

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 864 Session of 2017

INTRODUCED BY MUSTIO, D. COSTA, DeLUCA, ORTITAY, SANKEY, WARD, MILLARD, DEASY, MATZIE, KORTZ, MICCARELLI AND JOZWIAK, MARCH 16, 2017

SENATOR SCAVELLO, COMMUNITY, ECONOMIC AND RECREATIONAL DEVELOPMENT, IN SENATE, AS AMENDED, APRIL 24, 2018

AN ACT

1 Amending the act of December 19, 1988 (P.L.1262, No.156),
2 entitled, as amended, "An act providing for the licensing of
3 eligible organizations to conduct games of chance, for the
4 licensing of persons to distribute games of chance, for the
5 registration of manufacturers of games of chance, and for
6 suspensions and revocations of licenses and permits;
7 requiring records; providing for local referendum by
8 electorate; and prescribing penalties," in preliminary
9 provisions, further providing for legislative intent and for
10 definitions; in games of chance, further providing for prize
11 limits; AND FOR MAJOR LEAGUE SPORTS DRAWING, providing for
12 airport 50/50 drawing and further providing for licensing of
13 eligible organizations; in club licensees, further providing
14 for club licensee and for distribution of proceeds; and, in
15 enforcement, further providing for enforcement.

<--

16 The General Assembly of the Commonwealth of Pennsylvania
17 hereby enacts as follows:

18 Section 1. Section 102 of the act of December 19, 1988
19 (P.L.1262, No.156), known as the Local Option Small Games of
20 Chance Act, is amended to read:

21 Section 102. Legislative intent.

22 The General Assembly hereby declares that the playing of
23 games of chance for the purpose of raising funds, by certain

1 nonprofit associations, for the promotion of charitable or civic  
2 purposes, is in the public interest. In some cases, the proceeds  
3 from games of chance may be utilized to support certain  
4 operating expenses of certain organizations.

5 The General Assembly hereby declares that raising public  
6 funds from games of chance in licensed restaurants and  
7 protecting the competitiveness of these restaurants is also in  
8 the public interest.

9 The General Assembly hereby declares that raising funds from  
10 a 50/50 drawing conducted in airport systems, the net proceeds  
11 of which will be used for charitable purposes, is in the public  
12 interest.

13 It is hereby declared to be the policy of the General  
14 Assembly that all phases of licensing, operation and regulation  
15 of games of chance be strictly controlled, and that all laws and  
16 regulations with respect thereto as well as all gambling laws  
17 should be strictly construed and rigidly enforced.

18 The General Assembly recognizes the possibility of  
19 association between commercial gambling and organized crime, and  
20 wishes to prevent participation by organized crime and prevent  
21 the diversion of funds from the purposes herein authorized.

22 ~~Section 2. Section 103 of the act is amended by adding~~ <--  
23 ~~definitions to read:~~

24 SECTION 2. THE DEFINITIONS OF "AFFILIATED NONPROFIT" <--  
25 ORGANIZATION," "ELIGIBLE ORGANIZATION," "MAJOR LEAGUE SPORTS  
26 DRAWING" AND "MAJOR LEAGUE SPORTS TEAM" IN SECTION 103 OF THE  
27 ACT ARE AMENDED AND THE SECTION IS AMENDED BY ADDING DEFINITIONS  
28 TO READ:

29 Section 103. Definitions.

30 The following words and phrases when used in this act shall,

1 except as provided under section 902, have the meanings given to  
2 them in this section unless the context clearly indicates  
3 otherwise:

4 \* \* \*

5 "AFFILIATED NONPROFIT ORGANIZATION." AN ORGANIZATION <--  
6 ESTABLISHED BY OR AFFILIATED WITH [A MAJOR LEAGUE BASEBALL,  
7 NATIONAL HOCKEY LEAGUE, NATIONAL BASKETBALL ASSOCIATION OR MAJOR  
8 LEAGUE SOCCER TEAM] AN ATHLETIC TEAM FOR THE PURPOSE OF RAISING  
9 FUNDS FOR CHARITY, WHICH IS QUALIFIED FOR AN EXEMPTION UNDER  
10 SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986 (PUBLIC  
11 LAW 99-514, 26 U.S.C. § 101(C)(3)).

12 "Airport." A publicly owned commercial service airport that  
13 is designated by the Federal Government as an international  
14 airport.

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

17 "ATHLETIC EVENT DRAWING." A 50/50 DRAWING THAT IS CONDUCTED <--  
18 BY AN AFFILIATED NONPROFIT ORGANIZATION IN ACCORDANCE WITH  
19 SECTION 304.1.

20 "ATHLETIC TEAM." A SPORTS TEAM OR RACING FACILITY THAT IS  
21 ANY OF THE FOLLOWING:

22 (1) A MEMBER OF MAJOR LEAGUE BASEBALL, THE NATIONAL  
23 HOCKEY LEAGUE, THE NATIONAL BASKETBALL ASSOCIATION, THE  
24 NATIONAL FOOTBALL LEAGUE OR MAJOR LEAGUE SOCCER.

25 (2) A PROFESSIONAL SPORTS TEAM AFFILIATED WITH A TEAM  
26 UNDER PARAGRAPH (1).

27 (3) ANY OTHER PROFESSIONAL SPORTS TEAM THAT HAS A SPORTS  
28 FACILITY OR AN AGREEMENT WITH A SPORTS FACILITY TO CONDUCT  
29 HOME GAMES AT THE FACILITY.

30 (4) A STADIUM, GRANDSTAND OR BLEACHER AT A CLOSED-COURSE

1 MOTOR FACILITY WHERE SPECTATORS DIRECTLY OBSERVE MOTOR RACES  
2 WITH NASCAR, INDY, STOCK OR DRAG RACING CARS.

3 (5) A COLLEGIATE TEAM THAT COMPETES ON BEHALF OF AN  
4 INSTITUTION OF HIGHER EDUCATION.

5 \* \* \*

6 "ELIGIBLE ORGANIZATION." A CHARITABLE, RELIGIOUS, FRATERNAL  
7 OR VETERANS' ORGANIZATION, CLUB, CLUB LICENSEE OR CIVIC AND  
8 SERVICE ASSOCIATION OR AN AIRPORT. IN ORDER TO QUALIFY AS AN  
9 ELIGIBLE ORGANIZATION FOR PURPOSES OF THIS ACT, AN ORGANIZATION  
10 SHALL HAVE BEEN IN EXISTENCE AND FULFILLING ITS PURPOSES FOR ONE  
11 YEAR PRIOR TO THE DATE OF APPLICATION FOR A LICENSE. THE TERM  
12 SHALL INCLUDE AN AFFILIATED NONPROFIT ORGANIZATION LICENSED  
13 UNDER SECTION 307.

14 \* \* \*

15 "INSTITUTION OF HIGHER EDUCATION." ANY OF THE FOLLOWING:

16 (1) A COMMUNITY COLLEGE OPERATING UNDER ARTICLE XIX-A OF  
17 THE ACT OF MARCH 10, 1949 (P.L.30, NO.14), KNOWN AS THE  
18 PUBLIC SCHOOL CODE OF 1949.

19 (2) A UNIVERSITY WITHIN THE STATE SYSTEM OF HIGHER  
20 EDUCATION.

21 (3) THE PENNSYLVANIA STATE UNIVERSITY.

22 (4) THE UNIVERSITY OF PITTSBURGH.

23 (5) TEMPLE UNIVERSITY.

24 (6) LINCOLN UNIVERSITY.

25 (7) ANY OTHER INSTITUTION THAT IS DESIGNATED AS "STATE  
26 RELATED" BY THE COMMONWEALTH.

27 (8) ANY ACCREDITED PRIVATE OR INDEPENDENT COLLEGE OR  
28 UNIVERSITY.

29 \* \* \*

30 ["MAJOR LEAGUE SPORTS DRAWING." A 50/50 DRAWING CONDUCTED BY

1 A NONPROFIT AFFILIATE OF A MAJOR LEAGUE SPORTS TEAM IN  
2 ACCORDANCE WITH SECTION 304.1.

3 "MAJOR LEAGUE SPORTS TEAM." A SPORTS TEAM OR RACING FACILITY  
4 THAT IS ANY OF THE FOLLOWING:

5 (1) A MEMBER OF MAJOR LEAGUE BASEBALL, THE NATIONAL  
6 HOCKEY LEAGUE, THE NATIONAL BASKETBALL ASSOCIATION, THE  
7 NATIONAL FOOTBALL LEAGUE OR MAJOR LEAGUE SOCCER.

8 (2) A PROFESSIONAL SPORTS TEAM AFFILIATED WITH A TEAM  
9 UNDER PARAGRAPH (1).

10 (3) ANY OTHER PROFESSIONAL SPORTS TEAM THAT HAS A SPORTS  
11 FACILITY OR AN AGREEMENT WITH A SPORTS FACILITY TO CONDUCT  
12 HOME GAMES AT THE FACILITY.

13 (4) A STADIUM, GRANDSTAND OR BLEACHER AT A CLOSED-COURSE  
14 MOTOR FACILITY WHERE SPECTATORS ARE DIRECTLY OBSERVING MOTOR  
15 RACES WITH NASCAR, INDY, STOCK OR DRAG RACING CARS.]

16 \* \* \*

17 Section 3. ~~Section 302 of the act is amended to read:--~~ <--

18 SECTIONS 302 AND 304.1 OF THE ACT ARE AMENDED TO READ: <--

19 Section 302. Prize limits.

20 (a) Individual prize limit.--

21 (1) Except as provided under subsections (d) and (d.1),  
22 the maximum prize which may be awarded for any single chance  
23 shall be \$2,000[.], other than a weekly drawing.

24 (2) The maximum prize which may be awarded for any  
25 weekly drawing shall be \$14,000.

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

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

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

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

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

10 (2) A licensed eligible organization shall be eligible  
11 to receive no more than ten special permits in any licensed  
12 term except that a volunteer fire, ambulance, rescue or  
13 conservation organization that is not a club licensee shall  
14 be eligible to receive 12 special permits in any licensed  
15 term.

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

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

22 (d.1) Additional award.--A volunteer fire, ambulance, rescue  
23 or conservation organization may, in addition to the total under  
24 subsection (d) (4), award up to \$100,000 from raffles which shall  
25 not be subject to the aggregate limit under subsection [(b),]  
26 (c) or (d).

27 (f) Daily drawing carryover.--The prize limitation contained  
28 in [subsections] subsection (a) [and (b)] may be exceeded by a  
29 daily drawing under the following circumstances: a daily drawing  
30 may award a prize in excess of \$2,000 if such prize is the

1 result of a carryover of a drawing which resulted from the  
2 winning number in such drawing not being among the eligible  
3 entrants in such drawings. Nothing contained herein shall  
4 authorize the prize limitation as contained in [subsections]  
5 subsection (a) [and (b)] to be exceeded as a result of a failure  
6 to conduct a drawing on an operating day during which chances  
7 were sold for a daily drawing or for a daily drawing for which  
8 chances were sold in excess of \$1 or for which more than one  
9 chance was sold to an eligible participant.

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

14 (h) Weekly drawing carryover exception.--Weekly drawings  
15 shall be governed by the prize limitation contained in  
16 subsection [(b)] (a). The prize limitation contained in  
17 subsection [(b)] (a) may be exceeded by a weekly drawing under  
18 the following circumstances: a weekly drawing may award a prize  
19 where the cash value is in excess of [\$35,000] \$14,000 if such  
20 prize is the result of a carryover of a drawing or drawings  
21 which resulted from the winning number or numbers in such  
22 drawing or drawings not being among the eligible entrants in  
23 such drawings. Nothing contained in this chapter shall authorize  
24 the prize limitation under subsection [(b)] (a) to be exceeded  
25 as a result of a failure to conduct a drawing for a week during  
26 which chances were sold for a weekly drawing or for a weekly  
27 drawing for which chances were sold in excess of \$1.

28 (i) Concurrent operation.--Nothing under this act shall  
29 prohibit the concurrent operation of daily or weekly drawings.

30 SECTION 304.1. [MAJOR LEAGUE SPORTS] ATHLETIC EVENT DRAWING. <--

1 (A) GENERAL RULE.--A PERSON MAY PURCHASE ONE OR MORE [MAJOR  
2 LEAGUE SPORTS] ATHLETIC EVENT DRAWING TICKETS AT A HOME GAME,  
3 AND EACH TICKET PURCHASED SHALL REPRESENT ONE ENTRY IN THE  
4 DRAWING FOR A WINNER. A SINGLE TICKET SHALL BE RANDOMLY CHOSEN  
5 AS THE WINNER AFTER A CERTAIN NUMBER OF TICKETS ARE SOLD OR A  
6 SPECIFIED TIME PERIOD EXPIRES AS DESIGNATED BY THE AFFILIATED  
7 NONPROFIT ORGANIZATION. PURCHASE OF ATHLETIC EVENT DRAWING  
8 TICKETS MAY BE MADE BY CASH, CREDIT CARD OR DEBIT CARD.

9 (B) FREQUENCY.--AN AFFILIATED NONPROFIT ORGANIZATION MAY  
10 CONDUCT NO MORE THAN ONE [MAJOR LEAGUE SPORTS] ATHLETIC EVENT  
11 DRAWING PER HOME GAME.

12 (B.1) SALES RESTRICTED.--TICKETS FOR [A MAJOR LEAGUE SPORTS]  
13 AN ATHLETIC EVENT DRAWING MAY NOT BE SOLD IN ANY SEATING AREA  
14 DESIGNATED AS A FAMILY SECTION.

15 (B.2) CHARITABLE EVENT.--[A MAJOR LEAGUE SPORTS] AN ATHLETIC  
16 EVENT DRAWING MAY BE CONDUCTED BY THE AFFILIATED NONPROFIT  
17 ORGANIZATION DURING A CHARITABLE EVENT HELD WITHIN THE SAME  
18 ARENA, STADIUM, GRANDSTAND, BLEACHERS OR OTHER FACILITY DURING A  
19 HOME GAME OR CAR RACE OF THE [MAJOR LEAGUE SPORTS] ATHLETIC  
20 TEAM. DRAWINGS MAY ONLY BE HELD WITHIN SPECTATOR AREAS WITHIN  
21 THE ARENA, STADIUM, GRANDSTAND OR BLEACHERS WHERE THE HOME GAME  
22 OR CAR RACE IS BEING CONDUCTED AND NOT AT ANCILLARY AREAS OR  
23 FACILITIES, INCLUDING PARKING AREAS, RESTAURANTS AND BARS OR  
24 AREAS OUTSIDE THE ARENA, STADIUM, GRANDSTAND OR BLEACHERS OR  
25 AREAS WHERE THE SPORT IS SHOWN ON REMOTE ELECTRONIC EQUIPMENT.

26 (C) DISTRIBUTION.--THE PRIZE AMOUNT OF [A MAJOR LEAGUE  
27 SPORTS] AN ATHLETIC EVENT DRAWING SHALL BE 50% OF THE TOTAL  
28 AMOUNT COLLECTED FROM THE SALE OF [MAJOR LEAGUE SPORTS] ATHLETIC  
29 EVENT DRAWING TICKETS. EXCEPT AS SET FORTH IN SUBSECTION (C.1),  
30 THE OTHER 50% OF THE TOTAL AMOUNT COLLECTED FROM THE SALE OF

1 [MAJOR LEAGUE SPORTS] ATHLETIC EVENT DRAWING TICKETS SHALL BE  
2 DONATED WITHIN SEVEN DAYS FROM THE DATE OF THE DRAWING BY THE  
3 AFFILIATED NONPROFIT ORGANIZATION CONDUCTING THE [MAJOR LEAGUE  
4 SPORTS] ATHLETIC EVENT DRAWING TO ONE OR MORE DESIGNATED  
5 CHARITABLE ORGANIZATIONS FOR WHICH THE DRAWING WAS CONDUCTED.

6 (C.1) USE OF FUNDS.--

7 (1) THE AFFILIATED NONPROFIT ORGANIZATION MAY UTILIZE  
8 NONPRIZE MONEY COLLECTED FOR THE FOLLOWING:

9 (I) TO EMPLOY OR PROVIDE PAYMENT TO INDIVIDUALS 18  
10 YEARS OF AGE OR OLDER TO SELL [MAJOR LEAGUE SPORTS]  
11 ATHLETIC EVENT DRAWING TICKETS [AT A PROFESSIONAL  
12 SPORTING EVENT].

13 (II) FOR ADMINISTRATIVE EXPENSES DIRECTLY RELATED TO  
14 THE CONDUCT OF THE ATHLETIC EVENT DRAWING UNDER THIS  
15 SECTION.

16 (2) AUTHORIZED EXPENSES UNDER PARAGRAPH (1) (II) MAY NOT  
17 EXCEED 2% OF THE TOTAL AMOUNT COLLECTED FROM THE SALE OF  
18 [MAJOR LEAGUE SPORTS] ATHLETIC EVENT DRAWING TICKETS.

19 (D) DESIGNATED CHARITABLE ORGANIZATION.--THE AFFILIATED  
20 NONPROFIT ORGANIZATION CONDUCTING THE [MAJOR LEAGUE SPORTS]  
21 ATHLETIC EVENT DRAWING SHALL DISCLOSE TO ALL TICKET PURCHASERS  
22 THE DESIGNATED CHARITABLE ORGANIZATION FOR WHICH THE [MAJOR  
23 LEAGUE SPORTS] ATHLETIC EVENT DRAWING IS BEING CONDUCTED.

24 (E) ELIGIBILITY.--IN ORDER TO RECEIVE PROCEEDS FROM [A MAJOR  
25 LEAGUE SPORTS] AN ATHLETIC EVENT DRAWING, A CHARITABLE  
26 ORGANIZATION MUST BE IN EXISTENCE AND FULFILLING ITS PURPOSES  
27 FOR AT LEAST TWO YEARS PRIOR TO THE DRAWING AND SHALL BE  
28 ELIGIBLE FOR EXEMPTION UNDER SECTION 501 (C) (3) OF THE INTERNAL  
29 REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. § 501 (C) (3)).  
30 A POLITICAL SUBDIVISION SHALL NOT QUALIFY AS A CHARITABLE

1 ORGANIZATION UNDER THIS SECTION.

2 (F) UNCLAIMED PRIZES.--ANY [MAJOR LEAGUE SPORTS] ATHLETIC  
3 EVENT DRAWING PRIZE REMAINING UNCLAIMED BY A WINNER AT THE END  
4 OF THE [MAJOR LEAGUE SPORTS] ATHLETIC TEAM'S SEASON SHALL BE  
5 DONATED WITHIN 30 DAYS FROM THE END OF THE SEASON BY THE  
6 AFFILIATED NONPROFIT ORGANIZATION TO THE DESIGNATED CHARITABLE  
7 ORGANIZATION FOR WHICH THE [MAJOR LEAGUE SPORTS] ATHLETIC EVENT  
8 DRAWING WAS CONDUCTED.

9 (G) APPLICABILITY.--THE LIMITATIONS UNDER SECTIONS 302,  
10 303(B), 308 AND 704 SHALL NOT APPLY TO [A MAJOR LEAGUE SPORTS]  
11 AN ATHLETIC EVENT DRAWING.

12 (H) ADDITIONAL RECORDKEEPING.--THE DEPARTMENT MAY REQUIRE  
13 ADDITIONAL RECORDKEEPING OR ACCOUNTABILITY MEASURES FOR [MAJOR  
14 LEAGUE SPORTS] ATHLETIC EVENT DRAWINGS.

15 Section 4. The act is amended by adding a section to read:  
16 Section 304.2. Airport 50/50 drawing.

17 (a) General rule.--A person may purchase one or more airport  
18 50/50 drawing tickets, and each ticket shall represent one entry  
19 in the drawing for a winner. A single ticket shall be randomly  
20 chosen as the winner after a certain number of tickets are sold  
21 or a specified time period expires, as designated by the  
22 airport. Purchase of airport 50/50 drawing tickets may be made  
23 by cash, credit card or debit card. AN AIRPORT 50/50 DRAWING MAY <--  
24 ONLY TAKE PLACE PURSUANT TO AUTHORIZATION BY THE AIRPORT  
25 GOVERNING BODY.

26 (b) Frequency and location.--An airport 50/50 drawing may be  
27 conducted at an airport no more than one time per calendar day.  
28 Drawings may only be held within the spaces of an airport  
29 terminal to which the general public, including ticketed <--  
30 passengers, regularly has access. ACCESSIBLE ONLY BY THE GENERAL <--

1 PUBLIC WHO ARE TICKETED PASSENGERS AND HAVE PROCEEDED THROUGH A  
2 SECURITY CHECKPOINT.

3 (c) Distribution.--The prize amount of an airport 50/50  
4 drawing shall be 50% of the total amount collected from the sale  
5 of airport 50/50 drawing tickets. The other 50% of the total  
6 amount collected from the sale of airport 50/50 drawing tickets  
7 shall be donated within seven days from the date of the drawing  
8 by the airport to the designated charitable organization for  
9 which the drawing was conducted.

10 (d) Designated charitable organization.--The identity of the  
11 designated charitable organization for which the airport 50/50  
12 drawing is being conducted shall be disclosed to all ticket  
13 purchasers.

14 (e) Eligibility.--In order to receive proceeds from an  
15 airport 50/50 drawing, a charitable organization must be in  
16 existence and fulfill its purposes prior to the airport 50/50  
17 drawing and shall be eligible for exemption under section 501(c)  
18 (3) of the Internal Revenue Code of 1986 (Public Law 99-514, 26  
19 U.S.C. § 501(c)(3)). A political subdivision shall not qualify  
20 as a charitable organization under this act, but an organization  
21 formed by a political subdivision that is eligible for exemption  
22 under section 501(c)(3) of the Internal Revenue Code of 1986  
23 shall qualify as a charitable organization under this act.

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

28 (g) Applicability.--The limitations under sections 302,  
29 303(b), 308 and 704 shall not apply to an airport 50/50 drawing.

30 (h) Additional recordkeeping.--The department may require

1 additional recordkeeping or accountability measures for airport  
2 50/50 drawings.

3 (I) RESTRICTION ON AIRPORTS.--NOTWITHSTANDING ANY OTHER <--  
4 PROVISIONS OF THIS ACT, AN AIRPORT SHALL ONLY BE PERMITTED TO  
5 CONDUCT AIRPORT 50/50 DRAWINGS UNDER THIS SECTION AND NO OTHER  
6 GAMES OF CHANCE.

7 Section 5. Sections 307(d.1), 501(a)(1), 502(a.1)(1) and  
8 702(g) of the act are amended to read:

9 Section 307. Licensing of eligible organizations.

10 \* \* \*

11 (d.1) Bank account and records.--An eligible organization  
12 with proceeds of games of chance that exceed [\$40,000] \$60,000  
13 per year shall maintain a bank account, which shall be separate  
14 from all other funds belonging to the licensed eligible  
15 organization. Account records shall show all expenditures and  
16 income and shall be retained by the licensed eligible  
17 organization for at least two years.

18 \* \* \*

19 Section 501. Club licensee.

20 (a) Report.--

21 (1) Beginning in 2014, a club licensee with proceeds in  
22 excess of [\$20,000] \$30,000 in a calendar year shall submit  
23 annual reports to the department for the preceding 12-month  
24 period on a form and in a manner prescribed by the  
25 department.

26 \* \* \*

27 Section 502. Distribution of proceeds.

28 \* \* \*

29 (a.1) Amounts retained.--

30 (1) Notwithstanding subsection (a), if in a calendar

1 year beginning January 1, 2013, the proceeds from a game of  
2 chance for a club licensee are [\$40,000] \$60,000 or less, the  
3 licensee shall be eligible to retain the first [\$20,000]  
4 \$30,000 in proceeds in the following calendar year before  
5 subsection (a) applies.

6 \* \* \*

7 Section 702. Enforcement.

8 \* \* \*

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

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

13 (2) If a club licensee has committed three or more  
14 violations of this act, the Bureau of Liquor Control  
15 Enforcement may enforce a violation of this act as a  
16 violation of the Liquor Code.

17 (3) A violation of this act shall not constitute a  
18 violation of the Liquor Code for the purposes of section  
19 471(c) of the Liquor Code.

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

22 Section 6. Within two years of the effective date of this  
23 section, the Department of Revenue shall publish regulations to  
24 implement and administer the provisions of this act.

25 Section 7. This act shall take effect ~~in 60 days~~. AS <--

26 FOLLOWS:

27 (1) THE AMENDMENT OF SECTIONS 307(D.1), 501(A)(1),  
28 502(A.1)(1) AND 702(G) OF THE ACT SHALL TAKE EFFECT JANUARY  
29 1, 2019.

30 (2) THIS SECTION SHALL TAKE EFFECT IMMEDIATELY.

1 (3) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60 DAYS.