

PART VII. LOCAL OPTION SMALL GAMES OF CHANCE

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CHAPTER 901. LOCAL OPTION SMALL GAMES OF CHANCE

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Authority

The provisions of this Chapter 901 issued under the Local Option Small Games of Chance Act (10 P. S. §§ 311—327), unless otherwise noted.

Source

The provisions of this Chapter 901 adopted March 1, 1991, effective March 2, 1991, 21 Pa.B. 887, unless otherwise noted.

Subchapter A. GENERAL PROVISIONS

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DEFINITIONS

§ 901.1. Definitions.

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

Act—The Local Option Small Games of Chance Act (10 P. S. §§ 311—327).

Applicant—A person who prepares and files an application.

Application—A form prescribed by the Department that a manufacturer, distributor or eligible organization shall complete and file to obtain a license or certificate.

Auxiliary group—

(i) A division, subsidiary or affiliated organization or association, incorporated or unincorporated, of an eligible organization whose business and operation is subject to and restricted by the bylaws, rules, regulations and procedures of the eligible organization and that is established solely for the purpose of aiding or assisting the eligible organization and its members in the fulfillment of the eligible organization's purposes.

(ii) The term does not include home associations.

Bingo Law—The Bingo Law (10 P. S. §§ 301—308.1).

Board—The Small Games of Chance Board of the Department.

Bona fide member—An individual who holds a membership in the eligible organization as defined by that organization's constitution, charter, articles of incorporation or bylaws.

Chance—A right purchased for consideration to participate in a game for a prize offered in the game, which right is represented by a tangible item such as a ticket, document, paper or other item.

Charitable organization—A not-for-profit group or body of persons which is created and exists for the purpose of performing a humane service; promoting the welfare of the aged, poor, infirm or distressed; combating juvenile delinquency or advancing the spiritual, mental, social and physical improvement of young men and women. The term includes the YMCA and YWCA.

Civic and service association—

(i) Any Statewide or a branch, lodge or chapter of a nonprofit National or State organization which is authorized by its written constitution, charter, articles of incorporation or bylaws to engage in a civic or service purpose within this Commonwealth, which has existed in this Commonwealth for 1 year.

(ii) The term also includes a similar local nonprofit organization, not affiliated with a National or State organization, which is recognized by a resolution adopted by the governing body of the municipality in which the organization conducts its principal activities.

(iii) The term includes:

(A) Bona fide sportsmen's and wildlife associations, federations or clubs, Statewide or local in nature.

(B) Volunteer fire companies.

(C) Volunteer rescue squads.

(D) Volunteer ambulance associations.

(E) Bona fide senior citizens organizations.

(F) Nonprofit organizations that are recognized by a resolution adopted by the appropriate governing body and which are established to promote and encourage participation and support for extracurricular activities within the established primary and secondary public, private and parochial school systems.

Club—As defined in section 102 of the Liquor Code (47 P. S. § 1-102), that qualifies as an exempt organization under section 501(c) or 527 of the Internal Revenue Code of 1954 (26 U.S.C.A. § 501(c) or § 527) and is licensed to sell liquor at retail and has a charitable, religious or civic purpose or is organized to benefit a political party.

Daily drawing—

(i) A game in which a bona fide member selects or is assigned a number in exchange for consideration for a chance at a prize with the winner determined by a random drawing to take place on the eligible organization's premises during the same operating day that the chances for the drawing are sold.

(ii) The term includes games commonly known as "member sign-in lotteries" and "half-and-half lotteries."

Deal—A set of pull-tabs or punches bearing the same serial number.

Department—The Department of Revenue of the Commonwealth.

Deputy Secretary—A deputy secretary of the Department.

Dispensing machine—

(i) A device designed exclusively for the dispensing of games of chance authorized by the act, including ticket jars, fish bowls and stamp machines.

(ii) The term does not include any device commonly known as a “slot machine” or “video poker” or any device that contains as one of its components a video display monitor that is capable of displaying numbers, letters, symbols or characters in winning or losing combinations.

Distributor—A person who purchases or otherwise obtains games of chance, including punchboards or pull-tabs, from a manufacturer and sells or otherwise furnishes the games of chance, with or without merchandise to be awarded as prizes in connection therewith, to another person for the resale, display or operation of the games of chance by a licensed eligible organization.

Distributor’s representative—

(i) A natural person who represents a distributor in connection with the sale or furnishing of games of chance for use in authorized activities.

(ii) The term includes the distributor’s sales personnel.

(iii) The term does not include warehouse personnel, delivery personnel and other employees who only have incidental contact with customers.

Eligible organization—An organization that meets all of the following:

(i) Nonprofit.

(ii) Charitable organization, religious organization, fraternal organization, veterans organization, club or civic and service association.

(iii) In existence and fulfilling its purposes for 1 year prior to the date of application for a license.

Flare—A card, graphic, illustration or other document that is part of a pull-tab game or punchboard and satisfies the requirements of § 901.608 or § 901.627 (relating to standards for flares), respectively.

Fraternal organization—An organization within this Commonwealth created and carried on for the mutual benefit of its members, has a limited membership and a representative form of government and is a branch, lodge or chapter of a National or State organization.

Game of chance or game—

(i) The following games: punchboards, daily drawings, weekly drawings, raffles and pull-tab games.

(ii) The term includes all of the parts, accessories and items necessary to play such games. The term also includes dispensing machines and passive selection devices.

(iii) The term does not include a game played by or with the assistance of mechanical, electronic or electrical devices or media or a game in which

the particular chance taken by a person in the game is made contingent upon another occurrence or the winning of another contest.

(iv) This definition does not authorize another form of gambling currently prohibited under 18 Pa.C.S. (relating to the Crimes Code).

(v) The term does not include games commonly known as "slot machines" or "video poker."

Hold ticket—A pull-tab or punch in a subset of pull-tabs or punches in a deal one or more of which are designated in advance as a winning pull-tab or punch for a specific prize. The winning pull-tab or punch is revealed after all hold tickets are purchased. Hold tickets are typically used in conjunction with seal cards.

Home association—A corporation, association or other organization organized under the laws of the Commonwealth by a veterans organization in conformity with its local, State or National bylaws and meets all of the following:

- (i) Affiliated with the veterans organization.
- (ii) Has a separate legal existence from the veterans organization.
- (iii) Accepts into its membership persons who are not eligible for membership in the veterans organization.
- (iv) The board of directors, officers and members with voting rights or other controlling interests consist solely of bona fide veterans organization members.

Ideal prizes—The maximum amount to be awarded in prizes if the game of chance is played to its fullest, all plays are sold and all potential prizes are awarded.

Law enforcement official—A municipal police officer, a member of the State Police, the sheriff of a county or a deputy sheriff.

License—A document issued by:

(i) The Department, upon application, to a distributor authorizing the distributor to purchase games of chance from a registered manufacturer and sell games of chance in this Commonwealth to licensed eligible organizations, also known as a distributor's license.

(ii) A licensing authority, upon application, to an eligible organization authorizing the eligible organization to purchase games of chance from licensed distributors and conduct games of chance in this Commonwealth, on a yearly basis, known as a game of chance license, or on a limited basis, known as a limited occasion license.

Licensed premises—The specific location upon which a licensed eligible organization is authorized to conduct games of chance.

Licensee—A distributor or eligible organization that has been issued a license.

Licensing authority—The county treasurer, or in a home rule county or city of the first class, where there is no elected treasurer, the designee of the governing authority.

Limited occasion license—A license issued by a licensing authority to an eligible organization authorizing the organization to conduct games of chance on a limited basis.

Manufacturer—

(i) A person who assembles from raw materials or subparts a completed game of chance for use in authorized activities, and who sells or otherwise furnishes the same to a licensed distributor.

(ii) The term does not include printers of only raffle, daily drawing or weekly drawing tickets.

Manufacturer registration certificate or certificate—A document issued by the Department, upon application, to a manufacturer authorizing the manufacturer to sell games of chance that the Department has approved to distributors licensed to sell games of chance in this Commonwealth.

Manufacturer's representative—

(i) A natural person who represents a manufacturer in connection with the sale or furnishing of games of chance for use in authorized activities.

(ii) The term includes the manufacturer's sales personnel.

(iii) The term does not include warehouse personnel, delivery personnel and other employees who only have incidental contact with the customers.

NAGRA—The North American Gaming Regulators Association or its successors.

Nonoperating day—A period of time equivalent to an eligible organization's operating day except that the eligible organization is closed to normal activities or to its members during that period of time.

Normal business or operating site—The location at which an eligible organization conducts its activities as permitted and enumerated in its constitution, charter, articles of incorporation, bylaws or other document of formation.

Office of Attorney General—The Attorney General of the Commonwealth of Pennsylvania.

Operating day—The period of time during any 24 hour period during which an eligible organization conducts its normal activities or holds itself open to its members.

Operating week—Seven consecutive operating days or nonoperating days.

Passive selection device—A device that is used to hold or denote all of the possible winning numbers or entrants in a daily drawing, weekly drawing or raffle. The device may not have the capability of being utilized to conduct or aid in unauthorized or illegal forms of gambling.

Person—A natural person, unincorporated association, company, corporation, joint stock company, group, agency, syndicate, trust or trustee, receiver, fiduciary, partnership, conservator, the Commonwealth or a political subdivision or instrumentality of the Commonwealth or of another state or the Federal government or officers thereof.

Petition—A written statement of facts, under oath, submitted by one of the following:

(i) A manufacturer or distributor who disagrees with the Department's decision to deny or refuse to renew its application.

(ii) A registered manufacturer or licensed distributor who disagrees with the Department's decision to revoke his certificate or license.

Petitioner—A manufacturer or distributor who files a petition.

Public interest purposes—

(i) Any of the following:

(A) Benefiting persons by enhancing their opportunity for religious or educational advancement, by relieving or protecting them from disease, suffering or distress, by contributing to their physical, emotional or social well-being, by assisting them in establishing themselves in life as worthy and useful citizens or by increasing their comprehension of and devotion to the principles upon which this nation was founded.

(B) Initiating, performing or fostering worthy public works or enabling or furthering the erection or maintenance of public structures.

(C) Lessening the burdens borne by government or voluntarily supporting, augmenting or supplementing services which the government would normally render to the people.

(D) Improving, expanding, maintaining or repairing real property owned or leased by an eligible organization and used for purposes specified in clauses (A)—(C).

(ii) The term does not include the erection or acquisition of any real property, unless the property will be used exclusively for one or more of the purposes specified in this definition.

Pull-tab—A game piece in a pull-tab game made completely of paper or paper products with concealed numbers or symbols that must be exposed by the player to determine wins or losses.

Pull-tab game—A deal of pull-tabs and its corresponding flare.

Punch—A crimped strip of paper or similar material that is enclosed in a punchboard receptacle and contains either a winning or losing number or symbol printed on one side and a serial number printed on the other.

Punchboard—A board, placard or other device comprised of receptacles, usually laid out in a grid or column pattern, containing a deal of hidden punches and its corresponding flare. Upon the payment of consideration, a player may select and remove the punches contained in a receptacle. A prize is awarded to a player who selects a receptacle containing a punch with a predetermined winning number or symbol.

Raffle—

(i) A game in which a participant buys a ticket for a chance at a prize with the winner determined by a random drawing of corresponding ticket stubs to take place at a location and date or dates printed upon each ticket.

(ii) The term includes lotteries but not daily or weekly drawings.

(iii) The term does not include the paying of money or merchandise at roulette wheels, at cards, dice, other tables or another form of gambling not specifically authorized by law.

Registrant—A manufacturer who is issued a manufacturer registration certificate.

Registration—The process of applying to the Department for a manufacturer registration certificate.

Religious organization—A not-for-profit group or body of persons which is created and exists for the predominant purpose of regularly holding or conducting religious activities or religious education, without pecuniary benefit to an officer, member or shareholder, except as reasonable compensation for actual services rendered to the organization.

Responsible person—A person who is connected or associated with an eligible organization, distributor or manufacturer in a manner that meets at least one of the following criteria:

(i) Has the control, receipt, custody or disposal of or pays the compensation of an employee.

(ii) Has the control, receipt, custody or disposal of the games of chance proceeds.

(iii) Has the control, receipt, custody and disposal of available cash on hand or other quick or liquid assets or pays the liabilities of the eligible organization, manufacturer or distributor.

(iv) Has the duty, power or authority to do one of the following:

(A) Direct the deduction and withholding of tax.

(B) Direct the collection and payment of sales and use tax.

(C) Control the financial affairs of the entity.

(D) Direct the payment of the entity's liabilities.

(E) Direct the payment of the tax deducted and withheld from the compensation of an employee.

(F) Direct the disposition and use of games of chance proceeds.

(G) Account for and report tax deducted and withheld from the compensation of an employee.

(H) Direct the filing of State tax reports and returns.

(I) Direct the payment of State taxes.

(J) Direct the transaction involved with the sale, manufacture or use of games of chance.

(v) Is an eligible organization's manager, officer, director or bar personnel involved with the conduct of games of chance.

Seal card—A board or placard that contains a seal or seals that, when removed or opened, reveal predesignated winning numbers, letters or symbols.

Secretary—The Secretary of the Department.

Seven-day period—The period of days Monday through Sunday.

Special raffle permit—A document issued by a licensing authority to a licensed eligible organization that authorizes the eligible organization to conduct a raffle with prize limits exceeding the standard prize limits for raffles.

Stamp machine—A device designed exclusively to dispense preprinted pull-tab tickets which does not make a change to, mark on or alter in any way the ticket placed in the device. The device may not print or produce tickets in any manner. The term is also known as a vending machine for pull-tab tickets.

State Lottery Law—The State Lottery Law (72 P. S. §§ 3761-101—3761-2102).

Veterans organization—

(i) A Congressionally chartered organization within this Commonwealth, or any branch or lodge or chapter of a nonprofit National or State organization within this Commonwealth, the membership of which consists of individuals who were members of the armed services or armed forces of the United States.

(ii) The term includes home associations.

Weekly drawing—A game in which a bona fide member selects or receives a number or numbers in exchange for consideration during an operating week for a chance at a prize with the winner determined by a random drawing to take place on the eligible organization's premises on the last operating day of the eligible organization's operating week.

Source

The provisions of this § 901.1 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265852) to (265856).

GENERAL APPLICABILITY

§ 901.21. Applicability.

This part applies to manufacturers and distributors who sell or intend to sell games of chance in this Commonwealth and to eligible organizations located in municipalities within this Commonwealth which have adopted the act by an affirmative vote in a municipal referendum under the act.

Source

The provisions of this § 901.21 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265856).

§ 901.22. [Reserved].

Source

The provisions of this § 901.22 reserved August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265856).

§ 901.23. Restriction of sales.

(a) *Manufacturers.*

(1) *Registration.* A manufacturer shall register with the Department and obtain a manufacturer registration certificate to sell, offer for sale or furnish games of chance for use in this Commonwealth. This paragraph does not apply to manufacturers that only sell, offer for sale or furnish raffle, daily drawing or weekly drawing tickets for use in this Commonwealth.

(2) *Sales.* A registered manufacturer may only sell, offer for sale or furnish games of chance that have been approved by the Department for sale in this Commonwealth. A registered manufacturer may only sell, offer for sale or furnish approved games of chance for sale in this Commonwealth to a licensed distributor. This paragraph does not apply to the sale of raffle, daily drawing or weekly drawing tickets.

(b) *Distributors.*

(1) *Licensure.* A distributor shall apply for and obtain from the Department a distributor license to sell, offer for sale or furnish games of chance in this Commonwealth. This paragraph does not apply to distributors that only sell, offer for sale or furnish raffle, daily drawing or weekly drawing tickets.

(2) *Sales.* A licensed distributor may only sell, offer for sale or furnish approved games of chance for use within this Commonwealth to another licensed distributor or a licensed eligible organization. This paragraph does not apply to the sale of raffle, daily drawing or weekly drawing tickets.

(3) *Purchase.* A licensed distributor may only purchase approved games of chance for resale in this Commonwealth from a registered manufacturer or licensed distributor. This paragraph does not apply to the purchase of raffle, daily drawing or weekly drawing tickets.

(c) *Eligible organizations.*

(1) *Licensure.* An eligible organization shall apply for and obtain a games of chance license from the licensing authority in the county where it shall maintain its licensed premises before purchasing games of chance for use in this Commonwealth.

(2) *Purchase.* A licensed eligible organization may not purchase or lease games of chance for use in this Commonwealth except from a licensed distributor. This paragraph does not apply to the purchase of raffle, daily drawing or weekly drawing tickets.

Source

The provisions of this § 901.23 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265857).

§ 901.23a. Effect of denial, suspension, revocation, expiration of a certificate, license or game of chance.

A certificate, license or game of chance that has been denied, suspended or revoked or that has expired is not a valid certificate, license or game of chance. A person, applicant for or holder of a certificate or license or owner of a game of chance cannot avail himself of the privileges that the act and this part confers upon a holder of a valid certificate or license or an approved game of chance following a denial, suspension or revocation.

Source

The provisions of this § 901.23a adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

Cross References

This section cited in 61 Pa. Code § 901.168 (relating to stay of appeal).

§ 901.24. [Reserved].

Source

The provisions of this § 901.24 reserved August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265857).

§ 901.25. Vested rights.

A certificate or license confers only a privilege on the holder. A certificate or license confers no vested right in the privilege so conferred.

Source

The provisions of this § 901.25 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265857).

§ 901.26. Background checks.

(a) As a condition precedent to the issuance of a license or certificate, the Department may require background checks on a person seeking a license or for whom a certificate is sought, or employees thereof, or of a person participating as an employee who will be involved in the operation of games of chance or a person with equity ownership of 10% or more.

(b) The applicant or the person for whom a license or certificate is requested shall cooperate with the Department and assist in its investigation.

Source

The provisions of this § 901.26 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265857).

§ 901.27. Proration of fees.

A license or registration fee will not be prorated.

§ 901.28. Inspection of premises.

(a) Licensed premises, or premises relating to or being used for activities conducted under the act and this part by a licensed eligible organization, registered manufacturer or licensed distributor shall be open to inspection by the Department or its authorized representatives with or without prior notice, but the inspection shall:

(1) Take place during the registrant's or licensee's normal business hours or normal operating hours.

(2) Take place only when a reasonable belief exists that a violation of the act or this part has occurred, is occurring or will occur.

(3) Be limited to the inspection of matters, areas and records associated with games of chance to insure compliance with the act and this part.

(b) The Department or its authorized representatives reserve the right to enter and make annual inspections.

Source

The provisions of this § 901.28 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265857) to (265858).

Cross References

This section cited in 61 Pa. Code § 901.117 (relating to denial notice of violation and revocation); 61 Pa. Code § 901.151 (relating to denial, notice of violation and revocation license); and 61 Pa. Code § 901.192 (relating to denial of application, revocation, suspension and refusal to renew club licenses).

§ 901.29. Illegal prizes.

A prize may not be given which is illegal under a municipal, State or Federal law.

§ 901.30. Prohibited practices, contracts, gifts, and the like.

(a) A manufacturer or distributor or employee thereof may not directly or indirectly solicit, give or offer to give or receive from another licensee or registrant or an employee thereof gifts, loans of money, premiums, rebates, free merchandise or services of a substantial value. A licensee or registrant or employee thereof, may not directly or indirectly solicit, receive from, or give or offer to give a manufacturer or distributor or his employee gifts, loans of money, premiums, rebates, free merchandise or services of a substantial value.

(b) A manufacturer, distributor or representative thereof may not sell to or solicit from a person an order for a game of chance contingent upon that person or another purchasing or ordering some other game of chance.

(c) A manufacturer, distributor or licensed eligible organization may not fix by express or implied agreement with another manufacturer, distributor, eligible organization or any other person, the prices to be charged to other manufacturers, distributors or eligible organizations in the competitive market place for games of chance or goods, prizes or services sold or rendered in connection with games of chance. Nothing in this subsection is intended to prohibit individual manufacturers, distributors and eligible organizations from negotiating for the price to be paid for goods, prizes or services sold or rendered in connection with games of chance.

Source

The provisions of this § 901.30 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265858).

§ 901.31. Examination of records.

In addition to the examination of records authorized during an inspection of the premises, the Department is authorized to examine the reports, books, accounts and records, and the inventory related to games of chance of a licensed distributor, registered manufacturer, licensed eligible organization or their representatives. Every manufacturer, distributor or eligible organization is directed and required to give to the Department or its authorized representatives the means, facilities and opportunity for the examinations.

Source

The provisions of this § 901.31 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265859).

Cross References

This section cited in 61 Pa. Code § 901.117 (relating to denial notice of violation and revocation); and 61 Pa. Code § 901.151 (relating to denial, notice of violation and revocation of licenses).

§ 901.32. Ownership of games of chance.

The physical possessor of a chance in a game is the owner of the chance until a name is imprinted or placed upon it. When a name is placed upon the chance, the person whose name appears on the chance is the owner and is entitled to a prize attributable to it.

Source

The provisions of this § 901.32 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265859).

§ 901.33. Governing law.

Transactions taking place under the authority granted in the act or this part are governed by the laws of the Commonwealth.

§ 901.34. Disputes.

If a dispute occurs about whether a chance is a winning chance and the dispute cannot be resolved through normal verification procedures or other appropriate means the licensed eligible organization may retain the chance and replace it with an equivalent chance in a like game. This is the exclusive remedy of the owner of the chance. Detailed records regarding the dispute, the reasons for the dispute and the chance shall be maintained by the eligible organization for a minimum of 2 years from the date the dispute arose.

Source

The provisions of this § 901.34 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265859).

§ 901.35. Termination of games of chance.

A licensed eligible organization may announce a termination date at which point no further chances may be sold, and a date by which all claims or prizes shall be made. This date may not be less than 30 days after the last date for play of the game being terminated.

Source

The provisions of this § 901.35 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265859).

§ 901.36. Federal withholding and reporting requirements.

A licensed eligible organization is responsible for complying with Internal Revenue Service rules for reporting and withholding on gambling and lottery winnings.

Source

The provisions of this § 901.36 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265859).

§ 901.37. State withholding and reporting requirements.

A licensed eligible organization is responsible for complying with Commonwealth rules for reporting and withholding on gambling and lottery winnings.

Source

The provisions of this § 901.37 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265860).

§ 901.38. Commonwealth resident designee.

A person applying for a certificate or distributor's license under the act or this part is required to designate a person and location within this Commonwealth for purposes of service of process and the person shall agree to submit to the jurisdiction of the courts of the Commonwealth and law enforcement officials of the Commonwealth and its subdivisions.

Source

The provisions of this § 901.38 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265860).

§ 901.39. Merchandise prize valuation.

Merchandise prizes shall be valued at their cash value which is equal to their fair market value.

§ 901.40. Operating days, nonoperating days and operating weeks.

(a) An operating day or a nonoperating day may not exceed 24 consecutive hours. An operating day or a nonoperating day may not overlap with any other operating day or nonoperating day.

(b) An operating day may extend from 1 calendar day to another so long as the eligible organization's normal activities or business hours extend from 1 calendar day to another. For example, an eligible organization's operating day may begin at 9 a.m. and end at 3 a.m. the following calendar day (that is, 18 consecutive hours over 2 calendar days).

(c) If an eligible organization operates on a 24 hour-a-day basis, the eligible organization's operating day shall be any consecutive 24-hour period as chosen by the organization. For example, an eligible organization could choose its operating day to be from 9:01 a.m. to 9 a.m. the following calendar day or from 12:01 a.m. to midnight on the same calendar day.

(d) An operating week shall consist of 7 consecutive, reoccurring operating or nonoperating days.

(e) An eligible organization shall choose its operating day and week and report them on its license application.

(f) A licensed eligible organization may change its operating day and week. The eligible organization shall amend its license before the new operating day or week becomes effective.

Source

The provisions of this § 901.40 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

ADMINISTRATION

§ 901.51. Power and duties.

The Department has the power and authority granted to it by the Legislature under the act, including the power and authority to do the following:

- (1) Review the tax status of an applicant for a certificate or distributor license.
- (2) Prescribe the records and books which distributors and manufacturers are required to keep. See §§ 901.421—901.426 and 901.441—901.445 (relating to manufacturing records and reports; and distributor records and reports).
- (3) Impose minimum standards and restrictions applicable to games of chance manufactured for sale in this Commonwealth. The standards and restrictions may include specifications for the maximum number of chances available to be sold for a single game or prize and other standards and restrictions the Department deems necessary for the purpose of the act.
- (4) Establish procedures by which manufacturers may apply for a certificate and distributors may apply for licensure.
- (5) Provide forms for registration of manufacturers and licensure of distributors.
- (6) Prescribe procedures for the suspension or revocation of distributor licenses and certificates for violations of the act or this title.
- (7) Prescribe the form to be used by the licensing authority to license eligible organizations.
- (8) Conduct investigations prior to licensure and registration to ensure compliance with the requirements and prohibitions of the act and this part.
- (9) Collect a fee for the issuance of a manufacturer registration certificate or distributor license.
- (10) Initiate legal proceedings, in law or equity, before any court or tribunal, for purposes of administering or enforcing the provisions of the act or this part.
- (11) Notify the Office of Attorney General of violations of the act and this part and request the Attorney General to initiate legal proceedings, criminal or civil, legal or equitable, to enforce the provisions of the act and this part.
- (12) Do other matters necessary or desirable for the efficient operation and administration of games of chance and to carry out the act and this part.

Source

The provisions of this § 901.51 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265860) to (265861).

§ 901.52. Administrative entity.

The Department will carry out its powers provided in the act or this part through the Bureau of Business Trust Fund Taxes—Miscellaneous Tax Division. The administrative entity may be changed by notice published in the *Pennsylvania Bulletin*.

Source

The provisions of this § 901.52 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265861).

§ 901.53. Fee payment.

Fees payable to the Department shall be in the form of a check, cashier's check or money order made payable to the "Pennsylvania Department of Revenue."

§ 901.54. Bad checks submitted as payment of fees.

(a) Payment by a check which is not promptly paid by the drawee bank is grounds for immediate suspension of a license, registration or application. The suspension will continue until a certified check, cashier's check or money order in the amount of the fee and the penalty imposed by subsection (b) is tendered or the original check is paid by the drawee bank and a check for the amount of the penalty imposed by subsection (b) is also remitted.

(b) When a check issued in payment of a fee, or for another purpose required by this part or the act is returned to the Department as uncollectible, the Department or licensing authority will charge a fee of 10% of the face amount thereof, plus protest fees, to the person presenting the check to cover the cost of its collection. The additions imposed will not exceed \$200 nor be less than \$10.

§ 901.55. Forms.

Application materials required by the licensing authority, manufacturers and distributors will be available from the Department.

Subchapter B. LICENSING AND REGISTRATION

MANUFACTURER REGISTRATION

- Sec.
- 901.101. Manufacturer registration and game approval required.
- 901.102. Registration and game approval forms.
- 901.103. Manufacturer registration application form contents.
- 901.103a. Change of application information.
- 901.104. Waiver of confidentiality.
- 901.105. Registration fee.
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- 901.107. Annual applications.
- 901.108. Registration number.
- 901.109. Certificate.
- 901.110. Duplicate certificate.
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- 901.112. [Reserved].
- 901.113. Representatives of manufacturer.
- 901.114. Dissolutions, terminations, mergers and bankruptcies.
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- 901.117. Denial notice of violation and revocation.
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DISTRIBUTOR LICENSING

- 901.131. Distributor license requirement.
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- 901.133. Distributor license application form contents.
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- 901.145. Division of territories.
- 901.146. Sales promotion.
- 901.147. Fixed prices.
- 901.148. Dissolutions, terminations, mergers and bankruptcies.
- 901.149. Change of address.
- 901.150. Changes in ownership or personnel.
- 901.151. Denial, notice of violation and revocation of licenses.
- 901.151a. Licensing following revocation.
- 901.152. Licensing decision time limits.
- 901.153. Raffle, daily drawing and weekly drawing ticket distributors.

BOARD PROCEDURES

- 901.161. Jurisdiction and purpose.
- 901.162. Composition.
- 901.163. Powers and duties.

- 901.164. Petitions.
- 901.165. Board practice and procedure.
- 901.166. Board recommendation.
- 901.167. Decision and order.
- 901.168. Stay of appeal.

ELIGIBLE ORGANIZATION LICENSING

- 901.181—901.190. [Reserved].
- 901.191. License application form.
- 901.192—901.194. [Reserved].
- 901.195. Types of licenses.
- 901.196. Limited occasion license requirements, limits and restrictions.
- 901.197. Change of application information.
- 901.211—901.219. [Reserved].

MANUFACTURER REGISTRATION

§ 901.101. Manufacturer registration and game approval required.

- (a) A person shall be registered with the Department and possess a manufacturer's registration certificate to sell or otherwise furnish games of chance to licensed distributors within this Commonwealth.
- (b) A registered manufacturer may not sell a game of chance in this Commonwealth to a licensed distributor until the Department has approved it.
- (c) If a registered manufacturer modifies an approved game of chance in any substantial way so that the nature or identity of the game is changed, the rules of the game change or the prizes or payouts change, the game of chance must be considered a new game of chance and submitted for approval.

Source

The provisions of this § 901.101 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265864).

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.102. Registration and game approval forms.

- (a) A person seeking a manufacturer registration certificate shall submit to the Department an application form as prescribed by the Department.
- (b) A person seeking an approval of a game of chance shall submit the application for approval to the Department with its manufacturer's registration application or during the registration term on a form prescribed by the Department. The information to be provided on the form must include:
 - (1) The name of the game.

- (2) The game form number.
 - (3) A description of the game and rules for play.
 - (4) A picture or illustration of the game and its component pieces.
 - (5) The game prize structure, prizes and their value.
 - (6) The number of chances and cost per chance.
 - (7) The percentage of prizes to be paid in relation to the gross sale proceeds for all chances.
- (c) The application forms referenced in subsections (a) and (b) shall be completed in full and will not be considered to be received until completed in full.

Source

The provisions of this § 901.102 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265864).

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.103. Manufacturer registration application form contents.

An application for registration as a manufacturer of games of chance shall contain at a minimum the following information:

- (1) The name of the manufacturer, including a copy of the Fictitious Name Registration Form, Department of State Registry Statement or similar registration form.
- (2) The manufacturer's business, mailing and legal address as well as the address of all locations where the applicant manufactures its games. It does not include the address of each person from whom the manufacturer purchases raw materials, components or subparts used to manufacture its games.
- (3) The names, addresses, telephone numbers and Social Security numbers of officers, directors, owners and partners or other responsible persons. If incorporated, the application must contain the names, addresses, telephone numbers and Social Security numbers of officers and shareholders controlling 10% or more of outstanding stock. If organized as a partnership, the application must contain the names, addresses and telephone numbers of all partners.
- (4) A copy of the constitution and bylaws or the corporate charter for new applications. This information must also accompany renewal application if requested or if amended.
- (5) A complete list of all games of chance to be manufactured for sale in this Commonwealth during the registration term. The list must contain information as prescribed on the manufacturer registration application form.
- (6) The signatures of responsible persons.
- (7) A complete list of manufacturer representatives operating in this Commonwealth, their addresses and telephone numbers.
- (8) Pennsylvania tax information, including:

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- (i) The Pennsylvania Sales Tax number.
 - (ii) The Pennsylvania corporate box number.
 - (iii) The Pennsylvania employer identification number.
 - (iv) The Pennsylvania Unemployment Compensation account number.
- (9) A certified statement that:
- (i) State tax reports and returns have been filed.
 - (ii) State taxes due and payable have been paid.
 - (iii) State taxes owing are subject to timely administrative or judicial appeal and the required bond or security has been filed.
 - (iv) Delinquent State taxes are subject to an approved deferred payment plan. A copy of the approved deferred payment plan shall be attached to the certified statement.
- (10) A certified statement that no officer, director or other responsible person or employee eligible to make sales on behalf of the manufacturer has been convicted of one or more of the following:
- (i) A felony in a state or Federal court within the past 5 years.
 - (ii) A violation of the act, the Bingo Law or a gambling related offense under 18 Pa.C.S. (relating to the Crimes Code) or other comparable state or Federal law within 10 years of the date of the application in a state or Federal court.
- (11) The logos and trade names used by the manufacturer.
- (12) Other documents as identified in the application materials.

Source

The provisions of this § 901.103 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265864) to (265865).

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.103a. Change of application information.

A manufacturer shall report any changes to the information supplied in its application to the Department within 15 days of the change.

Source

The provisions of this § 901.103a adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.104. Waiver of confidentiality.

By filing an application for the grant of a manufacturer registration certificate, the applicant waives confidentiality with respect to Commonwealth tax information in the possession of the Department, the Office of Attorney General or the Department of Labor and Industry regarding the applicant, regardless of the source of that information, and consents to the provision of that information to the Department by the Office of Attorney General or the Department of Labor and Industry.

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.105. Registration fee.

The annual registration fee is \$2,000 and shall accompany the original registration application and every renewal application. An application processing fee of \$100 will be retained by the Department if registration is denied and the remaining \$1,900 will be returned to the applicant. No part of the registration fee is subject to proration.

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.106. Registration term.

A registration term begins on April 1 and ends on March 31 of the succeeding year. A certificate issued during a registration term is only valid from the date of issuance to the end of the registration term.

Source

The provisions of this § 901.106 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265866).

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.107. Annual applications.

A registered manufacturer shall file an application for a certificate at least 60 days prior to the expiration date of its existing certificate to ensure that the Department will act on its application prior to the expiration of its current certificate.

Ch. 901 LOCAL OPTION SMALL GAMES OF CHANCE 61 § 901.108

Source

The provisions of this § 901.107 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265866).

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.108. Registration number.

The Department will assign a registration number and issue a certificate to each manufacturer that it approves for registration. The registered manufacturer shall place the registration number on all documents used in any transactions under the act or this part.

Source

The provisions of this § 901.108 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265866).

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.109. Certificate.

The certificate issued must be maintained on the manufacturer's premises and available for inspection upon request.

Source

The provisions of this § 901.109 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265866).

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.110. Duplicate certificate.

If a certificate is defaced, destroyed or lost, the Department may issue a duplicate to the holder of the certificate upon submission of a duplicate application form. A \$100 fee will be charged for the duplicate certificate.

Source

The provisions of this § 901.110 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265866).

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.111. Transfer.

A manufacturer is prohibited from transferring or assigning its certificate.

Source

The provisions of this § 901.111 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265866).

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.112. [Reserved].

Source

The provisions of this § 901.112 reserved August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265866).

§ 901.113. Representatives of manufacturer.

A representative of a manufacturer acts as an agent of the manufacturer in activities conducted under the manufacturer's registration certificate.

Source

The provisions of this § 901.113 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265866).

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.114. Dissolutions, terminations, mergers and bankruptcies.

(a) A manufacturer shall notify the Department in writing within 10 days of one or more of the following actions on the part of the manufacturer:

- (1) The filing with the Department of State of a certificate of election to dissolve, or the filing of a similar document in another jurisdiction.
- (2) The filing of a petition in bankruptcy or receivership by the manufacturer.
- (3) The merging or consolidating with another entity.
- (4) The termination of its business activities by a process, legal or equitable, voluntary or involuntary, formal or informal, within or outside this Commonwealth.

(b) A notice of the decision to dissolve is required even if filing is not required.

Ch. 901 LOCAL OPTION SMALL GAMES OF CHANCE 61 § 901.115

Source

The provisions of this § 901.114 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265867).

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.115. Change of address.

A manufacturer shall notify the Department, in writing, 10 days before a change of address.

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.116. Change in ownership or personnel.

The manufacturer shall make a written report to the Department of changes of responsible persons engaged in the business of the manufacturer. This report shall also include a change in the management, ownership, directorship or equity ownership of 10% or more, and a change in the manufacturer's representatives. The report shall be filed on September 15.

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.117. Denial notice of violation and revocation.

(a) *Manufacturer registration certificate.* The Department may deny an application for a certificate, issue a notice of violation or revoke a certificate if the manufacturer or a person required to be identified in the application form commits one or more of the following acts:

- (1) Has included false information on the application.
- (2) Has failed to comply with or engaged in an activity prohibited by the act or this part.
- (3) Has changed its address without notification as required in this part.
- (4) Has been convicted of, forfeited bond upon a charge of or pleaded guilty or nolo contendere to one of the following:
 - (i) Forgery.
 - (ii) Larceny.
 - (iii) Extortion.
 - (iv) Conspiracy to defraud.
 - (v) Willful failure to make required payment or reports to a governmental agency.

(vi) A crime, whether a felony or a misdemeanor, involving a gambling activity or a felony involving moral turpitude.

(vii) Other similar offenses.

(5) Has refused to permit an inspection of its records or premises under one of the following:

(i) Section 901.28 or § 901.31 (relating to inspection of premises; and examination of records).

(ii) A search warrant.

(iii) A court order.

(6) Has been convicted of a felony in a State, or Federal court within the past 5 years.

(7) Has been convicted in a municipal, State or Federal court of a violation of the act, the Bingo Law or of a gambling-related offense under 18 Pa.C.S. (relating to the Crimes Code) or another comparable state or Federal law within 10 years of the date of application.

(8) Has made a misrepresentation or fails to disclose a material fact.

(9) Sells or offers for sale in this Commonwealth a game of chance that has not been approved by the Department as provided for in this part.

(b) *Game of chance approval.* The Department may deny an application for a game of chance approval. The Department may issue a notice of violation for or revoke an approved game of chance if the game of chance fails to meet the requirements of the act or this part. The Department may revoke its approval of a game if the Department determines that the approval was issued in error.

(c) *Notice of violation.*

(1) A notice of violation is issued to notify a manufacturer of a violation of the act or this part and to provide the manufacturer with an opportunity to remedy the violation. A manufacturer retains the privileges conferred on it by its certificate or game approval during the notice period and may continue to sell games of chance in this Commonwealth.

(2) The time period that the Department may grant to a manufacturer to remedy a violation may not exceed 30 days, unless the manufacturer requests an extension, in writing, and the Department approves the extension. An extension may not exceed 30 additional days.

(3) The Department will provide the manufacturer a notice of compliance within 5 days after the manufacturer demonstrates to the satisfaction of the Department that the violation has been remedied.

(4) If the Department determines that the manufacturer has not remedied the violation identified in the notice by the end of the notice or extension period, the Department will revoke the certificate or game approval as applicable.

(5) There is no right to appeal a notice of violation or a denial of an extension.

(d) *Notice.*

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- (1) The Department will notify a manufacturer in writing of a denial, violation or revocation. The notice will provide:
 - (i) The issue date of the notice.
 - (ii) The action taken by the Department.
 - (iii) The reason for the action.
 - (iv) The manufacturer's appeal rights.
- (2) The Department will serve the notice by certified or first-class mail.
- (3) The Department will mail the notice to the manufacturer's Commonwealth resident designee and the manufacturer's primary business address listed on the manufacturer's application.

Source

The provisions of this § 901.117 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265867) to (265868).

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.117a. Registration following revocation.

Unless otherwise provided by the act or this part:

- (1) A manufacturer whose certificate is revoked is ineligible to apply for and receive another certificate for the remaining registration term or 6 months, whichever is longer.
- (2) For a second revocation, the manufacturer is ineligible to apply for and receive another certificate for the remaining registration term as well as the following registration term.
- (3) For a third and subsequent revocation, the manufacturer is ineligible to apply for and receive another certificate for 30 months.

Source

The provisions of this § 901.117a adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.118. Registration decision time limit.

The Department will approve or deny applications within 60 days of their receipt unless the applicant is notified in writing of the specific reason for the delay. If the applicant requests a denial in writing, the delayed application will be denied and may be appealed under §§ 901.161—901.168 (relating to Board procedures). Applications are considered to be received when they arrive at the Department as evidenced by the date stamp placed on the application.

Notes of Decisions

Approval

The Department of Revenue's failure to approve or disapprove an application to market a more advanced pull-tab device within 60 days pursuant to this regulation did not divest the Department of authority to deny the application as there is no recognized deemed approval provision in this regulation or 10 P. S. §§ 313 and 314. *Major Mfg. Corp. v. Department of Revenue*, 651 A.2d 204 (Pa. Cmwlth. 1994).

In General

This regulation describes the decision time limit for reviewing applications for registration as manufacturers, not applications or requests to market devices. *Major Mfg. Corp. v. Department of Revenue*, 651 A.2d 204 (Pa. Cmwlth. 1994).

Cross References

This section cited in 61 Pa. Code § 901.119 (relating to raffle, daily drawing and weekly drawing ticket manufacturers).

§ 901.119. Raffle, daily drawing and weekly drawing ticket manufacturers.

This section and §§ 901.101—901.111 and 901.113—901.118 do not apply to the manufacturers who only produce and sell raffle, daily drawing and weekly drawing tickets.

Source

The provisions of this § 901.119 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265868).

DISTRIBUTOR LICENSING

§ 901.131. Distributor license requirement.

A person shall be licensed by the Department and possess a license to sell, offer for sale or otherwise furnish games of chance to licensed eligible organizations in this Commonwealth.

Source

The provisions of this § 901.131 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265869).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle ticket distributors).

§ 901.132. License application form.

For a distributor to obtain a license to sell games of chance in this Commonwealth, the distributor shall submit a license application to the Department in the form prescribed by the Department. The application form shall be completed in full and will not be considered to be received until it has been completed in full.

Source

The provisions of this § 901.132 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265869).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket).

§ 901.133. Distributor license application form contents.

The application form must include the following:

- (1) The name of the distributor, including a copy of the Fictitious Name Registration, Department of State Registry Statement or similar registry statement.
- (2) The address of the distributor, including the business, mailing and legal address.
- (3) The names, addresses, telephone numbers and Social Security numbers of officers, directors, owners and partners or other responsible persons. If incorporated, the application shall contain the names, addresses and telephone numbers of officers and shareholders controlling 10% or more of outstanding stock. If organized as a partnership, the application must contain the names, addresses and telephone numbers of all partners.
- (4) A copy of the constitution and bylaws or corporate charter only for new applications. This information must also accompany renewals if requested or if changed or amended.
- (5) A list of all types of games of chance to be distributed.
- (6) A list of manufacturers with whom distributors anticipate doing business.
- (7) The signature of responsible persons.
- (8) A complete list of distributor representatives and their addresses and telephone numbers.
- (9) Pennsylvania tax information, including:
 - (i) Pennsylvania Sales Tax number.
 - (ii) Pennsylvania Corporate box number.
 - (iii) Pennsylvania employer identification number.
 - (iv) Pennsylvania Unemployment Compensation account number.
 - (v) Pennsylvania Liquor License number, if applicable.
- (10) A certified statement that:
 - (i) State tax reports and returns have been filed.
 - (ii) State taxes due and payable have been paid.
 - (iii) State taxes owing are subject to timely administrative or judicial appeal.

(iv) Delinquent State taxes are subject to an approved deferred payment plan. A copy of the approved deferred payment plan shall be attached to the certified statement.

(11) A certified statement that no officer, director or other responsible person or employee eligible to make sales on behalf of the distributor has been convicted of one or more of the following:

(i) A felony in a state or Federal court within the past 5 years.

(ii) A violation of the Bingo Law or of the act or a gambling related offense under 18 Pa.C.S. (relating to the Crimes Code) or other comparable state or Federal law within 10 years of the date of application in a state or Federal court.

(12) The logo used by the distributor.

(13) Other documents as identified in the application materials.

Source

The provisions of this § 901.133 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265869) to (265870).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket).

§ 901.133a. Change of application information.

A distributor shall report any changes to the information supplied in its application to the Department within 15 days of the change.

Source

The provisions of this § 901.133a adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly ticket).

§ 901.134. Waiver of confidentiality.

An applicant for the grant or renewal of a distributor license by the filing of an application insofar as it relates to the Department, waives confidentiality with respect to Commonwealth tax information in the possession of the Department, the Office of Attorney General or the Department of Labor and Industry regarding the applicant, regardless of the source of that information and consents to the provisions of that information to the Department by the Office of Attorney General or the Department of Labor and Industry.

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.135. License fee.

The annual license fee is \$1,000 and shall accompany the license application and every renewal application. An application processing fee of \$100 will be retained by the Department if the license is denied and the remaining \$900 will be returned to the applicant. No part of this fee is subject to proration.

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.136. License term.

A license term begins on June 1 and ends on May 31 of the succeeding year. A license issued during a license term is only valid from the date of issuance to the end of the license term.

Source

The provisions of this § 901.136 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265871).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.137. Annual application.

A licensed distributor shall file an application for a license at least 60 days prior to the expiration date of its existing license to ensure that the Department will act on its application prior to the expiration of its existing license.

Source

The provisions of this § 901.137 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265871).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.138. License number.

The Department will assign a license number and issue a license to each distributor it approves for licensure. A licensed distributor shall place its business name and license number on all documents used in any transaction under this part.

Source

The provisions of this § 901.138 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265871).

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Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.139. License.

The license shall be conspicuously displayed at all times at the place of business of the person licensed.

Source

The provisions of this § 901.139 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265871).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.140. Duplicate license.

Whenever a license is defaced, destroyed or lost, the Department may issue a duplicate to the holder of the license upon submission of a duplicate License Application Form. A \$100 fee will be charged for the duplicate license.

Source

The provisions of this § 901.140 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265872).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.141. Transfer.

A licensed distributor is prohibited from transferring or assigning its license.

Source

The provisions of this § 901.141 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265872).

Cross References

This section cited in 61 Pa. Code § 901.131 (relating to distributor license requirement); and 61 Pa. Code § 901.153 (relating to raffle ticket distributors).

§ 901.142. Distributor's representative.

A distributor's representative acts as an agent of the licensee in activities conducted under the distributor's license.

Ch. 901 LOCAL OPTION SMALL GAMES OF CHANCE 61 § 901.143

Source

The provisions of this § 901.142 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265872).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.143. Restrictions on distributorship interest.

- (a) A licensed eligible organization may not be a distributor.
- (b) A person who is an officer, director, proprietor, consultant, employee or owner of a distributorship may not have a pecuniary interest in the operation of games of chance.
- (c) A distributor or person who has a financial interest in a distributorship may not be a lessor of premises, directly or indirectly, to a licensed eligible organization.

Source

The provisions of this § 901.143 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265872).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.144. Restrictions of distributor employees.

- (a) An employee of a distributorship may not be an employee, consultant or volunteer of a licensed eligible organization unless the employee has first made a full written disclosure of the employee's distributorship employment to the eligible organization.
- (b) An employee of a distributorship may not be a law enforcement official.
- (c) An employee of a distributorship may not play games of chance at the site of a licensed eligible organization if that eligible organization is a customer of the distributorship.
- (d) A Department employee assigned to the bureau responsible for administering the act or this part may not have an interest in a distributor licensed under the act or this part.

Source

The provisions of this § 901.144 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265872) to (265873).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.145. Division of territories.

A distributor may not enter with another distributor into an express or implied agreement, under which either of them is restricted in the operation and carrying on of business to a specific geographic area. A restriction may not be a condition of sales between a distributor and manufacturer.

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.146. Sales promotion.

A distributor may not use as a sales promotion a statement, demonstration or implication that a certain portion of a deal contains more winners than other portions of the deal or that a game of chance may be played by a licensed eligible organization in a particular manner that would give the organization an advantage in selling more chances before having to pay out winners.

Source

The provisions of this § 901.146 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265873).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.147. Fixed prices.

A distributor may not enter into an express or implied agreement with another distributor to fix the price at which games of chance may be sold, or for which services in connection therewith may be rendered. The price of these items in the competitive marketplace must be established by each distributor for the games of chance and services offered by each and may not be directly or indirectly established in concert with one another.

Source

The provisions of this § 901.147 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265873).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.148. Dissolutions, terminations, mergers and bankruptcies.

(a) A distributor shall notify the Department, in writing, within 10 days of one or more of the following actions on the part of the distributor:

Ch. 901 LOCAL OPTION SMALL GAMES OF CHANCE 61 § 901.149

- (1) The filing with the Department of State of a certificate of election to dissolve, or the filing of a similar document in another jurisdiction.
 - (2) The filing of a petition in bankruptcy or receivership by the distributor.
 - (3) The merging or consolidating with another entity.
 - (4) The termination of its business activities by a process, legal or equitable, voluntary or involuntary, formal or informal, in or out of this Commonwealth.
- (b) A notice of the decision to dissolve is required if filing is not required.

Source

The provisions of this § 901.148 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265874).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.149. Change of address.

A distributor shall notify the Department, in writing, 10 days prior to a change of address.

Source

The provisions of this § 901.149 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265874).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.150. Changes in ownership or personnel.

The distributor shall make a written report to the Department of changes of responsible persons engaged in the business of the distributor. This report must also include a change in the management, ownership, directorship or equity ownership of 10% or more, or a change in the manufacturer's representatives. The report must be filed within 15 days of the addition or deletion.

Source

The provisions of this § 901.150 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265874).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.151. Denial, notice of violation and revocation of licenses.

(a) *Distributor license.* The Department may deny a license application, issue a notice of violation or revoke a license if the distributor or a person required to be identified in the application form commits one of the following acts:

- (1) Has included false information on the application.
- (2) Has failed to comply with or engaged in an activity prohibited by the act or this part.
- (3) Has changed its address without notification as required in this part.
- (4) Has been convicted of, forfeited bond upon a charge of or plead guilty or nolo contendere to one of the following:
 - (i) Forgery.
 - (ii) Larceny.
 - (iii) Extortion.
 - (iv) Conspiracy to defraud.
 - (v) Willful failure to make required payments or reports to a governmental agency.
 - (vi) A crime, whether a felony or a misdemeanor, involving gambling activity or a felony involving moral turpitude.
 - (vii) Other similar offenses.
- (5) Has refused to permit an inspection of its records or premises under one of the following:
 - (i) Section 901.28 or § 901.31 (relating to inspection of premises; and examination of records).
 - (ii) A search warrant.
 - (iii) A court order.
- (6) Has been convicted of a felony in a state or Federal court within the past 5 years.
- (7) Has been convicted in a municipal, State or Federal court of a violation of the act, the Bingo Law, a gambling-related offense under 18 Pa.C.S. (relating to the Crimes Code) or another comparable state or Federal law within 10 years of the date of application.
- (8) Has made a misrepresentation or failed to disclose a material fact.

(b) *Notice of violation.*

(1) A notice of violation is issued to notify a distributor of a violation of the act or this part and to provide the distributor with an opportunity to remedy the violation. A distributor retains the privileges conferred on it by its license during the notice period and may continue to sell games of chance in this Commonwealth.

(2) The time period that the Department may grant to a distributor to remedy a violation may not exceed 30 days, unless the distributor requests an extension, in writing, and the Department approves the extension. An extension may not exceed 30 additional days.

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(3) The Department will provide the distributor a notice of compliance within 5 days after the distributor demonstrates to the satisfaction of the Department that the violation has been remedied.

(4) If the Department determines that the distributor has not remedied the violation identified in the notice by the end of the notice or extension period, the Department will revoke the license.

(5) There is no right to appeal a notice of violation or a denial of an extension.

(c) *Notice.*

(1) The Department will notify a manufacturer in writing of a denial, violation or revocation. The notice will provide:

- (i) The issue date of the notice.
- (ii) The action taken by the Department.
- (iii) The reason for the action.
- (iv) The distributor's appeal rights.

(2) The Department will serve the notice by certified or first-class mail.

(3) The Department will mail the notice to the distributor's Commonwealth resident designee and the distributor's primary business address listed on the distributor's application.

Source

The provisions of this § 901.151 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265874) to (265875).

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.151a. Licensing following revocation.

Unless otherwise provided by the act or this part:

(1) A distributor whose license is revoked is ineligible to apply for and receive another license for the remaining license term or 6 months, whichever is longer.

(2) For a second revocation, the distributor is ineligible to apply for and receive another license for the remaining license term as well as the following license term.

(3) For a third and subsequent revocation, the distributor is ineligible to apply for and receive another license for 30 months.

Source

The provisions of this § 901.151a adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.152. Licensing decision time limits.

The Department will approve or deny applications within 60 days of their receipt unless the applicant is notified in writing of the specific reason for the delay. If the applicant requests a denial in writing the delayed application will be denied and may be appealed under §§ 901.161—901.168 (relating to Board procedures). Applications are considered to be received when they arrive at the Department as evidenced by the date stamp placed on the application.

Cross References

This section cited in 61 Pa. Code § 901.153 (relating to raffle, daily drawing and weekly drawing ticket distributors).

§ 901.153. Raffle, daily drawing and weekly drawing ticket distributors.

This section and §§ 901.131—901.152 do not apply to distributors who only sell raffle, daily drawing and weekly drawing tickets.

Source

The provisions of this § 901.153 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265875) to (265876).

BOARD PROCEDURES

§ 901.161. Jurisdiction and purpose.

The Board will receive and review petitions challenging the Department's decisions to deny an application for a manufacturer registration certificate or game of chance approval or a distributor license. The Board will also receive and review petitions from manufacturers or distributors challenging the Department's revocation of a manufacturer registration certificate, game of chance approval or a distributor license. The Board will provide petitioners with the opportunity for a hearing and will make recommendations to the Secretary regarding petitions.

Source

The provisions of this § 901.161 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265876).

Cross References

This section cited in 61 Pa. Code § 901.118 (relating to registration decision time limit); 61 Pa. Code § 901.152 (relating to licensing decision time limits); and 61 Pa. Code § 901.165 (relating to Board practice and procedure).

§ 901.162. Composition.

The Board will be comprised of the following members appointed by the Secretary:

- (1) A Deputy Secretary of the Department or a designee.
- (2) The Chief Counsel of the Department or a designee.
- (3) A Department employee.

Cross References

This section cited in 61 Pa. Code § 901.118 (relating to registration decision time limit); 61 Pa. Code § 901.152 (relating to license decision time limits); and 61 Pa. Code § 901.165 (relating to Board practice and procedure).

§ 901.163. Powers and duties.

The Board will do the following:

- (1) Receive, consider and act upon petitions for review of decisions of the Department.
- (2) Conduct hearings at the request of the Petitioner prior to making a recommendation to the Secretary.
- (3) Determine procedural matters.
- (4) Determine issues of fact and law raised by petitions.
- (5) Make findings, decisions and orders as may be necessary and proper.
- (6) Make recommendations to the Secretary regarding the disposition of petitions.
- (7) Perform other acts which may be necessary and proper.

Cross References

This section cited in 61 Pa. Code § 901.118 (relating to registration decision time limit); 61 Pa. Code § 901.152 (relating to licensing decision time limits); and 61 Pa. Code § 901.165 (relating to Board practice and procedure).

§ 901.164. Petitions.

- (a) *Time for filing.* A petition shall be filed within 15 days after the applicant, registrant or licensee receives notice of the Department's decision.
- (b) *Place for filing.* A petition shall be filed with the Bureau of Business Trust Fund Taxes, Department 280901, Harrisburg, Pennsylvania 17128-0901. A change of address will be published as a notice in the *Pennsylvania Bulletin*.
- (c) *Form and content.* A petition shall be in writing, signed by the petitioner, a responsible person or authorized representative, and shall contain:
 - (1) The petitioner's name, address and telephone number.
 - (2) The name, address and telephone number of the authorized representative, if any.
 - (3) A copy of the notice of the Department's decision.

(4) A detailed statement in separate numbered paragraphs of the facts and grounds relied upon, specifically stating why the Department's decision is improper.

(5) A copy of the documents relevant to the petition.

(6) A statement specifying the relief requested by the petitioner.

(7) A statement indicating whether or not a hearing is requested.

(8) A signed statement certifying that to the petitioner's knowledge and belief, the facts contained in the petition are true and correct and that the petition is not made for purposes of delay.

(9) The petition shall contain pertinent data known to the petitioner.

(d) *Number of copies.* Four copies of the petition and documentation shall be submitted.

(e) *Additional information.* Upon written request, the Board may require a petitioner to furnish additional information that may be necessary to define the issues or to determine the case. The Board may deny the petition for failure to furnish the additional information within a stated, reasonable amount of time after the request.

Cross References

This section cited in 61 Pa. Code § 901.118 (relating to registration decision time limit); 61 Pa. Code § 901.152 (relating to licensing decision time limits); and 61 Pa. Code § 901.165 (relating to Board practice and procedure).

§ 901.165. Board practice and procedure.

(a) *General.* The provisions of 2 Pa.C.S. §§ 501—508 and 701—704 (relating to the administrative agency law) do not apply to practice and procedure before the Board to the extent that those provisions are inconsistent with §§ 901.161—901.164, this section and §§ 901.166—901.168 (relating to Board recommendation; decision and order; and stay of appeal).

(b) *Representation.*

(1) A petitioner is not required to be represented before the Board by an attorney. An individual or a partner in a partnership, corporation or association may be represented by a bona fide officer thereof or another person upon a showing of adequate authorization. A petitioner's representative shall be authorized in writing to represent the petitioner. A letter signed by the petitioner or a listing as a representative on the face of the petition signed by the petitioner will be accepted as authorization for representation. An authorization continues until the Board is notified in writing by the petitioner that the authorization is rescinded. A party may be represented by a member in good standing of the bar of this Commonwealth.

(2) Only an attorney-at-law representing a petitioner, or the petitioner acting without representation before the Board, is permitted to raise or argue a legal question at a hearing before the Board.

(3) Notices and other written communications to the petitioner will be given to the petitioner's authorized representative, and will have the same force and effect as if given to the petitioner directly. Action before the Board taken by the petitioner's authorized representative will have the same force and effect as if taken by the petitioner.

(c) *Hearings.*

(1) *Waiver.* The petitioner has the right to a hearing or to have the case decided upon the petition and record. A hearing shall be requested in writing. If a hearing is not requested, it is considered waived.

(2) *Notices of hearing.* When the petitioner requests a hearing in writing, reasonable notice will be given to the petitioner in writing specifying the date, time and place of the hearing.

(3) *Continuances.* The Board may grant a reasonable request for continuance of a scheduled hearing. The request shall be made or confirmed in writing, state the reasons for the continuance and be received at least 5 days prior to the scheduled hearing. The Board may grant a request that is not in conformity with this paragraph under extraordinary circumstances. The Board will notify the petitioner of its decision on the requested continuance.

(4) *Presiding officer.* The Deputy Secretary or a designee shall conduct the hearings.

(5) *Transcripts.* Written transcripts of hearings will not be prepared by the Board unless specifically requested in writing. The cost of the transcript is \$1.50 per page. A recording of the hearing will be made.

(6) *Contemptuous conduct.* Contemptuous conduct is grounds for exclusion from the hearing.

(d) *Authority of presiding officer.* The presiding officer has authority to:

(1) Regulate the conduct of hearings, including scheduling, recessing, reconvening and adjourning, and to do acts and take measures necessary or proper for the efficient conduct of hearings.

(2) Administer oaths and affirmation.

(3) Receive evidence.

(4) Take or cause depositions to be taken.

(5) Hold appropriate conferences before or during hearings.

(6) Take other action necessary or appropriate to the discharge of the duties vested in the officer, consistent with statutory authority, regulations and Board policy.

(7) Participate in making decisions.

(8) Rule upon offers of proof and receive relevant evidence.

(9) Dispose of procedural requests or similar matters.

(e) *Service.* Notices and decisions issued under §§ 901.161—901.164, this section and §§ 901.166—901.168 will be sent by first class mail, postage prepaid.

(f) *Consolidation.* Two or more proceedings may be consolidated or severed by the Board at its discretion.

(g) *Bond.* A registrant or licensee whose license or registration has been revoked due to Commonwealth tax liabilities, and who has been notified of the revocation, shall file a bond in an amount of 120% of the tax and interest with the Department for an appeal of the revocation to stay the revocation.

(h) *Evidence and subpoenas.* The presentation of evidence and the issuance of subpoenas relating to hearings before the Board are governed by 1 Pa. Code Chapter 35 Subchapter C (relating to evidence and witnesses).

(i) *Burden of proof.* The petitioner has the burden of proof.

Source

The provisions of this § 901.165 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265877) to (265879).

Cross References

This section cited in 61 Pa. Code § 901.118 (relating to registration decision time limit); and 61 Pa. Code § 901.152 (relating to licensing decision time limits).

§ 901.166. Board recommendation.

The Board will make its recommendation to the Secretary within 15 days after a hearing, or if a hearing is not held, within 15 days of submission of documentation that the Board deems sufficient upon which to make a recommendation.

(1) The Board's recommendation will include findings of fact and conclusions of law that the Board deems necessary and upon which its recommendation is based.

(2) The Board's recommendation will be in writing and signed by a majority of the Board members.

(3) A dissenting recommendation may also be submitted. It will conform to the requirements of this section and will be attached to the Board's recommendation.

(4) The Board's recommendation will be the result of deliberations of a quorum of the members. If a hearing is held, only members present at the hearing will be eligible to participate in the Board's recommendation.

Cross References

This section cited in 61 Pa. Code § 901.118 (relating to registration decision time limit); 61 Pa. Code § 901.152 (relating to licensing decision time limits); and 61 Pa. Code § 901.165 (relating to Board practice and procedure).

§ 901.167. Decision and order.

(a) The Secretary's final decision will include findings of facts and discussion of law that the Secretary deems necessary.

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(b) The Secretary's final decision will be in writing and signed by the Secretary.

(c) One copy of the final decision will be mailed to the petitioner or to the petitioner's authorized representative at the mailing address shown on the petition.

(d) The Secretary's final decision will be made within 15 days of the receipt of the Board's recommendation.

Cross References

This section cited in 61 Pa. Code § 901.118 (relating to registration decision time limit); 61 Pa. Code § 901.152 (relating to licensing decision time limits); and 61 Pa. Code § 901.165 (relating to Board practice and procedure).

§ 901.168. Stay of appeal.

(a) Actions to revoke a registration, license or game approval will be stayed pending the decision of the Secretary when a petition has been filed with the Board.

(b) During the pendency of the appeal, the certificate, game approval or license will be suspended. (See § 901.23a (relating to effect of denial, suspension, revocation, expiration of a certificate, license or game of chance).)

Source

The provisions of this § 901.168 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265880) to (265881).

Cross References

This section cited in 61 Pa. Code § 901.118 (relating to registration decision time limit); 61 Pa. Code § 901.152 (relating to licensing decision time limits); and 61 Pa. Code § 901.165 (relating to Board practice and procedure).

ELIGIBLE ORGANIZATION LICENSING

§§ 901.181—901.190. [Reserved].

Source

The provisions of these §§ 901.181—901.190 reserved August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265881) to (265883).

§ 901.191. License application form.

(a) The Department will proscribe the license application form for eligible organizations. Licensing authorities may obtain the form from the Department.

(b) The form is available to eligible organizations through the licensing authorities.

(c) The license application form must contain, at a minimum, the following information:

- (1) The name of the organization.
- (2) The type of organization.
- (3) The address of the organization.
- (4) Incorporation information.
- (5) The name of the municipality where the applicant will maintain its licensed premises.
- (6) The eligible organization's licensed premises.
- (7) The eligible organization's operating day and week.
- (8) The names, addresses and telephone numbers of the officers of the organization.
- (9) Partnership information.
- (10) A list of shareholders owning 10% or more of outstanding stock.
- (11) The names and addresses of persons who will be responsible for the operation of games of chance, including eligible organization employees, bar personnel, auxiliary group members and other persons who will obtain the games of chance and coordinate their use.
- (12) A statement under oath in the form of an affidavit, affirmed by the executive officer or secretary of the eligible organization, stating the following:
 - (i) A person 17 years of age or younger will not be permitted by the eligible organization to operate or play games of chance.
 - (ii) The facility in which games of chance are to be played has adequate means of ingress and egress and adequate sanitary facilities available in the area and meets Department of Health and other local or Federal sanitary requirements.
 - (iii) The eligible organization is the owner of the premises upon which the games of chance are played or, if it is not, the eligible organization is not leasing the premises from the owner thereof under an oral agreement, nor is it leasing the premises from the owner thereof under a written agreement at a rental which is determined by the amount of receipts realized from the playing of games of chance or by the number of people attending, except that an eligible organization may lease a location or premises for a banquet where a per head charge is applied in connection with the serving of a meal.
- (13) A copy of a corporate applicant articles of incorporation and bylaws; or, if not a corporation, a copy of bylaws and other documents which set out the organizational structure and purpose.
- (14) A copy of a nonprofit charitable applicant's Internal Revenue Service tax exemption letter if one has been obtained and a copy of other documents indicating the eligible organization is a nonprofit charitable organization.
- (15) The details and copies of the lease, rental or other arrangements between the applicant and the owner of premises upon which the games of chance will be conducted, if the premises are not owned by the eligible organization.

(16) The names, addresses, dates of birth and the Social Security numbers of each paid employee, auxiliary group member or agent who will be involved with the activities for which the license is sought.

(17) Other documents as identified in the application materials.

(18) The type of license applied for and a list of all types of games of chance to be operated by the eligible organization.

(19) A list of distributors of games of chance with whom the eligible organization does business.

(20) A list of the eligible organization's auxiliary groups that will operate games of chance under the eligible organization's license.

Source

The provisions of this § 901.191 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265883) to (265884).

§§ 901.192—901.194. [Reserved].

Source

The provisions of these §§ 901.192—901.194 reserved August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265884) to (265887).

§ 901.195. Types of licenses.

Two types of licenses are available. An eligible organization may only hold one type of license at a time. The types of licenses are as follows:

(1) *Games of chance license.* A games of chance license authorizes the licensee to conduct games of chance as prescribed by the act and this part during the eligible organization's licensing term. A licensee is eligible to apply for special raffle permits.

(2) *Limited occasion license.* A limited occasion license authorizes the licensee to conduct games of chance on a limited basis as provided in § 901.196 (relating to limited occasion license requirements, limits and restrictions).

Source

The provisions of this § 901.195 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.196. Limited occasion license requirements, limits and restrictions.

(a) Only organizations that do not own or lease a premises or do not have a specific location at which they conduct their normal business are eligible for a limited occasion license.

(b) Limited occasion licensees are not eligible for the following:

(1) Special raffle permits.

(2) A games of chance license.

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(c) Limited occasion licensees may conduct games of chance on no more than three occasions over a period of no more than 7 days during the license term.

(d) No more than two raffles may be conducted under a limited occasion license.

(e) The fee for a limited occasion license is \$10.

(f) The licensee shall provide 10 days prior written notice of its intent to conduct games of chance under its license to the licensing authority that issued its license.

Source

The provisions of this § 901.196 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

Cross References

This section cited in 61 Pa. Code § 901.195 (relating to types of licenses).

§ 901.197. Change of application information.

An eligible organization shall report any changes to the information supplied in its license application to the licensing authority within 15 days of the change.

Source

The provisions of this § 901.197 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§§ 901.211—901.219. [Reserved].

Source

The provisions of these §§ 901.211—901.219 reserved August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265887) to (265893).

Subchapter C. LOCAL OPTION

LOCAL OPTION REQUIREMENT AND LOCAL OPTION REPORTING

- Sec.
- 901.301. Local option referendums.
- 901.302. Referendum petitions.
- 901.303. Board of elections placement of question.
- 901.304. Referendum question format.
- 901.305. Results of the vote and effect of the licensing authority.
- 901.306. Voting procedures.
- 901.307. Withdrawal of approval.
- 901.308. Reporting.
- 901.309. Public information.

LOCAL OPTION REQUIREMENT AND LOCAL OPTION REPORTING

§ 901.301. Local option referendums.

An election may be held in a municipality on the date of the primary election immediately preceding a municipal election, but not more than once in 4 years, to determine the will of the electors with respect to the issuance of licenses within the limits of the municipality under the act and this part. When an election has been held at the primary election preceding a municipal election in a year, another election may be held at the primary election occurring the 4th year after the prior election.

Cross References

This section cited in 61 Pa. Code § 901.307 (relating to withdrawal of approval).

§ 901.302. Referendum petitions.

Electors equal to at least 25% of the highest vote cast for an office in the municipality at the last preceding general election shall file a petition with the county board of elections of the county, or the governing body of the municipality may adopt, by a majority vote, a resolution to place a question on the ballot. A copy of the resolution or petition shall be filed with the board of elections.

Cross References

This section cited in 61 Pa. Code § 901.307 (relating to withdrawal of approval).

§ 901.303. Board of elections placement of question.

The county board of elections shall place the question on the ballot and the voting machine for submission at the primary election immediately preceding the municipal election.

Cross References

This section cited in 61 Pa. Code § 901.307 (relating to withdrawal of approval).

§ 901.304. Referendum question format.

The question shall be in the following form:

DO YOU FAVOR THE ISSUANCE OF LICENSES TO CONDUCT
SMALL GAMES OF CHANCE IN THE _____ of
_____ ?

Cross References

This section cited in 61 Pa. Code § 901.307 (relating to withdrawal of approval).

§ 901.305. Results of the vote and effect on the licensing authority.

If a majority of the electors voting on the question vote "yes," the licenses shall be issued by the licensing authority for the municipality. If a majority of the

electors voting on the question vote “no,” the licensing authority has no power to issue or to renew, upon their expiration, licenses for the municipality, until a majority of the voting electors vote “yes” on the question at a later election.

Cross References

This section cited in 61 Pa. Code § 901.307 (relating to withdrawal of approval).

§ 901.306. Voting procedures.

Proceedings for the Local Option Referendum shall be under the Pennsylvania Election Code (25 P. S. §§ 2600—4051) or the regulations promulgated thereunder.

Cross References

This section cited in 61 Pa. Code § 901.307 (relating to withdrawal of approval).

§ 901.307. Withdrawal of approval.

The referendum procedures contained in §§ 901.301—901.306, this section, §§ 901.308 and 901.309 shall also be available to withdraw the approval of the issuance of eligible organization licenses within the municipality which was granted through a prior referendum.

Source

The provisions of this § 901.307 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265894).

§ 901.308. Reporting.

A county board of elections shall certify to the Department the question and the results no later than 40 days following the primary election on which a referendum question relating to games of chance appears on the ballot.

Source

The provisions of this § 901.308 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265895).

Cross References

This section cited in 61 Pa. Code § 901.307 (relating to withdrawal of approval).

§ 901.309. Public information.

Information supplied with regard to the approval or disapproval of games of chance by local referendum shall be available from the county board of elections and the licensing authority.

Source

The provisions of this § 901.309 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265895).

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Cross References

This section cited in 61 Pa. Code § 901.307 (relating to withdrawal of approval).

Subchapter D. RECORDKEEPING

COUNTY RECORDS AND REPORTS

- Sec.
901.401—901.404. [Reserved].
901.405. List of licensed eligible organizations.
901.406. [Reserved].
901.407. List of municipalities.

MANUFACTURING RECORDS AND REPORTS

- 901.421. Distributor license copy.
901.422. Length of record retention.
901.423. Annual records.
901.424. System type.
901.425. Records.
901.426. Serial and form numbers.

DISTRIBUTOR RECORDS AND REPORTS

- 901.441. License of purchaser.
901.442. Length of record retention.
901.443. Annual records.
901.444. System type.
901.445. Records.

LICENSED ELIBIBLE ORGANIZATION RECORDS

- 901.461. Annual records.
901.462. General records required.
901.463. Raffles records.
901.464. Punchboard and pull-tab records.
901.464a. Daily and weekly drawing records.
901.465. Cash over and short.
901.466. Prize records.
901.467. Other records.
901.468. Length of record retention.

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COUNTY RECORDS AND REPORTS

§§ 901.401—901.404. [Reserved].

Source

The provisions of these §§ 901.401—901.404 reserved August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265896) to (265897).

§ 901.405. List of licensed eligible organizations.

The licensing authority will keep a list of licensees and send the list to the Department biannually on or before January 15 and July 15 of each year. Upon request, the licensing authority will provide the Department with a copy of an eligible organization's license. The list shall identify the eligible organization, its full address, its license number, type of license and any special raffle permit serial number.

Source

The provisions of this § 901.405 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265897).

§ 901.406. [Reserved].

Source

The provisions of this § 901.406 reserved August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265897).

§ 901.407. List of municipalities.

(a) The licensing authority will keep and maintain an up-to-date list of those municipalities within the licensing authority's county that permit games of chance.

(b) The licensing authority will give a copy of the list to every eligible organization at the time of licensure.

(c) The licensing authority will make the list available to licensed eligible organizations who provide notice to the licensing authority of raffle sales within the licensing authority's county.

(d) Any time the list is updated, the licensing authority will submit a copy of the list to the Department within 30 days of the update.

Source

The provisions of this § 901.407 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

MANUFACTURING RECORDS AND REPORTS

§ 901.421. Distributor license copy.

A manufacturer shall maintain a record of the games of chance license number of each distributor to which it sells or otherwise furnishes games of chance.

Source

The provisions of this § 901.421 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265897).

Cross References

This section cited in 61 Pa. Code § 901.51 (relating to power and duties).

§ 901.422. Length of record retention.

Records, including invoices, shall be maintained for a minimum of 2 years.

Cross References

This section cited in 61 Pa. Code § 901.51 (relating to power and duties).

§ 901.423. Annual records.

A registered manufacturer shall keep and maintain annual records of the activities related to games of chance for at least 5 years.

Source

The provisions of this § 901.423 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265898).

Cross References

This section cited in 61 Pa. Code § 901.51 (relating to power and duties).

§ 901.424. System type.

The records shall be maintained on the same basis as the manufacturer's Federal income tax records.

Cross References

This section cited in 61 Pa. Code § 901.51 (relating to power and duties).

§ 901.425. Records.

A record must include the following:

- (1) *Sales invoices.* A manufacturer shall record every sale, return or other type of transfer of games of chance by completing a sales invoice or credit memo. An invoice must be prenumbered at the time of purchase. The numbering must be consecutive, using at least four digits. Manufacturers may use a computer generated numbering system if the same system is used for all sales

and specific numbers cannot be input by use of a manual terminal or other device. The invoice must contain the following information:

- (i) The date of the sale.
 - (ii) The date of the delivery.
 - (iii) The customer's business address.
 - (iv) The description of each item sold, including serial numbers for pull-tabs and form number. Each game listed on the invoice that the Department has approved for sale in this Commonwealth must be clearly noted. The games may be listed in separate attachment identifying the form numbers and serial numbers.
 - (v) The quantity and sale price of each individual item, including individual items of merchandise to be used as prizes on punchboards and pull-tabs.
 - (vi) The gross amount of each sale to each customer, including discount terms and the total dollar amount of a discount.
 - (vii) The total amount of the invoice.
 - (viii) The distributor license number.
- (2) *Other records.* Other records and reports as required by this part.
- (3) *Serial numbers not required.* A manufacturer is not required to record the serial numbers of punchboards on the sales invoice.

Source

The provisions of this § 901.425 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265898).

Cross References

This section cited in 61 Pa. Code § 901.51 (relating to power and duties).

§ 901.426. Serial and form numbers.

The sales of games shall be tracked by serial numbers.

Cross References

This section cited in 61 Pa. Code § 901.51 (relating to power and duties).

DISTRIBUTOR RECORDS AND REPORTS

§ 901.441. License of purchaser.

A distributor shall keep a copy of the valid games of chance license of each eligible organization to which it sells or otherwise furnishes games of chance.

Source

The provisions of this § 901.441 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265899).

Cross References

This section cited in 61 Pa. Code § 901.51 (relating to power and duties).

§ 901.442. Length of record retention.

Records, including invoices, shall be maintained for a minimum of 2 years.

Cross References

This section cited in 61 Pa. Code § 901.51 (relating to power and duties).

§ 901.443. Annual records.

A licensed distributor shall keep and maintain annual records of its activities related to games of chance for at least 5 years.

Source

The provisions of this § 901.443 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265899).

Cross References

This section cited in 61 Pa. Code § 901.51 (relating to power and duties).

§ 901.444. System type.

The records shall be maintained on the same basis as the distributor's Federal income tax records.

Cross References

This section cited in 61 Pa. Code § 901.51 (relating to power and duties).

§ 901.445. Records.

A record must include the following:

(1) *Sales invoices.* A distributor shall record every sale, return or other type of transfer of games of chance by completing a standard sales invoice or credit memo. An invoice must be prenumbered at the time of purchase. The numbering must be consecutive using at least four digits. The invoice must contain the following information:

- (i) The date of the sale.
- (ii) The date of the delivery.
- (iii) The name, address and license number of the licensed eligible organization.

(iv) A full description of each item sold, including serial numbers for punchboards and pull-tabs and form numbers. The games may be listed as a separate attachment identifying the form numbers and serial numbers.

(v) The quantity and sales price of each individual item, including individual items of merchandise to be used as prizes on punchboards and pull-tabs.

(vi) The gross amount of each sale to each licensed eligible organization, including all discount terms and the total dollar amount of any discount.

(vii) The total amount of the invoice.

(viii) The ideal prizes per game.

(2) *Bank reconciliation.* A bank reconciliation shall be performed on a monthly basis.

(3) *List of games sold.* A list of games sold by form number and serial number and the license number of the purchaser. These records must include enough detail to allow an audit of sold, unsold and damaged games.

(4) *Other records.* Other records and reports shall be maintained as required by this part.

Source

The provisions of this § 901.445 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265899) to (265900).

Cross References

This section cited in 61 Pa. Code § 901.51 (relating to power and duties).

LICENSED ELIGIBLE ORGANIZATION RECORDS

§ 901.461. Annual records.

An eligible organization licensed to conduct games of chance shall keep and maintain annual records of the activities related to games of chance with separate totals of activity under the license for each operating week. Annual records shall be maintained for 2 years.

Source

The provisions of this § 901.461 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265900).

§ 901.462. General records required.

A record must include the following:

(1) The gross receipts from the conduct of games of chance.

(2) The full details of the expenses related to the conduct of games of chance.

(3) The total cost of the prizes paid out for games of chance.

(4) The details as to how the proceeds from games of chance were used or disbursed by the eligible organization.

Source

The provisions of this § 901.462 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265900).

§ 901.463. Raffles records.

The following records and information shall be maintained with regard to raffle prizes:

- (1) The amount of proceeds received from the raffle.
- (2) The expenses deducted from the net receipts of a raffle.
- (3) A list of prizes and receipts for purchase of prizes.
- (4) A list of winners' names and addresses for prizes in excess of \$100.
- (5) The cash value of all prizes.

§ 901.464. Punchboard and pull-tab records.

Detailed annual records for the operation of punchboards and pull-tabs, must include the following:

- (1) The name of the punchboard or pull-tab deal.
- (2) The manufacturer's serial number on the punchboard or pull-tab deal.
- (3) The date it was placed in play.
- (4) The date it was removed from play.
- (5) The total number of plays in each deal or punchboard.
- (6) The cost per play.
- (7) The cost to the eligible organization of the prizes paid, including cash and merchandise.
- (8) The cash value of all prizes.
- (9) A list of winners' names and addresses for prizes in excess of \$100.

Source

The provisions of this § 901.464 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265901).

§ 901.464a. Daily and weekly drawing records.

A licensed eligible organization shall maintain the following records and information with regard to each daily or weekly drawing:

- (1) The type of drawing (daily or weekly).
- (2) The operating day or operating week as applicable during which chances were sold and the date of the drawing.
- (3) The list of entrants in the drawing.
- (4) Each entrant's assigned or chosen number.
- (5) The cost per chance.
- (6) The proceeds from the sale of chances and the prize payout percentage.
- (7) The winner's name.
- (8) The prize paid to the winner.
- (9) The winner's name and address for a prize over \$100.
- (10) The winner's signed acknowledgment for receipt of the prize.
- (11) A notation if the drawing is a carryover, and the amount of the jackpot being carried over to the next drawing.

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Source

The provisions of this § 901.464a adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.465. Cash over and short.

Cash over and short must be determined by:

- (1) Subtracting actual cash from net receipts for games of chance paying cash prizes.
- (2) Subtracting actual cash from gross receipts for games of chance which award merchandise prizes.

Source

The provisions of this § 901.465 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265901).

§ 901.466. Prize records.

A separate annual record shall be kept which may be easily cross-referenced to the other required records and which identifies the following:

- (1) The number and amount of individual prizes awarded in excess of \$100.
- (2) The total amount of prizes awarded per operating week.
- (3) The total amount of raffle prizes awarded each month.

Source

The provisions of this § 901.466 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265901).

§ 901.467. Other records.

Other records and reports as required by this part or the county licensing authority shall be maintained.

§ 901.468. Length of record retention.

Records, including invoices, shall be maintained a minimum of 2 years.

Subchapter E. PROHIBITED ACTIVITIES/PENALTIES

PROHIBITED ACTIVITIES

Sec.

- 901.501. Advertising.
- 901.502. Persons.
- 901.503. Compensation.
- 901.504. Persons who may conduct games.
- 901.505. Promotional use of games of chance.

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- 901.506. Credit play.
- 901.507. Prizes in excess of \$500.
- 901.508. Prizes in excess of \$5,000.
- 901.509. Monthly raffle limit.
- 901.510. Use of licensed premises by more than one organization.
- 901.511. Other activities.
- 901.512. Oral and written leases.
- 901.513. Gambling facilities prohibited.

PENALTIES

- 901.531. Eligible organizations.
- 901.532. Individuals.
- 901.533. Distributors and manufacturers.
- 901.534. Rigging.
- 901.535. Contingent fees.

PROHIBITED ACTIVITIES

§ 901.501. Advertising.

- (a) *General.* An eligible organization or other person may not advertise the prizes or their dollar value to be awarded in games of chance.
- (b) *Exceptions.*
 - (1) Raffle tickets may identify the raffle prizes.
 - (2) An eligible organization may advertise prizes and values thereof in periodic publications that are limited in their circulation to members of the eligible organization.

Source

The provisions of this § 901.501 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265902).

§ 901.502. Persons.

- (a) A person having a pecuniary interest in a distributor or manufacturer or operator of games of chance may not have been:
 - (1) Convicted within 10 years of a violation of the Bingo Law, or of the act or of a gambling-related offense under 18 Pa.C.S. (relating to the Crimes Code) or other comparable State or Federal law.
 - (2) Convicted of a felony in a state or Federal court within the last 5 years.
- (b) A person 17 years of age or younger may not be permitted to operate or play games of chance.
- (c) A licensed eligible organization may not permit a person who has been convicted of a felony in a Federal or state court within the past 5 years or has been convicted in a Federal or State court of a violation of the Bingo Law or the

61 § 901.503 LOCAL OPTION SMALL GAMES OF CHANCE Pt. VII

act within the past 10 years to manage, set up, supervise or participate in the operation of games of chance.

Source

The provisions of this § 901.502 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265902).

§ 901.503. Compensation.

A licensed eligible organization may not pay compensation to a person for conducting games of chance.

Source

The provisions of this § 901.503 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265903).

§ 901.504. Persons who may conduct games.

Only licensed eligible organizations or auxiliary group managers, officers, directors, bar personnel or bona fide members of the licensed eligible organization may conduct games of chance.

Source

The provisions of this § 901.504 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265903).

§ 901.505. Promotional use of games of chance.

Games of chance may not be used as a part of promotional or advertising methods.

Source

The provisions of this § 901.505 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265903).

§ 901.506. Credit play.

- (a) Playing of games of chance shall be on a cash basis.
- (b) Cash includes checks and money orders but does not include the use of a type of credit or debit card.
- (c) The consideration to play a game of chance shall be collected in full, by cash, check or money order, in advance of a play.
- (d) Credit play may not be extended to a player.
- (e) A licensed eligible organization may not permit the purchase of tickets by means of a deferred payment plan.
- (f) Licensed eligible organizations may establish their own policies concerning acceptance of checks. A licensed eligible organization is not required to accept a check.

(g) A licensed eligible organization, manufacturer or distributor may not grant a non de minimis loan or gift to a player, a licensed eligible organization, distributor or manufacturer.

(h) Postdated or altered checks may not be accepted.

(i) On the specific date on which the check was written, a licensed eligible organization may allow a player to buy back a check with cash or return a player's check to the player as part of a prize payout. Licensed eligible organizations may not unnecessarily delay the bank deposit of a check to accommodate either of these activities.

(j) A licensed eligible organization may not lend or provide the use of gambling funds to a person as a loan.

Source

The provisions of this § 901.506 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265903).

§ 901.507. Prizes in excess of \$500.

A licensed eligible organization may not award an individual prize that exceeds \$500 except under a special raffle permit, a daily drawing as provided in § 901.702(e)(1) (relating to prize limits) or a weekly drawing.

Source

The provisions of this § 901.507 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265903).

§ 901.508. Prizes in excess of \$5,000.

A licensed eligible organization may not award a prize that causes the total prizes awarded for an operating week to exceed \$5,000 except under a special raffle permit, a daily drawing as provided in § 901.702(e)(1) or (2) (relating to prize limits) or a weekly drawing as provided in § 901.702(f)(2).

Source

The provisions of this § 901.508 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265903).

§ 901.509. Monthly raffle limit.

A licensed eligible organization may not award a raffle prize that causes the total prizes awarded in raffles to exceed \$5,000 for the month except under a special raffle permit.

Source

The provisions of this § 901.509 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265904).

§ 901.510. Use of licensed premises by more than one organization.

A licensed eligible organization may not permit its premises to be used for games of chance by another licensed eligible organization at the same time that it is conducting games of chance on the premises. When a licensed eligible organization permits another licensed eligible organization to use its premises for purposes of games of chance, it shall cease the operation of its own games of chance during the period that the other licensed eligible organization is conducting its games on the premises.

Source

The provisions of this § 901.510 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265904).

Cross References

This section cited in 61 Pa. Code § 901.704 (relating to licensed premises).

§ 901.511. Other activities.

Other activities that are grounds for revocation, notice of violation, denial or termination of a certificate or license are also prohibited.

Source

The provisions of this § 901.511 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265904).

§ 901.512. Oral and written leases.

(a) An eligible organization may only lease a location or premises for the operation of games of chance under a written agreement.

(b) An eligible organization may not lease a location or premises for the operation of games of chance under a written agreement that provides for a rental price determined by the amount of receipts realized from the playing of games of chance or by the number of people attending, except that an eligible organization may lease a location or premises for a banquet where a per head charge is applied in connection with the serving of a meal.

Source

The provisions of this § 901.512 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.513. Gambling facilities prohibited.

(a) A person, corporation, association, partnership or other business entity may not offer for rent or offer for use a building or facility to be used exclusively for conducting of games of chance.

(b) A licensed eligible organization may not lease under any terms a facility or building that is used exclusively for conducting of games of chance.

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Source

The provisions of this § 901.513 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

Cross References

This section cited in 61 Pa. Code § 901.704 (relating to licensed premises).

PENALTIES

§ 901.531. Eligible organizations.

An eligible organization violating the act is guilty of a summary offense, and upon conviction will be sentenced to pay a fine not exceeding \$1,000 and shall, for a first offense forfeit its license to conduct games of chance for the remainder of the license term or 6 months, whichever is longer; for a second offense, forfeit its license for the remainder of the license term and be ineligible to be licensed for the following license term; for a third or subsequent offense, forfeit its license and be ineligible for a license renewal for 30 months thereafter.

Source

The provisions of this § 901.531 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265904).

§ 901.532. Individuals.

A person who conducts, or who assists in the conduct of games of chance in violation of the act is guilty of a summary offense for the first violation, a misdemeanor of the third degree for a second violation and a misdemeanor of the first degree for a third or subsequent violation.

Source

The provisions of this § 901.532 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265904).

§ 901.533. Distributors and manufacturers.

A person who distributes games of chance without a license or in violation of the act or this part and a manufacturer of games of chance who delivers games of chance for sale or distribution in this Commonwealth who fails to obtain a certificate thereof, is guilty of a misdemeanor of the first degree. A license or certificate is not required for the manufacture or distribution of raffle, daily drawing or weekly drawing tickets.

Source

The provisions of this § 901.533 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265904).

§ 901.534. Rigging.

A person commits a misdemeanor of the first degree if with intent to prevent a game of chance from being conducted in accordance with the act or the rules and usages governing the game, the person:

- (1) Confers, offers or agrees to confer a benefit upon or threatens an injury to a participant or other person associated with the game.
- (2) Tampers with a person or games.
- (3) Solicits, accepts or agrees to accept a benefit.

§ 901.535. Contingent fees.

A person who distributes, manufactures or operates a game of chance and who requires a payment equal to a percentage of the total winnings of a game for equipment furnished or to play a game commits a misdemeanor of the first degree.

Source

The provisions of this § 901.535 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265905).

Subchapter F. MANUFACTURING STANDARDS

PULL-TAB MANUFACTURING STANDARDS

- Sec.
- 901.601. Uniform minimum quality standards.
 - 901.602. Flares.
 - 901.603. Minimum percentages for prizes.
 - 901.604. Rule compliance.
 - 901.605. Deal in multiple packages.
 - 901.606. Sales promotions.
 - 901.607. One flare per deal.
 - 901.608. Standards for flares.
 - 901.609. Name or logo imprinting.

PUNCHBOARD MANUFACTURING STANDARDS

- 901.621. Flares.
- 901.622. Standards for construction.
- 901.623. Punchboard restrictions.
- 901.624. Minimum percentages for prizes.
- 901.625. Rule compliance.
- 901.626. One flare per punchboard.
- 901.627. Standards for flares.
- 901.628. Name or logo imprinting.

GENERAL MANUFACTURING STANDARDS

- 901.631. Subcontracting and manufacturer responsibility.
901.632. Predetermination of rules, winning chances and prizes.
901.633. Prohibition against participant control of winning chances or prizes.

PULL-TAB MANUFACTURING STANDARDS

§ 901.601. Uniform minimum quality standards.

(a) *Standards.* Pull-tab games manufactured for sale or other distribution in this Commonwealth shall conform to the act, this part and NAGRA's manufacturing standards for pull-tab games, as amended, to the extent consistent with this part. Copies of NAGRA standards are available from the Department.

(b) *Packaging.* Packaging shall also be in conformity with NAGRA criteria. Copies of these criteria are available from the Department.

(c) *Randomization.*

(1) Pull-tabs in a deal must be distributed and mixed among all other pull-tabs in a deal so as to eliminate any pattern in the location of winning and losing pull-tabs in a deal or between deals.

(2) A deal may not be segregated into sub-deals or portions so that a part of a deal may be distinguished or played separately from the rest of the deal.

Source

The provisions of this § 901.601 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265905).

§ 901.602. Flares.

A flare provided by the manufacturer must accompany every deal. However, a licensed eligible organization may alter a flare as provided in § 901.731(b)(2) (relating to punchboard and pull-tab operation).

Source

The provisions of this § 901.602 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265906).

Cross References

This section cited in 61 Pa. Code § 901.608 (relating to standards for flares).

§ 901.603. Minimum percentages for prizes.

A distributor or manufacturer of pull-tabs may not sell or otherwise provide to a person in this Commonwealth or for use in this Commonwealth a pull-tab deal that does not contain the following minimum percentage in prizes:

(1) At least 65% of the maximum potential gross receipts from the sale of plays shall be payable as prizes in cash or merchandise. For the purpose of

determining the percentage of prizes offered on a pull-tab deal under this section, total merchandise prizes shall be the cash value of the merchandise.

- (2) Single cash prizes on pull-tabs may not exceed:
 - (i) Five hundred dollars in cash.
 - (ii) A merchandise prize, or combination merchandise prize, which has a market value of no more than \$500.
- (3) Multiple winners on an individual pull-tab may not exceed the single cash or merchandise prize limit in paragraph (2).

§ 901.604. Rule compliance.

A distributor or manufacturer or representative thereof, with knowledge or if he reasonably should have known, may not possess, display, put out for play, sell or otherwise furnish to a person in this Commonwealth a pull-tab deal or pull-tab from any deal that does not comply with this part.

§ 901.605. Deal in multiple packages.

- (a) When the deal is packaged in more than one container, the entire deal of individual pull-tabs shall be mixed so that no person is able to determine the position or approximate location of one or more of the winning pull-tabs or determine whether a package or portion of a deal contains a larger or smaller percentage of winning pull-tabs than the balance of the deal.
- (b) The containers may not be numbered as to distinguish one from the other.
- (c) A pull-tab deal shall contain a packing slip placed inside the package containing the name of the manufacturer, series number, date the deal was packaged and the name or identification of the person who packaged the deal. This information may be printed on the back of the flare or the outside of at least one of the containers in which the pull-tabs are packed.

§ 901.606. Sales promotions.

A manufacturer or distributor or representative thereof may not use as a sales promotion a statement, demonstration or implication that a certain portion of a pull-tab deal contains more winners than other portions of the deal or that a pull-tab deal may be sold by the operator in a particular manner that may give the operator an advantage in selling more of the pull-tabs before having to pay out winners.

§ 901.607. One flare per deal.

A person may not place or have out in public view more than one flare identifying the prizes available from the operation of a pull-tab deal.

§ 901.608. Standards for flares.

(a) A pull-tab game flare must be made only by the manufacturer. Except as provided by § 901.731(b)(2) (relating to punchboard and pull-tab operation), a flare may not be altered after it leaves the manufacturer's possession and control.

(b) Except as otherwise provided in this part, a flare for a pull-tab game must comply with NAGRA manufacturing standards for pull-tab game flares.

(c) A pull-tab game flare must:

(1) Be placed only upon the face, or on the top, of a dispenser used to dispense the pull-tabs.

(2) Clearly set out each of the prizes available and the number or symbol that wins each prize.

(3) Set out the winning numbers or symbols for prizes of \$5 or more in cash or merchandise with a cash value of \$5 or more.

(d) The flare for any pull-tab game containing hold tickets must provide for a section on the flare, either on the front or back, that contains the hold ticket numbers or symbols and a corresponding space beside each number or symbol upon which the holder of each hold ticket shall sign his name.

(e) A seal card may serve as a pull-tab game flare if it meets all the requirements of a flare.

Source

The provisions of this § 901.608 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265907).

Cross References

This section cited in 61 Pa. Code § 901.1 (relating to definitions).

§ 901.609. Name or logo imprinting.

The manufacturer's name or logo shall be placed on pull-tabs produced by the manufacturer.

PUNCHBOARD MANUFACTURING STANDARDS

§ 901.621. Flares.

A flare provided by the manufacturer must accompany every punchboard. However, a licensed eligible organization may alter a flare as provided in § 901.731(b)(2) (relating to punchboard and pull-tab operation).

Source

The provisions of this § 901.621 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265907).

§ 901.622. Standards for construction.

Punchboards sold for use in this Commonwealth must be in compliance with the following standards:

(1) *General.*

(i) A punchboard must have a face sheet that covers the punchboard receptacles.

(ii) The flare for the punchboard may be manufactured to serve as the face sheet for the punchboard.

(iii) A punchboard, its punches and its flare must be assigned an identical serial number.

(iv) Each punchboard receptacle must contain an identical number of punches.

(2) *Patterns.* The punchboard must be manufactured with special care to eliminate patterns between punchboards, or portions of punchboards, from which the location or approximate location of winning punches may be determined. A manufacturer shall employ at least the following steps to ensure that no pattern exists:

(i) The form or permanent number sheets from which the individual punches shall be cut must be mixed prior to cutting.

(ii) After the punches have been crimped, the punches must be thoroughly mixed prior to insertion in punchboards.

(iii) When filling punchboards, workers may not alter the procedures for filling sets of punchboards.

(iv) No more than eight punchboards from one set of boards may be included in a case of punchboards for shipment to this Commonwealth.

(3) *Serial numbers.* Serial numbers set forth on the form or permanent number sheets shall be nonsequential to ensure that no pattern is created which would permit the tracking of boards through the serial number.

(4) *Guaranteed numbers.* Numbers or symbols designated as winners on the flare shall be guaranteed by the manufacturer as being present in the board. The manufacturer may place a sticker or equivalent on the back of each punchboard setting forth additional numbers or symbols that are guaranteed to be in the board. The additional numbers or symbols on the back of the board may not exceed 5% of the total punches in the board.

(5) *Security.* Punchboards must be sealed so it is impossible to determine the number or symbol of a punch prior to being punched out of the board by a method or device including the use of markings or light.

(6) *Step-up boards.*

(i) Cards, straws or punches that contain the winners in the step-up portion of a punchboard must be completely sealed to prevent premature winner identification. The items must be thoroughly mixed to ensure that no pattern of winners exists.

(ii) Step-up boards that contain winners covered by seals must have at least 25 different face sheets for use on that specific step-up board. Face sheets shall be utilized in a manner to ensure random distribution during the manufacturing process.

Source

The provisions of this § 901.622 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265907) to (265908).

§ 901.623. Punchboard restrictions.

A manufacturer or distributor may not sell or furnish to a person, a punchboard:

- (1) To which a key to a winning number or symbol exists other than a key which is furnished to the operator designating the color codes for the chances on that board without regard to whether or not the chances are designated winners.
- (2) Which has taped sides, corners or edges.
- (3) On which the winning punches or approximate location of a winning punch can be determined in advance of punching the punchboard in a manner or by a device, including any patterns in manufacture, assembly, packaging or programming. Winning punches shall be distributed and mixed among all other punches in the punchboard.

§ 901.624. Minimum percentages for prizes.

A distributor or manufacturer of punchboards may not sell or otherwise provide to a person in this Commonwealth or for use in this Commonwealth a punchboard that does not contain the following minimum prizes:

- (1) At least 60% of the maximum potential gross receipts from the sale of plays on each punchboard placed out for play shall be payable as prizes in cash or merchandise. For the purposes of determining the percentage of prizes offered on a punchboard under this section, total merchandise prizes shall be the cash value of the merchandise.
- (2) Single cash prizes on punchboards may not exceed:
 - (i) Five hundred dollars in cash.
 - (ii) A merchandise prize or combination merchandise prize, which has a cash value of more than \$500.
- (3) Multiple winners on an individual punch may not exceed the single cash or merchandise prize limit in paragraph (2).

§ 901.625. Rule compliance.

A distributor or manufacturer or representative thereof, with knowledge or if he reasonably should have known, may not possess, display, put out for play, sell or otherwise furnish to a person in this Commonwealth a punchboard that does not comply with this part.

§ 901.626. One flare per punchboard.

A person may not place or have out in public view more than one flare advertising the prizes available from the operation of a punchboard.

§ 901.627. Standards for flares.

(a) A punchboard flare must be made only by the manufacturer. Except as provided by § 901.731(b)(2) (relating to punchboard and pull-tab operation), a flare may not be altered after it leaves the manufacturer's possession and control.

(b) A punchboard flare must:

(1) Be placed only upon the face or on the top of a punchboard.

(2) Clearly set out each of the prizes available and the number or symbol that wins each prize.

(3) Set out the winning numbers or symbols for prizes of \$5 or more in cash or merchandise worth \$5 or more at retail so that each prize is won and awarded.

(c) The flare for any punchboard containing hold tickets must provide for a section on the flare, either on the front or back, that contains the hold ticket numbers or symbols and a corresponding space beside each number or symbol upon which the holder of each hold ticket shall sign his name.

(d) A seal card may serve as a punchboard flare if it meets all the requirements of a flare.

Source

The provisions of this § 901.627 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265909).

Cross References

This section cited in 61 Pa. Code § 901.1 (relating to definitions).

§ 901.628. Name or logo imprinting.

The manufacturer's name or logo shall be placed on punchboards produced by the manufacturer.

GENERAL MANUFACTURING STANDARDS

§ 901.631. Subcontracting and manufacturer responsibility.

(a) A registered manufacturer may subcontract for the manufacturer or production of the parts, pieces, accessories and other items that make up a completed game of chance.

(b) A subcontractor who only manufactures or produces parts, pieces, accessories and other items used to manufacture a completed game of chance is not required to be registered with the Department.

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(c) A registered manufacturer that assembles and markets a completed game of chance is responsible for complying with the provisions and requirements of this part to sell the game of chance for use in this Commonwealth.

Source

The provisions of this § 901.631 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.632. Predetermination of rules, winning chances and prizes.

Except as provided in § 901.731(b)(2) (relating to punchboard and pull-tab operation), a manufacturer of a pull-tab game or punchboard shall predetermine the rules, prize structure, prizes, prize values, winning pull-tabs or punches and the corresponding prize for each pull-tab or punch during the manufacturing of the pull-tab game or punchboard. A person may not alter a pull-tab game or punchboard manufactured by a registered manufacturer and offered for sale and use within this Commonwealth.

Source

The provisions of this § 901.632 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.633. Prohibition against participant control of winning chances or prizes.

A game of chance may not be manufactured for sale and use in this Commonwealth in which a participant who purchases a chance in the game can control, effect or choose the winning chance or chances or the corresponding prize or prizes.

Source

The provisions of this § 901.633 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

Subchapter G. OPERATION OF GAMES

ELIGIBLE ORGANIZATION OPERATION OF GAMES

- Sec.
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901.701b. Display.
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PUNCHBOARD AND PULL-TAB OPERATION PROCEDURES

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- 901.732. Punchboard or pull-tab price per play.
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RAFFLES

- 901.741. Prize limits.
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- 901.749. Open drawing.
- 901.750. Printer invoice.
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- 901.752. Printer requirements.
- 901.753. Means of determining winning numbers.
- 901.761—901.778. [Reserved].

DAILY DRAWINGS

- 901.781. Daily drawing procedures.
- 901.782. Daily drawing chances.
- 901.783. Posting rules.
- 901.784. Claiming prizes.
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WEEKLY DRAWINGS

- 901.791. Weekly drawing procedures.
- 901.792. Weekly drawing chances.
- 901.793. Posting rules.
- 901.794. Claiming prizes.
- 901.795. Invalid State Lottery drawing.
- 901.796. Unclaimed prize money.

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ELIGIBLE ORGANIZATION OPERATION OF GAMES

§ 901.701. Games of chance permitted.

(a) A licensed eligible organization may conduct games of chance only for the purpose of raising funds for public interest purposes as defined in the act or this part.

(b) A licensed eligible organization shall use games of chance proceeds exclusively for public interest purposes or for the purchase of games of chance permitted by the act or this part. For purposes of this subsection, the term “games of chance” includes merchandise prizes awarded in a game of chance.

(c) A game of chance may not be conducted in this Commonwealth in which a participant who purchases a chance in the game can control, effect or choose the winning chance or chances or the corresponding prize or prizes.

Source

The provisions of this § 901.701 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265911).

§ 901.701a. License required.

(a) *Eligible organizations.* An eligible organization may not conduct or operate games of chance unless the eligible organization obtains and maintains a valid license. An eligible organization shall be in existence and fulfilling its purposes for 1 year prior to the date of application for a license.

(b) *Auxiliary groups.*

(1) An auxiliary group may conduct or operate games of chance under its parent organization’s license. An auxiliary group may not be licensed separately. Any auxiliary group that conducts games of chance must be listed on the parent organization’s license application.

(2) An auxiliary group that conducts games of chance under its parent organization’s license acts in lieu of the eligible organization and is bound by the restrictions and limitations of the eligible organization and its license under the act and this part. Prizes from games of chance conducted by an auxiliary group must be included in the total prizes paid out by the licensed eligible organization for purposes of determining the licensed eligible organization’s adherence to the prize limits under the act and this part.

(3) A licensing authority may not charge an additional licensing fee for an auxiliary group’s right to conduct games of chance under its parent eligible organization’s license.

Source

The provisions of this § 901.701a adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.701b. Display.

The licensed eligible organization shall at all times publicly display its license at the site where it conducts games of chance.

Source

The provisions of this § 901.701b adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.701c. Location of games.

(a) A license will be valid at and authorize the holder to conduct games of chance on the eligible organization's licensed premises as provided in § 901.704 (relating to licensed premises).

(b) A licensed eligible organization may conduct games of chance at a location off its premises when the games of chance are part of a reoccurring, annual carnival, fair, picnic or banquet held or participated in by that eligible organization. The organization shall notify, in writing, the district attorney and licensing authority of the location, date and times of the events.

(c) A license issued by a licensing authority in one county will be valid for purposes of selling raffle tickets in municipalities of another county which have specifically approved games of chance by an affirmative vote in a municipal referendum. A licensed eligible organization that plans to sell raffle tickets in a municipality located in a county other than the county in which it is licensed shall notify that county's district attorney and licensing authority as to the location and the dates that the organization plans to sell raffle tickets.

Source

The provisions of this § 901.701c adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.702. Prize limits.

(a) *Maximum individual prize limit.* The maximum cash value of a prize that may be awarded for a single chance in a game of chance is \$500.

(b) *Weekly limit.* No more than \$5,000 in cash or merchandise may be awarded as prizes in games of chance conducted by a licensed eligible organization during an operating week.

(c) *Raffle limit.* No more than \$5,000 in cash or merchandise may be awarded as prizes in raffles in a calendar month except under a special raffle permit.

(d) *Special raffle permit.* A licensed eligible organization may conduct a raffle and award a prize valued in excess of \$500 only if it has obtained a special raffle permit. The total cash value of prizes awarded under all special raffle permits during a calendar year may be no more than \$100,000.

(e) *Prize limit exceptions for daily drawings.*

(1) A licensed eligible organization may award a prize in excess of the prize limitations in subsections (a) and (b) if the prize is the result of a carry-over of a drawing when the following conditions apply:

(i) The winning number was not held by one of the eligible entrants in the drawing.

(ii) The carryover is not the result of the licensed eligible organization's failure to hold a drawing on an operating day during which chances for a daily drawing were sold.

(iii) The chances for the daily drawing were not sold for an amount in excess of \$1.

(iv) An eligible participant may not be sold more than one chance.

(2) A prize awarded in a daily drawing that is set up to pay out 100% of the gross revenues from the drawing is not included as a prize for purposes of the limitation in subsection (b).

(f) *Prize limit exceptions for weekly drawings.*

(1) The prize limitation in subsection (a) does not apply to weekly drawings. Weekly drawings are subject to the prize limitations in subsection (b).

(2) A prize awarded in a weekly drawing will not be considered a prize for purposes of the limitation in subsection (b) if either:

(i) The prize is the result of a carryover of a drawing when the winning number was not held by one of the eligible entrants in the drawing, and the following conditions apply:

(A) The carryover is not the result of the licensed eligible organization's failure to hold a weekly drawing at the end of the operating week during which chances were sold.

(B) The chances for the weekly drawing were not sold for an amount in excess of \$1.

(ii) The drawing is set up to pay out 100% of the gross revenues from such drawing.

Source

The provisions of this § 901.702 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265911).

§ 901.703. Place of conduct.

A licensed eligible organization shall conduct games of chance only on the licensed eligible organization's licensed premises or at places as otherwise provided by the act and this part. A licensed eligible organization may sell raffle tickets off the licensed premises but only in municipalities that have approved games of chance through a valid referendum.

Source

The provisions of this § 901.703 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265911).

§ 901.704. Licensed premises.

(a) An eligible organization's licensed premises must be the location or premises owned or leased by the organization for use as its normal business or operating site. When the premises consists of more than one building, the organization shall designate which building will be used as the licensed premises for the operation of games of chance. If the organization wishes to conduct games of chance in a different building on its licensed premises, it shall notify, in writing, the district attorney and the licensing authority of the change in building site and the date and times that will be affected at least 10 days prior to conducting games at the different site.

(b) If an eligible organization does not own or lease a location or premises for use as its normal business or operating site, the organization may:

(1) With the written consent of another eligible organization, use another eligible organization's licensed premises for purposes of conducting games of chance so long as such use complies with §§ 901.510 and 901.709 (relating to use of licensed premises by more than one organization; and eligible organizations per premises).

(2) Lease a location or premises on which to conduct games of chance as long as the lease does not violate § 901.513 (relating to gambling facilities).

(3) Make other arrangements to acquire a location or premises, consistent with the act and this part, on which to conduct games of chance.

(c) An eligible organization may not lease a location or premises as a licensed premises under an oral agreement. An eligible organization may lease a location or premises under a written agreement. The rental price may not be based on either the amount of receipts realized from the playing of games of chance or the number of people attending. An eligible organization may lease a facility for a banquet where a per head charge is applied in connection with the serving of a meal.

(d) An eligible organization may not lease a location or premises as a licensed premises from any person who has been convicted of a violation of the act or this part within 10 years of the date of the lessor's conviction.

Source

The provisions of this § 901.704 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265912).

Cross References

This section cited in 61 Pa. Code § 901.701c (relating to location of games).

§ 901.705. Purchase of games.

A licensed eligible organization shall purchase games of chance only from a licensed distributor. Raffles, daily drawings and weekly drawings are excluded from this requirement.

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Source

The provisions of this § 901.705 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265912).

§ 901.706. Persons who may not operate or play games of chance.

(a) A person 17 years of age or younger may not be permitted to operate or play games of chance.

(b) A licensed eligible organization may not permit a person who has been convicted of a felony in a state or Federal court within the past 5 years or a violation of the Bingo Law or the act in a State or Federal court within the past 10 years to manage, set up, supervise or participate in the operation of games of chance.

Source

The provisions of this § 901.706 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265912).

§ 901.707. Compensation.

A licensed eligible organization may not pay compensation to a person for conducting games of chance.

Source

The provisions of this § 901.707 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265912).

§ 901.708. Persons who may conduct games of chance.

Only licensed eligible organizations or auxiliary group managers, officers, directors, bar personnel or bona fide members of the licensed eligible organization may conduct games of chance.

Source

The provisions of this § 901.708 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265912).

§ 901.709. One eligible organization per premises.

Only one licensed eligible organization may use a licensed premise to conduct games of chance. A licensed eligible organization may allow another licensed eligible organization that does not own or lease a normal business premises to conduct games of chance on its premises. When an eligible organization uses the premises of another eligible organization, each eligible organization shall notify its respective licensing authority and district attorney in writing at least 10 days prior to using the premises.

61 § 901.710 LOCAL OPTION SMALL GAMES OF CHANCE Pt. VII

Source

The provisions of this § 901.709 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265912).

Cross References

This section cited in 61 Pa. Code § 901.704 (relating to licensed premises).

§ 901.710. Other standards and requirements.

A licensed eligible organization may not provide for play or purchase a game of chance that violates the act or this part.

Source

The provisions of this § 901.710 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265912).

§ 901.711. [Reserved].

Source

The provisions of this § 901.711 reserved August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265912).

§ 901.712. Raffle, daily drawing and weekly drawing game rules and prizes.

An eligible organization shall establish the rules, prize structure, prizes, and prize values in a raffle, daily drawing or weekly drawing prior to conducting the raffle, daily drawing or weekly drawing.

Source

The provisions of this § 901.712 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

PUNCHBOARD AND PULL-TAB OPERATION PROCEDURES

§ 901.731. Punchboard and pull-tab operation.

(a) A person 17 years of age and younger or a person visibly intoxicated or visibly under the influence of a controlled substance may not be allowed to play or sell a punchboard or pull-tab. It is the responsibility of the licensee and the responsibility of the person physically selling the punchboard or pull-tab deal to determine that an unauthorized person is not allowed to play or sell.

(b) Limitations on punchboards, pull-tabs and flares are as follows:

(1) A licensed eligible organization may not permit the display or operation of a punchboard or pull-tab which may have been marked, defaced, tampered with or otherwise placed in a condition or operated in a manner which may deceive the public or which affects the chances of winning or losing upon the taking of a chance thereon.

(2) A licensed eligible organization may alter a flare to indicate that merchandise of equivalent value will substitute for a cash prize in a punchboard or pull-tab game.

(c) Records, reports and receipts relating to a punchboard or pull-tab deal in play shall be retained on the licensed premises as long as the deal or punchboard is in play and shall be made available on demand to law enforcement officers, county officials or the Department.

(d) When licensed eligible organizations purchase merchandise to be used as prizes on punchboards or pull-tab deals, the following information must be on the invoice provided by the seller:

- (1) The date of the purchase.
- (2) The company's name and adequate business address.
- (3) A full description of each item purchased.
- (4) The quantity of items purchased.
- (5) The cost per individual items purchased.

(e) Limitations on pull-tab dispensing machines are as follows:

(1) Pull-tabs may not be placed out for public play unless the total number of pull-tabs originally in the deal is clearly disclosed on the face of the flare advertising the prizes available from that deal. The total number of pull-tabs originally in the deal will be placed upon the flare by the manufacturer prior to the series being sold to a distributor.

(2) A pull-tab may not be added to a deal after that deal has been shipped from its place of manufacture.

(3) If an entire deal is not placed in a dispensing machine at one time, the pull-tabs in the deal shall be placed in the dispensing machine randomly and in a manner that does not compromise the randomization of the tickets as packaged by the manufacturer.

(4) A pull-tab deal once placed in or upon a pull-tab container out for play may not be removed from the container until the deal is permanently removed from public play, except as follows:

- (i) Pull-tabs actually played by consumers.
- (ii) Pull-tabs removed by representatives of the county, or other law enforcement agency inspecting the games of chance.

(5) Once a pull-tab has been removed from public play it may not again be put out for public play.

(6) Deals may not be commingled.

(f) A person may not sell or transfer to another person in this Commonwealth, for use within this Commonwealth, or place out for public play a container for pull-tabs not so constructed to allow a consumer to clearly see the pull tabs within or upon the container prior to playing the game. Stamp machines are excluded from this requirement.

(g) A person may not sell or transfer to another person in this Commonwealth, for use within this Commonwealth, or put out for public play, a pull-tab deal which contains more than 4,000 individual pull-tabs or 4,000 stapled packets of jar tickets.

Source

The provisions of this § 901.731 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265913) to (265914).

Cross References

This section cited in 61 Pa. Code § 901.602 (relating to flares); 61 Pa. Code § 901.608 (relating to standards for flares); 61 Pa. Code § 901.621 (relating to flares); 61 Pa. Code § 901.627 (relating to standards for flares); and 61 Pa. Code § 901.632 (relating to predetermination of rules, winning chances and prizes).

§ 901.732. Punchboard or pull-tab price per play.

(a) A punchboard or pull-tab deal may not be placed out for public play unless the cost to the player for each punch or pull-tab is clearly posted on the flare.

(b) Once placed out for public play, a punchboard or pull-tab deal flare may not be modified or otherwise changed except as provided in § 901.733 (relating to control of prizes).

§ 901.733. Control of prizes.

(a) Prizes shall be displayed in the immediate vicinity of the punchboard or pull-tab container and the prizes shall be in full view of a person prior to that person purchasing the opportunity to play.

(b) When the prize is cash, it shall be displayed as follows:

(1) If the punchboard or pull-tab deal contains the opportunity to win cash and merchandise prizes, the money itself may not be displayed but a coupon designating the cash available to be won shall be substituted.

(2) If the only prizes which may be won are cash prizes, they shall be clearly and fully described or represented by a coupon displayed upon the flare attached to the face or displayed in the immediate vicinity of the pull-tab container.

(c) The licensed eligible organization shall display prizes so arranged that a customer can easily determine which prizes are available from a particular punchboard or pull-tab deal located upon the premises.

(d) The prize shall be paid or delivered to the winner as soon as possible.

(e) A licensed eligible organization may not offer to pay or actually pay cash in lieu of merchandise prizes which may be won.

(f) When a person wins a cash prize of over \$100 or wins a merchandise prize with a cash value of over \$100 from the play of a punchboard or pull-tab

deal, the licensed eligible organization shall make a record of the win. The record must disclose, at a minimum, the following information:

- (1) The serial number of the pull-tab deal or punchboard from which the prize was won.
 - (2) The name of the punchboard or pull-tab deal.
 - (3) The month, day and year of the win.
 - (4) The amount of the prize won if the prize is cash.
 - (5) A description of the prize won and its cash value if the prize is merchandise.
 - (6) The printed full name of the winner.
 - (7) The address of the winner which will include the street address, the city, the state and zip code.
 - (8) The form number of the punchboard or deal.
- (g) A licensed eligible organization shall keep the record of prizes awarded containing the information required in subsection (f), and of winning plays for a minimum of 2 years and shall display the record to a representative of the Department, county licensing authority, district attorney or law enforcement official upon demand. The licensed eligible organization shall immediately mark or perforate the winning pull-tab or punch so that the play cannot be presented again for payment.

Source

The provisions of this § 901.733 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265914) to (265915).

Cross References

This section cited in 61 Pa. Code § 901.732 (relating to punchboard or pull-tab price per play).

§ 901.734. Punchboard and pull-tab inventory and retention.

A licensed eligible organization shall control and account for punchboard and pull-tab games as follows:

- (1) A licensed eligible organization shall closely monitor punchboards and pull-tab games purchased to assure that serial numbers are correctly entered in records and that each punchboard and pull-tab game purchased is recorded. The following control procedures apply:
 - (i) By the close of business on the last day of a licensed eligible organization's license term and before operating punchboards and pull-tab games after that date, the licensed eligible organization shall take a physical inventory of punchboards and pull-tab games in play and awaiting play and record the following information separately for punchboards and pull-tab games:
 - (A) The name of the game.
 - (B) The serial or series number.
 - (C) The form number.

(ii) At the time punchboards and pull-tab games are delivered, a licensed eligible organization shall assure that purchase invoice data is correct by comparing the actual serial numbers on each punchboard or pull-tab game to the numbers entered on the purchase invoices.

(iii) The purchases of punchboards or pull-tab games shall be recorded on a standard distributor's invoice, which includes space for the licensed eligible organization to either attach a records entry label or enter the serial number and the date the punchboard or the pull-tab game was placed out for play. For punchboards or pull-tab games purchased, the licensed eligible organization shall enter the data and the serial number in the space on the invoice, adjacent to the distributors entry, by either attaching a records entry label or by written entry.

(2) A punchboard or pull-tab game which is removed from play, unplayed punches or pull-tabs and winning punches or pull-tabs for prizes in excess of \$100 shall be retained by the licensed eligible organization for at least 2 years following the last day of the month in which it was removed from play. The board, unplayed punches or pull-tabs, flare and winning punches or pull-tabs must remain available for inspection on the licensed premises.

(3) A punchboard or pull-tab game which is not placed out for public play or is not returned to the distributor from whom it was originally purchased must be retained on the licensed premises and made available for inspection for at least 2 years.

Source

The provisions of this § 901.734 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265915) to (265916).

RAFFLES

§ 901.741. Prize limits.

A prize awarded may not have a value in excess of \$500 unless the raffle is conducted under a special raffle permit. A licensed eligible organization may not award more than \$5,000 in cash or merchandise in raffles in a calendar month.

Source

The provisions of this § 901.741 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265916).

§ 901.742. Drawing dates.

Raffles may have one or more drawing dates except a raffle where the winner is determined by a drawing conducted by the Department under the State Lottery Law, in which case the drawing date will be the date of the applicable Department drawing. The drawing dates and times must be printed on the raffle tickets.

Source

The provisions of this § 901.742 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265916).

§ 901.743. Raffle tickets.

(a) Tickets for entry into a raffle shall be sold or issued separately and each ticket shall constitute a separate and equal chance to win with other tickets sold or issued. A person may not be required to obtain more than one ticket, or to pay for anything other than the ticket, to enter a raffle.

(b) Tickets for use in a raffle must have a stub or other detachable section, be consecutively numbered and be accounted for separately through the use of a log book showing to whom the tickets were given to be sold. The ticket stub or other detachable section of the ticket must bear a duplicate number corresponding to the numbers on the ticket and contain the purchaser's name, complete address and telephone number. Both parts must be imprinted with sequential numbers commencing with the number "1" through the maximum number of tickets to be sold; or in the case of a raffle where the winner is determined by a drawing conducted by the Department under the State Lottery Law, the universe of eligible ticket numbers must correspond to the universe of eligible numbers in the State Lottery drawing.

(c) A raffle ticket shall be sold for the price stated on the ticket.

(d) A person may not be required to be present at a raffle drawing to be eligible for the prize drawing or to claim the prize awarded.

(e) A ticket seller shall return the stubs or other detachable section of tickets sold to the eligible organization. The eligible organization shall then place each stub or other detachable section of ticket sold into a receptacle out of which the winning tickets are to be drawn. The receptacle must be designed so that each ticket placed therein has an equal opportunity with every other ticket to be the one withdrawn.

(f) If a ticket stub or other detachable portion was not placed in the receptacle from which the winners were drawn, prior to the drawing, the purchase price of the ticket must be refunded to the purchaser.

(g) The purchaser's name, address and telephone number must appear on the stubs or other detachable section.

Source

The provisions of this § 901.743 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265916) to (265917).

§ 901.744. Control of raffle prizes.

A licensed eligible organization conducting a raffle in which real or personal property prizes are to be awarded shall have paid for in full or otherwise become

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the owner, without lien or interest of others, of the real or personal property prior to the drawing at which the winners of the prizes are to be determined.

Source

The provisions of this § 901.744 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265917).

§ 901.745. Printing requirements.

The following information must be printed upon each raffle ticket sold:

- (1) The dates and times of the drawings.
- (2) The location of the drawings.
- (3) The name of the licensed eligible organization conducting the raffle.
- (4) The games of chance license number of the licensed eligible organization.
- (5) The special raffle permit number, if applicable.
- (6) The price of the ticket.
- (7) The prize or prizes to be awarded.

Source

The provisions of this § 901.745 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265917).

§ 901.746. Prize awarding.

(a) A licensed eligible organization shall award raffle prizes on the dates indicated on the raffle ticket unless the licensed eligible organization approves a different date and purchasers of tickets are notified in writing. The dates of the drawing may be extended only if one of the following occurs:

- (1) Weather or a state of emergency declared by the Governor has caused a postponement of the event at which the drawing was to occur.
 - (2) Not enough tickets are sold to cover the cost of the prizes and an extension will make a material difference.
- (b) The fact that a desired level of profit will not be obtained is not a basis for an extension of the date of the drawing.
- (c) If a raffle prize remains unclaimed by the winner for 90 days following the date of the raffle drawing and the licensed eligible organization has made a good faith effort to contact the winner by means of telephone and registered mail, for redemption of the prize, the licensed eligible organization may retain the prize or award it in another game of chance. A record of the attempted contact shall be maintained for a minimum of 2 years.

Source

The provisions of this § 901.746 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265917).

§ 901.747. Free tickets.

A free ticket may be given to a person. A ticket may also be purchased and given to someone as a bona fide gift.

§ 901.748. Prohibition of joint raffles held by licensees.

A licensed eligible organization may not join together with another licensed eligible organization to conduct a raffle.

Source

The provisions of this § 901.748 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265918).

§ 901.749. Open drawing.

(a) A drawing and allotment by chance shall be conducted openly and in plain view of players present.

(b) A licensed eligible organization shall immediately exhibit and hold open for inspection drawn raffle ticket stubs or detachable sections until the end of the raffle. A licensed eligible organization shall retain the stubs or detachable sections as provided under the act or this part.

Source

The provisions of this § 901.749 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265918).

§ 901.750. Printer invoice.

(a) A licensee shall secure an invoice from the printer of tickets showing:

- (1) The number of tickets printed.
- (2) The first and last numbers used.
- (3) The tickets were consecutively numbered.
- (4) A sample of the ticket.

(b) One invoice shall be attached to each copy of the raffle records.

§ 901.751. Ticket sales.

A licensed eligible organization may only sell raffle tickets in municipalities that have approved the use of games of chance by means of a valid local referendum in accordance with the act. A licensed eligible organization may sell raffle tickets at locations other than the licensed eligible organization premises. A licensed eligible organization that plans to sell raffle tickets in a municipality located in a county other than the county in which it is licensed shall notify that county's district attorney and licensing authority in writing of the location and date that the eligible organization plans to sell raffle tickets at least 10 days prior to selling raffle tickets in that county.

Source

The provisions of this § 901.751 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265918).

§ 901.752. Printer requirements.

An entity providing raffle tickets to a licensed eligible organization shall attach a copy of the organization's games of chance license to the raffle ticket purchase invoice or other document evidencing the sale. If the raffle pays a prize or prizes in excess of \$500 each, a copy of the licensed eligible organization's special raffle permit shall also be attached.

Source

The provisions of this § 901.752 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265918).

§ 901.753. Means of determining winning numbers.

A licensed eligible organization may use the following means to determine the winners in a raffle:

- (1) A random drawing of ticket stubs.
- (2) A passive selection device.
- (3) By reference to a drawing of the Department under the State Lottery Law. Both the date and the name of the drawing that will be used must be identified on the raffle ticket. This method may only be used if the licensed eligible organization sells enough tickets equal to the universe of possible winning numbers in the Department drawing. If insufficient tickets are sold, an alternate means of determining the winning number must be used.

Source

The provisions of this § 901.753 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§§ 901.761—901.778. [Reserved].

Source

The provisions of these §§ 901.761—901.778 reserved August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265918) to (265922).

DAILY DRAWINGS

§ 901.781. Daily drawing procedures.

(a) A licensed eligible organization may sell chances for and hold only one daily drawing during each operating day. A bona fide member may purchase a chance in a daily drawing only during the operating day on which the drawing will be held.

(b) Daily drawing winners must be determined by random drawing. Daily drawing winners may be determined with the aid of a passive selection device or by reference to drawings conducted by the Department under the State Lottery Law.

(c) A daily drawing must take place on the eligible organization's licensed premises and be conducted in plain view.

(d) A daily drawing must begin and end on the same operating day. An eligible organization may conduct no more than 7 daily drawings during an operating week.

(e) A licensed eligible organization may not sell chances for or conduct a daily drawing during a period when weekly drawing chances are being sold or a weekly drawing is taking place.

(f) Immediately prior to each daily drawing, the eligible organization shall announce the prize amount for the drawing.

(g) The name of a daily drawing prize winner or the fact that a winner was not selected must be prominently displayed on the licensed premises for at least 7 days after the drawing date. If a winner does not claim a prize within 7 days of the drawing, the eligible organization shall notify the winner of the prize and the requirements for claiming the prize. See § 901.784 (relating to claiming prizes).

Source

The provisions of this § 901.781 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.782. Daily drawing chances.

(a) Only a bona fide member of an eligible organization may purchase a chance in a daily drawing.

(b) A licensed eligible organization shall sell a chance in a daily drawing only to a bona fide member.

(c) A chance in a daily drawing may not be sold to or purchased by one bona fide member for the benefit of another bona fide member.

(d) A licensed eligible organization may not sell a chance in a daily drawing for more than \$1.

(e) A licensed eligible organization may sell no more than one chance per daily drawing to each of its bona fide members.

(f) A chance in a daily drawing may be sold and purchased only on the eligible organization's licensed premises.

Source

The provisions of this § 901.782 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.783. Posting rules.

- (a) An eligible organization shall prominently display the rules for each daily drawing in the area where the chances for the drawing are sold.
- (b) At a minimum, the posted rules must include:
 - (1) The cost of the chance.
 - (2) The manner of selecting the winner.
 - (3) The time during which chances may be purchased.
 - (4) The time of the drawing.
 - (5) The payout percentage.
 - (6) Whether the drawing is a carryover drawing and the amount of the carryover jackpot.
 - (7) The requirements and time limits for claiming prizes as provided for in § 901.784 (relating to claiming prizes).

Source

The provisions of this § 901.783 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.784. Claiming prizes.

- (a) The winner of a daily drawing need not be present at the time of the drawing to claim the prize.
- (b) An eligible organization may not impose a penalty or limit the amount of a prize based upon a winning member's nonattendance at the time of the drawing.
- (c) Only the daily drawing winner may claim the daily drawing prize.
- (d) A daily drawing winner shall claim the prize in person and sign for receipt of the prize.
- (e) A prize winner shall claim the prize within 30 days from the date of the drawing.

Source

The provisions of this § 901.784 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

Cross References

This section cited in 61 Pa. Code § 901.781 (relating to daily drawing procedures); and 61 Pa. Code § 901.783 (relating to posting rules).

§ 901.785. Invalid State Lottery drawing.

A drawing of the State Lottery that is invalidated must also result in an invalid drawing in a licensed eligible organization's daily drawing which is tied to the State Lottery drawing.

Source

The provisions of this § 901.785 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.786. Unclaimed prize money.

A daily drawing prize that remains unclaimed more than 30 days after the drawing shall be retained by the eligible organization for public interest purposes.

Source

The provisions of this § 901.786 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

WEEKLY DRAWINGS

§ 901.791. Weekly drawing procedures.

(a) A licensed eligible organization may sell chances for and hold only one weekly drawing during an operating week. Bona fide members may purchase chances in a weekly drawing only during the operating week in which the drawing will be held. The drawing shall be held at the end of the operating week.

(b) Weekly drawing winners must be determined by random drawing. Weekly drawing winners may be determined with the aid of a passive selection device or with reference to drawings conducted by the Department under the State Lottery Law.

(c) A weekly drawing must take place on the eligible organization's licensed premises and be conducted in plain view.

(d) A licensed eligible organization may not sell chances for or conduct a weekly drawing during a period when daily drawing chances are being sold or a daily drawing is taking place.

(e) Immediately prior to each weekly drawing the eligible organization shall announce the prize amount for the drawing.

(f) The name of a weekly drawing prize winner or the fact that a winner was not selected must be prominently displayed on the licensed premises for at least 7 days after the drawing date. If a winner does not claim a prize within 7 days of the drawing, the eligible organization shall notify the winner of the prize and the requirements for claiming the prize. See § 901.784 (relating to claiming prizes).

Source

The provisions of this § 901.791 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.792. Weekly drawing chances.

(a) Only a bona fide member of an eligible organization may purchase chances in a weekly drawing.

(b) A licensed eligible organization shall sell chances in a weekly drawing only to a bona fide member.

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(c) Chances in a weekly drawing may not be sold to or purchased by one bona fide member for the benefit of another bona fide member.

(d) A licensed eligible organization may not sell chances in a weekly drawing for more than \$1 each.

(e) Chances in a weekly drawing may be sold and purchased only on the eligible organization's licensed premises.

Source

The provisions of this § 901.792 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.793. Posting rules.

(a) An eligible organization shall prominently display the rules for each weekly drawing in the area where the chances for the drawing are sold.

(b) At a minimum, the posted rules must include:

(1) The cost of the chance.

(2) The manner of selecting the winner.

(3) The time during which chances may be purchased.

(4) The time of the drawing.

(5) The payout percentage.

(6) Whether the drawing is a carryover drawing and the amount of the carryover jackpot.

(7) The requirements and time limits for claiming prizes as provided for in § 901.794 (relating to claiming prizes).

Source

The provisions of this § 901.793 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.794. Claiming prizes.

(a) The winner of a weekly drawing need not be present at the time of the drawing to claim the prize.

(b) An eligible organization may not impose a penalty or limit the amount of a prize based upon a winning member's nonattendance at the time of the drawing.

(c) Only the weekly drawing winner may claim the weekly drawing prize.

(d) A weekly drawing winner shall claim the prize in person and sign for receipt of the prize.

(e) A prize shall be claimed within 30 days from the date of the drawing.

Source

The provisions of this § 901.794 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

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Cross References

This section cited in 61 Pa. Code § 901.793 (relating to posting rules).

§ 901.795. Invalid State Lottery drawing.

A drawing of the State Lottery that is invalidated must also result in an invalid drawing in a licensed eligible organization's weekly drawing which is tied to the State Lottery drawing.

Source

The provisions of this § 901.795 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

§ 901.796. Unclaimed prize money.

A licensed eligible organization shall retain for public interest purposes a weekly drawing prize that remains unclaimed more than 30 days after the drawing.

Source

The provisions of this § 901.796 adopted August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475.

Subchapter H. SPECIAL RAFFLE PERMITS

SPECIAL RAFFLE PERMITS

- Sec.
901.801. Prize limit.
901.802. Raffle number limit.
901.803. Special raffle permit limit.
901.804. Issuance of permits.
901.805. Rule applicability.
901.806. Required permit.
901.807. [Reserved].
901.808. Special raffle permit application.
901.809. Ticket purchase.
901.810. Effective period.
901.811. [Reserved].

SPECIAL RAFFLE PERMITS

§ 901.801. Prize limit.

The total value of all special raffle permit prizes during a calendar year may be no more than \$100,000.

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Source

The provisions of this § 901.801 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265923).

Cross References

This section cited in 61 Pa. Code § 901.805 (relating to rule applicability).

§ 901.802. Raffle number limit.

Only one raffle may be conducted under each special raffle permit.

Source

The provisions of this § 901.802 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265923).

Cross References

This section cited in 61 Pa. Code § 901.805 (relating to rule applicability).

§ 901.803. Special raffle permit limit.

A licensed eligible organization is eligible to receive two special raffle permits in a calendar year, except volunteer fire, ambulance and rescue organizations are eligible to receive three special raffle permits in a calendar year.

Source

The provisions of this § 901.803 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265923).

Cross References

This section cited in 61 Pa. Code § 901.805 (relating to rule applicability).

§ 901.804. Issuance of permits.

Special raffle permits shall be obtained from the licensing authority at least 30 days before the date on which ticket sales are to begin.

Source

The provisions of this § 901.804 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265923).

Cross References

This section cited in 61 Pa. Code § 901.805 (relating to rule applicability).

§ 901.805. Rule applicability.

The rules contained in this part apply to special raffle permits. To the extent they are inconsistent with §§ 901.801—901.804, this section and §§ 901.806—901.811, these provisions supersede those elsewhere in this part.

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Ch. 901 LOCAL OPTION SMALL GAMES OF CHANCE 61 § 901.806

Source

The provisions of this § 901.805 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265923).

§ 901.806. Required permit.

A special raffle permit is required for each raffle in which a licensed eligible organization proposes to award an individual prize having a cash value in excess of \$500 or total prizes having a cash value in excess of \$5,000.

Source

The provisions of this § 901.806 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265923).

Cross References

This section cited in 61 Pa. Code § 901.805 (relating to rule applicability).

§ 901.807. [Reserved].

Source

The provisions of this § 901.807 reserved August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial pages (265923) to (265924).

§ 901.808. Special raffle permit application.

The application for a special raffle permit must be made to the licensing authority. The application must include the following information:

- (1) The licensed eligible organization's name.
- (2) The licensed eligible organization's games of chance license number.
- (3) The location of the drawing.
- (4) The number of chances to be sold.
- (5) The price per chance.
- (6) The cash value of the prizes to be awarded.
- (7) The date of the drawing.
- (8) The date sales will begin.
- (9) The certified statement that this part, including the advertising prohibition, will be obeyed.

Source

The provisions of this § 901.808 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265924).

Cross References

This section cited in 61 Pa. Code § 901.805 (relating to rule applicability).

§ 901.809. Ticket purchase.

Raffle tickets may be purchased from other than licensed distributors.

Cross References

This section cited in 61 Pa. Code § 901.805 (relating to rule applicability).

§ 901.810. Effective period.

A special raffle permit will remain effective from the date on which ticket sales begin until the earlier of the date of the drawing, the expiration date of their games of chance license held when the special raffle permit was issued or 6 months.

Source

The provisions of this § 901.810 amended August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265924).

Cross References

This section cited in 61 Pa. Code § 901.805 (relating to rule applicability).

§ 901.811. [Reserved].

Source

The provisions of this § 901.811 reserved August 11, 2006, effective August 12, 2006, 36 Pa.B. 4475. Immediately preceding text appears at serial page (265924).

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