

Title 58—RECREATION

PENNSYLVANIA GAMING CONTROL BOARD

[58 PA. CODE CHS. 439, 441 AND 463]

Temporary Regulations; Slot Machines and Junket Enterprises

The Pennsylvania Gaming Control Board (Board), under 4 Pa.C.S. § 1202(b)(14) (relating to general and specific powers), adopts temporary regulations to facilitate implementation of 4 Pa.C.S. Part II (relating to gaming), enacted by the act of July 5, 2004 (P. L. 572, No. 71) (Act 71). The Board's temporary regulations will be added to Part VII (relating to Gaming Control Board). Chapter 439, entitled junket enterprises, is added to Subpart B, entitled licensing, registering, certifying and permitting. Section 441.18, entitled change in ownership or control of slot machine licensee and multiple slot machine license prohibition, is added to Chapter 441, slot machine licenses, of Subpart C, entitled slot machine licensing. Chapter 463, entitled possession of slot machines is added to Subpart E, entitled slot machine testing, certification and control.

Purpose and Background

Under 4 Pa.C.S. § 1203 (relating to temporary regulations), the Board is required to promulgate temporary regulations in order to facilitate the prompt implementation of Act 71. The regulations are necessary to enhance the credibility of the licensed operation of slot machines and associated equipment within this Commonwealth and to carry out the policy and purposes of the Board. In adopting these temporary regulations, the Board has considered the public comments submitted to the Board. The Board has also reviewed the regulatory practices of other Commonwealth agencies and other gaming jurisdictions.

To promulgate the temporary regulations in accordance with customary rulemaking procedure, the Board published its draft regulations at 35 Pa.B. 5621 (October 8, 2005) and 35 Pa.B. 5941 (October 22, 2005). Thirty-day public comment periods were provided.

Under 4 Pa.C.S. § 1203, the temporary regulations adopted by the Board expire no later than 3 years following the effective date of 4 Pa.C.S. Part II or upon promulgation of regulations as generally provided by the law. These temporary regulations are not subject to sections 201—205 of the act of July 31, 1968 (P. L. 769, No. 240) (45 P. S. §§ 1201—1205), known as the Commonwealth Documents Law (CDL), or to the Regulatory Review Act (71 P. S. §§ 745.1—745.15).

Comment

The Board received public comment from approximately seven interested parties, including industry representatives and citizens. The Board thoroughly reviewed and considered all comments submitted. Public comments received by the Board are available for review on the Board's website, www.pgcb.state.pa.us. These comments and the Board's responses are published on the Board's website.

Paperwork

The Board will publish junket applications and other necessary forms for the administration of licensing junkets. The Board is developing a docket process to monitor and track submitted applications.

Financial Impact

Act 71 and the regulations will provide for the implementation and management of gaming within this Commonwealth and the collection of fees and taxes from entities and individuals authorized by the Board to be employed by, provide gaming related services to or operate gaming facilities.

The appropriations from the Commonwealth for the implementation of Act 71 and costs of administering 4 Pa.C.S. Part II will be reimbursed by the licensed gaming entities as specified within Act 71. Individuals and entities that wish to obtain licenses as gaming entities shall pay to the gaming fund significant licensing fees to obtain the authority to do business in this Commonwealth. Part of these fees shall reimburse the Board and the Pennsylvania State Police for licensing processes and background investigations. The licensing and registration of individuals and other classes of licensees will be reimbursed by the individuals or licensees through fees established by the Board.

It is anticipated that all expenses of the Board and all associated activities shall be reimbursed by the applicants and gaming entities as previously specified. The Board shall have no financial impact on the State budget.

Statutory Authority

The Board is authorized under 4 Pa.C.S. § 1203 to adopt and publish temporary regulations to implement the policies and purposes of Act 71.

Regulatory Review

Under 4 Pa.C.S. § 1203, the Board's authority to adopt temporary regulations will expire 2 years from the effective date of 4 Pa.C.S. Part II.

Findings

The Board finds that:

(1) Under 4 Pa.C.S. § 1203, the temporary regulations are exempt from the requirements of the Regulatory Review Act and sections 201—205 of the CDL.

(2) A 30-day public comment period was held prior to the adoption of the temporary regulations. All comments received by the Board were reviewed and considered.

(3) The adoption of the temporary regulations provided by this order is necessary and appropriate for the administration of the authorizing statute.

Order

The Board, acting under the authorizing statute, orders that:

(a) The Board acting under the authority of the Act 71, adopts as its final-form temporary regulations, the draft regulations adopted by resolution at the November 17, 2005, public meeting. The temporary regulations pertain to change in ownership or control of slot machine licenses and multiple slot machine license prohibition, possession and movement of slot machines within this Commonwealth and the licensing of junket enterprises.

(b) The following temporary regulations of the Board, 58 Pa. Code Chapters 439, 441 and 463, are added: §§ 439.1—439.11, 441.18 and 463.1—463.6 to read as set forth in Annex A.

(c) The temporary regulations are effective November 17, 2005.

(d) The temporary regulations shall be posted in their entirety on the Board's website and published in the *Pennsylvania Bulletin*.

(e) The temporary regulations shall be subject to amendment as deemed necessary by the Board in accordance with the purpose of Act 71 and to further the intent of the Act 71.

(f) The Chairperson of the Board shall certify this order and deposit the regulations with the Legislative Reference Bureau as required by law.

THOMAS A. DECKER,
Chairperson

Fiscal Note: 125-10. No fiscal impact; (8) recommends adoption.

Annex A

TITLE 58. RECREATION

PART VII. GAMING CONTROL BOARD

Subpart B. LICENSING, REGISTERING, CERTIFYING AND PERMITTING

CHAPTER 439. JUNKET ENTERPRISES

Sec.	
439.1.	Definitions.
439.2.	Junket enterprise license requirements.
439.3.	Junket enterprise license form.
439.4.	Junket representatives.
439.5.	Junket enterprise representative registration.
439.6.	Junket schedules.
439.7.	Junket arrival report.
439.8.	Junket final report.
439.9.	Monthly junket report.
439.10.	Purchase of patron lists.
439.11.	Junket prohibitions.

§ 439.1. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Compensation—Any form of remuneration whatsoever, including:

- (i) The payment of cash.
- (ii) The forgiveness or forbearance of a debt.
- (iii) The direct or indirect provision of a product, service or item without charge or for less than full value.

Complimentary accommodations—

- (i) A hotel accommodation provided to a person at no cost, or at a reduced price not generally available to the public under similar circumstances.
- (ii) The term includes any hotel room provided to a person at a reduced price due to the anticipated or actual gaming activities of that person.

Complimentary service or item—A service or item provided directly or indirectly by a slot machine licensee at no cost or at a reduced price.

Junket—

- (i) An arrangement made between a slot machine licensee and a junket enterprise or its junket representative, the purpose of which is to induce any person, selected or approved, to come to a licensed facility for the purpose of gambling and pursuant to which, and as consideration for which, any or all of the cost of transportation, food, lodging and entertainment for that person is directly or indirectly paid by a slot machine licensee. The person shall be selected or approved on the basis of one or more of the following:

(A) The ability to satisfy a financial qualification obligation related to the person's ability or willingness to gamble, which shall be deemed to occur whenever a person, as an element of the arrangement is required to perform one or more of the following:

- (I) Establish a customer deposit with a slot machine licensee.
- (II) Demonstrate to a slot machine licensee the availability of a specified amount of cash or cash equivalent.
- (III) Gamble to a predetermined level at the licensed facility.
- (IV) Comply with any similar obligation.

(B) The propensity to gamble, which shall be deemed to occur whenever that person has been selected or approved on the basis of one or more of the following:

- (I) The previous satisfaction of a financial qualification obligation in accordance with the provisions of clause (A).
- (II) An evaluation that the person has a tendency to participate in gambling activities as the result of:

(-a-) An inquiry concerning the person's tendency to gamble.

(-b-) Use of other means of determining that the person has a tendency to participate in gambling activities.

(ii) A rebuttable presumption that a person has been selected or approved for participation in an arrangement on a basis related to the person's propensity to gamble shall be created whenever the person is provided with one or more of the following:

(A) Complimentary accommodations as part of the arrangement.

(B) Complimentary food, entertainment or transportation which has a value of \$200 or more.

Junket enterprise—A person, other than a slot machine licensee, who employs or otherwise engages the services of a junket representative in connection with a junket to a licensed facility, regardless of whether or not the activities occur within this Commonwealth.

Junket representative—

(i) A natural person who negotiates the terms of, engages in the referral, procurement or selection of persons who may participate in any junket to a licensed facility, regardless of whether or not those activities occur within this Commonwealth.

(ii) A gaming employee of a slot machine licensee who performs the duties and functions listed in subparagraph (i) for the licensed facility is not a junket representative.

§ 439.2. Junket enterprise license requirements.

(a) Each slot machine licensee shall file a Junket Enterprise License Form with the Board to conduct business with a junket enterprise.

(b) Junket Enterprise License Forms shall be submitted by a slot machine licensee or applicant with a verification provided by the slot machine licensee or applicant that the junket enterprise's services will be utilized at the licensed facility.

(c) A junket enterprise shall be licensed as a junket enterprise prior to a slot machine licensee permitting a junket involving that junket enterprise to arrive at its licensed facility. A junket enterprise shall be considered "involved" in a junket to a licensed facility if it receives any compensation whatsoever from any person as a result

of the conduct of the junket. A slot machine licensee may not engage the services of any junket enterprise which has not been licensed.

§ 439.3. Junket enterprise license form.

A Junket Enterprise License Form must consist of an application processing fee and be in a format prescribed by the Board requesting the following information:

- (1) Any official or trade name used.
- (2) Current and former business addresses.
- (3) Telephone number.
- (4) The location of the applicant's business, a description of the type of junket services to be provided, a description of the geographic area from which the junkets will originate and the name of the slot machine licensees or applicants to which junkets will be provided.
- (5) Federal Employer Identification Number/Tax Identification Number.
- (6) Whether the junket enterprise is minority- or women-owned and controlled and the junket enterprise certification number, under Chapter 481 (relating to general provisions).
- (7) The form of business and a copy of the certificate of incorporation, charter, by-laws, partnership agreement, trust agreement or other basic documentation of the junket enterprise.
- (8) The date on which a formal acceptance of the agreement to conduct business with a slot machine licensee or applicant occurred and a copy of the agreement or in the absence of a written agreement, a description thereof, including the expected duration and compensation.
- (9) The names and addresses of all subsidiaries.
- (10) Whether the applicant has had any registration, license, permit or certificate granted, denied, suspended, conditioned or revoked by any government agency in this Commonwealth or any other jurisdiction, the nature of the registration, license, permit or certificate, the agency and its location, the date of the action and the facts related thereto.
- (11) The names, addresses, title or position, date of birth and information concerning any gaming licenses, registrations or permits previously or currently applied for in any jurisdiction, for each of the following:
 - (i) Any individual who entered into the agreement with or will deal directly with the slot machine licensee or applicant, including junket representatives; the immediate supervisors of the persons; and all persons responsible for the office out of which the junket representatives and supervisors work.
 - (ii) Any officer, partner or director who will be involved in the conduct of the junket business with the slot machine licensee or applicant.
 - (iii) If the junket enterprise is a sole proprietorship, the sole proprietor.
 - (iv) Each beneficial owner of more than 5% of the junket enterprise and the percentage of that ownership.
- (12) The name, address and percentage of ownership of each entity directly owning more than 5% of the junket enterprise or its business.
- (13) A Junket Enterprise License Form for the applicant and any key employee qualifier that is an entity, and for each affiliate, intermediary, subsidiary and holding company of the applicant.

(14) A Junket Enterprise Representative Registration for each junket representative, key employee qualifier who is a natural person and key employee.

(15) The applicant's Federal tax returns and related documents for the 3 years, State tax returns, when appropriate, and related documents for the 1 year preceding application.

(16) Information regarding any judgments or petitions for bankruptcy or insolvency and any relief sought under any provision of the Federal Bankruptcy Act or any state insolvency law.

(17) Information regarding any civil, criminal, administrative and investigatory proceedings relating to the applicant and its key employees and key employee qualifiers.

(18) A diversity plan as set forth in section 1325(b) of the act (relating to license or permit issuance) and Chapter 481, signed by the chief executive officer of the applicant.

(19) The name, position or title and signature of the individual who supplied the information in the Junket Enterprise License Form.

(20) Properly executed forms for consents to inspections, searches and seizures; waivers of liability for disclosures of information and consents to examination of accounts and records in forms as prescribed by the Board.

(21) Additional information requested by the Board.

§ 439.4. Junket representatives.

(a) A person may not act as a junket representative in connection with a junket to a licensed facility unless the person has been registered as a junket representative and is employed by a junket enterprise that has been licensed by the Board.

(b) A junket representative may only be employed by one junket enterprise at a time. For the purposes of this section, to qualify as an employee of a junket enterprise, a junket representative shall:

(1) Receive all compensation for his services as a junket representative within this Commonwealth through the payroll account of the junket enterprise.

(2) Exhibit all other appropriate indicia of genuine employment, including Federal and State taxation withholdings.

(c) A junket enterprise may not employ or otherwise engage the services of a junket representative except in accordance with this section.

§ 439.5. Junket enterprise representative registration.

(a) Junket Enterprise Representatives shall register with the Board.

(b) An application for a Junket Enterprise Representative Registration must be on a form prescribed by the Board and include the following:

(1) The name and address of the individual, to include the home address and residence history and all business addresses.

(2) Daytime and evening telephone numbers.

(3) Date of birth.

(4) Physical description of the applicant.

(5) Social Security number.

(6) Citizenship, and, if applicable, resident alien status, including employment authorization.

(7) Marital status.

(8) Military history.

(9) Employment history, including gaming-related employment and contact information for prior employers.

(10) Education history.

(11) Family and marital history, including any current court orders relating to alimony, spousal support or child support.

(12) Credit history.

(13) History of insurance claims relating to the business activities of the applicant.

(14) Information relating to any health-related issues involving alcohol or controlled substances.

(15) A list of at least five references, to include contact information for each.

(16) Verification of the applicant's employment or an offer of employment from a junket enterprise.

(17) A description of the employment responsibilities of the individual and their relationship to the junket enterprise and of all education, training and experience that qualifies the individual for the position.

(18) A signed, dated and notarized release authorization necessary to obtain information from governmental agencies and other institutions about the applicant.

(19) A description of the individual's criminal history records information and arrests or criminal charges brought against the individual.

(20) A photograph that meets the requirements prescribed by the Board.

(21) A set of fingerprints taken by the Pennsylvania State Police or a criminal justice agency designated by the Pennsylvania State Police and transmitted to the Pennsylvania State Police.

(22) A list of civil judgments consistent with section 1310(b) of the act (relating to slot machine license application character requirements).

(23) Details relating to any similar licenses obtained in other jurisdictions.

(24) A tax clearance and lien review from the Department.

(25) A nonrefundable application processing fee.

(26) Additional information requested by the Board.

(c) In addition to the information under subsection (b), the Board may require letters of reference from law enforcement agencies under section 1310(b) of the act (relating to slot machine license application character requirements).

(d) After review of the information submitted under subsections (b) and (c), including a background investigation, the Board may issue a Junket Enterprise Representative Registration if the individual has proven that he is a person of good character, honesty and integrity and is qualified to hold a Junket Enterprise Representative Registration.

(e) An individual who wishes to receive a Junket Enterprise Representative Registration under this chapter may provide the junket enterprise with written authorization to file the application on the individual's behalf.

(f) A Junket Enterprise Representative Registration issued under this section is be nontransferable.

(g) The Board may issue, renew or deny a Junket Enterprise Representative Registration under this section, consistent with 18 Pa.C.S. § 9124 (relating to use of records by licensing agencies).

(1) If the Board provides an individual with the opportunity to demonstrate rehabilitation, the individual shall provide certification from the Pennsylvania Board of Probation and Parole or the county probation and parole office, whichever is applicable, that all obligations for restitution, fines and penalties have been met.

(i) The Board will provide notice to the district attorney of the individual's county of residence of the individual's request for a determination of rehabilitation.

(ii) The district attorney shall have 15 days from receipt of the notice to provide input into the determination.

(2) For an individual with out-of-State convictions, if the Board provides the individual with the opportunity to demonstrate rehabilitation, the individual shall provide certification from the equivalent state or county board of probation or parole, whichever is applicable that all obligations for restitution, fines and penalties have been met.

(i) The Board will provide notice to the district attorney or equivalent thereof of the individual's place of residence of the individual's request for a determination of rehabilitation.

(ii) The district attorney or equivalent thereof shall have 15 days from receipt of the notice to provide input into the determination.

(h) Nothing in subsection (g) shall be construed to authorize the issuance of a Junket Enterprise Representative Registration to an applicant who has been convicted of an offense under 18 Pa.C.S. (relating to crimes and offenses) or the criminal laws of any other jurisdiction which conviction indicates that the issuance of the Junket Enterprise Representative Registration to the applicant would be inimical to the public policy of the act or this part.

§ 439.6. Junket schedules.

(a) A junket schedule shall be prepared by a slot machine licensee for each junket that is arranged through a junket enterprise or its junket representative.

(b) A junket schedule shall be filed with the Board's Bureau of Corporate Compliance and Internal Controls by the slot machine licensee by the 15th day of the month preceding the month in which the junket is scheduled. If a junket for which a junket schedule is required by subsection (a) is arranged after the 15th day of the month preceding the arrival of the junket, an amended junket schedule shall be immediately filed with the Bureau of Corporate Compliance and Internal Controls by the slot machine licensee.

(c) Junket schedules shall be certified by an employee of the slot machine licensee and shall include:

(1) The origin of the junket.

(2) The number of participants in the junket.

(3) The arrival time and date of the junket.

(4) The departure time and date of the junket.

(5) The name and registration number of all junket representatives and the name and vendor license number of all junket enterprises involved in the junket.

(d) Any change in the information which occurs after the filing of a junket schedule or amended junket schedule with the Bureau of Corporate Compliance and Internal Controls shall be immediately reported in writing to the Bureau of Corporate Compliance and Internal Controls by the slot machine licensee. These changes, plus any other material change in the information provided in a junket schedule, shall also be noted on the arrival report.

(e) Filings required by this section shall be made at locations to be designated by the Bureau of Corporate Compliance and Internal Controls.

§ 439.7. Junket arrival report.

(a) A junket arrival report shall be prepared by a slot machine licensee for each junket arranged through a junket enterprise or its junket representative with whom the slot machine licensee does business, which involves one of the following:

- (1) A junket enterprise.
- (2) An offer of complimentary services or items which have a value in excess of \$200 per participant.
- (3) Complimentary accommodations.

(b) Junket arrival reports shall be maintained by the slot machine licensee on the premises of its licensed facility in compliance with the following:

(1) A junket arrival report involving complimentary accommodations shall be prepared within 12 hours of the arrival of the junket participant.

(2) A junket arrival report prepared under to subsection (a)(1) or (2) shall be filed by 5 p.m. of the next calendar business day following arrival. A junket arrival which occurs after 12 a.m. but before the end of the gaming day shall be deemed to have occurred on the preceding calendar day. For the purposes of this section, a business day shall be defined as any day except a Saturday, Sunday or State and Federal holiday.

(c) Junket arrival reports shall be certified by an employee of the slot machine licensee and shall include:

(1) A junket guest manifest listing the names and addresses of junket participants.

(2) Information required which has not been previously provided to the Bureau of Corporate Compliance and Internal Controls in a junket schedule pertaining to that particular junket, or an amendment thereto.

§ 439.8. Junket final reports.

(a) A final report shall be prepared by a slot machine licensee for each junket for which the slot machine licensee was required to prepare either a junket schedule or a junket arrival report.

(b) A final report shall be placed in its files within 7 days of the completion of the junket.

(c) A final report must include:

- (1) The actual amount of complimentary services and items provided to each junket participant.
- (2) Additional information requested by the Board.

§ 437.9. Monthly junket report.

Each slot machine licensee shall, on or before the 15th day of the month, prepare and file with the Board a

monthly junket report listing the name and registration number of each person who performed the services of a junket representative during the preceding month. The report shall be maintained by the slot machine licensee on the premises of its licensed facility and made available to the Bureau of Corporate Compliance and Internal Controls for inspection.

§ 437.10. Purchase of patron lists.

(a) Each slot machine licensee, junket representative and junket enterprise shall prepare and maintain a report with respect to each list of names of junket patrons or potential junket patrons purchased from or for which compensation was provided to any source whatsoever.

(b) The report required by subsection (a) must include:

- (1) The name and address of the person or enterprise selling the list.
- (2) The purchase price paid for the list or any other terms of compensation related to the transaction.
- (3) The date of purchase of the list.

(c) The report required by subsection (a) shall be filed as soon as is practicable at a location to be designated by the Bureau of Corporate Compliance and Internal Controls, but the report may not be filed later than 7 days after the receipt of the list by the purchaser.

§ 439.11. Junket prohibitions.

A junket enterprise or junket representative may not:

- (1) Engage in collection efforts.
- (2) Individually receive or retain any fee from a patron for the privilege of participating in a junket.
- (3) Pay for any services, including transportation or other items of value, provided to or for the benefit of any patron participating in a junket, unless otherwise disclosed to and approved by the Board.
- (4) Extend credit to or on behalf of any patron participating in a junket.

Subpart C. SLOT MACHINE LICENSING

CHAPTER 441. SLOT MACHINE LICENSES

§ 441.18. Change in ownership or control of slot machine licensee and multiple slot machine license prohibition.

(a) Under sections 1301 and 1304 of the act (relating to authorized slot machine licenses; and category 1 slot machine license), an applicant for an initial Category 2 slot machine license under section 1301 of the act, its affiliate, intermediary, subsidiary or holding company, may not possess any ownership or financial interest in any person eligible to apply for a Category 1 slot machine license or its affiliates, intermediaries, subsidiaries or holding companies.

(b) Pursuant to a change in ownership or control of a slot machine licensee under section 1328 of the act (relating to change in ownership or control of slot machine licensee) and in accordance with section 1330 of the act (relating to multiple slot machine license prohibition), a slot machine licensee, including its affiliates, intermediaries, subsidiaries and holding companies, is prohibited from possessing an ownership or financial interest in any other slot machine licensee or in any other person eligible to apply for a Category 1 slot machine license or its affiliates, intermediaries, subsidiaries or holding companies that exceeds 33.3%.

(c) Nothing in subsection (b) prevents a slot machine licensee from possessing ownership or financial interests of 33.3% or less, in multiple slot machine licensees or in persons eligible to apply for a Category 1 slot machine license or their respective affiliates, intermediaries, subsidiaries or holding companies.

(d) If a slot machine licensee or its affiliates, intermediaries, subsidiaries or holding companies has an ownership or financial interest in another slot machine licensee that is in violation of subsection (a) or (b), the licensee will be required to divest that interest which is in excess of 33.3% in compliance with section 1330 of the act.

(e) Nothing in this section concerning ownership or financial interests applies to contractual interests including those in the nature of management contracts, options to purchase exercisable after the initial license has been issued or leases.

Subpart E. SLOT MACHINE TESTING, CERTIFICATION AND CONTROL

CHAPTER 463. POSSESSION OF SLOT MACHINES

463.1.	Possession of slot machines generally.
463.2.	Transportation of slot machines into, within, and out of this Commonwealth.
463.3.	Slot machine location.
463.4.	Connection to the central computer system.
463.5.	Slot machine master list.
463.6.	Notice to central computer system.

§ 463.1. Possession of slot machines generally.

(a) Except as otherwise provided in this section and 18 Pa.C.S. § 5513 (relating to gambling devices, gambling, etc.), a person may not possess within this Commonwealth any slot machine which may be used for gambling activity.

(b) The following persons and any employee or agent acting on their behalf may, subject to any terms and conditions imposed by the Board, possess slot machines in this Commonwealth for the purposes described in this chapter provided that the slot machines are stored in a secure location as specifically approved in writing by the Board and that any slot machines located outside of a licensed facility not be used for gambling activity:

(1) The holder of:

(i) A slot machine license, for the purpose of maintaining for use, training or actually using the machines in the operation of a licensed facility.

(ii) A manufacturer license for the purpose of manufacturing, exhibiting, demonstrating, training, or preparing for transfer to a supplier licensee.

(iii) A supplier license for the purpose of distributing, repairing, servicing, exhibiting or demonstrating slot machines and any training with regard thereto.

(2) An educational institution, as authorized in writing by the Board, for the purpose of teaching slot machine design, operation, repair or servicing.

(3) A manufacturer or supplier of slot machines not licensed within this Commonwealth, as authorized in writing by the Board, for the limited purpose of temporary exhibition or demonstration of same.

(4) A common carrier, for the purpose of transporting slot machines in accordance with provisions of § 463.2 (relating to the transportation of slot machines into, within and out of this Commonwealth).

(5) An employee or agent of the Board, the Pennsylvania State Police or any law enforcement agency of the

Commonwealth for the purpose of fulfilling official duties or responsibilities.

(6) Other persons authorized in writing by the Board upon a finding that the possession of slot machines by those persons in this Commonwealth is not contrary to the goals and objectives of the act.

§ 463.2. Transportation of slot machines into, within and out of this Commonwealth.

In furtherance of section 1511 of the act (relating to the Declaration of exemption from federal laws prohibiting slot machines), prior to the transport or movement of any slot machine into this Commonwealth, from one person authorized to possess slot machines under § 463.1 (relating to possession of slot machines generally) to another person so authorized within this Commonwealth or transport or movement out of this Commonwealth, those persons causing the slot machine to be transported or moved shall first notify the Board's Director of Gaming Laboratory Operations, in writing or in an electronic format approved by the Board. The notice shall be submitted no later than the day the slot machine is transported or moved and include the following information:

(1) The name and address of the person shipping or moving the slot machine.

(2) The name and address of the person who owns the slot machine, if different from the person shipping or moving the machine.

(3) The name and address of any new owner in the event ownership is being changed in conjunction with the shipment or movement, if applicable.

(4) The method of shipment or movement and the name and address of the common carrier or carriers, if applicable.

(5) The name and address of the person to whom the slot machine is being sent and the destination of the slot machine, if different from that address.

(6) The quantity of slot machines being shipped or moved and the manufacturer's serial number of each machine.

(7) The expected date and time of delivery to, or removal from, any authorized location within this Commonwealth.

(8) The port of entry, or exit, if any, of the slot machine if the origin or destination of the slot machine is outside the continental United States.

(9) The reason for transporting or moving the slot machine.

§ 463.3. Slot machine location.

(a) A gaming floor must consist of one or more areas within a licensed facility approved by the Board for the placement and operation of slot machines.

(b) Each slot machine in a slot machine area on a gaming floor shall be placed at a location, which location may contain no more than one slot machine, identified by number on a gaming floor plan approved by the Board under section 1322 of the act (relating to slot machine

accounting controls and audits) and shall also be identified by this slot machine location number and an asset number on a Slot Machine Master List.

(c) For the purposes of this section, an asset number means a unique number assigned to a slot machine by a slot machine licensee for the purpose of tracking that slot machine while owned by the slot machine licensee.

§ 463.4. Connection to the central computer system.

Prior to its utilization for gambling activity, each slot machine on a gaming floor shall be connected or linked to a central computer system having the capabilities and pursuant to the terms of section 1323 of the act (relating to central control computer system).

§ 463.5. Slot machine master list.

(a) Prior to the commencement of operations at a licensed facility, each slot machine licensee shall file with the Board's Director of Gaming Laboratory Operations, in writing or in an electronic format approved by the Board, a comprehensive list of slot machines possessed by the licensee on its gaming floor, in Board-approved restricted areas off the gaming floor but within the licensed facility, and in Board-approved storage locations in this Commonwealth off the premises of the licensed facility. The list shall be denoted as a Slot Machine Master List and contain the following information which, for those slot machines located on the gaming floor, shall be presented for each slot machine in consecutive order by the slot machine location number under § 463.3 (relating to slot machine location):

- (1) The date the list was prepared.
- (2) A description of each slot machine by:
 - (i) Asset number and model and manufacturer's serial number.
 - (ii) Denomination, if configured for multiple denominations so designate.
 - (iii) Manufacturer and machine type, noting with specificity whether the machine is a high-boy, is a progressive or a wide area progressive slot machine.
 - (iv) An indication as to whether the slot machine has an activated electronic transfer credit feature.
 - (v) An indication as to whether the slot machine has an activated gaming voucher feature, and, if so, whether the feature is in lieu of a hopper.

(3) For those slot machines located off the gaming floor, an indication as to whether the slot machine is in a Board-approved restricted area off the gaming floor but within the licensed facility or in a Board-approved storage location in this Commonwealth off the premises of the licensed facility.

(4) Other information the Board may require.

(b) Once a slot machine has been placed in an authorized location on the gaming floor or is stored in a Board-approved restricted area off the gaming floor but within the licensed facility, all subsequent movements of that slot machine within the licensed facility shall be recorded by a slot department member in a machine movement log which includes the following:

- (1) The asset number and model and manufacturer's serial number of the moved slot machine.
- (2) The date and time of movement.
- (3) The location from which the slot machine was moved.
- (4) The location to which the slot machine was moved.
- (5) The data and time of any required notice to the department in connection with activation or disabling of the slot machine in the central computer system.
- (6) The signature of the slot shift manager and the lead technician verifying the movement of the slot machine in compliance with this section.

(c) Documentation summarizing slot machine movements within a licensed facility shall be submitted to the Board's Director of Gaming Laboratory Operations, in writing or in an electronic format approved by the Board, on a daily basis.

(d) On the first Tuesday of each month following the initial filing of a Slot Machine Master List, each slot machine licensee shall file with the Board's Director of Gaming Laboratory Operations, in writing or in an electronic format approved by the Board, an updated Slot Machine Master List documenting all slot machines possessed by the licensee on its gaming floor, in Board-approved restricted areas off the gaming floor but within the licensed facility, and in Board-approved storage locations in this Commonwealth off the premises of the licensed facility. The updated list must be in a form, and contain the information, required in subsection (a).

(e) Manufacturer licensees, supplier licensees, educational institutions, Board-authorized manufacturers and suppliers not licensed within this Commonwealth and regulatory and law enforcement agencies having authority to possess slot machines under § 463.1 (relating to possession of slot machines generally) who cause slot machines to be transported or moved shall file with the Board's Director of Gaming Laboratory Operations, in writing or in an electronic format approved by the Board, a comprehensive list of slot machines possessed by the person. The list shall be denoted as a Slot Machine Master List and shall be filed within 3 business days of the initial receipt of slot machines and contain the following information:

- (1) The date on which the list was prepared.
- (2) A description of each slot machine by:
 - (i) Model and manufacturer's serial number.
 - (ii) Manufacturer and machine type, noting with specificity whether the machine is a high-boy, is a progressive or a wide area progressive slot machine.

(f) On the first Tuesday of each month following the initial filing of a Slot Machine Master List, those persons enumerated in subsection (e) shall file with the Board's Director of Gaming Laboratory Operations, in writing or in an electronic format approved by the Board, an updated Slot Machine Master List. The updated list must be in a form, and contain the information, required in subsection (e).

§ 463.6. Notice to central computer system.

In addition to the recordkeeping requirements required hereunder, prior to the placement of a slot machine on the gaming floor, any movement of that slot machine between slot machine locations on the gaming floor or removal of a slot machine from the gaming floor, the slot machine licensee shall provide the Department with notice of the slot movement, in a form and pursuant to a time frame prescribed by the Department, to insure activation or disabling, as appropriate in the central computer system and the retrieval of real time meter information from the slot machine coincident with the movement.

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