
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 843 Session of
2021

INTRODUCED BY FONTANA, AUGUST 30, 2021

REFERRED TO COMMUNITY, ECONOMIC AND RECREATIONAL DEVELOPMENT,
AUGUST 30, 2021

AN ACT

1 Amending Title 4 (Amusements) of the Pennsylvania Consolidated
2 Statutes, in sports wagering, further providing for
3 definitions, for petition requirements, for standard for
4 review of petitions, for award of certificate and for sports
5 wagering certificate, providing for tavern sports wagering
6 kiosk placement agreements and further providing for
7 authorized locations for operation and for sports wagering
8 authorization fee.

9 The General Assembly of the Commonwealth of Pennsylvania
10 hereby enacts as follows:

11 Section 1. The definitions of "sports wagering certificate,"
12 "sports wagering certificate holder" and "sports wagering
13 device" in section 13C01 of Title 4 of the Pennsylvania
14 Consolidated Statutes are amended and the section is amended by
15 adding definitions to read:

16 § 13C01. Definitions.

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

20 * * *

21 "Placement agreement." The formal written agreement or

1 contract between an applicant for a tavern sports wagering
2 certificate and a licensed tavern that establishes the terms and
3 conditions regarding the conduct of tavern sports wagering
4 through the use of a tavern sports wagering kiosk.

5 "Redemption terminal." The collective hardware, software,
6 communications technology and other ancillary equipment used to
7 facilitate the payment of cash or a cash equivalent to a player
8 as a result of using a tavern sports wagering kiosk.

9 * * *

10 "Sports wagering certificate." A certificate awarded by the
11 board under this chapter that authorizes a slot machine licensee
12 to conduct sports wagering and tavern sports wagering in
13 accordance with this chapter.

14 "Sports wagering certificate holder." A slot machine
15 licensee to whom the board has awarded a sports wagering
16 certificate or a tavern sports wagering certificate.

17 "Sports wagering device." The term includes any mechanical,
18 electrical or computerized contrivance, terminal, machine or
19 other device, apparatus, equipment or supplies approved by the
20 board and used to conduct sports wagering or wagering on a
21 tavern sports wagering kiosk.

22 "Tavern." A restaurant licensee or club licensee with a
23 valid license to sell liquor and malt or brewed beverages under
24 the act of April 12, 1951 (P.L.90, No.21), known as the Liquor
25 Code.

26 "Tavern sports wagering certificate." A certificate awarded
27 by the board under this chapter that authorizes a slot machine
28 licensee to enter placement agreements and conduct sports
29 wagering and tavern sports wagering in accordance with this
30 chapter through the use of a tavern sports wagering kiosk.

1 "Tavern sports wagering kiosk." As follows:

2 (1) A mechanical or electrical contrivance, terminal,
3 machine or other device approved by the board that, upon
4 insertion of cash or cash equivalents, is available to
5 conduct sports wagering and may:

6 (i) Award a winning player either a credit that
7 shall only be redeemable for cash or cash equivalents at
8 a redemption terminal operated by the licensee or at the
9 licensee's licensed facility.

10 (ii) Utilize video displays.

11 (iii) Use an electronic credit system for receiving
12 wagers and making payouts that are only redeemable at a
13 redemption terminal or at the licensee's licensed
14 facility.

15 (2) The term includes associated equipment necessary to
16 conduct the operation of the contrivance, terminal, machine
17 or other device described in paragraph (1).

18 (3) A tavern sports wagering kiosk shall have the
19 capability of being linked to and monitored by the
20 department's central control computer system, as applicable
21 for any particular interactive game, in accordance with
22 section 1323 (relating to central control computer system).

23 Section 2. Section 13C12(b) heading and (c) of Title 4 are
24 amended and the section is amended by adding a subsection to
25 read:

26 § 13C12. Petition requirements.

27 * * *

28 (b) Petition contents regarding sports wagering.--* * *

29 (b.1) Petition contents regarding tavern sports wagering.--A
30 petition seeking authorization to conduct tavern sports wagering

1 shall include the following:

2 (1) The name, business address and contact information
3 of the petitioner.

4 (2) The name, business address, job title and a
5 photograph of each principal and key employee of the
6 petitioner who will be involved in the conduct of tavern
7 sports wagering and who is not currently licensed by the
8 board, if known.

9 (3) A brief description of the economic benefits
10 expected to be realized by the Commonwealth, its
11 municipalities and its residents if sports wagering is
12 authorized at the petitioner's licensed facility.

13 (4) A brief description of the economic benefits
14 expected to be realized by the Commonwealth, its
15 municipalities and its residents if tavern sports wagering is
16 authorized at a licensed tavern.

17 (5) The details of any financing obtained or that will
18 be obtained to fund an expansion or modification of the
19 licensed facility or tavern to accommodate tavern sports
20 wagering and to otherwise fund the cost of commencing tavern
21 sports wagering.

22 (6) Information and documentation concerning financial
23 background and resources, as the board may require, to
24 establish by clear and convincing evidence the financial
25 stability, integrity and responsibility of the petitioner.

26 (7) Information and documentation, as the board may
27 require, to establish by clear and convincing evidence that
28 the petitioner has sufficient business ability and experience
29 to create and maintain a successful tavern sports wagering
30 operation.

1 (8) Information and documentation, as the board may
2 require, to establish by clear and convincing evidence that
3 the petitioner has or will have the financial ability to pay
4 the authorization fee under section 13C61.

5 (9) Detailed site plans identifying the petitioner's
6 proposed tavern sports wagering area within the licensed
7 facility.

8 (10) Other information as the board may require.

9 (c) Confidentiality.--Information submitted to the board
10 under [subsection] subsections (b) (4), (5), (6), (7) and (8) and
11 (b.1) (5), (6), (7), (8) and (9) may be considered confidential
12 by the board if the information would be confidential under
13 section 1206(f) (relating to board minutes and records).

14 Section 3. Section 13C13(a) (3) and (4) of Title 4 are
15 amended and the subsection is amended by adding paragraphs to
16 read:

17 § 13C13. Standard for review of petitions.

18 (a) General rule.--The board shall approve a petition if the
19 petitioner establishes, by clear and convincing evidence, all of
20 the following:

21 * * *

22 (2.1) The conduct of tavern sports wagering at a
23 licensed tavern detailed in the petition will increase
24 revenues and employment opportunities.

25 (3) The petitioner possesses adequate funds or has
26 secured adequate financing to:

27 (i) Fund any necessary expansion or modification of
28 the petitioner's licensed facility to accommodate the
29 conduct of sports wagering.

30 (i.1) Fund any necessary expansion or modification

1 of the licensed tavern to accommodate the conduct of
2 tavern sports wagering.

3 (ii) Pay the authorization fee in accordance with
4 section 13C61 (relating to sports wagering authorization
5 fee).

6 (iii) Commence sports wagering operations at its
7 licensed facility or at a licensed tavern.

8 (4) The petitioner has the financial stability,
9 integrity and responsibility to conduct sports wagering and
10 tavern sports wagering.

11 * * *

12 (6.1) The petitioner's proposed internal and external
13 security and proposed surveillance measures within the area
14 of the licensed tavern where the petitioner seeks to conduct
15 tavern sports wagering are adequate.

16 * * *

17 Section 4. Sections 13C14 and 13C15 of Title 4 are amended
18 to read:

19 § 13C14. Award of certificate.

20 (a) General rule.--Upon approval of a petition, the board
21 shall award a sports wagering certificate or tavern sports
22 wagering certificate to the petitioner. The award of a sports
23 wagering certificate prior to the payment in full of the
24 authorization fee required by section 13C61 (relating to sports
25 wagering authorization fee) shall not relieve the petitioner
26 from complying with the provisions of section 13C61.

27 (b) Statement of conditions.--Upon awarding a sports
28 wagering operation certificate or tavern sports wagering
29 certificate, the board shall amend the slot machine licensee's
30 statement of conditions pertaining to the requirements of this

1 chapter.

2 (c) Term of sports wagering certificate.--Subject to the
3 power of the board to deny, revoke or suspend a sports wagering
4 certificate or tavern sports wagering certificate issued in
5 accordance with the requirements of this section, a sports
6 wagering certificate or tavern sports wagering certificate shall
7 be renewed every five years and shall be subject to the
8 requirements of section 1326 (relating to renewals).

9 § 13C15. Sports wagering certificate.

10 The following shall apply:

11 (1) A sports wagering certificate or tavern sports
12 wagering certificate shall be in effect unless:

13 (i) suspended or revoked by the board consistent
14 with the requirements of this part;

15 (ii) the slot machine license held by the sports
16 wagering certificate holder or tavern sports wagering
17 certificate holder is suspended, revoked or not renewed
18 by the board consistent with the requirements of this
19 part; or

20 (iii) the sports wagering certificate holder or
21 tavern sports wagering certificate holder relinquishes or
22 does not seek renewal of its slot machine license.

23 (2) A sports wagering certificate holder or tavern
24 sports wagering certificate holder that fails to abide by
25 this chapter or any condition contained in the slot machine
26 licensee's statement of conditions governing the conduct of
27 sports wagering shall be subject to board-imposed
28 administrative sanctions or other penalties authorized under
29 this part.

30 Section 5. Title 4 is amended by adding a section to read:

1 § 13C17. Tavern sports wagering kiosk placement agreements.

2 (a) Requirements.--No slot machine licensee may place and
3 operate tavern sports wagering kiosks on the premises of a
4 licensed tavern except pursuant to a placement agreement
5 approved by the board. Approval shall be presented upon
6 connection of one or more tavern sports wagering kiosks at the
7 licensed tavern to the central control computer.

8 (b) Form of agreement.--The board shall establish through
9 regulation minimum standards for placement agreements.

10 (c) Length of agreement.--Placement agreements shall be
11 valid for a minimum 60-month term but shall not exceed a 120-
12 month term.

13 (d) Provisions required.--A terminal placement agreement
14 shall include a provision that:

15 (1) Renders the agreement invalid if either the slot
16 machine license, tavern sports wagering certificate or tavern
17 license application or the slot machine license, tavern
18 sports wagering certificate or tavern license or
19 establishment licensee application is denied, revoked, not
20 renewed, withdrawn or surrendered.

21 (2) Provides the licensed tavern no more and no less
22 than 25% of gross terminal revenue from each tavern sports
23 gaming kiosk located on the premises of the licensed tavern.

24 (3) Provides the licensed tavern no more and no less
25 than \$100 per month siting fee for the siting of a tavern
26 sports gaming kiosk on the premises of the licensed tavern.

27 (4) Identifies who solicited the terminal placement
28 agreement on behalf of a terminal operator licensee or
29 applicant.

30 (e) Parties to agreement.--Only a licensee and licensed

1 tavern or applicant may sign or agree to sign a placement
2 agreement with an applicant for a sports wagering certificate.

3 (f) Void agreements.--An agreement entered into by a
4 licensed tavern prior to the effective date of this section with
5 an individual or entity for the placement, operation, service or
6 maintenance of a sports wagering kiosk, including an agreement
7 granting an individual or entity the right to enter into an
8 agreement or match any offer made after the effective date of
9 this section, shall be void and may not be approved by the
10 board.

11 (g) Transferability of agreements.--No placement agreement
12 may be transferred or assigned unless the individual or entity
13 making the assignment is a tavern sports wagering applicant or
14 licensee and the individual or entity receiving the assignment
15 of the placement agreement is a licensee under this chapter.

16 Section 6. Sections 13C21(a) and 13C61 of Title 4 are
17 amended to read:

18 § 13C21. Authorized locations for operation.

19 (a) Restriction.--A sports wagering certificate holder may
20 only be permitted to conduct sports wagering at a licensed
21 facility, a temporary facility authorized under subsection (b),
22 an area authorized under subsection (c) [or], through an
23 Internet-based system or through a tavern sports wagering kiosk.

24 * * *

25 § 13C61. Sports wagering authorization fee.

26 (a) Amount.--Each slot machine licensee that is issued a
27 sports wagering certificate to conduct sports wagering in
28 accordance with section 13C11 (relating to authorization to
29 conduct sports wagering) shall pay a one-time nonrefundable
30 authorization fee in the amount of \$10,000,000.

1 (a.1) Amount.--Each slot machine licensee that is issued a
2 tavern sports wagering certificate to conduct tavern sports
3 wagering in accordance with section 13C11 shall pay a one-time
4 nonrefundable authorization fee in the amount of \$10,000.

5 (b) Payment of fee.--A slot machine licensee shall remit the
6 authorization fee under subsection (a) or (a.1) to the board
7 within 60 days of the approval of a petition to conduct sports
8 wagering. Sports wagering may not be conducted until the fee
9 under subsection (a) is paid in full.

10 (c) Renewal fee.--Notwithstanding any other provision of
11 this chapter, a slot machine licensee that is issued a sports
12 wagering certificate shall pay a renewal fee in the amount of
13 \$250,000 upon the renewal of its sports wagering certificate and
14 a fee in the amount of \$2,000 upon the renewal of a tavern
15 sports wagering certificate in accordance with sections 1326
16 (relating to renewals) and 13C14(c) (relating to award of
17 certificate).

18 (d) Failure to pay by deadline.--If a petitioner [or],
19 sports wagering certificate holder or tavern sports wagering
20 certificate holder fails to pay the required authorization fee
21 in full within the 60-day time period, the board shall impose a
22 penalty and may grant the petitioner or sports wagering
23 certificate holder up to a six-month extension to pay the
24 authorization fee or any remaining portion of the authorization
25 fee and the penalty.

26 (e) Suspension of certificate.--The board shall suspend the
27 sports wagering certificate or tavern sports wagering
28 certificate if the sports wagering certificate holder fails to
29 pay the total authorization fee and the penalty prior to the
30 expiration of an extension period granted under subsection (d).

1 The suspension shall remain in effect until final payment is
2 made.

3 (f) Deposit of fees.--Notwithstanding section 1208 (relating
4 to collection of fees and fines), all sports wagering
5 authorization fees, tavern sports wagering fees, manufacturer
6 license fees, manufacturer renewal fees and all fees for
7 licenses issued under Chapter 16 (relating to junkets) and all
8 money collected by the board for violations of this subchapter
9 shall be deposited into the General Fund.

10 Section 7. This act shall take effect in 60 days.