RULES AND REGULATIONS

PENNSYLVANIA GAMING CONTROL BOARD

[58 PA.CODE CHS. 401a, 405a, 427a, 429a, 431a, 435a, 437a, 440a, 441a, 451a, 465a and 481a.]

Gaming Service Providers and License Term and Renewal

The Pennsylvania Gaming Control Board (Board), under its general authority in 4 Pa.C.S. § 1202(b)(30) (relating to general and specific powers) and the specific authority in 4 Pa.C.S. §§ 1103, 1209(b), 1317(c), 1317.1(c), 1317.2 and 1326 (relating to definitions; slot machine license fee; supplier licenses; manufacturer licenses; gaming service providers and license renewals), amends Chapters 401a, 405a, 427a, 429a, 431a, 435a, 437a, 440a, 441a, 451a, 465a and 481a to read as set forth in Annex A.

Omission of Proposed Rulemaking

The Board, under section 204 of the act of July 31, 1968 (P.L. 769, No. 240) (45 P.S. § 1204), known as the Commonwealth Documents Law (CDL), and 1 Pa. Code § 7.4 (relating to omission of notice of proposed rulemaking), finds that notice of proposed rulemaking under these circumstances is unnecessary and impractical and therefore may be omitted. The Board's justification for utilizing the proposed rulemaking omitted process is that the only changes being made in this rulemaking are those specifically required to bring the Board's regulations into conformity with the amendments to the Pennsylvania Race Horse Development and Gaming Act (act) contained in Act 1 of 2010.

Act 1 of 2010: defined Gaming Service Provider in section 1103 (relating to definitions); codified certification and registration requirements for Gaming Service Providers in section 1317.2 (relating to gaming service providers); amended sections 1209 (relating to slot machine license fee), 1317 (relating to supplier licenses), 1317.1 (relating to manufacturer licenses), and 1326 (relating to license renewals) which set forth the time period for the renewal of a license. The revisions contained in this rulemaking reflect these statutory changes.
Purpose of the Final-omitted Rulemaking

The final-omitted rulemaking amends the term vendors to gaming service provider and makes licensing revisions to bring the Board’s regulations into conformity with the revisions made to the act by Act 1 of 2010.

Explanation of Amendments to Chapters 401a, 405a, 427a, 429a, 431a, 435a, 437a, 440a, 441a, 451a, 465a and 481a.

Throughout these chapters, the word “vendor” was replaced with “gaming service provider” to conform with amendments to the act enacted by Act 1.

In § 427a.3 (relating to manufacturer license term and renewal) the time period for which a license is valid has been changed from one to three years with renewal applications now due two months prior to expiration of the license instead of six months in advance. These amendments are consistent with the changes in section 1317.1(c) and (d) of the act.

In § 429a.4 and 440a.3 (relating to manufacturer designees; management company license term and renewal) the term period for which a license is valid has been changed from one to three years in conformity with the change in section 1326 of the act.

In § 431a.3 (relating to supplier license term and renewal) the term period for which a license is valid has been changed from one year to three years. This amendment is consistent with changes to section 1317(c)(1) of the act.

In § 441a.16 (relating to slot machine license term and renewal) the term period for which a license is valid has been changed from one to three years which is consistent with the amendment to section 1209 of the act.

Affected Parties

Gaming service providers, previously vendors, as well as licensees and applicants for licenses were impacted by the amendments contained in Act 1 of 2010 and are similarly impacted by these regulations.

Fiscal Impact

Commonwealth
The Board does not anticipate that there will be any costs or savings to the Board or any other Commonwealth agency as a result of this rulemaking.

Political Subdivisions

This final-omitted rulemaking will have no fiscal impact on political subdivisions of the Commonwealth.

Private Sector

As a result of the passage of Act 1 of 2010 applicants for and holders of licenses will experience lower costs. This rulemaking, which mirrors the statutory changes, will not result in any additional costs or savings.

General Public

This final-omitted rulemaking will have no fiscal impact on the general public.

Paperwork requirements

The extension of the time period that a license is valid from one year to three years will result in fewer applications for applicants and entities seeking renewals.

Effective Date

The final-omitted rulemaking will become effective upon final-form publication in the Pennsylvania Bulletin.

Contact Person

The contact person for questions about this final-omitted rulemaking is Susan A. Yocum, Assistant Chief Counsel, at (717) 265-8356.

Regulatory Review

Under section 5.1(c) of the Regulatory Review Act (71 P.S. § 745.5a(c)) on August 19, 2010, the Board submitted a copy of the final-form regulations, proposed rulemaking omitted, to the Independent Regulatory Review Commission (IRRC), the Senate Community, Economic and Recreational Development Committee and the House Gaming Oversight Committee (Committees), and the Attorney General. In addition to submitting the final-form
regulations, the Board also provided IRRC, the Committees and the Attorney General with a copy of a detailed Regulatory Analysis Form prepared by the Board.

Under section 5.1(j.1)–(j.3) of the Regulatory Review Act, these final-form regulations were deemed approved by the Committees on INSERT DATE, 2010. IRRC met on INSERT DATE, 2010, and approved the regulations in accordance with section 5.1(e) of the Regulatory Review Act.

Findings

The Board finds that the final-omitted rulemaking is necessary and appropriate for the administration and enforcement of the authorizing statute. Under section 204 of the Commonwealth Documents Law, the Board also finds that the proposed rulemaking procedures in sections 201 and 202 of the Commonwealth Documents Law (45 P.S. §§ 1201 and 1202) are unnecessary because it is in the public interest to expedite this amended regulation.

Order

The Board, acting under 4 Pa.C.S. Part II, orders that:

(a) The regulations of the Board, 58 Pa.Code Chapters 401a, 405a, 427a, 429a, 431a, 435a, 437a, 440a, 441a, 451a, 465a and 481a are amended to read as set forth in Annex A, with ellipses referring to the existing text of the regulations.

(b) The Chairman of the Board shall certify this order and Annex A and deposit them with the Legislative Reference Bureau as required by law.

(c) This order shall become effective upon publication in the Pennsylvania Bulletin.

Gregory C. Fajt,
Chairman
Title. 58. Recreation

Part VII. Gaming Control Board

Subpart A. GENERAL PROVISIONS

CHAPTER 401a. PRELIMINARY PROVISIONS

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§ 401a.3. Definitions.

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

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Nongaming employee--An employee of a slot machine licensee or certified [vendor] gaming service provider who is not included within the definition of “principal”, “key employee” or “gaming employee,” and:

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Registered [vendor] gaming service provider--A [vendor] gaming service provider that is registered with the Board.

* * * * *
[Vendor] Gaming service provider--

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(ii) The term includes:

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(J) Other entities which the Board will determine based on detailed analyses by the Board of [vendor] gaming service provider contracts.

[Vendor] Gaming service provider certification--A certification issued by the Board authorizing a [vendor] gaming service provider to provide goods or services to a slot machine licensee or applicant.

[Vendor] Gaming service provider registration--A registration issued by the Board authorizing a [vendor] gaming service provider to provide goods or services to a slot machine licensee or applicant.

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CHAPTER 405a. BUREAU OF INVESTIGATIONS AND ENFORCEMENT

§ 405a.1. General duties and powers.

The Bureau has the powers and duties set forth in section 1517 of the act (relating to enforcement) including:

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The investigation of licensees, permittees, registrants, certified [vendors] gaming service providers and other persons for potential violations of the act, including potential violations referred to the Bureau by the Board or other persons.

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Subpart B. LICENSING, PERMITTING, CERTIFICATION AND REGISTRATION

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CHAPTER 427a. MANUFACTURERS

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§ 427a.3. Manufacturer license term and renewal.

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(a) The initial manufacturer license will be valid for 1 year from the date of issuance of the license by the Board. Renewals of [A] a manufacturer license [or renewal] will be valid for [1 year] 3 years from the date [on which the license or renewal is approved] of the approval of the renewal of the license by the Board.

(b) A Manufacturer License Renewal Application Form and renewal fee shall be filed at least [6] 2 months prior to the expiration of the current license.

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§ 429a.4. Manufacturer designee license term and renewal.

(a) The initial manufacturer designee license will be valid for 1 year from the date of issuance of the license by the Board. Renewals of [A] a manufacturer designee license [or renewal shall] will be valid for [1 year] 3 years from the date [on which the license or renewal is approved] of the approval of the renewal of the license by the Board.

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CHAPTER 431a. SUPPLIER LICENSES

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§ 431a.3. Supplier license term and renewal.

(a) The initial supplier license will be valid for 1 year from the date of issuance of the license by the Board. Renewals of [A] a supplier license [or renewal shall] will be valid for [1 year] 3 years from the date [on which the license or renewal is approved] of the approval of the renewal of the license by the Board.

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CHAPTER 435a. EMPLOYEES

(j) A registrant who is an employee of a certified [vendor] gaming service provider or an employee of a certified [vendor] gaming service provider who has direct contact with the employees of a licensed facility may not wager at the licensed facility where the [vendor] gaming service provider is currently providing services.

(n) Slot machine licensees, manufacturers, manufacturer designees, suppliers and certified [vendors] gaming service providers [who] that hire an individual who holds a license, permit or registration issued by the Board shall contact the Bureau of Licensing to confirm that the individual’s license, permit or registration is in good standing prior to allowing the individual to work in the licensed facility.

§ 435a.3. Occupation permit.

(a) An applicant for an occupation permit shall submit:

(1) An original and three copies of the Gaming Employee Application and Disclosure Information Form or an electronic application using the SLOTS Link system. When an application for an occupational permit is filed using SLOTS
Link, the additional documents required, including releases, shall be submitted to the Board:

* * * * *

(ii) Within 10 days of the submission of the SLOTS Link application by an applicant for or holder of a manufacturer, manufacturer designee, or supplier license or an applicant for or holder of a [vendor] gaming service provider certification.

* * * * *

(e) An individual who wishes to receive an occupation permit under this chapter may authorize an applicant for or holder of a slot machine, management company, manufacturer, manufacturer designee or supplier license or [vendor] gaming service provider certification to file an application on the individual's behalf.

(f) A permit issued under this section shall be valid for employment with any licensed entity or certified [vendor] gaming service provider.

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§ 435a.5. Nongaming employee registration.

(a) An applicant for a nongaming employee registration shall submit:
(1) An original and three copies of the Nongaming Employee Registration Form or an electronic application using the SLOTS Link system. When an application for a nongaming employee registration is filed using SLOTS Link, the additional documents required, including releases, shall be submitted to the Board:

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(ii) Within 10 days of the submission of the SLOTS Link application by an applicant for or holder of a manufacturer, manufacturer designee, or supplier license or an applicant for or holder of a [vendor] gaming service provider certification.

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(d) An individual who wishes to receive a nongaming employee registration under this chapter may authorize an applicant for or holder of a slot machine license or a [vendor] gaming service provider certification to file an application on the individual's behalf.

(e) A registration issued under this section is valid for employment with any licensed entity or certified [vendor] gaming service provider.

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§ 435a.9a. [Vendor] Gaming service provider employee temporary access credentials.

(a) The Board's casino compliance representatives at a licensed facility may issue a [Vendor] Gaming Service Provider Employee Temporary Access Credential to an employee of a registered or certified [vendor] gaming service provider that is a construction company that is completing work on the gaming floor or in a restricted area under the registered or certified [vendor’s] gaming service provider's original contract, change orders or punch lists, or to complete periodic repairs or warranty work if:

* * * * *

(b) To receive a [Vendor] Gaming Service Provider Employee Temporary Access Credential, the employee of the registered or certified [vendor] gaming service provider that is a construction company shall surrender his driver's license or other photo identification.

(c) A [Vendor] Gaming Service Provider Employee Temporary Access Credential will not be issued to an employee of a registered or certified [vendor] gaming service provider that is a construction company for more than 12 days in a 12-month period.
(d) Employees of a manufacturer, manufacturer designee or supplier may not be issued a [Vendor] Gaming Service Provider Employee Temporary Access Credential.

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CHAPTER 437a. [VENDOR] GAMING SERVICE PROVIDER CERTIFICATION AND REGISTRATION

§ 437a.1. General [vendor] gaming service provider requirements.

(a) A [vendor] gaming service provider or person seeking to conduct business with a slot machine applicant or licensee, except as provided in § 437a.10 (relating to emergency [vendor] gaming service provider), shall apply to the Board for registration if:

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(2) The employees of the [vendor] gaming service provider or person seeking to conduct business with a slot machine applicant or licensee will be working on the gaming floor or in restricted areas unless all of the following conditions are met:

* * * * *

(iii) The [vendor] gaming service provider has received written approval from the Bureau of Licensing for the
[vendor’s] gaming service provider's employees to be on the gaming floor.

(b) A [vendor] gaming service provider or person seeking to conduct business with a slot machine applicant or licensee, except as provided in § 437a.10, shall apply to the Board for certification if the total dollar amount of the goods or services to be provided to a single slot machine applicant or licensee or to multiple slot machine applicants or licensees will be or is anticipated to be greater than $500,000 within a consecutive 12-month period.

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(d) The following persons are exempt from the [vendor] gaming service provider registration and the [vendor] gaming service provider certification requirements of this chapter:

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(g) A person, or subsidiary of a person, that has a class of equity securities listed on the New York Stock Exchange, the NASDAQ Stock Market, the American Stock Exchange or a foreign stock exchange determined by the Bureau of Licensing to have similar listing requirements may be authorized to provide goods or services to slot machine applicants and licensees without applying for registration or certification if the person or subsidiary of the person submits a completed Publicly Traded
Form to the Board accompanied by the filing fee posted on the Board's web site (www.pgcb.state.pa.us). A person or subsidiary of a person that is authorized to provide goods and services under this subsection shall be required to:

(1) Comply with § 437a.7 (relating to registered and certified gaming service provider responsibilities).

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(h) A slot machine applicant or licensee shall complete and submit to the Bureau of Licensing a Notification of Material Gaming Service Provider Form prior to compensating a gaming service provider $15,000 or more within a consecutive 12-month period. A slot machine applicant or licensee shall not be required to submit a Notification of Material Gaming Service Provider Form to the Bureau of Licensing if either of the following apply to the gaming service provider to be compensated:

(1) The gaming service provider is exempt under subsection (d).

(2) The gaming service provider is listed on the Board's authorized gaming service provider list.

(i) A gaming service provider of a slot machine applicant or licensee whose compensation does not
exceed the monetary thresholds contained in this section or who is otherwise not required to be registered or certified under subsection (d) or (g) may be required to be registered or certified if the Board determines that registration or certification is necessary to protect the integrity of gaming.

§ 437a.2. [Vendor] Gaming service provider registration applications.

(a) A [vendor] gaming service provider seeking registration shall do one of the following:

(1) Complete an original and four copies of a [Vendor] Gaming Service Provider Registration Form—Sponsored. The original and copies and the fee toward the cost of the investigation of the applicant posted on the Board's web site (www.pgcb.state.pa.us) shall be submitted to the Bureau of Licensing by the slot machine applicant or licensee for whom the [vendor] gaming service provider will provide goods or services unless otherwise directed by the Board.

(2) Complete an original and four copies of a [Vendor] Gaming Service Provider Registration Form—Unsponsored. The original and copies and the fee toward the cost of the investigation of the applicant posted on the Board's web site (www.pgcb.state.pa.us) shall be submitted to the Bureau of
Licensing by the [vendor] gaming service provider unless otherwise directed by the Board.

(b) In addition to the materials required under subsection (a), an applicant for a [vendor] gaming service provider registration shall:

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(4) Submit fingerprints of the following individuals to the Board in a manner prescribed by BIE:

(i) Each officer and director of the registered [vendor] gaming service provider applicant. For purposes of this subparagraph, the term “officer” means a president, chief executive officer, a chief financial officer and a chief operating officer, and any person routinely performing corresponding functions with respect to an organization whether incorporated or unincorporated.

(ii) Each individual who has a direct or indirect ownership or beneficial interest of 10% or more in the registered [vendor] gaming service provider applicant.

(iii) Each salesperson of a registered [vendor] gaming service provider applicant who solicits business from, or has regular contact with, any representatives of a slot machine applicant or licensee or any employee of a registered [vendor]
gaming service provider applicant who will be engaging in that conduct.

(c) A person who holds any direct or indirect ownership or beneficial interest in a registered [vendor] gaming service provider or applicant for [vendor] gaming service provider registration, or has the right to any profits or distributions directly or indirectly, from the registered [vendor] gaming service provider or applicant for [vendor] gaming service provider registration may be required to submit fingerprints if the Board determines that the submission of fingerprints of the person is necessary to protect the public interest or to enhance the integrity of gaming in this Commonwealth.

* * * * *

(e) An applicant for a [vendor] gaming service provider registration will be required to reimburse the Board for costs incurred by the Board in conducting the review of the application.

(f) A [vendor] gaming service provider registration will not be issued until all fees have been paid.

§ 437a.3. [Vendor] Gaming service provider certification applications.

(a) A [vendor] gaming service provider seeking certification shall complete and the slot machine applicant or
licensee for whom the **vendor** gaming service provider will provide goods or services shall submit:

(1) An original and four copies of a **Vendor** Gaming Service Provider Certification Application and Disclosure Information Form unless otherwise directed by the Board.

* * * * *

(b) In addition to the materials required under subsection (a), an applicant for a **vendor** gaming service provider certification shall:

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(c) A **vendor** gaming service provider certification will not be issued until all fees have been paid.

(d) A person required to be a certified **vendor** gaming service provider under this chapter may request that the Board waive its obligation to be certified by filing a Single Transactional Waiver Form. To be eligible to receive this waiver from the requirements of certification, the person shall demonstrate that the person is proposing to engage in a single transaction with a slot machine applicant or licensee and satisfies the following requirements:

* * * * *
(e) The Board may, in response to misrepresentations or a change in circumstances, revoke a waiver granted under this section and require the recipient of the waiver to comply with the [vendor] gaming service provider certification requirements of this chapter.

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§ 437a.4. Qualification of individuals and entities.

(a) The following individuals shall be required to submit a Pennsylvania Personal History Disclosure Form and be found qualified by the Board:

(1) Each officer and director of a certified [vendor] gaming service provider or applicant for [vendor] gaming service provider certification. For the purposes of this paragraph, the term “officer” means a president, chief executive officer, a chief financial officer and a chief operating officer and any person routinely performing corresponding functions with respect to an organization whether incorporated or unincorporated.

(2) Each individual who has a direct or indirect ownership or beneficial interest of 10% or more in the certified [vendor] gaming service provider or applicant for [vendor] gaming service provider certification. A certified [vendor] gaming service provider or applicant for [vendor] gaming service provider certification shall provide information or
documentation requested by the Board necessary to determine compliance with this paragraph.

(3) Each salesperson of a certified [vendor] gaming service provider or applicant for [vendor] gaming service provider certification who solicits business from, or has regular contact with, any representatives of a slot machine applicant or licensee or any employee of a certified [vendor] gaming service provider or applicant for [vendor] gaming service provider certification who will be engaging in that conduct.

(b) Each entity that directly owns 20% or more of the voting securities of a certified [vendor] gaming service provider or person applying for [vendor] gaming service provider certification shall be required to file a [Vendor] Gaming Service Provider Certification Form—Private Holding Company with the Board and be found qualified by the Board.

(c) The following persons may be required to submit a [Vendor] Gaming Service Provider Certification Form—Private Holding Company or a Pennsylvania Personal History Disclosure Form and be found qualified by the Board if the Board determines that the qualification of the person is necessary to protect the public interest or to enhance the integrity of gaming in this Commonwealth:
(1) An intermediary or holding company of a certified [vendor] gaming service provider or applicant for [vendor] gaming service provider certification not otherwise required to be qualified.

(2) An officer or director of an intermediary or holding company of a certified [vendor] gaming service provider or applicant for [vendor] gaming service provider certification.

(3) An employee of a certified [vendor] gaming service provider or applicant for [vendor] gaming service provider certification.

(4) A person who holds any direct or indirect ownership or beneficial interest in a certified [vendor] gaming service provider or applicant for [vendor] gaming service provider certification, or has the right to any profits or distribution, directly or indirectly, from the certified [vendor] gaming service provider or applicant for [vendor] gaming service provider certification.

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(d) The Bureau of Licensing may issue a temporary credential to an individual who is required to be qualified by the Board under this section if:

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(2) The company with which the individual is associated is on the Authorized [Vendor] Gaming Service Provider List.

(e) The Bureau of Licensing will issue a permanent credential to an individual who has been found to be qualified under this section if the [vendor] gaming service provider has been certified.

§ 437a.5. Construction subcontractors.

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(b) The On-site Subordinate [Vendor] Gaming Service Provider Notification Form shall be valid for the construction of only one licensed facility, and shall be valid for only 1 year unless the Board, at its sole discretion, renews the On-site Subordinate [Vendor] Gaming Service Provider Notification Form after a showing by the subcontractor that its obligations pursuant to the subcontract have not been fully performed and good cause exists for the delay in the performance.

(c) A subcontractor who elects to file an On-site Subordinate [Vendor] Gaming Service Provider Notification Form as outlined in subsection (a) shall be prohibited from:

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(2) Providing, directly or indirectly, goods or service to any other slot machine applicant or licensee other
than the slot machine applicant or licensee identified in the
On-site Subordinate [Vendor] Gaming Service Provider
Notification Form.

§ 437a.6. Registration and certification term and renewal.

(a) [Vendor] Gaming service provider certifications,
registrations and renewals issued under this chapter shall be
valid for 4 years from the date of Board approval.

(b) Registered and certified [vendors] gaming service
providers shall submit to the Board a completed renewal
application and renewal fee at least 60 days prior to the
expiration of a certification or registration.

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§ 437a.7. Registered and certified [vendor] gaming service
provider responsibilities.

(a) A holder of a [vendor] gaming service provider
certification or registration shall have a continuing duty to:

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(2) Report a change in circumstances that may render
the holder of a [vendor] gaming service provider certification
or registration ineligible, unqualified or unsuitable to hold a
certification or registration under the standards and
requirements of the act and of this part.
(b) An employee of a registered or certified [vendor] gaming service provider shall be required to obtain an occupation permit under § 435a.3 (relating to occupation permit) if:

(1) The employee is the onsite supervisor of other employees of the [vendor] gaming service provider whose duties of employment or incidental activities related to employment require the employees to be on the gaming floor or in a restricted area.

* * * * *

(c) An employee of a certified [vendor] gaming service provider that is not required to obtain an occupation permit under subsection (b) shall be required to obtain a nongaming employee registration under § 435a.5 (relating to nongaming employee registration) if:

* * * * *

(4) The employee is the offsite supervisor of employees of the registered or certified [vendor] gaming service provider working at the licensed facility.

(d) Employees of a registered or certified [vendor] gaming service provider who are not required to obtain an occupation permit or a nongaming employee registration under subsection (b) or (c) may be required to obtain an occupation permit or
nongaming employee registration if the Board determines, after a review of the work being performed, that obtaining a permit or registration is necessary for the protection of the integrity of gaming.

(e) Workers employed by a registered or certified [vendor] gaming service provider that is a construction company who are completing work on the gaming floor or in a restricted area under their original contract, change orders, punch lists, periodic repairs or warranty work will not be required to comply with the requirements in subsection (b) or (c) if the following conditions are met:

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(3) The employee has been issued a [Vendor] Gaming Service Provider Employee Temporary Access Credential by one of the Board's casino compliance representatives at the licensed facility.

§ 437a.8. Authorized [vendors] gaming service providers list; prohibited [vendors] gaming service providers.

(a) The Board will maintain a list of authorized [vendors] gaming service providers and a list of prohibited [vendors] gaming service providers. The authorized list will contain the names of persons who:

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(2) Are eligible to file and have filed a completed publicly traded [vendor] gaming service provider form under § 437a.1(g) (relating to general [vendor] gaming service provider requirements).

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(b) Except as permitted under § 437a.1(a)(2), (d) and (g) and § 437a.10 (relating to emergency [vendor] gaming service provider), a slot machine licensee or applicant may not purchase goods or services from a [vendor] gaming service provider, when the employees of the [vendor] gaming service provider will be working on the gaming floor or in a restricted area or compensate a [vendor] gaming service provider $100,000 or more within a consecutive 12-month period, unless the person is on the authorized [vendor] gaming service provider list. A slot machine licensee or applicant may not enter into an agreement or continue to do business with a [vendor] gaming service provider on the prohibited [vendors] gaming service providers list.

(c) The Board may place a person on the prohibited [vendors] gaming service providers list if:

(1) The [vendor] gaming service provider has failed to comply with this chapter.

(2) The [vendor] gaming service provider has failed to cooperate with the Board in the Board's review of the [vendor]
gaming service provider's application for certification or registration.

(3) The [vendor] gaming service provider's application for certification or registration has been denied or the [vendor] gaming service provider has had its [vendor] gaming service provider certification or registration suspended or revoked.

(4) The [vendor] gaming service provider has failed to provide information to a slot machine applicant or licensee that is necessary for the slot machine applicant or licensee to comply with this chapter.

(d) A person seeking to be removed from the list of prohibited [vendors] gaming service providers shall file a petition for removal in accordance with § 493a.4 (relating to petitions generally) and shall be responsible for all costs associated with the person's petition for removal from the list of prohibited [vendors] gaming service providers. The petition must state the specific grounds believed by the petitioner to constitute good cause for removal from the prohibited [vendors] gaming service providers list and how the [vendor] gaming service provider has cured any deficiencies that led to the [vendor] gaming service provider being placed on the prohibited [vendors] gaming service providers list.
(e) The Board may impose a monetary penalty or other appropriate sanction in connection with the removal of a person from the list of prohibited [vendors] gaming service providers, or attach any reasonable condition to the removal of a person from the list of prohibited [vendors] gaming service providers.

§ 437a.9. Permission to conduct business prior to certification or registration.

(a) Notwithstanding § 437a.1 (relating to general [vendor] gaming service provider requirements), the Bureau of Licensing may authorize an applicant for a [vendor] gaming service provider certification or registration to conduct business with a slot machine applicant or licensee prior to the certification or registration of the [vendor] gaming service provider applicant if the following criteria are met:

(1) A completed [Vendor] Gaming Service Provider Registration Form—Unsponsored has been filed by the [vendor] gaming service provider, a completed [Vendor] Gaming Service Provider Registration Form—Sponsored has been filed by the slot machine applicant or licensee or a completed [Vendor] Gaming Service Provider Certification Application and Disclosure Information Form has been filed by the slot machine applicant or licensee in accordance with § 437a.2 or § 437a.3 (relating to
(2) The slot machine applicant or licensee certifies that it has performed due diligence on the [vendor] gaming service provider.

(3) The applicant for [vendor] gaming service provider registration or certification agrees, in writing, that the grant of permission to conduct business prior to registration or certification does not create a right to continue to conduct business and that the Bureau of Licensing may rescind, at any time, the authorization granted pursuant to this section, with or without prior notice to the applicant, if the Bureau of Licensing determines that the suitability of the applicant is at issue or the applicant fails to cooperate in the application process.

* * * * *


(a) A slot machine licensee may utilize a [vendor] gaming service provider that is not registered or certified when a threat to public health, welfare or safety exists or circumstances outside the control of the slot machine applicant or licensee create an urgency of need which does not permit the
delay involved in using the formal method of [vendor] gaming service provider certification or registration.

(b) When using a [vendor] gaming service provider that is not registered or certified to respond to an emergency, the slot machine applicant or licensee shall:

(1) File a [Vendor] Gaming Service Provider Emergency Notification Form with the Board within 72 hours of the [vendor] gaming service provider's commencement of services.

(2) Provide a written explanation to the Board of the basis for the emergency [vendor] gaming service provider procurement and for the selection of the particular [vendor] gaming service provider.

(3) File a [Vendor] Gaming Service Provider Registration Form or [Vendor] Gaming Service Provider Certification Form on behalf of the [vendor] gaming service provider within 20 business days of the filing of the [Vendor] Gaming Service Provider Notification Form.

§ 437a.11. Slot machine applicants' and licensees' duty to investigate.

(a) An applicant for or holder of a slot machine license shall investigate the background and qualifications of the applicants for [vendor] gaming service provider registration or
certification with whom it intends to have a contractual relationship or enter into an agreement.

(b) An applicant for or holder of a slot machine license shall have an affirmative duty to avoid agreements or relationships with persons applying for [vendor] gaming service provider registration or certification whose background or association is injurious to the public health, safety, morals, good order and general welfare of the people of this Commonwealth, or who threaten the integrity of gaming in this Commonwealth.

(c) An applicant for or holder of a slot machine license shall have a duty to inform the Board of an action by an applicant for or holder of a [vendor] gaming service provider registration or certification or a [vendor] gaming service provider that is eligible to file and has filed a completed publicly traded [vendor] gaming service provider form under § 437a.1(g) (relating to general [vendor] gaming service provider requirements), which the applicant for or holder of a slot machine license believes would constitute a violation of the act or this part.

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CHAPTER 440a. MANAGEMENT COMPANIES

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§ 440a.3. Management company license [and] term and renewal.

(a) A management company license [issued under this chapter] or renewal will be valid for [1 year] 3 years from the date on which the license or renewal is approved [of] by the Board [approval].

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§ 440a.5. Management contracts.

(f) A management contract submitted for Board review and approval must enumerate with specificity the responsibilities of the slot machine applicant or licensee and management company under the terms and conditions of the management contract. At a minimum, the terms should address whether, and to what extent, the management company is involved in the following:

* * * * *

(12) Procurement of [vendors] gaming service providers and junkets.

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Subpart C. SLOT MACHINE LICENSING

CHAPTER 441a. SLOT MACHINE LICENSES

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§ 441a.7. Licensing hearings for slot machine licenses.

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(g) For the purposes of this section, an applicant's demonstration of how it addresses the criteria identified in section 1325(c) of the act must include:

* * * * *

(5) The applicant's good faith effort to assure that all persons are accorded equality of opportunity in employment and contracting by it and any contractors, subcontractors, assignees, lessees, agents, [vendors] gaming service providers and suppliers it may employ directly or indirectly.

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* * * * *

(c) Filing agreements. Each slot machine licensee shall submit the following to the Board:

(1) A fully signed copy of written agreements with manufacturer applicants or licensees, manufacturer designee applicants or licensees, supplier applicants or licensees and with [vendors] gaming service providers subject to certification under § 437a.1(b) (relating to general [vendor] gaming service provider requirements).

(2) A precise written description of any oral agreement, in accordance with subsection (f), with manufacturer
applicants or licensees, manufacturer designee applicants or licensees, supplier applicants or licensees and [vendors] gaming service providers subject to certification under § 437a.1(b).

* * * * *


(a) The Board may review an agreement and record maintained or filed under § 441a.12 (relating to maintaining agreements; filing of agreements) to determine the following:

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(4) Whether any action is desirable or necessary to regulate, control or prevent economic concentration in any [vendor] gaming service provider industry or to encourage or preserve competition in any [vendor] gaming service provider industry.

* * * * *


(a) Each slot machine license applicant or licensee shall generate a monthly Master Purchasing and Disbursement Report for [vendor] gaming service provider transactions. The report shall be submitted to the Bureau of Licensing no later than the 22nd calendar day of following month. The report must include the following information:
(1) A payee register listing alphabetically by payee all nonpayroll transactions drawn by the slot machine applicant or licensee, including wire transfers and credits to [vendors] gaming service providers, and the following information next to the name of each payee:

   (i) The [vendor] gaming service provider certification or registration number or exemption code.

   * * * * *

(2) A payee register listing alphabetically by payee all transactions drawn by any affiliate, intermediary, subsidiary, holding company or agent of the slot machine applicant or licensee for goods or services that benefit the slot machine applicant or licensee, including wire transfers and credits to [vendors] gaming service providers, and the following information next to the name of each payee:

   (i) The [vendor] gaming service provider certification or registration number or exemption code.

   * * * * *

(3) A register listing alphabetically by [vendor] gaming service provider transactions, including wire transfers and credits, in which the slot machine applicant or licensee itself acted in the capacity of a [vendor] gaming service
provider by providing goods or services. The register must include:

(i) The [vendor] gaming service provider certification or registration number or exemption code of the [vendor] gaming service provider to whom the goods or services were provided.

* * * * *

(v) By [vendor] gaming service provider, subtotals of payments or credits received by the slot machine licensee or applicant or disbursements or credits made by the slot machine licensee or applicant during the reporting period.

(vi) By [vendor] gaming service provider, totals of payments or credits received or disbursements or credits made by the slot machine licensee or applicant within the applicable 12-month period.

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§ 441a.16. Slot machine license term and renewal.

(a) The [initial] slot machine license [issued to a slot machine licensee under this chapter] will be valid for [1 year] 3 years from the date [of the issuance of the license] on which the license or renewal is approved by the Board. [Renewals of a slot machine licensee’s license will be valid for 1 year from
the date of the approval of the renewal of the license by the Board.

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Subpart D. RECORDKEEPING

CHAPTER 451a. RECORDKEEPING REQUIREMENTS

§ 451a.1. Recordkeeping generally.

(a) All manufacturer, junket enterprise, and management company licensees and all registered and certified [vendors] gaming service providers shall maintain adequate records of business operations which shall be made available to the Board upon request. These records include:

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Subpart E. SLOT MACHINES AND ASSOCIATED EQUIPMENT

CHAPTER 465a. ACCOUNTING AND INTERNAL CONTROLS

§ 465a.1. Accounting records.

(c) The detailed, supporting and subsidiary records include:
(2) Records pertaining to the financial statements and all transactions impacting the financial statements of the slot machine licensee including contracts or agreements with licensed manufacturers, suppliers, junket enterprises, certified and registered [vendors] gaming service providers, contractors, consultants, management companies, attorneys and law firms, accountants and accounting firms, insurance companies, and financial institutions, including statements and reconciliations related thereto.

§ 465a.20. Personal check cashing.

(b) Personal checks accepted under subsection (a) shall be presented by the patron directly to a slot cashier who shall:

(5) For personal checks equaling or exceeding $500, verify the validity of the check directly with the commercial bank, savings bank, saving and loan association or credit union upon which it is drawn or obtain an authorization and guarantee of the check from a check verification and warranty service certified as a [vendor] gaming service provider by the Board. The slot cashier shall document how the check verification was
performed in connection with the acceptance of each personal check.

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Subpart G. MINORITY AND WOMEN’S BUSINESS ENTERPRISES

CHAPTER 481a. DIVERSITY

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§ 481a.2. Definitions.

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Regulated entity—An applicant for or holder of the following:

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(iv) [Vendor] Gaming Service Provider certification.