

Senate Committee on Community, Economic and Recreational Development

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House Bill 1893, Printer's No. 2550

Date: June 19, 2012

Sponsor: Representative Vulakovich

Bill Summary

House Bill 1893, Printer's No. 2550, amends Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes by further providing for gambling devices, gaming, etc. in relation to the promotion or implementation of sweepstakes.

Section 5513 (a) and (f) of Title 18 (Crimes and Offenses) are amended as follows:

• Subsection (a) (relating to offense defined) is modified to include among the list of illegal gambling activities (graded as a misdemeanor of the first degree) the <u>conduct of sweepstakes</u> through the use of simulated gambling devices (including the entry process or the revealing of a prize) or the <u>promotion</u> of such.

It is specifically stated that nothing in these provisions shall be construed to prohibit lawful gambling under the State Lottery Law, Bingo Law, Local Option Small Games of Chance Act or Gaming Act.

- Subsection (b) (relating to definitions) is modified by adding the following definitions:
 - 1. "Electronic gaming machine or device" Mechanical or electrical device intended for use by a sweepstakes entrant.
 - 2. "Enter" or "entry" Act or process by which a person becomes eligible to receive any prize offered in a sweepstakes.
 - 3. "Prize" Anything of value (i.e., gift, award, gratuity, good, service, credit, etc.).
 - 4. "Simulated gambling device" A mechanically or electronically operated machine, network, system or device that is intended to be used by an entrant to a game promotion or sweepstakes that is capable of displaying a simulated gambling display on a screen or other mechanism. The term includes, but not limited to:
 - A video poker or any other kind of video card game
 - A video bingo game
 - A video craps game
 - A video keno game
 - A video lotto game
 - Eight liner
 - Pot-of-gold

- A video game based on or involving the random or chance matching of different pictures, word, numbers or symbols
- 5. "Sweepstakes" Any game, advertising scheme or plan or other promotion that, with or without payment of any consideration, a person may enter to win or become eligible to receive any prize.

This act shall take effect in 60 days.

[A11596] (Tomlinson) Amendment Summary

This is a substantive amendment that eliminates a significant portion of the proposed new language, including language being added to subsection (a) (relating to offense defined) and instead adds in section 5513 a {new} subsection (a.1) (relating to electronic video monitor) that would make it a <u>misdemeanor of the first degree</u> for a person to own, operate, maintain or place into operation or have a financial interest in an electronic video monitor made available to persons to play simulated gambling for direct or indirect consideration and for which the person becomes eligible for cash or cash equivalent prizes.

It eliminates the previously proposed definitions (e.g., "Electronic gaming machine or device," "Enter" or "entry," "Prize," "Simulated gambling device" and "Sweepstakes") and instead adds the following {new} definitions:

- "Consideration associated with a related product, service or activity" Money or other value collected for a product, service or activity which is offered in any direct or indirect relationship to playing or participating in the simulated gambling program. The term includes consideration paid for computer time, Internet time, telephone calling cards and a sweepstakes entry.
- "Electronic video monitor" An electronic device capable of showing moving or still images.
- "Simulated gambling program" Any of the following that is intended to be used by a person playing or participating in the program that directly or indirectly implements the predetermination of sweepstakes cash or cash-equivalent prizes or otherwise connects the sweepstakes player or participant with the cash or cash equivalent prize:
 - 1. A mechanically or electronically operated machine, computer, smartphone, tablet or other device.
 - 2. A network, application, system or software that runs or operates a device under paragraph (1).

The effective date is amended to be immediately.

Existing Law

Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes provides for offenses related to illegal gambling and the utilization of illegal gambling devices and grades these offenses as <u>misdemeanor of the first degree</u>.

State Lottery Law – (Act 91 of 1971)

Bingo Law – (Act 67 of 1981)

Local Option Small Games of Chance Act – (Act 156 of 1988)

Part II (Gaming), Title 4 (Amusements) of the Pennsylvania Consolidated Statutes, known as the Pennsylvania Horse Race Development and Gaming Act (Gaming Act – Act 71 of 2004) – [4 Pa. C.S. § 1101 et seq.]

Currently, no state law applies (although such is subject to regulation under federal law) to a legitimate sweepstakes (where no consideration is given).