CHAPTER 13C
SPORTS WAGERING

SUBCHAPTER
A. GENERAL PROVISIONS
B. SPORTS WAGERING AUTHORIZED
C. CONDUCT OF SPORTS WAGERING
D. SPORTS WAGERING TAXES AND FEES
E. MISCELLANEOUS PROVISIONS

SUBCHAPTER A
GENERAL PROVISIONS

SEC.

13C01. DEFINITIONS.

13C01. DEFINITIONS.

THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
CONTEXT CLEARLY INDICATES OTHERWISE:
"GROSS SPORTS WAGERING REVENUE."

(1) THE TOTAL OF CASH OR CASH EQUIVALENTS RECEIVED FROM
SPORTS WAGERING MINUS THE TOTAL OF:

(I) CASH OR CASH EQUIVALENTS PAID TO PLAYERS AS A
RESULT OF SPORTS WAGERING.

(II) CASH OR CASH EQUIVALENTS PAID TO PURCHASE
ANNUITIES TO FUND PRIZES PAYABLE TO PLAYERS OVER A PERIOD
OF TIME AS A RESULT OF SPORTS WAGERING.

(III) THE ACTUAL COST PAID BY THE SPORTS WAGERING
CERTIFICATE HOLDER FOR ANY PERSONAL PROPERTY DISTRIBUTED
TO A PLAYER AS A RESULT OF SPORTS WAGERING. THIS
SUBPARAGRAPH DOES NOT INCLUDE TRAVEL EXPENSES, FOOD, REFRESHMENTS, LODGING OR SERVICES.

(2) THE TERM DOES NOT INCLUDE ANY OF THE FOLLOWING:

(I) COUNTERFEIT CASH OR CHIPS.

(II) COINS OR CURRENCY OF OTHER COUNTRIES RECEIVED AS A RESULT OF SPORTS WAGERING, EXCEPT TO THE EXTENT THAT THE COINS OR CURRENCY ARE READILY CONVERTIBLE TO CASH.

(III) CASH TAKEN IN A FRAUDULENT ACT PERPETRATED AGAINST A SPORTS WAGERING CERTIFICATE HOLDER FOR WHICH THE SPORTS WAGERING CERTIFICATE HOLDER IS NOT REIMBURSED.

"SPORTING EVENT." A PROFESSIONAL OR COLLEGIATE SPORTS OR ATHLETIC EVENT OR A MOTOR RACE EVENT.

"SPORTS WAGERING." THE BUSINESS OF ACCEPTING WAGERS ON SPORTING EVENTS OR ON THE INDIVIDUAL PERFORMANCE STATISTICS OF ATHLETES IN A SPORTING EVENT OR COMBINATION OF SPORTING EVENTS BY ANY SYSTEM OR METHOD OF WAGERING, INCLUDING OVER THE INTERNET THROUGH WEBSITES AND MOBILE APPLICATIONS. THE TERM INCLUDES, BUT IS NOT LIMITED TO, EXCHANGE WAGERING, PARLAYS, OVER-UNDER, MONEYLINE, POOLS AND STRAIGHT BETS. THE TERM DOES NOT INCLUDE:

(1) PARI-MUTUEL BETTING ON THE OUTCOME OF THOROUGHBRED OR HARNESS HORSE RACING AS AUTHORIZED UNDER 3 PA.C.S. CH. 93 (RELATING TO RACE HORSE INDUSTRY REFORM).

(2) LOTTERY GAMES OF THE PENNSYLVANIA STATE LOTTERY AS AUTHORIZED UNDER THE ACT OF AUGUST 26, 1971 (P.L.351, NO.91), KNOWN AS THE STATE LOTTERY LAW.

(3) BINGO AS AUTHORIZED UNDER THE ACT OF JULY 10, 1981 (P.L.214, NO.67), KNOWN AS THE BINGO LAW.

(4) SMALL GAMES OF CHANCE AS AUTHORIZED UNDER THE ACT OF DECEMBER 19, 1988 (P.L.1262, NO.156), KNOWN AS THE LOCAL OPTION SMALL GAMES OF CHANCE ACT.
(5) Slot machine gaming and progressive slot machine gaming as defined and authorized under this part.

(6) Keno.

(7) Fantasy contests.

(8) Ilottery under chapter 5 (relating to lottery).

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

"Sports wagering certificate holder." A slot machine licensee to whom the board has awarded a sports wagering certificate.

"Sports wagering device." The term includes any mechanical, electrical or computerized contrivance, terminal, machine or other device, apparatus, equipment or supplies approved by the board and used to conduct sports wagering.

§ 13C02. Regulatory authority.

The board shall promulgate regulations:

(1) Establishing standards and procedures for sports wagering. The standards and procedures shall provide for the conduct and implementation of sports wagering by slot machine licensees, including any new sports wagering or variations or composites of approved sports wagering, provided that the board determines that the new sports wagering or any variations or composites or other approved sports wagering are suitable for use after a test or experimental period under the terms and conditions as the board may deem appropriate.

(2) Establishing standards and procedures to govern the conduct of sports wagering and the system of wagering, including the manner in which wagers are received, payouts
ARE REMITTED AND POINT SPREADS, LINES AND ODDS ARE
DETERMINED. THE BOARD MAY ALSO PROMULGATE REGULATIONS TO
GOVERN THE CONDUCT OF SPORTS WAGERING AND THE SYSTEM OF
WAGERING AS A FORM OF INTERACTIVE GAMING AUTHORIZED BY THE
COMMONWEALTH.

(3) ESTABLISHING THE METHOD FOR CALCULATING GROSS SPORTS
WAGERING REVENUE AND STANDARDS FOR THE DAILY COUNTING AND
RECORDING OF CASH AND CASH EQUIVALENTS RECEIVED IN THE
CONDUCT OF SPORTS WAGERING, INCLUDING ENSURING THAT INTERNAL
CONTROLS ARE FOLLOWED AND FINANCIAL BOOKS AND RECORDS ARE
MAINTAINED AND AUDITS ARE CONDUCTED. THE BOARD SHALL CONSULT
WITH THE DEPARTMENT IN ESTABLISHING THE REGULATIONS UNDER
THIS PARAGRAPH.

(4) ESTABLISHING NOTICE REQUIREMENTS PERTAINING TO
MINIMUM AND MAXIMUM WAGERS ON SPORTS WAGERING.

(5) ESTABLISHING COMPULSIVE AND PROBLEM GAMBLING
STANDARDS PERTAINING TO SPORTS WAGERING CONSISTENT WITH THIS
PART.

(6) ESTABLISHING STANDARDS PROHIBITING PERSONS UNDER 21
YEARS OF AGE FROM PARTICIPATING IN SPORTS WAGERING.

(7) PROVIDING INFORMATION PERTAINING TO SPORTS WAGERING
IN THE BOARD'S ANNUAL REPORT REQUIRED UNDER SECTION 1211(A.1)
(RELATING TO REPORTS OF BOARD).

(8) REQUIRING EACH SPORTS WAGERING CERTIFICATE HOLDER
TO:

(I) PROVIDE WRITTEN INFORMATION ABOUT SPORTS
WAGERING RULES, PAYOUTS OR WINNING WAGERS AND OTHER
INFORMATION AS THE BOARD MAY REQUIRE.

(II) PROVIDE SPECIFICATIONS APPROVED BY THE BOARD
UNDER SECTION 1207(11) (RELATING TO REGULATORY AUTHORITY
OF BOARD) TO INTEGRATE AND UPDATE THE LICENSED FACILITY'S
SURVEILLANCE SYSTEM TO COVER ALL AREAS IN THE LICENSED
FACILITY WHERE SPORTS WAGERING IS CONDUCTED. THE
SPECIFICATIONS SHALL INCLUDE PROVISIONS PROVIDING THE
BOARD AND OTHER PERSONS AUTHORIZED BY THE BOARD WITH
ONSITE ACCESS TO THE SURVEILLANCE SYSTEM OR ITS SIGNAL.

(III) DESIGNATE ONE OR MORE LOCATIONS WITHIN THE
LICENSED FACILITY TO CONDUCT SPORTS WAGERING.

(IV) ENSURE THAT VISIBILITY OF EACH SPORTS WAGERING
AREA IN THE LICENSED FACILITY OF THE SPORTS WAGERING
CERTIFICATE HOLDER IS NOT OBSTRUCTED IN ANY WAY THAT
COULD INTERFERE WITH THE ABILITY OF THE SPORTS WAGERING
CERTIFICATE HOLDER, THE BOARD AND OTHER PERSONS
AUTHORIZED UNDER THIS PART OR BY THE BOARD TO OVERSEE THE
SURVEILLANCE OF THE CONDUCT OF SPORTS WAGERING.

(V) INTEGRATE THE LICENSED FACILITY'S COUNT ROOM TO
ENSURE MAXIMUM SECURITY OF THE COUNTING AND STORAGE OF
CASH AND CASH EQUIVALENTS.

(VI) EQUIP EACH DESIGNATED SPORTS WAGERING AREA
WITHIN THE LICENSED FACILITY WITH A SIGN INDICATING THE
PERMISSIBLE SPORTS WAGERING MINIMUM AND MAXIMUM WAGERS.

(VII) ENSURE THAT NO PERSON UNDER 21 YEARS OF AGE
PARTICIPATES IN SPORTS WAGERING.

§ 13C03. TEMPORARY SPORTS WAGERING REGULATIONS.

(A) PROMULGATION.—IN ORDER TO FACILITATE THE PROMPT
IMPLEMENTATION OF THIS CHAPTER, REGULATIONS PROMULGATED BY THE
BOARD SHALL BE DEEMED TEMPORARY REGULATIONS WHICH SHALL EXPIRE
NOT LATER THAN TWO YEARS FOLLOWING THE PUBLICATION OF THE
TEMPORARY REGULATIONS. THE BOARD MAY PROMULGATE TEMPORARY
REGULATIONS NOT SUBJECT TO:
(1) SECTIONS 201, 202, 203, 204 AND 205 OF THE ACT OF
JULY 31, 1968 (P.L.769, No.240), REFERRED TO AS THE
COMMONWEALTH DOCUMENTS LAW.

(2) SECTION 204(B) OF THE ACT OF OCTOBER 15, 1980
(P.L.950, No.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT.

(3) THE ACT OF JUNE 25, 1982 (P.L.633, No.181), KNOWN AS
THE REGULATORY REVIEW ACT.

(B) EXPIRATION.--EXCEPT FOR TEMPORARY REGULATIONS GOVERNING
THE RULES OF SPORTS WAGERING APPROVED BY THE BOARD, THE BOARD'S
AUTHORITY TO ADOPT TEMPORARY REGULATIONS UNDER SUBSECTION (A)
SHALL EXPIRE TWO YEARS AFTER PUBLICATION OF THE TEMPORARY
REGULATIONS. REGULATIONS ADOPTED AFTER THIS PERIOD SHALL BE
PROMULGATED AS PROVIDED BY LAW.

§ 13C04. UNAUTHORIZED SPORTS WAGERING.

(A) OFFENSE DEFINED.--

(1) IT SHALL BE UNLAWFUL FOR ANY PERSON TO OPERATE,
CONDUCT, OFFER OR EXPOSE SPORTS WAGERING FOR PLAY OR TO
ACCEPT A BET OR WAGER ASSOCIATED WITH SPORTS WAGERING FROM
ANY PERSON PHYSICALLY LOCATED IN THIS COMMONWEALTH WHICH AT
THE TIME OF PLAY THAT IS NOT WITHIN THE SCOPE OF A VALID
SPORTS WAGERING CERTIFICATE ISSUED BY THE BOARD UNDER THIS
CHAPTER.

(2) IT SHALL BE UNLAWFUL FOR ANY PERSON TO KNOWINGLY
PROVIDE SERVICES WITH RESPECT TO ANY SPORTS WAGERING OR BET
OR WAGER SPECIFIED IN PARAGRAPH (1).

(B) GRADING OF OFFENSE.--A PERSON WHO VIOLATES SUBSECTION
(A) COMMITS A MISDEMEANOR OF THE FIRST DEGREE. FOR A SECOND OR
SUBSEQUENT VIOLATION OF SUBSECTION (A), A PERSON CommITS A
FELONY OF THE SECOND DEGREE.

(C) PENALTIES.--
(1) For a first violation of subsection (a), a person shall be sentenced to pay a fine of:

(I) not more than $150,000, if the person is an individual;

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

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

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

(I) not more than $300,000, if the person is an individual;

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

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

(D) Forfeiture.--If a person engages in sports wagering from a location where sports wagering is unauthorized, the person shall forfeit all winnings and any forfeited winnings shall be deposited into the compulsive and problem gambling treatment fund established under section 1509(b) (relating to compulsive and problem gambling program).

(E) Tax liability.--A person who offers sports wagering without a valid sport wagering certificate shall be liable for all taxes required by this chapter in the same manner and amounts as if the person were a licensee.

(A) Persons who may be authorized.--

(1) (I) The Board may authorize a slot machine licensee to conduct sports wagering and to operate a system of wagering associated with the conduct of sports wagering at the slot machine licensee's licensed facility, a temporary facility authorized under Section 13C21(B) (relating to authorized locations for operation), an area authorized under Section 13C21(C) or through an Internet-based system.

(II) Authorization shall be contingent upon the slot machine licensee's agreement to ensure that sports wagering will be conducted in accordance with this part and any other conditions established by the Board.

(III) Nothing in this part shall be construed to create a separate license governing the conduct of sports wagering by slot machine licensees within this Commonwealth.

(2) The Board may authorize a sports wagering certificate holder to conduct sports wagering and to operate a system of wagering associated with the conduct of sports wagering as a form of interactive gaming authorized by the Commonwealth.

(3) (I) Except as provided in this part, all individuals wagering on sporting events through...
AUTHORIZED SPORTS WAGERING MUST BE PHYSICALLY LOCATED
WITHIN THIS COMMONWEALTH OR WITHIN A STATE OR
JURISDICTION WITH WHICH THE BOARD HAS ENTERED A SPORTS
WAGERING AGREEMENT.

(II) NO INDIVIDUAL UNDER 21 YEARS OF AGE MAY MAKE A
WAGER OR BET ON SPORTING EVENTS THROUGH AUTHORIZED SPORTS
WAGERING OR HAVE ACCESS TO THE DESIGNATED SPORTS WAGERING
AREA OF THE LICENSED FACILITY.

(B) FEDERAL AUTHORIZATION.--

(1) THE BOARD SHALL, WHEN FEDERAL LAW IS ENACTED OR
REPEALED OR A FEDERAL COURT DECISION IS FILED THAT PERMITS A
STATE TO REGULATE SPORTS WAGERING, PUBLISH A NOTICE IN THE
PENNSYLVANIA BULLETIN CERTIFYING THE ENACTMENT OR REPEAL OR
THE FILING OF THE DECISION.

(2) THE BOARD MAY NOT AUTHORIZE THE CONDUCT OF SPORTS
WAGERING IN THIS COMMONWEALTH UNTIL THE NOTICE IS PUBLISHED
AS PRESCRIBED IN PARAGRAPH (1).

§ 13C12. PETITION REQUIREMENTS.

(A) GENERAL RULE.--UNLESS OTHERWISE PROHIBITED UNDER SECTION
13A13 (RELATING TO PROHIBITIONS), A SLOT MACHINE LICENSEE MAY
SEEK APPROVAL TO CONDUCT SPORTS WAGERING BY FILING A PETITION
WITH THE BOARD, IN A FORM AND IN A MANNER PRESCRIBED BY THE
BOARD.

(B) PETITION CONTENTS.--A PETITION SEEKING AUTHORIZATION TO
CONDUCT SPORTS WAGERING SHALL INCLUDE THE FOLLOWING:

(1) THE NAME, BUSINESS ADDRESS AND CONTACT INFORMATION
OF THE PETITIONER.

(2) THE NAME, BUSINESS ADDRESS, JOB TITLE AND A
PHOTOGRAPH OF EACH PRINCIPAL AND KEY EMPLOYEE OF THE
PETITIONER WHO WILL BE INVOLVED IN THE CONDUCT OF SPORTS
WAGERING AND WHO IS NOT CURRENTLY LICENSED BY THE BOARD, IF
KNOWN.

(3) A BRIEF DESCRIPTION OF THE ECONOMIC BENEFITS
EXPECTED TO BE REALIZED BY THE COMMONWEALTH, ITS
MUNICIPALITIES AND ITS RESIDENTS IF SPORTS WAGERING IS
AUTHORIZED AT THE PETITIONER'S LICENSED FACILITY.

(4) THE DETAILS OF ANY FINANCING OBTAINED OR THAT WILL
BE OBTAINED TO FUND AN EXPANSION OR MODIFICATION OF THE
LICENSED FACILITY TO ACCOMMODATE SPORTS WAGERING AND TO
OTHERWISE FUND THE COST OF COMMENCING SPORTS WAGERING.

(5) INFORMATION AND DOCUMENTATION CONCERNING FINANCIAL
BACKGROUND AND RESOURCES, AS THE BOARD MAY REQUIRE, TO
ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE FINANCIAL
STABILITY, INTEGRITY AND RESPONSIBILITY OF THE PETITIONER.

(6) INFORMATION AND DOCUMENTATION, AS THE BOARD MAY
REQUIRE, TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT
THE PETITIONER HAS SUFFICIENT BUSINESS ABILITY AND EXPERIENCE
TO CREATE AND MAINTAIN A SUCCESSFUL SPORTS WAGERING
OPERATION. IN MAKING THIS DETERMINATION, THE BOARD MAY
CONSIDER THE PERFORMANCE OF THE PETITIONER'S SLOT MACHINE AND
TABLE GAME OPERATION, INCLUDING FINANCIAL INFORMATION,
EMPLOYMENT DATA AND CAPITAL INVESTMENT.

(7) INFORMATION AND DOCUMENTATION, AS THE BOARD MAY
REQUIRE, TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT
THE PETITIONER HAS OR WILL HAVE THE FINANCIAL ABILITY TO PAY
THE AUTHORIZATION FEE UNDER SECTION 13C61 (RELATING TO SPORTS
WAGERING AUTHORIZATION FEE).

(8) DETAILED SITE PLANS IDENTIFYING THE PETITIONER'S
PROPOSED SPORTS WAGERING AREA WITHIN THE LICENSED FACILITY.

(9) OTHER INFORMATION AS THE BOARD MAY REQUIRE.
(C) CONFIDENTIALITY.--INFORMATION SUBMITTED TO THE BOARD UNDER SUBSECTION (B)(4), (5), (6), (7) AND (8) MAY BE CONSIDERED CONFIDENTIAL BY THE BOARD IF THE INFORMATION WOULD BE CONFIDENTIAL UNDER SECTION 1206(F) (RELATING TO BOARD MINUTES AND RECORDS).

§ 13C13. STANDARD FOR REVIEW OF PETITIONS.

(A) GENERAL RULE.--THE BOARD SHALL APPROVE A PETITION IF THE PETITIONER ESTABLISHES, BY CLEAR AND CONVINCING EVIDENCE, ALL OF THE FOLLOWING:

1. THE PETITIONER'S SLOT MACHINE LICENSE AND TABLE GAME OPERATION CERTIFICATE ARE IN GOOD STANDING WITH THE BOARD.
2. THE CONDUCT OF SPORTS WAGERING AT THE PETITIONER'S LICENSED FACILITY WILL INCREASE REVENUES AND EMPLOYMENT OPPORTUNITIES.
3. THE PETITIONER POSSESSES ADEQUATE FUNDS OR HAS SECURED ADEQUATE FINANCING TO:
   1. FUND ANY NECESSARY EXPANSION OR MODIFICATION OF THE PETITIONER'S LICENSED FACILITY TO ACCOMMODATE THE CONDUCT OF SPORTS WAGERING.
   2. PAY THE AUTHORIZATION FEE IN ACCORDANCE WITH SECTION 13C61 (RELATING TO SPORTS WAGERING AUTHORIZATION FEE).
   3. COMMENCE SPORTS WAGERING OPERATIONS AT ITS LICENSED FACILITY.
4. THE PETITIONER HAS THE FINANCIAL STABILITY, INTEGRITY AND RESPONSIBILITY TO CONDUCT SPORTS WAGERING.
5. THE PETITIONER HAS SUFFICIENT BUSINESS ABILITY AND EXPERIENCE TO CREATE AND MAINTAIN A SUCCESSFUL SPORTS WAGERING OPERATION.
6. THE PETITIONER'S PROPOSED INTERNAL AND EXTERNAL
SECURITY AND PROPOSED SURVEILLANCE MEASURES WITHIN THE AREA
OF THE LICENSED FACILITY WHERE THE PETITIONER SEeks TO
CONDUCT SPORTS WAGERING ARE ADEQUATE.

(7) THE PETITIONER HAS SATISFIED THE PETITION
APPLICATION REQUIREMENTS AND PROVIDED ANY OTHER INFORMATION
REQUIRED BY SECTION 13C12(B) (RELATING TO PETITION
REQUIREMENTS).

(B) TIMING OF APPROVAL.--THE BOARD SHALL APPROVE OR DENY A
PETITION WITHIN 120 DAYS FOLLOWING RECEIPT OF THE COMPLETED
PETITION.

§ 13C14. AWARD OF CERTIFICATE.

(A) GENERAL RULE.--UPON APPROVAL OF A PETITION, THE BOARD
SHALL AWARD A SPORTS WAGERING CERTIFICATE TO THE PETITIONER. THE
AWARD OF A SPORTS WAGERING CERTIFICATE PRIOR TO THE PAYMENT IN
FULL OF THE AUTHORIZATION FEE REQUIRED BY SECTION 13C61
(RELATING TO SPORTS WAGERING AUTHORIZATION FEE) SHALL NOT
RELIEVE THE PETITIONER FROM COMPLYING WITH THE PROVISIONS OF
SECTION 13C61.

(B) STATEMENT OF CONDITIONS.--UPON AWARDING A SPORTS
WAGERING OPERATION CERTIFICATE, THE BOARD SHALL AMEND THE SLOT
MACHINE LICENSEE'S STATEMENT OF CONDITIONS PERTAINING TO THE
REQUIREMENTS OF THIS CHAPTER.

(C) TERM OF SPORTS WAGERING CERTIFICATE.--SUBJECT TO THE
POWER OF THE BOARD TO DENY, REVOKE OR SUSPEND A SPORTS WAGERING
CERTIFICATE ISSUED IN ACCORDANCE WITH THE REQUIREMENTS OF THIS
SECTION, A SPORTS WAGERING CERTIFICATE SHALL BE RENEWED EVERY
FIVE YEARS AND SHALL BE SUBJECT TO THE REQUIREMENTS OF SECTION
1326 (RELATING TO RENEWALS).

§ 13C15. SPORTS WAGERING CERTIFICATE.

THE FOLLOWING SHALL APPLY:
(1) A SPORTS WAGERING CERTIFICATE SHALL BE IN EFFECT UNLESS:

(I) SUSPENDED OR REVOKED BY THE BOARD CONSISTENT WITH THE REQUIREMENTS OF THIS PART;

(II) THE SLOT MACHINE LICENSE HELD BY THE SPORTS WAGERING CERTIFICATE HOLDER IS SUSPENDED, REVOKED OR NOT RENEWED BY THE BOARD CONSISTENT WITH THE REQUIREMENTS OF THIS PART; OR

(III) THE SPORTS WAGERING CERTIFICATE HOLDER RELINQUISHES OR DOES NOT SEEK RENEWAL OF ITS SLOT MACHINE LICENSE.

(2) A SPORTS WAGERING CERTIFICATE HOLDER THAT FAILS TO ABIDE BY THIS CHAPTER OR ANY CONDITION CONTAINED IN THE SLOT MACHINE LICENSEE'S STATEMENT OF CONDITIONS GOVERNING THE CONDUCT OF SPORTS WAGERING SHALL BE SUBJECT TO BOARD-IMPOSED ADMINISTRATIVE SANCTIONS OR OTHER PENALTIES AUTHORIZED UNDER THIS PART.

§ 13C16. SPORTS WAGERING MANUFACTURERS.
A PERSON WHO MANUFACTURES, BUILDS, REBUILDS, FABRICATES, ASSEMBLES, PRODUCES, PROGRAMS, DESIGNS, SELLS, LEASES, OFFERS OR OTHERWISE MAKES MODIFICATIONS TO ANY SPORTS WAGERING DEVICE OR ASSOCIATED EQUIPMENT FOR USE OR OPERATION IN THIS COMMONWEALTH FOR SPORTS WAGERING PURPOSES SHALL BE LICENSED BY THE BOARD UNDER SECTION 1317.1 (RELATING TO MANUFACTURER LICENSES) AND SHALL BE SUBJECT TO APPLICATION AND LICENSURE FEES AND FINES AS PRESCRIBED UNDER SECTION 1208, AS DETERMINED BY THE BOARD.

SUBCHAPTER C

CONDUCT OF SPORTS WAGERING SEC.

13C21. AUTHORIZED LOCATIONS FOR OPERATION.


13C24. Principals, Key Employees and Occupation Permits.


(A) Restriction.--A Sports Wagering Certificate Holder may only be permitted to conduct sports wagering at a licensed facility, a temporary facility authorized under subsection (B), an area authorized under subsection (C) or through an Internet-based system.

(B) Temporary Facilities.--The Board may permit a Sports Wagering Certificate Holder to conduct sports wagering at a temporary facility that is physically connected to, attached to or adjacent to a licensed facility, as approved by the Board, for a period not to exceed 18 months.

(C) Powers and Duties of Board.--

(1) Upon request made by a Sports Wagering Certificate Holder, the Board, in consultation with the Commission, may determine the suitability of a Category 1 licensed gaming entity that is also a licensed racing entity authorized to conduct pari-mutuel wagering at nonprimary locations under 3 Pa.C.S. Ch. 93 (relating to race horse industry reform) to conduct sports wagering at nonprimary locations.

(2) No Sports Wagering Certificate Holder may be approved to conduct sports wagering in a nonprimary location unless the areas of the nonprimary location where sports wagering will be conducted are equipped with adequate security and surveillance equipment to ensure the integrity of the conduct of sports wagering.
AN AUTHORIZATION GRANTED UNDER THIS SUBSECTION MAY NOT:

(I) IMPOSE ANY CRITERIA OR REQUIREMENTS REGARDING THE CONTENTS OR STRUCTURE OF A NONPRIMARY LOCATION THAT ARE UNRELATED TO THE CONDUCT OF SPORTS WAGERING.

(II) AUTHORIZE THE PLACEMENT OR OPERATION OF SLOT MACHINES OR TABLE GAMES IN A NONPRIMARY LOCATION.

§ 13C22. COMMENCEMENT OF SPORTS WAGERING OPERATIONS.

NO SPORTS WAGERING CERTIFICATE HOLDER MAY OPERATE OR OFFER SPORTS WAGERING UNTIL THE BOARD DETERMINES THAT:

(1) THE SPORTS WAGERING CERTIFICATE HOLDER IS IN COMPLIANCE WITH THE REQUIREMENTS OF THIS PART.

(2) THE SPORTS WAGERING CERTIFICATE HOLDER IS PREPARED IN ALL RESPECTS TO OFFER SPORTS WAGERING PLAY TO THE PUBLIC AT THE LICENSED FACILITY.

(3) THE SPORTS WAGERING CERTIFICATE HOLDER HAS IMPLEMENTED NECESSARY INTERNAL AND MANAGEMENT CONTROLS AND SECURITY ARRANGEMENTS AND SURVEILLANCE SYSTEMS FOR THE CONDUCT OF SPORTS WAGERING.

(4) THE SPORTS WAGERING CERTIFICATE HOLDER IS IN COMPLIANCE WITH OR HAS COMPLIED WITH SECTION 13C61 (RELATING TO SPORTS WAGERING AUTHORIZATION FEE).

(5) OTHER CONDITIONS AS THE BOARD MAY REQUIRE TO IMPLEMENT THE CONDUCT OF SPORTS WAGERING.

§ 13C23. CONDITION OF CONTINUED OPERATION.

AS A CONDITION OF CONTINUED OPERATION, A SPORTS WAGERING CERTIFICATE HOLDER SHALL MAINTAIN ALL BOOKS, RECORDS AND DOCUMENTS PERTAINING TO SPORTS WAGERING IN A MANNER AND LOCATION WITHIN THIS COMMONWEALTH AS APPROVED BY THE BOARD. ALL BOOKS, RECORDS AND DOCUMENTS RELATED TO SPORTS WAGERING SHALL BE:
SEGREGATED BY SEPARATE ACCOUNTS WITHIN THE SPORTS WAGERING CERTIFICATE HOLDER'S BOOKS, RECORDS AND DOCUMENTS, EXCEPT FOR ANY BOOKS, RECORDS OR DOCUMENTS THAT ARE COMMON TO SLOT MACHINE, TABLE GAME AND SPORTS WAGERING OPERATIONS AND APPROVED BY THE BOARD;


(3) MAINTAINED FOR A PERIOD AS THE BOARD, BY REGULATION, MAY REQUIRE.

§ 13C24. PRINCIPALS, KEY EMPLOYEES AND OCCUPATION PERMITS.

THE FOLLOWING SHALL APPLY:

(1) EXCEPT AS PROVIDED UNDER PARAGRAPH (2), EACH APPLICANT FOR A PRINCIPAL LICENSE, KEY EMPLOYEE LICENSE OR GAMING EMPLOYEE OCCUPATION PERMIT SHALL:

(I) CONSENT TO A BACKGROUND INVESTIGATION TO BE CONDUCTED BY THE BUREAU.

(II) SUBMIT TO FINGERPRINTING BY THE PENNSYLVANIA STATE POLICE OR AN AUTHORIZED AGENT OF THE PENNSYLVANIA STATE POLICE. THE PENNSYLVANIA STATE POLICE OR THE AUTHORIZED AGENT SHALL SUBMIT THE FINGERPRINTS TO THE FEDERAL BUREAU OF INVESTIGATION FOR PURPOSES OF VERIFYING THE IDENTITY OF THE INDIVIDUAL AND OBTAINING RECORDS OF CRIMINAL ARRESTS AND CONVICTIONS.

(III) SUBMIT PHOTOGRAPHS CONSISTENT WITH THE
STANDARDS ESTABLISHED BY THE BOARD.

(2) NOTHING IN THIS PART SHALL BE CONSTRUED TO REQUIRE ANY INDIVIDUAL WHO HOLDS A PRINCIPAL LICENSE, A KEY EMPLOYEE LICENSE OR A GAMING EMPLOYEE OCCUPATION PERMIT UNDER CHAPTERS 13 (RELATING TO LICENSEES), 13A (RELATING TO TABLE GAMES) AND 16 (RELATING TO JUNKETS) TO OBTAIN A SEPARATE LICENSE OR PERMIT TO BE EMPLOYED IN A SPORTS WAGERING CERTIFICATE HOLDER'S SPORTS WAGERING OPERATION AUTHORIZED UNDER THIS CHAPTER.

§ 13C25. APPLICATION OF CLEAN INDOOR AIR ACT.

FOR THE PURPOSE OF SECTION 3(B)(11) OF THE ACT OF JUNE 13, 2008 (P.L.182, NO.27), KNOWN AS THE CLEAN INDOOR AIR ACT, THE TERM "GAMING FLOOR" SHALL INCLUDE THE AREAS OF ANY FACILITY WHERE THE SPORTS WAGERING CERTIFICATE HOLDER IS AUTHORIZED TO CONDUCT SPORTS WAGERING, EXCEPT SUCH AREAS OFF THE GAMING FLOOR WHERE CONTESTS OR TOURNAMENTS ARE CONDUCTED UNLESS SMOKING IS OTHERWISE PERMITTED IN SUCH AREAS.

§ 13C26. APPLICATION OF LIQUOR CODE.

THE PROVISIONS OF SECTION 493(24)(II) OF THE ACT OF APRIL 12, 1951 (P.L.90, NO.21), KNOWN AS THE LIQUOR CODE, SHALL ALSO APPLY TO SPORTS WAGERING.

SUBCHAPTER D

SPORTS WAGERING TAXES AND FEES

SEC.

13C61. SPORTS WAGERING AUTHORIZATION FEE.

13C62. SPORTS WAGERING TAX.

13C63. LOCAL SHARE ASSESSMENT.

13C64. COMPULSIVE AND PROBLEM GAMBLING.

§ 13C61. SPORTS WAGERING AUTHORIZATION FEE.

(A) AMOUNT.--EACH SLOT MACHINE LICENSEE THAT IS ISSUED A
SPORTS WAGERING CERTIFICATE TO CONDUCT SPORTS WAGERING IN ACCORDANCE WITH SECTION 13C11 (RELATING TO AUTHORIZATION TO CONDUCT SPORTS WAGERING) SHALL PAY A ONE-TIME NONREFUNDABLE AUTHORIZATION FEE IN THE AMOUNT OF $10,000,000.

(B) PAYMENT OF FEE.---A SLOT MACHINE LICENSEE SHALL REMIT THE AUTHORIZATION FEE UNDER SUBSECTION (A) TO THE BOARD WITHIN 60 DAYS OF THE APPROVAL OF A PETITION TO CONDUCT SPORTS WAGERING. SPORTS WAGERING MAY NOT BE CONDUCTED UNTIL THE FEE UNDER SUBSECTION (A) IS PAID IN FULL.

(C) RENEWAL FEE.---NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER, A SLOT MACHINE LICENSEE THAT IS ISSUED A SPORTS WAGERING CERTIFICATE SHALL PAY A RENEWAL FEE IN THE AMOUNT OF $250,000 UPON THE RENEWAL OF ITS SPORTS WAGERING CERTIFICATE IN ACCORDANCE WITH SECTIONS 1326 (RELATING TO RENEWALS) AND 13C14(C) (RELATING TO AWARD OF CERTIFICATE).

(D) FAILURE TO PAY BY DEADLINE.---IF A PETITIONER OR SPORTS WAGERING CERTIFICATE HOLDER FAILS TO PAY THE REQUIRED AUTHORIZATION FEE IN FULL WITHIN THE 60-DAY TIME PERIOD, THE BOARD SHALL IMPOSE A PENALTY AND MAY GRANT THE PETITIONER OR SPORTS WAGERING CERTIFICATE HOLDER UP TO A SIX-MONTH EXTENSION TO PAY THE AUTHORIZATION FEE OR ANY REMAINING PORTION OF THE AUTHORIZATION FEE AND THE PENALTY.

(E) SUSPENSION OF CERTIFICATE.---THE BOARD SHALL SUSPEND THE SPORTS WAGERING CERTIFICATE IF THE SPORTS WAGERING CERTIFICATE HOLDER FAILS TO PAY THE TOTAL AUTHORIZATION FEE AND THE PENALTY PRIOR TO THE EXPIRATION OF AN EXTENSION PERIOD GRANTED UNDER SUBSECTION (D). THE SUSPENSION SHALL REMAIN IN EFFECT UNTIL FINAL PAYMENT IS MADE.

(F) DEPOSIT OF FEES.---NOTWITHSTANDING SECTION 1208 (RELATING TO COLLECTION OF FEES AND FINES), ALL SPORTS WAGERING
AUTHORIZATION FEES, MANUFACTURER LICENSE FEES, MANUFACTURER
RENEWAL FEES AND ALL FEES FOR LICENSES ISSUED UNDER CHAPTER 16
(RELATING TO JUNKETS) AND ALL MONEY COLLECTED BY THE BOARD FOR
VIOLATIONS OF THIS SUBCHAPTER SHALL BE DEPOSITED INTO THE
GENERAL FUND.

§ 13C62. SPORTS WAGERING TAX.

(A) IMPOSITION.--EACH SPORTS WAGERING CERTIFICATE HOLDER
SHALL REPORT TO THE DEPARTMENT AND PAY FROM ITS DAILY GROSS
SPORTS WAGERING REVENUE, ON A FORM AND IN THE MANNER PRESCRIBED
BY THE DEPARTMENT, A TAX OF 34% OF ITS DAILY GROSS SPORTS
WAGERING REVENUE.

(B) DEPOSITS AND DISTRIBUTIONS.--

(1) THE TAX IMPOSED UNDER SUBSECTION (A) SHALL BE
PAYABLE TO THE DEPARTMENT ON A WEEKLY BASIS AND SHALL BE
BASED UPON GROSS SPORTS WAGERING REVENUE DERIVED DURING THE
PREVIOUS WEEK.

(2) ALL FUNDS OWED TO THE COMMONWEALTH UNDER THIS
SECTION SHALL BE HELD IN TRUST FOR THE COMMONWEALTH BY THE
SPORTS WAGERING CERTIFICATE HOLDER UNTIL THE FUNDS ARE PAID
TO THE DEPARTMENT. A SPORTS WAGERING CERTIFICATE HOLDER SHALL
ESTABLISH A SEPARATE BANK ACCOUNT INTO WHICH GROSS SPORTS
WAGERING REVENUE SHALL BE DEPOSITED AND MAINTAINED UNTIL SUCH
TIME AS THE FUNDS ARE PAID TO THE DEPARTMENT UNDER THIS
SECTION OR PAID INTO THE FUND UNDER SECTION 13C63(A)
(RELATING TO LOCAL SHARE ASSESSMENT).

(3) THE TAX IMPOSED UNDER SUBSECTION (A) SHALL BE
DEPOSITED INTO THE GENERAL FUND.

§ 13C63. LOCAL SHARE ASSESSMENT.

(A) REQUIRED PAYMENT.--IN ADDITION TO THE TAX IMPOSED UNDER
SECTION 13C62 (RELATING TO SPORTS WAGERING TAX), EACH SPORTS
WAGERING CERTIFICATE HOLDER SHALL PAY ON A WEEKLY BASIS, ON A
FORM AND IN THE MANNER PRESCRIBED BY THE DEPARTMENT, A LOCAL
SHARE ASSESSMENT INTO A RESTRICTED RECEIPTS ACCOUNT ESTABLISHED
WITHIN THE FUND. ALL MONEY OWED UNDER THIS SECTION SHALL BE HELD IN TRUST BY THE SPORTS WAGERING CERTIFICATE HOLDER UNTIL THE MONEY IS PAID INTO THE RESTRICTED ACCOUNT. FUNDS IN THE RESTRICTED ACCOUNT ARE HEREBY APPROPRIATED TO THE DEPARTMENT ON A CONTINUING BASIS FOR THE PURPOSES SET FORTH UNDER THIS SECTION.

(B) DISTRIBUTIONS.--THE DEPARTMENT SHALL, ON A QUARTERLY BASIS, MAKE DISTRIBUTIONS FROM THE LOCAL SHARE ASSESSMENTS DEPOSITED INTO THE RESTRICTED ACCOUNT UNDER SUBSECTION (A) INTO A RESTRICTED RECEIPT ACCOUNT TO BE ESTABLISHED IN THE COMMONWEALTH FINANCING AUTHORITY TO BE USED EXCLUSIVELY FOR GRANTS FOR PROJECTS IN THE PUBLIC INTEREST IN THIS COMMONWEALTH.

(C) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SUBSECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

"LOCAL SHARE ASSESSMENT." TWO PERCENT OF A SPORTS WAGERING CERTIFICATE HOLDER'S DAILY GROSS SPORTS WAGERING REVENUE.

§ 13C64. COMPULSIVE AND PROBLEM GAMBLING.

THE FOLLOWING SHALL APPLY:

(1) EACH YEAR, FROM THE TAX IMPOSED UNDER SECTION 13C62 (RELATING TO SPORTS WAGERING TAX), AN AMOUNT EQUAL TO 0.002 MULTIPLIED BY THE TOTAL GROSS SPORTS WAGERING REVENUE OF ALL ACTIVE AND OPERATING SPORTS WAGERING CERTIFICATE HOLDERS SHALL BE TRANSFERRED INTO THE COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND ESTABLISHED UNDER SECTION 1509 (RELATING TO COMPULSIVE AND PROBLEM GAMBLING PROGRAM).

(2) EACH YEAR, FROM THE TAX IMPOSED UNDER SECTION 13C62,
AN AMOUNT EQUAL TO 0.002 MULTIPLIED BY THE TOTAL GROSS SPORTS WAGERING REVENUE OF ALL ACTIVE AND OPERATING SPORTS WAGERING CERTIFICATE HOLDERS SHALL BE TRANSFERRED TO THE DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS OR SUCCESSOR AGENCY TO BE USED FOR DRUG AND ALCOHOL ADDICTION TREATMENT SERVICES, INCLUDING TREATMENT FOR DRUG AND ALCOHOL ADDICTION RELATED TO COMPULSIVE AND PROBLEM GAMBLING, AS SET FORTH UNDER SECTION 1509.1 (RELATING TO DRUG AND ALCOHOL TREATMENT).

SUBCHAPTER E

MISCELLANEOUS PROVISIONS

SEC.

§ 13C71. CRIMINAL ACTIVITY.

SPORTS WAGERING CONDUCTED BY A SPORTS WAGERING CERTIFICATE HOLDER IN ACCORDANCE WITH THIS CHAPTER SHALL NOT CONSTITUTE A CRIMINAL ACTIVITY UNDER 18 PA.C.S. § 5514 (RELATING TO POOL SELLING AND BOOKMAKING).

CHAPTER 13D

(RESERVED)

CHAPTER 13E

(RESERVED)

CHAPTER 13F

CASINO SIMULCASTING

SUBCHAPTER

A. GENERAL PROVISIONS

B. CASINO SIMULCASTING AUTHORIZED

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

D. CONDUCT OF CASINO SIMULCASTING

E. FEES AND TAXES