
 THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2330 Session of 2004

INTRODUCED BY DiGIROLAMO, J. EVANS, FRANKEL, GRUCELA, HARHAI,
HORSEY, MELIO, O'NEILL, TIGUE, WHEATLEY AND WRIGHT,
FEBRUARY 3, 2004

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, JULY 1, 2004

AN ACT

1 ~~Providing for the duties of the Pennsylvania State Police~~ <—
 2 ~~regarding criminal history background reports for persons~~
 3 ~~participating in harness or horse racing.~~
 4 AMENDING TITLE 4 (AMUSEMENTS) OF THE PENNSYLVANIA CONSOLIDATED <—
 5 STATUTES, AUTHORIZING CERTAIN RACETRACK AND OTHER GAMING;
 6 PROVIDING FOR REGULATION OF GAMING LICENSEES; ESTABLISHING
 7 AND PROVIDING FOR THE POWERS AND DUTIES OF THE PENNSYLVANIA
 8 GAMING CONTROL BOARD; CONFERRING POWERS AND IMPOSING DUTIES
 9 ON THE DEPARTMENT OF REVENUE, THE DEPARTMENT OF HEALTH, THE
 10 OFFICE OF ATTORNEY GENERAL, THE PENNSYLVANIA STATE POLICE AND
 11 THE PENNSYLVANIA LIQUOR CONTROL BOARD; ESTABLISHING THE STATE
 12 GAMING FUND, THE PENNSYLVANIA RACE HORSE DEVELOPMENT FUND,
 13 THE PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM
 14 FUND, THE COMPULSIVE PROBLEM GAMBLING TREATMENT FUND AND THE
 15 PROPERTY TAX RELIEF FUND; PROVIDING FOR ENFORCEMENT; IMPOSING
 16 PENALTIES; MAKING APPROPRIATIONS; AND MAKING RELATED REPEALS.

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

19 ~~Section 1. Criminal history background reports.~~ <—
 20 ~~(a) Duty to provide. The Pennsylvania State Police shall,~~
 21 ~~at the request of the State Harness Racing Commission or the~~
 22 ~~State Horse Racing Commission, provide criminal history~~
 23 ~~background reports, which shall include records of criminal~~
 24 ~~arrests or convictions, on applicants for licensure by the~~

1 ~~respective commission pursuant to section 213 of the act of~~
2 ~~December 17, 1981 (P.L.435, No.135), known as the Race Horse~~
3 ~~Industry Reform Act, including, but not limited to, officers,~~
4 ~~directors and stockholders of licensed corporations, horse~~
5 ~~owners, trainers, jockeys, drivers and other persons~~
6 ~~participating in thoroughbred or harness horse meetings and~~
7 ~~other persons and vendors who exercise their occupation or~~
8 ~~employment at such meetings.~~

9 ~~(b) Submittal of fingerprints. Applicants to the State~~
10 ~~Harness Racing Commission and the State Horse Racing Commission~~
11 ~~shall submit a full set of their fingerprints which shall be~~
12 ~~forwarded by the respective commission to the Pennsylvania State~~
13 ~~Police for the purpose of verifying the identity of the~~
14 ~~applicants and facilitating the preparation of criminal history~~
15 ~~background reports under subsection (a).~~

16 ~~(c) Exemption. The State Harness Racing Commission and the~~
17 ~~State Horse Racing Commission may exempt applicants for~~
18 ~~positions not related to the care or training of horses, racing,~~
19 ~~wagering, security or the management of licensed corporations~~
20 ~~from the provisions of this act.~~

21 ~~Section 2. Effective date.~~

22 ~~This act shall take effect in 60 days.~~

23 SECTION 1. TITLE 4 OF THE PENNSYLVANIA CONSOLIDATED STATUTES <—
24 IS AMENDED BY ADDING A PART TO READ:

25 PART II

26 GAMING

27 CHAPTER

28 11. GENERAL PROVISIONS

29 12. PENNSYLVANIA GAMING CONTROL BOARD

30 13. LICENSEES

- 1 14. REVENUES
- 2 15. ADMINISTRATION AND ENFORCEMENT
- 3 18. FINGERPRINTING
- 4 19. MISCELLANEOUS PROVISIONS

5 CHAPTER 11

6 GENERAL PROVISIONS

7 SEC.

- 8 1101. SHORT TITLE.
- 9 1102. LEGISLATIVE INTENT.
- 10 1103. DEFINITIONS.

11 CHAPTER 11

12 GENERAL PROVISIONS

13 § 1101. SHORT TITLE.

14 THIS PART SHALL BE KNOWN AND MAY BE CITED AS THE PENNSYLVANIA
15 RACE HORSE DEVELOPMENT AND GAMING ACT.

16 § 1102. LEGISLATIVE INTENT.

17 THE GENERAL ASSEMBLY RECOGNIZES THE FOLLOWING PUBLIC POLICY
18 PURPOSES AND DECLARES THAT THE FOLLOWING OBJECTIVES OF THE
19 COMMONWEALTH ARE TO BE SERVED BY THIS PART:

20 (1) THE PRIMARY OBJECTIVE OF THIS PART TO WHICH ALL
21 OTHER OBJECTIVES AND PURPOSES ARE SECONDARY IS TO PROTECT THE
22 PUBLIC THROUGH THE REGULATION AND POLICING OF ALL ACTIVITIES
23 INVOLVING GAMING AND PRACTICES THAT CONTINUE TO BE UNLAWFUL.

24 (2) THE AUTHORIZATION OF LIMITED GAMING BY THE
25 INSTALLATION AND OPERATION OF SLOT MACHINES AS AUTHORIZED IN
26 THIS PART IS INTENDED TO ENHANCE LIVE HORSE RACING, BREEDING
27 PROGRAMS, ENTERTAINMENT AND EMPLOYMENT IN THIS COMMONWEALTH.

28 (3) THE AUTHORIZATION OF LIMITED GAMING IS INTENDED TO
29 PROVIDE A SIGNIFICANT SOURCE OF NEW REVENUE TO THE
30 COMMONWEALTH TO SUPPORT PROPERTY TAX RELIEF, WAGE TAX

1 REDUCTION, ECONOMIC DEVELOPMENT OPPORTUNITIES AND OTHER
2 SIMILAR INITIATIVES.

3 (4) THE AUTHORIZATION OF LIMITED GAMING IS INTENDED TO
4 POSITIVELY ASSIST THE COMMONWEALTH'S HORSE RACING INDUSTRY,
5 SUPPORT PROGRAMS INTENDED TO FOSTER AND PROMOTE HORSE
6 BREEDING AND IMPROVE THE LIVING AND WORKING CONDITIONS OF
7 PERSONNEL WHO WORK AND RESIDE IN AND AROUND THE STABLE AND
8 BACKSIDE AREAS OF RACETRACKS.

9 (5) THE AUTHORIZATION OF LIMITED GAMING IS INTENDED TO
10 PROVIDE BROAD ECONOMIC OPPORTUNITIES TO THE CITIZENS OF THIS
11 COMMONWEALTH AND SHALL BE IMPLEMENTED IN SUCH A MANNER AS TO
12 PREVENT POSSIBLE MONOPOLIZATION BY ESTABLISHING REASONABLE
13 RESTRICTIONS ON THE CONTROL OF MULTIPLE LICENSED GAMING
14 FACILITIES IN THIS COMMONWEALTH.

15 (6) THE AUTHORIZATION OF LIMITED GAMING IS INTENDED TO
16 ENHANCE THE FURTHER DEVELOPMENT OF THE TOURISM MARKET
17 THROUGHOUT THIS COMMONWEALTH, INCLUDING, BUT NOT LIMITED TO,
18 YEAR-ROUND RECREATIONAL AND TOURISM LOCATIONS IN THIS
19 COMMONWEALTH.

20 (7) PARTICIPATION IN LIMITED GAMING AUTHORIZED UNDER
21 THIS PART BY ANY LICENSEE OR PERMITTEE SHALL BE DEEMED A
22 PRIVILEGE, CONDITIONED UPON THE PROPER AND CONTINUED
23 QUALIFICATION OF THE LICENSEE OR PERMITTEE AND UPON THE
24 DISCHARGE OF THE AFFIRMATIVE RESPONSIBILITY OF EACH LICENSEE
25 TO PROVIDE THE REGULATORY AND INVESTIGATORY AUTHORITIES OF
26 THE COMMONWEALTH WITH ASSISTANCE AND INFORMATION NECESSARY TO
27 ASSURE THAT THE POLICIES DECLARED BY THIS PART ARE ACHIEVED.

28 (8) STRICTLY MONITORED AND ENFORCED CONTROL OVER ALL
29 LIMITED GAMING AUTHORIZED BY THIS PART SHALL BE PROVIDED
30 THROUGH REGULATION, LICENSING AND APPROPRIATE ENFORCEMENT

1 ACTIONS OF SPECIFIED LOCATIONS, PERSONS, ASSOCIATIONS,
2 PRACTICES, ACTIVITIES, LICENSEES AND PERMITTEES.

3 (9) STRICT FINANCIAL MONITORING AND CONTROLS SHALL BE
4 ESTABLISHED AND ENFORCED BY ALL LICENSEES OR PERMITTEES.

5 (10) THE PUBLIC INTEREST OF THE CITIZENS OF THIS
6 COMMONWEALTH AND THE SOCIAL EFFECT OF GAMING SHALL BE TAKEN
7 INTO CONSIDERATION IN ANY DECISION OR ORDER MADE PURSUANT TO
8 THIS PART.

9 (11) IT IS NECESSARY TO MAINTAIN THE INTEGRITY OF THE
10 REGULATORY CONTROL AND LEGISLATIVE OVERSIGHT OVER THE
11 OPERATION OF SLOT MACHINES IN THIS COMMONWEALTH; TO PREVENT
12 THE ACTUAL OR APPEARANCE OF CORRUPTION THAT MAY RESULT FROM
13 LARGE CAMPAIGN CONTRIBUTIONS; ENSURE THE BIPARTISAN
14 ADMINISTRATION OF THIS PART; AND AVOID ACTIONS THAT MAY ERODE
15 PUBLIC CONFIDENCE IN THE SYSTEM OF REPRESENTATIVE GOVERNMENT.

16 § 1103. DEFINITIONS.

17 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS PART SHALL
18 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
19 CONTEXT CLEARLY INDICATES OTHERWISE:

20 "AFFILIATE" OR "AFFILIATED COMPANY." A PERSON THAT DIRECTLY
21 OR INDIRECTLY, THROUGH ONE OR MORE INTERMEDIARIES, CONTROLS, IS
22 CONTROLLED BY OR IS UNDER COMMON CONTROL WITH A SPECIFIED
23 PERSON.

24 "APPLICANT." ANY PERSON, OFFICER, DIRECTOR OR KEY EMPLOYEE,
25 WHO ON HIS OWN BEHALF OR ON BEHALF OF ANOTHER, IS APPLYING FOR
26 PERMISSION TO ENGAGE IN ANY ACT OR ACTIVITY WHICH IS REGULATED
27 UNDER THE PROVISIONS OF THIS PART. IN CASES IN WHICH THE
28 APPLICANT IS A CORPORATION, FOUNDATION, ORGANIZATION, BUSINESS
29 TRUST, ESTATE, LIMITED LIABILITY COMPANY, TRUST, PARTNERSHIP,
30 LIMITED PARTNERSHIP, ASSOCIATION OR ANY OTHER FORM OF LEGAL

1 BUSINESS ENTITY, THE PENNSYLVANIA GAMING CONTROL BOARD SHALL
2 DETERMINE THE ASSOCIATED PERSONS WHOSE QUALIFICATIONS ARE
3 NECESSARY AS A PRECONDITION TO THE LICENSING OF THE APPLICANT.

4 "APPROVED," "APPROVAL" OR "APPROVE." WHEN USED IN REFERENCE
5 TO AN APPLICATION SUBMITTED TO THE STATE HORSE RACING COMMISSION
6 OR THE STATE HARNESS RACING COMMISSION TO CONDUCT HARNESS OR
7 THOROUGHBRED RACE MEETINGS, OR THE PENNSYLVANIA GAMING CONTROL
8 BOARD TO AUTHORIZE AND REGULATE THE PLACEMENT AND OPERATION OF
9 SLOT MACHINES, THE TERMS REFER TO THE DATE THAT AN APPLICATION
10 TO THE STATE HORSE RACING COMMISSION, STATE HARNESS RACING
11 COMMISSION OR THE BOARD IS GRANTED REGARDLESS OF THE PENDENCY OF
12 ANY ADMINISTRATIVE OR JUDICIAL APPEALS OR OTHER LEGAL ACTION
13 CHALLENGING THE DECISION OF EITHER COMMISSION OR THE BOARD.

14 "ASSOCIATED EQUIPMENT." ANY EQUIPMENT OR MECHANICAL,
15 ELECTROMECHANICAL OR ELECTRONIC CONTRIVANCE, COMPONENT OR
16 MACHINE USED IN CONNECTION WITH GAMING, INCLUDING LINKING
17 DEVICES WHICH CONNECT TO PROGRESSIVE SLOT MACHINES OR SLOT
18 MACHINES, REPLACEMENT PARTS, EQUIPMENT WHICH AFFECTS THE PROPER
19 REPORTING OF GROSS REVENUE, COMPUTERIZED SYSTEMS FOR CONTROLLING
20 AND MONITORING SLOT MACHINES, INCLUDING, BUT NOT LIMITED TO, THE
21 CENTRAL CONTROL COMPUTER AND DEVICES FOR WEIGHING OR COUNTING
22 MONEY.

23 "AUTHORITY." AN AUTHORITY CREATED BY THE COMMONWEALTH WHICH
24 PURCHASES STATE GAMING RECEIPTS UNDER SECTION 1202 (RELATING TO
25 GENERAL AND SPECIFIC POWERS).

26 "BACKGROUND INVESTIGATION." A SECURITY, CRIMINAL, CREDIT AND
27 SUITABILITY INVESTIGATION OF A PERSON AS PROVIDED FOR IN THIS
28 PART. THE INVESTIGATION SHALL INCLUDE THE STATUS OF TAXES OWED
29 TO THE UNITED STATES AND TO THE COMMONWEALTH AND ITS POLITICAL
30 SUBDIVISIONS.

1 "BACKSIDE AREA." THOSE AREAS OF THE RACETRACK FACILITY THAT
2 ARE NOT GENERALLY ACCESSIBLE TO THE PUBLIC AND WHICH INCLUDE,
3 BUT ARE NOT LIMITED TO, THOSE FACILITIES COMMONLY REFERRED TO AS
4 BARNs, TRACK KITCHENS, RECREATION HALLS, BACKSIDE EMPLOYEE
5 QUARTERS AND TRAINING TRACKS, AND ROADWAYS PROVIDING ACCESS
6 THERETO. THE TERM DOES NOT INCLUDE THOSE AREAS OF THE RACETRACK
7 FACILITY WHICH ARE GENERALLY ACCESSIBLE TO THE PUBLIC, INCLUDING
8 THE VARIOUS BUILDINGS COMMONLY REFERRED TO AS THE GRANDSTAND OR
9 THE RACING SURFACES, PADDOCK ENCLOSURES AND WALKING RINGS.

10 "BOARD." THE PENNSYLVANIA GAMING CONTROL BOARD ESTABLISHED
11 UNDER SECTION 1201 (RELATING TO PENNSYLVANIA GAMING CONTROL
12 BOARD ESTABLISHED).

13 "BONDS." BONDS, NOTES, INSTRUMENTS, REFUNDING NOTES AND
14 BONDS AND OTHER EVIDENCES OF INDEBTEDNESS OR OBLIGATIONS, WHICH
15 AN AUTHORITY ISSUES TO FUND THE PURCHASE OF STATE GAMING
16 RECEIPTS.

17 "BUREAU." THE BUREAU OF INVESTIGATIONS AND ENFORCEMENT OF
18 THE PENNSYLVANIA GAMING CONTROL BOARD.

19 "CENTRAL CONTROL COMPUTER." A CENTRAL SITE COMPUTER
20 CONTROLLED BY THE DEPARTMENT OF REVENUE AND ACCESSIBLE BY THE
21 PENNSYLVANIA GAMING CONTROL BOARD TO WHICH ALL SLOT MACHINES
22 COMMUNICATE FOR THE PURPOSE OF AUDITING CAPACITY, REAL-TIME
23 INFORMATION RETRIEVAL OF THE DETAILS OF ANY FINANCIAL EVENT THAT
24 OCCURS IN THE OPERATION OF A SLOT MACHINE, INCLUDING, BUT NOT
25 LIMITED TO, COIN IN, COIN OUT, TICKET IN, TICKET OUT, JACKPOTS,
26 MACHINE DOOR OPENINGS AND POWER FAILURE, AND REMOTE MACHINE
27 ACTIVATION AND DISABLING OF SLOT MACHINES.

28 "CHEAT." TO ALTER WITHOUT AUTHORIZATION THE ELEMENTS OF
29 CHANCE, METHOD OF SELECTION OR CRITERIA WHICH DETERMINE:

30 (1) THE RESULT OF A SLOT MACHINE GAME.

1 (2) THE AMOUNT OR FREQUENCY OF PAYMENT IN A SLOT MACHINE
2 GAME.

3 (3) THE VALUE OF A WAGERING INSTRUMENT.

4 (4) THE VALUE OF A WAGERING CREDIT.

5 THE TERM DOES NOT INCLUDE ALTERING FOR REQUIRED MAINTENANCE AND
6 REPAIR.

7 "COMMISSION" OR "COMMISSIONS." THE STATE HORSE RACING
8 COMMISSION OR THE STATE HARNESS RACING COMMISSION, OR BOTH AS
9 THE CONTEXT MAY REQUIRE.

10 "CONTROLLING INTEREST." A PERSON SHALL BE DEEMED TO HAVE THE
11 ABILITY TO CONTROL A PUBLICLY TRADED CORPORATION, OR TO ELECT
12 ONE OR MORE OF THE MEMBERS OF ITS BOARD OF DIRECTORS, IF SUCH
13 HOLDER OWNS OR BENEFICIALLY HOLDS 5% OR MORE OF THE SECURITIES
14 OF SUCH PUBLICLY TRADED DOMESTIC OR FOREIGN CORPORATION,
15 PARTNERSHIP, LIMITED LIABILITY COMPANY OR ANY OTHER FORM OF
16 LEGAL ENTITY, UNLESS SUCH PRESUMPTION OF CONTROL OR ABILITY TO
17 ELECT IS REBUTTED BY CLEAR AND CONVINCING EVIDENCE. A PERSON WHO
18 IS A HOLDER OF SECURITIES OF A PRIVATELY HELD DOMESTIC OR
19 FOREIGN CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR
20 ANY OTHER FORM OF LEGAL ENTITY SHALL BE DEEMED TO POSSESS A
21 CONTROLLING INTEREST UNLESS SUCH PRESUMPTION OF CONTROL IS
22 REBUTTED BY CLEAR AND CONVINCING EVIDENCE.

23 "CONVICTION." A FINDING OF GUILT OR A PLEA OF GUILTY OR NOLO
24 CONTENDERE, WHETHER OR NOT A JUDGMENT OF SENTENCE HAS BEEN
25 IMPOSED AS DETERMINED BY THE LAW OF THE JURISDICTION IN WHICH
26 THE PROSECUTION WAS HELD. THE TERM DOES NOT INCLUDE A CONVICTION
27 THAT HAS BEEN EXPUNGED, OVERTURNED OR FOR WHICH AN INDIVIDUAL
28 HAS BEEN PARDONED OR AN ORDER OF ACCELERATED REHABILITATIVE
29 DISPOSITION.

30 "DEPARTMENT." THE DEPARTMENT OF REVENUE OF THE COMMONWEALTH.

1 "FINANCIAL BACKER." AN INVESTOR, MORTGAGEE, BOND HOLDER,
2 NOTE HOLDER, OR OTHER SOURCES OF EQUITY OR CAPITAL PROVIDED TO
3 AN APPLICANT OR LICENSED ENTITY.

4 "FUND." THE STATE GAMING FUND ESTABLISHED UNDER SECTION 1403
5 (RELATING TO ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT
6 MACHINE REVENUE DISTRIBUTION).

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

9 (1) CASHIERS.

10 (2) CHANGE PERSONNEL.

11 (3) COUNTING ROOM PERSONNEL.

12 (4) SLOT ATTENDANTS.

13 (5) HOSTS OR OTHER PERSONS AUTHORIZED TO EXTEND

14 COMPLIMENTARY SERVICES.

15 (6) MACHINE MECHANICS OR COMPUTER MACHINE TECHNICIANS.

16 (7) SECURITY PERSONNEL.

17 (8) SURVEILLANCE PERSONNEL.

18 (9) SUPERVISORS AND MANAGERS.

19 THE TERM INCLUDES EMPLOYEES OF A PERSON HOLDING A SUPPLIER'S
20 LICENSE WHOSE DUTIES ARE DIRECTLY INVOLVED WITH THE REPAIR OR
21 DISTRIBUTION OF SLOT MACHINES AND ASSOCIATED EQUIPMENT SOLD OR
22 PROVIDED TO THE LICENSED FACILITY WITHIN THIS COMMONWEALTH AS
23 DETERMINED BY THE PENNSYLVANIA GAMING CONTROL BOARD. THE TERM
24 DOES NOT INCLUDE BARTENDERS, COCKTAIL SERVERS OR OTHER PERSONS
25 ENGAGED SOLELY IN PREPARING OR SERVING FOOD OR BEVERAGES,
26 CLERICAL OR SECRETARIAL PERSONNEL, PARKING ATTENDANTS,
27 JANITORIAL, STAGE, SOUND AND LIGHT TECHNICIANS AND OTHER
28 NONGAMING PERSONNEL AS DETERMINED BY THE BOARD.

29 "GROSS TERMINAL REVENUE." THE TOTAL OF WAGERS RECEIVED BY A
30 SLOT MACHINE MINUS THE TOTAL OF:

1 (1) CASH OR CASH EQUIVALENTS PAID OUT TO PATRONS AS A
2 RESULT OF PLAYING A SLOT MACHINE WHICH ARE PAID TO PATRONS
3 EITHER MANUALLY OR PAID OUT BY THE SLOT MACHINE.

4 (2) CASH PAID TO PURCHASE ANNUITIES TO FUND PRIZES
5 PAYABLE TO PATRONS OVER A PERIOD OF TIME AS A RESULT OF
6 PLAYING A SLOT MACHINE.

7 (3) ANY PERSONAL PROPERTY DISTRIBUTED TO A PATRON AS THE
8 RESULT OF PLAYING A SLOT MACHINE. THIS DOES NOT INCLUDE
9 TRAVEL EXPENSES, FOOD, REFRESHMENTS, LODGING OR SERVICES.
10 THE TERM DOES NOT INCLUDE COUNTERFEIT MONEY OR TOKENS, COINS OR
11 CURRENCY OF OTHER COUNTRIES WHICH ARE RECEIVED IN SLOT MACHINES,
12 EXCEPT TO THE EXTENT THAT THEY ARE READILY CONVERTIBLE TO UNITED
13 STATES CURRENCY, CASH TAKEN IN FRAUDULENT ACTS PERPETRATED
14 AGAINST A SLOT MACHINE LICENSEE FOR WHICH THE LICENSEE IS NOT
15 REIMBURSED OR CASH RECEIVED AS ENTRY FEES FOR CONTESTS OR
16 TOURNAMENTS IN WHICH THE PATRONS COMPETE FOR PRIZES.

17 "HORSEMEN OF THIS COMMONWEALTH." A THOROUGHBRED OR
18 STANDARD BRED HORSE OWNER OR TRAINER WHO ENTERS AND RUNS HIS OR
19 HER HORSE AT A LICENSED RACING ENTITY IN THE CURRENT OR PRIOR
20 CALENDAR YEAR AND MEETS THE REQUIREMENTS OF THE HORSEMEN'S
21 ORGANIZATION OF WHICH HE OR SHE IS A MEMBER TO PARTICIPATE IN
22 THE RECEIPT OF BENEFITS THEREFROM; OR AN EMPLOYEE OF A TRAINER
23 WHO MEETS THE REQUIREMENTS OF THE HORSEMEN'S ORGANIZATION OF
24 WHICH HE OR SHE IS A MEMBER TO PARTICIPATE IN THE RECEIPT OF
25 BENEFITS THEREFROM.

26 "HORSEMEN'S ORGANIZATION." A TRADE ASSOCIATION WHICH
27 REPRESENTS THE MAJORITY OF OWNERS AND TRAINERS WHO OWN AND RACE
28 HORSES AT A LICENSED RACETRACK.

29 "INSTITUTIONAL INVESTOR." ANY RETIREMENT FUND ADMINISTERED
30 BY A PUBLIC AGENCY FOR THE EXCLUSIVE BENEFIT OF FEDERAL, STATE,

1 OR LOCAL PUBLIC EMPLOYEES; INVESTMENT COMPANY REGISTERED UNDER
2 THE INVESTMENT COMPANY ACT OF 1940 (54 STAT. 789, 15 U.S.C. §
3 80A-1 ET SEQ.); COLLECTIVE INVESTMENT TRUST ORGANIZED BY BANKS
4 UNDER PART NINE OF THE RULES OF THE COMPTROLLER OF THE CURRENCY;
5 CLOSED END INVESTMENT TRUST; CHARTERED OR LICENSED LIFE
6 INSURANCE COMPANY OR PROPERTY AND CASUALTY INSURANCE COMPANY;
7 BANKING AND OTHER CHARTERED OR LICENSED LENDING INSTITUTION;
8 INVESTMENT ADVISOR REGISTERED UNDER THE INVESTMENT ADVISORS ACT
9 OF 1940 (54 STAT. 847, 15 U.S.C. § 80B-1 ET SEQ.); AND SUCH
10 OTHER PERSONS AS THE PENNSYLVANIA GAMING CONTROL BOARD MAY
11 DETERMINE CONSISTENT WITH THIS PART.

12 "ISSUED," "ISSUANCE" OR "ISSUE." WHEN USED IN REFERENCE TO
13 AN APPLICATION SUBMITTED TO THE STATE HORSE RACING COMMISSION OR
14 THE STATE HARNESS RACING COMMISSION TO CONDUCT HARNESS OR
15 THOROUGHBRED RACE MEETINGS, OR THE PENNSYLVANIA GAMING CONTROL
16 BOARD TO AUTHORIZE THE PLACEMENT AND OPERATION OF SLOT MACHINES,
17 THE TERMS REFER TO THE DATE WHEN A DETERMINATION BY THE
18 COMMISSIONS OR THE BOARD APPROVING AN APPLICATION BROUGHT BEFORE
19 THE AGENCIES BECOMES FINAL, BINDING AND NONAPPEALABLE AND IS NOT
20 SUBJECT TO A PENDING LEGAL CHALLENGE.

21 "KEY EMPLOYEE." ANY INDIVIDUAL WHO IS EMPLOYED IN A DIRECTOR
22 OR DEPARTMENT HEAD CAPACITY AND WHO IS EMPOWERED TO MAKE
23 DISCRETIONARY DECISIONS THAT REGULATE SLOT MACHINE OPERATIONS,
24 INCLUDING THE GENERAL MANAGER AND ASSISTANT MANAGER OF THE
25 LICENSED FACILITY, DIRECTOR OF SLOT OPERATIONS, DIRECTOR OF CAGE
26 AND/OR CREDIT OPERATIONS, DIRECTOR OF SURVEILLANCE, DIRECTOR OF
27 MARKETING, DIRECTOR OF MANAGEMENT INFORMATION SYSTEMS, DIRECTOR
28 OF SECURITY, COMPTROLLER AND ANY EMPLOYEE WHO SUPERVISES THE
29 OPERATIONS OF THESE DEPARTMENTS OR TO WHOM THESE DEPARTMENT
30 DIRECTORS OR DEPARTMENT HEADS REPORT, AND SUCH OTHER POSITIONS

1 WHICH THE PENNSYLVANIA GAMING CONTROL BOARD SHALL DETERMINE,
2 BASED ON DETAILED ANALYSES OF JOB DESCRIPTIONS AS PROVIDED IN
3 THE INTERNAL CONTROLS OF THE LICENSEE AS APPROVED BY THE BOARD.
4 ALL OTHER GAMING EMPLOYEES, UNLESS OTHERWISE DESIGNATED BY THE
5 BOARD, SHALL BE CLASSIFIED AS NONKEY EMPLOYEES.

6 "LICENSED ENTITY." ANY SLOT MACHINE LICENSEE, MANUFACTURER
7 LICENSEE, SUPPLIER LICENSEE OR OTHER PERSON LICENSED BY THE
8 PENNSYLVANIA GAMING CONTROL BOARD UNDER THIS PART.

9 "LICENSED FACILITY." THE PHYSICAL LAND BASED LOCATION AND
10 ASSOCIATED AREAS AT WHICH A LICENSED GAMING ENTITY IS AUTHORIZED
11 TO PLACE AND OPERATE SLOT MACHINES.

12 "LICENSED GAMING ENTITY" OR "SLOT MACHINE LICENSEE." A
13 PERSON THAT HOLDS A SLOT MACHINE LICENSE PURSUANT TO THIS PART.

14 "LICENSED RACETRACK" OR "RACETRACK." THE PHYSICAL FACILITY
15 AND GROUNDS WHERE A PERSON HAS OBTAINED A LICENSE FROM EITHER
16 THE STATE HORSE RACING COMMISSION OR THE STATE HARNESS RACING
17 COMMISSION TO CONDUCT LIVE THOROUGHBRED OR HARNESS RACE MEETINGS
18 RESPECTIVELY WITH PARI-MUTUEL WAGERING. THE TERM "RACETRACK" OR
19 "ITS RACETRACK" SHALL MEAN THE PHYSICAL LAND BASED LOCATION AT
20 WHICH LIVE HORSE RACING IS CONDUCTED EVEN IF NOT OWNED BY THE
21 PERSON.

22 "LICENSED RACING ENTITY." ANY LEGAL ENTITY THAT HAS OBTAINED
23 A LICENSE TO CONDUCT LIVE THOROUGHBRED OR HARNESS HORSE RACE
24 MEETINGS RESPECTIVELY WITH PARI-MUTUEL WAGERING FROM EITHER THE
25 STATE HORSE RACING COMMISSION OR THE STATE HARNESS RACING
26 COMMISSION PURSUANT TO THE ACT OF DECEMBER 17, 1981 (P.L.435,
27 NO.135), KNOWN AS THE RACE HORSE INDUSTRY REFORM ACT.

28 "MANUFACTURER." A PERSON WHO MANUFACTURES, BUILDS, REBUILDS,
29 FABRICATES, ASSEMBLES, PRODUCES, PROGRAMS, DESIGNS OR OTHERWISE
30 MAKES MODIFICATIONS TO ANY SLOT MACHINE OR ASSOCIATED EQUIPMENT

1 FOR USE OR PLAY OF SLOT MACHINES IN THIS COMMONWEALTH FOR GAMING
2 PURPOSES.

3 "MANUFACTURER LICENSE." A LICENSE ISSUED BY THE PENNSYLVANIA
4 GAMING CONTROL BOARD AUTHORIZING A MANUFACTURER TO MANUFACTURE
5 OR PRODUCE SLOT MACHINES OR ASSOCIATED EQUIPMENT FOR USE IN THIS
6 COMMONWEALTH FOR GAMING PURPOSES.

7 "MANUFACTURER LICENSEE." A MANUFACTURER THAT OBTAINS A
8 MANUFACTURER LICENSE.

9 "MUNICIPALITY." A CITY, BOROUGH, INCORPORATED TOWN OR
10 TOWNSHIP.

11 "NET TERMINAL REVENUE." THE NET AMOUNT OF THE GROSS TERMINAL
12 REVENUE LESS THE TAX AND ASSESSMENTS IMPOSED BY SECTIONS 1402
13 (RELATING TO GROSS TERMINAL REVENUE DEDUCTIONS), 1403 (RELATING
14 TO ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE
15 REVENUE DISTRIBUTION), 1405 (RELATING TO PENNSYLVANIA RACE HORSE
16 DEVELOPMENT FUND) AND 1407 (RELATING TO PENNSYLVANIA GAMING
17 ECONOMIC DEVELOPMENT AND TOURISM FUND).

18 "NONPRIMARY LOCATION." ANY FACILITY IN WHICH PARI-MUTUEL
19 WAGERING IS CONDUCTED BY A LICENSED RACING ENTITY OTHER THAN THE
20 RACETRACK WHERE LIVE RACING IS CONDUCTED.

21 "OCCUPATION PERMIT." A PERMIT AUTHORIZING AN INDIVIDUAL TO
22 BE EMPLOYED OR WORK AS A GAMING EMPLOYEE AT A LICENSED FACILITY.

23 "PERMITTEE." A HOLDER OF A PERMIT ISSUED PURSUANT TO THIS
24 PART.

25 "PERSON." ANY NATURAL PERSON, CORPORATION, FOUNDATION,
26 ORGANIZATION, BUSINESS TRUST, ESTATE, LIMITED LIABILITY COMPANY,
27 LICENSED CORPORATION, TRUST, PARTNERSHIP, LIMITED LIABILITY
28 PARTNERSHIP, ASSOCIATION OR ANY OTHER FORM OF LEGAL BUSINESS
29 ENTITY.

30 "PROGRESSIVE PAYOUT." A SLOT MACHINE WAGER PAYOUT THAT

1 INCREASES IN A MONETARY AMOUNT BASED ON THE AMOUNTS WAGERED IN A
2 PROGRESSIVE SYSTEM.

3 "PROGRESSIVE SYSTEM." A COMPUTERIZED SYSTEM LINKING SLOT
4 MACHINES IN ONE OR MORE LICENSED FACILITIES WITHIN THIS
5 COMMONWEALTH AND OFFERING ONE OR MORE COMMON PROGRESSIVE PAYOUTS
6 BASED ON THE AMOUNTS WAGERED.

7 "RACE HORSE INDUSTRY REFORM ACT." THE ACT OF DECEMBER 17,
8 1981 (P.L.435, NO.135), KNOWN AS THE RACE HORSE INDUSTRY REFORM
9 ACT.

10 "REVENUE OR TOURISM ENHANCED LOCATION." ANY LOCATION WITHIN
11 THIS COMMONWEALTH DETERMINED BY THE PENNSYLVANIA GAMING CONTROL
12 BOARD, IN ITS DISCRETION, WHICH WILL MAXIMIZE NET REVENUE TO THE
13 COMMONWEALTH OR ENHANCE YEAR-ROUND RECREATIONAL TOURISM WITHIN
14 THIS COMMONWEALTH, IN COMPARISON TO OTHER PROPOSED FACILITIES
15 AND IS OTHERWISE CONSISTENT WITH THE PROVISIONS OF THIS PART AND
16 ITS DECLARED PUBLIC POLICY PURPOSES.

17 "SECURITY." AS DEFINED IN THE ACT OF DECEMBER 5, 1972
18 (P.L.1280, NO.284), KNOWN AS THE PENNSYLVANIA SECURITIES ACT OF
19 1972.

20 "SLOT MACHINE." ANY MECHANICAL OR ELECTRICAL CONTRIVANCE,
21 TERMINAL, MACHINE OR OTHER DEVICE APPROVED BY THE PENNSYLVANIA
22 GAMING CONTROL BOARD WHICH, UPON INSERTION OF A COIN, BILL,
23 TICKET, TOKEN OR SIMILAR OBJECT THEREIN OR UPON PAYMENT OF ANY
24 CONSIDERATION WHATSOEVER, INCLUDING THE USE OF ANY ELECTRONIC
25 PAYMENT SYSTEM EXCEPT A CREDIT CARD OR DEBIT CARD, IS AVAILABLE
26 TO PLAY OR OPERATE, THE PLAY OR OPERATION OF WHICH, WHETHER BY
27 REASON OF SKILL OR APPLICATION OF THE ELEMENT OF CHANCE, OR
28 BOTH, MAY DELIVER OR ENTITLE THE PERSON OR PERSONS PLAYING OR
29 OPERATING THE CONTRIVANCE, TERMINAL, MACHINE OR OTHER DEVICE TO
30 RECEIVE CASH, BILLETS, TICKETS, TOKENS OR ELECTRONIC CREDITS TO

1 BE EXCHANGED FOR CASH OR TO RECEIVE MERCHANDISE OR ANYTHING OF
2 VALUE WHATSOEVER, WHETHER THE PAYOFF IS MADE AUTOMATICALLY FROM
3 THE MACHINE OR MANUALLY. A SLOT MACHINE:

4 (1) MAY UTILIZE SPINNING REELS OR VIDEO DISPLAYS, OR
5 BOTH.

6 (2) MAY OR MAY NOT DISPENSE COINS, TICKETS OR TOKENS TO
7 WINNING PATRONS.

8 (3) MAY USE AN ELECTRONIC CREDIT SYSTEM FOR RECEIVING
9 WAGERS AND MAKING PAYOUTS.

10 THE TERM SHALL INCLUDE ASSOCIATED EQUIPMENT NECESSARY TO CONDUCT
11 THE OPERATION OF THE CONTRIVANCE, TERMINAL, MACHINE OR OTHER
12 DEVICE.

13 "SLOT MACHINE LICENSE." A LICENSE ISSUED BY THE PENNSYLVANIA
14 GAMING CONTROL BOARD AUTHORIZING A PERSON TO PLACE AND OPERATE
15 SLOT MACHINES PURSUANT TO THIS PART AND THE RULES AND
16 REGULATIONS UNDER THIS PART.

17 "SLOT MACHINE LICENSEE." A PERSON THAT HOLDS A SLOT MACHINE
18 LICENSE.

19 "STATE GAMING RECEIPTS." REVENUES AND RECEIPTS REQUIRED BY
20 THIS PART TO BE PAID INTO THE STATE GAMING FUND, THE
21 PENNSYLVANIA RACE HORSE DEVELOPMENT FUND AND THE PENNSYLVANIA
22 GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND, AND ALL RIGHTS,
23 EXISTING ON THE EFFECTIVE DATE OF THIS SECTION OR COMING INTO
24 EXISTENCE LATER, TO RECEIVE ANY OF THOSE REVENUES AND RECEIPTS.

25 "STATE TREASURER." THE STATE TREASURER OF THE COMMONWEALTH.

26 "SUPPLIER." A PERSON THAT SELLS, LEASES, OFFERS OR OTHERWISE
27 PROVIDES, DISTRIBUTES OR SERVICES ANY SLOT MACHINE OR ASSOCIATED
28 EQUIPMENT FOR USE OR PLAY OF SLOT MACHINES IN THIS COMMONWEALTH.

29 "SUPPLIER LICENSE." A LICENSE ISSUED BY THE PENNSYLVANIA
30 GAMING CONTROL BOARD AUTHORIZING A SUPPLIER TO PROVIDE PRODUCTS

1 OR SERVICES RELATED TO SLOT MACHINES OR ASSOCIATED EQUIPMENT TO
2 SLOT MACHINE LICENSEES.

3 "SUPPLIER LICENSEE." A SUPPLIER THAT HOLDS A SUPPLIER
4 LICENSE.

5 CHAPTER 12
6 PENNSYLVANIA GAMING CONTROL BOARD
7 SEC.

8 1201. PENNSYLVANIA GAMING CONTROL BOARD ESTABLISHED.

9 1202. GENERAL AND SPECIFIC POWERS.

10 1203. TEMPORARY REGULATIONS.

11 1204. LICENSE ENTITY APPLICATION APPEALS FROM
12 BOARD.

13 1205. LICENSE OR PERMIT APPLICATION HEARING PROCESS.

14 1206. BOARD MINUTES AND RECORDS.

15 1207. REGULATORY AUTHORITY OF BOARD.

16 1208. COLLECTION OF FEES AND FINES.

17 1209. SLOT MACHINE LICENSE FEE.

18 1210. NUMBER OF SLOT MACHINES.

19 1211. REPORTS OF BOARD.

20 1212. DIVERSITY GOALS OF BOARD.

21 1213. LICENSE OR PERMIT PROHIBITION.

22 § 1201. PENNSYLVANIA GAMING CONTROL BOARD ESTABLISHED.

23 (A) BOARD ESTABLISHED.--THERE IS ESTABLISHED AN INDEPENDENT
24 ADMINISTRATIVE BOARD TO BE KNOWN AS THE PENNSYLVANIA GAMING
25 CONTROL BOARD, WHICH SHALL BE IMPLEMENTED AS SET FORTH IN THIS
26 SECTION.

27 (B) MEMBERSHIP.--THE BOARD SHALL CONSIST OF THE FOLLOWING
28 MEMBERS, WHO SHALL SERVE A SET TERM AND MAY NOT BE REMOVED
29 EXCEPT FOR GOOD CAUSE:

30 (1) THREE MEMBERS APPOINTED BY THE GOVERNOR, EACH BEING

1 REFERRED TO AS A "GUBERNATORIAL APPOINTEE."

2 (2) ONE MEMBER APPOINTED BY EACH OF THE FOLLOWING
3 LEGISLATIVE CAUCUS LEADERS, EACH BEING REFERRED TO AS A
4 "LEGISLATIVE APPOINTEE":

5 (I) THE PRESIDENT PRO TEMPORE OF THE SENATE.

6 (II) THE MINORITY LEADER OF THE SENATE.

7 (III) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

8 (IV) THE MINORITY LEADER OF THE HOUSE OF
9 REPRESENTATIVES.

10 (C) INITIAL APPOINTMENTS TO BOARD.--

11 (1) GUBERNATORIAL APPOINTEE MEMBERS INITIALLY APPOINTED
12 UNDER SUBSECTION (B) (1) SHALL SERVE AN INITIAL TERM OF ONE,
13 TWO AND THREE YEARS RESPECTIVELY AS DESIGNATED BY THE
14 GOVERNOR AT THE TIME OF APPOINTMENT, AND UNTIL THEIR
15 SUCCESSORS ARE APPOINTED AND QUALIFIED.

16 (2) LEGISLATIVE APPOINTEE MEMBERS INITIALLY APPOINTED
17 UNDER SUBSECTION (B) (2) SHALL SERVE UNTIL THE THIRD TUESDAY
18 IN JANUARY 2007 AND UNTIL THEIR SUCCESSORS ARE APPOINTED AND
19 QUALIFIED.

20 (3) ANY APPOINTMENT TO FILL A VACANCY SHALL BE FOR THE
21 UNEXPIRED TERM. MEMBERS SO APPOINTED TO FILL THE UNEXPIRED
22 TERM OF AN INITIAL APPOINTEE SHALL BE SUBJECT TO THE
23 PROVISIONS OF SUBSECTION (D).

24 (D) APPOINTMENTS AFTER EXPIRATION OF INITIAL TERM OR UPON
25 VACANCY.--UPON THE EXPIRATION OF A TERM OF A MEMBER APPOINTED
26 UNDER THIS SUBSECTION OR UPON THE EXISTENCE OF A VACANCY OF A
27 MEMBER APPOINTED PURSUANT TO SUBSECTION (C) OR THIS SUBSECTION,
28 THE APPOINTING AUTHORITY SHALL APPOINT A MEMBER SUBJECT TO THE
29 FOLLOWING:

30 (1) FOR A GUBERNATORIAL APPOINTMENT UNDER SUBSECTION

1 (B) (1), THE TERM SHALL BE FOR THREE YEARS AND UNTIL A
2 SUCCESSOR IS APPOINTED AND QUALIFIED.

3 (2) TERMS FOR LEGISLATIVE APPOINTEE MEMBERS APPOINTED
4 UNDER SUBSECTION (B) (2) SHALL BE FOR A TWO-YEAR TERM AND
5 SHALL EXPIRE ON THE THIRD TUESDAY OF JANUARY OF SUCH YEAR BUT
6 SUCH MEMBERS SHALL CONTINUE TO SERVE UNTIL THEIR SUCCESSORS
7 ARE APPOINTED AND QUALIFIED.

8 (3) NO LEGISLATIVE APPOINTEE MEMBER SHALL SERVE MORE
9 THAN THREE FULL SUCCESSIVE TERMS.

10 (4) NO GUBERNATORIAL APPOINTEE MEMBER SHALL SERVE MORE
11 THAN TWO FULL SUCCESSIVE TERMS.

12 (5) AN APPOINTMENT TO FILL A VACANCY SHALL BE FOR THE
13 REMAINDER OF THE UNEXPIRED TERM.

14 (E) EX OFFICIO MEMBERS.--THE SECRETARY OF REVENUE, THE
15 SECRETARY OF AGRICULTURE AND THE STATE TREASURER SHALL SERVE ON
16 THE BOARD AS NONVOTING EX OFFICIO MEMBERS OF THE BOARD.

17 (F) QUALIFIED MAJORITY VOTE.--

18 (1) EXCEPT AS PERMITTED IN PARAGRAPHS (2) AND (3), ANY
19 ACTION, INCLUDING, BUT NOT LIMITED TO, THE APPROVAL,
20 ISSUANCE, DENIAL OR CONDITIONING OF ANY LICENSE BY THE BOARD
21 UNDER THIS PART OR THE MAKING OF ANY ORDER OR THE
22 RATIFICATION OF ANY PERMISSIBLE ACT DONE OR ORDER MADE BY ONE
23 OR MORE OF THE MEMBERS SHALL REQUIRE A QUALIFIED MAJORITY
24 VOTE CONSISTING OF AT LEAST ONE GUBERNATORIAL APPOINTEE AND
25 THE FOUR LEGISLATIVE APPOINTEES.

26 (2) ANY ACTION TO SUSPEND OR REVOKE, NOT RENEW, VOID OR
27 REQUIRE FORFEITURE OF A LICENSE OR PERMIT ISSUED UNDER THIS
28 PART, TO IMPOSE ANY ADMINISTRATIVE FINE OR PENALTY UNDER THIS
29 PART, OR TO ISSUE CEASE AND DESIST ORDERS OR SIMILAR
30 ENFORCEMENT ACTIONS SHALL REQUIRE A MAJORITY VOTE OF ALL THE

1 MEMBERS APPOINTED TO THE BOARD.

2 (3) NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY,
3 A MEMBER SHALL DISCLOSE THE NATURE OF HIS DISQUALIFYING
4 INTEREST, DISQUALIFY HIMSELF AND ABSTAIN FROM VOTING IN A
5 PROCEEDING IN WHICH HIS OR HER IMPARTIALITY MAY BE REASONABLY
6 QUESTIONED, INCLUDING, BUT NOT LIMITED TO, INSTANCES WHERE HE
7 OR SHE KNOWS THAT THEY POSSESS A SUBSTANTIAL FINANCIAL
8 INTEREST IN THE SUBJECT MATTER OF THE PROCEEDING OR ANY OTHER
9 INTEREST THAT COULD BE SUBSTANTIALLY AFFECTED BY THE OUTCOME
10 OF THE PROCEEDING. IN SUCH CIRCUMSTANCES IN WHICH IT IS A
11 LEGISLATIVE APPOINTEE MEMBER THAT HAS DISQUALIFIED HIMSELF OR
12 HERSELF, THE QUALIFIED MAJORITY SHALL CONSIST OF THE
13 REMAINING THREE LEGISLATIVE APPOINTEES AND AT LEAST TWO
14 GUBERNATORIAL APPOINTEES.

15 (G) BACKGROUND INVESTIGATION.--APPOINTEES SHALL BE SUBJECT
16 TO A BACKGROUND INVESTIGATION CONDUCTED BY THE PENNSYLVANIA
17 STATE POLICE IN ACCORDANCE WITH THIS PART.

18 (H) QUALIFICATIONS AND RESTRICTIONS.--

19 (1) EACH MEMBER, AT THE TIME OF APPOINTMENT, SHALL BE AT
20 LEAST 25 YEARS OF AGE AND SHALL HAVE BEEN A RESIDENT OF THIS
21 COMMONWEALTH FOR A PERIOD OF AT LEAST ONE YEAR IMMEDIATELY
22 PRECEDING APPOINTMENT. EACH MEMBER SHALL CONTINUE TO REMAIN A
23 RESIDENT OF THIS COMMONWEALTH DURING THE TERM OF MEMBERSHIP
24 ON THE BOARD.

25 (2) EXCEPT FOR EX OFFICIO MEMBERS, NO PERSON SHALL BE
26 APPOINTED A MEMBER OF THE BOARD OR HOLD ANY PLACE, POSITION
27 OR OFFICE UNDER THE BOARD IF THAT PERSON HOLDS ANY OTHER
28 ELECTED OFFICE OR PARTY OFFICE AS DEFINED IN SECTION 1512
29 (RELATING TO PUBLIC OFFICIAL FINANCIAL INTEREST) IN THIS
30 COMMONWEALTH OR ANY OF ITS POLITICAL SUBDIVISIONS.

1 (3) NO MEMBER, APPOINTEE, EMPLOYEE OR OFFICIAL SHALL
2 HOLD ANY OFFICE OR EMPLOYMENT POSITION, THE DUTIES OF WHICH
3 ARE INCOMPATIBLE WITH THE DUTIES OF THE OFFICE.

4 (4) NO MEMBER, EMPLOYEE, APPOINTEE OR OFFICIAL ENGAGED
5 IN THE SERVICE OF OR IN ANY MANNER CONNECTED WITH THE BOARD
6 SHALL HOLD ANY OFFICE OR POSITION, OR BE ENGAGED IN ANY
7 EMPLOYMENT OR VOCATION, THE DUTIES OF WHICH ARE INCOMPATIBLE
8 WITH EMPLOYMENT IN THE SERVICE OF OR IN CONNECTION WITH THE
9 WORK OF THE BOARD.

10 (5) NO MEMBER SHALL BE PAID OR ACCEPT FOR ANY SERVICE
11 CONNECTED WITH THE OFFICE ANY FEE OTHER THAN THE SALARY AND
12 EXPENSES PROVIDED BY LAW. NOTHING IN THIS PART SHALL PROHIBIT
13 A MEMBER FROM ENGAGING IN ANY EMPLOYMENT OR VOCATION, OR
14 RECEIVING ANY COMPENSATION FOR SUCH EMPLOYMENT OR VOCATION
15 THAT IS NOT OTHERWISE CONNECTED TO OR INCOMPATIBLE WITH HIS
16 OR HER SERVICE AS A MEMBER OF THE BOARD.

17 (6) NO MEMBER, EMPLOYEE, APPOINTEE OR OFFICIAL SHALL
18 PARTICIPATE IN ANY HEARING OR PROCEEDING IN WHICH THAT PERSON
19 HAS ANY DIRECT OR INDIRECT PECUNIARY INTEREST.

20 (7) AT THE TIME OF APPOINTMENT, AND ANNUALLY THEREAFTER,
21 EACH MEMBER SHALL DISCLOSE THE EXISTENCE OF ALL OWNERSHIP
22 INTERESTS IN LICENSED FACILITIES AND ALL SECURITIES IN ANY
23 LICENSED ENTITY OR APPLICANT, ITS AFFILIATES OR SUBSIDIARIES
24 HELD BY THE MEMBER, THE MEMBER'S SPOUSE AND ANY MINOR OR
25 UNEMANCIPATED CHILDREN AND MUST DIVEST SUCH OWNERSHIP
26 INTERESTS IN LICENSED FACILITIES OR SECURITIES PRIOR TO AN
27 APPOINTMENT BECOMING FINAL. A MEMBER MAY NOT ACQUIRE ANY
28 SECURITY IN ANY LICENSED ENTITY, ITS AFFILIATES OR
29 SUBSIDIARIES DURING THE MEMBER'S TENURE. THE DISCLOSURE
30 STATEMENT SHALL BE FILED WITH THE EXECUTIVE DIRECTOR OF THE

1 BOARD AND WITH THE APPOINTING AUTHORITY FOR SUCH MEMBER AND
2 SHALL BE OPEN TO INSPECTION BY THE PUBLIC AT THE OFFICE OF
3 THE BOARD DURING THE NORMAL BUSINESS HOURS OF THE BOARD
4 DURING THE TENURE OF THE MEMBER AND FOR TWO YEARS AFTER THE
5 MEMBER LEAVES OFFICE.

6 (8) EVERY MEMBER, EMPLOYEE, APPOINTEE OR OFFICIAL OF THE
7 BOARD, IN THE SERVICE OF OR IN CONNECTION WITH THE WORK OF
8 THE BOARD, IS FORBIDDEN, DIRECTLY OR INDIRECTLY, TO SOLICIT
9 OR REQUEST FROM OR TO SUGGEST OR RECOMMEND TO ANY APPLICANT,
10 LICENSED ENTITY, ITS AFFILIATE, INTERMEDIARY, SUBSIDIARY,
11 HOLDING COMPANY OR TO ANY OFFICER, ATTORNEY, AGENT OR
12 EMPLOYEE THEREOF, THE APPOINTMENT OF ANY INDIVIDUAL TO ANY
13 OFFICE, PLACE OR POSITION IN OR THE EMPLOYMENT OF ANY
14 INDIVIDUAL IN ANY CAPACITY BY THE APPLICANT, LICENSED ENTITY,
15 ITS AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY.

16 (9) EVERY MEMBER, EXECUTIVE LEVEL EMPLOYEE, APPOINTEE OR
17 OFFICIAL APPOINTED TO OFFICE IN THE SERVICE OF OR IN
18 CONNECTION WITH THE WORK OF THE BOARD IS PROHIBITED FROM
19 ACCEPTING EMPLOYMENT WITH ANY APPLICANT, LICENSED GAMING
20 ENTITY, ITS AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING
21 COMPANY FOR A PERIOD OF ONE YEAR FROM THE TERMINATION OF
22 EMPLOYMENT OR SERVICE WITH THE BOARD. EVERY MEMBER, EXECUTIVE
23 LEVEL EMPLOYEE, APPOINTEE OR OFFICIAL APPOINTED TO OFFICE IN
24 THE SERVICE OF OR IN CONNECTION WITH THE WORK OF THE BOARD IS
25 PROHIBITED FROM APPEARING BEFORE THE BOARD ON BEHALF OF ANY
26 APPLICANT, LICENSED GAMING ENTITY, ITS AFFILIATE,
27 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY, OR OTHER
28 LICENSEE OR PERMITTEE OF THE BOARD FOR A PERIOD OF TWO YEARS
29 AFTER TERMINATING EMPLOYMENT OR SERVICE WITH THE BOARD.

30 (10) IF ANY PERSON EMPLOYED OR APPOINTED IN THE SERVICE

1 OF THE BOARD VIOLATES ANY PROVISION OF THIS SECTION, THE
2 APPOINTING AUTHORITY OR THE BOARD SHALL FORTHWITH REMOVE THE
3 PERSON FROM THE OFFICE OR EMPLOYMENT, AND THE PERSON SHALL BE
4 INELIGIBLE FOR FUTURE EMPLOYMENT OR SERVICE WITH THE BOARD
5 AND SHALL BE INELIGIBLE TO BE APPROVED FOR ANY LICENSE OR
6 PERMIT UNDER THIS PART FOR A PERIOD OF TWO YEARS THEREAFTER.

7 (11) NO MEMBER OR EMPLOYEE OF THE BOARD SHALL WAGER OR
8 BE PAID ANY PRIZE FROM ANY WAGER AT ANY LICENSED FACILITY
9 WITHIN THIS COMMONWEALTH OR AT ANY OTHER FACILITY OUTSIDE
10 THIS COMMONWEALTH WHICH IS OWNED OR OPERATED BY A LICENSED
11 GAMING ENTITY OR ANY OF ITS AFFILIATES OR SUBSIDIARIES.

12 (12) A MEMBER OF THE BOARD WHO HAS BEEN CONVICTED DURING
13 HIS TERM IN ANY DOMESTIC OR FOREIGN JURISDICTION OF A FELONY,
14 CRIME OF MORAL TURPITUDE OR GAMBLING OFFENSE SHALL BE
15 AUTOMATICALLY REMOVED FROM THE BOARD AND SHALL BE INELIGIBLE
16 TO BECOME A BOARD MEMBER IN THE FUTURE.

17 (I) COMPENSATION.--THE EXECUTIVE BOARD AS ESTABLISHED IN THE
18 ACT OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS THE
19 ADMINISTRATIVE CODE OF 1929, SHALL ESTABLISH THE COMPENSATION OF
20 THE MEMBERS APPOINTED PURSUANT TO THIS SECTION. MEMBERS SHALL BE
21 REIMBURSED FOR ALL NECESSARY AND ACTUAL EXPENSES.

22 (J) CHAIRMAN.--THE CHAIRMAN OF THE BOARD SHALL BE SELECTED
23 BY THE GOVERNOR.

24 (K) APPOINTMENTS.--THE APPOINTING AUTHORITIES SHALL MAKE
25 THEIR INITIAL APPOINTMENTS WITHIN 60 DAYS OF THE EFFECTIVE DATE
26 OF THIS PART. NO APPOINTMENT SHALL BE FINAL UNTIL RECEIPT BY THE
27 APPOINTING AUTHORITY OF THE REQUIRED BACKGROUND INVESTIGATION OF
28 THE APPOINTEE BY THE PENNSYLVANIA STATE POLICE WHICH SHALL BE
29 COMPLETED WITHIN 30 DAYS. NO PERSON WHO HAS BEEN CONVICTED IN
30 ANY DOMESTIC OR FOREIGN JURISDICTION OF A FELONY OR GAMBLING

1 OFFENSE SHALL BE APPOINTED TO THE BOARD.

2 (L) DISCLOSURE STATEMENTS.--MEMBERS AND EMPLOYEES OF THE
3 BOARD ARE SUBJECT TO THE PROVISIONS OF 65 PA.C.S. CH. 11
4 (RELATING TO ETHICS STANDARDS AND FINANCIAL DISCLOSURE) AND THE
5 ACT OF JULY 19, 1957 (P.L.1017, NO.451), KNOWN AS THE STATE
6 ADVERSE INTEREST ACT.

7 § 1202. GENERAL AND SPECIFIC POWERS.

8 (A) GENERAL POWERS.--THE BOARD SHALL HAVE GENERAL
9 JURISDICTION OVER ALL GAMING ACTIVITIES OR RELATED ACTIVITIES AS
10 DESCRIBED IN THIS PART. THE BOARD SHALL BE RESPONSIBLE TO ENSURE
11 THE INTEGRITY OF THE ACQUISITION AND OPERATION OF SLOT MACHINES
12 AND ASSOCIATED EQUIPMENT AND SHALL HAVE JURISDICTION OVER EVERY
13 ASPECT OF THE AUTHORIZATION AND OPERATION OF SLOT MACHINES. THE
14 BOARD SHALL EMPLOY AN EXECUTIVE DIRECTOR, CHIEF COUNSEL,
15 DEPUTIES, SECRETARIES, OFFICERS, HEARING OFFICERS AND AGENTS AS
16 IT MAY DEEM NECESSARY, WHO SHALL SERVE AT THE BOARD'S PLEASURE.
17 THE BOARD SHALL ALSO EMPLOY OTHER EMPLOYEES AS IT DEEMS
18 APPROPRIATE WHOSE DUTIES SHALL BE DETERMINED BY THE BOARD. IN
19 ORDER TO ENSURE THE ABILITY OF THE BOARD TO RECRUIT AND RETAIN
20 INDIVIDUALS NECESSARY TO EXECUTE ITS RESPONSIBILITIES UNDER THIS
21 PART, THE BOARD SHALL SET THE CLASSIFICATION AND COMPENSATION OF
22 ITS EMPLOYEES AND SHALL NOT BE SUBJECT TO THE PROVISIONS OF THE
23 ACT OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS THE
24 ADMINISTRATIVE CODE OF 1929, AS TO CLASSIFICATION AND
25 COMPENSATION FOR ITS EMPLOYEES AND CONDUCT ITS ACTIVITIES
26 CONSISTENT WITH THE PRACTICES AND PROCEDURES OF COMMONWEALTH
27 AGENCIES. FOR THE PURPOSES OF THE ACT OF OCTOBER 15, 1980
28 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT, THE
29 BOARD SHALL NOT BE CONSIDERED AN EXECUTIVE OR INDEPENDENT
30 AGENCY. THE BOARD SHALL HAVE SUCH OTHER POWERS AND AUTHORITY

1 NECESSARY TO CARRY OUT ITS DUTIES AND THE OBJECTIVES OF THIS
2 PART.

3 (B) SPECIFIC POWERS.--THE BOARD SHALL HAVE THE SPECIFIC
4 POWER AND DUTY:

5 (1) TO REQUIRE BACKGROUND INVESTIGATIONS ON PROSPECTIVE
6 OR EXISTING LICENSEES, PERMITTEES OR PERSONS HOLDING A
7 CONTROLLING INTEREST IN ANY PROSPECTIVE OR EXISTING LICENSEE
8 OR PERMITTEE UNDER THE JURISDICTION OF THE BOARD.

9 (2) TO ENTER INTO AN AGREEMENT WITH THE PENNSYLVANIA
10 STATE POLICE FOR THE REIMBURSEMENT OF ACTUAL COSTS AS
11 APPROVED BY THE BOARD TO THE PENNSYLVANIA STATE POLICE FOR
12 THE INVESTIGATIONS. INVESTIGATIONS SHALL INCLUDE INFORMATION
13 IN THE POSSESSION OF THE ATTORNEY GENERAL.

14 (3) FOR PURPOSES OF THE BACKGROUND INVESTIGATION, THE
15 BOARD MAY RECEIVE INFORMATION OTHERWISE PROTECTED BY 18
16 PA.C.S. CH. 91 (RELATING TO CRIMINAL HISTORY RECORD
17 INFORMATION).

18 (4) AT ITS DISCRETION, TO ISSUE, APPROVE, RENEW, REVOKE,
19 SUSPEND, CONDITION OR DENY ISSUANCE OR RENEWAL OF SLOT
20 MACHINE LICENSES.

21 (5) AT ITS DISCRETION, TO ISSUE, APPROVE, RENEW, REVOKE,
22 SUSPEND, CONDITION OR DENY ISSUANCE OR RENEWAL OF SUPPLIER
23 AND MANUFACTURER LICENSES.

24 (6) AT ITS DISCRETION, TO ISSUE, APPROVE, RENEW, REVOKE,
25 SUSPEND, CONDITION OR DENY ISSUANCE OR RENEWAL OF OCCUPATION
26 PERMITS.

27 (7) AT ITS DISCRETION, TO ISSUE, APPROVE, RENEW, REVOKE,
28 SUSPEND, CONDITION OR DENY ISSUANCE OR RENEWAL OF ANY
29 ADDITIONAL LICENSES OR PERMITS WHICH MAY BE REQUIRED BY THE
30 BOARD UNDER THIS PART OR BY REGULATION, INCLUDING, BUT NOT

1 LIMITED TO, VIOLATIONS OF SECTIONS 1328 (RELATING TO CHANGE
2 IN OWNERSHIP OR CONTROL OF SLOT MACHINE LICENSEE) AND 1330
3 (RELATING TO MULTIPLE SLOT MACHINE LICENSE PROHIBITION).

4 (8) AT ITS DISCRETION, TO SUSPEND, CONDITION OR DENY THE
5 ISSUANCE OR RENEWAL OF ANY LICENSE OR PERMIT OR LEVY FINES OR
6 OTHER SANCTIONS FOR ANY VIOLATION OF THIS PART.

7 (9) TO REQUIRE APPLICANTS FOR LICENSES AND PERMITS TO
8 SUBMIT TO FINGERPRINTING BY THE PENNSYLVANIA STATE POLICE.
9 THE PENNSYLVANIA STATE POLICE SHALL SUBMIT THE FINGERPRINTS
10 TO THE FEDERAL BUREAU OF INVESTIGATION FOR PURPOSES OF
11 VERIFYING THE IDENTITY OF THE APPLICANTS AND OBTAINING
12 RECORDS OF CRIMINAL ARRESTS AND CONVICTIONS.

13 (10) IN ADDITION TO THE POWER OF THE BOARD REGARDING
14 LICENSE AND PERMIT APPLICANTS, TO DETERMINE AT ITS DISCRETION
15 THE SUITABILITY OF ANY PERSON WHO FURNISHES OR SEEKS TO
16 FURNISH TO A SLOT MACHINE LICENSEE DIRECTLY OR INDIRECTLY ANY
17 SERVICES OR PROPERTY RELATED TO SLOT MACHINES OR ASSOCIATED
18 EQUIPMENT OR THROUGH ANY ARRANGEMENTS UNDER WHICH THAT PERSON
19 RECEIVES PAYMENT BASED DIRECTLY OR INDIRECTLY ON EARNINGS,
20 PROFITS OR RECEIPTS FROM THE SLOT MACHINES AND ASSOCIATED
21 EQUIPMENT. THE BOARD MAY REQUIRE ANY SUCH PERSON TO COMPLY
22 WITH THE REQUIREMENTS OF THIS PART AND THE REGULATIONS OF THE
23 BOARD AND MAY PROHIBIT THE PERSON FROM FURNISHING THE
24 SERVICES OR PROPERTY.

25 (11) AS A BOARD AND THROUGH ITS DESIGNATED OFFICERS,
26 EMPLOYEES OR AGENTS, TO ADMINISTER OATHS, EXAMINE WITNESSES
27 AND ISSUE SUBPOENAS TO COMPEL ATTENDANCE OF WITNESSES AND
28 PRODUCTION OF ALL RELEVANT AND MATERIAL REPORTS, BOOKS,
29 PAPERS, DOCUMENTS AND OTHER EVIDENCE.

30 (12) WITHIN SIX MONTHS AFTER THE EFFECTIVE DATE OF THIS

1 PART, IN A MANNER THAT DOES NOT IMPEDE THE IMMEDIATE
2 IMPLEMENTATION OF THE DUTIES AND RESPONSIBILITIES OF THE
3 BOARD UNDER THIS PART DURING THE IMMEDIATE TWO YEARS AFTER
4 THE EFFECTIVE DATE OF THIS PART, TO DEVELOP AND IMPLEMENT AN
5 AFFIRMATIVE ACTION PLAN TO ASSURE THAT ALL PERSONS ARE
6 ACCORDED EQUALITY OF OPPORTUNITY IN EMPLOYMENT, AND
7 CONTRACTING BY THE BOARD, ITS CONTRACTORS, SUBCONTRACTORS,
8 ASSIGNEES, LESSEES, AGENTS, VENDORS AND SUPPLIERS.

9 (13) EXCEPT FOR CONTRACTS RELATED TO THE CENTRAL CONTROL
10 COMPUTER AND SUCH OTHER CONTRACTS AS THE BOARD, IN
11 CONSULTATION WITH THE SECRETARY OF GENERAL SERVICES,
12 DETERMINES WOULD RESULT IN SUBSTANTIAL SAVINGS TO THE BOARD
13 IF ENTERED INTO FOR A LONGER PERIOD THAN PROVIDED HEREIN, ALL
14 CONTRACTS ENTERED INTO BY THE BOARD DURING THE TWO-YEAR
15 PERIOD FOLLOWING THE EFFECTIVE DATE OF THIS PART SHALL NOT
16 EXCEED A TERM OF TWO YEARS.

17 (14) TO PROMULGATE RULES AND REGULATIONS THE BOARD DEEMS
18 NECESSARY TO CARRY OUT THE POLICY AND PURPOSES OF THIS PART
19 AND TO ENHANCE THE CREDIBILITY AND THE INTEGRITY OF THE
20 LICENSED OPERATION OF SLOT MACHINES AND ASSOCIATED EQUIPMENT
21 IN THIS COMMONWEALTH.

22 (15) THE BOARD SHALL NOT ISSUE OR RENEW A LICENSE OR
23 PERMIT UNLESS IT IS SATISFIED THAT THE APPLICANT IS A PERSON
24 OF GOOD CHARACTER, HONESTY AND INTEGRITY AND IS A PERSON
25 WHOSE PRIOR ACTIVITIES, CRIMINAL RECORD, IF ANY, REPUTATION,
26 HABITS AND ASSOCIATIONS DO NOT POSE A THREAT TO THE PUBLIC
27 INTEREST OR THE EFFECTIVE REGULATION AND CONTROL OF SLOT
28 MACHINE OPERATIONS OR CREATE OR ENHANCE THE DANGER OF
29 UNSUITABLE, UNFAIR OR ILLEGAL PRACTICES, METHODS AND
30 ACTIVITIES IN THE CONDUCT OF SLOT MACHINE OPERATIONS OR THE

1 CARRYING ON OF THE BUSINESS AND FINANCIAL ARRANGEMENTS
2 INCIDENTAL THERETO.

3 (16) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE
4 BOARD IS AUTHORIZED, TO SELL, IN WHOLE OR IN PART, THE
5 COMMONWEALTH'S RIGHT, TITLE AND INTEREST IN STATE GAMING
6 RECEIPTS TO AN AUTHORITY CREATED BY THE COMMONWEALTH. THE
7 SALE SHALL BE SUBJECT TO THE TERMS AND CONDITIONS CONTAINED
8 IN AGREEMENTS BETWEEN THE BOARD AND THE AUTHORITY. PROCEEDS
9 FROM THE SALE OF STATE GAMING RECEIPTS SHALL BE ALLOCATED AND
10 USED IN THE MANNER OTHERWISE PROVIDED BY THIS PART FOR THE
11 DISTRIBUTION OF STATE GAMING RECEIPTS. THE AUTHORITY CREATED
12 BY THE COMMONWEALTH IS AUTHORIZED TO PURCHASE STATE GAMING
13 RECEIPTS UPON TERMS AND CONDITIONS AGREED TO BY THE BOARD AND
14 TO ISSUE BONDS TO FUND THE PURCHASE OF STATE GAMING RECEIPTS
15 IN THE MANNER PROVIDED FOR THE ISSUANCE OF AUTHORITY
16 INDEBTEDNESS IN THE LAW ESTABLISHING THE AUTHORITY. THE STATE
17 TREASURER IS AUTHORIZED AND DIRECTED TO ENTER INTO ANY
18 AGREEMENTS WITH THE BOARD AND THE AUTHORITY AND ESTABLISH
19 ACCOUNTS AND FUNDS, THAT SHALL NOT BE IN THE STATE TREASURY,
20 AS THE AUTHORITY MAY DIRECT AS BEING NECESSARY OR APPROPRIATE
21 TO EFFECT THE SALE OF STATE GAMING RECEIPTS TO THE AUTHORITY
22 AND THE COLLECTION AND TRANSFER OF THE STATE GAMING RECEIPTS
23 SOLD TO THE AUTHORITY. STATE GAMING RECEIPTS SOLD TO THE
24 AUTHORITY SHALL BE THE PROPERTY OF THE AUTHORITY AND SHALL
25 NOT BE THE PROPERTY OF THE COMMONWEALTH.

26 (17) TO CREATE A BUREAU OF INVESTIGATIONS AND
27 ENFORCEMENT WITHIN THE BOARD. THE BOARD SHALL PROMULGATE
28 REGULATIONS PERTAINING TO THE OPERATION OF THE BUREAU WHICH
29 SHALL INSURE SEPARATION OF FUNCTIONS BETWEEN THE BUREAU AND
30 THE BOARD. THE BOARD SHALL PROVIDE THE EMPLOYEES NECESSARY TO

1 THE BUREAU FOR ENFORCEMENT OF THIS PART.

2 (18) TO ENTER INTO AN AGREEMENT WITH THE DISTRICT
3 ATTORNEYS OF THE COUNTIES WHEREIN LICENSED FACILITIES ARE
4 LOCATED AND THE OFFICE OF ATTORNEY GENERAL FOR THE
5 REIMBURSEMENT OF ACTUAL COSTS FOR PROSECUTIONS OF CRIMINAL
6 VIOLATIONS OF THIS PART.

7 § 1203. TEMPORARY REGULATIONS.

8 (A) PROMULGATION.--NOTWITHSTANDING ANY OTHER PROVISION OF
9 LAW TO THE CONTRARY AND IN ORDER TO FACILITATE THE PROMPT
10 IMPLEMENTATION OF THIS PART, REGULATIONS PROMULGATED BY THE
11 BOARD DURING THE TWO YEARS FOLLOWING THE EFFECTIVE DATE OF THIS
12 PART SHALL BE DEEMED TEMPORARY REGULATIONS WHICH SHALL EXPIRE NO
13 LATER THAN THREE YEARS FOLLOWING THE EFFECTIVE DATE OF THIS PART
14 OR UPON PROMULGATION OF REGULATIONS AS GENERALLY PROVIDED BY
15 LAW. THE TEMPORARY REGULATIONS SHALL NOT BE SUBJECT TO:

16 (1) SECTIONS 201 THROUGH 205 OF THE ACT OF JULY 31, 1968
17 (P.L.769, NO.240), REFERRED TO AS THE COMMONWEALTH DOCUMENTS
18 LAW.

19 (2) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS
20 THE REGULATORY REVIEW ACT.

21 (B) EXPIRATION.--THE AUTHORITY PROVIDED TO THE BOARD TO
22 ADOPT TEMPORARY REGULATIONS IN SUBSECTION (A) SHALL EXPIRE TWO
23 YEARS FROM THE EFFECTIVE DATE OF THIS SECTION. REGULATIONS
24 ADOPTED AFTER THE TWO-YEAR PERIOD SHALL BE PROMULGATED AS
25 PROVIDED BY LAW.

26 § 1204. LICENSED ENTITY APPLICATION APPEALS FROM BOARD.

27 THE SUPREME COURT OF PENNSYLVANIA SHALL BE VESTED WITH
28 EXCLUSIVE APPELLATE JURISDICTION TO CONSIDER APPEALS OF ANY
29 FINAL ORDER, DETERMINATION OR DECISION OF THE BOARD INVOLVING
30 THE APPROVAL, ISSUANCE, DENIAL OR CONDITIONING OF ALL LICENSED

1 ENTITY APPLICATIONS. NOTWITHSTANDING THE PROVISIONS OF 2 PA.C.S.
2 CH. 7 SUBCH. A (RELATING TO JUDICIAL REVIEW OF COMMONWEALTH
3 AGENCY ACTION) AND 42 PA.C.S. § 763 (RELATING TO DIRECT APPEALS
4 FROM GOVERNMENT AGENCIES), THE SUPREME COURT SHALL AFFIRM ALL
5 FINAL ORDERS, DETERMINATIONS OR DECISIONS OF THE BOARD INVOLVING
6 THE APPROVAL, ISSUANCE, DENIAL OR CONDITIONING OF ALL LICENSE
7 ENTITY APPLICATIONS UNLESS IT SHALL FIND THAT THE BOARD
8 COMMITTED AN ERROR OF LAW, OR THAT THE ORDER, DETERMINATION OR
9 DECISION OF THE BOARD WAS ARBITRARY AND THERE WAS A CAPRICIOUS
10 DISREGARD OF THE EVIDENCE.

11 § 1205. LICENSE OR PERMIT APPLICATION HEARING PROCESS.

12 THE BOARD'S CONSIDERATION AND RESOLUTION OF ALL LICENSE OR
13 PERMIT APPLICATIONS SHALL BE CONDUCTED IN ACCORDANCE WITH
14 PROCEDURES ADOPTED BY ORDER OF THE BOARD. NOTWITHSTANDING THE
15 MANDATES OF 2 PA.C.S. §§ 504 (RELATING TO HEARING AND RECORD)
16 AND 505 (RELATING TO EVIDENCE AND CROSS-EXAMINATION), SAID
17 PROCEDURES ADOPTED BY ORDER OF THE BOARD SHALL PROVIDE PARTIES
18 BEFORE IT WITH A DOCUMENTARY HEARING, BUT THE BOARD MAY, AT ITS
19 DISCRETION, RESOLVE DISPUTED MATERIAL FACTS WITHOUT CONDUCTING
20 AN ORAL HEARING, WHERE CONSTITUTIONALLY PERMISSIBLE.

21 § 1206. BOARD MINUTES AND RECORDS.

22 (A) OPEN PROCEEDINGS AND RECORDS.--THE PROCEEDINGS OF THE
23 BOARD SHALL BE CONDUCTED IN ACCORDANCE WITH THE PROVISIONS OF 65
24 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS). THE BOARD SHALL BE AN
25 AGENCY FOR PURPOSES OF THE ACT OF JUNE 21, 1957 (P.L.390,
26 NO.212), REFERRED TO AS THE RIGHT-TO-KNOW LAW. NOTWITHSTANDING
27 ANY PROVISION OF LAW TO THE CONTRARY, CONFIDENTIAL DOCUMENTS
28 RELATIVE TO PERSONAL BACKGROUND INFORMATION PROVIDED TO THE
29 BOARD PURSUANT TO THIS PART AND ANY CLOSED DELIBERATIONS OF THE
30 BOARD, INCLUDING DISCIPLINARY PROCEEDINGS, SHALL BE CONFIDENTIAL

1 AND CONSIDERED IN CLOSED EXECUTIVE SESSION PURSUANT TO
2 SUBSECTION (F).

3 (B) RECORD OF PROCEEDINGS.--THE BOARD SHALL CAUSE TO BE MADE
4 AND KEPT A RECORD OF ALL PROCEEDINGS HELD AT PUBLIC MEETINGS OF
5 THE BOARD. A VERBATIM TRANSCRIPT OF THOSE PROCEEDINGS SHALL BE
6 PREPARED BY THE BOARD UPON THE REQUEST OF ANY BOARD MEMBER OR
7 UPON THE REQUEST OF ANY OTHER PERSON AND THE PAYMENT BY THAT
8 PERSON OF THE COSTS OF PREPARATION.

9 (C) INFORMATION DELIVERED TO GOVERNOR AND GENERAL
10 ASSEMBLY.--A TRUE COPY OF THE MINUTES OF EVERY MEETING OF THE
11 BOARD AND OF ANY REGULATIONS FINALLY ADOPTED BY THE BOARD, MAY
12 BE FORTHWITH DELIVERED, BY AND UNDER THE CERTIFICATION OF THE
13 EXECUTIVE DIRECTOR, TO THE GOVERNOR, THE SECRETARY OF THE SENATE
14 AND THE CHIEF CLERK OF THE HOUSE OF REPRESENTATIVES.

15 (D) APPLICANT INFORMATION.--

16 (1) THE BOARD SHALL KEEP AND MAINTAIN A LIST OF ALL
17 APPLICANTS FOR LICENSES AND PERMITS UNDER THIS PART TOGETHER
18 WITH A RECORD OF ALL ACTIONS TAKEN WITH RESPECT TO THE
19 APPLICANTS, WHICH FILE AND RECORD SHALL BE OPEN TO PUBLIC
20 INSPECTION.

21 (2) INFORMATION UNDER PARAGRAPH (1) REGARDING ANY
22 APPLICANT WHOSE LICENSE OR PERMIT HAS BEEN DENIED, REVOKED,
23 OR NOT RENEWED SHALL BE REMOVED FROM SUCH LIST AFTER SEVEN
24 YEARS FROM THE DATE OF THE ACTION.

25 (E) OTHER FILES AND RECORDS.--THE BOARD SHALL MAINTAIN SUCH
26 OTHER FILES AND RECORDS AS IT MAY DEEM APPROPRIATE.

27 (F) CONFIDENTIALITY OF INFORMATION.--ALL INFORMATION
28 CONTAINED IN THE APPLICATION PROCESS PURSUANT TO SECTION 1310(A)
29 (RELATING TO SLOT MACHINE LICENSE APPLICATION CHARACTER
30 REQUIREMENTS) AND THE REPORT OF AN APPLICANT'S BACKGROUND

1 INVESTIGATION FURNISHED TO OR OBTAINED BY THE BOARD OR THE
2 BUREAU FROM ANY SOURCE SHALL BE CONSIDERED CONFIDENTIAL AND
3 SHALL BE WITHHELD FROM PUBLIC DISCLOSURE IN WHOLE OR IN PART,
4 EXCEPT THAT ANY INFORMATION SHALL BE RELEASED UPON THE LAWFUL
5 ORDER OF A COURT OF COMPETENT JURISDICTION OR, WITH THE APPROVAL
6 OF THE ATTORNEY GENERAL, TO A DULY AUTHORIZED LAW ENFORCEMENT
7 AGENCY OR SHALL BE RELEASED TO THE PUBLIC, IN WHOLE OR IN PART,
8 TO THE EXTENT THAT SUCH RELEASE IS REQUESTED BY AN APPLICANT AND
9 DOES NOT OTHERWISE CONTAIN CONFIDENTIAL INFORMATION ABOUT
10 ANOTHER PERSON. THE BOARD MAY NOT REQUIRE ANY APPLICANT TO WAIVE
11 ANY CONFIDENTIALITY PROVIDED FOR IN THIS SUBSECTION AS A
12 CONDITION FOR THE APPROVAL OF A LICENSE OR ANY OTHER ACTION OF
13 THE BOARD. ANY PERSON WHO VIOLATES THIS SUBSECTION SHALL BE
14 ADMINISTRATIVELY DISCIPLINED BY DISCHARGE, SUSPENSION OR OTHER
15 FORMAL DISCIPLINARY ACTION AS THE BOARD DEEMS APPROPRIATE.

16 (G) NOTICE.--NOTICE OF THE CONTENTS OF ANY INFORMATION,
17 EXCEPT TO A DULY AUTHORIZED LAW ENFORCEMENT AGENCY PURSUANT TO
18 THIS SECTION, SHALL BE GIVEN TO ANY APPLICANT OR LICENSEE IN A
19 MANNER PRESCRIBED BY THE RULES AND REGULATIONS ADOPTED BY THE
20 BOARD.

21 (H) INFORMATION HELD BY DEPARTMENT.--FILES, RECORDS, REPORTS
22 AND OTHER INFORMATION IN THE POSSESSION OF THE DEPARTMENT
23 PERTAINING TO LICENSEES SHALL BE MADE AVAILABLE TO THE BOARD AS
24 MAY BE NECESSARY TO THE EFFECTIVE ADMINISTRATION OF THIS PART.

25 § 1207. REGULATORY AUTHORITY OF BOARD.

26 THE BOARD SHALL HAVE THE POWER, AND ITS DUTIES SHALL BE TO:

27 (1) DENY, DENY THE RENEWAL, REVOKE, CONDITION OR SUSPEND
28 ANY LICENSE OR PERMIT PROVIDED FOR IN THIS PART IF THE BOARD
29 FINDS IN ITS SOLE DISCRETION THAT A LICENSEE OR PERMITTEE
30 UNDER THIS PART, OR ITS OFFICERS, EMPLOYEES OR AGENTS, HAVE

1 FURNISHED FALSE OR MISLEADING INFORMATION TO THE BOARD OR
2 FAILED TO COMPLY WITH THE PROVISIONS OF THIS PART OR THE
3 RULES AND REGULATIONS OF THE BOARD AND THAT IT WOULD BE IN
4 THE PUBLIC INTEREST TO DENY, DENY THE RENEWAL, REVOKE,
5 CONDITION OR SUSPEND THE LICENSE OR PERMIT.

6 (2) RESTRICT ACCESS TO CONFIDENTIAL INFORMATION IN THE
7 POSSESSION OF THE BOARD WHICH HAS BEEN OBTAINED UNDER THIS
8 PART AND ENSURE THAT THE CONFIDENTIALITY OF INFORMATION IS
9 MAINTAINED AND PROTECTED. RECORDS SHALL BE RETAINED BY THE
10 BOARD FOR SEVEN YEARS.

11 (3) PRESCRIBE AND REQUIRE PERIODIC FINANCIAL REPORTING
12 AND INTERNAL CONTROL REQUIREMENTS FOR ALL LICENSED ENTITIES.

13 (4) REQUIRE THAT EACH LICENSED ENTITY PROVIDE TO THE
14 BOARD ITS AUDITED ANNUAL FINANCIAL STATEMENTS, WITH SUCH
15 ADDITIONAL DETAIL AS THE BOARD, FROM TIME TO TIME, SHALL
16 REQUIRE, WHICH INFORMATION SHALL BE SUBMITTED NOT LATER THAN
17 60 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 OF SLOT MACHINES.

21 (6) PRESCRIBE CRITERIA AND CONDITIONS FOR THE OPERATION
22 OF SLOT MACHINE PROGRESSIVE SYSTEMS.

23 (7) ENFORCE PRESCRIBED HOURS FOR THE OPERATION OF SLOT
24 MACHINES SO THAT SLOT MACHINE LICENSEES MAY OPERATE SLOT
25 MACHINES ON ANY DAY DURING THE YEAR, IN ORDER TO MEET THE
26 NEEDS OF PATRONS OR TO MEET COMPETITION.

27 (8) REQUIRE THAT EACH LICENSED GAMING ENTITY PROHIBIT
28 PERSONS UNDER 21 YEARS OF AGE FROM OPERATING OR USING SLOT
29 MACHINES.

30 (9) ESTABLISH PROCEDURES FOR THE INSPECTION AND

1 CERTIFICATION OF COMPLIANCE OF EACH SLOT MACHINE AND
2 ASSOCIATED EQUIPMENT PRIOR TO BEING PLACED INTO USE BY A SLOT
3 MACHINE LICENSEE.

4 (10) REQUIRE THAT NO SLOT MACHINE MAY BE SET TO PAY OUT
5 LESS THAN THE THEORETICAL PAYOUT PERCENTAGE, WHICH SHALL BE
6 NO LESS THAN 85%, AS SPECIFICALLY APPROVED BY THE BOARD. THE
7 BOARD SHALL ADOPT REGULATIONS THAT DEFINE THE THEORETICAL
8 PAYOUT PERCENTAGE OF A SLOT MACHINE GAME BASED ON THE TOTAL
9 VALUE OF THE JACKPOTS EXPECTED TO BE PAID BY A PLAY OR A SLOT
10 MACHINE GAME DIVIDED BY THE TOTAL VALUE OF SLOT MACHINE
11 WAGERS EXPECTED TO BE MADE ON THAT PLAY OR SLOT MACHINE GAME
12 DURING THE SAME PORTION OF THE GAME CYCLE. IN SO DOING, THE
13 BOARD SHALL DECIDE WHETHER THE CALCULATION SHALL INCLUDE THE
14 ENTIRE CYCLE OF A SLOT MACHINE GAME OR ANY PORTION THEREOF.

15 (11) REQUIRE EACH SLOT MACHINE LICENSE APPLICANT TO
16 PROVIDE DETAILED SITE PLANS OF ITS PROPOSED LICENSED FACILITY
17 WHICH SHALL BE REVIEWED AND APPROVED BY THE BOARD FOR THE
18 PURPOSE OF DETERMINING THE ADEQUACY OF THE PROPOSED SECURITY
19 AND SURVEILLANCE MEASURES INSIDE AND OUTSIDE THE FACILITY.
20 APPLICANTS WILL COOPERATE WITH THE BOARD IN MAKING CHANGES TO
21 THE PLANS SUGGESTED BY THE BOARD AND WILL ENSURE THAT THE
22 PLANS, AS MODIFIED AND APPROVED, ARE IMPLEMENTED.

23 (12) UPON REQUEST, PROVIDE BACKGROUND INVESTIGATION
24 REPORTS OF APPLICANTS FOR LICENSES AND PERMITS FOR USE AT
25 RACETRACKS TO THE STATE HORSE RACING COMMISSION AND THE STATE
26 HARNESS RACING COMMISSION.

27 (13) REQUIRE SLOT MACHINE LICENSEES TO PROVIDE ONSITE
28 FACILITIES FOR USE BY THE BOARD, AND OTHER APPROPRIATE
29 PERSONS, FOR THE PURPOSE OF CARRYING OUT THEIR RESPECTIVE
30 RESPONSIBILITIES UNDER THIS PART.

1 (14) CONSULT WITH MEMBERS OF THE PENNSYLVANIA STATE
2 POLICE, THE OFFICE OF ATTORNEY GENERAL, THE DEPARTMENT AND
3 SUCH OTHER PERSONS IT DEEMS NECESSARY FOR ADVICE REGARDING
4 THE VARIOUS ASPECTS OF THE POWERS AND DUTIES IMPOSED ON IT
5 UNDER THIS PART AND ITS JURISDICTION OVER THE AUTHORIZATION
6 AND OPERATION OF SLOT MACHINES AND LICENSED FACILITIES.

7 (15) ENTER INTO CONTRACTS WITH ANY PERSON FOR THE
8 PURPOSES OF CARRYING OUT THE POWERS AND DUTIES OF THE BOARD
9 UNDER THIS PART.

10 (16) REQUIRE EACH SLOT MACHINE LICENSEE TO SELL
11 PENNSYLVANIA STATE LOTTERY TICKETS AT ITS LICENSED FACILITY
12 AT A LOCATION AS NEAR AS PRACTICABLE TO THE PAY WINDOWS.

13 (17) PERMIT, IN ITS DISCRETION AND UPON APPLICATION, THE
14 USE OF A TEMPORARY FACILITY WITHIN WHICH SLOT MACHINES MAY BE
15 AVAILABLE FOR PLAY OR OPERATION AT A LICENSED GAMING
16 FACILITY, FOR A PERIOD NOT TO EXCEED 24 MONTHS, PROVIDED THAT
17 UPON GOOD CAUSE SHOWN, THE BOARD MAY EXTEND PERMISSION TO
18 OPERATE A TEMPORARY FACILITY FOR AN ADDITIONAL 12-MONTH
19 PERIOD.

20 § 1208. COLLECTION OF FEES AND FINES.

21 THE BOARD HAS THE FOLLOWING POWERS AND DUTIES:

22 (1) TO LEVY AND COLLECT FEES FROM THE VARIOUS
23 APPLICANTS, LICENSEES AND PERMITTEES TO FUND THE OPERATIONS
24 OF THE BOARD. THE FEES SHALL BE DEPOSITED INTO THE STATE
25 GAMING FUND AS ESTABLISHED IN SECTION 1403 (RELATING TO
26 ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE
27 REVENUE DISTRIBUTION). IN ADDITION TO THE FEES SET FORTH IN
28 SECTIONS 1209 (RELATING TO SLOT MACHINE LICENSE FEE) AND 1305
29 (RELATING TO CATEGORY 3 SLOT MACHINE LICENSE), THE BOARD
30 SHALL ASSESS AND COLLECT FEES AS FOLLOWS:

1 (I) SUPPLIER LICENSEES SHALL PAY A FEE OF \$25,000
2 UPON THE ISSUANCE OF A LICENSE AND \$10,000 FOR THE ANNUAL
3 RENEWAL OF A SUPPLIER LICENSE.

4 (II) MANUFACTURER LICENSEES SHALL PAY A FEE OF
5 \$50,000 UPON THE ISSUANCE OF A LICENSE AND \$25,000 FOR
6 THE ANNUAL RENEWAL OF A MANUFACTURER LICENSE.

7 (III) EACH APPLICATION FOR A SLOT MACHINE LICENSE,
8 SUPPLIER LICENSE OR MANUFACTURER LICENSE MUST BE
9 ACCOMPANIED BY A NONREFUNDABLE FEE SET BY THE BOARD FOR
10 THE COST OF EACH INDIVIDUAL REQUIRING A BACKGROUND
11 INVESTIGATION. THE REASONABLE AND NECESSARY COSTS AND
12 EXPENSES INCURRED IN ANY BACKGROUND INVESTIGATION OR
13 OTHER INVESTIGATION OR PROCEEDING CONCERNING ANY
14 APPLICANT, LICENSEE OR PERMITTEE SHALL BE REIMBURSED TO
15 THE BOARD BY THOSE PERSONS.

16 (2) TO PROVIDE FOR THE ASSESSMENT AND COLLECTION OF
17 FINES AND PENALTIES FOR VIOLATIONS OF THIS PART. ALL FINES
18 AND PENALTIES SHALL BE CREDITED FOR DEPOSIT TO THE GENERAL
19 FUND. TWO YEARS FOLLOWING ENACTMENT OF THIS PART, THE BOARD
20 SHALL HAVE THE AUTHORITY TO INCREASE EACH YEAR ANY FEE,
21 CHARGE, COST OR ADMINISTRATIVE PENALTY, BUT NOT ANY CRIMINAL
22 FINE OR PENALTY, PROVIDED IN THIS PART BY AN AMOUNT NOT TO
23 EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED BY
24 APPLYING THE PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX
25 FOR ALL URBAN CONSUMERS (CPI-U) FOR THE PENNSYLVANIA, NEW
26 JERSEY, DELAWARE AND MARYLAND AREA FOR THE MOST RECENT 12-
27 MONTH PERIOD FOR WHICH FIGURES HAVE BEEN OFFICIALLY REPORTED
28 BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR
29 STATISTICS, IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT IS
30 DUE TO TAKE EFFECT.

1 § 1209. SLOT MACHINE LICENSE FEE.

2 (A) IMPOSITION.--EXCEPT AS PROVIDED FOR A CATEGORY 3
3 LICENSED GAMING ENTITY UNDER SECTION 1305 (RELATING TO CATEGORY
4 3 SLOT MACHINE LICENSE) AND SUBJECT TO THE REQUIREMENTS OF THIS
5 SECTION, AT THE TIME OF LICENSE ISSUANCE THE BOARD SHALL IMPOSE
6 A ONE-TIME SLOT MACHINE LICENSE FEE TO BE PAID BY EACH
7 SUCCESSFUL APPLICANT IN THE AMOUNT OF \$50,000,000 FOR EACH
8 CATEGORY OF SLOT MACHINE LICENSE.

9 (B) TERM.--A SLOT MACHINE LICENSE, AFTER PAYMENT OF THE FEE,
10 SHALL BE IN EFFECT UNLESS SUSPENDED, REVOKED OR NOT RENEWED BY
11 THE BOARD UPON GOOD CAUSE CONSISTENT WITH THE LICENSE
12 REQUIREMENTS AS PROVIDED FOR IN THIS PART. SLOT MACHINE
13 LICENSEES SHALL BE REQUIRED TO UPDATE THE INFORMATION IN THEIR
14 INITIAL APPLICATIONS ANNUALLY, AND THE LICENSE OF A LICENSEE IN
15 GOOD STANDING SHALL BE UPDATED AND RENEWED ANNUALLY. AS TO THE
16 RENEWAL OF A LICENSE, NO ADDITIONAL LICENSE FEE PURSUANT TO
17 SUBSECTION (A) SHALL BE REQUIRED.

18 (C) CREDIT AGAINST TAX FOR SLOT MACHINE LICENSEES.--IF THE
19 RATE OF THE TAX IMPOSED BY SECTION 1403 (RELATING TO
20 ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE REVENUE
21 DISTRIBUTION) IS INCREASED AT ANY TIME DURING THE TERM OF TEN
22 YEARS FOLLOWING THE INITIAL ISSUANCE OF THE SLOT MACHINE
23 LICENSE, THE SLOT MACHINE LICENSEE SHALL BE ENTITLED TO A CREDIT
24 AGAINST SUBSEQUENT PAYMENT OF THE TAX EQUAL TO THE DIFFERENCE
25 BETWEEN THE TAX CALCULATED AT THE RATE WHEN THE LICENSE WAS
26 ISSUED AND THE TAX CALCULATED AT THE INCREASED RATE. THIS CREDIT
27 SHALL BE APPLIED ON A DOLLAR-FOR-DOLLAR BASIS AS AND WHEN THE
28 TAX IS PAYABLE AS SET FORTH IN SECTION 1403, BUT SHALL NOT
29 EXTEND BEYOND THE TEN-YEAR PERIOD FOLLOWING THE INITIAL ISSUANCE
30 OF THE LICENSE. THE AGGREGATE AMOUNT OF ALL CREDITS PROVIDED

1 SHALL NOT EXCEED THE AMOUNT OF THE LICENSING FEE PAID BY THE
2 LICENSEE. THE DEPARTMENT SHALL ENTER INTO A CONTRACT WITH EACH
3 SLOT MACHINE LICENSEE EXPLICITLY SETTING FORTH THE TERMS AND
4 CONDITIONS OF THIS CREDIT AND WHICH ALSO SPECIFICALLY
5 INCORPORATES THE REQUIREMENTS OF SUBSECTION (F).

6 (D) DEPOSIT OF LICENSE FEE.--THE TOTAL AMOUNT OF ALL LICENSE
7 FEES IMPOSED AND COLLECTED BY THE BOARD UNDER THIS SECTION SHALL
8 BE DEPOSITED IN THE STATE GAMING FUND.

9 (E) CHANGE OF OWNERSHIP OR CONTROL OF A LICENSE.--IN THE
10 EVENT THAT THE OWNERSHIP OR CONTROL OF A SLOT MACHINE LICENSEE
11 OR ITS AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY IS
12 CHANGED AS DESCRIBED IN SECTION 1328 (RELATING TO CHANGE IN
13 OWNERSHIP OR CONTROL OF SLOT MACHINE LICENSEE), THE NEW OWNER
14 SHALL BE ENTITLED TO THE FULL REMAINING AMOUNT OF THE CREDIT SET
15 FORTH IN SUBSECTION (C) OR THE RETURN OF THE LICENSE FEE IN
16 ACCORDANCE WITH SUBSECTION (F) AS IF THE NEW OWNER OR
17 CONTROLLING INTEREST WAS THE ORIGINAL LICENSEE.

18 (F) RETURN OF SLOT MACHINE LICENSE FEE.--

19 (1) THE ENTIRE ONE-TIME SLOT MACHINE LICENSE FEE OF
20 \$50,000,000 FOR EACH CATEGORY 1 AND CATEGORY 2 SLOT MACHINE
21 LICENSE SHALL BE RETURNED TO EACH LICENSEE IN THE EVENT
22 SECTION 1201 (RELATING TO PENNSYLVANIA GAMING CONTROL BOARD
23 ESTABLISHED), 1202 (RELATING TO GENERAL AND SPECIFIC POWERS)
24 OR 1307 (RELATING TO NUMBER OF SLOT MACHINE LICENSES) IS
25 AMENDED OR OTHERWISE ALTERED BY AN ACT OF THE GENERAL
26 ASSEMBLY WITHIN FIVE YEARS FOLLOWING THE INITIAL ISSUANCE OF
27 ANY SLOT MACHINE LICENSES PURSUANT TO SECTION 1301 (RELATING
28 TO AUTHORIZED SLOT MACHINE LICENSES), TO CHANGE:

29 (I) THE COMPOSITION OF THE BOARD;

30 (II) THE NUMBER, VOTING POWERS OR MEMBERS OF THE

1 BOARD;

2 (III) THE MANNER IN WHICH MEMBERS ARE NOMINATED OR
3 APPOINTED TO THE BOARD;

4 (IV) THE LENGTH OF TERM FOR WHICH EACH MEMBER
5 SERVES;

6 (V) THE GENERAL JURISDICTION OF THE BOARD IN A
7 MANNER THAT IMPAIRS OR OTHERWISE REDUCES THE BOARD'S
8 LICENSING AUTHORITY; OR

9 (VI) SECTION 1307 TO INCREASE THE STATUTORY MAXIMUM
10 NUMBER OF PERMISSIBLE LICENSED FACILITIES.

11 (2) IN THE EVENT THAT THIS PART IS AMENDED OR OTHERWISE
12 ALTERED BY AN ACT OF THE GENERAL ASSEMBLY AS DESCRIBED
13 PURSUANT TO PARAGRAPH (1) HEREIN:

14 (I) IN THE SIXTH YEAR FOLLOWING THE INITIAL ISSUANCE
15 OF ANY SLOT MACHINE LICENSES PURSUANT TO SECTION 1301, A
16 CATEGORY 1 AND 2 SLOT MACHINE LICENSEE SHALL BE ENTITLED
17 TO A PARTIAL RETURN OF THE ONE-TIME SLOT MACHINE LICENSE
18 FEE IN THE AMOUNT OF \$41,666,667.

19 (II) IN THE SEVENTH YEAR, THE LICENSEE SHALL BE
20 ENTITLED TO A PARTIAL RETURN OF THE ONE-TIME SLOT MACHINE
21 LICENSE FEE IN THE AMOUNT OF \$33,333,334.

22 (III) IN THE EIGHTH YEAR, THE LICENSEE SHALL BE
23 ENTITLED TO A PARTIAL RETURN OF THE ONE-TIME SLOT MACHINE
24 LICENSE FEE IN THE AMOUNT OF \$25,000,000.

25 (IV) IN THE NINTH YEAR, THE LICENSEE SHALL BE
26 ENTITLED TO A PARTIAL RETURN OF THE ONE-TIME SLOT MACHINE
27 LICENSE FEE IN THE AMOUNT OF \$16,666,668.

28 (V) IN THE TENTH YEAR, THE LICENSEE SHALL BE
29 ENTITLED TO A PARTIAL RETURN OF THE ONE-TIME MACHINE
30 LICENSE FEE IN THE AMOUNT OF \$8,333,334.

1 IN THE EVENT THAT THE ACTION DESCRIBED IN PARAGRAPH (1) OCCURS
2 AFTER THE EXPIRATION OF TEN YEARS, THE LICENSEE SHALL NOT BE
3 ENTITLED TO A RETURN OF ANY PORTION OF THE ONE-TIME SLOT MACHINE
4 LICENSE FEE. NOTWITHSTANDING THE FOREGOING, NO SLOT MACHINE
5 LICENSEE SHALL BE ENTITLED TO THE RETURN OF ANY PORTION OF THE
6 FEE AS A RESULT OF ANY ACT OF THE GENERAL ASSEMBLY INSOFAR AS IT
7 IMPLEMENTS A RECOMMENDATION MADE BY THE BOARD PURSUANT TO A
8 QUALIFIED MAJORITY VOTE. IN THE EVENT A FULL OR PARTIAL RETURN
9 OF THE SLOT MACHINE LICENSE FEE IMPOSED PURSUANT TO SUBSECTION
10 (A) BECOMES DUE PURSUANT TO THIS SUBSECTION, THE AMOUNT TO BE
11 RETURNED TO ANY SLOT MACHINE LICENSEE SHALL BE REDUCED ON A
12 DOLLAR-FOR-DOLLAR BASIS BY THE TOTAL ACCUMULATED TAX CREDITS
13 GRANTED TO SUCH LICENSEE PURSUANT TO SUBSECTION (C). IN NO EVENT
14 SHALL THE TOTAL AMOUNT OF THE SLOT MACHINE LICENSE FEE RETURNED,
15 COMBINED WITH THE TOTAL TAX CREDITS GRANTED, EXCEED THE AMOUNTS
16 SET FORTH IN THIS SUBSECTION FOR ANY LICENSEE. THE TOTAL OR
17 PARTIAL RETURN OF THE SLOT MACHINE LICENSE FEE SHALL EXTINGUISH
18 A LICENSEE'S RIGHT TO CLAIM ANY FURTHER TAX CREDITS PURSUANT TO
19 SUBSECTION (C).

20 § 1210. NUMBER OF SLOT MACHINES.

21 (A) INITIAL COMPLEMENT.--EXCEPT AS PROVIDED FOR CATEGORY 3
22 SLOT MACHINE LICENSEES UNDER SECTION 1305 (RELATING TO CATEGORY
23 3 SLOT MACHINE LICENSE), ALL SLOT MACHINE LICENSEES SHALL BE
24 PERMITTED TO OPERATE UP TO 3,000 SLOT MACHINES AT ANY ONE
25 LICENSED FACILITY AND SHALL BE REQUIRED TO OPERATE AND MAKE
26 AVAILABLE TO PLAY A MINIMUM OF 1,500 MACHINES AT ANY ONE
27 LICENSED FACILITY WITHIN ONE YEAR OF THE ISSUANCE BY THE BOARD
28 OF A SLOT MACHINE LICENSE, UNLESS OTHERWISE EXTENDED BY THE
29 BOARD, UPON APPLICATION AND FOR GOOD CAUSE SHOWN, FOR AN
30 ADDITIONAL PERIOD NOT TO EXCEED 24 MONTHS.

1 (B) ADDITIONAL SLOT MACHINES.--EXCEPT AS PROVIDED FOR
2 CATEGORY 3 SLOT MACHINE LICENSEES UNDER SECTION 1305, SIX MONTHS
3 FOLLOWING THE DATE OF COMMENCEMENT OF SLOT MACHINE OPERATIONS,
4 THE BOARD MAY PERMIT A SLOT MACHINE LICENSEE TO INSTALL AND
5 OPERATE UP TO 2,000 ADDITIONAL SLOT MACHINES AT ITS LICENSED
6 FACILITY, BEYOND THOSE MACHINES AUTHORIZED UNDER SUBSECTION (A),
7 UPON APPLICATION BY THE SLOT MACHINE LICENSEE. THE BOARD, IN
8 CONSIDERING SUCH AN APPLICATION, SHALL TAKE INTO ACCOUNT THE
9 APPROPRIATENESS OF THE PHYSICAL SPACE WHERE THE ADDITIONAL SLOT
10 MACHINES WILL BE LOCATED AND THE CONVENIENCE OF THE PUBLIC
11 ATTENDING THE FACILITY. THE BOARD MAY ALSO TAKE INTO ACCOUNT THE
12 POTENTIAL BENEFIT TO ECONOMIC DEVELOPMENT, EMPLOYMENT AND
13 TOURISM, ENHANCED REVENUES TO THE COMMONWEALTH AND OTHER
14 ECONOMIC INDICATORS IT DEEMS APPLICABLE IN MAKING ITS DECISION.
15 § 1211. REPORTS OF BOARD.

16 (A) REPORT OF BOARD.--EIGHTEEN MONTHS AFTER THE EFFECTIVE
17 DATE OF THIS PART AND EVERY YEAR ON THAT DATE THEREAFTER, THE
18 BOARD SHALL ISSUE A REPORT TO THE GOVERNOR AND EACH MEMBER OF
19 THE GENERAL ASSEMBLY ON THE GENERAL OPERATION OF THE BOARD AND
20 EACH SLOT MACHINE LICENSEE'S PERFORMANCE, INCLUDING, BUT NOT
21 LIMITED TO, NUMBER AND WIN PER SLOT MACHINE AT LICENSED
22 FACILITIES DURING THE PREVIOUS YEAR, ALL TAXES, FEES, FINES AND
23 OTHER REVENUES COLLECTED AND, WHERE APPROPRIATE, DISBURSED, THE
24 COSTS OF OPERATION OF THE BOARD, ALL HEARINGS CONDUCTED AND THE
25 RESULTS OF THE HEARINGS AND OTHER INFORMATION THAT THE BOARD
26 DEEMS NECESSARY AND APPROPRIATE.

27 (B) REPORT OF THE LEGISLATIVE BUDGET AND FINANCE
28 COMMITTEE.--NO LATER THAN MARCH 15 OF THE YEAR FOLLOWING THE
29 EFFECTIVE DATE OF THIS PART AND EACH MARCH 15 THEREAFTER, THE
30 LEGISLATIVE BUDGET AND FINANCE COMMITTEE SHALL ISSUE A REPORT TO

1 THE GENERAL ASSEMBLY ANALYZING THE IMPACT, IF ANY, OF THIS PART
2 ON THE STATE LOTTERY.

3 (C) INTERCEPTION OF GAMING WINNINGS.--THE BOARD SHALL
4 CONDUCT A STUDY TO DETERMINE THE FEASIBILITY OF IMPLEMENTING
5 METHODS FOR THE INTERCEPTION OF THE GAMING WINNINGS OF
6 INDIVIDUALS WHO ARE DELINQUENT SUPPORT OBLIGORS OR TAX
7 DELINQUENT. THE STUDY SHALL BE COMPLETED BY DECEMBER 31, 2006,
8 AND SHALL CONTAIN RECOMMENDATIONS WHICH THE BOARD DETERMINES
9 APPROPRIATE.

10 § 1212. DIVERSITY GOALS OF BOARD.

11 (A) INTENT.--IT IS THE INTENT AND GOAL OF THE GENERAL
12 ASSEMBLY THAT THE BOARD PROMOTE AND ENSURE DIVERSITY IN ALL
13 ASPECTS OF THE GAMING ACTIVITIES AUTHORIZED UNDER THIS PART. THE
14 BOARD SHALL WORK TO ENHANCE THE REPRESENTATION OF DIVERSE GROUPS
15 IN THE OWNERSHIP, PARTICIPATION AND OPERATION OF LICENSED
16 ENTITIES AND LICENSED FACILITIES IN THIS COMMONWEALTH AND
17 THROUGH THE OWNERSHIP, PARTICIPATION AND OPERATION OF BUSINESS
18 ENTERPRISES ASSOCIATED WITH OR UTILIZED BY LICENSED ENTITIES AND
19 LICENSED FACILITIES AND THROUGH THE PROVISION OF GOODS AND
20 SERVICES UTILIZED BY SLOT MACHINE LICENSEES UNDER THIS PART.

21 (B) INVESTIGATIONS.--THE BOARD IS AUTHORIZED TO INVESTIGATE
22 AND CONDUCT AN ANNUAL STUDY TO ASCERTAIN WHETHER EFFECTIVE AND
23 MEANINGFUL ACTION HAS BEEN TAKEN OR WILL BE TAKEN TO ENHANCE THE
24 REPRESENTATION OF DIVERSE GROUPS IN THE OWNERSHIP, PARTICIPATION
25 AND OPERATION OF LICENSED FACILITIES IN THIS COMMONWEALTH AND
26 THROUGH THE OWNERSHIP AND OPERATION OF BUSINESS ENTERPRISES
27 ASSOCIATED WITH OR UTILIZED BY SLOT MACHINE LICENSEES, THROUGH
28 THE PROVISION OF GOODS AND SERVICES UTILIZED BY SLOT MACHINE
29 LICENSEES AND THROUGH EMPLOYMENT OPPORTUNITIES.

30 (C) COMPLETION OF INVESTIGATION.--THE FIRST STUDY SHALL BE

1 COMPLETED SIX MONTHS FOLLOWING THE EFFECTIVE DATE OF THIS PART,
2 IF PRACTICALLY POSSIBLE, AND ANNUALLY THEREAFTER, AND SHALL
3 CONTAIN RECOMMENDATIONS WHICH THE BOARD DETERMINES APPROPRIATE.
4 § 1213. LICENSE OR PERMIT PROHIBITION.

5 NO APPLICANT FOR A LICENSE OR PERMIT UNDER THIS PART,
6 INCLUDING DIRECTORS, OWNERS AND KEY EMPLOYEES, THAT HAS BEEN
7 CONVICTED, IN ANY JURISDICTION, OF A FELONY OR GAMBLING OFFENSE
8 WITHIN THE PAST 15 YEARS, SHALL BE ISSUED A LICENSE OR PERMIT
9 UNDER THIS PART OR BE FOUND QUALIFIED TO SERVE IN A POSITION AS
10 A DIRECTOR, OWNER OR KEY EMPLOYEE OF OR ASSOCIATED WITH ANY
11 LICENSEE OR PERMITTEE.

12 CHAPTER 13

13 LICENSEES

14 SEC.

15 1301. AUTHORIZED SLOT MACHINE LICENSES.

16 1302. CATEGORY 1 SLOT MACHINE LICENSE.

17 1303. ADDITIONAL CATEGORY 1 SLOT MACHINE LICENSE
18 REQUIREMENTS.

19 1304. CATEGORY 2 SLOT MACHINE LICENSE.

20 1305. CATEGORY 3 SLOT MACHINE LICENSE.

21 1306. ORDER OF INITIAL LICENSE ISSUANCE.

22 1307. NUMBER OF SLOT MACHINE LICENSES.

23 1308. APPLICATIONS FOR LICENSE OR PERMIT.

24 1309. SLOT MACHINE LICENSE APPLICATION.

25 1310. SLOT MACHINE LICENSE APPLICATION CHARACTER
26 REQUIREMENTS.

27 1311. SLOT MACHINE LICENSE APPLICATION BUSINESS ENTITY
28 REQUIREMENTS.

29 1312. DIVESTITURE OF DISQUALIFYING APPLICANT.

30 1313. SLOT MACHINE LICENSE APPLICATION FINANCIAL

- 1 FITNESS REQUIREMENTS.
- 2 1314. ALTERNATIVE CATEGORY 1 LICENSING STANDARDS.
- 3 1315. CONDITIONAL CATEGORY 1 LICENSES.
- 4 1316. BOND FOR ISSUANCE OF SLOT MACHINE LICENSE.
- 5 1317. SUPPLIER AND MANUFACTURER LICENSES APPLICATION.
- 6 1318. OCCUPATION PERMIT APPLICATION.
- 7 1319. ALTERNATIVE MANUFACTURER LICENSING STANDARDS.
- 8 1320. SLOT MACHINE TESTING AND CERTIFICATION STANDARDS.
- 9 1321. ADDITIONAL LICENSES AND PERMITS AND APPROVAL OF
- 10 AGREEMENTS.
- 11 1322. SLOT MACHINE ACCOUNTING CONTROLS AND AUDITS.
- 12 1323. CENTRAL CONTROL COMPUTER SYSTEM.
- 13 1324. PROTOCOL INFORMATION.
- 14 1325. LICENSE OR PERMIT ISSUANCE.
- 15 1326. LICENSE RENEWALS.
- 16 1327. NONTRANSFERABILITY OF LICENSES.
- 17 1328. CHANGE IN OWNERSHIP OR CONTROL OF SLOT MACHINE
- 18 LICENSEE.
- 19 1329. NONPORTABILITY OF SLOT MACHINE LICENSE.
- 20 1330. MULTIPLE SLOT MACHINE LICENSE PROHIBITION.
- 21 1331. DUTY OF LICENSEES, KEY EMPLOYEES AND GAMING EMPLOYEES.
- 22 § 1301. AUTHORIZED SLOT MACHINE LICENSES.

23 THERE SHALL BE THREE DISTINCT CLASSIFICATIONS OF SLOT MACHINE

24 LICENSES, DESIGNATED BY CATEGORY, EACH PERMITTING A LICENSED

25 RACING ENTITY OR PERSON TO APPLY FOR A QUALIFYING LICENSE

26 CATEGORY AND, UPON ISSUANCE BY THE BOARD, IN ITS DISCRETION, TO

27 PLACE AND OPERATE SLOT MACHINES AT A LICENSED FACILITY. EXCEPT

28 FOR CONDITIONAL CATEGORY 1 LICENSE APPLICATIONS PURSUANT TO

29 SECTION 1315 (RELATING TO CONDITIONAL CATEGORY 1 LICENSE), IT IS

30 MANDATORY THAT THE BOARD SHALL CONSIDER, APPROVE, CONDITION OR

1 DENY THE APPROVAL OF ALL INITIAL APPLICATIONS FOR EACH AND EVERY
2 CATEGORY OF SLOT MACHINE LICENSES COLLECTIVELY AND TOGETHER, IN
3 A COMPREHENSIVE STATEWIDE MANNER, WITHIN 12 MONTHS FOLLOWING THE
4 TIME SET BY THE BOARD AT WHICH ALL APPLICATIONS ARE TO BE FILED
5 AND DEEMED COMPLETE BY THE BOARD. THE BOARD SHALL APPROVE,
6 CONDITION OR DENY THE ISSUANCE OF A SLOT MACHINE LICENSE OF ANY
7 CATEGORY WITHIN THE TIME PERIOD PROVIDED FOR HEREIN. FOLLOWING
8 APPROVAL OF AN APPLICATION FOR A SLOT MACHINE LICENSE, THE
9 APPLICANT SHALL PROVIDE FORMAL NOTIFICATION TO THE BOARD AS SOON
10 AS:

11 (I) IT FULFILLS ALL REQUIRED CONDITIONS FOR ISSUANCE
12 OF THE LICENSE; AND

13 (II) THE BOARD'S DECISION APPROVING THE APPLICATION
14 IS A FINAL, BINDING, NONAPPEALABLE DETERMINATION WHICH IS
15 NOT SUBJECT TO A PENDING LEGAL CHALLENGE.

16 UPON RECEIPT OF SUCH FORMAL NOTIFICATION AND UPON CONDUCTING ANY
17 NECESSARY VERIFICATION, THE BOARD SHALL ISSUE A SLOT MACHINE
18 LICENSE TO THE APPLICANT.

19 § 1302. CATEGORY 1 SLOT MACHINE LICENSE.

20 (A) ELIGIBILITY.--A PERSON MAY BE ELIGIBLE TO APPLY FOR A
21 CATEGORY 1 LICENSE TO PLACE AND OPERATE SLOT MACHINES AT A
22 LICENSED RACETRACK FACILITY IF THE PERSON:

23 (1) HAS BEEN ISSUED A LICENSE FROM EITHER THE STATE
24 HORSE RACING COMMISSION OR THE STATE HARNESS RACING
25 COMMISSION TO CONDUCT THOROUGHBRED OR HARNESS RACE MEETINGS
26 RESPECTIVELY WITH PARI-MUTUEL WAGERING AND HAS CONDUCTED LIVE
27 HORSE RACES FOR NOT LESS THAN TWO YEARS IMMEDIATELY PRECEDING
28 THE EFFECTIVE DATE OF THIS PART;

29 (2) HAS BEEN APPROVED OR ISSUED A LICENSE FROM EITHER
30 THE STATE HORSE RACING COMMISSION OR THE STATE HARNESS RACING

1 COMMISSION TO CONDUCT THOROUGHBRED OR HARNESS RACE MEETINGS
2 RESPECTIVELY WITH PARI-MUTUEL WAGERING WITHIN 18 MONTHS
3 IMMEDIATELY PRECEDING THE EFFECTIVE DATE OF THIS PART AND
4 WILL SUCCESSFULLY CONDUCT LIVE RACING PURSUANT TO THE
5 REQUIREMENTS OF SECTION 1303 (RELATING TO ADDITIONAL CATEGORY
6 3 SLOT MACHINE LICENSE REQUIREMENTS); OR

7 (3) HAS BEEN APPROVED BY THE STATE HARNESS RACING
8 COMMISSION, AFTER THE EFFECTIVE DATE OF THIS PART, TO CONDUCT
9 HARNESS RACE MEETINGS WITH PARI-MUTUEL WAGERING AND WILL
10 CONDUCT LIVE RACING PURSUANT TO THE REQUIREMENTS OF SECTION
11 1303.

12 (4) IS A SUCCESSOR IN INTEREST TO PERSONS ELIGIBLE UNDER
13 PARAGRAPH (1), (2) OR (3) WHO COMPLY WITH THE REQUIREMENTS OF
14 SECTION 1328 (RELATING TO CHANGE IN OWNERSHIP OR CONTROL OF
15 SLOT MACHINE LICENSEE) OR IS A SUCCESSOR IN INTEREST TO
16 PERSONS OTHERWISE ELIGIBLE UNDER PARAGRAPH (1), (2) OR (3)
17 BUT PRECLUDED FROM ELIGIBILITY UNDER THE PROVISIONS OF
18 SECTION 1330.

19 NOTHING IN THIS PART SHALL BE CONSTRUED TO PERMIT THE APPROVAL
20 OR ISSUANCE OF MORE THAN ONE SLOT MACHINE LICENSE AT A LICENSED
21 RACETRACK FACILITY.

22 (B) LOCATION.--A CATEGORY 1 LICENSE MAY ONLY BE ISSUED TO AN
23 ELIGIBLE PERSON AUTHORIZING SLOT MACHINE OPERATIONS AT THE
24 PARTICULAR LICENSED RACETRACK FACILITY IDENTIFIED IN THE
25 APPLICATION. NO CATEGORY 1 LICENSED FACILITY SHALL BE LOCATED
26 WITHIN 20 LINEAR MILES OF ANOTHER CATEGORY 1 LICENSED FACILITY.

27 § 1303. ADDITIONAL CATEGORY 1 SLOT MACHINE LICENSE
28 REQUIREMENTS.

29 (A) ELIGIBILITY.--IN ADDITION TO THE CRITERIA PRESCRIBED IN
30 SECTION 1302 (RELATING TO CATEGORY 1 SLOT MACHINE LICENSE) AN

1 APPLICANT FOR A CATEGORY 1 SLOT MACHINE LICENSE SHALL BE
2 ELIGIBLE FOR A LICENSE TO PLACE AND OPERATE SLOT MACHINES AT A
3 LICENSED FACILITY ONLY IF THE APPLICANT MEETS ONE OF THE
4 FOLLOWING CRITERIA:

5 (1) THE LICENSED RACING ENTITY OR ITS PREDECESSOR OWNER
6 OF THE LICENSED RACETRACK HAS CONDUCTED LIVE HORSE RACES FOR
7 NOT LESS THAN TWO YEARS IMMEDIATELY PRECEDING THE EFFECTIVE
8 DATE OF THIS PART; OR

9 (2) THE LICENSED RACING ENTITY HAS NOT PREVIOUSLY
10 CONDUCTED LIVE RACING AT A RACETRACK BUT WILL CONDUCT LIVE
11 RACING FOR A MINIMUM OF 150 DAYS TO BEGIN IN THE YEAR WHICH
12 BEGINS TWO YEARS FOLLOWING THE ISSUANCE OF ITS SLOT MACHINE
13 LICENSE FOR THE RACETRACK UNLESS THE APPROPRIATE COMMISSION
14 DETERMINES, UPON APPLICATION, THAT IT IS NOT PRACTICALLY
15 FEASIBLE FOR THE LICENSED RACING ENTITY TO CONDUCT LIVE
16 RACING FOR A MINIMUM OF 150 DAYS DUE TO PROJECTED OR ACTUAL
17 WEATHER CONDITIONS. FAILURE TO MEET THE REQUIRED MINIMUM
18 NUMBER OF DAYS WILL RESULT IN IMMEDIATE SUSPENSION OF THE
19 SLOT MACHINE LICENSE.

20 (B) REQUIRED RACING DAYS.--EXCEPT AS PROVIDED IN SUBSECTION
21 (A) (2), A CATEGORY 1 SLOT MACHINE LICENSEE MUST CONDUCT LIVE
22 RACING AT THE RACETRACK FOR AT LEAST 100 DAYS PER CALENDAR YEAR
23 FOR EACH LICENSE HELD BY THE LICENSED RACING ENTITY PURSUANT TO
24 THE RACE HORSE INDUSTRY REFORM ACT AND THE AGGREGATE NUMBER OF
25 LIVE RACING DAYS AT THE RACETRACK WHERE THE CATEGORY 1 SLOT
26 MACHINE LICENSEE CONDUCTS LIVE RACING SHALL NOT BE LESS THAN 95%
27 OF THE TOTAL NUMBER OF HORSE OR HARNESS RACING DAYS THAT WERE
28 SCHEDULED IN 1986 AT THAT RACETRACK. IF A RACING DAY IS CANCELED
29 FOR REASONS BEYOND THE CONTROL OF THE LICENSED RACING ENTITY,
30 THE APPROPRIATE COMMISSION SHALL GRANT THE LICENSEE THE RIGHT TO

1 CONDUCT THAT RACING DAY IN THE SAME OR NEXT ENSUING CALENDAR
2 YEAR. THE PURSE FOR THAT RACING DAY SHALL NOT BE USED FOR THE
3 PURSE OF OTHER SCHEDULED RACING DAYS OF THAT CALENDAR YEAR AND
4 MUST BE USED FOR THE PURSE OF SUCH RESCHEDULED DAY.

5 (C) LIMITATIONS.--THE ISSUANCE OF A CATEGORY 1 SLOT MACHINE
6 LICENSE SHALL ENTITLE THE LICENSEE TO OPERATE SLOT MACHINES ONLY
7 WITHIN THE GROUNDS OF A LICENSED RACETRACK.

8 (D) AUTHORIZATION.--AUTHORIZATION FOR A CATEGORY 1 SLOT
9 MACHINE LICENSEE TO CONTINUE THE OPERATION OF SLOT MACHINES
10 SHALL BE LIMITED TO THOSE LICENSEES THAT:

11 (1) HAVE A WRITTEN LIVE RACING AGREEMENT WITH A
12 HORSEMEN'S ORGANIZATION REPRESENTING A MAJORITY OF OWNERS AND
13 TRAINERS AT THE RACETRACK WHERE THE LICENSED RACING ENTITY
14 CONDUCTS LIVE RACING.

15 (2) HAVE 95% OF THE TOTAL NUMBER OF HORSE OR HARNESS
16 RACING DAYS THAT WERE SCHEDULED IN 1986 BY IT OR ITS
17 PREDECESSOR AT THE RACETRACK WHERE THE CATEGORY 1 SLOT
18 MACHINE LICENSEE CONDUCTS LIVE RACING AND THE AGGREGATE
19 NUMBER OF LIVE RACING DAYS AT THE RACETRACK WHERE THE
20 CATEGORY 1 SLOT MACHINE LICENSEE CONDUCTS LIVE RACING SHALL
21 NOT BE LESS THAN 95% OF THE TOTAL NUMBER OF HORSE OR HARNESS
22 RACING DAYS THAT WERE SCHEDULED IN 1986 AT THAT RACETRACK. A
23 NEW LICENSEE WHICH OPENS A NEW RACETRACK AND WHICH WILL
24 SUCCESSFULLY CONDUCT LIVE RACING FOR A MINIMUM OF 150 DAYS TO
25 BEGIN NO LATER THAN IN THE YEAR WHICH BEGINS TWO YEARS
26 FOLLOWING THE ISSUANCE OF ITS SLOT MACHINE LICENSE FOR THE
27 RACETRACK, UNLESS THE APPROPRIATE COMMISSION DETERMINES, UPON
28 APPLICATION, THAT IT IS NOT PRACTICALLY FEASIBLE FOR THE
29 LICENSED RACING ENTITY TO CONDUCT LIVE RACING FOR A MINIMUM
30 OF 150 DAYS DUE TO PROJECTED OR ACTUAL WEATHER CONDITIONS,

1 SHALL BE ALLOWED TO OPERATE SLOT MACHINES, FROM THE DATE ITS
2 SLOT MACHINE LICENSE IS ISSUED AND INTRASTATE AND INTERSTATE
3 SIMULCAST IN ACCORDANCE WITH THE RACE HORSE INDUSTRY REFORM
4 ACT, FROM THE FIRST DAY OF THE CALENDAR YEAR IN WHICH IT
5 CONDUCTS LIVE RACING DAYS.

6 (3) UNLESS THE HORSEMEN'S ORGANIZATION REPRESENTING A
7 MAJORITY OF THE OWNERS AND TRAINERS CONSENTS TO A LOWER
8 NUMBER OF REQUIRED RACING DAYS AT THE RACETRACK, SUBJECT TO
9 ACTIONS OR ACTIVITIES BEYOND THE CONTROL OF THE LICENSEE,
10 CONDUCT NOT FEWER THAN EIGHT LIVE RACES PER RACE DATE DURING
11 EACH MEET AT THE RACETRACK WHERE THE LICENSED RACING ENTITY
12 CONDUCTS LIVE RACING, EXCEPT FOR THOROUGHBRED TRACKS ON THE
13 DAY DESIGNATED AS A BREEDER'S CUP EVENT DAY, WHEN THE
14 LICENSED RACING ENTITY SHALL HOLD A MINIMUM OF FIVE LIVE
15 RACES. THE CATEGORY 1 SLOT MACHINE LICENSEE SHALL NOT WAIVE
16 OR MODIFY THE PROVISIONS PERTAINING TO THE REQUIRED NUMBER OF
17 RACING DAYS UNDER PARAGRAPH (2) AND RACES PER DAY SCHEDULED
18 IN THIS SUBSECTION WITHOUT THE CONSENT OF THE HORSEMEN'S
19 ORGANIZATION REPRESENTING A MAJORITY OF OWNERS AND TRAINERS
20 AT THE RACETRACK.

21 (4) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (1), IN
22 THE EVENT THAT A WRITTEN LIVE RACING AGREEMENT HAS NOT BEEN
23 ENTERED INTO, PERMISSION FOR ANY LICENSEE TO OPERATE SLOT
24 MACHINES AT RACETRACKS SHALL BE GRANTED PROVIDED THAT THE
25 CATEGORY 1 SLOT MACHINE LICENSEE HAS CONTINUED TO CONDUCT
26 LIVE RACING IN ACCORDANCE WITH PARAGRAPHS (2) AND (3) AND
27 KEEPS ITS RACETRACK OPEN TO THE GENERAL POPULATION OF OWNERS,
28 TRAINERS AND HORSES STABLED THERE FOR TRAINING AND STABLING
29 ON A REGULAR BASIS, WHEN IT IS NORMALLY OPEN FOR LIVE RACING
30 AND DURING SUCH PERIODS, AND CONTINUES TO COMPLY WITH ALL

1 PROVISIONS OF THE MOST RECENTLY EXPIRED LIVE RACING
2 AGREEMENT, INCLUDING RECOGNITION OF THE THEN EXISTING
3 HORSEMEN'S ORGANIZATION AT EACH SUCH RACETRACK AS THE SOLE
4 REPRESENTATIVE OF THE HORSEMEN AT THAT TIME, AND PAYS PURSES
5 AS DEFINED IN THE MOST RECENTLY EXPIRED LIVE RACING AGREEMENT
6 PLUS THE APPLICABLE PURSE REVENUE DISTRIBUTED TO LICENSED
7 RACING ENTITIES FROM THE OPERATION OF SLOT MACHINES UNDER
8 THIS PART. NOTHING IN THIS PART SHALL EXEMPT AN EXISTING OR
9 FUTURE LICENSED RACETRACK FROM THE REQUIREMENTS OF THE RACE
10 HORSE INDUSTRY REFORM ACT REQUIRING A LICENSED CORPORATION TO
11 HAVE A WRITTEN AND UNEXPIRED LIVE RACING AGREEMENT WITH THE
12 HORSEMEN'S ORGANIZATION REPRESENTING A MAJORITY OF OWNERS AND
13 TRAINERS AT THE RACETRACK WHERE THE LICENSED CORPORATION
14 CONDUCTS OR WILL CONDUCT LIVE RACING DATES IN ORDER TO
15 CONTINUE OR COMMENCE ANY FORM OF SIMULCASTING.

16 (5) NOTWITHSTANDING ANY OTHER PROVISION OF THE LAW TO
17 THE CONTRARY, ACCOUNT WAGERS, AUTHORIZED PURSUANT TO SECTION
18 218(B) OF THE RACE HORSE INDUSTRY REFORM ACT, SHALL ONLY BE
19 ACCEPTED BY A LICENSED CORPORATION IN ACCORDANCE WITH THE
20 PROVISIONS OF THE RACE HORSE INDUSTRY REFORM ACT AND NO
21 ENTITY THAT IS NOT A LICENSED CORPORATION UNDER THAT ACT
22 SHALL ACCEPT AN ACCOUNT WAGER FROM ANY PERSON WITHIN THIS
23 COMMONWEALTH.

24 § 1304. CATEGORY 2 SLOT MACHINE LICENSE.

25 (A) ELIGIBILITY.--A PERSON MAY BE ELIGIBLE TO APPLY FOR A
26 CATEGORY 2 LICENSE IF THE APPLICANT, ITS AFFILIATE,
27 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY IS NOT OTHERWISE
28 ELIGIBLE TO APPLY FOR A CATEGORY 1 LICENSE AND THE PERSON IS
29 SEEKING TO LOCATE A LICENSED FACILITY IN A CITY OF THE FIRST
30 CLASS, A CITY OF THE SECOND CLASS OR A REVENUE OR TOURISM

1 ENHANCED LOCATION. IT SHALL NOT BE A CONDITION OF ELIGIBILITY TO
2 APPLY FOR A CATEGORY 2 LICENSE TO OBTAIN A LICENSE FROM EITHER
3 THE STATE HORSE RACING COMMISSION OR THE STATE HARNESS RACING
4 COMMISSION TO CONDUCT THOROUGHBRED OR HARNESS RACE MEETINGS
5 RESPECTIVELY WITH PARI-MUTUEL WAGERING.

6 (B) LOCATION.--TWO CATEGORY 2 LICENSED FACILITIES, AND NO
7 MORE, SHALL BE LOCATED BY THE BOARD WITHIN A CITY OF THE FIRST
8 CLASS AND ONE CATEGORY 2 LICENSED FACILITY, AND NO MORE, SHALL
9 BE LOCATED BY THE BOARD WITHIN A CITY OF THE SECOND CLASS. NO
10 CATEGORY 2 LICENSED FACILITY LOCATED BY THE BOARD WITHIN A CITY
11 OF THE FIRST CLASS SHALL BE WITHIN TEN LINEAR MILES OF A
12 CATEGORY 1 LICENSED FACILITY, REGARDLESS OF THE MUNICIPALITY
13 WHERE THE CATEGORY 1 LICENSED FACILITY IS LOCATED. EXCEPT FOR
14 ANY CATEGORY 2 LICENSED FACILITY LOCATED BY THE BOARD WITHIN A
15 CITY OF THE FIRST CLASS OR A CITY OF THE SECOND CLASS, NO
16 CATEGORY 2 LICENSED FACILITY SHALL BE LOCATED WITHIN 30 LINEAR
17 MILES OF ANY CATEGORY 1 LICENSED FACILITY THAT HAS CONDUCTED
18 OVER 200 RACING DAYS PER YEAR FOR THE TWO CALENDAR YEARS
19 IMMEDIATELY PRECEDING THE EFFECTIVE DATE OF THIS PART AND NOT
20 WITHIN 20 LINEAR MILES OF ANY OTHER CATEGORY 1 LICENSED
21 FACILITY. EXCEPT FOR ANY CATEGORY 2 LICENSED FACILITY LOCATED BY
22 THE BOARD WITHIN A CITY OF THE FIRST CLASS, NO CATEGORY 2
23 LICENSED FACILITY SHALL BE LOCATED WITHIN 20 LINEAR MILES OF
24 ANOTHER CATEGORY 2 LICENSED FACILITY.

25 § 1305. CATEGORY 3 SLOT MACHINE LICENSE.

26 (A) ELIGIBILITY.--A PERSON MAY BE ELIGIBLE TO APPLY FOR A
27 CATEGORY 3 LICENSE IF THE APPLICANT, ITS AFFILIATE,
28 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY HAS NOT APPLIED FOR
29 OR BEEN APPROVED OR ISSUED A CATEGORY 1 OR 2 LICENSE, AND THE
30 PERSON IS SEEKING TO LOCATE A CATEGORY 3 LICENSED FACILITY IN A

1 WELL ESTABLISHED RESORT HOTEL HAVING NO FEWER THAN 275 GUEST
2 ROOMS UNDER COMMON OWNERSHIP AND HAVING SUBSTANTIAL YEAR-ROUND
3 RECREATIONAL GUEST AMENITIES. THE APPLICANT FOR A CATEGORY 3
4 LICENSE SHALL BE THE OWNER OR BE A WHOLLY OWNED SUBSIDIARY OF
5 THE OWNER OF THE ESTABLISHED RESORT HOTEL. A CATEGORY 3 LICENSE
6 MAY ONLY BE GRANTED UPON THE EXPRESS CONDITION THAT AN
7 INDIVIDUAL MAY NOT ENTER A GAMING AREA OF THE LICENSEE IF THE
8 INDIVIDUAL IS NOT A REGISTERED OVERNIGHT GUEST OF THE
9 ESTABLISHED RESORT HOTEL OR IF THE INDIVIDUAL IS NOT A PATRON OF
10 ONE OR MORE OF THE AMENITIES PROVIDED BY THE ESTABLISHED RESORT
11 HOTEL.

12 (B) LOCATION.--NO CATEGORY 3 LICENSE SHALL BE LOCATED BY THE
13 BOARD WITHIN 15 LINEAR MILES OF ANOTHER LICENSED FACILITY.

14 (C) NUMBER OF SLOT MACHINES.--NOTWITHSTANDING THE NUMBER OF
15 PERMISSIBLE SLOT MACHINES AS SET FORTH IN SECTION 1210 (RELATING
16 TO NUMBER OF SLOT MACHINES), A CATEGORY 3 LICENSE GRANTED UNDER
17 THE PROVISIONS OF THIS SECTION SHALL ENTITLE THE LICENSED ENTITY
18 TO OPERATE NO MORE THAN 500 SLOT MACHINES AT THE LICENSED
19 FACILITY.

20 (D) CATEGORY 3 LICENSE FEE.--NOTWITHSTANDING THE ONE-TIME
21 SLOT MACHINE LICENSE FEE AS SET FORTH IN SECTION 1209 (RELATING
22 TO SLOT MACHINE LICENSE FEE), THE BOARD SHALL IMPOSE A ONE-TIME
23 CATEGORY 3 LICENSE FEE TO BE PAID BY EACH SUCCESSFUL APPLICANT
24 IN AN AMOUNT OF \$5,000,000. THE PROVISIONS OF SECTION 1209
25 RELATING TO TERM, CREDIT AGAINST TAX FOR SLOT MACHINE LICENSEES,
26 DEPOSIT OF LICENSE FEE AND CHANGE OF OWNERSHIP OR CONTROL OF A
27 LICENSE SHALL BE APPLICABLE TO A CATEGORY 3 LICENSE FEE.

28 (E) DEFINITIONS.--FOR THE PURPOSE OF SUBSECTION (A), THE
29 FOLLOWING WORDS AND PHRASES SHALL HAVE THE MEANING GIVEN TO THEM
30 IN THIS SUBSECTION:

1 "AMENITIES." ANY ANCILLARY ACTIVITIES, SERVICES OR
2 FACILITIES IN WHICH A REGISTERED GUEST OR THE TRANSIENT PUBLIC,
3 IN RETURN FOR NON-DE MINIMIS CONSIDERATION AS DEFINED BY BOARD
4 REGULATION, MAY PARTICIPATE AT A RESORT HOTEL, INCLUDING, BUT
5 NOT LIMITED TO: SPORTS AND RECREATIONAL ACTIVITIES AND
6 FACILITIES, SUCH AS A GOLF COURSE OR GOLF DRIVING RANGE, TENNIS
7 COURTS, OR SWIMMING POOL; HEALTH SPA; CONVENTION, MEETING AND
8 BANQUET FACILITIES; ENTERTAINMENT FACILITIES; AND RESTAURANT
9 FACILITIES.

10 "PATRON OF THE AMENITIES." ANY INDIVIDUAL WHO IS A
11 REGISTERED ATTENDEE OF A CONVENTION, MEETING OR BANQUET EVENT OR
12 A PARTICIPANT IN A SPORT OR RECREATIONAL EVENT OR ANY OTHER
13 SOCIAL, CULTURAL OR BUSINESS EVENT HELD AT A RESORT HOTEL OR WHO
14 PARTICIPATES IN ONE OR MORE OF THE AMENITIES PROVIDED TO
15 REGISTERED GUESTS OF THE RESORT HOTEL.

16 § 1306. ORDER OF INITIAL LICENSE ISSUANCE.

17 IN ORDER TO FACILITATE THE TIMELY AND ORDERLY DEPLOYMENT OF
18 LICENSED GAMING OPERATIONS IN THIS COMMONWEALTH, THE BOARD SHALL
19 ADOPT A SCHEDULE BY WHICH APPLICANTS FOR SLOT MACHINE,
20 MANUFACTURER AND SUPPLIER LICENSES SHALL BE FILED, CONSIDERED
21 AND RESOLVED IN ACCORDANCE WITH THE PROVISIONS OF THIS PART. IN
22 SO DOING, THE BOARD SHALL CONSIDER, APPROVE, CONDITION OR DENY
23 THE APPROVAL OF ALL FILED APPLICATIONS FOR MANUFACTURER AND
24 SUPPLIER LICENSES AS SOON AS ADMINISTRATIVELY POSSIBLE AND AT
25 LEAST THREE MONTHS PRIOR TO THE BOARD'S APPROVAL, CONDITIONING,
26 OR DENIAL OF THE APPROVAL OF ANY CATEGORY 1 LICENSE APPLICATION
27 PURSUANT TO SECTION 1315 (RELATING TO CONDITIONAL CATEGORY 1
28 LICENSES) OR ANY OTHER CATEGORY OF SLOT MACHINE LICENSE PURSUANT
29 TO SECTION 1301 (RELATING TO AUTHORIZED SLOT MACHINE LICENSE).
30 THE BOARD SHALL ENSURE THAT AN ADEQUATE NUMBER OF SUPPLIERS HAVE

1 BEEN LICENSED PURSUANT TO SECTION 1301 TO MEET MARKET DEMAND.

2 § 1307. NUMBER OF SLOT MACHINE LICENSES.

3 THE BOARD MAY LICENSE NO MORE THAN SEVEN CATEGORY 1 LICENSED
4 FACILITIES, AND NO MORE THAN FIVE CATEGORY 2 LICENSED
5 FACILITIES, AS IT MAY DEEM APPROPRIATE, AS LONG AS TWO, AND NOT
6 MORE, CATEGORY 2 LICENSES ARE LOCATED BY THE BOARD WITHIN THE
7 CITY OF THE FIRST CLASS AND THAT ONE, AND NOT MORE, CATEGORY 2
8 LICENSED FACILITY IS LOCATED BY THE BOARD WITHIN THE CITY OF THE
9 SECOND CLASS. THE BOARD MAY, AT ITS DISCRETION, INCREASE THE
10 TOTAL NUMBER OF CATEGORY 2 LICENSED FACILITIES PERMITTED TO BE
11 LICENSED BY THE BOARD, BY AN AMOUNT NOT TO EXCEED THE TOTAL
12 NUMBER OF CATEGORY 1 LICENSES NOT APPLIED FOR WITHIN FIVE YEARS
13 FOLLOWING THE EFFECTIVE DATE OF THIS PART. EXCEPT AS PERMITTED
14 BY SECTION 1328 (RELATING TO CHANGE IN OWNERSHIP OR CONTROL OF
15 SLOT MACHINE LICENSEE), ANY CATEGORY 1 LICENSE MAY BE REISSUED
16 BY THE BOARD, AT ITS DISCRETION, AS A CATEGORY 2 LICENSE IF AN
17 APPLICATION FOR ISSUANCE OF SUCH LICENSE HAS NOT BEEN MADE TO
18 THE BOARD. THE BOARD MAY LICENSE NO MORE THAN TWO CATEGORY 3
19 LICENSED FACILITIES.

20 § 1308. APPLICATIONS FOR LICENSE OR PERMIT.

21 (A) APPLICATIONS.--AN APPLICATION FOR A LICENSE OR PERMIT TO
22 BE ISSUED BY THE BOARD SHALL BE SUBMITTED ON A FORM AND IN A
23 MANNER AS SHALL BE REQUIRED BY THE BOARD. IN REVIEWING
24 APPLICATIONS, THE BOARD SHALL CONFIRM THAT ALL THE APPLICABLE
25 LICENSE OR PERMIT FEES HAVE BEEN PAID IN ACCORDANCE WITH THIS
26 PART.

27 (B) COMPLETENESS OF APPLICATIONS.--THE BOARD SHALL NOT
28 CONSIDER AN INCOMPLETE APPLICATION AND SHALL NOTIFY THE
29 APPLICANT IN WRITING IF AN APPLICATION IS INCOMPLETE. AN
30 APPLICATION SHALL BE CONSIDERED INCOMPLETE IF IT DOES NOT

1 INCLUDE ALL APPLICABLE FEES AND ALL INFORMATION AND ACCOMPANYING
2 DOCUMENTATION REQUIRED BY THE BOARD, INCLUDING, BUT NOT LIMITED
3 TO, A CURRENT TAX LIEN CERTIFICATE ISSUED BY THE DEPARTMENT AT
4 THE TIME OF FILING THE APPLICATION. ANY UNPAID TAXES IDENTIFIED
5 ON THE TAX LIEN CERTIFICATE SHALL BE PAID BEFORE THE APPLICATION
6 IS CONSIDERED COMPLETE. A NOTIFICATION OF INCOMPLETENESS SHALL
7 STATE THE DEFICIENCIES IN THE APPLICATION THAT MUST BE CORRECTED
8 PRIOR TO CONSIDERATION OF THE MERITS OF THE APPLICATION.

9 (C) ADVERSE LITIGATION.--NOTWITHSTANDING ANY LAW TO THE
10 CONTRARY, THE BOARD AND THE COMMISSIONS SHALL NOT CONSIDER ANY
11 APPLICATION FOR A LICENSE IF THE APPLICANT OR ANY PERSON
12 AFFILIATED WITH OR DIRECTLY RELATED TO THE APPLICANT IS A PARTY
13 IN ANY ONGOING CIVIL PROCEEDING IN WHICH THE PARTY IS SEEKING TO
14 OVERTURN OR OTHERWISE CHALLENGE A DECISION OR ORDER OF THE BOARD
15 OR COMMISSIONS, PERTAINING TO THE APPROVAL, DENIAL, OR
16 CONDITIONING OF A LICENSE TO CONDUCT THOROUGHBRED OR HARNESS
17 HORSE RACE MEETINGS RESPECTIVELY WITH PARI-MUTUEL WAGERING, OR
18 TO OPERATE SLOT MACHINES. THIS SUBSECTION SHALL NOT BE
19 INTERPRETED TO AFFECT THE RIGHTS OF APPLICANTS TO SEEK JUDICIAL
20 ENFORCEMENT OF MANDATORY OBLIGATIONS OF THE BOARD AS MAY BE
21 REQUIRED BY THIS PART.

22 § 1309. SLOT MACHINE LICENSE APPLICATION.

23 (A) GENERAL REQUIREMENTS.--IN ADDITION TO ANY OTHER
24 INFORMATION REQUIRED UNDER THIS PART OR AS MAY BE REQUIRED BY
25 THE BOARD, THE APPLICATION FOR ANY CATEGORY OF SLOT MACHINE
26 LICENSE SHALL INCLUDE AT A MINIMUM:

27 (1) THE NAME, ADDRESS, PHOTOGRAPH AND HANDWRITING
28 EXEMPLAR OF THE APPLICANT AND OF ALL DIRECTORS AND OWNERS AND
29 KEY EMPLOYEES AND THEIR POSITIONS WITHIN THE CORPORATION OR
30 ORGANIZATION, AS WELL AS ANY ADDITIONAL FINANCIAL INFORMATION

1 REQUIRED BY THE BOARD.

2 (2) THE PROPOSED LOCATION OF THE SLOT MACHINE AREAS, IF
3 KNOWN.

4 (3) THE NUMBER OF SLOT MACHINES REQUESTED.

5 (4) A CURRENT TAX LIEN CERTIFICATE ISSUED BY THE
6 DEPARTMENT.

7 (5) IN THOSE INSTANCES WHERE ADDITIONAL SLOT MACHINES
8 ARE BEING REQUESTED, THE JUSTIFICATION AND EXPLANATION FOR
9 THE NUMBER AND PROPOSED LOCATION OF THE SLOT MACHINE AREAS
10 WITHIN THE CONFINES OF THE LICENSED FACILITY.

11 (6) THE CURRENT STATUS OF THE HORSE OR HARNESS RACING
12 LICENSE ISSUED PURSUANT TO THE RACE HORSE INDUSTRY REFORM
13 ACT, IF ANY.

14 (7) THE DETAILS OF ANY GAMING, SLOT MACHINE OR CASINO
15 LICENSE APPLIED FOR, GRANTED TO OR DENIED TO THE APPLICANT BY
16 OTHER JURISDICTIONS WHERE SUCH FORM OF GAMING IS LEGAL, AND
17 THE CONSENT FOR THE BOARD TO ACQUIRE COPIES OF APPLICATIONS
18 SUBMITTED OR LICENSES ISSUED IN CONNECTION THEREWITH.

19 (8) THE DETAILS OF ANY LOANS OBTAINED FROM A FINANCIAL
20 INSTITUTION OR NOT OBTAINED FROM A FINANCIAL INSTITUTION.

21 (9) THE CONSENT TO CONDUCT A BACKGROUND INVESTIGATION BY
22 THE BOARD, THE SCOPE OF WHICH SHALL BE DETERMINED BY THE
23 BOARD IN ITS DISCRETION CONSISTENT WITH THE PROVISIONS OF
24 THIS PART, AND A RELEASE SIGNED BY ALL PERSONS SUBJECT TO THE
25 INVESTIGATION OF ALL INFORMATION REQUIRED TO COMPLETE THE
26 INVESTIGATION.

27 (10) ANY OTHER INFORMATION DETERMINED TO BE APPROPRIATE
28 BY THE BOARD.

29 (B) REFUSAL TO COOPERATE.--ANY REFUSAL TO PROVIDE THE
30 INFORMATION REQUIRED UNDER THIS SECTION OR TO CONSENT TO A

1 BACKGROUND INVESTIGATION SHALL RESULT IN THE IMMEDIATE DENIAL OF
2 A LICENSE OR PERMIT.

3 § 1310. SLOT MACHINE LICENSE APPLICATION CHARACTER
4 REQUIREMENTS.

5 (A) APPLICATION.--EVERY APPLICATION FOR A SLOT MACHINE
6 LICENSE SHALL INCLUDE SUCH INFORMATION, DOCUMENTATION AND
7 ASSURANCES AS MAY BE REQUIRED TO ESTABLISH BY CLEAR AND
8 CONVINCING EVIDENCE THE APPLICANT'S GOOD CHARACTER, HONESTY AND
9 INTEGRITY. INFORMATION SHALL INCLUDE, WITHOUT LIMITATION,
10 INFORMATION PERTAINING TO FAMILY, HABITS, CHARACTER, REPUTATION,
11 CRIMINAL HISTORY BACKGROUND, BUSINESS ACTIVITIES, FINANCIAL
12 AFFAIRS AND BUSINESS, PROFESSIONAL AND PERSONAL ASSOCIATES,
13 COVERING AT LEAST THE TEN-YEAR PERIOD IMMEDIATELY PRECEDING THE
14 FILING DATE OF THE APPLICATION.

15 (B) CIVIL JUDGMENTS AND LAW ENFORCEMENT AGENCY
16 INFORMATION.--EACH APPLICANT SHALL NOTIFY THE BOARD OF ANY CIVIL
17 JUDGMENTS OBTAINED AGAINST THE APPLICANT PERTAINING TO ANTITRUST
18 OR SECURITY REGULATION LAWS OF THE FEDERAL GOVERNMENT, THIS
19 COMMONWEALTH OR ANY OTHER STATE, JURISDICTION, PROVINCE OR
20 COUNTRY. IN ADDITION, EACH APPLICANT SHALL PRODUCE A LETTER OF
21 REFERENCE FROM LAW ENFORCEMENT AGENCIES HAVING JURISDICTION IN
22 THE APPLICANT'S PLACE OF RESIDENCE AND PRINCIPAL PLACE OF
23 BUSINESS, WHICH LETTER OF REFERENCE SHALL INDICATE THAT THE LAW
24 ENFORCEMENT AGENCIES DO NOT HAVE ANY PERTINENT INFORMATION
25 CONCERNING THE APPLICANT OR, IF THE LAW ENFORCEMENT AGENCY DOES
26 HAVE INFORMATION PERTAINING TO THE APPLICANT, SHALL SPECIFY THE
27 NATURE AND CONTENT OF THAT INFORMATION. IF NO LETTERS ARE
28 RECEIVED WITHIN 30 DAYS OF THE REQUEST, THE APPLICANT MAY SUBMIT
29 A STATEMENT UNDER OATH WHICH IS SUBJECT TO THE PENALTY FOR FALSE
30 SWEARING UNDER 18 PA.C.S. § 4903 (RELATING TO FALSE SWEARING)

1 THAT THE APPLICANT IS OR WAS DURING THE PERIOD THE ACTIVITIES
2 WERE CONDUCTED IN GOOD STANDING WITH THE GAMING OR CASINO
3 ENFORCEMENT OR CONTROL AGENCY.

4 (C) GAMING OR CASINO ENFORCEMENT AGENCY INFORMATION.--IF THE
5 APPLICANT HAS HELD A GAMING LICENSE IN A JURISDICTION WHERE
6 GAMING ACTIVITIES ARE PERMITTED, THE APPLICANT SHALL PRODUCE A
7 LETTER OF REFERENCE FROM THE GAMING OR CASINO ENFORCEMENT OR
8 CONTROL AGENCY WHICH SHALL SPECIFY THE EXPERIENCES OF THAT
9 AGENCY WITH THE APPLICANT, THE APPLICANT'S ASSOCIATES AND THE
10 APPLICANT'S GAMING OPERATION. IF NO LETTERS ARE RECEIVED WITHIN
11 30 DAYS OF THE REQUEST, THE APPLICANT MAY SUBMIT A STATEMENT
12 UNDER OATH WHICH IS SUBJECT TO THE PENALTY FOR FALSE SWEARING
13 UNDER 18 PA.C.S. § 4903 (RELATING TO FALSE SWEARING) THAT THE
14 APPLICANT IS OR WAS DURING THE PERIOD THE ACTIVITIES WERE
15 CONDUCTED IN GOOD STANDING WITH THE GAMING OR CASINO ENFORCEMENT
16 OR CONTROL AGENCY.

17 § 1311. SLOT MACHINE LICENSE APPLICATION BUSINESS ENTITY
18 REQUIREMENTS.

19 (A) KEY EMPLOYEE REQUIREMENT QUALIFICATION.--NO CORPORATION
20 OR ANY OTHER LEGAL BUSINESS ENTITY SHALL BE ELIGIBLE TO HOLD A
21 SLOT MACHINE LICENSE UNLESS THE FOLLOWING WOULD INDIVIDUALLY BE
22 QUALIFIED FOR LICENSURE AS A KEY EMPLOYEE: EACH OFFICER; EACH
23 DIRECTOR; EACH PERSON WHO DIRECTLY OR INDIRECTLY HOLDS ANY
24 BENEFICIAL INTEREST OR OWNERSHIP OF THE SECURITIES IN THE
25 ENTITY; EACH PERSON WHO IN THE OPINION OF THE BOARD HAS THE
26 ABILITY TO CONTROL THE ENTITY, HAS A CONTROLLING INTEREST OR
27 ELECTS A MAJORITY OF THE BOARD OF DIRECTORS OF THAT CORPORATION
28 OR BUSINESS ENTITY, OTHER THAN A BANKING OR OTHER LICENSED
29 LENDING INSTITUTION WHICH MAKES A LOAN OR HOLDS A MORTGAGE OR
30 OTHER LIEN ACQUIRED IN THE ORDINARY COURSE OF BUSINESS; EACH KEY

1 EMPLOYEE; EACH LENDER, OTHER THAN A BANKING OR OTHER LICENSED
2 LENDING INSTITUTION WHICH MAKES A LOAN OR HOLDS A MORTGAGE OR
3 OTHER LIEN ACQUIRED IN THE ORDINARY COURSE OF BUSINESS; EACH
4 UNDERWRITER; EACH AGENT; EACH EMPLOYEE OF THE CORPORATION OR
5 ENTITY AND EACH OTHER PERSON WHOM THE BOARD MAY CONSIDER
6 APPROPRIATE FOR APPROVAL OR QUALIFICATION. THE BOARD MAY WAIVE
7 COMPLIANCE WITH THE PROVISIONS OF THIS SUBSECTION ON THE PART OF
8 A PUBLICLY TRADED CORPORATION AS TO A PERSON DIRECTLY OR
9 INDIRECTLY HOLDING OWNERSHIP OF SECURITIES OF SUCH CORPORATION
10 WHERE THE BOARD IS SATISFIED THAT THE SECURITY HOLDER IS NOT
11 SIGNIFICANTLY INVOLVED IN THE ACTIVITIES OF THE CORPORATION AND
12 DOES NOT HAVE THE ABILITY TO CONTROL THE CORPORATION OR ELECT
13 ONE OR MORE DIRECTORS THEREOF.

14 (B) SLOT MACHINE LICENSE QUALIFICATION REQUIREMENT.--NO
15 CORPORATION OR ANY OTHER LEGAL BUSINESS ENTITY OR OTHER FORM OF
16 BUSINESS ORGANIZATION WHICH IS A SUBSIDIARY SHALL BE ELIGIBLE TO
17 RECEIVE OR HOLD A SLOT MACHINE LICENSE UNLESS EACH HOLDING AND
18 INTERMEDIARY COMPANY WITH RESPECT THERETO:

19 (1) IF IT IS A CORPORATION OR OTHER LEGAL BUSINESS
20 ENTITY, SHALL COMPLY WITH THE PROVISIONS OF SUBSECTION (A) OF
21 THIS SECTION AS IF SAID HOLDING OR INTERMEDIARY COMPANY WERE
22 ITSELF APPLYING FOR A SLOT MACHINE LICENSE. THE BOARD MAY
23 WAIVE COMPLIANCE WITH THE PROVISIONS OF SUBSECTION (A) ON THE
24 PART OF A PUBLICLY TRADED CORPORATION WHICH IS A HOLDING
25 COMPANY AS TO ANY OFFICER, DIRECTOR, LENDER, UNDERWRITER,
26 AGENT OR EMPLOYEE THEREOF, OR PERSON DIRECTLY OR INDIRECTLY
27 HOLDING A BENEFICIAL INTEREST OR OWNERSHIP OF THE SECURITIES
28 OF SUCH CORPORATION, WHERE THE BOARD IS SATISFIED THAT SUCH
29 OFFICER, DIRECTOR, LENDER, UNDERWRITER, AGENT OR EMPLOYEE IS
30 NOT SIGNIFICANTLY INVOLVED IN THE ACTIVITIES OF THE CORPORATE

1 LICENSEE, AND IN THE CASE OF THE SECURITY HOLDER, DOES NOT
2 HAVE THE ABILITY TO CONTROL OR POSSESS A CONTROLLING INTEREST
3 IN THE HOLDING COMPANY OR ELECT ONE OR MORE DIRECTORS
4 THEREOF; OR

5 (2) IF IT IS NOT A CORPORATION, SHALL COMPLY WITH THE
6 PROVISIONS OF SUBSECTION (C) AS IF SAID COMPANY WERE ITSELF
7 APPLYING FOR A SLOT MACHINE LICENSE. THE BOARD MAY WAIVE
8 COMPLIANCE WITH THE PROVISIONS OF SUBSECTION (C) ON THE PART
9 OF A NONCORPORATE BUSINESS ORGANIZATION WHICH IS A HOLDING
10 COMPANY AS TO ANY PERSON WHO DIRECTLY OR INDIRECTLY HOLDS ANY
11 BENEFICIAL INTEREST OR OWNERSHIP IN SUCH COMPANY, WHEN THE
12 BOARD IS SATISFIED THAT SUCH PERSON DOES NOT HAVE THE ABILITY
13 TO CONTROL THE COMPANY.

14 (C) NONCORPORATE APPLICANT REQUIREMENT.--ANY NONCORPORATE
15 APPLICANT FOR A SLOT MACHINE LICENSE SHALL PROVIDE THE
16 INFORMATION REQUIRED IN THIS SECTION IN SUCH FORM AS MAY BE
17 REQUIRED BY THE BOARD. NO SUCH APPLICANT SHALL BE ELIGIBLE TO
18 HOLD A SLOT MACHINE LICENSE UNLESS EACH PERSON WHO DIRECTLY OR
19 INDIRECTLY HOLDS ANY BENEFICIAL INTEREST OR OWNERSHIP IN THE
20 APPLICANT, OR HAS THE ABILITY TO CONTROL THE APPLICANT OR WHOM
21 THE BOARD MAY CONSIDER APPROPRIATE FOR APPROVAL OR
22 QUALIFICATION, WOULD INDIVIDUALLY BE QUALIFIED FOR APPROVAL AS A
23 KEY EMPLOYEE PURSUANT TO THE PROVISIONS OF THIS PART.

24 § 1312. DIVESTITURE OF DISQUALIFYING APPLICANT.

25 IN THE EVENT THAT ANY SLOT MACHINE LICENSE APPLICATION IS NOT
26 APPROVED BY THE BOARD BASED ON A FINDING THAT AN INDIVIDUAL WHO
27 IS A PRINCIPAL OR HAS AN INTEREST IN THE PERSON APPLYING FOR THE
28 LICENSE DOES NOT MEET THE CHARACTER REQUIREMENTS OF SECTION 1310
29 (RELATING TO SLOT MACHINE LICENSE APPLICATION CHARACTER
30 REQUIREMENTS) OR ANY OF THE ELIGIBILITY REQUIREMENTS UNDER THIS

1 PART, OR A PERSON WHO PURCHASES A CONTROLLING INTEREST IN A
2 LICENSED GAMING ENTITY IN VIOLATION OF SECTION 1328 (RELATING TO
3 CHANGE IN OWNERSHIP OR CONTROL OF SLOT MACHINE LICENSEE), THE
4 BOARD MAY AFFORD THE INDIVIDUAL THE OPPORTUNITY TO COMPLETELY
5 DIVEST HIS INTEREST IN THE PERSON, ITS AFFILIATE, INTERMEDIARY,
6 SUBSIDIARY OR HOLDING COMPANY SEEKING THE LICENSE AND, AFTER
7 SUCH DIVESTITURE, RECONSIDER THE PERSON'S OR APPLICANT'S
8 SUITABILITY FOR LICENSURE IN AN EXPEDITED PROCEEDING AND MAY,
9 AFTER SUCH PROCEEDING, ISSUE THE PERSON OR APPLICANT A SLOT
10 MACHINE LICENSE. THE BOARD SHALL APPROVE THE TERMS AND
11 CONDITIONS OF ANY DIVESTITURE UNDER THIS SECTION. UNDER NO
12 CIRCUMSTANCES SHALL ANY DIVESTITURE BE APPROVED BY THE BOARD IF
13 THE COMPENSATION FOR THE DIVESTED INTEREST EXCEEDS THE COST OF
14 THE INTEREST.

15 § 1313. SLOT MACHINE LICENSE APPLICATION FINANCIAL FITNESS
16 REQUIREMENTS.

17 (A) APPLICANT FINANCIAL INFORMATION.--THE BOARD SHALL
18 REQUIRE EACH APPLICANT FOR A SLOT MACHINE LICENSE TO PRODUCE THE
19 INFORMATION, DOCUMENTATION AND ASSURANCES CONCERNING FINANCIAL
20 BACKGROUND AND RESOURCES AS THE BOARD DEEMS NECESSARY TO
21 ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE FINANCIAL
22 STABILITY, INTEGRITY AND RESPONSIBILITY OF THE APPLICANT, ITS
23 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY,
24 INCLUDING, BUT NOT LIMITED TO, BANK REFERENCES, BUSINESS AND
25 PERSONAL INCOME AND DISBURSEMENT SCHEDULES, TAX RETURNS AND
26 OTHER REPORTS FILED WITH GOVERNMENTAL AGENCIES, AND BUSINESS AND
27 PERSONAL ACCOUNTING AND CHECK RECORDS AND LEDGERS. IN ADDITION,
28 EACH APPLICANT SHALL, IN WRITING, AUTHORIZE THE EXAMINATION OF
29 ALL BANK ACCOUNTS AND RECORDS AS MAY BE DEEMED NECESSARY BY THE
30 BOARD.

1 (B) FINANCIAL BACKER INFORMATION.--THE BOARD SHALL REQUIRE
2 EACH APPLICANT FOR A SLOT MACHINE LICENSE TO PRODUCE THE
3 INFORMATION, DOCUMENTATION AND ASSURANCES AS MAY BE NECESSARY TO
4 ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE INTEGRITY OF ALL
5 FINANCIAL BACKERS, INVESTORS, MORTGAGEES, BONDHOLDERS AND
6 HOLDERS OF INDENTURES, NOTES OR OTHER EVIDENCES OF INDEBTEDNESS,
7 EITHER IN EFFECT OR PROPOSED. ANY SUCH BANKING OR LENDING
8 INSTITUTION AND INSTITUTIONAL INVESTORS MAY BE WAIVED FROM THE
9 QUALIFICATION REQUIREMENTS. BANKING OR LENDING INSTITUTION OR
10 INSTITUTIONAL INVESTOR SHALL, HOWEVER, PRODUCE FOR THE BOARD
11 UPON REQUEST ANY DOCUMENT OR INFORMATION WHICH BEARS ANY
12 RELATION TO THE PROPOSAL SUBMITTED BY THE APPLICANT OR
13 APPLICANTS. THE INTEGRITY OF THE FINANCIAL SOURCES SHALL BE
14 JUDGED UPON THE SAME STANDARDS AS THE APPLICANT. ANY SUCH PERSON
15 OR ENTITY SHALL PRODUCE FOR THE BOARD UPON REQUEST ANY DOCUMENT
16 OR INFORMATION WHICH BEARS ANY RELATION TO THE APPLICATION. IN
17 ADDITION, THE APPLICANT SHALL PRODUCE WHATEVER INFORMATION,
18 DOCUMENTATION OR ASSURANCES THE BOARD REQUIRES TO ESTABLISH BY
19 CLEAR AND CONVINCING EVIDENCE THE ADEQUACY OF FINANCIAL
20 RESOURCES.

21 (C) APPLICANT'S ABILITY TO PAY LICENSE FEE.--THE BOARD SHALL
22 REQUIRE EACH APPLICANT FOR A CATEGORY 1 OR 2 SLOT MACHINE
23 LICENSE, AT THE TIME OF APPLICATION TO POST A LETTER OF CREDIT
24 OR BOND IN THE AMOUNT OF \$50,000,000 TO DEMONSTRATE THE
25 FINANCIAL ABILITY TO PAY THE SLOT MACHINE LICENSE FEE AS
26 REQUIRED IN SECTION 1209 (RELATING TO SLOT MACHINE LICENSE FEE)
27 IF ISSUED A SLOT MACHINE LICENSE BY THE BOARD. EACH APPLICANT
28 FOR A CATEGORY 3 SLOT MACHINE LICENSE, AT THE TIME OF
29 APPLICATION SHALL BE REQUIRED TO POST A LETTER OF CREDIT OR BOND
30 IN THE AMOUNT OF \$5,000,000 TO DEMONSTRATE THE FINANCIAL ABILITY

1 TO PAY THE CATEGORY 3 SLOT MACHINE LICENSE FEE AS REQUIRED IN
2 SECTION 1305 (RELATING TO CATEGORY 3 SLOT MACHINE LICENSE) IF
3 ISSUED A SLOT MACHINE LICENSE BY THE BOARD.

4 (D) APPLICANT'S BUSINESS EXPERIENCE.--THE BOARD SHALL
5 REQUIRE EACH APPLICANT FOR A SLOT MACHINE LICENSE TO PRODUCE THE
6 INFORMATION, DOCUMENTATION AND ASSURANCES AS THE BOARD MAY
7 REQUIRE TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT THE
8 APPLICANT HAS SUFFICIENT BUSINESS ABILITY AND EXPERIENCE TO
9 CREATE AND MAINTAIN A SUCCESSFUL, EFFICIENT OPERATION.
10 APPLICANTS SHALL PRODUCE THE NAMES OF ALL PROPOSED KEY EMPLOYEES
11 AND A DESCRIPTION OF THEIR RESPECTIVE OR PROPOSED
12 RESPONSIBILITIES AS THEY BECOME KNOWN.

13 (E) APPLICANT'S OPERATIONAL VIABILITY.--IN ASSESSING THE
14 FINANCIAL VIABILITY OF THE PROPOSED LICENSED FACILITY, THE BOARD
15 SHALL MAKE A FINDING, AFTER REVIEW OF THE APPLICATION, THAT THE
16 APPLICANT IS LIKELY TO MAINTAIN A FINANCIALLY SUCCESSFUL, VIABLE
17 AND EFFICIENT BUSINESS OPERATION AND WILL LIKELY BE ABLE TO
18 MAINTAIN STEADY LEVEL AND GROWTH OF REVENUE TO THE COMMONWEALTH
19 PURSUANT TO SECTION 1403 (RELATING TO ESTABLISHMENT OF STATE
20 GAMING FUND AND NET SLOT MACHINE REVENUE DISTRIBUTION).
21 NOTWITHSTANDING ANY PROVISION OF THIS PART TO THE CONTRARY, AN
22 APPLICANT THAT INCLUDES A COMMITMENT OR PROMISE TO PAY A SLOT
23 MACHINE LICENSE FEE IN EXCESS OF THE AMOUNT PROVIDED IN SECTION
24 1209 OR A DISTRIBUTION OF TERMINAL REVENUE IN EXCESS OF THE
25 AMOUNTS PROVIDED IN SECTIONS 1403, 1405 (RELATING TO
26 PENNSYLVANIA RACE HORSE DEVELOPMENT FUND) AND 1407 (RELATING TO
27 PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT TOURISM FUND) SHALL NOT
28 BE DEEMED A FINANCIALLY SUCCESSFUL, VIABLE OR EFFICIENT BUSINESS
29 OPERATION AND SHALL NOT BE APPROVED FOR A SLOT MACHINE LICENSE.

30 (F) ADDITIONAL INFORMATION.--IN ADDITION TO OTHER

1 INFORMATION REQUIRED BY THIS PART, A PERSON APPLYING FOR A SLOT
2 MACHINE LICENSE SHALL PROVIDE THE FOLLOWING INFORMATION:

3 (1) THE ORGANIZATION, FINANCIAL STRUCTURE AND NATURE OF
4 ALL BUSINESSES OPERATED BY THE PERSON, INCLUDING ANY
5 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANIES, THE
6 NAMES AND PERSONAL EMPLOYMENT AND CRIMINAL HISTORIES OF ALL
7 OFFICERS, DIRECTORS AND KEY EMPLOYEES OF THE CORPORATION; THE
8 NAMES OF ALL HOLDING, INTERMEDIARY, AFFILIATE AND SUBSIDIARY
9 COMPANIES OF THE CORPORATION; AND THE ORGANIZATION, FINANCIAL
10 STRUCTURE AND NATURE OF ALL BUSINESSES OPERATED BY SUCH
11 HOLDING, INTERMEDIARY AND SUBSIDIARY COMPANIES AS THE BOARD
12 MAY REQUIRE, INCLUDING NAMES AND PERSONAL EMPLOYMENT AND
13 CRIMINAL HISTORIES OF SUCH OFFICERS, DIRECTORS AND PRINCIPAL
14 EMPLOYEES OF SUCH CORPORATIONS AND COMPANIES AS THE BOARD MAY
15 REQUIRE.

16 (2) THE EXTENT OF SECURITIES HELD IN THE CORPORATION BY
17 ALL OFFICERS, DIRECTORS AND UNDERWRITERS, AND THEIR
18 REMUNERATION IN THE FORM OF SALARY, WAGES, FEES OR OTHERWISE.

19 (3) COPIES OF ALL MANAGEMENT AND SERVICE CONTRACTS.

20 § 1314. ALTERNATIVE CATEGORY 1 LICENSING STANDARDS.

21 (A) DETERMINATION.--THE BOARD MAY DETERMINE WHETHER THE
22 LICENSING STANDARDS OF ANOTHER JURISDICTION WITHIN THE UNITED
23 STATES OR CANADA IN WHICH AN APPLICANT, ITS AFFILIATE,
24 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY FOR A CATEGORY 1
25 SLOT MACHINE LICENSE IS SIMILARLY LICENSED ARE COMPREHENSIVE AND
26 THOROUGH AND PROVIDE SIMILAR ADEQUATE SAFEGUARDS AS THOSE
27 REQUIRED BY THIS PART. IF THE BOARD MAKES THAT DETERMINATION, IT
28 MAY ISSUE A SLOT MACHINE LICENSE TO AN APPLICANT WHO HOLDS A
29 SLOT MACHINE LICENSE IN SUCH OTHER JURISDICTION AFTER CONDUCTING
30 AN EVALUATION OF THE INFORMATION RELATING TO THE APPLICANT FROM

1 SUCH OTHER JURISDICTIONS, AS UPDATED BY THE BOARD, AND
2 EVALUATING OTHER INFORMATION RELATED TO THE APPLICANT RECEIVED
3 FROM THAT JURISDICTION AND OTHER JURISDICTIONS WHERE THE
4 APPLICANT MAY BE LICENSED, THE BOARD MAY INCORPORATE SUCH
5 INFORMATION, IN WHOLE OR IN PART, INTO ITS EVALUATION OF THE
6 APPLICANT.

7 (B) ABBREVIATED PROCESS.--IN THE EVENT AN APPLICANT FOR A
8 SLOT MACHINE LICENSE IS LICENSED IN ANOTHER JURISDICTION, THE
9 BOARD MAY DETERMINE TO USE AN ALTERNATE PROCESS REQUIRING ONLY
10 THAT INFORMATION DETERMINED BY THE BOARD TO BE NECESSARY TO
11 CONSIDER THE ISSUANCE OF A LICENSE, INCLUDING FINANCIAL
12 VIABILITY OF THE LICENSEE, TO SUCH AN APPLICANT. NOTHING IN THIS
13 SECTION SHALL BE CONSTRUED TO WAIVE ANY FEES ASSOCIATED WITH
14 OBTAINING A LICENSE THROUGH THE NORMAL APPLICATION PROCESS.

15 § 1315. CONDITIONAL CATEGORY 1 LICENSES.

16 (A) ISSUANCE.--NOTWITHSTANDING ANY PROVISIONS OF THIS PART
17 TO THE CONTRARY, UPON A FINDING THAT IT IS IN THE PUBLIC
18 INTEREST, THE BOARD MAY ISSUE A CONDITIONAL SLOT MACHINE LICENSE
19 TO A PERSON WHO QUALIFIES AS A CATEGORY 1 LICENSE APPLICANT UPON
20 PAYMENT OF THE FEE PURSUANT TO SECTION 1209 (RELATING TO SLOT
21 MACHINE LICENSE FEE). THIS LICENSE MAY BE ISSUED AFTER THE
22 COMPLETION OF A BACKGROUND INVESTIGATION OF THE APPLICANT AND
23 EACH KEY EMPLOYEE AND PRIOR TO FULL COMPLIANCE BY THE APPLICANT
24 WITH SECTION 1325 (RELATING TO LICENSE OR PERMIT ISSUANCE).

25 (B) SUITABILITY; FINANCIAL CAPABILITY.--AN APPLICANT SHALL
26 PROVIDE THE BOARD WITH SATISFACTORY EVIDENCE OF SUITABILITY AND
27 FINANCIAL CAPABILITY OF THE APPLICANT TO BE A SLOT MACHINE
28 LICENSEE PRIOR TO THE BOARD GRANTING THE CONDITIONAL LICENSE.

29 (C) COMPLETE APPLICATION.--NO LATER THAN UPON ISSUANCE OF A
30 CONDITIONAL LICENSE, THE APPLICANT SHALL SUBMIT A COMPLETE

1 APPLICATION FOR A CATEGORY 1 LICENSE PURSUANT TO SECTION 1302
2 (RELATING TO CATEGORY 1 SLOT MACHINE LICENSE) AS SET FORTH BY
3 THIS PART.

4 (D) EXPIRATION.--IF THE HOLDER OF A CONDITIONAL LICENSE DOES
5 NOT RECEIVE BOARD APPROVAL FOR THE ISSUANCE OF A CATEGORY 1 SLOT
6 MACHINE LICENSE UNDER THE STANDARDS SET FORTH IN THIS PART
7 WITHIN 18 MONTHS FROM THE TIME SET BY THE BOARD PURSUANT TO
8 SECTION 1301 (RELATING TO AUTHORIZED SLOT MACHINE LICENSES) AT
9 WHICH ALL APPLICATIONS ARE TO BE FILED AND DEEMED COMPLETE, THE
10 CONDITIONAL LICENSE SHALL EXPIRE. FAILURE TO MEET THE
11 REQUIREMENTS OF THIS PART FOR LICENSURE SHALL CAUSE IMMEDIATE
12 FORFEITURE OF THE CONDITIONAL SLOT MACHINE LICENSE AND
13 REVOCATION OF AUTHORIZATION TO OPERATE SLOT MACHINES AT THE
14 LICENSED FACILITY.

15 (E) RETURN OF FEE.--IN THE EVENT OF THE EXPIRATION OF A
16 CONDITIONAL LICENSE OR THE DENIAL OF AN APPLICATION FOR A SLOT
17 MACHINE LICENSE PURSUANT TO SECTION 1302, THE APPLICANT SHALL BE
18 ENTITLED TO A RETURN OF 85% OF THE CONDITIONAL SLOT MACHINE
19 LICENSE FEE IT SUBMITTED WITH ITS APPLICATION.

20 § 1316. BOND FOR ISSUANCE OF SLOT MACHINE LICENSE.

21 BEFORE ANY CATEGORY OF SLOT MACHINE LICENSE IS ISSUED, THE
22 LICENSEE SHALL POST A BOND IN AN AMOUNT NOT LESS THAN THE SUM OF
23 \$1,000,000, AS SET BY THE BOARD, PAYABLE TO THE COMMONWEALTH.
24 THE BOND SHALL BE USED TO GUARANTEE THAT THE SLOT MACHINE
25 LICENSEE FAITHFULLY MAKES THE PAYMENTS, KEEPS BOOKS AND RECORDS,
26 MAKES REPORTS AND CONDUCTS OPERATIONS IN CONFORMITY WITH THIS
27 PART AND RULES, REGULATIONS AND ORDERS PROMULGATED BY THE BOARD.
28 THE BOND SHALL NOT BE CANCELED BY A SURETY ON LESS THAN 30 DAYS'
29 NOTICE IN WRITING TO THE BOARD. IF A BOND IS CANCELED AND THE
30 SLOT MACHINE LICENSEE FAILS TO FILE A NEW BOND WITH THE BOARD IN

1 THE REQUIRED AMOUNT ON OR BEFORE THE EFFECTIVE DATE OF
2 CANCELLATION, THE LICENSEE'S LICENSE SHALL BE REVOKED OR
3 SUSPENDED. THE TOTAL AND AGGREGATE LIABILITY OF THE SURETY ON
4 THE BOND IS LIMITED TO THE AMOUNT SPECIFIED IN THE BOND.
5 § 1317. SUPPLIER AND MANUFACTURER LICENSES APPLICATION.

6 (A) APPLICATION.--ANY PERSON SEEKING TO PROVIDE SLOT
7 MACHINES OR ASSOCIATED EQUIPMENT TO A SLOT MACHINE LICENSEE
8 WITHIN THIS COMMONWEALTH OR TO MANUFACTURE SLOT MACHINES FOR USE
9 IN THIS COMMONWEALTH SHALL APPLY TO THE BOARD FOR EITHER A
10 SUPPLIER OR MANUFACTURER LICENSE. NO PERSON, ITS AFFILIATE,
11 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY WHO HAS APPLIED FOR
12 OR IS A HOLDER OF A MANUFACTURER OR SLOT MACHINE LICENSE, SHALL
13 BE ELIGIBLE TO APPLY FOR OR HOLD A SUPPLIER LICENSE. A SUPPLIER
14 LICENSEE SHALL ESTABLISH A PRINCIPLE PLACE OF BUSINESS IN THIS
15 COMMONWEALTH WITHIN ONE YEAR OF ISSUANCE OF ITS SUPPLIER LICENSE
16 AND MAINTAIN SUCH DURING THE PERIOD IN WHICH THE LICENSE IS
17 HELD. NO SLOT MACHINE LICENSEE SHALL ENTER INTO ANY SALE, LEASE,
18 CONTRACT OR ANY OTHER TYPE OF AGREEMENT PROVIDING SLOT MACHINES,
19 PROGRESSIVE SLOT MACHINES, PARTS OR ASSOCIATED EQUIPMENT FOR USE
20 OR PLAY WITH ANY PERSON OTHER THAN A SUPPLIER LICENSED PURSUANT
21 TO THIS SECTION. SLOT MONITORING SYSTEMS, CASINO MANAGEMENT
22 SYSTEMS, PLAYER TRACKING SYSTEMS AND WIDE-AREA PROGRESSIVE
23 SYSTEMS ARE EXCLUDED FROM ANY REQUIREMENTS THAT THEY BE PROVIDED
24 THROUGH A LICENSED SUPPLIER AS SET FORTH IN THIS PART.

25 (B) REQUIREMENTS.--THE APPLICATION FOR A SUPPLIER OR
26 MANUFACTURER LICENSE SHALL INCLUDE, AT A MINIMUM:

27 (1) THE NAME AND BUSINESS ADDRESS OF THE APPLICANT, THE
28 DIRECTORS AND OWNERS OF THE APPLICANT AND A LIST OF EMPLOYEES
29 AND THEIR POSITIONS WITHIN THE BUSINESS, AS WELL AS ANY
30 FINANCIAL INFORMATION REQUIRED BY THE BOARD.

1 (2) THE CONSENT TO A BACKGROUND INVESTIGATION OF THE
2 APPLICANT, ITS OFFICERS, DIRECTORS, OWNERS, KEY EMPLOYEES OR
3 OTHER PERSONS REQUIRED BY THE BOARD AND A RELEASE TO OBTAIN
4 ANY AND ALL INFORMATION NECESSARY FOR THE COMPLETION OF THE
5 BACKGROUND INVESTIGATION.

6 (3) THE DETAILS OF ANY EQUIVALENT LICENSE GRANTED OR
7 DENIED BY OTHER JURISDICTIONS WHERE GAMING ACTIVITIES ARE
8 PERMITTED AND CONSENT FOR THE BOARD TO ACQUIRE COPIES OF
9 APPLICATIONS SUBMITTED OR LICENSES ISSUED IN CONNECTION
10 THEREWITH.

11 (4) THE TYPE OF GOODS AND SERVICES TO BE SUPPLIED OR
12 MANUFACTURED AND WHETHER THOSE GOODS AND SERVICES WILL BE
13 PROVIDED THROUGH PURCHASE, LEASE, CONTRACT OR OTHERWISE.

14 (5) ANY OTHER INFORMATION DETERMINED BY THE BOARD TO BE
15 APPROPRIATE.

16 § 1318. OCCUPATION PERMIT APPLICATION.

17 (A) APPLICATION.--ANY PERSON WHO DESIRES TO BE A GAMING
18 EMPLOYEE AND HAS A BONA FIDE OFFER OF EMPLOYMENT FROM A LICENSED
19 GAMING ENTITY SHALL APPLY TO THE BOARD FOR AN OCCUPATION PERMIT.
20 A PERSON MAY NOT BE EMPLOYED AS A GAMING EMPLOYEE UNLESS AND
21 UNTIL THAT PERSON HOLDS AN APPROPRIATE OCCUPATION PERMIT ISSUED
22 UNDER THIS SECTION. THE BOARD MAY PROMULGATE REGULATIONS TO
23 RECLASSIFY A CATEGORY OF NONGAMING EMPLOYEES OR GAMING EMPLOYEES
24 UPON A FINDING THAT THE RECLASSIFICATION IS IN THE PUBLIC
25 INTEREST AND CONSISTENT WITH THE OBJECTIVES OF THIS PART.

26 (B) REQUIREMENTS.--THE APPLICATION FOR AN OCCUPATION PERMIT
27 SHALL INCLUDE, AT A MINIMUM:

28 (1) THE NAME AND HOME ADDRESS OF THE PERSON.

29 (2) THE PREVIOUS EMPLOYMENT HISTORY OF THE PERSON.

30 (3) THE CRIMINAL HISTORY RECORD OF THE PERSON, AS WELL

1 AS THEIR CONSENT FOR THE PENNSYLVANIA STATE POLICE TO CONDUCT
2 A BACKGROUND INVESTIGATION.

3 (4) A PHOTOGRAPH AND HANDWRITING EXEMPLAR OF THE PERSON.

4 (5) EVIDENCE OF THE OFFER OF EMPLOYMENT AND THE NATURE
5 AND SCOPE OF THE PROPOSED DUTIES OF THE PERSON, IF KNOWN.

6 (6) THE DETAILS OF ANY OCCUPATION PERMIT OR SIMILAR
7 LICENSE GRANTED OR DENIED TO THE APPLICANT IN OTHER
8 JURISDICTIONS AND CONSENT FOR THE BOARD TO OBTAIN COPIES OF
9 APPLICATIONS SUBMITTED OR PERMITS OR LICENSES ISSUED IN
10 CONNECTION THEREWITH.

11 (7) ANY OTHER INFORMATION DETERMINED BY THE BOARD TO BE
12 APPROPRIATE.

13 (C) PROHIBITION.--NO SLOT MACHINE LICENSEE MAY EMPLOY OR
14 PERMIT ANY PERSON UNDER 18 YEARS OF AGE TO RENDER ANY SERVICE
15 WHATSOEVER IN ANY AREA OF ITS LICENSED FACILITY AT WHICH SLOT
16 MACHINES ARE PHYSICALLY LOCATED.

17 § 1319. ALTERNATIVE MANUFACTURER LICENSING STANDARDS.

18 (A) GENERAL RULE.--THE BOARD MAY DETERMINE WHETHER THE
19 LICENSING STANDARDS OF ANOTHER JURISDICTION WITHIN THE UNITED
20 STATES IN WHICH AN APPLICANT FOR A MANUFACTURER LICENSE IS
21 SIMILARLY LICENSED ARE COMPREHENSIVE AND THOROUGH AND PROVIDE
22 SIMILAR ADEQUATE SAFEGUARDS AS THOSE REQUIRED BY THIS PART. IF
23 THE BOARD MAKES THAT DETERMINATION, IT MAY ISSUE A MANUFACTURER
24 LICENSE TO AN APPLICANT WHO HOLDS A SIMILAR MANUFACTURER LICENSE
25 IN SUCH OTHER JURISDICTION AFTER CONDUCTING AN EVALUATION OF THE
26 INFORMATION RELATING TO THE APPLICANT FROM SUCH OTHER
27 JURISDICTIONS, AS UPDATED BY THE BOARD, AND EVALUATING OTHER
28 INFORMATION RELATED TO THE APPLICANT RECEIVED FROM THAT
29 JURISDICTION AND OTHER JURISDICTIONS WHERE THE APPLICANT MAY BE
30 LICENSED, THE BOARD MAY INCORPORATE SUCH INFORMATION, IN WHOLE

1 OR IN PART, INTO ITS EVALUATION OF THE APPLICANT.

2 (B) ABBREVIATED PROCESS.--IN THE EVENT AN APPLICANT FOR A
3 SLOT MACHINE MANUFACTURER LICENSE IS LICENSED IN ANOTHER
4 JURISDICTION, THE BOARD MAY DETERMINE TO USE AN ALTERNATE
5 PROCESS REQUIRING ONLY THAT INFORMATION DETERMINED BY THE BOARD
6 TO BE NECESSARY TO CONSIDER THE ISSUANCE OF A LICENSE, INCLUDING
7 FINANCIAL VIABILITY OF THE LICENSEE, TO SUCH AN APPLICANT.
8 NOTHING IN THIS SECTION SHALL BE CONSTRUED TO WAIVE ANY FEES
9 ASSOCIATED WITH OBTAINING A LICENSE THROUGH THE NORMAL
10 APPLICATION PROCESS.

11 § 1320. SLOT MACHINE TESTING AND CERTIFICATION STANDARDS.

12 (A) USE OF OTHER STATE STANDARDS.--UNTIL SUCH TIME AS THE
13 BOARD ESTABLISHES AN INDEPENDENT TESTING AND CERTIFICATION
14 FACILITY PURSUANT TO SUBSECTION (B), THE BOARD MAY DETERMINE, AT
15 ITS DISCRETION, WHETHER THE SLOT MACHINE TESTING AND
16 CERTIFICATION STANDARDS OF ANOTHER JURISDICTION WITHIN THE
17 UNITED STATES IN WHICH AN APPLICANT FOR A MANUFACTURER LICENSE
18 IS LICENSED ARE COMPREHENSIVE AND THOROUGH AND PROVIDE SIMILAR
19 ADEQUATE SAFEGUARDS, AS THOSE REQUIRED BY THIS PART. IF THE
20 BOARD MAKES THAT DETERMINATION, IT MAY PERMIT A MANUFACTURER,
21 THROUGH A LICENSED SUPPLIER AS PROVIDED IN SECTION 1317
22 (RELATING TO SUPPLIER AND MANUFACTURER LICENSES APPLICATION), TO
23 DEPLOY THOSE SLOT MACHINES WHICH HAVE MET THE SLOT MACHINE
24 TESTING AND CERTIFICATION STANDARDS IN SUCH OTHER JURISDICTIONS,
25 WITHOUT UNDERGOING THE FULL TESTING AND CERTIFICATION PROCESS BY
26 A BOARD-ESTABLISHED INDEPENDENT FACILITY. IN THE EVENT SLOT
27 MACHINES OF AN APPLICANT FOR A MANUFACTURER LICENSE ARE LICENSED
28 IN SUCH OTHER JURISDICTION, THE BOARD MAY DETERMINE TO USE AN
29 ABBREVIATED PROCESS REQUIRING ONLY THAT INFORMATION DETERMINED
30 BY THE BOARD TO BE NECESSARY TO CONSIDER THE ISSUANCE OF A SLOT

1 MACHINE CERTIFICATION TO SUCH AN APPLICANT. ALTERNATIVELY, THE
2 BOARD, IN ITS DISCRETION, MAY ALSO RELY UPON THE CERTIFICATION
3 OF A SLOT MACHINE THAT HAS MET THE TESTING AND CERTIFICATION
4 STANDARDS OF A BOARD-APPROVED PRIVATE TESTING AND CERTIFICATION
5 FACILITY UNTIL SUCH TIME AS THE BOARD ESTABLISHES AN INDEPENDENT
6 TESTING AND CERTIFICATION FACILITY PURSUANT TO SUBSECTION (B).
7 NOTHING IN THIS SECTION SHALL BE CONSTRUED TO WAIVE ANY FEES
8 ASSOCIATED WITH OBTAINING A LICENSE THROUGH THE NORMAL
9 APPLICATION PROCESS.

10 (B) FACILITY IN COMMONWEALTH.--WITHIN THREE YEARS
11 IMMEDIATELY FOLLOWING THE EFFECTIVE DATE OF THIS PART, THE BOARD
12 SHALL ESTABLISH AND MAINTAIN AN INDEPENDENT SLOT MACHINE TESTING
13 AND CERTIFICATION FACILITY. THE COST FOR THE ESTABLISHMENT AND
14 OPERATION OF AN INDEPENDENT SLOT MACHINE TESTING AND
15 CERTIFICATION FACILITY SHALL BE PAID BY EACH LICENSED
16 MANUFACTURER IN ACCORDANCE WITH A SCHEDULE ADOPTED BY THE BOARD.
17 THE FACILITY SHALL BE MADE AVAILABLE TO EACH SLOT MACHINE
18 MANUFACTURER AND SUPPLIER AS DETERMINED BY THE BOARD.

19 (C) CENTRAL CONTROL COMPUTER COMPATIBILITY.--THE BOARD SHALL
20 ENSURE THAT ALL SLOT MACHINES CERTIFIED AND APPROVED FOR USE IN
21 THIS COMMONWEALTH ARE COMPATIBLE AND COMPLY WITH THE CENTRAL
22 CONTROL COMPUTER AND PROTOCOL SPECIFICATIONS APPROVED BY THE
23 DEPARTMENT.

24 § 1321. ADDITIONAL LICENSES AND PERMITS AND APPROVAL OF
25 AGREEMENTS.

26 (A) REQUIREMENTS.--IN ADDITION TO THE REQUIREMENTS FOR A
27 LICENSE OR PERMIT SPECIFICALLY SET FORTH IN THIS PART, THE BOARD
28 MAY REQUIRE A LICENSE OR PERMIT, AND SET A FEE FOR THE SAME, FOR
29 ANY KEY OR GAMING EMPLOYEE OR ANY PERSON WHO SATISFIES ANY OF
30 THE FOLLOWING CRITERIA:

1 (1) THE PERSON TRANSACTS BUSINESS WITHIN THIS
2 COMMONWEALTH WITH A SLOT MACHINE LICENSEE AS A TICKET
3 PURVEYOR, TOUR OPERATOR, OPERATOR OF A BUS TRIP PROGRAM OR
4 OPERATOR OF ANY OTHER TYPE OF TRAVEL PROGRAM OR PROMOTIONAL
5 BUSINESS RELATED TO SLOT MACHINES. THE BOARD MAY ALSO REVIEW,
6 DENY, ORDER MODIFICATION OR APPROVE, AT ITS DISCRETION,
7 PROPOSED TOURS, BUS ROUTES AND TRAVEL PROGRAMS.

8 (2) THE PERSON IS PRESENTLY NOT OTHERWISE REQUIRED TO BE
9 LICENSED UNDER THIS PART AND PROVIDES ANY GOODS, PROPERTY OR
10 SERVICES, INCLUDING, BUT NOT LIMITED TO, MANAGEMENT CONTRACTS
11 FOR COMPENSATION TO A SLOT MACHINE LICENSEE AT THE LICENSED
12 FACILITY.

13 (B) AGREEMENT.--ANY AGREEMENT TO CONDUCT BUSINESS WITHIN
14 THIS COMMONWEALTH BETWEEN A PERSON AND A SLOT MACHINE LICENSEE
15 RELATING TO SLOT MACHINES OR ASSOCIATED EQUIPMENT IS SUBJECT TO
16 THE APPROVAL OF THE BOARD IN ACCORDANCE WITH RULES AND
17 REGULATIONS PROMULGATED BY THE BOARD. EVERY AGREEMENT SHALL BE
18 IN WRITING AND SHALL INCLUDE A PROVISION FOR ITS TERMINATION
19 WITHOUT LIABILITY ON THE PART OF THE SLOT MACHINE LICENSEE UPON
20 A FINDING BY THE BOARD THAT THE AGREEMENT IS NOT APPROVED OR
21 THAT IT IS TERMINATED. FAILURE TO EXPRESSLY INCLUDE THIS
22 CONDITION IN THE AGREEMENT IS NOT A DEFENSE IN ANY ACTION
23 BROUGHT UNDER THIS SECTION RELATING TO THE TERMINATION OF THE
24 AGREEMENT.

25 § 1322. SLOT MACHINE ACCOUNTING CONTROLS AND AUDITS.

26 (A) APPROVAL.--EXCEPT AS OTHERWISE PROVIDED BY THIS PART,
27 EACH SLOT MACHINE LICENSE APPLICANT SHALL, IN ADDITION TO
28 OBTAINING A SLOT MACHINE LICENSE, OBTAIN APPROVAL FROM THE BOARD
29 IN CONSULTATION WITH THE DEPARTMENT OF ITS PROPOSED SITE PLANS
30 AND INTERNAL CONTROL SYSTEMS AND AUDIT PROTOCOLS PRIOR TO THE

1 INSTALLATION AND OPERATION OF SLOT MACHINES AT THE LICENSED
2 FACILITY.

3 (B) MINIMUM REQUIREMENTS.--AT A MINIMUM, THE APPLICANT'S OR
4 PERSON'S PROPOSED INTERNAL CONTROLS AND AUDIT PROTOCOLS SHALL:

5 (1) SAFEGUARD ITS ASSETS AND REVENUES, INCLUDING, BUT
6 NOT LIMITED TO, THE RECORDING OF CASH AND EVIDENCES OF
7 INDEBTEDNESS RELATED TO THE SLOT MACHINES.

8 (2) PROVIDE FOR RELIABLE RECORDS, ACCOUNTS AND REPORTS
9 OF ANY FINANCIAL EVENT THAT OCCURS IN THE OPERATION OF A SLOT
10 MACHINE, INCLUDING REPORTS TO THE BOARD RELATED TO THE SLOT
11 MACHINES.

12 (3) ENSURE AS PROVIDED IN SECTION 1323 (RELATING TO
13 CENTRAL CONTROL COMPUTER SYSTEM), THAT EACH SLOT MACHINE
14 DIRECTLY PROVIDES OR COMMUNICATES ALL REQUIRED ACTIVITIES AND
15 FINANCIAL DETAILS TO THE CENTRAL CONTROL COMPUTER AS SET BY
16 THE BOARD.

17 (4) PROVIDE FOR ACCURATE AND RELIABLE FINANCIAL RECORDS.

18 (5) ENSURE ANY FINANCIAL EVENT THAT OCCURS IN THE
19 OPERATION OF A SLOT MACHINE IS PERFORMED ONLY IN ACCORDANCE
20 WITH THE MANAGEMENT'S GENERAL OR SPECIFIC AUTHORIZATION, AS
21 APPROVED BY THE BOARD.

22 (6) ENSURE THAT ANY FINANCIAL EVENT THAT OCCURS IN THE
23 OPERATION OF A SLOT MACHINE IS RECORDED ADEQUATELY TO PERMIT
24 PROPER AND TIMELY REPORTING OF GROSS REVENUE AND THE
25 CALCULATION THEREOF AND OF FEES AND TAXES AND TO MAINTAIN
26 ACCOUNTABILITY FOR ASSETS.

27 (7) ENSURE THAT ACCESS TO ASSETS IS PERMITTED ONLY IN
28 ACCORDANCE WITH MANAGEMENT'S SPECIFIC AUTHORIZATION, AS
29 APPROVED BY THE BOARD.

30 (8) ENSURE THAT RECORDED ACCOUNTABILITY FOR ASSETS IS

1 COMPARED WITH ACTUAL ASSETS AT REASONABLE INTERVALS AND
2 APPROPRIATE ACTION IS TAKEN WITH RESPECT TO ANY
3 DISCREPANCIES.

4 (9) ENSURE THAT ALL FUNCTIONS, DUTIES AND
5 RESPONSIBILITIES ARE APPROPRIATELY SEGREGATED AND PERFORMED
6 IN ACCORDANCE WITH SOUND FINANCIAL PRACTICES BY COMPETENT,
7 QUALIFIED PERSONNEL.

8 (C) INTERNAL CONTROL.--EACH SLOT MACHINE LICENSE APPLICANT
9 SHALL SUBMIT TO THE BOARD AND DEPARTMENT, IN SUCH MANNER AS THE
10 BOARD SHALL REQUIRE, A DESCRIPTION OF ITS ADMINISTRATIVE AND
11 ACCOUNTING PROCEDURES IN DETAIL, INCLUDING ITS WRITTEN SYSTEM OF
12 INTERNAL CONTROL. EACH WRITTEN SYSTEM OF INTERNAL CONTROL SHALL
13 INCLUDE:

14 (1) RECORDS OF DIRECT AND INDIRECT OWNERSHIP IN THE
15 PROPOSED SLOT MACHINE LICENSEE, ITS AFFILIATE, INTERMEDIARY,
16 SUBSIDIARY OR HOLDING COMPANY.

17 (2) AN ORGANIZATIONAL CHART DEPICTING APPROPRIATE
18 SEGREGATION OF FUNCTIONS AND RESPONSIBILITIES.

19 (3) A DESCRIPTION OF THE DUTIES AND RESPONSIBILITIES OF
20 EACH POSITION SHOWN ON THE ORGANIZATIONAL CHART.

21 (4) A DETAILED NARRATIVE DESCRIPTION OF THE
22 ADMINISTRATIVE AND ACCOUNTING PROCEDURES DESIGNED TO SATISFY
23 THE REQUIREMENTS OF THIS SECTION.

24 (5) RECORD RETENTION POLICY.

25 (6) PROCEDURE TO ENSURE THAT ASSETS ARE SAFEGUARDED,
26 INCLUDING MANDATORY COUNT PROCEDURES.

27 (7) A STATEMENT SIGNED BY THE CHIEF FINANCIAL OFFICER OF
28 THE PROPOSED LICENSED GAMING ENTITY OR OTHER COMPETENT PERSON
29 AND THE CHIEF EXECUTIVE OFFICER OF THE PROPOSED LICENSED
30 GAMING ENTITY OR OTHER COMPETENT PERSON ATTESTING THAT THE

1 OFFICER BELIEVES, IN GOOD FAITH, THAT THE SYSTEM SATISFIES
2 THE REQUIREMENTS OF THIS SECTION.

3 (8) ANY OTHER ITEM THAT THE BOARD MAY REQUIRE IN ITS
4 DISCRETION.

5 § 1323. CENTRAL CONTROL COMPUTER SYSTEM.

6 (A) GENERAL RULE.--TO FACILITATE THE AUDITING AND SECURITY
7 PROGRAMS CRITICAL TO THE INTEGRITY OF SLOT MACHINE GAMING IN
8 THIS COMMONWEALTH, THE DEPARTMENT SHALL HAVE OVERALL CONTROL OF
9 SLOT MACHINES AND ALL SLOT MACHINE TERMINALS SHALL BE LINKED, AT
10 AN APPROPRIATE TIME TO BE DETERMINED BY THE DEPARTMENT, TO A
11 CENTRAL CONTROL COMPUTER UNDER THE CONTROL OF THE DEPARTMENT AND
12 ACCESSIBLE BY THE BOARD TO PROVIDE AUDITING PROGRAM CAPACITY AND
13 INDIVIDUAL TERMINAL INFORMATION AS APPROVED BY THE DEPARTMENT
14 AND SHALL INCLUDE REAL TIME INFORMATION RETRIEVAL AND TERMINAL
15 ACTIVATION AND DISABLING PROGRAMS. THE CENTRAL CONTROL COMPUTER
16 SELECTED AND EMPLOYED BY THE DEPARTMENT SHALL NOT UNDULY LIMIT
17 OR FAVOR THE PARTICIPATION OF A VENDOR OR MANUFACTURER OF A SLOT
18 MACHINE AS A RESULT OF THE COST OR DIFFICULTY OF IMPLEMENTING
19 THE NECESSARY PROGRAM MODIFICATIONS TO COMMUNICATE WITH AND LINK
20 TO THE CENTRAL CONTROL COMPUTER. THE CENTRAL CONTROL COMPUTER
21 EMPLOYED BY THE DEPARTMENT SHALL PROVIDE:

22 (1) A FULLY OPERATIONAL STATEWIDE SLOT MACHINE CONTROL
23 SYSTEM THAT HAS THE CAPABILITY OF SUPPORTING UP TO THE
24 MAXIMUM NUMBER OF SLOT MACHINES THAT COULD BE PERMITTED TO BE
25 IN OPERATION UNDER THIS PART.

26 (2) THE EMPLOYMENT OF A WIDELY ACCEPTED GAMING INDUSTRY
27 PROTOCOL TO FACILITATE SLOT MACHINE MANUFACTURERS' ABILITY TO
28 COMMUNICATE WITH THE STATEWIDE SYSTEM.

29 (3) THE DELIVERY OF A SYSTEM THAT HAS THE CAPABILITY TO
30 SUPPORT IN-HOUSE AND WIDE AREA PROGRESSIVE SLOT MACHINES AS

1 APPROVED BY THE BOARD.

2 (4) THE DELIVERY OF A SYSTEM THAT ALLOWS THE SLOT
3 MACHINE LICENSEE TO INSTALL INDEPENDENT PLAYER TRACKING
4 SYSTEMS AND CASHLESS TECHNOLOGY AS APPROVED BY THE BOARD.

5 (5) THE DELIVERY OF A SYSTEM THAT DOES NOT ALTER THE
6 STATISTICAL AWARDS OF SLOT MACHINE GAMES, AS DESIGNED BY THE
7 SLOT MACHINE MANUFACTURER AND APPROVED BY THE BOARD.

8 (6) THE DELIVERY OF A SYSTEM THAT PROVIDES REDUNDANCY SO
9 THAT EACH COMPONENT OF THE NETWORK WILL BE CAPABLE OF
10 OPERATING INDEPENDENTLY BY THE DEPARTMENT IF ANY COMPONENT OF
11 THE NETWORK, INCLUDING THE CENTRAL CONTROL COMPUTER, FAILS OR
12 CANNOT BE OPERATED FOR ANY REASON AS DETERMINED BY THE
13 DEPARTMENT, AND TO ASSURE THAT ALL TRANSACTIONAL DATA IS
14 CAPTURED AND SECURED. COSTS ASSOCIATED WITH ANY COMPUTER
15 SYSTEM REQUIRED BY THE DEPARTMENT TO OPERATE AT A LICENSED
16 FACILITY, WHETHER INDEPENDENT OR AS PART OF THE CENTRAL
17 CONTROL COMPUTER, SHALL BE PAID BY THE SLOT MACHINE LICENSEE.
18 THE COMPUTER SYSTEM WILL BE CONTROLLED BY THE DEPARTMENT AND
19 ACCESSIBLE TO THE BOARD.

20 (7) THE ABILITY TO MEET ALL REPORTING AND CONTROL
21 REQUIREMENTS AS PRESCRIBED BY THE BOARD AND DEPARTMENT.

22 (8) ANY OTHER CAPABILITIES AS DETERMINED BY THE
23 DEPARTMENT IN CONSULTATION WITH THE BOARD.

24 (B) PERSONAL INFORMATION.--EXCEPT AS PROVIDED FOR IN
25 SUBSECTION (A) (4), THE CENTRAL CONTROL COMPUTER SHALL NOT
26 PROVIDE FOR THE MONITORING OR READING OF PERSONAL OR FINANCIAL
27 INFORMATION CONCERNING A PATRON OF A SLOT MACHINE LICENSEE.

28 (C) INITIAL ACQUISITION OF CENTRAL CONTROL COMPUTER.--
29 NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY AND
30 IN ORDER TO FACILITATE THE PROMPT IMPLEMENTATION OF THIS PART,

1 INITIAL CONTRACTS ENTERED INTO BY THE DEPARTMENT FOR A CENTRAL
2 CONTROL COMPUTER, INCLUDING ANY NECESSARY COMPUTER HARDWARE,
3 SOFTWARE, LICENSES OR RELATED SERVICES SHALL NOT BE SUBJECT TO
4 THE PROVISIONS OF 62 PA.C.S. (RELATING TO PROCUREMENT).
5 CONTRACTS MADE PURSUANT TO THE PROVISIONS OF THIS SECTION SHALL
6 NOT EXCEED FIVE YEARS.

7 (D) RESOLUTION OF CONTRACT DISPUTES.--THE PROCESS SPECIFIED
8 IN 62 PA.C.S. CH. 17 SUBCH. B (RELATING TO PRELITIGATION
9 RESOLUTION OF CONTROVERSIES) SHALL BE THE SOLE MEANS OF
10 RESOLUTION FOR CONTROVERSIES ARISING WITH RESPECT TO CONTRACTS
11 EXECUTED UNDER THIS SECTION.

12 § 1324. PROTOCOL INFORMATION.

13 THE DEPARTMENT SHALL PROVIDE, UPON REQUEST AND IN ADVANCE OF
14 THE OPERATION OF A CENTRAL CONTROL COMPUTER, TO A LICENSED SLOT
15 MACHINE SUPPLIER OR MANUFACTURER THE COMPREHENSIVE PROTOCOL
16 SPECIFICATIONS NECESSARY TO ENABLE THE RESPECTIVE SLOT MACHINE
17 SUPPLIERS OR MANUFACTURERS OF SLOT MACHINE TERMINALS TO
18 COMMUNICATE WITH THE DEPARTMENT'S CENTRAL CONTROL COMPUTER FOR
19 THE PURPOSE OF TRANSMITTING AUDITING PROGRAM INFORMATION AND FOR
20 ACTIVATING AND DISABLING OF SLOT MACHINE TERMINALS.

21 MANUFACTURERS AND SUPPLIERS SHALL BE AFFORDED A REASONABLE
22 PERIOD OF TIME TO COMMENT UPON THE PROTOCOL IN ADVANCE OF THE
23 OPERATION OF THE CENTRAL CONTROL COMPUTER. ONCE ADOPTED, THE
24 DEPARTMENT SHALL PROVIDE SUPPLIERS AND MANUFACTURERS A
25 REASONABLE PERIOD OF TIME TO REVIEW AND COMMENT ON ANY CHANGES
26 AND ON DOCUMENTATION DATA FOR ALL PROPOSED CHANGES TO THE
27 ORIGINAL PROTOCOL SPECIFICATIONS OF THE CENTRAL CONTROL
28 COMPUTER. MANUFACTURERS AND SUPPLIERS SHALL BE AFFORDED A
29 REASONABLE PERIOD OF TIME TO COMMENT UPON AND EMPLOY ALL
30 PROPOSED CHANGES TO THE PROTOCOL IN ADVANCE OF ITS

1 IMPLEMENTATION AND OPERATION WITH THE CENTRAL CONTROL COMPUTER.
2 NOTWITHSTANDING THE FOREGOING, THE DEPARTMENT MAY EXPEDITE
3 CHANGES IN THE PROTOCOL AS MAY BE NEEDED TO ENSURE THE INTEGRITY
4 AND STABILITY OF THE ENTIRE SYSTEM.

5 § 1325. LICENSE OR PERMIT ISSUANCE.

6 (A) ISSUANCE.--IN ADDITION TO ANY OTHER CRITERIA PROVIDED
7 UNDER THIS PART, ANY LICENSED GAMING ENTITY, SUPPLIER,
8 MANUFACTURER, GAMING EMPLOYEE OR OTHER PERSON THAT THE BOARD
9 APPROVES AS QUALIFIED TO RECEIVE A LICENSE OR A PERMIT UNDER
10 THIS PART SHALL BE ISSUED A LICENSE OR PERMIT UPON THE PAYMENT
11 OF ANY FEE REQUIRED AND UPON THE FULFILLMENT OF ANY CONDITIONS
12 REQUIRED BY THE BOARD OR PROVIDED FOR IN THIS PART. NOTHING
13 CONTAINED IN THIS PART IS INTENDED OR SHALL BE CONSTRUED TO
14 CREATE AN ENTITLEMENT TO A LICENSE OR PERMIT BY ANY PERSON. THE
15 BOARD SHALL, IN ITS SOLE DISCRETION, ISSUE, RENEW, CONDITION OR
16 DENY A SLOT MACHINE LICENSE BASED UPON THE REQUIREMENTS OF THIS
17 PART, WHETHER THE ISSUANCE OF A LICENSE WILL ENHANCE TOURISM,
18 ECONOMIC DEVELOPMENT OR JOB CREATION, IS IN THE BEST INTERESTS
19 OF THE COMMONWEALTH AND ADVANCES THE PURPOSES OF THIS PART.

20 (B) ELIGIBILITY.--A LICENSE OR PERMIT SHALL NOT BE GRANTED
21 OR RENEWED UNLESS THE BOARD FINDS THAT THE APPLICANT SATISFIES
22 ALL OF THE FOLLOWING CRITERIA:

23 (1) THE APPLICANT HAS DEVELOPED AND IMPLEMENTED OR
24 AGREED TO DEVELOP AND IMPLEMENT A DIVERSITY PLAN TO ASSURE
25 THAT ALL PERSONS ARE ACCORDED EQUALITY OF OPPORTUNITY IN
26 EMPLOYMENT AND CONTRACTING BY THE APPLICANT, ITS CONTRACTORS,
27 SUBCONTRACTORS, ASSIGNEES, LESSEES, AGENTS, VENDORS AND
28 SUPPLIERS.

29 (2) THE APPLICANT IN ALL OTHER RESPECTS IS FOUND
30 SUITABLE CONSISTENT WITH THE LAWS OF THIS COMMONWEALTH AND IS

1 OTHERWISE QUALIFIED TO BE ISSUED A LICENSE OR PERMIT.

2 (C) ADDITIONAL REQUIREMENTS.--IN ADDITION TO THE ELIGIBILITY
3 REQUIREMENTS OTHERWISE PROVIDED IN THIS PART, THE BOARD MAY ALSO
4 TAKE INTO ACCOUNT THE FOLLOWING FACTORS WHEN CONSIDERING AN
5 APPLICATION FOR A SLOT MACHINE LICENSE:

6 (1) THE LOCATION AND QUALITY OF THE PROPOSED FACILITY,
7 INCLUDING, BUT NOT LIMITED TO, ROAD AND TRANSIT ACCESS,
8 PARKING AND CENTRALITY TO MARKET SERVICE AREA.

9 (2) THE POTENTIAL FOR NEW JOB CREATION AND ECONOMIC
10 DEVELOPMENT WHICH WILL RESULT FROM GRANTING A LICENSE TO AN
11 APPLICANT.

12 (3) THE APPLICANT'S GOOD FAITH PLAN TO RECRUIT, TRAIN
13 AND UPGRADE DIVERSITY IN ALL EMPLOYMENT CLASSIFICATIONS IN
14 THE FACILITY.

15 (4) THE APPLICANT'S GOOD FAITH PLAN FOR ENHANCING THE
16 REPRESENTATION OF DIVERSE GROUPS IN THE OPERATION OF ITS
17 FACILITY THROUGH THE OWNERSHIP AND OPERATION OF BUSINESS
18 ENTERPRISES ASSOCIATED WITH OR UTILIZED BY ITS FACILITY OR
19 THROUGH THE PROVISION OF GOODS OR SERVICES UTILIZED BY ITS
20 FACILITY AND THROUGH THE PARTICIPATION IN THE OWNERSHIP OF
21 THE APPLICANT.

22 (5) THE APPLICANT'S GOOD FAITH EFFORT TO ASSURE THAT ALL
23 PERSONS ARE ACCORDED EQUALITY OF OPPORTUNITY IN EMPLOYMENT
24 AND CONTRACTING BY IT AND ANY CONTRACTORS, SUBCONTRACTORS,
25 ASSIGNEES, LESSEES, AGENTS, VENDORS AND SUPPLIERS IT MAY
26 EMPLOY DIRECTLY OR INDIRECTLY.

27 (6) THE HISTORY AND SUCCESS OF THE APPLICANT IN
28 DEVELOPING TOURISM FACILITIES ANCILLARY TO GAMING
29 DEVELOPMENT, IF APPLICABLE TO THE APPLICANT.

30 (7) THE DEGREE TO WHICH THE APPLICANT PRESENTS A PLAN

1 FOR THE PROJECT WHICH WILL LIKELY LEAD TO THE CREATION OF
2 QUALITY, LIVING-WAGE JOBS AND FULL-TIME PERMANENT JOBS FOR
3 RESIDENTS OF THIS COMMONWEALTH GENERALLY AND FOR RESIDENTS OF
4 THE HOST POLITICAL SUBDIVISION IN PARTICULAR.

5 (8) THE RECORD OF THE APPLICANT AND ITS DEVELOPER IN
6 MEETING COMMITMENTS TO LOCAL AGENCIES, COMMUNITY-BASED
7 ORGANIZATIONS AND EMPLOYEES IN OTHER LOCATIONS.

8 (9) THE DEGREE TO WHICH POTENTIAL ADVERSE EFFECTS WHICH
9 MIGHT RESULT FROM THE PROJECT, INCLUDING COSTS OF MEETING THE
10 INCREASED DEMAND FOR PUBLIC HEALTH CARE, CHILD CARE, PUBLIC
11 TRANSPORTATION, AFFORDABLE HOUSING AND SOCIAL SERVICES, WILL
12 BE MITIGATED.

13 (10) THE RECORD OF THE APPLICANT AND ITS DEVELOPER
14 REGARDING COMPLIANCE WITH:

15 (I) FEDERAL, STATE AND LOCAL DISCRIMINATION, WAGE
16 AND HOUR, DISABILITY AND OCCUPATIONAL AND ENVIRONMENTAL
17 HEALTH AND SAFETY LAWS; AND

18 (II) STATE AND LOCAL LABOR RELATIONS AND EMPLOYMENT
19 LAWS.

20 (11) THE APPLICANT'S RECORD IN DEALING WITH ITS
21 EMPLOYEES AND THEIR REPRESENTATIVES AT OTHER LOCATIONS.

22 § 1326. LICENSE RENEWALS.

23 (A) RENEWAL.--ALL PERMITS AND LICENSES ISSUED UNDER THIS
24 PART, UNLESS OTHERWISE PROVIDED, SHALL BE SUBJECT TO RENEWAL ON
25 AN ANNUAL BASIS UPON THE APPLICATION OF THE HOLDER OF THE PERMIT
26 OR LICENSE SUBMITTED TO THE BOARD AT LEAST 60 DAYS PRIOR TO THE
27 EXPIRATION OF THE PERMIT OR LICENSE. THE APPLICATION FOR RENEWAL
28 SHALL INCLUDE AN UPDATE OF THE INFORMATION CONTAINED IN THE
29 INITIAL AND ANY PRIOR RENEWAL APPLICATIONS AND THE PAYMENT OF
30 ANY RENEWAL FEE REQUIRED BY THIS PART. A PERMIT OR LICENSE FOR

1 WHICH A COMPLETED RENEWAL APPLICATION AND FEE, IF REQUIRED, HAS
2 BEEN RECEIVED BY THE BOARD WILL CONTINUE IN EFFECT UNLESS AND
3 UNTIL THE BOARD SENDS WRITTEN NOTIFICATION TO THE HOLDER OF THE
4 PERMIT OR LICENSE THAT THE BOARD HAS DENIED THE RENEWAL OF SUCH
5 PERMIT OR LICENSE.

6 (B) REVOCATION OR FAILURE TO RENEW.--IN ADDITION TO ANY
7 OTHER SANCTIONS THE BOARD MAY IMPOSE UNDER THIS PART, THE BOARD
8 MAY, AT ITS DISCRETION, SUSPEND, REVOKE OR DENY RENEWAL OF ANY
9 PERMIT OR LICENSE ISSUED UNDER THIS PART IF IT RECEIVES ANY
10 INFORMATION FROM ANY SOURCE THAT THE APPLICANT, OR ANY OF ITS
11 OFFICERS, DIRECTORS, OWNERS OR KEY EMPLOYEES, IS IN VIOLATION OF
12 ANY PROVISION OF THIS PART, THAT THE APPLICANT HAS FURNISHED THE
13 BOARD WITH FALSE OR MISLEADING INFORMATION OR THAT THE
14 INFORMATION CONTAINED IN THE APPLICANT'S INITIAL APPLICATION OR
15 ANY RENEWAL APPLICATION IS NO LONGER TRUE AND CORRECT. IN THE
16 EVENT OF A REVOCATION OR FAILURE TO RENEW, THE APPLICANT'S
17 AUTHORIZATION TO CONDUCT THE PREVIOUSLY APPROVED ACTIVITY SHALL
18 IMMEDIATELY CEASE AND ALL FEES PAID IN CONNECTION THEREWITH
19 SHALL BE DEEMED TO BE FORFEITED. IN THE EVENT OF A SUSPENSION,
20 THE APPLICANT'S AUTHORIZATION TO CONDUCT THE PREVIOUSLY APPROVED
21 ACTIVITY SHALL IMMEDIATELY CEASE UNTIL THE BOARD HAS NOTIFIED
22 THE APPLICANT THAT THE SUSPENSION IS NO LONGER IN EFFECT.

23 § 1327. NONTRANSFERABILITY OF LICENSES.

24 A LICENSE OR PERMIT ISSUED BY THE BOARD IS A GRANT OF THE
25 PRIVILEGE TO CONDUCT A BUSINESS IN THIS COMMONWEALTH. EXCEPT AS
26 PERMITTED BY SECTION 1328 (RELATING TO CHANGE IN OWNERSHIP OR
27 CONTROL OF SLOT MACHINE LICENSEE), A LICENSE OR PERMIT GRANTED
28 OR RENEWED PURSUANT TO THIS PART SHALL NOT BE SOLD, TRANSFERRED
29 OR ASSIGNED TO ANY OTHER PERSON, NOR SHALL A LICENSEE OR
30 PERMITTEE PLEDGE OR OTHERWISE GRANT A SECURITY INTEREST IN OR

1 LIEN ON THE LICENSE OR PERMIT. NOTHING CONTAINED IN THIS PART IS
2 INTENDED OR SHALL BE CONSTRUED TO CREATE IN ANY PERSON AN
3 ENTITLEMENT TO A LICENSE. THE BOARD HAS THE SOLE DISCRETION TO
4 ISSUE, RENEW, CONDITION OR DENY THE ISSUANCE OF A SLOT MACHINE
5 LICENSE BASED UPON THE PURPOSES AND REQUIREMENTS OF THIS PART.
6 § 1328. CHANGE IN OWNERSHIP OR CONTROL OF SLOT MACHINE
7 LICENSEE.

8 (A) NOTIFICATION AND APPROVAL.--

9 (1) A SLOT MACHINE LICENSEE SHALL NOTIFY THE BOARD PRIOR
10 TO OR IMMEDIATELY UPON BECOMING AWARE OF ANY PROPOSED OR
11 CONTEMPLATED CHANGE OF OWNERSHIP OF THE SLOT MACHINE LICENSEE
12 BY A PERSON OR GROUP OF PERSONS ACTING IN CONCERT WHICH
13 INVOLVES ANY OF THE FOLLOWING:

14 (I) MORE THAN 5% OF A SLOT MACHINE LICENSEE'S
15 SECURITIES OR OTHER OWNERSHIP INTERESTS.

16 (II) MORE THAN 5% OF THE SECURITIES OR OTHER
17 OWNERSHIP INTERESTS OF A CORPORATION OR OTHER FORM OF
18 BUSINESS ENTITY THAT OWNS, DIRECTLY OR INDIRECTLY, AT
19 LEAST 20% OF THE VOTING OR OTHER SECURITIES OR OTHER
20 OWNERSHIP INTERESTS OF THE LICENSEE.

21 (III) THE SALE, OTHER THAN IN THE ORDINARY COURSE OF
22 BUSINESS, OF A LICENSEE'S ASSETS.

23 (IV) ANY OTHER TRANSACTION OR OCCURRENCE DEEMED BY
24 THE BOARD TO BE RELEVANT TO LICENSE QUALIFICATIONS.

25 (2) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (1), A
26 SLOT MACHINE LICENSEE SHALL NOT BE REQUIRED TO NOTIFY THE
27 BOARD OF ANY ACQUISITION BY AN INSTITUTIONAL INVESTOR
28 PURSUANT TO PARAGRAPH (1) (I) OR (II) IF THE INSTITUTIONAL
29 INVESTOR HOLDS LESS THAN 10% OF THE SECURITIES OR OTHER
30 OWNERSHIP INTERESTS REFERRED TO IN PARAGRAPH (1) (I) OR (II),

1 THE SECURITIES OR INTERESTS ARE PUBLICLY TRADED SECURITIES
2 AND ITS HOLDINGS OF SUCH SECURITIES WERE PURCHASED FOR
3 INVESTMENT PURPOSES ONLY AND THE INSTITUTIONAL INVESTOR FILES
4 WITH THE BOARD A CERTIFIED STATEMENT TO THE EFFECT THAT IT
5 HAS NO INTENTION OF INFLUENCING OR AFFECTING, DIRECTLY OR
6 INDIRECTLY, THE AFFAIRS OF THE LICENSEE, PROVIDED, HOWEVER,
7 THAT IT SHALL BE PERMITTED TO VOTE ON MATTERS PUT TO THE VOTE
8 OF THE OUTSTANDING SECURITY HOLDERS. NOTICE TO THE BOARD AND
9 BOARD APPROVAL SHALL BE REQUIRED PRIOR TO COMPLETION OF ANY
10 PROPOSED OR CONTEMPLATED CHANGE OF OWNERSHIP OF A SLOT
11 MACHINE LICENSEE THAT MEETS THE CRITERIA OF THIS SECTION.

12 (B) QUALIFICATION OF PURCHASER OF SLOT MACHINE LICENSEE;
13 CHANGE OF CONTROL.--THE PURCHASER OF THE ASSETS, OTHER THAN IN
14 THE ORDINARY COURSE OF BUSINESS, OF ANY SLOT MACHINE LICENSEE
15 SHALL INDEPENDENTLY QUALIFY FOR A LICENSE IN ACCORDANCE WITH
16 THIS PART AND SHALL PAY THE LICENSE FEE AS REQUIRED BY SECTION
17 1209 (RELATING TO SLOT MACHINE LICENSE FEE). A CHANGE IN CONTROL
18 OF ANY SLOT MACHINE LICENSEE SHALL REQUIRE THAT THE SLOT MACHINE
19 LICENSEE INDEPENDENTLY QUALIFY FOR A LICENSE IN ACCORDANCE WITH
20 THIS PART, AND THE SLOT MACHINE LICENSEE SHALL PAY A NEW LICENSE
21 FEE AS REQUIRED BY SECTION 1209, EXCEPT AS OTHERWISE REQUIRED BY
22 THE BOARD PURSUANT TO THIS SECTION.

23 (C) CHANGE IN CONTROL DEFINED.--FOR PURPOSES OF THIS
24 SECTION, A CHANGE IN CONTROL OF A SLOT MACHINE LICENSEE SHALL
25 MEAN THE ACQUISITION BY A PERSON OR GROUP OF PERSONS ACTING IN
26 CONCERT OF MORE THAN 20% OF A SLOT MACHINE LICENSEE'S SECURITIES
27 OR OTHER OWNERSHIP INTERESTS, WITH THE EXCEPTION OF ANY
28 OWNERSHIP INTEREST OF THE PERSON THAT EXISTED AT THE TIME OF
29 INITIAL LICENSING AND PAYMENT OF THE INITIAL SLOT MACHINE
30 LICENSE FEE, OR MORE THAN 20% OF THE SECURITIES OR OTHER

1 OWNERSHIP INTERESTS OF A CORPORATION OR OTHER FORM OF BUSINESS
2 ENTITY WHICH OWNS, DIRECTLY OR INDIRECTLY, AT LEAST 20% OF THE
3 VOTING OR OTHER SECURITIES OR OTHER OWNERSHIP INTERESTS OF THE
4 LICENSEE.

5 (D) FEE REDUCTION.--THE BOARD MAY, IN ITS DISCRETION,
6 ELIMINATE THE NEED FOR QUALIFICATION AND/OR PROPORTIONATELY
7 REDUCE, BUT NOT ELIMINATE, THE NEW LICENSE FEE OTHERWISE
8 REQUIRED PURSUANT TO THIS SECTION IN CONNECTION WITH A CHANGE OF
9 CONTROL OF A LICENSEE, DEPENDING UPON THE TYPE OF TRANSACTION,
10 THE RELEVANT OWNERSHIP INTERESTS AND CHANGES THERETO RESULTING
11 FROM THE TRANSACTION AND OTHER CONSIDERATIONS DEEMED RELEVANT BY
12 THE BOARD.

13 (E) LICENSE REVOCATION.--FAILURE TO COMPLY WITH THIS SECTION
14 MAY CAUSE THE LICENSE ISSUED UNDER THIS PART TO BE REVOKED OR
15 SUSPENDED BY THE BOARD UNLESS THE PURCHASE OF THE ASSETS OR THE
16 CHANGE IN CONTROL THAT MEETS THE CRITERIA OF THIS SECTION HAS
17 BEEN INDEPENDENTLY QUALIFIED IN ADVANCE BY THE BOARD AND ANY
18 REQUIRED LICENSE FEE HAS BEEN PAID.

19 § 1329. NONPORTABILITY OF SLOT MACHINE LICENSE.

20 EACH SLOT MACHINE LICENSE SHALL ONLY BE VALID FOR THE
21 SPECIFIC PHYSICAL LOCATION WITHIN THE MUNICIPALITY AND COUNTY
22 FOR WHICH IT WAS ORIGINALLY GRANTED. NO SLOT MACHINE LICENSEE
23 SHALL BE PERMITTED TO MOVE OR RELOCATE THE PHYSICAL LOCATION OF
24 THE LICENSED FACILITY WITHOUT BOARD APPROVAL FOR GOOD CAUSE
25 SHOWN.

26 § 1330. MULTIPLE SLOT MACHINE LICENSE PROHIBITION.

27 NO SLOT MACHINE LICENSEE, ITS AFFILIATE, INTERMEDIARY,
28 SUBSIDIARY OR HOLDING COMPANY MAY POSSESS AN OWNERSHIP OR
29 FINANCIAL INTEREST THAT IS GREATER THAN 33.3% OF ANOTHER SLOT
30 MACHINE LICENSEE OR PERSON ELIGIBLE TO APPLY FOR A CATEGORY 1

1 LICENSE, ITS AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING
2 COMPANY. THE BOARD SHALL APPROVE THE TERMS AND CONDITIONS OF ANY
3 DIVESTITURE UNDER THIS SECTION. UNDER NO CIRCUMSTANCES SHALL ANY
4 SUCH DIVESTITURE BE APPROVED BY THE BOARD IF THE COMPENSATION
5 FOR THE DIVESTED INTEREST IN A PERSON ELIGIBLE TO APPLY FOR A
6 CATEGORY 1 LICENSE EXCEEDS THE GREATER OF THE ORIGINAL COST OF
7 THE INTEREST, THE BOOK VALUE OF THE INTEREST OR AN INDEPENDENTLY
8 ASSESSED VALUE OF THE INTEREST ONE MONTH PRIOR TO THE EFFECTIVE
9 DATE OF THIS PART, AND IN THE CASE OF A PERSON ELIGIBLE TO APPLY
10 FOR A CATEGORY 1 LICENSE, UNLESS THE PERSON ACQUIRING THE
11 DIVESTED INTEREST IS REQUIRED TO CONTINUE CONDUCTING LIVE RACING
12 AT THE LOCATION WHERE LIVE RACING IS CURRENTLY BEING CONDUCTED
13 IN ACCORDANCE WITH SECTION 1303 (RELATING TO ADDITIONAL CATEGORY
14 1 SLOT MACHINE LICENSE REQUIREMENTS) AND BE APPROVED FOR A
15 CATEGORY 1 SLOT MACHINE LICENSE. NO SUCH SLOT MACHINE LICENSE
16 APPLICANT SHALL BE ISSUED A SLOT MACHINE LICENSE UNTIL THE
17 APPLICANT HAS COMPLETELY DIVESTED ITS OWNERSHIP OR FINANCIAL
18 INTEREST THAT IS IN EXCESS OF 33.3% IN ANOTHER SLOT MACHINE
19 LICENSEE, OR PERSON ELIGIBLE TO APPLY FOR A CATEGORY 1 LICENSE,
20 ITS AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY.

21 § 1331. DUTY OF LICENSEES, KEY EMPLOYEES AND GAMING EMPLOYEES.

22 ANY LICENSEE, KEY EMPLOYEE OR GAMING EMPLOYEE SHALL HAVE THE
23 DUTY TO:

24 (1) PROVIDE ANY ASSISTANCE OR INFORMATION REQUIRED BY
25 THE BOARD OR THE PENNSYLVANIA STATE POLICE AND TO COOPERATE
26 IN ANY INQUIRY, INVESTIGATION OR HEARING;

27 (2) CONSENT TO INSPECTIONS, SEARCHES AND SEIZURES;

28 (3) INFORM THE BOARD OF ANY ACTIONS WHICH THEY BELIEVE
29 WOULD CONSTITUTE A VIOLATION OF THIS PART; AND

30 (4) INFORM THE BOARD OF ANY ARRESTS FOR ANY VIOLATIONS

1 OF OFFENSES ENUMERATED UNDER 18 PA.C.S. (RELATING TO CRIMES
2 AND OFFENSES) .

3 CHAPTER 14

4 REVENUES

5 SEC.

6 1401. SLOT MACHINE LICENSEE DEPOSITS.

7 1402. GROSS TERMINAL REVENUE DEDUCTIONS.

8 1403. ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT
9 MACHINE REVENUE DISTRIBUTION.

10 1404. DISTRIBUTIONS FROM LICENSEE'S REVENUE RECEIPTS.

11 1405. PENNSYLVANIA RACE HORSE DEVELOPMENT FUND.

12 1406. DISTRIBUTIONS FROM PENNSYLVANIA RACE HORSE
13 DEVELOPMENT FUND.

14 1407. PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND
15 TOURISM FUND.

16 1408. TRANSFERS FROM STATE GAMING FUND.

17 1409. PROPERTY TAX RELIEF FUND.

18 § 1401. SLOT MACHINE LICENSEE DEPOSITS.

19 (A) ACCOUNT ESTABLISHED.--THERE IS ESTABLISHED WITHIN THE
20 STATE TREASURY AN ACCOUNT FOR EACH SLOT MACHINE LICENSEE FOR THE
21 DEPOSIT OF SUMS UNDER THIS SECTION.

22 (B) INITIAL DEPOSIT OF FUNDS.--NOT LATER THAN TWO BUSINESS
23 DAYS PRIOR TO THE COMMENCEMENT OF SLOT MACHINE OPERATIONS BY A
24 SLOT MACHINE LICENSEE, THE SLOT MACHINE LICENSEE SHALL DEPOSIT
25 AND MAINTAIN THE SUM OF \$5,000,000 IN ITS ACCOUNT TO GUARANTEE
26 THE PAYMENT OF FUNDS TO THE COMMONWEALTH UNDER THIS PART AND AS
27 SECURITY FOR ITS OBLIGATIONS UNDER SECTION 1405 (RELATING TO
28 PENNSYLVANIA RACE HORSE DEVELOPMENT FUND) .

29 (C) WEEKLY DEPOSITS.--EACH SLOT MACHINE LICENSEE SHALL
30 DEPOSIT FUNDS INTO ITS ACCOUNT ON A WEEKLY BASIS EQUAL TO THE

1 AMOUNTS DEDUCTED BY THE DEPARTMENT UNDER SECTION 1402 (RELATING
2 TO GROSS TERMINAL REVENUE DEDUCTIONS) AND FOR REIMBURSEMENT OF
3 ANY FUNDS EXPENDED DUE TO THE SLOT MACHINE LICENSEE'S FAILURE TO
4 COMPLY WITH ITS OBLIGATIONS UNDER SECTION 1405. THE DEPARTMENT
5 SHALL NOTIFY EACH LICENSEE OF THE AMOUNTS DEDUCTED. IF AT ANY
6 TIME THE AMOUNT HELD IN THE ACCOUNT ATTRIBUTABLE TO A SLOT
7 MACHINE LICENSEE IS NOT SUFFICIENT TO MAKE THE PAYMENTS REQUIRED
8 OF THE LICENSEE UNDER SECTION 1402 AND FOR REIMBURSEMENT OF ANY
9 FUNDS EXPENDED DUE TO THE SLOT MACHINE LICENSEE'S FAILURE TO
10 COMPLY WITH ITS OBLIGATIONS UNDER SECTION 1405, THE DEPARTMENT
11 SHALL NOTIFY THE SLOT MACHINE LICENSEE AND THE SLOT MACHINE
12 LICENSEE SHALL IMMEDIATELY DEPOSIT NECESSARY FUNDS INTO THE
13 ACCOUNT AS DIRECTED BY THE DEPARTMENT.

14 (D) RETURN OF FUNDS.--THE FUNDS DEPOSITED INTO ITS ACCOUNT
15 SHALL NOT BE RETURNED TO A SLOT MACHINE LICENSEE UNLESS THE SLOT
16 MACHINE LICENSEE CEASES CONDUCTING BUSINESS UNDER ITS LICENSE
17 AND RELINQUISHES ALL RIGHTS TO DO SO IN THE FUTURE. IN THAT
18 CASE, THE BALANCE OF FUNDS IN THE ACCOUNT ATTRIBUTABLE TO SUCH
19 LICENSEE, MINUS ANY UNPAID AMOUNTS DUE AND PAYABLE TO THE
20 COMMONWEALTH UNDER THIS PART OR DUE AND PAYABLE UNDER SECTION
21 1405 SHALL BE RETURNED TO THE LICENSEE.

22 § 1402. GROSS TERMINAL REVENUE DEDUCTIONS.

23 (A) DEDUCTIONS.--AFTER DETERMINING THE APPROPRIATE
24 ASSESSMENTS FOR EACH SLOT MACHINE LICENSEE, THE DEPARTMENT SHALL
25 DEDUCT THE FOLLOWING COSTS, EXPENSES OR PAYMENTS FROM EACH
26 ACCOUNT ESTABLISHED UNDER SECTION 1401 (RELATING TO SLOT MACHINE
27 LICENSEE DEPOSITS):

28 (1) THE COSTS AND EXPENSES TO BE INCURRED BY THE
29 DEPARTMENT IN ADMINISTERING THIS PART AT EACH SLOT MACHINE
30 LICENSEE'S LICENSED FACILITY BASED UPON A BUDGET SUBMITTED BY

1 THE DEPARTMENT TO, AND APPROVED BY, THE BOARD.

2 (2) THE OTHER COSTS AND EXPENSES TO BE INCURRED BY THE
3 DEPARTMENT IN ADMINISTERING THIS PART BASED UPON A BUDGET
4 SUBMITTED BY THE DEPARTMENT TO, AND APPROVED BY, THE BOARD.

5 (3) SUMS NECESSARY TO REPAY ANY LOANS MADE BY THE
6 GENERAL FUND TO THE DEPARTMENT IN CONNECTION WITH CARRYING
7 OUT ITS RESPONSIBILITIES UNDER THIS PART, INCLUDING THE COSTS
8 OF THE INITIAL ACQUISITION OF THE CENTRAL CONTROL COMPUTER
9 AND ANY ACCESSORIES OR ASSOCIATED EQUIPMENT.

10 (4) THE COSTS AND EXPENSES TO BE INCURRED BY THE
11 PENNSYLVANIA STATE POLICE AND THE OFFICE OF ATTORNEY GENERAL
12 AND NOT OTHERWISE REIMBURSED UNDER THIS PART IN CARRYING OUT
13 THEIR RESPECTIVE RESPONSIBILITIES UNDER THIS ACT BASED UPON A
14 BUDGET SUBMITTED BY THE PENNSYLVANIA STATE POLICE AND THE
15 ATTORNEY GENERAL TO, AND APPROVED BY, THE BOARD.

16 (5) SUMS NECESSARY TO REPAY ANY LOANS MADE BY THE
17 GENERAL FUND TO THE PENNSYLVANIA STATE POLICE IN CONNECTION
18 WITH CARRYING OUT ITS RESPONSIBILITIES UNDER THIS PART.

19 (6) THE COSTS AND EXPENSES TO BE INCURRED BY THE BOARD
20 IN CARRYING OUT ITS RESPONSIBILITIES UNDER THIS PART BASED
21 UPON A BUDGET APPROVED BY THE BOARD.

22 (7) SUMS NECESSARY TO REPAY ANY LOANS MADE BY THE
23 GENERAL FUND TO THE BOARD IN CONNECTION WITH CARRYING OUT ITS
24 RESPONSIBILITIES UNDER THIS PART.

25 (B) DEFERRAL OF ASSESSMENT.--NOTWITHSTANDING ANY OTHER
26 PROVISION OF LAW TO THE CONTRARY, THE BOARD MAY DEFER ASSESSING
27 SLOT MACHINE LICENSEES FOR REPAYMENT OF LOANS FROM THE GENERAL
28 FUND UNDER THIS SECTION UNTIL ALL SLOT MACHINE LICENSES HAVE
29 BEEN ISSUED AND ALL LICENSED GAMING ENTITIES HAVE COMMENCED THE
30 OPERATION OF SLOT MACHINES.

1 § 1403. ESTABLISHMENT OF STATE GAMING FUND AND NET SLOT MACHINE
2 REVENUE DISTRIBUTION.

3 (A) FUND ESTABLISHED.--THERE IS HEREBY ESTABLISHED THE STATE
4 GAMING FUND WITHIN THE STATE TREASURY.

5 (B) SLOT MACHINE TAX.--THE DEPARTMENT SHALL DETERMINE AND
6 EACH SLOT MACHINE LICENSEE SHALL PAY A DAILY TAX OF 34% AND A
7 LOCAL SHARE ASSESSMENT OF 4% OF ITS DAILY GROSS TERMINAL REVENUE
8 FROM THE SLOT MACHINES IN OPERATION AT ITS FACILITY INTO THE
9 FUND.

10 (C) TRANSFERS AND DISTRIBUTIONS.--THE DEPARTMENT SHALL:

11 (1) TRANSFER THE SLOT MACHINE TAX AND ASSESSMENT IMPOSED
12 IN SUBSECTION (B) TO THE FUND.

13 (2) FROM THE LOCAL SHARE ASSESSMENT ESTABLISHED IN
14 SUBSECTION (B) MAKE QUARTERLY DISTRIBUTIONS AMONG THE
15 COUNTIES HOSTING A LICENSED FACILITY IN ACCORDANCE WITH THE
16 FOLLOWING SCHEDULE:

17 (I) IF THE LICENSED FACILITY IS A CATEGORY 1
18 LICENSED FACILITY THAT IS LOCATED AT A HARNESS RACETRACK
19 AND THE COUNTY, INCLUDING A HOME RULE COUNTY, IN WHICH
20 THE LICENSED FACILITY IS LOCATED IS:

21 (A) A COUNTY OF THE FIRST CLASS: 4% OF THE
22 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
23 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
24 NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY,
25 FUNDS FROM LICENSED GAMING ENTITIES LOCATED WITHIN A
26 COUNTY OF THE FIRST CLASS SHALL NOT BE DISTRIBUTED
27 OUTSIDE OF A COUNTY OF THE FIRST CLASS.

28 (B) A COUNTY OF THE SECOND CLASS: 2% OF THE
29 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
30 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.

1 (C) A COUNTY OF THE SECOND CLASS A: 1% OF THE
2 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
3 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
4 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
5 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
6 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
7 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

8 (D) A COUNTY OF THE THIRD CLASS: 2% OF THE
9 GROSS TERMINAL REVENUE FROM EACH SUCH LICENSED
10 FACILITY SHALL BE DEPOSITED INTO A RESTRICTED ACCOUNT
11 ESTABLISHED IN THE DEPARTMENT OF COMMUNITY AND
12 ECONOMIC DEVELOPMENT TO BE USED EXCLUSIVELY FOR
13 GRANTS FOR HEALTH, SAFETY AND ECONOMIC DEVELOPMENT
14 PROJECTS TO MUNICIPALITIES WITHIN THE COUNTY WHERE
15 THE LICENSED FACILITY IS LOCATED. MUNICIPALITIES THAT
16 ARE CONTIGUOUS TO THE MUNICIPALITY HOSTING SUCH
17 LICENSED FACILITY SHALL BE GIVEN PRIORITY BY THE
18 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT IN
19 THE AWARD OF SUCH GRANTS.

20 (E) A COUNTY OF THE FOURTH CLASS: 2% OF THE
21 GROSS TERMINAL REVENUE FROM EACH SUCH LICENSED
22 FACILITY SHALL BE DEPOSITED INTO A RESTRICTED ACCOUNT
23 ESTABLISHED IN THE DEPARTMENT OF COMMUNITY AND
24 ECONOMIC DEVELOPMENT TO BE USED EXCLUSIVELY FOR
25 GRANTS TO THE COUNTY, TO ECONOMIC DEVELOPMENT
26 AUTHORITIES OR ORGANIZATIONS WITHIN THE COUNTY OR
27 REDEVELOPMENT AUTHORITIES WITHIN THE COUNTY FOR
28 GRANTS FOR ECONOMIC DEVELOPMENT PROJECTS, JOB
29 TRAINING, COMMUNITY IMPROVEMENT PROJECTS, OTHER
30 PROJECTS IN THE PUBLIC INTEREST AND REASONABLE

1 ADMINISTRATIVE COSTS. NOTWITHSTANDING THE PROVISIONS
2 OF THE ACT OF FEBRUARY 9, 1999 (P.L.1, NO.1), KNOWN
3 AS THE CAPITAL FACILITIES DEBT ENABLING ACT, GRANTS
4 MADE UNDER THIS CLAUSE MAY BE UTILIZED AS LOCAL
5 MATCHING FUNDS FOR OTHER GRANTS OR LOANS FROM THE
6 COMMONWEALTH.

7 (F) COUNTIES OF THE FIFTH THROUGH EIGHTH
8 CLASSES: 2% OF THE GROSS TERMINAL REVENUE FROM EACH
9 SUCH LICENSED FACILITY SHALL BE DEPOSITED INTO A
10 RESTRICTED ACCOUNT ESTABLISHED IN THE DEPARTMENT OF
11 COMMUNITY AND ECONOMIC DEVELOPMENT TO BE USED
12 EXCLUSIVELY FOR GRANTS TO THE COUNTY.

13 (G) ANY COUNTY NOT SPECIFICALLY ENUMERATED IN
14 CLAUSES (A) THROUGH (F), 2% OF THE GROSS TERMINAL
15 REVENUE TO THE COUNTY HOSTING THE LICENSED FACILITY
16 FROM EACH SUCH LICENSED FACILITY.

17 (II) IF THE LICENSED FACILITY IS A CATEGORY 1
18 LICENSED FACILITY AND IS LOCATED AT A THOROUGHbred
19 RACETRACK AND THE COUNTY IN WHICH THE LICENSED FACILITY
20 IS LOCATED IS:

21 (A) A COUNTY OF THE FIRST CLASS: 4% OF THE
22 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
23 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
24 NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY,
25 FUNDS FROM LICENSED GAMING ENTITIES LOCATED WITHIN
26 THE COUNTY OF THE FIRST CLASS SHALL NOT BE
27 DISTRIBUTED OUTSIDE OF A COUNTY OF THE FIRST CLASS.

28 (B) A COUNTY OF THE SECOND CLASS: 2% OF THE
29 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
30 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.

1 (C) A COUNTY OF THE SECOND CLASS A: 1% OF THE
2 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
3 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
4 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
5 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
6 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
7 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

8 (D) A COUNTY OF THE THIRD CLASS: 1% OF THE
9 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
10 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
11 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
12 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
13 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
14 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

15 (E) A COUNTY OF THE FOURTH CLASS: 2% OF THE
16 GROSS TERMINAL REVENUE FROM EACH SUCH LICENSED
17 FACILITY SHALL BE DEPOSITED INTO A RESTRICTED ACCOUNT
18 ESTABLISHED IN THE DEPARTMENT OF COMMUNITY AND
19 ECONOMIC DEVELOPMENT TO BE USED EXCLUSIVELY FOR
20 GRANTS TO THE COUNTY, TO ECONOMIC DEVELOPMENT
21 AUTHORITIES OR ORGANIZATIONS WITHIN THE COUNTY OR
22 REDEVELOPMENT AUTHORITIES WITHIN THE COUNTY FOR
23 GRANTS FOR ECONOMIC DEVELOPMENT PROJECTS, COMMUNITY
24 IMPROVEMENT PROJECTS, JOB TRAINING, OTHER PROJECTS IN
25 THE PUBLIC INTEREST AND REASONABLE ADMINISTRATIVE
26 COSTS. NOTWITHSTANDING THE CAPITAL FACILITIES DEBT
27 ENABLING ACT, GRANTS MADE UNDER THIS CLAUSE MAY BE
28 UTILIZED AS LOCAL MATCHING FUNDS FOR OTHER GRANTS OR
29 LOANS FROM THE COMMONWEALTH.

30 (F) COUNTIES OF THE FIFTH THROUGH EIGHTH

1 CLASSES: 2% OF THE GROSS TERMINAL REVENUE FROM EACH
2 SUCH LICENSED FACILITY SHALL BE DEPOSITED INTO A
3 RESTRICTED ACCOUNT ESTABLISHED IN THE DEPARTMENT OF
4 COMMUNITY AND ECONOMIC DEVELOPMENT TO BE USED
5 EXCLUSIVELY FOR GRANTS TO THE COUNTY.

6 (G) ANY COUNTY NOT SPECIFICALLY ENUMERATED IN
7 CLAUSES (A) THROUGH (F), 2% OF THE GROSS TERMINAL
8 REVENUE TO THE COUNTY HOSTING THE LICENSED FACILITY
9 FROM EACH SUCH LICENSED FACILITY.

10 (III) IF THE FACILITY IS A CATEGORY 2 LICENSED
11 FACILITY AND IF THE COUNTY IN WHICH THE LICENSED FACILITY
12 IS LOCATED IS:

13 (A) A COUNTY OF THE FIRST CLASS: 4% OF THE
14 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
15 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
16 NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY,
17 FUNDS FROM LICENSED GAMING ENTITIES LOCATED WITHIN
18 THE COUNTY OF THE FIRST CLASS SHALL NOT BE
19 DISTRIBUTED OUTSIDE OF A COUNTY OF THE FIRST CLASS.

20 (B) A COUNTY OF THE SECOND CLASS: 2% OF THE
21 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
22 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.

23 (C) A COUNTY OF THE SECOND CLASS A: 1% OF THE
24 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
25 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
26 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
27 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
28 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
29 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

30 (D) A COUNTY OF THE THIRD CLASS: 1% OF THE

1 GROSS TERMINAL REVENUE TO THE COUNTY HOSTING THE
2 LICENSED FACILITY FROM EACH SUCH LICENSED FACILITY.
3 AN ADDITIONAL 1% OF THE GROSS TERMINAL REVENUE TO THE
4 COUNTY HOSTING THE LICENSED FACILITY FROM EACH SUCH
5 LICENSED FACILITY FOR THE PURPOSE OF MUNICIPAL GRANTS
6 WITHIN THE COUNTY IN WHICH THE LICENSEE IS LOCATED.

7 (E) A COUNTY OF THE FOURTH CLASS: 2% OF THE
8 GROSS TERMINAL REVENUE FROM EACH SUCH LICENSED
9 FACILITY SHALL BE DEPOSITED INTO A RESTRICTED ACCOUNT
10 ESTABLISHED IN THE DEPARTMENT OF COMMUNITY AND
11 ECONOMIC DEVELOPMENT TO BE USED EXCLUSIVELY FOR
12 GRANTS TO THE COUNTY, TO ECONOMIC DEVELOPMENT
13 AUTHORITIES OR ORGANIZATIONS WITHIN THE COUNTY OR
14 REDEVELOPMENT AUTHORITIES WITHIN THE COUNTY FOR
15 GRANTS FOR ECONOMIC DEVELOPMENT PROJECTS, COMMUNITY
16 IMPROVEMENT PROJECTS, JOB TRAINING, OTHER PROJECTS IN
17 THE PUBLIC INTEREST AND REASONABLE ADMINISTRATIVE
18 COSTS. NOTWITHSTANDING THE CAPITAL FACILITIES DEBT
19 ENABLING ACT, GRANTS MADE UNDER THIS CLAUSE MAY BE
20 UTILIZED AS LOCAL MATCHING FUNDS FOR OTHER GRANTS OR
21 LOANS FROM THE COMMONWEALTH.

22 (F) COUNTIES OF THE FIFTH THROUGH EIGHTH
23 CLASSES: 2% OF THE GROSS TERMINAL REVENUE FROM EACH
24 SUCH LICENSED FACILITY SHALL BE DEPOSITED INTO A
25 RESTRICTED ACCOUNT ESTABLISHED IN THE DEPARTMENT OF
26 COMMUNITY AND ECONOMIC DEVELOPMENT TO BE USED
27 EXCLUSIVELY FOR GRANTS TO THE COUNTY, TO CONTIGUOUS
28 COUNTIES, TO ECONOMIC DEVELOPMENT AUTHORITIES OR
29 ORGANIZATIONS WITHIN THE COUNTY OR CONTIGUOUS
30 COUNTIES OR REDEVELOPMENT AUTHORITIES WITHIN THE

1 COUNTY OR CONTIGUOUS COUNTIES FOR GRANTS FOR ECONOMIC
2 DEVELOPMENT PROJECTS, COMMUNITY IMPROVEMENT PROJECTS,
3 OTHER PROJECTS IN THE PUBLIC INTEREST AND REASONABLE
4 ADMINISTRATIVE COSTS. NOTWITHSTANDING THE CAPITAL
5 FACILITIES DEBT ENABLING ACT, GRANTS MADE UNDER THIS
6 CLAUSE MAY BE UTILIZED AS LOCAL MATCHING FUNDS FOR
7 OTHER GRANTS OR LOANS FROM THE COMMONWEALTH.

8 (G) ANY COUNTY NOT SPECIFICALLY ENUMERATED IN
9 CLAUSES (A) THROUGH (F), 2% OF THE GROSS TERMINAL
10 REVENUE TO THE COUNTY HOSTING THE LICENSED FACILITY
11 FROM EACH SUCH LICENSED FACILITY.

12 (IV) IF THE FACILITY IS A CATEGORY 3 LICENSED
13 FACILITY, 2% OF THE GROSS TERMINAL REVENUE FROM EACH SUCH
14 LICENSED FACILITY SHALL BE DEPOSITED INTO A RESTRICTED
15 ACCOUNT ESTABLISHED IN THE DEPARTMENT OF COMMUNITY AND
16 ECONOMIC DEVELOPMENT TO BE USED EXCLUSIVELY FOR GRANTS TO
17 THE COUNTY, TO ECONOMIC DEVELOPMENT AUTHORITIES OR
18 ORGANIZATIONS WITHIN THE COUNTY OR REDEVELOPMENT
19 AUTHORITIES WITHIN THE COUNTY FOR GRANTS FOR ECONOMIC
20 DEVELOPMENT PROJECTS AND COMMUNITY IMPROVEMENT PROJECTS.

21 (V) UNLESS OTHERWISE SPECIFIED, FOR THE PURPOSES OF
22 THIS PARAGRAPH MONEY DESIGNATED FOR MUNICIPAL GRANTS
23 WITHIN A COUNTY, OTHER THAN A COUNTY OF THE FIRST CLASS,
24 IN WHICH A LICENSED FACILITY IS LOCATED SHALL BE USED TO
25 FUND GRANTS TO THE MUNICIPALITY IN WHICH THE LICENSED
26 FACILITY IS LOCATED, TO THE COUNTY IN WHICH THE LICENSED
27 FACILITY IS LOCATED AND TO THE MUNICIPALITIES WHICH ARE
28 CONTIGUOUS TO THE MUNICIPALITY IN WHICH THE LICENSED
29 FACILITY IS LOCATED AND WHICH ARE LOCATED WITHIN THE
30 COUNTY IN WHICH THE LICENSED FACILITY IS LOCATED. GRANTS

1 SHALL BE ADMINISTERED BY THE COUNTY THROUGH ITS ECONOMIC
2 DEVELOPMENT OR REDEVELOPMENT AUTHORITY IN WHICH THE
3 LICENSED FACILITY IS LOCATED. GRANTS SHALL BE USED TO
4 FUND THE COSTS OF HUMAN SERVICES, INFRASTRUCTURE
5 IMPROVEMENTS, FACILITIES, EMERGENCY SERVICES, HEALTH AND
6 PUBLIC SAFETY EXPENSES ASSOCIATED WITH LICENSED FACILITY
7 OPERATIONS. IF AT THE END OF A FISCAL YEAR UNCOMMITTED
8 FUNDS EXIST, THE COUNTY SHALL PAY TO THE ECONOMIC
9 DEVELOPMENT OR REDEVELOPMENT AUTHORITY OF THE COUNTY IN
10 WHICH THE LICENSED FACILITY IS LOCATED THE UNCOMMITTED
11 FUNDS.

12 (VI) IF THE LICENSED FACILITY IS LOCATED IN MORE
13 THAN ONE COUNTY, THE AMOUNT AVAILABLE SHALL BE
14 DISTRIBUTED ON A PRO RATA BASIS DETERMINED BY THE
15 PERCENTAGE OF ACREAGE LOCATED IN EACH COUNTY TO THE TOTAL
16 ACREAGE OF ALL COUNTIES OCCUPIED BY THE LICENSED
17 FACILITY.

18 (VII) THE DISTRIBUTIONS PROVIDED IN THIS PARAGRAPH
19 SHALL BE BASED UPON COUNTY CLASSIFICATIONS IN EFFECT ON
20 THE EFFECTIVE DATE OF THIS SECTION. ANY RECLASSIFICATION
21 OF COUNTIES AS A RESULT OF A FEDERAL DECENNIAL CENSUS OR
22 OF A STATE STATUTE SHALL NOT APPLY TO THIS SUBPARAGRAPH.

23 (VIII) IF ANY PROVISION OF THIS PARAGRAPH IS FOUND
24 TO BE UNENFORCEABLE FOR ANY REASON, THE DISTRIBUTION
25 PROVIDED FOR IN THE UNENFORCEABLE PROVISION SHALL BE MADE
26 TO THE COUNTY IN WHICH THE LICENSED FACILITY IS LOCATED
27 FOR THE PURPOSES OF GRANTS TO MUNICIPALITIES IN THAT
28 COUNTY, INCLUDING MUNICIPAL GRANTS AS SPECIFIED IN
29 SUBPARAGRAPH (V).

30 (IX) NOTHING IN THIS PARAGRAPH SHALL PREVENT ANY OF

1 THE ABOVE COUNTIES FROM ENTERING INTO INTERGOVERNMENTAL
2 COOPERATIVE AGREEMENTS WITH OTHER JURISDICTIONS FOR
3 SHARING THESE MONEY.

4 (3) FROM THE LOCAL SHARE ASSESSMENT ESTABLISHED IN
5 SUBSECTION (B), MAKE QUARTERLY DISTRIBUTIONS AMONG THE
6 MUNICIPALITIES, INCLUDING HOME RULE MUNICIPALITIES, HOSTING A
7 LICENSED FACILITY IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

8 (I) TO A CITY OF THE SECOND CLASS HOSTING A LICENSED
9 FACILITY OR FACILITIES, OTHER THAN A CATEGORY 3 LICENSED
10 FACILITY, 2% OF THE GROSS TERMINAL REVENUE OR \$10,000,000
11 ANNUALLY, WHICHEVER IS GREATER, OF ALL LICENSED
12 FACILITIES LOCATED IN THAT CITY. IN THE EVENT THAT THE
13 REVENUES GENERATED BY THE 2% DO NOT MEET THE \$10,000,000
14 MINIMUM SPECIFIED IN THIS PARAGRAPH, THE LICENSED GAMING
15 ENTITY OPERATING THE LICENSED FACILITY OR FACILITIES IN
16 THE CITY SHALL REMIT THE DIFFERENCE TO THE MUNICIPALITY.

17 (II) TO A CITY OF THE SECOND CLASS A HOSTING A
18 LICENSED FACILITY OR FACILITIES, OTHER THAN A CATEGORY 3
19 LICENSED FACILITY, 2% OF THE GROSS TERMINAL REVENUE OR
20 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, OF ALL
21 LICENSED FACILITIES LOCATED IN THAT CITY SUBJECT,
22 HOWEVER, TO THE BUDGETARY LIMITATION IN THIS
23 SUBPARAGRAPH. THE AMOUNT ALLOCATED TO THE DESIGNATED
24 MUNICIPALITIES SHALL NOT EXCEED 50% OF THEIR TOTAL BUDGET
25 FOR FISCAL YEAR 2003-2004, ADJUSTED FOR INFLATION IN
26 SUBSEQUENT YEARS BY AN AMOUNT NOT TO EXCEED AN ANNUAL
27 COST-OF-LIVING ADJUSTMENT CALCULATED BY APPLYING THE
28 PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX FOR ALL
29 URBAN CONSUMERS FOR THE PENNSYLVANIA, NEW JERSEY,
30 DELAWARE AND MARYLAND AREA, FOR THE MOST RECENT 12-MONTH

1 PERIOD FOR WHICH FIGURES HAVE BEEN OFFICIALLY REPORTED BY
2 THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR
3 STATISTICS, IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT
4 IS DUE TO TAKE EFFECT. ANY REMAINING MONEYS SHALL BE
5 DISTRIBUTED IN ACCORDANCE WITH PARAGRAPH (2) BASED UPON
6 THE COUNTY WHERE THE LICENSED FACILITY OR FACILITIES IS
7 LOCATED. IN THE EVENT THAT THE REVENUES GENERATED BY THE
8 2% DO NOT MEET THE \$10,000,000 MINIMUM SPECIFIED IN THIS
9 SUBPARAGRAPH, THE LICENSED GAMING ENTITY OPERATING THE
10 LICENSED FACILITY OR FACILITIES IN THE CITY SHALL REMIT
11 THE DIFFERENCE TO THE MUNICIPALITY.

12 (III) TO A CITY OF THE THIRD CLASS HOSTING A
13 LICENSED FACILITY OR FACILITIES, OTHER THAN A CATEGORY 3
14 LICENSED FACILITY, 2% OF THE GROSS TERMINAL REVENUE OR
15 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, OF ALL
16 LICENSED FACILITIES LOCATED IN THAT CITY SUBJECT,
17 HOWEVER, TO THE BUDGETARY LIMITATION IN THIS
18 SUBPARAGRAPH. HOWEVER, THE FOREGOING LIMITATIONS SHALL
19 NOT APPLY, NOTWITHSTANDING ANY PROVISION TO THE CONTRARY,
20 IF THE LICENSED FACILITY OR FACILITIES HAVE EXECUTED A
21 WRITTEN AGREEMENT WITH THE CITY PRIOR TO THE EFFECTIVE
22 DATE OF THIS PART TO PROVIDE ADDITIONAL COMPENSATION TO
23 THE CITY IN EXCESS OF THE DIFFERENCE BETWEEN 2% OF THE
24 GROSS TERMINAL REVENUE AND \$10,000,000. THE AMOUNT
25 ALLOCATED TO THE DESIGNATED MUNICIPALITIES SHALL NOT
26 EXCEED 50% OF THEIR TOTAL BUDGET FOR FISCAL YEAR 2003-
27 2004, ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY AN
28 AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT
29 CALCULATED BY APPLYING THE PERCENTAGE CHANGE IN THE
30 CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE

1 PENNSYLVANIA, NEW JERSEY, DELAWARE AND MARYLAND AREA, FOR
2 THE MOST RECENT 12-MONTH PERIOD FOR WHICH FIGURES HAVE
3 BEEN OFFICIALLY REPORTED BY THE UNITED STATES DEPARTMENT
4 OF LABOR, BUREAU OF LABOR STATISTICS, IMMEDIATELY PRIOR
5 TO THE DATE THE ADJUSTMENT IS DUE TO TAKE EFFECT. ANY
6 REMAINING MONEYS SHALL BE DISTRIBUTED IN ACCORDANCE WITH
7 PARAGRAPH (2) BASED UPON THE COUNTY WHERE THE LICENSED
8 FACILITY OR FACILITIES IS LOCATED. IN THE EVENT THAT THE
9 REVENUES GENERATED BY THE 2% DO NOT MEET THE \$10,000,000
10 MINIMUM SPECIFIED IN THIS SUBPARAGRAPH, THE LICENSED
11 GAMING ENTITY OPERATING THE LICENSED FACILITY OR
12 FACILITIES IN THE CITY SHALL REMIT THE DIFFERENCE TO THE
13 MUNICIPALITY.

14 (IV) TO A TOWNSHIP OF THE FIRST CLASS HOSTING A
15 LICENSED FACILITY OR FACILITIES, OTHER THAN A CATEGORY 3
16 LICENSED FACILITY, 2% OF THE GROSS TERMINAL REVENUE OR
17 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, OF ALL
18 LICENSED FACILITIES LOCATED IN THE TOWNSHIP SUBJECT,
19 HOWEVER, TO THE BUDGETARY LIMITATION IN THIS
20 SUBPARAGRAPH. THE AMOUNT ALLOCATED TO THE DESIGNATED
21 MUNICIPALITIES SHALL NOT EXCEED 50% OF THEIR TOTAL BUDGET
22 FOR FISCAL YEAR 2003-2004, ADJUSTED FOR INFLATION IN
23 SUBSEQUENT YEARS BY AN AMOUNT NOT TO EXCEED AN ANNUAL
24 COST-OF-LIVING ADJUSTMENT CALCULATED BY APPLYING THE
25 PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX FOR ALL
26 URBAN CONSUMERS FOR THE PENNSYLVANIA, NEW JERSEY,
27 DELAWARE AND MARYLAND AREA, FOR THE MOST RECENT 12-MONTH
28 PERIOD FOR WHICH FIGURES HAVE BEEN OFFICIALLY REPORTED BY
29 THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR
30 STATISTICS, IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT

1 IS DUE TO TAKE EFFECT. ANY REMAINING MONEY SHALL BE
2 DISTRIBUTED IN ACCORDANCE WITH PARAGRAPH (2) BASED UPON
3 THE COUNTY WHERE THE LICENSED FACILITY OR FACILITIES IS
4 LOCATED. IN THE EVENT THAT THE REVENUES GENERATED BY THE
5 2% DO NOT MEET THE \$10,000,000 MINIMUM SPECIFIED IN THIS
6 SUBPARAGRAPH, THE LICENSED GAMING ENTITY OPERATING THE
7 LICENSED FACILITY OR FACILITIES IN THE TOWNSHIP SHALL
8 REMIT THE DIFFERENCE TO THE MUNICIPALITY.

9 (V) TO A TOWNSHIP OF THE SECOND CLASS HOSTING A
10 LICENSED FACILITY OR FACILITIES, OTHER THAN A CATEGORY 3
11 LICENSED FACILITY, 2% OF THE GROSS TERMINAL REVENUE OR
12 \$10,000,000 ANNUALLY, WHICHEVER IS GREATER, OF ALL
13 LICENSED FACILITIES LOCATED IN THE TOWNSHIP SUBJECT,
14 HOWEVER, TO THE BUDGETARY LIMITATION IN THIS
15 SUBPARAGRAPH. THE AMOUNT ALLOCATED TO THE DESIGNATED
16 MUNICIPALITIES SHALL NOT EXCEED 50% OF THEIR TOTAL BUDGET
17 FOR FISCAL YEAR 2003-2004, ADJUSTED FOR INFLATION IN
18 SUBSEQUENT YEARS BY AN AMOUNT NOT TO EXCEED AN ANNUAL
19 COST-OF-LIVING ADJUSTMENT CALCULATED BY APPLYING THE
20 PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX FOR ALL
21 URBAN CONSUMERS FOR THE PENNSYLVANIA, NEW JERSEY,
22 DELAWARE AND MARYLAND AREA, FOR THE MOST RECENT 12-MONTH
23 PERIOD FOR WHICH FIGURES HAVE BEEN OFFICIALLY REPORTED BY
24 THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR
25 STATISTICS, IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT
26 IS DUE TO TAKE EFFECT. ANY REMAINING MONEY SHALL BE
27 DISTRIBUTED IN ACCORDANCE WITH PARAGRAPH (2) BASED UPON
28 THE COUNTY WHERE THE LICENSED FACILITY OR FACILITIES IS
29 LOCATED. IN THE EVENT THAT THE REVENUES GENERATED BY THE
30 2% DO NOT MEET THE \$10,000,000 MINIMUM SPECIFIED IN THIS

1 SUBPARAGRAPH, THE LICENSED GAMING ENTITY OPERATING THE
2 LICENSED FACILITY OR FACILITIES IN THE TOWNSHIP SHALL
3 REMIT THE DIFFERENCE TO THE MUNICIPALITY.

4 (VI) TO A BOROUGH HOSTING A LICENSED FACILITY OR
5 FACILITIES, OTHER THAN A CATEGORY 3 LICENSED FACILITY, 2%
6 OF THE GROSS TERMINAL REVENUE OR \$10,000,000 ANNUALLY,
7 WHICHEVER IS GREATER, OF ALL LICENSED FACILITIES LOCATED
8 IN THAT BOROUGH SUBJECT, HOWEVER, TO THE BUDGETARY
9 LIMITATION IN THIS SUBPARAGRAPH. THE AMOUNT ALLOCATED TO
10 THE DESIGNATED MUNICIPALITIES SHALL NOT EXCEED 50% OF
11 THEIR TOTAL BUDGET FOR FISCAL YEAR 2003-2004, ADJUSTED
12 FOR INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO
13 EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED BY
14 APPLYING THE PERCENTAGE CHANGE IN THE CONSUMER PRICE
15 INDEX FOR ALL URBAN CONSUMERS FOR THE PENNSYLVANIA, NEW
16 JERSEY, DELAWARE AND MARYLAND AREA, FOR THE MOST RECENT
17 12-MONTH PERIOD FOR WHICH FIGURES HAVE BEEN OFFICIALLY
18 REPORTED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU
19 OF LABOR STATISTICS, IMMEDIATELY PRIOR TO THE DATE THE
20 ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING MONEY
21 SHALL BE DISTRIBUTED IN ACCORDANCE WITH PARAGRAPH (2)
22 BASED UPON THE COUNTY WHERE THE LICENSED FACILITY OR
23 FACILITIES IS LOCATED. IN THE EVENT THAT THE REVENUES
24 GENERATED BY THE 2% DO NOT MEET THE \$10,000,000 MINIMUM
25 SPECIFIED IN THIS SUBPARAGRAPH, THE LICENSED GAMING
26 ENTITY OPERATING THE LICENSED FACILITY OR FACILITIES IN
27 THE BOROUGH SHALL REMIT THE DIFFERENCE TO THE
28 MUNICIPALITY.

29 (VII) TO AN INCORPORATED TOWN HOSTING A LICENSED
30 FACILITY OR FACILITIES, OTHER THAN A CATEGORY 3 LICENSED

1 FACILITY, 2% OF THE GROSS TERMINAL REVENUE OR \$10,000,000
2 ANNUALLY, WHICHEVER IS GREATER, OF ALL LICENSED
3 FACILITIES LOCATED IN THE TOWN SUBJECT, HOWEVER, TO THE
4 BUDGETARY LIMITATION IN THIS SUBPARAGRAPH. THE AMOUNT
5 ALLOCATED TO THE DESIGNATED MUNICIPALITIES SHALL NOT
6 EXCEED 50% OF THEIR TOTAL BUDGET FOR FISCAL YEAR 2003-
7 2004, ADJUSTED FOR INFLATION IN SUBSEQUENT YEARS BY AN
8 AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT
9 CALCULATED BY APPLYING THE PERCENTAGE CHANGE IN THE
10 CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE
11 PENNSYLVANIA, NEW JERSEY, DELAWARE AND MARYLAND AREA, FOR
12 THE MOST RECENT 12-MONTH PERIOD FOR WHICH FIGURES HAVE
13 BEEN OFFICIALLY REPORTED BY THE UNITED STATES DEPARTMENT
14 OF LABOR, BUREAU OF LABOR STATISTICS, IMMEDIATELY PRIOR
15 TO THE DATE THE ADJUSTMENT IS DUE TO TAKE EFFECT. ANY
16 REMAINING MONEY SHALL BE DISTRIBUTED IN ACCORDANCE WITH
17 PARAGRAPH (2) BASED UPON THE COUNTY WHERE THE LICENSED
18 FACILITY OR FACILITIES IS LOCATED. IN THE EVENT THAT THE
19 REVENUES GENERATED BY THE 2% DO NOT MEET THE \$10,000,000
20 MINIMUM SPECIFIED IN THIS SUBPARAGRAPH, THE LICENSED
21 GAMING ENTITY OPERATING THE LICENSED FACILITY OR
22 FACILITIES IN THE TOWN SHALL REMIT THE DIFFERENCE TO THE
23 MUNICIPALITY.

24 (VIII) TO A MUNICIPALITY OF ANY CLASS HOSTING A
25 CATEGORY 3 FACILITY, 2% OF THE GROSS TERMINAL REVENUE
26 FROM THE CATEGORY 3 LICENSED FACILITY LOCATED IN THE
27 MUNICIPALITY SUBJECT, HOWEVER, TO THE BUDGETARY
28 LIMITATION IN THIS SUBPARAGRAPH. THE AMOUNT ALLOCATED TO
29 THE DESIGNATED MUNICIPALITIES SHALL NOT EXCEED 50% OF
30 THEIR TOTAL BUDGET FOR FISCAL YEAR 2003-2004, ADJUSTED

1 FOR INFLATION IN SUBSEQUENT YEARS BY AN AMOUNT NOT TO
2 EXCEED AN ANNUAL COST-OF-LIVING ADJUSTMENT CALCULATED BY
3 APPLYING THE PERCENTAGE CHANGE IN THE CONSUMER PRICE
4 INDEX FOR ALL URBAN CONSUMERS FOR THE PENNSYLVANIA, NEW
5 JERSEY, DELAWARE AND MARYLAND AREA, FOR THE MOST RECENT
6 12-MONTH PERIOD FOR WHICH FIGURES HAVE BEEN OFFICIALLY
7 REPORTED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU
8 OF LABOR STATISTICS, IMMEDIATELY PRIOR TO THE DATE THE
9 ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING MONEY
10 SHALL BE DISTRIBUTED IN ACCORDANCE WITH PARAGRAPH (2)
11 BASED UPON THE COUNTY WHERE THE LICENSED FACILITY OR
12 FACILITIES IS LOCATED.

13 (IX) ANY MUNICIPALITY NOT SPECIFICALLY ENUMERATED
14 IN SUBPARAGRAPHS (I) THROUGH (VIII), 2% OF THE GROSS
15 TERMINAL REVENUE TO THE MUNICIPALITY HOSTING THE LICENSED
16 FACILITY FROM EACH SUCH LICENSED FACILITY.

17 (X) IF THE LICENSED FACILITY IS LOCATED IN MORE THAN
18 ONE MUNICIPALITY, THE AMOUNT AVAILABLE SHALL BE
19 DISTRIBUTED ON A PRO RATA BASIS DETERMINED BY THE
20 PERCENTAGE OF ACREAGE LOCATED IN EACH MUNICIPALITY TO THE
21 TOTAL ACREAGE OF ALL MUNICIPALITIES OCCUPIED BY THE
22 LICENSED FACILITY.

23 (XI) IF THE LICENSED FACILITY IS LOCATED AT A RESORT
24 WHICH IS ALSO AN INCORPORATED MUNICIPALITY, SUCH
25 MUNICIPALITY SHALL NOT BE ELIGIBLE TO RECEIVE ANY
26 DISTRIBUTION UNDER THIS PARAGRAPH. THE DISTRIBUTION IT
27 WOULD HAVE OTHERWISE BEEN ENTITLED TO UNDER THIS
28 PARAGRAPH SHALL INSTEAD BE DISTRIBUTED IN ACCORDANCE WITH
29 PARAGRAPH (2) BASED UPON THE COUNTY WHERE THE LICENSED
30 FACILITY IS LOCATED.

1 (XII) THE DISTRIBUTIONS PROVIDED IN THIS PARAGRAPH
2 SHALL BE BASED UPON MUNICIPAL CLASSIFICATIONS IN EFFECT
3 ON THE EFFECTIVE DATE OF THIS SECTION. FOR THE PURPOSES
4 OF THIS PARAGRAPH, ANY RECLASSIFICATION OF MUNICIPALITIES
5 AS A RESULT OF A FEDERAL DECENNIAL CENSUS OR OF A STATE
6 STATUTE SHALL NOT APPLY TO THIS PARAGRAPH.

7 (XIII) IF ANY PROVISION OF THIS PARAGRAPH IS FOUND
8 TO BE UNENFORCEABLE FOR ANY REASON, THE DISTRIBUTION
9 PROVIDED FOR IN SUCH UNENFORCEABLE PROVISION SHALL BE
10 MADE TO THE MUNICIPALITY IN WHICH THE LICENSED FACILITY
11 IS LOCATED.

12 (XIV) NOTHING IN THIS PARAGRAPH SHALL PREVENT ANY OF
13 THE ABOVE MUNICIPALITIES FROM ENTERING INTO
14 INTERGOVERNMENTAL COOPERATIVE AGREEMENTS WITH OTHER
15 JURISDICTIONS FOR SHARING THIS MONEY.

16 (XV) NOTWITHSTANDING ANY OTHER LAW, AGREEMENT OR
17 PROVISION IN THIS PART TO THE CONTRARY, ALL REVENUES
18 PROVIDED, DIRECTED OR EARMARKED UNDER THIS SECTION TO OR
19 FOR THE BENEFIT OF A CITY OF THE SECOND CLASS IN WHICH AN
20 INTERGOVERNMENTAL COOPERATION AUTHORITY HAS BEEN
21 ESTABLISHED AND IS IN EXISTENCE PURSUANT TO THE ACT OF
22 FEBRUARY 12, 2004 (P.L.73, NO.11), KNOWN AS THE
23 INTERGOVERNMENTAL COOPERATION AUTHORITY ACT FOR CITIES OF
24 THE SECOND CLASS, SHALL BE DIRECTED TO AND UNDER THE
25 EXCLUSIVE CONTROL OF SUCH INTERGOVERNMENTAL COOPERATION
26 AUTHORITY TO BE USED:

27 (A) TO REDUCE THE DEBT OF THE SECOND CLASS CITY;

28 (B) TO INCREASE THE LEVEL OF FUNDING OF THE
29 MUNICIPAL PENSION FUNDS OF THE SECOND CLASS CITY; OR

30 (C) FOR ANY OTHER PURPOSES AS DETERMINED TO BE

1 IN THE BEST INTEREST OF THE SECOND CLASS CITY BY SUCH
2 INTERGOVERNMENTAL COOPERATION AUTHORITY. SUCH
3 REVENUES SHALL NOT BE DIRECTED TO OR UNDER THE
4 CONTROL OF SUCH CITY OF THE SECOND CLASS OR ANY
5 COORDINATOR APPOINTED PURSUANT TO THE ACT OF JULY 10,
6 1987 (P.L.246, NO.47), KNOWN AS THE MUNICIPALITIES
7 FINANCIAL RECOVERY ACT, FOR SUCH CITY OF THE SECOND
8 CLASS.

9 § 1404. DISTRIBUTIONS FROM LICENSEE'S REVENUE RECEIPTS.

10 FOR HOLDERS OF CATEGORY 1 LICENSES, AN AMOUNT NOT LESS THAN
11 \$5,000,000 OVER THE INITIAL FIVE-YEAR PERIOD FOLLOWING THE
12 INITIAL ISSUANCE OF A CATEGORY 1 SLOT MACHINE LICENSE AND AN
13 AMOUNT NOT LESS THAN \$250,000 NOR MORE THAN \$1,000,000 PER YEAR
14 FOR FIVE YEARS THEREAFTER SHALL BE DEPOSITED BY EACH LICENSEE
15 INTO A SEGREGATED ACCOUNT AND USED FOR IMPROVEMENT AND
16 MAINTENANCE OF THE BACKSIDE AREA AND RELATED BUILDINGS AND
17 STRUCTURES AT THE RACETRACK AT WHICH THE LICENSEE OPERATES. THE
18 LICENSED RACING ENTITY DESIGNEE AND THE DESIGNEE OF THE
19 RECOGNIZED HORSEMEN'S ORGANIZATION AT EACH RACETRACK SHALL
20 JOINTLY CONSIDER THE APPROPRIATE AMOUNT OF THE FUNDS AND HOW THE
21 MONEY SHALL BE SPENT AT THE RACETRACK. DISPUTES INVOLVING THE
22 AMOUNT AND EXPENDITURE OF FUNDS UNDER THIS SECTION SHALL BE
23 RESOLVED BY THE STATE HORSE RACING COMMISSION OR THE STATE
24 HARNESS RACING COMMISSION, WHICHEVER IS APPROPRIATE, WHICH SHALL
25 OVERSEE THE USE OF THESE FUNDS. NOTWITHSTANDING OTHER PROVISIONS
26 OF THIS SECTION, A LICENSED RACING ENTITY THAT HAS NOT
27 PREVIOUSLY CONDUCTED LIVE RACING AND IS CONSTRUCTING A NEW
28 RACETRACK, BACKSIDE AREA AND RELATED BUILDINGS AND STRUCTURES
29 THAT CAN ESTABLISH TO THE SATISFACTION OF THE BOARD THAT THE
30 LICENSED RACING ENTITY HAS SPENT NO LESS THAN \$5,000,000 IN THE

1 CONSTRUCTION OF THE NEW RACETRACK'S BACKSIDE AREA, RELATED
2 BUILDINGS AND STRUCTURES SHALL NOT BE SUBJECT TO THE
3 EXPENDITURES REQUIRED BY THIS SECTION UNTIL THE TENTH YEAR AFTER
4 THE COMPLETION OF SUCH CONSTRUCTION AT THE NEW RACETRACK. THE
5 BOARD MAY EXTEND THE TIME FRAME FOR DISTRIBUTIONS UNDER THIS
6 SECTION FOR A NEWLY CONSTRUCTED RACETRACK FOR UP TO AN
7 ADDITIONAL TWO YEARS IF, UPON INSPECTION, EITHER THE STATE HORSE
8 RACING COMMISSION OR THE STATE HARNESS RACING COMMISSION,
9 WHICHEVER IS APPLICABLE, DETERMINES THAT THE PHYSICAL CONDITION
10 OF THE BACKSIDE AREA AND RELATED BUILDINGS AND STRUCTURES OF THE
11 RACETRACK IS SUFFICIENT TO PROTECT THE HEALTH AND SAFETY OF
12 BACKSIDE EMPLOYEES.

13 § 1405. PENNSYLVANIA RACE HORSE DEVELOPMENT FUND.

14 (A) FUND ESTABLISHED.--THERE IS HEREBY ESTABLISHED A
15 PENNSYLVANIA RACE HORSE DEVELOPMENT FUND WITHIN THE STATE
16 TREASURY.

17 (B) PENNSYLVANIA RACE HORSE IMPROVEMENT ASSESSMENT.--EACH
18 ACTIVE AND OPERATING LICENSED GAMING ENTITY SHALL PAY A DAILY
19 ASSESSMENT TO THE PENNSYLVANIA RACE HORSE DEVELOPMENT FUND AS
20 DETERMINED BY THE DEPARTMENT. SUBJECT TO THE DAILY ASSESSMENT
21 CAP ESTABLISHED UNDER SUBSECTION (C), THE LICENSED GAMING
22 ENTITY'S ASSESSMENT SHALL BE A PERCENTAGE OF EACH LICENSED
23 GAMING ENTITY'S GROSS TERMINAL REVENUE, EQUAL TO AN AMOUNT
24 CALCULATED AS "A" MULTIPLIED BY "B"; WITH "A" BEING EQUAL TO
25 EACH LICENSED GAMING ENTITY'S GROSS TERMINAL REVENUE FOR THAT
26 DAY DIVIDED BY THE TOTAL GROSS TERMINAL REVENUE FOR THAT DAY
27 FROM ALL LICENSED GAMING ENTITIES; AND, "B" BEING EQUAL TO 18%
28 OF THAT DAY'S GROSS TERMINAL REVENUE FOR ALL ACTIVE AND
29 OPERATING CATEGORY 1 LICENSEES CONDUCTING LIVE RACING.

30 (C) DAILY ASSESSMENT CAP.--IF THE RESULTING DAILY ASSESSMENT

1 FOR A LICENSED GAMING ENTITY EXCEEDS 12% OF THAT LICENSED GAMING
2 ENTITY'S GROSS TERMINAL REVENUE FOR THE DAY, THE LICENSED GAMING
3 ENTITY SHALL PAY A DAILY ASSESSMENT OF 12% OF ITS GROSS TERMINAL
4 REVENUE FOR THAT DAY.

5 (D) DISTRIBUTIONS.--IN ACCORDANCE WITH SECTION 1406
6 (RELATING TO DISTRIBUTIONS FROM PENNSYLVANIA RACE HORSE
7 DEVELOPMENT FUND), THE DEPARTMENT SHALL MAKE DISTRIBUTIONS FROM
8 THE PENNSYLVANIA RACE HORSE DEVELOPMENT FUND TO EACH OF THE
9 ACTIVE AND OPERATING CATEGORY 1 LICENSEES CONDUCTING LIVE
10 RACING.

11 § 1406. DISTRIBUTIONS FROM PENNSYLVANIA RACE HORSE DEVELOPMENT
12 FUND.

13 (A) DISTRIBUTIONS.--FUNDS FROM THE PENNSYLVANIA RACE HORSE
14 DEVELOPMENT FUND SHALL BE DISTRIBUTED TO EACH ACTIVE AND
15 OPERATING CATEGORY 1 LICENSEE CONDUCTING LIVE RACING IN THE
16 FOLLOWING MANNER:

17 (1) AN AMOUNT EQUAL TO 18% OF THE DAILY GROSS TERMINAL
18 REVENUE OF EACH CATEGORY 1 LICENSEE SHALL BE DISTRIBUTED TO
19 EACH ACTIVE AND OPERATING CATEGORY 1 LICENSEE CONDUCTING LIVE
20 RACING UNLESS THE DAILY ASSESSMENTS ARE AFFECTED BY THE DAILY
21 ASSESSMENT CAP PROVIDED FOR IN SECTION 1405(C). IN CASES IN
22 WHICH THE DAILY ASSESSMENT CAP AFFECTS DAILY ASSESSMENTS, THE
23 DISTRIBUTION TO EACH ACTIVE AND OPERATING CATEGORY 1 LICENSEE
24 CONDUCTING LIVE RACING FOR THAT DAY SHALL BE A PERCENTAGE OF
25 THE TOTAL DAILY ASSESSMENTS PAID INTO THE PENNSYLVANIA RACE
26 HORSE DEVELOPMENT FUND FOR THAT DAY EQUAL TO THE GROSS
27 TERMINAL REVENUE OF EACH ACTIVE AND OPERATING CATEGORY 1
28 LICENSEE CONDUCTING LIVE RACING FOR THAT DAY DIVIDED BY THE
29 TOTAL GROSS TERMINAL REVENUE OF ALL ACTIVE AND OPERATING
30 CATEGORY 1 LICENSEES CONDUCTING LIVE RACING FOR THAT DAY. THE

1 DISTRIBUTIONS TO LICENSED RACING ENTITIES FROM THE
2 PENNSYLVANIA RACE HORSE DEVELOPMENT FUND SHALL BE ALLOCATED
3 AS FOLLOWS:

4 (I) EIGHTY PERCENT TO BE DEPOSITED WEEKLY INTO A
5 SEPARATE, INTEREST-BEARING PURSE ACCOUNT TO BE
6 ESTABLISHED BY AND FOR THE BENEFIT OF THE HORSEMEN. THE
7 EARNED INTEREST ON THE ACCOUNT SHALL BE CREDITED TO THE
8 PURSE ACCOUNT. LICENSEES SHALL COMBINE THESE FUNDS WITH
9 REVENUES FROM EXISTING PURSE AGREEMENTS TO FUND PURSES
10 FOR LIVE RACES CONSISTENT WITH THOSE AGREEMENTS WITH THE
11 ADVICE AND CONSENT OF THE HORSEMEN.

12 (II) FROM LICENSEES THAT OPERATE AT THOROUGHBRED
13 TRACKS, 16% TO BE DEPOSITED ON A MONTHLY BASIS INTO THE
14 PENNSYLVANIA BREEDING FUND AS DEFINED IN SECTION 223 OF
15 THE RACE HORSE INDUSTRY REFORM ACT. FROM LICENSEES THAT
16 OPERATE AT STANDARD BRED TRACKS, 8% TO BE DEPOSITED ON A
17 MONTHLY BASIS IN THE PENNSYLVANIA SIRE STAKES FUND AS
18 DEFINED IN SECTION 224 OF THE RACE HORSE INDUSTRY REFORM
19 ACT AND 8% TO BE DEPOSITED ON A MONTHLY BASIS INTO A
20 RESTRICTED ACCOUNT IN THE STATE RACING FUND TO BE KNOWN
21 AS THE PENNSYLVANIA STANDARD BRED BREEDERS DEVELOPMENT
22 FUND. THE STATE HARNESS RACING COMMISSION SHALL, IN
23 CONSULTATION WITH THE SECRETARY OF AGRICULTURE BY RULE OR
24 BY REGULATION, ADOPT A STANDARD BRED BREEDERS PROGRAM THAT
25 WILL INCLUDE THE ADMINISTRATION OF PENNSYLVANIA STALLION
26 AWARD, PENNSYLVANIA BRED AWARD AND A PENNSYLVANIA SIRE
27 AND BRED AWARD.

28 (III) FOUR PERCENT TO BE USED TO FUND HEALTH AND
29 PENSION BENEFITS FOR THE MEMBERS OF THE HORSEMEN'S
30 ORGANIZATIONS REPRESENTING THE OWNERS AND TRAINERS AT THE

1 RACETRACK AT WHICH THE LICENSED RACING ENTITY OPERATES
2 FOR THE BENEFIT OF THE ORGANIZATION'S MEMBERS, THEIR
3 FAMILIES, EMPLOYEES AND OTHERS IN ACCORDANCE WITH THE
4 RULES AND ELIGIBILITY REQUIREMENTS OF THE ORGANIZATION,
5 AS APPROVED BY THE STATE HORSE RACING COMMISSION OR THE
6 STATE HARNESS RACING COMMISSION. THIS AMOUNT SHALL BE
7 DEPOSITED WITHIN FIVE BUSINESS DAYS OF THE END OF EACH
8 MONTH INTO A SEPARATE ACCOUNT TO BE ESTABLISHED BY EACH
9 RESPECTIVE HORSEMEN'S ORGANIZATION AT A BANKING
10 INSTITUTION OF ITS CHOICE. OF THIS AMOUNT, \$250,000 SHALL
11 BE PAID ANNUALLY BY THE HORSEMEN'S ORGANIZATION TO THE
12 THOROUGHBRED JOCKEYS OR STANDARD BRED DRIVERS ORGANIZATION
13 AT THE RACETRACK AT WHICH THE LICENSED RACING ENTITY
14 OPERATES FOR HEALTH INSURANCE, LIFE INSURANCE OR OTHER
15 BENEFITS TO ACTIVE AND DISABLED THOROUGHBRED JOCKEYS OR
16 STANDARD BRED DRIVERS IN ACCORDANCE WITH THE RULES AND
17 ELIGIBILITY REQUIREMENTS OF THAT ORGANIZATION.

18 (B) GUIDELINES.--THE BOARD SHALL ESTABLISH GUIDELINES THAT
19 ENSURE THAT FUNDS ALLOCATED TO THE HORSEMEN'S ORGANIZATION ARE
20 USED TO FINANCE THE PROGRAMS TO BENEFIT ALL HORSEMEN OF THIS
21 COMMONWEALTH AND THAT ADMINISTRATIVE AND OVERHEAD COSTS ARE
22 REASONABLY RELATED TO SUCH PROGRAMS.

23 (C) ELIGIBLE RECIPIENTS.--FUNDS ALLOCATED TO THE HORSEMEN'S
24 ORGANIZATION UNDER THIS PART MUST BE USED TO BENEFIT ALL
25 HORSEMEN. FUNDS ACQUIRED FROM OTHER SOURCES SHALL BE KEPT
26 SEPARATE AND APART FROM FUNDS OBTAINED UNDER THIS PART.

27 (D) REASONABLENESS.--FUNDING FOR BENEVOLENT PROGRAMS,
28 INCLUDING, BUT NOT LIMITED TO, PENSION, HEALTH AND INSURANCE
29 PLANS, WILL BE CONSIDERED REASONABLE IF SUCH PROGRAM FUNDING ON
30 AN ANNUAL BASIS IS AT LEAST 85% OF THE TOTAL STATUTORY

1 ALLOCATION.

2 (E) FILING OF AUDIT.--ALL HORSEMEN'S ORGANIZATIONS THAT
3 RECEIVE FUNDS UNDER THIS SECTION SHALL FILE ANNUALLY WITH THE
4 APPROPRIATE COMMISSION AND THE BOARD AN AUDIT PREPARED BY A
5 CERTIFIED PUBLIC ACCOUNTANT OF ALL FUNDS RECEIVED. SUCH FILINGS
6 SHALL BE OPEN TO PUBLIC REVIEW. THE HORSEMEN'S ORGANIZATIONS
7 SHALL MAINTAIN ADEQUATE RECORDS CONCERNING RECEIPT AND
8 DISTRIBUTION OF FUNDS ALLOCATED TO THEM.

9 (F) CONTRACTS.--ALL HEALTH AND PENSION BENEFITS CONTRACTS
10 SHALL BE REVIEWED AND APPROVED BY THE BOARD.

11 (G) PENALTY.--ANY VIOLATION OF THE PROVISIONS OF THIS
12 SECTION MAY SUBJECT THE HORSEMEN'S ORGANIZATION TO A FINE NOT TO
13 EXCEED \$10,000 PER VIOLATION.

14 § 1407. PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM
15 FUND.

16 (A) FUND ESTABLISHED.--THERE IS HEREBY ESTABLISHED A
17 PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND WITHIN
18 THE STATE TREASURY.

19 (B) FUND ADMINISTRATION AND DISTRIBUTION.--THE PENNSYLVANIA
20 GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND SHALL BE
21 ADMINISTERED BY THE DEPARTMENT OF COMMUNITY AND ECONOMIC
22 DEVELOPMENT. ALL MONEYS IN THE PENNSYLVANIA GAMING ECONOMIC
23 DEVELOPMENT AND TOURISM FUND SHALL BE DISTRIBUTED PURSUANT TO A
24 SUBSEQUENTLY ENACTED ECONOMIC DEVELOPMENT CAPITAL BUDGET THAT
25 APPROPRIATES MONEY FROM THE FUND PURSUANT TO THIS SECTION. THE
26 PROCEDURES FOR ENACTMENT, AUTHORIZATION AND RELEASE OF ECONOMIC
27 DEVELOPMENT AND TOURISM FUNDS AUTHORIZED UNDER THIS SECTION FOR
28 BOTH CAPITAL PROJECTS AND OPERATIONAL EXPENDITURES SHALL BE THE
29 SAME AS THOSE PROVIDED FOR IN SECTIONS 303(A), (B) AND (C) AND
30 318(A) OF THE ACT OF FEBRUARY 9, 1999 (P.L.1, NO.1), KNOWN AS

1 THE CAPITAL FACILITIES DEBT ENABLING ACT, WITHOUT REFERENCE TO
2 THE NATURE OR PURPOSE OF THE PROJECT, AND ANY OTHER STATUTORY
3 PROVISION, IF ANY, NECESSARY TO EFFECTUATE THE RELEASE OF FUNDS
4 APPROPRIATED IN SUCH ECONOMIC DEVELOPMENT CAPITAL BUDGET.

5 (C) PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM
6 FUND ASSESSMENT.--EACH LICENSED GAMING ENTITY SHALL PAY A DAILY
7 ASSESSMENT OF 5% OF ITS GROSS TERMINAL REVENUE TO THE
8 PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM FUND.

9 (D) RESTRICTIONS ON PROJECTS FOR CERTAIN COUNTIES AND
10 CITIES.--FOR A TEN-YEAR PERIOD BEGINNING WITH THE FIRST FISCAL
11 YEAR DURING WHICH DEPOSITS ARE MADE INTO THIS FUND, NO MONEYS
12 FROM THE PENNSYLVANIA GAMING ECONOMIC DEVELOPMENT AND TOURISM
13 FUND SHALL BE DISTRIBUTED FOR ANY PROJECT LOCATED IN A CITY OR
14 COUNTY OF THE FIRST OR SECOND CLASS EXCEPT AS AUTHORIZED BY THIS
15 SUBSECTION. MONEYS NOT USED FOR THE AUTHORIZED PROJECTS IN
16 CITIES AND COUNTIES OF THE FIRST AND SECOND CLASSES MAY BE USED
17 THROUGHOUT THE COMMONWEALTH. MONEYS FROM THE FUND FOR PROJECTS
18 WITHIN CITIES AND COUNTIES OF THE FIRST AND SECOND CLASSES MAY
19 ONLY BE USED FOR THE FOLLOWING PROJECTS DURING THIS TEN-YEAR
20 PERIOD:

21 (1) FOR REIMBURSEMENT TO A CITY OF THE FIRST CLASS FOR
22 DEBT SERVICE MADE BY SUCH CITY TO THE EXTENT THAT SUCH
23 PAYMENTS HAVE BEEN MADE FOR THE EXPANSION OF THE PENNSYLVANIA
24 CONVENTION CENTER;

25 (2) FOR DISTRIBUTION TO THE GENERAL FUND TO THE EXTENT
26 THAT THE COMMONWEALTH HAS MADE DEBT SERVICE PAYMENTS FOR THE
27 EXPANSION OF THE PENNSYLVANIA CONVENTION CENTER;

28 (3) FOR REIMBURSEMENT TO A CITY OF THE FIRST CLASS FOR
29 PAYMENTS MADE BY SUCH CITY FOR THE OPERATION EXPENSES OF THE
30 PENNSYLVANIA CONVENTION CENTER DURING THE PRIOR CALENDAR

1 YEAR;

2 (4) FOR DEBT SERVICE AND FOR DEVELOPMENT AND ECONOMIC
3 DEVELOPMENT PROJECTS FOR AN INTERNATIONAL AIRPORT LOCATED IN
4 A COUNTY OF THE SECOND CLASS;

5 (5) FOR DISTRIBUTION TO A COMMUNITY INFRASTRUCTURE
6 DEVELOPMENT FUND OF A COUNTY OF THE SECOND CLASS TO FUND
7 CONSTRUCTION, DEVELOPMENT, IMPROVEMENT AND MAINTENANCE OF
8 INFRASTRUCTURE PROJECTS;

9 (6) FOR THE RETIREMENT OF THE INDEBTEDNESS OF AN URBAN
10 REDEVELOPMENT AUTHORITY, CREATED PURSUANT TO THE ACT OF MAY
11 24, 1945 (P.L.991, NO.385), KNOWN AS THE URBAN REDEVELOPMENT
12 LAW, IN A CITY OF THE SECOND CLASS WHICH IS FINANCED, IN
13 PART, WITH THE UTILIZATION OF FUNDS TRANSFERRED TO THE
14 REGIONAL ASSET DISTRICT PURSUANT TO ARTICLE XXXI-B OF THE ACT
15 OF JULY 28, 1953 (P.L.723, NO.230), KNOWN AS THE SECOND CLASS
16 COUNTY CODE;

17 (7) FOR RETIREMENT OF INDEBTEDNESS AND FOR FINANCING OF
18 A HOTEL OR CONVENTION CENTER IN A CITY OF THE SECOND CLASS
19 ESTABLISHED PURSUANT TO THE AUTHORITY OF THE ACT OF JULY 29,
20 1953 (P.L.1034, NO.270), KNOWN AS THE PUBLIC AUDITORIUM
21 AUTHORITIES LAW;

22 (8) FOR RETIREMENT OF INDEBTEDNESS OF A COUNTY OF THE
23 SECOND CLASS DEVELOPMENT FUND CREATED PURSUANT TO THE
24 AUTHORITY OF ARTICLE XXXI-B OF THE SECOND CLASS COUNTY CODE
25 AND THE URBAN REDEVELOPMENT LAW;

26 (9) FOR RETIREMENT OF INDEBTEDNESS OF A CONVENTION
27 CENTER IN A CITY OF THE SECOND CLASS ESTABLISHED PURSUANT TO
28 THE AUTHORITY OF THE PUBLIC AUDITORIUM AUTHORITIES LAW;

29 (10) FOR PAYMENT OF THE OPERATING DEFICIT FOR THE
30 OPERATION OF A CONVENTION CENTER IN A CITY OF THE SECOND

1 CLASS ESTABLISHED PURSUANT TO THE PUBLIC AUDITORIUM
2 AUTHORITIES LAW.

3 § 1408. TRANSFERS FROM STATE GAMING FUND.

4 (A) TRANSFER FOR COMPULSIVE PROBLEM GAMBLING TREATMENT.--
5 EACH YEAR, THE SUM OF \$1,500,000 OR AN AMOUNT EQUAL TO .001
6 MULTIPLIED BY THE TOTAL GROSS TERMINAL REVENUE OF ALL ACTIVE AND
7 OPERATING LICENSED GAMING ENTITIES, WHICHEVER IS GREATER, SHALL
8 BE TRANSFERRED INTO THE COMPULSIVE PROBLEM GAMBLING TREATMENT
9 FUND ESTABLISHED IN SECTION 1509 (RELATING TO COMPULSIVE AND
10 PROBLEM GAMBLING PROGRAM) .

11 (B) TRANSFER FOR VOLUNTEER FIRE COMPANY GRANT PROGRAM.--
12 ANNUALLY, THE SUM OF \$25,000,000 SHALL BE TRANSFERRED FROM THE
13 STATE GAMING FUND TO THE VOLUNTEER FIRE COMPANY GRANT PROGRAM
14 ESTABLISHED UNDER THE ACT OF JULY 31, 2003 (P.L.73, NO.17),
15 KNOWN AS THE VOLUNTEER FIRE COMPANY AND VOLUNTEER AMBULANCE
16 SERVICE GRANT ACT.

17 (C) LOCAL LAW ENFORCEMENT GRANTS.--ANNUALLY, THE SUM OF
18 \$5,000,000 SHALL BE TRANSFERRED TO THE BOARD FOR THE PURPOSE OF
19 ISSUING GRANTS TO LOCAL LAW ENFORCEMENT AGENCIES TO ENFORCE AND
20 PREVENT THE UNLAWFUL OPERATION OF SLOT MACHINES IN THIS
21 COMMONWEALTH.

22 (D) ANNUAL TRANSFERS.--ANNUALLY, THE FOLLOWING SUMS SHALL BE
23 TRANSFERRED FROM THE STATE GAMING FUND AS FOLLOWS:

24 (1) TO EACH COUNTY, 80¢ PER ACRE FOR EACH ACRE OF LAND
25 IN THE COUNTY FOR WHICH A PAYMENT IS MADE UNDER THE ACT OF
26 MAY 17, 1929 (P.L.1798, NO.591), REFERRED TO AS THE FOREST
27 RESERVES MUNICIPAL FINANCIAL RELIEF LAW, OR UNDER 34 PA.C.S.
28 § 708 (RELATING TO PAYMENTS IN LIEU OF TAXES) .

29 (2) TO EACH SCHOOL DISTRICT, 80¢ PER ACRE FOR EACH ACRE
30 OF LAND IN THE SCHOOL DISTRICT FOR WHICH A PAYMENT IS MADE

1 UNDER THE FOREST RESERVES MUNICIPAL FINANCIAL RELIEF LAW OR
2 UNDER 34 PA.C.S. § 708.

3 (3) TO EACH TOWNSHIP, 80¢ PER ACRE FOR EACH ACRE OF LAND
4 IN THE TOWNSHIP FOR WHICH A PAYMENT IS MADE UNDER THE FOREST
5 RESERVES MUNICIPAL FINANCIAL RELIEF LAW OR UNDER 34 PA.C.S. §
6 708.

7 (E) TRANSFER TO PROPERTY TAX RELIEF FUND.--MONTHLY, THE
8 STATE TREASURER SHALL TRANSFER THE REMAINING BALANCE IN THE
9 STATE GAMING FUND WHICH IS NOT ALLOCATED IN SUBSECTIONS (A),
10 (B), (C) AND (D) TO THE PROPERTY TAX RELIEF FUND ESTABLISHED IN
11 SECTION 1409 (RELATING TO PROPERTY TAX RELIEF FUND).
12 § 1409. PROPERTY TAX RELIEF FUND.

13 (A) ESTABLISHMENT.--THERE IS HEREBY ESTABLISHED IN THE STATE
14 TREASURY A SPECIAL FUND TO BE KNOWN AS THE PROPERTY TAX RELIEF
15 FUND, WHICH SHALL RECEIVE MONEY FROM THE STATE GAMING FUND AND
16 ANY OTHER MONEY FROM ANY SOURCE DESIGNATED FOR DEPOSIT IN THE
17 PROPERTY TAX RELIEF FUND.

18 (B) USE OF MONEY.--MONEY IN THE PROPERTY TAX RELIEF FUND
19 SHALL BE USED FOR LOCAL PROPERTY AND WAGE TAX RELIEF AS
20 SPECIFIED BY LAW AND IS HEREBY APPROPRIATED.

21 CHAPTER 15

22 ADMINISTRATION AND ENFORCEMENT

23 1501. RESPONSIBILITY AND AUTHORITY OF DEPARTMENT.

24 1502. LIENS AND SUITS FOR TAXES.

25 1503. APPLICANTS TO PROVIDE TAX INFORMATION.

26 1504. WAGERING ON CREDIT.

27 1505. NO EMINENT DOMAIN AUTHORITY.

28 1506. LOCAL LAND USE PREEMPTION.

29 1507. INAPPLICABILITY OF KEYSTONE OPPORTUNITY ZONE,
30 KEYSTONE OPPORTUNITY EXPANSION ZONE AND

1 KEYSTONE OPPORTUNITY IMPROVEMENT ZONE ACT.
2 1508. ATHLETIC EVENT GAMING.
3 1509. COMPULSIVE AND PROBLEM GAMBLING PROGRAM.
4 1510. LABOR HIRING PREFERENCES.
5 1511. DECLARATION OF EXEMPTION FROM FEDERAL LAWS
6 PROHIBITING SLOT MACHINES.
7 1512. PUBLIC OFFICIAL FINANCIAL INTEREST.
8 1513. POLITICAL INFLUENCE.
9 1514. REGULATION REQUIRING EXCLUSION OF CERTAIN
10 PERSONS.
11 1515. REPEAT OFFENDERS EXCLUDABLE FROM LICENSED GAMING
12 FACILITY.
13 1516. LIST OF PERSONS SELF-EXCLUDED FROM GAMING
14 ACTIVITIES.
15 1517. ENFORCEMENT.
16 1518. PROHIBITED ACTS AND PENALTIES.
17 1519. (RESERVED).
18 1520. AUTOMATED TELLER MACHINES.
19 1521. LIQUOR LICENSES AT LICENSED FACILITIES.
20 1522. SPECIAL PROVISIONS RELATED TO CRIMINAL HISTORY
21 BACKGROUND INVESTIGATIONS FOR PERSONS
22 PARTICIPATING IN HARNESS OR HORSE RACING OR
23 OPERATION OF SLOT MACHINES.
24 § 1501. RESPONSIBILITY AND AUTHORITY OF DEPARTMENT.
25 (A) GENERAL RULE.--THE DEPARTMENT IS AUTHORIZED TO
26 ADMINISTER AND COLLECT TAXES IMPOSED UNDER THIS PART AND
27 INTEREST IMPOSED UNDER SECTION 806 OF THE ACT OF APRIL 9, 1929
28 (P.L.343, NO.176), KNOWN AS THE FISCAL CODE, AND PROMULGATE AND
29 ENFORCE RULES AND REGULATIONS TO CARRY OUT ITS PRESCRIBED DUTIES
30 IN ACCORDANCE WITH THIS PART, INCLUDING THE COLLECTION OF TAXES,

1 PENALTIES AND INTEREST IMPOSED BY THIS PART.

2 (B) APPLICATION OF RULES AND REGULATIONS.--THE DEPARTMENT
3 MAY PRESCRIBE THE EXTENT, IF ANY, TO WHICH ANY RULES AND
4 REGULATIONS SHALL BE APPLIED WITHOUT RETROACTIVE EFFECT. THE
5 DEPARTMENT SHALL HAVE AUTHORITY TO PRESCRIBE THE FORMS AND THE
6 SYSTEM OF ACCOUNTING AND RECORDKEEPING TO BE EMPLOYED, AND
7 THROUGH ITS REPRESENTATIVE, SHALL AT ALL TIMES HAVE POWER OF
8 ACCESS TO AND EXAMINATION AND AUDIT OF ANY EQUIPMENT AND RECORDS
9 RELATING TO ALL ASPECTS OF THE OPERATION OF SLOT MACHINES UNDER
10 THIS PART.

11 (C) PROCEDURE.--FOR PURPOSES OF IMPLEMENTING THIS PART, THE
12 DEPARTMENT MAY PROMULGATE REGULATIONS IN THE SAME MANNER IN
13 WHICH THE BOARD IS AUTHORIZED AS PROVIDED IN SECTION 1203
14 (RELATING TO TEMPORARY REGULATIONS).

15 (D) ADDITIONAL PENALTY.--ANY PERSON WHO FAILS TO TIMELY
16 REMIT TO THE DEPARTMENT OR THE STATE TREASURER AMOUNTS REQUIRED
17 UNDER THIS PART SHALL BE LIABLE, IN ADDITION TO ANY LIABILITY
18 IMPOSED ELSEWHERE IN THIS PART, TO A PENALTY OF 5% PER MONTH UP
19 TO A MAXIMUM OF 25% OF THE AMOUNTS ULTIMATELY FOUND TO BE DUE,
20 TO BE RECOVERED BY THE DEPARTMENT.

21 § 1502. LIENS AND SUITS FOR TAXES.

22 THE PROVISIONS OF THIS PART SHALL BE SUBJECT TO THE
23 PROVISIONS OF SECTIONS 242 AND 243 OF THE ACT OF MARCH 4, 1971
24 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971.

25 § 1503. APPLICANTS TO PROVIDE TAX INFORMATION.

26 THE PROVISIONS OF SECTION 477 OF THE ACT OF APRIL 12, 1951
27 (P.L.90, NO.21), KNOWN AS THE LIQUOR CODE, SHALL APPLY TO ALL
28 APPLICANTS FOR THE GRANT, RENEWAL OR TRANSFER OF ANY LICENSE OR
29 PERMIT ISSUED BY THE PENNSYLVANIA LIQUOR CONTROL BOARD UNDER THE
30 LIQUOR CODE CONSISTENT WITH THIS PART.

1 § 1504. WAGERING ON CREDIT.

2 SLOT MACHINE LICENSEES MAY NOT EXTEND CREDIT. SLOT MACHINE
3 LICENSEES MAY NOT ACCEPT CREDIT CARDS, CHARGE CARDS OR DEBIT
4 CARDS FROM A PLAYER FOR THE EXCHANGE OR PURCHASE OF SLOT MACHINE
5 CREDITS OR FOR AN ADVANCE OF COINS OR CURRENCY TO BE UTILIZED BY
6 A PLAYER TO PLAY SLOT MACHINE GAMES OR EXTEND CREDIT, IN ANY
7 MANNER, TO A PLAYER SO AS TO ENABLE THE PLAYER TO PLAY SLOT
8 MACHINES.

9 § 1505. NO EMINENT DOMAIN AUTHORITY.

10 NEITHER THE COMMONWEALTH NOR ANY POLITICAL SUBDIVISION
11 THEREOF SHALL HAVE THE RIGHT TO ACQUIRE, WITH OR WITHOUT
12 COMPENSATION, THROUGH THE POWER OF EMINENT DOMAIN, ANY PROPERTY,
13 EASEMENT OR LAND USE RIGHT FOR THE SITING OR CONSTRUCTION OF A
14 FACILITY FOR THE OPERATION OF SLOT MACHINES BY A SLOT MACHINE
15 LICENSEE.

16 § 1506. LOCAL LAND USE PREEMPTION.

17 THE CONDUCT OF GAMING AS PERMITTED UNDER THIS PART, INCLUDING
18 THE PHYSICAL LOCATION OF ANY LICENSED FACILITY, SHALL NOT BE
19 PROHIBITED OR OTHERWISE REGULATED BY ANY ORDINANCE, HOME RULE
20 CHARTER PROVISION, RESOLUTION, RULE OR REGULATION OF ANY
21 POLITICAL SUBDIVISION OR ANY LOCAL OR STATE INSTRUMENTALITY OR
22 AUTHORITY THAT RELATES TO ZONING OR LAND USE TO THE EXTENT THAT
23 THE LICENSED FACILITY HAS BEEN APPROVED BY THE BOARD. THE BOARD
24 MAY, IN ITS DISCRETION, CONSIDER SUCH LOCAL ZONING ORDINANCES
25 WHEN CONSIDERING AN APPLICATION FOR A SLOT MACHINE LICENSE. THE
26 BOARD SHALL PROVIDE THE POLITICAL SUBDIVISION, WITHIN WHICH AN
27 APPLICANT FOR A SLOT MACHINE LICENSE HAS PROPOSED TO LOCATE A
28 LICENSED GAMING FACILITY, A 60-DAY COMMENT PERIOD PRIOR TO THE
29 BOARD'S FINAL APPROVAL, CONDITION OR DENIAL OF APPROVAL OF ITS
30 APPLICATION FOR A SLOT MACHINE LICENSE. THE POLITICAL

1 SUBDIVISION MAY MAKE RECOMMENDATIONS TO THE BOARD FOR
2 IMPROVEMENTS TO THE APPLICANT'S PROPOSED SITE PLANS THAT TAKE
3 INTO ACCOUNT THE IMPACT ON THE LOCAL COMMUNITY, INCLUDING, BUT
4 NOT LIMITED TO, LAND USE AND TRANSPORTATION IMPACT. THIS SECTION
5 SHALL ALSO APPLY TO ANY PROPOSED RACETRACK OR LICENSED
6 RACETRACK.

7 § 1507. INAPPLICABILITY OF KEYSTONE OPPORTUNITY ZONE, KEYSTONE
8 OPPORTUNITY EXPANSION ZONE AND KEYSTONE
9 OPPORTUNITY IMPROVEMENT ZONE ACT.

10 THE ACT OF OCTOBER 6, 1998 (P.L.705, NO.92), KNOWN AS THE
11 KEYSTONE OPPORTUNITY ZONE, KEYSTONE OPPORTUNITY EXPANSION ZONE
12 AND KEYSTONE OPPORTUNITY IMPROVEMENT ZONE ACT, SHALL NOT APPLY
13 TO TAXES OR FEES PAYABLE UNDER THIS PART.

14 § 1508. ATHLETIC EVENT GAMING.

15 NOTHING IN THIS PART SHALL BE CONSTRUED TO PERMIT THE
16 RECEIVING, RECORDING OR THE REGISTERING OF BETS OR WAGERS OR
17 SELLING POOLS WHICH MAY INVOLVE ANY PROFESSIONAL OR AMATEUR
18 ATHLETIC EVENT. NOTHING IN THIS PART SHALL BE CONSTRUED TO
19 PROHIBIT STAGING OR CONDUCTING ATHLETIC EVENTS AT LICENSED
20 FACILITIES.

21 § 1509. COMPULSIVE AND PROBLEM GAMBLING PROGRAM.

22 (A) ESTABLISHMENT OF PROGRAM.--THE DEPARTMENT OF HEALTH, IN
23 CONSULTATION WITH ORGANIZATIONS SIMILAR TO THE MID-ATLANTIC
24 ADDICTION TRAINING INSTITUTE SHALL DEVELOP PROGRAM GUIDELINES
25 FOR PUBLIC EDUCATION, AWARENESS AND TRAINING REGARDING
26 COMPULSIVE AND PROBLEM GAMBLING AND THE TREATMENT AND PREVENTION
27 OF COMPULSIVE AND PROBLEM GAMBLING. THE PROGRAM SHALL INCLUDE:

28 (1) MAINTENANCE OF A COMPULSIVE GAMBLERS ASSISTANCE
29 ORGANIZATION'S TOLL-FREE PROBLEM GAMBLING TELEPHONE NUMBER TO
30 PROVIDE CRISIS COUNSELING AND REFERRAL SERVICES TO FAMILIES

1 EXPERIENCING DIFFICULTY AS A RESULT OF PROBLEM OR COMPULSIVE
2 GAMBLING.

3 (2) THE PROMOTION OF PUBLIC AWARENESS REGARDING THE
4 RECOGNITION AND PREVENTION OF PROBLEM OR COMPULSIVE GAMBLING.

5 (3) FACILITATION, THROUGH IN-SERVICE TRAINING AND OTHER
6 MEANS, OF THE AVAILABILITY OF EFFECTIVE ASSISTANCE PROGRAMS
7 FOR PROBLEM AND COMPULSIVE GAMBLERS AND FAMILY MEMBERS
8 AFFECTED BY PROBLEM AND COMPULSIVE GAMBLING.

9 (4) CONDUCTING STUDIES TO IDENTIFY ADULTS AND JUVENILES
10 IN THIS COMMONWEALTH WHO ARE OR ARE AT RISK OF BECOMING
11 PROBLEM OR COMPULSIVE GAMBLERS.

12 (5) PROVIDING GRANTS TO AND CONTRACTING WITH
13 ORGANIZATIONS WHICH PROVIDE SERVICES AS SET FORTH IN THIS
14 SECTION.

15 (6) PROVIDING REIMBURSEMENT FOR ORGANIZATIONS FOR
16 REASONABLE EXPENSES IN ASSISTING THE DEPARTMENT OF HEALTH IN
17 CARRYING OUT THE PURPOSES OF THIS SECTION.

18 (B) COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND.--THERE
19 IS HEREBY ESTABLISHED IN THE STATE TREASURY A SPECIAL FUND TO BE
20 KNOWN AS THE COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND. ALL
21 MONEYS IN THE FUND SHALL BE EXPENDED FOR PROGRAMS FOR THE
22 PREVENTION AND TREATMENT OF GAMBLING ADDICTION AND OTHER
23 EMOTIONAL AND BEHAVIORAL PROBLEMS ASSOCIATED WITH OR RELATED TO
24 GAMBLING AND FOR THE ADMINISTRATION OF THE COMPULSIVE AND
25 PROBLEM GAMBLING PROGRAM. THE FUND SHALL CONSIST OF MONEY
26 ANNUALLY ALLOCATED TO IT FROM THE ANNUAL PAYMENT ESTABLISHED
27 UNDER SECTION 1408 (RELATING TO TRANSFERS FROM STATE GAMING
28 FUND), MONEY WHICH MAY BE ALLOCATED BY THE BOARD, INTEREST
29 EARNINGS ON MONEYS IN THE FUND AND ANY OTHER CONTRIBUTIONS,
30 PAYMENTS OR DEPOSITS WHICH MAY BE MADE TO THE FUND.

1 (C) NOTICE OF AVAILABILITY OF ASSISTANCE.--

2 (1) EACH SLOT MACHINE LICENSEE SHALL OBTAIN A TOLL-FREE
3 TELEPHONE NUMBER TO BE USED TO PROVIDE PERSONS WITH
4 INFORMATION ON ASSISTANCE FOR COMPULSIVE OR PROBLEM GAMBLING.
5 EACH LICENSEE SHALL CONSPICUOUSLY POST SIGNS SIMILAR TO THE
6 FOLLOWING STATEMENT:

7 IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM,
8 HELP IS AVAILABLE. CALL (TOLL-FREE TELEPHONE NUMBER).
9 THE SIGNS MUST BE POSTED WITHIN 50 FEET OF EACH ENTRANCE AND
10 EXIT AND WITHIN 50 FEET OF EACH AUTOMATED TELLER MACHINE
11 LOCATION WITHIN THE LICENSED FACILITY.

12 (2) EACH RACETRACK WHERE SLOT MACHINES ARE OPERATED
13 SHALL PRINT A STATEMENT ON DAILY RACING PROGRAMS PROVIDED TO
14 THE GENERAL PUBLIC THAT IS SIMILAR TO THE FOLLOWING:

15 IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM,
16 HELP IS AVAILABLE. CALL (TOLL-FREE TELEPHONE NUMBER).

17 (3) A LICENSED FACILITY WHICH FAILS TO POST OR PRINT THE
18 WARNING SIGN IN ACCORDANCE WITH PARAGRAPH (1) OR (2) SHALL BE
19 ASSESSED A FINE OF \$1,000 A DAY FOR EACH DAY THE SIGN IS NOT
20 POSTED OR PRINTED AS PROVIDED IN THIS SUBSECTION.

21 (D) SINGLE COUNTY AUTHORITIES.--THE DEPARTMENT OF HEALTH MAY
22 MAKE GRANTS FROM THE FUND ESTABLISHED UNDER SUBSECTION (B) TO A
23 SINGLE COUNTY AUTHORITY CREATED PURSUANT TO THE ACT OF APRIL 14,
24 1972 (P.L.221, NO.63), KNOWN AS THE PENNSYLVANIA DRUG AND
25 ALCOHOL ABUSE CONTROL ACT, FOR THE PURPOSE OF PROVIDING
26 COMPULSIVE GAMBLING AND GAMBLING ADDICTION PREVENTION, TREATMENT
27 AND EDUCATION PROGRAMS. IT IS THE INTENTION OF THE GENERAL
28 ASSEMBLY THAT ANY GRANTS THAT THE DEPARTMENT OF HEALTH MAY MAKE
29 TO ANY SINGLE COUNTY AUTHORITY IN ACCORDANCE WITH THE PROVISIONS
30 OF THIS SUBSECTION BE USED EXCLUSIVELY FOR THE DEVELOPMENT AND

1 IMPLEMENTATION OF COMPULSIVE AND PROBLEM GAMBLING PROGRAMS
2 AUTHORIZED UNDER SUBSECTION (A) .

3 (E) DEFINITION.--AS USED IN SUBSECTION (D), THE TERM "SINGLE
4 COUNTY AUTHORITY" MEANS THE AGENCY DESIGNATED BY THE DEPARTMENT
5 OF HEALTH PURSUANT TO THE ACT OF APRIL 14, 1972 (P.L.221,
6 NO.63), KNOWN AS THE PENNSYLVANIA DRUG AND ALCOHOL ABUSE CONTROL
7 ACT, TO PLAN AND COORDINATE DRUG AND ALCOHOL PREVENTION,
8 INTERVENTION AND TREATMENT SERVICES FOR A GEOGRAPHIC AREA, WHICH
9 MAY CONSIST OF ONE OR MORE COUNTIES.

10 § 1510. LABOR HIRING PREFERENCES.

11 (A) CATEGORY 1, 2, AND 3 LICENSED FACILITIES, GENERALLY.--
12 EACH LICENSED GAMING ENTITY SHALL PREPARE A HIRING PLAN FOR
13 EMPLOYEES OF ITS RESPECTIVE LICENSED FACILITY WHICH PROMOTES A
14 DIVERSE WORK FORCE, MINORITY PARTICIPATION AND PERSONNEL FROM
15 WITHIN THE SURROUNDING GEOGRAPHICAL AREA.

16 (B) CATEGORY 1 LICENSED FACILITIES.--ALL CURRENT EMPLOYEES
17 OF A RACETRACK WHO MEET THE EMPLOYMENT QUALIFICATIONS, IF
18 APPLICABLE, WITHIN THIS PART AND ALL THOSE COVERED BY A
19 COLLECTIVE BARGAINING AGREEMENT AS DEFINED IN THE NATIONAL LABOR
20 RELATIONS ACT (49 STAT. 449, 29 U.S.C. § 151 ET SEQ.) WHERE THE
21 LICENSED RACING ENTITY CONDUCTS RACING SHALL BE GIVEN A ONE-TIME
22 PREFERENCE OF AN OFFER OF EMPLOYMENT FOR A SIMILAR POSITION AT
23 THE LICENSED FACILITY IN A MANNER CONSISTENT WITH FEDERAL LAW.
24 IF A SIMILAR POSITION DOES NOT EXIST AT THE LICENSED FACILITY,
25 THE EMPLOYEE OR PERSON COVERED BY A COLLECTIVE BARGAINING
26 AGREEMENT SHALL HAVE A ONE-TIME PREFERENCE OF AN OFFER OF A
27 POSITION AT COMPARABLE LEVEL AT THE LICENSED FACILITY. ALL
28 CURRENT EMPLOYEES AND ALL THOSE COVERED BY A COLLECTIVE
29 BARGAINING AGREEMENT SHALL HAVE A PERIOD OF 30 DAYS FROM THE
30 ISSUANCE OF A SLOT MACHINE LICENSE TO REQUEST EMPLOYMENT AT THE

1 LICENSED FACILITY UNDER THIS SECTION. NO CURRENT EMPLOYEE
2 COVERED BY THIS SECTION SHALL SUFFER A REDUCTION OF SALARY,
3 BENEFITS OR STATUS AS A RESULT OF AN ACCEPTANCE OF NEW
4 EMPLOYMENT IN THE NEW FACILITY.

5 § 1511. DECLARATION OF EXEMPTION FROM FEDERAL LAWS PROHIBITING
6 SLOT MACHINES.

7 (A) DECLARATION.--PURSUANT TO THE GAMBLING DEVICES
8 TRANSPORTATION ACT (64 STAT. 1134, 15 U.S.C. § 1171 ET SEQ.),
9 THE COMMONWEALTH DECLARES THAT IT IS EXEMPT FROM SECTION 2 OF
10 THAT ACT.

11 (B) LEGAL SHIPMENTS.--ALL SHIPMENTS OF SLOT MACHINES INTO
12 THIS COMMONWEALTH, THE REGISTERING, RECORDING AND LABELING OF
13 WHICH HAS BEEN EFFECTED BY THE MANUFACTURER AND SUPPLIER OF
14 THOSE DEVICES, IN ACCORDANCE WITH SECTIONS 5 AND 7 OF THE
15 GAMBLING DEVICES TRANSPORTATION ACT (64 STAT. 1134, 15 U.S.C. §§
16 1175 AND 1177), SHALL BE DEEMED LEGAL SHIPMENTS OF SLOT MACHINES
17 INTO THIS COMMONWEALTH.

18 § 1512. PUBLIC OFFICIAL FINANCIAL INTEREST.

19 (A) GENERAL RULE.--EXCEPT AS MAY BE PROVIDED BY RULE OR
20 ORDER OF THE PENNSYLVANIA SUPREME COURT, NO EXECUTIVE-LEVEL
21 STATE EMPLOYEE, PUBLIC OFFICIAL, PARTY OFFICER OR IMMEDIATE
22 FAMILY MEMBER THEREOF SHALL HAVE, AT OR FOLLOWING THE EFFECTIVE
23 DATE OF THIS PART, A FINANCIAL INTEREST IN OR BE EMPLOYED,
24 DIRECTLY OR INDIRECTLY, BY ANY LICENSED RACING ENTITY OR
25 LICENSED GAMING ENTITY, OR ANY HOLDING, AFFILIATE, INTERMEDIARY
26 OR SUBSIDIARY COMPANY, THEREOF, OR ANY SUCH APPLICANT, NOR
27 SOLICIT OR ACCEPT, DIRECTLY OR INDIRECTLY, ANY COMPLIMENTARY
28 SERVICE OR DISCOUNT FROM ANY LICENSED RACING ENTITY OR LICENSED
29 GAMING ENTITY WHICH HE KNOWS OR HAS REASON TO KNOW IS OTHER THAN
30 A SERVICE OR DISCOUNT THAT IS OFFERED TO MEMBERS OF THE GENERAL

1 PUBLIC IN LIKE CIRCUMSTANCES DURING HIS OR HERS STATUS AS AN
2 EXECUTIVE-LEVEL STATE EMPLOYEE, PUBLIC OFFICIAL OR PARTY OFFICER
3 AND FOR ONE YEAR FOLLOWING TERMINATION OF THE PERSON'S STATUS AS
4 AN EXECUTIVE-LEVEL STATE EMPLOYEE, PUBLIC OFFICIAL OR PARTY
5 OFFICER.

6 (B) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
7 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
8 SUBSECTION:

9 "EXECUTIVE-LEVEL STATE EMPLOYEE." THE GOVERNOR, LIEUTENANT
10 GOVERNOR, CABINET MEMBERS, DEPUTY SECRETARIES, THE GOVERNOR'S
11 OFFICE EXECUTIVE STAFF, ANY STATE EMPLOYEE WITH DISCRETIONARY
12 POWERS WHICH MAY AFFECT THE OUTCOME OF A STATE AGENCY'S DECISION
13 IN RELATION TO A PRIVATE CORPORATION OR BUSINESS, WITH RESPECT
14 TO ANY MATTER COVERED BY THIS PART OR ANY EXECUTIVE EMPLOYEE WHO
15 BY VIRTUE OF HIS JOB FUNCTION COULD INFLUENCE THE OUTCOME OF
16 SUCH A DECISION.

17 "FINANCIAL INTEREST." OWNING OR HOLDING SECURITIES EXCEEDING
18 1% OF THE EQUITY OR FAIR MARKET VALUE OF THE LICENSED RACING
19 ENTITY OR LICENSED GAMING ENTITY, ITS HOLDING COMPANY,
20 AFFILIATE, INTERMEDIARY OR SUBSIDIARY BUSINESS. A FINANCIAL
21 INTEREST SHALL NOT INCLUDE ANY SUCH STOCK THAT IS HELD IN A
22 BLIND TRUST OVER WHICH THE EXECUTIVE-LEVEL STATE EMPLOYEE,
23 PUBLIC OFFICIAL, PARTY OFFICER OR IMMEDIATE FAMILY MEMBER
24 THEREOF MAY NOT EXERCISE ANY MANAGERIAL CONTROL OR RECEIVE
25 INCOME DURING THE TENURE OF OFFICE AND THE PERIOD UNDER
26 SUBSECTION (A).

27 "IMMEDIATE FAMILY." A PARENT, SPOUSE, MINOR OR UNEMANCIPATED
28 CHILD, BROTHER OR SISTER.

29 "PARTY OFFICER." A MEMBER OF A NATIONAL COMMITTEE; A
30 CHAIRMAN, VICE CHAIRMAN, SECRETARY, TREASURER OR COUNSEL OF A

1 STATE COMMITTEE OR MEMBER OF THE EXECUTIVE COMMITTEE OF A STATE
2 COMMITTEE; A COUNTY CHAIRMAN, VICE CHAIRMAN, COUNSEL, SECRETARY
3 OR TREASURER OF A COUNTY COMMITTEE; OR A CITY CHAIRMAN, VICE
4 CHAIRMAN, COUNSEL, SECRETARY OR TREASURER OF A CITY COMMITTEE.

5 "PUBLIC OFFICIAL." ANY PERSON ELECTED BY THE PUBLIC OR
6 ELECTED OR APPOINTED BY A GOVERNMENTAL BODY OR AN APPOINTED
7 OFFICIAL IN THE EXECUTIVE, LEGISLATIVE OR JUDICIAL BRANCH OF
8 THIS COMMONWEALTH OR ANY POLITICAL SUBDIVISION THEREOF, PROVIDED
9 THAT IT SHALL NOT INCLUDE MEMBERS OF ADVISORY BOARDS THAT HAVE
10 NO AUTHORITY TO EXPEND PUBLIC FUNDS OTHER THAN REIMBURSEMENT FOR
11 PERSONAL EXPENSE OR TO OTHERWISE EXERCISE THE POWER OF THE
12 COMMONWEALTH OR ANY POLITICAL SUBDIVISION OR COMMISSIONER OF ANY
13 AUTHORITY OR JOINT-STATE COMMISSION.

14 § 1513. POLITICAL INFLUENCE.

15 (A) CONTRIBUTION RESTRICTION.--AN APPLICANT FOR A SLOT
16 MACHINE LICENSE, MANUFACTURER LICENSE OR SUPPLIER LICENSE,
17 LICENSED RACING ENTITY, LICENSED MANUFACTURER, LICENSED SUPPLIER
18 OR LICENSED GAMING ENTITY, OR A PERSON THAT HOLDS A SIMILAR
19 GAMING LICENSE OR PERMIT OR A CONTROLLING INTEREST IN A GAMING
20 LICENSE OR PERMIT IN ANOTHER JURISDICTION, OR ANY HOLDING,
21 AFFILIATE, INTERMEDIARY OR SUBSIDIARY COMPANY THEREOF, OR ANY
22 OFFICER, DIRECTOR, OR KEY EMPLOYEE OF SUCH APPLICANT, LICENSED
23 MANUFACTURER OR LICENSED SUPPLIER, LICENSED RACING ENTITY OR
24 LICENSED GAMING ENTITY OR ANY HOLDING, AFFILIATE, INTERMEDIARY
25 OR SUBSIDIARY COMPANY THEREOF, SHALL BE PROHIBITED FROM
26 CONTRIBUTING ANY MONEY OR IN-KIND CONTRIBUTION TO A CANDIDATE
27 FOR NOMINATION OR ELECTION TO ANY PUBLIC OFFICE IN THIS
28 COMMONWEALTH, OR TO ANY POLITICAL COMMITTEE OR STATE PARTY IN
29 THIS COMMONWEALTH, OR TO ANY GROUP, COMMITTEE OR ASSOCIATION
30 ORGANIZED IN SUPPORT OF ANY SUCH CANDIDATE, POLITICAL COMMITTEE

1 OR STATE PARTY.

2 (B) ANNUAL CERTIFICATION.--THE CHIEF EXECUTIVE OFFICER, OR
3 OTHER APPROPRIATE INDIVIDUAL, OF EACH APPLICANT FOR A SLOT
4 MACHINE LICENSE, MANUFACTURER LICENSE OR SUPPLIER LICENSE,
5 LICENSED RACING ENTITY, LICENSED SUPPLIER, LICENSED MANUFACTURER
6 OR LICENSED GAMING ENTITY SHALL ANNUALLY CERTIFY, UNDER OATH, TO
7 THE BOARD AND THE DEPARTMENT OF STATE THAT SUCH APPLICANT OR
8 LICENSED RACING ENTITY, LICENSED SUPPLIER, LICENSED MANUFACTURER
9 OR LICENSED GAMING ENTITY HAS DEVELOPED AND IMPLEMENTED INTERNAL
10 SAFEGUARDS AND POLICIES INTENDED TO PREVENT A VIOLATION OF THIS
11 PROVISION AND THAT SUCH APPLICANT OR LICENSED RACING ENTITY OR
12 LICENSED GAMING ENTITY HAS CONDUCTED A GOOD FAITH INVESTIGATION
13 THAT HAS NOT REVEALED ANY VIOLATION OF THIS PROVISION DURING THE
14 PAST YEAR.

15 (C) PENALTIES.--THE FIRST VIOLATION OF THIS SECTION BY A
16 LICENSED GAMING ENTITY OR ANY PERSON THAT HOLDS A CONTROLLING
17 INTEREST IN SUCH GAMING ENTITY, OR A SUBSIDIARY COMPANY THEREOF,
18 AND ANY OFFICER, DIRECTOR OR MANAGEMENT-LEVEL EMPLOYEE OF SUCH
19 LICENSEE SHALL BE PUNISHABLE BY A FINE OF NOT LESS THAN AN
20 AVERAGE SINGLE DAY'S GROSS TERMINAL REVENUE OF THE LICENSED
21 GAMING ENTITY DERIVED FROM THE OPERATION OF SLOT MACHINES IN
22 THIS COMMONWEALTH; A SECOND VIOLATION OF THIS SECTION, WITHIN
23 FIVE YEARS OF THE FIRST VIOLATION, SHALL BE PUNISHABLE BY AT
24 LEAST A ONE-DAY SUSPENSION OF THE LICENSE HELD BY THE LICENSED
25 GAMING ENTITY AND A FINE NOT LESS THAN AN AVERAGE TWO DAYS'
26 GROSS REVENUE OF THE LICENSED GAMING ENTITY; A THIRD VIOLATION
27 OF THIS SECTION WITHIN FIVE YEARS OF THE SECOND VIOLATION SHALL
28 BE PUNISHABLE BY THE IMMEDIATE REVOCATION OF THE LICENSE HELD BY
29 THE LICENSED GAMING ENTITY. THE FIRST VIOLATION OF THIS SECTION
30 BY A MANUFACTURER OR SUPPLIER LICENSED PURSUANT TO THIS PART OR

1 BY ANY PERSON THAT HOLDS A CONTROLLING INTEREST IN SUCH
2 MANUFACTURER OR SUPPLIER, OR A SUBSIDIARY COMPANY THEREOF, AND
3 ANY OFFICER, DIRECTOR OR MANAGEMENT-LEVEL EMPLOYEE OF SUCH A
4 LICENSEE SHALL BE PUNISHABLE BY A FINE OF NOT LESS THAN ONE
5 DAY'S AVERAGE OF THE GROSS PROFIT FROM SALES MADE BY THE
6 MANUFACTURER OR SUPPLIER IN PENNSYLVANIA DURING THE PRECEDING
7 12-MONTH PERIOD (OR PORTION THEREOF IN THE EVENT THE
8 MANUFACTURER OR SUPPLIER HAS NOT OPERATED IN PENNSYLVANIA FOR 12
9 MONTHS); A SECOND VIOLATION OF THIS SECTION WITHIN FIVE YEARS OF
10 THE FIRST VIOLATION SHALL BE PUNISHABLE BY A ONE-MONTH
11 SUSPENSION OF THE LICENSE HELD BY THE MANUFACTURER OR SUPPLIER
12 AND A FINE OF NOT LESS THAN TWO TIMES ONE DAY'S AVERAGE OF THE
13 GROSS PROFIT FROM SALES MADE BY THE MANUFACTURER OR SUPPLIER IN
14 PENNSYLVANIA DURING THE PRECEDING 12-MONTH PERIOD (OR PORTION
15 THEREOF IN THE EVENT THE MANUFACTURER OR SUPPLIER HAS NOT
16 OPERATED IN PENNSYLVANIA FOR 12 MONTHS). IN NO EVENT SHALL THE
17 FINE IMPOSED UNDER THIS SECTION BE IN AN AMOUNT LESS THAN
18 \$50,000 FOR EACH VIOLATION. IN ADDITION TO ANY FINE OR SANCTION
19 THAT MAY BE IMPOSED BY THE BOARD, ANY PERSON WHO MAKES A
20 CONTRIBUTION IN VIOLATION OF THIS SECTION COMMITS A MISDEMEANOR
21 OF THE THIRD DEGREE.

22 § 1514. REGULATION REQUIRING EXCLUSION OF CERTAIN PERSONS.

23 (A) GENERAL RULE.--THE BOARD SHALL, BY REGULATION, PROVIDE
24 FOR THE ESTABLISHMENT OF A LIST OF PERSONS WHO ARE TO BE
25 EXCLUDED OR EJECTED FROM ANY LICENSED FACILITY. THE PROVISIONS
26 SHALL DEFINE THE STANDARDS FOR EXCLUSION AND SHALL INCLUDE
27 STANDARDS RELATING TO PERSONS WHO ARE CAREER OR PROFESSIONAL
28 OFFENDERS AS DEFINED BY REGULATIONS OF THE BOARD OR WHOSE
29 PRESENCE IN A LICENSED FACILITY WOULD, IN THE OPINION OF THE
30 BOARD, BE INIMICAL TO THE INTEREST OF THE COMMONWEALTH OR OF

1 LICENSED GAMING THEREIN, OR BOTH.

2 (B) CATEGORIES TO BE DEFINED.--THE BOARD SHALL PROMULGATE
3 DEFINITIONS ESTABLISHING THOSE CATEGORIES OF PERSONS WHO SHALL
4 BE EXCLUDED PURSUANT TO THIS SECTION, INCLUDING CHEATS AND
5 PERSONS WHOSE PRIVILEGES FOR LICENSURE OR REGISTRATION HAVE BEEN
6 REVOKED.

7 (C) DISCRIMINATION PROHIBITED.--RACE, COLOR, CREED, NATIONAL
8 ORIGIN OR ANCESTRY OR SEX SHALL NOT BE A REASON FOR PLACING THE
9 NAME OF ANY PERSON UPON A LIST UNDER THIS SECTION.

10 (D) SANCTIONS.--THE BOARD MAY IMPOSE SANCTIONS UPON A
11 LICENSED GAMING ENTITY IN ACCORDANCE WITH THIS PART IF THE
12 LICENSED GAMING ENTITY KNOWINGLY FAILS TO EXCLUDE OR EJECT FROM
13 THE PREMISES OF ANY LICENSED FACILITY ANY PERSON PLACED BY THE
14 BOARD ON THE LIST OF PERSONS TO BE EXCLUDED OR EJECTED.

15 (E) LIST NOT ALL-INCLUSIVE.--ANY LIST COMPILED BY THE BOARD
16 OF PERSONS TO BE EXCLUDED OR EJECTED SHALL NOT BE DEEMED AN ALL-
17 INCLUSIVE LIST, AND A LICENSED GAMING ENTITY SHALL HAVE A DUTY
18 TO KEEP FROM THE LICENSED FACILITY PERSONS KNOWN TO IT TO BE
19 WITHIN THE CLASSIFICATIONS DECLARED IN THIS SECTION AND THE
20 REGULATIONS PROMULGATED UNDER THIS SECTION, WHOSE PRESENCE IN A
21 LICENSED FACILITY WOULD BE INIMICAL TO THE INTEREST OF THE
22 COMMONWEALTH OR OF LICENSED GAMING THEREIN, OR BOTH, AS DEFINED
23 IN STANDARDS ESTABLISHED BY THE BOARD.

24 (F) NOTICE.--WHENEVER THE BOARD PLACES THE NAME OF ANY
25 PERSON ON A LIST PURSUANT TO THIS SECTION, THE BOARD SHALL SERVE
26 NOTICE OF THIS FACT TO SUCH PERSON BY PERSONAL SERVICE OR
27 CERTIFIED MAIL AT THE LAST KNOWN ADDRESS OF THE PERSON.

28 (G) HEARING.--WITHIN 30 DAYS AFTER NOTICE IN ACCORDANCE WITH
29 SUBSECTION (F), THE PERSON NAMED FOR EXCLUSION OR EJECTION MAY
30 DEMAND A HEARING BEFORE THE BOARD, AT WHICH HEARING THE BOARD

1 SHALL HAVE THE AFFIRMATIVE OBLIGATION TO DEMONSTRATE THAT THE
2 PERSON NAMED FOR EXCLUSION OR EJECTION SATISFIES THE CRITERIA
3 FOR EXCLUSION ESTABLISHED BY THIS SECTION AND THE BOARD'S
4 REGULATIONS. FAILURE TO DEMAND A HEARING WITHIN 30 DAYS AFTER
5 SERVICE SHALL BE DEEMED AN ADMISSION OF ALL MATTERS AND FACTS
6 ALLEGED IN THE BOARD'S NOTICE AND SHALL PRECLUDE A PERSON FROM
7 HAVING AN ADMINISTRATIVE HEARING, BUT SHALL IN NO WAY AFFECT THE
8 RIGHT TO JUDICIAL REVIEW AS PROVIDED IN THIS SECTION.

9 (H) REVIEW.--IF, UPON COMPLETION OF A HEARING ON THE NOTICE
10 OF EXCLUSION OR EJECTION, THE BOARD DETERMINES THAT PLACEMENT OF
11 THE NAME OF THE PERSON ON THE EXCLUSION LIST IS APPROPRIATE, THE
12 BOARD SHALL MAKE AND ENTER AN ORDER TO THAT EFFECT, WHICH ORDER
13 SHALL BE SERVED ON ALL SLOT MACHINE LICENSEES. THE ORDER SHALL
14 BE SUBJECT TO REVIEW BY THE COMMONWEALTH COURT IN ACCORDANCE
15 WITH THE RULES OF COURT.

16 § 1515. REPEAT OFFENDERS EXCLUDABLE FROM LICENSED GAMING
17 FACILITY.

18 A LICENSED GAMING ENTITY MAY EXCLUDE OR EJECT FROM ITS
19 LICENSED FACILITY ANY PERSON WHO IS KNOWN TO IT TO HAVE BEEN
20 CONVICTED OF A MISDEMEANOR OR FELONY COMMITTED IN OR ON THE
21 PREMISES OF ANY LICENSED FACILITY. NOTHING IN THIS SECTION OR IN
22 ANY OTHER LAW OF THIS COMMONWEALTH SHALL LIMIT THE RIGHT OF A
23 LICENSED GAMING ENTITY TO EXERCISE ITS COMMON LAW RIGHT TO
24 EXCLUDE OR EJECT PERMANENTLY FROM ITS LICENSED FACILITY ANY
25 PERSON WHO DISRUPTS THE OPERATIONS OF ITS PREMISES, THREATENS
26 THE SECURITY OF ITS PREMISES OR ITS OCCUPANTS OR IS DISORDERLY
27 OR INTOXICATED.

28 § 1516. LIST OF PERSONS SELF-EXCLUDED FROM GAMING ACTIVITIES.

29 (A) GENERAL RULE.--THE BOARD SHALL PROVIDE BY REGULATION FOR
30 THE ESTABLISHMENT OF A LIST OF PERSONS SELF-EXCLUDED FROM GAMING

1 ACTIVITIES AT ALL LICENSED FACILITIES. ANY PERSON MAY REQUEST
2 PLACEMENT ON THE LIST OF SELF-EXCLUDED PERSONS BY ACKNOWLEDGING
3 IN A MANNER TO BE ESTABLISHED BY THE BOARD THAT THE PERSON IS A
4 PROBLEM GAMBLER AND BY AGREEING THAT, DURING ANY PERIOD OF
5 VOLUNTARY EXCLUSION, THE PERSON MAY NOT COLLECT ANY WINNINGS OR
6 RECOVER ANY LOSSES RESULTING FROM ANY GAMING ACTIVITY AT
7 LICENSED FACILITIES.

8 (B) REGULATIONS.--THE REGULATIONS OF THE BOARD SHALL
9 ESTABLISH PROCEDURES FOR PLACEMENTS ON AND REMOVALS FROM THE
10 LIST OF SELF-EXCLUDED PERSONS. THE REGULATIONS SHALL ESTABLISH
11 PROCEDURES FOR THE TRANSMITTAL TO LICENSED GAMING ENTITIES OF
12 IDENTIFYING INFORMATION CONCERNING SELF-EXCLUDED PERSONS AND
13 SHALL REQUIRE LICENSED GAMING ENTITIES TO ESTABLISH PROCEDURES
14 DESIGNED, AT A MINIMUM, TO REMOVE SELF-EXCLUDED PERSONS FROM
15 TARGETED MAILINGS OR OTHER FORMS OF ADVERTISING OR PROMOTIONS
16 AND DENY SELF-EXCLUDED PERSONS ACCESS TO COMPLIMENTARIES, CHECK
17 CASHING PRIVILEGES, CLUB PROGRAMS AND OTHER SIMILAR BENEFITS.

18 (C) LIABILITY.--A LICENSED GAMING ENTITY OR EMPLOYEE THEREOF
19 SHALL NOT BE LIABLE TO ANY SELF-EXCLUDED PERSON OR TO ANY OTHER
20 PARTY IN ANY JUDICIAL PROCEEDING FOR ANY HARM, MONETARY OR
21 OTHERWISE, WHICH MAY ARISE AS A RESULT OF:

22 (1) THE FAILURE OF A LICENSED GAMING ENTITY TO WITHHOLD
23 GAMING PRIVILEGES FROM OR RESTORE GAMING PRIVILEGES TO A
24 SELF-EXCLUDED PERSON; OR

25 (2) OTHERWISE PERMITTING OR NOT PERMITTING A SELF-
26 EXCLUDED PERSON TO ENGAGE IN GAMING ACTIVITY IN THE FACILITY
27 WHILE ON THE LIST OF SELF-EXCLUDED PERSONS.

28 (D) DISCLOSURE.--NOTWITHSTANDING ANY OTHER LAW TO THE
29 CONTRARY, THE BOARD'S LIST OF SELF-EXCLUDED PERSONS SHALL NOT BE
30 OPEN TO PUBLIC INSPECTION. NOTHING IN THIS SECTION, HOWEVER,

1 SHALL BE CONSTRUED TO PROHIBIT A LICENSED GAMING ENTITY FROM
2 DISCLOSING THE IDENTITY OF PERSONS SELF-EXCLUDED PURSUANT TO
3 THIS SECTION TO AFFILIATED GAMING ENTITIES IN THIS COMMONWEALTH
4 OR OTHER JURISDICTIONS FOR THE LIMITED PURPOSE OF ASSISTING IN
5 THE PROPER ADMINISTRATION OF RESPONSIBLE GAMING PROGRAMS
6 OPERATED BY AFFILIATED LICENSED GAMING ENTITIES.

7 § 1517. ENFORCEMENT.

8 (A) POWERS AND DUTIES.--THE BUREAU OF INVESTIGATIONS AND
9 ENFORCEMENT SHALL HAVE THE FOLLOWING POWERS AND DUTIES:

10 (1) PROMPTLY INVESTIGATE ALL LICENSEES, PERMITTEES AND
11 APPLICANTS AS DIRECTED BY THE BOARD, IN ACCORDANCE WITH THE
12 PROVISIONS OF SECTION 1202 (RELATING TO GENERAL AND SPECIFIC
13 POWERS).

14 (2) ENFORCE THE RULES AND REGULATIONS PROMULGATED UNDER
15 THIS PART.

16 (3) INITIATE PROCEEDINGS FOR ADMINISTRATIVE VIOLATIONS
17 OF THIS PART OR REGULATIONS PROMULGATED UNDER THIS PART.

18 (4) PROVIDE THE BOARD WITH ALL INFORMATION NECESSARY FOR
19 ALL ACTION UNDER THIS PART AND FOR ALL PROCEEDINGS INVOLVING
20 ENFORCEMENT OF THIS PART OR REGULATIONS PROMULGATED UNDER
21 THIS PART.

22 (5) INVESTIGATE THE CIRCUMSTANCES SURROUNDING ANY ACT OR
23 TRANSACTION FOR WHICH BOARD APPROVAL IS REQUIRED.

24 (6) CONDUCT ADMINISTRATIVE INSPECTIONS ON THE PREMISES
25 OF A LICENSED RACETRACK OR NONPRIMARY LOCATION OR LICENSED
26 FACILITY TO ENSURE COMPLIANCE WITH THIS PART AND THE
27 REGULATIONS OF THE BOARD AND, IN THE COURSE OF INSPECTIONS,
28 REVIEW AND MAKE COPIES OF ALL DOCUMENTS AND RECORDS THAT MAY
29 BE REQUIRED THROUGH ON-SITE OBSERVATION AND OTHER REASONABLE
30 MEANS TO ASSURE COMPLIANCE WITH THIS PART AND REGULATIONS

1 PROMULGATED UNDER THIS PART.

2 (7) RECEIVE AND TAKE APPROPRIATE ACTION ON ANY REFERRAL
3 FROM THE BOARD RELATING TO ANY EVIDENCE OF A VIOLATION.

4 (8) CONDUCT AUDITS OF SLOT MACHINE OPERATIONS AT SUCH
5 TIMES, UNDER SUCH CIRCUMSTANCES AND TO SUCH EXTENT AS THE
6 BUREAU DETERMINES. THIS PARAGRAPH INCLUDES REVIEWS OF
7 ACCOUNTING, ADMINISTRATIVE AND FINANCIAL RECORDS AND
8 MANAGEMENT CONTROL SYSTEMS, PROCEDURES AND RECORDS UTILIZED
9 BY A SLOT MACHINE LICENSEE.

10 (9) REQUEST AND RECEIVE INFORMATION, MATERIALS AND OTHER
11 DATA FROM ANY LICENSEE, PERMITTEE OR APPLICANT.

12 (10) REFER FOR INVESTIGATION ALL POSSIBLE CRIMINAL
13 VIOLATIONS TO THE PENNSYLVANIA STATE POLICE AND COOPERATE
14 FULLY IN THE INVESTIGATION AND PROSECUTION OF A CRIMINAL
15 VIOLATION ARISING UNDER THIS PART.

16 (B) POWERS AND DUTIES OF THE DEPARTMENT.--

17 (1) THE DEPARTMENT SHALL AT ALL TIMES HAVE THE POWER OF
18 ACCESS TO EXAMINATION AND AUDIT OF ANY EQUIPMENT AND RECORDS
19 RELATING TO ALL ASPECTS OF THE OPERATION OF SLOT MACHINES
20 UNDER THIS PART.

21 (2) NOTWITHSTANDING THE PROVISIONS OF SECTION 353(F) OF
22 THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX
23 REFORM CODE OF 1971, THE DEPARTMENT SHALL SUPPLY THE BOARD,
24 THE BUREAU, THE PENNSYLVANIA STATE POLICE AND THE OFFICE OF
25 ATTORNEY GENERAL WITH INFORMATION CONCERNING THE STATUS OF
26 DELINQUENT TAXES OWNED BY THE APPLICANT, LICENSEE OR
27 PERMITTEE.

28 (C) POWERS AND DUTIES OF THE PENNSYLVANIA STATE POLICE.--THE
29 PENNSYLVANIA STATE POLICE SHALL HAVE THE FOLLOWING POWERS AND
30 DUTIES:

1 (1) PROMPTLY INVESTIGATE ALL LICENSEES, PERMITTEES AND
2 APPLICANTS AS DIRECTED BY THE BOARD, IN ACCORDANCE WITH THE
3 PROVISIONS OF SECTION 1202.

4 (2) ENFORCE THE RULES AND REGULATIONS PROMULGATED UNDER
5 THIS PART.

6 (3) INITIATE PROCEEDINGS FOR ANY VIOLATIONS OF THIS PART
7 OR REGULATIONS PROMULGATED UNDER THIS PART.

8 (4) PROVIDE THE BOARD WITH ALL INFORMATION NECESSARY FOR
9 ALL ACTIONS UNDER THIS PART FOR ALL PROCEEDINGS INVOLVING
10 ENFORCEMENT OF THIS PART OR REGULATIONS PROMULGATED UNDER
11 THIS PART.

12 (5) INSPECT A LICENSEE'S OR PERMITTEE'S PERSON AND
13 PERSONAL EFFECTS PRESENT IN A LICENSED FACILITY UNDER THIS
14 PART WHILE THAT LICENSEE OR PERMITTEE IS PRESENT AT A
15 LICENSED FACILITY.

16 (6) ENFORCE THE CRIMINAL PROVISIONS OF THIS PART AND ALL
17 OTHER CRIMINAL LAWS OF THE COMMONWEALTH.

18 (7) FINGERPRINT APPLICANTS FOR LICENSES AND PERMITS.

19 (8) EXCHANGE FINGERPRINT DATA WITH AND RECEIVE NATIONAL
20 CRIMINAL HISTORY RECORD INFORMATION FROM THE FBI FOR USE IN
21 INVESTIGATING APPLICATIONS FOR ANY LICENSE OR PERMIT UNDER
22 THIS PART.

23 (9) RECEIVE AND TAKE APPROPRIATE ACTION ON ANY REFERRAL
24 FROM THE BOARD RELATING TO CRIMINAL CONDUCT.

25 (10) REQUIRE THE PRODUCTION OF ANY INFORMATION, MATERIAL
26 AND OTHER DATA FROM ANY LICENSEE, PERMITTEE OR APPLICANT.

27 (11) CONDUCT ADMINISTRATIVE INSPECTIONS ON THE PREMISES
28 OF LICENSED RACETRACK OR NONPRIMARY LOCATION OR LICENSED
29 FACILITY TO ENSURE COMPLIANCE WITH THIS PART AND THE
30 REGULATIONS OF THE BOARD AND, IN THE COURSE OF INSPECTIONS,

1 REVIEW AND MAKE COPIES OF ALL DOCUMENTS AND RECORDS REQUIRED
2 BY THE INSPECTION THROUGH ONSITE OBSERVATION AND OTHER
3 REASONABLE MEANS TO ASSURE COMPLIANCE WITH THIS ACT AND
4 REGULATIONS PROMULGATED UNDER THIS PART.

5 (12) CONDUCT AUDITS OR VERIFICATION OF INFORMATION OF
6 SLOT MACHINE OPERATIONS AT SUCH TIMES, UNDER SUCH
7 CIRCUMSTANCES AND TO SUCH EXTENT AS THE BUREAU DETERMINES.
8 THIS PARAGRAPH INCLUDES REVIEWS OF ACCOUNTING, ADMINISTRATIVE
9 AND FINANCIAL RECORDS AND MANAGEMENT CONTROL SYSTEMS,
10 PROCEDURES AND RECORDS UTILIZED BY A SLOT MACHINE LICENSEE.

11 (13) A MEMBER OF THE PENNSYLVANIA STATE POLICE ASSIGNED
12 TO DUTIES OF ENFORCEMENT UNDER THIS PART SHALL NOT BE COUNTED
13 TOWARD THE COMPLEMENT AS DEFINED IN THE ACT OF DECEMBER 13,
14 2001 (P.L.903, NO.100), ENTITLED "AN ACT REPEALING IN PART A
15 LIMITATION ON THE COMPLEMENT OF THE PENNSYLVANIA STATE
16 POLICE."

17 (D) CRIMINAL ACTION.--

18 (1) THE DISTRICT ATTORNEYS OF THE SEVERAL COUNTIES SHALL
19 HAVE AUTHORITY TO INVESTIGATE AND TO INSTITUTE CRIMINAL
20 PROCEEDINGS FOR ANY VIOLATION OF THIS PART.

21 (2) IN ADDITION TO THE AUTHORITY CONFERRED UPON THE
22 ATTORNEY GENERAL BY THE ACT OF OCTOBER 15, 1980 (P.L.950,
23 NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT, THE
24 ATTORNEY GENERAL SHALL HAVE THE AUTHORITY TO INVESTIGATE AND
25 TO INSTITUTE CRIMINAL PROCEEDINGS FOR ANY VIOLATION OF THIS
26 PART OR ANY SERIES OF SUCH VIOLATIONS INVOLVING ANY COUNTY OF
27 THIS COMMONWEALTH AND ANOTHER STATE. NO PERSON CHARGED WITH A
28 VIOLATION OF THIS PART BY THE ATTORNEY GENERAL SHALL HAVE
29 STANDING TO CHALLENGE THE AUTHORITY OF THE ATTORNEY GENERAL
30 TO INVESTIGATE OR PROSECUTE THE CASE, AND, IF ANY SUCH

1 CHALLENGE IS MADE, THE CHALLENGE SHALL BE DISMISSED AND NO
2 RELIEF SHALL BE AVAILABLE IN THE COURTS OF THIS COMMONWEALTH
3 TO THE PERSON MAKING THE CHALLENGE.

4 (E) INSPECTION, SEIZURE AND WARRANTS.--

5 (1) THE BUREAU, THE DEPARTMENT AND THE PENNSYLVANIA
6 STATE POLICE SHALL HAVE THE AUTHORITY, WITHOUT NOTICE AND
7 WITHOUT WARRANT, TO DO ALL OF THE FOLLOWING IN THE
8 PERFORMANCE OF THEIR DUTIES:

9 (I) INSPECT AND EXAMINE ALL PREMISES WHERE SLOT
10 MACHINE OPERATIONS ARE CONDUCTED, GAMING DEVICES OR
11 EQUIPMENT ARE MANUFACTURED, SOLD, DISTRIBUTED OR SERVICED
12 OR WHERE RECORDS OF THESE ACTIVITIES ARE PREPARED OR
13 MAINTAINED.

14 (II) INSPECT ALL EQUIPMENT AND SUPPLIES IN, ABOUT,
15 UPON OR AROUND PREMISES REFERRED TO IN SUBPARAGRAPH (I).

16 (III) SEIZE, SUMMARILY REMOVE AND IMPOUND EQUIPMENT
17 AND SUPPLIES FROM PREMISES REFERRED TO IN SUBPARAGRAPH
18 (I) FOR THE PURPOSES OF EXAMINATION AND INSPECTION.

19 (IV) INSPECT, EXAMINE AND AUDIT ALL BOOKS, RECORDS
20 AND DOCUMENTS PERTAINING TO A SLOT MACHINE LICENSEE'S
21 OPERATION.

22 (V) SEIZE, IMPOUND OR ASSUME PHYSICAL CONTROL OF ANY
23 BOOK, RECORD, LEDGER, GAME, DEVICE, CASH BOX AND ITS
24 CONTENTS, COUNTING ROOM OR ITS EQUIPMENT OR SLOT MACHINE
25 OPERATIONS.

26 (2) THE PROVISIONS OF PARAGRAPH (1) SHALL NOT BE DEEMED
27 TO LIMIT WARRANTLESS INSPECTIONS EXCEPT IN ACCORDANCE WITH
28 CONSTITUTIONAL REQUIREMENTS.

29 (3) TO FURTHER EFFECTUATE THE PURPOSES OF THIS PART, THE
30 BUREAU AND THE PENNSYLVANIA STATE POLICE MAY OBTAIN

1 ADMINISTRATIVE WARRANTS FOR THE INSPECTION AND SEIZURE OF
2 PROPERTY POSSESSED, CONTROLLED, BAILED OR OTHERWISE HELD BY
3 AN APPLICANT, LICENSEE, PERMITTEE, INTERMEDIARY, SUBSIDIARY,
4 AFFILIATE OR HOLDING COMPANY.

5 (F) INFORMATION SHARING AND ENFORCEMENT REFERRAL.--WITH
6 RESPECT TO THE ADMINISTRATION, SUPERVISION AND ENFORCEMENT OF
7 THIS PART, THE BUREAU, THE DEPARTMENT, THE PENNSYLVANIA STATE
8 POLICE OR THE OFFICE OF ATTORNEY GENERAL MAY OBTAIN OR PROVIDE
9 PERTINENT INFORMATION REGARDING APPLICANTS, LICENSEES OR
10 PERMITTEES FROM OR TO LAW ENFORCEMENT ENTITIES OR GAMING
11 AUTHORITIES OF THE COMMONWEALTH AND OTHER DOMESTIC, FOREIGN OR
12 FEDERALLY APPROVED JURISDICTIONS, INCLUDING THE FEDERAL BUREAU
13 OF INVESTIGATION, AND MAY TRANSMIT SUCH INFORMATION TO EACH
14 OTHER ELECTRONICALLY.

15 § 1518. PROHIBITED ACTS; PENALTIES.

16 (A) CRIMINAL OFFENSES.--

17 (1) THE PROVISIONS OF 18 PA.C.S. § 4902 (RELATING TO
18 PERJURY), 4903 (RELATING TO FALSE SWEARING) OR 4904 (RELATING
19 TO UNSWORN FALSIFICATION TO AUTHORITIES) SHALL APPLY TO ANY
20 PERSON PROVIDING INFORMATION OR MAKING ANY STATEMENT, WHETHER
21 WRITTEN OR ORAL, TO THE BOARD, THE BUREAU, THE DEPARTMENT,
22 THE PENNSYLVANIA STATE POLICE OR THE OFFICE OF ATTORNEY
23 GENERAL, AS REQUIRED BY THIS PART.

24 (2) IT IS UNLAWFUL FOR A PERSON TO WILLFULLY:

25 (I) FAIL TO REPORT, PAY OR TRUTHFULLY ACCOUNT FOR
26 AND PAY OVER ANY LICENSE FEE, TAX OR ASSESSMENT IMPOSED
27 UNDER THIS PART; OR

28 (II) ATTEMPT IN ANY MANNER TO EVADE OR DEFEAT ANY
29 LICENSE FEE, TAX OR ASSESSMENT IMPOSED UNDER THIS PARTY.

30 (3) IT IS UNLAWFUL FOR ANY LICENSED ENTITY, GAMING

1 EMPLOYEE, KEY EMPLOYEE OR ANY OTHER PERSON TO PERMIT A SLOT
2 MACHINE TO BE OPERATED, TRANSPORTED, REPAIRED OR OPENED ON
3 THE PREMISES OF A LICENSED FACILITY BY A PERSON OTHER THAN A
4 PERSON LICENSED OR PERMITTED BY THE BOARD PURSUANT TO THIS
5 PART.

6 (4) IT IS UNLAWFUL FOR ANY LICENSED ENTITY OR OTHER
7 PERSON TO MANUFACTURE, SUPPLY OR PLACE SLOT MACHINES INTO
8 PLAY OR DISPLAY SLOT MACHINES ON THE PREMISE OF A LICENSED
9 FACILITY WITHOUT THE AUTHORITY OF THE BOARD.

10 (5) EXCEPT AS PROVIDED FOR IN SECTION 1326 (RELATING TO
11 LICENSE RENEWALS), IT IS UNLAWFUL FOR A LICENSED ENTITY OR
12 OTHER PERSON TO MANUFACTURE, SUPPLY, OPERATE, CARRY ON OR
13 EXPOSE FOR PLAY ANY SLOT MACHINE AFTER THE PERSON'S LICENSE
14 HAS EXPIRED AND PRIOR TO THE ACTUAL RENEWAL OF THE LICENSE.

15 (6) (I) EXCEPT AS SET FORTH IN PARAGRAPH (2), IT IS
16 UNLAWFUL FOR AN INDIVIDUAL ON THE PREMISES OF A LICENSED
17 FACILITY TO KNOWINGLY USE CURRENCY OTHER THAN LAWFUL COIN
18 OR LEGAL TENDER OF THE UNITED STATES OR A COIN NOT OF THE
19 SAME DENOMINATION AS THE COIN INTENDED TO BE USED IN THE
20 SLOT MACHINE.

21 (II) IN THE PLAYING OF A SLOT MACHINE, IT IS LAWFUL
22 FOR AN INDIVIDUAL TO USE GAMING BILLETS, TOKENS OR
23 SIMILAR OBJECTS ISSUED BY THE LICENSED GAMING ENTITY
24 WHICH ARE APPROVED BY THE BOARD.

25 (7) (I) EXCEPT AS SET FORTH IN PARAGRAPH (2), IT IS
26 UNLAWFUL FOR AN INDIVIDUAL ON THE PREMISES OF A LICENSED
27 FACILITY TO USE OR POSSESS A CHEATING OR THIEVING DEVICE,
28 COUNTERFEIT OR ALTERED BILLET, TICKET, TOKEN OR SIMILAR
29 OBJECTS ACCEPTED BY A SLOT MACHINE, OR COUNTERFEIT OR
30 ALTERED SLOT MACHINE-ISSUED TICKETS OR VOUCHERS.

1 (II) AN AUTHORIZED EMPLOYEE OF A LICENSEE OR AN
2 EMPLOYEE OF THE BOARD MAY POSSESS AND USE A CHEATING OR
3 THIEVING DEVICE, COUNTERFEIT OR ALTERED BILLET, TICKET,
4 TOKEN OR SIMILAR OBJECTS ACCEPTED BY A SLOT MACHINE, OR
5 COUNTERFEIT OR ALTERED SLOT MACHINE-ISSUED TICKETS OR
6 VOUCHERS ONLY IN PERFORMANCE OF THE DUTIES OF EMPLOYMENT.

7 (III) AS USED IN THIS SUBSECTION, THE TERM "CHEATING
8 OR THIEVING DEVICE" INCLUDES, BUT IS NOT LIMITED TO, A
9 DEVICE TO FACILITATE THE ALIGNMENT OF ANY WINNING
10 COMBINATION OR TO REMOVE FROM ANY SLOT MACHINE MONEY OR
11 OTHER CONTENTS. THE TERM INCLUDES, BUT IS NOT LIMITED TO,
12 A TOOL, DRILL, WIRE, COIN OR TOKEN ATTACHED TO A STRING
13 OR WIRE AND ANY ELECTRONIC OR MAGNETIC DEVICE.

14 (8) (I) EXCEPT AS SET FORTH IN PARAGRAPH (2), IT IS
15 UNLAWFUL FOR AN INDIVIDUAL TO KNOWINGLY POSSESS OR USE
16 WHILE ON THE PREMISES OF A LICENSED FACILITY A KEY OR
17 DEVICE DESIGNED FOR THE PURPOSE OF AND SUITABLE FOR
18 OPENING OR ENTERING ANY SLOT MACHINE OR COIN BOX.

19 (II) AN AUTHORIZED EMPLOYEE OF LICENSEE OR A MEMBER
20 OF THE BOARD MAY POSSESS AND USE A DEVICE REFERRED TO IN
21 PARAGRAPH (1) ONLY IN THE PERFORMANCE OF THE DUTIES OF
22 EMPLOYMENT.

23 (9) IT IS UNLAWFUL FOR A PERSON OR LICENSED ENTITY TO
24 POSSESS ANY DEVICE, EQUIPMENT OR MATERIAL WHICH THE PERSON OR
25 LICENSED ENTITY KNOWS HAS BEEN MANUFACTURED, DISTRIBUTED,
26 SOLD, TAMPERED WITH OR SERVICED IN VIOLATION OF THIS PART.

27 (10) IT IS UNLAWFUL FOR AN INDIVIDUAL TO WORK OR BE
28 EMPLOYED IN A POSITION THE DUTIES OF WHICH WOULD REQUIRE
29 LICENSING OR PERMITTING UNDER THE PROVISIONS OF THIS PART
30 WITHOUT FIRST OBTAINING THE REQUISITE LICENSE OR PERMIT AS

1 PROVIDED FOR IN THIS PART.

2 (11) IT IS UNLAWFUL FOR A LICENSED GAMING ENTITY THAT IS
3 A LICENSED RACING ENTITY AND THAT HAS LOST THE LICENSE ISSUED
4 TO IT BY EITHER THE STATE HORSE RACING COMMISSION OR THE
5 STATE HARNESS RACING COMMISSION UNDER THE RACE HORSE INDUSTRY
6 REFORM ACT, OR THAT HAS HAD THAT LICENSE SUSPENDED, TO
7 OPERATE SLOT MACHINES AT THE RACETRACK FOR WHICH ITS LICENSE
8 WAS ISSUED UNLESS THE LICENSE WILL BE SUBSEQUENTLY REISSUED
9 OR REINSTATED WITHIN 30 DAYS AFTER THE LOSS OR SUSPENSION.

10 (12) IT IS UNLAWFUL FOR A LICENSED ENTITY TO EMPLOY OR
11 CONTINUE TO EMPLOY IN A POSITION THE DUTIES OF WHICH REQUIRE
12 A LICENSE OR PERMIT UNDER THE PROVISIONS OF THIS PART:

13 (I) AN INDIVIDUAL NOT LICENSED OR PERMITTED UNDER
14 THE PROVISIONS OF THIS PART.

15 (II) AN INDIVIDUAL WHO IS PROHIBITED FROM ACCEPTING
16 EMPLOYMENT FROM A LICENSEE.

17 (13) IT IS UNLAWFUL FOR ANY PERSON UNDER 18 YEARS OF AGE
18 TO BE PERMITTED IN THE AREA WHERE SLOT MACHINES ARE OPERATED.

19 (B) CRIMINAL PENALTIES AND FINES.--

20 (1) (I) A PERSON THAT VIOLATES SUBSECTION (A) (1)
21 COMMITS AN OFFENSE TO BE GRADED IN ACCORDANCE WITH 18
22 PA.C.S. § 4902, 4903 OR 4904, AS APPLICABLE, FOR A FIRST
23 CONVICTION. A PERSON THAT IS CONVICTED OF A SECOND OR
24 SUBSEQUENT VIOLATION OF SUBSECTION (A) (1) COMMITS A
25 FELONY OF THE SECOND DEGREE.

26 (II) A PERSON THAT VIOLATES SUBSECTION (A) (2)
27 THROUGH (12) COMMITS A MISDEMEANOR OF THE FIRST DEGREE. A
28 PERSON THAT IS CONVICTED OF A SECOND OR SUBSEQUENT
29 VIOLATION OF SUBSECTION (A) (2) THROUGH (12) COMMITS A
30 FELONY OF THE SECOND DEGREE.

1 (2) (I) FOR A FIRST VIOLATION OF SUBSECTION (A) (1)
2 THROUGH (12), A PERSON SHALL BE SENTENCED TO PAY A FINE
3 OF:

4 (A) NOT LESS THAN \$75,000 NOR MORE THAN \$150,000
5 IF THE PERSON IS AN INDIVIDUAL;

6 (B) NOT LESS THAN \$300,000 NOR MORE THAN
7 \$600,000 IF THE PERSON IS A LICENSED GAMING ENTITY;
8 OR

9 (C) NOT LESS THAN \$150,000 NOR MORE THAN
10 \$300,000 IF THE PERSON IS A LICENSED MANUFACTURER OR
11 SUPPLIER.

12 (II) FOR A SECOND OR SUBSEQUENT VIOLATION OF
13 SUBSECTION (A) (1) THROUGH (12), A PERSON SHALL BE
14 SENTENCED TO PAY A FINE OF:

15 (A) NOT LESS THAN \$150,000 NOR MORE THAN
16 \$300,000 IF THE PERSON IS AN INDIVIDUAL;

17 (B) NOT LESS THAN \$600,000 NOR MORE THAN
18 \$1,200,000 IF THE PERSON IS A LICENSED GAMING ENTITY;
19 OR

20 (C) NOT LESS THAN \$300,000 NOR MORE THAN
21 \$600,000 IF THE PERSON IS A LICENSED MANUFACTURER OR
22 SUPPLIER.

23 (C) BOARD-IMPOSED ADMINISTRATIVE SANCTIONS.--

24 (1) IN ADDITION TO ANY OTHER PENALTY AUTHORIZED BY LAW,
25 THE BOARD MAY IMPOSE WITHOUT LIMITATION THE FOLLOWING
26 SANCTIONS UPON ANY LICENSEE OR PERMITTEE:

27 (I) REVOKE THE LICENSE OR PERMIT OF ANY PERSON
28 CONVICTED OF A CRIMINAL OFFENSE UNDER THIS PART OR
29 REGULATIONS PROMULGATED UNDER THIS PART OR COMMITTING ANY
30 OTHER OFFENSE OR VIOLATION OF THIS PART OR APPLICABLE LAW

1 WHICH WOULD OTHERWISE DISQUALIFY SUCH PERSON FROM HOLDING
2 THE LICENSE OR PERMIT.

3 (II) REVOKE THE LICENSE OR PERMIT OF ANY PERSON
4 DETERMINED TO HAVE VIOLATED A PROVISION OF THIS PART OR
5 REGULATIONS PROMULGATED UNDER THIS PART WHICH WOULD
6 OTHERWISE DISQUALIFY SUCH PERSON FROM HOLDING THE LICENSE
7 OR PERMIT.

8 (III) REVOKE THE LICENSE OR PERMIT OF ANY PERSON FOR
9 WILLFULLY AND KNOWINGLY VIOLATING OR ATTEMPTING TO
10 VIOLATE AN ORDER OF THE BOARD DIRECTED TO SUCH PERSON.

11 (IV) SUSPEND THE LICENSE OR PERMIT OF ANY PERSON
12 PENDING THE OUTCOME OF A HEARING IN ANY CASE IN WHICH
13 LICENSE OR PERMIT REVOCATION COULD RESULT.

14 (V) SUSPEND THE LICENSE OF ANY LICENSED GAMING
15 ENTITY FOR VIOLATION OF OR ATTEMPTING TO VIOLATE ANY
16 PROVISIONS OF THIS PART OR REGULATIONS PROMULGATED UNDER
17 THIS PART RELATING TO ITS SLOT MACHINE OPERATIONS.

18 (VI) ASSESS ADMINISTRATIVE PENALTIES AS NECESSARY TO
19 PUNISH MISCONDUCT AND TO DETER FUTURE VIOLATIONS.

20 (VII) ORDER RESTITUTION OF ANY MONEYS OR PROPERTY
21 UNLAWFULLY OBTAINED OR RETAINED BY A LICENSEE OR
22 PERMITTEE.

23 (VIII) ENTER CEASE AND DESIST ORDERS WHICH SPECIFY
24 THE CONDUCT WHICH IS TO BE DISCONTINUED, ALTERED OR
25 IMPLEMENTED BY THE LICENSEE OR PERMITTEE.

26 (IX) ISSUE LETTERS OF REPRIMAND OR CENSURE, WHICH
27 LETTERS SHALL BE MADE A PERMANENT PART OF THE FILE OF
28 EACH LICENSEE OR PERMITTEE SO SANCTIONED.

29 (2) IF THE BOARD REFUSES TO ISSUE OR RENEW A LICENSE OR
30 PERMIT, SUSPENDS OR REVOKES A LICENSE OR PERMIT, ASSESSES

1 CIVIL PENALTIES, ORDERS RESTITUTION, ENTERS A CEASE AND
2 DESIST ORDER OR ISSUES A LETTER OF REPRIMAND OR CENSURE, IT
3 SHALL PROVIDE THE APPLICANT OR LICENSEE OR PERMITTEE WITH
4 WRITTEN NOTIFICATION OF ITS DECISION, INCLUDING A STATEMENT
5 OF THE REASONS FOR ITS DECISION BY CERTIFIED MAIL WITHIN FIVE
6 BUSINESS DAYS OF THE DECISION. ANY APPLICANT OR LICENSEE OR
7 PERMITTEE WHO HAS RECEIVED NOTICE OF A REFUSAL, SUSPENSION OR
8 REVOCATION OF A LICENSE OR PERMIT, THE ASSESSMENT OF CIVIL
9 PENALTIES, AN ORDER OF RESTITUTION, THE ENTRANCE OF A CEASE
10 AND DESIST ORDER OR THE ISSUANCE OF A LETTER OF REPRIMAND OR
11 CENSURE FROM THE BOARD SHALL HAVE THE RIGHT TO AN
12 ADMINISTRATIVE HEARING BEFORE THE BOARD IN ACCORDANCE WITH 2
13 PA.C.S. CH. 5 SUBCH. A (RELATING TO PRACTICE AND PROCEDURE OF
14 COMMONWEALTH AGENCIES) AND CH. 7 SUBCH. A (RELATING TO
15 JUDICIAL REVIEW OF COMMONWEALTH AGENCY ACTION).

16 (3) IN ADDITION TO ANY OTHER FINES OR PENALTIES THAT THE
17 BOARD MAY IMPOSE UNDER THIS PART OR REGULATION, IF A PERSON
18 VIOLATES SUBSECTION (A) (2), THE BOARD SHALL IMPOSE AN
19 ADMINISTRATIVE PENALTY OF THREE TIMES THE AMOUNT OF THE
20 LICENSE FEE, TAX OR OTHER ASSESSMENT EVADED AND NOT PAID,
21 COLLECTED OR PAID OVER. THIS SUBSECTION IS SUBJECT TO 2
22 PA.C.S. CH. 5 SUBCH. A AND CH. 7 SUBCH. A.

23 § 1520. AUTOMATED TELLER MACHINES.

24 THE BOARD SHALL PROMULGATE RULES AND REGULATIONS GOVERNING
25 THE PLACEMENT OF AUTOMATED TELLER MACHINES (ATMS).

26 § 1521. LIQUOR LICENSES AT LICENSED FACILITIES.

27 (A) REAPPLICATION.--NOTHING IN THIS PART SHALL REQUIRE A
28 PERSON ALREADY LICENSED TO SELL LIQUOR OR MALT OR BREWED
29 BEVERAGES TO REAPPLY FOR THE LICENSE, EXCEPT IN THE MANNER SET
30 FORTH IN THE ACT OF APRIL 12, 1951 (P.L.90, NO.21), KNOWN AS THE

1 LIQUOR CODE.

2 (B) LICENSE AUTHORITY.--NOTWITHSTANDING ANY OTHER PROVISION
3 OF LAW, A PERSON HOLDING A SLOT MACHINE LICENSE WHICH IS ALSO
4 LICENSED TO SELL LIQUOR OR MALT OR BREWED BEVERAGES PURSUANT TO
5 THE LIQUOR CODE SHALL BE PERMITTED TO SELL, FURNISH OR GIVE
6 LIQUOR OR MALT OR BREWED BEVERAGES ON THE UNLICENSED PORTION OF
7 THE LICENSED GAMING FACILITY SO LONG AS THE LIQUOR OR MALT OR
8 BREWED BEVERAGES REMAIN ON THE FACILITY.

9 (C) NONLICENSEES.--NOTWITHSTANDING ANY OTHER PROVISION OF
10 LAW, A SLOT MACHINE LICENSEE WHICH IS NOT LICENSED TO SELL
11 LIQUOR OR MALT OR BREWED BEVERAGES SHALL BE ENTITLED TO APPLY TO
12 THE PENNSYLVANIA LIQUOR CONTROL BOARD FOR A RESTAURANT LIQUOR OR
13 EATING PLACE RETAIL DISPENSER LICENSE AS PERMITTED BY SECTION
14 472 OF THE LIQUOR CODE. THE FOLLOWING SHALL APPLY:

15 (1) LICENSES ISSUED UNDER THIS SECTION SHALL NOT BE
16 SUBJECT TO:

17 (I) THE PROXIMITY PROVISIONS OF SECTIONS 402 AND 404
18 OF THE LIQUOR CODE.

19 (II) THE QUOTA RESTRICTIONS OF SECTION 461 OF THE
20 LIQUOR CODE.

21 (III) THE PROVISIONS OF SECTION 493(10) OF THE
22 LIQUOR CODE EXCEPT AS THEY RELATE TO LEWD, IMMORAL OR
23 IMPROPER ENTERTAINMENT.

24 (IV) THE PROHIBITION AGAINST MINORS FREQUENTING AS
25 DESCRIBED IN SECTION 493(14) OF THE LIQUOR CODE.

26 (V) THE COST AND TOTAL DISPLAY AREA LIMITATIONS OF
27 SECTION 493(20) (I) OF THE LIQUOR CODE.

28 IN ADDITION, LICENSES ISSUED UNDER THIS SECTION SHALL NOT BE
29 SUBJECT TO THE PROVISIONS DEFINING "RESTAURANT" OR "EATING
30 PLACE" IN SECTION 102 OF THE LIQUOR CODE.

1 (2) ABSENT GOOD CAUSE SHOWN CONSISTENT WITH THE PURPOSES
2 OF THIS PART, THE PENNSYLVANIA LIQUOR CONTROL BOARD SHALL
3 APPROVE AN APPLICATION FOR THE LICENSE FILED BY A LICENSED
4 GAMING ENTITY WITHIN 60 DAYS.

5 CHAPTER 18

6 FINGERPRINTING

7 SEC.

8 1801. DUTY TO PROVIDE.

9 1802. SUBMISSION OF FINGERPRINTS.

10 1803. COMMISSION EXEMPTION.

11 1804. BOARD EXEMPTION.

12 1805. REIMBURSEMENT.

13 § 1801. DUTY TO PROVIDE.

14 NOTWITHSTANDING THE PROVISIONS OF THE RACE HORSE INDUSTRY
15 REFORM ACT OR THIS PART, THE PENNSYLVANIA STATE POLICE SHALL AT
16 THE REQUEST OF THE COMMISSIONS OR THE BOARD, PROVIDE CRIMINAL
17 HISTORY BACKGROUND INVESTIGATIONS, WHICH SHALL INCLUDE RECORDS
18 OF CRIMINAL ARRESTS OR CONVICTIONS, ON APPLICANTS FOR LICENSURE
19 BY THE RESPECTIVE AGENCIES PURSUANT TO THE RACE HORSE INDUSTRY
20 REFORM ACT OR THIS PART. REQUESTS FOR CRIMINAL HISTORY
21 BACKGROUND INVESTIGATIONS MAY, AT THE DIRECTION OF THE
22 COMMISSIONS OR THE BOARD, INCLUDE BUT NOT BE LIMITED TO,
23 OFFICERS, DIRECTORS AND STOCKHOLDERS OF LICENSED CORPORATIONS,
24 KEY EMPLOYEES, GAMING EMPLOYEES, HORSE OWNERS, TRAINERS,
25 JOCKEYS, DRIVERS AND OTHER PERSONS PARTICIPATING IN THOROUGHBRED
26 OR HARNESS HORSE MEETINGS AND OTHER PERSONS AND VENDORS WHO
27 EXERCISE THEIR OCCUPATION OR EMPLOYMENT AT SUCH MEETINGS,
28 LICENSED FACILITIES OR LICENSED RACETRACK. FOR THE PURPOSES OF
29 THIS CHAPTER, THE BOARD AND COMMISSIONS MAY RECEIVE INFORMATION
30 OTHERWISE PROTECTED BY 18 PA.C.S. CH. 91 (RELATING TO CRIMINAL

1 HISTORY RECORD INFORMATION).

2 § 1802. SUBMISSION OF FINGERPRINTS.

3 APPLICANTS UNDER THIS PART SHALL SUBMIT TO FINGERPRINTING BY
4 THE PENNSYLVANIA STATE POLICE. THE PENNSYLVANIA STATE POLICE
5 SHALL SUBMIT THE FINGERPRINTS IF NECESSARY, TO THE FEDERAL
6 BUREAU OF INVESTIGATION FOR PURPOSES OF VERIFYING THE IDENTITY
7 OF THE APPLICANTS AND OBTAINING RECORDS OF CRIMINAL ARRESTS AND
8 CONVICTIONS IN ORDER TO PREPARE CRIMINAL HISTORY BACKGROUND
9 INVESTIGATIONS UNDER SECTION 1801 (RELATING TO DUTY TO PROVIDE).
10 THE APPLICANT SHALL PAY FOR THE COST OF FINGERPRINTING.

11 § 1803. COMMISSION EXEMPTION.

12 A COMMISSION MAY EXEMPT APPLICANTS FOR POSITIONS NOT RELATED
13 TO THE CARE OR TRAINING OF HORSES, RACING, WAGERING, SECURITY OR
14 THE MANAGEMENT OF LICENSED CORPORATIONS FROM THE PROVISIONS OF
15 THIS CHAPTER.

16 § 1804. BOARD EXEMPTION.

17 THE BOARD MAY EXEMPT APPLICANTS WHO ARE NOT GAMING EMPLOYEES
18 OR KEY EMPLOYEES FROM THE PROVISIONS OF THIS CHAPTER.

19 § 1805. REIMBURSEMENT.

20 THE COMMISSIONS AND BOARD SHALL REIMBURSE THE PENNSYLVANIA
21 STATE POLICE FOR ACTUAL COSTS INCURRED, AS APPROVED BY THE
22 BOARD, FOR THE CONDUCTING OF INVESTIGATIONS UNDER THIS PART.

23 CHAPTER 19

24 MISCELLANEOUS PROVISIONS

25 SEC.

26 1901. APPROPRIATIONS.

27 1902. SEVERABILITY.

28 1903. REPEALS.

29 1904. EXCLUSIVE JURISDICTION OF SUPREME COURT.

30 § 1901. APPROPRIATIONS.

1 (A) APPROPRIATION TO BOARD.--THE SUM OF \$7,500,000 IS HEREBY
2 APPROPRIATED TO THE PENNSYLVANIA GAMING CONTROL BOARD FOR THE
3 FISCAL PERIOD JULY 1, 2004, TO JUNE 30, 2006, TO IMPLEMENT AND
4 ADMINISTER THE PROVISIONS OF THIS PART. THE MONEY APPROPRIATED
5 IN THIS SUBSECTION SHALL BE CONSIDERED A LOAN FROM THE GENERAL
6 FUND AND SHALL BE REPAID TO THE GENERAL FUND QUARTERLY
7 COMMENCING WITH THE DATE SLOT MACHINE LICENSEES BEGIN OPERATING
8 SLOT MACHINES UNDER THIS PART. THIS APPROPRIATION SHALL BE A
9 TWO-YEAR APPROPRIATION AND SHALL NOT LAPSE UNTIL JUNE 30, 2006.

10 (B) APPROPRIATION TO DEPARTMENT.--THE SUM OF \$21,100,000 IS
11 HEREBY APPROPRIATED FROM THE GENERAL FUND TO THE DEPARTMENT OF
12 REVENUE FOR THE FISCAL PERIOD JULY 1, 2004, TO JUNE 30, 2006, TO
13 PREPARE FOR, IMPLEMENT AND ADMINISTER THE PROVISIONS OF THIS
14 PART. THE MONEY APPROPRIATED UNDER THIS SUBSECTION SHALL BE
15 CONSIDERED A LOAN FROM THE GENERAL FUND AND SHALL BE REPAID TO
16 THE GENERAL FUND QUARTERLY COMMENCING WITH THE DATE SLOT MACHINE
17 LICENSEES BEGIN OPERATING SLOT MACHINES UNDER THIS PART. THIS
18 APPROPRIATION SHALL BE A TWO-YEAR APPROPRIATION AND SHALL NOT
19 LAPSE UNTIL JUNE 30, 2006.

20 (C) APPROPRIATION TO PENNSYLVANIA STATE POLICE.--THE SUM OF
21 \$7,500,000 IS HEREBY APPROPRIATED FROM THE GENERAL FUND TO THE
22 PENNSYLVANIA STATE POLICE FOR THE FISCAL PERIOD JULY 1, 2004 TO
23 JUNE 30, 2006, TO PREPARE FOR, IMPLEMENT AND ADMINISTER THE
24 PROVISIONS OF THIS PART. THE MONEY APPROPRIATED UNDER THIS
25 SUBSECTION SHALL BE CONSIDERED A LOAN FROM THE GENERAL FUND AND
26 SHALL BE REPAID TO THE GENERAL FUND QUARTERLY COMMENCING WHEN
27 ALL SLOT MACHINE LICENSEES BEGIN OPERATING SLOT MACHINES UNDER
28 THIS PART. THIS APPROPRIATION SHALL BE A TWO-YEAR APPROPRIATION
29 AND SHALL NOT LAPSE UNTIL JUNE 30, 2006.

30 § 1902. SEVERABILITY.

1 (A) GENERAL RULE.--EXCEPT AS PROVIDED IN SUBSECTION (B), THE
2 PROVISIONS OF THIS PART ARE SEVERABLE. IF ANY PROVISION OF THIS
3 PART OR ITS APPLICATION TO ANY PERSON OR CIRCUMSTANCES IS HELD
4 INVALID, THE INVALIDITY SHALL NOT AFFECT OTHER PROVISIONS OR
5 APPLICATIONS OF THIS PART WHICH CAN BE GIVEN EFFECT WITHOUT THE
6 INVALID PROVISION OR APPLICATION.

7 (B) LIMITATION.--IF ANY OF THE PROVISIONS OF SECTION 1201
8 (RELATING TO PENNSYLVANIA GAMING CONTROL BOARD ESTABLISHED) OR
9 1209 (RELATING TO SLOT MACHINE LICENSE FEE) OR THEIR APPLICATION
10 TO ANY PERSON OR CIRCUMSTANCE ARE HELD TO BE INVALID BY ANY
11 COURT, THE REMAINING PROVISIONS OF THIS PART AND ITS APPLICATION
12 SHALL BE VOID.

13 § 1903. REPEALS.

14 (A) INCONSISTENT.--THE FOLLOWING ACTS AND PARTS OF ACTS ARE
15 REPEALED AS FOLLOWS:

16 (1) SECTION 493(29) OF THE ACT OF APRIL 12, 1951
17 (P.L.90, NO.21), KNOWN AS THE LIQUOR CODE, IS REPEALED
18 ABSOLUTELY.

19 (2) THE PROVISIONS OF 18 PA.C.S. § 5513(A) ARE REPEALED
20 INSOFAR AS THEY ARE INCONSISTENT WITH THIS PART.

21 (B) GENERAL.--ALL OTHER ACTS AND PARTS OF ACTS ARE REPEALED
22 INSOFAR AS THEY ARE INCONSISTENT WITH THIS PART.

23 § 1904. EXCLUSIVE JURISDICTION OF SUPREME COURT.

24 THE PENNSYLVANIA SUPREME COURT SHALL HAVE EXCLUSIVE
25 JURISDICTION TO HEAR ANY CHALLENGE TO OR TO RENDER A DECLARATORY
26 JUDGMENT CONCERNING THE CONSTITUTIONALITY OF THIS PART. THE
27 SUPREME COURT IS AUTHORIZED TO TAKE SUCH ACTION AS IT DEEMS
28 APPROPRIATE, CONSISTENT WITH THE SUPREME COURT RETAINING
29 JURISDICTION OVER SUCH A MATTER, TO FIND FACTS OR TO EXPEDITE A
30 FINAL JUDGMENT IN CONNECTION WITH SUCH A CHALLENGE OR REQUEST

1 FOR DECLARATORY RELIEF.

2 SECTION 2. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.