
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 667 Session of
2015

INTRODUCED BY ALLOWAY, APRIL 8, 2015

REFERRED TO COMMUNITY, ECONOMIC AND RECREATIONAL DEVELOPMENT,
APRIL 8, 2015

AN ACT

1 Amending the act of December 19, 1988 (P.L.1262, No.156),
2 entitled, as amended, "An act providing for the licensing of
3 eligible organizations to conduct games of chance, for the
4 licensing of persons to distribute games of chance, for the
5 registration of manufacturers of games of chance, and for
6 suspensions and revocations of licenses and permits;
7 requiring records; providing for local referendum by
8 electorate; and prescribing penalties," in preliminary
9 provisions, further providing for definitions; providing for
10 eligible organizations; in enforcement, further providing for
11 enforcement; and, in tavern gaming, further providing for
12 definitions, for licenses, for application, for approval, for
13 change in ownership, for tavern raffle, for distribution of
14 net revenue, for tavern games tax, for host municipality
15 tavern games tax, for reports, for enforcement and for
16 prohibitions.

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

19 Section 1. The definition of "games of chance" in section
20 103 of the act of December 19, 1988 (P.L.1262, No.156), known as
21 the Local Option Small Games of Chance Act, amended November 27,
22 2013 (P.L.1045, No.90) and November 27, 2013 (P.L.1062, No.92),
23 is amended and the section is amended by adding definitions to
24 read:

25 Section 103. Definitions.

1 The following words and phrases when used in this act shall,
2 except as provided under section 902, have the meanings given to
3 them in this section unless the context clearly indicates
4 otherwise:

5 * * *

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

23 (1) A punchboard, daily drawing, weekly drawing, 50/50
24 drawing, selective raffle, poker run, coin auction, race
25 night game, vertical wheel game, raffle and pull-tab:

26 (i) which, except for a vertical wheel game, is not
27 played by or with the assistance of a mechanical or
28 electrical device or media other than a dispensing
29 machine or passive selection device; and

30 (ii) in which a particular chance taken by a person

1 in the game is not contingent upon any other occurrence
2 or the winning of another contest, but is determined
3 solely at the discretion of the purchaser.

4 (2) This definition shall not be construed to authorize
5 any other form of gambling currently prohibited under any
6 provision of 18 Pa.C.S. (relating to crimes and offenses) or
7 authorized under 4 Pa.C.S. (relating to amusements).

8 * * *

9 "Nonbanking card game." A card game where players play
10 against one another rather than against the house. Nonbanking
11 card games may include any of the following:

12 (1) Poker games.

13 (2) Hearts.

14 (3) Rummy.

15 (4) Pinochle.

16 (5) Bid Whist.

17 "Nonbanking card game tournament" or "tournament." A series
18 of card games held by a licensed eligible organization during a
19 consecutive period of time of not more than 24 hours and not
20 held as part of any other games of chance.

21 * * *

22 "Poker run." A game in which all of the following occur:

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

25 (2) Each participant receives a detailed explanation of
26 the game destinations and a score card which will be
27 completed as the participant progresses to each destination.

28 (3) At each designated stop on the run route, the
29 participant draws or is dealt a card at random. The card
30 which is drawn or dealt is recorded on the participant's

1 score card.

2 * * *

3 "Pyramid" or "build-up." Any of the following:

4 (1) A card game in which a prize must be returned in
5 order to play another game or to be eligible for another
6 bigger prize.

7 (2) A game in which the prize must be forfeited if a
8 later game is lost.

9 * * *

10 "Selective raffle." A game in which all of the following
11 occur:

12 (1) The participant buys a ticket or tickets for a
13 chance to win a donated prize.

14 (2) The participant places the ticket in a designated
15 location for the prize which the participant would like to
16 win.

17 (3) The winner for each prize is determined by a random
18 drawing of tickets with a corresponding number for the prize.

19 "Social card game" or "card game." A nonbanking card game
20 that is played by members at the licensed premises of an
21 eligible organization.

22 * * *

23 "Vertical wheel game." A game in which a participant places
24 a coin or token on a color, number or word or purchases a ticket
25 containing a color, number or word and watches a spinning
26 vertical wheel until the pointer of the wheel rests on a section
27 of the wheel designating a winner.

28 * * *

29 Section 2. The act is amended by adding a chapter to read:

30 CHAPTER 2

1 ELIGIBLE ORGANIZATIONS

2 Section 201. Social card games.

3 (a) Authorization.--Notwithstanding 18 Pa.C.S. (relating to
4 crimes and offenses), this act or any other law or regulation,
5 social card games may be played at the licensed premises of an
6 eligible organization in accordance with the requirements of
7 this chapter.

8 (b) Requirements.--The following shall apply:

9 (1) A card game must be played by and between members of
10 the eligible organization.

11 (2) The eligible organization or another person may not
12 have an interest in the outcome of a card game.

13 (3) A nonbanking card game must be played with members
14 playing against each other.

15 (4) Wagering shall be at the discretion of each player.

16 (5) The maximum prize or payout for a card game shall be
17 limited to \$100.

18 (6) The eligible organization may not charge a fee for
19 play.

20 (7) Not more than 10 members may play at a table in a
21 card game.

22 (8) A card game shall be played in a room set aside for
23 that activity at the licensed premises of the eligible
24 organization.

25 (9) Not more than five gaming tables may be made
26 available for the play of card games by the eligible
27 organization.

28 (10) An eligible organization or a person may not
29 collect, obtain or charge a percentage of or collect or
30 obtain a portion of a wager or winnings of a player in a card

1 game, except that a player may collect his winnings.

2 (11) An eligible organization or a person may not
3 collect, obtain money from or charge or impose a fee upon a
4 person that enables the person to play or results in or from
5 the person playing a card game. This paragraph shall not
6 preclude the collection of a membership fee by the eligible
7 organization that is unrelated to participation in the play
8 of a card game authorized under this chapter.

9 (12) An eligible organization that allows the use of its
10 premises for the play of card games by its members in
11 accordance with this chapter shall submit a schedule of the
12 proposed dates of the card games or a card game tournament to
13 the licensing authority.

14 (c) Posting.--An eligible organization that permits the play
15 of card games at its licensed premises shall prominently post
16 the following in close proximity to card game tables in the room
17 designated to play card games:

18 (1) The wagering limits for each type of card game.

19 (2) The rules of play.

20 (3) Information on where a person can obtain help for
21 problem gambling, including the telephone number for the
22 Pennsylvania Compulsive Gambling Hotline.

23 (d) Prohibitions.--

24 (1) It shall be unlawful for an eligible organization
25 to:

26 (i) Obtain or collect money or anything of value
27 from the conduct of card games at its licensed premises.

28 (ii) Knowingly permit a card game to be played in
29 violation of this chapter.

30 (iii) Fail to comply with the posting requirement in

1 accordance with subsection (c).

2 (iv) Engage in an act, practice or course of conduct
3 that would constitute fraud or deceit upon a player in a
4 card game.

5 (v) Allow a person under 21 years of age to play a
6 card game at its licensed premises.

7 (vi) Knowingly allow a person to employ or attempt
8 to employ a device, scheme or artifice to cheat or
9 defraud a player in a card game.

10 (2) A licensed organization that violates subparagraph
11 (i) shall be subject to the penalties imposed under section
12 702(d).

13 Section 202. Card game tournaments.

14 (a) Authorization.--Notwithstanding any other law or
15 regulation, an eligible organization may conduct nonbanking card
16 game tournaments. A card game tournament conducted by an
17 eligible organization shall comply with all of the following:

18 (1) Nonbanking card games must be played in a
19 tournament.

20 (2) A card game shall be conducted in a fair and honest
21 manner and may not be operated on a build-up or pyramid
22 basis.

23 (3) Each player in a tournament shall be given the same
24 chance of winning the tournament. Second-chance entries or
25 multiple entries shall be prohibited.

26 (4) An eligible organization shall conduct each
27 tournament and may not contract with or permit another person
28 to conduct the tournament or a card game during the
29 tournament.

30 (5) An eligible organization must receive or have a

1 fixed or contingent right to receive profit, remuneration or
2 compensation from or related to a card game in a tournament,
3 except for an amount that a person may win as a player on the
4 same basis as the other players.

5 (6) An eligible organization may not hold more than five
6 tournaments annually.

7 (7) An eligible organization may not hold a tournament
8 within seven calendar days of another tournament conducted by
9 the eligible organization.

10 (8) An eligible organization may hold one tournament
11 during a period of 24 consecutive hours, starting from the
12 time the tournament begins.

13 (9) At the conclusion of each tournament, the eligible
14 organization conducting the tournament shall announce the
15 name of the winning player and the amount of winnings.

16 (10) An eligible organization shall limit the number of
17 tables used in the tournament to not more than five with not
18 more than 10 players at each table.

19 (11) A tournament must be held in a room at the licensed
20 premises designated by the eligible organization for the
21 conduct of card games.

22 (12) A player in a tournament shall be limited to the
23 members of the eligible organization.

24 (13) A player must be 21 years of age or older.

25 (14) A tournament may not provide a direct financial
26 benefit to the eligible organization or another person,
27 except for a winning player in the tournament.

28 (15) The value of all prizes awarded for each
29 tournament, except for a Texas Hold'em tournament, may not
30 exceed \$200.

1 (16) For a tournament involving Texas Hold'em, all of
2 the following shall apply:

3 (i) The payment of an entry fee or other
4 consideration for participating shall be prohibited.

5 (ii) The value of all prizes awarded to an
6 individual winner of a tournament or contest at a single
7 table may not exceed \$200 each day.

8 (17) The eligible organization shall ensure that
9 reasonable accommodations are made for players with
10 disabilities.

11 (b) Required postings.--Notwithstanding subsection (a), an
12 eligible organization shall prominently post the tournament
13 rules on a sign in the tournament playing room at least 24 hours
14 before the tournament begins. The sign shall be at least 30
15 inches by 30 inches and the rules shall be easily readable. The
16 sign shall include all of the following:

17 (1) In permanent letters three inches high, the words
18 "Tournament Rules."

19 (2) Card game or games to be played in the tournament
20 and the rules of each card game.

21 (3) The prize for each card game and tournament.

22 (4) How winners will be determined.

23 (5) Any other tournament rules.

24 (c) Prizes.--Cash or merchandise prizes may be awarded for
25 each tournament. All of the following shall apply:

26 (1) The eligible organization shall distribute the
27 prizes awarded on the day the prizes are won.

28 (2) Donated or merchandise prizes may not be repurchased
29 by the eligible organization.

30 (3) No prize, except for a prize that can be won, may be

1 displayed in the room where the tournament will be held.

2 Section 3. Section 702(b) of the act, amended November 27,
3 2013 (P.L.1045, No.90) and November 27, 2013 (P.L.1062, No.92),
4 is amended to read:

5 Section 702. Enforcement.

6 * * *

7 (b) Bureau of Liquor Control Enforcement.--If the licensee
8 is a club licensee [or a licensee under Chapter 9], the Bureau
9 of Liquor Control Enforcement may enforce the provisions of this
10 act in accordance with subsection (g). An administrative law
11 judge under section 212 of the act of April 12, 1951 (P.L.90,
12 No.21), known as the Liquor Code, may impose the penalties under
13 subsection (d) following the issuance of a citation by the
14 bureau. The Bureau of Liquor Control Enforcement shall have no
15 jurisdiction to enforce the provisions of this act on any
16 special occasion permit holder under section 408.4 of the Liquor
17 Code. The Bureau of Liquor Control Enforcement shall retain all
18 powers and duties to enforce the provisions of the Liquor Code
19 on a special occasion permit holder.

20 * * *

21 Section 4. The definition of "net revenue" in section 902 of
22 the act, added November 27, 2013 (P.L.1045, No.90), is amended
23 and the section is amended by adding a definition to read:

24 Section 902. Definitions.

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

28 * * *

29 "Eating place licensee." An eating place as defined in
30 section 102 of the act of April 12, 1951 (P.L.90, No.21), known

1 as the Liquor Code, that is licensed to sell liquor under the
2 Liquor Code.

3 * * *

4 "Net revenue." As follows:

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

7 (i) the amount of the face value, as indicated by
8 the manufacturer, minus the cost of the game, collectible
9 by a licensee from a tavern game; and

10 (ii) the maximum amount of prizes payable, as
11 indicated by the manufacturer, by a licensee from a
12 tavern game.

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

16 * * *

17 Section 5. Sections 903, 904, 905, 906, 908.1, 909,
18 909.1(a), (c) and (h), 909.2(g), 912, 913 and 914 of the act,
19 added November 27, 2013 (P.L.1045, No.90), are amended to read:
20 Section 903. Licenses.

21 (a) Application.--A restaurant licensee or eating place
22 licensee may apply to the [board] department for a license to
23 conduct tavern games at a licensed premises located in a
24 municipality that has adopted a referendum to allow small games
25 of chance under section 703.

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

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

29 (2) A current tax lien certificate issued by the
30 department and a certificate from the Department of Labor and

1 Industry of payment of all workers' compensation and
2 unemployment compensation owed.

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

8 (4) Certified consent by the applicant, including each
9 owner and officer of the restaurant licensee or eating place
10 licensee, to a background investigation by the [bureau]
11 department.

12 (5) Relating to criminal information, disclosure of all
13 arrests and citations of the applicant, including nontraffic
14 summary offenses. The information shall include all of the
15 following:

16 (i) A brief description of the circumstances
17 surrounding the arrest or issuance of the citation.

18 (ii) The specific offense charged.

19 (iii) The ultimate disposition of the charge,
20 including any dismissal, plea bargain, conviction,
21 sentence[, pardon, expungement] or order of Accelerated
22 Rehabilitative Disposition.

23 (6) Financial interests and transactions as required by
24 the [bureau] department.

25 (7) Relating to citations of the applicant issued under
26 the Liquor Code.

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

29 (9) Any other information required by the [board]
30 department.

1 (c) Duty of [bureau] department.--The [bureau] department
2 shall conduct a background investigation of each applicant, the
3 scope of which shall be determined by the [bureau] department.

4 (d) Review.--Within six months of receipt of the background
5 investigation report from the [bureau] department, the [board]
6 department shall approve or disapprove the application.

7 (e) Background investigation.--Each applicant shall include
8 information and documentation as required to establish personal
9 and financial suitability, honesty and integrity. Information
10 shall include:

11 (1) [Criminal history record information.] A criminal
12 history record information check obtained from the
13 Pennsylvania State Police, as defined in 18 Pa.C.S. § 9102
14 (relating to definitions) and permitted by 18 Pa.C.S. §
15 9121(b) (relating to general regulations), for the applicant
16 or any other person required by the department.

17 (2) Financial background information.

18 (3) Regulatory history before the [board] department or
19 other Commonwealth agency.

20 (4) Other information required by the [bureau]
21 department.

22 (f) Personal interview.--If the [bureau] department
23 determines that the results of the background report
24 investigation warrant additional review of the individual, the
25 [bureau] department shall conduct a personal interview with the
26 applicant and may request information and interviews from other
27 personal or professional associates.

28 (g) Cooperation.--The applicant shall cooperate with the
29 [bureau] department as requested during the conduct of the
30 background investigation. Any refusal to provide the information

1 required under this section or to consent to a background
2 investigation shall result in the immediate denial of a license
3 by the [board] department.

4 (h) Costs.--The applicant shall reimburse the [bureau]
5 department for the actual costs of conducting the background
6 investigation. The [board] department shall not approve an
7 applicant that has not fully reimbursed the [bureau] department
8 for the investigation.

9 (i) Approval.--[The bureau shall transmit the investigative
10 report and may make a recommendation to the board.] The [board]
11 department shall review the information obtained under this
12 section to determine if the applicant possesses the following:

13 (1) Financial stability, integrity and responsibility.

14 (2) Sufficient business experience and ability to
15 effectively operate tavern games as part of the restaurant
16 licensee's operator or eating place licensee's operator.

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

19 (j) Disapproval.--The [board] department may disapprove the
20 issuance of a tavern gaming license for the following reasons:

21 (1) A license shall not be issued to a restaurant
22 licensee or eating place licensee whose liquor license is in
23 safekeeping pursuant to section 474.1 of the Liquor Code.

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

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

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

1 (ii) a one-year prohibition on the issuance or
2 transfer of a license under section 471(b) of the Liquor
3 Code.

4 Section 904. Application.

5 (a) Application fee.--An applicant shall pay the [board]
6 department a nonrefundable application fee of \$1,000.

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

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

13 (1) Charge an estimated amount to be provided prior to
14 the background investigation.

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

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

20 Section 905. Approval.

21 (a) Issuance.--Upon being satisfied that the requirements of
22 section 903 have been met, the [board] department may approve
23 the application and issue a tavern games license for a period of
24 one year. The [board] department may enter into an agreement
25 with the licensee concerning additional restrictions on the
26 license, and this agreement shall be binding on the licensee.
27 Failure of the licensee to adhere to the agreement will be cause
28 for penalties under section 913(c) and for the nonrenewal of the
29 license under section 913(f).

30 (b) Renewal.--A license shall be renewed annually. A license

1 renewal shall not require review of the [bureau, unless
2 requested by the board] department. The [board] department may
3 refuse to renew a tavern gaming license for the following
4 reasons:

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

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

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

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

16 (ii) a one-year prohibition on the issuance or
17 transfer of a license under section 471(b) of the Liquor
18 Code.

19 (c) Fee.--Upon approval, the applicant shall pay [a \$2,000]
20 an annual renewal license fee [to be deposited in the General
21 Fund] of \$500. The department shall deposit the annual renewal
22 license fee [shall be \$1,000] in the General Fund.

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

30 (e) Nontransferability.--A license shall be a grant of

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

6 Section 906. Change in ownership.

7 (a) Notice.--A licensee shall notify the [board] department
8 of a change of ownership of the premises or sale or transfer of
9 the restaurant license.

10 (b) Qualification.--The purchaser or transferee of the
11 assets or premises of a licensee must independently qualify for
12 a license[,] and pay the license fee [and undergo and pay fees
13 and costs for a background investigation] under section 903.

14 Section 908.1. Tavern raffle.

15 The following shall apply to a tavern raffle:

16 (1) No more than one tavern raffle may be held in a
17 calendar month.

18 (2) A tavern raffle must be held for a designated
19 charitable purpose.

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

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

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

27 (i) [Sixty] Fifty percent shall be paid to the
28 Commonwealth.

29 (ii) [Thirty-five] Forty-five percent may be
30 retained by the licensee.

1 (iii) Five percent shall be paid to the Commonwealth
2 and deposited into the restricted receipts account
3 established in section 909.3.

4 (6) A tavern raffle prize remaining unclaimed by a
5 winner 60 days after the tavern raffle was held shall be
6 donated by the licensee within 30 days to the designated
7 charitable organization for which the tavern raffle was
8 conducted.

9 Section 909. Distribution of net revenue.

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

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

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

17 (3) Five percent shall be paid to the Commonwealth and
18 deposited into the restricted receipts account established in
19 section 909.3.

20 Section 909.1. Tavern games tax.

21 (a) Imposition.--There is imposed a tax of [~~60%~~] 55% of the
22 net revenue from tavern games sold by a licensed distributor to
23 a licensee within this Commonwealth.

24 * * *

25 (c) Other games.--In an instance where the tavern game is
26 not required to be purchased from a licensed distributor under
27 this act, a tax of [~~60%~~] 55% is imposed upon the net revenue
28 from tavern daily drawings and tavern raffles under section
29 908.1 and must be paid to the Commonwealth by the licensee.

30 * * *

1 (h) Penalties and interest.--If a licensee or licensed
2 distributor fails to file the return required under subsection
3 (e) or fails to pay the tax imposed under subsection (a) or (c),
4 the department may do the following:

5 (1) assess the amount of tax due;

6 (2) impose and assess an administrative penalty equal to
7 10% of the tax due but unpaid for each quarter or fraction
8 thereof that the tax remains unpaid together with interest at
9 the rate established under section 806 of the act of April 9,
10 1929 (P.L.343, No.176), known as The Fiscal Code, on the tax
11 from the time the tax became due. The penalty provided in
12 this paragraph must be added to the tax and assessed and
13 collected at the same time and in the same manner as a part
14 of the tax. Unless otherwise specified, the tax must be
15 assessed, collected and enforced by the department under the
16 provisions of Article II of the act of March 4, 1971 (P.L.6,
17 No.2), known as the Tax Reform Code of 1971;

18 (3) [notify the board that a licensee has not filed
19 returns or has not paid tax. The board may] suspend or revoke
20 a licensee's license; or

21 (4) revoke a licensed distributor's license.

22 * * *

23 Section 909.2. Host municipality tavern games tax.

24 * * *

25 (g) Penalties and interest.--If a licensee or licensed
26 distributor fails to file the return required under subsection
27 (e) or fails to pay the tax imposed under subsection (a) or (c),
28 the department may do the following:

29 (1) assess the amount of tax due;

30 (2) impose and assess an administrative penalty equal to

1 10% of the tax due but unpaid for each quarter or fraction
2 thereof that the tax remains unpaid together with interest at
3 the rate established under section 806 of the act of April 9,
4 1929 (P.L.343, No.176), known as The Fiscal Code, on the tax
5 from the time the tax became due. The penalty provided in
6 this paragraph must be added to the tax and assessed and
7 collected at the same time and in the same manner as a part
8 of the tax. Unless otherwise specified, the tax must be
9 assessed, collected and enforced by the department under the
10 provisions of Article II of the act of March 4, 1971 (P.L.6,
11 No.2), known as the Tax Reform Code of 1971;

12 (3) [notify the board that a licensee has not filed
13 returns or has not paid tax. The board may] suspend or revoke
14 a licensee's license; or

15 (4) revoke a licensed distributor's license.

16 * * *

17 Section 912. Reports.

18 A licensee shall submit an annual report to the [board and
19 the] department for the preceding year on a form and in a manner
20 prescribed by the department. The department shall develop a
21 schedule for the submission of the annual report. The report
22 shall include:

23 (1) Prizes awarded as required under section 335 of the
24 act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform
25 Code of 1971.

26 [(2) Net revenue received from each tavern game
27 conducted, itemized by week.

28 (3) Amount of prizes paid from all tavern games,
29 itemized by week.]

30 (4) Amount of tax remitted to the department.

1 (5) Amount given to designated charities from tavern
2 raffles.

3 (6) Other information as required by the department.
4 Section 913. Enforcement.

5 (a) [Board] Department.--The [board] department may,
6 following notice and hearing, impose penalties or suspend or
7 revoke a license under this chapter.

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

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

15 (1) Up to [\$2,000] \$100 for an initial violation.

16 (2) Up to [\$3,000] \$500 for a second violation.

17 (3) Up to [\$5,000] \$1,000 for a third violation.

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

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

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

27 (1) In addition to any other sanctions the [board]
28 department may impose under this chapter [or under the Liquor
29 Code], the [board] department may, at its discretion,
30 suspend, revoke or deny renewal of any license issued under

1 this chapter if it receives any information from any source
2 and determines that:

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

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

7 (B) Furnished the [board] department with false
8 or misleading information.

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

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

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

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

29 (h) Violations.--

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

1 this chapter by a restaurant licensee or eating place
2 licensee shall not constitute a violation of the act of April
3 12, 1951 (P.L.90, No.21), known as the Liquor Code.

4 (2) If a restaurant licensee or eating place licensee
5 has committed four or more violations of this act, the bureau
6 may enforce a violation of this chapter as a violation of the
7 Liquor Code.

8 (3) A violation of this chapter shall not constitute a
9 violation of the Liquor Code for the purposes of section
10 471(c) of the Liquor Code.

11 Section 914. Prohibitions.

12 The following shall apply to any license authorized or issued
13 under this chapter:

14 (1) No license may be issued to a restaurant licensee or
15 eating place licensee whose place of business is located in a
16 licensed facility as defined in 4 Pa.C.S. § 1103 (relating to
17 definitions).

18 (2) No license may be issued to a place of business on
19 the grounds of a facility where a major league sports team
20 conducts games or races.

21 (3) No license may be issued to a place of business that
22 has been decreed a nuisance pursuant to section 611 of the
23 act of April 12, 1951 (P.L.90, No.21), known as the Liquor
24 Code.

25 (4) The [board] department shall be prohibited from
26 issuing a license to any person who has been convicted of a
27 felony offense or misdemeanor gambling offense in any
28 jurisdiction unless 15 years have elapsed from the date of
29 conviction of the offense.

30 (5) It shall be unlawful for an individual under 21

1 years of age to play or attempt to play or otherwise
2 participate in a tavern game.

3 (6) It shall be unlawful for a licensee to permit an
4 employee under 18 years of age to operate tavern games.

5 (7) It shall be unlawful for an owner, officer or
6 employee of a licensee to sell, operate or otherwise
7 participate in the conduct of tavern games if the employee
8 has been convicted in any jurisdiction of a felony or a
9 misdemeanor gambling offense unless 15 years have elapsed
10 from the date of conviction of the offense.

11 (8) It shall be unlawful for an owner or officer of a
12 licensee or for an employee of the licensee who operates the
13 tavern game to participate in the game. This paragraph shall
14 not apply to a raffle.

15 Section 6. This act shall take effect in 60 days.