

RULES AND REGULATIONS

TITLE 58. RECREATION

PENNSYLVANIA GAMING CONTROL BOARD

[58 PA. CODE CHS 441 and 463]

PREAMBLE

The Pennsylvania Gaming Control Board (Board), under authority in 4 Pa.C.S. § 1202 (relating to General and specific powers), has drafted temporary regulations to facilitate the prompt implementation of 4 Pa.C.S. Part II (relating to Gaming), enacted by the act of July 5, 2004 (P.L. 572, No. 71). Upon adoption of the regulations by the Board, the Board's temporary regulations will be added to 58 Pa. Code, Recreation, Part VII (relating to Gaming Control Board). By publishing these temporary regulations in draft form, the Board seeks public comment prior to the adoption of the regulations.

Contact Person

Interested persons are invited to submit written comments, suggestions or objections to the draft temporary regulations via United States mail to the Pennsylvania Gaming Control Board, Office of Communications, P.O. Box 69060, Harrisburg, PA 17106-9060, ATTN: Public Comment. The public comment period will end on October 28, 2005.

THOMAS A. DECKER,

Chairman

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CHAPTER 441. SLOT MACHINE LICENSES

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

(a) Pursuant to a change in ownership or control of a slot machine licensee under section 1328 of the act and in accordance with section 1330 of the act (relating to

multiple slot machine license prohibition), a slot machine licensee, including its affiliates, intermediaries, subsidiaries and holding companies, is prohibited from possessing an ownership or financial interest in any other slot machine licensee or in any other person eligible to apply for a Category 1 slot machine license or its affiliates, intermediaries, subsidiaries or holding companies that exceeds 33.3%.

(b) Nothing in subsection (a) shall be construed to prevent a slot machine licensee from possessing ownership or financial interests of 33.3% or less, in multiple slot machine licensees or in persons eligible to apply for a Category 1 slot machine license or its affiliate, intermediary, subsidiary or holding company.

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

Subpart E. SLOT MACHINE TESTING, CERTIFICATION AND CONTROL

CHAPTER 463. POSSESSION OF SLOT MACHINES

§ 463.1. Possession of slot machines generally.

(a) Except as otherwise provided in this section and 18 Pa.C.S. § 5513 (relating to gambling devices, gambling, etc.), no person shall possess within this Commonwealth any slot machine which may be used for gambling activity.

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

(1) An applicant for, or holder of:

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

(ii) A manufacturer license for the purpose of manufacturing, exhibiting, demonstrating or training, preparing for transfer to a supplier licensee and/or providing initial installation services pursuant to an agreement with a supplier licensee under section 431.3 (relating to supplier requirements and prohibitions).

(iii) A supplier license for the purpose of distributing, repairing, servicing, exhibiting, and/or

demonstrating slot machines and any training with regard thereto.

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

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

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

(5) An employee or agent of the Board, the Pennsylvania State Police or any law enforcement agency of the Commonwealth for the purpose of fulfilling official duties or responsibilities.

(6) Any other person the Board may approve after finding that the possession of slot machines by such person in this Commonwealth is necessary and appropriate to fulfill the goals and objectives of the act.

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

In furtherance of section 1511 of the act (relating to the Declaration of exemption from federal laws prohibiting

slot machines), prior to the transport or movement of any slot machine into the Commonwealth, from one person authorized to possess slot machines pursuant to section 463.1 relating to possession of slot machines generally) to another person so authorized within the Commonwealth or transport or movement out of the Commonwealth, those persons causing such slot machine to be transported or moved shall first notify the Board's Director of Gaming Laboratory Operations, in writing or in such electronic format as is approved by the Board. Such notice shall be submitted no later than the day the slot machine is transported or moved and shall include the following information:

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

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

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

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

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

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

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

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

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

§ 463.3. Slot machine authorized locations.

Each slot machine on a gaming floor shall be placed at an authorized location identified by number on a gaming floor plan approved by the Board pursuant to section 1322 of the act (relating to slot machine accounting controls and audits) and shall also be identified on a Slot Machine Master List.

§ 463.4. Connection to the central computer system.

Prior to its utilization for gambling activity, each slot machine on a gaming floor shall be connected or linked to a central computer system having the capabilities and

pursuant to the terms of section 1323 of the act (relating to central control computer system).

§ 463.5. Slot machine master list.

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

(1) The date the list was prepared.

(2) A description of each slot machine by:

(i) Asset, model and manufacturer's serial number.

(ii) Denomination, if configured for multiple denominations so designate.

(iii) Manufacturer and machine type, noting with specificity whether the machine is a high-boy, is a progressive or a wide area progressive slot machine.

(iv) An indication as to whether the slot machine has an activated electronic transfer credit feature.

(v) An indication as to whether the slot machine has an activated gaming voucher feature, and, if so, whether such feature is in lieu of a hopper.

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

(4) Such other information as the Board may require.

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

(1) The asset, model and manufacturer's serial number of the moved slot machine.

(2) The date and time of movement.

(3) The location from which the slot machine was moved.

(4) The location to which the slot machine was moved.

(5) The data and time of any required notice to the department in connection with activation or disabling of the slot machine in the central computer system.

(6) The signature of the slot shift manager and the lead technician verifying the movement of the slot machine in compliance with this section.

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

(c) On the first Tuesday of each month following the initial filing of a Slot Machine Master List, each slot machine licensee shall file with the Board's Director of Gaming Laboratory Operations, in writing or in such electronic format as is approved by the Board, an updated Slot Machine Master List documenting all slot machines possessed by the licensee on its gaming floor, in Board approved restricted areas off the gaming floor but within the licensed facility, and in Board approved storage

locations in Pennsylvania off the premises of the licensed facility. Such updated list shall be in a form, and contain the information, required in subsection (a).

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

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

(e) On the first Tuesday of each month following the initial filing of a Slot Machine Master List, those persons

enumerated in section (d) shall file with the Board's Director of Gaming Laboratory Operations, in writing or in such electronic format as is approved by the Board, an updated Slot Machine Master List. Such updated list shall be in a form, and contain the information, required in subsection (d).

§ 463.6. Notice to central computer system.

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