

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1285 Session of 2019

INTRODUCED BY MOUL, KEEFER, McNEILL, RYAN, BERNSTINE, MILLARD, JONES, READSHAW, CIRESI AND DeLUCA, APRIL 25, 2019

REFERRED TO COMMITTEE ON GAMING OVERSIGHT, APRIL 25, 2019

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 definitions; in games of
 10 chance, further providing for games of chance permitted, for
 11 prize limits and for sales limited, providing for pull-tab
 12 deal, further providing for distributor licenses, for
 13 registration of manufacturers, for regulations of department,
 14 for licensing of eligible organizations and for special
 15 permits and providing for special location permits, for
 16 vertical wheel game permits and for poker run permits; in
 17 club licensees, further providing for club licensee,
 18 providing for definitions and for club licensee, further
 19 providing for distribution of proceeds and providing for club
 20 licensee location permits; in enforcement, further providing
 21 for revocation of licenses and for enforcement; and, in
 22 tavern gaming, further providing for definitions, for
 23 licenses, for application, for approval, for tavern raffle,
 24 for distribution of net revenue, for tavern games tax, for
 25 host municipality tavern games tax and for enforcement.

26 The General Assembly of the Commonwealth of Pennsylvania

27 hereby enacts as follows:

28 Section 1. The definitions of "games of chance," "pull-tab"
 29 and "tavern games" in section 103 of the act of December 19,

1 1988 (P.L.1262, No.156), known as the Local Option Small Games
2 of Chance Act, are amended and the section is amended by adding
3 definitions to read:

4 Section 103. Definitions.

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

9 * * *

10 "Bingo." As defined in section 3 of the act of July 10, 1981
11 (P.L.214, No.67), known as the Bingo Law.

12 * * *

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

16 * * *

17 "Event game." A type of pull-tab game, played simultaneously
18 with bingo and with or without a seal card, in which certain
19 prizes are determined by the draw of a bingo ball which randomly
20 selects numbers or symbols that correspond to the numbers or
21 symbols printed by the manufacturer on the pull-tab and which
22 game satisfies the following:

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

25 (2) The game may not contain duplicate hold
26 combinations. If the game contains multiple sets of hold
27 combinations, each set must be distinguishable by color or
28 distinguishing features.

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

1 (4) The number of winners and the prize amount must be
2 built into the payout structure for the game by the
3 manufacturer.

4 * * *

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

23 * * *

24 "Poker run." A game operated by one or more licensed
25 eligible organizations in which a participant purchases a
26 scorecard to participate in a game where all of the following
27 occurs:

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

30 (2) Each participant receives a detailed explanation of

1 the game destinations and a score card to be completed as the
2 participant progresses to each location within the county.

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

7 (4) The participant or participants who have obtained
8 the highest hand or hands, according to the instructions
9 established for the event under paragraph (1), wins a prize
10 or prizes, which is determined at the final location on the
11 run route.

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

14 * * *

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

24 * * *

25 "Pull-tab." A single folded or banded ticket or a strip
26 ticket or card with a face covered to conceal one or more
27 numbers or symbols, where one or more of each set of tickets or
28 cards has been designated in advance as a winner. The term
29 includes a subset pull-tab game and progressive pull-tab game.

30 * * *

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

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

12 "Vertical wheel game." A game in which a participant places
13 a coin or token on a color, number or word or purchases a ticket
14 containing a color, number or word and watches a spinning
15 vertical wheel until the pointer of the wheel rests on a section
16 of the wheel designating a winner. Vertical wheel game chances
17 may not be sold for an amount in excess of \$10. For the purposes
18 of this act, the term is not a "table game" as defined in 4
19 Pa.C.S. § 1103.

20 * * *

21 Section 2. Sections 301, 302 and 303(b) of the act are
22 amended to read:

23 Section 301. Games of chance permitted.

24 [Every] (a) General rule.--Except as otherwise provided in
25 subsection (b), every eligible organization to which a license
26 has been issued under the provisions of this chapter may conduct
27 games of chance for the purpose of raising funds for public
28 interest purposes. Except as provided in Chapter 5, all proceeds
29 of a licensed eligible organization shall be used exclusively
30 for public interest purposes, for the purchase of games of

1 chance or for the payment of the license fee, as required by
2 this act. An eligible organization whose primary purpose is the
3 promotion of a public interest may utilize the proceeds from
4 small games of chance to fulfill that purpose.

5 (b) Exception.--An event game may only be operated by a
6 licensed eligible organization that:

7 (1) is an association as defined in section 3 of the act
8 of July 10, 1981 (P.L.214, No.67), known as the Bingo Law;
9 and

10 (2) holds a bingo license issued to the association
11 under section 5 of the Bingo Law.

12 Section 302. Prize limits.

13 (a) Individual prize limit.--

14 (1) Except as provided under subsections (d) [and
15 (d.1)], (d.1) and (d.2), the maximum prize which may be
16 awarded for any single chance shall be \$2,000.

17 (2) For an event game, the maximum prize limit contained
18 in paragraph (1) shall only apply to the prizes awarded
19 through the play of the event game and shall not apply to the
20 prizes awarded through the play of bingo that is
21 simultaneously conducted with the event game.

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

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

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

30 (d) Exception for raffles.--Notwithstanding subsection [(b)

1 or] (c), a licensed eligible organization may conduct a raffle
2 under section 308 and award a prize or prizes valued in excess
3 of \$3,000 each only under the following conditions:

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

6 (2) A licensed eligible organization shall be eligible
7 to receive no more than ten special permits in any [licensed
8 term] calendar year except that a volunteer fire, ambulance,
9 rescue or conservation organization that is not a club
10 licensee shall be eligible to receive 12 special permits in
11 any [licensed term] calendar year.

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

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

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

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

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

30 (2) Only one poker run may be conducted under each poker

1 run permit issued under section 311.

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

4 (f) Daily drawing carryover.--The prize limitation contained
5 in [subsections] subsection (a) [and (b)] may be exceeded by a
6 daily drawing under the following circumstances: a daily drawing
7 may award a prize in excess of \$2,000 if such prize is the
8 result of a carryover of a drawing which resulted from the
9 winning number in such drawing not being among the eligible
10 entrants in such drawings. Nothing contained herein shall
11 authorize the prize limitation as contained in [subsections]
12 subsection (a) [and (b)] to be exceeded as a result of a failure
13 to conduct a drawing on an operating day during which chances
14 were sold for a daily drawing or for a daily drawing for which
15 chances were sold in excess of \$1 or for which more than one
16 chance was sold to an eligible participant.

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

21 (h) Weekly drawing carryover exception.--Weekly drawings
22 shall be governed by the prize limitation contained in
23 subsection (b). The prize limitation contained in subsection (b)
24 may be exceeded by a weekly drawing under the following
25 circumstances: a weekly drawing may award a prize where the cash
26 value is in excess of \$35,000 if such prize is the result of a
27 carryover of a drawing or drawings which resulted from the
28 winning number or numbers in such drawing or drawings not being
29 among the eligible entrants in such drawings. Nothing contained
30 in this chapter shall authorize the prize limitation under

1 subsection (b) to be exceeded as a result of a failure to
2 conduct a drawing for a week during which chances were sold for
3 a weekly drawing or for a weekly drawing for which chances were
4 sold in excess of \$1.]

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

8 * * *

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

15 Section 3. The act is amended by adding a section to read:
16 Section 303.2. Pull-tab deal.

17 Nothing in this act shall be construed:

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

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

22 Section 4. Sections 304(i), 305(d) and 306 of the act are
23 amended to read:

24 Section 304. Distributor licenses.

25 * * *

26 (i) Exception.--This section shall not apply to the
27 manufacture or distribution of raffle tickets, 50/50 drawings,
28 daily drawings, weekly drawings, poker runs, coin auctions,
29 vertical wheel games, tavern raffles, tavern daily drawings,
30 tavern weekly drawings or pools.

1 Section 305. Registration of manufacturers.

2 * * *

3 (d) Exception.--This section shall not apply to the
4 manufacture or distribution of raffle tickets, 50/50 drawings,
5 daily drawings, weekly drawings, poker runs, coin auctions,
6 vertical wheel games, tavern raffles, tavern daily drawings,
7 tavern weekly drawings or pools.

8 Section 306. Regulations of department.

9 (a) Authorization.--The department shall promulgate
10 regulations to:

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

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

1 term "criminal history record information" has the meaning
2 given in 18 Pa.C.S. § 9102 (relating to definitions).

3 (3) Provide for the suspension or revocation of
4 distribution licenses or manufacturer certificates for
5 violations of this act or regulations of the department.

6 (3.1) Establish procedures to ensure that race night
7 games are secure, random and totally dependent upon chance.

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

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

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

26 (c) (Reserved).

27 Section 5. Section 307(a)(1), (b), (b.1) and (b.2) of the
28 act are amended and the section is amended by adding a
29 subsection to read:

30 Section 307. Licensing of eligible organizations.

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

2 (1) An eligible organization shall not conduct or
3 operate games of chance unless the eligible organization has
4 obtained a valid license as follows:

5 (i) A regular license which must be renewed
6 annually.

7 (ii) A triennial license which must be renewed every
8 three years.

9 ~~[(ii)]~~ (iii) A monthly license which permits the
10 eligible organization to conduct games of chance for a
11 30-consecutive-day period.

12 * * *

13 (b) Issuance.--The licensing authority shall issue a license
14 within 30 days of the submission of an application by an
15 eligible organization that meets the requirements under this
16 chapter. Upon issuance, the licensing authority shall provide
17 the eligible organization with a unique license number, the
18 first number or numbers of which shall be the uniform county
19 code numbers used by the Department of Revenue for the filing of
20 tax returns.

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

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

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

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

2 (b.2) Location.--[An] Except as provided for in section 311
3 and notwithstanding sections 309 and 505.2, an eligible
4 organization that holds a license under subsection (a) and that
5 is not a club licensee may conduct small games of chance in the
6 county where the license is issued at a premises which is the
7 operating site of the eligible organization or at a premises or
8 other location not prohibited by local ordinance, and for which
9 the treasurer has been notified. The following shall apply:

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

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

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

20 (4) The following shall apply:

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

29 (ii) A request under subparagraph (i) must include
30 the change in the location and the dates and times the

1 games of chance will be operated at the alternative
2 location.

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

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

18 * * *

19 (b.5) License renewal.--A regular license or triennial
20 license may be renewed by the eligible organization up to 90
21 days prior to the expiration of the license. A renewed regular
22 or triennial license shall contain the same unique license
23 number provided to the eligible organization under subsection
24 (b), the first number or numbers of which shall be the uniform
25 county code numbers used by the Department of Revenue for the
26 filing of tax returns.

27 * * *

28 Section 6. Section 308 of the act is amended to read:

29 Section 308. Special raffle permits.

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

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

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

10 Section 7. The act is amended by adding sections to read:

11 Section 309. Special location permits.

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

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

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

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

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

28 (4) The prizes to be awarded.

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

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

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

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

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

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

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

1 simultaneously at a premises or location.

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

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

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

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

24 Section 310. Vertical wheel game permits.

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

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

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

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

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

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

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

- 4 (1) The poker run locations of operation.
- 5 (2) The date and hours of operation of the poker run.
- 6 (3) The price per chance.
- 7 (4) The prizes to be awarded.
- 8 (5) A copy of the agreement required under subsection
9 (e) if the poker run will be operated jointly with other
10 licensed eligible organizations.
- 11 (6) Any other information required by the licensing
12 authority.

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

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

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

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

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

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

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

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

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

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

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

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

1 (3) If a poker run is operated by more than one licensed
2 eligible organization, each licensed eligible organization
3 issued a poker run permit that is not a club licensee may
4 operate other games of chance at any poker run location,
5 provided that:

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

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

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

15 Section 8. Section 501 of the act is repealed:

16 [Section 501. Club licensee.]

17 (a) Report.--

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

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

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

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

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

- 1 (iv) Verification and itemization of amounts
2 distributed for public interest.
- 3 (vii) Other information or documentation required by
4 the department.
- 5 (b) Distribution.--The department shall provide a copy of
6 the report to the Bureau of Liquor Control Enforcement.
- 7 (c) Posting.--The reports under subsection (a) shall be
8 published on the department's Internet website.]

9 Section 9. The act is amended by adding sections to read:
10 Section 501.1. 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 "Proceeds." As follows:

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

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

20 (ii) the actual amount of prizes paid by a club
21 licensee from a game of chance plus the cost to purchase
22 games of chance.

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

28 (i) the difference between the actual gross revenue
29 collected from the operation of the poker run and the
30 actual amount of prizes paid from the poker run plus the

1 cost to purchase the poker run; divided by
2 (ii) the total number of eligible organizations
3 jointly operating the poker run.

4 Section 501.2. Club licensee.

5 (a) Report.--

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

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

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

15 (ii) The amount of prizes paid from all games of
16 chance.

17 (iii) Other costs incurred related to the conduct of
18 games of chance.

19 (iv) Verification and itemization of amounts
20 distributed for public interest.

21 (v) Other information or documentation required by
22 the department.

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

25 (c) Posting.--The reports under subsection (a) shall be
26 published on the department's publicly accessible Internet
27 website.

28 Section 10. Section 502(a.1) of the act is amended to read:
29 Section 502. Distribution of proceeds.

30 * * *

1 (a.1) Amounts retained.--

2 (1) Notwithstanding subsection (a), [if in a calendar
3 year beginning January 1, 2013, the proceeds from a game of
4 chance for a club licensee are \$40,000 or less, the licensee
5 shall be eligible to retain the first \$20,000 in proceeds in
6 the following calendar year before subsection (a) applies.]
7 in each calendar year beginning on or after January 1, 2019,
8 a club licensee may retain the greater of the following:

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

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

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

21 * * *

22 Section 11. The act is amended by adding a section to read:
23 Section 505.2. Club licensee location permits.

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

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

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

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

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

9 (4) The prizes to be awarded.

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

17 (d) Limitations.--The following limitations shall apply to a
18 club licensee issued a club licensee location permit under this
19 section:

20 (1) The club licensee shall be eligible to receive no
21 more than two club licensee location permits in a calendar
22 year.

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

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

1 simultaneously at a premises or location.

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

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

9 (e) Additional permits.--

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

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

16 Section 12. Sections 701(a)(8) and (b) and 702(g) of the act
17 are amended to read:

18 Section 701. Revocation of licenses.

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

21 * * *

22 (8) The eligible organization has violated any condition
23 of a [special] permit issued pursuant to section 308, 309,
24 310, 311 or 505.2.

25 * * *

26 (b) Production of records.--The district attorney may
27 require licensees to produce their books, accounts and records
28 relating to the conduct of games of chance in order to determine
29 if a violation of this act has occurred. Licensees shall also be
30 required, upon request, to provide their license, books,

1 accounts and records relating to the conduct of games of chance
2 to the licensing authority, the Bureau of Liquor Control
3 Enforcement or to a law enforcement agency or official. [A club
4 licensee shall retain records for a period of five years.]

5 Section 702. Enforcement.

6 * * *

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

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

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

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

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

20 Section 13. The definitions of "bureau" and "net revenue" in
21 section 902 of the act are amended and the section is amended by
22 adding a definition to read:

23 Section 902. Definitions.

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

27 * * *

28 ["Bureau." The Bureau of Investigations and Enforcement of
29 the Pennsylvania Gaming Control Board.]

30 * * *

1 "Net revenue." As follows:

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

4 (i) the amount of the face value, as indicated by
5 the manufacturer, minus the cost of the game, collectible
6 by a licensee from a tavern game; and

7 (ii) the maximum amount of prizes payable, as
8 indicated by the manufacturer, by a licensee from a
9 tavern game.

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

13 * * *

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

15 (1) an individual at a tavern selects or is assigned a
16 number for a chance at a prize with the winner determined by
17 random drawing to take place at the tavern at the end of a
18 seven-day period;

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

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

25 (4) no more than one chance per individual is sold per
26 drawing.

27 Section 14. Sections 903, 904, 905, 908.1, 909, 909.1(a) and
28 (c), 909.2(c) and 913 of the act are amended to read:

29 Section 903. Licenses.

30 (a) Application.--A restaurant licensee may apply to the

1 board for a license to conduct tavern games at a licensed
2 premises located in a municipality that has adopted a referendum
3 to allow small games of chance under section 703.

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

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

7 (2) A current tax lien certificate issued by the
8 department and a certificate from the Department of Labor and
9 Industry of payment of all workers' compensation and
10 unemployment compensation owed.

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

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

20 (5) Relating to criminal information, disclosure of all
21 arrests and citations of the applicant, including nontraffic
22 summary offenses. The information shall include all of the
23 following:

24 (i) A brief description of the circumstances
25 surrounding the arrest or issuance of the citation.

26 (ii) The specific offense charged.

27 (iii) The ultimate disposition of the charge,
28 including any dismissal, plea bargain, conviction,
29 sentence[, pardon, expungement] or order of Accelerated
30 Rehabilitative Disposition.

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

3 (7) Relating to citations of the applicant issued under
4 the Liquor Code.

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

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

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

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

15 (e) Background investigation.--Each applicant shall include
16 information and documentation as required to establish personal
17 and financial suitability, honesty and integrity. Information
18 shall include:

19 (1) [Criminal history record information.] A criminal
20 history record information check obtained from the
21 Pennsylvania State Police as defined in 18 Pa.C.S. § 9102
22 (relating to definitions) and permitted by 18 Pa.C.S. §
23 9121(b) (relating to general regulations), for the applicant,
24 including each owner and officer of the restaurant licensee.

25 (2) Financial background information.

26 (3) Regulatory history before the board or other
27 Commonwealth agency.

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

29 (f) Personal interview.--If the [bureau] board determines
30 that the results of the background report investigation warrant

1 additional review of the individual, the [bureau] board shall
2 conduct a personal interview with the applicant and may request
3 information and interviews from other personal or professional
4 associates.

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

10 [(h) Costs.--The applicant shall reimburse the bureau for
11 the actual costs of conducting the background investigation. The
12 board shall not approve an applicant that has not fully
13 reimbursed the bureau for the investigation.]

14 (i) Approval.--[The bureau shall transmit the investigative
15 report and may make a recommendation to the board.] The board
16 shall review the information [obtained] required under this
17 section to determine if the applicant possesses the following:

18 (1) Financial stability, integrity and responsibility.

19 (2) Sufficient business experience and ability to
20 effectively operate tavern games as part of the restaurant
21 licensee's operator.

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

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

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

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

1 Liquor Code.

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

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

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

9 Section 904. Application.

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

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

14 [(c) Costs.--In addition to the fee under subsection (b), an
15 applicant and any owner and officer of the applicant shall pay
16 for the actual costs of a background investigation conducted by
17 the bureau that exceed the application fee. The bureau may:

18 (1) Charge an estimated amount to be provided prior to
19 the background investigation.

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

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

25 Section 905. Approval.

26 (a) Issuance.--Upon being satisfied that the requirements of
27 section 903 have been met, the board may approve the application
28 and issue a tavern games license for a period of one year. The
29 board may enter into an agreement with the licensee concerning
30 additional restrictions on the license, and this agreement shall

1 be binding on the licensee. Failure of the licensee to adhere to
2 the agreement will be cause for penalties under section 913(c)
3 and for the nonrenewal of the license under section 913(f).

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

8 (1) A license shall not be issued to a restaurant
9 licensee whose liquor license is in safekeeping under section
10 474.1 of the act of April 12, 1951 (P.L.90, No.21), known as
11 the Liquor Code.

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

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

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

19 (ii) a one-year prohibition on the issuance or
20 transfer of a license under section 471(b) of the Liquor
21 Code.

22 (c) Fee.--Upon approval, the applicant shall pay a [\$2,000]
23 \$1,000 license fee to be deposited in the General Fund. The
24 annual renewal fee shall be [\$1,000] \$500.

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

1 (e) Nontransferability.--A license shall be a grant of
2 privilege to conduct tavern games. A license may not be sold,
3 transferred or assigned to any other person. A licensee may not
4 pledge or otherwise grant a security interest in or lien on the
5 license. The board shall have the sole discretion to issue,
6 renew, condition or deny the issuance of a license.

7 Section 908.1. Tavern raffle.

8 The following shall apply to a tavern raffle:

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

11 (2) A tavern raffle must be held for a designated
12 charitable purpose.

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

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

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

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

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

24 (iii) Five percent shall be paid to the Commonwealth
25 as the tax imposed under section 909.2(c) and deposited
26 into the restricted receipts account established in
27 section 909.3.

28 (6) A tavern raffle prize remaining unclaimed by a
29 winner 60 days after the tavern raffle was held shall be
30 donated by the licensee within 30 days to the designated

1 charitable organization for which the tavern raffle was
2 conducted.

3 Section 909. Distribution of net revenue.

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

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

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

11 (3) Five percent shall be paid to the Commonwealth and
12 deposited into the restricted receipts account established in
13 section 909.3.

14 Section 909.1. Tavern games tax.

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

18 * * *

19 (c) Other games.--In an instance where the tavern game is
20 not required to be purchased from a licensed distributor under
21 this act, a tax of [~~60%~~] 50% is imposed upon the net revenue
22 from tavern daily drawings, tavern weekly drawings and tavern
23 raffles under section 908.1 and must be paid to the Commonwealth
24 by the licensee.

25 * * *

26 Section 909.2. Host municipality tavern games tax.

27 * * *

28 (c) Other games.--In an instance where the tavern game is
29 not required to be purchased from a licensed distributor under
30 this act, a tax of 5% is imposed upon the net revenue from

1 tavern daily drawings, tavern weekly drawings and tavern raffles
2 under section 908.1 and must be paid to the Commonwealth and
3 deposited into the restricted receipts account established in
4 section 909.3.

5 * * *

6 Section 913. Enforcement.

7 (a) Board.--The board may, following notice and hearing,
8 impose penalties or suspend or revoke a license under this
9 chapter.

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

13 (c) [Penalties] Civil penalties.--The board may impose a
14 civil penalty for a violation of this chapter in accordance with
15 the following:

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

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

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

19 (d) Criminal [penalty] penalties.--A violation of this
20 chapter shall be a [misdemeanor of the third degree] summary
21 offense. A second or subsequent offense shall be a misdemeanor
22 of the [second] third degree.

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

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

29 (1) In addition to any other sanctions the board may
30 impose under this chapter or under the Liquor Code, the board

1 may, at its discretion, suspend, revoke or deny renewal of
2 any license issued under this chapter if it receives any
3 information from any source and determines that:

4 (i) The applicant or any of its officers, directors,
5 owners or employees:

6 (A) Is in violation of any provision of this
7 chapter.

8 (B) Furnished the board with false or misleading
9 information.

10 (ii) The information contained in the applicant's
11 initial application or any renewal application is no
12 longer true and correct.

13 (2) In the event of a revocation, suspension or failure
14 to renew, the applicant's authorization to conduct the
15 previously approved activity shall immediately cease, and all
16 fees paid in connection therewith shall be deemed to be
17 forfeited. In the event of a suspension, the applicant's
18 authorization to conduct the previously approved activity
19 shall immediately cease until the board has notified the
20 applicant that the suspension is no longer in effect.

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

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

29 (h) Violations.--

30 (1) Except as provided in paragraph (2), a violation of

1 this chapter by a restaurant licensee shall not constitute a
2 violation of the Liquor Code.

3 (2) If a restaurant licensee has committed three or more
4 violations of this act in a calendar year, the bureau may
5 enforce a violation of this chapter as a violation of the
6 Liquor Code.

7 (3) A violation of this chapter shall not constitute a
8 violation of the Liquor Code for the purposes of section
9 471(c) of the Liquor Code.

10 Section 15. Within two years of the effective date of this
11 section, the Department of Revenue shall publish regulations to
12 implement and administer the provisions of this act.

13 Section 16. This act shall take effect in 60 days.