

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 649 Session of 2015

INTRODUCED BY PAYNE, KOTIK, ADOLPH, HELM, KILLION, KORTZ, BARRAR, COHEN, D. COSTA, DAVIS, DeLUCA, EVERETT, HACKETT, MICCARELLI, MOUL, PASHINSKI, STURLA, DUNBAR, YOUNGBLOOD, FLYNN, P. DALEY AND NEILSON, FEBRUARY 26, 2015

AS REPORTED FROM COMMITTEE ON GAMING OVERSIGHT, HOUSE OF REPRESENTATIVES, AS AMENDED, NOVEMBER 24, 2015

AN ACT

1 Amending Title 4 (Amusements) of the Pennsylvania Consolidated
2 Statutes, providing for authorized interactive gaming and for <--
3 duties of Pennsylvania Gaming Control Board and Department of
4 Health; and imposing an interactive gaming tax and
5 prescribing penalties. IN GENERAL PROVISIONS, FURTHER <--
6 PROVIDING FOR LEGISLATIVE INTENT AND FOR DEFINITIONS; IN
7 PENNSYLVANIA GAMING CONTROL BOARD, FURTHER PROVIDING FOR
8 GENERAL AND SPECIFIC POWERS, FOR LICENSED GAMING ENTITY
9 APPLICATION APPEALS FROM BOARD, FOR BOARD MINUTES AND
10 RECORDS, FOR REGULATORY AUTHORITY OF BOARD, FOR SLOT MACHINE
11 LICENSE FEE AND FOR REPORTS OF BOARD, PROVIDING FOR FANTASY
12 SPORTS REPORT AND FURTHER PROVIDING FOR DIVERSITY GOALS OF
13 BOARD; IN LICENSEES, FURTHER PROVIDING FOR CATEGORY 3 SLOT
14 MACHINE LICENSE, FOR SLOT MACHINE LICENSE APPLICATION, FOR
15 SUPPLIER LICENSES, FOR MANUFACTURER LICENSES, FOR SLOT
16 MACHINE TESTING AND CERTIFICATION STANDARDS AND FOR LICENSE
17 RENEWALS; IN TABLE GAMES, FURTHER PROVIDING FOR AUTHORIZATION
18 TO CONDUCT TABLE GAMES, FOR TABLE GAME TOURNAMENTS, FOR OTHER
19 FINANCIAL TRANSACTIONS, FOR TABLE GAME DEVICE AND ASSOCIATED
20 EQUIPMENT TESTING AND CERTIFICATION STANDARDS AND FOR LOCAL
21 SHARE ASSESSMENT; PROVIDING FOR INTERACTIVE GAMING, FOR
22 CASINO SIMULCASTING AND FOR SLOT MACHINES AT NONPRIMARY
23 LOCATIONS; IN REVENUES, FURTHER PROVIDING FOR ESTABLISHMENT
24 OF STATE GAMING FUND AND NET SLOT MACHINE REVENUE
25 DISTRIBUTION; IN ADMINISTRATION AND ENFORCEMENT, FURTHER
26 PROVIDING FOR RESPONSIBILITY AND AUTHORITY OF THE DEPARTMENT
27 OF REVENUE, FOR WAGERING ON CREDIT, FOR COMPULSIVE AND
28 PROBLEM GAMBLING PROGRAM, PROVIDING FOR CHILD ENDANGERMENT
29 PROTECTION, FURTHER PROVIDING FOR FINANCIAL AND EMPLOYMENT
30 INTERESTS, FOR REGULATION REQUIRING EXCLUSION OR EJECTION OF
31 CERTAIN PERSONS, FOR REPEAT OFFENDERS EXCLUDABLE FROM

1 LICENSED GAMING FACILITY, FOR LIST OF PERSONS SELF EXCLUDED
2 FROM GAMING ACTIVITIES, FOR INVESTIGATIONS AND ENFORCEMENT,
3 FOR PROHIBITED ACTS AND PENALTIES AND FOR LIQUOR LICENSES AT
4 LICENSED FACILITIES AND PROVIDING FOR CASINO LIQUOR LICENSE;
5 IN MISCELLANEOUS PROVISIONS, FURTHER PROVIDING FOR
6 APPROPRIATIONS; MAKING AN EDITORIAL CHANGE; AND MAKING A
7 RELATED REPEAL.

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

10 ~~Section 1. Title 4 of the Pennsylvania Consolidated Statutes <--~~
11 ~~is amended by adding a chapter to read:~~

12 ~~CHAPTER 13B~~

13 ~~AUTHORIZED INTERACTIVE GAMING~~

14 ~~Sec.~~

15 ~~13B01. Legislative policy.~~

16 ~~13B02. Definitions.~~

17 ~~13B03. Regulation and enforcement by the board.~~

18 ~~13B04. Prohibition on unauthorized Internet gaming.~~

19 ~~13B05. Application for license.~~

20 ~~13B06. Board consideration of application.~~

21 ~~13B07. Institutional investors.~~

22 ~~13B08. Licensing fee.~~

23 ~~13B09. Accounting and operational internal controls.~~

24 ~~13B10. Interactive gaming tax.~~

25 ~~13B11. Prohibition on Internet cafes.~~

26 ~~13B12. Testing of hardware, software and equipment.~~

27 ~~13B13. Expanded compulsive and problem gambling programs.~~

28 ~~13B14. Application of other provisions of this part.~~

29 ~~§ 13B01. Legislative policy.~~

30 ~~The General Assembly recognizes the following public policy~~

31 ~~purposes and declares that the following objectives of the~~

32 ~~Commonwealth are to be served by this chapter:~~

33 ~~(1) The legalization of slot machines and table games in~~

1 ~~Pennsylvania has delivered substantial benefits to the~~
2 ~~Commonwealth, including tax revenue for property tax relief~~
3 ~~and general economic development, the creation of more than~~
4 ~~15,000 jobs and significant contributions to the horse racing~~
5 ~~and agricultural industries.~~

6 ~~(2) Developments in technology and recent legal~~
7 ~~decisions have created an opportunity to legalize interactive~~
8 ~~gaming as a means to further enhance and complement the~~
9 ~~benefits delivered by casino gaming, licensed facilities and~~
10 ~~the communities in which they operate.~~

11 ~~(3) Interactive gaming operates by having players~~
12 ~~establish and draw funds from an individual account to place~~
13 ~~a wager in authorized games through the Internet and similar~~
14 ~~communications media. The Commonwealth currently authorizes~~
15 ~~gaming in the form of slot machines and banking and~~
16 ~~nonbanking table games, including poker. These gaming~~
17 ~~operations provide licensed entities in this Commonwealth the~~
18 ~~appropriate level of experience to introduce a platform for~~
19 ~~interactive gaming that protects the player and the integrity~~
20 ~~of the game.~~

21 ~~(4) It is a vital public interest that licensed entities~~
22 ~~retain responsibility for the interactive gaming software and~~
23 ~~hardware which shall remain under their ultimate supervisory~~
24 ~~control. Vendors' ability to provide the interactive gaming~~
25 ~~platform must depend solely on, and be tied to, the status of~~
26 ~~the licensed entity for which they are providing their~~
27 ~~services. Any interactive gaming enforcement and regulatory~~
28 ~~structure must begin from the premise that participation in a~~
29 ~~lawful and licensed gaming industry is a privilege, not a~~
30 ~~right and that regulatory oversight is intended to safeguard~~

1 ~~the integrity of the games and participants and to ensure~~
2 ~~accountability.~~

3 ~~(5) The Commonwealth has entrusted the control and~~
4 ~~regulation of gaming to the Pennsylvania Gaming Control Board~~
5 ~~for the past seven years. Based on that experience, it is now~~
6 ~~appropriate to delegate the responsibility for the~~
7 ~~implementation and regulation of interactive gaming to the~~
8 ~~board.~~

9 ~~(6) Authorized interactive gaming, once fully developed,~~
10 ~~will allow persons in this Commonwealth to participate in~~
11 ~~interactive gaming, not only with other persons in this~~
12 ~~Commonwealth, but with persons in other cooperating United~~
13 ~~States jurisdictions where interactive gaming has been~~
14 ~~authorized.~~

15 ~~(7) The expansion of gaming through the authorization of~~
16 ~~interactive gaming requires the Commonwealth to take steps to~~
17 ~~increase awareness of problem gambling across interactive~~
18 ~~channels and to implement effective strategies for~~
19 ~~prevention, assessment and treatment of this behavioral~~
20 ~~disorder.~~

21 ~~§ 13B02. Definitions.~~

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

25 ~~"Affiliate." As defined in section 1103 (relating to~~
26 ~~definitions). The term does not include an individual.~~

27 ~~"Authorized game." Any interactive game approved by the~~
28 ~~board under this chapter.~~

29 ~~"Authorized participant." A person placing a wager who is~~
30 ~~either physically present in this Commonwealth or located in a~~

1 ~~jurisdiction with which the Commonwealth has negotiated an~~
2 ~~interactive gaming agreement. The intermediate routing of~~
3 ~~electronic data in connection with interactive games may not~~
4 ~~determine the location or locations in which a wager is~~
5 ~~initiated, received or otherwise made.~~

6 ~~"Gross interactive gaming revenue." The total of all cash or~~
7 ~~cash equivalents paid by authorized participants to a licensee~~
8 ~~in consideration for the play of interactive games minus:~~

9 ~~(1) The total of cash or cash equivalents paid out to~~
10 ~~players as winnings.~~

11 ~~(2) Promotional gaming credits.~~

12 ~~(3) The cash equivalent value of any personal property~~
13 ~~or other noncash item of value included in a drawing, contest~~
14 ~~or tournament and distributed to players.~~

15 ~~(4) Taxes paid to other states or territories of the~~
16 ~~United States pursuant to interactive gaming agreements~~
17 ~~implemented under this chapter.~~

18 ~~(5) Revenues from nongaming sources, including food,~~
19 ~~beverages, souvenirs, advertising, clothing or other~~
20 ~~nongaming sources.~~

21 ~~Amounts deposited with a licensee for purposes of interactive~~
22 ~~gaming and amounts taken in fraudulent acts perpetrated against~~
23 ~~a licensee for which the licensee is not reimbursed may not be~~
24 ~~considered to have been paid to the licensee for purposes of~~
25 ~~calculating gross interactive gaming revenue.~~

26 ~~"Interactive game." Any gambling game offered through the~~
27 ~~use of communications technology that allows a person, utilizing~~
28 ~~money, checks, electronic checks, electronic transfers of money,~~
29 ~~credit cards, debit cards or any other instrumentality, to~~
30 ~~transmit electronic information to assist in the placing of a~~

1 ~~wager and corresponding information related to the display of~~
2 ~~the game, game outcomes or other similar information. The term~~
3 ~~does not include the conduct of gaming that occurs entirely~~
4 ~~among participants located within the licensed facility of the~~
5 ~~licensee or its affiliate, to the extent that the gaming may be~~
6 ~~authorized by the board, or nongambling games that do not~~
7 ~~otherwise require a license under the laws of this Commonwealth.~~
8 ~~For purposes of this definition, "communications technology"~~
9 ~~means any method used and the components employed by an~~
10 ~~establishment to facilitate the transmission of information,~~
11 ~~including transmission and reception by systems based on wire,~~
12 ~~cable, radio, microwave, light, optics or computer data~~
13 ~~networks, including the Internet and intranets.~~

14 ~~"Interactive gaming agreement." A negotiated agreement~~
15 ~~between the Commonwealth and one or more of the states or~~
16 ~~territories of the United States in which interactive gaming is~~
17 ~~legally authorized that permits persons located in the other~~
18 ~~jurisdictions to place wagers on interactive games with~~
19 ~~licensees in this Commonwealth or to permit persons located in~~
20 ~~this Commonwealth to place wagers on interactive games with~~
21 ~~licensees in the other jurisdictions, or both. Agreements may~~
22 ~~contain other provisions the board deems appropriate, except~~
23 ~~that only authorized games may be permitted to be offered to~~
24 ~~persons located in this Commonwealth under the agreement.~~

25 ~~"Interactive gaming license." A license issued by the board~~
26 ~~under this chapter which authorizes the holder to offer~~
27 ~~authorized games for play by, and to accept bets and wagers~~
28 ~~associated with authorized games from, authorized participants.~~

29 ~~"Interactive gaming platform." The combination of hardware~~
30 ~~and software designed and used to manage, conduct or record~~

1 ~~interactive games or the wagers associated with those games and~~
2 ~~which has been approved by the board for purposes of the conduct~~
3 ~~of authorized games.~~

4 ~~"Interactive gaming skin." The portal to an interactive~~
5 ~~gaming platform or Internet website through which an authorized~~
6 ~~game is made available to customers in this Commonwealth.~~

7 ~~"Internet." A computer network of interoperable packet~~
8 ~~switched data networks.~~

9 ~~"Key interactive gaming employee." An individual employed by~~
10 ~~a licensee, significant vendor or applicant, or by a holding or~~
11 ~~intermediary company of a licensee, significant vendor or~~
12 ~~applicant, who is involved in the operation of, or of the wagers~~
13 ~~associated with, interactive gaming and who is empowered to make~~
14 ~~discretionary decisions that regulate interactive gaming~~
15 ~~operations.~~

16 ~~"Licensee." A licensed entity that holds an interactive~~
17 ~~gaming license.~~

18 ~~"Promotional gaming credit." Any bonus, promotion or amount~~
19 ~~received by a licensee from an authorized participant for which~~
20 ~~the licensee can demonstrate that it or its affiliate has not~~
21 ~~received cash.~~

22 ~~"Significant vendor." A person who offers or proposes to~~
23 ~~offer any of the following services with respect to interactive~~
24 ~~gaming:~~

25 ~~(1) management, administration or control of wagers or~~
26 ~~of the interactive games themselves;~~

27 ~~(2) development, maintenance, provision or operation of~~
28 ~~an interactive gaming platform or any discrete component~~
29 ~~thereof;~~

30 ~~(3) sale, licensing or other receipt of compensation for~~

~~selling or licensing a database or customer list of individuals residing in the United States selected, in whole or in part, because they placed wagers or participated in gambling games with or through an Internet website or operator or any derivative of such a database or customer list;~~

~~(4) provision of any product, service or asset to a licensee or significant vendor in return for a percentage of interactive gaming revenue, not including fees to financial institutions and payment providers for facilitating a deposit or withdrawal by an authorized participant; or~~

~~(5) provision of any trademark, trade name, service mark or similar intellectual property under which a licensee or significant vendor identifies to customers the authorized games, the website or equivalent hosting the authorized games, any interactive gaming skin or the interactive gaming platform, but excluding intellectual property of a person providing only art or graphics.~~

~~The term does not include any key interactive gaming employee of a licensee or significant vendor. A significant vendor must be licensed by the board to provide these services.~~

~~§ 13B03. Regulation and enforcement by the board.~~

~~(a) General rule. The board shall promulgate regulations for the operation and conduct of interactive gaming in this Commonwealth and shall enforce the regulations.~~

~~(b) Powers and duties.~~

~~(1) The board shall authorize licensees and significant vendors to conduct interactive gaming involving authorized participants, subject to the provisions of this chapter and other applicable provisions of law. The board shall also~~

1 ~~develop standards for evaluating and approving interactive~~
2 ~~gaming platforms for use with interactive gaming.~~

3 ~~(2) The board may determine in its discretion the~~
4 ~~categories of employees who satisfy the definition of "key~~
5 ~~interactive employee" and may exclude from the scope of this~~
6 ~~definition any particular licensee, significant vendor,~~
7 ~~applicant or employee or category of employee it deems~~
8 ~~appropriate.~~

9 ~~(c) Delegated authority. The board is designated as the~~
10 ~~agency of the Commonwealth with the power and authority to~~
11 ~~negotiate and enter into interactive gaming agreements on behalf~~
12 ~~of the Commonwealth consistent with this chapter.~~

13 ~~(d) Interactive gaming agreements. To the extent~~
14 ~~practicable, the board shall negotiate interactive gaming~~
15 ~~agreements with other states, territories or possessions of the~~
16 ~~United States in which interactive gaming has been authorized to~~
17 ~~allow players in this Commonwealth to participate in authorized~~
18 ~~games with players in other jurisdictions.~~

19 ~~§ 13B04. Prohibition on unauthorized Internet gaming.~~

20 ~~(a) Unauthorized gaming.~~

21 ~~(1) It shall be unlawful for any person to willfully and~~
22 ~~knowingly operate, carry on, offer or expose for play any~~
23 ~~interactive game or to accept a bet or wager associated with~~
24 ~~an interactive game from any person physically located in~~
25 ~~this Commonwealth at the time of play that is not within the~~
26 ~~scope of a valid and current license issued by the board~~
27 ~~under this chapter or by another state, territory or~~
28 ~~possession of the United States with which the Commonwealth~~
29 ~~has an interactive gaming agreement that permits the~~
30 ~~activity.~~

~~(2) It shall be unlawful for any person to willfully and knowingly provide services with respect to any interactive game, bet or wager specified in paragraph (1).~~

~~(b) Grading of offense. A person who violates subsection (a) commits a misdemeanor of the first degree. For a second or subsequent violation of subsection (a), a person commits a felony of the second degree.~~

~~(c) Penalties.~~

~~(1) For a first violation of subsection (a), a person shall be sentenced to pay a fine of:~~

~~(i) not less than \$75,000 nor more than \$150,000, if the person is an individual;~~

~~(ii) not less than \$150,000 nor more than \$300,000, if the person is a licensed manufacturer or supplier; or~~

~~(iii) not less than \$300,000 nor more than \$600,000, if the person is a licensed gaming entity.~~

~~(2) For a second or subsequent violation of subsection (a), a person shall be sentenced to pay a fine of:~~

~~(i) not less than \$150,000 nor more than \$300,000, if the person is an individual;~~

~~(ii) not less than \$300,000 nor more than \$600,000, if the person is a licensed manufacturer or supplier; or~~

~~(iii) not less than \$600,000 nor more than \$1,200,000, if the person is a licensed gaming entity.~~

~~(d) Forfeiture. If a person places a wager on an interactive game from a location in which the activity is unauthorized, the person shall forfeit all entitlement to any winnings and the money associated with any forfeited winnings shall be deposited by the licensee into the Compulsive and Problem Gambling Treatment Fund established under section~~

1 ~~1509(b) (relating to compulsive and problem gambling program).~~

2 ~~(e) Tax liability. An unlicensed person offering~~
3 ~~interactive games to persons in this Commonwealth shall be~~
4 ~~liable for all taxes required by this chapter in the same manner~~
5 ~~and amounts as if the person were a licensee. Timely payment of~~
6 ~~the taxes may not constitute a defense to any prosecution or~~
7 ~~other proceeding in connection with unauthorized interactive~~
8 ~~gaming, except for a prosecution or proceeding alleging failure~~
9 ~~to make such payment.~~

10 ~~§ 13B05. Application for license.~~

11 ~~(a) Filing of application. Ninety days from the effective~~
12 ~~date of this section the board shall permit filing of~~
13 ~~applications for licenses under this chapter. The application~~
14 ~~shall include, as applicable:~~

15 ~~(1) The name and business address of the applicant,~~
16 ~~including an organizational chart which identifies the~~
17 ~~applicant's relationship to any person that holds a slot~~
18 ~~machine license and a table game operation certificate issued~~
19 ~~by the board.~~

20 ~~(2) Identification of and a detailed description of the~~
21 ~~qualifications of any proposed significant vendors. Detailed~~
22 ~~information shall be provided describing the specific~~
23 ~~operational responsibilities of significant vendors and the~~
24 ~~nature of the economic relationship with those significant~~
25 ~~vendors.~~

26 ~~(3) A detailed description of the technical protocols~~
27 ~~and parameters of the interactive gaming platform proposed to~~
28 ~~be utilized.~~

29 ~~(4) Identification and a description of the interactive~~
30 ~~games the applicant proposes to make available.~~

1 ~~(5) Other information as the board, in its discretion,~~
2 ~~may determine to require.~~

3 ~~(b) Temporary authorization.~~

4 ~~(1) During the first 18 months from the effective date~~
5 ~~of this section, the board may issue temporary authorizations~~
6 ~~to applicants for licensing as a significant vendor, which~~
7 ~~may remain in effect until the shorter of 12 months after the~~
8 ~~date of issue or the date by which the board considers the~~
9 ~~subject application. Temporary authorizations may be renewed~~
10 ~~not more than once, upon a showing of good cause. Temporary~~
11 ~~authorization shall allow the applicant to engage in all of~~
12 ~~the functions of a fully licensed significant vendor for the~~
13 ~~duration of the temporary authorization.~~

14 ~~(2) No temporary authorization may be issued unless:~~

15 ~~(i) The applicant has submitted a complete license~~
16 ~~application.~~

17 ~~(ii) The applicant agrees to pay the fee prescribed~~
18 ~~in section 13B08 (relating to licensing fee) within 60~~
19 ~~days of issuance of the temporary authorization, which~~
20 ~~may be refundable in the event a permanent license is not~~
21 ~~issued. Failure to make timely payment shall result in~~
22 ~~revocation of the temporary authorization.~~

23 ~~(iii) The bureau has stated that it has no objection~~
24 ~~to the issuance of a temporary authorization to the~~
25 ~~applicant.~~

26 ~~(3) Within 45 days of the date that the bureau receives~~
27 ~~the completed application of an applicant for investigation,~~
28 ~~the bureau shall conduct a preliminary investigation of the~~
29 ~~applicant and any key interactive gaming employee of the~~
30 ~~applicant, which shall include a criminal background~~

1 ~~investigation of the applicant and any key interactive gaming~~
2 ~~employees of the applicant.~~

3 ~~(4) If the bureau's preliminary investigation discloses~~
4 ~~no material adverse information, then the bureau shall issue~~
5 ~~to the executive director a statement of no objection to the~~
6 ~~issuance of a temporary authorization to the applicant.~~

7 ~~(5) If the bureau's preliminary investigation discloses~~
8 ~~material adverse information, it shall register an objection~~
9 ~~and no temporary authorization may be issued until the~~
10 ~~material concern is resolved.~~

11 ~~(6) If the bureau's full investigation of an applicant~~
12 ~~discloses material adverse information, the temporary~~
13 ~~authorization of the applicant may be suspended or withdrawn~~
14 ~~upon a showing of cause by the bureau.~~

15 ~~§ 13B06. Board consideration of application.~~

16 ~~(a) Suitability. A holder, or an affiliate of a holder, of~~
17 ~~a slot machine license and table game operation certificate,~~
18 ~~whose license and certificate are in good standing, shall be~~
19 ~~considered suitable to be issued an interactive gaming license~~
20 ~~by the board without additional investigation.~~

21 ~~(b) Significant vendors. The board shall determine the~~
22 ~~suitability of any significant vendors, consistent with the~~
23 ~~requirements of this chapter.~~

24 ~~(c) Qualifications. A review of the suitability of a person~~
25 ~~to hold a license as a licensee or significant vendor shall~~
26 ~~include the review and determination of whether:~~

27 ~~(1) The person possesses the requisite experience and~~
28 ~~skill to perform the functions consistent with the~~
29 ~~requirements of this chapter.~~

30 ~~(2) The applicant is a person of good character, honesty~~

1 ~~and integrity.~~

2 ~~(3) The applicant is a person whose prior activities,~~
3 ~~criminal record, if any, reputation, habits and associations~~
4 ~~do not:~~

5 ~~(i) pose a threat to the public interest or to the~~
6 ~~effective regulation and control of interactive gaming;~~
7 ~~or~~

8 ~~(ii) create or enhance the dangers of unsuitable,~~
9 ~~unfair or illegal practices, methods and activities in~~
10 ~~the conduct of interactive gaming or in the carrying on~~
11 ~~of the business and financial arrangements incidental to~~
12 ~~gaming.~~

13 ~~(d) Owners and key interactive gaming employees. In~~
14 ~~connection with an application for a license as a licensee or~~
15 ~~significant vendor, the applicant shall identify and the board~~
16 ~~shall determine the suitability of an applicant's owners, chief~~
17 ~~executive officer, chief financial officer, any other officer~~
18 ~~whom the board deems significantly involved in the management or~~
19 ~~control of the applicant and all key interactive gaming~~
20 ~~employees.~~

21 ~~(e) Issuance of order. The board shall issue an order~~
22 ~~granting or denying an application for a license as a licensee~~
23 ~~or significant vendor within 120 days of the date on which a~~
24 ~~properly completed application and any additional information~~
25 ~~that the board may require is filed. If the board approves an~~
26 ~~application, it may impose reasonable conditions of licensure~~
27 ~~consistent with the requirements of this chapter.~~

28 ~~§ 13B07. Institutional investors.~~

29 ~~(a) Declaration of investment intent.~~

30 ~~(1) An institutional investor holding less than 25% of~~

~~the equity securities of a licensee's, significant vendor's or applicant's holding or intermediary companies, shall be granted a waiver of any investigation of suitability or other requirement if the securities are those of a corporation, whether publicly traded or privately held, and the holdings of the securities were purchased for investment purposes only. The institutional investor shall file a certified statement that it has no intention of influencing or affecting the affairs of the licensee, significant vendor, applicant or its holding or intermediary companies. However, an institutional investor shall be permitted to vote on matters put to the vote of the outstanding security holders.~~

~~(2) The board may grant a waiver to an institutional investor holding a higher percentage of securities upon a showing of good cause and if the conditions specified in paragraph (1) are met.~~

~~(3) An institutional investor granted a waiver under this subsection who subsequently decides to influence or affect the affairs of the licensee, significant vendor or applicant's holding or intermediary company shall provide not less than 30 days' notice of intent and shall file with the board a request for determination of suitability before taking any action that may influence or affect the affairs of the issuer. An institutional investor shall be permitted to vote on matters put to the vote of the outstanding security holders.~~

~~(4) If an institutional investor changes its investment intent or if the board finds reasonable cause to believe that the institutional investor may be found unsuitable, no action other than divestiture shall be taken by the institutional~~

~~investor with respect to its security holdings until there has been compliance with any requirements established by the board, which may include the execution of a trust agreement.~~

~~(5) The licensee or significant vendor or applicant and its relevant holding, intermediary or subsidiary company shall notify the board immediately of any information about, or actions of, an institutional investor holding its equity securities where the information or action may impact the eligibility of the institutional investor for a waiver under this subsection.~~

~~(b) Failure to declare. If the board finds:~~

~~(1) that an institutional investor holding any security of a holding or intermediary company of a licensee or significant vendor or applicant or, where relevant, of another subsidiary company of a holding or intermediary company of a licensee or significant vendor or applicant which is related in any way to the financing of the licensee or significant vendor or applicant, fails to comply with the provisions of subsection (a); or~~

~~(2) by reason of the extent or nature of its holdings, an institutional investor is in a position to exercise such a substantial impact upon the controlling interests of a licensee or significant vendor or applicant that investigation and determination of suitability of the institutional investor is necessary to protect the public interest;~~

~~then the board may take any necessary action otherwise authorized under this chapter to protect the public interest.~~

~~§ 13B08. Licensing fee.~~

~~If the board grants an application under section 13B05-~~

1 ~~(relating to application for license) within 60 days of entry of~~
2 ~~the board's order, the successful applicant shall pay a~~
3 ~~licensing fee of \$5,000,000 if a licensee or \$1,000,000 if a~~
4 ~~significant vendor.~~

5 ~~§ 13B09. Accounting and operational internal controls.~~

6 ~~Each interactive gaming license applicant shall submit to the~~
7 ~~board and department, in such manner as the board shall require,~~
8 ~~a description of its administrative and accounting procedures in~~
9 ~~detail, including its written system of internal control. In~~
10 ~~addition to other standards that the board, in its discretion,~~
11 ~~may choose to require, the board shall require licensees to~~
12 ~~implement appropriate safeguards:~~

13 ~~(1) To ensure, to a reasonable degree of certainty, that~~
14 ~~authorized participants are not less than 21 years of age.~~

15 ~~(2) To ensure, to a reasonable degree of certainty, that~~
16 ~~authorized participants are physically located within this~~
17 ~~Commonwealth or another jurisdiction that is permissible~~
18 ~~under this chapter.~~

19 ~~(3) To protect, to a reasonable degree of certainty, the~~
20 ~~privacy and online security of authorized participants.~~

21 ~~(4) To ensure, to a reasonable degree of certainty, that~~
22 ~~the interactive games are fair and honest and that~~
23 ~~appropriate measures are in place to deter, detect and, to~~
24 ~~the extent reasonably possible, to prevent cheating,~~
25 ~~including collusion, and use of cheating devices, including~~
26 ~~the use of software programs, sometimes referred to as~~
27 ~~"bots," that make bets or wagers according to algorithms.~~

28 ~~(5) To minimize compulsive gambling and to provide~~
29 ~~notice to authorized participants of resources to help~~
30 ~~problem gamblers.~~

~~(6) To ensure authorized participants' funds are held in accounts segregated from the funds of licensees and otherwise are protected from corporate insolvency, financial risk or criminal or civil actions against the licensee.~~

~~§ 13B10. Interactive gaming tax.~~

~~(a) Weekly taxation. Each licensee shall report to the department and pay from its daily gross interactive gaming revenue, on a form and in a manner prescribed by the department, a tax of 14% of its daily gross interactive gaming revenue, which shall be payable to the department on a weekly basis and shall be based upon gross interactive gaming revenue for the previous week.~~

~~(b) Taxes on out of State wagering. The tax rate which shall be assessed and collected by the department with respect to any wagers placed by residents of this Commonwealth with an interactive gaming operator outside of this Commonwealth, but authorized under an interactive gaming agreement shall be governed by the agreement but may not exceed 14% of gross interactive gaming revenue derived from residents of this Commonwealth.~~

~~(c) Taxes held in trust. All funds owed to the Commonwealth under this section shall be held in trust for the Commonwealth by the licensee until the funds are paid to the department. Unless otherwise agreed to by the board, a licensee shall establish a separate bank account into which the funds shall be deposited and maintained until paid to the department.~~

~~(d) Federal presumption. In the event Federal law authorizes interactive gaming which establishes a tax based on gross interactive gaming revenue, deposits or the substantial equivalent of or intended substitute for either of them, of~~

1 ~~which a portion is allocated to the states, that tax shall~~
2 ~~supersede, in its entirety, the tax imposed by this section.~~
3 ~~§ 13B11. Prohibition on Internet cafes.~~

4 ~~(a) General rule. No organization or commercial enterprise,~~
5 ~~other than a licensee, shall operate a place of public~~
6 ~~accommodation, club, including a club or association limited to~~
7 ~~dues paying members or similar restricted groups, or similar~~
8 ~~establishment in which computer terminals or similar access~~
9 ~~devices are advertised or made available to be used principally~~
10 ~~for the purpose of accessing interactive games.~~

11 ~~(b) Construction. Nothing in this section shall be~~
12 ~~construed to require the owner or operator of a hotel or motel~~
13 ~~or other public place of general use in this Commonwealth to~~
14 ~~prohibit or block guests from playing interactive games.~~

15 ~~§ 13B12. Testing of hardware, software and equipment.~~

16 ~~(a) Testing by the board. The board may expand its testing~~
17 ~~facility, utilize the services of a private testing facility or~~
18 ~~adopt the testing and certification standards of another~~
19 ~~jurisdiction and may approve computer hardware, software or~~
20 ~~associated equipment based on the prior approval of a private~~
21 ~~testing facility or of another jurisdiction whose standards the~~
22 ~~board reasonably determines are adequate and comparable to those~~
23 ~~required by this chapter. Costs associated with the expansion of~~
24 ~~its own testing facility shall be assessed on significant~~
25 ~~vendors licensed to provide interactive gaming platforms.~~

26 ~~(b) Approval.~~

27 ~~(1) No interactive gaming platform may be utilized by a~~
28 ~~licensee unless approved by the board or its testing and~~
29 ~~certification facility under this section. The board shall~~
30 ~~not approve an interactive gaming platform unless the~~

1 ~~platform is subject to the control, and is the ultimate~~
2 ~~responsibility, of the licensee.~~

3 ~~(2) This subsection shall not be construed to prohibit a~~
4 ~~licensee from licensing use or delegating daily operation of~~
5 ~~the interactive gaming platform from or to a significant~~
6 ~~vendor.~~

7 ~~§ 13B13. Expanded compulsive and problem gambling programs.~~

8 ~~(a) Expanded programs.—~~

9 ~~(1) The board and the Department of Health shall jointly~~
10 ~~develop expanded programs to address compulsive and problem~~
11 ~~gambling issues relating to interactive gaming.~~

12 ~~(2) Licensees shall address compulsive and problem~~
13 ~~gambling issues in the context of interactive gaming in their~~
14 ~~respective compulsive and problem gambling plans on file with~~
15 ~~the board.~~

16 ~~(b) Message.— Licensees shall permanently and continuously~~
17 ~~display the following message to persons at the time of logging~~
18 ~~on to the Internet websites of the licensees or any interactive~~
19 ~~gaming skin:~~

20 ~~If you or someone you know has a gambling problem and~~
21 ~~wants help, call 1 800 GAMBLER.~~

22 ~~§ 13B14. Application of other provisions of this part.~~

23 ~~The following sections of this part, which are expressly~~
24 ~~applicable to the conduct or operation of slot machines or table~~
25 ~~games, are also deemed applicable to interactive gaming under~~
26 ~~this chapter:~~

27 ~~(1) The board's power and duty to require that licensees~~
28 ~~prohibit persons under 21 years of age from playing~~
29 ~~interactive games under section 1207(8) (relating to~~
30 ~~regulatory authority of board).~~

1 ~~(2) The obligation to include information on interactive~~
2 ~~gaming in the board's annual report under section 1211(a.1)~~
3 ~~(relating to reports of board).~~

4 ~~(3) The procedures, parameters and time frames for~~
5 ~~promulgating temporary regulations under section 13A03(a) and~~
6 ~~(b) (relating to temporary table game regulations).~~

7 ~~(4) Manufacturing licensing requirements under section~~
8 ~~1317.1 (relating to manufacturer licenses).~~

9 ~~(5) Gaming service provider requirements under section~~
10 ~~1317.2 (relating to gaming service provider).~~

11 ~~(6) Permit renewal requirements under section 1326~~
12 ~~(relating to license renewals).~~

13 ~~(7) Section 1402 (relating to gross terminal revenue~~
14 ~~deductions), except that recovery of the costs and expenses~~
15 ~~of regulating interactive gaming under this chapter shall be~~
16 ~~limited to 1% of gross interactive gaming revenue.~~

17 ~~(8) The declaration that it shall be unlawful for an~~
18 ~~individual under 21 years of age to wager, play or attempt to~~
19 ~~play an interactive game under section 1518(a) (13.1)~~
20 ~~(relating to prohibited acts; penalties).~~

21 ~~Section 2. This act shall take effect in 60 days.~~

22 SECTION 1. SECTION 1102 OF TITLE 4 OF THE PENNSYLVANIA <--
23 CONSOLIDATED STATUTES IS AMENDED BY ADDING PARAGRAPHS TO READ:
24 § 1102. LEGISLATIVE INTENT.

25 THE GENERAL ASSEMBLY RECOGNIZES THE FOLLOWING PUBLIC POLICY
26 PURPOSES AND DECLARES THAT THE FOLLOWING OBJECTIVES OF THE
27 COMMONWEALTH ARE TO BE SERVED BY THIS PART:

28 * * *

29 (12.1) THE CONTINUED GROWTH AND SUCCESS OF THE
30 COMMERCIAL GAMING INDUSTRY IN THIS COMMONWEALTH IS DEPENDENT

1 UPON A REGULATORY ENVIRONMENT WHICH PROMOTES AND FOSTERS
2 TECHNOLOGICAL ADVANCES AND ENCOURAGES THE DEVELOPMENT AND
3 DELIVERY OF INNOVATIVE GAMING PRODUCTS.

4 (12.2) IT IS ALSO THE INTENT OF THE GENERAL ASSEMBLY TO
5 ENSURE THE SUSTAINABILITY AND COMPETITIVENESS OF THE
6 COMMERCIAL GAMING INDUSTRY IN THIS COMMONWEALTH BY
7 AUTHORIZING INTERACTIVE GAMING, CASINO SIMULCASTING AND THE
8 OPERATION OF SLOT MACHINES AT NONPRIMARY LOCATIONS.

9 * * *

10 SECTION 2. THE DEFINITIONS OF "ASSOCIATED EQUIPMENT," "CASH
11 EQUIVALENT," "CHEAT," "CHEATING OR THIEVING DEVICE,"
12 "COMMISSION" OR "COMMISSIONS," "CONDUCT OF GAMING," "CONTEST,"
13 "COUNTERFEIT CHIP," "GAMING EMPLOYEE," "GAMING SCHOOL," "GAMING
14 SERVICE PROVIDER," "KEY EMPLOYEE," "LICENSED FACILITY,"
15 "MANUFACTURER," "MANUFACTURER LICENSE," "PLAYER," "PROGRESSIVE
16 PAYOUT," "PROGRESSIVE SYSTEM," "SLOT MACHINE," "SUPPLIER,"
17 "SUPPLIER LICENSE" AND "TABLE GAME DEVICE" IN SECTION 1103 OF
18 TITLE 4 ARE AMENDED AND THE SECTION IS AMENDED BY ADDING
19 DEFINITIONS TO READ:

20 § 1103. DEFINITIONS.

21 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS PART SHALL
22 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
23 CONTEXT CLEARLY INDICATES OTHERWISE:

24 * * *

25 "ASSOCIATED EQUIPMENT." ANY EQUIPMENT OR MECHANICAL,
26 ELECTROMECHANICAL OR ELECTRONIC CONTRIVANCE, COMPONENT OR
27 MACHINE USED IN CONNECTION WITH SLOT MACHINES OR TABLE GAMES,
28 INCLUDING LINKING DEVICES WHICH CONNECT TO PROGRESSIVE SLOT
29 MACHINES AND MULTISTATE WIDE-AREA PROGRESSIVE SLOT MACHINES OR
30 SLOT MACHINES, REPLACEMENT PARTS, EQUIPMENT WHICH AFFECTS THE

1 PROPER REPORTING AND COUNTING OF GROSS TERMINAL REVENUE [AND],
2 GROSS TABLE GAME REVENUE AND GROSS INTERACTIVE GAMING REVENUE,
3 COMPUTERIZED SYSTEMS FOR CONTROLLING AND MONITORING SLOT
4 MACHINES [OR], TABLE GAMES OR INTERACTIVE GAMES, INCLUDING, BUT
5 NOT LIMITED TO, THE CENTRAL CONTROL COMPUTER TO WHICH ALL SLOT
6 MACHINES COMMUNICATE [AND], DEVICES FOR WEIGHING OR COUNTING
7 MONEY[.] AND INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT
8 NECESSARY FOR THE OPERATION OF INTERACTIVE GAMES AS APPROVED BY
9 THE PENNSYLVANIA GAMING CONTROL BOARD. THE TERM SHALL NOT
10 INCLUDE COUNT ROOM EQUIPMENT.

11 * * *

12 "AUTHORIZED INTERACTIVE GAME." AN INTERACTIVE GAME APPROVED
13 BY REGULATION OF THE PENNSYLVANIA GAMING CONTROL BOARD TO BE
14 SUITABLE FOR INTERACTIVE GAMING OFFERED BY AN INTERACTIVE GAMING
15 CERTIFICATE HOLDER OR OTHER PERSONS ON BEHALF OF A SLOT MACHINE
16 LICENSEE IN ACCORDANCE WITH CHAPTER 13B (RELATING TO INTERACTIVE
17 GAMING).

18 * * *

19 "CASH EQUIVALENT." AN ASSET THAT IS READILY CONVERTIBLE TO
20 CASH, INCLUDING, BUT NOT LIMITED TO, ANY OF THE FOLLOWING:

- 21 (1) CHIPS OR TOKENS.
- 22 (2) TRAVELERS CHECKS.
- 23 (3) FOREIGN CURRENCY AND COIN.
- 24 (4) CERTIFIED CHECKS, CASHIER'S CHECKS AND MONEY ORDERS.
- 25 (5) PERSONAL CHECKS OR DRAFTS.
- 26 (6) A NEGOTIABLE INSTRUMENT APPLIED AGAINST CREDIT
27 EXTENDED BY A CERTIFICATE HOLDER, AN INTERACTIVE GAMING
28 CERTIFICATE HOLDER, A HOLDER OF AN INTERACTIVE GAMING LICENSE
29 OR A FINANCIAL INSTITUTION.
- 30 (7) ANY OTHER INSTRUMENT OR REPRESENTATION OF VALUE THAT

1 THE PENNSYLVANIA GAMING CONTROL BOARD DEEMS A CASH
2 EQUIVALENT.

3 "CASINO SIMULCASTING." THE SIMULTANEOUS TRANSMISSION OF LIVE
4 THOROUGHBRED OR HARNESS HORSE RACE MEETINGS FROM AN IN-STATE
5 SENDING RACETRACK, OUT-OF-STATE SENDING RACETRACK OR A SATELLITE
6 FACILITY, REGARDLESS OF LICENSURE STATUS OR WHETHER THE HORSE
7 RACE MEETINGS ORIGINATE WITHIN THIS COMMONWEALTH OR ANY OTHER
8 STATE OR JURISDICTION, TO A SIMULCASTING FACILITY IN THIS
9 COMMONWEALTH BY SATELLITE DEVICES, TELEVISION CABLES, TELEPHONE
10 LINES OR ANY OTHER TELECOMMUNICATIONS TECHNOLOGY FOR THE
11 PURPOSES OF CONDUCTING PARI-MUTUEL WAGERING.

12 "CASINO SIMULCASTING PERMIT" OR "SIMULCASTING PERMIT." A
13 PERMIT AWARDED BY THE BOARD UNDER SECTION 13C12 (RELATING TO
14 CASINO SIMULCASTING PERMIT) WHICH AUTHORIZES A CATEGORY 2
15 LICENSED GAMING ENTITY TO CONDUCT CASINO SIMULCASTING.

16 "CASINO SIMULCASTING PERMIT HOLDER." A CATEGORY 2 LICENSED
17 GAMING ENTITY THAT HOLDS A CASINO SIMULCASTING PERMIT ISSUED BY
18 THE BOARD IN ACCORDANCE WITH SECTION 13C12 (RELATING TO CASINO
19 SIMULCASTING PERMIT).

20 * * *

21 "CHEAT." TO DEFRAUD OR STEAL FROM ANY PLAYER, SLOT MACHINE
22 LICENSEE OR THE COMMONWEALTH WHILE OPERATING OR PLAYING A SLOT
23 MACHINE [OR], TABLE GAME[,] OR AUTHORIZED INTERACTIVE GAME,
24 INCLUDING CAUSING, AIDING, ABETTING OR CONSPIRING WITH ANOTHER
25 PERSON TO DO SO. THE TERM SHALL ALSO MEAN TO ALTER OR CAUSING,
26 AIDING, ABETTING OR CONSPIRING WITH ANOTHER PERSON TO ALTER THE
27 ELEMENTS OF CHANCE, METHOD OF SELECTION OR CRITERIA WHICH
28 DETERMINE:

29 (1) THE RESULT OF A SLOT MACHINE GAME [OR], TABLE GAME
30 OR AUTHORIZED INTERACTIVE GAME.

1 (2) THE AMOUNT OR FREQUENCY OF PAYMENT IN A SLOT MACHINE
2 GAME [OR] TABLE GAME OR AUTHORIZED INTERACTIVE GAME.

3 (3) THE VALUE OF A WAGERING INSTRUMENT.

4 (4) THE VALUE OF A WAGERING CREDIT.

5 THE TERM DOES NOT INCLUDE ALTERING A SLOT MACHINE, TABLE GAME
6 DEVICE OR ASSOCIATED EQUIPMENT OR INTERACTIVE GAMING DEVICE OR
7 ASSOCIATED EQUIPMENT FOR MAINTENANCE OR REPAIR WITH THE APPROVAL
8 OF A SLOT MACHINE LICENSEE.

9 "CHEATING OR THIEVING DEVICE." A DEVICE, SOFTWARE OR
10 HARDWARE USED OR POSSESSED WITH THE INTENT TO BE USED TO CHEAT
11 DURING THE OPERATION OR PLAY OF ANY SLOT MACHINE [OR] TABLE
12 GAME OR AUTHORIZED INTERACTIVE GAME. THE TERM SHALL ALSO INCLUDE
13 ANY DEVICE USED TO ALTER A SLOT MACHINE [OR] A TABLE GAME
14 DEVICE OR ASSOCIATED EQUIPMENT, AN AUTHORIZED INTERACTIVE GAME
15 OR INTERACTIVE GAMING DEVICE OR ASSOCIATED EQUIPMENT WITHOUT THE
16 SLOT MACHINE LICENSEE'S APPROVAL.

17 * * *

18 ["COMMISSION" OR "COMMISSIONS."] "COMMISSION," "COMMISSIONS"
19 OR "APPROPRIATE COMMISSION." THE STATE HORSE RACING COMMISSION
20 OR THE STATE HARNESS RACING COMMISSION, OR BOTH AS THE CONTEXT
21 MAY REQUIRE.

22 * * *

23 "CONDUCT OF GAMING." THE LICENSED PLACEMENT, OPERATION AND
24 PLAY OF SLOT MACHINES [AND] TABLE GAMES, INTERACTIVE GAMING AND
25 CASINO SIMULCASTING UNDER THIS PART, AS AUTHORIZED AND APPROVED
26 BY THE PENNSYLVANIA GAMING CONTROL BOARD.

27 "CONTEST." A SLOT MACHINE, TABLE GAME OR AUTHORIZED
28 INTERACTIVE GAME COMPETITION AMONG PLAYERS FOR CASH, CASH
29 EQUIVALENTS OR PRIZES.

30 * * *

1 "COUNTERFEIT CHIP." ANY OBJECT OR THING THAT IS:

2 (1) USED OR INTENDED TO BE USED TO PLAY A TABLE GAME AT
3 A CERTIFICATE HOLDER'S LICENSED FACILITY AND WHICH WAS NOT
4 ISSUED BY THAT CERTIFICATE HOLDER FOR SUCH USE; [OR]

5 (2) PRESENTED TO A CERTIFICATE HOLDER FOR REDEMPTION IF
6 THE OBJECT WAS NOT ISSUED BY THE CERTIFICATE HOLDER[.];

7 (3) USED OR INTENDED TO BE USED TO PLAY AN AUTHORIZED
8 INTERACTIVE GAME WHICH WAS NOT APPROVED BY THE INTERACTIVE
9 GAMING CERTIFICATE HOLDER FOR SUCH USE; OR

10 (4) PRESENTED DURING PLAY OF AN AUTHORIZED INTERACTIVE
11 GAME FOR REDEMPTION, IF THE OBJECT OR THING WAS NOT ISSUED BY
12 THE INTERACTIVE GAMING CERTIFICATE HOLDER OR OTHER PERSON ON
13 BEHALF OF AN INTERACTIVE GAMING CERTIFICATE HOLDER.

14 * * *

15 "GAMING EMPLOYEE." ANY EMPLOYEE OF A SLOT MACHINE LICENSEE,
16 INCLUDING, BUT NOT LIMITED TO:

17 (1) CASHIERS.

18 (2) CHANGE PERSONNEL.

19 (3) COUNT ROOM PERSONNEL.

20 (4) SLOT ATTENDANTS.

21 (5) HOSTS OR OTHER INDIVIDUALS AUTHORIZED TO EXTEND
22 COMPLIMENTARY SERVICES, INCLUDING EMPLOYEES PERFORMING
23 FUNCTIONS SIMILAR TO THOSE PERFORMED BY A GAMING JUNKET
24 REPRESENTATIVE.

25 (6) MACHINE MECHANICS, COMPUTER MACHINE TECHNICIANS OR
26 TABLE GAME DEVICE TECHNICIANS.

27 (7) SECURITY PERSONNEL.

28 (8) SURVEILLANCE PERSONNEL.

29 (9) PROMOTIONAL PLAY SUPERVISORS, CREDIT SUPERVISORS,
30 PIT SUPERVISORS, CASHIER SUPERVISORS, SHIFT SUPERVISORS,

1 TABLE GAME MANAGERS AND ASSISTANT MANAGERS AND OTHER
2 SUPERVISORS AND MANAGERS, EXCEPT FOR THOSE SPECIFICALLY
3 IDENTIFIED IN THIS PART AS KEY EMPLOYEES.

4 (10) BOXMEN.

5 (11) DEALERS OR CROUPIERS.

6 (12) FLOORMEN.

7 (13) PERSONNEL AUTHORIZED TO ISSUE PROMOTIONAL PLAY.

8 (14) PERSONNEL AUTHORIZED TO ISSUE CREDIT.

9 THE TERM SHALL INCLUDE EMPLOYEES OF A PERSON HOLDING A
10 SUPPLIER'S LICENSE WHOSE DUTIES ARE DIRECTLY INVOLVED WITH THE
11 REPAIR OR DISTRIBUTION OF SLOT MACHINES, TABLE GAME DEVICES OR
12 ASSOCIATED EQUIPMENT, INTERACTIVE GAMING DEVICES OR ASSOCIATED
13 EQUIPMENT OR CASINO SIMULCASTING TECHNOLOGY AND EQUIPMENT SOLD
14 OR PROVIDED TO A LICENSED FACILITY WITHIN THIS COMMONWEALTH AS
15 DETERMINED BY THE PENNSYLVANIA GAMING CONTROL BOARD. THE TERM
16 SHALL FURTHER INCLUDE EMPLOYEES OF A PERSON AUTHORIZED BY THE
17 BOARD TO SUPPLY GOODS AND SERVICES RELATED TO INTERACTIVE GAMING
18 AND CASINO SIMULCASTING OR ANY SUBCONTRACTOR OR AN EMPLOYEE OF A
19 SUBCONTRACTOR THAT SUPPLIES INTERACTIVE GAMING DEVICES OR
20 ASSOCIATED EQUIPMENT TO A HOLDER OF AN INTERACTIVE GAMING
21 CERTIFICATE OR INTERACTIVE GAMING LICENSE OR THAT SUPPLIES
22 CASINO SIMULCASTING TECHNOLOGY OR EQUIPMENT TO A CATEGORY 2 SLOT
23 MACHINE LICENSEE. THE TERM DOES NOT INCLUDE BARTENDERS, COCKTAIL
24 SERVERS OR OTHER PERSONS ENGAGED SOLELY IN PREPARING OR SERVING
25 FOOD OR BEVERAGES, CLERICAL OR SECRETARIAL PERSONNEL, PARKING
26 ATTENDANTS, JANITORIAL, STAGE, SOUND AND LIGHT TECHNICIANS AND
27 OTHER NONGAMING PERSONNEL AS DETERMINED BY THE BOARD.

28 * * *

29 "GAMING SCHOOL." ANY EDUCATIONAL INSTITUTION APPROVED BY THE
30 DEPARTMENT OF EDUCATION AS AN ACCREDITED COLLEGE OR UNIVERSITY,

1 COMMUNITY COLLEGE, PENNSYLVANIA PRIVATE LICENSED SCHOOL OR ITS
2 EQUIVALENT AND WHOSE CURRICULUM GUIDELINES ARE APPROVED BY THE
3 DEPARTMENT OF LABOR AND INDUSTRY TO PROVIDE EDUCATION AND JOB
4 TRAINING RELATED TO EMPLOYMENT OPPORTUNITIES ASSOCIATED WITH
5 SLOT MACHINES [OR], TABLE GAMES, CASINO SIMULCASTING OR
6 INTERACTIVE GAMING, INCLUDING SLOT MACHINE, TABLE GAME DEVICE
7 AND ASSOCIATED EQUIPMENT MAINTENANCE AND REPAIR AND INTERACTIVE
8 GAMING DEVICES AND ASSOCIATED EQUIPMENT MAINTENANCE AND REPAIR.

9 "GAMING SERVICE PROVIDER." A PERSON THAT IS NOT REQUIRED TO
10 BE LICENSED AS A MANUFACTURER, SUPPLIER, MANAGEMENT COMPANY OR
11 GAMING JUNKET ENTERPRISE AND:

12 (1) PROVIDES GOODS OR SERVICES, INCLUDING, BUT NOT
13 LIMITED TO, COUNT ROOM EQUIPMENT, TO A SLOT MACHINE LICENSEE
14 OR AN APPLICANT FOR A SLOT MACHINE LICENSE FOR USE IN THE
15 OPERATION OF A LICENSED FACILITY; OR

16 (2) PROVIDES GOODS OR SERVICES AT A LICENSED FACILITY.

17 * * *

18 "GROSS INTERACTIVE GAMING REVENUE." THE TOTAL OF ALL CASH OR
19 CASH EQUIVALENT WAGERS PAID BY REGISTERED PLAYERS TO AN
20 INTERACTIVE GAMING CERTIFICATE HOLDER IN CONSIDERATION FOR THE
21 PLAY OF AUTHORIZED INTERACTIVE GAMES, MINUS:

22 (1) THE TOTAL OF CASH OR CASH EQUIVALENTS PAID OUT TO
23 REGISTERED PLAYERS AS WINNINGS.

24 (2) THE CASH EQUIVALENT VALUE OF ANY PERSONAL PROPERTY
25 OR OTHER NONCASH ITEMS OR THINGS OF VALUE INCLUDED IN A
26 DRAWING, CONTEST OR TOURNAMENT AND DISTRIBUTED TO REGISTERED
27 PLAYERS AS A RESULT OF PLAYING AUTHORIZED INTERACTIVE GAMES.

28 (3) ANY ADMINISTRATIVE FEE, OPERATIONAL FEE OR TAX PAID
29 TO ANOTHER STATE OR JURISDICTION PURSUANT TO AN INTERACTIVE
30 GAMING RECIPROCAL AGREEMENT.

1 AMOUNTS DEPOSITED WITH AN INTERACTIVE GAMING CERTIFICATE HOLDER
2 FOR PURPOSES OF INTERACTIVE GAMING AND AMOUNTS TAKEN IN
3 FRAUDULENT ACTS PERPETRATED AGAINST AN INTERACTIVE GAMING
4 CERTIFICATE HOLDER FOR WHICH THE INTERACTIVE GAMING CERTIFICATE
5 HOLDER IS NOT REIMBURSED MAY NOT BE CONSIDERED TO HAVE BEEN PAID
6 TO THE INTERACTIVE GAMING CERTIFICATE HOLDER FOR PURPOSES OF
7 CALCULATING GROSS INTERACTIVE GAMING REVENUE.

8 * * *

9 "HYBRID SLOT MACHINE." A SLOT MACHINE IN WHICH A COMBINATION
10 OF THE SKILL OF THE PLAYER AND CHANCE AFFECTS THE OUTCOME OF THE
11 GAME.

12 * * *

13 "IN-STATE SENDING TRACK." A RACETRACK WITHIN THIS
14 COMMONWEALTH WHICH IS OPERATED BY A LICENSED CORPORATION AND IS
15 PERMITTED TO CONDUCT CASINO SIMULCASTING.

16 * * *

17 "INTERACTIVE GAME." ANY GAMBLING GAME OFFERED THROUGH THE
18 USE OF COMMUNICATIONS TECHNOLOGY THAT ALLOWS A PERSON, UTILIZING
19 MONEY, CHECKS, ELECTRONIC CHECKS, ELECTRONIC TRANSFERS OF MONEY,
20 CREDIT CARDS OR ANY OTHER INSTRUMENTALITY TO TRANSMIT ELECTRONIC
21 INFORMATION TO ASSIST IN THE PLACEMENT OF A BET OR WAGER AND
22 CORRESPONDING INFORMATION RELATED TO THE DISPLAY OF THE GAME,
23 GAME OUTCOMES OR OTHER SIMILAR INFORMATION. THE TERM SHALL NOT
24 INCLUDE:

25 (1) A LOTTERY GAME OR INTERNET INSTANT GAME AS DEFINED
26 IN THE ACT OF AUGUST 26, 1971 (P.L.351, NO.91), KNOWN AS THE
27 STATE LOTTERY LAW.

28 (2) NONGAMBLING GAMES THAT DO NOT OTHERWISE REQUIRE A
29 LICENSE UNDER THE LAWS OF THIS COMMONWEALTH.

30 FOR THE PURPOSES OF THIS DEFINITION, THE TERM "COMMUNICATIONS

1 TECHNOLOGY" SHALL MEAN ANY METHOD USED AND THE COMPONENTS
2 EMPLOYED TO FACILITATE THE TRANSMISSION AND RECEIPT OF
3 INFORMATION, INCLUDING TRANSMISSION AND RECEPTION BY SYSTEMS
4 USING WIRE, WIRELESS, CABLE, RADIO, MICROWARE, LIGHT, FIBER
5 OPTICS, SATELLITE OR COMPUTER DATA NETWORKS, INCLUDING THE
6 INTERNET AND INTRANETS, AS APPROVED BY THE BOARD.

7 "INTERACTIVE GAMING." THE PLACING OF BETS OR WAGERS WITH AN
8 INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE GAMING
9 LICENSEE LOCATED IN THIS COMMONWEALTH USING A COMPUTER NETWORK
10 OF BOTH FEDERAL AND NON-FEDERAL INTEROPERABLE PACKET SWITCHED
11 DATA NETWORKS THROUGH WHICH AN INTERACTIVE GAMING CERTIFICATE
12 HOLDER MAY OFFER AUTHORIZED INTERACTIVE GAMES TO REGISTERED
13 PLAYERS.

14 "INTERACTIVE GAMING ACCOUNT." THE FORMAL, ELECTRONIC SYSTEM
15 IMPLEMENTED BY AN INTERACTIVE GAMING CERTIFICATE HOLDER TO
16 RECORD THE BALANCE OF A REGISTERED PLAYER'S DEBITS, CREDITS AND
17 OTHER ACTIVITY RELATED TO INTERACTIVE GAMING.

18 "INTERACTIVE GAMING ACCOUNT AGREEMENT." AN AGREEMENT ENTERED
19 INTO BETWEEN AN INTERACTIVE GAMING CERTIFICATE HOLDER OR OTHER
20 PERSON ON BEHALF OF AN INTERACTIVE GAMING CERTIFICATE HOLDER AND
21 AN INDIVIDUAL WHICH GOVERNS THE TERMS AND CONDITIONS OF THE
22 INDIVIDUAL'S INTERACTIVE GAMING ACCOUNT AND THE USE OF THE
23 INTERNET FOR PURPOSES OF PLACING BETS OR WAGERS ON AUTHORIZED
24 INTERACTIVE GAMES OPERATED BY AN INTERACTIVE GAMING CERTIFICATE
25 HOLDER OR OTHER PERSON ON BEHALF OF AN INTERACTIVE GAMING
26 CERTIFICATE HOLDER IN THIS COMMONWEALTH.

27 "INTERACTIVE GAMING AGREEMENT." AN AGREEMENT ENTERED INTO BY
28 OR BETWEEN AN INTERACTIVE GAMING CERTIFICATE HOLDER AND AN
29 INTERACTIVE GAMING OPERATOR RELATED TO THE OFFERING OR OPERATION
30 OF INTERACTIVE GAMING OR AN INTERACTIVE GAMING SYSTEM ON BEHALF

1 OF AN INTERACTIVE GAMING CERTIFICATE HOLDER.

2 "INTERACTIVE GAMING CERTIFICATE." THE AUTHORIZATION ISSUED
3 TO A SLOT MACHINE LICENSEE BY THE PENNSYLVANIA GAMING CONTROL
4 BOARD AUTHORIZING THE OPERATION AND CONDUCT OF INTERACTIVE
5 GAMING BY A SLOT MACHINE LICENSEE OR OTHER PERSON ON BEHALF OF A
6 SLOT MACHINE LICENSEE IN ACCORDANCE WITH CHAPTER 13B.

7 "INTERACTIVE GAMING CERTIFICATE HOLDER." A SLOT MACHINE
8 LICENSEE THAT HAS BEEN GRANTED AUTHORIZATION BY THE PENNSYLVANIA
9 GAMING CONTROL BOARD TO OPERATE AUTHORIZED INTERACTIVE GAMES IN
10 ACCORDANCE WITH CHAPTER 13B.

11 "INTERACTIVE GAMING DEVICE." ALL HARDWARE AND SOFTWARE AND
12 OTHER TECHNOLOGY, EQUIPMENT OR DEVICE OF ANY KIND AS DETERMINED
13 BY THE PENNSYLVANIA GAMING CONTROL BOARD TO BE NECESSARY FOR THE
14 CONDUCT OF AUTHORIZED INTERACTIVE GAMES.

15 "INTERACTIVE GAMING LICENSE." A LICENSE ISSUED TO A PERSON
16 BY THE PENNSYLVANIA GAMING CONTROL BOARD UNDER CHAPTER 13B.

17 "INTERACTIVE GAMING OPERATOR." A PERSON, INCLUDING AN
18 AFFILIATE OF A SLOT MACHINE LICENSEE, AUTHORIZED BY THE
19 PENNSYLVANIA GAMING CONTROL BOARD TO OPERATE INTERACTIVE GAMING
20 OR AN INTERACTIVE GAMING SYSTEM ON BEHALF OF AN INTERACTIVE
21 GAMING CERTIFICATE HOLDER.

22 "INTERACTIVE GAMING PLATFORM." THE COMBINATION OF HARDWARE
23 AND SOFTWARE OR OTHER TECHNOLOGY DESIGNED AND USED TO MANAGE,
24 CONDUCT AND RECORD INTERACTIVE GAMES AND THE BETS OR WAGERS
25 ASSOCIATED WITH INTERACTIVE GAMES, AS APPROVED BY THE
26 PENNSYLVANIA GAMING CONTROL BOARD. THE TERM SHALL INCLUDE ANY
27 EMERGING OR NEW TECHNOLOGY DEPLOYED TO ADVANCE THE CONDUCT AND
28 OPERATION OF INTERACTIVE GAMING, AS APPROVED THROUGH REGULATION
29 BY THE PENNSYLVANIA GAMING CONTROL BOARD.

30 "INTERACTIVE GAMING RECIPROCAL AGREEMENT." AN AGREEMENT

1 NEGOTIATED BY THE PENNSYLVANIA GAMING CONTROL BOARD ON BEHALF OF
2 THE COMMONWEALTH WITH THE AUTHORIZED AGENCY OF ONE OR MORE
3 STATES OR JURISDICTIONS WHERE INTERACTIVE GAMING IS LEGALLY
4 AUTHORIZED WHICH WILL PERMIT THE CONDUCT OF INTERACTIVE GAMING
5 BETWEEN INTERACTIVE GAMING CERTIFICATE HOLDERS IN THIS
6 COMMONWEALTH AND LICENSED GAMING ENTITIES IN THE STATES OR
7 JURISDICTIONS THAT ARE PARTIES TO THE AGREEMENT.

8 "INTERACTIVE GAMING RESTRICTED AREA." ANY ROOM OR AREA, AS
9 APPROVED BY THE PENNSYLVANIA GAMING CONTROL BOARD, USED BY AN
10 INTERACTIVE GAMING CERTIFICATE HOLDER TO MANAGE, CONTROL AND
11 OPERATE INTERACTIVE GAMING, INCLUDING, WHERE APPROVED BY THE
12 BOARD, REDUNDANCY FACILITIES.

13 "INTERACTIVE GAMING SKIN OR SKINS." THE PORTAL OR PORTALS TO
14 AN INTERACTIVE GAMING PLATFORM OR INTERNET WEBSITE THROUGH WHICH
15 AUTHORIZED INTERACTIVE GAMES ARE MADE AVAILABLE TO REGISTERED
16 PLAYERS BY AN INTERACTIVE GAMING CERTIFICATE HOLDER OR OTHER
17 PERSON ON BEHALF OF AN INTERACTIVE GAMING CERTIFICATE HOLDER IN
18 THIS COMMONWEALTH OR PLAYERS IN ANY OTHER STATE OR JURISDICTION
19 IN WHICH AN INTERACTIVE GAMING RECIPROCAL AGREEMENT HAS BEEN
20 ENTERED.

21 "INTERACTIVE GAMING SYSTEM." ALL HARDWARE, SOFTWARE AND
22 COMMUNICATIONS THAT COMPRISE A TYPE OF SERVER-BASED GAMING
23 SYSTEM FOR THE PURPOSE OF OFFERING AUTHORIZED INTERACTIVE GAMES.

24 "INTERNET WEBSITE." THE INTERACTIVE GAMING SKIN OR SKINS OR
25 INTERNET PORTAL OR PORTALS THROUGH WHICH AN INTERACTIVE GAMING
26 CERTIFICATE HOLDER OR OTHER PERSON MAKES INTERACTIVE GAMES
27 AVAILABLE FOR PLAY.

28 * * *

29 "KEY EMPLOYEE." ANY INDIVIDUAL WHO IS EMPLOYED IN A DIRECTOR
30 OR DEPARTMENT HEAD CAPACITY AND WHO IS EMPOWERED TO MAKE

1 DISCRETIONARY DECISIONS THAT REGULATE SLOT MACHINE OR TABLE GAME
2 OPERATIONS, INTERACTIVE GAMING OPERATIONS OR CASINO
3 SIMULCASTING, INCLUDING THE GENERAL MANAGER AND ASSISTANT
4 MANAGER OF THE LICENSED FACILITY, DIRECTOR OF SLOT OPERATIONS,
5 DIRECTOR OF TABLE GAME OPERATIONS, DIRECTOR OF INTERACTIVE
6 GAMING, DIRECTOR OF CASINO SIMULCASTING, DIRECTOR OF CAGE AND/OR
7 CREDIT OPERATIONS, DIRECTOR OF SURVEILLANCE, DIRECTOR OF
8 MARKETING, DIRECTOR OF MANAGEMENT INFORMATION SYSTEMS, DIRECTOR
9 OF INTERACTIVE GAMING SYSTEM PROGRAMS OR OTHER SIMILAR JOB
10 CLASSIFICATIONS ASSOCIATED WITH INTERACTIVE GAMING AND CASINO
11 SIMULCASTING, PERSONS WHO MANAGE, CONTROL OR ADMINISTER
12 INTERACTIVE GAMES AND CASINO SIMULCASTING OR THE BETS AND WAGERS
13 ASSOCIATED WITH INTERACTIVE GAMES AND CASINO SIMULCASTING,
14 DIRECTOR OF SECURITY, COMPTROLLER AND ANY EMPLOYEE WHO IS NOT
15 OTHERWISE DESIGNATED AS A GAMING EMPLOYEE AND WHO SUPERVISES THE
16 OPERATIONS OF THESE DEPARTMENTS OR TO WHOM THESE DEPARTMENT
17 DIRECTORS OR DEPARTMENT HEADS REPORT AND SUCH OTHER POSITIONS
18 NOT OTHERWISE DESIGNATED OR DEFINED UNDER THIS PART WHICH THE
19 PENNSYLVANIA GAMING CONTROL BOARD SHALL DETERMINE BASED ON
20 DETAILED ANALYSES OF JOB DESCRIPTIONS AS PROVIDED IN THE
21 INTERNAL CONTROLS OF THE LICENSEE AS APPROVED BY THE
22 PENNSYLVANIA GAMING CONTROL BOARD. ALL OTHER GAMING EMPLOYEES
23 UNLESS OTHERWISE DESIGNATED BY THE PENNSYLVANIA GAMING CONTROL
24 BOARD SHALL BE CLASSIFIED AS NON-KEY EMPLOYEES.

25 * * *

26 "LICENSED CORPORATION." A LICENSED RACING ENTITY.

27 * * *

28 "LICENSED FACILITY." THE PHYSICAL LAND-BASED LOCATION AT
29 WHICH A LICENSED GAMING ENTITY IS AUTHORIZED TO PLACE AND
30 OPERATE SLOT MACHINES AND, IF AUTHORIZED BY THE PENNSYLVANIA

1 GAMING CONTROL BOARD UNDER CHAPTER 13A (RELATING TO TABLE
2 GAMES), TO CONDUCT TABLE GAMES AND IF AUTHORIZED UNDER CHAPTER
3 13B (RELATING TO INTERACTIVE GAMING), TO CONDUCT INTERACTIVE
4 GAMING. THE TERM INCLUDES ANY:

5 (1) AREA OF A LICENSED RACETRACK AT WHICH A SLOT MACHINE
6 LICENSEE WAS PREVIOUSLY AUTHORIZED PURSUANT TO SECTION
7 1207(17) (RELATING TO REGULATORY AUTHORITY OF BOARD) TO
8 OPERATE SLOT MACHINES PRIOR TO THE EFFECTIVE DATE OF THIS
9 PARAGRAPH;

10 (2) BOARD-APPROVED INTERIM FACILITY OR TEMPORARY
11 FACILITY; [AND]

12 (3) AREA OF A HOTEL WHICH THE PENNSYLVANIA GAMING
13 CONTROL BOARD DETERMINES IS SUITABLE TO CONDUCT TABLE
14 GAMES[.];

15 (4) AREA OF A CATEGORY 2 LICENSED FACILITY WHERE CASINO
16 SIMULCASTING IS CONDUCTED, AS APPROVED BY THE PENNSYLVANIA
17 GAMING CONTROL BOARD; AND

18 (5) FOR THE PURPOSES OF CHAPTER 13D (RELATING TO SLOT
19 MACHINES AT NONPRIMARY LOCATIONS), THE AREA OF A NONPRIMARY
20 LOCATION IN WHICH A CATEGORY 1 SLOT MACHINE LICENSEE IS
21 AUTHORIZED TO PLACE AND MAKE SLOT MACHINES AVAILABLE FOR
22 PLAY.

23 THE TERM SHALL NOT INCLUDE A REDUNDANCY FACILITY OR AN
24 INTERACTIVE GAMING RESTRICTED AREA WHICH IS NOT LOCATED ON THE
25 PREMISES OF A LICENSED FACILITY AS APPROVED BY THE PENNSYLVANIA
26 GAMING CONTROL BOARD AND WHICH IS MAINTAINED AND OPERATED BY AN
27 INTERACTIVE GAMING CERTIFICATE HOLDER IN CONNECTION WITH
28 INTERACTIVE GAMING OR CASINO SIMULCASTING.

29 * * *

30 "MANUFACTURER." A PERSON WHO MANUFACTURES, BUILDS, REBUILDS,

1 FABRICATES, ASSEMBLES, PRODUCES, PROGRAMS, DESIGNS OR OTHERWISE
2 MAKES MODIFICATIONS TO ANY SLOT MACHINE, TABLE GAME DEVICE OR
3 ASSOCIATED EQUIPMENT OR AUTHORIZED INTERACTIVE GAMES FOR USE OR
4 PLAY OF SLOT MACHINES [OR], TABLE GAMES OR AUTHORIZED
5 INTERACTIVE GAMES IN THIS COMMONWEALTH FOR GAMING PURPOSES.

6 "MANUFACTURER LICENSE." A LICENSE ISSUED BY THE PENNSYLVANIA
7 GAMING CONTROL BOARD AUTHORIZING A MANUFACTURER TO MANUFACTURE
8 OR PRODUCE SLOT MACHINES, TABLE GAME DEVICES OR ASSOCIATED
9 EQUIPMENT OR INTERACTIVE GAMING DEVICES OR ASSOCIATED EQUIPMENT
10 FOR USE IN THIS COMMONWEALTH FOR GAMING PURPOSES.

11 * * *

12 "MULTISTATE WIDE-AREA PROGRESSIVE SLOT MACHINE SYSTEM." THE
13 LINKING OF SLOT MACHINES LOCATED IN THIS COMMONWEALTH WITH SLOT
14 MACHINES LOCATED IN ONE OR MORE STATES OR JURISDICTIONS IN WHICH
15 THE PENNSYLVANIA GAMING CONTROL BOARD HAS ENTERED INTO AN
16 INTERACTIVE RECIPROCAL AGREEMENT, AS APPROVED BY THE
17 PENNSYLVANIA GAMING CONTROL BOARD.

18 * * *

19 "NONPRIMARY LOCATION PERMIT." THE PERMIT ISSUED TO A
20 CATEGORY 1 SLOT MACHINE LICENSEE AUTHORIZING THE PLACEMENT AND
21 OPERATION OF SLOT MACHINES AT A NONPRIMARY LOCATION IN
22 ACCORDANCE WITH CHAPTER 13D (RELATING TO SLOT MACHINES AT
23 NONPRIMARY LOCATIONS).

24 "NONPRIMARY LOCATION PERMIT HOLDER." A CATEGORY 1 SLOT
25 MACHINE LICENSEE THAT HAS BEEN APPROVED FOR AND ISSUED A PERMIT
26 TO PLACE AND MAKE SLOT MACHINES AVAILABLE FOR PLAY AT A
27 NONPRIMARY LOCATION IN ACCORDANCE WITH CHAPTER 13D (RELATING TO
28 SLOT MACHINES AT NONPRIMARY LOCATIONS).

29 * * *

30 "OUT-OF-STATE SENDING TRACK." AN INTERSTATE OR INTERNATIONAL

1 RACETRACK IN A STATE OR JURISDICTION OTHER THAN THIS
2 COMMONWEALTH WHICH IS EQUIPPED TO CONDUCT CASINO SIMULCASTING
3 AND THE OPERATOR OF WHICH IS LAWFULLY PERMITTED TO CONDUCT HORSE
4 RACE MEETINGS AND TO PROVIDE SIMULCAST HORSE RACES TO CATEGORY 2
5 LICENSED FACILITIES IN THIS COMMONWEALTH.

6 * * *

7 "PLAYER." AN INDIVIDUAL WAGERING CASH, A CASH EQUIVALENT OR
8 OTHER THING OF VALUE IN THE PLAY OR OPERATION OF A SLOT MACHINE
9 [OR], AN AUTHORIZED INTERACTIVE GAME OR A TABLE GAME, INCLUDING
10 DURING A CONTEST OR TOURNAMENT, THE PLAY OR OPERATION OF WHICH
11 MAY DELIVER OR ENTITLE THE INDIVIDUAL PLAYING OR OPERATING THE
12 SLOT MACHINE [OR], AUTHORIZED INTERACTIVE GAME OR TABLE GAME TO
13 RECEIVE CASH, A CASH EQUIVALENT OR OTHER THING OF VALUE FROM
14 ANOTHER PLAYER OR A SLOT MACHINE LICENSEE.

15 * * *

16 "PROGRESSIVE PAYOUT." A SLOT MACHINE WAGER PAYOUT THAT
17 INCREASES IN A MONETARY AMOUNT BASED ON THE AMOUNTS WAGERED IN A
18 PROGRESSIVE SYSTEM, INCLUDING A MULTISTATE WIDE-AREA PROGRESSIVE
19 SLOT MACHINE SYSTEM.

20 "PROGRESSIVE SYSTEM." A COMPUTERIZED SYSTEM LINKING SLOT
21 MACHINES IN ONE OR MORE LICENSED FACILITIES WITHIN THIS
22 COMMONWEALTH AND OFFERING ONE OR MORE COMMON PROGRESSIVE PAYOUTS
23 BASED ON THE AMOUNTS WAGERED. THE TERM SHALL INCLUDE THE LINKING
24 OF SLOT MACHINES IN A LICENSED FACILITY IN THIS COMMONWEALTH
25 WITH A MULTISTATE WIDE-AREA PROGRESSIVE SYSTEM OPERATED BY
26 GAMING ENTITIES IN ONE OR MORE STATES OR JURISDICTIONS.

27 * * *

28 "REDUNDANCY FACILITIES." ANY AND ALL ROOMS OR AREAS USED BY
29 A SLOT MACHINE LICENSEE FOR EMERGENCY BACKUP, REDUNDANCY OR
30 SECONDARY OPERATIONS ATTENDANT TO INTERACTIVE GAMING OR CASINO

1 SIMULCASTING AS APPROVED BY THE PENNSYLVANIA GAMING CONTROL
2 BOARD.

3 "REGISTERED PLAYER." AN INDIVIDUAL WHO HAS ENTERED INTO AN
4 INTERACTIVE GAMING ACCOUNT AGREEMENT WITH AN INTERACTIVE GAMING
5 CERTIFICATE HOLDER.

6 * * *

7 "SIMULCAST HORSE RACE." A THOROUGHBRED OR HARNESS HORSE RACE
8 MEETING CONDUCTED AT A RACETRACK, WHETHER WITHIN OR OUTSIDE THIS
9 COMMONWEALTH, WHICH IS SIMULTANEOUSLY TRANSMITTED BY AN APPROVED
10 TELECOMMUNICATIONS TECHNOLOGY TO RACETRACKS OR SIMULCASTING
11 FACILITIES IN THIS COMMONWEALTH.

12 "SIMULCASTING FACILITY." AN AREA OF A CATEGORY 2 LICENSED
13 FACILITY ESTABLISHED AND MAINTAINED BY A CATEGORY 2 SLOT MACHINE
14 LICENSEE FOR THE CONDUCT OF CASINO SIMULCASTING IN ACCORDANCE
15 WITH CHAPTER 13C (RELATING TO CASINO SIMULCASTING), THE RACE
16 HORSE INDUSTRY REFORM ACT AND REGULATIONS OF THE BOARD AND THE
17 COMMISSIONS PROMULGATED PURSUANT TO CHAPTER 13C AND THE RACE
18 HORSE INDUSTRY REFORM ACT.

19 "SKILL." THE KNOWLEDGE, DEXTERITY, ADROITNESS, ACUMEN OR
20 OTHER MENTAL SKILL OF AN INDIVIDUAL.

21 "SKILL SLOT MACHINE." A SLOT MACHINE IN WHICH THE SKILL OF
22 THE PLAYER, RATHER THAN THE ELEMENTS OF CHANCE, IS THE
23 PREDOMINANT FACTOR IN AFFECTING THE OUTCOME OF THE GAME AS
24 DETERMINED OVER A PERIOD OF CONTINUOUS PLAY.

25 "SLOT MACHINE." INCLUDES:

26 (1) ANY MECHANICAL, ELECTRICAL OR COMPUTERIZED
27 CONTRIVANCE, TERMINAL, MACHINE OR OTHER DEVICE APPROVED BY
28 THE PENNSYLVANIA GAMING CONTROL BOARD WHICH, UPON INSERTION
29 OF A COIN, BILL, TICKET, TOKEN OR SIMILAR OBJECT THEREIN OR
30 UPON PAYMENT OF ANY CONSIDERATION WHATSOEVER, INCLUDING THE

1 USE OF ANY ELECTRONIC PAYMENT SYSTEM EXCEPT A CREDIT CARD OR
2 DEBIT CARD, IS AVAILABLE TO PLAY OR OPERATE, THE PLAY OR
3 OPERATION OF WHICH, WHETHER BY REASON OF SKILL OR APPLICATION
4 OF THE ELEMENT OF CHANCE OR BOTH, MAY DELIVER OR ENTITLE THE
5 PERSON OR PERSONS PLAYING OR OPERATING THE CONTRIVANCE,
6 TERMINAL, MACHINE OR OTHER DEVICE TO RECEIVE CASH, BILLETS,
7 TICKETS, TOKENS OR ELECTRONIC CREDITS TO BE EXCHANGED FOR
8 CASH OR TO RECEIVE MERCHANDISE OR ANYTHING OF VALUE
9 WHATSOEVER, WHETHER THE PAYOFF IS MADE AUTOMATICALLY FROM THE
10 MACHINE OR MANUALLY. A SLOT MACHINE:

11 [(1)] (I) MAY UTILIZE SPINNING REELS OR VIDEO
12 DISPLAYS OR BOTH.

13 [(2)] (II) MAY OR MAY NOT DISPENSE COINS, TICKETS OR
14 TOKENS TO WINNING PATRONS.

15 [(3)] (III) MAY USE AN ELECTRONIC CREDIT SYSTEM FOR
16 RECEIVING WAGERS AND MAKING PAYOUTS.

17 (2) THE TERM SHALL INCLUDE [ASSOCIATED EQUIPMENT] ALL OF
18 THE FOLLOWING:

19 (I) ASSOCIATED EQUIPMENT NECESSARY TO CONDUCT THE
20 OPERATION OF THE CONTRIVANCE, TERMINAL, MACHINE OR OTHER
21 DEVICE.

22 (II) A SKILL SLOT MACHINE, HYBRID SLOT MACHINE AND
23 THE DEVICES OR ASSOCIATED EQUIPMENT NECESSARY TO CONDUCT
24 THE OPERATION OF A SKILL SLOT MACHINE OR HYBRID SLOT
25 MACHINE.

26 (III) A MULTISTATE WIDE-AREA PROGRESSIVE SLOT
27 MACHINE AND DEVICES AND ASSOCIATED EQUIPMENT AS DEFINED
28 BY THE BOARD THROUGH REGULATIONS.

29 * * *

30 "SUPPLIER." A PERSON THAT SELLS, LEASES, OFFERS OR OTHERWISE

1 PROVIDES, DISTRIBUTES OR SERVICES ANY SLOT MACHINE, TABLE GAME
2 DEVICE OR ASSOCIATED EQUIPMENT, INTERACTIVE GAMING DEVICE OR
3 ASSOCIATED EQUIPMENT, CASINO SIMULCASTING TECHNOLOGY OR
4 EQUIPMENT FOR USE OR PLAY OF SLOT MACHINES [OR], TABLE GAMES,
5 INTERACTIVE GAMES OR TO PARTICIPATE IN CASINO SIMULCASTING IN
6 THIS COMMONWEALTH.

7 "SUPPLIER LICENSE." A LICENSE ISSUED BY THE PENNSYLVANIA
8 GAMING CONTROL BOARD AUTHORIZING A SUPPLIER TO PROVIDE PRODUCTS
9 OR SERVICES RELATED TO SLOT MACHINES, TABLE GAME DEVICES OR
10 ASSOCIATED EQUIPMENT, INTERACTIVE GAMING DEVICE OR ASSOCIATED
11 EQUIPMENT OR CASINO SIMULCASTING TECHNOLOGY OR EQUIPMENT TO SLOT
12 MACHINE LICENSEES FOR USE IN THIS COMMONWEALTH FOR GAMING
13 PURPOSES.

14 "TABLE GAME DEVICE." INCLUDES GAMING TABLES, CARDS, DICE,
15 CHIPS, SHUFFLERS, TILES, DOMINOES, WHEELS[, DROP BOXES] OR ANY
16 MECHANICAL, ELECTRICAL OR COMPUTERIZED CONTRIVANCE, TERMINAL,
17 MACHINE OR OTHER DEVICE, APPARATUS, EQUIPMENT OR SUPPLIES
18 APPROVED BY THE PENNSYLVANIA GAMING CONTROL BOARD AND USED TO
19 CONDUCT A TABLE GAME.

20 * * *

21 SECTION 3. SECTION 1202(A)(1) AND (B)(20) AND (23) OF TITLE
22 4 ARE AMENDED AND SUBSECTION (B) IS AMENDED BY ADDING PARAGRAPHS
23 TO READ:

24 § 1202. GENERAL AND SPECIFIC POWERS.

25 (A) GENERAL POWERS.--

26 (1) THE BOARD SHALL HAVE GENERAL AND SOLE REGULATORY
27 AUTHORITY OVER THE CONDUCT OF GAMING [OR] AND RELATED
28 ACTIVITIES AS DESCRIBED IN THIS PART. THE BOARD SHALL ENSURE
29 THE INTEGRITY OF THE ACQUISITION AND OPERATION OF SLOT
30 MACHINES, TABLE GAMES, TABLE GAME DEVICES AND ASSOCIATED

1 EQUIPMENT AND AUTHORIZED INTERACTIVE GAMES AND INTERACTIVE
2 GAMING DEVICES AND SHALL HAVE SOLE REGULATORY AUTHORITY OVER
3 EVERY ASPECT OF THE AUTHORIZATION, OPERATION AND PLAY OF SLOT
4 MACHINES [AND], INCLUDING THE OPERATION OF SLOT MACHINES AT
5 NONPRIMARY LOCATIONS, TABLE GAMES AND INTERACTIVE GAMING
6 DEVICES AND ASSOCIATED EQUIPMENT.

7 * * *

8 (B) SPECIFIC POWERS.--THE BOARD SHALL HAVE THE SPECIFIC
9 POWER AND DUTY:

10 * * *

11 (12.2) AT ITS DISCRETION, TO AWARD, REVOKE, SUSPEND,
12 CONDITION OR DENY AN INTERACTIVE GAMING CERTIFICATE OR AN
13 INTERACTIVE GAMING LICENSE IN ACCORDANCE WITH CHAPTER 13B
14 (RELATING TO INTERACTIVE GAMING).

15 (12.3) TO AWARD, REVOKE, SUSPEND, CONDITION OR DENY A
16 CASINO SIMULCASTING PERMIT IN ACCORDANCE WITH CHAPTER 13C
17 (RELATING TO CASINO SIMULCASTING).

18 (12.4) AT ITS DISCRETION, TO AWARD, REVOKE, SUSPEND,
19 CONDITION OR DENY AUTHORIZATION FOR THE PLACEMENT AND
20 OPERATION OF SLOT MACHINES AT A NONPRIMARY LOCATION IN
21 ACCORDANCE WITH CHAPTER 13D (RELATING TO SLOT MACHINES AT
22 NONPRIMARY LOCATIONS).

23 * * *

24 (20) IN ADDITION TO THE POWER OF THE BOARD REGARDING
25 LICENSE AND PERMIT APPLICANTS, TO DETERMINE AT ITS DISCRETION
26 THE SUITABILITY OF ANY PERSON WHO FURNISHES OR SEEKS TO
27 FURNISH TO A SLOT MACHINE LICENSEE DIRECTLY OR INDIRECTLY ANY
28 GOODS, SERVICES OR PROPERTY RELATED TO SLOT MACHINES, TABLE
29 GAMES, TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT,
30 INTERACTIVE GAMING, INTERACTIVE GAMING DEVICES AND ASSOCIATED

1 EQUIPMENT OR CASINO SIMULCASTING TECHNOLOGY AND EQUIPMENT OR
2 THROUGH ANY ARRANGEMENTS UNDER WHICH THAT PERSON RECEIVES
3 PAYMENT BASED DIRECTLY OR INDIRECTLY ON EARNINGS, PROFITS OR
4 RECEIPTS FROM THE SLOT MACHINES, TABLE GAMES, TABLE GAME
5 DEVICES AND ASSOCIATED EQUIPMENT, INTERACTIVE GAMING,
6 INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT OR CASINO
7 SIMULCASTING TECHNOLOGY AND EQUIPMENT. THE BOARD MAY REQUIRE
8 ANY SUCH PERSON TO COMPLY WITH THE REQUIREMENTS OF THIS PART
9 AND THE REGULATIONS OF THE BOARD AND MAY PROHIBIT THE PERSON
10 FROM FURNISHING THE GOODS, SERVICES OR PROPERTY.

11 * * *

12 (23) THE BOARD SHALL NOT APPROVE AN APPLICATION FOR OR
13 ISSUE OR RENEW A LICENSE, CERTIFICATE, REGISTRATION OR PERMIT
14 UNLESS IT IS SATISFIED THAT THE APPLICANT HAS DEMONSTRATED BY
15 CLEAR AND CONVINCING EVIDENCE THAT THE APPLICANT IS A PERSON
16 OF GOOD CHARACTER, HONESTY AND INTEGRITY AND IS A PERSON
17 WHOSE PRIOR ACTIVITIES, CRIMINAL RECORD, IF ANY, REPUTATION,
18 HABITS AND ASSOCIATIONS DO NOT POSE A THREAT TO THE PUBLIC
19 INTEREST OR THE EFFECTIVE REGULATION AND CONTROL OF SLOT
20 MACHINE [OR], INCLUDING THE OPERATION OF SLOT MACHINES AT
21 NONPRIMARY LOCATIONS, TABLE GAME OPERATIONS, INTERACTIVE
22 GAMING OPERATIONS OR CASINO SIMULCASTING OR CREATE OR ENHANCE
23 THE DANGER OF UNSUITABLE, UNFAIR OR ILLEGAL PRACTICES,
24 METHODS AND ACTIVITIES IN THE CONDUCT OF SLOT MACHINE OR
25 TABLE GAME OPERATIONS, INTERACTIVE GAMING OPERATIONS, CASINO
26 SIMULCASTING OR THE CARRYING ON OF THE BUSINESS AND FINANCIAL
27 ARRANGEMENTS INCIDENTAL THERETO.

28 * * *

29 (27.2) WITHIN SIX MONTHS OF THE EFFECTIVE DATE OF THIS
30 SECTION, TO PUBLISH ON THE BOARD'S INTERNET WEBSITE A

1 COMPLETE LIST OF ALL SLOT MACHINE LICENSEES WHO FILED A
2 PETITION SEEKING AUTHORIZATION TO CONDUCT INTERACTIVE GAMING
3 AND THE STATUS OF EACH PETITION OR INTERACTIVE GAMING
4 CERTIFICATE.

5 * * *

6 (35) TO REVIEW DETAILED SITE PLANS IDENTIFYING THE
7 INTERACTIVE GAMING RESTRICTED AREA OR ROOM WHERE A SLOT
8 MACHINE LICENSEE PROPOSES TO MANAGE, ADMINISTER OR CONTROL
9 INTERACTIVE GAMING OPERATIONS TO DETERMINE THE ADEQUACY OF
10 THE PROPOSED INTERNAL AND EXTERNAL SECURITY AND PROPOSED
11 SURVEILLANCE MEASURES.

12 (36) TO REQUIRE EACH SLOT MACHINE LICENSEE THAT HOLDS AN
13 INTERACTIVE GAMING CERTIFICATE TO PROVIDE ON A QUARTERLY
14 BASIS THE FOLLOWING INFORMATION WITH RESPECT TO INTERACTIVE
15 GAMING:

16 (I) THE NAME OF ANY PERSON, ENTITY OR FIRM TO WHOM
17 ANY PAYMENT, REMUNERATION OR OTHER BENEFIT OR THING OF
18 VALUE HAS BEEN MADE OR CONFERRED FOR PROFESSIONAL
19 SERVICES, INCLUDING, BUT NOT LIMITED TO, INTERACTIVE
20 GAMING SYSTEM OPERATIONS OR MANAGEMENT, LEGAL, CONSULTING
21 AND LOBBYING SERVICES;

22 (II) THE AMOUNT OR VALUE OF THE PAYMENTS,
23 REMUNERATION, BENEFIT OR THING OF VALUE;

24 (III) THE DATE ON WHICH THE PAYMENTS, REMUNERATION,
25 BENEFIT OR THING OF VALUE WAS SUBMITTED; AND

26 (IV) THE REASON OR PURPOSE FOR THE PROCUREMENT OF
27 THE SERVICES.

28 (37) TO REVIEW AND APPROVE DETAILED SITE AND
29 ARCHITECTURAL PLANS IDENTIFYING THE AREA OF A CATEGORY 2
30 LICENSED FACILITY WHERE THE CATEGORY 2 SLOT MACHINE LICENSEE

1 PROPOSES TO MANAGE, CONTROL AND ADMINISTER CASINO
2 SIMULCASTING IN ORDER TO DETERMINE THE ADEQUACY OF PROPOSED
3 INTERNAL AND EXTERNAL CONTROLS, SECURITY AND SURVEILLANCE
4 MEASURES.

5 (38) TO REVIEW AND APPROVE DETAILED SITE AND
6 ARCHITECTURAL PLANS IDENTIFYING THE AREA OF A NONPRIMARY
7 LOCATION WHERE A CATEGORY 1 SLOT MACHINE LICENSEE PROPOSES TO
8 PLACE AND MAKE SLOT MACHINES AVAILABLE FOR PLAY IN ACCORDANCE
9 WITH CHAPTER 13D IN ORDER TO DETERMINE THE ADEQUACY OF
10 PROPOSED INTERNAL AND EXTERNAL CONTROLS, SECURITY AND
11 PROPOSED SURVEILLANCE MEASURES.

12 (39) TO REVIEW AND APPROVE DETAILED SITE AND
13 ARCHITECTURAL PLANS IDENTIFYING THE AREA OF A LICENSED
14 FACILITY WHERE A SLOT MACHINE LICENSEE PROPOSES TO PLACE AND
15 MAKE MULTISTATE WIDE-AREA PROGRESSIVE SLOT MACHINES, SKILL
16 SLOT MACHINES OR HYBRID SLOT MACHINES AVAILABLE FOR PLAY IN
17 ORDER TO DETERMINE THE ADEQUACY OF PROPOSED INTERNAL AND
18 EXTERNAL CONTROLS, SECURITY AND PROPOSED SURVEILLANCE
19 MEASURES.

20 SECTION 4. SECTIONS 1204 AND 1206(F)(1) OF TITLE 4 ARE
21 AMENDED TO READ:

22 § 1204. LICENSED GAMING ENTITY APPLICATION APPEALS FROM BOARD.

23 THE SUPREME COURT OF PENNSYLVANIA SHALL BE VESTED WITH
24 EXCLUSIVE APPELLATE JURISDICTION TO CONSIDER APPEALS OF ANY
25 FINAL ORDER, DETERMINATION OR DECISION OF THE BOARD INVOLVING
26 THE APPROVAL, ISSUANCE, DENIAL OR CONDITIONING OF A SLOT MACHINE
27 LICENSE [OR] THE AWARD, DENIAL OR CONDITIONING OF A TABLE GAME
28 OPERATION CERTIFICATE[.] OR THE AWARD, DENIAL OR CONDITIONING OF
29 AN INTERACTIVE GAMING CERTIFICATE, A CASINO SIMULCASTING PERMIT,
30 A NONPRIMARY LOCATION PERMIT OR AN AIRPORT GAMING OPERATION

1 CERTIFICATE. NOTWITHSTANDING THE PROVISIONS OF 2 PA.C.S. CH. 7
2 SUBCH. A (RELATING TO JUDICIAL REVIEW OF COMMONWEALTH AGENCY
3 ACTION) AND 42 PA.C.S. § 763 (RELATING TO DIRECT APPEALS FROM
4 GOVERNMENT AGENCIES), THE SUPREME COURT SHALL AFFIRM ALL FINAL
5 ORDERS, DETERMINATIONS OR DECISIONS OF THE BOARD INVOLVING THE
6 APPROVAL, ISSUANCE, DENIAL OR CONDITIONING OF A SLOT MACHINE
7 LICENSE [OR] THE AWARD, DENIAL OR CONDITIONING OF A TABLE GAME
8 OPERATION CERTIFICATE OR THE AWARD, DENIAL OR CONDITIONING OF AN
9 INTERACTIVE GAMING CERTIFICATE, A CASINO SIMULCASTING PERMIT OR
10 A NONPRIMARY LOCATION PERMIT, UNLESS IT SHALL FIND THAT THE
11 BOARD COMMITTED AN ERROR OF LAW OR THAT THE ORDER, DETERMINATION
12 OR DECISION OF THE BOARD WAS ARBITRARY AND THERE WAS A
13 CAPRICIOUS DISREGARD OF THE EVIDENCE.

14 § 1206. BOARD MINUTES AND RECORDS.

15 * * *

16 (F) CONFIDENTIALITY OF INFORMATION.--

17 (1) THE FOLLOWING INFORMATION SUBMITTED BY AN APPLICANT,
18 PERMITTEE OR LICENSEE PURSUANT TO SECTION 1310(A) (RELATING
19 TO SLOT MACHINE LICENSE APPLICATION CHARACTER REQUIREMENTS)
20 [OR] 1308(A.1) (RELATING TO APPLICATIONS FOR LICENSE OR
21 PERMIT), 13B12 (RELATING TO INTERACTIVE GAMING CERTIFICATE
22 REQUIRED AND CONTENT OF PETITION), 13C12 (RELATING TO CASINO
23 SIMULCASTING PERMIT), 13D11 (RELATING TO APPLICATION FOR
24 NONPRIMARY LOCATION PERMIT) OR 13E12 (RELATING TO
25 APPLICATION) OR OBTAINED BY THE BOARD OR THE BUREAU AS PART
26 OF A BACKGROUND OR OTHER INVESTIGATION FROM ANY SOURCE SHALL
27 BE CONFIDENTIAL AND WITHHELD FROM PUBLIC DISCLOSURE:

28 (I) ALL INFORMATION RELATING TO CHARACTER, HONESTY
29 AND INTEGRITY, INCLUDING FAMILY, HABITS, REPUTATION,
30 HISTORY OF CRIMINAL ACTIVITY, BUSINESS ACTIVITIES,

1 FINANCIAL AFFAIRS AND BUSINESS, PROFESSIONAL AND PERSONAL
2 ASSOCIATIONS SUBMITTED UNDER SECTION 1310(A) OR 1308(A.1)
3 OR OTHERWISE OBTAINED BY THE BOARD OR THE BUREAU.

4 (II) NONPUBLIC PERSONAL INFORMATION, INCLUDING HOME
5 ADDRESSES, TELEPHONE NUMBERS AND OTHER PERSONAL CONTACT
6 INFORMATION, SOCIAL SECURITY NUMBERS, EDUCATIONAL
7 RECORDS, MEMBERSHIPS, MEDICAL RECORDS, TAX RETURNS AND
8 DECLARATIONS, ACTUAL OR PROPOSED COMPENSATION, FINANCIAL
9 ACCOUNT RECORDS, CREDITWORTHINESS OR FINANCIAL CONDITION
10 RELATING TO AN APPLICANT, LICENSEE [OR], PERMITTEE,
11 INTERACTIVE GAMING CERTIFICATE HOLDER, CASINO
12 SIMULCASTING PERMIT HOLDER, NONPRIMARY LOCATION PERMIT
13 HOLDER OR THE IMMEDIATE FAMILY THEREOF.

14 (III) INFORMATION RELATING TO PROPRIETARY
15 INFORMATION, TRADE SECRETS, PATENTS OR EXCLUSIVE
16 LICENSES, ARCHITECTURAL AND ENGINEERING PLANS AND
17 INFORMATION RELATING TO COMPETITIVE MARKETING MATERIALS
18 AND STRATEGIES, WHICH MAY INCLUDE CUSTOMER-IDENTIFYING
19 INFORMATION OR CUSTOMER PROSPECTS FOR SERVICES SUBJECT TO
20 COMPETITION.

21 (IV) SECURITY INFORMATION, INCLUDING RISK PREVENTION
22 PLANS, DETECTION AND COUNTERMEASURES, LOCATION OF COUNT
23 ROOMS, LOCATION OF INTERACTIVE GAMING RESTRICTED AREAS
24 AND REDUNDANCY FACILITIES, EMERGENCY MANAGEMENT PLANS,
25 SECURITY AND SURVEILLANCE PLANS, EQUIPMENT AND USAGE
26 PROTOCOLS AND THEFT AND FRAUD PREVENTION PLANS AND
27 COUNTERMEASURES.

28 (V) INFORMATION WITH RESPECT TO WHICH THERE IS A
29 REASONABLE POSSIBILITY THAT PUBLIC RELEASE OR INSPECTION
30 OF THE INFORMATION WOULD CONSTITUTE AN UNWARRANTED

1 INVASION INTO PERSONAL PRIVACY OF ANY INDIVIDUAL AS
2 DETERMINED BY THE BOARD.

3 (VI) RECORDS OF AN APPLICANT OR LICENSEE NOT
4 REQUIRED TO BE FILED WITH THE SECURITIES AND EXCHANGE
5 COMMISSION BY ISSUERS THAT EITHER HAVE SECURITIES
6 REGISTERED UNDER SECTION 12 OF THE SECURITIES EXCHANGE
7 ACT OF 1934 (48 STAT. 881, 15 U.S.C. § 78L) OR ARE
8 REQUIRED TO FILE REPORTS UNDER SECTION 15(D) OF THE
9 SECURITIES EXCHANGE ACT OF 1934 (48 STAT. 881, 15 U.S.C.
10 § 78O) .

11 (VII) RECORDS CONSIDERED NONPUBLIC MATTERS OR
12 INFORMATION BY THE SECURITIES AND EXCHANGE COMMISSION AS
13 PROVIDED BY 17 CFR 200.80 (RELATING TO COMMISSION RECORDS
14 AND INFORMATION) .

15 (VIII) ANY FINANCIAL INFORMATION DEEMED CONFIDENTIAL
16 BY THE BOARD UPON A SHOWING OF GOOD CAUSE BY THE
17 APPLICANT OR LICENSEE.

18 * * *

19 SECTION 5. SECTION 1207(1), (3), (4), (5), (6), (8), (9),
20 (10) AND (21) OF TITLE 4 ARE AMENDED AND THE SECTION IS AMENDED
21 BY ADDING PARAGRAPHS TO READ:

22 § 1207. REGULATORY AUTHORITY OF BOARD.

23 THE BOARD SHALL HAVE THE POWER AND ITS DUTIES SHALL BE TO:

24 (1) DENY, DENY THE RENEWAL, REVOKE, CONDITION OR SUSPEND
25 ANY LICENSE [OR], PERMIT, CERTIFICATE, REGISTRATION OR OTHER
26 AUTHORIZATIONS PROVIDED FOR IN THIS PART IF THE BOARD FINDS
27 IN ITS SOLE DISCRETION THAT A LICENSEE [OR], PERMITTEE OR
28 INTERACTIVE GAMING CERTIFICATE HOLDER UNDER THIS PART, OR ITS
29 OFFICERS, EMPLOYEES OR AGENTS, INCLUDING ANY INTERACTIVE
30 GAMING OPERATOR, HAVE FURNISHED FALSE OR MISLEADING

1 INFORMATION TO THE BOARD OR FAILED TO COMPLY WITH THE
2 PROVISIONS OF THIS PART OR THE RULES AND REGULATIONS OF THE
3 BOARD AND THAT IT WOULD BE IN THE PUBLIC INTEREST TO DENY,
4 DENY THE RENEWAL, REVOKE, CONDITION OR SUSPEND THE LICENSE
5 [OR], PERMIT, CERTIFICATE, REGISTRATION OR OTHER
6 AUTHORIZATIONS.

7 * * *

8 (3) PRESCRIBE AND REQUIRE PERIODIC FINANCIAL REPORTING
9 AND INTERNAL CONTROL REQUIREMENTS FOR ALL LICENSED ENTITIES,
10 INCLUDING, IN THE CASE OF INTERACTIVE GAMING, ALL INTERACTIVE
11 GAMING AFFILIATES AND INTERACTIVE GAMING OPERATORS.

12 (4) REQUIRE THAT EACH LICENSED ENTITY, INCLUDING, IN THE
13 CASE OF INTERACTIVE GAMING, EACH INTERACTIVE GAMING OPERATOR,
14 PROVIDE TO THE BOARD ITS AUDITED ANNUAL FINANCIAL STATEMENTS,
15 WITH SUCH ADDITIONAL DETAIL AS THE BOARD FROM TIME TO TIME
16 SHALL REQUIRE, WHICH INFORMATION SHALL BE SUBMITTED NOT LATER
17 THAN 90 DAYS AFTER THE END OF THE LICENSEE'S FISCAL YEAR.

18 (5) PRESCRIBE THE PROCEDURES TO BE FOLLOWED BY SLOT
19 MACHINE LICENSEES FOR ANY FINANCIAL EVENT THAT OCCURS IN THE
20 OPERATION AND PLAY OF SLOT MACHINES [OR], TABLE GAMES,
21 AUTHORIZED INTERACTIVE GAMES OR CASINO SIMULCASTING.

22 (6) PRESCRIBE CRITERIA AND CONDITIONS FOR THE OPERATION
23 OF SLOT MACHINE PROGRESSIVE SYSTEMS, INCLUDING MULTISTATE
24 WIDE-AREA PROGRESSIVE SLOT MACHINE SYSTEMS. A WIDE AREA
25 PROGRESSIVE SLOT SYSTEM SHALL BE COLLECTIVELY ADMINISTERED BY
26 PARTICIPATING SLOT MACHINE LICENSEES IN ACCORDANCE WITH THE
27 TERMS OF A WRITTEN AGREEMENT EXECUTED BY EACH PARTICIPATING
28 SLOT MACHINE LICENSEE AND, IN THE CASE OF A MULTISTATE WIDE-
29 AREA PROGRESSIVE SLOT MACHINE SYSTEM, IN ACCORDANCE WITH THE
30 TERMS OF AN AGREEMENT EXECUTED BY THE SLOT MACHINE LICENSEE

1 AND AUTHORIZED GAMING ENTITIES IN OTHER STATES OR
2 JURISDICTIONS, AS APPROVED BY THE BOARD.

3 (6.1) COLLABORATE WITH THE APPROPRIATE GAMING
4 AUTHORITIES IN OTHER STATES OR JURISDICTIONS TO FACILITATE
5 THE ESTABLISHMENT OF MULTISTATE WIDE-AREA PROGRESSIVE SLOT
6 MACHINE SYSTEMS BY SLOT MACHINE LICENSEES IN THIS
7 COMMONWEALTH AND, IF DETERMINED NECESSARY, ENTER INTO THE
8 NECESSARY AGREEMENTS WITH SUCH OTHER STATES OR JURISDICTIONS
9 AS NECESSARY FOR THE OPERATION OF MULTISTATE WIDE-AREA
10 PROGRESSIVE SLOT MACHINE SYSTEMS BY SLOT MACHINE LICENSEES IN
11 THIS COMMONWEALTH.

12 * * *

13 (7.2) ENFORCE PRESCRIBED HOURS FOR THE OPERATION OF
14 AUTHORIZED INTERACTIVE GAMES SO THAT AN INTERACTIVE GAMING
15 CERTIFICATE HOLDER MAY CONDUCT INTERACTIVE GAMES ON ANY DAY
16 DURING THE YEAR IN ORDER TO MEET THE NEEDS OF REGISTERED
17 PLAYERS OR TO MEET COMPETITION.

18 (7.3) IN CONSULTATION WITH THE COMMISSIONS, ENFORCE
19 PRESCRIBED HOURS OF OPERATION OF CASINO SIMULCASTING BY
20 CATEGORY 2 SLOT MACHINE LICENSEES.

21 (8) REQUIRE THAT EACH LICENSED GAMING ENTITY PROHIBIT
22 PERSONS UNDER 21 YEARS OF AGE FROM OPERATING OR USING SLOT
23 MACHINES [OR], PLAYING TABLE GAMES OR PARTICIPATING IN
24 INTERACTIVE GAMING AND CASINO SIMULCASTING.

25 (9) ESTABLISH PROCEDURES FOR THE INSPECTION AND
26 CERTIFICATION OF COMPLIANCE OF EACH SLOT MACHINE, TABLE GAME,
27 TABLE GAME DEVICE AND ASSOCIATED EQUIPMENT, INTERACTIVE
28 GAMING, INTERACTIVE GAMING DEVICE AND ASSOCIATED EQUIPMENT
29 AND CASINO SIMULCASTING TECHNOLOGY AND EQUIPMENT PRIOR TO
30 BEING PLACED INTO USE BY A SLOT MACHINE LICENSEE.

1 (10) REQUIRE THAT NO SLOT MACHINE OR AUTHORIZED
2 INTERACTIVE GAME THAT REPLICATES THE PLAY OF A SLOT MACHINE
3 MAY BE SET TO PAY OUT LESS THAN THE THEORETICAL PAYOUT
4 PERCENTAGE, WHICH SHALL BE NO LESS THAN 85%, AS SPECIFICALLY
5 APPROVED BY THE BOARD. THE BOARD SHALL ADOPT REGULATIONS THAT
6 DEFINE THE THEORETICAL PAYOUT PERCENTAGE OF A SLOT MACHINE
7 GAME BASED ON THE TOTAL VALUE OF THE JACKPOTS EXPECTED TO BE
8 PAID BY A PLAY OR A SLOT MACHINE GAME DIVIDED BY THE TOTAL
9 VALUE OF SLOT MACHINE WAGERS EXPECTED TO BE MADE ON THAT PLAY
10 OR SLOT MACHINE GAME DURING THE SAME PORTION OF THE GAME
11 CYCLE. IN SO DOING, THE BOARD SHALL DECIDE WHETHER THE
12 CALCULATION SHALL INCLUDE THE ENTIRE CYCLE OF A SLOT MACHINE
13 GAME OR ANY PORTION THEREOF. EXCEPT THAT, IN THE CASE OF
14 SKILL SLOT MACHINES AND HYBRID SLOT MACHINES, THE BOARD SHALL
15 ADOPT REGULATIONS TO DEFINE THE PLAYER'S WIN PERCENTAGE BASED
16 ON THE RELATIVE SKILL OF THE PLAYER OR THE COMBINATION OF
17 SKILL AND THE ELEMENTS OF CHANCE OF THE GAME. IN THE CASE OF
18 MULTISTATE WIDE-AREA PROGRESSIVE SLOT MACHINES, THE
19 THEORETICAL PAYOUT PERCENTAGE OR A PLAYER'S WIN PERCENTAGE
20 SHALL BE AS SET FORTH IN THE AGREEMENT, AS APPROVED BY THE
21 BOARD.

22 * * *

23 (21) AUTHORIZE, IN ITS DISCRETION, A SLOT MACHINE
24 LICENSEE TO CONDUCT SLOT MACHINE CONTESTS OR TOURNAMENTS,
25 TABLE GAME TOURNAMENTS OR CONTESTS IN ACCORDANCE WITH SECTION
26 13A22.1 (RELATING TO TABLE GAME TOURNAMENTS) OR INTERACTIVE
27 GAMING CONTESTS OR TOURNAMENTS AND ADOPT REGULATIONS
28 GOVERNING THE CONDUCT OF SUCH TOURNAMENTS AND CONTESTS.

29 (21.1) AUTHORIZE, IN ITS DISCRETION, A SLOT MACHINE
30 LICENSEE TO PLACE AND MAKE MULTISTATE WIDE-AREA PROGRESSIVE

1 SLOT MACHINES, SKILL SLOT MACHINES OR HYBRID SLOT MACHINES
2 AVAILABLE FOR PLAY AT LICENSED FACILITIES.

3 (21.2) ADOPT AND PROMULGATE REGULATIONS TO GOVERN THE
4 OPERATION AND PLACEMENT OF SKILL SLOT MACHINES AND HYBRID
5 SLOT MACHINES BY SLOT MACHINE LICENSEES AT LICENSED
6 FACILITIES. IN ORDER TO FACILITATE THE OPERATION AND
7 PLACEMENT OF SKILL AND HYBRID SLOT MACHINES AT LICENSED
8 FACILITIES PURSUANT TO THIS PARAGRAPH, REGULATIONS
9 PROMULGATED BY THE BOARD SHALL BE DEEMED TEMPORARY
10 REGULATIONS WHICH SHALL EXPIRE TWO YEARS AFTER THE DATE OF
11 PUBLICATION IN THE PENNSYLVANIA BULLETIN.

12 (22) LICENSE, REGULATE, INVESTIGATE AND TAKE ANY OTHER
13 ACTION DETERMINED NECESSARY REGARDING ALL ASPECTS OF
14 INTERACTIVE GAMING, CASINO SIMULCASTING AND THE OPERATION OF
15 SLOT MACHINES AT NONPRIMARY LOCATIONS.

16 (23) DEFINE AND LIMIT THE AREAS OF OPERATION AND THE
17 RULES OF AUTHORIZED INTERACTIVE GAMES, INCLUDING ODDS,
18 DEVICES AND ASSOCIATED EQUIPMENT PERMITTED AND THE METHOD OF
19 OPERATION OF AUTHORIZED INTERACTIVE GAMES, INTERACTIVE GAMING
20 DEVICES AND ASSOCIATED EQUIPMENT.

21 (24) REQUIRE, AS APPLICABLE, THAT ALL WAGERING OFFERED
22 THROUGH INTERACTIVE GAMING DISPLAY ONLINE THE PERMISSIBLE
23 MINIMUM AND MAXIMUM WAGERS ASSOCIATED WITH EACH AUTHORIZED
24 INTERACTIVE GAME.

25 (25) ENSURE, IN CONSULTATION WITH THE COMMISSIONS, THAT
26 THE WAGERING AT NONPRIMARY LOCATIONS IS CONDUCTED IN
27 CONFORMANCE WITH THE PARI-MUTUEL SYSTEM OF WAGERING REGULATED
28 BY THE COMMISSIONS PURSUANT TO THE RACE HORSE INDUSTRY REFORM
29 ACT.

30 (26) NEGOTIATE AND ENTER INTO INTERACTIVE GAMING

1 RECIPROCAL AGREEMENTS ON BEHALF OF THE COMMONWEALTH TO GOVERN
2 THE CONDUCT OF INTERACTIVE GAMING BETWEEN INTERACTIVE GAMING
3 CERTIFICATE HOLDERS IN THIS COMMONWEALTH AND GAMING ENTITIES
4 OF OTHER STATES OR JURISDICTIONS. NOTWITHSTANDING ANY
5 PROVISION OF THIS PART, WAGERS MAY BE ACCEPTED IN ACCORDANCE
6 WITH THIS PART AND REGULATIONS OF THE BOARD FROM PERSONS IN
7 OTHER STATES OR JURISDICTIONS IF THE BOARD DETERMINES THAT
8 SUCH WAGERING IS NOT INCONSISTENT WITH FEDERAL LAW OR THE LAW
9 OF THE STATE OR JURISDICTION, INCLUDING A FOREIGN
10 JURISDICTION, IN WHICH THE PERSON IS LOCATED, OR SUCH
11 WAGERING IS CONDUCTED PURSUANT TO AN INTERACTIVE GAMING
12 RECIPROCAL AGREEMENT TO WHICH THIS COMMONWEALTH IS A PARTY
13 THAT IS NOT INCONSISTENT WITH FEDERAL LAW. THE BOARD IS
14 HEREBY DESIGNATED AS THE AGENCY OF THE COMMONWEALTH WITH THE
15 SOLE POWER AND AUTHORITY TO ENTER INTO INTERACTIVE GAMING
16 RECIPROCAL AGREEMENTS WITH OTHER STATES OR JURISDICTIONS.

17 (27) ENTER INTO AGREEMENTS WITH OTHER STATES FOR THE
18 OPERATION OF MULTISTATE WIDE-AREA PROGRESSIVE SLOT MACHINE
19 SYSTEMS.

20 SECTION 5.1. SECTION 1209(B) OF TITLE 4 IS AMENDED TO READ:
21 § 1209. SLOT MACHINE LICENSE FEE.

22 * * *

23 (B) TERM.--A SLOT MACHINE LICENSE, AFTER PAYMENT OF THE FEE,
24 SHALL BE IN EFFECT UNLESS SUSPENDED, REVOKED OR NOT RENEWED BY
25 THE BOARD UPON GOOD CAUSE CONSISTENT WITH THE LICENSE
26 REQUIREMENTS AS PROVIDED FOR IN THIS PART. SLOT MACHINE
27 LICENSEES SHALL BE REQUIRED TO UPDATE THE INFORMATION IN THEIR
28 INITIAL APPLICATIONS ANNUALLY, AND THE LICENSE OF A LICENSEE IN
29 GOOD STANDING SHALL BE RENEWED EVERY [THREE] FIVE YEARS. NOTHING
30 IN THIS SUBSECTION SHALL RELIEVE A LICENSEE OF THE AFFIRMATIVE

1 DUTY TO NOTIFY THE BOARD OF ANY CHANGES RELATING TO THE STATUS
2 OF ITS LICENSE OR TO ANY OTHER INFORMATION CONTAINED IN THE
3 APPLICATION MATERIALS ON FILE WITH THE BOARD. AS TO THE RENEWAL
4 OF A LICENSE, EXCEPT AS REQUIRED IN SUBSECTION (F) (3), NO
5 ADDITIONAL LICENSE FEE PURSUANT TO SUBSECTION (A) SHALL BE
6 REQUIRED.

7 * * *

8 SECTION 6. SECTION 1211 OF TITLE 4 IS AMENDED BY ADDING
9 SUBSECTIONS TO READ:

10 § 1211. REPORTS OF BOARD.

11 * * *

12 (A.4) INTERACTIVE GAMING REPORTING REQUIREMENTS.--

13 (1) NO LATER THAN 12 MONTHS AFTER THE EFFECTIVE DATE OF
14 CHAPTER 13B (RELATING TO INTERACTIVE GAMING) AND EVERY YEAR
15 THEREAFTER, THE ANNUAL REPORT SUBMITTED BY THE BOARD IN
16 ACCORDANCE WITH SUBSECTION (A) SHALL INCLUDE INFORMATION ON
17 THE CONDUCT OF INTERACTIVE GAMES AS FOLLOWS:

18 (I) TOTAL GROSS INTERACTIVE GAMING REVENUE.

19 (II) THE NUMBER AND WIN BY TYPE OF AUTHORIZED
20 INTERACTIVE GAME AT EACH LICENSED FACILITY CONDUCTING
21 INTERACTIVE GAMING DURING THE PREVIOUS YEAR.

22 (III) ALL TAXES, FEES, FINES AND OTHER REVENUE
23 COLLECTED AND, WHERE APPROPRIATE, REVENUE DISBURSED
24 DURING THE PREVIOUS YEAR. THE DEPARTMENT SHALL
25 COLLABORATE WITH THE BOARD TO CARRY OUT THE REQUIREMENTS
26 OF THIS SUBPARAGRAPH.

27 (2) THE BOARD MAY REQUIRE INTERACTIVE GAMING CERTIFICATE
28 HOLDERS AND OTHER PERSONS INVOLVED IN THE OPERATION OF
29 INTERACTIVE GAMING ON BEHALF OF A SLOT MACHINE LICENSEE TO
30 PROVIDE INFORMATION TO THE BOARD TO ASSIST IN THE PREPARATION

1 OF THE REPORT.

2 * * *

3 (D.1) IMPACT OF INTERACTIVE GAMING, ANNUAL REPORT.--ONE YEAR
4 AFTER THE COMMENCEMENT OF INTERACTIVE GAMING AT ALL LICENSED
5 FACILITIES IN THIS COMMONWEALTH, AN ANNUAL REPORT SHALL BE
6 PREPARED AND DISTRIBUTED TO THE GOVERNOR AND THE STANDING
7 COMMITTEES OF THE GENERAL ASSEMBLY WITH JURISDICTION OVER THIS
8 PART ON THE IMPACT OF INTERACTIVE GAMING ON COMPULSIVE AND
9 PROBLEM GAMBLING AND GAMBLING ADDICTION IN THIS COMMONWEALTH.
10 THE REPORT SHALL BE PREPARED BY A PRIVATE ORGANIZATION OR ENTITY
11 WITH EXPERTISE IN SERVING AND TREATING THE NEEDS OF PERSONS WITH
12 COMPULSIVE GAMBLING ADDICTIONS, WHICH ORGANIZATION OR ENTITY
13 SHALL BE SELECTED BY THE DEPARTMENT OF DRUG AND ALCOHOL
14 PROGRAMS. THE REPORT MAY BE PREPARED AND DISTRIBUTED IN
15 COORDINATION WITH THE BOARD. ANY COSTS ASSOCIATED WITH THE
16 PREPARATION AND DISTRIBUTION OF THE REPORT SHALL BE BORNE BY
17 SLOT MACHINE LICENSEES WHO HAVE BEEN AUTHORIZED BY THE BOARD TO
18 CONDUCT INTERACTIVE GAMING. THE BOARD SHALL BE AUTHORIZED TO
19 ASSESS A FEE AGAINST EACH SLOT MACHINE LICENSEE FOR THESE
20 PURPOSES.

21 (D.2) ADDITIONAL INFORMATION AND ANNUAL REPORTING.--

22 (1) ONE YEAR AFTER THE COMMENCEMENT OF CASINO
23 SIMULCASTING IN ACCORDANCE WITH CHAPTER 13C (RELATING TO
24 CASINO SIMULCASTING), THE OPERATION OF SKILL SLOT MACHINES,
25 HYBRID SLOT MACHINES, THE OPERATION OF SLOT MACHINES AT
26 NONPRIMARY LOCATIONS IN ACCORDANCE WITH CHAPTER 13D (RELATING
27 TO SLOT MACHINES AT NONPRIMARY LOCATIONS) AND THE OPERATION
28 OF A MULTISTATE WIDE-AREA SLOT MACHINE SYSTEM, THE REPORT
29 REQUIRED UNDER SUBSECTION (A) SHALL INCLUDE INFORMATION
30 RELATED TO THE FOLLOWING:

- 1 (I) THE CONDUCT OF CASINO SIMULCASTING.
2 (II) THE OPERATION OF SKILL SLOT MACHINES AND HYBRID
3 SLOT MACHINES.
4 (III) THE OPERATION OF A MULTISTATE WIDE-AREA
5 PROGRESSIVE SLOT MACHINE SYSTEM.
6 (IV) THE OPERATION OF SLOT MACHINES AT NONPRIMARY
7 LOCATIONS.

8 (2) INFORMATION ON REVENUE, TAXES, FEES AND FINES, IF
9 ANY, COLLECTED DURING THE PRECEDING CALENDAR YEAR AND ANY
10 OTHER INFORMATION, DATA OR RECOMMENDATIONS RELATED TO THE
11 CONDUCT OF CASINO SIMULCASTING, THE OPERATION OF MULTISTATE
12 WIDE-AREA PROGRESSIVE SLOT MACHINES, SKILL SLOT MACHINES AND
13 HYBRID SLOT MACHINES AND THE OPERATION OF SLOT MACHINES AT
14 NONPRIMARY LOCATIONS AS DETERMINED BY THE BOARD, IN
15 CONSULTATION WITH THE COMMISSIONS, TO BE NECESSARY UNDER THIS
16 PART SHALL BE INCLUDED IN THE REPORT.

17 (D.3) TIME OF SUBMISSION AND REPORTS.--NOTWITHSTANDING ANY
18 PROVISION OF THIS PART, ALL REPORTS AND STUDIES REQUIRED TO BE
19 SUBMITTED UNDER SUBSECTIONS (D.1) AND (D.2) AFTER THE EFFECTIVE
20 DATE OF THIS SUBSECTION SHALL BE SUBMITTED INITIALLY BY OCTOBER
21 1, 2017, AND BY OCTOBER 1 OF EACH YEAR THEREAFTER.

22 * * *

23 SECTION 7. TITLE 4 IS AMENDED BY ADDING A SECTION TO READ:
24 § 1211.1. FANTASY SPORTS REPORT.

25 (A) FANTASY SPORTS REPORT.--NOT LATER THAN 90 DAYS AFTER THE
26 EFFECTIVE DATE OF THIS SECTION, THE BOARD SHALL SUBMIT A REPORT
27 TO THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE COMMUNITY,
28 ECONOMIC AND RECREATIONAL DEVELOPMENT COMMITTEE OF THE SENATE
29 AND THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE GAMING
30 OVERSIGHT COMMITTEE OF THE HOUSE OF REPRESENTATIVES ON THE

1 POTENTIAL OF FANTASY SPORTS AS A GAMBLING PRODUCT IN THIS
2 COMMONWEALTH.

3 (B) CONTENTS OF REPORT.--IN COMPILING THE REPORT, THE BOARD
4 SHALL CONSIDER AND ADDRESS THE FOLLOWING:

5 (1) A DEFINITION OF "FANTASY SPORTS."

6 (2) THE STRUCTURE OF THE DIFFERENT FANTASY SPORTS
7 FORMATS AND THE UNDERLYING ACTIVITIES THAT MAY BE APPROPRIATE
8 FOR OVERSIGHT.

9 (3) FANTASY SPORTS ENTITIES, INCLUDING THE ROLES AND
10 RELATIONSHIPS OF ANCILLARY FANTASY SPORTS BUSINESSES,
11 INCLUDING HOST INTERNET SITES, COLLEGIATE AND PROFESSIONAL
12 SPORTS ORGANIZATIONS AND PERSONS WITH A CONTROLLING INTEREST
13 IN FANTASY SPORTS ENTITIES.

14 (4) HOW REGULATION OF FANTASY SPORTS WOULD FIT INTO THE
15 COMMONWEALTH'S CURRENT GAMBLING LAWS AND POLICIES.

16 (5) COMPULSIVE AND PROBLEM GAMBLING.

17 (6) PROTECTION OF MINORS.

18 (7) MEASURES TO ENSURE THE WELL-BEING AND SAFETY OF
19 PLAYERS.

20 (8) SAFEGUARDS AND MECHANISMS TO ENSURE THE REPORTING OF
21 GAMBLING WINNINGS AND FACILITATE THE COLLECTION OF APPLICABLE
22 FEDERAL AND STATE TAXES IN COMPLIANCE WITH FEDERAL AND STATE
23 LAW.

24 (9) RECOMMENDATIONS FOR LEGISLATIVE ACTION.

25 (10) ANY OTHER INFORMATION RELATED TO THE CONDUCT AND
26 OPERATION OF FANTASY SPORTS AS THE BOARD MAY DEEM
27 APPROPRIATE.

28 SECTION 8. SECTION 1212(E) OF TITLE 4 IS AMENDED BY ADDING
29 PARAGRAPHS TO READ:

30 § 1212. DIVERSITY GOALS OF BOARD.

1 * * *

2 (E) DEFINITION.--AS USED IN THIS SECTION, THE TERM
3 "PROFESSIONAL SERVICES" MEANS THOSE SERVICES RENDERED TO A SLOT
4 MACHINE LICENSEE WHICH RELATE TO A LICENSED FACILITY IN THIS
5 COMMONWEALTH, INCLUDING, BUT NOT LIMITED TO:

6 * * *

7 (9) TECHNOLOGY RELATED TO INTERACTIVE GAMING AND
8 INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT.

9 (10) TECHNOLOGY RELATED TO CASINO SIMULCASTING.

10 SECTION 9. SECTION 1305 OF TITLE 4 IS AMENDED TO READ:

11 § 1305. CATEGORY 3 SLOT MACHINE LICENSE.

12 (A) ELIGIBILITY.--

13 (1) A PERSON MAY BE ELIGIBLE TO APPLY FOR A CATEGORY 3
14 SLOT MACHINE LICENSE IF THE APPLICANT, ITS AFFILIATE,
15 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY HAS NOT APPLIED
16 FOR OR BEEN APPROVED OR ISSUED A CATEGORY 1 OR CATEGORY 2
17 SLOT MACHINE LICENSE AND THE PERSON IS SEEKING TO LOCATE A
18 CATEGORY 3 LICENSED FACILITY IN A WELL-ESTABLISHED RESORT
19 HOTEL HAVING NO FEWER THAN 275 GUEST ROOMS UNDER COMMON
20 OWNERSHIP AND HAVING SUBSTANTIAL YEAR-ROUND [RECREATIONAL]
21 GUEST AMENITIES. THE APPLICANT FOR A CATEGORY 3 LICENSE SHALL
22 BE THE OWNER OR BE A WHOLLY OWNED SUBSIDIARY OF THE OWNER OF
23 THE WELL-ESTABLISHED RESORT HOTEL. [A CATEGORY 3 LICENSE MAY
24 ONLY BE GRANTED UPON THE EXPRESS CONDITION THAT AN INDIVIDUAL
25 MAY NOT ENTER A GAMING AREA OF THE LICENSED FACILITY IF THE
26 INDIVIDUAL IS NOT ANY OF THE FOLLOWING:

27 (I) A REGISTERED OVERNIGHT GUEST OF THE WELL-
28 ESTABLISHED RESORT HOTEL.

29 (II) A PATRON OF ONE OR MORE OF THE AMENITIES
30 PROVIDED BY THE WELL-ESTABLISHED RESORT HOTEL.

1 (III) AN AUTHORIZED EMPLOYEE OF THE SLOT MACHINE
2 LICENSEE, OF A GAMING SERVICE PROVIDER, OF THE BOARD OR
3 OF ANY REGULATORY, EMERGENCY RESPONSE OR LAW ENFORCEMENT
4 AGENCY WHILE ENGAGED IN THE PERFORMANCE OF THE EMPLOYEE'S
5 DUTIES.

6 (IV) AN INDIVIDUAL HOLDING A VALID MEMBERSHIP
7 APPROVED IN ACCORDANCE WITH PARAGRAPH (1.1) OR A GUEST OF
8 SUCH INDIVIDUAL.

9 (1.1) THE BOARD MAY APPROVE A SEASONAL OR YEAR-ROUND
10 MEMBERSHIP THAT ALLOWS AN INDIVIDUAL TO USE ONE OR MORE OF
11 THE AMENITIES PROVIDED BY THE WELL-ESTABLISHED RESORT HOTEL
12 HOLDING A CATEGORY 3 SLOT MACHINE LICENSE. THE MEMBERSHIP
13 SHALL ALLOW THE MEMBER AND ONE GUEST TO ENTER THE GAMING
14 FLOOR AT ANY TIME AS LONG AS THE GUEST IS ACCOMPANIED BY THE
15 INDIVIDUAL OWNING OR HOLDING THE MEMBERSHIP. THE BOARD SHALL
16 BASE ITS APPROVAL OF A MEMBERSHIP ON ALL OF THE FOLLOWING:

17 (I) THE DURATION OF THE MEMBERSHIP.

18 (II) THE AMENITY COVERED BY THE MEMBERSHIP.

19 (III) WHETHER THE FEE CHARGED FOR THE MEMBERSHIP
20 REPRESENTS THE FAIR MARKET VALUE FOR THE USE OF THE
21 AMENITY.]

22 (2) NOTWITHSTANDING SECTION 1512(A) AND (A.1) (RELATING
23 TO PUBLIC OFFICIAL FINANCIAL INTEREST), IF AT THE TIME OF
24 APPLICATION AN APPLICANT HAS TERMINATED PUBLIC OFFICE OR
25 EMPLOYMENT AS AN EXECUTIVE-LEVEL PUBLIC EMPLOYEE WITHIN THE
26 LAST CALENDAR YEAR, THE APPLICANT SHALL BE ELIGIBLE TO APPLY
27 FOR A SLOT MACHINE LICENSE UNDER THIS SECTION BUT MAY NOT BE
28 ISSUED A LICENSE UNTIL ONE YEAR FOLLOWING THE DATE OF
29 TERMINATION AS A PUBLIC OFFICIAL OR EXECUTIVE-LEVEL PUBLIC
30 EMPLOYEE. AN APPLICATION SUBMITTED IN ACCORDANCE WITH THIS

1 PARAGRAPH SHALL NOT CONSTITUTE A VIOLATION OF SECTION 1512(A)
2 OR (A.1).

3 (3) IF THE PERSON SEEKING A SLOT MACHINE LICENSE
4 PROPOSES TO PLACE THE LICENSED FACILITY UPON LAND DESIGNATED
5 A SUBZONE, AN EXPANSION SUBZONE OR AN IMPROVEMENT SUBZONE
6 UNDER THE ACT OF OCTOBER 6, 1998 (P.L.705, NO.92), KNOWN AS
7 THE KEYSTONE OPPORTUNITY ZONE, KEYSTONE OPPORTUNITY EXPANSION
8 ZONE AND KEYSTONE OPPORTUNITY IMPROVEMENT ZONE ACT, THE
9 PERSON SHALL, AT ANY TIME PRIOR TO THE APPLICATION BEING
10 APPROVED, SUBMIT A STATEMENT WAIVING THE EXEMPTIONS,
11 DEDUCTIONS, ABATEMENTS OR CREDITS GRANTED UNDER THE KEYSTONE
12 OPPORTUNITY ZONE, KEYSTONE OPPORTUNITY EXPANSION ZONE AND
13 KEYSTONE OPPORTUNITY IMPROVEMENT ZONE ACT IF THE BOARD
14 APPROVES THE APPLICATION.

15 (B) LOCATION.--THE FOLLOWING SHALL APPLY:

16 (1) [EXCEPT AS PROVIDED IN PARAGRAPH (1.1), NO] NO
17 CATEGORY 3 LICENSE SHALL BE LOCATED BY THE BOARD WITHIN 15
18 LINEAR MILES OF ANOTHER LICENSED FACILITY.

19 (1.1) A CATEGORY 3 LICENSE ESTABLISHED ON OR AFTER [JULY
20 20, 2017] JANUARY 1, 2016, SHALL NOT BE LOCATED BY THE BOARD
21 WITHIN [30 LINEAR MILES OF ANOTHER LICENSED FACILITY.] 10
22 LINEAR MILES OF THE BOUNDARY OF A NATIONAL MILITARY PARK OR
23 NATIONAL MEMORIAL DESIGNATED BY THE CONGRESS OF THE UNITED
24 STATES AFTER SEPTEMBER 11, 2001. A CATEGORY 3 LICENSED
25 FACILITY ESTABLISHED UNDER THIS PARAGRAPH SHALL ONLY BE
26 LOCATED IN A COUNTY THAT:

27 (I) DOES NOT CONTAIN A LICENSED FACILITY; AND

28 (II) DOES NOT SHARE A GEOGRAPHIC BORDER AT ANY POINT
29 WITH A COUNTY WHERE A LICENSED FACILITY, REGARDLESS OF
30 CATEGORY, IS LOCATED OR MAY BE LOCATED.

1 (2) WITHIN FIVE DAYS OF APPROVING A LICENSE FOR AN
2 APPLICANT WITH A PROPOSED LICENSED FACILITY CONSISTING OF
3 LAND DESIGNATED A SUBZONE, AN EXPANSION SUBZONE OR AN
4 IMPROVEMENT SUBZONE UNDER THE KEYSTONE OPPORTUNITY ZONE,
5 KEYSTONE OPPORTUNITY EXPANSION ZONE AND KEYSTONE OPPORTUNITY
6 IMPROVEMENT ZONE ACT FOR A SLOT MACHINE LICENSE UNDER THIS
7 SECTION, THE BOARD SHALL NOTIFY THE DEPARTMENT OF COMMUNITY
8 AND ECONOMIC DEVELOPMENT. THE NOTICE SHALL INCLUDE A
9 DESCRIPTION OF THE LAND OF THE PROPOSED LICENSED FACILITY
10 WHICH IS DESIGNATED A SUBZONE, AN EXPANSION SUBZONE OR AN
11 IMPROVEMENT SUBZONE. WITHIN FIVE DAYS OF RECEIVING THE NOTICE
12 REQUIRED BY THIS PARAGRAPH, THE SECRETARY OF COMMUNITY AND
13 ECONOMIC DEVELOPMENT SHALL DECERTIFY THE LAND OF THE PROPOSED
14 LICENSE FACILITY AS BEING A SUBZONE, AN EXPANSION SUBZONE OR
15 AN IMPROVEMENT SUBZONE. UPON DECERTIFICATION IN ACCORDANCE
16 WITH THIS PARAGRAPH AND NOTWITHSTANDING CHAPTER 3 OF THE
17 KEYSTONE OPPORTUNITY ZONE, KEYSTONE OPPORTUNITY EXPANSION
18 ZONE AND KEYSTONE OPPORTUNITY IMPROVEMENT ZONE ACT, A
19 POLITICAL SUBDIVISION MAY AMEND THE ORDINANCE, RESOLUTION OR
20 OTHER REQUIRED ACTION WHICH GRANTED THE EXEMPTIONS,
21 DEDUCTIONS, ABATEMENTS OR CREDITS REQUIRED BY THE KEYSTONE
22 OPPORTUNITY ZONE, KEYSTONE OPPORTUNITY EXPANSION ZONE AND
23 KEYSTONE OPPORTUNITY IMPROVEMENT ZONE ACT TO REPEAL THE
24 EXEMPTIONS, DEDUCTIONS, ABATEMENTS OR CREDITS FOR THE LAND
25 DECERTIFIED.

26 (C) NUMBER OF SLOT MACHINES.--NOTWITHSTANDING THE NUMBER OF
27 PERMISSIBLE SLOT MACHINES AS SET FORTH IN SECTION 1210 (RELATING
28 TO NUMBER OF SLOT MACHINES), A CATEGORY 3 LICENSE GRANTED UNDER
29 THE PROVISIONS OF THIS SECTION SHALL ENTITLE THE LICENSED ENTITY
30 TO OPERATE NO MORE THAN 500 SLOT MACHINES AT THE LICENSED

1 FACILITY, PROVIDED, HOWEVER, A CATEGORY 3 SLOT MACHINE LICENSEE
2 HOLDING A TABLE GAME OPERATION CERTIFICATE SHALL BE ENTITLED TO
3 OPERATE NO MORE THAN 600 SLOT MACHINES AT ITS LICENSED FACILITY.

4 (C.1) ADDITIONAL SLOT MACHINES.--UPON SUBMISSION OF A
5 REQUEST TO THE BOARD, IN SUCH FORM AND MANNER AS THE BOARD
6 THROUGH REGULATION MAY REQUIRE, THE BOARD MAY AUTHORIZE THE
7 CATEGORY 3 SLOT MACHINE LICENSEE TO INCREASE THE NUMBER OF SLOT
8 MACHINES AT ITS LICENSED FACILITY. AN INCREASE IN THE NUMBER OF
9 SLOT MACHINES BY A CATEGORY 3 SLOT MACHINE LICENSEE PURSUANT TO
10 THIS SUBSECTION MAY NOT, AT THE DISCRETION OF THE BOARD, EXCEED
11 250 ADDITIONAL SLOT MACHINES, WHICH SHALL BE IN ADDITION TO THE
12 NUMBER OF PERMISSIBLE SLOT MACHINES AUTHORIZED UNDER SUBSECTION
13 (C).

14 (C.2) INCREASE IN NUMBER.--UPON SUBMISSION OF A REQUEST TO
15 THE BOARD IN SUCH FORM AND MANNER AS THE BOARD, THROUGH
16 REGULATION, MAY REQUIRE, THE BOARD MAY AUTHORIZE THE CATEGORY 3
17 SLOT MACHINE LICENSEE TO INCREASE THE NUMBER OF SLOT MACHINES AT
18 ITS LICENSED FACILITY FOR THE CONDUCT OF A SLOT MACHINE
19 TOURNAMENT OR CONTEST. AN INCREASE IN THE NUMBER OF SLOT
20 MACHINES BY A CATEGORY 3 SLOT MACHINE LICENSEE UNDER THIS
21 SUBSECTION MAY NOT, AT THE DISCRETION OF THE BOARD, EXCEED 75
22 ADDITIONAL SLOT MACHINES, WHICH SHALL BE IN ADDITION TO THE
23 NUMBER OF PERMISSIBLE SLOT MACHINES AUTHORIZED UNDER SUBSECTION
24 (C).

25 (D) CATEGORY 3 LICENSE FEE.--THE BOARD SHALL IMPOSE A ONE-
26 TIME CATEGORY 3 LICENSE FEE TO BE PAID BY EACH SUCCESSFUL
27 APPLICANT IN THE AMOUNT OF \$5,000,000 TO BE DEPOSITED IN THE
28 STATE GAMING FUND. THE PROVISIONS OF SECTION 1209(B), (C), (D)
29 AND (E) SHALL APPLY TO A CATEGORY 3 LICENSEE[.], EXCEPT THAT THE
30 HOLDER OF A CATEGORY 3 SLOT MACHINE LICENSE APPROVED AND ISSUED

1 BY THE BOARD ON OR AFTER JANUARY 1, 2016, SHALL PAY A FEE OF
2 \$8,500,000 FOR DEPOSIT IN THE GENERAL FUND.

3 (D.1) ADDITIONAL FEE.--NOTWITHSTANDING SUBSECTION (D), NO
4 LATER THAN 60 DAYS AFTER THE EFFECTIVE DATE OF SUBSECTION (A),
5 EACH HOLDER OF AN EXISTING CATEGORY 3 SLOT MACHINE LICENSE
6 ISSUED BY THE BOARD BEFORE JANUARY 1, 2016, SHALL PAY A FEE OF
7 \$1,000,000 FOR DEPOSIT IN THE GENERAL FUND.

8 (D.2) FEE FOR ADDITIONAL SLOT MACHINES.--NOTWITHSTANDING
9 SUBSECTION (D), NO LATER THAN 60 DAYS AFTER THE BOARD APPROVES A
10 REQUEST FOR AN INCREASE IN THE NUMBER OF SLOT MACHINES SUBMITTED
11 BY A CATEGORY 3 SLOT MACHINE LICENSEE IN ACCORDANCE WITH
12 SUBSECTION (C.1), THE CATEGORY 3 SLOT MACHINE LICENSEE SHALL PAY
13 A FEE OF \$2,500,000 FOR DEPOSIT INTO THE GENERAL FUND.

14 [(E) DEFINITIONS.--FOR THE PURPOSE OF SUBSECTION (A), THE
15 FOLLOWING WORDS AND PHRASES SHALL HAVE THE MEANING GIVEN TO THEM
16 IN THIS SUBSECTION:

17 "AMENITIES." ANY ANCILLARY ACTIVITIES, SERVICES OR
18 FACILITIES IN WHICH A REGISTERED GUEST OR THE TRANSIENT PUBLIC,
19 IN RETURN FOR NON-DE MINIMIS CONSIDERATION AS DEFINED BY BOARD
20 REGULATION, MAY PARTICIPATE AT A WELL-ESTABLISHED RESORT HOTEL,
21 INCLUDING, BUT NOT LIMITED TO, SPORTS AND RECREATIONAL
22 ACTIVITIES AND FACILITIES SUCH AS A GOLF COURSE OR GOLF DRIVING
23 RANGE, TENNIS COURTS OR SWIMMING POOL; HEALTH SPA; CONVENTION,
24 MEETING AND BANQUET FACILITIES; ENTERTAINMENT FACILITIES; AND
25 RESTAURANT FACILITIES.

26 "PATRON OF THE AMENITIES." ANY INDIVIDUAL WHO IS A
27 REGISTERED ATTENDEE OF A CONVENTION, MEETING OR BANQUET EVENT OR
28 A PARTICIPANT IN A SPORT OR RECREATIONAL EVENT OR ANY OTHER
29 SOCIAL, CULTURAL OR BUSINESS EVENT HELD AT A RESORT HOTEL OR WHO
30 PARTICIPATES IN ONE OR MORE OF THE AMENITIES PROVIDED TO

1 REGISTERED GUESTS OF THE WELL-ESTABLISHED RESORT HOTEL.]

2 SECTION 10. SECTION 1309(A.1) HEADING OF TITLE 4 IS AMENDED
3 AND THE SUBSECTION IS AMENDED BY ADDING A PARAGRAPH TO READ:

4 § 1309. SLOT MACHINE LICENSE APPLICATION.

5 * * *

6 (A.1) TABLE GAMES AND INTERACTIVE GAMING INFORMATION.--

7 * * *

8 (3) NOTWITHSTANDING PARAGRAPH (2), THE BOARD MAY PERMIT
9 AN APPLICANT FOR A SLOT MACHINE LICENSE THAT HAS AN
10 APPLICATION PENDING BEFORE THE BOARD TO SUPPLEMENT ITS
11 APPLICATION WITH ALL INFORMATION REQUIRED UNDER CHAPTERS 13B
12 (RELATING TO INTERACTIVE GAMING) AND 13D (RELATING TO SLOT
13 MACHINES AT NONPRIMARY LOCATIONS) AND TO REQUEST THAT THE
14 BOARD CONSIDER ITS APPLICATION FOR A SLOT MACHINE LICENSE, A
15 TABLE GAME OPERATION CERTIFICATE, AN INTERACTIVE GAMING
16 CERTIFICATE OR A NONPRIMARY LOCATION PERMIT CONCURRENTLY. ALL
17 FEES FOR AN INTERACTIVE GAMING CERTIFICATE AND A NONPRIMARY
18 LOCATION PERMIT SHALL BE PAID BY THE APPLICANT IN ACCORDANCE
19 WITH THE REQUIREMENTS OF THIS PART.

20 * * *

21 SECTION 10.1. SECTIONS 1317(A) AND (C), 1317.1(A), (B), (C),
22 (C.1), (D.1) AND (E) AND 1320(A) OF TITLE 4 ARE AMENDED AND THE
23 SECTIONS ARE AMENDED BY ADDING SUBSECTIONS TO READ:

24 § 1317. SUPPLIER LICENSES.

25 (A) APPLICATION.--A MANUFACTURER THAT ELECTS TO CONTRACT
26 WITH A SUPPLIER UNDER SECTION 1317.1(D.1) (RELATING TO
27 MANUFACTURER LICENSES) SHALL ENSURE THAT THE SUPPLIER IS
28 APPROPRIATELY LICENSED UNDER THIS SECTION. A PERSON SEEKING TO
29 PROVIDE SLOT MACHINES, TABLE GAME DEVICES OR ASSOCIATED
30 EQUIPMENT, CASINO SIMULCASTING TECHNOLOGY OR EQUIPMENT OR

1 INTERACTIVE GAMING DEVICES OR ASSOCIATED EQUIPMENT TO A SLOT
2 MACHINE LICENSEE OR AN INTERACTIVE GAMING LICENSEE WITHIN THIS
3 COMMONWEALTH THROUGH A CONTRACT WITH A LICENSED MANUFACTURER
4 SHALL APPLY TO THE BOARD FOR THE APPROPRIATE SUPPLIER LICENSE.

5 * * *

6 (C) REVIEW AND APPROVAL.--UPON BEING SATISFIED THAT THE
7 REQUIREMENTS OF SUBSECTION (B) HAVE BEEN MET, THE BOARD MAY
8 APPROVE THE APPLICATION AND ISSUE THE APPLICANT A SUPPLIER
9 LICENSE CONSISTENT WITH ALL OF THE FOLLOWING:

10 (1) THE [INITIAL LICENSE SHALL BE FOR A PERIOD OF ONE
11 YEAR, AND, IF RENEWED UNDER SUBSECTION (D), THE] LICENSE
12 SHALL BE ISSUED FOR A PERIOD OF [THREE] FIVE YEARS AND SHALL
13 BE RENEWED IN ACCORDANCE WITH SUBSECTION (D). NOTHING IN THIS
14 PARAGRAPH SHALL RELIEVE A LICENSEE OF THE AFFIRMATIVE DUTY TO
15 NOTIFY THE BOARD OF ANY CHANGES RELATING TO THE STATUS OF ITS
16 LICENSE OR TO ANY INFORMATION CONTAINED IN THE APPLICATION
17 MATERIALS ON FILE WITH THE BOARD.

18 (2) THE LICENSE SHALL BE NONTRANSFERABLE.

19 (3) ANY OTHER CONDITION ESTABLISHED BY THE BOARD.

20 * * *

21 (C.2) ABBREVIATED PROCESS FOR SUPPLIER.--

22 (1) NOTWITHSTANDING SUBSECTION (C.1) (1) OR ANY
23 REGULATIONS OF THE BOARD TO THE CONTRARY, THE BOARD MAY
24 EXTEND THE USE OF THE ABBREVIATED PROCESS AUTHORIZED UNDER
25 SUBSECTION (C.1) TO AN APPLICANT FOR A SUPPLIER LICENSE TO
26 SUPPLY SLOT MACHINES USED IN A MULTISTATE WIDE-AREA
27 PROGRESSIVE SLOT MACHINE SYSTEM, SKILL SLOT MACHINES, HYBRID
28 SLOT MACHINES AND DEVICES OR ASSOCIATED EQUIPMENT USED IN
29 CONNECTION WITH MULTISTATE WIDE-AREA PROGRESSIVE SLOT MACHINE
30 SYSTEMS, SKILL OR HYBRID SLOT MACHINES, INTERACTIVE GAMING

1 DEVICES OR ASSOCIATED EQUIPMENT USED IN CONNECTION WITH
2 INTERACTIVE GAMING OR CASINO SIMULCASTING EQUIPMENT AND
3 TECHNOLOGY USED TO CONDUCT CASINO SIMULCASTING, IF THE
4 APPLICANT HOLDS A VALID SUPPLIER LICENSE ISSUED BY THE BOARD
5 TO SUPPLY SLOT MACHINES OR ASSOCIATED EQUIPMENT OR TABLE
6 GAMES OR TABLE GAME DEVICES AND ASSOCIATED EQUIPMENT. THE
7 REQUIREMENTS OF SUBSECTION (C.1) (2) AND (3) SHALL APPLY TO
8 THIS SUBSECTION.

9 (2) AN APPLICANT FOR A SUPPLIER'S LICENSE TO SUPPLY SLOT
10 MACHINES USED IN A MULTISTATE WIDE-AREA PROGRESSIVE SYSTEMS,
11 SKILL OR HYBRID SLOT MACHINES OR ASSOCIATED EQUIPMENT,
12 INTERACTIVE GAMING DEVICES OR ASSOCIATED EQUIPMENT OR CASINO
13 SIMULCASTING EQUIPMENT OR TECHNOLOGY SHALL BE SUBJECT TO THE
14 APPLICABLE PROVISIONS OF THIS PART.

15 * * *

16 § 1317.1. MANUFACTURER LICENSES.

17 (A) APPLICATION.--A PERSON SEEKING TO MANUFACTURE SLOT
18 MACHINES, TABLE GAME DEVICES AND ASSOCIATED EQUIPMENT,
19 INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT OR CASINO
20 SIMULCASTING TECHNOLOGY OR EQUIPMENT FOR USE IN THIS
21 COMMONWEALTH SHALL APPLY TO THE BOARD FOR A MANUFACTURER
22 LICENSE.

23 (B) REQUIREMENTS.--AN APPLICATION FOR A MANUFACTURER LICENSE
24 SHALL BE ON THE FORM REQUIRED BY THE BOARD, ACCOMPANIED BY THE
25 APPLICATION FEE, AND SHALL INCLUDE ALL OF THE FOLLOWING:

26 (1) THE NAME AND BUSINESS ADDRESS OF THE APPLICANT AND
27 THE APPLICANT'S AFFILIATES, INTERMEDIARIES, SUBSIDIARIES AND
28 HOLDING COMPANIES; THE PRINCIPALS AND KEY EMPLOYEES OF EACH
29 BUSINESS; AND A LIST OF EMPLOYEES AND THEIR POSITIONS WITHIN
30 EACH BUSINESS, AS WELL AS ANY FINANCIAL INFORMATION REQUIRED

1 BY THE BOARD.

2 (2) A STATEMENT THAT THE APPLICANT AND EACH AFFILIATE,
3 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF THE APPLICANT
4 ARE NOT SLOT MACHINE LICENSEES.

5 (3) THE CONSENT TO A BACKGROUND INVESTIGATION OF THE
6 APPLICANT, ITS PRINCIPALS AND KEY EMPLOYEES OR OTHER PERSONS
7 REQUIRED BY THE BOARD AND A RELEASE TO OBTAIN ANY AND ALL
8 INFORMATION NECESSARY FOR THE COMPLETION OF THE BACKGROUND
9 INVESTIGATION.

10 (4) THE DETAILS OF ANY EQUIVALENT LICENSE GRANTED OR
11 DENIED BY OTHER JURISDICTIONS WHERE GAMING ACTIVITIES AS
12 AUTHORIZED BY THIS PART ARE PERMITTED AND CONSENT FOR THE
13 BOARD TO ACQUIRE COPIES OF APPLICATIONS SUBMITTED OR LICENSES
14 ISSUED IN CONNECTION THEREWITH.

15 (5) THE TYPE OF SLOT MACHINES, TABLE GAME DEVICES OR
16 ASSOCIATED EQUIPMENT, INTERACTIVE GAMING DEVICES OR
17 ASSOCIATED EQUIPMENT OR CASINO SIMULCASTING TECHNOLOGY OR
18 EQUIPMENT TO BE MANUFACTURED OR REPAIRED.

19 (6) ANY OTHER INFORMATION DETERMINED BY THE BOARD TO BE
20 APPROPRIATE.

21 (C) REVIEW AND APPROVAL.--UPON BEING SATISFIED THAT THE
22 REQUIREMENTS OF SUBSECTION (B) HAVE BEEN MET, THE BOARD MAY
23 APPROVE THE APPLICATION AND GRANT THE APPLICANT A MANUFACTURER
24 LICENSE CONSISTENT WITH ALL OF THE FOLLOWING:

25 (1) THE [INITIAL LICENSE SHALL BE FOR A PERIOD OF ONE
26 YEAR, AND, IF RENEWED UNDER SUBSECTION (D), THE] LICENSE
27 SHALL BE ISSUED FOR A PERIOD OF [THREE] FIVE YEARS AND SHALL
28 BE RENEWED IN ACCORDANCE WITH SUBSECTION (D). NOTHING IN THIS
29 PARAGRAPH SHALL RELIEVE THE LICENSEE OF THE AFFIRMATIVE DUTY
30 TO NOTIFY THE BOARD OF ANY CHANGES RELATING TO THE STATUS OF

1 ITS LICENSE OR TO ANY OTHER INFORMATION CONTAINED IN
2 APPLICATION MATERIALS ON FILE WITH THE BOARD.

3 (2) THE LICENSE SHALL BE NONTRANSFERABLE.

4 (3) ANY OTHER CONDITION ESTABLISHED BY THE BOARD.

5 (C.1) ABBREVIATED PROCESS.--IN THE EVENT AN APPLICANT FOR A
6 MANUFACTURER LICENSE TO MANUFACTURE TABLE GAME DEVICES OR
7 ASSOCIATED EQUIPMENT USED IN CONNECTION WITH TABLE GAMES IS
8 LICENSED BY THE BOARD UNDER THIS SECTION TO MANUFACTURE SLOT
9 MACHINES OR ASSOCIATED EQUIPMENT USED IN CONNECTION WITH SLOT
10 MACHINES, THE BOARD MAY DETERMINE TO USE AN ABBREVIATED PROCESS
11 REQUIRING ONLY THAT INFORMATION DETERMINED BY THE BOARD TO BE
12 NECESSARY TO CONSIDER THE ISSUANCE OF A LICENSE TO MANUFACTURE
13 TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT USED IN CONNECTION
14 WITH TABLE GAMES, INCLUDING FINANCIAL VIABILITY OF THE
15 APPLICANT. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO WAIVE
16 ANY FEES ASSOCIATED WITH OBTAINING A LICENSE, CERTIFICATE OR
17 PERMIT THROUGH THE NORMAL APPLICATION PROCESS. THE BOARD MAY
18 ONLY USE THE ABBREVIATED PROCESS IF ALL OF THE FOLLOWING APPLY:

19 (1) THE MANUFACTURER LICENSE WAS ISSUED BY THE BOARD
20 WITHIN A 36-MONTH PERIOD IMMEDIATELY PRECEDING THE DATE THE
21 MANUFACTURER LICENSEE FILES AN APPLICATION TO MANUFACTURE
22 TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT.

23 (2) THE PERSON TO WHOM THE MANUFACTURER LICENSE WAS
24 ISSUED AFFIRMS THERE HAS BEEN NO MATERIAL CHANGE IN
25 CIRCUMSTANCES RELATING TO THE LICENSE.

26 (3) THE BOARD DETERMINES, IN ITS SOLE DISCRETION, THAT
27 THERE HAS BEEN NO MATERIAL CHANGE IN CIRCUMSTANCES RELATING
28 TO THE LICENSEE THAT NECESSITATES THAT THE ABBREVIATED
29 PROCESS NOT BE USED.

30 (C.2) ABBREVIATED PROCESS FOR MANUFACTURER.--

1 (1) NOTWITHSTANDING SUBSECTION (C.1)(1) OR ANY
2 REGULATIONS OF THE BOARD TO THE CONTRARY, THE BOARD MAY
3 EXTEND THE USE OF THE ABBREVIATED PROCESS AUTHORIZED UNDER
4 SUBSECTION (C.1) TO AN APPLICANT FOR A MANUFACTURER LICENSE
5 TO MANUFACTURE MULTISTATE WIDE-AREA PROGRESSIVE SLOT
6 MACHINES, SKILL SLOT MACHINES, HYBRID SLOT MACHINES OR
7 ASSOCIATED EQUIPMENT USED IN CONNECTION WITH MULTISTATE WIDE-
8 AREA PROGRESSIVE SLOT MACHINES, SKILL OR HYBRID SLOT
9 MACHINES, INTERACTIVE GAMING DEVICES OR ASSOCIATED EQUIPMENT
10 USED IN CONNECTION WITH INTERACTIVE GAMING OR CASINO
11 SIMULCASTING EQUIPMENT AND TECHNOLOGY USED TO CONDUCT CASINO
12 SIMULCASTING, IF THE APPLICANT HOLDS A VALID MANUFACTURER
13 LICENSE ISSUED BY THE BOARD TO MANUFACTURER SLOT MACHINES OR
14 ASSOCIATED EQUIPMENT OR TABLE GAMES OR TABLE GAME DEVICES OR
15 ASSOCIATED EQUIPMENT. THE REQUIREMENTS OF SUBSECTION (C.1)
16 (2) AND (3) SHALL APPLY TO THIS SUBSECTION.

17 (2) AN APPLICANT FOR A MANUFACTURER LICENSE TO
18 MANUFACTURE SLOT MACHINES USED IN A MULTISTATE WIDE-AREA
19 PROGRESSIVE SYSTEM, SKILL OR HYBRID SLOT MACHINES OR
20 ASSOCIATED EQUIPMENT, INTERACTIVE GAMING DEVICES OR
21 ASSOCIATED EQUIPMENT OR CASINO SIMULCASTING EQUIPMENT OR
22 TECHNOLOGY SHALL BE SUBJECT TO THE APPLICABLE PROVISIONS OF
23 THIS PART.

24 * * *

25 (D.1) AUTHORITY.--THE FOLLOWING SHALL APPLY TO A LICENSED
26 MANUFACTURER:

27 (1) A MANUFACTURER OR ITS DESIGNEE, AS LICENSED BY THE
28 BOARD, MAY SUPPLY OR REPAIR ANY SLOT MACHINE, TABLE GAME
29 DEVICE OR ASSOCIATED EQUIPMENT, INTERACTIVE GAMING DEVICE OR
30 ASSOCIATED EQUIPMENT OR CASINO SIMULCASTING TECHNOLOGY OR

1 EQUIPMENT MANUFACTURED BY THE MANUFACTURER, PROVIDED THE
2 MANUFACTURER HOLDS THE APPROPRIATE MANUFACTURER LICENSE.

3 (2) A MANUFACTURER OF SLOT MACHINES MAY CONTRACT WITH A
4 SUPPLIER UNDER SECTION 1317 (RELATING TO SUPPLIER LICENSES)
5 TO PROVIDE SLOT MACHINES OR ASSOCIATED EQUIPMENT TO A SLOT
6 MACHINE LICENSEE WITHIN THIS COMMONWEALTH, PROVIDED THE
7 SUPPLIER IS LICENSED TO SUPPLY SLOT MACHINES OR ASSOCIATED
8 EQUIPMENT USED IN CONNECTION WITH SLOT MACHINES.

9 (3) A MANUFACTURER MAY CONTRACT WITH A SUPPLIER UNDER
10 SECTION 1317 TO PROVIDE TABLE GAME DEVICES OR ASSOCIATED
11 EQUIPMENT TO A CERTIFICATE HOLDER, PROVIDED THE SUPPLIER IS
12 LICENSED TO SUPPLY TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT
13 USED IN CONNECTION WITH TABLE GAMES.

14 (4) A MANUFACTURER MAY CONTRACT WITH A SUPPLIER UNDER
15 SECTION 1317 TO PROVIDE SLOT MACHINES USED IN A MULTISTATE
16 WIDE-AREA PROGRESSIVE SYSTEM, SKILL OR HYBRID SLOT MACHINES
17 OR ASSOCIATED EQUIPMENT, INTERACTIVE GAMING DEVICES OR
18 ASSOCIATED EQUIPMENT TO A SLOT MACHINE LICENSEE, PROVIDED
19 THAT THE MANUFACTURER IS LICENSED TO MANUFACTURE SLOT
20 MACHINES USED IN A MULTISTATE WIDE-AREA PROGRESSIVE SLOT
21 MACHINE SYSTEM, SKILL OR HYBRID SLOT MACHINES OR ASSOCIATED
22 EQUIPMENT, INTERACTIVE GAMING DEVICES OR ASSOCIATED EQUIPMENT
23 USED IN CONNECTION WITH INTERACTIVE GAMES OR CASINO
24 SIMULCASTING TECHNOLOGY OR EQUIPMENT USED TO CONDUCT CASINO
25 SIMULCASTING.

26 (E) PROHIBITIONS.--

27 (1) NO PERSON MAY MANUFACTURE SLOT MACHINES, TABLE GAME
28 DEVICES OR ASSOCIATED EQUIPMENT, INTERACTIVE GAMING DEVICES
29 OR ASSOCIATED EQUIPMENT OR CASINO SIMULCASTING TECHNOLOGY OR
30 EQUIPMENT FOR USE WITHIN THIS COMMONWEALTH BY A SLOT MACHINE

1 LICENSEE UNLESS THE PERSON HAS BEEN ISSUED THE APPROPRIATE
2 MANUFACTURER LICENSE UNDER THIS SECTION.

3 (2) EXCEPT AS PERMITTED IN SECTION 13A23.1 (RELATING TO
4 TRAINING EQUIPMENT), NO SLOT MACHINE LICENSEE MAY USE SLOT
5 MACHINES, TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT,
6 AUTHORIZED INTERACTIVE GAMES OR INTERACTIVE GAMING DEVICES OR
7 ASSOCIATED EQUIPMENT OR CASINO SIMULCASTING TECHNOLOGY OR
8 EQUIPMENT UNLESS THE SLOT MACHINES, TABLE GAME DEVICES OR
9 ASSOCIATED EQUIPMENT, INTERACTIVE GAMES, INTERACTIVE GAMING
10 DEVICES OR ASSOCIATED EQUIPMENT OR CASINO SIMULCASTING
11 TECHNOLOGY OR EQUIPMENT WERE MANUFACTURED BY A PERSON THAT
12 HAS BEEN ISSUED THE APPROPRIATE MANUFACTURER LICENSE UNDER
13 THIS SECTION.

14 (3) NO PERSON ISSUED A LICENSE UNDER THIS SECTION SHALL
15 APPLY FOR OR BE ISSUED A LICENSE UNDER SECTION 1317.

16 (4) NO LIMITATION SHALL BE PLACED ON THE NUMBER OF
17 MANUFACTURER LICENSES ISSUED OR THE TIME PERIOD TO SUBMIT
18 APPLICATIONS FOR LICENSURE, EXCEPT AS REQUIRED TO COMPLY WITH
19 SECTION 1306 (RELATING TO ORDER OF INITIAL LICENSE ISSUANCE).
20 § 1320. SLOT MACHINE TESTING AND CERTIFICATION STANDARDS.

21 (A) USE OF OTHER STATE STANDARDS.--[UNTIL SUCH TIME AS THE
22 BOARD ESTABLISHES AN INDEPENDENT TESTING AND CERTIFICATION
23 FACILITY PURSUANT TO SUBSECTION (B), THE] THE BOARD MAY
24 DETERMINE, AT ITS DISCRETION, WHETHER THE SLOT MACHINE TESTING
25 AND CERTIFICATION STANDARDS OF ANOTHER JURISDICTION WITHIN THE
26 UNITED STATES IN WHICH AN APPLICANT FOR A MANUFACTURER LICENSE
27 IS LICENSED ARE COMPREHENSIVE AND THOROUGH AND PROVIDE SIMILAR
28 ADEQUATE SAFEGUARDS AS THOSE REQUIRED BY THIS PART. IF THE BOARD
29 MAKES THAT DETERMINATION, IT MAY PERMIT A MANUFACTURER THROUGH A
30 LICENSED SUPPLIER AS PROVIDED IN SECTION 1317 (RELATING TO

1 SUPPLIER [AND MANUFACTURER LICENSES APPLICATION] LICENSES) TO
2 DEPLOY THOSE SLOT MACHINES WHICH HAVE MET THE SLOT MACHINE
3 TESTING AND CERTIFICATION STANDARDS IN SUCH OTHER JURISDICTIONS
4 WITHOUT UNDERGOING THE FULL TESTING AND CERTIFICATION PROCESS BY
5 A BOARD-ESTABLISHED INDEPENDENT FACILITY. IN THE EVENT SLOT
6 MACHINES OF AN APPLICANT FOR A MANUFACTURER LICENSE ARE LICENSED
7 IN SUCH OTHER JURISDICTION, THE BOARD MAY DETERMINE TO USE AN
8 ABBREVIATED PROCESS REQUIRING ONLY THAT INFORMATION DETERMINED
9 BY THE BOARD TO BE NECESSARY TO CONSIDER THE ISSUANCE OF A SLOT
10 MACHINE CERTIFICATION TO SUCH AN APPLICANT. [ALTERNATIVELY, THE
11 BOARD IN ITS DISCRETION MAY ALSO RELY UPON THE CERTIFICATION OF
12 A SLOT MACHINE THAT HAS MET THE TESTING AND CERTIFICATION
13 STANDARDS OF A BOARD-APPROVED PRIVATE TESTING AND CERTIFICATION
14 FACILITY UNTIL SUCH TIME AS THE BOARD ESTABLISHES AN INDEPENDENT
15 TESTING AND CERTIFICATION FACILITY PURSUANT TO SUBSECTION (B).
16 NOTHING IN THIS SECTION SHALL BE CONSTRUED TO WAIVE ANY FEES
17 ASSOCIATED WITH OBTAINING A LICENSE THROUGH THE NORMAL
18 APPLICATION PROCESS.]

19 * * *

20 (B.1) USE OF PRIVATE TESTING AND CERTIFICATION FACILITIES.--
21 NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS PART OR REGULATION
22 OF THE BOARD, IF A SLOT MACHINE IS TESTED AND CERTIFIED BY A
23 PRIVATE TESTING AND CERTIFICATION FACILITY REGISTERED WITH THE
24 BOARD, THE BOARD SHALL USE AN ABBREVIATED CERTIFICATION PROCESS
25 REQUIRING ONLY THAT INFORMATION DETERMINED BY IT TO BE NECESSARY
26 TO CONSIDER THE ISSUANCE OF A SLOT MACHINE CERTIFICATION UNDER
27 THIS SECTION. WITHIN ONE YEAR OF THE EFFECTIVE DATE OF THIS
28 SUBSECTION, THE BOARD SHALL PROMULGATE REGULATIONS THAT:

29 (1) PROVIDE FOR THE REGISTRATION OF PRIVATE TESTING AND
30 CERTIFICATION FACILITIES. PERSONS SEEKING REGISTRATION UNDER

1 THIS SUBSECTION SHALL BE SUBJECT TO SECTION 1202(B) (9)
2 (RELATING TO SPECIFIC POWERS).

3 (2) SPECIFY THE FORM AND CONTENT OF THE APPLICATION FOR
4 REGISTRATION.

5 (3) ESTABLISH AND COLLECT AN APPLICATION FEE FOR PERSONS
6 SEEKING REGISTRATION. THE APPLICATION FEE SHALL INCLUDE THE
7 COSTS OF ALL BACKGROUND INVESTIGATIONS AS DETERMINED
8 NECESSARY AND APPROPRIATE BY THE BOARD.

9 (4) ESTABLISH UNIFORM PROCEDURES AND STANDARDS WHICH
10 PRIVATE TESTING AND CERTIFICATION FACILITIES MUST COMPLY WITH
11 DURING THE TESTING AND CERTIFICATION OF SLOT MACHINES.

12 (5) UTILIZE INFORMATION PROVIDED BY PRIVATE TESTING AND
13 CERTIFICATION FACILITIES FOR THE ABBREVIATED CERTIFICATION OF
14 SLOT MACHINES.

15 (6) ESTABLISH AN ABBREVIATED CERTIFICATION PROCESS THAT
16 MAY BE USED BY REGISTERED PRIVATE TESTING AND CERTIFICATION
17 FACILITIES TO TEST AND CERTIFY SLOT MACHINES.

18 (7) ESTABLISH FEES THAT MUST BE PAID BY LICENSED
19 MANUFACTURERS.

20 (8) REQUIRE SLOT MACHINES SUBMITTED FOR ABBREVIATED
21 CERTIFICATION TO BE APPROVED OR DENIED BY THE BOARD WITHIN 30
22 DAYS FROM THE DATE OF SUBMISSION TO THE BOARD. IF THE BOARD
23 FAILS TO ACT WITHIN THE 30-DAY PERIOD, THE ABBREVIATED
24 CERTIFICATION SHALL BE DEEMED CONDITIONALLY APPROVED.

25 (9) PROVIDE PROCEDURES AND STANDARDS FOR THE SUSPENSION
26 AND REVOCATION OF THE REGISTRATION OF A PRIVATE TESTING AND
27 CERTIFICATION FACILITY AND THE REINSTATEMENT OF A SUSPENDED
28 OR REVOKED REGISTRATION, AS DETERMINED APPROPRIATE BY THE
29 BOARD.

30 * * *

1 SECTION 10.2. SECTIONS 1326(A) AND (B), 13A11(B), 13A22.1(C)
2 AND 13A27(C) OF TITLE 4 ARE AMENDED TO READ:

3 § 1326. [LICENSE RENEWALS] RENEWALS.

4 (A) RENEWAL.--ALL PERMITS [AND], LICENSES, REGISTRATIONS OR
5 CERTIFICATES ISSUED UNDER THIS PART UNLESS OTHERWISE PROVIDED
6 SHALL BE SUBJECT TO RENEWAL EVERY [THREE] FIVE YEARS. NOTHING IN
7 THIS SUBSECTION SHALL RELIEVE A LICENSEE OF THE AFFIRMATIVE DUTY
8 TO NOTIFY THE BOARD OF ANY CHANGES RELATING TO THE STATUS OF ITS
9 LICENSE OR TO ANY OTHER INFORMATION CONTAINED IN THE APPLICATION
10 MATERIALS ON FILE WITH THE BOARD. THE APPLICATION FOR RENEWAL
11 SHALL BE SUBMITTED AT LEAST [60] 180 DAYS PRIOR TO THE
12 EXPIRATION OF THE PERMIT [OR], LICENSE, REGISTRATION OR
13 CERTIFICATE AND SHALL INCLUDE AN UPDATE OF THE INFORMATION
14 CONTAINED IN THE INITIAL AND ANY PRIOR RENEWAL APPLICATIONS AND
15 THE PAYMENT OF ANY RENEWAL FEE REQUIRED BY THIS PART. UNLESS
16 OTHERWISE SPECIFICALLY PROVIDED IN THIS PART, THE AMOUNT OF ANY
17 RENEWAL FEE SHALL BE CALCULATED BY THE BOARD TO REFLECT THE
18 LONGER RENEWAL PERIOD. A PERMIT [OR], LICENSE, REGISTRATION OR
19 CERTIFICATE FOR WHICH A COMPLETED RENEWAL APPLICATION AND FEE,
20 IF REQUIRED, HAS BEEN RECEIVED BY THE BOARD WILL CONTINUE IN
21 EFFECT UNLESS AND UNTIL THE BOARD SENDS WRITTEN NOTIFICATION TO
22 THE HOLDER OF THE PERMIT [OR], LICENSE, REGISTRATION OR
23 CERTIFICATE THAT THE BOARD HAS DENIED THE RENEWAL OF SUCH PERMIT
24 [OR], LICENSE, REGISTRATION OR CERTIFICATE.

25 (B) REVOCATION OR FAILURE TO RENEW.--IN ADDITION TO ANY
26 OTHER SANCTIONS THE BOARD MAY IMPOSE UNDER THIS PART, THE BOARD
27 MAY AT ITS DISCRETION SUSPEND, REVOKE OR DENY RENEWAL OF ANY
28 PERMIT [OR], LICENSE, REGISTRATION OR CERTIFICATE ISSUED UNDER
29 THIS PART IF IT RECEIVES ANY INFORMATION FROM ANY SOURCE THAT
30 THE APPLICANT OR ANY OF ITS OFFICERS, DIRECTORS, OWNERS OR KEY

1 EMPLOYEES IS IN VIOLATION OF ANY PROVISION OF THIS PART, THAT
2 THE APPLICANT HAS FURNISHED THE BOARD WITH FALSE OR MISLEADING
3 INFORMATION OR THAT THE INFORMATION CONTAINED IN THE APPLICANT'S
4 INITIAL APPLICATION OR ANY RENEWAL APPLICATION IS NO LONGER TRUE
5 AND CORRECT. IN THE EVENT OF A REVOCATION OR FAILURE TO RENEW,
6 THE APPLICANT'S AUTHORIZATION TO CONDUCT THE PREVIOUSLY APPROVED
7 ACTIVITY SHALL IMMEDIATELY CEASE, AND ALL FEES PAID IN
8 CONNECTION THEREWITH SHALL BE DEEMED TO BE FORFEITED. IN THE
9 EVENT OF A SUSPENSION, THE APPLICANT'S AUTHORIZATION TO CONDUCT
10 THE PREVIOUSLY APPROVED ACTIVITY SHALL IMMEDIATELY CEASE UNTIL
11 THE BOARD HAS NOTIFIED THE APPLICANT THAT THE SUSPENSION IS NO
12 LONGER IN EFFECT.

13 § 13A11. AUTHORIZATION TO CONDUCT TABLE GAMES.

14 * * *

15 (B) NUMBER OF AUTHORIZED GAMING TABLES.--

16 (1) A CATEGORY 1 AND CATEGORY 2 SLOT MACHINE LICENSEE
17 AWARDED A TABLE GAME OPERATION CERTIFICATE MAY OPERATE UP TO
18 250 GAMING TABLES AT ANY ONE TIME AT ITS LICENSED FACILITY.
19 NO MORE THAN 30% OF THESE GAMING TABLES MAY BE USED TO PLAY
20 NONBANKING GAMES AT ANY ONE TIME. SIX MONTHS FOLLOWING THE
21 DATE OF COMMENCEMENT OF TABLE GAME OPERATIONS, THE BOARD MAY
22 PERMIT A CATEGORY 1 OR CATEGORY 2 CERTIFICATE HOLDER TO
23 INCREASE THE NUMBER OF GAMING TABLES ABOVE THE NUMBER
24 AUTHORIZED UNDER THIS PARAGRAPH. THE CERTIFICATE HOLDER SHALL
25 PETITION THE BOARD FOR THE INCREASE AT ITS LICENSED FACILITY.
26 THE BOARD, IN CONSIDERING THE PETITION, SHALL TAKE INTO
27 ACCOUNT THE APPROPRIATENESS OF THE PHYSICAL SPACE WHERE THE
28 GAMING TABLES WILL BE LOCATED AND THE CONVENIENCE OF THE
29 PUBLIC ATTENDING THE FACILITY. THE BOARD MAY ALSO TAKE INTO
30 ACCOUNT THE POTENTIAL BENEFIT TO THE COMMONWEALTH.

1 (2) A CATEGORY 3 SLOT MACHINE LICENSEE AWARDED A TABLE
2 GAME OPERATION CERTIFICATE MAY OPERATE UP TO 50 GAMING TABLES
3 AT ANY ONE TIME AT ITS LICENSED FACILITY. [NO MORE THAN 30%
4 OF THESE GAMING TABLES MAY BE USED TO PLAY NONBANKING GAMES
5 AT ANY ONE TIME.]

6 (2.1) A CATEGORY 3 SLOT MACHINE LICENSEE AWARDED A TABLE
7 GAME OPERATION CERTIFICATE MAY PETITION THE BOARD FOR
8 ADDITIONAL TABLE GAMES AT ITS LICENSED FACILITY. THE BOARD
9 MAY AUTHORIZE UP TO 15 ADDITIONAL GAMING TABLES. THE
10 ADDITIONAL TABLES SHALL BE USED TO PLAY NONBANKING GAMES. THE
11 BOARD, IN CONSIDERING THE PETITION, SHALL TAKE INTO ACCOUNT
12 THE APPROPRIATENESS OF THE PHYSICAL SPACE WHERE THE GAMING
13 TABLES WILL BE LOCATED AND THE CONVENIENCE OF THE PUBLIC
14 ATTENDING THE FACILITY. THE BOARD MAY ALSO TAKE INTO ACCOUNT
15 THE POTENTIAL BENEFIT TO THE COMMONWEALTH.

16 (3) NONBANKING GAMING TABLES SHALL SEAT A MAXIMUM OF TEN
17 PLAYERS.

18 § 13A22.1. TABLE GAME TOURNAMENTS.

19 * * *

20 (C) EXEMPTIONS AND ADDITIONAL TABLES.--THE FOLLOWING SHALL
21 APPLY:

22 (1) FOR A CATEGORY 1 OR CATEGORY 2 LICENSED FACILITY,
23 GAMING TABLES USED IN TOURNAMENTS SHALL BE EXEMPT FROM
24 SECTION 13A11 (B) (1) (RELATING TO AUTHORIZATION TO CONDUCT
25 TABLE GAMES) AND SHALL NOT BE USED IN ANY CALCULATION OF THE
26 TOTAL NUMBER OF GAMING TABLES AUTHORIZED IN THE TABLE GAME
27 AUTHORIZATION CERTIFICATE.

28 (2) FOR A CATEGORY 3 LICENSED FACILITY, THE EXECUTIVE
29 DIRECTOR MAY AUTHORIZE THE LICENSED FACILITY TO OPERATE UP TO
30 15 ADDITIONAL GAMING TABLES FOR USE IN TOURNAMENTS. [THE

1 EXECUTIVE DIRECTOR MAY GRANT THE USE OF THE ADDITIONAL GAMING
2 TABLES FOR TOURNAMENTS AUTHORIZED UNDER THIS PARAGRAPH ONLY
3 ONE DAY PER MONTH.] ADDITIONAL TABLES FOR USE IN TOURNAMENTS
4 SHALL BE EXEMPT FROM SECTION 13A11(B)(2) (RELATING TO
5 AUTHORIZATION TO CONDUCT TABLE GAMES) AND SHALL NOT BE USED
6 IN ANY CALCULATION OF THE TOTAL NUMBER OF GAMING TABLES
7 AUTHORIZED IN THE TABLE GAME AUTHORIZATION CERTIFICATE. THE
8 EXECUTIVE DIRECTOR MAY GRANT THE USE OF ADDITIONAL GAMING
9 TABLES ON THE DATES AND TIMES LISTED IN THE PROPOSED SCHEDULE
10 OF TOURNAMENTS SUBMITTED BY THE CATEGORY 3 SLOT MACHINE
11 LICENSEE IN ACCORDANCE WITH SUBSECTION (B).

12 * * *

13 § 13A27. OTHER FINANCIAL TRANSACTIONS.

14 * * *

15 (C) CREDIT APPLICATION VERIFICATION.---PRIOR TO APPROVING AN
16 APPLICATION FOR CREDIT, A CERTIFICATE HOLDER SHALL VERIFY:

17 (1) THE IDENTITY, CREDITWORTHINESS AND INDEBTEDNESS
18 INFORMATION OF THE APPLICANT BY CONDUCTING A COMPREHENSIVE
19 REVIEW OF THE INFORMATION SUBMITTED WITH THE APPLICATION AND
20 ANY INFORMATION REGARDING THE APPLICANT'S CREDIT ACTIVITY AT
21 OTHER LICENSED FACILITIES WHICH THE CERTIFICATE HOLDER MAY
22 OBTAIN THROUGH A CASINO CREDIT BUREAU AND, IF APPROPRIATE,
23 THROUGH DIRECT CONTACT WITH OTHER SLOT MACHINE LICENSEES.

24 (2) THAT THE APPLICANT'S NAME IS NOT INCLUDED ON AN
25 EXCLUSION LIST UNDER SECTION 1514 (RELATING TO REGULATION
26 REQUIRING EXCLUSION [OR] EJECTION OR DENIAL OF ACCESS OF
27 CERTAIN PERSONS) OR 1516 (RELATING TO LIST OF PERSONS SELF
28 EXCLUDED FROM GAMING ACTIVITIES) OR THE VOLUNTARY CREDIT
29 SUSPENSION LIST UNDER SUBSECTION (H).

30 * * *

1 SECTION 10.3. SECTION 13A41 OF TITLE 4 IS AMENDED BY ADDING
2 A SUBSECTION TO READ:

3 § 13A41. TABLE GAME DEVICE AND ASSOCIATED EQUIPMENT TESTING AND
4 CERTIFICATION STANDARDS.

5 * * *

6 (B.1) USE OF PRIVATE TESTING AND CERTIFICATION FACILITIES.--
7 NOTWITHSTANDING ANY PROVISION OF THIS PART OR REGULATION OF THE
8 BOARD, IF A TABLE GAME DEVICE OR ASSOCIATED EQUIPMENT IS TESTED
9 AND CERTIFIED BY A PRIVATE TESTING AND CERTIFICATION FACILITY
10 REGISTERED WITH THE BOARD, THE BOARD SHALL USE AN ABBREVIATED
11 CERTIFICATION PROCESS REQUIRING ONLY THAT INFORMATION DETERMINED
12 BY IT TO BE NECESSARY TO CONSIDER THE ISSUANCE OF A TABLE GAME
13 DEVICE OR ASSOCIATED EQUIPMENT CERTIFICATION UNDER THIS SECTION.
14 WITHIN ONE YEAR OF THE EFFECTIVE DATE OF THIS SUBSECTION, THE
15 BOARD SHALL PROMULGATE REGULATIONS THAT:

16 (1) PROVIDE FOR THE REGISTRATION OF PRIVATE TESTING AND
17 CERTIFICATION FACILITIES. PERSONS SEEKING REGISTRATION UNDER
18 THIS SUBSECTION SHALL BE SUBJECT TO SECTION 1202 (B) (9)
19 (RELATING TO SPECIFIC POWERS).

20 (2) SPECIFY THE FORM AND CONTENT OF THE APPLICATION FOR
21 REGISTRATION.

22 (3) ESTABLISH AND COLLECT AN APPLICATION FEE FOR PERSONS
23 SEEKING REGISTRATION. THE APPLICATION FEE SHALL INCLUDE THE
24 COSTS OF ALL BACKGROUND INVESTIGATIONS AS DETERMINED
25 NECESSARY AND APPROPRIATE BY THE BOARD.

26 (4) ESTABLISH UNIFORM PROCEDURES AND STANDARDS WHICH
27 PRIVATE TESTING AND CERTIFICATION FACILITIES MUST COMPLY WITH
28 DURING THE TESTING AND CERTIFICATION OF TABLE GAME DEVICES
29 AND ASSOCIATED EQUIPMENT.

30 (5) UTILIZE INFORMATION PROVIDED BY PRIVATE TESTING AND

1 CERTIFICATION FACILITIES FOR THE ABBREVIATED CERTIFICATION OF
2 TABLE GAME DEVICES AND ASSOCIATED EQUIPMENT.

3 (6) ESTABLISH AN ABBREVIATED CERTIFICATION PROCESS THAT
4 MAY BE USED BY REGISTERED PRIVATE TESTING AND CERTIFICATION
5 FACILITIES TO TEST AND CERTIFY TABLE GAME DEVICES AND
6 ASSOCIATED EQUIPMENT.

7 (7) ESTABLISH FEES THAT MUST BE PAID BY A LICENSED
8 MANUFACTURER.

9 (8) REQUIRE TABLE GAME DEVICES AND ASSOCIATED EQUIPMENT
10 SUBMITTED FOR ABBREVIATED CERTIFICATION TO BE APPROVED OR
11 DENIED BY THE BOARD WITHIN 30 DAYS FROM THE DATE OF
12 SUBMISSION TO THE BOARD. IF THE BOARD FAILS TO ACT WITHIN THE
13 30-DAY PERIOD, THE ABBREVIATED CERTIFICATION SHALL BE DEEMED
14 CONDITIONALLY APPROVED.

15 (9) PROVIDE PROCEDURES AND STANDARDS FOR THE SUSPENSION
16 AND REVOCATION OF THE REGISTRATION OF A PRIVATE TESTING AND
17 CERTIFICATION FACILITY AND THE REINSTATEMENT OF A SUSPENDED
18 OR REVOKED REGISTRATION.

19 SECTION 10.4. SECTIONS 13A61(A) AND (F) AND 13A63(B)(4) OF
20 TITLE 4 ARE AMENDED TO READ:

21 § 13A61. TABLE GAME AUTHORIZATION FEE.

22 (A) AMOUNT OF AUTHORIZATION FEE.--

23 (1) A CATEGORY 1 OR A CATEGORY 2 SLOT MACHINE LICENSEE
24 THAT SUBMITS A PETITION FOR A TABLE GAME OPERATION
25 CERTIFICATE UNDER SECTION 13A12 (RELATING TO PETITION
26 REQUIREMENTS) ON OR BEFORE JUNE 1, 2010, SHALL PAY A ONE-TIME
27 NONREFUNDABLE AUTHORIZATION FEE IN THE AMOUNT OF \$16,500,000.
28 A CATEGORY 1 OR A CATEGORY 2 SLOT MACHINE LICENSEE THAT
29 SUBMITS A PETITION FOR A TABLE GAME OPERATION CERTIFICATE
30 UNDER SECTION 13A12 AFTER JUNE 1, 2010, SHALL PAY A ONE-TIME

1 NONREFUNDABLE AUTHORIZATION FEE IN THE AMOUNT OF \$24,750,000.

2 (2) A CATEGORY 3 SLOT MACHINE LICENSEE THAT SUBMITS A
3 PETITION FOR A TABLE GAME OPERATION CERTIFICATE UNDER SECTION
4 13A12 ON OR BEFORE JUNE 1, 2010, SHALL PAY A ONE-TIME

5 NONREFUNDABLE AUTHORIZATION FEE IN THE AMOUNT OF \$7,500,000.

6 A CATEGORY 3 SLOT MACHINE LICENSEE THAT SUBMITS A PETITION
7 FOR A TABLE GAME OPERATION CERTIFICATE UNDER SECTION 13A12
8 AFTER JUNE 1, 2010, SHALL PAY A ONE-TIME NONREFUNDABLE
9 AUTHORIZATION FEE IN THE AMOUNT OF \$11,250,000.

10 (3) NOTWITHSTANDING PARAGRAPHS (1) AND (2), THE HOLDER
11 OF A CATEGORY 1 OR CATEGORY 3 SLOT MACHINE LICENSE ISSUED
12 AFTER JUNE 1, 2010, THAT SUBMITS A PETITION FOR A TABLE GAME
13 OPERATION CERTIFICATE SHALL PAY A ONE-TIME NONREFUNDABLE
14 AUTHORIZATION FEE IN THE AMOUNT OF \$16,500,000 OR \$7,500,000,
15 RESPECTIVELY.

16 (3.1) NOTWITHSTANDING PARAGRAPHS (2) AND (3), THE HOLDER
17 OF A CATEGORY 3 SLOT MACHINE LICENSE ISSUED ON OR AFTER
18 JANUARY 1, 2016, THAT SUBMITS A PETITION FOR A TABLE GAME
19 OPERATION CERTIFICATE SHALL PAY A ONE-TIME NONREFUNDABLE
20 AUTHORIZATION FEE IN THE AMOUNT OF \$8,500,000.

21 (3.2) NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART,
22 NO LATER THAN 60 DAYS AFTER THE BOARD APPROVES A REQUEST FOR
23 ADDITIONAL TABLE GAMES IN ACCORDANCE WITH SECTION 13A11
24 (RELATING TO AUTHORIZATION TO CONDUCT TABLE GAMES) SUBMITTED
25 BY THE HOLDER OF A CATEGORY 3 SLOT MACHINE LICENSE ISSUED
26 PRIOR TO JANUARY 1, 2016, THE CATEGORY 3 SLOT MACHINE
27 LICENSEE SHALL PAY A ONE-TIME NONREFUNDABLE FEE IN THE AMOUNT
28 OF \$1,000,000.

29 (4) A TABLE GAME OPERATION CERTIFICATE SHALL NOT BE
30 SUBJECT TO RENEWAL OR PAYMENT OF AN ADDITIONAL AUTHORIZATION

1 FEE.

2 * * *

3 (F) DEPOSIT OF FEES.--NOTWITHSTANDING SECTION 1208 (RELATING
4 TO COLLECTION OF FEES AND FINES), ALL TABLE GAME AUTHORIZATION
5 FEES AND OTHER FEES OR PENALTIES RECEIVED BY THE BOARD UNDER
6 THIS SUBCHAPTER, ALL TABLE GAME DEVICE AND ASSOCIATED EQUIPMENT
7 MANUFACTURER AND SUPPLIER LICENSE FEES, ALL TABLE GAME DEVICE OR
8 ASSOCIATED EQUIPMENT MANUFACTURER AND SUPPLIER RENEWAL FEES AND
9 FEES FOR LICENSES ISSUED UNDER CHAPTER 16 (RELATING TO JUNKETS)
10 SHALL BE DEPOSITED IN THE GENERAL FUND.

11 § 13A63. LOCAL SHARE ASSESSMENT.

12 * * *

13 (B) DISTRIBUTIONS TO COUNTIES.--THE DEPARTMENT SHALL MAKE
14 QUARTERLY DISTRIBUTIONS FROM THE LOCAL SHARE ASSESSMENTS
15 DEPOSITED INTO THE FUND UNDER SUBSECTION (A) TO COUNTIES,
16 INCLUDING HOME RULE COUNTIES, HOSTING A LICENSED FACILITY
17 AUTHORIZED TO CONDUCT TABLE GAMES UNDER THIS CHAPTER IN
18 ACCORDANCE WITH THE FOLLOWING:

19 * * *

20 (4) THE FOLLOWING APPLY:

21 (I) IF THE FACILITY IS A CATEGORY 3 LICENSED
22 FACILITY LOCATED IN A COUNTY OF THE SECOND CLASS A: 50%
23 OF THE LICENSED FACILITY'S LOCAL SHARE ASSESSMENT SHALL
24 BE [DEPOSITED INTO A RESTRICTED RECEIPTS ACCOUNT TO BE
25 ESTABLISHED IN THE COMMONWEALTH FINANCING AUTHORITY TO BE
26 USED EXCLUSIVELY FOR GRANTS OR GUARANTEES FOR PROJECTS IN
27 THE COUNTY THAT QUALIFY UNDER 64 PA.C.S. §§ 1551
28 (RELATING TO BUSINESS IN OUR SITES PROGRAM), 1556
29 (RELATING TO TAX INCREMENT FINANCING GUARANTEE PROGRAM)
30 AND 1558 (RELATING TO WATER SUPPLY AND WASTE WATER

1 INFRASTRUCTURE PROGRAM) .] DISTRIBUTED AS FOLLOWS:

2 (A) SEVENTY-FIVE PERCENT SHALL BE DEPOSITED TO
3 THE COUNTY HOSTING THE LICENSED FACILITY FROM EACH
4 SUCH LICENSED FACILITY FOR THE PURPOSE OF SUPPORTING
5 THE MAINTENANCE AND REFURBISHMENT OF THE PARKS AND
6 HERITAGE SITES THROUGHOUT THE COUNTY IN WHICH THE
7 LICENSEE IS LOCATED.

8 (B) TWELVE AND ONE-HALF PERCENT SHALL BE
9 DEPOSITED TO THE COUNTY HOSTING THE LICENSED FACILITY
10 FROM EACH SUCH LICENSED FACILITY FOR THE PURPOSE OF
11 SUPPORTING A CHILD ADVOCACY CENTER LOCATED WITHIN THE
12 COUNTY IN WHICH THE LICENSEE IS LOCATED.

13 (C) TWELVE AND ONE-HALF PERCENT SHALL BE
14 DEPOSITED TO THE COUNTY HOSTING THE LICENSED FACILITY
15 FROM EACH SUCH LICENSED FACILITY FOR THE PURPOSE OF
16 SUPPORTING AN ORGANIZATION PROVIDING COMPREHENSIVE
17 SUPPORT SERVICES TO VICTIMS OF DOMESTIC VIOLENCE,
18 INCLUDING LEGAL AND MEDICAL AID, SHELTERS,
19 TRANSITIONAL HOUSING AND COUNSELING LOCATED WITHIN
20 THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

21 (II) EXCEPT AS PROVIDED IN SUBPARAGRAPH (I), IF THE
22 FACILITY IS A CATEGORY 3 LICENSED FACILITY IN A COUNTY OF
23 ANY CLASS: 50% OF THE LICENSED FACILITY'S LOCAL SHARE
24 ASSESSMENT SHALL BE ADDED TO THE FUNDS IN THE RESTRICTED
25 RECEIPTS ACCOUNT ESTABLISHED UNDER SECTION 1403(C)(2)(IV)
26 FOR DISTRIBUTION WITH THOSE FUNDS.

27 * * *

28 SECTION 11. TITLE 4 IS AMENDED BY ADDING CHAPTERS TO READ:

29 CHAPTER 13B

30 INTERACTIVE GAMING

1 SUBCHAPTER

2 A. GENERAL PROVISIONS

3 B. INTERACTIVE GAMING AUTHORIZED

4 C. CONDUCT OF INTERACTIVE GAMING

5 D. FACILITIES AND EQUIPMENT

6 E. TESTING AND CERTIFICATION

7 F. TAXES AND FEES

8 G. MISCELLANEOUS PROVISIONS

9 SUBCHAPTER A

10 GENERAL PROVISIONS

11 SEC.

12 13B01. LEGISLATIVE FINDINGS.

13 13B02. REGULATORY AUTHORITY.

14 13B03. TEMPORARY INTERACTIVE GAMING REGULATIONS.

15 § 13B01. LEGISLATIVE FINDINGS.

16 THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

17 (1) THE PRIMARY OBJECTIVE OF THE PENNSYLVANIA RACE HORSE
18 DEVELOPMENT AND GAMING ACT, TO WHICH ALL OTHER OBJECTIVES ARE
19 SECONDARY, IS TO PROTECT THE PUBLIC THROUGH THE REGULATION
20 AND POLICING OF ALL ACTIVITIES INVOLVING GAMING AND PRACTICES
21 THAT CONTINUE TO BE UNLAWFUL.

22 (2) LEGISLATIVE AUTHORIZATION OF SLOT MACHINE GAMING AND
23 THE CONDUCT OF TABLE GAMES IS INTENDED TO ENHANCE LIVE HORSE
24 RACING, BREEDING PROGRAMS, ENTERTAINMENT AND EMPLOYMENT IN
25 THIS COMMONWEALTH.

26 (3) LEGALIZED GAMING IS SEEN AS A MEANS TO PROVIDE A
27 SOURCE OF REVENUE FOR PROPERTY AND WAGE TAX RELIEF, PROMOTE
28 ECONOMIC DEVELOPMENT AND ENHANCE DEVELOPMENT OF TOURISM
29 MARKETS THROUGHOUT THIS COMMONWEALTH.

30 (4) LEGALIZED GAMING IN THE CATEGORY 1, CATEGORY 2 AND

1 CATEGORY 3 LICENSED FACILITIES GEOGRAPHICALLY DISPERSED IN
2 THIS COMMONWEALTH HAS BECOME A CRITICAL COMPONENT OF ECONOMIC
3 DEVELOPMENT AND, IF GAMING ACTIVITIES CONTINUE TO BE PROPERLY
4 REGULATED AND FOSTERED, IT WILL PROVIDE A SUBSTANTIAL
5 CONTRIBUTION TO THE GENERAL HEALTH, WELFARE AND PROSPERITY OF
6 THIS COMMONWEALTH AND ITS CITIZENS.

7 (5) THE GENERAL ASSEMBLY REMAINS COMMITTED TO ENSURING A
8 ROBUST GAMING INDUSTRY IN THIS COMMONWEALTH THAT IS CAPABLE
9 OF COMPETING INTERNATIONALLY, NATIONALLY AND REGIONALLY AT
10 THE HIGHEST LEVELS OF QUALITY WHILE MAINTAINING STRICT
11 REGULATORY OVERSIGHT TO ENSURE THE INTEGRITY OF ALL GAMING
12 OPERATIONS AS SUPERVISED BY THE BOARD.

13 (6) SINCE ITS DEVELOPMENT, THE INTERNET HAS PROVIDED THE
14 OPPORTUNITY FOR MILLIONS OF PEOPLE WORLDWIDE TO ENGAGE IN
15 ONLINE GAMBLING, MOSTLY THROUGH ILLEGAL, UNREGULATED OFF-
16 SHORE GAMBLING OPERATIONS.

17 (7) IN 2006, THE UNITED STATES CONGRESS PASSED AND THE
18 PRESIDENT OF THE UNITED STATES SIGNED THE UNLAWFUL INTERNET
19 GAMBLING ENFORCEMENT ACT OF 2006 (PUBLIC LAW 109-347, 31
20 U.S.C. § 5361 ET SEQ.), WHICH GENERALLY PROHIBITS THE USE OF
21 BANKING INSTRUMENTS, INCLUDING CREDIT CARDS, CHECKS AND MONEY
22 TRANSFERS FOR INTERSTATE INTERNET GAMBLING.

23 (8) ALTHOUGH THE UNLAWFUL INTERNET GAMBLING ENFORCEMENT
24 ACT OF 2006 PROHIBITS INTERSTATE INTERNET GAMBLING BY UNITED
25 STATES CITIZENS, IT INCLUDED AN EXCEPTION THAT PERMITS
26 INDIVIDUAL STATES TO CREATE A REGULATORY FRAMEWORK TO GOVERN
27 INTRASTATE INTERNET OR INTERACTIVE GAMBLING, PROVIDED THAT
28 THE BETS OR WAGERS WOULD BE MADE EXCLUSIVELY WITHIN A SINGLE
29 STATE UNDER CERTAIN CIRCUMSTANCES.

30 (9) INTERACTIVE GAMING IS ILLEGAL IN THIS COMMONWEALTH

1 AND WITHOUT LEGISLATIVE AUTHORIZATION AND STRICT REGULATION,
2 THE PUBLIC'S TRUST AND CONFIDENCE IN LEGALIZED COMMERCIAL
3 GAMING MAY BE IMPACTED.

4 (10) IN THIS COMMONWEALTH, INTERACTIVE GAMING HAS BEEN
5 CONDUCTED WITHOUT OVERSIGHT, REGULATION OR ENFORCEMENT, ALL
6 OF WHICH RAISES SIGNIFICANT CONCERNS FOR THE PROTECTION OF
7 THE HEALTH, WELFARE AND SAFETY OF THE CITIZENS OF THIS
8 COMMONWEALTH.

9 (11) AN EFFECTIVE REGULATORY, LICENSING AND ENFORCEMENT
10 SYSTEM FOR INTERACTIVE GAMING IN THIS COMMONWEALTH WOULD
11 INHIBIT UNDERAGE WAGERING AND OTHERWISE PROTECT VULNERABLE
12 INDIVIDUALS, ENSURE THAT THE GAMES OFFERED THROUGH THE
13 INTERNET ARE FAIR AND SAFE, STOP SENDING MUCH-NEEDED JOBS,
14 TAX AND OTHER REVENUE OFFSHORE TO ILLEGAL OPERATORS, PROVIDE
15 A SIGNIFICANT SOURCE OF TAXABLE REVENUE, CREATE JOBS AND
16 ECONOMIC DEVELOPMENT AND ADDRESS THE CONCERNS OF LAW
17 ENFORCEMENT.

18 (12) BY LEGALIZING INTERACTIVE GAMING AND SUBJECTING IT
19 TO THE REGULATORY OVERSIGHT OF THE PENNSYLVANIA GAMING
20 CONTROL BOARD, THE GENERAL ASSEMBLY IS ASSURING THE CITIZENS
21 OF THIS COMMONWEALTH THAT ONLY THOSE PERSONS LICENSED BY THE
22 BOARD TO CONDUCT SLOT MACHINE GAMING AND TABLE GAMES AND TO
23 OPERATE INTERACTIVE GAMES OR INTERACTIVE GAMING SYSTEMS, IN
24 ACCORDANCE WITH THE REQUIREMENTS OF THIS PART, HAVE BEEN
25 DETERMINED TO BE SUITABLE TO FACILITATE AND CONDUCT
26 INTERACTIVE GAMING ACTIVITIES IN THIS COMMONWEALTH.

27 (13) AN EFFECTIVE REGULATORY, LICENSING AND ENFORCEMENT
28 SYSTEM TO GOVERN INTERACTIVE GAMING IN THIS COMMONWEALTH IS
29 CONSISTENT WITH THE ORIGINAL OBJECTIVES AND INTENT OF THE
30 PENNSYLVANIA RACE HORSE DEVELOPMENT AND GAMING ACT, THEREBY

1 ENSURING THE PUBLIC TRUST AND CONFIDENCE IN THE COMMERCIAL
2 GAMING INDUSTRY IN THIS COMMONWEALTH.

3 (14) THE COMMONWEALTH HAS A LEGITIMATE STATE INTEREST IN
4 PROTECTING THE INTEGRITY OF STATE-AUTHORIZED INTERACTIVE
5 GAMING BY LICENSING THOSE ENTITIES ALREADY ENGAGED IN THE
6 CONDUCT OF GAMING IN THIS COMMONWEALTH, WHICH ARE SUBJECT TO
7 THE SCRUTINY AND DISCIPLINE OF THE BOARD AND OTHER REGULATORY
8 AGENCIES AND WHICH ARE IN GOOD STANDING WITH THOSE AGENCIES.

9 § 13B02. REGULATORY AUTHORITY.

10 (A) AUTHORITY.--THE BOARD SHALL PROMULGATE AND ADOPT RULES
11 AND REGULATIONS TO GOVERN THE CONDUCT OF INTERACTIVE GAMING IN
12 ORDER TO ENSURE THAT IT WILL BE IMPLEMENTED IN A MANNER THAT
13 PROVIDES FOR THE SECURITY AND EFFECTIVE MANAGEMENT,
14 ADMINISTRATION AND CONTROL OF INTERACTIVE GAMING, INCLUDING, BUT
15 NOT LIMITED TO, REGULATIONS:

16 (1) ENSURING THAT INTERACTIVE GAMING IS OFFERED FOR PLAY
17 IN THIS COMMONWEALTH IN A MANNER THAT IS CONSISTENT WITH
18 FEDERAL LAW AND THE PROVISIONS OF THIS CHAPTER.

19 (2) ESTABLISHING STANDARDS AND PROCEDURES FOR TESTING
20 AND APPROVING INTERACTIVE GAMES AND INTERACTIVE GAMING
21 DEVICES AND ASSOCIATED EQUIPMENT, AND ANY VARIATIONS OR
22 COMPOSITES OF AUTHORIZED INTERACTIVE GAMES, PROVIDED THAT THE
23 BOARD DETERMINES THAT THE INTERACTIVE GAMES AND ANY NEW
24 INTERACTIVE GAMES OR ANY VARIATIONS OR COMPOSITES ARE
25 SUITABLE FOR USE AFTER A TEST OR EXPERIMENTAL PERIOD UNDER
26 ANY TERMS AND CONDITIONS AS THE BOARD MAY DEEM APPROPRIATE.
27 THE BOARD MAY GIVE PRIORITY TO THE TESTING OF INTERACTIVE
28 GAMES, INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT OR
29 OTHER GAMING EQUIPMENT WHICH A SLOT MACHINE LICENSEE HAS
30 CERTIFIED THAT IT WILL USE TO CONDUCT INTERACTIVE GAMING IN

1 THIS COMMONWEALTH. NOTHING IN THIS PARAGRAPH SHALL BE
2 CONSTRUED TO PROHIBIT THE BOARD FROM USING THE TESTING AND
3 CERTIFICATION STANDARDS OF ANOTHER STATE OR JURISDICTION IN
4 WHICH INTERACTIVE GAMING IS CONDUCTED, IF IT DETERMINES THAT
5 THE STANDARDS OF THE JURISDICTION ARE COMPREHENSIVE, THOROUGH
6 AND PROVIDE SIMILAR AND ADEQUATE SAFEGUARDS AS THOSE REQUIRED
7 UNDER THIS PART. IF THE BOARD MAKES SUCH A DETERMINATION AND
8 THE APPLICANT FOR AN INTERACTIVE GAMING CERTIFICATE OR AN
9 INTERACTIVE GAMING LICENSE IS LICENSED IN ANOTHER STATE OR
10 JURISDICTION TO OPERATE INTERACTIVE GAMING, IT MAY USE AN
11 ABBREVIATED PROCESS REQUIRING ONLY THE INFORMATION DETERMINED
12 BY IT TO BE NECESSARY TO CONSIDER THE ISSUANCE OF A
13 CERTIFICATION UNDER THIS CHAPTER. THE BOARD, IN ITS
14 DISCRETION, MAY ALSO RELY UPON THE CERTIFICATION OF
15 INTERACTIVE GAMES THAT HAVE MET THE TESTING AND CERTIFICATION
16 STANDARDS OF A BOARD-APPROVED PRIVATE TESTING AND
17 CERTIFICATION FACILITY.

18 (3) ESTABLISHING STANDARDS AND RULES TO GOVERN THE
19 CONDUCT OF INTERACTIVE GAMING AND THE SYSTEM OF AND WAGERING
20 ASSOCIATED WITH INTERACTIVE GAMING, INCLUDING INTERNAL
21 CONTROLS AND ACCOUNTING CONTROLS, AND THE TYPE, NUMBER,
22 PAYOUT, WAGERING LIMITS AND RULES FOR INTERACTIVE GAMES.

23 (4) ESTABLISHING THE METHOD FOR CALCULATING GROSS
24 INTERACTIVE GAMING REVENUE AND STANDARDS FOR THE DAILY
25 COUNTING AND RECORDING OF CASH AND CASH EQUIVALENTS RECEIVED
26 IN THE CONDUCT OF AUTHORIZED INTERACTIVE GAMES AND ENSURE
27 THAT INTERNAL CONTROLS AND ACCOUNTING CONTROLS ARE FOLLOWED,
28 INCLUDING THE MAINTENANCE OF FINANCIAL BOOKS AND RECORDS AND
29 THE CONDUCT OF AUDITS. THE BOARD SHALL CONSULT WITH THE
30 DEPARTMENT IN ESTABLISHING THESE REGULATIONS.

1 (5) ESTABLISHING NOTICE REQUIREMENTS PERTAINING TO
2 MINIMUM AND MAXIMUM WAGERS ON AUTHORIZED INTERACTIVE GAMES.

3 (6) ENSURING THAT ALL FACILITIES AND INTERACTIVE GAMING
4 DEVICES AND ASSOCIATED EQUIPMENT ARE ARRANGED IN A MANNER TO
5 PROMOTE APPROPRIATE SECURITY FOR INTERACTIVE GAMING.

6 (7) ESTABLISHING TECHNICAL STANDARDS FOR THE APPROVAL OF
7 INTERACTIVE GAMES, INTERACTIVE GAMING DEVICES AND ASSOCIATED
8 EQUIPMENT, INCLUDING MECHANICAL, ELECTRICAL OR PROGRAM
9 RELIABILITY, SECURITY AGAINST TAMPERING AND ANY OTHER
10 STANDARDS AS IT MAY DEEM NECESSARY TO PROTECT REGISTERED
11 PLAYERS FROM FRAUD OR DECEPTION.

12 (8) GOVERNING THE CREATION AND UTILIZATION OF
13 INTERACTIVE GAMING ACCOUNTS BY REGISTERED PLAYERS, INCLUDING
14 REQUIRING THAT:

15 (I) INTERACTIVE GAMING ACCOUNTS BE POSSESSED BY A
16 NATURAL PERSON AND NOT IN THE NAME OF ANY BENEFICIARY,
17 CUSTODIAN, JOINT TRUST, CORPORATION, PARTNERSHIP OR OTHER
18 ORGANIZATION OR ENTITY.

19 (II) INTERACTIVE GAMING ACCOUNTS SHALL NOT BE
20 ASSIGNABLE OR OTHERWISE TRANSFERABLE.

21 (III) NO ACCOUNT BE ESTABLISHED FOR AN INDIVIDUAL
22 UNDER 21 YEARS OF AGE.

23 (9) ESTABLISHING PROCEDURES FOR REGISTERED PLAYERS TO
24 LOG INTO THEIR INTERACTIVE GAMING ACCOUNTS, AUTHENTICATE
25 IDENTITIES, AGREE TO TERMS, CONDITIONS AND RULES APPLICABLE
26 TO AUTHORIZED INTERACTIVE GAMES AND LOG OUT OF INTERACTIVE
27 GAMING ACCOUNTS, INCLUDING PROCEDURES FOR AUTOMATICALLY
28 LOGGING OFF REGISTERED PLAYERS FROM AN INTERACTIVE GAME AFTER
29 A SPECIFIED PERIOD OF INACTIVITY.

30 (10) ESTABLISHING PROCEDURES FOR:

1 (I) DEPOSITING FUNDS IN AN INTERACTIVE GAMING
2 ACCOUNT BY CASH, TRANSFER OR OTHER MEANS.

3 (II) THE WITHDRAWAL OF FUNDS FROM INTERACTIVE GAMING
4 ACCOUNTS.

5 (III) THE SUSPENSION OF INTERACTIVE GAMING ACCOUNT
6 ACTIVITY FOR SECURITY REASONS.

7 (IV) THE TERMINATION OF INTERACTIVE GAMING ACCOUNTS
8 AND DISPOSITION OF PROCEEDS IN ACCOUNTS.

9 (V) THE DISPOSITION OF UNCLAIMED AMOUNTS IN DORMANT
10 INTERACTIVE GAMING ACCOUNTS.

11 (11) ESTABLISHING MECHANISMS BY WHICH REGISTERED PLAYERS
12 MAY PLACE LIMITS ON THE AMOUNT OF MONEY BEING WAGERED PER
13 AUTHORIZED INTERACTIVE GAME OR DURING ANY SPECIFIED TIME
14 PERIOD OR THE AMOUNT OF LOSSES INCURRED DURING ANY SPECIFIED
15 TIME PERIOD.

16 (12) ESTABLISHING MECHANISMS TO EXCLUDE FROM INTERACTIVE
17 GAMING PERSONS NOT ELIGIBLE TO PLAY BY REASON OF AGE,
18 IDENTITY OR LOCATION OR INCLUSION ON A LIST OF PERSONS DENIED
19 ACCESS TO INTERACTIVE GAMING ACTIVITIES IN ACCORDANCE WITH
20 SECTIONS 1514 (RELATING TO REGULATION REQUIRING EXCLUSION,
21 EJECTION OR DENIAL OF ACCESS OF CERTAIN PERSONS), 1515
22 (RELATING TO REPEAT OFFENDERS EXCLUDABLE FROM LICENSED GAMING
23 FACILITY) AND 1516 (RELATING TO LIST OF PERSONS SELF EXCLUDED
24 FROM GAMING ACTIVITIES).

25 (13) ESTABLISHING PROCEDURES FOR THE PROTECTION,
26 SECURITY AND RELIABILITY OF INTERACTIVE GAMING ACCOUNTS,
27 AUTHORIZED INTERACTIVE GAMES, INTERACTIVE GAMING DEVICES AND
28 ASSOCIATED EQUIPMENT AND MECHANISMS TO PREVENT TAMPERING OR
29 UTILIZATION BY UNAUTHORIZED PERSONS.

30 (14) ESTABLISHING DATA SECURITY STANDARDS TO GOVERN AGE,

1 IDENTITY AND LOCATION VERIFICATION OF PERSONS ENGAGED IN
2 INTERACTIVE GAMING ACTIVITY.

3 (15) REQUIRING EACH INTERACTIVE GAMING CERTIFICATE
4 HOLDER TO:

5 (I) PROVIDE WRITTEN INFORMATION ON ITS INTERACTIVE
6 GAMING SKIN OR INTERNET WEBSITE, WHICH EXPLAINS THE RULES
7 FOR EACH AUTHORIZED INTERACTIVE GAME, PAYOFFS OR WINNING
8 WAGERS AND OTHER INFORMATION AS THE BOARD MAY REQUIRE.

9 (II) DESIGNATE ONE OR MORE INTERACTIVE GAMING
10 RESTRICTED AREAS WHERE INTERACTIVE GAMING WILL BE
11 MANAGED, ADMINISTERED OR CONTROLLED.

12 (III) PROVIDE THE BOARD WITH ACCESS TO THE
13 INTERACTIVE GAMING SKIN OR WEBSITE, INTERACTIVE GAMING
14 PLATFORM, SIGNAL OR TRANSMISSION USED IN CONNECTION WITH
15 INTERACTIVE GAMING.

16 (IV) ADOPT PROCEDURES FOR THE RECORDATION,
17 REPLICATION AND STORAGE OF ALL PLAY AND TRANSACTIONS FOR
18 A PERIOD TO BE DETERMINED BY THE BOARD.

19 (V) PROVIDE STATEMENTS ON ITS INTERACTIVE GAMING
20 SKIN OR WEBSITE ABOUT THE PERMISSIBLE MINIMUM AND MAXIMUM
21 WAGERS FOR EACH AUTHORIZED INTERACTIVE GAME, AS
22 APPLICABLE.

23 (VI) ADOPT POLICIES OR PROCEDURES TO PROHIBIT ANY
24 UNAUTHORIZED PERSON FROM HAVING ACCESS TO INTERACTIVE
25 GAMING DEVICES AND ASSOCIATED EQUIPMENT, INCLUDING
26 SOFTWARE, SYSTEM PROGRAMS, HARDWARE AND ANY OTHER GAMING
27 EQUIPMENT WHICH IS USED TO MANAGE, ADMINISTER OR CONTROL
28 INTERACTIVE GAMING.

29 (VII) ADOPT DATA SECURITY STANDARDS TO VERIFY THE
30 AGE, IDENTITY AND LOCATION OF PERSONS ENGAGED IN

1 INTERACTIVE GAMING ACTIVITY AND PREVENT UNAUTHORIZED
2 ACCESS BY ANY PERSON WHOSE AGE AND LOCATION HAVE NOT BEEN
3 VERIFIED OR WHOSE AGE AND LOCATION CANNOT BE VERIFIED IN
4 ACCORDANCE WITH REGULATIONS ADOPTED BY THE BOARD.

5 (VIII) ADOPT STANDARDS TO PROTECT THE PRIVACY AND
6 SECURITY OF PERSONS ENGAGED IN INTERACTIVE GAMING.

7 (IX) COLLECT, REPORT AND PAY ANY AND ALL APPLICABLE
8 TAXES AND FEES AND MAINTAIN ALL BOOKS, RECORDS AND
9 DOCUMENTS RELATED TO THE SLOT MACHINE LICENSEE'S
10 INTERACTIVE GAMING ACTIVITIES IN A MANNER AND IN A
11 LOCATION WITHIN THIS COMMONWEALTH AS APPROVED BY THE
12 BOARD OR THE DEPARTMENT. ALL BOOKS, RECORDS AND DOCUMENTS
13 SHALL BE IMMEDIATELY AVAILABLE FOR INSPECTION DURING ALL
14 HOURS OF OPERATION IN ACCORDANCE WITH THE REGULATIONS OF
15 THE BOARD AND SHALL BE MAINTAINED IN A MANNER AND DURING
16 PERIODS OF TIME AS THE BOARD SHALL BY REGULATION REQUIRE.

17 (B) ADDITIONAL AUTHORITY.--

18 (1) AT ITS DISCRETION, THE BOARD MAY DETERMINE WHETHER
19 PERSONS THAT PROVIDE THE FOLLOWING GOODS OR SERVICES AND ANY
20 OTHER GOODS OR SERVICES RELATED TO INTERACTIVE GAMING AS THE
21 BOARD MAY DETERMINE SHALL BE REQUIRED TO OBTAIN A LICENSE,
22 PERMIT OR OTHER AUTHORIZATION:

23 (I) PAYMENT PROCESSING AND RELATED MONEY
24 TRANSMITTING AND SERVICES.

25 (II) CUSTOMER IDENTITY OR AGE VERIFICATION AND
26 GEOSPATIAL TECHNOLOGY SERVICES.

27 (III) GENERAL TELECOMMUNICATIONS SERVICES, WHICH ARE
28 NOT SPECIFICALLY DESIGNED FOR OR RELATED TO INTERACTIVE
29 GAMING.

30 (IV) OTHER GOODS OR SERVICES THAT ARE NOT

1 SPECIFICALLY DESIGNED FOR USE WITH INTERACTIVE GAMING IF
2 THE PERSONS PROVIDING THE GOODS OR SERVICES ARE NOT PAID
3 A PERCENTAGE OF GAMING REVENUE OR OF MONEY WAGERED ON
4 INTERACTIVE GAMES OR OF ANY FEES, NOT INCLUDING FEES TO
5 FINANCIAL INSTITUTIONS AND PAYMENT PROVIDERS FOR
6 FACILITATING A DEPOSIT BY AN INTERACTIVE GAMING ACCOUNT
7 HOLDER.

8 (2) THE BOARD SHALL DEVELOP A CLASSIFICATION SYSTEM FOR
9 THE LICENSURE, PERMITTING OR OTHER AUTHORIZATION OF PERSONS
10 THAT PROVIDE THE FOLLOWING GOODS OR SERVICES RELATED TO
11 INTERACTIVE GAMING:

12 (I) PERSONS THAT PROVIDE INTERACTIVE GAMES AND
13 INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT.

14 (II) PERSONS THAT MANAGE, CONTROL OR ADMINISTER THE
15 INTERACTIVE GAMES OR THE WAGERS ASSOCIATED WITH
16 INTERACTIVE GAMES.

17 (III) PROVIDERS OF CUSTOMER LISTS COMPRISED OF
18 PERSONS IDENTIFIED OR SELECTED, IN WHOLE OR IN PART,
19 BECAUSE THEY PLACED OR MAY PLACE WAGERS ON INTERACTIVE
20 GAMING.

21 (C) DEFINITION.--FOR THE PURPOSES OF SUBSECTION (A) (9),
22 (12), (14) AND (15) (IX) AND (X), THE TERM "PERSON" SHALL MEAN A
23 NATURAL PERSON.

24 § 13B03. TEMPORARY INTERACTIVE GAMING REGULATIONS.

25 (A) PROMULGATION.--

26 (1) IN ORDER TO FACILITATE THE PROMPT IMPLEMENTATION OF
27 THIS CHAPTER, REGULATIONS PROMULGATED BY THE BOARD SHALL BE
28 DEEMED TEMPORARY REGULATIONS WHICH SHALL EXPIRE NOT LATER
29 THAN TWO YEARS FOLLOWING THE PUBLICATION OF THE TEMPORARY
30 REGULATION IN THE PENNSYLVANIA BULLETIN AND ON THE BOARD'S

1 PUBLICLY ACCESSIBLE INTERNET WEBSITE.

2 (2) THE BOARD MAY PROMULGATE TEMPORARY REGULATIONS NOT
3 SUBJECT TO:

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

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

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

12 (B) TEMPORARY REGULATIONS.--THE BOARD SHALL BEGIN PUBLISHING
13 TEMPORARY REGULATIONS GOVERNING THE RULES FOR INTERACTIVE
14 GAMING, THE ISSUANCE OF INTERACTIVE GAMING CERTIFICATES AND
15 INTERACTIVE GAMING LICENSES, STANDARDS FOR APPROVING
16 MANUFACTURERS, SUPPLIERS AND OTHER PERSONS SEEKING TO PROVIDE
17 INTERACTIVE GAMES, INTERACTIVE GAMING DEVICES AND ASSOCIATED
18 EQUIPMENT, INCLUDING AGE AND LOCATION VERIFICATION SOFTWARE OR
19 SYSTEM PROGRAMS AND SECURITY AND SURVEILLANCE STANDARDS IN THE
20 PENNSYLVANIA BULLETIN NOT LATER THAN FEBRUARY 1, 2016.

21 (C) EXPIRATION OF TEMPORARY REGULATIONS.--EXCEPT FOR
22 TEMPORARY REGULATIONS GOVERNING THE RULES FOR ISSUING
23 CERTIFICATES AND LICENSES UNDER THIS CHAPTER, FOR NEW
24 INTERACTIVE GAMES, FOR APPROVING INTERACTIVE GAMES, INTERACTIVE
25 GAMING DEVICES AND ASSOCIATED EQUIPMENT AND FOR APPROVING
26 MANUFACTURERS, SUPPLIERS AND OTHER PERSONS SEEKING TO PROVIDE
27 INTERACTIVE GAMES, INTERACTIVE GAMING DEVICES AND ASSOCIATED
28 EQUIPMENT, THE BOARD'S AUTHORITY TO ADOPT TEMPORARY REGULATIONS
29 UNDER SUBSECTION (A) SHALL EXPIRE TWO YEARS AFTER THE EFFECTIVE
30 DATE OF THIS SECTION. REGULATIONS ADOPTED AFTER THIS PERIOD

1 SHALL BE PROMULGATED AS PROVIDED BY LAW.

2 SUBCHAPTER B

3 INTERACTIVE GAMING AUTHORIZED

4 SEC.

5 13B11. AUTHORIZATION TO CONDUCT INTERACTIVE GAMING.

6 13B12. INTERACTIVE GAMING CERTIFICATE REQUIRED AND CONTENT OF
7 PETITION.

8 13B13. ISSUANCE OF INTERACTIVE GAMING CERTIFICATE.

9 13B14. INTERACTIVE GAMING OPERATORS.

10 13B15. INTERACTIVE GAMING CERTIFICATE AND LICENSE.

11 13B16. TIMING OF INITIAL INTERACTIVE GAMING AUTHORIZATIONS.

12 § 13B11. AUTHORIZATION TO CONDUCT INTERACTIVE GAMING.

13 (A) AUTHORITY OF BOARD.--

14 (1) THE BOARD MAY AUTHORIZE A SLOT MACHINE LICENSEE:

15 (I) TO CONDUCT INTERACTIVE GAMING, INCLUDING
16 CONTESTS AND TOURNAMENTS AND ANY OTHER GAME WHICH IS
17 DETERMINED BY THE BOARD TO BE SUITABLE FOR INTERACTIVE
18 GAMING.

19 (II) TO DEPLOY INTERACTIVE GAMING SKINS OR INTERNET
20 WEBSITES TO FACILITATE THE CONDUCT OF INTERACTIVE GAMING
21 ACTIVITIES.

22 (2) EXCEPT AS PROVIDED IN THIS PART, ALL INDIVIDUALS
23 PLAYING AUTHORIZED INTERACTIVE GAMES MUST BE PHYSICALLY
24 LOCATED WITHIN THIS COMMONWEALTH OR WITHIN A STATE OR
25 JURISDICTION IN WHICH THE BOARD HAS ENTERED AN INTERACTIVE
26 GAMING RECIPROCAL AGREEMENT. NO INDIVIDUAL UNDER 21 YEARS OF
27 AGE SHALL OPEN, MAINTAIN, USE OR HAVE ACCESS TO AN
28 INTERACTIVE GAMING ACCOUNT.

29 (B) AUTHORITY TO PLAY INTERACTIVE GAMES.--NOTWITHSTANDING
30 ANY OTHER PROVISION OF LAW, AN INDIVIDUAL WHO IS 21 YEARS OF AGE

1 OR OLDER IS HEREBY PERMITTED TO PARTICIPATE AS A REGISTERED
2 PLAYER IN INTERACTIVE GAMING AND WAGERING ASSOCIATED WITH
3 PLAYING AN AUTHORIZED INTERACTIVE GAME OFFERED BY AN INTERACTIVE
4 GAMING CERTIFICATE HOLDER IN ACCORDANCE WITH REGULATIONS OF THE
5 BOARD.

6 § 13B12. INTERACTIVE GAMING CERTIFICATE REQUIRED AND CONTENT OF
7 PETITION.

8 (A) CERTIFICATE REQUIRED.--NO SLOT MACHINE LICENSEE OR ANY
9 OTHER PERSON ASSOCIATED WITH OR REPRESENTING A SLOT MACHINE
10 LICENSEE SHALL OPERATE OR CONDUCT OR ATTEMPT TO OPERATE OR
11 CONDUCT INTERACTIVE GAMING, EXCEPT FOR TEST PURPOSES OR OPEN
12 INTERACTIVE GAMING TO THE PUBLIC IN THIS COMMONWEALTH WITHOUT
13 FIRST OBTAINING AN INTERACTIVE GAMING CERTIFICATE FROM THE
14 BOARD. A SLOT MACHINE LICENSEE MAY SEEK APPROVAL TO CONDUCT
15 INTERACTIVE GAMING BY FILING A PETITION FOR AN INTERACTIVE
16 GAMING CERTIFICATE WITH THE BOARD. THE BOARD SHALL PRESCRIBE THE
17 FORM AND MANNER TO GOVERN THE SUBMISSION OF A PETITION FOR AN
18 INTERACTIVE GAMING CERTIFICATE. NOT MORE THAN ONE INTERACTIVE
19 GAMING CERTIFICATE SHALL BE ISSUED TO OPERATE INTERACTIVE GAMING
20 WITHIN A LICENSED FACILITY IN THIS COMMONWEALTH.

21 (B) CONTENT OF PETITION.--IN ADDITION TO INFORMATION AND
22 DOCUMENTATION DEMONSTRATING THAT THE SLOT MACHINE LICENSEE IS
23 QUALIFIED FOR AN INTERACTIVE GAMING CERTIFICATE UNDER THIS
24 CHAPTER, A PETITION SEEKING BOARD APPROVAL TO CONDUCT
25 INTERACTIVE GAMING WITHIN THIS COMMONWEALTH SHALL INCLUDE THE
26 FOLLOWING:

27 (1) THE NAME, BUSINESS ADDRESS AND CONTACT INFORMATION
28 OF THE SLOT MACHINE LICENSEE.

29 (2) THE NAME, BUSINESS ADDRESS AND CONTACT INFORMATION
30 OF ANY INTERACTIVE GAMING AFFILIATE, INTERACTIVE GAMING

1 OPERATOR OR OTHER PERSON THAT WILL BE A PARTY TO AN AGREEMENT
2 RELATED TO THE OPERATION OF INTERACTIVE GAMING OR AN
3 INTERACTIVE GAMING SYSTEM ON BEHALF OF A SLOT MACHINE
4 LICENSEE.

5 (3) THE NAME AND BUSINESS ADDRESS, JOB TITLE AND A
6 PHOTOGRAPH OF EACH PRINCIPAL AND KEY EMPLOYEE OF THE SLOT
7 MACHINE LICENSEE WHO WILL BE INVOLVED IN THE CONDUCT OF
8 INTERACTIVE GAMING AND WHO IS NOT CURRENTLY LICENSED BY THE
9 BOARD, IF KNOWN.

10 (4) THE NAME AND BUSINESS ADDRESS, JOB TITLE AND A
11 PHOTOGRAPH OF EACH PRINCIPAL AND KEY EMPLOYEE OF THE SLOT
12 MACHINE LICENSEE, INTERACTIVE GAMING AFFILIATE OR INTERACTIVE
13 GAMING OPERATOR WHO WILL BE INVOLVED IN THE CONDUCT OF
14 INTERACTIVE GAMING AND WHO IS CURRENTLY LICENSED BY THE
15 BOARD.

16 (5) AN ITEMIZED LIST OF THE INTERACTIVE GAMES AND ANY
17 OTHER GAME OR GAMES THE SLOT MACHINE LICENSEE PLANS TO OFFER
18 OVER THE INTERNET FOR WHICH AUTHORIZATION IS BEING SOUGHT.
19 THE SLOT MACHINE LICENSEE SHALL, IN ACCORDANCE WITH
20 REGULATIONS PROMULGATED BY THE BOARD, FILE ANY CHANGES IN THE
21 NUMBER OF AUTHORIZED INTERACTIVE GAMES OFFERED THROUGH
22 INTERACTIVE GAMING WITH THE BOARD.

23 (6) THE ESTIMATED NUMBER OF FULL-TIME AND PART-TIME
24 EMPLOYMENT POSITIONS THAT WILL BE CREATED AT THE LICENSED
25 FACILITY IF INTERACTIVE GAMING IS AUTHORIZED AND AN UPDATED
26 HIRING PLAN UNDER SECTION 1510(A) (RELATING TO LABOR HIRING
27 PREFERENCES) WHICH OUTLINES THE SLOT MACHINE LICENSEE'S PLAN
28 TO PROMOTE THE REPRESENTATION OF DIVERSE GROUPS AND
29 COMMONWEALTH RESIDENTS IN THE EMPLOYMENT POSITIONS.

30 (7) A BRIEF DESCRIPTION OF THE ECONOMIC BENEFITS

1 EXPECTED TO BE REALIZED BY THE COMMONWEALTH, ITS
2 MUNICIPALITIES AND ITS RESIDENTS IF INTERACTIVE GAMING IS
3 AUTHORIZED.

4 (8) THE DETAILS OF ANY FINANCING OBTAINED OR THAT WILL
5 BE OBTAINED TO FUND AN EXPANSION OR MODIFICATION OF THE
6 LICENSED FACILITY TO ACCOMMODATE INTERACTIVE GAMING AND TO
7 OTHERWISE FUND THE COST OF COMMENCING INTERACTIVE GAMING.

8 (9) INFORMATION AND DOCUMENTATION CONCERNING FINANCIAL
9 BACKGROUND AND RESOURCES, AS THE BOARD MAY REQUIRE, TO
10 ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE FINANCIAL
11 STABILITY, INTEGRITY AND RESPONSIBILITY OF THE SLOT MACHINE
12 LICENSEE, AND INFORMATION OR DOCUMENTATION CONCERNING ANY
13 INTERACTIVE GAMING AFFILIATE OR INTERACTIVE GAMING OPERATOR
14 THAT WILL OPERATE INTERACTIVE GAMING OR AN INTERACTIVE GAMING
15 SYSTEM ON BEHALF OF THE SLOT MACHINE LICENSEE, AS THE BOARD
16 MAY REQUIRE.

17 (10) INFORMATION AND DOCUMENTATION, AS THE BOARD MAY
18 REQUIRE, TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT
19 THE SLOT MACHINE LICENSEE HAS SUFFICIENT BUSINESS ABILITY AND
20 EXPERIENCE TO CONDUCT A SUCCESSFUL INTERACTIVE GAMING
21 OPERATION. IN MAKING THIS DETERMINATION, THE BOARD MAY
22 CONSIDER THE RESULTS OF THE SLOT MACHINE LICENSEE'S SLOT
23 MACHINE AND TABLE GAME OPERATIONS, INCLUDING FINANCIAL
24 INFORMATION, EMPLOYMENT DATA AND CAPITAL INVESTMENT.

25 (11) INFORMATION AND DOCUMENTATION, AS THE BOARD MAY
26 REQUIRE, TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT
27 THE SLOT MACHINE LICENSEE HAS OR WILL HAVE THE FINANCIAL
28 ABILITY TO PAY THE INTERACTIVE GAMING AUTHORIZATION FEE.

29 (12) DETAILED SITE PLANS IDENTIFYING THE PROPOSED
30 INTERACTIVE GAMING RESTRICTED AREA WHERE INTERACTIVE GAMING

1 OPERATIONS WILL BE MANAGED OR ADMINISTERED AS APPROVED BY THE
2 BOARD.

3 (13) A DETAILED DESCRIPTION OF ALL OF THE FOLLOWING:

4 (I) THE SLOT MACHINE LICENSEE'S INITIAL SYSTEM OF
5 INTERNAL AND ACCOUNTING CONTROLS APPLICABLE TO
6 INTERACTIVE GAMING.

7 (II) THE SLOT MACHINE LICENSEE'S PROPOSED STANDARDS
8 TO PROTECT, WITH A REASONABLE DEGREE OF CERTAINTY, THE
9 PRIVACY AND SECURITY OF ITS REGISTERED PLAYERS.

10 (III) HOW THE SLOT MACHINE LICENSEE WILL FACILITATE
11 COMPLIANCE WITH ALL OF THE REQUIREMENTS SET FORTH IN THIS
12 CHAPTER AND IN SECTION 802(A) OF THE UNLAWFUL INTERNET
13 GAMBLING ENFORCEMENT ACT OF 2006 (PUBLIC LAW 109-347, 31
14 U.S.C. § 5362(10)(B)), INCLUDING, BUT NOT LIMITED TO, ALL
15 OF THE FOLLOWING:

16 (A) AGE, IDENTITY AND LOCATION VERIFICATION
17 REQUIREMENTS DESIGNED TO BLOCK ACCESS TO INDIVIDUALS
18 UNDER 21 YEARS OF AGE.

19 (B) APPROPRIATE DATA SECURITY STANDARDS TO
20 PREVENT UNAUTHORIZED ACCESS BY ANY PERSON WHOSE AGE,
21 IDENTITY AND LOCATION HAVE NOT BEEN VERIFIED OR WHOSE
22 AGE, IDENTITY AND LOCATION CANNOT BE VERIFIED IN
23 ACCORDANCE WITH THIS CHAPTER AND APPLICABLE
24 REGULATIONS OF THE BOARD.

25 (C) EXCEPT AS PROVIDED IN THIS CHAPTER, THE
26 REQUIREMENT THAT ALL WAGERS MADE IN THE CONDUCT OF
27 INTERACTIVE GAMING BE INITIATED AND RECEIVED OR
28 OTHERWISE MADE EXCLUSIVELY WITHIN THIS COMMONWEALTH.

29 (IV) THE SLOT MACHINE LICENSEE'S PROPOSED AGE,
30 IDENTITY AND LOCATION VERIFICATION STANDARDS DESIGNED TO

1 BLOCK ACCESS TO PERSONS UNDER 21 YEARS OF AGE AND PERSONS
2 EXCLUDED OR PROHIBITED FROM PARTICIPATING IN INTERACTIVE
3 GAMING UNDER THIS CHAPTER.

4 (V) THE PROCEDURES THE SLOT MACHINE LICENSEE WILL
5 USE TO REGISTER INDIVIDUALS WHO WISH TO PARTICIPATE IN
6 INTERACTIVE GAMING.

7 (VI) THE PROCEDURES THE SLOT MACHINE LICENSEE WILL
8 USE TO ESTABLISH INTERACTIVE GAMING ACCOUNTS FOR
9 REGISTERED PLAYERS.

10 (VII) THE INTERACTIVE GAMES AND SERVICES THE SLOT
11 MACHINE LICENSEE PROPOSES TO OFFER TO REGISTERED PLAYERS.

12 (VIII) DOCUMENTATION AND INFORMATION RELATING TO ALL
13 PROPOSED SUBCONTRACTORS OF THE SLOT MACHINE LICENSEE,
14 INCLUDING, BUT NOT LIMITED TO, ALL OF THE FOLLOWING:

15 (A) A DESCRIPTION OF THE SERVICES TO BE PROVIDED
16 BY EACH SUBCONTRACTOR.

17 (B) INFORMATION ON THE EXPERIENCE AND
18 QUALIFICATIONS OF EACH SUBCONTRACTOR TO PROVIDE THE
19 SERVICES ANTICIPATED.

20 (C) THE NAMES OF ALL PROPOSED SUBCONTRACTORS,
21 OWNERS, EXECUTIVES AND EMPLOYEES THAT WILL BE
22 DIRECTLY OR INDIRECTLY INVOLVED IN THE SLOT MACHINE
23 LICENSEE'S INTERACTIVE GAMING OPERATIONS, AS WELL AS
24 SUFFICIENT PERSONAL IDENTIFYING INFORMATION ON EACH
25 SUCH PERSON TO CONDUCT BACKGROUND CHECKS AS MAY BE
26 REQUIRED BY THE BOARD.

27 (14) THE INTERACTIVE GAMING DEVICES AND ASSOCIATED
28 EQUIPMENT, INCLUDING THE INTERACTIVE GAMING NETWORK,
29 INTERACTIVE GAMING SYSTEM OR SYSTEMS, THAT THE SLOT MACHINE
30 LICENSEE PLANS TO OR WILL UTILIZE TO MANAGE, ADMINISTER OR

1 CONTROL ITS INTERACTIVE GAMING OPERATIONS.

2 (15) COMPLIANCE CERTIFICATION OF ITS INTERACTIVE GAMING
3 DEVICES AND ASSOCIATED EQUIPMENT, INCLUDING INTERACTIVE
4 GAMING SOFTWARE AND HARDWARE, BY A BOARD-APPROVED GAMING
5 LABORATORY TO ENSURE THAT THE GAMING SOFTWARE AND HARDWARE
6 COMPLY WITH THE REQUIREMENTS OF THIS CHAPTER AND REGULATIONS
7 OF THE BOARD.

8 (16) DETAILED DESCRIPTION OF ACCOUNTING SYSTEMS,
9 INCLUDING, BUT NOT LIMITED TO, ACCOUNTING SYSTEMS FOR ALL OF
10 THE FOLLOWING:

11 (I) INTERACTIVE GAMING ACCOUNTS.

12 (II) PER-HAND CHARGES, IF APPLICABLE.

13 (III) TRANSPARENCY AND REPORTING TO THE BOARD AND
14 THE DEPARTMENT.

15 (IV) DISTRIBUTION OF REVENUE TO THE COMMONWEALTH AND
16 WINNINGS TO REGISTERED PLAYERS.

17 (V) ONGOING AUDITING AND INTERNAL CONTROL COMPLIANCE
18 REVIEWS.

19 (17) DETAILED INFORMATION ON SECURITY SYSTEMS AT THE
20 LICENSED FACILITY TO PROTECT THE INTERACTIVE GAMING SKINS OR
21 INTERNET WEBSITE FROM INTERNAL AND EXTERNAL BREACHES AND
22 THREATS.

23 (18) ANY OTHER INFORMATION THE BOARD MAY REQUIRE.

24 (C) CONFIDENTIALITY.--INFORMATION SUBMITTED TO THE BOARD
25 UNDER SUBSECTION (B) MAY BE CONSIDERED CONFIDENTIAL BY THE BOARD
26 IF THE INFORMATION WOULD BE CONFIDENTIAL UNDER SECTION 1206(F)
27 (RELATING TO BOARD MINUTES AND RECORDS).

28 § 13B13. ISSUANCE OF INTERACTIVE GAMING CERTIFICATE.

29 (A) REQUIREMENTS FOR APPROVAL OF PETITION.--

30 (1) THE BOARD MAY APPROVE A PETITION UNDER SECTION 13B12

1 (RELATING TO INTERACTIVE GAMING CERTIFICATE REQUIRED AND
2 CONTENT OF PETITION) UPON FINDING CLEAR AND CONVINCING
3 EVIDENCE OF ALL OF THE FOLLOWING:

4 (I) THE SLOT MACHINE LICENSEE'S CONDUCT OF
5 INTERACTIVE GAMING COMPLIES IN ALL RESPECTS WITH THE
6 REQUIREMENTS OF THIS CHAPTER AND REGULATIONS PROMULGATED
7 BY THE BOARD.

8 (II) AGE, IDENTITY AND LOCATION VERIFICATION
9 REQUIREMENTS DESIGNED TO BLOCK ACCESS TO INDIVIDUALS
10 UNDER 21 YEARS OF AGE AND PERSONS OTHERWISE PROHIBITED
11 FROM ENGAGING IN INTERACTIVE GAMING IN ACCORDANCE WITH
12 THIS CHAPTER, AS APPROVED BY THE BOARD, HAVE BEEN
13 IMPLEMENTED BY THE SLOT MACHINE LICENSEE.

14 (III) THE SLOT MACHINE LICENSEE HAS IMPLEMENTED OR
15 WILL IMPLEMENT APPROPRIATE DATA SECURITY STANDARDS TO
16 PREVENT UNAUTHORIZED ACCESS BY ANY PERSON WHOSE AGE,
17 IDENTITY AND LOCATION HAS NOT BEEN VERIFIED OR CANNOT BE
18 VERIFIED IN ACCORDANCE WITH THE REGULATIONS PROMULGATED
19 AND ADOPTED BY THE BOARD.

20 (IV) THE SLOT MACHINE LICENSEE HAS IMPLEMENTED OR
21 WILL IMPLEMENT APPROPRIATE STANDARDS TO PROTECT THE
22 PRIVACY AND SECURITY OF REGISTERED PLAYERS.

23 (V) THE SLOT MACHINE LICENSEE'S INITIAL SYSTEM OF
24 INTERNAL AND ACCOUNTING CONTROLS APPLICABLE TO
25 INTERACTIVE GAMING, AND THE SECURITY AND INTEGRITY OF ALL
26 FINANCIAL TRANSACTIONS IN CONNECTION WITH THE SYSTEM,
27 COMPLIES WITH THIS CHAPTER AND REGULATIONS PROMULGATED
28 AND ADOPTED BY THE BOARD.

29 (VI) THE SLOT MACHINE LICENSEE IS IN GOOD STANDING
30 WITH THE BOARD.

1 (VII) THE SLOT MACHINE LICENSEE AGREES THAT THE
2 NUMBER OF SLOT MACHINES AND TABLE GAMES IN OPERATION AT
3 ITS LICENSED FACILITY, AS OF THE EFFECTIVE DATE OF THIS
4 SECTION, WILL NOT BE REDUCED AS A RESULT OF THE
5 AUTHORIZATION AND COMMENCEMENT OF INTERACTIVE GAMING.

6 (2) IT SHALL BE AN EXPRESS CONDITION OF ANY INTERACTIVE
7 GAMING CERTIFICATE THAT A SLOT MACHINE LICENSEE SHALL
8 COLLECT, REPORT AND PAY ALL APPLICABLE TAXES AND FEES AND
9 SHALL MAINTAIN ALL BOOKS, RECORDS AND DOCUMENTS PERTAINING TO
10 THE SLOT MACHINE LICENSEE'S INTERACTIVE GAMING OPERATIONS IN
11 A MANNER AND LOCATION WITHIN THIS COMMONWEALTH AS APPROVED BY
12 THE BOARD. ALL BOOKS, RECORDS AND DOCUMENTS SHALL BE
13 IMMEDIATELY AVAILABLE FOR INSPECTION BY THE BOARD AND THE
14 DEPARTMENT DURING ALL HOURS OF OPERATION IN ACCORDANCE WITH
15 THE REGULATIONS OF THE BOARD AND SHALL BE MAINTAINED IN A
16 MANNER AND DURING PERIODS OF TIME AS THE BOARD SHALL REQUIRE.

17 (B) ISSUANCE OF INTERACTIVE GAMING CERTIFICATE.--

18 (1) UPON APPROVAL OF A PETITION FOR AN INTERACTIVE
19 GAMING CERTIFICATE, THE BOARD SHALL ISSUE AN INTERACTIVE
20 GAMING CERTIFICATE TO THE SLOT MACHINE LICENSEE. THE ISSUANCE
21 OF AN INTERACTIVE GAMING CERTIFICATE PRIOR TO THE FULL
22 PAYMENT OF THE AUTHORIZATION FEE REQUIRED UNDER SECTION 13B51
23 (RELATING TO INTERACTIVE GAMING AUTHORIZATION FEE) SHALL NOT
24 RELIEVE THE SLOT MACHINE LICENSEE FROM THE OBLIGATION TO PAY
25 THE AUTHORIZATION FEE IN ACCORDANCE WITH THE REQUIREMENTS OF
26 SECTION 13B51.

27 (2) UPON ISSUING AN INTERACTIVE GAMING CERTIFICATE, THE
28 BOARD SHALL AMEND THE SLOT MACHINE LICENSEE'S STATEMENT OF
29 CONDITIONS TO INCLUDE CONDITIONS PERTAINING TO THE
30 REQUIREMENTS OF THIS CHAPTER.

1 (C) TERM OF INTERACTIVE GAMING CERTIFICATE.--SUBJECT TO THE
2 POWER OF THE BOARD TO DENY, REVOKE OR SUSPEND AN INTERACTIVE
3 GAMING CERTIFICATE ISSUED IN ACCORDANCE WITH THE REQUIREMENTS OF
4 THIS SECTION, AN INTERACTIVE GAMING CERTIFICATE SHALL BE RENEWED
5 EVERY FIVE YEARS AND SHALL BE SUBJECT TO THE REQUIREMENTS OF
6 SECTION 1326 (RELATING TO RENEWALS).

7 (D) SANCTIONS.--A SLOT MACHINE LICENSEE THAT FAILS TO ABIDE
8 BY THE REQUIREMENTS OF THIS CHAPTER OR ANY CONDITION CONTAINED
9 IN THE SLOT MACHINE LICENSEE'S STATEMENT OF CONDITIONS GOVERNING
10 THE OPERATION OF INTERACTIVE GAMING SHALL BE SUBJECT TO BOARD-
11 IMPOSED ADMINISTRATIVE SANCTIONS OR OTHER PENALTIES AUTHORIZED
12 UNDER THIS PART. THE IMPOSITION OF ADMINISTRATIVE SANCTIONS IN
13 ACCORDANCE WITH THIS SUBSECTION SHALL APPLY TO ANY INTERACTIVE
14 GAMING OPERATOR THAT FAILS TO ABIDE BY THE REQUIREMENTS OF THIS
15 CHAPTER AND REGULATIONS OF THE BOARD.

16 (E) BACKGROUND INVESTIGATIONS.--EACH PETITION FOR AN
17 INTERACTIVE GAMING CERTIFICATE SHALL BE ACCOMPANIED BY A
18 NONREFUNDABLE FEE ESTABLISHED BY THE BOARD TO COVER THE COST OF
19 BACKGROUND INVESTIGATIONS. THE BOARD SHALL DETERMINE BY
20 REGULATION THE PERSONS INVOLVED, DIRECTLY OR INDIRECTLY, IN A
21 SLOT MACHINE LICENSEE'S INTERACTIVE GAMING OPERATIONS AND
22 PERSONS INVOLVED IN THE OPERATIONS OF AN INTERACTIVE GAMING
23 AFFILIATE AND INTERACTIVE GAMING OPERATOR WHO SHALL BE SUBJECT
24 TO BACKGROUND INVESTIGATION. THE REASONABLE AND NECESSARY COSTS
25 AND EXPENSES INCURRED IN ANY BACKGROUND INVESTIGATION OR OTHER
26 INVESTIGATION OR PROCEEDING UNDER THIS CHAPTER SHALL BE
27 REIMBURSED TO THE BOARD.

28 § 13B14. INTERACTIVE GAMING OPERATORS.

29 (A) LICENSE REQUIRED.--NO PERSON SHALL SERVE OR ATTEMPT TO
30 SERVE AS AN INTERACTIVE GAMING OPERATOR WITHOUT FIRST OBTAINING

1 AN INTERACTIVE GAMING LICENSE FROM THE BOARD. A PERSON MAY SEEK
2 APPROVAL TO SERVE AS AN INTERACTIVE GAMING OPERATOR BY FILING AN
3 APPLICATION WITH THE BOARD. THE BOARD SHALL PRESCRIBE THE FORM
4 AND MANNER TO GOVERN THE SUBMISSION OF AN APPLICATION FOR AN
5 INTERACTIVE GAMING LICENSE. THE BOARD SHALL PROVIDE FOR THE
6 LICENSURE OF INTERACTIVE GAMING OPERATORS THAT OPERATE
7 INTERACTIVE GAMING OR AN INTERACTIVE GAMING SYSTEM ON BEHALF OF
8 AN INTERACTIVE GAMING CERTIFICATE HOLDER. THE BOARD SHALL:

9 (1) DETERMINE SUITABILITY AND PROVIDE FOR THE LICENSURE,
10 PERMITTING, REGISTRATION OR CERTIFICATION, AS IT DEEMS
11 APPROPRIATE, OF INTERACTIVE GAMING OPERATORS OR OTHER PERSONS
12 DIRECTLY INVOLVED IN THE OPERATION OF INTERACTIVE GAMING OR
13 AN INTERACTIVE GAMING SYSTEM ON BEHALF OF A SLOT MACHINE
14 LICENSEE. THE BOARD SHALL DETERMINE SUITABILITY IN ACCORDANCE
15 WITH THE APPLICABLE REQUIREMENTS OF THIS PART, PROVIDED THAT
16 THE BOARD MAY EXTEND SUITABILITY TO A HOLDER OF A VALID
17 LICENSE, PERMIT, REGISTRATION, CERTIFICATE OR OTHER
18 AUTHORIZATIONS APPROVED AND ISSUED UNDER THIS PART, WHICH IS
19 IN GOOD STANDING, WITHOUT ADDITIONAL INVESTIGATION.

20 (2) PROVIDE FOR THE APPROVAL OF THE TERMS AND CONDITIONS
21 OF ALL AGREEMENTS ENTERED INTO BY OR BETWEEN AN INTERACTIVE
22 GAMING CERTIFICATE HOLDER AND AN INTERACTIVE GAMING OPERATOR
23 OR ANY OTHER PERSON RELATED TO THE OPERATION OF INTERACTIVE
24 GAMES OR AN INTERACTIVE GAMING SYSTEM ON BEHALF OF THE
25 INTERACTIVE GAMING CERTIFICATE HOLDER.

26 (B) CLASSIFICATION AND APPROVAL OF EMPLOYEES.--

27 (1) THE BOARD SHALL ESTABLISH A CLASSIFICATION SYSTEM
28 FOR EMPLOYEES OF INTERACTIVE GAMING OPERATORS OR OTHER
29 PERSONS WHO PROVIDE PRODUCTS OR SERVICES ASSOCIATED WITH OR
30 RELATED TO INTERACTIVE GAMING, INTERACTIVE GAMING PLATFORMS

1 AND INTERACTIVE GAMING SYSTEMS.

2 (2) THE BOARD SHALL PROVIDE FOR THE LICENSURE,
3 PERMITTING, REGISTRATION OR CERTIFICATION, AS IT DEEMS
4 APPROPRIATE, OF EMPLOYEES IN EACH EMPLOYEE CLASSIFICATION
5 ESTABLISHED BY IT IN ACCORDANCE WITH PARAGRAPH (1).

6 (C) APPLICABILITY OF CERTAIN PROVISIONS.--INTERACTIVE GAMING
7 OPERATORS SHALL BE SUBJECT TO THE APPLICABLE PROVISIONS OF THIS
8 PART THAT APPLY TO INTERACTIVE GAMING CERTIFICATE HOLDERS.

9 (D) OPERATORS OWNED, CONTROLLED BY SLOT MACHINE LICENSEE.--
10 THIS SECTION SHALL NOT APPLY TO AN INTERACTIVE GAMING OPERATOR
11 THAT IS OWNED OR OTHERWISE CONTROLLED BY A SLOT MACHINE LICENSEE
12 THAT HAS BEEN APPROVED FOR AND ISSUED AN INTERACTIVE GAMING
13 CERTIFICATE UNDER THIS CHAPTER.

14 (E) INTERACTIVE GAMING LICENSE AND CONDITIONAL
15 AUTHORIZATION.--

16 (1) THE FOLLOWING SHALL APPLY:

17 (I) DURING THE FIRST 18 MONTHS AFTER THE EFFECTIVE
18 DATE OF THIS SECTION, THE BOARD MAY ISSUE CONDITIONAL
19 AUTHORIZATIONS TO PERSONS SEEKING LICENSURE AS
20 INTERACTIVE GAMING OPERATORS.

21 (II) CONDITIONAL AUTHORIZATION AWARDED TO AN
22 INTERACTIVE GAMING OPERATOR MAY REMAIN IN EFFECT UNTIL
23 THE SHORTER OF 12 MONTHS AFTER THE DATE OF ISSUE OR THE
24 DATE BY WHICH THE BOARD CONSIDERS THE SUBJECT
25 APPLICATION.

26 (III) CONDITIONAL AUTHORIZATION MAY BE RENEWED BY
27 THE BOARD NOT MORE THAN ONCE, UPON A SHOWING OF GOOD
28 CAUSE.

29 (IV) CONDITIONAL AUTHORIZATION SHALL ALLOW AN
30 APPLICANT FOR AN INTERACTIVE GAMING LICENSE TO ENGAGE IN

1 ALL OF THE FUNCTIONS OF A LICENSED INTERACTIVE GAMING
2 OPERATOR FOR THE DURATION OF THE CONDITIONAL
3 AUTHORIZATION.

4 (2) NO CONDITIONAL AUTHORIZATION MAY BE ISSUED UNLESS:

5 (I) THE APPLICANT HAS SUBMITTED A COMPLETE
6 APPLICATION FOR AN INTERACTIVE GAMING LICENSE TO THE
7 BOARD.

8 (II) THE APPLICANT AGREES TO PAY OR HAS PAID THE FEE
9 PRESCRIBED IN SECTION 13B51 (RELATING TO INTERACTIVE
10 GAMING AUTHORIZATION FEE) PRIOR TO THE ISSUANCE OF THE
11 TEMPORARY AUTHORIZATION, WHICH MAY BE REFUNDABLE IN THE
12 EVENT THE LICENSE IS NOT APPROVED AND ISSUED BY THE
13 BOARD.

14 (III) THE BUREAU HAS NO OBJECTION TO THE ISSUANCE OF
15 A CONDITIONAL AUTHORIZATION TO THE APPLICANT.

16 (3) WITHIN 45 DAYS OF THE DATE THAT THE BUREAU RECEIVES
17 THE COMPLETED APPLICATION FOR AN INTERACTIVE GAMING LICENSE
18 FROM AN APPLICANT FOR INVESTIGATION, THE BUREAU SHALL CONDUCT
19 A PRELIMINARY INVESTIGATION OF THE APPLICANT AND ANY KEY
20 INTERACTIVE GAMING EMPLOYEE OF THE APPLICANT, AS DETERMINED
21 BY THE BOARD, WHICH SHALL INCLUDE A CRIMINAL BACKGROUND
22 INVESTIGATION OF THE APPLICANT AND ANY INTERACTIVE GAMING
23 EMPLOYEES OF THE APPLICANT, AS DETERMINED BY THE BOARD AND
24 UNDER SECTION 1202(B) (RELATING TO GENERAL AND SPECIFIC
25 POWERS).

26 (4) IF THE BUREAU'S PRELIMINARY INVESTIGATION DISCLOSES
27 NO ADVERSE INFORMATION THAT WOULD IMPACT SUITABILITY FOR
28 LICENSURE, THE BUREAU SHALL PROVIDE THE BOARD WITH A
29 STATEMENT OF NO OBJECTION TO ISSUANCE OF CONDITIONAL
30 AUTHORIZATION TO THE APPLICANT.

1 (5) IF THE BUREAU'S PRELIMINARY INVESTIGATION DISCLOSES
2 ADVERSE INFORMATION THAT WOULD IMPACT SUITABILITY FOR
3 LICENSURE, IT SHALL REGISTER AN OBJECTION AND NO CONDITIONAL
4 AUTHORIZATION MAY BE ISSUED UNTIL THE BUREAU'S CONCERNS ARE
5 RESOLVED.

6 (6) ANY CONDITIONAL AUTHORIZATION APPROVED AND ISSUED TO
7 AN APPLICANT FOR AN INTERACTIVE GAMING LICENSE UNDER THIS
8 SUBSECTION MAY BE SUSPENDED OR WITHDRAWN BY THE BOARD UPON A
9 SHOWING OF GOOD CAUSE BY THE BUREAU.

10 § 13B15. INTERACTIVE GAMING CERTIFICATE AND LICENSE.

11 THE FOLLOWING SHALL APPLY:

12 (1) AN INTERACTIVE GAMING CERTIFICATE AND INTERACTIVE
13 GAMING LICENSE SHALL BE IN EFFECT UNLESS:

14 (I) THE CERTIFICATE OR LICENSE IS SUSPENDED OR
15 REVOKED BY THE BOARD CONSISTENT WITH THE REQUIREMENTS OF
16 THIS PART.

17 (II) THE SLOT MACHINE LICENSE IS SUSPENDED, REVOKED
18 OR NOT RENEWED BY THE BOARD CONSISTENT WITH THE
19 REQUIREMENTS OF THIS PART.

20 (III) THE SLOT MACHINE LICENSEE RELINQUISHES OR DOES
21 NOT SEEK RENEWAL OF ITS SLOT MACHINE LICENSE.

22 (IV) THE SLOT MACHINE LICENSEE DOES NOT SEEK RENEWAL
23 OF ITS INTERACTIVE GAMING CERTIFICATE.

24 (2) THE INTERACTIVE GAMING CERTIFICATE MAY INCLUDE AN
25 INITIAL ITEMIZED LIST BY NUMBER AND TYPE OF AUTHORIZED
26 INTERACTIVE GAMES FOR INTERACTIVE GAMING TO BE CONDUCTED BY
27 THE INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE
28 GAMING OPERATOR OR OTHER PERSON ON BEHALF OF AN INTERACTIVE
29 GAMING CERTIFICATE HOLDER. THE SLOT MACHINE LICENSEE MAY
30 INCREASE OR DECREASE THE NUMBER OF INTERACTIVE GAMES

1 AUTHORIZED FOR PLAY ON ITS INTERACTIVE GAMING SKIN OR
2 INTERNET WEBSITE OR CHANGE THE TYPE OF AUTHORIZED INTERACTIVE
3 GAMES PLAYED ON ITS INTERACTIVE GAMING SKIN OR INTERNET
4 WEBSITE UPON NOTICE, IF REQUIRED BY THE BOARD, TO THE BOARD
5 AND APPROVAL BY THE BOARD OR A DESIGNATED EMPLOYEE OF THE
6 BOARD. UNLESS APPROVED BY THE BOARD OR A DESIGNATED EMPLOYEE
7 OF THE BOARD, THE TOTAL NUMBER AND TYPE OF AUTHORIZED
8 INTERACTIVE GAMES OFFERED FOR PLAY BY AN INTERACTIVE GAMING
9 CERTIFICATE HOLDER MAY NOT DIFFER FROM THE NUMBER AND TYPE
10 APPROVED BY THE BOARD AND AUTHORIZED IN THE INTERACTIVE
11 GAMING CERTIFICATE.

12 (3) A SLOT MACHINE LICENSEE SHALL BE REQUIRED TO UPDATE
13 THE INFORMATION IN ITS INITIAL INTERACTIVE GAMING PETITION AT
14 TIMES AND IN THE FORM AND MANNER AS PRESCRIBED BY THE BOARD.

15 § 13B16. TIMING OF INITIAL INTERACTIVE GAMING AUTHORIZATIONS.

16 THE BOARD SHALL PRESCRIBE THE DATE ON WHICH PETITIONS FOR AN
17 INTERACTIVE GAMING CERTIFICATE MUST BE FILED WITH THE BOARD AND
18 SHALL APPROVE OR DENY A PETITION WITHIN 90 DAYS FOLLOWING
19 RECEIPT.

20 SUBCHAPTER C

21 CONDUCT OF INTERACTIVE GAMING

22 SEC.

23 13B21. SITUS OF INTERACTIVE GAMING OPERATIONS.

24 13B22. ESTABLISHMENT OF INTERACTIVE GAMING ACCOUNTS.

25 13B23. INTERACTIVE GAMING ACCOUNT CREDITS, DEBITS, DEPOSITS AND
26 PAYMENTS.

27 13B24. ACCEPTANCE OF ACCOUNT WAGERS.

28 13B25. DORMANT INTERACTIVE GAMING ACCOUNTS.

29 13B26. LOG-IN PROCEDURE REQUIRED.

30 13B27. INFORMATION PROVIDED AT LOGIN.

1 13B28. PROHIBITIONS.

2 13B29. COMMENCEMENT OF INTERACTIVE GAMING OPERATIONS.

3 § 13B21. SITUS OF INTERACTIVE GAMING OPERATIONS.

4 EXCEPT AS PROVIDED IN THIS CHAPTER, ALL WAGERS MADE THROUGH
5 INTERACTIVE GAMING SHALL BE DEEMED TO BE INITIATED, RECEIVED OR
6 OTHERWISE MADE WITHIN THE GEOGRAPHIC BOUNDARIES OF THIS
7 COMMONWEALTH. THE INTERMEDIATE ROUTING OF ELECTRONIC DATA
8 ASSOCIATED OR IN CONNECTION WITH INTERACTIVE GAMING SHALL NOT
9 DETERMINE THE LOCATION OR LOCATIONS IN WHICH A BET OR WAGER IS
10 INITIATED, RECEIVED OR OTHERWISE MADE.

11 § 13B22. ESTABLISHMENT OF INTERACTIVE GAMING ACCOUNTS.

12 (A) REGISTRATION RESTRICTIONS.--ONLY A NATURAL PERSON WHO
13 HAS FIRST ESTABLISHED AN INTERACTIVE GAMING ACCOUNT SHALL BE
14 PERMITTED TO PLAY AN AUTHORIZED INTERACTIVE GAME OR PLACE ANY
15 BET OR WAGER ASSOCIATED WITH AN AUTHORIZED INTERACTIVE GAME. AN
16 INTERACTIVE GAMING ACCOUNT SHALL BE IN THE NAME OF A NATURAL
17 PERSON AND MAY NOT BE IN THE NAME OF ANY BENEFICIARY, CUSTODIAN,
18 JOINT TRUST, CORPORATION, PARTNERSHIP OR OTHER ORGANIZATION OR
19 ENTITY. AN INTERACTIVE GAMING CERTIFICATE HOLDER SHALL NOT
20 PERMIT AN INDIVIDUAL TO ESTABLISH AN INTERACTIVE GAMING ACCOUNT
21 UNLESS THE PERSON IS 21 YEARS OF AGE OR OLDER.

22 (B) ESTABLISHMENT OF INTERACTIVE GAMING ACCOUNTS.--

23 (1) AN INTERACTIVE GAMING ACCOUNT MAY BE EXECUTED IN
24 PERSON, PROVIDED THAT THE BOARD SHALL, THROUGH REGULATIONS,
25 PROVIDE PROCEDURES FOR THE ESTABLISHMENT OF INTERACTIVE
26 GAMING ACCOUNTS OVER THE INTERNET. EACH INTERACTIVE GAMING
27 ACCOUNT SHALL COMPLY WITH THE INTERNAL CONTROLS OF THE
28 INTERACTIVE GAMING CERTIFICATE HOLDER THAT, AT A MINIMUM,
29 REQUIRE THE FOLLOWING:

30 (I) THE FILING AND EXECUTION OF AN INTERACTIVE

1 GAMING ACCOUNT APPLICATION, THE FORM OF WHICH HAS BEEN
2 PREAPPROVED BY THE BOARD.

3 (II) PROOF OF AGE, IDENTITY AND RESIDENCY AS
4 DEMONSTRATED BY AT LEAST TWO FORMS OF IDENTIFICATION
5 APPROVED BY THE BOARD THROUGH REGULATION.

6 (III) PHYSICAL ADDRESS OR THE PRINCIPAL RESIDENCE OF
7 THE PROSPECTIVE ACCOUNT HOLDER, E-MAIL ADDRESS OF THE
8 PROSPECTIVE ACCOUNT HOLDER AND OTHER CONTACT INFORMATION,
9 AS THE BOARD OR INTERACTIVE GAMING CERTIFICATE HOLDER MAY
10 REQUIRE.

11 (IV) PASSWORD OR OTHER SECURED IDENTIFICATION
12 PROVIDED BY THE SLOT MACHINE LICENSEE TO ACCESS THE
13 INTERACTIVE GAMING ACCOUNT OR SOME OTHER MECHANISM
14 APPROVED BY THE BOARD TO AUTHENTICATE THE PLAYER AS THE
15 HOLDER TO THE INTERACTIVE GAMING ACCOUNT.

16 (V) AN ACKNOWLEDGMENT UNDER PENALTY OF PERJURY THAT
17 FALSE OR MISLEADING STATEMENTS MADE IN REGARD TO AN
18 APPLICATION FOR AN INTERACTIVE GAMING ACCOUNT MAY SUBJECT
19 THE APPLICANT TO CIVIL AND CRIMINAL PENALTIES.

20 (2) THE INTERACTIVE GAMING CERTIFICATE HOLDER MAY ACCEPT
21 OR REJECT AN APPLICATION AFTER RECEIPT AND REVIEW OF THE
22 APPLICATION AND PROOF OF AGE AND IDENTITY FOR COMPLIANCE WITH
23 THE PROVISIONS OF THIS CHAPTER. THE INTERACTIVE GAMING
24 CERTIFICATE HOLDER SHALL HAVE THE RIGHT, AT ANY TIME WITH OR
25 WITHOUT CAUSE, TO SUSPEND OR CLOSE ANY INTERACTIVE GAMING
26 ACCOUNT AT ITS SOLE DISCRETION.

27 (3) THE ADDRESS PROVIDED BY THE APPLICANT IN THE
28 APPLICATION FOR AN INTERACTIVE GAMING ACCOUNT SHALL BE DEEMED
29 THE PROPER ADDRESS FOR THE PURPOSES OF MAILING CHECKS,
30 ACCOUNT WITHDRAWALS, NOTICES AND OTHER MATERIALS.

1 (4) AN INTERACTIVE GAMING ACCOUNT SHALL NOT BE
2 ASSIGNABLE OR OTHERWISE TRANSFERABLE AND AN INTERACTIVE
3 GAMING CERTIFICATE HOLDER MAY, AT ANY TIME, DECLARE ALL OR
4 ANY PART OF AN INTERACTIVE GAMING ACCOUNT TO BE CLOSED FOR
5 WAGERING.

6 (C) PASSWORD REQUIRED.--AS PART OF THE APPLICATION PROCESS,
7 THE INTERACTIVE GAMING CERTIFICATE HOLDER SHALL PROVIDE THE
8 PROSPECTIVE INTERACTIVE GAMING ACCOUNT HOLDER WITH A PASSWORD TO
9 ACCESS THE INTERACTIVE GAMING ACCOUNT OR SHALL ESTABLISH SOME
10 OTHER METHOD APPROVED BY THE BOARD TO AUTHENTICATE THE
11 INDIVIDUAL AS THE HOLDER OF THE INTERACTIVE GAMING ACCOUNT AND
12 ALLOW THE REGISTERED PLAYER ACCESS TO THE INTERACTIVE GAMING
13 ACCOUNT.

14 (D) GROUNDS FOR REJECTION.--ANY INDIVIDUAL WHO PROVIDES
15 FALSE OR MISLEADING INFORMATION IN THE APPLICATION FOR AN
16 INTERACTIVE GAMING ACCOUNT MAY BE SUBJECT TO REJECTION OF THE
17 APPLICATION OR CANCELLATION OF THE ACCOUNT BY THE INTERACTIVE
18 GAMING CERTIFICATE HOLDER.

19 (E) SUSPENSION OF INTERACTIVE GAMING ACCOUNT.--THE
20 INTERACTIVE GAMING CERTIFICATE HOLDER SHALL HAVE THE RIGHT TO
21 SUSPEND OR CLOSE ANY INTERACTIVE GAMING ACCOUNT AT ITS
22 DISCRETION.

23 (F) PERSONS PROHIBITED FROM ESTABLISHING OR MAINTAINING AN
24 INTERACTIVE GAMING ACCOUNT.--THE FOLLOWING PERSONS SHALL NOT BE
25 ENTITLED TO ESTABLISH OR MAINTAIN AN INTERACTIVE GAMING ACCOUNT:

26 (1) ANY PERSON UNDER 21 YEARS OF AGE.

27 (2) ANY PERSON ON THE LIST OF PERSONS WHO ARE OR WILL BE
28 EXCLUDED OR EJECTED FROM OR DENIED ACCESS TO ANY LICENSED
29 FACILITY UNDER SECTION 1514 (RELATING TO REGULATION REQUIRING
30 EXCLUSION, EJECTION OR DENIAL OF ACCESS OF CERTAIN PERSONS),

1 1515 (RELATING TO REPEAT OFFENDERS EXCLUDABLE FROM LICENSED
2 GAMING FACILITY) OR 1516 (RELATING TO LIST OF PERSONS SELF
3 EXCLUDED FROM GAMING ACTIVITIES).

4 (3) ANY GAMING EMPLOYEE, KEY EMPLOYEE OR PRINCIPAL
5 EMPLOYEE OF A SLOT MACHINE LICENSEE AND ANY EMPLOYEE OR KEY
6 EMPLOYEE OF AN INTERACTIVE GAMING OPERATOR OR ANY OTHER
7 PERSON DIRECTLY INVOLVED IN THE OPERATION OF INTERACTIVE
8 GAMING OR AN INTERACTIVE GAMING SYSTEM ON BEHALF OF A SLOT
9 MACHINE LICENSEE.

10 § 13B23. INTERACTIVE GAMING ACCOUNT CREDITS, DEBITS, DEPOSITS
11 AND PAYMENTS.

12 (A) DUTY OF BOARD.--THE BOARD SHALL, BY REGULATION, DEVELOP
13 PROCEDURES TO GOVERN CREDITS, DEBITS AND DEPOSITS TO INTERACTIVE
14 GAMING ACCOUNTS. NOTWITHSTANDING ANY PROVISION OF THIS PART TO
15 THE CONTRARY, ALL CREDITS, DEBITS AND DEPOSITS TO INTERACTIVE
16 GAMING ACCOUNTS SHALL BE MADE IN ACCORDANCE WITH REGULATIONS
17 PROMULGATED BY THE BOARD, IN CONSULTATION WITH THE DEPARTMENT,
18 AND ALL PAYMENTS OF WINNINGS SHALL BE MADE IN ACCORDANCE WITH
19 THE RULES OF EACH PARTICULAR AUTHORIZED INTERACTIVE GAME.

20 (B) RIGHTS OF INTERACTIVE GAMING CERTIFICATE HOLDER.--AN
21 INTERACTIVE GAMING CERTIFICATE HOLDER SHALL HAVE THE RIGHT TO:

22 (1) CREDIT AN INTERACTIVE GAMING ACCOUNT AS PART OF A
23 PROMOTION.

24 (2) REFUSE ALL OR PART OF ANY WAGER OR DEPOSIT TO THE
25 INTERACTIVE GAMING ACCOUNT OF A REGISTERED PLAYER.

26 (C) INTEREST PROHIBITED.--FUNDS DEPOSITED IN A REGISTERED
27 PLAYER'S INTERACTIVE GAMING ACCOUNT SHALL NOT BEAR INTEREST TO
28 THE ACCOUNT HOLDER.

29 § 13B24. ACCEPTANCE OF ACCOUNT WAGERS.

30 (A) ACCEPTANCE.--AN INTERACTIVE GAMING CERTIFICATE HOLDER

1 MAY ACCEPT INTERACTIVE GAMING WAGERS OR BETS ONLY AS FOLLOWS:

2 (1) THE WAGER SHALL BE PLACED DIRECTLY WITH THE
3 INTERACTIVE GAMING CERTIFICATE HOLDER BY THE REGISTERED
4 PLAYER, AFTER THE INTERACTIVE GAMING CERTIFICATE HOLDER HAS
5 VERIFIED THAT THE INDIVIDUAL SEEKING TO PLACE A WAGER OR BET
6 IS THE REGISTERED PLAYER.

7 (2) THE REGISTERED PLAYER PROVIDES THE SLOT MACHINE
8 LICENSEE WITH THE CORRECT PASSWORD OR OTHER AUTHENTICATION
9 INFORMATION FOR ACCESS TO THE INTERACTIVE GAMING ACCOUNT.

10 (B) NONACCEPTANCE.--AN INTERACTIVE GAMING CERTIFICATE HOLDER
11 MAY NOT ACCEPT AN ACCOUNT WAGER IN AN AMOUNT IN EXCESS OF FUNDS
12 ON DEPOSIT IN AN INTERACTIVE GAMING ACCOUNT OF THE REGISTERED
13 PLAYER PLACING THE BET OR WAGER. FUNDS ON DEPOSIT INCLUDE
14 AMOUNTS CREDITED TO AN ACCOUNT HOLDER'S INTERACTIVE GAMING
15 ACCOUNT IN ACCORDANCE WITH REGULATIONS OF THE BOARD AND ANY
16 FUNDS IN THE ACCOUNT AT THE TIME THE WAGER IS PLACED.
17 § 13B25. DORMANT INTERACTIVE GAMING ACCOUNTS.

18 BEFORE CLOSING A DORMANT INTERACTIVE GAMING ACCOUNT, THE
19 INTERACTIVE GAMING CERTIFICATE HOLDER SHALL ATTEMPT TO CONTACT
20 THE INTERACTIVE GAMING ACCOUNT HOLDER BY MAIL AND PHONE OR E-
21 MAIL TO INFORM THE ACCOUNT HOLDER THAT THE INTERACTIVE GAMING
22 ACCOUNT IS INACTIVE AND MAY BE SUBJECT TO TERMINATION AT SUCH
23 TIME AND MANNER AS DETERMINED BY REGULATION OF THE BOARD.

24 § 13B26. LOG-IN PROCEDURE REQUIRED.

25 EACH INTERACTIVE GAMING CERTIFICATE HOLDER SHALL ESTABLISH A
26 LOG-IN PROCEDURE FOR REGISTERED PLAYERS TO ACCESS INTERACTIVE
27 GAMING. THE LOG-IN PROCEDURE SHALL INCLUDE THE PROVISION OF THE
28 APPROPRIATE AUTHENTICATION INFORMATION BY THE REGISTERED PLAYER
29 FOR ACCESS TO THE INTERACTIVE GAMING ACCOUNT. THE INTERACTIVE
30 GAMING CERTIFICATE HOLDER SHALL NOT ALLOW A REGISTERED PLAYER TO

1 LOG IN AND ACCESS THE INTERACTIVE GAMING ACCOUNT UNLESS THE
2 CORRECT PASSWORD OR OTHER AUTHENTICATION INFORMATION IS
3 PROVIDED.

4 § 13B27. INFORMATION PROVIDED AT LOGIN.

5 THE INTERACTIVE GAMING CERTIFICATE HOLDER SHALL CONFIGURE ITS
6 INTERACTIVE GAMING SKIN TO INCLUDE A LINK THAT, UPON LOGIN, WILL
7 ALLOW A REGISTERED PLAYER TO ACCESS ALL OF THE FOLLOWING
8 INFORMATION:

9 (1) THE CURRENT AMOUNT OF FUNDS IN THE INTERACTIVE
10 GAMING ACCOUNT.

11 (2) THE WINS AND LOSSES SINCE THE INTERACTIVE GAMING
12 ACCOUNT WAS ESTABLISHED.

13 (3) THE WINS AND LOSSES AT THE BEGINNING OF THE CURRENT
14 GAMING SESSION AND THE WINS AND LOSSES AT THE END OF THE
15 CURRENT GAMING SESSION.

16 (4) THE COMPLETE TEXT IN SEARCHABLE FORMAT OF THE RULES
17 OF EACH AUTHORIZED INTERACTIVE GAME OFFERED BY THE
18 INTERACTIVE GAMING CERTIFICATE HOLDER AND ANY OTHER
19 INFORMATION AS THE BOARD MAY REQUIRE.

20 § 13B28. PROHIBITIONS.

21 EXCEPT AS PROVIDED IN THIS PART, NO INTERACTIVE GAMING
22 CERTIFICATE HOLDER OR ANY PERSON LICENSED UNDER THIS PART TO
23 OPERATE INTERACTIVE GAMING OR AN INTERACTIVE GAMING SYSTEM AND
24 NO PERSON ACTING ON BEHALF OF, OR UNDER ANY ARRANGEMENT WITH, AN
25 INTERACTIVE GAMING CERTIFICATE HOLDER OR OTHER PERSON LICENSED
26 UNDER THIS PART SHALL:

27 (1) MAKE ANY LOAN TO ANY PERSON FOR THE PURPOSE OF
28 CREDITING AN INTERACTIVE GAMING ACCOUNT.

29 (2) RELEASE OR DISCHARGE ANY DEBT, EITHER IN WHOLE OR IN
30 PART, OR MAKE ANY LOAN WHICH REPRESENTS ANY LOSSES INCURRED

1 BY ANY REGISTERED PLAYER WHILE PLAYING AUTHORIZED INTERACTIVE
2 GAMES WITHOUT MAINTAINING A WRITTEN RECORD THEREOF IN
3 ACCORDANCE WITH REGULATIONS OF THE BOARD.

4 § 13B29. COMMENCEMENT OF INTERACTIVE GAMING OPERATIONS.

5 AN INTERACTIVE GAMING CERTIFICATE HOLDER MAY NOT OPERATE OR
6 OFFER INTERACTIVE GAMES FOR PLAY ON ITS INTERACTIVE GAMING SKIN
7 UNTIL THE BOARD DETERMINES THAT:

8 (1) THE INTERACTIVE GAMING CERTIFICATE HOLDER IS IN
9 COMPLIANCE WITH THE REQUIREMENTS OF THIS CHAPTER.

10 (2) THE INTERACTIVE GAMING CERTIFICATE HOLDER'S
11 INTERNAL, ADMINISTRATIVE AND ACCOUNTING CONTROLS ARE
12 SUFFICIENT TO MEET THE REQUIREMENTS OF SECTION 13B32
13 (RELATING TO INTERNAL, ADMINISTRATIVE AND ACCOUNTING
14 CONTROLS).

15 (3) THE INTERACTIVE GAMING CERTIFICATE HOLDER'S
16 INTERACTIVE GAMING EMPLOYEES, WHERE APPLICABLE, ARE LICENSED,
17 PERMITTED, REGISTERED, CERTIFIED OR OTHERWISE AUTHORIZED BY
18 THE BOARD TO PERFORM THEIR RESPECTIVE DUTIES.

19 (4) THE EMPLOYEES OF THE INTERACTIVE GAMING OPERATOR
20 ARE, WHERE APPLICABLE, LICENSED, PERMITTED OR OTHERWISE
21 AUTHORIZED BY THE BOARD TO PERFORM THEIR DUTIES.

22 (5) THE INTERACTIVE GAMING CERTIFICATE HOLDER IS
23 PREPARED IN ALL RESPECTS TO OFFER INTERACTIVE GAMING TO THE
24 PUBLIC OVER ITS INTERACTIVE GAMING SKIN.

25 (6) THE INTERACTIVE GAMING CERTIFICATE HOLDER HAS
26 IMPLEMENTED NECESSARY INTERNAL, ADMINISTRATIVE AND ACCOUNTING
27 CONTROLS, SECURITY ARRANGEMENTS AND SURVEILLANCE SYSTEMS FOR
28 THE OPERATION OF INTERACTIVE GAMING.

29 (7) THE INTERACTIVE GAMING CERTIFICATE HOLDER IS IN
30 COMPLIANCE WITH OR WILL COMPLY WITH SECTION 13B31 (RELATING

1 TO RESPONSIBILITIES OF INTERACTIVE GAMING CERTIFICATE
2 HOLDER).

3 (8) THE BOARD HAS APPROVED AN AGREEMENT ENTERED BETWEEN
4 THE INTERACTIVE GAMING CERTIFICATE HOLDER AND AN INTERACTIVE
5 GAMING OPERATOR OR OTHER PERSON RELATED TO THE OPERATION OF
6 INTERACTIVE GAMING OR THE OPERATION OF AN INTERACTIVE GAMING
7 SYSTEM ON BEHALF OF SUCH INTERACTIVE GAMING CERTIFICATE
8 HOLDER.

9 SUBCHAPTER D

10 FACILITIES AND EQUIPMENT

11 SEC.

12 13B31. RESPONSIBILITIES OF INTERACTIVE GAMING CERTIFICATE
13 HOLDER.

14 13B32. INTERNAL, ADMINISTRATIVE AND ACCOUNTING CONTROLS.

15 § 13B31. RESPONSIBILITIES OF INTERACTIVE GAMING CERTIFICATE
16 HOLDER.

17 (A) FACILITIES AND EQUIPMENT.--ALL FACILITIES AND
18 INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT SHALL:

19 (1) BE ARRANGED IN A MANNER PROMOTING APPROPRIATE
20 SECURITY FOR INTERACTIVE GAMING.

21 (2) INCLUDE A CLOSED-CIRCUIT VIDEO MONITORING SYSTEM
22 ACCORDING TO RULES OR SPECIFICATIONS APPROVED BY THE BOARD,
23 WITH BOARD ABSOLUTE ACCESS TO THE INTERACTIVE GAMING
24 CERTIFICATE HOLDER'S INTERACTIVE GAMING SKIN, INTERNET
25 WEBSITE AND PLATFORM, SIGNAL OR TRANSMISSION USED IN
26 CONNECTION WITH INTERACTIVE GAMING.

27 (3) NOT BE DESIGNED IN ANY WAY THAT MIGHT INTERFERE WITH
28 OR IMPEDE THE BOARD IN ITS REGULATION OF INTERACTIVE GAMING.

29 (4) COMPLY IN ALL RESPECTS WITH REGULATIONS OF THE
30 BOARD.

1 (B) LOCATION OF EQUIPMENT AND INTERACTIVE GAMING RESTRICTED
2 AREAS.--

3 (1) ALL INTERACTIVE GAMING DEVICES AND ASSOCIATED
4 EQUIPMENT USED BY AN INTERACTIVE GAMING CERTIFICATE HOLDER OR
5 AN INTERACTIVE GAMING LICENSEE TO CONDUCT INTERACTIVE GAMING
6 MAY BE LOCATED, WITH THE PRIOR APPROVAL OF THE BOARD, IN AN
7 INTERACTIVE GAMING RESTRICTED AREA ON THE PREMISES OF THE
8 LICENSED FACILITY, IN AN INTERACTIVE GAMING RESTRICTED AREA
9 WITHIN THE GEOGRAPHIC LIMITS OF THE COUNTY IN THIS
10 COMMONWEALTH WHERE THE LICENSED FACILITY IS SITUATED OR IN
11 ANY OTHER AREA APPROVED BY THE BOARD.

12 (2) ALL WAGERS ASSOCIATED WITH INTERACTIVE GAMING SHALL
13 BE DEEMED TO BE PLACED WHEN RECEIVED BY THE INTERACTIVE
14 GAMING CERTIFICATE HOLDER. ANY INTERMEDIATE ROUTING OF
15 ELECTRONIC DATA IN CONNECTION WITH A WAGER SHALL NOT AFFECT
16 THE FACT THAT THE WAGER IS PLACED IN A LICENSED FACILITY IN
17 THIS COMMONWEALTH.

18 § 13B32. INTERNAL, ADMINISTRATIVE AND ACCOUNTING CONTROLS.

19 (A) SUBMISSIONS TO BOARD.--NOTWITHSTANDING ANY PROVISION OF
20 THIS PART, EACH SLOT MACHINE LICENSEE WHO HOLDS OR HAS APPLIED
21 FOR AN INTERACTIVE GAMING CERTIFICATE IN ACCORDANCE WITH THIS
22 CHAPTER SHALL SUBMIT A DESCRIPTION OF ITS SYSTEM OF INTERNAL
23 PROCEDURES AND ADMINISTRATIVE AND ACCOUNTING CONTROLS FOR
24 INTERACTIVE GAMING TO THE BOARD, INCLUDING PROVISIONS THAT
25 PROVIDE FOR REAL-TIME MONITORING, RECORDATION OR STORAGE OF ALL
26 INTERACTIVE GAMES AND A DESCRIPTION OF ANY CHANGES TO ITS
27 PROCEDURES AND CONTROLS. THE SUBMISSION SHALL BE MADE AT LEAST
28 90 DAYS BEFORE AUTHORIZED INTERACTIVE GAMING IS TO COMMENCE OR
29 AT LEAST 90 DAYS BEFORE ANY CHANGE IN THOSE PROCEDURES OR
30 CONTROLS IS TO TAKE EFFECT, UNLESS OTHERWISE DIRECTED BY THE

1 BOARD.

2 (B) FILING.--NOTWITHSTANDING SUBSECTION (A), THE PROCEDURES
3 AND CONTROLS MAY BE IMPLEMENTED BY AN INTERACTIVE GAMING
4 CERTIFICATE HOLDER UPON THE FILING OF THE PROCEDURES AND
5 CONTROLS WITH THE BOARD. EACH PROCEDURE OR CONTROL SUBMISSION
6 SHALL CONTAIN BOTH NARRATIVE AND DIAGRAMMATIC REPRESENTATIONS OF
7 THE SYSTEM TO BE UTILIZED WITH REGARD TO INTERACTIVE GAMING,
8 INCLUDING, BUT NOT LIMITED TO:

9 (1) ACCOUNTING CONTROLS, INCLUDING THE STANDARDIZATION
10 OF FORMS AND DEFINITION OF TERMS TO BE UTILIZED IN THE
11 INTERNET GAMING OPERATIONS.

12 (2) PROCEDURES, FORMS AND, WHERE APPROPRIATE, FORMULAS
13 TO GOVERN THE FOLLOWING:

14 (I) CALCULATION OF HOLD PERCENTAGES;

15 (II) REVENUE DROPS;

16 (III) EXPENSE AND OVERHEAD SCHEDULES;

17 (IV) COMPLIMENTARY SERVICES; AND

18 (V) CASH-EQUIVALENT TRANSACTIONS.

19 (3) JOB DESCRIPTIONS AND THE SYSTEM OF PERSONNEL AND
20 CHAIN OF COMMAND, ESTABLISHING A DIVERSITY OF RESPONSIBILITY
21 AMONG EMPLOYEES ENGAGED IN INTERACTIVE GAMING OPERATIONS,
22 INCLUDING EMPLOYEES OF AN INTERACTIVE GAMING OPERATOR, AND
23 IDENTIFYING PRIMARY AND SECONDARY MANAGEMENT AND SUPERVISORY
24 POSITIONS FOR AREAS OF RESPONSIBILITY, SALARY STRUCTURE AND
25 PERSONNEL PRACTICES.

26 (4) PROCEDURES FOR THE REGISTRATION OF PLAYERS AND
27 ESTABLISHMENT OF INTERACTIVE GAMING ACCOUNTS, INCLUDING A
28 PROCEDURE FOR AUTHENTICATING THE AGE, IDENTITY AND LOCATION
29 OF APPLICANTS FOR GAMING ACCOUNTS.

30 (5) PROCEDURES FOR TERMINATING A REGISTERED PLAYER'S

1 INTERACTIVE GAMING ACCOUNT AND THE RETURN OF ANY FUNDS
2 REMAINING IN THE INTERACTIVE GAMING ACCOUNT TO THE REGISTERED
3 PLAYER.

4 (6) PROCEDURES FOR SUSPENDING OR TERMINATING A DORMANT
5 GAMING ACCOUNT.

6 (7) PROCEDURES FOR THE LOGGING IN AND AUTHENTICATION OF
7 A REGISTERED PLAYER IN ORDER TO ENABLE THE PLAYER TO COMMENCE
8 INTERACTIVE GAMING AND THE LOGGING OFF OF THE REGISTERED
9 PLAYER WHEN THE PLAYER HAS COMPLETED PLAY, INCLUDING A
10 PROCEDURE TO AUTOMATICALLY LOG A REGISTERED PLAYER OUT OF THE
11 PLAYER'S INTERACTIVE GAMING ACCOUNT AFTER A SPECIFIED PERIOD
12 OF INACTIVITY.

13 (8) PROCEDURES FOR THE CREDITING AND DEBITING OF
14 REGISTERED PLAYERS' INTERACTIVE GAMING ACCOUNTS.

15 (9) PROCEDURES FOR CASHING CHECKS, RECEIVING ELECTRONIC
16 NEGOTIABLE INSTRUMENTS AND FOR REDEEMING CHIPS, TOKENS OR
17 OTHER CASH EQUIVALENTS.

18 (10) PROCEDURES FOR WITHDRAWING FUNDS FROM AN
19 INTERACTIVE GAMING ACCOUNT BY THE REGISTERED PLAYER.

20 (11) PROCEDURES FOR THE PROBATION OF PLAYER FUNDS,
21 INCLUDING THE SEGREGATION OF PLAYER FUNDS FROM OPERATING
22 FUNDS.

23 (12) PROCEDURES FOR RECORDING TRANSACTIONS PERTAINING TO
24 INTERACTIVE GAMING.

25 (13) PROCEDURES FOR THE SECURITY OF PERSONAL IDENTIFYING
26 INFORMATION OF REGISTERED PLAYERS AND OTHER INFORMATION AS
27 REQUIRED BY THE BOARD AND FUNDS IN INTERACTIVE GAMING
28 ACCOUNTS.

29 (14) PROCEDURES AND SECURITY FOR THE CALCULATION AND
30 RECORDATION OF REVENUE.

1 (15) PROCEDURES FOR THE SECURITY OF INTERACTIVE GAMING
2 DEVICES AND ASSOCIATED EQUIPMENT WITHIN AN INTERACTIVE GAMING
3 RESTRICTED AREA ON THE PREMISES OF THE LICENSED FACILITY OR
4 IN A SECURE FACILITY INACCESSIBLE TO THE PUBLIC AND
5 SPECIFICALLY DESIGNED FOR THAT PURPOSE OFF THE PREMISES OF A
6 LICENSED FACILITY AS APPROVED BY THE BOARD.

7 (16) PROCEDURES AND SECURITY STANDARDS AS TO RECEIPT OF
8 AND THE HANDLING AND STORAGE OF INTERACTIVE GAMING DEVICES
9 AND ASSOCIATED EQUIPMENT.

10 (17) PROCEDURES AND SECURITY STANDARDS TO PROTECT THE
11 INTERACTIVE GAMING CERTIFICATE HOLDER'S INTERACTIVE GAMING
12 SKIN OR INTERNET WEBSITE AND INTERACTIVE GAMING DEVICES AND
13 ASSOCIATED EQUIPMENT FROM HACKING OR TAMPERING BY ANY PERSON.

14 (18) PROCEDURES FOR RESPONDING TO SUSPECTED OR ACTUAL
15 HACKING OR TAMPERING WITH AN INTERACTIVE GAMING CERTIFICATE
16 HOLDER'S INTERACTIVE GAMING SKIN OR INTERNET WEBSITE AND
17 INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT,
18 INCLUDING PARTIAL OR COMPLETE SUSPENSION OF INTERACTIVE
19 GAMING OR THE SUSPENSION OF ANY OR ALL INTERACTIVE GAMING
20 ACCOUNTS WHEN WARRANTED.

21 (19) PROCEDURES TO VERIFY EACH REGISTERED PLAYER'S
22 PHYSICAL LOCATION EACH TIME A WAGER IS PLACED ON AN
23 INTERACTIVE GAME.

24 (20) PROCEDURES TO ENSURE, TO A REASONABLE DEGREE OF
25 CERTAINTY, THAT THE INTERACTIVE GAMES ARE FAIR AND HONEST AND
26 THAT APPROPRIATE MEASURES ARE IN PLACE TO DETER, DETECT AND,
27 TO THE EXTENT REASONABLY POSSIBLE, TO PREVENT CHEATING,
28 INCLUDING COLLUSION, AND USE OF CHEATING DEVICES, INCLUDING
29 THE USE OF SOFTWARE PROGRAMS THAT MAKE BETS OR WAGERS
30 ACCORDING TO ALGORITHMS.

1 (21) PROCEDURES TO ASSIST PROBLEM AND COMPULSIVE
2 GAMBLERS, INCLUDING PROCEDURES REASONABLY INTENDED TO PREVENT
3 A PERSON FROM PARTICIPATING IN INTERACTIVE GAMING ACTIVITIES
4 IN ACCORDANCE WITH SECTIONS 1514 (RELATING TO REGULATION
5 REQUIRING EXCLUSION, EJECTION OR DENIAL OF ACCESS OF CERTAIN
6 PERSONS), 1515 (RELATING TO REPEAT OFFENDERS EXCLUDABLE FROM
7 LICENSED GAMING FACILITY) AND 1516 (RELATING TO LIST OF
8 PERSONS SELF EXCLUDED FROM GAMING ACTIVITIES).

9 (C) REVIEW OF SUBMISSIONS.--

10 (1) THE BOARD SHALL REVIEW EACH SUBMISSION REQUIRED BY
11 SUBSECTIONS (A) AND (B) AND SHALL DETERMINE WHETHER THE
12 SUBMISSION CONFORMS TO THE REQUIREMENTS OF THIS CHAPTER AND
13 REGULATIONS PROMULGATED BY THE BOARD AND WHETHER THE SYSTEM
14 SUBMITTED PROVIDES ADEQUATE AND EFFECTIVE CONTROLS FOR
15 INTERACTIVE GAMING OF THE PARTICULAR INTERACTIVE GAMING
16 CERTIFICATE HOLDER.

17 (2) IF THE BOARD DETERMINES THAT INSUFFICIENCIES EXIST,
18 IT SHALL SPECIFY THE INSUFFICIENCIES IN WRITING TO THE
19 INTERACTIVE GAMING CERTIFICATE HOLDER, WHO SHALL MAKE
20 APPROPRIATE ALTERATIONS TO ENSURE COMPLIANCE WITH THE
21 REQUIREMENTS OF THIS CHAPTER AND REGULATIONS OF THE BOARD.
22 WHEN THE BOARD DETERMINES A SUBMISSION TO BE ADEQUATE IN ALL
23 RESPECTS, IT SHALL NOTIFY THE INTERACTIVE GAMING CERTIFICATE
24 HOLDER.

25 (3) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (A), NO
26 INTERACTIVE GAMING CERTIFICATE HOLDER, INTERACTIVE GAMING
27 OPERATOR OR OTHER PERSON SHALL COMMENCE OR ALTER INTERACTIVE
28 GAMING OPERATIONS UNLESS AND UNTIL THE SYSTEM OF PROCEDURES,
29 CONTROLS AND ALTERNATIONS IS APPROVED BY THE BOARD.

30 SUBCHAPTER E

1 (C) USE OF OTHER STATE STANDARDS.--THE BOARD MAY DETERMINE
2 WHETHER THE TESTING AND CERTIFICATION STANDARDS FOR INTERACTIVE
3 GAMES AND INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT AS
4 ADOPTED BY ANOTHER JURISDICTION WITHIN THE UNITED STATES OR ANY
5 OF THE TESTING AND CERTIFICATION STANDARDS USED BY AN
6 INTERACTIVE GAMING CERTIFICATE HOLDER ARE COMPREHENSIVE AND
7 THOROUGH AND PROVIDE SIMILAR AND ADEQUATE SAFEGUARDS AS THOSE
8 REQUIRED BY THIS CHAPTER. IF THE BOARD MAKES THAT DETERMINATION,
9 IT MAY PERMIT THE PERSON AUTHORIZED TO MANUFACTURE, SUPPLY,
10 DISTRIBUTE OR OTHERWISE PROVIDE INTERACTIVE GAMES AND
11 INTERACTIVE GAMING DEVICES AND ASSOCIATED EQUIPMENT TO FURNISH
12 INTERACTIVE GAMES AND INTERACTIVE GAMING DEVICES AND ASSOCIATED
13 EQUIPMENT TO INTERACTIVE GAMING CERTIFICATE HOLDERS IN THIS
14 COMMONWEALTH WITHOUT UNDERGOING THE FULL TESTING AND
15 CERTIFICATION PROCESS BY THE BOARD'S INDEPENDENT TESTING AND
16 CERTIFICATION FACILITY.

17 SUBCHAPTER F

18 TAXES AND FEES

19 SEC.

20 13B51. INTERACTIVE GAMING AUTHORIZATION FEE.

21 13B52. INTERACTIVE GAMING TAX.

22 13B53. LOCAL SHARE ASSESSMENT.

23 13B54. COMPULSIVE AND PROBLEM GAMBLING.

24 § 13B51. INTERACTIVE GAMING AUTHORIZATION FEE.

25 (A) AMOUNT OF AUTHORIZATION FEE.--

26 (1) EACH SLOT MACHINE LICENSEE THAT IS ISSUED AN
27 INTERACTIVE GAMING CERTIFICATE TO CONDUCT INTERACTIVE GAMING
28 IN ACCORDANCE WITH SECTION 13B11 (RELATING TO AUTHORIZATION
29 TO CONDUCT INTERACTIVE GAMING) SHALL PAY A ONE-TIME
30 NONREFUNDABLE AUTHORIZATION FEE IN THE AMOUNT OF \$8,000,000.

1 (2) EACH INTERACTIVE GAMING OPERATOR OR AN AFFILIATE OF
2 AN INTERACTIVE GAMING CERTIFICATE HOLDER THAT IS ISSUED AN
3 INTERACTIVE GAMING LICENSE UNDER THIS CHAPTER TO OPERATE
4 INTERACTIVE GAMING OR AN INTERACTIVE GAMING SYSTEM ON BEHALF
5 OF A SLOT MACHINE LICENSEE PURSUANT TO AN INTERACTIVE GAMING
6 AGREEMENT AND THAT IS NOT OWNED OR OTHERWISE CONTROLLED BY A
7 SLOT MACHINE LICENSEE SHALL PAY A ONE-TIME NONREFUNDABLE
8 AUTHORIZATION FEE IN THE AMOUNT OF \$2,000,000.

9 (B) PAYMENT OF FEE.--PERSONS REQUIRED TO PAY THE
10 AUTHORIZATION FEE UNDER SUBSECTION (A) SHALL REMIT THE FEE TO
11 THE BOARD WITHIN 60 DAYS OF THE BOARD'S APPROVAL OF ITS
12 PETITION, LICENSE OR CONDITIONAL LICENSE TO CONDUCT INTERACTIVE
13 GAMING OR TO OPERATE INTERACTIVE GAMING OR AN INTERACTIVE GAMING
14 SYSTEM. THE BOARD MAY ALLOW THE FEE TO BE PAID IN INSTALLMENTS,
15 PROVIDED THAT ALL SUCH INSTALLMENTS ARE PAID WITHIN THE 60-DAY
16 PERIOD AND THAT THE INSTALLMENT PAYMENTS ARE MADE IN ACCORDANCE
17 WITH THE TERMS OF AN AGREEMENT BETWEEN THE BOARD AND THE
18 INTERACTIVE GAMING CERTIFICATE HOLDER, AN AFFILIATE OF AN
19 INTERACTIVE GAMING CERTIFICATE HOLDER OR AN INTERACTIVE GAMING
20 OPERATOR THAT SETS FORTH THE TERMS OF THE INSTALLMENT PAYMENT.

21 (C) RENEWAL FEE.--

22 (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER,
23 AN INTERACTIVE GAMING CERTIFICATE HOLDER SHALL PAY A RENEWAL
24 FEE IN THE AMOUNT OF \$250,000 UPON THE RENEWAL OF ITS
25 INTERACTIVE GAMING CERTIFICATE IN ACCORDANCE WITH SECTIONS
26 1326 (RELATING TO RENEWALS) AND 13B13(C) (RELATING TO
27 ISSUANCE OF INTERACTIVE GAMING CERTIFICATE).

28 (2) EACH INTERACTIVE GAMING OPERATOR OR AFFILIATE OF AN
29 INTERACTIVE GAMING OPERATOR UNDER SUBSECTION (A) (3) SHALL PAY
30 A RENEWAL FEE OF \$100,000 UPON THE RENEWAL OF ITS INTERACTIVE

1 GAMING LICENSE IN ACCORDANCE WITH THIS CHAPTER.

2 (D) DEPOSIT OF FEES.--THE FEES IMPOSED AND COLLECTED UNDER
3 THIS SECTION SHALL BE DEPOSITED IN THE GENERAL FUND.

4 § 13B52. INTERACTIVE GAMING TAX.

5 (A) IMPOSITION OF TAX.--EACH INTERACTIVE GAMING CERTIFICATE
6 HOLDER THAT CONDUCTS INTERACTIVE GAMING AT A LICENSED FACILITY
7 SHALL REPORT TO THE DEPARTMENT AND PAY FROM ITS DAILY GROSS
8 INTERACTIVE GAMING REVENUE, ON A FORM AND IN THE MANNER
9 PRESCRIBED BY THE DEPARTMENT, A TAX OF 14% OF ITS DAILY GROSS
10 INTERACTIVE GAMING REVENUE AND A LOCAL SHARE ASSESSMENT AS
11 PROVIDED IN SECTION 13B53 (RELATING TO LOCAL SHARE ASSESSMENT).

12 (B) DEPOSITS AND DISTRIBUTIONS.--

13 (1) THE TAX IMPOSED UNDER SUBSECTION (A) SHALL BE
14 PAYABLE TO THE DEPARTMENT ON A WEEKLY BASIS AND SHALL BE
15 BASED UPON GROSS INTERACTIVE GAMING REVENUE DERIVED DURING
16 THE PREVIOUS WEEK.

17 (2) ALL FUNDS OWED TO THE COMMONWEALTH UNDER THIS
18 SECTION SHALL BE HELD IN TRUST FOR THE COMMONWEALTH BY THE
19 INTERACTIVE GAMING CERTIFICATE HOLDER UNTIL THE FUNDS ARE
20 PAID TO THE DEPARTMENT FOR DEPOSIT IN THE GENERAL FUND. AN
21 INTERACTIVE GAMING CERTIFICATE HOLDER SHALL ESTABLISH A
22 SEPARATE BANK ACCOUNT INTO WHICH GROSS INTERACTIVE GAMING
23 REVENUE SHALL BE DEPOSITED AND MAINTAINED UNTIL SUCH TIME AS
24 THE FUNDS ARE PAID TO THE DEPARTMENT UNDER THIS SECTION.

25 (C) TAXES ON OUT-OF-STATE WAGERING.--THE TAX RATE WHICH
26 SHALL BE ASSESSED AND COLLECTED BY THE DEPARTMENT WITH RESPECT
27 TO ANY WAGERS PLACED BY REGISTERED PLAYERS LOCATED IN THIS
28 COMMONWEALTH WITH AN INTERACTIVE GAMING OPERATOR OUTSIDE OF THIS
29 COMMONWEALTH, BUT AUTHORIZED UNDER AN INTERACTIVE GAMING
30 RECIPROCAL AGREEMENT SHALL BE GOVERNED BY THE AGREEMENT BUT MAY

1 NOT EXCEED 16% OF GROSS INTERACTIVE GAMING REVENUE DERIVED FROM
2 REGISTERED PLAYERS LOCATED IN THIS COMMONWEALTH.

3 (D) DEPOSIT OF FUNDS.--THE TAX IMPOSED UNDER SUBSECTION (A)
4 SHALL BE COLLECTED BY THE DEPARTMENT FOR DEPOSIT IN THE GENERAL
5 FUND.

6 § 13B53. LOCAL SHARE ASSESSMENT.

7 (A) REQUIRED PAYMENT.--

8 (1) IN ADDITION TO THE TAX IMPOSED UNDER SECTION 13B52
9 (RELATING TO INTERACTIVE GAMING TAX), EACH INTERACTIVE GAMING
10 CERTIFICATE HOLDER THAT CONDUCTS INTERACTIVE GAMING SHALL PAY
11 ON A WEEKLY BASIS AND ON A FORM AND IN A MANNER PRESCRIBED BY
12 THE DEPARTMENT A LOCAL SHARE ASSESSMENT INTO A RESTRICTED
13 RECEIPTS ACCOUNT ESTABLISHED IN THE DEPARTMENT OF COMMUNITY
14 AND ECONOMIC DEVELOPMENT TO BE USED EXCLUSIVELY FOR GRANTS TO
15 ALL COUNTIES IN THIS COMMONWEALTH, TO ECONOMIC DEVELOPMENT
16 AUTHORITIES OR REDEVELOPMENT AUTHORITIES WITHIN EACH COUNTY,
17 FOR GRANTS FOR ECONOMIC DEVELOPMENT PROJECTS, COMMUNITY
18 IMPROVEMENT PROJECTS AND OTHER PROJECTS IN THE PUBLIC
19 INTEREST.

20 (2) THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
21 SHALL DEVELOP POLICIES AND PROCEDURES TO GOVERN THE
22 DISTRIBUTION OF GRANTS FROM THE LOCAL SHARE ASSESSMENT
23 ESTABLISHED UNDER PARAGRAPH (1). THE POLICIES AND PROCEDURES
24 SHALL BE OF SUFFICIENT SCOPE TO ENSURE EQUAL ACCESS TO GRANT
25 FUNDS BY ALL COUNTIES IN THIS COMMONWEALTH.

26 (B) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
27 WORDS AND PHRASES SHALL HAVE THE MEANING GIVEN TO THEM IN THIS
28 SUBSECTION:

29 "LOCAL SHARE ASSESSMENT." TWO PERCENT OF AN INTERACTIVE
30 GAMING CERTIFICATE HOLDER'S DAILY GROSS INTERACTIVE GAMING

1 REVENUE.

2 § 13B54. COMPULSIVE AND PROBLEM GAMBLING.

3 THE FOLLOWING SHALL APPLY:

4 (1) EACH YEAR, FROM THE TAX IMPOSED IN SECTION 13B52
5 (RELATING TO INTERACTIVE GAMING TAX), \$2,000,000 OR AN AMOUNT
6 EQUAL TO .002 MULTIPLIED BY THE TOTAL GROSS INTERACTIVE
7 GAMING REVENUE OF ALL ACTIVE AND OPERATING INTERACTIVE GAMING
8 CERTIFICATE HOLDERS, WHICHEVER IS GREATER, SHALL BE
9 TRANSFERRED INTO THE COMPULSIVE AND PROBLEM GAMBLING
10 TREATMENT FUND ESTABLISHED IN SECTION 1509 (RELATING TO
11 COMPULSIVE AND PROBLEM GAMBLING PROGRAM).

12 (2) EACH YEAR, FROM THE TAX IMPOSED IN SECTION 13B52,
13 \$2,000,000 OR AN AMOUNT EQUAL TO .002 MULTIPLIED BY THE TOTAL
14 GROSS INTERACTIVE GAMING REVENUE OF ALL ACTIVE AND OPERATING
15 INTERACTIVE GAMING CERTIFICATE HOLDERS, WHICHEVER IS GREATER,
16 SHALL BE TRANSFERRED TO THE DEPARTMENT OF HEALTH TO BE USED
17 FOR DRUG AND ALCOHOL ADDICTION TREATMENT SERVICES, INCLUDING
18 TREATMENT FOR DRUG AND ALCOHOL ADDICTION RELATED TO
19 COMPULSIVE AND PROBLEM GAMBLING, AS SET FORTH IN SECTION
20 1509.1 (RELATING TO DRUG AND ALCOHOL TREATMENT).

21 SUBCHAPTER G

22 MISCELLANEOUS PROVISIONS

23 SEC.

24 13B61. PARTICIPATION IN INTERACTIVE GAMING BY PERSONS OUTSIDE
25 COMMONWEALTH.

26 13B62. INSTITUTIONAL INVESTORS.

27 13B63. INTERNET CAFES AND PROHIBITION.

28 § 13B61. PARTICIPATION IN INTERACTIVE GAMING BY PERSONS OUTSIDE
29 COMMONWEALTH.

30 NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER TO THE

1 CONTRARY, AN INTERACTIVE GAMING CERTIFICATE HOLDER MAY ACCEPT
2 INTERACTIVE GAMING WAGERS FROM A PERSON WHO IS NOT PHYSICALLY
3 PRESENT IN THIS COMMONWEALTH, IF THE BOARD DETERMINES THE
4 FOLLOWING:

5 (1) PARTICIPATION IN INTERACTIVE GAMING AND ACCEPTANCE
6 OF WAGERS ASSOCIATED WITH INTERACTIVE GAMING FROM A PERSON
7 NOT PHYSICALLY PRESENT IN THIS COMMONWEALTH IS NOT
8 INCONSISTENT WITH FEDERAL LAW OR REGULATION OR THE LAW OR
9 REGULATION OF THE JURISDICTION, INCLUDING ANY FOREIGN
10 JURISDICTION, IN WHICH THE PERSON IS LOCATED.

11 (2) PARTICIPATION IN INTERACTIVE GAMING IS CONDUCTED
12 PURSUANT TO AN INTERACTIVE GAMING RECIPROCAL AGREEMENT
13 BETWEEN THE COMMONWEALTH AND ANOTHER STATE OR JURISDICTION,
14 INCLUDING A FOREIGN JURISDICTION, TO WHICH THE COMMONWEALTH
15 IS A PARTY AND THE INTERACTIVE GAMING RECIPROCAL AGREEMENT IS
16 NOT INCONSISTENT WITH FEDERAL LAW OR REGULATION.

17 § 13B62. INSTITUTIONAL INVESTORS.

18 (A) DECLARATION OF INVESTMENT INTENT.--NOTWITHSTANDING ANY
19 OTHER PROVISION OF THIS PART, THE FOLLOWING SHALL APPLY:

20 (1) AN INSTITUTIONAL INVESTOR HOLDING 20% OR LESS OF THE
21 EQUITY SECURITIES OF AN INTERACTIVE GAMING CERTIFICATE
22 HOLDER'S, INTERACTIVE GAMING OPERATOR'S OR APPLICANT'S
23 HOLDING OR INTERMEDIARY COMPANIES SHALL BE GRANTED A WAIVER
24 OF ANY INVESTIGATION OF SUITABILITY OR OTHER REQUIREMENT IF
25 THE SECURITIES ARE THOSE OF A CORPORATION, WHETHER PUBLICLY
26 TRADED OR PRIVATELY HELD, AND THE HOLDINGS OF THE SECURITIES
27 WERE PURCHASED FOR INVESTMENT PURPOSES ONLY. THE
28 INSTITUTIONAL INVESTOR SHALL FILE A CERTIFIED STATEMENT THAT
29 IT HAS NO INTENTION OF INFLUENCING OR AFFECTING THE AFFAIRS
30 OF THE INTERACTIVE GAMING CERTIFICATE HOLDER, INTERACTIVE

1 GAMING OPERATOR, APPLICANT OR ITS HOLDING OR INTERMEDIARY
2 COMPANIES. HOWEVER, AN INSTITUTIONAL INVESTOR SHALL BE
3 PERMITTED TO VOTE ON MATTERS PUT TO THE VOTE OF THE
4 OUTSTANDING SECURITY HOLDERS.

5 (2) THE BOARD MAY GRANT A WAIVER TO AN INSTITUTIONAL
6 INVESTOR HOLDING A HIGHER PERCENTAGE OF SECURITIES UPON A
7 SHOWING OF GOOD CAUSE AND IF THE CONDITIONS SPECIFIED IN
8 PARAGRAPH (1) ARE MET.

9 (3) AN INSTITUTIONAL INVESTOR GRANTED A WAIVER UNDER
10 THIS SUBSECTION WHO SUBSEQUENTLY DECIDES TO INFLUENCE OR
11 AFFECT THE AFFAIRS OF THE INTERACTIVE GAMING CERTIFICATE
12 HOLDER, INTERACTIVE GAMING OPERATOR OR APPLICANT'S HOLDING OR
13 INTERMEDIARY COMPANY SHALL PROVIDE NOT LESS THAN 30 DAYS'
14 NOTICE OF INTENT AND SHALL FILE WITH THE BOARD A REQUEST FOR
15 DETERMINATION OF SUITABILITY BEFORE TAKING ANY ACTION THAT
16 MAY INFLUENCE OR AFFECT THE AFFAIRS OF THE ISSUER. AN
17 INSTITUTIONAL INVESTOR SHALL BE PERMITTED TO VOTE ON MATTERS
18 PUT TO THE VOTE OF THE OUTSTANDING SECURITY HOLDERS.

19 (4) IF AN INSTITUTIONAL INVESTOR CHANGES ITS INVESTMENT
20 INTENT OR IF THE BOARD FINDS REASONABLE CAUSE TO BELIEVE THAT
21 THE INSTITUTIONAL INVESTOR MAY BE FOUND UNSUITABLE, NO ACTION
22 OTHER THAN DIVESTITURE SHALL BE TAKEN BY THE INSTITUTIONAL
23 INVESTOR WITH RESPECT TO ITS SECURITY HOLDINGS UNTIL THERE
24 HAS BEEN COMPLIANCE WITH ANY REQUIREMENTS ESTABLISHED BY THE
25 BOARD, WHICH MAY INCLUDE THE EXECUTION OF A TRUST AGREEMENT.

26 (5) THE INTERACTIVE GAMING CERTIFICATE HOLDER OR
27 INTERACTIVE GAMING OPERATOR OR APPLICANT AND ITS RELEVANT
28 HOLDING, INTERMEDIARY OR SUBSIDIARY COMPANY SHALL NOTIFY THE
29 BOARD IMMEDIATELY OF ANY INFORMATION ABOUT, OR ACTIONS OF, AN
30 INSTITUTIONAL INVESTOR HOLDING ITS EQUITY SECURITIES WHERE

1 THE INFORMATION OR ACTION MAY IMPACT THE ELIGIBILITY OF THE
2 INSTITUTIONAL INVESTOR FOR A WAIVER UNDER THIS SUBSECTION.

3 (B) FAILURE TO DECLARE.--IF THE BOARD FINDS:

4 (1) THAT AN INSTITUTIONAL INVESTOR HOLDING ANY SECURITY
5 OF A HOLDING OR INTERMEDIARY COMPANY OF AN INTERACTIVE GAMING
6 CERTIFICATE HOLDER OR INTERACTIVE GAMING OPERATOR OR
7 APPLICANT OR, WHERE RELEVANT, OF ANOTHER SUBSIDIARY COMPANY
8 OF A HOLDING OR INTERMEDIARY COMPANY OF AN INTERACTIVE GAMING
9 CERTIFICATE HOLDER OR INTERACTIVE GAMING OPERATOR OR
10 APPLICANT WHICH IS RELATED IN ANY WAY TO THE FINANCING OF THE
11 INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE GAMING
12 OPERATOR OR APPLICANT, FAILS TO COMPLY WITH THE PROVISIONS OF
13 SUBSECTION (A); OR

14 (2) BY REASON OF THE EXTENT OR NATURE OF ITS HOLDINGS,
15 AN INSTITUTIONAL INVESTOR IS IN A POSITION TO EXERCISE SUCH A
16 SUBSTANTIAL IMPACT UPON THE CONTROLLING INTERESTS OF AN
17 INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE GAMING
18 OPERATOR OR APPLICANT THAT INVESTIGATION AND DETERMINATION OF
19 SUITABILITY OF THE INSTITUTIONAL INVESTOR IS NECESSARY TO
20 PROTECT THE PUBLIC INTEREST;

21 THEN THE BOARD MAY TAKE ANY NECESSARY ACTION OTHERWISE
22 AUTHORIZED UNDER THIS CHAPTER TO PROTECT THE PUBLIC INTEREST.

23 § 13B63. INTERNET CAFES AND PROHIBITION.

24 (A) GENERAL RULE.--NO ORGANIZATION OR COMMERCIAL ENTERPRISE
25 SHALL OPERATE A PLACE OF PUBLIC ACCOMMODATION, CLUB, INCLUDING A
26 CLUB OR ASSOCIATION LIMITED TO DUES-PAYING MEMBERS OR SIMILAR
27 RESTRICTED GROUPS, OR SIMILAR ESTABLISHMENT IN WHICH COMPUTER
28 TERMINALS OR SIMILAR ACCESS DEVICES ARE ADVERTISED OR MADE
29 AVAILABLE TO BE USED PRINCIPALLY FOR THE PURPOSE OF ACCESSING
30 INTERACTIVE GAMES. NO INTERACTIVE GAMING CERTIFICATE HOLDER OR

1 INTERACTIVE GAMING OPERATOR SHALL OFFER OR MAKE AVAILABLE
2 COMPUTER TERMINALS OR SIMILAR ACCESS DEVICES TO BE USED
3 PRINCIPALLY FOR THE PURPOSE OF ACCESSING INTERACTIVE GAMES
4 WITHIN A LICENSED FACILITY.

5 (B) CONSTRUCTION.--NOTHING IN THIS SECTION SHALL BE
6 CONSTRUED TO:

7 (1) REQUIRE THE OWNER OR OPERATOR OF A HOTEL OR MOTEL OR
8 OTHER PUBLIC PLACE OF GENERAL USE IN THIS COMMONWEALTH TO
9 PROHIBIT OR BLOCK GUESTS FROM PLAYING INTERACTIVE GAMES; OR
10 (2) REQUIRE AN INTERACTIVE GAMING CERTIFICATE HOLDER OR
11 AN INTERACTIVE GAMING OPERATOR TO PROHIBIT REGISTERED PLAYERS
12 WITHIN A LICENSED FACILITY FROM PLAYING INTERACTIVE GAMES.

13 CHAPTER 13C

14 CASINO SIMULCASTING

15 SUBCHAPTER

16 A. GENERAL PROVISIONS

17 B. CASINO SIMULCASTING AUTHORIZED

18 C. APPLICATION AND ISSUANCE OF PERMIT AND ESTABLISHMENT OF
19 SIMULCASTING FACILITY

20 D. CONDUCT OF CASINO SIMULCASTING

21 E. FEES AND TAXES

22 SUBCHAPTER A

23 GENERAL PROVISIONS

24 SEC.

25 13C01. LEGISLATIVE INTENT AND PURPOSE.

26 13C02. DEFINITIONS.

27 § 13C01. LEGISLATIVE INTENT AND PURPOSE.

28 THE GENERAL ASSEMBLY FINDS AS FOLLOWS:

29 (1) THE PEOPLE OF THIS COMMONWEALTH HAVE A VITAL
30 ECONOMIC INTEREST IN THE CONTINUED SUCCESS OF THIS

1 COMMONWEALTH'S GAMING INDUSTRY, INCLUDING THE RACE HORSE
2 INDUSTRY. DUE TO THIS ECONOMIC INTEREST, ENHANCEMENTS TO
3 CURRENT GAMING ACTIVITIES MUST BE AUTHORIZED TO ENSURE THE
4 ONGOING COMPETITIVENESS, VIABILITY AND STABILITY OF THE
5 GAMING INDUSTRY IN THIS COMMONWEALTH.

6 (2) A PRIMARY INTENT OF THE RACE HORSE DEVELOPMENT AND
7 GAMING ACT, AS CODIFIED IN THIS PART, IS TO ENHANCE LIVE
8 HORSE RACING. HOWEVER, THE LEGALIZATION OF COMMERCIAL GAMING
9 IN STATES ON THE GEOGRAPHIC BORDERS OF THIS COMMONWEALTH
10 MAKES IT IMPERATIVE TO AUTHORIZE NEW AND INNOVATIVE GAMING
11 ACTIVITIES RELATED TO HORSE RACING AND COMMERCIAL CASINO-
12 STYLE GAMING, WHICH COULD BE IMPLEMENTED BY LICENSED GAMING
13 ENTITIES, AND WHICH COULD HELP ENSURE THE VIABILITY OF BOTH
14 HORSE RACING AND COMMERCIAL GAMING.

15 (3) THE INTENT OF THIS CHAPTER IS TO GIVE CATEGORY 2
16 LICENSED GAMING ENTITIES THE AUTHORITY TO CONDUCT CASINO
17 SIMULCASTING AT CATEGORY 2 LICENSED FACILITIES IN ORDER TO
18 EXPAND HORSE RACING OPPORTUNITIES THROUGH SIMULCASTING AND,
19 THEREBY, ENHANCING THE VIABILITY OF THIS COMMONWEALTH'S RACE
20 HORSE AND COMMERCIAL GAMING INDUSTRY.

21 § 13C02. DEFINITIONS.

22 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
23 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
24 CONTEXT CLEARLY INDICATES OTHERWISE:

25 "LICENSED GAMING ENTITY." A PERSON WHO HAS BEEN APPROVED FOR
26 AND ISSUED A CATEGORY 2 SLOT MACHINE LICENSE IN ACCORDANCE WITH
27 SECTIONS 1304 (RELATING TO CATEGORY 2 SLOT MACHINE LICENSE) AND
28 1325 (RELATING TO LICENSE OR PERMIT ISSUANCE) AND WHO HOLDS A
29 CASINO SIMULCASTING PERMIT.

30 SUBCHAPTER B

1 CASINO SIMULCASTING AUTHORIZED

2 SEC.

3 13C05. AUTHORIZATION TO CONDUCT SIMULCASTING.

4 13C06. REGULATIONS.

5 13C07. TEMPORARY REGULATIONS.

6 13C08. SIMULCAST AGREEMENTS.

7 § 13C05. AUTHORIZATION TO CONDUCT SIMULCASTING.

8 (A) AUTHORITY TO CONDUCT.--NOTWITHSTANDING ANY OTHER
9 PROVISION OF LAW OR REGULATION, IT SHALL BE LAWFUL FOR A
10 LICENSED GAMING ENTITY TO CONDUCT CASINO SIMULCASTING OR ENTER
11 INTO AN AGREEMENT OR AGREEMENTS WITH ANY LICENSED CORPORATION OR
12 OTHER PERSON FOR THE CONDUCT OF CASINO SIMULCASTING IN
13 ACCORDANCE WITH THE PROVISIONS OF THIS CHAPTER, THE APPLICABLE
14 REGULATIONS OF THE BOARD AND THE COMMISSIONS PROMULGATED UNDER
15 THIS CHAPTER.

16 (B) ADMINISTRATION AND ENFORCEMENT.--THE BOARD SHALL
17 ADMINISTER AND ENFORCE THE PROVISIONS OF THIS CHAPTER AND,
18 EXCEPT AS PROVIDED IN THIS CHAPTER, SHALL ADOPT AND PROMULGATE
19 REGULATIONS TO CARRY OUT AND ENFORCE THE PROVISIONS OF THIS
20 CHAPTER.

21 § 13C06. REGULATIONS.

22 (A) ADOPTION OF REGULATIONS.--THE BOARD, IN CONSULTATION
23 WITH THE COMMISSIONS, SHALL ADOPT AND PROMULGATE REGULATIONS TO
24 GOVERN THE CONDUCT OF CASINO SIMULCASTING BY LICENSED GAMING
25 ENTITIES IN THIS COMMONWEALTH. SUCH REGULATIONS SHALL ESTABLISH
26 THE FOLLOWING:

27 (1) THE METHOD AND FORM OF THE APPLICATION WHICH A
28 LICENSED GAMING ENTITY MUST FOLLOW AND COMPLETE BEFORE
29 CONSIDERATION OF THE LICENSED GAMING ENTITY'S APPLICATION TO
30 CONDUCT CASINO SIMULCASTING.

1 (2) THE PERMISSIBLE COMMUNICATIONS TECHNOLOGY WHICH MUST
2 BE USED TO FACILITATE THE CONDUCT OF CASINO SIMULCASTING IN
3 ACCORDANCE WITH REGULATIONS OF THE BOARD, THE COMMISSIONS AND
4 APPLICABLE FEDERAL LAW AND REGULATIONS.

5 (3) THE TIMES DURING WHICH CASINO SIMULCASTING MAY BE
6 CONDUCTED BY LICENSED GAMING ENTITIES. THE TIMES DURING WHICH
7 A LICENSED GAMING ENTITY MAY CONDUCT CASINO SIMULCASTING
8 SHALL BE THE SAME AS THE TIMES AUTHORIZED FOR THE CONDUCT OF
9 CASINO SIMULCASTING BY CATEGORY 1 SLOT MACHINE LICENSEES.

10 (4) THE APPROVAL OF THE TERMS AND CONDITIONS OF ANY
11 AGREEMENT BETWEEN A LICENSED GAMING ENTITY AND A LICENSED
12 CORPORATION OR OTHER PERSON RELATED TO THE MANAGEMENT OR
13 OPERATION OF CASINO SIMULCASTING AND THE PARI-MUTUEL SYSTEM
14 OF WAGERING, INCLUDING THE PERCENTAGE OF THE MONEY RETAINED
15 BY A LICENSED CORPORATION FOR PARI-MUTUEL POOLS WHICH MAY BE
16 DISTRIBUTED TO THE LICENSED GAMING ENTITY.

17 (5) THE REQUIRED CONTENTS OF AGREEMENTS ENTERED INTO
18 BETWEEN A LICENSED GAMING ENTITY, A LICENSED CORPORATION OR
19 OTHER PERSON FOR THE MANAGEMENT OR OPERATION OF CASINO
20 SIMULCASTING AND THE PARI-MUTUEL SYSTEM OF WAGERING.

21 (6) A REQUIREMENT THAT WAGERING ON SIMULCAST HORSE RACE
22 MEETINGS SHALL ONLY BE CONDUCTED WITHIN AN ENCLOSED LOCATION
23 OF AN AUTHORIZED LICENSED GAMING ENTITY'S LICENSED FACILITY
24 WHICH HAS BEEN APPROVED BY THE BOARD, IN CONSULTATION WITH
25 THE APPROPRIATE COMMISSION.

26 (7) THE STANDARDS AND RULES TO GOVERN THE CONDUCT OF
27 CASINO SIMULCASTING AND THE SYSTEM OF PARI-MUTUEL WAGERING
28 ASSOCIATED WITH RACE HORSE SIMULCASTING.

29 (8) THE REPORTING PROCEDURES AND RECORDS WHICH WILL BE
30 REQUIRED FROM A LICENSED GAMING ENTITY TO ENSURE THAT ALL

1 MONEY GENERATED FROM CASINO SIMULCASTING IS ACCOUNTED FOR AND
2 WINNERS' NAMES, WHEN REQUIRED UNDER APPLICABLE FEDERAL OR
3 STATE LAW, ARE FILED WITH THE APPROPRIATE TAXING AUTHORITIES.

4 (9) NOTWITHSTANDING SECTION 228 OF THE RACE HORSE
5 INDUSTRY REFORM ACT OR ANY OTHER PROVISION OF LAW OR
6 REGULATION, THE POLICIES AND PROCEDURES WHICH WILL BE
7 ADOPTED, IMPLEMENTED AND FOLLOWED TO ENSURE THAT INDIVIDUALS
8 UNDER 21 YEARS OF AGE WILL BE PROHIBITED FROM PARTICIPATING
9 IN CASINO SIMULCASTING OR ENTERING SIMULCASTING AREAS OF
10 LICENSED FACILITIES.

11 (10) ANY OTHER REQUIREMENTS, CONDITIONS OR CONTROLS
12 WHICH THE BOARD DEEMS NECESSARY AND APPROPRIATE TO ADMINISTER
13 AND ENFORCE THE PROVISIONS OF THIS CHAPTER AND TO FACILITATE
14 THE IMPLEMENTATION OF THIS CHAPTER.

15 (B) UNIFORM REGULATION.--IN ADOPTING REGULATIONS UNDER THIS
16 CHAPTER, THE COMMISSIONS SHALL COOPERATE AND WORK WITH THE BOARD
17 TO DEVELOP UNIFORM REGULATIONS TO GOVERN THE OPERATION OF CASINO
18 SIMULCASTING IN THIS COMMONWEALTH. EXCEPT AS HEREIN PROVIDED,
19 THE PROVISIONS OF THIS CHAPTER AND ANY REGULATIONS PROMULGATED
20 UNDER THIS CHAPTER SHALL BE CONSIDERED AS ESTABLISHING UNIFORM
21 REQUIREMENTS AND REGULATIONS FOR CASINO SIMULCASTING AT CATEGORY
22 2 LICENSED FACILITIES IN THIS COMMONWEALTH.

23 (C) ADOPTION OF EXISTING REGULATIONS.--NOTWITHSTANDING
24 SUBSECTION (B) OR ANY OTHER LAW OR REGULATION TO THE CONTRARY,
25 THE PROVISIONS OF SECTION 221 OF THE RACE HORSE INDUSTRY REFORM
26 ACT AND ALL REGULATIONS AND SUPPLEMENTS THERETO OR REVISIONS
27 THEREOF ADOPTED BY THE COMMISSIONS UNDER THE RACE HORSE INDUSTRY
28 REFORM ACT WHICH RELATE TO THE RETENTION OF MONEY IN PARI-MUTUEL
29 POOLS AND THE PARI-MUTUEL SYSTEM OF WAGERING ON, BEFORE OR AFTER
30 THE EFFECTIVE DATE OF THIS CHAPTER ARE ADOPTED AS REGULATIONS

1 UNDER THIS CHAPTER AND SHALL REMAIN IN EFFECT UNLESS
2 SUBSEQUENTLY MODIFIED OR SUPERSEDED BY REGULATIONS PROMULGATED
3 BY THE BOARD, IN CONSULTATION WITH THE APPROPRIATE COMMISSION.
4 § 13C07. TEMPORARY REGULATIONS.

5 (A) PROMULGATION.--IN ORDER TO FACILITATE THE PROMPT
6 IMPLEMENTATION OF THIS CHAPTER, REGULATIONS PROMULGATED BY THE
7 BOARD SHALL BE DEEMED TEMPORARY REGULATIONS WHICH SHALL EXPIRE
8 NOT LATER THAN TWO YEARS FOLLOWING THE PUBLICATION OF THE
9 TEMPORARY REGULATION. THE BOARD MAY PROMULGATE TEMPORARY
10 REGULATIONS NOT SUBJECT TO:

11 (1) SECTIONS 201, 202, 203, 204 AND 205 OF THE ACT OF
12 JULY 31, 1968 (P.L.769, NO.240), REFERRED TO AS THE
13 COMMONWEALTH DOCUMENTS LAW.

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

17 (3) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS
18 THE REGULATORY REVIEW ACT.

19 (B) EXPIRATION.--THE AUTHORITY TO ADOPT TEMPORARY
20 REGULATIONS UNDER SUBSECTION (A) SHALL EXPIRE TWO YEARS AFTER
21 THE EFFECTIVE DATE OF THIS SECTION. REGULATIONS ADOPTED BY THE
22 BOARD AND COMMISSIONS AFTER THE TWO-YEAR PERIOD SHALL BE
23 PROMULGATED AS PROVIDED BY LAW.

24 (C) PUBLICATION OF TEMPORARY REGULATIONS.--THE BOARD AND THE
25 COMMISSIONS SHALL BEGIN PUBLISHING TEMPORARY REGULATIONS
26 GOVERNING CASINO SIMULCASTING IN THE PENNSYLVANIA BULLETIN NO
27 LATER THAN FEBRUARY 1, 2016.

28 § 13C08. SIMULCAST AGREEMENTS.

29 (A) MANNER OF AGREEMENT.--ANY AGREEMENT ENTERED INTO BY A
30 LICENSED GAMING ENTITY WITH A LICENSED CORPORATION OR OTHER

1 PERSON TO FACILITATE CASINO SIMULCASTING SHALL BE IN WRITING AND
2 SHALL BE FILED WITH AND APPROVED BY THE BOARD IN ACCORDANCE WITH
3 REGULATIONS PROMULGATED BY THE BOARD AND THE COMMISSIONS.

4 (B) WAGER PROVISIONS.--NOTWITHSTANDING SECTION 221 OR 222 OF
5 THE RACE HORSE INDUSTRY REFORM ACT, THE FOLLOWING SHALL APPLY:

6 (1) IF A LICENSED GAMING ENTITY OFFERS CASINO
7 SIMULCASTING AT ITS CATEGORY 2 LICENSED FACILITY THROUGH AN
8 AGREEMENT WITH A LICENSED CORPORATION, THE AGREEMENT SHALL
9 SPECIFY THE PERCENTAGE OF THE MONEY WAGERED EACH RACING DAY
10 AT THE CASINO SIMULCASTING FACILITY AND REMAINING IN THE
11 WAGERING POOLS AFTER THE REQUIRED DISTRIBUTIONS UNDER SECTION
12 222 OF THE RACE HORSE INDUSTRY REFORM ACT THAT WILL BE PAID
13 TO THE LICENSED GAMING ENTITY. THE AMOUNT RETAINED BY A
14 LICENSED GAMING ENTITY OR OTHER PERSON SHALL NOT EXCEED 25%
15 OF THE MONEY RETAINED BY THE LICENSED CORPORATION UNDER
16 SECTION 221(A) (6) OR (7) OF THE RACE HORSE INDUSTRY REFORM
17 ACT.

18 (2) IF A LICENSED GAMING ENTITY CHOOSES TO OFFER CASINO
19 SIMULCASTING THROUGH ITS OWN RESOURCES OR THROUGH AN
20 AGREEMENT WITH ANOTHER PERSON, AS APPROVED BY THE BOARD, THE
21 BOARD AND THE COMMISSIONS SHALL, THROUGH REGULATION,
22 ESTABLISH THE PERCENTAGE OF MONEY WAGERED EACH RACING DAY AT
23 THE CASINO SIMULCASTING FACILITY AND REMAINING IN THE
24 WAGERING POOLS AFTER THE REQUIRED DISTRIBUTIONS UNDER SECTION
25 222 OF THE RACE HORSE INDUSTRY REFORM ACT THAT WILL BE PAID
26 TO THE LICENSED GAMING ENTITY OR OTHER PERSON, PROVIDED THAT
27 THE PERCENTAGE OF MONEY TO BE PAID TO A LICENSED GAMING
28 ENTITY OR OTHER PERSON UNDER THIS PARAGRAPH SHALL BE, IF
29 DETERMINED APPROPRIATE BY THE BOARD, THE SAME PERCENTAGE OF
30 MONEY REMAINING IN THE WAGERING POOLS THAT IS RETAINED BY A

1 LICENSED CORPORATION IN ACCORDANCE WITH SECTION 221(A) (6) AND
2 (7) OF THE RACE HORSE INDUSTRY REFORM ACT.
3 (C) REGULATIONS.--THE BOARD AND THE COMMISSIONS SHALL
4 ESTABLISH REGULATIONS TO ADMINISTER THE RETENTION REQUIREMENTS
5 UNDER THIS SECTION.

6 SUBCHAPTER C

7 APPLICATION AND ISSUANCE OF PERMIT AND
8 ESTABLISHMENT OF SIMULCASTING FACILITY

9 SEC.

10 13C11. APPLICATION FOR PERMIT AND REQUIREMENTS.

11 13C12. CASINO SIMULCASTING PERMIT.

12 13C13. CASINO SIMULCASTING FACILITIES.

13 13C14. LICENSE OR REGISTRATION OF EMPLOYEES REQUIRED.

14 13C15. KEY EMPLOYEES AND OCCUPATION PERMITS.

15 § 13C11. APPLICATION FOR PERMIT AND REQUIREMENTS.

16 (A) APPLICATIONS.--A LICENSED GAMING ENTITY SHALL FILE AN
17 APPLICATION FOR A CASINO SIMULCASTING PERMIT WITH THE BOARD. THE
18 APPLICATION SHALL INCLUDE THE FOLLOWING:

19 (1) THE NAME, BUSINESS ADDRESS AND CONTACT INFORMATION
20 OF THE APPLICANT.

21 (2) THE NAME AND LOCATION OF THE APPLICANT'S LICENSED
22 FACILITY.

23 (3) THE NAME AND BUSINESS ADDRESS, JOB TITLE AND A
24 PHOTOGRAPH OF EACH PRINCIPAL AND KEY EMPLOYEE OF THE
25 APPLICANT WHO WILL BE INVOLVED IN THE CONDUCT OF CASINO
26 SIMULCASTING AND WHO IS NOT CURRENTLY LICENSED BY THE BOARD
27 OR AN APPROPRIATE COMMISSION, IF KNOWN.

28 (4) THE ESTIMATED NUMBER OF FULL-TIME AND PART-TIME
29 EMPLOYMENT POSITIONS THAT WILL BE CREATED AT THE LICENSED
30 FACILITY IF CASINO SIMULCASTING IS AUTHORIZED AND AN UPDATED

1 HIRING PLAN UNDER SECTION 1510(A) (RELATING TO LABOR HIRING
2 PREFERENCES) WHICH OUTLINES THE APPLICANT'S PLAN TO PROMOTE
3 THE REPRESENTATION OF DIVERSE GROUPS AND COMMONWEALTH
4 RESIDENTS IN THE EMPLOYMENT POSITIONS.

5 (5) A BRIEF DESCRIPTION OF THE ECONOMIC BENEFITS
6 EXPECTED TO BE REALIZED BY THE COMMONWEALTH, THE DEPARTMENT
7 OF AGRICULTURE AND THE RACE HORSE INDUSTRY IN THIS
8 COMMONWEALTH IF CASINO SIMULCASTING IS AUTHORIZED AT THE
9 APPLICANT'S LICENSED FACILITY.

10 (6) THE DETAILS OF ANY FINANCING, IF APPLICABLE,
11 OBTAINED OR THAT WILL BE OBTAINED TO FUND AN EXPANSION OR
12 MODIFICATION OF THE LICENSED FACILITY TO ACCOMMODATE CASINO
13 SIMULCASTING OR CONSTRUCT A SIMULCASTING FACILITY OR TO
14 OTHERWISE FUND THE COST OF COMMENCING CASINO SIMULCASTING
15 OPERATIONS.

16 (7) INFORMATION AND DOCUMENTATION CONCERNING FINANCIAL
17 BACKGROUND AND RESOURCES, AS THE BOARD MAY REQUIRE, TO
18 ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE FINANCIAL
19 STABILITY, INTEGRITY AND RESPONSIBILITY OF THE APPLICANT.

20 (8) A COPY OF OR A DETAILED DESCRIPTION OF THE TERMS AND
21 CONDITIONS OF ANY AGREEMENT OR AGREEMENTS THE LICENSED GAMING
22 ENTITY HAS ENTERED INTO OR WILL ENTER INTO WITH A LICENSED
23 CORPORATION OR OTHER PERSON TO FACILITATE THE CONDUCT OF
24 CASINO SIMULCASTING.

25 (9) A DETAILED DESCRIPTION OF ANY FINANCIAL ARRANGEMENTS
26 BETWEEN A LICENSED GAMING ENTITY AND A LICENSED CORPORATION
27 OR OTHER PERSON RELATED TO THE CONDUCT OF CASINO
28 SIMULCASTING.

29 (10) INFORMATION AND DOCUMENTATION, AS THE BOARD MAY
30 REQUIRE, TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT

1 THE APPLICANT HAS OR WILL HAVE THE FINANCIAL ABILITY TO PAY
2 THE AUTHORIZATION FEE UNDER SECTION 13C41 (RELATING TO CASINO
3 SIMULCASTING AUTHORIZATION FEE).

4 (11) DETAILED SITE AND ARCHITECTURAL PLANS OF THE
5 PROPOSED SIMULCASTING FACILITY WITHIN THE APPLICANT'S
6 LICENSED FACILITY.

7 (12) ANY OTHER INFORMATION AS THE BOARD MAY REQUIRE.

8 (B) REVIEW AND APPROVAL OF APPLICATION.--THE BOARD SHALL
9 REVIEW AND APPROVE AN APPLICATION FOR A SIMULCASTING PERMIT IF
10 THE APPLICANT ESTABLISHES, BY CLEAR AND CONVINCING EVIDENCE, ALL
11 OF THE FOLLOWING:

12 (1) THE APPLICANT'S SLOT MACHINE LICENSE IS IN GOOD
13 STANDING WITH THE BOARD.

14 (2) THE CONDUCT OF CASINO SIMULCASTING AT THE
15 APPLICANT'S LICENSED FACILITY WILL HAVE A POSITIVE ECONOMIC
16 IMPACT ON THE COMMONWEALTH AND THE RACE HORSE INDUSTRY IN
17 THIS COMMONWEALTH THROUGH INCREASED REVENUES, INCREASED
18 PURSES AND EMPLOYMENT OPPORTUNITIES.

19 (3) THE APPLICANT POSSESSES ADEQUATE FUNDS OR HAS
20 SECURED ADEQUATE FINANCING TO:

21 (I) FUND ANY NECESSARY EXPANSION OR MODIFICATION OF
22 THE APPLICANT'S LICENSED FACILITY OR TO CONSTRUCT A
23 SIMULCASTING FACILITY TO ACCOMMODATE THE CONDUCT OF
24 CASINO SIMULCASTING.

25 (II) PAY THE COSTS OF ESTABLISHING, MAINTAINING AND
26 OPERATING THE SIMULCASTING FACILITY.

27 (III) COMMENCE CASINO SIMULCASTING OPERATIONS.

28 (4) THE APPLICANT HAS ENTERED INTO OR WILL ENTER INTO AN
29 AGREEMENT WITH A LICENSED CORPORATION OR OTHER PERSON TO
30 MANAGE OR OPERATE CASINO SIMULCASTING OPERATIONS, IF

1 APPLICABLE.

2 (5) THE APPLICANT HAS THE EXPERTISE TO MANAGE CASINO
3 SIMULCASTING.

4 (6) THE APPLICANT HAS THE FINANCIAL STABILITY, INTEGRITY
5 AND RESPONSIBILITY TO CONDUCT CASINO SIMULCASTING.

6 (7) THE APPLICANT HAS SUFFICIENT BUSINESS ABILITY AND
7 EXPERIENCE TO CREATE AND MAINTAIN A SUCCESSFUL CASINO
8 SIMULCASTING OPERATION.

9 (8) THE APPLICANT'S PROPOSED INTERNAL AND EXTERNAL
10 SECURITY CONTROLS AND PROPOSED SURVEILLANCE MEASURES WITHIN
11 THE AREA OF THE LICENSED FACILITY WHERE THE APPLICANT SEEKS
12 TO CONDUCT CASINO SIMULCASTING ARE ADEQUATE.

13 (C) CONFIDENTIALITY.--INFORMATION SUBMITTED TO THE BOARD
14 UNDER SUBSECTION (A) (6), (7) AND (8) MAY BE CONSIDERED
15 CONFIDENTIAL BY THE BOARD IF THE INFORMATION WOULD BE
16 CONFIDENTIAL UNDER SECTION 1206(F) (RELATING TO BOARD MINUTES
17 AND RECORDS).

18 § 13C12. CASINO SIMULCASTING PERMIT.

19 (A) ISSUANCE OF PERMIT.--UPON REVIEW AND APPROVAL OF AN
20 APPLICATION SUBMITTED TO THE BOARD IN ACCORDANCE WITH SECTION
21 13C11 (RELATING TO APPLICATION FOR PERMIT AND REQUIREMENTS), THE
22 BOARD SHALL ISSUE A CASINO SIMULCASTING PERMIT TO THE APPLICANT.
23 THE AWARDING OF A CASINO SIMULCASTING PERMIT PRIOR TO THE
24 PAYMENT IN FULL OF THE AUTHORIZATION FEE REQUIRED BY SECTION
25 13C41 (RELATING TO CASINO SIMULCASTING AUTHORIZATION FEE) SHALL
26 NOT RELIEVE THE APPLICANT FROM COMPLYING WITH THE PROVISIONS OF
27 SECTION 13C41.

28 (B) CONTENT OF PERMIT.--

29 (1) A CASINO SIMULCASTING PERMIT SHALL INCLUDE A LIST OF
30 THE HORSE RACE MEETINGS WHICH ARE PROPOSED TO BE SIMULCAST BY

1 THE CASINO SIMULCASTING PERMIT HOLDER AT ITS SIMULCASTING
2 FACILITY, INCLUDING THE NAMES AND LOCATIONS OF THE IN-STATE
3 SENDING RACETRACKS AND OUT-OF-STATE SENDING RACETRACKS, AND
4 THE START DATE AND EXPIRATION DATE OF ANY AGREEMENT OR
5 AGREEMENTS THE PERMIT HOLDER HAS ENTERED INTO OR WILL ENTER
6 INTO WITH A LICENSED CORPORATION OR OTHER PERSON FOR THE
7 OPERATION OF CASINO SIMULCASTING.

8 (2) A CASINO SIMULCASTING PERMIT HOLDER SHALL BE
9 REQUIRED TO UPDATE THE INITIAL CASINO SIMULCASTING
10 APPLICATION AT TIMES PRESCRIBED BY THE BOARD, IN CONSULTATION
11 WITH THE APPROPRIATE COMMISSION.

12 § 13C13. CASINO SIMULCASTING FACILITIES.

13 (A) ESTABLISHMENT OF SIMULCASTING FACILITY.--A LICENSED
14 GAMING ENTITY APPROVED FOR AND ISSUED A PERMIT TO OPERATE CASINO
15 SIMULCASTING UNDER THIS CHAPTER SHALL ESTABLISH A SIMULCASTING
16 FACILITY AS PART OF ITS LICENSED FACILITY. THE SIMULCASTING
17 FACILITY MAY BE ADJACENT TO, BUT SHALL NOT BE PART OF, ANY ROOM
18 OR LOCATION IN WHICH SLOT MACHINES OR TABLE GAMES ARE OPERATED
19 OR CONDUCTED IN ACCORDANCE WITH THE PROVISIONS OF THIS PART. THE
20 FOLLOWING SHALL APPLY:

21 (1) THE SIMULCASTING FACILITY SHALL CONFORM TO ALL
22 REQUIREMENTS CONCERNING SQUARE FOOTAGE, EQUIPMENT, SECURITY
23 MEASURES AND RELATED MATTERS WHICH THE BOARD SHALL BY
24 REGULATION PRESCRIBE.

25 (2) THE SPACE OR AREA REQUIRED FOR THE ESTABLISHMENT OF
26 A SIMULCASTING FACILITY SHALL NOT BE USED TO DECREASE THE
27 NUMBER OF SLOT MACHINES OR TABLE GAMES IN OPERATION AT THE
28 LICENSED FACILITY OR TO REDUCE THE SPACE APPROVED BY THE
29 BOARD FOR THE OPERATION OF SLOT MACHINES AND THE CONDUCT OF
30 TABLE GAMES.

1 (3) THE COST OF ESTABLISHING, MAINTAINING AND OPERATING
2 A SIMULCASTING FACILITY SHALL BE THE SOLE RESPONSIBILITY OF
3 THE LICENSED GAMING ENTITY.

4 (B) VIDEO DISPLAY MONITORS.--NOTWITHSTANDING ANY PROVISIONS
5 OF THE RACE HORSE INDUSTRY REFORM ACT OR REGULATIONS PROMULGATED
6 PURSUANT TO THAT ACT, THE REGULATIONS PROMULGATED BY THE BOARD
7 SHALL PROVIDE FOR THE INSTALLATION OF VIDEO DISPLAY TECHNOLOGY
8 IN APPROVED AREAS OF CATEGORY 1 AND CATEGORY 2 LICENSED
9 FACILITIES TO DELIVER SIMULCAST HORSE RACE MEETINGS TO PATRONS
10 VIA VIDEO WALLS AND OTHER SUCH INNOVATIVE VIDEO DISPLAY
11 TECHNOLOGY.

12 § 13C14. LICENSE OR REGISTRATION OF EMPLOYEES REQUIRED.

13 EXCEPT AS PROVIDED IN THIS PART, ALL PERSONS ENGAGED DIRECTLY
14 IN WAGERING-RELATED ACTIVITIES AT A SIMULCASTING FACILITY,
15 WHETHER EMPLOYED BY THE LICENSED GAMING ENTITY, LICENSED
16 CORPORATION OR BY A PERSON OR ENTITY CONDUCTING CASINO
17 SIMULCASTING IN THE SIMULCASTING FACILITY UNDER AN AGREEMENT
18 WITH THE LICENSED GAMING ENTITY AND ALL OTHER EMPLOYEES OF THE
19 LICENSED GAMING ENTITY, LICENSED CORPORATION OR OF THE PERSON OR
20 ENTITY CONDUCTING CASINO SIMULCASTING WHO WORK OR WILL WORK IN
21 THE SIMULCASTING FACILITY, SHALL BE LICENSED OR REGISTERED IN
22 ACCORDANCE WITH REGULATIONS PROMULGATED BY THE BOARD IN
23 COLLABORATION WITH THE COMMISSIONS.

24 § 13C15. KEY EMPLOYEES AND OCCUPATION PERMITS.

25 NOTHING IN THIS SUBCHAPTER SHALL BE CONSTRUED TO REQUIRE ANY
26 INDIVIDUAL WHO HOLDS A PRINCIPAL LICENSE, A KEY EMPLOYEE LICENSE
27 OR GAMING EMPLOYEE LICENSE UNDER CHAPTERS 13 (RELATING TO
28 LICENSEES) AND 13A (RELATING TO TABLE GAMES) OR WHO HOLDS A
29 LICENSE UNDER SECTION 213 OF THE RACE HORSE INDUSTRY REFORM ACT
30 TO OBTAIN A SEPARATE LICENSE, PERMIT OR REGISTRATION TO BE

1 EMPLOYED IN A PERMIT HOLDER'S CASINO SIMULCASTING OPERATION
2 AUTHORIZED UNDER THIS CHAPTER, IF THE BOARD DETERMINES THAT
3 LICENSURE UNDER THE PROVISIONS OF THIS PART OR THE RACE HORSE
4 INDUSTRY REFORM ACT IS SUFFICIENT AND WILL NOT COMPROMISE THE
5 INTEGRITY OF CASINO SIMULCASTING.

6 SUBCHAPTER D

7 CONDUCT OF CASINO SIMULCASTING

8 SEC.

9 13C31. CONDUCT OF CASINO SIMULCASTING.

10 13C32. TRANSMISSION OF LIVE RACES.

11 13C33. ACCOUNTING CONTROLS AND AUDIT PROTOCOLS.

12 13C34. CONDITION OF CONTINUED OPERATION.

13 13C35. APPLICATION OF LIQUOR CODE.

14 § 13C31. CONDUCT OF CASINO SIMULCASTING.

15 (A) WAGERING.--WAGERING ON SIMULCAST HORSE RACES SHALL BE
16 CONDUCTED ONLY IN THE SIMULCASTING FACILITY, WHICH SHALL BE OPEN
17 AND OPERATED WHENEVER SIMULCAST HORSE RACES ARE BEING
18 TRANSMITTED TO THE CASINO DURING PERMITTED HOURS OF OPERATION IN
19 ACCORDANCE WITH REGULATIONS.

20 (B) REQUIRED SECURITY.--

21 (1) THE SECURITY MEASURES FOR A SIMULCASTING FACILITY
22 SHALL INCLUDE, BUT MAY NOT BE LIMITED TO, THE INSTALLATION BY
23 THE LICENSED GAMING ENTITY OF A CLOSED-CIRCUIT TELEVISION
24 SYSTEM ACCORDING TO SPECIFICATIONS PROMULGATED JOINTLY BY THE
25 BOARD AND THE COMMISSIONS.

26 (2) THE BOARD AND THE COMMISSIONS SHALL HAVE ACCESS TO
27 THE SIMULCAST SYSTEM OR ITS SIGNAL IN ACCORDANCE WITH
28 REGULATIONS PROMULGATED JOINTLY BY THE BOARD AND THE
29 COMMISSIONS.

30 § 13C32. TRANSMISSION OF LIVE RACES.

1 THE FOLLOWING SHALL APPLY:

2 (1) A LICENSED CORPORATION WHICH OPERATES INTERSTATE OR
3 INTERNATIONAL SIMULCASTING OF HORSE RACE MEETINGS IN THIS
4 COMMONWEALTH SHALL HAVE DISCRETION TO TRANSMIT ALL OR SOME OF
5 THE LIVE RACES CONDUCTED AT THE RACETRACK TO A LICENSED
6 GAMING ENTITY WHICH HAS ESTABLISHED SIMULCASTING FACILITIES
7 UNDER THIS CHAPTER. ANY RACE WHICH IS TRANSMITTED FROM AN IN-
8 STATE SENDING TRACK SHALL BE TRANSMITTED TO ALL LICENSED
9 GAMING ENTITIES WHICH HAVE ESTABLISHED SIMULCASTING
10 FACILITIES.

11 (2) A LICENSED GAMING ENTITY WHICH ESTABLISHES A
12 SIMULCASTING FACILITY AND CONDUCTS CASINO SIMULCASTING IN
13 ACCORDANCE WITH THIS CHAPTER SHALL, AS A CONDITION OF
14 CONTINUED OPERATION OF CASINO SIMULCASTING, RECEIVE ALL LIVE
15 RACES WHICH ARE TRANSMITTED BY IN-STATE SENDING TRACKS.

16 § 13C33. ACCOUNTING CONTROLS AND AUDIT PROTOCOLS.

17 (A) APPROVAL.--PRIOR TO THE COMMENCEMENT OF CASINO
18 SIMULCASTING, A CASINO SIMULCASTING PERMIT HOLDER SHALL SUBMIT
19 TO THE BOARD FOR APPROVAL ALL PROPOSED SITE AND ARCHITECTURAL
20 PLANS, INTERNAL CONTROL SYSTEMS AND AUDIT PROTOCOLS FOR THE
21 PERMIT HOLDER'S CASINO SIMULCASTING OPERATIONS.

22 (B) MINIMUM REQUIREMENTS.--A CASINO SIMULCASTING PERMIT
23 HOLDER'S INTERNAL CONTROLS AND AUDIT PROTOCOLS SHALL:

24 (1) PROVIDE FOR RELIABLE RECORDS, ACCOUNTS AND REPORTS
25 OF ANY FINANCIAL EVENT THAT OCCURS IN THE CONDUCT OF CASINO
26 SIMULCASTING, INCLUDING REPORTS TO THE BOARD AND COMMISSIONS
27 RELATED TO CASINO SIMULCASTING, AS MAY BE REQUIRED BY
28 REGULATION OF THE BOARD OR COMMISSIONS.

29 (2) PROVIDE FOR ACCURATE AND RELIABLE FINANCIAL RECORDS
30 RELATED TO THE CONDUCT OF CASINO SIMULCASTING AND THE PARI-

1 MUTUEL SYSTEM OF WAGERING.

2 (3) ESTABLISH PROCEDURES AND SECURITY FOR THE COUNTING,
3 RECORDING AND STORAGE OF MONEY GENERATED FROM THE CONDUCT OF
4 CASINO SIMULCASTING.

5 (4) ESTABLISH PROCEDURES AND SECURITY STANDARDS FOR THE
6 MAINTENANCE OF TELECOMMUNICATIONS EQUIPMENT AND VIDEO DISPLAY
7 TECHNOLOGY USED IN CONNECTION WITH THE CONDUCT OF CASINO
8 SIMULCASTING.

9 (5) ESTABLISH PROCEDURES AND RULES TO GOVERN THE CONDUCT
10 OF CASINO SIMULCASTING AND THE RESPONSIBILITY OF EMPLOYEES
11 RELATED TO CASINO SIMULCASTING.

12 (6) ESTABLISH PROCEDURES FOR THE COLLECTION, RECORDING
13 AND DEPOSIT OF REVENUE FROM THE CONDUCT OF CASINO
14 SIMULCASTING, INCLUDING THE ROLES OF THE COMMISSIONS, THE
15 DEPARTMENT, LICENSED CORPORATIONS AND LICENSED GAMING
16 ENTITIES IN THE COLLECTION AND RECORDING OF THE REVENUE.

17 (7) ENSURE THAT THE SYSTEM OF PARI-MUTUEL WAGERING USED
18 IN THE CONDUCT OF CASINO SIMULCASTING IS IN ACCORDANCE WITH
19 THE RACE HORSE INDUSTRY REFORM ACT AND REGULATIONS OF THE
20 COMMISSIONS PROMULGATED UNDER THE RACE HORSE INDUSTRY REFORM
21 ACT.

22 (8) ENSURE, IN CONSULTATION WITH THE APPROPRIATE
23 COMMISSION, THE PROPER AND TIMELY ACCOUNTING FOR AND
24 RETENTION OF PERCENTAGES FOR PARI-MUTUEL POOLS AND THE PROPER
25 AND TIMELY DISTRIBUTION OF MONEY IN ANY PARI-MUTUEL POOL
26 GENERATED FROM CASINO SIMULCASTING.

27 (9) ENSURE THAT ALL FUNCTIONS, DUTIES AND
28 RESPONSIBILITIES RELATED TO CASINO SIMULCASTING ARE
29 APPROPRIATELY SEGREGATED AND PERFORMED IN ACCORDANCE WITH
30 SOUND FINANCIAL PRACTICES BY QUALIFIED EMPLOYEES.

1 (10) PERMIT USE OF ITS CASINO SIMULCASTING FACILITY BY
2 THE BOARD, THE BUREAU, THE COMMISSIONS AND OTHER PERSONS
3 AUTHORIZED UNDER THIS PART OR BY THE BOARD TO FACILITATE
4 THEIR ABILITY TO PERFORM REGULATORY AND OVERSIGHT FUNCTIONS
5 UNDER THIS CHAPTER.

6 (C) SUBMISSION TO BOARD.--THE SUBMISSION REQUIRED UNDER
7 SUBSECTION (A) SHALL INCLUDE A DETAILED DESCRIPTION OF THE
8 CASINO SIMULCASTING PERMIT HOLDER'S ADMINISTRATIVE AND
9 ACCOUNTING PROCEDURES RELATED TO CASINO SIMULCASTING, INCLUDING
10 ITS WRITTEN SYSTEM OF INTERNAL CONTROLS. EACH WRITTEN SYSTEM OF
11 INTERNAL CONTROLS SHALL INCLUDE:

12 (1) AN ORGANIZATIONAL CHART DEPICTING APPROPRIATE
13 FUNCTIONS AND RESPONSIBILITIES OF EMPLOYEES INVOLVED IN
14 CASINO SIMULCASTING.

15 (2) A DESCRIPTION OF THE DUTIES AND RESPONSIBILITIES OF
16 EACH POSITION SHOWN ON THE ORGANIZATIONAL CHART.

17 (3) THE RECORD RETENTION POLICY OF THE PERMIT HOLDER.

18 (4) THE PROCEDURE TO BE UTILIZED TO ENSURE THAT MONEY
19 GENERATED FROM THE CONDUCT OF CASINO SIMULCASTING ARE
20 SAFEGUARDED, INCLUDING MANDATORY COUNTING AND RECORDING
21 PROCEDURES.

22 (5) A STATEMENT SIGNED BY THE CASINO SIMULCASTING PERMIT
23 HOLDER'S CHIEF FINANCIAL OFFICER OR OTHER COMPETENT PERSON
24 ATTESTING THAT THE SIGNATORY BELIEVES, IN GOOD FAITH, THAT
25 THE SYSTEM SATISFIES THE REQUIREMENTS OF THIS SECTION.

26 (D) REVIEW.--PRIOR TO AUTHORIZING A PERMIT HOLDER TO CONDUCT
27 CASINO SIMULCASTING, THE BOARD, IN CONSULTATION WITH THE
28 COMMISSIONS, SHALL REVIEW THE SYSTEM OF INTERNAL CONTROLS
29 SUBMITTED UNDER SUBSECTION (C) TO DETERMINE WHETHER IT CONFORMS
30 TO THE REQUIREMENTS OF THIS SUBCHAPTER AND WHETHER IT PROVIDES

1 ADEQUATE AND EFFECTIVE CONTROLS FOR THE CONDUCT OF CASINO
2 SIMULCASTING.

3 (E) LICENSE OR REGISTRATION OF EMPLOYEES REQUIRED.--EXCEPT
4 AS PROVIDED IN SECTION 13C15 (RELATING TO KEY EMPLOYEES AND
5 OCCUPATION PERMITS), PERSONS ENGAGED DIRECTLY IN WAGERING-
6 RELATED ACTIVITIES AT A SIMULCASTING FACILITY, WHETHER EMPLOYED
7 BY THE LICENSED GAMING ENTITY, A LICENSED CORPORATION OR BY A
8 PERSON OR ENTITY CONDUCTING CASINO SIMULCASTING UNDER AN
9 AGREEMENT WITH THE LICENSED GAMING ENTITY AND ALL OTHER
10 EMPLOYEES OF THE LICENSED GAMING ENTITY OR OF THE PERSON OR
11 ENTITY CONDUCTING CASINO SIMULCASTING WHO WORK OR WILL WORK IN
12 THE SIMULCASTING FACILITY SHALL BE LICENSED OR REGISTERED IN
13 ACCORDANCE WITH REGULATIONS PROMULGATED BY THE BOARD IN
14 COLLABORATION WITH THE COMMISSIONS.

15 § 13C34. CONDITION OF CONTINUED OPERATION.

16 AS A CONDITION OF CONTINUED OPERATION, A CASINO SIMULCASTING
17 PERMIT HOLDER SHALL AGREE TO MAINTAIN ALL BOOKS, RECORDS AND
18 DOCUMENTS PERTAINING TO CASINO SIMULCASTING IN A MANNER AND
19 LOCATION WITHIN THIS COMMONWEALTH AS APPROVED BY THE BOARD, IN
20 CONSULTATION WITH THE APPROPRIATE COMMISSION. ALL BOOKS, RECORDS
21 AND DOCUMENTS RELATED TO CASINO SIMULCASTING SHALL:

22 (1) BE ORGANIZED IN A MANNER TO CLEARLY DEPICT BY
23 SEPARATE RECORD THE TOTAL AMOUNT OF MONEY CONTRIBUTED TO
24 EVERY PARI-MUTUEL POOL IN ACCORDANCE WITH THE RACE HORSE
25 INDUSTRY REFORM ACT AND ANY REGULATION PROMULGATED UNDER THE
26 RACE HORSE INDUSTRY REFORM ACT.

27 (2) BE SEGREGATED BY SEPARATE ACCOUNTS WITHIN THE
28 LICENSED GAMING ENTITY'S BOOKS, RECORDS AND DOCUMENTS, EXCEPT
29 FOR ANY BOOKS, RECORDS OR DOCUMENTS THAT ARE COMMON TO SLOT
30 MACHINE OPERATIONS, TABLE GAME OPERATIONS AND CASINO

1 SIMULCASTING, AS DETERMINED BY THE BOARD IN CONSULTATION WITH
2 THE APPROPRIATE COMMISSION.

3 (3) BE IMMEDIATELY AVAILABLE FOR INSPECTION UPON REQUEST
4 OF THE BOARD, THE APPROPRIATE COMMISSION, THE BUREAU, THE
5 DEPARTMENT, THE PENNSYLVANIA STATE POLICE OR THE ATTORNEY
6 GENERAL, OR AGENTS THEREOF, DURING ALL HOURS OF OPERATION OF
7 THE PERMIT HOLDER'S SIMULCASTING FACILITY IN ACCORDANCE WITH
8 REGULATIONS PROMULGATED BY THE BOARD IN CONSULTATION WITH THE
9 COMMISSIONS.

10 (4) BE MAINTAINED FOR A PERIOD AS THE BOARD, IN
11 CONSULTATION WITH THE COMMISSIONS, BY REGULATION, MAY
12 REQUIRE.

13 § 13C35. APPLICATION OF LIQUOR CODE.

14 THE PROVISIONS OF SECTION 493(24) (II) OF THE ACT OF APRIL 12,
15 1951 (P.L.90, NO.21), KNOWN AS THE LIQUOR CODE, SHALL ALSO APPLY
16 TO CASINO SIMULCASTING.

17 SUBCHAPTER E

18 FEES AND TAXES

19 SEC.

20 13C41. CASINO SIMULCASTING AUTHORIZATION FEE.

21 13C42. RETENTION AND DISTRIBUTION OF MONEY AND PARI-MUTUEL
22 POOLS.

23 13C43. CASINO SIMULCASTING TAXES.

24 § 13C41. CASINO SIMULCASTING AUTHORIZATION FEE.

25 A CASINO SIMULCASTING PERMIT SHALL NOT BE SUBJECT TO THE
26 PAYMENT OF AN AUTHORIZATION FEE, RENEWAL OR THE PAYMENT OF AN
27 ADDITIONAL PERMIT FEE.

28 § 13C42. RETENTION AND DISTRIBUTION OF MONEY AND PARI-MUTUEL
29 POOLS.

30 (A) WAGERS INCLUDED IN PARI-MUTUEL POOLS.--

1 (1) SUMS WAGERED AT A SIMULCASTING FACILITY ON THE
2 RESULTS OF A SIMULCAST HORSE RACE SHALL BE INCLUDED IN THE
3 APPROPRIATE PARI-MUTUEL POOL GENERATED FOR THE RACE BEING
4 TRANSMITTED IN ACCORDANCE WITH SECTION 221 OF THE RACE HORSE
5 INDUSTRY REFORM ACT AND SHALL BE DISTRIBUTED IN ACCORDANCE
6 WITH SECTION 221 OF THE RACE HORSE INDUSTRY REFORM ACT OR ANY
7 REGULATIONS PROMULGATED UNDER SECTION 221 OF THE RACE HORSE
8 INDUSTRY REFORM ACT. ALL REMAINING MONEY SHALL BE PAID TO THE
9 GENERAL FUND.

10 (2) PAYMENTS TO PERSONS HOLDING WINNING TICKETS AT A
11 LICENSED FACILITY SHALL BE MADE ACCORDING TO THE SAME ODDS AS
12 THOSE GENERATED AT THE IN-STATE SENDING TRACK.

13 (3) A PERSON PLACING A WAGER ON A SIMULCAST HORSE RACE
14 AT A SIMULCASTING FACILITY SHALL NOT BE CHARGED A FEE FOR
15 PLACING THE WAGER IN ADDITION TO THE AMOUNT WAGERED.

16 (B) COMPUTATION OF MONEY WAGERED.--ALL MONEY WAGERED BY
17 PLAYERS ON HORSE RACE MEETINGS AT A SIMULCASTING FACILITY SHALL
18 BE COMPUTED IN THE AMOUNT OF MONEY WAGERED EACH RACING DAY FOR
19 PURPOSES OF TAXATION UNDER SECTION 222 OF THE RACE HORSE
20 INDUSTRY REFORM ACT, ALL THOROUGHBRED RACES SHALL BE CONSIDERED
21 A PART OF A THOROUGHBRED HORSE RACE MEETING AND ALL HARNESS
22 RACES SHALL BE CONSIDERED A PART OF A HARNESS HORSE RACE MEETING
23 FOR PURPOSES OF SECTION 222 OF THE RACE HORSE INDUSTRY REFORM
24 ACT.

25 § 13C43. CASINO SIMULCASTING TAXES.

26 (A) IMPOSITION.--

27 (1) ALL LICENSED GAMING ENTITIES THAT CONDUCT CASINO
28 SIMULCASTING SHALL PAY A TAX THROUGH THE DEPARTMENT FOR
29 CREDIT TO THE GENERAL FUND.

30 (2) THE TAX IMPOSED ON ALL LICENSED GAMING ENTITIES

1 SHALL BE A PERCENTAGE TAX IN THE AMOUNT OF 2% OF THE AMOUNT
2 WAGERED EACH RACING DAY ON CASINO SIMULCASTING AND SHALL BE
3 PAID FROM THE MONEY RETAINED BY THE LICENSED GAMING ENTITY.
4 THE TAX IMPOSED UNDER THIS PARAGRAPH SHALL BE PAID TO THE
5 DEPARTMENT ON A FORM AND IN THE MANNER PRESCRIBED BY THE
6 DEPARTMENT FOR DEPOSIT INTO THE GENERAL FUND.

7 (3) THE CASINO SIMULCASTING TAX IMPOSED UNDER THIS
8 SECTION SHALL BE PAID TO THE DEPARTMENT BY THE PERMIT HOLDER
9 FOR DEPOSIT IN THE GENERAL FUND.

10 (B) DEPOSITS AND DISTRIBUTIONS.--

11 (1) THE TAX IMPOSED UNDER SUBSECTION (A) SHALL BE
12 PAYABLE TO THE DEPARTMENT ON A WEEKLY BASIS AND SHALL BE
13 BASED UPON THE AMOUNTS RETAINED BY A LICENSED GAMING ENTITY
14 FROM THE AMOUNT WAGERED ON CASINO SIMULCASTING EACH RACING
15 DAY DURING THE PREVIOUS WEEK.

16 (2) ALL MONEY OWED TO THE COMMONWEALTH UNDER THIS
17 SECTION SHALL BE HELD IN TRUST FOR THE COMMONWEALTH BY THE
18 PERMIT HOLDER UNTIL THE FUNDS ARE PAID TO THE DEPARTMENT.
19 UNLESS OTHERWISE AGREED TO BY THE BOARD, A PERMIT HOLDER
20 SHALL ESTABLISH A SEPARATE BANK ACCOUNT INTO WHICH CASINO
21 SIMULCASTING REVENUE SHALL BE DEPOSITED AND MAINTAINED UNTIL
22 SUCH TIME AS THE FUNDS ARE PAID TO THE DEPARTMENT UNDER THIS
23 SECTION.

24 (3) THE TAX IMPOSED UNDER SUBSECTION (A) SHALL BE
25 DEPOSITED INTO THE GENERAL FUND.

26 CHAPTER 13D

27 SLOT MACHINES AT

28 NONPRIMARY LOCATIONS

29 SUBCHAPTER

30 A. GENERAL PROVISIONS

1 B. CATEGORY 1 LICENSED GAMING ENTITIES AND NONPRIMARY

2 LOCATIONS

3 C. APPLICATION AND ISSUANCE OF NONPRIMARY LOCATION PERMIT

4 D. FEES AND TAXES

5 SUBCHAPTER A

6 GENERAL PROVISIONS

7 SEC.

8 13D01. (RESERVED).

9 13D02. AUTHORITY TO PLACE SLOT MACHINES AT NONPRIMARY

10 LOCATIONS.

11 13D03. TEMPORARY REGULATIONS.

12 § 13D01. (RESERVED).

13 § 13D02. AUTHORITY TO PLACE SLOT MACHINES AT NONPRIMARY

14 LOCATIONS.

15 (A) PLACEMENT OF SLOT MACHINES AT NONPRIMARY LOCATIONS.--

16 NOTWITHSTANDING ANY PROVISION OF THIS PART, THE RACE HORSE

17 INDUSTRY REFORM ACT OR ANY OTHER LAW OR REGULATION TO THE

18 CONTRARY, A CATEGORY 1 LICENSED GAMING ENTITY THAT IS A LICENSED

19 CORPORATION UNDER THE RACE HORSE INDUSTRY REFORM ACT SHALL APPLY

20 TO THE BOARD FOR A NONPRIMARY LOCATION PERMIT TO PLACE AND MAKE

21 SLOT MACHINES AVAILABLE FOR PLAY AT NONPRIMARY LOCATIONS.

22 (B) DUTY OF THE BOARD AND COMMISSIONS.--THE BOARD SHALL HAVE

23 GENERAL AND REGULATORY AUTHORITY OVER THE PLACEMENT AND

24 OPERATION OF SLOT MACHINES AT NONPRIMARY LOCATIONS AND SHALL, IN

25 CONSULTATION WITH THE COMMISSIONS, PROMULGATE REGULATIONS TO

26 GOVERN THE PLACEMENT AND OPERATION OF SLOT MACHINES AT

27 NONPRIMARY LOCATIONS. EXCEPT THAT, ANY REGULATIONS SPECIFIC TO

28 THE OPERATION OF NONPRIMARY LOCATIONS BY LICENSED CORPORATIONS

29 PROMULGATED UNDER 58 PA. CODE CH. 171 (RELATING TO NONPRIMARY

30 LOCATIONS) SHALL BE ADOPTED AS REGULATIONS UNDER THIS CHAPTER,

1 UNLESS THE BOARD AND THE COMMISSIONS DETERMINE THAT SUCH
2 REGULATIONS ARE NOT SUFFICIENT FOR THE ADMINISTRATION AND
3 ENFORCEMENT OF THIS CHAPTER. IN THAT EVENT, THE BOARD SHALL, IN
4 CONSULTATION WITH THE COMMISSIONS, PROMULGATE SUCH REGULATIONS
5 SPECIFIC TO THE OPERATION OF SLOT MACHINES AT NONPRIMARY
6 LOCATIONS AS THE BOARD AND COMMISSIONS DEEM NECESSARY TO
7 FACILITATE THE ADMINISTRATION AND ENFORCEMENT OF THIS CHAPTER.
8 § 13D03. TEMPORARY REGULATIONS.

9 (A) PROMULGATION.--IN ORDER TO FACILITATE THE PROMPT
10 IMPLEMENTATION OF THIS CHAPTER, REGULATIONS PROMULGATED BY THE
11 BOARD OR THE COMMISSIONS SHALL BE DEEMED TEMPORARY REGULATIONS
12 WHICH SHALL EXPIRE NOT LATER THAN TWO YEARS AFTER THE
13 PUBLICATION OF THE TEMPORARY REGULATION IN THE PENNSYLVANIA
14 BULLETIN. THE BOARD MAY PROMULGATE TEMPORARY REGULATIONS NOT
15 SUBJECT TO:

16 (1) SECTIONS 201, 202, 203, 204 AND 205 OF THE ACT OF
17 JULY 31, 1968 (P.L.769, NO.240), REFERRED TO AS THE
18 COMMONWEALTH DOCUMENTS LAW.

19 (2) SECTIONS 204(B) AND 301(10) OF THE ACT OF OCTOBER
20 15, 1980 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH
21 ATTORNEYS ACT.

22 (3) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS
23 THE REGULATORY REVIEW ACT.

24 (B) EXPIRATION.--THE AUTHORITY OF THE BOARD AND THE
25 COMMISSIONS TO ADOPT TEMPORARY REGULATIONS UNDER SUBSECTION (A)
26 SHALL EXPIRE TWO YEARS AFTER THE EFFECTIVE DATE OF THIS SECTION.
27 REGULATIONS ADOPTED AFTER THIS PERIOD SHALL BE PROMULGATED AS
28 PROVIDED BY LAW.

29 (C) TEMPORARY REGULATIONS.--THE BOARD AND THE COMMISSIONS
30 SHALL BEGIN PUBLISHING TEMPORARY REGULATIONS GOVERNING PLACEMENT

1 AND OPERATION OF SLOT MACHINES AT NONPRIMARY LOCATIONS IN THE
2 PENNSYLVANIA BULLETIN NO LATER THAN FEBRUARY 1, 2016.

3 SUBCHAPTER B
4 CATEGORY 1 LICENSED GAMING ENTITIES
5 AND NONPRIMARY LOCATIONS

6 SEC.

7 13D07. AUTHORITY TO PLACE SLOT MACHINES AT NONPRIMARY
8 LOCATIONS.

9 § 13D07. AUTHORITY TO PLACE SLOT MACHINES AT NONPRIMARY
10 LOCATIONS.

11 (A) CATEGORY 1 LICENSED GAMING ENTITY AND OPERATION OF SLOT
12 MACHINES AT NONPRIMARY LOCATIONS.--THE FOLLOWING SHALL APPLY:

13 (1) EACH CATEGORY 1 LICENSED GAMING ENTITY UNDER SECTION
14 13D02 (RELATING TO AUTHORITY TO PLACE SLOT MACHINES AT
15 NONPRIMARY LOCATIONS) THAT IS AUTHORIZED TO HOLD HORSE RACE
16 MEETINGS AT A RACETRACK AT WHICH MORE THAN ONE LICENSE IS
17 AUTHORIZED UNDER THE RACE HORSE INDUSTRY REFORM ACT MAY BE
18 GRANTED APPROVAL TO PLACE AND MAKE SLOT MACHINES AVAILABLE
19 FOR PLAY AT FOUR NONPRIMARY LOCATIONS, IF THE BOARD, IN
20 CONSULTATION WITH THE APPROPRIATE COMMISSION, DETERMINES THAT
21 A NONPRIMARY LOCATION NEWLY PROPOSED OR APPROVED IN
22 ACCORDANCE WITH REGULATIONS OF THE APPROPRIATE COMMISSION
23 WILL BENEFIT ECONOMIC DEVELOPMENT, EMPLOYMENT, TOURISM, THE
24 RACE HORSE INDUSTRY AND RESULT IN ENHANCED REVENUES TO THE
25 COMMONWEALTH AND THE MUNICIPALITY WHERE THE NEWLY PROPOSED OR
26 APPROVED NONPRIMARY LOCATION WILL BE OR IS SITUATED.

27 (2) EACH CATEGORY 1 LICENSED GAMING ENTITY UNDER SECTION
28 13D02 THAT IS AUTHORIZED TO HOLD HORSE RACE MEETINGS AT A
29 RACETRACK AT WHICH ONLY ONE LICENSE IS AUTHORIZED UNDER THE
30 RACE HORSE INDUSTRY REFORM ACT MAY BE GRANTED APPROVAL TO

1 PLACE AND MAKE SLOT MACHINES AVAILABLE FOR PLAY AT FOUR
2 NONPRIMARY LOCATIONS, IF THE BOARD, IN CONSULTATION WITH THE
3 APPROPRIATE COMMISSION, DETERMINES THAT A NONPRIMARY LOCATION
4 NEWLY PROPOSED OR APPROVED IN ACCORDANCE WITH REGULATIONS OF
5 THE APPROPRIATE COMMISSION WILL BENEFIT ECONOMIC DEVELOPMENT,
6 EMPLOYMENT, TOURISM, THE RACE HORSE INDUSTRY AND RESULT IN
7 ENHANCED REVENUES TO THE COMMONWEALTH AND THE MUNICIPALITY
8 WHERE THE NEWLY PROPOSED OR APPROVED NONPRIMARY LOCATION WILL
9 BE OR IS SITUATED.

10 (3) NOTWITHSTANDING PARAGRAPHS (1) AND (2) OR THE RACE
11 HORSE INDUSTRY REFORM ACT, A RACETRACK LOCATION AT WHICH MORE
12 THAN ONE LICENSED CORPORATION IS AUTHORIZED MAY BE AUTHORIZED
13 TO PLACE AND MAKE SLOT MACHINES AVAILABLE FOR PLAY AT NO MORE
14 THAN FOUR NONPRIMARY LOCATIONS, AND A RACETRACK LOCATION AT
15 WHICH ONLY ONE LICENSED CORPORATION IS AUTHORIZED SHALL BE
16 AUTHORIZED TO PLACE AND MAKE SLOT MACHINES AVAILABLE FOR PLAY
17 AT NO MORE THAN FOUR NONPRIMARY LOCATIONS.

18 (4) A CATEGORY 1 LICENSED GAMING ENTITY, WHICH IS ALSO A
19 LICENSED CORPORATION AS SET FORTH IN SECTION 13D02(A), SHALL
20 NOT BE AUTHORIZED TO PLACE AND MAKE SLOT MACHINES AVAILABLE
21 FOR PLAY AT ANY NONPRIMARY LOCATION WHICH IS WITHIN THE
22 PRIMARY MARKET AREA OF ANOTHER LICENSED CORPORATION,
23 REGARDLESS OF WHETHER THE LICENSED CORPORATION IS AUTHORIZED
24 TO CONDUCT HORSE RACE MEETINGS OR HARNESS HORSE RACE
25 MEETINGS, OR BOTH, AT THE RACETRACK LOCATION OF ITS LICENSED
26 CORPORATION.

27 (5) NO CATEGORY 1 LICENSED GAMING ENTITY, WHICH IS ALSO
28 A LICENSED CORPORATION AS SET FORTH IN SECTION 13D02(A),
29 SHALL BE AUTHORIZED TO PLACE AND MAKE SLOT MACHINES AVAILABLE
30 FOR PLAY AT A NONPRIMARY LOCATION WHICH IS LOCATED WITHIN 50

1 LINEAR MILES OF ANOTHER LICENSED FACILITY OR ANOTHER
2 NONPRIMARY LOCATION.

3 (6) A NONPRIMARY LOCATION MAY BE LOCATED AT A DISTANCE
4 THAT IS LESS THAN THE DISTANCES PROVIDED UNDER PARAGRAPH (5)
5 IF THE LICENSED CORPORATION OWNS THE NONPRIMARY LOCATION OR
6 THE LICENSED GAMING ENTITY ENTERS INTO AN AGREEMENT WITH
7 ANOTHER LICENSED GAMING ENTITY AND THE AGREEMENT IS FILED
8 WITH THE COMMISSION AND THE BOARD.

9 (7) A CATEGORY 1 LICENSED GAMING ENTITY THAT PLACES AND
10 MAKES SLOT MACHINES AVAILABLE FOR PLAY AT A NONPRIMARY
11 LOCATION SHALL BE SUBJECT TO THE REQUIREMENTS OF SECTION
12 1303(A), (B) AND (D) (RELATING TO ADDITIONAL CATEGORY 1 SLOT
13 MACHINE LICENSE REQUIREMENTS).

14 (B) EXISTING AND NEWLY ESTABLISHED NONPRIMARY LOCATIONS.--
15 NOTWITHSTANDING ANY PROVISION OF THE RACE HORSE INDUSTRY REFORM
16 ACT OR ANY OTHER LAW OR REGULATION TO THE CONTRARY, THE
17 FOLLOWING SHALL APPLY:

18 (1) A LICENSED CORPORATION THAT OPERATED NONPRIMARY
19 LOCATIONS PRIOR TO THE EFFECTIVE DATE OF THIS SUBSECTION
20 SHALL NOT BE PROHIBITED FROM REOPENING A PREVIOUSLY CLOSED
21 NONPRIMARY LOCATION OR RELOCATING AN EXISTING NONPRIMARY
22 LOCATION IN ORDER TO PLACE AND MAKE SLOT MACHINES AVAILABLE
23 FOR PLAY IN A REOPENED OR RELOCATED NONPRIMARY LOCATION:
24 PROVIDED, THAT, THE PREVIOUSLY CLOSED OR A RELOCATED
25 NONPRIMARY LOCATION COMPLIES WITH THE LOCATION REQUIREMENTS
26 SET FORTH IN SUBSECTION (A) (4), (5) AND (6).

27 (2) A LICENSED CORPORATION MAY ESTABLISH A NEW
28 NONPRIMARY LOCATION IN ACCORDANCE WITH THE RACE HORSE
29 INDUSTRY REFORM ACT IN ORDER TO PLACE AND MAKE SLOT MACHINES
30 AVAILABLE FOR PLAY AND OPERATE RACE HORSE SIMULCASTING:

1 PROVIDED, THAT, THE NEW NONPRIMARY LOCATION COMPLIES WITH THE
2 LOCATION REQUIREMENTS SET FORTH IN SUBSECTION (A) (4), (5) AND
3 (6).

4 (C) PERMISSIBLE NUMBER OF SLOT MACHINES.--

5 (1) NOTWITHSTANDING SECTION 1210 (RELATING TO NUMBER OF
6 SLOT MACHINES), A CATEGORY 1 LICENSED GAMING ENTITY, UPON
7 APPROVAL OF THE BOARD AND REMITTANCE OF THE FEE UNDER SECTION
8 13D17 (RELATING TO NONPRIMARY LOCATION PERMIT FEE), MAY PLACE
9 AND MAKE AVAILABLE FOR PLAY NO MORE THAN 250 SLOT MACHINES AT
10 A NONPRIMARY LOCATION.

11 (2) THE PERMISSIBLE NUMBER OF SLOT MACHINES THAT MAY BE
12 PLACED AND MADE AVAILABLE FOR PLAY AT A NONPRIMARY LOCATION
13 UNDER THIS SUBSECTION SHALL NOT BE INCLUDED IN THE COMPLEMENT
14 OF SLOT MACHINES AUTHORIZED FOR A CATEGORY 1 LICENSED
15 FACILITY UNDER SECTION 1210.

16 (3) IN DETERMINING THE PERMISSIBLE NUMBER OF SLOT
17 MACHINES THAT MAY BE PLACED AT A NONPRIMARY LOCATION IN
18 ACCORDANCE WITH THIS SUBSECTION, THE BOARD SHALL CONSIDER THE
19 APPROPRIATENESS OF THE PHYSICAL SPACE OF THE NONPRIMARY
20 LOCATION WHERE THE SLOT MACHINES WILL BE PLACED AND THE
21 CONVENIENCE OF THE PUBLIC PATRONIZING THE NONPRIMARY
22 LOCATION. THE BOARD MAY ALSO CONSIDER THE POTENTIAL BENEFIT
23 TO ECONOMIC DEVELOPMENT, EMPLOYMENT, TOURISM, THE RACE HORSE
24 INDUSTRY AND ENHANCED REVENUES TO THE COMMONWEALTH AND THE
25 MUNICIPALITY WHERE THE NONPRIMARY LOCATION IS SITUATED.

26 SUBCHAPTER C

27 APPLICATION AND ISSUANCE OF
28 NONPRIMARY LOCATION PERMIT

29 SEC.

30 13D11. APPLICATION FOR NONPRIMARY LOCATION PERMIT.

1 13D12. ISSUANCE AND TERMS OF NONPRIMARY LOCATION PERMIT.

2 13D13. CONFIDENTIALITY.

3 13D14. KEY EMPLOYEES AND OCCUPATION PERMITS.

4 § 13D11. APPLICATION FOR NONPRIMARY LOCATION PERMIT.

5 (A) APPLICATION.--AN APPLICATION FOR A NONPRIMARY LOCATION
6 PERMIT TO PLACE AND MAKE SLOT MACHINES AVAILABLE FOR PLAY AT A
7 NONPRIMARY LOCATION SHALL BE SUBMITTED ON A FORM AND IN A MANNER
8 AS SHALL BE REQUIRED BY THE BOARD. IN REVIEWING AND APPROVING
9 EACH APPLICATION, THE BOARD SHALL:

10 (1) ENSURE THAT THE PROPOSED LOCATION OF THE NONPRIMARY
11 LOCATION COMPLIES WITH THE LOCATION REQUIREMENTS SET FORTH IN
12 SECTION 13D07(A) (4), (5) AND (6) (RELATING TO AUTHORITY TO
13 PLACE SLOT MACHINES AT NONPRIMARY LOCATIONS).

14 (2) CONFIRM THAT THE NONPRIMARY LOCATION PERMIT FEE
15 UNDER SECTION 13D17 (RELATING TO NONPRIMARY LOCATION PERMIT
16 FEE) HAS BEEN PAID OR WILL BE PAID IN ACCORDANCE SECTION
17 13D17.

18 (B) REQUIRED INFORMATION.--AN APPLICATION FOR A NONPRIMARY
19 LOCATION PERMIT SHALL INCLUDE, AT A MINIMUM:

20 (1) THE NAME OF THE CATEGORY 1 SLOT MACHINE LICENSEE AND
21 THE LICENSED CORPORATION AND LOCATION OF THE EXISTING
22 NONPRIMARY LOCATION, IF ANY, OR THE LOCATION OF ANY PROPOSED
23 RELOCATED OR NEW NONPRIMARY LOCATION.

24 (2) THE NAME, ADDRESS AND CURRENT PHOTOGRAPH OF THE
25 APPLICANT AND OF ALL DIRECTORS AND OWNERS AND KEY EMPLOYEES
26 AND THEIR POSITIONS WITHIN THE LICENSED CORPORATION, IF
27 REQUIRED BY THE BOARD.

28 (3) THE PROPOSED LOCATION OF THE SLOT MACHINE AREA OR
29 AREAS IN THE NONPRIMARY LOCATION, IF KNOWN.

30 (4) DETAILED SITE AND ARCHITECTURAL PLANS OF THE

1 PROPOSED AREA OR AREAS WITHIN THE NONPRIMARY LOCATION WHERE
2 SLOT MACHINES WILL BE PLACED AND MADE AVAILABLE FOR PLAY.

3 (5) THE NUMBER OF SLOT MACHINES REQUESTED.

4 (6) THE CURRENT STATUS OF THE HORSE RACING OR HARNESS
5 HORSE RACING LICENSE ISSUED PURSUANT TO THE RACE HORSE
6 INDUSTRY REFORM ACT, IF REQUIRED BY THE BOARD.

7 (7) THE CURRENT STATUS OF THE SLOT MACHINE LICENSE
8 ISSUED UNDER THIS PART, IF REQUIRED BY THE BOARD.

9 (8) THE DETAILS OF ANY LOANS OR OTHER FINANCING OBTAINED
10 OR THAT WILL BE OBTAINED TO FUND AN EXPANSION, MODIFICATION
11 OR CONSTRUCTION PROJECT AT AN EXISTING NONPRIMARY LOCATION, A
12 RELOCATED NONPRIMARY LOCATION OR A PROPOSED OR NEWLY APPROVED
13 NONPRIMARY LOCATION TO ACCOMMODATE SLOT MACHINES AT THE
14 NONPRIMARY LOCATION.

15 (9) THE CONSENT TO CONDUCT A BACKGROUND INVESTIGATION BY
16 THE BUREAU, THE SCOPE OF WHICH SHALL BE DETERMINED BY THE
17 BUREAU AT ITS DISCRETION CONSISTENT WITH THE PROVISIONS OF
18 THIS PART, AND A RELEASE SIGNED BY ALL PERSONS SUBJECT TO THE
19 INVESTIGATION OF ALL INFORMATION REQUIRED TO COMPLETE THE
20 INVESTIGATION, IF THE BUREAU, AT ITS DISCRETION, DETERMINES
21 THAT A BACKGROUND INVESTIGATION IS NECESSARY UNDER THIS
22 CHAPTER.

23 (10) ANY OTHER INFORMATION DETERMINED TO BE NECESSARY
24 AND APPROPRIATE BY THE BOARD.

25 § 13D12. ISSUANCE AND TERMS OF NONPRIMARY LOCATION PERMIT.

26 (A) ISSUANCE OF PERMIT.--UPON APPROVAL OF AN APPLICATION FOR
27 A NONPRIMARY LOCATION PERMIT AND PAYMENT OF THE NONPRIMARY
28 LOCATION PERMIT FEE UNDER SECTION 13D17 (RELATING TO NONPRIMARY
29 LOCATION PERMIT FEE), THE BOARD SHALL ISSUE A NONPRIMARY
30 LOCATION PERMIT TO A CATEGORY 1 LICENSED GAMING ENTITY

1 AUTHORIZING IT TO PLACE AND MAKE SLOT MACHINES AVAILABLE FOR
2 PLAY AT A NONPRIMARY LOCATION.

3 (B) TERMS OF PERMIT.--A NONPRIMARY LOCATION PERMIT APPROVED
4 AND ISSUED BY THE BOARD IN ACCORDANCE WITH SUBSECTION (A) SHALL
5 BE IN EFFECT UNLESS SUSPENDED OR REVOKED BY THE BOARD UPON GOOD
6 CAUSE CONSISTENT WITH THE REQUIREMENTS OF THIS PART, REGULATIONS
7 PROMULGATED PURSUANT TO THIS PART OR REGULATIONS OF THE
8 APPROPRIATE COMMISSION.

9 (C) NOTIFICATION OF CHANGE IN STATUS.--NOTHING IN THIS
10 SECTION SHALL RELIEVE A NONPRIMARY LOCATION PERMIT HOLDER OF THE
11 AFFIRMATIVE DUTY TO NOTIFY THE BOARD OF ANY CHANGES RELATING TO
12 THE STATUS OF ITS NONPRIMARY LOCATION PERMIT, ITS LICENSE ISSUED
13 UNDER THE RACE HORSE INDUSTRY REFORM ACT OR TO ANY OTHER
14 INFORMATION CONTAINED IN THE APPLICATION MATERIALS ON FILE WITH
15 THE BOARD.

16 § 13D13. CONFIDENTIALITY.

17 INFORMATION SUBMITTED TO THE BOARD UNDER SECTION 13D11
18 (RELATING TO APPLICATION FOR NONPRIMARY LOCATION PERMIT) MAY BE
19 CONSIDERED CONFIDENTIAL BY THE BOARD IF THE INFORMATION WOULD BE
20 CONFIDENTIAL UNDER SECTION 1206(F) (RELATING TO BOARD MINUTES
21 AND RECORDS).

22 § 13D14. KEY EMPLOYEES AND OCCUPATION PERMITS.

23 NOTHING IN THIS SUBCHAPTER SHALL BE CONSTRUED TO REQUIRE ANY
24 INDIVIDUAL WHO HOLDS A PRINCIPAL LICENSE, A KEY EMPLOYEE LICENSE
25 OR GAMING EMPLOYEE LICENSE UNDER CHAPTERS 13 (RELATING TO
26 LICENSEES) AND 13A (RELATING TO TABLE GAMES) OR WHO HOLDS A
27 LICENSE UNDER SECTION 213 OF THE RACE HORSE INDUSTRY REFORM ACT
28 TO OBTAIN A SEPARATE LICENSE, PERMIT OR REGISTRATION TO BE
29 EMPLOYED IN A PERMIT HOLDER'S SLOT MACHINE OPERATION AT A
30 NONPRIMARY LOCATION UNDER THIS CHAPTER, IF THE BOARD DETERMINES,

1 IN CONSULTATION WITH THE COMMISSIONS, THAT LICENSURE UNDER THE
2 PROVISIONS OF THIS PART OR THE RACE HORSE INDUSTRY REFORM ACT IS
3 SUFFICIENT AND WILL NOT COMPROMISE THE INTEGRITY OF THE
4 OPERATION OF SLOT MACHINES AT NONPRIMARY LOCATIONS.

5 SUBCHAPTER D

6 FEEES AND TAXES

7 SEC.

8 13D17. NONPRIMARY LOCATION PERMIT FEE.

9 13D18. NONPRIMARY LOCATION TAXES, IMPOSITION, DEPOSITS AND
10 DISTRIBUTIONS.

11 § 13D17. NONPRIMARY LOCATION PERMIT FEE.

12 (A) AMOUNT OF FEE.--AT THE TIME A NONPRIMARY LOCATION PERMIT
13 IS ISSUED UNDER SECTION 13D12(A) (RELATING TO ISSUANCE AND TERMS
14 OF NONPRIMARY LOCATION PERMIT), THE BOARD SHALL IMPOSE A ONE-
15 TIME FEE OF \$5,000,000 TO BE PAID BY THE CATEGORY 1 LICENSED
16 GAMING ENTITY FOR EACH NONPRIMARY LOCATION WHERE IT WILL PLACE
17 AND MAKE SLOT MACHINES AVAILABLE FOR PLAY.

18 (B) RENEWAL FEE NOT REQUIRED.--A NONPRIMARY LOCATION PERMIT
19 SHALL NOT BE SUBJECT TO RENEWAL OR PAYMENT OF ANY NONPRIMARY
20 LOCATION PERMIT RENEWAL FEE.

21 (C) DEPOSIT OF FEE INTO GENERAL FUND.--NOTWITHSTANDING
22 SECTION 1208 (RELATING TO COLLECTION OF FEES AND FINES), ALL
23 NONPRIMARY LOCATION PERMIT FEES AND PENALTIES COLLECTED BY THE
24 BOARD UNDER THIS SUBSECTION SHALL BE DEPOSITED IN THE GENERAL
25 FUND.

26 § 13D18. NONPRIMARY LOCATION TAXES, IMPOSITION, DEPOSITS AND
27 DISTRIBUTIONS.

28 (A) IMPOSITION.--THE DEPARTMENT SHALL DETERMINE AND EACH
29 NONPRIMARY LOCATION PERMIT HOLDER SHALL PAY A DAILY TAX OF 54%
30 FROM ITS DAILY GROSS TERMINAL REVENUE FROM THE SLOT MACHINES IN

1 OPERATION AT ITS NONPRIMARY LOCATION.

2 (B) DISTRIBUTION.--

3 (1) THE TAX IMPOSED AND COLLECTED UNDER SUBSECTION (A)
4 SHALL BE DISTRIBUTED AS FOLLOWS:

5 (I) NINETY-TWO PERCENT OF THE TAX SHALL BE DEPOSITED
6 BY THE DEPARTMENT IN THE GENERAL FUND.

7 (II) EIGHT PERCENT SHALL CONSTITUTE A LOCAL SHARE
8 ASSESSMENT AND BE DISTRIBUTED BY THE DEPARTMENT ON A
9 QUARTERLY BASIS AS FOLLOWS:

10 (A) FOUR PERCENT TO THE COUNTY IN WHICH THE
11 NONPRIMARY LOCATION IS LOCATED.

12 (B) FOUR PERCENT TO THE MUNICIPALITY IN WHICH
13 THE NONPRIMARY LOCATION IS LOCATED.

14 (2) ALL MONEY OWED TO THE COMMONWEALTH, A COUNTY OR A
15 MUNICIPALITY UNDER THIS SECTION SHALL BE HELD IN TRUST BY THE
16 LICENSED CORPORATION OR LICENSED GAMING ENTITY FOR THE
17 COMMONWEALTH, COUNTY OR MUNICIPALITY UNTIL ALL FUNDS ARE
18 DISTRIBUTED BY THE DEPARTMENT IN ACCORDANCE WITH THIS
19 SUBSECTION.

20 (C) PAYMENTS AND DEPOSITS.--

21 (1) THE TAX IMPOSED UNDER SUBSECTION (A) SHALL BE
22 PAYABLE TO THE DEPARTMENT ON A WEEKLY BASIS AND SHALL BE
23 BASED UPON GROSS SLOT MACHINE REVENUE DERIVED FROM THE
24 OPERATION OF SLOT MACHINES AT A NONPRIMARY LOCATION DURING
25 THE PREVIOUS WEEK.

26 (2) ALL MONEY OWED TO THE COMMONWEALTH AND COLLECTED BY
27 THE DEPARTMENT IN ACCORDANCE WITH THIS SUBCHAPTER SHALL BE
28 DEPOSITED IN THE GENERAL FUND.

29 CHAPTER 13E

30 SLOT MACHINES IN QUALIFIED AIRPORTS

1 SUBCHAPTER

2 A. PRELIMINARY PROVISIONS

3 B. AIRPORT GAMING AUTHORIZED

4 C. CONDUCT OF AIRPORT GAMING

5 D. AIRPORT GAMING FEES AND TAXES

6 E. MISCELLANEOUS PROVISIONS

7 SUBCHAPTER A

8 PRELIMINARY PROVISIONS

9 SEC.

10 13E01. DEFINITIONS.

11 § 13E01. DEFINITIONS.

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

15 "AIRPORT AUTHORITY." THE GOVERNING BODY OF A MUNICIPAL
16 AUTHORITY ORGANIZED AND INCORPORATED IN ACCORDANCE WITH 53
17 PA.C.S. CH. 56 (RELATING TO MUNICIPAL AUTHORITIES) TO OVERSEE
18 THE OPERATIONS OF A QUALIFIED AIRPORT. THE TERM SHALL INCLUDE
19 THE GOVERNING BODY OF ANY JOINT MUNICIPAL AUTHORITY WHICH
20 OPERATES A QUALIFIED AIRPORT AND THE GOVERNING BODY OF A CITY OF
21 THE FIRST CLASS WHICH OWNS AND OPERATES A QUALIFIED AIRPORT
22 LOCATED IN A COUNTY OF THE FIRST CLASS.

23 "AIRPORT GAMING." THE LICENSED PLACEMENT, OPERATION AND PLAY
24 OF SLOT MACHINES IN A QUALIFIED AIRPORT AS AUTHORIZED AND
25 APPROVED BY THE BOARD.

26 "AIRPORT GAMING CERTIFICATE HOLDER." THE AUTHORIZATION
27 ISSUED UNDER THIS CHAPTER TO CONDUCT AIRPORT GAMING.

28 "AIRPORT GAMING OPERATION CERTIFICATE." A CERTIFICATE ISSUED
29 BY THE PENNSYLVANIA GAMING CONTROL BOARD UNDER CHAPTER 13B
30 (RELATING TO INTERACTIVE GAMING) THAT AUTHORIZES A SLOT MACHINE

1 LICENSEE TO CONDUCT AIRPORT GAMING IN ACCORDANCE WITH THIS
2 CHAPTER.

3 "AIRPORT GAMING REVENUE." THE DAILY GROSS TERMINAL REVENUE
4 DERIVED FROM THE CONDUCT OF AIRPORT GAMING.

5 "QUALIFIED AIRPORT." A PUBLICLY OWNED COMMERCIAL SERVICE
6 AIRPORT THAT IS DESIGNATED BY THE FEDERAL GOVERNMENT AS AN
7 INTERNATIONAL AIRPORT.

8 "SPECIFIED AREA." THE SECURE AREA OF A QUALIFIED AIRPORT
9 WHERE SLOT MACHINES ARE PLACED AND MADE AVAILABLE TO PLAY AND
10 MEMBERS OF THE PUBLIC, OTHER THAN PASSENGERS, ARE PROHIBITED
11 FROM ENTERING.

12 SUBCHAPTER B

13 AIRPORT GAMING AUTHORIZED

14 SEC.

15 13E11. AUTHORIZATION.

16 13E12. APPLICATION.

17 13E13. STANDARD FOR REVIEW OF APPLICATIONS.

18 13E14. APPROVAL OF APPLICATION.

19 13E15. AIRPORT GAMING OPERATION CERTIFICATE.

20 13E16. TIMING OF INITIAL AIRPORT GAMING AUTHORIZATIONS.

21 § 13E11. AUTHORIZATION.

22 (A) GENERAL RULE.--UPON APPLICATION OF A SLOT MACHINE
23 LICENSEE, THE BOARD MAY AUTHORIZE THE SLOT MACHINE LICENSEE TO
24 CONDUCT AIRPORT GAMING. A SLOT MACHINE LICENSEE SEEKING
25 AUTHORIZATION TO CONDUCT AIRPORT GAMING MUST ENTER INTO AN
26 AGREEMENT WITH THE GOVERNING BODY OF A QUALIFIED AIRPORT AND
27 SUBMIT THE AGREEMENT TO THE BOARD FOR APPROVAL. NO PERSON SHALL
28 CAUSE OR MAKE SLOT MACHINES AVAILABLE FOR PLAY AT A QUALIFIED
29 AIRPORT WITHOUT FIRST OBTAINING AN AIRPORT GAMING CERTIFICATE IN
30 ACCORDANCE WITH THE PROVISIONS OF THIS CHAPTER.

1 (B) CONDITIONS.--AUTHORIZATION SHALL BE CONTINGENT UPON THE
2 SLOT MACHINE LICENSEE'S AGREEMENT TO ENSURE THAT SLOT MACHINE
3 OPERATIONS WILL BE CONDUCTED IN ACCORDANCE WITH THIS PART AND
4 ANY OTHER CONDITIONS ESTABLISHED BY THE BOARD. THE AGREEMENT
5 SHALL SPECIFY THE FEES TO BE PAID TO THE QUALIFIED AIRPORT BY
6 THE SLOT MACHINE LICENSEE FOR THE PRIVILEGE OF CONDUCTING
7 AIRPORT GAMING. NOTHING IN THIS PART SHALL BE CONSTRUED TO
8 CREATE A SEPARATE LICENSE GOVERNING THE CONDUCT OF AIRPORT
9 GAMING BY SLOT MACHINE LICENSEES WITHIN THIS COMMONWEALTH.

10 (C) NUMBER OF SLOT MACHINES.--THE BOARD SHALL APPROVE THE
11 MAXIMUM NUMBER OF SLOT MACHINES THAT A SLOT MACHINE LICENSEE MAY
12 OPERATE AT A QUALIFIED AIRPORT. THE BOARD, IN MAKING ITS
13 DETERMINATION, SHALL CONSIDER THE PHYSICAL SPACE WHERE THE SLOT
14 MACHINES WILL BE LOCATED AND THE CONVENIENCE OF PASSENGERS. THE
15 BOARD MAY ALSO CONSIDER THE POTENTIAL EMPLOYMENT, ENHANCED
16 REVENUES TO THE COMMONWEALTH AND OTHER ECONOMIC INDICATORS IT
17 DEEMS APPLICABLE IN MAKING ITS DECISION.

18 § 13E12. APPLICATION.

19 (A) INFORMATION TO BE PROVIDED.--AN APPLICANT SEEKING
20 AUTHORIZATION TO CONDUCT AIRPORT GAMING SHALL PROVIDE THE
21 FOLLOWING INFORMATION TO THE BOARD:

22 (1) THE NAME, BUSINESS ADDRESS AND CONTACT INFORMATION
23 OF THE APPLICANT.

24 (2) THE NAME AND BUSINESS ADDRESS, JOB TITLE AND A
25 PHOTOGRAPH OF EACH PRINCIPAL AND KEY EMPLOYEE OF THE
26 APPLICANT WHO WILL BE INVOLVED IN THE CONDUCT OF AIRPORT
27 GAMING AND WHO IS NOT CURRENTLY LICENSED BY THE BOARD, IF
28 KNOWN.

29 (3) THE NUMBER OF SLOT MACHINES FOR WHICH AUTHORIZATION
30 IS BEING SOUGHT.

1 (4) THE ESTIMATED NUMBER OF FULL-TIME AND PART-TIME
2 EMPLOYMENT POSITIONS THAT WILL BE CREATED AT THE QUALIFIED
3 AIRPORT IF THE SLOT MACHINE LICENSEE IS AUTHORIZED TO OPERATE
4 SLOT MACHINES UNDER THIS CHAPTER AND AN UPDATED HIRING PLAN
5 UNDER SECTION 1510(A) (RELATING TO LABOR HIRING PREFERENCES)
6 WHICH OUTLINES THE APPLICANT'S PLAN TO PROMOTE THE EMPLOYMENT
7 REPRESENTATION OF DIVERSE GROUPS AND COMMONWEALTH RESIDENTS.

8 (5) THE DETAILS OF ANY FINANCING OBTAINED OR THAT WILL
9 BE OBTAINED TO FUND AN EXPANSION OR MODIFICATION OF THE
10 QUALIFIED AIRPORT TO ACCOMMODATE THE CONDUCT OF AIRPORT
11 GAMING AND TO OTHERWISE FUND THE COST OF COMMENCING AIRPORT
12 GAMING OPERATIONS.

13 (6) INFORMATION AND DOCUMENTATION CONCERNING FINANCIAL
14 BACKGROUND AND RESOURCES, AS THE BOARD MAY REQUIRE, TO
15 ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE FINANCIAL
16 STABILITY, INTEGRITY AND RESPONSIBILITY OF THE APPLICANT.

17 (7) INFORMATION AND DOCUMENTATION, AS THE BOARD MAY
18 REQUIRE, TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT
19 THE APPLICANT HAS SUFFICIENT BUSINESS ABILITY AND EXPERIENCE
20 TO CONDUCT AIRPORT GAMING. IN MAKING THIS DETERMINATION, THE
21 BOARD MAY CONSIDER THE RESULTS OF THE APPLICANT'S SLOT
22 MACHINE OPERATION, INCLUDING FINANCIAL INFORMATION,
23 EMPLOYMENT DATA AND CAPITAL INVESTMENT.

24 (8) INFORMATION AND DOCUMENTATION, AS THE BOARD MAY
25 REQUIRE, TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT
26 THE APPLICANT HAS OR WILL HAVE THE FINANCIAL ABILITY TO PAY
27 THE REQUIRED FEE UNDER SECTION 13E51 (RELATING TO FEES).

28 (9) DETAILED SITE PLANS IDENTIFYING THE APPLICANT'S
29 PROPOSED SPECIFIED AREA.

30 (10) A COPY OF THE AGREEMENT ENTERED INTO BY THE SLOT

1 MACHINE LICENSEE AND THE QUALIFIED AIRPORT.

2 (11) OTHER INFORMATION AS THE BOARD MAY REQUIRE.

3 (B) CONFIDENTIALITY.--INFORMATION SUBMITTED TO THE BOARD
4 UNDER SUBSECTION (A) (6), (7), (9), (10) AND (11) MAY BE
5 CONSIDERED CONFIDENTIAL BY THE BOARD IF THE INFORMATION WOULD BE
6 CONFIDENTIAL UNDER SECTION 1206(F) (RELATING TO BOARD MINUTES
7 AND RECORDS).

8 § 13E13. STANDARD FOR REVIEW OF APPLICATIONS.

9 THE BOARD SHALL APPROVE AN APPLICATION IF THE APPLICANT
10 ESTABLISHES, BY CLEAR AND CONVINCING EVIDENCE, ALL OF THE
11 FOLLOWING:

12 (1) THE APPLICANT'S SLOT MACHINE LICENSE IS IN GOOD
13 STANDING WITH THE BOARD.

14 (2) THE APPLICANT POSSESSES ADEQUATE FUNDS OR HAS
15 SECURED ADEQUATE FINANCING TO:

16 (I) FUND ANY NECESSARY EXPANSION OR MODIFICATION OF
17 THE QUALIFIED AIRPORT TO ACCOMMODATE THE CONDUCT OF
18 AIRPORT GAMING IF REQUIRED IN THE AGREEMENT WITH THE
19 GOVERNING BODY OF THE AIRPORT AUTHORITY.

20 (II) PAY THE REQUIRED FEE IN ACCORDANCE WITH SECTION
21 13E51 (RELATING TO FEES).

22 (III) COMMENCE AIRPORT GAMING OPERATIONS AT THE
23 QUALIFIED AIRPORT.

24 (3) THE APPLICANT HAS THE FINANCIAL STABILITY, INTEGRITY
25 AND RESPONSIBILITY TO CONDUCT AIRPORT GAMING.

26 (4) THE APPLICANT HAS SUFFICIENT BUSINESS ABILITY AND
27 EXPERIENCE TO CREATE AND MAINTAIN AIRPORT GAMING.

28 (5) THE APPLICANT'S PROPOSED INTERNAL AND EXTERNAL
29 SECURITY AND PROPOSED SURVEILLANCE MEASURES WITHIN THE
30 SPECIFIED AREA WHERE THE APPLICANT SEEKS TO CONDUCT AIRPORT

1 GAMING ARE ADEQUATE.

2 (6) THE APPLICANT AGREES THAT THE NUMBER OF SLOT
3 MACHINES IN OPERATION AT ITS LICENSED FACILITY WILL NOT BE
4 PERMANENTLY REDUCED IN ORDER TO CONDUCT AIRPORT GAMING.

5 § 13E14. APPROVAL OF APPLICATION.

6 UPON APPROVAL OF AN APPLICATION, THE BOARD SHALL ISSUE AN
7 AIRPORT GAMING OPERATION CERTIFICATE TO THE APPLICANT. ISSUING
8 AN AIRPORT GAMING OPERATION CERTIFICATE PRIOR TO THE PAYMENT IN
9 FULL OF THE FEE REQUIRED BY SECTION 13E51 (RELATING TO FEES)
10 SHALL NOT RELIEVE THE APPLICANT FROM COMPLYING WITH THE
11 PROVISIONS OF SECTION 13E51.

12 § 13E15. AIRPORT GAMING OPERATION CERTIFICATE.

13 THE FOLLOWING SHALL APPLY:

14 (1) AN AIRPORT GAMING OPERATION CERTIFICATE SHALL BE IN
15 EFFECT UNLESS:

16 (I) SUSPENDED OR REVOKED BY THE BOARD CONSISTENT
17 WITH THE REQUIREMENTS OF THIS PART.

18 (II) THE SLOT MACHINE LICENSE HELD BY THE AIRPORT
19 GAMING CERTIFICATE HOLDER IS SUSPENDED, REVOKED OR NOT
20 RENEWED BY THE BOARD CONSISTENT WITH THE REQUIREMENTS OF
21 THIS PART.

22 (III) THE AIRPORT GAMING CERTIFICATE HOLDER
23 RELINQUISHES OR DOES NOT SEEK RENEWAL OF ITS SLOT MACHINE
24 LICENSE.

25 (IV) THE AGREEMENT BETWEEN THE AIRPORT GAMING
26 CERTIFICATE HOLDER AND THE GOVERNING BODY OF THE
27 AUTHORITY IS NOT RENEWED.

28 (2) THE AIRPORT GAMING OPERATION CERTIFICATE SHALL
29 INCLUDE THE MAXIMUM NUMBER OF SLOT MACHINES APPROVED BY THE
30 BOARD AND PERMITTED IN THE SPECIFIED AREA. THE AIRPORT GAMING

1 CERTIFICATE HOLDER MAY INCREASE OR DECREASE THE NUMBER OF
2 SLOT MACHINES PERMITTED IN THE SPECIFIED AREA OR CHANGE THE
3 CONFIGURATION OF THE SLOT MACHINES UPON NOTICE TO AND
4 APPROVAL BY THE BOARD. UNLESS APPROVED BY THE BOARD, THE
5 TOTAL NUMBER OF SLOT MACHINES IN OPERATION IN THE SPECIFIED
6 AREA MAY NOT EXCEED THE NUMBER AUTHORIZED IN THE AIRPORT
7 GAMING OPERATION CERTIFICATE.

8 (3) A AIRPORT GAMING CERTIFICATE HOLDER SHALL BE
9 REQUIRED TO UPDATE THE INFORMATION IN ITS INITIAL AIRPORT
10 GAMING APPLICATION AT TIMES PRESCRIBED BY THE BOARD.

11 § 13E16. TIMING OF INITIAL AIRPORT GAMING AUTHORIZATIONS.

12 THE BOARD SHALL APPROVE OR DENY AN APPLICATION WITHIN 180
13 DAYS FOLLOWING RECEIPT OF THE COMPLETED APPLICATION.

14 SUBCHAPTER C

15 CONDUCT OF AIRPORT GAMING

16 SEC.

17 13E31. AUTHORIZED LOCATIONS FOR OPERATION.

18 13E32. COMMENCEMENT OF AIRPORT GAMING OPERATIONS.

19 13E33. CONDITION OF CONTINUED OPERATION.

20 13E34. AIRPORT GAMING ACCOUNTING CONTROLS AND AUDIT PROTOCOLS.

21 13E35. CASH EQUIVALENTS.

22 13E36. OCCUPATION PERMITS.

23 § 13E31. AUTHORIZED LOCATIONS FOR OPERATION.

24 (A) RESTRICTION.--AN AIRPORT GAMING CERTIFICATE HOLDER SHALL
25 ONLY BE PERMITTED TO OPERATE SLOT MACHINES IN THE SPECIFIED AREA
26 AUTHORIZED BY THE BOARD.

27 (B) POWERS AND DUTIES OF BOARD.--NO AIRPORT GAMING
28 CERTIFICATE HOLDER MAY BE APPROVED TO OPERATE SLOT MACHINES
29 UNLESS THE SPECIFIED AREA IS EQUIPPED WITH ADEQUATE SECURITY AND
30 SURVEILLANCE EQUIPMENT TO ENSURE THE INTEGRITY OF THE CONDUCT OF

1 AIRPORT GAMING. AN AUTHORIZATION GRANTED UNDER THIS SECTION MAY
2 NOT IMPOSE ANY CRITERIA OR REQUIREMENTS REGARDING THE CONTENTS
3 OR STRUCTURE OF A QUALIFIED AIRPORT WHICH ARE UNRELATED TO THE
4 CONDUCT OF AIRPORT GAMING.

5 § 13E32. COMMENCEMENT OF AIRPORT GAMING OPERATIONS.

6 AN AIRPORT GAMING CERTIFICATE HOLDER MAY NOT OPERATE OR OFFER
7 SLOT MACHINES FOR PLAY AT A QUALIFIED AIRPORT UNTIL THE BOARD
8 DETERMINES THAT:

9 (1) THE AIRPORT GAMING CERTIFICATE HOLDER IS IN
10 COMPLIANCE WITH THE REQUIREMENTS OF THIS PART.

11 (2) THE AIRPORT GAMING CERTIFICATE HOLDER'S INTERNAL
12 CONTROLS AND AUDIT PROTOCOLS ARE SUFFICIENT TO MEET THE
13 REQUIREMENTS OF SECTION 13E34 (RELATING TO AIRPORT GAMING
14 ACCOUNTING CONTROLS AND AUDIT PROTOCOLS).

15 (3) THE AIRPORT GAMING CERTIFICATE HOLDER'S GAMING
16 EMPLOYEES, WHERE APPLICABLE, ARE LICENSED, PERMITTED OR
17 OTHERWISE AUTHORIZED BY THE BOARD TO PERFORM THEIR RESPECTIVE
18 DUTIES.

19 (4) THE AIRPORT GAMING CERTIFICATE HOLDER IS PREPARED IN
20 ALL RESPECTS TO OFFER SLOT MACHINE PLAY TO ELIGIBLE
21 PASSENGERS AT THE QUALIFIED AIRPORT.

22 (5) THE AIRPORT GAMING CERTIFICATE HOLDER HAS
23 IMPLEMENTED NECESSARY INTERNAL AND MANAGEMENT CONTROLS AND
24 SECURITY ARRANGEMENTS AND SURVEILLANCE SYSTEMS FOR THE
25 CONDUCT OF AIRPORT GAMING.

26 (6) THE AIRPORT GAMING CERTIFICATE HOLDER IS IN
27 COMPLIANCE WITH OR HAS COMPLIED WITH SECTION 13E51 (RELATING
28 TO FEES).

29 (7) ALL SLOT MACHINES CERTIFIED AND APPROVED FOR USE
30 UNDER THIS CHAPTER ARE COMPATIBLE AND COMPLY WITH THE CENTRAL

1 CONTROL COMPUTER AND PROTOCOL SPECIFICATIONS APPROVED BY THE
2 DEPARTMENT.

3 (8) THE AIRPORT GAMING CERTIFICATE HOLDER HAS
4 IMPLEMENTED OR WILL IMPLEMENT THE NECESSARY PROCEDURES AND
5 SAFEGUARDS TO ENSURE THAT NO INDIVIDUAL UNDER 21 YEARS OF AGE
6 WILL BE PERMITTED TO ENTER THE SPECIFIED AREA OF THE
7 QUALIFIED AIRPORT.

8 § 13E33. CONDITION OF CONTINUED OPERATION.

9 AS A CONDITION OF CONTINUED OPERATION, AN AIRPORT GAMING
10 CERTIFICATE HOLDER SHALL MAINTAIN ALL BOOKS, RECORDS AND
11 DOCUMENTS PERTAINING TO AIRPORT GAMING IN A MANNER AND LOCATION
12 WITHIN THIS COMMONWEALTH AS APPROVED BY THE BOARD. ALL BOOKS,
13 RECORDS AND DOCUMENTS RELATED TO AIRPORT GAMING SHALL:

14 (1) BE SEGREGATED BY SEPARATE ACCOUNTS WITHIN THE SLOT
15 MACHINE LICENSEE'S BOOKS, RECORDS AND DOCUMENTS, EXCEPT FOR
16 ANY BOOKS, RECORDS OR DOCUMENTS THAT ARE COMMON TO THE
17 LICENSEE'S SLOT MACHINE OPERATIONS AT A LICENSED FACILITY AND
18 A QUALIFIED AIRPORT;

19 (2) BE IMMEDIATELY AVAILABLE FOR INSPECTION UPON REQUEST
20 OF THE BOARD, THE BUREAU, THE DEPARTMENT, THE PENNSYLVANIA
21 STATE POLICE OR THE ATTORNEY GENERAL, OR AGENTS THEREOF,
22 DURING ALL HOURS OF OPERATION AT THE QUALIFIED AIRPORT IN
23 ACCORDANCE WITH REGULATIONS PROMULGATED BY THE BOARD; AND

24 (3) BE MAINTAINED FOR A PERIOD AS THE BOARD, BY
25 REGULATION, MAY REQUIRE.

26 § 13E34. AIRPORT GAMING ACCOUNTING CONTROLS AND AUDIT
27 PROTOCOLS.

28 (A) APPROVAL.--PRIOR TO THE COMMENCEMENT OF AIRPORT GAMING
29 OPERATIONS, AN AIRPORT GAMING CERTIFICATE HOLDER SHALL SUBMIT TO
30 THE BOARD FOR APPROVAL ALL PROPOSED SITE PLANS, INTERNAL CONTROL

1 SYSTEMS AND AUDIT PROTOCOLS FOR THE AIRPORT GAMING CERTIFICATE
2 HOLDER'S AIRPORT GAMING OPERATIONS.

3 (B) MINIMUM REQUIREMENTS.--THE AIRPORT GAMING CERTIFICATE
4 HOLDER'S INTERNAL CONTROLS AND AUDIT PROTOCOLS SHALL MEET THE
5 REQUIREMENTS SET FORTH IN SECTION 1322(B) AND (C) (RELATING TO
6 SLOT MACHINE ACCOUNTING CONTROLS AND AUDITS).

7 § 13E35. CASH EQUIVALENTS.

8 NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS PART, THE BOARD
9 MAY, THROUGH REGULATIONS, DETERMINE THE CASH EQUIVALENTS THAT
10 MAY BE AUTHORIZED AND ACCEPTED BY AN AIRPORT GAMING CERTIFICATE
11 HOLDER IN THE CONDUCT OF AIRPORT GAMING.

12 § 13E36. OCCUPATION PERMITS.

13 (A) APPLICATION.--ANY PERSON WHO DESIRES TO BE A GAMING
14 EMPLOYEE AND HAS A BONA FIDE OFFER OF EMPLOYMENT FROM A AIRPORT
15 GAMING CERTIFICATE HOLDER AUTHORIZED TO OPERATE SLOT MACHINES
16 UNDER THIS CHAPTER SHALL APPLY TO THE BOARD FOR AN OCCUPATION
17 PERMIT. A PERSON MAY NOT BE EMPLOYED AS A GAMING EMPLOYEE UNLESS
18 AND UNTIL THAT PERSON HOLDS AN APPROPRIATE OCCUPATION PERMIT
19 ISSUED UNDER THIS SECTION. THE BOARD MAY PROMULGATE REGULATIONS
20 TO RECLASSIFY A CATEGORY OF NONGAMING EMPLOYEES OR GAMING
21 EMPLOYEES UPON A FINDING THAT THE RECLASSIFICATION IS IN THE
22 PUBLIC INTEREST AND CONSISTENT WITH THE OBJECTIVES OF THIS PART.

23 (B) REQUIREMENTS.--THE APPLICATION FOR AN OCCUPATION PERMIT
24 SHALL INCLUDE, AT A MINIMUM:

25 (1) THE NAME AND HOME ADDRESS OF THE PERSON.

26 (2) THE PREVIOUS EMPLOYMENT HISTORY OF THE PERSON.

27 (3) THE CRIMINAL HISTORY RECORD OF THE PERSON, AS WELL
28 AS THE PERSON'S CONSENT FOR THE PENNSYLVANIA STATE POLICE TO
29 CONDUCT A BACKGROUND INVESTIGATION.

30 (4) A PHOTOGRAPH OF THE PERSON.

1 QUALIFIED AIRPORT.

2 (2) A ONE-TIME, NONREFUNDABLE FEE OF \$5,000,000 UPON THE
3 ISSUANCE OF A CERTIFICATE TO OPERATE SLOT MACHINES UNDER THIS
4 CHAPTER IN A QUALIFIED AIRPORT LOCATED IN A CITY OF THE FIRST
5 CLASS.

6 (3) A ONE-TIME, NONREFUNDABLE FEE OF \$2,500,000 UPON THE
7 ISSUANCE OF A CERTIFICATE TO OPERATE SLOT MACHINES UNDER THIS
8 CHAPTER IN A QUALIFIED AIRPORT LOCATED IN A COUNTY OF THE
9 SECOND CLASS.

10 (B) DEPOSIT OF FEES.--NOTWITHSTANDING SECTION 1208 (RELATING
11 TO COLLECTION OF FEES AND FINES), ALL FEES OR PENALTIES RECEIVED
12 BY THE BOARD UNDER THIS CHAPTER SHALL BE DEPOSITED IN THE
13 GENERAL FUND.

14 § 13E52. AIRPORT GAMING TAX AND ASSESSMENT.

15 (A) IMPOSITION.--EACH AIRPORT GAMING CERTIFICATE HOLDER
16 SHALL REPORT TO THE DEPARTMENT AND PAY FROM ITS AIRPORT GAMING
17 REVENUE, ON A FORM AND IN THE MANNER PRESCRIBED BY THE
18 DEPARTMENT, A TAX OF 34% OF ITS AIRPORT GAMING REVENUE AND AN
19 AIRPORT LOCAL SHARE ASSESSMENT.

20 (B) DEPOSITS AND DISTRIBUTIONS.--

21 (1) THE TAX AND LOCAL SHARE ASSESSMENT IMPOSED UNDER
22 SUBSECTION (A) SHALL BE PAYABLE TO THE DEPARTMENT ON A WEEKLY
23 BASIS AND SHALL BE BASED UPON GROSS TERMINAL REVENUE DERIVED
24 DURING THE PREVIOUS WEEK.

25 (2) ALL FUNDS OWED TO THE COMMONWEALTH UNDER THIS
26 SECTION SHALL BE HELD IN TRUST FOR THE COMMONWEALTH BY THE
27 AIRPORT GAMING CERTIFICATE HOLDER UNTIL THE FUNDS ARE PAID TO
28 THE DEPARTMENT. UNLESS OTHERWISE AGREED TO BY THE BOARD, A
29 AIRPORT GAMING CERTIFICATE HOLDER SHALL ESTABLISH A SEPARATE
30 BANK ACCOUNT INTO WHICH GROSS TERMINAL REVENUE SHALL BE

1 DEPOSITED AND MAINTAINED UNTIL SUCH TIME AS THE FUNDS ARE
2 PAID TO THE DEPARTMENT UNDER THIS SECTION.

3 (3) THE DEPARTMENT SHALL TRANSFER THE TAX REVENUES
4 COLLECTED UNDER THIS SECTION TO THE GENERAL FUND.

5 (4) THE DEPARTMENT SHALL QUARTERLY DISTRIBUTE TO EACH
6 QUALIFIED AIRPORT THE AIRPORT LOCAL SHARE ASSESSMENT FROM THE
7 AIRPORT GAMING REVENUE GENERATED FROM AIRPORT GAMING AT EACH
8 QUALIFIED AIRPORT.

9 (C) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
10 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
11 SUBSECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

12 "AIRPORT LOCAL SHARE ASSESSMENT." TWENTY PERCENT OF AN
13 AIRPORT GAMING CERTIFICATE HOLDER'S AIRPORT GAMING REVENUE.

14 SUBCHAPTER E

15 MISCELLANEOUS PROVISIONS

16 SEC.

17 13E91. REGULATIONS.

18 § 13E91. REGULATIONS.

19 (A) REGULATIONS.--THE BOARD SHALL PROMULGATE REGULATIONS
20 CONSISTENT WITH THE PROVISIONS OF THIS PART RELATED TO THE
21 OPERATION OF SLOT MACHINES TO GOVERN THE CONDUCT OF AIRPORT
22 GAMING AT QUALIFIED AIRPORTS.

23 (B) TEMPORARY REGULATIONS.--IN ORDER TO FACILITATE THE
24 PROMPT IMPLEMENTATION OF THIS CHAPTER, REGULATIONS PROMULGATED
25 BY THE BOARD IN ACCORDANCE WITH SUBSECTION (A) SHALL BE DEEMED
26 TEMPORARY REGULATIONS WHICH SHALL EXPIRE NOT LATER THAN TWO
27 YEARS FOLLOWING THE PUBLICATION OF THE TEMPORARY REGULATION. THE
28 BOARD MAY PROMULGATE TEMPORARY REGULATIONS NOT SUBJECT TO:

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

1 COMMONWEALTH DOCUMENTS LAW.

2 (2) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS
3 THE REGULATORY REVIEW ACT.

4 (3) SECTIONS 204(B) AND 301(10) OF THE ACT OF OCTOBER
5 15, 1980 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH
6 ATTORNEYS ACT.

7 (C) EXPIRATION.--THE BOARD'S AUTHORITY TO ADOPT TEMPORARY
8 REGULATIONS UNDER SUBSECTION (A) SHALL EXPIRE TWO YEARS AFTER
9 THE EFFECTIVE DATE OF THIS SECTION. REGULATIONS ADOPTED AFTER
10 THIS PERIOD SHALL BE PROMULGATED AS PROVIDED BY LAW.

11 SECTION 12. SECTIONS 1403(B), (C)(2)(II)(D), (III)(A) AND
12 (IV)(B), 1405, 1407, 1501(B) AND 1509(C) OF TITLE 4 ARE AMENDED
13 TO READ:

14 § 1403. ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE
15 REVENUE DISTRIBUTION.

16 * * *

17 (B) SLOT MACHINE TAX.--THE DEPARTMENT SHALL DETERMINE AND
18 EACH SLOT MACHINE LICENSEE SHALL PAY A DAILY TAX OF 34% FROM ITS
19 DAILY GROSS TERMINAL REVENUE FROM THE SLOT MACHINES IN OPERATION
20 AT ITS LICENSED FACILITY AND A LOCAL SHARE ASSESSMENT AS
21 PROVIDED IN SUBSECTION (C). ALL FUNDS OWED TO THE COMMONWEALTH,
22 A COUNTY OR A MUNICIPALITY UNDER THIS SECTION SHALL BE HELD IN
23 TRUST BY THE LICENSED GAMING ENTITY FOR THE COMMONWEALTH, THE
24 COUNTY AND THE MUNICIPALITY UNTIL THE FUNDS ARE PAID OR
25 TRANSFERRED TO THE FUND. UNLESS OTHERWISE AGREED TO BY THE
26 BOARD, A LICENSED GAMING ENTITY SHALL ESTABLISH A SEPARATE BANK
27 ACCOUNT TO MAINTAIN GROSS TERMINAL REVENUE UNTIL SUCH TIME AS
28 THE FUNDS ARE PAID OR TRANSFERRED UNDER THIS SECTION. MONEYS IN
29 THE FUND ARE HEREBY APPROPRIATED TO THE DEPARTMENT ON A
30 CONTINUING BASIS FOR THE PURPOSES SET FORTH IN SUBSECTION (C).

1 FOR THE PURPOSE OF THIS SUBSECTION, THE TERM LICENSED FACILITY
2 SHALL NOT BE CONSTRUED TO INCLUDE A NONPRIMARY LOCATION AT WHICH
3 A CATEGORY 1 SLOT MACHINE LICENSEE IS AUTHORIZED TO PLACE AND
4 MAKE SLOT MACHINES AVAILABLE FOR PLAY IN ACCORDANCE WITH CHAPTER
5 13D (RELATING TO SLOT MACHINES AT NONPRIMARY LOCATIONS) OR THE
6 PHYSICAL LAND-BASED LOCATION OF A QUALIFIED AIRPORT UNDER
7 CHAPTER 13E (RELATING TO SLOT MACHINES IN QUALIFIED AIRPORTS).

8 (C) TRANSFERS AND DISTRIBUTIONS.--THE DEPARTMENT SHALL:

9 * * *

10 (2) FROM THE LOCAL SHARE ASSESSMENT ESTABLISHED IN
11 SUBSECTION (B), MAKE QUARTERLY DISTRIBUTIONS AMONG THE
12 COUNTIES HOSTING A LICENSED FACILITY IN ACCORDANCE WITH THE
13 FOLLOWING SCHEDULE:

14 * * *

15 (II) IF THE LICENSED FACILITY IS A CATEGORY 1
16 LICENSED FACILITY AND IS LOCATED AT A THOROUGHBRED
17 RACETRACK AND THE COUNTY IN WHICH THE LICENSED FACILITY
18 IS LOCATED IS:

19 * * *

20 (D) A COUNTY OF THE THIRD CLASS: 1% OF THE
21 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
22 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
23 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
24 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
25 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
26 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.
27 NOTWITHSTANDING THE PROVISIONS OF THE ACT OF FEBRUARY
28 9, 1999 (P.L.1, NO.1), KNOWN AS THE CAPITAL
29 FACILITIES DEBT ENABLING ACT, GRANTS MADE UNDER THIS
30 CLAUSE MAY BE UTILIZED AS LOCAL MATCHING FUNDS FOR

1 OTHER GRANTS OR LOANS FROM THE COMMONWEALTH.

2 * * *

3 (III) IF THE FACILITY IS A CATEGORY 2 LICENSED
4 FACILITY AND IF THE COUNTY IN WHICH THE LICENSED FACILITY
5 IS LOCATED IS:

6 (A) A COUNTY OF THE FIRST CLASS: 4% OF THE
7 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
8 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
9 NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY,
10 FUNDS FROM LICENSED GAMING ENTITIES LOCATED WITHIN A
11 COUNTY OF THE FIRST CLASS SHALL NOT BE DISTRIBUTED
12 OUTSIDE OF A COUNTY OF THE FIRST CLASS. [THE FIRST
13 \$5,000,000] FIFTY PERCENT OR \$5,000,000, WHICHEVER IS
14 GREATER, OF THE TOTAL AMOUNT DISTRIBUTED ANNUALLY TO
15 THE COUNTY OF THE FIRST CLASS SHALL BE DISTRIBUTED TO
16 THE PHILADELPHIA SCHOOL DISTRICT.

17 * * *

18 (IV) * * *

19 (B) IF THE FACILITY IS A CATEGORY 3 LICENSED
20 FACILITY LOCATED IN A COUNTY OF THE SECOND CLASS A,
21 2% OF THE GROSS TERMINAL REVENUE [FROM THE LICENSED
22 FACILITY SHALL BE DEPOSITED INTO A RESTRICTED
23 RECEIPTS ACCOUNT TO BE ESTABLISHED IN THE
24 COMMONWEALTH FINANCING AUTHORITY TO BE USED
25 EXCLUSIVELY FOR GRANTS OR GUARANTEES FOR PROJECTS IN
26 THE HOST COUNTY THAT QUALIFY UNDER 64 PA.C.S. §§ 1551
27 (RELATING TO BUSINESS IN OUR SITES PROGRAM), 1556
28 (RELATING TO TAX INCREMENT FINANCING GUARANTEE
29 PROGRAM) AND 1558 (RELATING TO WATER SUPPLY AND
30 WASTEWATER INFRASTRUCTURE PROGRAM).] TO THE COUNTY

1 HOSTING THE LICENSED FACILITY FROM EACH SUCH LICENSED
2 FACILITY SHALL BE DEPOSITED AS FOLLOWS:

3 (I) SEVENTY-FIVE PERCENT SHALL BE DEPOSITED
4 FOR THE PURPOSE OF SUPPORTING THE MAINTENANCE AND
5 REFURBISHMENT OF THE PARKS AND HERITAGE SITES
6 THROUGHOUT THE COUNTY IN WHICH THE LICENSED
7 FACILITY IS LOCATED.

8 (II) TWELVE AND ONE-HALF PERCENT SHALL BE
9 DEPOSITED FOR THE PURPOSE OF SUPPORTING A CHILD
10 ADVOCACY CENTER LOCATED WITHIN THE COUNTY IN
11 WHICH THE LICENSED FACILITY IS LOCATED.

12 (III) TWELVE AND ONE-HALF PERCENT SHALL BE
13 DEPOSITED FOR THE PURPOSE OF SUPPORTING AN
14 ORGANIZATION PROVIDING COMPREHENSIVE SUPPORT
15 SERVICES TO VICTIMS OF DOMESTIC VIOLENCE,
16 INCLUDING LEGAL AND MEDICAL AID, SHELTERS,
17 TRANSITIONAL HOUSING AND COUNSELING LOCATED
18 WITHIN THE COUNTY IN WHICH THE LICENSED FACILITY
19 IS LOCATED.

20 * * *

21 § 1405. PENNSYLVANIA RACE HORSE DEVELOPMENT FUND.

22 (B) PENNSYLVANIA RACE HORSE IMPROVEMENT ASSESSMENT.--EACH
23 ACTIVE AND OPERATING LICENSED GAMING ENTITY SHALL PAY A DAILY
24 ASSESSMENT TO THE PENNSYLVANIA RACE HORSE DEVELOPMENT FUND AS
25 DETERMINED BY THE DEPARTMENT. SUBJECT TO THE DAILY ASSESSMENT
26 CAP ESTABLISHED UNDER SUBSECTION (C), THE LICENSED GAMING
27 ENTITY'S ASSESSMENT SHALL BE A PERCENTAGE OF EACH LICENSED
28 GAMING ENTITY'S GROSS TERMINAL REVENUE FROM THE SLOT MACHINES IN
29 OPERATION AT ITS LICENSED FACILITY, EQUAL TO AN AMOUNT
30 CALCULATED AS "A" MULTIPLIED BY "B", WITH "A" BEING EQUAL TO

1 EACH LICENSED GAMING ENTITY'S GROSS TERMINAL REVENUE FOR THAT
2 DAY DIVIDED BY THE TOTAL GROSS TERMINAL REVENUE FOR THAT DAY
3 FROM ALL LICENSED GAMING ENTITIES, AND "B" BEING EQUAL TO 18% OF
4 THAT DAY'S GROSS TERMINAL REVENUE FOR ALL ACTIVE AND OPERATING
5 CATEGORY 1 LICENSEES CONDUCTING LIVE RACING.

6 (C) DAILY ASSESSMENT CAP.--IF THE RESULTING DAILY ASSESSMENT
7 FOR A LICENSED GAMING ENTITY EXCEEDS 12% OF THAT LICENSED GAMING
8 ENTITY'S GROSS TERMINAL REVENUE FROM THE SLOT MACHINES IN
9 OPERATION AT ITS LICENSED FACILITY FOR THE DAY, THE LICENSED
10 GAMING ENTITY SHALL PAY A DAILY ASSESSMENT OF 12% OF ITS GROSS
11 TERMINAL REVENUE FOR THAT DAY.

12 (E) DEFINITION.--FOR THE PURPOSES OF THIS SECTION, THE TERM
13 "LICENSED FACILITY" SHALL NOT INCLUDE THE PHYSICAL LAND-BASED
14 LOCATION AT WHICH A LICENSED GAMING ENTITY IS AUTHORIZED TO
15 PLACE AND OPERATE SLOT MACHINES IN A NONPRIMARY LOCATION UNDER
16 CHAPTER 13D (RELATING TO SLOT MACHINES AT NONPRIMARY LOCATIONS)
17 OR IN A QUALIFIED AIRPORT UNDER CHAPTER 13E (RELATING TO SLOT
18 MACHINES IN QUALIFIED AIRPORTS).

19 § 1407. PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM
20 FUND.

21 (A) FUND ESTABLISHED.--THERE IS HEREBY ESTABLISHED A
22 PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND WITHIN
23 THE STATE TREASURY.

24 (B) FUND ADMINISTRATION AND DISTRIBUTION.--THE PENNSYLVANIA
25 GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND SHALL BE
26 ADMINISTERED BY THE DEPARTMENT OF COMMUNITY AND ECONOMIC
27 DEVELOPMENT. ALL MONEYS IN THE PENNSYLVANIA GAMING ECONOMIC
28 DEVELOPMENT AND TOURISM FUND SHALL BE DISTRIBUTED PURSUANT TO A
29 SUBSEQUENTLY ENACTED ECONOMIC DEVELOPMENT CAPITAL BUDGET THAT
30 APPROPRIATES MONEY FROM THE FUND PURSUANT TO THIS SECTION. THE

1 PROCEDURES FOR ENACTMENT, AUTHORIZATION AND RELEASE OF ECONOMIC
2 DEVELOPMENT AND TOURISM FUNDS AUTHORIZED UNDER THIS SECTION FOR
3 BOTH CAPITAL PROJECTS AND OPERATIONAL EXPENDITURES SHALL BE THE
4 SAME AS THOSE PROVIDED FOR IN SECTIONS 303(A), (B) AND (C) AND
5 318(A) OF THE ACT OF FEBRUARY 9, 1999 (P.L.1, NO.1), KNOWN AS
6 THE CAPITAL FACILITIES DEBT ENABLING ACT, WITHOUT REFERENCE TO
7 THE NATURE OR PURPOSE OF THE PROJECT, AND ANY OTHER STATUTORY
8 PROVISION, IF ANY, NECESSARY TO EFFECTUATE THE RELEASE OF FUNDS
9 APPROPRIATED IN SUCH ECONOMIC DEVELOPMENT CAPITAL BUDGET.

10 (C) PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM
11 FUND ASSESSMENT.--EACH LICENSED GAMING ENTITY SHALL PAY A DAILY
12 ASSESSMENT OF 5% OF ITS GROSS TERMINAL REVENUE FROM THE SLOT
13 MACHINES IN OPERATION AT ITS LICENSED FACILITY TO THE
14 PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND.

15 (D) RESTRICTIONS ON PROJECTS FOR CERTAIN COUNTIES AND
16 CITIES.--EXCEPT AS SET FORTH IN SUBSECTION (D.1), FOR A TEN-YEAR
17 PERIOD BEGINNING WITH THE FIRST FISCAL YEAR DURING WHICH
18 DEPOSITS ARE MADE INTO THIS FUND, NO MONEYS FROM THE
19 PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND SHALL
20 BE DISTRIBUTED FOR ANY PROJECT LOCATED IN A CITY OR COUNTY OF
21 THE FIRST OR SECOND CLASS EXCEPT AS AUTHORIZED BY THIS
22 SUBSECTION. MONEYS NOT USED FOR THE AUTHORIZED PROJECTS IN
23 CITIES AND COUNTIES OF THE FIRST AND SECOND CLASSES MAY BE USED
24 THROUGHOUT THIS COMMONWEALTH. MONEYS FROM THE FUND FOR PROJECTS
25 WITHIN CITIES AND COUNTIES OF THE FIRST AND SECOND CLASSES MAY
26 ONLY BE USED FOR THE FOLLOWING PROJECTS DURING THIS TEN-YEAR
27 PERIOD:

28 (1) FOR REIMBURSEMENT TO A CITY OF THE FIRST CLASS FOR
29 DEBT SERVICE MADE BY SUCH CITY TO THE EXTENT THAT SUCH
30 PAYMENTS HAVE BEEN MADE FOR THE EXPANSION OF THE PENNSYLVANIA

1 CONVENTION CENTER;

2 (2) FOR DISTRIBUTION TO THE GENERAL FUND TO THE EXTENT
3 THAT THE COMMONWEALTH HAS MADE DEBT SERVICE PAYMENTS FOR THE
4 EXPANSION OF THE PENNSYLVANIA CONVENTION CENTER;

5 (3) FOR REIMBURSEMENT TO A CITY OF THE FIRST CLASS FOR
6 PAYMENTS MADE BY SUCH CITY FOR THE OPERATION EXPENSES OF THE
7 PENNSYLVANIA CONVENTION CENTER DURING THE PRIOR CALENDAR
8 YEAR;

9 (4) FOR DEBT SERVICE AND FOR DEVELOPMENT AND ECONOMIC
10 DEVELOPMENT PROJECTS FOR AN INTERNATIONAL AIRPORT LOCATED IN
11 A COUNTY OF THE SECOND CLASS;

12 (5) FOR DISTRIBUTION TO A COMMUNITY INFRASTRUCTURE
13 DEVELOPMENT FUND OF A COUNTY OF THE SECOND CLASS TO FUND
14 CONSTRUCTION, DEVELOPMENT, IMPROVEMENT AND MAINTENANCE OF
15 INFRASTRUCTURE PROJECTS;

16 (6) FOR THE RETIREMENT OF THE INDEBTEDNESS OF AN URBAN
17 REDEVELOPMENT AUTHORITY CREATED PURSUANT TO THE ACT OF MAY
18 24, 1945 (P.L.991, NO.385), KNOWN AS THE URBAN REDEVELOPMENT
19 LAW, IN A CITY OF THE SECOND CLASS WHICH IS FINANCED IN PART
20 WITH THE UTILIZATION OF FUNDS TRANSFERRED TO THE REGIONAL
21 ASSET DISTRICT PURSUANT TO ARTICLE XXXI-B OF THE ACT OF JULY
22 28, 1953 (P.L.723, NO.230), KNOWN AS THE SECOND CLASS COUNTY
23 CODE;

24 (8) FOR RETIREMENT OF INDEBTEDNESS OF A COUNTY OF THE
25 SECOND CLASS DEVELOPMENT FUND CREATED PURSUANT TO THE
26 AUTHORITY OF ARTICLE XXXI-B OF THE SECOND CLASS COUNTY CODE
27 AND THE URBAN REDEVELOPMENT LAW;

28 (9) FOR RETIREMENT OF INDEBTEDNESS OF A CONVENTION
29 CENTER IN A CITY OF THE SECOND CLASS ESTABLISHED PURSUANT TO
30 THE AUTHORITY OF THE PUBLIC AUDITORIUM AUTHORITIES LAW;

1 (10) FOR PAYMENT OF THE OPERATING DEFICIT FOR THE
2 OPERATION OF A CONVENTION CENTER IN A CITY OF THE SECOND
3 CLASS ESTABLISHED PURSUANT TO THE PUBLIC AUDITORIUM
4 AUTHORITIES LAW.

5 (D.1) COMMUNITY AND ECONOMIC DEVELOPMENT.--

6 (1) NOTWITHSTANDING SUBSECTION (B) OR ANY OTHER
7 PROVISION OF LAW TO THE CONTRARY, THE MONEY AUTHORIZED BUT
8 NOT EXPENDED UNDER FORMER SUBSECTION (D) (7) AS OF THE
9 EFFECTIVE DATE OF THIS SUBSECTION SHALL BE DEPOSITED INTO A
10 RESTRICTED RECEIPTS ACCOUNT TO BE ESTABLISHED IN THE
11 COMMONWEALTH FINANCING AUTHORITY EXCLUSIVELY FOR ELIGIBLE
12 APPLICATIONS SUBMITTED BY THE REDEVELOPMENT AUTHORITY OF A
13 COUNTY OF THE SECOND CLASS CREATED PURSUANT TO THE ACT OF MAY
14 24, 1945 (P.L.991, NO.385), KNOWN AS THE URBAN REDEVELOPMENT
15 LAW, FOR ECONOMIC DEVELOPMENT, INFRASTRUCTURE DEVELOPMENT,
16 JOB TRAINING, COMMUNITY IMPROVEMENT, PUBLIC SAFETY OR OTHER
17 PROJECTS IN THE PUBLIC INTEREST LOCATED IN A COUNTY OF THE
18 SECOND CLASS. COMMUNITY DEVELOPMENT CORPORATIONS, POLITICAL
19 SUBDIVISIONS, URBAN REDEVELOPMENT AUTHORITIES, MUNICIPAL
20 AUTHORITIES, FOR-PROFIT ENTITIES AND NONPROFIT ENTITIES
21 LOCATED IN A COUNTY OF THE SECOND CLASS SHALL BE ELIGIBLE TO
22 RECEIVE FUNDS MADE AVAILABLE UNDER THIS PARAGRAPH.

23 (2) NOTWITHSTANDING THE CAPITAL FACILITIES DEBT ENABLING
24 ACT, FUNDING UNDER THE PARAGRAPH (1) MAY BE UTILIZED AS LOCAL
25 MATCHING FUNDS FOR GRANTS OR LOANS FROM THE COMMONWEALTH.

26 (E) ANNUAL REPORT.--THE OFFICE OF THE BUDGET, IN COOPERATION
27 WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT AND
28 THE COMMONWEALTH FINANCING AUTHORITY, SHALL SUBMIT AN ANNUAL
29 REPORT OF ALL DISTRIBUTION OF FUNDS UNDER THIS SECTION TO THE
30 CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE

1 OF THE SENATE, THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
2 COMMUNITY, ECONOMIC AND RECREATIONAL DEVELOPMENT COMMITTEE OF
3 THE SENATE, THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
4 APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE
5 CHAIRMAN AND MINORITY CHAIRMAN OF THE GAMING OVERSIGHT COMMITTEE
6 OF THE HOUSE OF REPRESENTATIVES. THE REPORT SHALL INCLUDE
7 DETAILED INFORMATION RELATING TO TRANSFERS MADE FROM THE
8 PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND AND
9 ALL REIMBURSEMENTS, DISTRIBUTIONS AND PAYMENTS MADE UNDER
10 SUBSECTION (B) OR THE ACT OF JULY 25, 2007 (P.L.342, NO.53),
11 KNOWN AS PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM
12 FUND CAPITAL BUDGET ITEMIZATION ACT OF 2007. THE REPORT SHALL BE
13 SUBMITTED BY AUGUST 31, 2010, AND BY AUGUST 31 OF EACH YEAR
14 THEREAFTER.

15 (F) LOCAL REPORT.--A CITY OF THE FIRST CLASS, CITY OF THE
16 SECOND CLASS, COUNTY OF THE SECOND CLASS, CONVENTION CENTER OR
17 CONVENTION CENTER AUTHORITY, SPORTS AND EXHIBITION AUTHORITY OF
18 A COUNTY OF THE SECOND CLASS, URBAN REDEVELOPMENT AUTHORITY,
19 AIRPORT AUTHORITY OR OTHER ENTITY THAT RECEIVES MONEY FROM THE
20 FUND PURSUANT TO AN ECONOMIC DEVELOPMENT CAPITAL BUDGET UNDER
21 SUBSECTION (B) OR THE PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT
22 AND TOURISM FUND CAPITAL BUDGET ITEMIZATION ACT OF 2007 SHALL
23 SUBMIT AN ANNUAL REPORT TO THE OFFICE OF THE BUDGET. THE REPORT
24 SHALL INCLUDE DETAILED INFORMATION, INCLUDING RECORDS OF
25 EXPENDITURES, PAYMENTS AND OTHER DISTRIBUTIONS MADE FROM FUNDS
26 RECEIVED UNDER SUBSECTION (B). THE INITIAL REPORT SHALL INCLUDE
27 INFORMATION ON ALL FUNDS RECEIVED PRIOR TO AUGUST 31, 2010. THE
28 REPORT SHALL BE SUBMITTED BY AUGUST 31, 2010, AND BY AUGUST 31
29 OF EACH YEAR THEREAFTER UNTIL ALL FUNDS UNDER THIS SECTION ARE
30 DISTRIBUTED OR RECEIVED. AN ENTITY THAT RECEIVES FUNDS FOR THE

1 FIRST TIME AFTER THE EFFECTIVE DATE OF THIS SECTION SHALL SUBMIT
2 ITS INITIAL REPORT BY AUGUST 31 OF THE YEAR FOLLOWING RECEIPT OF
3 THE FUNDS.

4 (G) DEFINITION.--FOR THE PURPOSES OF THIS SECTION, THE TERM
5 "LICENSED FACILITY" SHALL NOT INCLUDE THE PHYSICAL LAND-BASED
6 LOCATION AT WHICH A LICENSED GAMING ENTITY IS AUTHORIZED TO
7 PLACE AND OPERATE SLOT MACHINES IN A NONPRIMARY LOCATION UNDER
8 CHAPTER 13D (RELATING TO SLOT MACHINES AT NONPRIMARY LOCATIONS)
9 OR IN A QUALIFIED AIRPORT UNDER CHAPTER 13E (RELATING TO SLOT
10 MACHINES IN QUALIFIED AIRPORTS).

11 § 1501. RESPONSIBILITY AND AUTHORITY OF DEPARTMENT.

12 * * *

13 (B) APPLICATION OF RULES AND REGULATIONS.--THE DEPARTMENT
14 MAY PRESCRIBE THE EXTENT, IF ANY, TO WHICH ANY RULES AND
15 REGULATIONS SHALL BE APPLIED WITHOUT RETROACTIVE EFFECT. THE
16 DEPARTMENT SHALL HAVE AUTHORITY TO PRESCRIBE THE FORMS AND THE
17 SYSTEM OF ACCOUNTING AND RECORDKEEPING TO BE EMPLOYED AND
18 THROUGH ITS REPRESENTATIVE SHALL AT ALL TIMES HAVE POWER OF
19 ACCESS TO AND EXAMINATION AND AUDIT OF ANY EQUIPMENT AND RECORDS
20 RELATING TO ALL ASPECTS OF THE OPERATION OF SLOT MACHINES [AND],
21 INCLUDING SLOT MACHINES AT NONPRIMARY LOCATIONS, TABLE GAMES,
22 INTERACTIVE GAMING AND CASINO SIMULCASTING UNDER THIS PART.

23 * * *

24 § 1509. COMPULSIVE AND PROBLEM GAMBLING PROGRAM.

25 * * *

26 (C) NOTICE OF AVAILABILITY OF ASSISTANCE.--

27 (1) EACH SLOT MACHINE LICENSEE SHALL OBTAIN A TOLL-FREE
28 TELEPHONE NUMBER TO BE USED TO PROVIDE PERSONS WITH
29 INFORMATION ON ASSISTANCE FOR COMPULSIVE OR PROBLEM GAMBLING.
30 EACH LICENSEE SHALL CONSPICUOUSLY POST AT LEAST 20 SIGNS

1 SIMILAR TO THE FOLLOWING STATEMENT:

2 IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM, HELP
3 IS AVAILABLE. CALL (TOLL-FREE TELEPHONE NUMBER).
4 THE SIGNS MUST BE POSTED WITHIN 50 FEET OF EACH ENTRANCE AND
5 EXIT, WITHIN 50 FEET OF EACH AUTOMATED TELLER MACHINE
6 LOCATION WITHIN THE LICENSED FACILITY AND IN OTHER
7 APPROPRIATE PUBLIC AREAS OF THE LICENSED FACILITY, INCLUDING
8 AREAS OF A CASINO SIMULCASTING FACILITY, AS DETERMINED BY THE
9 SLOT MACHINE LICENSEE.

10 (2) EACH RACETRACK WHERE SLOT MACHINES OR TABLE GAMES
11 ARE OPERATED SHALL PRINT A STATEMENT ON DAILY RACING PROGRAMS
12 PROVIDED TO THE GENERAL PUBLIC THAT IS SIMILAR TO THE
13 FOLLOWING:

14 IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM, HELP
15 IS AVAILABLE. CALL (TOLL-FREE TELEPHONE NUMBER).

16 (2.1) EACH INTERACTIVE GAMING CERTIFICATE HOLDER,
17 INTERACTIVE GAMING OPERATOR OR OTHER PERSON THAT OPERATES
18 INTERACTIVE GAMING OR AN INTERACTIVE GAMING SYSTEM ON BEHALF
19 OF AN INTERACTIVE GAMING CERTIFICATE HOLDER:

20 (I) SHALL CAUSE THE WORDS:

21 IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM,
22 HELP IS AVAILABLE. CALL (TOLL-FREE TELEPHONE NUMBER).
23 OR SOME COMPARABLE LANGUAGE APPROVED BY THE BOARD, WHICH
24 LANGUAGE SHALL INCLUDE THE WORDS "GAMBLING PROBLEM" AND
25 "CALL 1-800-XXXX," TO BE PROMINENTLY AND CONTINUOUSLY
26 DISPLAYED TO ANY PERSON VISITING OR LOGGED ONTO THE
27 INTERACTIVE GAMING CERTIFICATE HOLDER'S INTERACTIVE
28 GAMING SKIN OR INTERNET WEBSITE.

29 (II) SHALL PROVIDE A MECHANISM BY WHICH AN
30 INTERACTIVE GAMING ACCOUNT HOLDER MAY ESTABLISH THE

1 FOLLOWING CONTROLS ON WAGERING ACTIVITY THROUGH THE
2 INTERACTIVE GAMING ACCOUNT:

3 (A) A LIMIT ON THE AMOUNT OF MONEY LOST WITHIN A
4 SPECIFIED PERIOD OF TIME AND THE LENGTH OF TIME THE
5 ACCOUNT HOLDER WILL BE UNABLE TO PARTICIPATE IN
6 GAMING IF THE HOLDER REACHES THE ESTABLISHED LOSS
7 LIMIT.

8 (B) A LIMIT ON THE MAXIMUM AMOUNT OF ANY SINGLE
9 WAGER ON ANY INTERACTIVE GAME.

10 (C) A TEMPORARY SUSPENSION OF INTERACTIVE GAMING
11 THROUGH THE ACCOUNT FOR ANY NUMBER OF HOURS OR DAYS.

12 (III) SHALL NOT MAIL OR OTHERWISE FORWARD ANY
13 GAMING-RELATED PROMOTIONAL MATERIAL OR E-MAIL TO A
14 REGISTERED PLAYER DURING ANY PERIOD IN WHICH INTERACTIVE
15 GAMING THROUGH THE REGISTERED PLAYERS' INTERACTIVE GAMING
16 ACCOUNT HAS BEEN SUSPENDED OR TERMINATED. THE INTERACTIVE
17 GAMING CERTIFICATE HOLDER SHALL PROVIDE A MECHANISM BY
18 WHICH A REGISTERED PLAYER MAY CHANGE THE CONTROLS, EXCEPT
19 THAT, WHILE INTERACTIVE GAMING THROUGH THE INTERACTIVE
20 GAMING ACCOUNT IS SUSPENDED, THE REGISTERED PLAYER MAY
21 NOT CHANGE GAMING CONTROLS UNTIL THE SUSPENSION EXPIRES,
22 BUT THE REGISTERED PLAYER SHALL CONTINUE TO HAVE ACCESS
23 TO THE ACCOUNT AND SHALL BE PERMITTED TO WITHDRAW FUNDS
24 FROM THE ACCOUNT UPON PROPER APPLICATION FOR THE FUNDS TO
25 THE INTERACTIVE GAMING CERTIFICATE HOLDER.

26 (3) A [LICENSED FACILITY] LICENSED GAMING ENTITY WHICH
27 FAILS TO POST OR PRINT THE WARNING SIGN IN ACCORDANCE WITH
28 PARAGRAPH (1) [OR], (2) OR (2.1)(I) SHALL BE ASSESSED A FINE
29 OF \$1,000 A DAY FOR EACH DAY THE MINIMUM NUMBER OF SIGNS ARE
30 NOT POSTED OR THE REQUIRED STATEMENT IS NOT PRINTED AS

1 PROVIDED IN THIS SUBSECTION.

2 (4) AN INTERACTIVE GAMING CERTIFICATE HOLDER OR
3 INTERACTIVE GAMING LICENSE HOLDER, AS THE CASE MAY BE, THAT
4 FAILS TO ESTABLISH THE MECHANISMS, CONTROLS AND SYSTEMS IN
5 ACCORDANCE WITH PARAGRAPH (2.1) (II) AND (III) SHALL BE
6 ASSESSED A FINE OF NOT LESS THAN \$5,000 PER DAY FOR EACH DAY
7 THE MECHANISMS, CONTROLS AND SYSTEMS ARE NOT AVAILABLE TO
8 INTERACTIVE GAMING ACCOUNT HOLDERS.

9 * * *

10 SECTION 12.1. TITLE 4 IS AMENDED BY ADDING A SECTION TO
11 READ:

12 § 1509.2. CHILD ENDANGERMENT PROTECTION.

13 (A) POSTING OF SIGNS.--THE FOLLOWING SHALL APPLY:

14 (1) EACH LICENSED GAMING ENTITY SHALL POST THE NECESSARY
15 SIGNAGE TO NOTIFY PATRONS OF THE PROHIBITION AGAINST LEAVING
16 A CHILD UNATTENDED IN A VEHICLE UNDER SECTION 1518(A) (18)
17 (RELATING TO PROHIBITED ACTS; PENALTIES) AND UNDERAGE
18 GAMBLING UNDER SECTION 1518(A) (13) AND (13.1) AND THE PENALTY
19 FOR VIOLATIONS.

20 (2) THE SIGNS SHALL BE CONSPICUOUSLY POSTED IN CLEAR
21 VIEW OF ALL PARKING AREAS AND OTHER PUBLIC AREAS OF THE
22 LICENSED FACILITY AND, INCLUDING WHERE APPLICABLE, NONPRIMARY
23 LOCATIONS, AS DETERMINED BY THE LICENSED GAMING ENTITY AND
24 APPROVED BY THE BOARD.

25 (3) THE BOARD SHALL DETERMINE THE WRITTEN CONTENT AND
26 MINIMUM NUMBER OF SIGNS TO BE POSTED AT EACH LICENSED
27 FACILITY.

28 (B) FINE.--A LICENSED GAMING ENTITY THAT FAILS TO POST
29 SIGNAGE IN ACCORDANCE WITH SUBSECTION (A) SHALL BE ASSESSED A
30 FINE OF \$1,000 PER DAY FOR EACH DAY THE MINIMUM NUMBER OF SIGNS

1 AS PRESCRIBED BY THE BOARD ARE NOT POSTED.

2 SECTION 13. SECTION 1512 OF TITLE 4 IS AMENDED BY ADDING A
3 SUBSECTION TO READ:

4 § 1512. FINANCIAL AND EMPLOYMENT INTERESTS.

5 * * *

6 (A.6) PROHIBITION RELATED TO INTERACTIVE GAMING.--

7 (1) EXCEPT AS MAY BE PROVIDED BY RULE OR ORDER OF THE
8 PENNSYLVANIA SUPREME COURT AND EXCEPT AS PROVIDED IN SECTION
9 1202.1 (RELATING TO CODE OF CONDUCT) OR 1512.1 (RELATING TO
10 ADDITIONAL RESTRICTIONS), NO EXECUTIVE-LEVEL PUBLIC EMPLOYEE,
11 PUBLIC OFFICIAL OR PARTY OFFICER OR IMMEDIATE FAMILY MEMBER
12 THEREOF SHALL HOLD, DIRECTLY OR INDIRECTLY, AN INTEREST IN,
13 HOLD EMPLOYMENT WITH, REPRESENT, APPEAR FOR, OR NEGOTIATE ON
14 BEHALF OF, OR DERIVE ANY REMUNERATION, PAYMENT, BENEFIT OR
15 ANY OTHER THING OF VALUE FOR ANY SERVICES, INCLUDING, BUT NOT
16 LIMITED TO, CONSULTING OR SIMILAR SERVICES FROM ANY HOLDER OF
17 OR APPLICANT FOR AN INTERACTIVE GAMING CERTIFICATE, HOLDER OR
18 APPLICANT FOR AN INTERACTIVE GAMING LICENSE OR OTHER
19 AUTHORIZATION TO CONDUCT INTERACTIVE GAMING OR ANY HOLDING OR
20 INTERMEDIARY COMPANY WITH RESPECT THERETO, OR ANY INTERACTIVE
21 GAMING AFFILIATE OF ANY HOLDER OF OR APPLICANT FOR A SLOT
22 MACHINE LICENSE, OR ANY HOLDING OR INTERMEDIARY COMPANY WITH
23 RESPECT THERETO, OR ANY BUSINESS, ASSOCIATION, ENTERPRISE OR
24 OTHER ENTITY THAT IS ORGANIZED IN WHOLE OR IN PART FOR THE
25 PURPOSE OF PROMOTING, ADVOCATING FOR OR ADVANCING THE
26 INTERESTS OF THE INTERACTIVE GAMING INDUSTRY GENERALLY OR ANY
27 INTERACTIVE GAMING-RELATED BUSINESS OR BUSINESSES IN
28 CONNECTION WITH ANY CAUSE, APPLICATION OR MATTER.

29 (2) NOTWITHSTANDING PARAGRAPH (1), A MEMBER OF THE
30 IMMEDIATE FAMILY OF AN EXECUTIVE-LEVEL PUBLIC EMPLOYEE,

1 PUBLIC OFFICIAL OR PARTY OFFICER MAY HOLD EMPLOYMENT WITH THE
2 HOLDER OF OR APPLICANT FOR AN INTERACTIVE GAMING CERTIFICATE,
3 HOLDER OR APPLICANT FOR AN INTERACTIVE GAMING LICENSE OR
4 OTHER AUTHORIZATION TO CONDUCT INTERACTIVE GAMING OR ANY
5 HOLDING OR INTERMEDIARY COMPANY WITH RESPECT THERETO OR ANY
6 INTERACTIVE GAMING AFFILIATE OR INTERACTIVE GAMING OPERATOR
7 OF ANY HOLDER OF OR APPLICANT FOR A SLOT MACHINE LICENSE OR
8 INTERACTIVE GAMING LICENSE OR ANY HOLDING OR INTERMEDIARY
9 COMPANY WITH RESPECT THERETO, IF IN THE JUDGMENT OF THE STATE
10 ETHICS COMMISSION OR THE SUPREME COURT, AS APPROPRIATE,
11 EMPLOYMENT WILL NOT INTERFERE WITH THE RESPONSIBILITIES OF
12 THE EXECUTIVE-LEVEL PUBLIC EMPLOYEE, PUBLIC OFFICIAL OR PARTY
13 OFFICER AND WILL NOT CREATE A CONFLICT OF INTEREST OR
14 REASONABLE RISK OF THE PUBLIC PERCEPTION OF A CONFLICT OF
15 INTEREST ON THE PART OF THE EXECUTIVE-LEVEL PUBLIC EMPLOYEE,
16 PUBLIC OFFICIAL OR PARTY OFFICER.

17 (3) THE FINANCIAL INTEREST AND EMPLOYMENT PROHIBITIONS
18 SPECIFIED IN PARAGRAPHS (1) AND (2) SHALL APPLY TO CASINO
19 SIMULCASTING UNDER CHAPTER 13C (RELATING TO CASINO
20 SIMULCASTING) AND SLOT MACHINES AT NONPRIMARY LOCATIONS UNDER
21 CHAPTER 13D (RELATING TO SLOT MACHINES AT NONPRIMARY
22 LOCATIONS).

23 * * *

24 SECTION 14. SECTIONS 1514 HEADING, (A), (D), (E) AND (F),
25 1515, 1516 AND 1517(B) (1), (C) (12) AND (E) (1) OF TITLE 4 ARE
26 AMENDED TO READ:

27 § 1514. REGULATION REQUIRING EXCLUSION [OR], EJECTION OR DENIAL
28 OF ACCESS OF CERTAIN PERSONS.

29 (A) GENERAL RULE.--THE BOARD SHALL BY REGULATION PROVIDE FOR
30 THE ESTABLISHMENT OF A LIST OF PERSONS WHO ARE TO BE EXCLUDED OR

1 EJECTED FROM ANY LICENSED FACILITY OR WHO MAY BE DENIED ACCESS
2 TO INTERACTIVE GAMING, CASINO SIMULCASTING OR SLOT MACHINES AT
3 NONPRIMARY LOCATIONS. THE PROVISIONS SHALL DEFINE THE STANDARDS
4 FOR EXCLUSION AND SHALL INCLUDE STANDARDS RELATING TO PERSONS
5 WHO ARE CAREER OR PROFESSIONAL OFFENDERS AS DEFINED BY
6 REGULATIONS OF THE BOARD OR WHOSE PRESENCE IN A LICENSED
7 FACILITY OR WHOSE ACCESS TO INTERACTIVE GAMING, CASINO
8 SIMULCASTING AND SLOT MACHINES AT NONPRIMARY LOCATIONS WOULD, IN
9 THE OPINION OF THE BOARD, BE INIMICAL TO THE INTEREST OF THE
10 COMMONWEALTH OR OF LICENSED GAMING THEREIN, OR BOTH.

11 * * *

12 (D) SANCTIONS.--THE BOARD MAY IMPOSE SANCTIONS UPON A
13 LICENSED GAMING ENTITY OR INTERACTIVE GAMING LICENSEE IN
14 ACCORDANCE WITH THIS PART IF THE LICENSED GAMING ENTITY
15 KNOWINGLY FAILS TO EXCLUDE OR EJECT FROM THE PREMISES OF ANY
16 LICENSED FACILITY OR DENY ACCESS TO INTERACTIVE GAMING, CASINO
17 SIMULCASTING OR TO SLOT MACHINES AT A NONPRIMARY LOCATION ANY
18 PERSON PLACED BY THE BOARD ON THE LIST OF PERSONS TO BE EXCLUDED
19 [OR], EJECTED OR DENIED ACCESS.

20 (E) LIST NOT ALL-INCLUSIVE.--ANY LIST COMPILED BY THE BOARD
21 OF PERSONS TO BE EXCLUDED [OR], EJECTED OR DENIED ACCESS SHALL
22 NOT BE DEEMED AN ALL-INCLUSIVE LIST, AND A LICENSED GAMING
23 ENTITY SHALL HAVE A DUTY TO KEEP FROM THE LICENSED FACILITY AND
24 FROM INTERACTIVE GAMING, CASINO SIMULCASTING AND SLOT MACHINES
25 AT A NONPRIMARY LOCATION PERSONS KNOWN TO IT TO BE WITHIN THE
26 CLASSIFICATIONS DECLARED IN THIS SECTION AND THE REGULATIONS
27 PROMULGATED UNDER THIS SECTION WHOSE PRESENCE IN A LICENSED
28 FACILITY OR WHOSE PARTICIPATION IN INTERACTIVE GAMING, CASINO
29 SIMULCASTING AND THE PLAY OF SLOT MACHINES AT A NONPRIMARY
30 LOCATION WOULD BE INIMICAL TO THE INTEREST OF THE COMMONWEALTH

1 OR OF LICENSED GAMING THEREIN, OR BOTH, AS DEFINED IN STANDARDS
2 ESTABLISHED BY THE BOARD.

3 (F) NOTICE.--WHENEVER THE BUREAU SEEKS TO PLACE THE NAME OF
4 ANY PERSON ON A LIST PURSUANT TO THIS SECTION, THE BUREAU SHALL
5 SERVE NOTICE OF THIS FACT TO SUCH PERSON BY PERSONAL SERVICE OR
6 CERTIFIED MAIL AT THE LAST KNOWN ADDRESS OF THE PERSON. THE
7 NOTICE SHALL INFORM THE PERSON OF THE RIGHT TO REQUEST A HEARING
8 UNDER SUBSECTION (G). THE BUREAU MAY ALSO PROVIDE NOTICE BY E-
9 MAIL, IF THE ELECTRONIC MAIL ADDRESS OF THE PERSON IS KNOWN TO
10 THE BUREAU.

11 * * *

12 § 1515. REPEAT OFFENDERS EXCLUDABLE FROM LICENSED GAMING
13 FACILITY.

14 A LICENSED GAMING ENTITY MAY EXCLUDE OR EJECT FROM ITS
15 LICENSED FACILITY OR DENY ACCESS TO INTERACTIVE GAMING, CASINO
16 SIMULCASTING AND SLOT MACHINES AT A NONPRIMARY LOCATION ANY
17 PERSON WHO IS KNOWN TO IT TO HAVE BEEN CONVICTED OF A
18 MISDEMEANOR OR FELONY COMMITTED IN OR ON THE PREMISES OF ANY
19 LICENSED FACILITY. NOTHING IN THIS SECTION OR IN ANY OTHER LAW
20 OF THIS COMMONWEALTH SHALL LIMIT THE RIGHT OF A LICENSED GAMING
21 ENTITY TO EXERCISE ITS COMMON LAW RIGHT TO EXCLUDE OR EJECT
22 PERMANENTLY FROM ITS LICENSED FACILITY OR PERMANENTLY DENY
23 ACCESS TO ITS INTERACTIVE GAMING, CASINO SIMULCASTING AND SLOT
24 MACHINES AT A NONPRIMARY LOCATION ANY PERSON WHO DISRUPTS THE
25 OPERATIONS OF ITS PREMISES OR ITS INTERACTIVE GAMING OR CASINO
26 SIMULCASTING OPERATIONS OR THE OPERATION OF SLOT MACHINES AT A
27 NONPRIMARY LOCATION, THREATENS THE SECURITY OF ITS PREMISES OR
28 ITS OCCUPANTS OR IS DISORDERLY OR INTOXICATED[.] OR WHO
29 THREATENS THE SECURITY OF ITS LICENSED FACILITY, INCLUDING THE
30 AREA OF A NONPRIMARY LOCATION WHERE SLOT MACHINES ARE PLACED AND

1 MADE AVAILABLE FOR PLAY, THE AREA OF A LICENSED FACILITY WHERE
2 INTERACTIVE GAMING OPERATIONS ARE CONDUCTED OR CASINO
3 SIMULCASTING.

4 § 1516. LIST OF PERSONS SELF EXCLUDED FROM GAMING ACTIVITIES.

5 (A) GENERAL RULE.--THE BOARD SHALL PROVIDE BY REGULATION FOR
6 THE ESTABLISHMENT OF A LIST OF PERSONS SELF EXCLUDED FROM GAMING
7 ACTIVITIES, INCLUDING INTERACTIVE GAMING, CASINO SIMULCASTING
8 AND THE PLAY OF SLOT MACHINES AT NONPRIMARY LOCATIONS, AT ALL
9 LICENSED FACILITIES. ANY PERSON MAY REQUEST PLACEMENT ON THE
10 LIST OF SELF-EXCLUDED PERSONS BY ACKNOWLEDGING IN A MANNER TO BE
11 ESTABLISHED BY THE BOARD THAT THE PERSON IS A PROBLEM GAMBLER
12 AND BY AGREEING THAT, DURING ANY PERIOD OF VOLUNTARY EXCLUSION,
13 THE PERSON MAY NOT COLLECT ANY WINNINGS OR RECOVER ANY LOSSES
14 RESULTING FROM ANY GAMING ACTIVITY AT LICENSED FACILITIES,
15 INCLUDING INTERACTIVE GAMING, CASINO SIMULCASTING AND THE PLAY
16 OF SLOT MACHINES AT A NONPRIMARY LOCATION.

17 (B) REGULATIONS.--THE REGULATIONS OF THE BOARD SHALL
18 ESTABLISH PROCEDURES FOR PLACEMENTS ON AND REMOVALS FROM THE
19 LIST OF SELF-EXCLUDED PERSONS. THE REGULATIONS SHALL ESTABLISH
20 PROCEDURES FOR THE TRANSMITTAL TO LICENSED GAMING ENTITIES OF
21 IDENTIFYING INFORMATION CONCERNING SELF-EXCLUDED PERSONS AND
22 SHALL REQUIRE LICENSED GAMING ENTITIES TO ESTABLISH PROCEDURES
23 DESIGNED AT A MINIMUM TO DENY SELF-EXCLUDED PERSONS ACCESS TO
24 INTERACTIVE GAMING, CASINO SIMULCASTING AND THE PLAY OF SLOT
25 MACHINES AT NONPRIMARY LOCATIONS AND TO REMOVE SELF-EXCLUDED
26 PERSONS FROM TARGETED MAILINGS OR OTHER FORMS OF ADVERTISING OR
27 PROMOTIONS AND DENY SELF-EXCLUDED PERSONS ACCESS TO
28 COMPLIMENTARIES, CHECK CASHING PRIVILEGES, CLUB PROGRAMS AND
29 OTHER SIMILAR BENEFITS.

30 (C) LIABILITY.--A LICENSED GAMING ENTITY OR EMPLOYEE THEREOF

1 SHALL NOT BE LIABLE TO ANY SELF-EXCLUDED PERSON OR TO ANY OTHER
2 PARTY IN ANY JUDICIAL PROCEEDING FOR ANY HARM, MONETARY OR
3 OTHERWISE, WHICH MAY ARISE AS A RESULT OF:

4 (1) THE FAILURE OF A LICENSED GAMING ENTITY TO WITHHOLD
5 GAMING PRIVILEGES FROM OR RESTORE GAMING PRIVILEGES TO A
6 SELF-EXCLUDED PERSON; [OR]

7 (1.1) THE FAILURE OF A INTERACTIVE GAMING CERTIFICATE
8 HOLDER OR INTERACTIVE GAMING LICENSEE TO WITHHOLD INTERACTIVE
9 GAMING PRIVILEGES FROM OR RESTORE INTERACTIVE GAMING
10 PRIVILEGES TO A SELF-EXCLUDED PERSON;

11 (1.2) THE FAILURE OF A CASINO SIMULCASTING PERMIT HOLDER
12 TO WITHHOLD CASINO SIMULCASTING PRIVILEGES FROM OR RESTORE
13 SUCH PRIVILEGES TO A SELF-EXCLUDED PERSON;

14 (1.3) THE FAILURE OF A CATEGORY 1 LICENSED GAMING ENTITY
15 TO WITHHOLD OR RESTORE ACCESS TO SLOT MACHINES AT A
16 NONPRIMARY LOCATION TO A SELF-EXCLUDED PERSON; OR

17 (2) OTHERWISE PERMITTING OR NOT PERMITTING A SELF-
18 EXCLUDED PERSON TO ENGAGE IN GAMING ACTIVITY IN THE FACILITY
19 OR PARTICIPATE IN INTERACTIVE GAMING, CASINO SIMULCASTING OR
20 SLOT MACHINE PLAY AT A NONPRIMARY LOCATION WHILE ON THE LIST
21 OF SELF-EXCLUDED PERSONS.

22 (D) DISCLOSURE.--NOTWITHSTANDING ANY OTHER LAW TO THE
23 CONTRARY, THE BOARD'S LIST OF SELF-EXCLUDED PERSONS SHALL NOT BE
24 OPEN TO PUBLIC INSPECTION. NOTHING IN THIS SECTION, HOWEVER,
25 SHALL BE CONSTRUED TO PROHIBIT A LICENSED GAMING ENTITY FROM
26 DISCLOSING THE IDENTITY OF PERSONS SELF EXCLUDED PURSUANT TO
27 THIS SECTION TO AFFILIATED GAMING ENTITIES IN THIS COMMONWEALTH
28 OR OTHER JURISDICTIONS FOR THE LIMITED PURPOSE OF ASSISTING IN
29 THE PROPER ADMINISTRATION OF RESPONSIBLE GAMING PROGRAMS
30 OPERATED BY AFFILIATED LICENSED GAMING ENTITIES.

1 § 1517. INVESTIGATIONS AND ENFORCEMENT.

2 * * *

3 (B) POWERS AND DUTIES OF DEPARTMENT.--

4 (1) THE DEPARTMENT SHALL AT ALL TIMES HAVE THE POWER OF
5 ACCESS TO EXAMINE AND AUDIT EQUIPMENT AND RECORDS RELATING TO
6 ALL ASPECTS OF THE OPERATION OF SLOT MACHINES [OR], TABLE
7 GAMES, INTERACTIVE GAMES AND CASINO SIMULCASTING UNDER THIS
8 PART.

9 * * *

10 (C) POWERS AND DUTIES OF THE PENNSYLVANIA STATE POLICE.--THE
11 PENNSYLVANIA STATE POLICE SHALL HAVE THE FOLLOWING POWERS AND
12 DUTIES:

13 * * *

14 (12) CONDUCT AUDITS OR VERIFICATION OF INFORMATION OF
15 SLOT MACHINE [OR], TABLE GAME OPERATIONS, INCLUDING THE
16 OPERATION OF SLOT MACHINES USED IN A MULTISTATE WIDE-AREA
17 PROGRESSIVE SLOT MACHINE SYSTEM AND IN THE OPERATION OF SKILL
18 OR HYBRID SLOT MACHINES, INTERACTIVE GAMING AND CASINO
19 SIMULCASTING OPERATIONS AND THE OPERATION OF SLOT MACHINES AT
20 A NONPRIMARY LOCATION AT SUCH TIMES, UNDER SUCH CIRCUMSTANCES
21 AND TO SUCH EXTENT AS THE BUREAU DETERMINES. THIS PARAGRAPH
22 INCLUDES REVIEWS OF ACCOUNTING, ADMINISTRATIVE AND FINANCIAL
23 RECORDS AND MANAGEMENT CONTROL SYSTEMS, PROCEDURES AND
24 RECORDS UTILIZED BY A SLOT MACHINE LICENSEE.

25 * * *

26 (E) INSPECTION, SEIZURE AND WARRANTS.--

27 (1) THE BUREAU, THE DEPARTMENT AND THE PENNSYLVANIA
28 STATE POLICE SHALL HAVE THE AUTHORITY WITHOUT NOTICE AND
29 WITHOUT WARRANT TO DO ALL OF THE FOLLOWING IN THE PERFORMANCE
30 OF THEIR DUTIES:

1 (I) INSPECT AND EXAMINE ALL PREMISES, INCLUDING THE
2 PREMISES OF A NONPRIMARY LOCATION, WHERE SLOT MACHINE
3 [OR], TABLE GAME, INTERACTIVE GAMING AND CASINO
4 SIMULCASTING OPERATIONS ARE CONDUCTED, SLOT MACHINES,
5 TABLE GAME DEVICES AND ASSOCIATED EQUIPMENT, INTERACTIVE
6 GAMING DEVICES AND ASSOCIATED EQUIPMENT OR CASINO
7 SIMULCASTING TECHNOLOGY OR EQUIPMENT ARE MANUFACTURED,
8 SOLD, DISTRIBUTED OR SERVICED OR WHERE RECORDS OF THESE
9 ACTIVITIES ARE PREPARED OR MAINTAINED.

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

12 (III) SEIZE, SUMMARILY REMOVE AND IMPOUND EQUIPMENT
13 AND SUPPLIES FROM PREMISES REFERRED TO IN SUBPARAGRAPH
14 (I) FOR THE PURPOSES OF EXAMINATION AND INSPECTION.

15 (IV) INSPECT, EXAMINE AND AUDIT ALL BOOKS, RECORDS
16 AND DOCUMENTS PERTAINING TO A SLOT MACHINE LICENSEE'S
17 OPERATION.

18 (V) SEIZE, IMPOUND OR ASSUME PHYSICAL CONTROL OF ANY
19 BOOK, RECORD, LEDGER, GAME, DEVICE, CASH BOX AND ITS
20 CONTENTS, COUNT ROOM OR ITS EQUIPMENT, INTERACTIVE GAMING
21 DEVICES AND ASSOCIATED EQUIPMENT OR CASINO SIMULCASTING
22 TECHNOLOGY OR EQUIPMENT OR SLOT MACHINE [OR], TABLE GAME,
23 INTERACTIVE GAMING OR CASINO SIMULCASTING OPERATIONS.

24 * * *

25 SECTION 15. SECTION 1518(A) (1), (2), (3), (4), (5), (7.1),
26 (11), (13), (13.1), (15) AND (17) AND (B) (1), (2) AND (3) OF
27 TITLE 4 ARE AMENDED, SUBSECTIONS (A) AND (B) ARE AMENDED BY
28 ADDING PARAGRAPHS AND SUBSECTION (C) (1) IS AMENDED BY ADDING A
29 SUBPARAGRAPH TO READ:

30 § 1518. PROHIBITED ACTS; PENALTIES.

1 (A) CRIMINAL OFFENSES.--

2 (1) THE PROVISIONS OF 18 PA.C.S. § 4902 (RELATING TO
3 PERJURY), 4903 (RELATING TO FALSE SWEARING) OR 4904 (RELATING
4 TO UNSWORN FALSIFICATION TO AUTHORITIES) SHALL APPLY TO ANY
5 PERSON PROVIDING INFORMATION OR MAKING ANY STATEMENT, WHETHER
6 WRITTEN OR ORAL, TO THE BOARD, THE COMMISSIONS, THE BUREAU,
7 THE DEPARTMENT, THE PENNSYLVANIA STATE POLICE OR THE OFFICE
8 OF ATTORNEY GENERAL, AS REQUIRED BY THIS PART.

9 (2) IT SHALL BE UNLAWFUL FOR A PERSON TO WILLFULLY:

10 (I) FAIL TO REPORT, PAY OR TRUTHFULLY ACCOUNT FOR
11 AND PAY OVER ANY LICENSE FEE, AUTHORIZATION FEE, PERMIT
12 FEE, TAX OR ASSESSMENT IMPOSED UNDER THIS PART; OR

13 (II) ATTEMPT IN ANY MANNER TO EVADE OR DEFEAT ANY
14 LICENSE FEE, AUTHORIZATION FEE, PERMIT FEE, REGISTRATION
15 FEE, TAX OR ASSESSMENT OR ANY OTHER FEE IMPOSED UNDER
16 THIS PART.

17 (3) IT SHALL BE UNLAWFUL FOR ANY LICENSED ENTITY, GAMING
18 EMPLOYEE, KEY EMPLOYEE OR ANY OTHER PERSON TO PERMIT A SLOT
19 MACHINE, TABLE GAME OR TABLE GAME DEVICE, INTERACTIVE GAME OR
20 INTERACTIVE GAMING DEVICE OR ASSOCIATED EQUIPMENT OR CASINO
21 SIMULCASTING TECHNOLOGY OR EQUIPMENT TO BE OPERATED,
22 TRANSPORTED, REPAIRED OR OPENED ON THE PREMISES OF A LICENSED
23 FACILITY BY A PERSON OTHER THAN A PERSON LICENSED OR
24 PERMITTED BY THE BOARD PURSUANT TO THIS PART.

25 (3.1) IT SHALL BE UNLAWFUL FOR ANY PERSON WHO DOES NOT
26 POSSESS A VALID AND THEN EFFECTIVE INTERACTIVE GAMING
27 CERTIFICATE OR INTERACTIVE GAMING LICENSE ISSUED BY THE BOARD
28 IN ACCORDANCE WITH CHAPTER 13B (RELATING TO INTERACTIVE
29 GAMING) TO ACCEPT ANY WAGER ASSOCIATED WITH ANY AUTHORIZED
30 INTERACTIVE GAME FROM ANY INDIVIDUAL WITHOUT VERIFYING THE

1 AGE, IDENTITY AND PHYSICAL LOCATION OF THE PLAYER AT THE TIME
2 OF PLAY OR WAGER.

3 (3.2) IT SHALL BE UNLAWFUL FOR ANY PERSON WHO DOES NOT
4 POSSESS A VALID AND THEN EFFECTIVE CASINO SIMULCASTING PERMIT
5 ISSUED BY THE BOARD IN ACCORDANCE WITH SECTION 13C12
6 (RELATING TO CASINO SIMULCASTING PERMIT) TO OPERATE OR PERMIT
7 AN INDIVIDUAL TO PARTICIPATE IN CASINO SIMULCASTING AT A
8 CATEGORY 2 LICENSED FACILITY IN THIS COMMONWEALTH.

9 (3.3) IT SHALL BE UNLAWFUL FOR ANY PERSON WHO DOES NOT
10 POSSESS A VALID NONPRIMARY LOCATION PERMIT ISSUED BY THE
11 BOARD IN ACCORDANCE WITH SECTION 13D12 (RELATING TO ISSUANCE
12 AND TERMS OF NONPRIMARY LOCATION PERMIT) TO PLACE AND MAKE
13 SLOT MACHINES AVAILABLE FOR PLAY AT A NONPRIMARY LOCATION.

14 (4) IT SHALL BE UNLAWFUL FOR ANY LICENSED ENTITY OR
15 OTHER PERSON TO MANUFACTURE, SUPPLY OR PLACE SLOT MACHINES,
16 TABLE GAMES, TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT,
17 AUTHORIZED INTERACTIVE GAME OR INTERACTIVE GAMING DEVICES OR
18 ASSOCIATED EQUIPMENT OR CASINO SIMULCASTING TECHNOLOGY OR
19 EQUIPMENT INTO PLAY OR DISPLAY SLOT MACHINES, INCLUDING SLOT
20 MACHINES AT A NONPRIMARY LOCATION, TABLE GAMES, TABLE GAME
21 DEVICES OR ASSOCIATED EQUIPMENT ON THE PREMISES OF A LICENSED
22 FACILITY WITHOUT THE AUTHORITY OF THE BOARD.

23 (4.1) IT SHALL BE UNLAWFUL FOR ANY SLOT MACHINE LICENSEE
24 TO OFFER INTERACTIVE GAMES INTO PLAY OR DISPLAY SUCH GAMES ON
25 ITS INTERACTIVE GAMING SKIN OR INTERNET WEBSITE WITHOUT THE
26 APPROVAL OF THE BOARD.

27 (4.2) IT SHALL BE UNLAWFUL FOR ANY LICENSED ENTITY OR
28 OTHER PERSON TO MANUFACTURE, SUPPLY OR PLACE INTERACTIVE
29 GAMING DEVICES OR ASSOCIATED EQUIPMENT INTO OPERATION AT A
30 LICENSED FACILITY WITHOUT THE APPROVAL OF THE BOARD.

1 (4.3) IT SHALL BE UNLAWFUL FOR ANY CATEGORY 2 SLOT
2 MACHINE LICENSEE TO CONDUCT CASINO SIMULCASTING WITHOUT THE
3 APPROVAL OF THE BOARD, IN CONSULTATION WITH THE COMMISSIONS.

4 (4.4) IT SHALL BE UNLAWFUL FOR ANY CATEGORY 1 SLOT
5 MACHINE LICENSEE TO PLACE AND MAKE SLOT MACHINES AVAILABLE
6 FOR PLAY AT A NONPRIMARY LOCATION WITHOUT THE APPROVAL OF THE
7 BOARD.

8 (5) EXCEPT AS PROVIDED FOR IN SECTION 1326 (RELATING TO
9 [LICENSE] RENEWALS), IT SHALL BE UNLAWFUL FOR A LICENSED
10 ENTITY OR OTHER PERSON TO MANUFACTURE, SUPPLY, OPERATE, CARRY
11 ON OR EXPOSE FOR PLAY ANY SLOT MACHINE, INCLUDING SLOT
12 MACHINES AT A NONPRIMARY LOCATION, TABLE GAME, TABLE GAME
13 DEVICE OR ASSOCIATED EQUIPMENT, INTERACTIVE GAME OR
14 INTERACTIVE GAMING DEVICE OR ASSOCIATED EQUIPMENT OR CASINO
15 SIMULCASTING TECHNOLOGY OR EQUIPMENT AFTER THE PERSON'S
16 LICENSE HAS EXPIRED AND PRIOR TO THE ACTUAL RENEWAL OF THE
17 LICENSE.

18 * * *

19 (7.1) IT SHALL BE UNLAWFUL FOR AN INDIVIDUAL TO DO ANY
20 OF THE FOLLOWING:

21 (I) USE OR POSSESS COUNTERFEIT, MARKED, LOADED OR
22 TAMPERED WITH TABLE GAME DEVICES OR ASSOCIATED EQUIPMENT,
23 CHIPS OR OTHER CHEATING DEVICES IN THE CONDUCT OF GAMING
24 UNDER THIS PART, EXCEPT THAT AN AUTHORIZED EMPLOYEE OF A
25 LICENSEE OR AN AUTHORIZED EMPLOYEE OF THE BOARD MAY
26 POSSESS AND USE COUNTERFEIT CHIPS OR TABLE GAME DEVICES
27 OR ASSOCIATED EQUIPMENT THAT HAVE BEEN MARKED, LOADED OR
28 TAMPERED WITH, OR OTHER CHEATING DEVICES OR ANY
29 UNAUTHORIZED INTERACTIVE GAMING DEVICE OR ASSOCIATED
30 EQUIPMENT IN PERFORMANCE OF THE DUTIES OF EMPLOYMENT FOR

1 TRAINING, INVESTIGATIVE OR TESTING PURPOSES ONLY.

2 (II) KNOWINGLY, BY A TRICK OR SLEIGHT OF HAND
3 PERFORMANCE OR BY FRAUD OR FRAUDULENT SCHEME, OR
4 MANIPULATION, TABLE GAME DEVICE OR OTHER DEVICE, OR
5 INTERACTIVE GAMING DEVICE FOR HIMSELF OR FOR ANOTHER, WIN
6 OR ATTEMPT TO WIN ANY CASH, PROPERTY OR PRIZE AT A
7 LICENSED FACILITY OR TO REDUCE OR ATTEMPT TO REDUCE A
8 LOSING WAGER.

9 (7.2) IT SHALL BE UNLAWFUL FOR A PERSON TO KNOWINGLY
10 ALTER, TAMPER OR MANIPULATE INTERACTIVE GAMING DEVICES OR
11 ASSOCIATED EQUIPMENT, INCLUDING SOFTWARE, SYSTEM PROGRAMS,
12 HARDWARE AND ANY OTHER DEVICE OR ASSOCIATED EQUIPMENT USED IN
13 INTERACTIVE GAMING OPERATIONS, IN ORDER TO ALTER THE ODDS OR
14 THE PAYOUT OF AN INTERACTIVE GAME OR TO DISABLE THE
15 INTERACTIVE GAME FROM OPERATING ACCORDING TO THE RULES OF THE
16 GAME AS AUTHORIZED BY THE BOARD.

17 (7.3) IT SHALL BE UNLAWFUL FOR A PERSON TO KNOWINGLY
18 OFFER OR ALLOW TO BE OFFERED ANY AUTHORIZED INTERACTIVE GAME
19 THAT HAS BEEN ALTERED, TAMPERED WITH OR MANIPULATED IN A WAY
20 THAT AFFECTS THE ODDS OR THE PAYOUT OF AN INTERACTIVE GAME OR
21 DISABLES THE INTERACTIVE GAME FROM OPERATING ACCORDING TO THE
22 RULES OF THE GAME AS AUTHORIZED BY THE BOARD.

23 * * *

24 (11) IT SHALL BE UNLAWFUL FOR A LICENSED GAMING ENTITY
25 THAT IS A LICENSED RACING ENTITY AND THAT HAS LOST THE
26 LICENSE ISSUED TO IT BY EITHER THE STATE HORSE RACING
27 COMMISSION OR THE STATE HARNESS RACING COMMISSION UNDER THE
28 RACE HORSE INDUSTRY REFORM ACT OR THAT HAS HAD THAT LICENSE
29 SUSPENDED TO OPERATE SLOT MACHINES [OR], TABLE GAMES OR
30 AUTHORIZED INTERACTIVE GAMES AT THE RACETRACK OR NONPRIMARY

1 LOCATION FOR WHICH ITS SLOT MACHINE LICENSE WAS ISSUED UNLESS
2 THE LICENSE ISSUED TO IT BY EITHER THE STATE HORSE RACING
3 COMMISSION OR THE STATE HARNESS RACING COMMISSION WILL BE
4 SUBSEQUENTLY REISSUED OR REINSTATED WITHIN 30 DAYS AFTER THE
5 LOSS OR SUSPENSION.

6 * * *

7 (13) IT SHALL BE UNLAWFUL FOR AN INDIVIDUAL UNDER 21
8 YEARS OF AGE TO ENTER AND REMAIN IN ANY AREA OF A LICENSED
9 FACILITY WHERE SLOT MACHINES ARE OPERATED, INCLUDING ANY AREA
10 OF A NONPRIMARY LOCATION, OR THE PLAY OF TABLE GAMES IS
11 CONDUCTED OR WHERE CASINO SIMULCASTING IS CONDUCTED, EXCEPT
12 THAT AN INDIVIDUAL 18 YEARS OF AGE OR OLDER EMPLOYED BY A
13 SLOT MACHINE LICENSEE, A GAMING SERVICE PROVIDER, THE BOARD
14 OR ANY OTHER REGULATORY OR EMERGENCY RESPONSE AGENCY MAY
15 ENTER AND REMAIN IN ANY SUCH AREA WHILE ENGAGED IN THE
16 PERFORMANCE OF THE INDIVIDUAL'S EMPLOYMENT DUTIES.

17 (13.1) IT SHALL BE UNLAWFUL FOR AN INDIVIDUAL UNDER 21
18 YEARS OF AGE TO WAGER, PLAY OR ATTEMPT TO PLAY A SLOT MACHINE
19 OR TABLE GAME, OR WAGER, PLAY OR ATTEMPT TO PLAY AN
20 INTERACTIVE GAME OR PARTICIPATE IN CASINO SIMULCASTING AT A
21 LICENSED FACILITY, INCLUDING A NONPRIMARY LOCATION.

22 (13.2) IT SHALL BE UNLAWFUL TO ALLOW A PERSON UNDER 21
23 YEARS OF AGE TO OPEN, MAINTAIN OR USE IN ANY WAY AN
24 INTERACTIVE GAMING ACCOUNT. ANY INTERACTIVE GAMING
25 CERTIFICATE HOLDER, INTERACTIVE GAMING LICENSEE OR EMPLOYEE
26 OF AN INTERACTIVE GAMING CERTIFICATE HOLDER OR INTERACTIVE
27 GAMING LICENSEE WHO KNOWINGLY ALLOWS A PERSON UNDER 21 YEARS
28 OF AGE TO OPEN, MAINTAIN OR USE AN INTERACTIVE GAMING ACCOUNT
29 SHALL BE SUBJECT TO THE PENALTY SET FORTH IN THIS SECTION,
30 EXCEPT THAT THE ESTABLISHMENT OF ALL OF THE FOLLOWING FACTS

1 BY AN INTERACTIVE GAMING CERTIFICATE HOLDER, INTERACTIVE
2 GAMING LICENSEE OR EMPLOYEE OF AN INTERACTIVE GAMING
3 CERTIFICATE HOLDER OR INTERACTIVE GAMING LICENSEE SHALL
4 CONSTITUTE A DEFENSE TO ANY REGULATORY ACTION BY THE BOARD OR
5 THE PENALTY AUTHORIZED UNDER THIS SECTION:

6 (I) THE UNDERAGE PERSON FALSELY REPRESENTED THAT HE
7 WAS OF THE PERMITTED 21 YEARS OF AGE IN THE APPLICATION
8 FOR AN INTERACTIVE GAMING ACCOUNT; AND

9 (II) THE ESTABLISHMENT OF THE INTERACTIVE GAMING
10 ACCOUNT WAS MADE IN GOOD FAITH RELIANCE UPON SUCH
11 REPRESENTATION AND IN THE REASONABLE BELIEF THAT THE
12 UNDERAGE PERSON WAS 21 YEARS OF AGE.

13 * * *

14 (15) IT SHALL BE UNLAWFUL FOR A LICENSED GAMING ENTITY
15 TO REQUIRE A WAGER TO BE GREATER THAN THE STATED MINIMUM
16 WAGER OR LESS THAN THE STATED MAXIMUM WAGER. HOWEVER, A WAGER
17 MADE BY A PLAYER AND NOT REJECTED BY A LICENSED GAMING ENTITY
18 PRIOR TO COMMENCEMENT OF PLAY SHALL BE TREATED AS A VALID
19 WAGER. A WAGER ACCEPTED BY A DEALER OR THROUGH AN AUTHORIZED
20 INTERACTIVE GAME SHALL BE PAID OR LOST IN ITS ENTIRETY IN
21 ACCORDANCE WITH THE RULES OF THE GAME, NOTWITHSTANDING THAT
22 THE WAGER EXCEEDED THE CURRENT TABLE MAXIMUM WAGER OR
23 AUTHORIZED INTERACTIVE GAME WAGER OR WAS LOWER THAN THE
24 CURRENT TABLE MINIMUM WAGER OR MINIMUM INTERACTIVE GAME
25 WAGER.

26 * * *

27 (17) IT SHALL BE UNLAWFUL FOR AN INDIVIDUAL TO CLAIM,
28 COLLECT OR TAKE, OR ATTEMPT TO CLAIM, COLLECT OR TAKE, MONEY
29 OR ANYTHING OF VALUE IN OR FROM A SLOT MACHINE, INCLUDING
30 FROM SLOT MACHINES AT A NONPRIMARY LOCATION, GAMING TABLE OR

1 OTHER TABLE GAME DEVICE, INTERACTIVE GAME OR INTERACTIVE
2 GAMING DEVICE OR FROM CASINO SIMULCASTING OPERATIONS WITH THE
3 INTENT TO DEFRAUD, OR TO CLAIM, COLLECT OR TAKE AN AMOUNT
4 GREATER THAN THE AMOUNT WON, OR TO MANIPULATE WITH THE INTENT
5 TO CHEAT, ANY COMPONENT OF ANY SLOT MACHINE, INCLUDING SLOT
6 MACHINES AT NONPRIMARY LOCATIONS, TABLE GAME OR TABLE GAME
7 DEVICE, INTERACTIVE GAME OR INTERACTIVE GAMING DEVICE OR
8 CASINO SIMULCASTING OPERATIONS IN A MANNER CONTRARY TO THE
9 DESIGNED AND NORMAL OPERATIONAL PURPOSE.

10 (18) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IT
11 SHALL BE UNLAWFUL FOR AN INDIVIDUAL DRIVING OR IN CHARGE OF A
12 MOTOR VEHICLE TO PERMIT A CHILD UNDER 14 YEARS OF AGE TO
13 REMAIN UNATTENDED IN THE VEHICLE IF THE VEHICLE IS LOCATED ON
14 PROPERTY OWNED, LEASED OR CONTROLLED BY A LICENSED GAMING
15 ENTITY OR ITS AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING
16 COMPANY. IN ADDITION TO THE PENALTIES IN SUBSECTION (B), THE
17 INDIVIDUAL SHALL BE SUBJECT TO EXCLUSION OR EJECTION FROM
18 LICENSED FACILITIES UNDER SECTIONS 1514 (RELATING TO
19 REGULATION REQUIRING EXCLUSION, EJECTION OR DENIAL OF ACCESS
20 OF CERTAIN PERSONS) AND 1515 (RELATING TO REPEAT OFFENDERS
21 EXCLUDABLE FROM LICENSED GAMING FACILITY). NOTWITHSTANDING
22 ANY OF THE PROVISIONS OF 18 PA.C.S. CH. 91 (RELATING TO
23 CRIMINAL HISTORY RECORD INFORMATION), THE INVESTIGATING
24 OFFICER IN THE JURISDICTION IN WHICH THE VEHICLE IS LOCATED
25 SHALL BE RESPONSIBLE FOR PROVIDING WRITTEN NOTICE OF THE
26 VIOLATION WITHIN 48 HOURS TO THE DIRECTOR OF THE COUNTY
27 CHILDREN AND YOUTH SERVICE AGENCY OF THE COUNTY WHERE THE
28 VIOLATION OCCURRED. THE NOTICE SHALL CONTAIN:

29 (I) THE NAME OF THE INDIVIDUAL CHARGED UNDER THIS
30 SECTION.

1 (II) THE ADDRESS OR ADDRESSES AT WHICH THE
2 INDIVIDUAL RESIDES.

3 (III) THE NAME OF THE CHILD OR CHILDREN LEFT
4 UNATTENDED.

5 (B) CRIMINAL PENALTIES AND FINES.--

6 (1) (I) A PERSON THAT COMMITS A FIRST OFFENSE IN
7 VIOLATION OF 18 PA.C.S. § 4902, 4903 OR 4904 IN
8 CONNECTION WITH PROVIDING INFORMATION OR MAKING ANY
9 STATEMENT, WHETHER WRITTEN OR ORAL, TO THE BOARD, THE
10 BUREAU, THE DEPARTMENT, THE PENNSYLVANIA STATE POLICE,
11 THE OFFICE OF ATTORNEY GENERAL OR A DISTRICT ATTORNEY AS
12 REQUIRED BY THIS PART COMMITS AN OFFENSE TO BE GRADED IN
13 ACCORDANCE WITH THE APPLICABLE SECTION VIOLATED. A PERSON
14 THAT IS CONVICTED OF A SECOND OR SUBSEQUENT VIOLATION OF
15 18 PA.C.S. § 4902, 4903 OR 4904 IN CONNECTION WITH
16 PROVIDING INFORMATION OR MAKING ANY STATEMENT, WHETHER
17 WRITTEN OR ORAL, TO THE BOARD, THE BUREAU, THE
18 DEPARTMENT, THE PENNSYLVANIA STATE POLICE, THE OFFICE OF
19 ATTORNEY GENERAL OR A DISTRICT ATTORNEY AS REQUIRED BY
20 THIS PART COMMITS A FELONY OF THE SECOND DEGREE.

21 (II) A PERSON THAT VIOLATES SUBSECTION (A) (2), (3)
22 AND (4) THROUGH (12) OR (17) COMMITS A MISDEMEANOR OF THE
23 FIRST DEGREE. A PERSON THAT IS CONVICTED OF A SECOND OR
24 SUBSEQUENT VIOLATION OF SUBSECTION (A) (2), (3) AND (4)
25 THROUGH (12) OR (17) COMMITS A FELONY OF THE SECOND
26 DEGREE.

27 (2) (I) FOR A FIRST VIOLATION OF SUBSECTION (A) (1)
28 THROUGH (12) OR (17), A PERSON SHALL BE SENTENCED TO PAY
29 A FINE OF:

30 (A) NOT LESS THAN \$75,000 NOR MORE THAN \$150,000

1 IF THE PERSON IS AN INDIVIDUAL;

2 (B) NOT LESS THAN \$300,000 NOR MORE THAN
3 \$600,000 IF THE PERSON IS A LICENSED GAMING ENTITY OR
4 AN INTERACTIVE GAMING LICENSEE; OR

5 (C) NOT LESS THAN \$150,000 NOR MORE THAN
6 \$300,000 IF THE PERSON IS A LICENSED MANUFACTURER OR
7 SUPPLIER.

8 (II) FOR A SECOND OR SUBSEQUENT VIOLATION OF
9 SUBSECTION (A) (1), (2), (3) AND (4) THROUGH (12) OR (17),
10 A PERSON SHALL BE SENTENCED TO PAY A FINE OF:

11 (A) NOT LESS THAN \$150,000 NOR MORE THAN
12 \$300,000 IF THE PERSON IS AN INDIVIDUAL;

13 (B) NOT LESS THAN \$600,000 NOR MORE THAN
14 \$1,200,000 IF THE PERSON IS A LICENSED GAMING ENTITY;
15 OR

16 (C) NOT LESS THAN \$300,000 NOR MORE THAN
17 \$600,000 IF THE PERSON IS A LICENSED MANUFACTURER OR
18 SUPPLIER.

19 (2.1) A PERSON THAT COMMITS AN OFFENSE IN VIOLATION OF
20 SUBSECTION (A) (3.1) OR (3.2) COMMITS A FELONY AND, UPON
21 CONVICTION, SHALL BE SENTENCED TO PAY A FINE OF NOT LESS THAN
22 \$500,000 NOR MORE THAN \$1,000,000. A PERSON THAT IS CONVICTED
23 OF A SECOND OR SUBSEQUENT VIOLATION OF SUBSECTION (A) (3.1)
24 COMMITS A FELONY OF THE FIRST DEGREE AND SHALL BE SENTENCED
25 TO PAY A FINE OF NOT LESS THAN \$1,000,000 NOR MORE THAN
26 \$2,500,000.

27 (3) AN INDIVIDUAL WHO COMMITS AN OFFENSE IN VIOLATION OF
28 SUBSECTION (A) (13) [OR], (13.1) OR (13.2) COMMITS A
29 NONGAMBLING SUMMARY OFFENSE AND UPON CONVICTION OF A FIRST
30 OFFENSE SHALL BE SENTENCED TO PAY A FINE OF NOT LESS THAN

1 \$200 NOR MORE THAN \$1,000. AN INDIVIDUAL THAT IS CONVICTED OF
2 A SECOND OR SUBSEQUENT OFFENSE UNDER SUBSECTION (A) (13) [OR],
3 (13.1) OR (13.2) SHALL BE SENTENCED TO PAY A FINE OF NOT LESS
4 THAN \$500 NOR MORE THAN \$1,500. IN ADDITION TO THE FINE
5 IMPOSED, AN INDIVIDUAL CONVICTED OF AN OFFENSE UNDER
6 SUBSECTION (A) (13) [OR], (13.1) OR (13.2) MAY BE SENTENCED TO
7 PERFORM A PERIOD OF COMMUNITY SERVICE NOT TO EXCEED 40 HOURS.

8 (3.1) NOTWITHSTANDING PARAGRAPH (3), WHENEVER AN
9 INDIVIDUAL IS CONVICTED OF A SECOND OR SUBSEQUENT OFFENSE
10 UNDER SUBSECTION (A) (13) OR (13.1), THE COURT, INCLUDING A
11 COURT NOT OF RECORD IF IT IS EXERCISING JURISDICTION PURSUANT
12 TO 42 PA.C.S. § 1515(A) (RELATING TO JURISDICTION AND VENUE),
13 SHALL ORDER THE OPERATING PRIVILEGES OF THE INDIVIDUAL
14 SUSPENDED. A COPY OF THE COURT ORDER SHALL BE TRANSMITTED TO
15 THE DEPARTMENT OF TRANSPORTATION.

16 (3.2) WHEN THE DEPARTMENT SUSPENDS THE OPERATING
17 PRIVILEGE OF A PERSON UNDER PARAGRAPH (3.1), THE DURATION OF
18 THE SUSPENSION SHALL BE AS FOLLOWS:

19 (I) FOR A FIRST OFFENSE, A PERIOD OF 90 DAYS FROM
20 THE DATE OF SUSPENSION.

21 (II) FOR A SECOND OFFENSE, A PERIOD OF ONE YEAR FROM
22 THE DATE OF SUSPENSION.

23 (III) FOR A THIRD OFFENSE, AND ANY OFFENSE
24 THEREAFTER, A PERIOD OF TWO YEARS FROM THE DATE OF
25 SUSPENSION. ANY MULTIPLE SENTENCES IMPOSED SHALL BE
26 SERVED CONSECUTIVELY.

27 REINSTATEMENT OF OPERATING PRIVILEGE SHALL BE GOVERNED BY 75
28 PA.C.S. § 1545 (RELATING TO RESTORATION OF OPERATING
29 PRIVILEGE).

30 * * *

1 (5) AN INDIVIDUAL WHO COMMITS AN OFFENSE IN VIOLATION OF
2 SUBSECTION (A) (18) COMMITS A MISDEMEANOR OF THE THIRD DEGREE
3 FOR THE FIRST OFFENSE. A PERSON THAT IS CONVICTED OF A SECOND
4 OR SUBSEQUENT VIOLATION OF SUBSECTION (A) (18) COMMITS A
5 MISDEMEANOR OF THE SECOND DEGREE.

6 (C) BOARD-IMPOSED ADMINISTRATIVE SANCTIONS.--

7 (1) IN ADDITION TO ANY OTHER PENALTY AUTHORIZED BY LAW,
8 THE BOARD MAY IMPOSE WITHOUT LIMITATION THE FOLLOWING
9 SANCTIONS UPON ANY LICENSEE OR PERMITTEE:

10 * * *

11 (X) ASSESS A FINE FOR FAILURE TO REPORT A VIOLATION
12 UNDER SUBSECTION (A) (18), OF WHICH THE LICENSED GAMING
13 ENTITY KNEW OR SHOULD HAVE KNOWN, TO THE APPROPRIATE LAW
14 ENFORCEMENT AUTHORITY. THE AMOUNT OF THE FINE SHALL BE
15 NOT LESS THAN \$75,000 NOR MORE THAN \$150,000 FOR A FIRST
16 VIOLATION OF THIS SUBPARAGRAPH, AND NOT LESS THAN
17 \$150,000 NOR MORE THAN \$300,000 FOR A SECOND OR
18 SUBSEQUENT VIOLATION OF THIS SUBPARAGRAPH.

19 * * *

20 SECTION 15.1. TITLE 4 IS AMENDED BY ADDING A SECTION TO
21 READ:

22 § 1521.1. CASINO LIQUOR LICENSE.

23 (A) APPLICATION.--NOTWITHSTANDING SECTION 1521 (RELATING TO
24 LIQUOR LICENSE AT LICENSED FACILITIES) OR ANY PROVISION OF LAW
25 OR REGULATION TO THE CONTRARY, A SLOT MACHINE LICENSEE HOLDING A
26 RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER LICENSE UNDER
27 THE ACT OF APRIL 12, 1951 (P.L.90, NO.21), KNOWN AS THE LIQUOR
28 CODE, MAY APPLY TO THE PENNSYLVANIA LIQUOR CONTROL BOARD FOR A
29 CASINO LIQUOR LICENSE. THE PENNSYLVANIA LIQUOR CONTROL BOARD MAY
30 ISSUE A CASINO LIQUOR LICENSE TO A SLOT MACHINE LICENSEE FOR USE

1 AT ITS LICENSED FACILITY IN ACCORDANCE WITH THIS SECTION.

2 (B) FEES.--EACH APPLICATION FOR A CASINO LICENSE UNDER THIS
3 SECTION SHALL BE ACCOMPANIED BY A FEE OF \$1,000,000.

4 (C) RENEWAL.--

5 (1) THE LICENSE MUST BE RENEWED ON AN ANNUAL BASIS.

6 (2) FOR THE FIRST FOUR YEARS AFTER THE INITIAL ISSUE OF
7 THE LICENSE, THE LICENSE SHALL BE SUBJECT TO AN ANNUAL
8 RENEWAL FEE OF \$1,000,000.

9 (3) THEREAFTER, THE LICENSEE SHALL BE SUBJECT TO AN
10 ANNUAL RENEWAL FEE OF \$250,000.

11 (4) ALL FEES COLLECTED OR RECEIVED BY THE PENNSYLVANIA
12 LIQUOR CONTROL BOARD UNDER THIS SUBSECTION SHALL BE PAID INTO
13 THE STATE TREASURY THROUGH THE DEPARTMENT OF REVENUE FOR
14 DEPOSIT INTO THE GENERAL FUND.

15 (D) DISPOSITION OF RESTAURANT LIQUOR OR EATING PLACE RETAIL
16 DISPENSER LICENSE.--

17 (1) AN APPLICANT UNDER THIS SECTION THAT CURRENTLY HOLDS
18 A RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER LICENSE
19 ISSUED UNDER THE AUTHORITY OF THE LIQUOR CODE MAY CONTINUE TO
20 UTILIZE THAT LICENSE UNTIL SUCH TIME AS THE CASINO LIQUOR
21 LICENSE IS ISSUED BY THE PENNSYLVANIA LIQUOR CONTROL BOARD.
22 UPON THE ISSUANCE OF A LICENSE UNDER THIS SECTION, THE
23 APPLICANT MUST SURRENDER THE RESTAURANT LIQUOR OR EATING
24 PLACE RETAIL DISPENSER LICENSE TO THE PENNSYLVANIA LIQUOR
25 CONTROL BOARD.

26 (2) AN APPLICANT UNDER THIS SECTION THAT CURRENTLY HOLDS
27 A RESTAURANT LIQUOR OR EATING PLACE RETAIL DISPENSER LICENSE
28 PURCHASED THROUGH PRIVATE SALE MAY CONTINUE TO UTILIZE THAT
29 LICENSE UNTIL SUCH TIME AS THE CASINO LIQUOR LICENSE IS
30 ISSUED BY THE PENNSYLVANIA LIQUOR CONTROL BOARD. UPON

1 ISSUANCE OF A LICENSE UNDER THIS SECTION, THE APPLICANT MAY
2 SELL THE PREVIOUSLY PURCHASED RESTAURANT LIQUOR OR EATING
3 PLACE RETAIL DISPENSER LICENSE.

4 (E) HOURS OF OPERATION.--NOTWITHSTANDING ANY OTHER PROVISION
5 OF LAW TO THE CONTRARY, A HOLDER OF A CASINO LIQUOR LICENSE MAY
6 SELL OR SERVE LIQUOR AND MALT OR BREWED BEVERAGES 24 HOURS A
7 DAY, SEVEN DAYS A WEEK.

8 (F) TRANSFERS.--LICENSES ISSUED UNDER THIS SECTION ARE
9 NONTRANSFERABLE, PROVIDED THAT NOTHING IN THIS SUBSECTION SHALL
10 PRECLUDE A TRANSFER OF OWNERSHIP OF A CASINO LIQUOR LICENSE TO
11 ANOTHER ELIGIBLE PERSON TO BE USED AT THE SAME LICENSED
12 FACILITY.

13 (G) EXPIRATION.--LICENSES UNDER THIS SECTION SHALL EXPIRE
14 UNDER THE FOLLOWING CIRCUMSTANCES:

15 (1) REVOCATION BY AN ADMINISTRATIVE LAW JUDGE UNDER
16 SECTION 471 OF THE LIQUOR CODE;

17 (2) NONRENEWAL BY THE PENNSYLVANIA LIQUOR CONTROL BOARD
18 UNDER SECTION 470 OF THE LIQUOR CODE;

19 (3) NONRENEWAL OF THE LICENSE BY THE SLOT MACHINE
20 LICENSEE; OR

21 (4) UPON REQUEST BY THE SLOT MACHINE LICENSEE.

22 (H) NEW APPLICANT.--THE PENNSYLVANIA LIQUOR CONTROL BOARD
23 MAY ISSUE A LICENSE UNDER THIS SECTION AT ANY TIME TO A NEW
24 APPLICANT EVEN IF THE PREVIOUS LICENSE HAD:

25 (1) BEEN REVOKED BY AN ADMINISTRATIVE LAW JUDGE UNDER
26 SECTION 471 OF THE LIQUOR CODE;

27 (2) NOT BEEN RENEWED BY THE PENNSYLVANIA LIQUOR CONTROL
28 BOARD UNDER SECTION 470 OF THE LIQUOR CODE;

29 (3) NOT BEEN RENEWED BY THE SLOT MACHINE LICENSEE; OR

30 (4) EXPIRED UPON REQUEST BY THE SLOT MACHINE LICENSEE.

1 (I) RESTRICTIONS AND PRIVILEGES.--LICENSES ISSUED UNDER THIS
2 SECTION ARE SUBJECT TO THE FOLLOWING ADDITIONAL RESTRICTIONS AND
3 PRIVILEGES:

4 (1) SALES MAY BE MADE AT ANY TIME THE FACILITY IS OPEN
5 TO THE PUBLIC.

6 (2) LIQUOR OR MALT OR BREWED BEVERAGES MAY BE
7 TRANSPORTED AND CONSUMED OFF THE GAMING FLOOR SO LONG AS IT
8 REMAINS WITHIN THE PREMISES OF THE LICENSED FACILITY.

9 (3) SALES OF MALT OR BREWED BEVERAGES FOR OFF-PREMISES
10 CONSUMPTION ARE PROHIBITED.

11 (4) IN ADDITION TO THE PROVISIONS OF SECTION 493(24)(II)
12 OF THE LIQUOR CODE, THE HOLDER OF A CASINO LICENSE MAY GIVE
13 LIQUOR AND MALT OR BREWED BEVERAGES FREE OF CHARGE TO ANY
14 PERSON ATTENDING AN INVITATION-ONLY EVENT HELD ANYWHERE ON
15 THE PREMISES OF THE LICENSED FACILITY.

16 (5) LICENSES ISSUED UNDER THIS SECTION SHALL NOT BE
17 SUBJECT TO:

18 (I) THE PROXIMITY PROVISIONS OF SECTIONS 402 AND 404
19 OF THE LIQUOR CODE;

20 (II) THE RESTRICTIONS ON DISCOUNT PRICING PRACTICES
21 SET FORTH IN SECTION 406(G) OF THE LIQUOR CODE;

22 (III) THE QUOTA RESTRICTIONS OF SECTION 461 OF THE
23 LIQUOR CODE;

24 (IV) THE PROVISIONS OF SECTION 493(10) OF THE LIQUOR
25 CODE, EXCEPT AS IT RELATES TO LEWD, IMMORAL OR IMPROPER
26 ENTERTAINMENT;

27 (V) THE PROHIBITION AGAINST MINORS FREQUENTING AS
28 DESCRIBED IN SECTION 493(14) OF THE LIQUOR CODE;

29 (VI) THE COST AND TOTAL DISPLAY AREA LIMITATIONS OF
30 SECTION 493(20)(I) OF THE LIQUOR CODE;

1 (VII) THE RESTRICTIONS ON EVENTS, TOURNAMENTS OR
2 CONTESTS SET FORTH IN 40 PA. CODE § 5.32 (RELATING TO
3 RESTRICTIONS/EXCEPTIONS); AND

4 (VIII) THE RESTRICTIONS ON THE AWARDING OF TROPHIES,
5 PRIZES OR PREMIUMS SET FORTH IN 40 PA. CODE § 5.32.

6 (6) THE AUTHORIZATION TO SELL OR SERVE LIQUOR AND MALT
7 OR BREWED BEVERAGES BY A HOLDER OF A CASINO LIQUOR LICENSE
8 PURSUANT TO SUBSECTION (E) SHALL NOT APPLY TO THE OPERATION
9 OF SLOT MACHINES AT A NONPRIMARY LOCATION OR AT A QUALIFIED
10 AIRPORT.

11 (J) MULTIPLE LICENSES.--MORE THAN ONE LICENSE ISSUED BY THE
12 PENNSYLVANIA LIQUOR CONTROL BOARD MAY BE IN EFFECT AT A LICENSED
13 FACILITY AT ANY ONE TIME. HOWEVER, NO MORE THAN ONE LICENSE
14 ISSUED UNDER THIS SECTION SHALL BE IN EFFECT AT ANY SPECIFIC
15 LOCATION WITHIN THE PREMISES OF A LICENSED FACILITY AT THE SAME
16 TIME.

17 SECTION 16. SECTION 1901(A) OF TITLE 4 IS AMENDED BY ADDING
18 A PARAGRAPH TO READ:

19 § 1901. APPROPRIATIONS.

20 (A) APPROPRIATION TO BOARD.--

21 * * *

22 (3) THE SUM OF \$5,000,000 IS HEREBY APPROPRIATED FROM
23 THE STATE GAMING FUND TO THE PENNSYLVANIA GAMING CONTROL
24 BOARD FOR SALARIES, WAGES AND ALL NECESSARY EXPENSES FOR THE
25 PROPER OPERATION AND ADMINISTRATION OF THE BOARD FOR THE
26 ACTIVITIES AUTHORIZED UNDER THIS ACT. THIS APPROPRIATION
27 SHALL BE A SUPPLEMENTAL APPROPRIATION FOR FISCAL YEAR 2015-
28 2016 AND SHALL BE IN ADDITION TO THE APPROPRIATION CONTAINED
29 IN THE ACT OF JULY 2, 2015 (P.L. , NO.), KNOWN AS THE
30 GAMING CONTROL APPROPRIATION ACT OF 2015.

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2 SECTION 17. THE AMENDMENT OF 4 PA.C.S. § 1307 IN THE ACT OF
3 JANUARY 7, 2010 (P.L.1, NO.1), ENTITLED "AN ACT AMENDING TITLE 4
4 (AMUSEMENTS) OF THE PENNSYLVANIA CONSOLIDATED STATUTES, MAKING
5 EXTENSIVE REVISIONS TO PROVISIONS ON GAMING, IN THE AREAS OF
6 LEGISLATIVE INTENT, DEFINITIONS, THE PENNSYLVANIA GAMING CONTROL
7 BOARD, APPLICABILITY OF OTHER STATUTES, POWERS OF THE BOARD,
8 CODE OF CONDUCT, EXPENSES OF REGULATORY AGENCIES, LICENSED
9 GAMING ENTITY APPLICATION APPEALS FROM BOARD, LICENSE OR PERMIT
10 APPLICATION HEARING PROCESS AND PUBLIC HEARINGS, BOARD MINUTES
11 AND RECORDS, REGULATORY AUTHORITY, COLLECTION OF FEES AND FINES,
12 SLOT MACHINE LICENSE FEE, NUMBER OF SLOT MACHINES, REPORTS OF
13 BOARD, DIVERSITY GOALS OF BOARD, LICENSE OR PERMIT PROHIBITION,
14 SPECIFIC AUTHORITY TO SUSPEND SLOT MACHINE LICENSE, CATEGORY 2
15 SLOT MACHINE LICENSE, CATEGORY 3 SLOT MACHINE LICENSE, NUMBER OF
16 SLOT MACHINE LICENSES, APPLICATIONS FOR LICENSE OR PERMIT, SLOT
17 MACHINE LICENSE APPLICATION, SLOT MACHINE LICENSE APPLICATION
18 CHARACTER REQUIREMENTS, SUPPLIER LICENSES, MANUFACTURER
19 LICENSES, GAMING SERVICE PROVIDER, OCCUPATION PERMIT
20 APPLICATION, ALTERNATIVE MANUFACTURER LICENSING STANDARDS,
21 ALTERNATIVE SUPPLIER LICENSING STANDARDS, ADDITIONAL LICENSES
22 AND PERMITS AND APPROVAL OF AGREEMENTS, LICENSE RENEWALS, CHANGE
23 IN OWNERSHIP OR CONTROL OF SLOT MACHINE LICENSEE, NONPORTABILITY
24 OF SLOT MACHINE LICENSE, APPOINTMENT OF TRUSTEE, TABLE GAMES,
25 SLOT MACHINE LICENSEE DEPOSITS, GROSS TERMINAL REVENUE
26 DEDUCTIONS, ITEMIZED BUDGET REPORTING, ESTABLISHMENT OF STATE
27 GAMING FUND AND NET SLOT MACHINE REVENUE DISTRIBUTION,
28 DISTRIBUTIONS FROM PENNSYLVANIA RACE HORSE DEVELOPMENT FUND,
29 PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND,
30 TRANSFERS FROM STATE GAMING FUND, RESPONSIBILITY AND AUTHORITY

1 OF DEPARTMENT OF REVENUE, WAGERING ON CREDIT, EMINENT DOMAIN
2 AUTHORITY, COMPULSIVE AND PROBLEM GAMBLING PROGRAM, DRUG AND
3 ALCOHOL TREATMENT, LABOR HIRING PREFERENCES, DECLARATION OF
4 EXEMPTION FROM FEDERAL LAWS PROHIBITING SLOT MACHINES, FINANCIAL
5 AND EMPLOYMENT INTERESTS, ADDITIONAL RESTRICTIONS, POLITICAL
6 INFLUENCE, REGULATION REQUIRING EXCLUSION OF CERTAIN PERSONS,
7 PROSECUTORIAL AND ADJUDICATIVE FUNCTIONS, INVESTIGATIONS AND
8 ENFORCEMENT, CONDUCT OF PUBLIC OFFICIALS AND EMPLOYEES,
9 PROHIBITED ACTS AND PENALTIES, REPORT OF SUSPICIOUS
10 TRANSACTIONS, ADDITIONAL AUTHORITY, APPLICABILITY OF CLEAN
11 INDOOR AIR ACT, LIQUOR LICENSES AT LICENSED FACILITIES,
12 INTERCEPTION OF ORAL COMMUNICATIONS, ELECTRONIC FUNDS TRANSFER
13 TERMINALS, JUNKETS, GAMING SCHOOLS, APPROPRIATIONS AND
14 COMMONWEALTH FINANCING AUTHORITY; AND MAKING RELATED REPEALS,"
15 SHALL TAKE EFFECT ON JANUARY 1, 2016, IF ALL CATEGORY 3 LICENSED
16 FACILITIES AUTHORIZED BY 4 PA.C.S. PT. II BEFORE THE EFFECTIVE
17 DATE OF THIS SECTION HAVE COMMENCED THE OPERATION OF SLOT
18 MACHINES.

19 SECTION 18. REPEALS ARE AS FOLLOWS:

20 (1) THE GENERAL ASSEMBLY FINDS THAT THE REPEAL UNDER
21 PARAGRAPH (2) IS NECESSARY TO EFFECTUATE THIS ACT.

22 (2) SECTION 21(2) OF THE ACT OF JANUARY 7, 2010 (P.L.1,
23 NO.1), ENTITLED "AN ACT AMENDING TITLE 4 (AMUSEMENTS) OF THE
24 PENNSYLVANIA CONSOLIDATED STATUTES, MAKING EXTENSIVE
25 REVISIONS TO PROVISIONS ON GAMING, IN THE AREAS OF
26 LEGISLATIVE INTENT, DEFINITIONS, THE PENNSYLVANIA GAMING
27 CONTROL BOARD, APPLICABILITY OF OTHER STATUTES, POWERS OF THE
28 BOARD, CODE OF CONDUCT, EXPENSES OF REGULATORY AGENCIES,
29 LICENSED GAMING ENTITY APPLICATION APPEALS FROM BOARD,
30 LICENSE OR PERMIT APPLICATION HEARING PROCESS AND PUBLIC

1 HEARINGS, BOARD MINUTES AND RECORDS, REGULATORY AUTHORITY,
2 COLLECTION OF FEES AND FINES, SLOT MACHINE LICENSE FEE,
3 NUMBER OF SLOT MACHINES, REPORTS OF BOARD, DIVERSITY GOALS OF
4 BOARD, LICENSE OR PERMIT PROHIBITION, SPECIFIC AUTHORITY TO
5 SUSPEND SLOT MACHINE LICENSE, CATEGORY 2 SLOT MACHINE
6 LICENSE, CATEGORY 3 SLOT MACHINE LICENSE, NUMBER OF SLOT
7 MACHINE LICENSES, APPLICATIONS FOR LICENSE OR PERMIT, SLOT
8 MACHINE LICENSE APPLICATION, SLOT MACHINE LICENSE APPLICATION
9 CHARACTER REQUIREMENTS, SUPPLIER LICENSES, MANUFACTURER
10 LICENSES, GAMING SERVICE PROVIDER, OCCUPATION PERMIT
11 APPLICATION, ALTERNATIVE MANUFACTURER LICENSING STANDARDS,
12 ALTERNATIVE SUPPLIER LICENSING STANDARDS, ADDITIONAL LICENSES
13 AND PERMITS AND APPROVAL OF AGREEMENTS, LICENSE RENEWALS,
14 CHANGE IN OWNERSHIP OR CONTROL OF SLOT MACHINE LICENSEE,
15 NONPORTABILITY OF SLOT MACHINE LICENSE, APPOINTMENT OF
16 TRUSTEE, TABLE GAMES, SLOT MACHINE LICENSEE DEPOSITS, GROSS
17 TERMINAL REVENUE DEDUCTIONS, ITEMIZED BUDGET REPORTING,
18 ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE
19 REVENUE DISTRIBUTION, DISTRIBUTIONS FROM PENNSYLVANIA RACE
20 HORSE DEVELOPMENT FUND, PENNSYLVANIA GAMING ECONOMIC
21 DEVELOPMENT AND TOURISM FUND, TRANSFERS FROM STATE GAMING
22 FUND, RESPONSIBILITY AND AUTHORITY OF DEPARTMENT OF REVENUE,
23 WAGERING ON CREDIT, EMINENT DOMAIN AUTHORITY, COMPULSIVE AND
24 PROBLEM GAMBLING PROGRAM, DRUG AND ALCOHOL TREATMENT, LABOR
25 HIRING PREFERENCES, DECLARATION OF EXEMPTION FROM FEDERAL
26 LAWS PROHIBITING SLOT MACHINES, FINANCIAL AND EMPLOYMENT
27 INTERESTS, ADDITIONAL RESTRICTIONS, POLITICAL INFLUENCE,
28 REGULATION REQUIRING EXCLUSION OF CERTAIN PERSONS,
29 PROSECUTORIAL AND ADJUDICATIVE FUNCTIONS, INVESTIGATIONS AND
30 ENFORCEMENT, CONDUCT OF PUBLIC OFFICIALS AND EMPLOYEES,

1 PROHIBITED ACTS AND PENALTIES, REPORT OF SUSPICIOUS
2 TRANSACTIONS, ADDITIONAL AUTHORITY, APPLICABILITY OF CLEAN
3 INDOOR AIR ACT, LIQUOR LICENSES AT LICENSED FACILITIES,
4 INTERCEPTION OF ORAL COMMUNICATIONS, ELECTRONIC FUNDS
5 TRANSFER TERMINALS, JUNKETS, GAMING SCHOOLS, APPROPRIATIONS
6 AND COMMONWEALTH FINANCING AUTHORITY; AND MAKING RELATED
7 REPEALS," IS REPEALED.
8 SECTION 19. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.