
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1682 Session of
2019

INTRODUCED BY KORTZ, BARRAR, HILL-EVANS, MILLARD, READSHAW,
SAINATO, SAYLOR, IRVIN AND MASSER, JUNE 27, 2019

REFERRED TO COMMITTEE ON GAMING OVERSIGHT, JUNE 27, 2019

AN ACT

1 Amending Title 4 (Amusements) of the Pennsylvania Consolidated
2 Statutes, in general provisions relating to video gaming,
3 further providing for definitions; in application and
4 licensure, further providing for establishment licenses and
5 for issuance and renewal; and, in operation, further
6 providing for video gaming limitations, for hours of
7 operation and for terminal placement agreements.

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

10 Section 1. The definitions of "establishment license,"
11 "establishment licensee" and "inducement" in section 3102 of
12 Title 4 of the Pennsylvania Consolidated Statutes are amended
13 and the section is amended by adding definitions to read:

14 § 3102. Definitions.

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

18 * * *

19 "Establishment." A liquor establishment or truck stop
20 establishment.

1 "Establishment license." A license issued by the board
2 authorizing a truck stop establishment or liquor establishment
3 to permit a terminal operator licensee to place and operate
4 video gaming terminals on the truck stop establishment's or
5 liquor establishment's premises under this part and the rules
6 and regulations promulgated under this part.

7 "Establishment licensee." A truck stop establishment or
8 liquor establishment that holds an establishment license.

9 * * *

10 "Inducement."

11 (1) Any of the following:

12 (i) Consideration paid directly or indirectly, from
13 a manufacturer, supplier, terminal operator, procurement
14 agent, gaming employee, employee or another person on
15 behalf of an applicant or anyone licensed under this
16 part, to a truck stop establishment, liquor
17 establishment, establishment licensee, establishment
18 licensee owner or an employee of the establishment
19 licensee, directly or indirectly as an enticement to
20 solicit or maintain the establishment licensee or
21 establishment licensee owner's business.

22 (ii) Cash, incentive, marketing and advertising
23 cost, gift, food, beverage, loan, prepayment of gross
24 terminal revenue and other contribution or payment that
25 offsets an establishment licensee's operational costs, or
26 as otherwise determined by the board.

27 (2) The term shall not include costs paid by a terminal
28 operator applicant or terminal operator licensee related to
29 making video gaming terminals operate at the premises of an
30 establishment licensee, including wiring and rewiring,

1 software updates, ongoing video gaming terminal maintenance,
2 redemption terminals, network connections, site controllers
3 and costs associated with communicating with the central
4 control computer system.

5 * * *

6 "Liquor establishment." A person that operates under a valid
7 club, eating place or restaurant liquor or brewery license under
8 Article IV of the act of April 12, 1951 (P.L.90, No.21), known
9 as the Liquor Code. The term does not include a grocery store,
10 hotel, nonprimary location or restaurant whose place of business
11 is located in a licensed facility or a liquor establishment
12 whose liquor sales for off-premises consumption exceeds 50% of
13 total sales.

14 * * *

15 "Nonprimary location." A facility in which pari-mutuel
16 wagering is conducted by a licensed racing entity under 3
17 Pa.C.S. Ch. 93 Subch. B (relating to racing oversight) other
18 than the racetrack where live racing is conducted.

19 Section 2. Sections 3514(a) and (f) and 3516(a)(1) of Title
20 4 are amended to read:

21 § 3514. Establishment licenses.

22 (a) General requirements.--A truck stop establishment or
23 liquor establishment that submits an application for an
24 establishment license shall include at a minimum:

25 (1) The name, address and photograph of the applicant
26 and additional financial information required by the board.

27 (2) A description of the proposed surveillance and
28 security measures to ensure the security of the proposed
29 video gaming area.

30 (3) A current tax lien certificate issued by the

1 department.

2 (4) The criminal history record of the applicant,
3 principal and key employees and a consent for the bureau to
4 conduct a background investigation on the applicant,
5 principals and key employees.

6 (5) Other information determined to be appropriate by
7 the board.

8 (f) Requirement.--In order to be eligible for an
9 establishment license, a truck stop establishment or liquor
10 establishment must be licensed as a lottery sales agent under
11 section 305 of the act of August 26, 1971 (P.L.351, No.91),
12 known as the State Lottery Law, and licensed to take any actions
13 authorized by the designation.

14 § 3516. Issuance and renewal.

15 (a) Issuance.--

16 (1) In addition to any other criteria provided under
17 this part, any terminal operator, truck stop establishment,
18 liquor establishment supplier, manufacturer, gaming employee,
19 key employee, principal or other person that the board
20 approves as qualified to receive a license, permit or other
21 authorization under this part shall be issued a license or
22 permit upon the payment of a fee required in section 4101
23 (relating to fees) and upon the fulfillment of conditions
24 required by the board or provided for in this part.

25 * * *

26 Section 3. Sections 3702(a)(1) and (b)(6) of Title 4 are
27 amended and subsection (a) is amended by adding a paragraph to
28 read:

29 § 3702. Video gaming limitations.

30 (a) Establishment licensee limitations.--An establishment

1 licensee may offer video gaming terminals for play within its
2 premises, subject to the following:

3 (1) No more than five video gaming terminals may be
4 placed on the premises of the [establishment licensee] truck
5 stop establishment.

6 (1.1) No more than three video gaming terminals may be
7 placed on the premises of the liquor establishment.

8 * * *

9 (b) Terminal operator licensee limitations.--A terminal
10 operator licensee may place and operate video gaming terminals
11 on the premises of an establishment licensee, subject to the
12 following:

13 * * *

14 (6) No terminal operator licensee may give or offer to
15 give, directly or indirectly, any type of inducement to a
16 truck stop establishment or liquor establishment to secure or
17 maintain a terminal placement agreement.

18 * * *

19 Section 4. Sections 3703 and 3704(f) of Title 4 are amended
20 to read:

21 § 3703. [(Reserved).] Hours of operation.

22 An establishment licensee that is also a liquor establishment
23 may only permit the play of video gaming terminals during the
24 hours in which the liquor establishment is authorized by the
25 Pennsylvania Liquor Control Board to sell alcoholic beverages.

26 § 3704. Terminal placement agreements.

27 * * *

28 (f) Void agreements.--

29 (1) An agreement entered into by a truck stop
30 establishment prior to the effective date of this section

1 with a person or entity for the placement, operation, service
2 or maintenance of video gaming terminals, including an
3 agreement granting a person or entity the right to enter into
4 an agreement or match any offer made after the effective date
5 of this section shall be void and may not be approved by the
6 board.

7 (2) An agreement entered into by a liquor establishment
8 prior to the effective date of this paragraph with a person
9 or entity for the placement, operation, service or
10 maintenance of video gaming terminals, including an agreement
11 granting a person or entity the right to enter into an
12 agreement or match any offer made after the effective date of
13 this paragraph shall be void and may not be approved by the
14 board.

15 * * *

16 Section 5. This act shall take effect in 60 days.