

Gaming Expansion Administrative Clarification/Corrections

Current as of: July 29, 2019

Chapter and Section	Clarification
INTERACTIVE GAMING	
802.2(b)(7)	<p>Is edited as follows to conform to the Gaming Act and for clarification purposes:</p> <p>The petitioner agrees that the number of slot machines and table games in operation at its licensed facility, as of January 6, 2018, <u>October 30, 2017</u>, the effective date of <u>4 Pa.C.S. § Part II (related to the Pennsylvania Race Horse Development and Gaming Act)</u>, will not be reduced as a result of interactive gaming.</p>

Chapter and Section	Clarification
805.5 and 806.5	<p>The standards for conditional licensure of iGaming manufacturers and iGaming suppliers is edited to ensure consistent conditional licensing standards for iGaming operators, iGaming manufactures, iGaming suppliers, sports wagering operators, sports wagering manufacturers and sports wagering suppliers. Accordingly, §§ 805.5(a)(2) and 806.5(a)(2) are edited as follows:</p> <p>(2) A conditional authorization will not be issued unless:</p> <p>(i) The applicant has submitted a complete application for an interactive gaming manufacturer license to the Board.</p> <p>(ii) The applicant is a certified gaming service provider in this Commonwealth or licensed in good standing to manufacture or provide interactive gaming devices or associated equipment in another jurisdiction in the United States or Canada that the Board has determined has licensing standards that are as comprehensive and thorough and provide similar adequate safeguards as those required under the act.</p> <p>(iii) Submit a written statement from an interactive certificate holder or interactive gaming operator that the entity intends to do business with the applicant and a description of the services or products to be provided by the applicant.</p> <p>(iv) Pass a preliminary review of the applicant's and its principal's criminal history.</p> <p>(iiv) The applicant agrees to pay or has paid the nonrefundable application fees <u>and applicable licensing fees</u> posted on the Board's web site prior to the issuance of conditional authorization.</p> <p>(iiivi) The Bureau does not have an objection to the issuance of a conditional authorization to the applicant.</p>

Chapter and Section	Clarification
807.3	A 3 rd party that enters into a Branding Agreement with an interactive gaming certificate holder or operator is required to be registered with the Board as a Registered Gaming Service Provider provided the agreement is strictly a Branding Agreement in that the 3 rd party has no involvement in any aspect of the interactive gaming operation other than the use of its name and the agreement is for a flat fee.
808.2(a)	<p>Reads</p> <p>“...shall submit an application for licensure as described in this section.” (emphasis added).</p> <p>“This section” should instead cite to § 808.1 (General Provisions).</p>
808.3(a), 808.4(a) and 808.5(a)	<p>Each subsection cited at left reads as follows:</p> <p>“...shall submit an application for licensure as described in § 808.2.” (emphasis added).</p> <p>The correct citation is 808.1 (General Provisions); all references to § 808.2 cited at left will be interpreted to refer to § 808.1.</p>
809.6(c)(4)	<p>Should read:</p> <p>An interactive gaming system shall maintain all information necessary to recreate patron game play and account activity during each patron session, including any identity or location verifications, for a period of no less than 10 years.</p> <p>Emphasis added.</p>
810.11(a)(2)	<p>Should read:</p> <p>It must <u>not</u> be possible to start a new game in the same player interface instance before all relevant meters have been updated on the interactive gaming system and all other relevant connections and player session balance or, if applicable, the player’s total balance has been updated.</p>

Chapter and Section	Clarification
810.11(c)(3)	<p>Should read:</p> <p>Wagers associated with an incomplete game must be voided within 24 hours <u>30 days</u> and the wagers can be forfeited or returned to the player provided that . . .</p>
811.5(a)	<p>Should read:</p> <p>(a) An interactive gaming certificate holder or interactive gaming operator licensee shall maintain a Pennsylvania bank account for player's funds separate from all other operating accounts to ensure the security of funds held in the player's interactive gaming accounts.</p>
811.9(d)(1)(xi)	<p>Is edited as follows for clarification:</p> <p>Win or loss, calculated as the <u>ending funds on amount of transfers from games and beginning funds on game</u> less the <u>beginning amount of transfers to games and ending funds on game</u>.</p>
812.4(c)(2)	<p>Should read:</p> <p>Ensure that a registered player does not occupy more than one position at a game at any given time.</p> <p>Emphasis added.</p>
812.4(c)(2)	<p>Ensure that a registered player does not occupy more than one position at a game at any given time <u>unless otherwise approved by the Board to permit a registered player to occupy more than one position at a game any given time.</u></p>
814.2	<p>Should read:</p> <p>(a)(2) A limit on the amount of money lost spent within a daily, weekly, and monthly basis must be offered. The registered player shall be unable to participate in gaming for the remainder of the time selected if the registered player reaches the loss spend limit.</p>

Chapter and Section	Clarification
VIDEO GAMING TERMINALS	
1102.3	<p>The following language is added to § 1102.3:</p> <p>(g) The requirements in Section 1102.3 apply to applicants for a conditional procurement agent license.</p>
1103.1(a)	<p>Should read:</p> <p>(a) A truck stop establishment in this Commonwealth seeking to offer video gaming terminals through a licensed terminal operator on its premises shall apply for an establishment license by filing an Enterprise Entity Application and Disclosure Information Form <u>Video Gaming Terminal Establishment License Application</u> with the Board.</p>
<p>4 Pa.C.S. § 3012 4 Pa.C.S. § 3702(b)(6)</p>	<p>The provision set forth in § 3702(b)(6) states: “No terminal operator licensee may give or offer to give, directly or indirectly, any type of inducement to a truck stop establishment to secure or maintain a terminal placement agreement.” <i>Inducement</i> includes in its definition in § 3012: “Cash, incentive, marketing and advertising cost, gift, food, beverage, loan, prepayment of gross terminal revenue and other contribution or payment that offsets an establishment licensee's operational costs, or as otherwise determined by the board.”</p> <p>The Board interprets this provision as a terminal operator may pay the marketing and advertising costs associated with promoting the placement of its VGTs at a truck stop establishment, whether in-full or in a cost-share with the truck stop establishment. The costs of the marketing and advertising may be shared on a <i>pro rata</i> basis between the Truck Stop Establishment and terminal operator, with the share for each entity based upon the proportion of the marketing or advertisement dedicated to VGTs versus the goods and services of the establishment (i.e., fuel, food, etc.). However, the payment of marketing or advertising costs, whether in-full or in-part, shall not be a condition of obtaining an initial terminal placement agreement between a terminal operator and truck stop establishment, nor be an agreed upon provision of the continuation of a terminal placement agreement, as such inclusion would meet the definition of inducement.</p>

Chapter and Section	Clarification
SPORTS WAGERING	
1401.2	<p>Should read:</p> <p>Sports wagering supplier – A person who provides, distributes or services any authorized sports wagering device or associated equipment for use or operation in this Commonwealth for sports wagering purposes that is not otherwise required to be licensed as a sports wagering manufacturer or sports wagering gaming service provider.</p> <p>Sports wagering supplier license – A license issued by the Board authorizing a sports wagering supplier to provide products or services related to any authorized sports wagering device or associated equipment to a sports wagering certificate petitioner or holder or sports wagering operator licensee for use or operation in this Commonwealth for sports wagering purposes.</p>
1401.7	<p>Should read:</p> <p>(c) An athlete or person who holds a position of authority or influence sufficient to exert influence over the participants in an athletic event, or a person professionally connected to an athletic event or governing body including coaches, managers, handlers, athletic trainers, team physicians or other physicians providing medical consultation or treatment of an athletic participant or a person with access to certain types of exclusive information on any athletic event overseen by the governing body is prohibited from having any a 10 percent or more direct or indirect ownership interest in or control of a sports wagering certificate holder or a sports wagering operator.</p>
1405.1	<p>Should read:</p> <p>(a)(4) Provides risk management services or integrity services to a sports wagering certificate petitioner or holder or sports wagering operator licensee.</p>

Chapter and Section	Clarification
1406.1(g)(1)	<p>Should read:</p> <p>(1) An individual whose job duties include sports wagering and who holds a license, permit or registration and is currently employed by or is a principal of a sports wagering certificate holder may not place wagers at the sports wagering certificate holder's land based sports wagering location. <i>If the job duties of the individual who holds a license, permit or registration include sports wagering, the individual may not place wagers</i> through the web site or mobile application offered by or associated with the sports wagering certificate petitioner or holder. The licensed, permitted or registered individual shall wait at least 30 days following the date that the individual is no longer employed in a position that includes sports wagering job duties before the individual may wager at the sports wagering certificate petitioner's or holder's land based sports wagering location or through the web site or mobile application offered by or associated with the sports wagering certificate petitioner or holder.</p>
1407.8(a)	<p>This section is not interpreted to restrict players from engaging in interactive sports wagering within a licensed facility. Geolocating tools are not required to restrict interactive sports wagering within a licensed facility.</p>

Chapter and Section	Clarification
1408.3(b)	<p>Should read:</p> <p>(21) If applicable, procedures for the following as it pertains to any athlete or person who holds a position of authority or influence sufficient to exert influence over the participants in an athletic event, as fully described in § 1401.7(c) of this subpart, who has less than 10 percent direct or indirect ownership interest in or control of a sports wagering certificateholder or a sports wagering operator:</p> <p>(i) Provide notice to the Board of the identity of such owner, and if known, the ownership interest in the sports wagering certificateholder or sports wagering operator.</p> <p>(ii) Appropriate measure implemented to prevent such an athlete or person from participating in the management or operations of sports wagering activities of a sports wagering certificateholder or a sports wagering operator.</p> <p>(iii) Obtaining a certification from such owner acknowledging that the owner is not permitted to be a customer of the sports wagering certificate or operator under § 1401.7(b)(2), not permitted participate in the management or operations of the sports wagering certificateholder or sports wagering operator, and not permitted to engage in sports wagering activity on a team in the league as that in which he has an ownership interest.</p>
1408.6(a)	<p>Should read:</p> <p>(a) A sports wagering certificate holder or sports wagering operator licensee shall maintain a Commonwealth bank account for player's funds separate from all other operating accounts to ensure the security of funds held in the player's sports wagering accounts.</p>
1410.1(a)	<p>The time limit as contemplated in the regulations for interactive gaming would not be applicable to an individual who is engaged in mobile or interactive sports wagering.</p>