL BE ON DEPOSIT IN AN AMOUNT SUFFICIENT TO COVER THE
19 WAGER AT THE RACETRACK WHERE THE ACCOUNT IS OPENED.

20 (C.1) REGULATIONS.--THE COMMISSION MAY PROMULGATE
21 REGULATIONS NECESSARY TO REGULATE ELECTRONIC WAGERING FOR HORSE
22 RACING.

23 (D) TAXATION.--MONEY WAGERED AS A RESULT OF ELECTRONIC
24 WAGERING SHALL BE INCLUDED IN THE AMOUNT WAGERED EACH RACING DAY
25 FOR PURPOSES OF TAXATION UNDER SECTION 9334 (RELATING TO STATE
26 RACING FUND AND TAX RATE) AND SHALL BE INCLUDED IN THE SAME
27 PARI-MUTUEL POOLS FOR EACH POSTED RACE. ELECTRONIC WAGERING
28 SYSTEMS SHALL BE OPERATED BY THE LICENSED RACING ENTITY,
29 SECONDARY PARI-MUTUEL ORGANIZATION OR BY A DULY LICENSED RACING
30 VENDOR.

1 (E) CONDITIONS.--A LICENSED RACING ENTITY SHALL ONLY ACCEPT
2 AND TABULATE A WAGER BY A DIRECT REQUEST VIA ELECTRONIC MEDIA
3 FROM THE HOLDER OF AN ELECTRONIC WAGERING ACCOUNT. ONLY THE
4 HOLDER OF THE ELECTRONIC WAGERING ACCOUNT SHALL PLACE A WAGER.

5 (F) PRIMARY MARKET AREA.--

6 (1) A LICENSED RACING ENTITY OR SECONDARY PARI-MUTUEL
7 ORGANIZATION MAY NOT ACCEPT A WAGER OR ESTABLISH ELECTRONIC
8 WAGERING OR ADVANCED DEPOSIT ACCOUNT WAGERING FOR ANY PERSON
9 LOCATED IN THE PRIMARY MARKET AREA OF A RACETRACK, OTHER THAN
10 THE RACETRACK AT WHICH THE LICENSED RACING ENTITY IS
11 CONDUCTING A HORSE RACE MEETING.

12 (2) NOTHING IN THIS SUBSECTION SHALL BE CONSTRUED TO
13 PROHIBIT A LICENSED RACING ENTITY FROM ACCEPTING A WAGER FROM
14 OR ESTABLISHING AN ELECTRONIC WAGERING ACCOUNT FOR ANY PERSON
15 LOCATED IN THE PRIMARY MARKET AREA OF THE RACETRACK WHERE THE
16 LICENSED RACING ENTITY IS CONDUCTING A HORSE RACE MEETING. IF
17 TWO TRACKS SHARE THE PRIMARY MARKET AREA, BOTH RACETRACKS
18 SHALL HAVE EQUAL RIGHTS TO THE MARKET IN THE SHARED AREA.

19 § 9331. PARI-MUTUEL WAGERING AT NONPRIMARY LOCATIONS.

20 (A) NONPRIMARY LOCATIONS.--THE FOLLOWING SHALL APPLY:

21 (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER,
22 THE COMMISSION MAY APPROVE A LICENSED RACING ENTITY TO
23 CONTINUE TO OPERATE A NONPRIMARY LOCATION WHERE IT HAS
24 CONDUCTED PARI-MUTUEL WAGERING ON HORSE RACES CONDUCTED BY
25 THE LICENSED RACING ENTITY. THE LICENSED RACING ENTITY MAY
26 CONTINUE TO CONDUCT PARI-MUTUEL WAGERING AT THE LOCATION ON
27 HORSE RACES CONDUCTED BY ANOTHER LICENSED RACING ENTITY,
28 WHICH HORSE RACES MAY BE TELEVISED TO THE LOCATION OR ON
29 HORSE RACES SIMULCAST TO THE LOCATION UNDER SECTION 9329
30 (RELATING TO INTERSTATE SIMULCASTING), PROVIDED THAT:

1 (I) A LICENSED RACING ENTITY HAS NOT ESTABLISHED A
2 NONPRIMARY LOCATION WITHIN THE PRIMARY MARKET AREA OF ANY
3 RACETRACK OTHER THAN A RACETRACK WHERE THE LICENSED
4 RACING ENTITY CONDUCTS HORSE RACE MEETINGS. ESTABLISHMENT
5 OF A NONPRIMARY LOCATION BY A LICENSED RACING ENTITY
6 WITHIN THE PRIMARY MARKET AREA OF A RACETRACK WHERE THE
7 LICENSED RACING ENTITY CONDUCTS HORSE RACE MEETINGS SHALL
8 REQUIRE APPROVAL OF THE COMMISSION.

9 (II) A LICENSED RACING ENTITY HAS NOT ESTABLISHED A
10 NONPRIMARY LOCATION WITHIN THE SECONDARY MARKET AREA OF A
11 RACETRACK IF THE NONPRIMARY LOCATION IS APPROVED BY THE
12 COMMISSION.

13 (III) A LICENSED RACING ENTITY HAS NOT ESTABLISHED A
14 NONPRIMARY LOCATION IN AN AREA OUTSIDE THE PRIMARY AND
15 SECONDARY MARKET AREAS OF ANY RACETRACK IF THE LOCATION
16 IS APPROVED BY THE COMMISSION.

17 (2) EXCEPT AS PROVIDED UNDER PARAGRAPH (1), NO
18 ADDITIONAL LICENSES SHALL BE PERMITTED.

19 (3) THE COMMISSION SHALL ANNUALLY CONDUCT INSPECTIONS OF
20 THE PRIMARY FACILITY.

21 (4) THE REGULATORY AUTHORITY OF THE COMMISSION SHALL
22 APPLY TO NONPRIMARY LOCATIONS AND ANY EMPLOYEES OR RACING
23 VENDORS OF THE LICENSED RACING ENTITY ESTABLISHING THE
24 NONPRIMARY LOCATION.

25 (B) TAXATION AND RECORDS.--MONEY WAGERED AT ALL PRIMARY AND
26 NONPRIMARY LOCATIONS UNDER THIS CHAPTER SHALL BE INCLUDED IN
27 COMMON PARI-MUTUEL POOLS. MONEY WAGERED BY PATRONS ON THE RACES
28 SHALL BE COMPUTED BY THE AMOUNT OF MONEY WAGERED EACH RACING DAY
29 FOR PURPOSES OF TAXATION UNDER SECTION 9334 (RELATING TO STATE
30 RACING FUND AND TAX RATE). THE LICENSED RACING ENTITY CONDUCTING

1 THE HORSE RACE MEETING AND MAINTAINING THE PARI-MUTUEL POOLS
2 SHALL MAINTAIN ACCURATE RECORDS OF THE AMOUNT WAGERED IN EACH
3 POOL FROM EVERY PRIMARY AND NONPRIMARY LOCATION.

4 (C) RETENTION.--MONEY RETAINED UNDER SECTION 9334 SHALL BE
5 CALCULATED FOR EACH LOCATION WHERE PARI-MUTUEL WAGERING IS BEING
6 CONDUCTED. IF WAGERING HAS TAKEN PLACE AT A NONPRIMARY LOCATION
7 WHERE THE WAGERING IS CONDUCTED BY A LICENSED RACING ENTITY
8 OTHER THAN THE LICENSED RACING ENTITY CONDUCTING THE HORSE RACE
9 MEETING, THE LICENSED RACING ENTITY CONDUCTING THE HORSE RACE
10 MEETING SHALL RETAIN ANY MONEY TO WHICH IT IS ENTITLED BY
11 AGREEMENT. THE LICENSED RACING ENTITY CONDUCTING THE HORSE RACE
12 MEETING SHALL PAY OVER THE BALANCE OF THE RETAINED MONEY TO THE
13 LICENSED RACING ENTITY CONDUCTING THE WAGERING AT THE NONPRIMARY
14 LOCATION.

15 (D) PAYMENT OF PURSES.--A LICENSED RACING ENTITY CONDUCTING
16 A HORSE RACE MEETING WHERE PARI-MUTUEL WAGERING IS CONDUCTED AT
17 ONE OR MORE NONPRIMARY LOCATIONS SHALL DISTRIBUTE MONEY TO THE
18 HORSEMEN'S ORGANIZATION, OR, IN ACCORDANCE WITH THE PRACTICE OF
19 THE PARTIES, TO BE USED FOR PAYMENT OF PURSES AT THAT RACETRACK,
20 AS FOLLOWS:

21 (1) EXCEPT AS PROVIDED FOR IN PARAGRAPHS (2), (3), (4)
22 AND (5), AN AMOUNT EQUAL TO BUT NOT LESS THAN 6% OF THE DAILY
23 GROSS WAGERING HANDLE ON THE RACES AT A NONPRIMARY LOCATION.

24 (2) WHEN THE GROSS WAGERING HANDLE ON THE RACES AT A
25 NONPRIMARY LOCATION ON A GIVEN DAY IS LESS THAN \$30,000, THE
26 PERCENTAGE MAY NOT BE LESS THAN 3%.

27 (3) WHEN THE GROSS WAGERING HANDLE ON THE RACES AT A
28 NONPRIMARY LOCATION ON A GIVEN DAY IS BETWEEN \$30,000 AND
29 \$75,000, THE PERCENTAGE MAY NOT BE LESS THAN 4.75%.

30 (4) WHENEVER A NONPRIMARY LOCATION IS WITHIN THE PRIMARY

1 MARKET AREA OF A LICENSED RACING ENTITY OTHER THAN THE
2 LICENSED RACING ENTITY CONDUCTING THE RACES, THE APPLICABLE
3 PERCENTAGE SHALL BE DISTRIBUTED ONE-HALF TO THE HORSEMEN'S
4 ORGANIZATION AT THE RACETRACK OR IN ACCORDANCE WITH THE
5 PRACTICE OF THE PARTIES.

6 (5) WHERE THE HORSE RACE MEETING IS BEING CONDUCTED TO
7 BE USED FOR THE PAYMENT OF PURSES AT THE RACETRACK AND ONE-
8 HALF TO THE HORSEMEN'S ORGANIZATION, OR IN ACCORDANCE WITH
9 THE PRACTICE OF THE PARTIES, AT THE RACETRACK WITHIN THE
10 PRIMARY MARKET AREA TO BE USED FOR THE PAYMENT OF PURSES AT
11 THE RACETRACK.

12 NOTHING IN THIS SUBSECTION SHALL BE CONSTRUED TO PREVENT A
13 LICENSED RACING ENTITY FROM AGREEING TO DISTRIBUTE AMOUNTS
14 GREATER THAN THE PERCENTAGES SET FORTH IN THIS SUBSECTION.
15 HOWEVER, IF NO ALTERNATIVE AGREEMENT HAS BEEN REACHED, THE TOTAL
16 PERCENTAGE FOR PURSES UNDER THIS SUBSECTION SHALL BE PAID IN
17 ACCORDANCE WITH THE MINIMUM PERCENTAGES SET FORTH IN THIS
18 SUBSECTION.

19 (E) OTHER PAYMENTS.--NOTWITHSTANDING ANY OTHER PROVISION OF
20 THIS CHAPTER, A NONPRIMARY LOCATION MAY BE ESTABLISHED WITHIN
21 THE PRIMARY MARKET AREA OF A RACETRACK BY AGREEMENT BETWEEN THE
22 LICENSED RACING ENTITY AND THE HORSEMEN'S ORGANIZATION AT THE
23 RACETRACK SPECIFYING THE TOTAL PERCENTAGE OF HANDLE WAGERED AT
24 THE NONPRIMARY LOCATION TO BE DISTRIBUTED TO THE HORSEMEN'S
25 ORGANIZATION, OR, IN ACCORDANCE WITH THE PRACTICE OF THE
26 PARTIES, TO BE USED FOR THE PAYMENT OF PURSES AT THAT RACETRACK.
27 IF NO AGREEMENT IS REACHED COVERING THE LOCATIONS, THE TOTAL
28 PERCENTAGE TO BE PAID FOR PURSES SHALL BE THE SAME AS THAT
29 APPLIED TO ON-TRACK WAGERING AT THE RACETRACK LOCATED WITHIN THE
30 PRIMARY MARKET AREA.

1 § 9332. BOOKS AND RECORDS OF PARI-MUTUEL WAGERING.

2 EVERY LICENSED RACING ENTITY THAT CONDUCTS A HORSE RACE
3 MEETING AT WHICH PARI-MUTUEL WAGERING IS AUTHORIZED SHALL
4 MAINTAIN BOOKS AND RECORDS THAT CLEARLY SHOW BY SEPARATE RECORD
5 THE TOTAL AMOUNT OF MONEY CONTRIBUTED TO EVERY PARI-MUTUEL POOL.
6 THE DEPARTMENT OF REVENUE OR ITS AUTHORIZED REPRESENTATIVE SHALL
7 HAVE ACCESS TO EXAMINE ALL BOOKS AND RECORDS AND ASCERTAIN
8 WHETHER THE PROPER AMOUNT DUE TO THE STATE IS BEING PAID BY THE
9 LICENSED RACING ENTITY.

10 § 9333. FILING OF CERTAIN AGREEMENTS WITH COMMISSION.

11 A LICENSED RACING ENTITY SHALL PROMPTLY FILE WITH THE
12 COMMISSION ANY LEASE AGREEMENT CONCERNING ANY CONCESSION, LABOR
13 MANAGEMENT RELATION, HIRING OF DESIGNATED CLASSES OF OFFICERS,
14 EMPLOYEES OR CONTRACTORS SPECIFIED BY THE COMMISSION OR ANY
15 OTHER CONTRACT OR AGREEMENT AS THE COMMISSION MAY PRESCRIBE.

16 § 9334. STATE RACING FUND AND TAX RATE.

17 (A) FUND.--THERE IS HEREBY ESTABLISHED IN THE STATE TREASURY
18 THE STATE RACING FUND. FOR FISCAL YEAR 2015-2016, MONEY IN THE
19 FUND IS APPROPRIATED ON A CONTINUING BASIS TO THE DEPARTMENT FOR
20 THE PURPOSES OF ADMINISTERING THIS CHAPTER. BEGINNING ON JULY 1,
21 2016, ALL MONEY DEPOSITED IN THE FUND, EXCEPT MONEY DEPOSITED IN
22 RESTRICTED ACCOUNTS, SHALL BE ANNUALLY APPROPRIATED BY THE
23 GENERAL ASSEMBLY FOR THE ADMINISTRATION AND ENFORCEMENT OF THIS
24 CHAPTER AND FOR THE OVERSIGHT AND PROMOTION OF HORSE RACING IN
25 THIS COMMONWEALTH. A LICENSED RACING ENTITY THAT CONDUCTS HORSE
26 RACE MEETINGS OR A SECONDARY PARI-MUTUEL ORGANIZATION SHALL PAY
27 A TAX TO THE DEPARTMENT OF REVENUE FOR DEPOSIT IN THE STATE
28 RACING FUND.

29 (B) TAX RATE.--THE TAX IMPOSED ON A LICENSED RACING ENTITY
30 OR SECONDARY PARI-MUTUEL ORGANIZATION SHALL BE 1.5% OF THE

1 AMOUNT WAGERED EACH RACING DAY ON WIN, PLACE OR SHOW WAGERS AND
2 2.5% OF THE TOTAL AMOUNT ON AN EXOTIC WAGER, INCLUDING AN
3 EXACTA, DAILY DOUBLE, QUINELLA AND TRIFECTA WAGER.

4 (C) EXPENDITURES.--FUNDS COLLECTED UNDER SUBSECTION (B) AND
5 ANY INTEREST SHALL BE USED AS FOLLOWS:

6 (1) FOR THE ADMINISTRATION AND ENFORCEMENT OF THIS
7 CHAPTER INCLUDING:

8 (I) FUNDS TO THE COMMISSION IN AN AMOUNT
9 APPROPRIATED BY THE GENERAL ASSEMBLY.

10 (II) FUNDS TO THE DEPARTMENT OF REVENUE IN AN AMOUNT
11 APPROPRIATED BY THE GENERAL ASSEMBLY.

12 (2) IF ANNUAL REVENUE UNDER SUBSECTION (B) IS SUFFICIENT
13 TO SATISFY THE REQUIREMENT UNDER PARAGRAPH (1), THE REMAINDER
14 OF THE MONEY SHALL BE DISTRIBUTED AS FOLLOWS:

15 (I) FIFTY PERCENT SHALL REMAIN IN THE STATE RACING
16 FUND AS A CARRY FORWARD BALANCE TO THE NEXT FISCAL YEAR.
17 ANY CARRY FORWARD BALANCE SHALL BE FIRST APPLIED TO THE
18 COST OF EQUINE TESTING UNDER SECTION 9374 (RELATING TO
19 COSTS OF ENFORCEMENT OF MEDICATION RULES OR REGULATIONS)
20 AND, IF ANY STILL REMAINS, FOR COMMISSION EXPENSES AS
21 BUDGETED BY THE GENERAL ASSEMBLY.

22 (II) FIFTY PERCENT SHALL BE DIVIDED EQUALLY AND
23 DISTRIBUTED AS FOLLOWS:

24 (A) TWENTY-FIVE PERCENT SHALL BE PAID BY THE
25 DEPARTMENT OF REVENUE FROM THE STATE RACING FUND FOR
26 CREDIT TO THE PENNSYLVANIA BREEDING FUND.

27 (B) TWENTY-FIVE PERCENT SHALL BE PAID BY THE
28 DEPARTMENT OF REVENUE FROM THE STATE RACING FUND FOR
29 CREDIT TO THE PENNSYLVANIA SIRE STAKES FUND.

30 (D) BREAKAGE.--ALL BREAKAGE RETAINED UNDER SECTION 9335

1 (RELATING TO PARI-MUTUEL POOL DISTRIBUTION) BY LICENSED RACING
2 ENTITIES THAT CONDUCT HORSE RACE MEETINGS SHALL BE DISTRIBUTED
3 IN THE FOLLOWING MANNER:

4 (1) THIRTY-SEVEN AND ONE-HALF PERCENT OF THE BREAKAGE
5 SHALL BE PAID TO THE DEPARTMENT OF REVENUE FOR CREDIT TO THE
6 STATE RACING FUND.

7 (2) SIXTY-TWO AND ONE-HALF PERCENT OF THE BREAKAGE SHALL
8 BE RETAINED BY THE LICENSED RACING ENTITY.

9 (E) OTHER REVENUES.--THE STATE RACING FUND MAY ALSO RECEIVE
10 MONEYS FROM ANY OTHER SOURCE, INCLUDING, BUT NOT LIMITED TO
11 APPROPRIATIONS MADE BY THE GENERAL ASSEMBLY.
12 § 9335. PARI-MUTUEL POOL DISTRIBUTION.

13 (A) DISTRIBUTION.--A LICENSED RACING ENTITY SHALL DISTRIBUTE
14 MONEY IN A PARI-MUTUEL POOL TO THE HOLDERS OF WINNING TICKETS
15 PRESENTED FOR PAYMENT BEFORE THE FIRST DAY OF APRIL OF THE YEAR
16 FOLLOWING THE DATE OF PURCHASE. FAILURE TO PRESENT A WINNING
17 TICKET WITHIN THE PRESCRIBED PERIOD OF TIME SHALL CONSTITUTE A
18 WAIVER OF THE RIGHT TO PARTICIPATE IN THE AWARD OR DIVIDEND.
19 AFTER APRIL 1 OF THE YEAR FOLLOWING THE YEAR OF PURCHASE, A
20 LICENSED RACING ENTITY SHALL FORWARD THE NECESSARY FUNDS HELD
21 FOR UNCASHED TICKETS TO THE DEPARTMENT OF REVENUE. THE FUNDS
22 SHALL BE DEPOSITED INTO THE STATE RACING FUND.

23 (B) REMAINDER.--THE REMAINDER OF THE MONEY SHALL BE RETAINED
24 BY THE LICENSED RACING ENTITY IN THE FOLLOWING MANNER:

25 (1) SEVENTEEN PERCENT OF THE MONEY PLUS THE BREAKAGE
26 FROM REGULAR WAGERING POOLS OR 19% OF THE MONEY PLUS THE
27 BREAKAGE FROM REGULAR WAGERING POOLS FOR LICENSED RACING
28 ENTITIES WHOSE DAILY TOTAL IN ALL PARI-MUTUEL POOLS AVERAGED
29 LESS THAN \$300,000.

30 (2) TWENTY PERCENT OF THE MONEY PLUS BREAKAGE FROM THE

1 EXACTA, DAILY DOUBLE, QUINELLA AND OTHER WAGERING POOLS AS
2 DETERMINED BY THE COMMISSION.

3 (3) AT LEAST 26%, BUT NO MORE THAN 35%, FROM THE
4 TRIFECTA OR OTHER WAGERING POOLS AS DETERMINED BY THE
5 COMMISSION.

6 (C) RETENTION.--A LICENSED RACING ENTITY MAY RETAIN LESSER
7 PERCENTAGES UPON APPROVAL OF THE COMMISSION.

8 § 9336. PENNSYLVANIA BREEDING FUND.

9 (A) ESTABLISHMENT.--THERE IS CREATED A RESTRICTED ACCOUNT IN
10 THE STATE RACING FUND TO BE KNOWN AS THE PENNSYLVANIA BREEDING
11 FUND WHICH SHALL CONSIST OF THE MONEY DEPOSITED UNDER SECTION
12 9334 (RELATING TO STATE RACING FUND AND TAX RATE) AND ANY
13 PROVISION OF 4 PA.C.S. PT. II (RELATING TO GAMING) AND WHICH
14 SHALL BE DISTRIBUTED BY THE COMMISSION.

15 (A.1) EFFECTIVE DATES.--IF AT LEAST \$10,000,000 MORE THAN
16 THE AMOUNT DEPOSITED INTO THE PENNSYLVANIA BREEDING FUND IN 2016
17 UNDER SUBSECTION (A) IS DEPOSITED INTO THE PENNSYLVANIA BREEDING
18 FUND, THIS SUBSECTION AND SUBSECTION (D.1) SHALL BECOME
19 EFFECTIVE ON JANUARY 1 OF THE YEAR FOLLOWING THE EFFECTIVE DATE
20 OF THE DEPOSIT, AND SHALL REMAIN EFFECTIVE FOR EACH YEAR THE
21 DEPOSIT AMOUNT UNDER THIS SUBSECTION IS MET. IF IN ANY YEAR THE
22 FUNDING REQUIREMENT UNDER THIS SUBSECTION IS NOT MET,
23 SUBSECTIONS (C) AND (D) SHALL REMAIN IN EFFECT FOR THE FOLLOWING
24 YEAR.

25 (B) AWARDS FROM THE PENNSYLVANIA BREEDING FUND.--THE
26 COMMISSION SHALL DISTRIBUTE MONEY FROM THE PENNSYLVANIA BREEDING
27 FUND AS FOLLOWS:

28 (1) AN AWARD OF 30% OF THE PURSE EARNED BY EVERY
29 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACE HORSE SIRE BY
30 A REGISTERED PENNSYLVANIA SIRE AT THE TIME OF CONCEPTION OF

1 THE REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACE HORSE, OR
2 AN AWARD OF 20% OF THE PURSE EARNED BY EVERY REGISTERED
3 PENNSYLVANIA-BRED THOROUGHBRED RACE HORSE Sired BY A
4 NONREGISTERED SIRE, WHICH FINISHES FIRST, SECOND OR THIRD IN
5 ANY RACE CONDUCTED BY A LICENSED RACING ENTITY UNDER THIS
6 CHAPTER SHALL BE PAID TO THE BREEDER OF SAID REGISTERED
7 PENNSYLVANIA-BRED THOROUGHBRED RACE HORSE. A SINGLE AWARD
8 UNDER THIS PARAGRAPH MAY NOT EXCEED 1% OF THE TOTAL ANNUAL
9 FUND MONEY.

10 (2) AN AWARD OF 10% OF THE PURSE EARNED BY ANY
11 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACE HORSE WHICH
12 FINISHES FIRST, SECOND OR THIRD IN ANY RACE CONDUCTED BY A
13 LICENSED RACING ENTITY UNDER THIS CHAPTER SHALL BE PAID TO
14 THE OWNER OF THE REGISTERED PENNSYLVANIA SIRE WHICH REGULARLY
15 STOOD IN PENNSYLVANIA AT THE TIME OF CONCEPTION OF THE
16 PENNSYLVANIA-BRED THOROUGHBRED RACE HORSE. A SINGLE AWARD
17 UNDER THIS PARAGRAPH MAY NOT EXCEED 0.5% OF THE TOTAL ANNUAL
18 FUND MONEY.

19 (3) AN AWARD OF 10% OF THE PURSE EARNED BY ANY
20 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACE HORSE THAT
21 FINISHES FIRST IN ANY RACE NOT RESTRICTING ENTRY TO
22 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACE HORSES
23 CONDUCTED BY A LICENSED RACING ENTITY UNDER THIS CHAPTER
24 SHALL BE PAID TO THE OWNER OF THE REGISTERED PENNSYLVANIA-
25 BRED THOROUGHBRED RACE HORSE AT THE TIME OF WINNING. A SINGLE
26 AWARD UNDER THIS PARAGRAPH MAY NOT EXCEED .5% OF THE TOTAL
27 ANNUAL FUND MONEY.

28 (4) THIS SUBSECTION SHALL EXPIRE AT 11:59 P.M. ON
29 DECEMBER 31, 2016.

30 (B.1) AWARDS FROM THE PENNSYLVANIA BREEDING FUND.--THE

1 COMMISSION SHALL DISTRIBUTE MONEY FROM THE PENNSYLVANIA BREEDING
2 FUND AS FOLLOWS:

3 (1) AN AWARD OF 40% OF THE PURSE EARNED BY EVERY
4 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACE HORSE SIRE BY
5 A REGISTERED PENNSYLVANIA SIRE AT THE TIME OF CONCEPTION OF
6 THE REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACE HORSE
7 WHICH FINISHES FIRST, SECOND OR THIRD IN ANY RACE CONDUCTED
8 BY A LICENSED RACING ENTITY UNDER THIS CHAPTER SHALL BE PAID
9 TO THE BREEDER OF THE REGISTERED PENNSYLVANIA-BRED
10 THOROUGHBRED RACE HORSE.

11 (2) AN AWARD OF 20% OF THE PURSE EARNED BY EVERY
12 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACE HORSE SIRE BY
13 A NONREGISTERED SIRE, WHICH FINISHES FIRST, SECOND OR THIRD
14 IN ANY RACE CONDUCTED BY A LICENSED RACING ENTITY UNDER THIS
15 CHAPTER SHALL BE PAID TO THE BREEDER OF THE REGISTERED
16 PENNSYLVANIA-BRED THOROUGHBRED RACE HORSE.

17 (3) A SINGLE AWARD UNDER PARAGRAPHS (1) AND (2) MAY NOT
18 EXCEED 1% OF THE TOTAL ANNUAL FUND MONEY.

19 (4) AN AWARD OF 10% OF THE PURSE EARNED BY ANY
20 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACE HORSE WHICH
21 FINISHES FIRST, SECOND OR THIRD IN ANY RACE CONDUCTED BY A
22 LICENSED RACING ENTITY UNDER THIS CHAPTER SHALL BE PAID TO
23 THE OWNER OF THE REGISTERED PENNSYLVANIA SIRE WHICH REGULARLY
24 STOOD IN PENNSYLVANIA AT THE TIME OF CONCEPTION OF THE
25 PENNSYLVANIA-BRED THOROUGHBRED RACE HORSE. A SINGLE AWARD
26 UNDER THIS PARAGRAPH MAY NOT EXCEED 0.5% OF THE TOTAL ANNUAL
27 FUND MONEY.

28 (C) PURSES FROM PENNSYLVANIA BREEDING FUND.--

29 (1) UP TO ONE-FIFTH OF THE TOTAL OF THE ESTIMATED
30 PENNSYLVANIA BREEDING FUND MONEY REMAINING EACH YEAR AFTER

1 THE DEDUCTION OF EXPENSES RELATED TO THE ADMINISTRATION AND
2 DEVELOPMENT OF THE PENNSYLVANIA BREEDING FUND PROGRAM AND THE
3 PAYMENT OF AWARDS UNDER SUBSECTION (B) OR (B.1) SHALL BE
4 DIVIDED AMONG THE LICENSED RACING ENTITIES THAT CONDUCT
5 THOROUGHBRED HORSE RACE MEETINGS IN DIRECT PROPORTION TO THE
6 RATE BY WHICH EACH LICENSED RACING ENTITY GENERATED THE FUND
7 MONEY DURING THE PREVIOUS YEAR TO BE USED SOLELY FOR PURSES
8 FOR PENNSYLVANIA BREEDING FUND STAKES RACES WHICH RESTRICT
9 ENTRY TO A REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACE
10 HORSE.

11 (2) THIS SUBSECTION SHALL EXPIRE UPON THE DATE
12 SUBSECTION (A.1) IS IMPLEMENTED. IF IN ANY YEAR THE FUNDING
13 REQUIREMENT UNDER SUBSECTION (A.1) IS NOT MET, THIS
14 SUBSECTION SHALL REMAIN IN EFFECT FOR THAT YEAR.

15 (D) REMAINING FUNDS.--THE PENNSYLVANIA BREEDING FUND MONEY
16 REMAINING FOLLOWING DISBURSEMENTS AS DIRECTED IN SUBSECTIONS (B)
17 OR (B.1) AND (C) SHALL BE DIVIDED AMONG THE LICENSED RACING
18 ENTITIES THAT CONDUCT THOROUGHBRED HORSE RACE MEETINGS IN DIRECT
19 PROPORTION TO THE RATE BY WHICH EACH LICENSED RACING ENTITY
20 GENERATED THE FUND MONEY DURING THE PREVIOUS YEAR TO BE USED FOR
21 PURSES AS FOLLOWS:

22 (1) CLAIMING AND NONCLAIMING PENNSYLVANIA BREEDING FUND
23 RACES WHICH RESTRICT ENTRY TO REGISTERED PENNSYLVANIA-BRED
24 THOROUGHBRED RACE HORSES.

25 (2) CLAIMING AND NONCLAIMING PENNSYLVANIA BREEDING FUND
26 RACES WHICH PREFER REGISTERED PENNSYLVANIA-BRED THOROUGHBRED
27 RACE HORSES AS STARTERS. IN THESE RACES, SHOULD EIGHT OR MORE
28 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACE HORSES PASS
29 THE ENTRY BOX, THE RACE SHALL BE CONSIDERED CLOSED TO HORSES
30 OTHER THAN REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACE

1 HORSES.

2 (3) THIS SUBSECTION SHALL EXPIRE UPON THE DATE
3 SUBSECTION (A.1) IS IMPLEMENTED. IF IN ANY YEAR THE FUNDING
4 REQUIREMENT UNDER SUBSECTION (A.1) IS NOT MET, THIS
5 SUBSECTION SHALL REMAIN IN EFFECT FOR THAT YEAR.

6 (D.1) REMAINING FUNDS FROM PENNSYLVANIA BREEDING FUND.--THE
7 ESTIMATED PENNSYLVANIA BREEDING FUND MONEY REMAINING AFTER THE
8 DEDUCTION OF EXPENSES RELATED TO THE ADMINISTRATION AND
9 DEVELOPMENT OF THE PENNSYLVANIA BREEDING FUND PROGRAM AND THE
10 PAYMENT OF AWARDS UNDER SUBSECTION (B.1) SHALL BE DIVIDED AMONG
11 THE LICENSED RACING ENTITIES THAT CONDUCT THOROUGHBRED HORSE
12 RACE MEETINGS IN DIRECT PROPORTION TO THE RATE BY WHICH EACH
13 LICENSED RACING ENTITY GENERATED THE FUND MONEY DURING THE
14 PREVIOUS YEAR TO BE USED SOLELY FOR PURSES AS FOLLOWS:

15 (1) FIFTY PERCENT SHALL BE USED TO AWARD A BONUS TO THE
16 OWNER OF, OR PAY PURSES OF RACES THAT RESTRICT ENTRY TO, A
17 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACE HORSE Sired BY
18 A REGISTERED PENNSYLVANIA SIRE.

19 (2) FIFTY PERCENT SHALL BE USED TO AWARD A BONUS TO THE
20 OWNER OF, OR PAY PURSES OF RACES THAT RESTRICT ENTRY TO, A
21 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACE HORSE.

22 (3) IN ALL CLAIMING AND NONCLAIMING RACES WHICH PREFER
23 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACE HORSES AS
24 STARTERS, IF EIGHT OR MORE REGISTERED PENNSYLVANIA-BRED
25 THOROUGHBRED RACE HORSES PASS THE ENTRY BOX, THE RACE SHALL
26 BE CONSIDERED CLOSED TO HORSES OTHER THAN REGISTERED
27 PENNSYLVANIA-BRED THOROUGHBRED RACE HORSES.

28 (E) FUNDS NOT EXPENDED.--

29 (1) PENNSYLVANIA BREEDING FUND MONEY DUE TO LICENSED
30 RACING ENTITIES, AS OUTLINED IN SUBSECTIONS (C) AND (D), BUT

1 NOT EXPENDED DURING THE CALENDAR YEAR MAY BE CARRIED FORTH IN
2 THE FUND ON THE ACCOUNTS OF THE LICENSED RACING ENTITIES TO
3 BE EXPENDED DURING THE SUCCEEDING YEAR IN ADDITION TO THE
4 LICENSED RACING ENTITIES' FUND MONEY ANNUALLY DUE TO THEM FOR
5 PURSES. THIS PARAGRAPH SHALL EXPIRE AT 11:59 P.M. ON DECEMBER
6 31, 2016.

7 (2) PENNSYLVANIA BREEDING FUND MONEY DUE TO LICENSED
8 RACING ENTITIES, AS OUTLINED IN SUBSECTIONS (B.1) AND (D.1),
9 BUT NOT EXPENDED DURING THE CALENDAR YEAR MAY BE CARRIED
10 FORTH IN THE FUND ON THE ACCOUNTS OF THE LICENSED RACING
11 ENTITIES TO BE EXPENDED DURING THE SUCCEEDING YEAR IN
12 ADDITION TO THE RACING ENTITIES' FUND MONEY ANNUALLY DUE TO
13 THEM FOR PURSES.

14 (F) PENNSYLVANIA HORSE BREEDERS' ASSOCIATION.--THE
15 COMMISSION SHALL CONTRACT WITH THE PENNSYLVANIA HORSE BREEDERS'
16 ASSOCIATION AS THE ORGANIZATION RESPONSIBLE FOR THE REGISTRATION
17 AND RECORDS OF PENNSYLVANIA-BRED THOROUGHBRED RACE HORSES. THE
18 PENNSYLVANIA HORSE BREEDERS' ASSOCIATION SHALL ADVISE THE
19 COMMISSION WHEN CALLED UPON AND SHALL DETERMINE THE
20 QUALIFICATIONS FOR PENNSYLVANIA-BRED THOROUGHBRED RACE HORSES
21 AND PENNSYLVANIA SIRES. REGISTRATION AND RECORDS OF THE
22 ASSOCIATION SHALL BE OFFICIAL RECORDS OF THE COMMONWEALTH AND
23 SHALL BE SUBJECT TO THE ACT OF FEBRUARY 14, 2008 (P.L.6, NO.3),
24 KNOWN AS THE RIGHT-TO-KNOW LAW. AT THE CLOSE OF EACH CALENDAR
25 YEAR, THE PENNSYLVANIA HORSE BREEDERS' ASSOCIATION SHALL SUBMIT
26 TO THE COMMISSION FOR ITS APPROVAL AN ITEMIZED BUDGET OF
27 PROJECTED EXPENSES FOR THE ENSUING YEAR RELATING TO THE
28 ADMINISTRATION AND DEVELOPMENT OF THE PENNSYLVANIA BREEDING FUND
29 PROGRAM. THE COMMISSION, ON NO MORE THAN A QUARTERLY BASIS,
30 SHALL REIMBURSE FROM THE FUND THE PENNSYLVANIA HORSE BREEDERS'

1 ASSOCIATION FOR THOSE EXPENSES ACTUALLY INCURRED IN THE
2 ADMINISTRATION AND DEVELOPMENT OF THE PENNSYLVANIA BREEDING FUND
3 PROGRAM.

4 § 9337. PENNSYLVANIA SIRE STAKES FUND.

5 (A) ESTABLISHMENT.--THERE IS CREATED A RESTRICTED ACCOUNT IN
6 THE STATE RACING FUND TO BE KNOWN AS THE PENNSYLVANIA SIRE
7 STAKES FUND WHICH SHALL CONSIST OF THE MONEY DEPOSITED UNDER
8 SECTION 9334 (RELATING TO STATE RACING FUND AND TAX RATE) AND
9 ANY PROVISION OF 4 PA.C.S. PT. II (RELATING TO GAMING) AND WHICH
10 SHALL BE ADMINISTERED BY THE COMMISSION.

11 (B) DISTRIBUTION AND USE OF FUNDS.--FUNDS SHALL BE
12 DISTRIBUTED AS FOLLOWS:

13 (1) SIXTY PERCENT OF THE MONEY REMAINING IN THE EXCESS
14 FUND ACCOUNT OF THE PENNSYLVANIA SIRE STAKES FUND AT THE END
15 OF THE CALENDAR YEAR IN WHICH THIS SUBSECTION IS ENACTED
16 SHALL BE DISTRIBUTED TO LICENSED RACING ENTITIES THAT CONDUCT
17 STANDARD BRED HORSE RACE MEETINGS TO BE USED IN THE NEXT
18 SUCCEEDING CALENDAR YEAR AS PURSE MONEY FOR PENNSYLVANIA-
19 SIRE HORSES. THE REMAINING 40% OF THE MONEY IN THE EXCESS
20 FUND ACCOUNT AT THE END OF THE CALENDAR YEAR OF THE ENACTMENT
21 OF THIS SUBSECTION, TOGETHER WITH THE INTEREST EARNED ON THAT
22 MONEY, SHALL BE DISTRIBUTED TO LICENSED RACING ENTITIES THAT
23 CONDUCT STANDARD BRED HORSE RACE MEETINGS TO BE USED IN THE
24 NEXT SUCCEEDING CALENDAR YEAR AS PURSE MONEY FOR
25 PENNSYLVANIA-SIRE HORSES.

26 (2) AFTER DEDUCTION OF SUFFICIENT FUNDS TO COVER THE
27 COMMISSION'S COST OF ADMINISTRATION, 80% OF ALL REMAINING
28 MONEY IN THE PENNSYLVANIA SIRE STAKES FUND AT THE END OF THE
29 CALENDAR YEAR SHALL BE DISTRIBUTED TO LICENSED RACING
30 ENTITIES THAT CONDUCT STANDARD BRED HORSE RACE MEETINGS TO BE

1 USED AS PURSE MONEY FOR PENNSYLVANIA-SIRED HORSES. THE
2 COMMISSION MAY ALLOCATE UP TO A TOTAL OF 40% OF THE AMOUNT TO
3 BE DISTRIBUTED TO LICENSED RACING ENTITIES IN A CALENDAR YEAR
4 FOR USE FOR A SERIES OF CHAMPIONSHIP FINAL RACES AT THE
5 RACETRACKS OF LICENSED BUSINESS ENTITIES THAT CONDUCT
6 STANDARD BRED HORSE RACE MEETINGS. THE COMMISSION SHALL
7 DISTRIBUTE THE MONEY TO THESE CHAMPIONSHIP FINAL RACES IN AN
8 EQUAL AMOUNT FOR EACH SEX, AGE AND GAIT FOR TWO-YEAR-OLD
9 TROTTERS AND PACERS AND THREE-YEAR-OLD TROTTERS AND PACERS
10 BASED ON CONDITIONS ESTABLISHING ELIGIBILITY TO THESE FINAL
11 EVENTS. NO PARI-MUTUEL STANDARD BRED RACETRACK SHALL BE
12 AWARDED MORE THAN 50% OF THE CHAMPIONSHIP FINAL RACES IN ANY
13 CALENDAR YEAR. THE COMMISSION SHALL SCHEDULE THESE FINAL
14 EVENTS SO AS TO EVENLY ALTERNATE CLASSES AT EACH RACETRACK
15 EACH YEAR. AFTER THE ALLOCATION FOR THE CHAMPIONSHIP FINAL
16 RACES HAS BEEN DETERMINED, THE REMAINING FUNDS TO BE
17 DISTRIBUTED TO LICENSED RACING ENTITIES THAT CONDUCT
18 STANDARD BRED HORSE RACE MEETINGS SHALL BE DIVIDED EQUALLY
19 AMONG THE LICENSED RACING ENTITIES. EACH LICENSED RACING
20 ENTITY SHALL DIVIDE THE FUNDS RECEIVED EQUALLY FOR EACH OF:

21 (I) FOUR TWO-YEAR-OLD RACES; ONE PACE FOR COLTS, ONE
22 PACE FOR FILLIES, ONE TROT FOR COLTS AND ONE TROT FOR
23 FILLIES; AND

24 (II) FOUR THREE-YEAR-OLD RACES; ONE PACE FOR COLTS,
25 ONE PACE FOR FILLIES, ONE TROT FOR COLTS AND ONE TROT FOR
26 FILLIES.

27 (C) PURSE MONEY.--EACH ALLOTMENT SHALL PROVIDE PURSE MONEY
28 FOR THE RESPECTIVE RACES. THE PURSE MONEY SHALL BE IN ADDITION
29 TO ANY ENTRY FEES OR OTHER FUNDS AVAILABLE.

30 (D) ENTRY RESTRICTION.--ENTRY FOR THESE RACES SHALL BE

1 LIMITED TO STANDARD BRED HORSES WHICH WERE Sired BY A
2 STANDARD BRED STALLION REGULARLY STANDING IN PENNSYLVANIA AND
3 EACH RACE SHALL BE DESIGNATED A PENNSYLVANIA SIRE STAKES RACE.
4 THE COMMISSION SHALL ADOPT REGULATIONS AS NECESSARY TO
5 ADMINISTER THE ENTRY RESTRICTION.

6 (E) AGRICULTURAL FAIRS AND EVENTS.--

7 (1) THE FOLLOWING SHALL APPLY:

8 (I) THE REMAINING MONEY IN THE PENNSYLVANIA SIRE
9 STAKES FUND, UP TO A TOTAL OF \$75,000 FOR EACH
10 AGRICULTURAL FAIR AND ONE-DAY OR TWO-DAY EVENTS AS
11 DEFINED IN THE COMMISSION'S REGULATIONS, SHALL BE DIVIDED
12 EQUALLY AMONG THE AGRICULTURAL FAIRS AND ONE-DAY OR TWO-
13 DAY EVENTS.

14 (II) NO MORE THAN FIVE ONE-DAY OR TWO-DAY EVENTS MAY
15 BE AUTHORIZED BY THE COMMISSION PER YEAR.

16 (III) NO MORE THAN TWO ONE-DAY OR TWO-DAY EVENTS PER
17 COUNTY MAY BE AUTHORIZED BY THE COMMISSION EXCEPT IF,
18 AFTER A DATE ESTABLISHED BY THE COMMISSION, THE FIVE
19 EVENTS REFERENCED UNDER SUBPARAGRAPH (II) CONDUCTING
20 HARNESS HORSE RACES FOR TWO-YEAR-OLD AND THREE-YEAR-OLD
21 HARNESS HORSES HAVE NOT BEEN ALLOCATED.

22 (IV) NOT LESS THAN \$225,000 SHALL BE ALLOCATED FROM
23 THE PENNSYLVANIA SIRE STAKES FUND AND BE DIVIDED EQUALLY
24 AMONG AGRICULTURAL FAIRS AND ONE-DAY OR TWO-DAY EVENTS
25 CONDUCTING HARNESS HORSE RACES FOR TWO-YEAR-OLD AND
26 THREE-YEAR-OLD HARNESS HORSES.

27 (2) EACH FAIR OR ONE-DAY OR TWO-DAY EVENT RECEIVING
28 FUNDS UNDER THIS SUBSECTION SHALL DIVIDE THE TOTAL AMOUNT
29 EQUALLY AMONG ALL ELIGIBLE RACES FOR TWO-YEAR-OLD AND THREE-
30 YEAR-OLD HARNESS HORSES AND SHALL APPLY THE FUNDS SOLELY AS

1 ADDITIONAL PURSE FUNDS. ONLY RACES TO WHICH ENTRY IS
2 RESTRICTED TO PENNSYLVANIA-SIRED HORSES SHALL BE ELIGIBLE.
3 THE COMMISSION SHALL PROVIDE FOR AND PROMULGATE REGULATIONS
4 NECESSARY FOR THE PROPER ADMINISTRATION OF RACING PROVIDED
5 FOR UNDER THIS SUBSECTION, INCLUDING, BUT NOT LIMITED TO,
6 PORTABLE STALL RENTALS AT ONE-DAY OR TWO-DAY EVENTS.
7 § 9338. FAIR FUND PROCEEDS.

8 (A) DISTRIBUTION.--THE DEPARTMENT OF AGRICULTURE SHALL
9 DISTRIBUTE MONEY IN THE FAIR FUND ANNUALLY, ON OR BEFORE MARCH
10 1, FOR REIMBURSEMENT FOR EACH COUNTY AGRICULTURAL SOCIETY AND
11 EACH INDEPENDENT AGRICULTURAL SOCIETY CONDUCTING STANDARDBRED
12 HORSE RACING DURING ITS ANNUAL FAIR, OTHER THAN RACES FOR TWO-
13 YEAR-OLD COLTS AND FILLIES AND THREE-YEAR-OLD COLTS AND FILLIES,
14 AN AMOUNT OF MONEY EQUAL TO THAT USED DURING THEIR ANNUAL FAIR
15 AS PURSE MONEY FOR STANDARDBRED HORSE RACING, TRACK AND STABLE
16 MAINTENANCE, STARTING GATE RENTAL AND THE COST OF ALL
17 STANDARDBRED HORSE RACING OFFICIALS REQUIRED DURING THEIR ANNUAL
18 FAIR. THE REIMBURSEMENT AMOUNT MAY NOT BE MORE THAN \$13,000, A
19 MINIMUM OF \$4,000 OF WHICH MUST BE USED FOR PURSE MONEY AND THE
20 BALANCE OF THE ALLOTMENT PER FAIR, NOT USED FOR PURSE MONEY OVER
21 THE MINIMUM \$4,000 ALLOTMENT, SHALL BE USED FOR THE SPECIFIC
22 PURPOSES REFERENCED ABOVE OR OTHERWISE THE ALLOTMENT SHALL BE
23 RETAINED IN THE FUND.

24 (B) INSPECTION.--THE COMMISSION SHALL ANNUALLY INSPECT EACH
25 TRACK FACILITY AT A COUNTY FAIR AND ADVISE EACH OPERATING FAIR
26 ABOUT TRACK MAINTENANCE WHICH IS NECESSARY TO ENSURE ADEQUATE
27 RACING SURFACE DURING THE COURSE OF SCHEDULED FAIRS AND RACING
28 EVENTS. IF IT IS THE OPINION OF THE COMMISSION THAT THE FAIR
29 SOCIETY OR EVENT SPONSOR IS NOT ADEQUATELY FINANCING TRACK
30 MAINTENANCE, THE DEPARTMENT OF REVENUE SHALL SURCHARGE THE FAIR

1 FUND ACCOUNT OF THE FAIR SOCIETY OR EVENT SPONSOR TO EFFECTUATE
2 THE REMEDIATION. THE COMMISSION MAY CONTRACT WITH, HIRE OR
3 OTHERWISE CONSULT WITH RACE TRACK SURFACE EXPERTS TO CARRY OUT
4 THE PROVISIONS OF THIS SECTION.

5 § 9339. HEARING.

6 AN APPLICANT, LICENSEE OR OTHER PERSON WHOSE APPLICATION HAS
7 BEEN DENIED OR WHOSE LICENSE HAS BEEN SUSPENDED, REVOKED OR NOT
8 RENEWED MAY REQUEST A HEARING BEFORE THE COMMISSION. THE
9 PROVISIONS OF 2 PA.C.S. CHS. 5 SUBCH. A (RELATING TO PRACTICE
10 AND PROCEDURE OF COMMONWEALTH AGENCIES) AND 7 SUBCH. A (RELATING
11 TO JUDICIAL REVIEW OF COMMONWEALTH AGENCY ACTION) SHALL APPLY,
12 UNLESS SUPERSEDED BY THE COMMISSION'S ADMINISTRATIVE
13 REGULATIONS.

14 § 9340. PROHIBITION OF WAGERING.

15 (A) GENERAL.--NO COMMISSIONER OR EMPLOYEE OF THE COMMISSION
16 SHALL WAGER UPON THE OUTCOME OF ANY HORSE RACE CONDUCTED AT OR
17 SIMULCAST TO A TRACK AT WHICH PARI-MUTUEL WAGERING IS CONDUCTED
18 BY ANY LICENSED RACING ENTITY REGULATED BY THE COMMISSION. NO
19 LICENSED RACING ENTITY SHALL PERMIT ANY PERSON WHO IS UNDER 18
20 YEARS OF AGE TO WAGER AT A HORSE RACE MEETING CONDUCTED BY THE
21 LICENSED RACING ENTITY. NO LICENSED RACING ENTITY SHALL PERMIT
22 ANY PERSON WHO IS UNDER 18 YEARS OF AGE TO ATTEND A HORSE RACE
23 MEETING CONDUCTED BY THE LICENSED RACING ENTITY UNLESS THE
24 PERSON IS ACCOMPANIED BY A PARENT OR GUARDIAN. THIS SECTION
25 SHALL NOT BE CONSTRUED TO PROHIBIT PERSONS UNDER 18 YEARS OF
26 AGE, WHO ARE LEGALLY EMPLOYED, FROM BEING UPON THE RACETRACK
27 PREMISES FOR THE SOLE PURPOSE OF ENGAGING IN THE PERFORMANCE OF
28 THEIR DUTIES AS EMPLOYEES.

29 (B) FAIR RACING.--PARI-MUTUEL WAGERING ON HORSE RACES AT ANY
30 COUNTY OR OTHER POLITICAL SUBDIVISION, AGRICULTURAL OR OTHER

1 FAIR SHALL NOT BE AUTHORIZED. NO LOTTERY, POOL SELLING,
2 BOOKMAKING OR ANY OTHER KIND OF GAMBLING UPON THE RESULTS OF
3 RACES, HEATS OR CONTESTS OF SPEED OF HORSES SHALL BE ALLOWED AT
4 ANY FAIR OR AT ANY HORSE RACE MEETING CONDUCTED IN THIS
5 COMMONWEALTH, EXCEPT THOSE LICENSED TO OPERATE PARI-MUTUEL
6 WAGERING UNDER THE PROVISIONS OF THIS CHAPTER.

7 § 9341. VETERINARIANS AND STATE STEWARDS.

8 (A) GENERAL RULE.--THE COMMISSION SHALL HAVE THE AUTHORITY
9 TO EMPLOY OR CONTRACT WITH LICENSED VETERINARIANS, STEWARDS AND
10 OTHER PERSONNEL DEEMED APPROPRIATE BY THE COMMISSION TO SERVE AT
11 EACH HORSE RACE MEETING CONDUCTED BY A LICENSED RACING ENTITY.
12 THE COMMISSION MAY EMPLOY OR CONTRACT WITH OTHER INDIVIDUALS AS
13 SHALL BE NECESSARY TO CARRY OUT THE RESPONSIBILITIES OF THIS
14 SECTION.

15 (B) COSTS AND COMPENSATION.--THE COSTS AND COMPENSATION OF
16 THE HORSE RACING VETERINARIANS, STATE STEWARDS AND OTHER
17 PERSONNEL SHALL BE FIXED AND PAID BY THE COMMISSION.

18 § 9342. PROMOTIONS AND DISCOUNTS.

19 THE COMMISSION MAY APPROVE A LICENSED RACING ENTITY TO ISSUE
20 A FREE PASS, CARD OR BADGE FOR A SPECIAL PROMOTIONAL PROGRAM AND
21 SEASONAL DISCOUNT TICKET PROGRAM.

22 § 9343. MONITORING OF WAGERING ON VIDEO SCREENS.

23 A LICENSED RACING ENTITY CONDUCTING PARI-MUTUEL WAGERING
24 SHALL DISPLAY ON VIDEO SCREENS THE APPROXIMATE ODDS OR
25 APPROXIMATE WILL-PAYS ON EACH HORSE FOR EACH RACE AS WELL AS A
26 COMBINATION OF RACES, INCLUDING, BUT NOT LIMITED TO, QUINELLAS,
27 EXACTAS, PERFECTAS AND ANY OTHER COMBINATION OR POOL OF RACES. A
28 DISPLAY OF APPROXIMATE ODDS OR APPROXIMATE WILL-PAYS IS NOT
29 REQUIRED WHERE THE WAGER IS ON HORSES IN FOUR OR MORE RACES,
30 SUCH AS PICK 4, PICK 5 OR PICK 6. IN ADDITION TO DISPLAYING THE

1 AMOUNT OF MONEY WAGERED, THE APPROXIMATE ODDS OR APPROXIMATE
2 WILL-PAYS ON EACH HORSE OR COMBINATION OF HORSES MUST BE SHOWN
3 ON VIDEO SCREENS IN EACH WAGERING DIVISION. FOR TRIFECTAS, IN
4 LIEU OF ODDS OR APPROXIMATE WILL-PAYS, THE AMOUNT OF MONEY BEING
5 WAGERED ON EACH HORSE TO WIN IN THE TRIFECTA POOL MUST BE
6 DISPLAYED ON VIDEO SCREENS SEPARATELY FROM ANY OTHER
7 INFORMATION. INFORMATION MUST BE DISPLAYED FROM THE OPENING OF
8 BETS OR WAGERING AND BE CONTINUALLY DISPLAYED UNTIL THE WAGERING
9 IS CLOSED. AT LEAST ONE VIDEO SCREEN IN EACH WAGERING DIVISION
10 SHALL DISPLAY THE AMOUNT OF MONEY WAGERED ON EACH HORSE INVOLVED
11 IN A TRIFECTA POOL.

12 § 9344. INTRASTATE SIMULCASTING.

13 (A) GENERAL RULE.--THE COMMISSION SHALL PERMIT INTRASTATE
14 SIMULCASTING OF LIVE HORSE RACING BETWEEN THE LICENSED RACING
15 ENTITIES THAT CONDUCT LIVE RACING.

16 (B) SIMULCAST SIGNAL.--THE SIMULCAST SIGNAL SHALL BE
17 ENCODED, AND THE RACETRACK RECEIVING THE SIMULCAST SIGNAL MAY
18 NOT SEND THE SIGNAL ANYWHERE OTHER THAN A PUBLIC LOCATION
19 AUTHORIZED UNDER SECTION 9329 (RELATING TO INTERSTATE
20 SIMULCASTING).

21 (C) FORMS OF PARI-MUTUEL WAGERING.--ALL FORMS OF PARI-MUTUEL
22 WAGERING DESCRIBED IN SECTION 9335 (RELATING TO PARI-MUTUEL POOL
23 DISTRIBUTION) SHALL BE ALLOWED ON A HORSE RACE TO BE SIMULCASTED
24 UNDER THIS SECTION.

25 (D) REGULATIONS.--THE COMMISSION MAY PROMULGATE REGULATIONS
26 ON WAGERING AND THE OPERATION OF HORSE RACING.

27 (E) COMPUTATION OF MONEY WAGERED.--THE MONEY WAGERED BY A
28 PATRON ON A HORSE RACE MUST BE COMPUTED IN THE AMOUNT OF MONEY
29 WAGERED EACH RACING DAY FOR PURPOSES OF TAXATION UNDER SECTION
30 9334 (RELATING TO STATE RACING FUND AND TAX RATE).

1 (F) DEFINITION.--AS USED IN THIS SECTION, THE TERM "RACING
2 DAY" CONSISTS OF A MINIMUM OF EIGHT LIVE RACES, EXCEPT AT
3 THOROUGHBRED TRACKS ON BREEDERS' CUP EVENT DAY.

4 § 9345. COMMINGLING.

5 (A) APPLICABILITY.--THIS SECTION IS APPLICABLE ONLY TO
6 LICENSED RACING ENTITIES THAT CONDUCT THOROUGHBRED RACING.

7 (B) RACE SECRETARY.--THE RACE SECRETARY SHALL RECEIVE
8 ENTRIES AND DECLARATIONS AS AN AGENT FOR THE LICENSED RACING
9 ENTITY FOR WHICH THE RACE SECRETARY ACTS. THE RACE SECRETARY OR
10 AN INDIVIDUAL DESIGNATED BY THE LICENSED RACING ENTITY MAY
11 RECEIVE STAKES, FORFEITS, ENTRANCE MONEY, JOCKEY FEES AND OTHER
12 FEES, PURCHASE MONEY IN CLAIMING RACES AND OTHER MONEY THAT CAN
13 PROPERLY COME INTO THE RACE SECRETARY'S POSSESSION AS AN AGENT
14 FOR THE LICENSED RACING ENTITY FOR WHICH THE RACE SECRETARY OR
15 DESIGNEE IS ACTING.

16 (C) HORSEMEN'S ACCOUNT.--A LICENSED RACING ENTITY SHALL
17 MAINTAIN A SEPARATE ACCOUNT, TO BE KNOWN AS A HORSEMEN'S
18 ACCOUNT. MONEY OWED TO OWNERS IN REGARD TO PURSES, STAKES,
19 REWARDS, CLAIMS AND DEPOSITS SHALL BE DEPOSITED INTO THE
20 HORSEMEN'S ACCOUNT. FUNDS IN THE ACCOUNT ARE RECOGNIZED AND
21 DENOMINATED AS BEING THE SOLE PROPERTY OF OWNERS. DEPOSITED
22 FUNDS MAY NOT BE COMMINGLED WITH FUNDS OF THE LICENSED RACING
23 ENTITY UNLESS A LICENSED RACING ENTITY ESTABLISHED AN
24 IRREVOCABLE CLEAN LETTER OF CREDIT WITH AN EVERGREEN CLAUSE IN
25 FAVOR OF THE ORGANIZATION WHICH REPRESENTS A MAJORITY OF THE
26 OWNERS AND TRAINERS RACING WITH THE LICENSED RACING ENTITY. THE
27 MINIMUM AMOUNT OF THE CREDIT MUST BE THE GREATER OF \$1,000,000
28 OR 110% OF THE HIGHEST MONTHLY BALANCE IN THE HORSEMEN'S ACCOUNT
29 IN THE IMMEDIATE PRIOR YEAR. TO CALCULATE THE MONTHLY BALANCE IN
30 THE HORSEMEN'S ACCOUNT, THE SUM OF THE DAILY BALANCES SHALL BE

1 DIVIDED BY THE NUMBER OF DAYS IN THE MONTH. THE EVERGREEN CLAUSE
2 MUST PROVIDE THAT:

3 (1) THIRTY DAYS PRIOR TO THE EXPIRATION OF THE LETTER OF
4 CREDIT, THE FINANCIAL INSTITUTION CAN ELECT NOT TO RENEW THE
5 LETTER OF CREDIT;

6 (2) UPON AN ELECTION UNDER PARAGRAPH (1), THE FINANCIAL
7 INSTITUTION MUST NOTIFY THE DESIGNEE OF THE ORGANIZATION THAT
8 REPRESENTS A MAJORITY OF THE OWNERS AND TRAINERS RACING WITH
9 THE LICENSED RACING ENTITY, BY REGISTERED MAIL, RETURN
10 RECEIPT REQUESTED, OF THE ELECTION NOT TO RENEW; AND

11 (3) THE FINANCIAL INSTITUTION WILL HONOR THE LETTER OF
12 CREDIT FOR SIX MONTHS AFTER EXPIRATION.

13 PURSE MONEY EARNED BY OWNERS SHALL BE DEPOSITED BY THE LICENSED
14 RACING ENTITY IN THE HORSEMEN'S ACCOUNT WITHIN 48 HOURS AFTER
15 THE RESULT OF THE RACE IN WHICH THE MONEY WAS EARNED HAS BEEN
16 DECLARED OFFICIAL AND THE PURSE HAS BEEN RELEASED BY THE
17 COMMISSION.

18 (D) ACCOUNTING.--A LICENSED RACING ENTITY SHALL DESIGNATE
19 INDIVIDUALS AUTHORIZED TO RECEIVE AND DISBURSE FUNDS FROM THE
20 HORSEMEN'S ACCOUNT. INDIVIDUALS DESIGNATED UNDER THIS SUBSECTION
21 SHALL BE BONDED TO PROVIDE INDEMNITY FOR MALFEASANCE,
22 NONFEASANCE AND MISFEASANCE. A CERTIFIED COPY OF THE BOND SHALL
23 BE FILED WITH THE COMMISSION.

24 (E) EXAMINATION, ACCESS AND RECORDS.--THE HORSEMEN'S ACCOUNT
25 AND THE INVESTMENT AND DEPOSIT SCHEDULES RELATING TO THE ACCOUNT
26 ARE SUBJECT TO EXAMINATION, AT REASONABLE TIMES, BY A DESIGNEE
27 OF THE ORGANIZATION WHICH REPRESENTS A MAJORITY OF THE OWNERS
28 AND TRAINERS RACING WITH THE LICENSED RACING ENTITY AND BY THE
29 COMMISSION. THE INDIVIDUAL DESIGNATED UNDER SUBSECTION (D) SHALL
30 PROVIDE EACH OWNER WITH ACCESS, AT REASONABLE TIMES DURING A

1 RACING DAY, TO THE AMOUNT OF FUNDS IN THE HORSEMEN'S ACCOUNT
2 CREDITED TO THAT OWNER. AT THE CLOSE OF A HORSE RACE MEETING,
3 THE DESIGNATED INDIVIDUAL SHALL MAIL TO EACH OWNER A RECORD OF
4 DEPOSITS, WITHDRAWALS AND TRANSFERS AFFECTING THE AMOUNT OF
5 FUNDS IN THE HORSEMEN'S ACCOUNT CREDITED TO THAT OWNER.

6 (F) AUDITING AND MONTHLY STATEMENTS.--THE HORSEMEN'S ACCOUNT
7 SHALL BE AUDITED ANNUALLY AND AT ANY OTHER TIME DETERMINED BY
8 THE COMMISSION. MONTHLY STATEMENTS SHALL BE PROVIDED TO THE
9 DESIGNEE OF THE ORGANIZATION WHICH REPRESENTS A MAJORITY OF THE
10 OWNERS AND TRAINERS RACING WITH THE LICENSED RACING ENTITY AND
11 THE COMMISSION.

12 (G) INTEREST.--FIFTY PERCENT OF THE MONEY EARNED AS INTEREST
13 ON FUNDS IN THE HORSEMEN'S ACCOUNT SHALL BE PAID TO THE
14 ORGANIZATION THAT REPRESENTS A MAJORITY OF THE OWNERS AND
15 TRAINERS RACING WITH THE LICENSED RACING ENTITY ON A WEEKLY
16 BASIS. THE AMOUNT IS FOR THE BENEFIT OF THE HORSEMEN AS
17 DETERMINED BY THE ORGANIZATION THAT REPRESENTS THE MAJORITY OF
18 THE OWNERS AND TRAINERS RACING WITH THE LICENSED RACING ENTITY.
19 THE REMAINING 50% OF THE INTEREST EARNED IS FOR THE BENEFIT OF
20 THE LICENSED RACING ENTITY THAT HAS THE RESPONSIBILITY TO FUND
21 THE COSTS ASSOCIATED WITH THE ADMINISTRATION OF THE FUND.
22 INTEREST EACH MONTH MUST BE EARNED IN AN AMOUNT EQUAL TO THE
23 FEDERAL RESERVE DISCOUNT RATE ON THE FIRST DAY OF THE MONTH.
24 \$ 9346. STANDARDBRED HORSE RACING PURSE MONEY.

25 A LICENSED RACING ENTITY THAT CONDUCTS STANDARDBRED HORSE
26 RACING MUST PLACE ON DEPOSIT WITH THE COMMISSION BY MARCH 1 OF
27 EACH YEAR AN IRREVOCABLE LETTER OF CREDIT EQUIVALENT TO ITS
28 AVERAGE WEEKLY PURSE TOTAL FROM THE IMMEDIATE PRIOR YEAR. THE
29 COMMISSION SHALL HOLD THE LETTER OF CREDIT IN TRUST FOR THE
30 STANDARDBRED HORSEMEN RACING AT THAT LICENSED RACING ENTITY'S

1 HORSE RACE MEETING IF THE PURSE CHECKS ARE NOT ISSUED OR
2 INSUFFICIENT FUNDS ARE AVAILABLE TO COVER THE PURSE CHECKS.

3 SUBCHAPTER C

4 ADDITIONAL LICENSING REQUIREMENTS FOR LICENSED
5 RACING ENTITY, SECONDARY PARI-MUTUEL ORGANIZATION,
6 TOTALISATOR AND RACING VENDORS
7 SEC.

8 9351. GENERAL LICENSE REQUIREMENTS.

9 9352. LICENSING COSTS AND FEES.

10 9353. LICENSE APPLICATION PROCEDURES.

11 9354. ORAL PRESENTATION BY APPLICANT.

12 9355. ADDITIONAL INFORMATION.

13 9356. OPERATIONS.

14 9357. TRANSFERS OF LICENSES.

15 9358. DURATION OF LICENSE.

16 9359. PENALTIES AND ENFORCEMENT.

17 § 9351. GENERAL LICENSE REQUIREMENTS.

18 (A) NEW APPLICATION.--A LICENSED RACING ENTITY OR SECONDARY
19 PARI-MUTUEL ORGANIZATION SEEKING TO OFFER ELECTRONIC WAGERING TO
20 INDIVIDUALS WITHIN THIS COMMONWEALTH MUST APPLY TO THE
21 COMMISSION FOR A LICENSE BY SUBMITTING A COMPLETED LICENSE
22 APPLICATION. EXCEPT FOR A LICENSED RACING ENTITY THE LICENSE
23 SHALL TAKE EFFECT AND THE SECONDARY PARI-MUTUEL ORGANIZATION MAY
24 BEGIN OPERATIONS AFTER APPROVAL BY THE COMMISSION.

25 (A.1) APPLICATION.--A TOTALISATOR SERVICE PROVIDER OR RACING
26 VENDOR, AS DETERMINED BY THE COMMISSION, SEEKING TO PROVIDE
27 THOSE SERVICES WITHIN THIS COMMONWEALTH MUST APPLY TO THE
28 COMMISSION FOR A LICENSE BY SUBMITTING A COMPLETED APPLICATION.

29 (B) RENEWAL APPLICATIONS.--

30 (1) A LICENSE FOR A TOTALISATOR OR RACING VENDOR MUST BE

1 RENEWED ANNUALLY IN ACCORDANCE WITH THIS CHAPTER.

2 (2) AN ELECTRONIC WAGERING LICENSE ISSUED TO A LICENSED
3 RACING ENTITY OR A SECONDARY PARI-MUTUEL ORGANIZATION SHALL
4 BE RENEWED ANNUALLY. AN ELECTRONIC WAGERING RENEWAL
5 APPLICATION SHALL BE SUBMITTED ON OR BEFORE 120 DAYS BEFORE
6 THE EXPIRATION OF THE LICENSE TERM. IF THE APPLICATION IS
7 APPROVED BY THE COMMISSION, THE LICENSE RENEWAL SHALL TAKE
8 EFFECT JANUARY 1.

9 § 9352. LICENSING COSTS AND FEES.

10 COSTS AND FEES ARE AS FOLLOWS:

11 (1) THE APPLICANT SHALL PAY ALL COSTS INCURRED BY THE
12 COMMISSION IN REVIEWING AN APPLICATION FOR AN INITIAL
13 LICENSE, INCLUDING LEGAL AND INVESTIGATIVE COSTS AND THE COST
14 OF OTHER NECESSARY OUTSIDE PROFESSIONALS AND CONSULTANTS IN
15 ACCORDANCE WITH THE FOLLOWING:

16 (I) EXCEPT FOR A LICENSED RACING ENTITY, AS AN
17 INITIAL PAYMENT FOR THESE COSTS, THE APPLICANT SHALL
18 SUBMIT, ALONG WITH A LICENSE APPLICATION, A CASHIER'S
19 CHECK OR CERTIFIED CHECK PAYABLE TO THE COMMISSION IN THE
20 AMOUNT OF \$50,000.

21 (II) ANY PORTION OF THE PAYMENT NOT REQUIRED TO
22 COMPLETE THE INVESTIGATION SHALL BE REFUNDED TO THE
23 APPLICANT WITHIN 20 DAYS OF THE GRANTING, WITHDRAWAL OR
24 REJECTION OF THE INITIAL LICENSE APPLICATION.

25 (III) TO THE EXTENT ADDITIONAL COSTS WILL BE
26 NECESSARY, THE APPLICANT SHALL SUBMIT A CASHIER'S CHECK
27 OR CERTIFIED CHECK PAYABLE TO THE COMMISSION IN AN AMOUNT
28 REASONABLY REQUESTED BY THE COMMISSION WITHIN 10 DAYS OF
29 RECEIPT OF THE REQUEST. FAILURE TO SUBMIT AN ADDITIONAL
30 REQUESTED PAYMENT SHALL RESULT IN SUSPENSION OF THE

1 PROCESSING OF THE LICENSE APPLICATION AND MAY RESULT IN
2 DENIAL OF THE LICENSE.

3 (2) AN APPLICANT FOR A RENEWAL LICENSE SHALL PAY ALL
4 REASONABLE COSTS INCURRED BY THE COMMISSION IN REVIEWING A
5 RENEWAL LICENSE, INCLUDING LEGAL AND INVESTIGATIVE COSTS AND
6 THE COST OF OTHER NECESSARY OUTSIDE PROFESSIONALS AND
7 CONSULTANTS IN ACCORDANCE WITH THE FOLLOWING:

8 (I) THE APPLICANT SHALL SUBMIT A CASHIER'S CHECK OR
9 CERTIFIED CHECK PAYABLE TO THE COMMISSION IN AN AMOUNT
10 REASONABLY REQUESTED BY THE COMMISSION WITHIN 10 DAYS OF
11 RECEIPT OF REQUEST.

12 (II) FAILURE TO SUBMIT THE PAYMENT SHALL RESULT IN
13 SUSPENSION OF THE PROCESSING OF RENEWING THE LICENSE AND
14 MAY RESULT IN DENIAL OF THE LICENSE.

15 (3) INITIAL LICENSE FEE:

16 (I) THE FEE FOR AN ELECTRONIC WAGERING LICENSE UNDER
17 SECTION 9351(A) (RELATING TO GENERAL LICENSE
18 REQUIREMENTS) SHALL BE \$500,000. IF AN APPLICANT THAT IS
19 ALSO A CATEGORY 1 SLOT MACHINE LICENSEE OR ITS CORPORATE
20 SUCCESSOR OR AFFILIATE PAID THE LICENSE FEE UNDER 4
21 PA.C.S. § 1209 (RELATING TO SLOT MACHINE LICENSE FEE),
22 THE FEE REQUIRED UNDER THIS PARAGRAPH SHALL BE DEEMED
23 PAID. A FEE PAID UNDER THIS PARAGRAPH SHALL BE DEPOSITED
24 IN THE STATE RACING FUND, OR, IN THE CASE OF A DEEMED
25 PAYMENT, TRANSFERRED TO THE STATE RACING FUND UPON
26 CERTIFICATION OF THE SECRETARY OF THE BUDGET.

27 (II) THE FEE FOR AN INITIAL TOTALISATOR OR RACING
28 VENDOR LICENSE UNDER SECTION 9351(A.1) SHALL BE \$25,000
29 AND SHALL BE DEPOSITED IN THE STATE RACING FUND.

30 (4) LICENSE RENEWAL FEE:

1 (I) THE FEE FOR AN ELECTRONIC WAGERING LICENSE
2 RENEWAL UNDER SECTION 9351(B) (2) SHALL BE \$100,000. IF AN
3 EXISTING LICENSEE UNDER THIS SECTION THAT IS ALSO A
4 CATEGORY 1 SLOT MACHINE LICENSEE OR ITS CORPORATE
5 SUCCESSOR OR AN AFFILIATE PAID THE LICENSE FEE UNDER 4
6 PA.C.S. § 1209, THE FEE REQUIRED UNDER THIS PARAGRAPH
7 SHALL BE DEEMED PAID. A LICENSE RENEWAL MAY NOT BE ISSUED
8 UNTIL RECEIPT OF THE LICENSE RENEWAL FEE. THE LICENSE FEE
9 SHALL BE DEPOSITED INTO THE STATE RACING FUND, OR, IN THE
10 CASE OF A DEEMED PAYMENT, IT SHALL BE TRANSFERRED TO THE
11 STATE RACING FUND.

12 (II) THE FEE FOR THE RENEWAL OF A TOTALISATOR OR
13 RACING VENDOR LICENSE UNDER SECTION 9351(B) (1) SHALL BE
14 \$5,000 AND SHALL BE DEPOSITED IN THE STATE RACING FUND.

15 (5) THE COMMISSION SHALL BE REIMBURSED FOR ANY
16 ADDITIONAL COSTS REQUIRED TO IMPLEMENT AND ENFORCE THIS
17 CHAPTER.

18 (6) BEGINNING TWO YEARS FOLLOWING THE EFFECTIVE DATE OF
19 THIS PARAGRAPH, THE COMMISSION MAY ANNUALLY INCREASE A FEE,
20 CHARGE OR COST PROVIDED FOR UNDER THIS SECTION BY AN AMOUNT
21 NOT TO EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED
22 BY APPLYING THE PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX
23 FOR ALL URBAN CONSUMERS (CPI-U) FOR THE PENNSYLVANIA, NEW
24 JERSEY, DELAWARE AND MARYLAND AREA FOR THE MOST RECENT 12-
25 MONTH PERIOD FOR WHICH FIGURES HAVE BEEN OFFICIALLY REPORTED
26 BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR
27 STATISTICS, IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT IS
28 DUE TO TAKE EFFECT.

29 § 9353. LICENSE APPLICATION PROCEDURES.

30 (A) APPLICATION FOR LICENSE.--AN APPLICATION FOR AN INITIAL

1 OR RENEWAL LICENSE SHALL BE IN THE FORM AND MANNER PRESCRIBED BY
2 THE COMMISSION IN ACCORDANCE WITH THIS CHAPTER. THE COMMISSION
3 MAY DENY A LICENSE TO AN APPLICANT THAT PROVIDES FALSE OR
4 MISLEADING INFORMATION ON OR OMITTS MATERIAL INFORMATION FROM THE
5 APPLICATION. THE APPLICATION SHALL INCLUDE ALL OF THE FOLLOWING:

6 (1) THE APPLICANT'S LEGAL NAME.

7 (2) THE LOCATION OF THE APPLICANT'S PRINCIPAL OFFICE.

8 (3) THE NAME, ADDRESS AND DATE OF BIRTH OF EACH
9 PRINCIPAL WITH A 5% OR GREATER SHARE OF OWNERSHIP OR
10 BENEFICIAL INTEREST IN THE APPLICANT.

11 (4) AUDITED FINANCIAL STATEMENTS FOR THE LAST THREE
12 YEARS OR, IF THE APPLICANT DOES NOT HAVE AUDITED FINANCIAL
13 STATEMENTS, FINANCIAL AND OTHER PERTINENT INFORMATION AS
14 REQUIRED BY THE COMMISSION TO DETERMINE THAT THE APPLICANT IS
15 FINANCIALLY CAPABLE OF OPERATING AS A GOING CONCERN AND
16 PROTECTING ACCOUNTS.

17 (5) A DETAILED PLAN OF HOW THE WAGERING SYSTEM WILL
18 OPERATE. THE COMMISSION MAY REQUIRE CHANGES IN THE PROPOSED
19 PLAN OF OPERATIONS AS A CONDITION OF GRANTING A LICENSE.
20 THERE SHALL NOT BE SUBSEQUENT MATERIAL CHANGES IN THE PLAN OF
21 OPERATIONS UNLESS ORDERED BY THE COMMISSION OR UNTIL APPROVED
22 BY THE COMMISSION AFTER RECEIVING A WRITTEN REQUEST.

23 (6) A LIST OF ALL PERSONNEL PROCESSING WAGERS ON RACES
24 MADE BY RESIDENTS OF THIS COMMONWEALTH. THIS LIST SHALL BE
25 KEPT CURRENT AND BE PROVIDED TO THE COMMISSION UPON REQUEST.

26 (7) COPIES OF ALL DOCUMENTS REQUIRED UNDER THIS
27 SUBSECTION BY THE COMMISSION.

28 (B) REVIEW.--IN REVIEWING AN APPLICATION, THE COMMISSION MAY
29 CONSIDER ANY INFORMATION, DATA, REPORT, FINDING OR OTHER FACTOR
30 AVAILABLE THAT IT CONSIDERS IMPORTANT OR RELEVANT TO THE

1 DETERMINATION OF WHETHER THE APPLICANT IS QUALIFIED TO HOLD A
2 LICENSE, INCLUDING ALL OF THE FOLLOWING:

3 (1) THE INTEGRITY OF THE APPLICANT AND ITS PRINCIPALS,
4 INCLUDING:

5 (I) WHETHER THE APPLICANT OR ITS PRINCIPALS ARE
6 UNSUITABLE.

7 (II) WHETHER THE APPLICANT OR ITS PRINCIPALS HAVE
8 BEEN A PARTY TO LITIGATION OVER BUSINESS PRACTICES,
9 DISCIPLINARY ACTIONS OVER A BUSINESS LICENSE OR REFUSAL
10 TO RENEW A LICENSE.

11 (III) WHETHER THE APPLICANT OR ITS PRINCIPALS HAVE
12 BEEN A PARTY TO PROCEEDINGS IN WHICH UNFAIR LABOR
13 PRACTICES, DISCRIMINATION OR VIOLATION OF GOVERNMENT
14 REGULATIONS PERTAINING TO RACING OR GAMING LAWS WAS AN
15 ISSUE OR BANKRUPTCY PROCEEDINGS.

16 (IV) WHETHER THE APPLICANT OR ITS PRINCIPALS HAVE
17 FAILED TO SATISFY JUDGMENTS, ORDERS OR DECREES.

18 (V) WHETHER THE APPLICANT OR ITS PRINCIPALS HAVE
19 BEEN DELINQUENT IN FILING TAX REPORTS OR REMITTING TAXES.

20 (2) THE QUALITY OF PHYSICAL FACILITIES AND EQUIPMENT.

21 (3) THE FINANCIAL ABILITY OF THE APPLICANT TO CONDUCT
22 WAGERING.

23 (4) THE PROTECTIONS PROVIDED TO SAFEGUARD ACCOUNTS,
24 INCLUDING A CERTIFICATION FROM THE LICENSEE'S CHIEF FINANCIAL
25 OFFICER THAT ACCOUNT FUNDS WILL NOT BE COMMINGLED WITH OTHER
26 FUNDS AS REQUIRED UNDER THIS CHAPTER.

27 (5) THE MANAGEMENT ABILITY OF THE APPLICANT AND ITS
28 PRINCIPALS.

29 (6) COMPLIANCE OF THE APPLICANT WITH APPLICABLE
30 STATUTES, CHARTERS, ORDINANCES AND ADMINISTRATIVE

1 REGULATIONS.

2 (7) THE EFFORTS OF THE APPLICANT TO PROMOTE, DEVELOP AND
3 IMPROVE THE HORSE RACING INDUSTRY IN THIS COMMONWEALTH.

4 (8) THE EFFORTS OF THE APPLICANT TO SAFEGUARD AND
5 PROMOTE THE INTEGRITY OF PARI-MUTUEL WAGERING IN THIS
6 COMMONWEALTH.

7 (9) THE ECONOMIC IMPACT OF THE APPLICANT UPON THE
8 COMMONWEALTH.

9 § 9354. ORAL PRESENTATION BY APPLICANT.

10 (A) APPLICATION.--THE APPLICATION PRESENTATION SHALL BE IN
11 ACCORDANCE WITH ALL OF THE FOLLOWING:

12 (1) THE COMMISSION MAY REQUIRE AN APPLICANT TO MAKE AN
13 ORAL PRESENTATION PRIOR TO THE RULING IN ORDER TO CLARIFY OR
14 OTHERWISE RESPOND TO QUESTIONS CONCERNING THE APPLICATION AS
15 A CONDITION TO THE ISSUANCE OR RENEWAL OF A LICENSE.

16 (2) THE PRESENTATION SHALL BE LIMITED TO THE INFORMATION
17 CONTAINED IN THE APPLICANT'S APPLICATION AND ANY SUPPLEMENTAL
18 INFORMATION RELEVANT TO THE COMMISSION'S DETERMINATION OF THE
19 APPLICANT'S SUITABILITY.

20 (3) THE ADMISSION AS EVIDENCE OF THE SUPPLEMENTAL
21 INFORMATION SHALL BE SUBJECT TO THE DISCRETION OF THE
22 COMMISSION.

23 (B) INCOMPLETE APPLICATION.--IF THE COMMISSION DEEMS AN
24 APPLICANT'S APPLICATION INCOMPLETE AND DOES NOT ACCEPT IT FOR
25 FILING, THE APPLICANT SHALL NOT BE ENTITLED TO MAKE AN ORAL
26 PRESENTATION.

27 § 9355. ADDITIONAL INFORMATION.

28 THE COMMISSION MAY REQUEST ADDITIONAL INFORMATION FROM AN
29 APPLICANT IF THE ADDITIONAL INFORMATION WOULD ASSIST THE
30 COMMISSION IN DECIDING WHETHER TO ISSUE OR RENEW A LICENSE,

1 INCLUDING ALL OF THE FOLLOWING:

2 (1) COPIES OF ANY DOCUMENTS USED BY THE APPLICANT IN
3 PREPARING THE APPLICATION.

4 (2) A LIST OF EACH CONTRACT BETWEEN THE APPLICANT AND A
5 THIRD PARTY RELATED TO OPERATIONS. THE COMMISSION MAY REVIEW
6 THE CONTRACTS AT ANY TIME UPON REQUEST.

7 § 9356. OPERATIONS.

8 (A) PRIOR TO OPERATING REQUIREMENTS.--BEFORE DOING BUSINESS
9 IN THIS COMMONWEALTH ALL OF THE FOLLOWING ARE REQUIRED OF A
10 LICENSEE:

11 (1) BE QUALIFIED TO DO BUSINESS IN THIS COMMONWEALTH.

12 (2) SUBMIT A COPY OF EACH DOCUMENT REQUIRED TO BE FILED
13 WITH THE DEPARTMENT OF REVENUE AND EACH DOCUMENT RELATED TO
14 AN AUDIT OR INVESTIGATION BY ANY FEDERAL, STATE OR LOCAL
15 REGULATORY AGENCY TO THE COMMISSION.

16 (3) REMIT TO THE COMMISSION A COPY OF EACH DOCUMENT
17 REQUIRED TO BE FILED WITH ANY FEDERAL, STATE OR LOCAL
18 REGULATORY AGENCY.

19 (B) REQUIREMENTS.--

20 (1) A LICENSEE SHALL SUBMIT QUARTERLY REPORTS TO THE
21 COMMISSION PROVIDING AMOUNTS WAGERED BY RESIDENTS IN THIS
22 COMMONWEALTH AND AMOUNTS WAGERED ON RACES IN THIS
23 COMMONWEALTH.

24 (2) A LICENSEE SHALL ENTER INTO AN AGREEMENT WITH EACH
25 LICENSED RACING ENTITY IN THIS COMMONWEALTH ON WHOSE RACES
26 THE LICENSEE OFFERS WAGERING REGARDING PAYMENT OF HOST FEES
27 AND ANY OTHER APPLICABLE FEES, COSTS OR PAYMENTS OF ANY KIND
28 TO BE PAID TO THE LICENSED RACING ENTITY. THE LICENSED RACING
29 ENTITY AND THE APPLICABLE HORSEMEN'S ORGANIZATION SHALL
30 NEGOTIATE A SEPARATE AGREEMENT FOR CONTRIBUTIONS TO THE PURSE

1 ACCOUNT.

2 (3) A LICENSEE SHALL NOT COMMINGLE ACCOUNT FUNDS WITH
3 OTHER FUNDS.

4 (4) A LICENSEE SHALL PROVIDE QUARTERLY FINANCIAL
5 STATEMENTS TO THE COMMISSION FOR THE FIRST CALENDAR YEAR OF
6 OPERATION IF THE LICENSEE DOES NOT HAVE AUDITED FINANCIAL
7 STATEMENTS FOR THE LAST THREE YEARS AS REFERENCED IN SECTION
8 9353(A) (4) (RELATING TO LICENSE APPLICATION PROCEDURES).

9 (5) A LICENSEE SHALL USE AND COMMUNICATE PARI-MUTUEL
10 WAGERS TO A TOTALISATOR LICENSED BY THE COMMISSION.

11 (6) A LICENSEE SHALL OPERATE AND COMMUNICATE WITH THE
12 TOTALISATOR IN SUCH A WAY AS NOT TO PROVIDE OR FACILITATE A
13 WAGERING ADVANTAGE BASED ON ACCESS TO INFORMATION AND
14 PROCESSING OF WAGERS BY ACCOUNT HOLDERS RELATIVE TO
15 INDIVIDUALS WHO WAGER AT LICENSED RACING ENTITIES OR
16 SIMULCAST FACILITIES.

17 (7) ALL PERSONNEL PROCESSING WAGERS MADE BY RESIDENTS OF
18 THIS COMMONWEALTH SHALL BE LICENSED BY THE COMMISSION.

19 (8) ACCOUNTS SHALL ONLY BE ACCEPTED IN THE NAME OF AN
20 INDIVIDUAL AND SHALL NOT BE TRANSFERABLE. ONLY INDIVIDUALS
21 WHO HAVE ESTABLISHED ACCOUNTS WITH A LICENSEE MAY WAGER
22 THROUGH A LICENSEE.

23 (9) EACH ACCOUNT HOLDER SHALL PROVIDE PERSONAL
24 INFORMATION AS THE LICENSEE AND THE COMMISSION REQUIRE,
25 INCLUDING ALL OF THE FOLLOWING:

26 (I) NAME.

27 (II) PRINCIPAL RESIDENCE ADDRESS.

28 (III) TELEPHONE NUMBER.

29 (IV) SOCIAL SECURITY NUMBER.

30 (V) DATE OF BIRTH.

1 (VI) OTHER INFORMATION NECESSARY FOR ACCOUNT
2 ADMINISTRATION.

3 (10) THE INFORMATION SUPPLIED BY THE ACCOUNT HOLDER
4 SHALL BE VERIFIED BY THE LICENSEE USING MEANS ACCEPTABLE TO
5 THE COMMISSION. A SECONDARY PARI-MUTUEL ORGANIZATION MUST
6 VERIFY THAT THE ACCOUNT HOLDER DOES NOT RESIDE WITHIN THE
7 PRIMARY MARKET AREA OF A LICENSED RACING ENTITY.

8 (11) THE LICENSEE SHALL PROVIDE EACH ACCOUNT HOLDER A
9 SECURE PERSONAL IDENTIFICATION CODE AND PASSWORD TO BE USED
10 BY THE ACCOUNT HOLDER TO CONFIRM THE VALIDITY OF EVERY
11 ACCOUNT TRANSACTION.

12 (12) AN EMPLOYEE OR AGENT OF THE LICENSEE SHALL NOT
13 DISCLOSE ANY CONFIDENTIAL INFORMATION EXCEPT AS FOLLOWS:

14 (I) TO THE COMMISSION.

15 (II) TO THE ACCOUNT HOLDER AS REQUIRED BY THIS
16 CHAPTER.

17 (III) TO THE LICENSEE AND ITS AFFILIATES.

18 (IV) TO THE LICENSED RACING ENTITY AS REQUIRED BY
19 THE AGREEMENT BETWEEN THE LICENSEE AND THE LICENSED
20 RACING ENTITY.

21 (V) AS OTHERWISE REQUIRED BY LAW.

22 (13) THE LICENSEE SHALL PROVIDE EACH ACCOUNT HOLDER A
23 COPY OF ACCOUNT HOLDER RULES AND THE TERMS OF AGREEMENT AND
24 OTHER INFORMATION AND MATERIALS THAT ARE PERTINENT TO THE
25 OPERATION OF THE ACCOUNT.

26 (14) THE LICENSEE MAY REFUSE TO ESTABLISH AN ACCOUNT IF
27 IT IS FOUND THAT ANY OF THE INFORMATION SUPPLIED IS FALSE OR
28 INCOMPLETE OR FOR ANY OTHER REASON THE LICENSEE DEEMS
29 SUFFICIENT.

30 (15) EACH ACCOUNT SHALL BE ADMINISTERED IN ACCORDANCE

1 WITH THE ACCOUNT HOLDER RULES AND THE TERMS OF AGREEMENT
2 PROVIDED TO ACCOUNT HOLDERS, INCLUDING:

3 (I) PLACING OF WAGERS.

4 (II) DEPOSITS TO ACCOUNTS.

5 (III) CREDITS TO ACCOUNTS.

6 (IV) DEBITS TO ACCOUNTS.

7 (V) REFUNDS TO ACCOUNTS.

8 (VI) WITHDRAWALS FROM ACCOUNTS.

9 (VII) MINIMUM DEPOSIT REQUIREMENTS.

10 (VIII) FEES PER WAGER.

11 (IX) REBATES.

12 (16) EACH LICENSEE SHALL HAVE PROTOCOLS IN PLACE AND
13 SHALL PUBLICIZE TO ITS ACCOUNT HOLDERS WHEN THE WAGERS ARE
14 EXCLUDED FROM A HOST RACETRACK'S WAGERING POOL. THESE
15 PROTOCOLS SHALL INCLUDE AN IMMEDIATE ELECTRONIC MAIL MESSAGE
16 TO AFFECTED ACCOUNT HOLDERS AND IMMEDIATE POSTING ON THE
17 LICENSEE'S PUBLICLY ACCESSIBLE INTERNET WEBSITE.

18 (17) A LICENSEE SHALL MAINTAIN COMPLETE RECORDS OF THE
19 APPLICATION AND THE OPENING OF AN ACCOUNT FOR THE LIFE OF THE
20 ACCOUNT PLUS TWO ADDITIONAL YEARS. A LICENSEE SHALL ALSO
21 MAINTAIN COMPLETE RECORDS OF THE CLOSING OF AN ACCOUNT FOR
22 TWO YEARS AFTER CLOSING. THESE RECORDS SHALL BE PROVIDED TO
23 THE COMMISSION UPON REQUEST.

24 (18) A LICENSEE SHALL MAINTAIN COMPLETE RECORDS OF ALL
25 TRANSACTIONS, INCLUDING DEPOSITS, CREDITS, DEBITS, REFUNDS,
26 WITHDRAWALS, FEES, WAGERS, REBATES AND EARNINGS FOR TWO
27 YEARS. THESE RECORDS SHALL BE PROVIDED TO THE COMMISSION UPON
28 REQUEST.

29 (19) ALL WAGERING CONVERSATIONS, TRANSACTIONS OR OTHER
30 WAGERING COMMUNICATIONS, VERBAL OR ELECTRONIC, SHALL BE

1 RECORDED BY MEANS OF THE APPROPRIATE ELECTRONIC MEDIA AND THE
2 TAPES OR OTHER RECORDS OF THE COMMUNICATIONS SHALL BE KEPT BY
3 THE LICENSEE FOR A PERIOD OF TWO YEARS. THESE TAPES AND OTHER
4 RECORDS SHALL BE MADE AVAILABLE TO THE COMMISSION UPON
5 REQUEST.

6 (20) THE RECORDING OF THE CONFIRMATION OF THE
7 TRANSACTION, AS REFLECTED IN THE VOICE OR OTHER DATA
8 RECORDING, SHALL BE DEEMED TO BE THE ACTUAL WAGER REGARDLESS
9 OF WHAT WAS RECORDED BY THE TOTALISATOR.

10 (21) A LICENSEE SHALL NOT ACCEPT WAGERS IF ITS RECORDING
11 SYSTEM IS NOT OPERABLE.

12 (22) THE COMMISSION MAY MONITOR THE EQUIPMENT AND STAFF
13 AND REVIEW THE RECORDS OF A LICENSEE AND ANY OF THE
14 TRANSACTIONS CONDUCTED BY THE LICENSEE WITH REGARDS TO WAGERS
15 MADE BY RESIDENTS OF THIS COMMONWEALTH.

16 (23) A LICENSEE MAY SUSPEND OR CLOSE ANY ACCOUNT FOR
17 VIOLATION OF THE ACCOUNT HOLDER RULES AND THE TERMS OF
18 AGREEMENT OR ANY OTHER REASON IT DEEMS SUFFICIENT, IF THE
19 LICENSEE RETURNS TO THE ACCOUNT HOLDER ALL MONEY THEN ON
20 DEPOSIT WITHIN SEVEN CALENDAR DAYS.

21 § 9357. TRANSFERS OF LICENSES.

22 A TRANSFER OF LICENSES SHALL BE DONE IN ACCORDANCE WITH THE
23 FOLLOWING:

24 (1) A LICENSE ISSUED UNDER THIS CHAPTER SHALL NOT BE
25 TRANSFERABLE OR ASSIGNABLE.

26 (2) A SUBSTANTIAL CHANGE IN OWNERSHIP IN A LICENSEE
27 SHALL RESULT IN TERMINATION OF THE LICENSE UNLESS PRIOR
28 WRITTEN APPROVAL HAS BEEN OBTAINED FROM THE COMMISSION. A
29 REQUEST FOR APPROVAL OF A SUBSTANTIAL CHANGE IN OWNERSHIP
30 SHALL BE MADE ON A FORM DESIGNATED BY THE COMMISSION. UPON

1 RECEIPT OF ALL REQUIRED INFORMATION, THE COMMISSION SHALL, AS
2 SOON AS PRACTICABLE, MAKE A DETERMINATION WHETHER TO
3 AUTHORIZE AND APPROVE THE SUBSTANTIAL CHANGE IN OWNERSHIP.

4 (3) NOTICE OF A NOMINAL CHANGE IN OWNERSHIP SHALL BE
5 FILED WITH THE COMMISSION WITHIN 15 DAYS OF THE EXECUTION OF
6 THE DOCUMENTS UPON WHICH THE PROPOSED NOMINAL CHANGE IN
7 OWNERSHIP WILL BE BASED.

8 (4) FOR PURPOSES OF PARAGRAPH (3), NOTICE IS NOT
9 REQUIRED FOR ANY OF THE FOLLOWING:

10 (I) A NOMINAL CHANGE IN OWNERSHIP IF THE LICENSEE IS
11 A PUBLICLY TRADED CORPORATION.

12 (II) THE TRANSFER OF AN OWNERSHIP INTEREST IN A
13 LICENSED RACING ENTITY, WHETHER SUBSTANTIAL OR NOMINAL,
14 DIRECT OR INDIRECT, IF BY A PUBLICLY TRADED CORPORATION,
15 AND IF THE BENEFICIAL OWNERSHIP TRANSFERRED IS ACQUIRED
16 BY AN INDIVIDUAL WHO HOLDS THE VOTING SECURITIES OF THE
17 PUBLICLY TRADED CORPORATION FOR INVESTMENT PURPOSES ONLY.

18 (5) ANY ATTEMPT TO EFFECT A SUBSTANTIAL CHANGE IN
19 OWNERSHIP UNDER THIS SECTION IF NOT DONE SO IN WRITING SHALL
20 BE CONSIDERED VOID BY THE COMMISSION.

21 § 9358. DURATION OF LICENSE.

22 A LICENSE ISSUED UNDER THIS SUBCHAPTER SHALL BE VALID FOR ONE
23 CALENDAR YEAR FOR WHICH THE LICENSE IS ISSUED.

24 § 9359. PENALTIES AND ENFORCEMENT.

25 ALL OF THE FOLLOWING APPLY:

26 (1) THE COMMISSION SHALL HAVE ALL OF THE RIGHTS, POWERS
27 AND REMEDIES NECESSARY TO CARRY OUT THIS CHAPTER AND TO
28 ENSURE COMPLIANCE WITH THIS CHAPTER, INCLUDING REVOCATION,
29 SUSPENSION OR MODIFICATION OF A LICENSE AND THE IMPOSITION OF
30 FINES UNDER SECTION 9325 (RELATING TO POWER OF COMMISSION TO

1 IMPOSE FINES).

2 (2) WITH RESPECT TO AN INDIVIDUAL OR ENTITY THAT OFFERS
3 PARI-MUTUEL WAGERING TO RESIDENTS OF THIS COMMONWEALTH
4 WITHOUT A LICENSE ISSUED BY THE COMMISSION, THE COMMISSION
5 MAY TAKE THE MEASURES DEEMED NECESSARY, INCLUDING REFERRAL TO
6 THE APPROPRIATE REGULATORY AND LAW ENFORCEMENT AUTHORITIES
7 FOR CIVIL ACTION OR CRIMINAL PENALTIES.

8 (3) UPON THE FINDING OF A VIOLATION BY A SECONDARY PARI-
9 MUTUEL ORGANIZATION OR TOTALISATOR OF THIS CHAPTER OR OF A
10 COMMISSION REGULATION OR ORDER OR UPON THE FINDING OF
11 UNLICENSED ELECTRONIC OR ADVANCED DEPOSIT ACCOUNT WAGERING BY
12 AN INDIVIDUAL OR ENTITY, THE COMMISSION MAY IMPOSE A FINE AS
13 AUTHORIZED UNDER SECTION 9325.

14 SUBCHAPTER D

15 COMPLIANCE

16 SEC.

17 9361. TAX COMPLIANCE REQUIREMENT.

18 § 9361. TAX COMPLIANCE REQUIREMENT.

19 (A) APPLICANT.--AN APPLICANT MUST BE TAX COMPLIANT TO BE
20 ELIGIBLE FOR A LICENSE ISSUED UNDER THIS CHAPTER. UPON RECEIPT
21 OF AN APPLICATION FOR A LICENSE, THE COMMISSION SHALL REQUEST
22 THE DEPARTMENT OF REVENUE TO CONDUCT A TAX COMPLIANCE REVIEW OF
23 THE APPLICANT.

24 (B) LICENSEES.--A LICENSEE MUST BE TAX COMPLIANT TO BE
25 ELIGIBLE FOR RENEWAL OF A LICENSE ISSUED UNDER THIS CHAPTER.
26 PRIOR TO RENEWING A LICENSE, THE COMMISSION SHALL REQUEST THE
27 DEPARTMENT OF REVENUE TO CONDUCT A TAX COMPLIANCE REVIEW OF THE
28 LICENSEE.

29 (C) COMMISSIONERS AND COMMISSION EMPLOYEES.--AN INDIVIDUAL
30 MUST BE TAX COMPLIANT TO BE ELIGIBLE TO SERVE AS A COMMISSIONER

1 OR TO BE EMPLOYED BY THE COMMISSION. COMMISSIONERS AND
2 COMMISSION EMPLOYEES SHALL BE SUBJECT TO AN ANNUAL TAX
3 COMPLIANCE REVIEW TO ENSURE THEY ARE TAX COMPLIANT. THIS
4 SUBSECTION MAY NOT APPLY TO COMMISSION EMPLOYEES SUBJECT TO A
5 COLLECTIVE BARGAINING AGREEMENT.

6 (D) CONTRACTORS.--EACH CONTRACTOR OF THE COMMISSION SHALL BE
7 SUBJECT TO AN ANNUAL TAX COMPLIANCE REVIEW TO ENSURE THAT THE
8 CONTRACTOR IS TAX COMPLIANT.

9 (E) REVIEW.--THE TAX COMPLIANCE REVIEW UNDER SUBSECTIONS (A)
10 AND (B) AND THE ANNUAL TAX COMPLIANCE REVIEW UNDER SUBSECTIONS
11 (C) AND (D) MUST BE PERFORMED ON THE DATES AS DETERMINED BY THE
12 COMMISSION.

13 (F) DEFINITIONS.--FOR PURPOSES OF THIS SECTION, THE
14 FOLLOWING WORDS AND PHRASES SHALL HAVE THE FOLLOWING MEANINGS:

15 "TAX COMPLIANCE REVIEW." THE PROCESS BY WHICH THE DEPARTMENT
16 OF REVENUE DETERMINES WHETHER AN INDIVIDUAL OR ENTITY IS TAX
17 COMPLIANT.

18 "TAX COMPLIANT." BEING CURRENT WITH ALL APPLICABLE
19 COMMONWEALTH TAX FILING AND REPORTING OBLIGATIONS FOR ANY
20 APPLICABLE TAX YEAR AND CURRENT WITH PAYMENT OF ANY BALANCE OF
21 TAX, INTEREST OR PENALTY DUE THE COMMONWEALTH AS DETERMINED BY
22 THE DEPARTMENT OF REVENUE FOR AN APPLICABLE TAX YEAR.

23 SUBCHAPTER E

24 MEDICATION RULES AND ENFORCEMENT PROVISIONS

25 SEC.

26 9371. MANDATORY REQUIREMENTS FOR MEDICATION RULES.

27 9372. ESTABLISHMENT OF PENNSYLVANIA RACE HORSE TESTING PROGRAM.

28 9373. EQUIPMENT, SUPPLIES AND FACILITIES.

29 9374. COSTS OF ENFORCEMENT OF MEDICATION RULES OR REGULATIONS.

30 § 9371. MANDATORY REQUIREMENTS FOR MEDICATION RULES.

1 (A) REGULATIONS FOR MEDICATION.--WHEN A LICENSED RACING
2 ENTITY CONDUCTS A HORSE RACE MEETING WITH PARI-MUTUEL WAGERING,
3 THE COMMISSION SHALL HAVE IN EFFECT RULES OR REGULATIONS TO
4 CONTROL THE USE AND ADMINISTRATION OF ANY MEDICATION AND THE USE
5 AND ADMINISTRATION OF ANY DEVICE THAT AFFECTS THE PERFORMANCE OF
6 A RACE HORSE. THE COMMISSION MAY ESTABLISH PERMITTED TOLERANCE
7 LEVELS AND THERAPEUTIC DOSE ALLOWANCES FOR ALL MEDICATION TO BE
8 USED OR ADMINISTERED TO A RACE HORSE. THE COMMISSION SHALL ADOPT
9 A COMPREHENSIVE SCHEDULE OF EQUINE DRUGS, MEDICATIONS,
10 THERAPEUTIC SUBSTANCES OR METABOLIC DERIVATIVES WHICH ARE
11 AUTHORIZED TO BE ADMINISTERED TO RACE HORSES, INCLUDING
12 TOLERANCE LEVELS. IN ORDER TO PROPERLY DETERMINE THE SCHEDULE OF
13 DRUGS AND THE TOLERANCE LEVELS UNDER THIS SUBSECTION, THE
14 COMMISSION MAY CONDUCT RESEARCH OR CONTRACT WITH A VENDOR TO
15 CONDUCT THE RESEARCH. THE COMMISSION MAY CONSULT WITH THE
16 PENNSYLVANIA BOARD OF VETERINARY MEDICINE, ACADEMIC INSTITUTES
17 AND ASSOCIATIONS REPRESENTING THE MAJORITY OF THE HORSE OWNERS
18 AND EXPERTS.

19 (B) PENALTY.--THE COMMISSION SHALL ESTABLISH IN THEIR RULES
20 OR REGULATIONS PENALTY PROVISIONS FOR THE VIOLATION OF THESE
21 RULES OR REGULATIONS.

22 § 9372. ESTABLISHMENT OF PENNSYLVANIA RACE HORSE TESTING
23 PROGRAM.

24 (A) ESTABLISHMENT.--THERE IS HEREBY ESTABLISHED THE
25 PENNSYLVANIA RACE HORSE TESTING PROGRAM. THE PROGRAM SHALL BE
26 ADMINISTERED BY THE COMMISSION. ALL COSTS OF THE PROGRAM SHALL
27 BE PAID BY THE APPROPRIATIONS ALLOCATED UNDER SECTION 9374
28 (RELATING TO COSTS OF THE ENFORCEMENT OF MEDICATION RULES OR
29 REGULATIONS).

30 (B) PURPOSE.--THE PURPOSES OF THE PENNSYLVANIA RACE HORSE

1 TESTING PROGRAM ARE TO ANALYZE SAMPLES FOR THE PRESENCE IN RACE
2 HORSES OF ANY MEDICATION, TO DEVELOP TECHNIQUES, EQUIPMENT AND
3 PROCEDURES, TO COLLECT AND TEST FOR THE PRESENCE OF MEDICATION
4 IN RACE HORSES, TO ASCERTAIN PERMITTED TOLERANCE LEVELS OR
5 THERAPEUTIC DOSE ALLOWANCES FOR MEDICATION, TO OFFER
6 CONSULTATION AND ADVICE TO THE PUBLIC ON ALL ISSUES REGARDING
7 THE MEDICATION OF RACE HORSES AND TO CONDUCT RESEARCH IN
8 MEDICATION ISSUES INVOLVING RACE HORSES.

9 § 9373. EQUIPMENT, SUPPLIES AND FACILITIES.

10 THE COSTS OF ALL EQUIPMENT, SUPPLIES AND FACILITIES, EXCEPT
11 HOLDING BARNS OR STABLES, TO BE LOCATED AT RACE HORSE MEETING
12 FACILITIES, GROUNDS OR ENCLOSURES OR AT OTHER LOCATIONS
13 DESIGNATED BY THE MANAGEMENT COMMITTEE SHALL BE PAID BY THE
14 COMMISSION.

15 § 9374. COSTS OF ENFORCEMENT OF MEDICATION RULES OR
16 REGULATIONS.

17 (A) AUTHORIZATION.--BEGINNING JULY 1, 2016, AND EACH YEAR
18 THEREAFTER, THE GENERAL ASSEMBLY SHALL AUTHORIZE THE TRANSFER OF
19 FUNDS FROM THE PENNSYLVANIA RACE HORSE DEVELOPMENT FUND TO THE
20 STATE RACING FUND TO PROVIDE FOR EACH COST ASSOCIATED WITH THE
21 COLLECTION AND RESEARCH OF AND TESTING FOR MEDICATION, WHICH
22 SHALL INCLUDE THE COST OF NECESSARY PERSONNEL, EQUIPMENT,
23 SUPPLIES AND FACILITIES, EXCEPT HOLDING BARNS OR STABLES, TO BE
24 LOCATED AT HORSE RACE FACILITIES, GROUNDS OR ENCLOSURES OR AT
25 OTHER LOCATIONS DESIGNATED BY THE COMMISSION. ALL SUCH COSTS
26 SHALL BE REVIEWED AND APPROVED BY THE COMMISSION. THE TRANSFER
27 SHALL BE MADE IN 52 EQUAL WEEKLY INSTALLMENTS DURING THE FISCAL
28 YEAR BEFORE ANY OTHER DISTRIBUTION FROM THE PENNSYLVANIA RACE
29 HORSE DEVELOPMENT FUND.

30 (B) EXPIRATION.--SUBSECTION (A) SHALL EXPIRE AT 11:59 P.M.

1 ON JUNE 30, 2020. AFTER JUNE 30, 2020, ALL COSTS FOR THE
2 PENNSYLVANIA RACE HORSE TESTING PROGRAM AND THE COLLECTION AND
3 TESTING OF SAMPLES FOR ANY MANNER OF MEDICATION SHALL BE PAID BY
4 THE COMMISSION.

5 SECTION 5. REPEALS ARE AS FOLLOWS:

6 (1) THE GENERAL ASSEMBLY DECLARES THAT THE REPEAL UNDER
7 PARAGRAPH (2) IS NECESSARY TO EFFECTUATE THE ADDITION OF 3
8 PA.C.S. CH. 93.

9 (2) ARTICLE XXVIII-D OF THE ACT OF APRIL 9, 1929
10 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929,
11 IS REPEALED.

12 SECTION 6. THE ADDITION OF 3 PA.C.S. CH. 93 IS A
13 CONTINUATION OF ARTICLE XXVIII-D OF THE ACT OF APRIL 9, 1929
14 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929. THE
15 FOLLOWING APPLY:

16 (1) EXCEPT AS OTHERWISE PROVIDED IN 3 PA.C.S. CH. 93,
17 ALL ACTIVITIES INITIATED UNDER ARTICLE XXVIII-D OF THE
18 ADMINISTRATIVE CODE OF 1929 SHALL CONTINUE AND REMAIN IN FULL
19 FORCE AND EFFECT AND MAY BE COMPLETED UNDER 3 PA.C.S. CH. 93.
20 ORDERS, REGULATIONS, RULES AND DECISIONS WHICH WERE MADE
21 UNDER ARTICLE XXVIII-D OF THE ADMINISTRATIVE CODE OF 1929 AND
22 WHICH ARE IN EFFECT ON THE EFFECTIVE DATE OF SECTION 5(2) OF
23 THIS ACT SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL REVOKED,
24 VACATED OR MODIFIED UNDER 3 PA.C.S. CH. 93. CONTRACTS,
25 OBLIGATIONS AND COLLECTIVE BARGAINING AGREEMENTS ENTERED INTO
26 UNDER ARTICLE XXVIII-D OF THE ADMINISTRATIVE CODE OF 1929 ARE
27 NOT AFFECTED NOR IMPAIRED BY THE REPEAL OF ARTICLE XXVIII-D
28 OF THE ADMINISTRATIVE CODE OF 1929.

29 (2) EXCEPT AS SET FORTH IN PARAGRAPH (3), ANY DIFFERENCE
30 IN LANGUAGE BETWEEN 3 PA.C.S. CH. 93 AND ARTICLE XXVIII-D OF

1 THE ADMINISTRATIVE CODE OF 1929 IS INTENDED ONLY TO CONFORM
2 TO THE STYLE OF THE PENNSYLVANIA CONSOLIDATED STATUTES AND IS
3 NOT INTENDED TO CHANGE OR AFFECT THE LEGISLATIVE INTENT,
4 JUDICIAL CONSTRUCTION OR ADMINISTRATION AND IMPLEMENTATION OF
5 ARTICLE XXVIII-D OF THE ADMINISTRATIVE CODE OF 1929.

6 (3) PARAGRAPH (2) DOES NOT APPLY TO THE ADDITION OF 3
7 PA.C.S. § 9336(B), (B.1), (C), (D), (D.1) AND (E).

8 SECTION 7. THE FOLLOWING SHALL APPLY:

9 (1) THE ADDITION OF 3 PA.C.S. § 9336(B), (C), (D), (E)
10 (1) AND (F) SHALL APPLY RETROACTIVELY TO FEBRUARY 23, 2016.

11 (2) THE ADDITION OF 3 PA.C.S. § 9336(A.1), (B.1), (D.1)
12 AND (E) (2) SHALL APPLY JANUARY 1, 2017.

13 SECTION 8. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.