
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1718 Session of
2017

INTRODUCED BY NEILSON AND DAVIS, AUGUST 16, 2017

REFERRED TO COMMITTEE ON GAMING OVERSIGHT, AUGUST 16, 2017

AN ACT

1 Amending Title 4 (Amusements) of the Pennsylvania Consolidated
2 Statutes, in licensees, providing for slot machines at
3 nonprimary or ancillary locations.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Title 4 of the Pennsylvania Consolidated Statutes
7 is amended by adding a section to read:

8 § 1311.3. Slot machines at nonprimary or ancillary locations.

9 (a) Authorization.--Notwithstanding any other provision of
10 law, the following licensed gaming entities may apply to the
11 board for a license to establish nonprimary locations or
12 ancillary facilities in which to operate slot machines:

13 (1) a licensed racing entity as defined in 3 Pa.C.S. §
14 9301 (relating to definitions) that is a licensed gaming
15 entity and has nonprimary locations approved under 3 Pa.C.S.
16 § 9331 (relating to pari-mutuel wagering at nonprimary
17 locations); or

18 (2) a slot machine licensee that is licensed as a
19 Category 2 facility under section 1304 (relating to Category

1 2 slot machine license).

2 (b) Number.--

3 (1) Each licensed corporation under subsection (a) (1)
4 may operate up to two nonprimary locations for each licensed
5 racine entity approved under 3 Pa.C.S. § 9331 and licensed by
6 the board under this chapter. Notwithstanding any
7 restrictions on the creation of new or additional nonprimary
8 locations under 3 Pa.C.S. § 9331, each Category 1 slot
9 machine licensee may close, open or transfer nonprimary
10 locations in order to establish up to four nonprimary
11 locations at which slot machines may be placed.

12 (2) Each Category 2 slot machine licensee may operate up
13 to two ancillary facilities at locations licensed by the
14 board under this chapter.

15 (3) Notwithstanding any other provision of law, a
16 licensed corporation that has established nonprimary
17 locations prior to the effective date of this section shall
18 not be prohibited from closing current nonprimary locations
19 or from opening new or relocated locations in order to
20 conduct slot machine wagering in accordance with this
21 section.

22 (4) A licensed corporation that operated and closed a
23 nonprimary location prior to the effective date of this
24 section must operate at least one of the nonprimary locations
25 authorized under paragraph (1) in the same county as the one
26 or more of the original nonprimary locations were located.
27 The provisions of this paragraph shall not apply to a
28 nonprimary location that is within 10 linear air miles of a
29 licensed gaming entity within a city of the first class or
30 within 20 linear air miles of any other licensed gaming

1 entity.

2 (c) Requirements.--Each nonprimary location or ancillary
3 facility may, upon remittance of the fee under this subsection,
4 place and operate no more than 250 slot machines of the
5 nonprimary location or ancillary facility's total complement of
6 slot machines under section 1210 (relating to number of slot
7 machines) in each authorized nonprimary location or ancillary
8 facility if all of the following apply:

9 (1) The nonprimary location or ancillary facility is
10 licensed by the board.

11 (2) Except as provided under this chapter, the
12 nonprimary location or ancillary facility is not within 10
13 linear air miles of a licensed gaming entity located within a
14 city of the first class or within 20 linear air miles of any
15 other licensed gaming entity. A nonprimary location or
16 ancillary facility may be located at a distance that is less
17 than the distances provided under this paragraph if the
18 licensed corporation that owns the nonprimary location or the
19 licensed gaming entity enters into an agreement with another
20 licensed gaming entity and the agreement is filed with the
21 commission and the board.

22 (3) The licensed corporation that owns the nonprimary
23 location or licensed Category 2 gaming facility has paid a
24 fee to the board of \$5,000,000 for each nonprimary location
25 or ancillary facility where the licensed corporation or
26 ancillary facility will place and operate slot machines.

27 (d) Application.--An application for a license to operate
28 slot machines at nonprimary locations or ancillary facilities
29 must be submitted on a form and in a manner as required by the
30 board. The application must contain the following:

1 (1) The proposed location of the nonprimary location or
2 ancillary facility.

3 (2) The number of and justification for slot machines
4 requested at the location.

5 (3) The names, addresses, pictures and other information
6 required by the board relating to all principals, key
7 employees and other personnel who will require a license or
8 permit from the board. Employees who hold a license from the
9 commission shall be granted a nongaming, gaming or key
10 employee license, permit or registration as deemed
11 appropriate by the board.

12 (4) The ability to inspect and approve the physical
13 plant of the nonprimary location or ancillary facility to
14 ensure the physical plant's adequacy to serve patrons.

15 (e) Onsite personnel.--The board or the Pennsylvania State
16 Police shall not have onsite personnel or offices at a
17 nonprimary location or ancillary facility.

18 (f) Taxes.--

19 (1) A nonprimary location or ancillary facility shall
20 pay a tax of 54% of the nonprimary location's or ancillary
21 facility's daily gross terminal revenue from the operation of
22 slot machines.

23 (2) The taxes collected under this subsection shall be
24 distributed as follows:

25 (i) Ninety-two percent of the tax shall be deposited
26 by the department in the General Fund.

27 (ii) Eight percent shall constitute a local share
28 assessment and shall be distributed by the department on
29 a quarterly basis as follows:

30 (A) Four percent to the county in which the

1 nonprimary location or ancillary facility is located.

2 (B) Four percent to the municipality in which
3 the nonprimary location or ancillary facility is
4 located.

5 (3) All money owed to the Commonwealth, a county or a
6 municipality under this section shall be held in trust by the
7 licensed corporation or licensed gaming entity for the
8 Commonwealth, county or municipality until all funds are
9 distributed by the department in accordance with this
10 subsection.

11 (g) Enforcement.--The board shall regulate all aspects of
12 the placement and operation of slot machines in a nonprimary
13 location or ancillary facility.

14 Section 2. This act shall take effect in 60 days.