

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 450 Session of 2025

INTRODUCED BY ROBINSON, BARTOLOTTA, COSTA, MILLER, LANGERHOLC
AND STEFANO, JUNE 9, 2025

REFERRED TO COMMUNITY, ECONOMIC AND RECREATIONAL DEVELOPMENT,
JUNE 9, 2025

AN ACT

1 Amending the act of December 19, 1988 (P.L.1262, No.156),
2 entitled "An act providing for the licensing of eligible
3 organizations to conduct games of chance, for the licensing
4 of persons to distribute games of chance, for the
5 registration of manufacturers of games of chance, and for
6 suspensions and revocations of licenses and permits;
7 requiring records; providing for local referendum by
8 electorate; and prescribing penalties," in preliminary
9 provisions, further providing for definitions; in games of
10 chance, providing for payment and further providing for prize
11 limits, for sales limited, for distributor licenses, for
12 registration of manufacturers and for regulations of
13 department; in club licensees, further providing for club
14 licensee and for distribution of proceeds; in enforcement,
15 further providing for revocation of licenses and for local
16 option and repealing provisions relating to advertising; in
17 tavern gaming, further providing for licenses, for
18 application, for approval, for prize limits, for distribution
19 of net revenue, for tavern games tax, for invoice, for
20 reports and for enforcement.

21 The General Assembly of the Commonwealth of Pennsylvania
22 hereby enacts as follows:

23 Section 1. The definitions of "games of chance," "passive
24 selection device" and "tavern games" in section 103 of the act
25 of December 19, 1988 (P.L.1262, No.156), known as the Local
26 Option Small Games of Chance Act, are amended and the section is

1 amended by adding definitions to read:

2 Section 103. Definitions.

3 The following words and phrases when used in this act shall,
4 except as provided under section 902, have the meanings given to
5 them in this section unless the context clearly indicates
6 otherwise:

7 * * *

8 "Electronic pull-tab." An electronic facsimile of a paper
9 pull-tab that is played on an electronic pull-tab device and
10 purchased from a licensed distributor.

11 "Electronic pull-tab device." A hand-held portable
12 electronic passive device, including, but not limited to, a cell
13 phone or tablet, owned by the individual playing an electronic
14 pull-tab game and to which the following apply:

15 (1) The device must access an electronic pull-tab
16 software application from the licensee that can only be
17 played on-site at the licensee's location through a router or
18 similar computer hardware that links the device so that
19 electronic pull-tabs can be viewed and played.

20 (2) The device allows for payment via a player's
21 personal bank account through an automated clearing house
22 electronic funds-transfer system, but does not allow the use
23 of coins, currency or tokens to activate credits.

24 (3) The device requires a player to activate or open
25 each electronic pull-tab ticket.

26 (4) The device does not determine the outcome of an
27 electronic pull-tab game, but is merely a device used to view
28 electronic pull-tabs that are provided randomly to the player
29 the same as a paper pull-tab, except in an electronic format.

30 (5) The device maintains credit play accumulated that

1 may be applied to games in play or redeemed through a
2 player's personal bank account through an automated clearing
3 house electronic funds-transfer system upon termination of
4 play.

5 (6) The device may incorporate an amusement feature as
6 part of the game and may award a prize or other benefit for
7 that feature. The device may not require additional
8 consideration.

9 This definition shall not be construed to authorize any other
10 form of gambling currently prohibited under any provision of 18
11 Pa.C.S. (relating to crimes and offenses) or authorized under 4
12 Pa.C.S. (relating to amusements).

13 * * *

14 "Games of chance." Punchboards, daily drawings, weekly
15 drawings, 50/50 drawings, raffles, tavern games, pools, race
16 night [games and pull-tabs] games, pull-tabs and electronic
17 pull-tabs, as defined in this act, provided that no such game
18 shall be played by or with the assistance of any mechanical or
19 electrical devices or media other than [a] an electronic pull-
20 tab device, dispensing machine or passive selection device,
21 including an electronic pull-tab, and further provided that the
22 particular chance taken by any person in any such game shall not
23 be made contingent upon any other occurrence or the winning of
24 any other contest, but shall be determined solely at the
25 discretion of the purchaser. This definition shall not be
26 construed to authorize any other form of gambling currently
27 prohibited under any provision of 18 Pa.C.S. (relating to crimes
28 and offenses) or authorized under 4 Pa.C.S. (relating to
29 amusements). Nothing in this act shall be construed to authorize
30 games commonly known as "slot machines" or "video poker" or

1 other games regulated by the Pennsylvania Gaming Control Board.

2 * * *

3 "Passive selection device." A device which is used to hold
4 or denote the universe of possible winning numbers or entrants
5 in a daily drawing or raffle or for electronic pull-tabs. Such a
6 device may not have the capability of being utilized to conduct
7 or aid in the conducting of unauthorized or illegal forms of
8 gambling.

9 * * *

10 "Tavern games." Pull-tabs, electronic pull-tabs, tavern
11 daily drawings and tavern raffles.

12 * * *

13 Section 2. The act is amended by adding a section to read:
14 Section 301.2. Payment.

15 (a) Acceptance.--Except as provided under subsection (b), a
16 licensed eligible organization may accept payment from and
17 distribute proceeds to a player via a player's personal bank
18 account through an automated clearing house electronic funds-
19 transfer system for the playing of games of chance.

20 (b) Exception.--A licensee under Chapter 9 may not accept
21 mobile payment services for the playing of games of chance.

22 Section 3. Sections 302, 303, 304(a) and (g), 305 and 306(a)
23 of the act are amended to read:

24 Section 302. Prize limits.

25 (a) Individual prize [limit].--Except as provided under
26 subsections (d) and (d.1), [the] there is no maximum prize which
27 may be awarded for any single chance [shall be \$2,000].

28 (b) Aggregate prize [limit].--[No more than \$35,000 in
29 prizes shall be] There is no limit on prizes awarded from games
30 of chance by a licensed eligible organization in any seven-day

1 period.

2 (c) Raffle prize limit.--Up to \$15,000 in prizes may be
3 awarded in raffles in any calendar month.

4 [(c.1) Total limit.--All prizes awarded under this section
5 shall be subject to the aggregate prize limits under subsection
6 (b).]

7 (d) Exception for raffles.--Notwithstanding subsection [(b)
8 or] (c), a licensed eligible organization may conduct a raffle
9 under section 308 and award a prize or prizes valued in excess
10 of \$3,000 each only under the following conditions:

11 (1) The licensing authority has issued a special permit
12 for the raffle under section 308.

13 (2) A licensed eligible organization shall be eligible
14 to receive no more than ten special permits in any licensed
15 term except that a volunteer fire, ambulance, rescue or
16 conservation organization that is not a club licensee shall
17 be eligible to receive 12 special permits in any licensed
18 term.

19 (3) Only one raffle may be conducted under each special
20 permit issued under section 308.

21 (4) Except as provided under subsection (d.1), the total
22 of all prizes awarded under this subsection shall be no more
23 than \$150,000 per calendar year, which shall not be subject
24 to the aggregate limit under subsection (b) or (c).

25 (5) The prize limit of any individual raffle ticket
26 shall be 500 times the amount of the purchase price of the
27 ticket, with the maximum prize not to exceed \$5,000.

28 (d.1) Additional award.--A volunteer fire, ambulance, rescue
29 or conservation organization may, in addition to the total under
30 subsection (d) (4), award up to \$100,000 from raffles which shall

1 not be subject to the aggregate limit under subsection (b), (c)
2 or (d).

3 (f) Daily drawing carryover.--[The prize limitation
4 contained in subsections (a) and (b) may be exceeded by a daily
5 drawing under the following circumstances: a] A daily drawing
6 may award a prize in excess of \$2,000 if such prize is the
7 result of a carryover of a drawing which resulted from the
8 winning number in such drawing not being among the eligible
9 entrants in such drawings. Nothing contained herein shall
10 authorize the prize limitation as contained in [subsections (a)
11 and (b)] subsection (c) to be exceeded as a result of a failure
12 to conduct a drawing on an operating day during which chances
13 were sold for a daily drawing or for a daily drawing for which
14 chances were sold in excess of \$1 or for which more than one
15 chance was sold to an eligible participant.

16 (g) Additional exception.--When a daily drawing or weekly
17 drawing is set up or conducted in such a manner as to pay out or
18 award 100% of the gross revenues generated from such drawing,
19 the limitation contained in subsection [(b)] (c) shall not
20 apply.

21 (h) Weekly drawing carryover exception.--Weekly drawings
22 shall be governed by the prize limitation contained in
23 subsection [(b)] (c). The prize limitation contained in
24 subsection [(b)] (c) may be exceeded by a weekly drawing under
25 the following circumstances: a weekly drawing may award a prize
26 where the cash value is in excess of \$35,000 if such prize is
27 the result of a carryover of a drawing or drawings which
28 resulted from the winning number or numbers in such drawing or
29 drawings not being among the eligible entrants in such drawings.
30 Nothing contained in this chapter shall authorize the prize

1 limitation under subsection [(b)] (c) to be exceeded as a result
2 of a failure to conduct a drawing for a week during which
3 chances were sold for a weekly drawing or for a weekly drawing
4 for which chances were sold in excess of \$1.

5 (i) Concurrent operation.--Nothing under this act shall
6 prohibit the concurrent operation of daily or weekly drawings.
7 Section 303. Sales limited.

8 [(a) General rule.--]No person shall sell, offer for sale or
9 furnish games of chance for use within this Commonwealth except
10 to an eligible organization or licensed distributor under this
11 chapter.

12 [(b) Limitation.--No game of chance, other than a raffle
13 under section 302(d), sold, offered for sale or furnished to a
14 licensed eligible organization for use within this Commonwealth
15 shall contain, permit, depict or designate a prize having a
16 prize limit in excess of \$2,000.]

17 Section 304. Distributor licenses.

18 (a) License required.--No person shall sell, offer for sale
19 or furnish games of chance to eligible organizations licensed
20 under this chapter or licensed under Chapter 9 unless such
21 person shall have obtained a distributor license as provided in
22 this section. A registered manufacturer may obtain a distributor
23 license.

24 * * *

25 (g) Ineligibility.--The department shall not issue or renew
26 a distributor license for the sale of games of chance to a
27 person, including any corporation, [firm or partnership] firm,
28 partnership or entity which has as an officer, director,
29 shareholder, person related by blood or through marriage or
30 other person in a supervisory or management position, or

employee [eligible to make sales on behalf of the distributor],
who:

(1) has been convicted of a felony in a state or Federal
court within the past [five] ten years; or

(2) has been convicted within ten years of the date of
application in a state or Federal court of a violation of any
of the following:

(i) This act.

(ii) The act of July 10, 1981 (P.L.214, No.67),
known as the Bingo Law.

(iii) A gambling-related offense under 4 Pa.C.S.
(relating to amusements).

(iv) A gambling-related offense under 18 Pa.C.S.
(relating to crimes and offenses).

(v) A Federal or State law comparable to the
statutes listed under subparagraphs (i), (ii), (iii) and
(iv).

* * *

Section 305. Registration of manufacturers.

(a) Registration required.--No manufacturer of games of
chance shall sell any games of chance to any person, eligible
organization or tavern unless the manufacturer has registered
with the department and has been issued a certificate of
registration. A registered manufacturer may apply to be a
licensed distributor.

(b) Annual certificate; fee.--A certificate under this
section shall be valid for one year. The annual fee for
registration shall be \$2,000.

(c) Prohibited sales.--A manufacturer shall not sell games
of chance to any person not licensed as a distributor unless the

1 manufacturer is also a licensed distributor.

2 (c.1) Requirements for software.--Software supplied by a
3 manufacturer of electronic pull-tabs must meet the following
4 requirements:

5 (1) Software used in a passive selection device must be
6 owned by the manufacturer, including the designs of the
7 central system, database, program architecture and source
8 code used in the passive selection device. A manufacturer
9 shall not license from or pay any other person, corporation,
10 entity, firm or partnership an ongoing or continuing fee of
11 any kind for the software used in a passive selection device.

12 (2) Software to be used must first be tested and
13 certified, at the cost of the manufacturer, by an authorized
14 third-party testing laboratory approved by the department.

15 (c.2) Ineligibility.--The department shall not issue or
16 renew a manufacturer certificate of registration for the
17 manufacture of games of chance, including software for
18 electronic pull-tabs, to a person, including any corporation,
19 firm, partnership or any entity which has as an officer,
20 director, shareholder, person related by blood or through
21 marriage or other person in a supervisory or management
22 position, or employee of the manufacturer, who:

23 (1) has been convicted of a felony in any state or
24 Federal court within the past ten years; or

25 (2) has been convicted within ten years of the date of
26 application in a state or Federal court of a violation of any
27 of the following:

28 (i) This act.

29 (ii) The act of July 10, 1981 (P.L.214, No.67),
30 known as the Bingo Law.

1 (iii) A gambling-related offense under 4 Pa.C.S.
2 (relating to amusements).

3 (iv) A gambling-related offense under 18 Pa.C.S.
4 (relating to crimes and offenses).

5 (v) A Federal or State law comparable to the
6 statutes listed under subparagraphs (i), (ii), (iii) and
7 (iv).

8 (d) Exception.--This section shall not apply to the
9 manufacture or distribution of raffle tickets, 50/50 drawings,
10 daily drawings, weekly drawings or pools.

11 Section 306. Regulations of department.

12 (a) Authorization.--The department shall promulgate
13 regulations to:

14 (1) Impose minimum standards and restrictions applicable
15 to games of chance manufactured for sale in this
16 Commonwealth, which may include standards and restrictions
17 which specify the maximum number of chances available to be
18 sold for any single game of chance [or prize] and such other
19 standards and restrictions as the department deems necessary
20 for the purposes of this chapter. The department shall
21 consider standards adopted by the National Association of
22 Gambling Regulatory Agencies and other standards commonly
23 accepted in the industry.

24 (2) Establish procedures by which manufacturers may
25 register and distributors of games of chance may apply for
26 licensure on forms which the department shall provide.
27 Procedures shall include a requirement that manufacturer and
28 distributor applicants provide criminal history record
29 information obtained from the Pennsylvania State Police under
30 18 Pa.C.S. § 9121(b) (relating to general regulations) for

1 each [officer and manager] officer, manager and shareholder
2 of the manufacturer's or distributor's organization,
3 including any relative related by blood or through marriage
4 thereof, and for any other individual specified by the
5 department. As used in this paragraph, the term "criminal
6 history record information" has the meaning given in 18
7 Pa.C.S. § 9102 (relating to definitions).

8 (3) Provide for the suspension or revocation of
9 distribution licenses or manufacturer certificates for
10 violations of this act or regulations of the department.

11 (3.1) Establish procedures to ensure that race night
12 games are secure, random and totally dependent upon chance.

13 (3.2) Require distributors and manufacturers of
14 electronic pull-tabs to have the electronic pull-tab device
15 and software tested under the standards used by a laboratory
16 approved by the department.

17 (4) Carry out other provisions of this act.

18 * * *

19 Section 4. Section 501(a) of the act is amended by adding a
20 paragraph to read:

21 Section 501. Club licensee.

22 (a) Report.--

23 * * *

24 (4) If a licensee offers the use of electronic pull-
25 tabs:

26 (i) the licensed distributor of the electronic pull-
27 tab device or software shall:

28 (A) provide the department with the financial
29 reporting information generated by the manufacturer's
30 software required under this chapter; and

1 (B) be responsible for any penalties for failure
2 to provide the accurate financial reporting
3 information generated by the manufacturer's software
4 to both the Commonwealth and the licensee.

5 (ii) the licensee utilizing the electronic pull-tab
6 device or software shall:

7 (A) use the manufacturer's reporting information
8 for any reporting required by the Commonwealth;

9 (B) be responsible for supplying the
10 Commonwealth with all required reports; and

11 (C) be responsible for any penalties for failure
12 to provide the Commonwealth with required reports.

13 * * *

14 Section 5. Sections 502(a), 701(a)(9)(ii) and 703(a) of the
15 act are amended to read:

16 Section 502. Distribution of proceeds.

17 (a) Distribution.--The proceeds from games of chance
18 received by a club licensee shall be distributed as follows:

19 (1) No less than [60%] 35% of the proceeds shall be paid
20 for public interest purposes within one year of the end of
21 the calendar year in which the proceeds were obtained.

22 (2) No more than [40%] 65% of the proceeds obtained in a
23 calendar year may be retained by a club licensee.

24 * * *

25 Section 701. Revocation of licenses.

26 (a) Grounds.--The following shall be grounds for suspension,
27 revocation or nonrenewal of a license:

28 * * *

29 (9) The eligible organization conducts the games of
30 chance under a lease which calls for:

1 * * *

2 (ii) leasing such premises from the owner thereof
3 under a written agreement at a rental which is determined
4 by the [amount] number of receipts realized from the
5 playing of games of chance.

6 * * *

7 Section 703. Local option.

8 (a) Election to be held.--In any municipality, an election
9 may be held on the date of the primary election immediately
10 preceding any municipal election, but not more than once in four
11 years, to determine the will of the electors with respect to the
12 issuance of club licenses within the limits of such municipality
13 under the provisions of this act. Where an election shall have
14 been held at the primary election preceding a municipal election
15 in any year, another election may be held under the provisions
16 of this act at the primary election occurring the fourth year
17 after such prior election. Whenever electors equal to at least
18 25% of the highest vote cast for any office in the municipality
19 at the last preceding general election shall file a petition
20 with the county board of elections of the county, or the
21 governing body of the municipality adopts, by a majority vote, a
22 resolution to place such a question on the ballot and a copy of
23 the resolution is filed with the board of elections of the
24 county, for a referendum on the question of issuing licenses,
25 the county board of elections shall cause a question to be
26 placed on the ballot or on the voting machine board and
27 submitted at the primary election immediately preceding the
28 municipal election. The question shall be in the following form:

29 Do you favor the issuance of licenses
30 to conduct small games of chance in the

1 of ?

2 * * *

3 Section 6. Section 704 of the act is repealed:

4 [Section 704. Advertising.

5 It shall be unlawful for any eligible organization or person
6 to advertise the prizes or their dollar value to be awarded in
7 games of chance, provided that prizes may be identified on
8 raffle tickets. Notwithstanding the prohibition of advertising
9 contained within this section, an eligible organization may
10 advertise prizes and values thereof in periodic publications
11 which are limited in their circulation to members of the
12 eligible organization.]

13 Section 7. Sections 903(h), 904, 905(c), 907, 909, 909.1(a),
14 911, 912 and 913(c) and (d) of the act are amended to read:

15 Section 903. Licenses.

16 * * *

17 (h) Costs.--The applicant shall reimburse the bureau up to
18 \$250 for the actual costs of conducting the background
19 investigation. The board shall not approve an applicant that has
20 not fully reimbursed the bureau, up to \$250, for the
21 investigation.

22 * * *

23 Section 904. Application.

24 (a) Application fee.--An applicant shall pay the board a
25 nonrefundable application fee of [~~\$1,000~~] \$250.

26 (b) Investigative fee.--An applicant shall pay an
27 investigative fee of [~~\$1,000~~] no more than \$250 to the bureau.

28 (c) Costs.--[In addition to the fee under subsection (b), an
29 applicant and any owner and officer of the applicant shall pay
30 for the actual costs of a background investigation conducted by

the bureau that exceed the application fee.] The bureau may:

(1) Charge an estimated amount to be provided prior to the background investigation, which shall not exceed \$250.

(2) Submit for reimbursement from the applicant for the additional costs incurred in the background investigation, provided the total cost for the background investigation for the applicant does not exceed \$250.

(d) Funds.--Funds collected under subsections (b) and (c) shall augment the funds appropriated to the Pennsylvania Gaming Control Board under 4 Pa.C.S. (relating to amusements).

Section 905. Approval.

* * *

(c) Fee.--Upon approval, the applicant shall pay a [\$2,000] \$250 license fee to be deposited in the General Fund. The annual renewal fee shall be [\$1,000] \$2,000.

* * *

Section 907. Prize limits.

(a) Individual prize limit.--[The maximum] There shall be no maximum prize which may be awarded for any single chance [shall be \$2,000. No tavern game sold, offered for sale or furnished may contain, permit, depict or designate a prize having a prize limit in excess of \$2,000].

(b) Aggregate prize limit.--[No more than \$35,000 in prizes] There shall be no prize limit for prizes that may be awarded from tavern games by a licensee [in a seven-day period].

Section 909. Distribution of net revenue.

Beginning January 1, 2014, the net revenue from tavern games received by a licensee shall be distributed as follows:

(1) [Sixty] Thirty-five percent of the net revenue obtained in any calendar year shall be paid to the

Commonwealth.

(2) [Thirty-five] Sixty-five percent of the net revenue obtained in any calendar year may be retained by the licensee.

(3) Five percent shall be paid to the Commonwealth and deposited into the restricted receipts account established in section 909.3.

Section 909.1. Tavern games tax.

(a) Imposition.--There is imposed a tax of [60%] 35% of the net revenue from tavern games sold by a licensed distributor to a licensee within this Commonwealth.

* * *

Section 911. Invoice.

A sale of a tavern game by a licensed distributor or registered manufacturer to a licensee must be documented by an invoice listing the names and types of games sold, quantities of each game sold, the net revenue of each game and the aggregate amount of tax due on the net revenue on each invoice. Failure to provide a correct invoice shall result in a penalty of 50% of the tax amount due payable to the Commonwealth.

Section 912. Reports.

(a) Report required.--A licensee shall submit an annual report to the board and the department for the preceding year on a form and in a manner prescribed by the department. The department shall develop a schedule for the submission of the annual report. The report shall include:

(1) Prizes awarded as required under section 335 of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971.

(2) Net revenue received from each tavern game

conducted, itemized by week.

(3) Amount of prizes paid from all tavern games,
itemized by week.

(4) Amount of tax remitted to the department.

(5) Amount given to designated charities from tavern
raffles.

(6) Other information as required by the department.

(b) Electronic pull-tabs.--For a licensee using electronic
pull-tabs, the licensed distributor of the electronic pull-tabs
shall be responsible for submitting the report regarding the
electronic pull-tabs under subsection (a). A licensed
distributor that fails to submit the report shall be liable to
any applicable penalty under section 913.

Section 913. Enforcement.

* * *

(c) Penalties.--The board may impose a civil penalty,
including against a licensed distributor that provides
electronic pull-tabs to a licensee, for a violation of this
chapter in accordance with the following:

(1) Up to \$2,000 for an initial violation.

(2) Up to \$3,000 for a second violation.

(3) Up to \$5,000 for a third violation.

(d) Criminal penalty.--A violation of this chapter,
including by a licensed distributor that provides electronic
pull-tabs to a licensee, shall be a misdemeanor of the third
degree. A second or subsequent offense shall be a misdemeanor of
the second degree.

* * *

Section 8. This act shall take effect in 60 days.