

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1798 Session of
2017

INTRODUCED BY KORTZ, MATZIE, KINSEY, BARRAR, McNEILL, MILLARD,
MULLERY, SAINATO, DeLUCA AND MASSER, SEPTEMBER 19, 2017

REFERRED TO COMMITTEE ON GAMING OVERSIGHT, SEPTEMBER 19, 2017

AN ACT

1 Amending the act of August 26, 1971 (P.L.351, No.91), entitled
2 "An act providing for a State Lottery and administration
3 thereof; authorizing the creation of a State Lottery
4 Commission; prescribing its powers and duties; disposition of
5 funds; violations and penalties therefor; exemption of prizes
6 from State and local taxation and making an appropriation,"
7 in State Lottery, further providing for definitions and for
8 powers and duties of secretary and providing for keno
9 authorization.

10 The General Assembly of the Commonwealth of Pennsylvania
11 hereby enacts as follows:

12 Section 1. Section 302 of the act of August 26, 1971
13 (P.L.351, No.91), known as the State Lottery Law, is amended by
14 adding definitions to read:

15 Section 302. Definitions.

16 The following words and phrases when used in this chapter
17 shall have the meanings given to them in this section unless the
18 context clearly indicates otherwise:

19 "Authorized establishment." A licensed establishment or a
20 licensed lottery sales agent's place of business authorized
21 under section 303.1 to operate keno.

1 * * *

2 "Licensed establishment." A restaurant, bar, tavern, hotel,
3 golf course or club that has a valid liquor or malt or brewed
4 beverage license under Article IV of the act of April 12, 1951
5 (P.L.90, No.21), known as the Liquor Code.

6 * * *

7 Section 2. Section 303(a) (1) of the act is amended to read:
8 Section 303. Powers and duties of secretary.

9 (a) Powers and duties enumerated.--In addition to the powers
10 and duties provided by law and the act of April 9, 1929
11 (P.L.177, No.175), known as The Administrative Code of 1929, the
12 secretary shall have the power and it shall be his duty to
13 operate and administer the lottery, and to promulgate rules and
14 regulations governing the establishment and operation thereof,
15 including, but not limited to:

16 (1) The type of lottery to be conducted, except that the
17 secretary may not authorize [the game of keno or] an Internet
18 instant game unless specifically authorized by law.

19 * * *

20 Section 3. The act is amended by adding a section to read:
21 Section 303.1. Keno authorized.

22 The secretary shall permit the division to operate keno in
23 accordance with this section:

24 (1) Keno shall not be interactive.

25 (2) The frequency of keno games shall not exceed 15
26 drawings per hour.

27 (3) In no event shall more than three video display
28 monitors showing a single keno game be permitted in an
29 authorized establishment.

30 (4) Keno shall be connected to the division's central

1 control computer.

2 (5) Keno may only be installed in an authorized
3 establishment. A list of authorized establishments and sites
4 shall be published annually in the Pennsylvania Bulletin.

5 (6) The secretary and the division shall mutually agree
6 upon the number of authorized establishments where keno will
7 be initially installed. Keno may not be installed in more
8 than 1,000 authorized establishments within the first year.
9 Thereafter, the expansion of keno shall be at the discretion
10 of the secretary and division for an orderly development of
11 keno to maximize revenue for the lottery.

12 (7) Retailer and vendor commissions that apply to
13 lottery games do not apply to keno in the discretion of the
14 secretary. The secretary may provide for commissions for
15 sales by authorized establishments at a higher percentage
16 than permitted, as of the effective date of this section, for
17 lottery sales agents, except that a percentage greater than
18 10% is subject to approval by the General Assembly.

19 (8) Revenues generated by the division under this
20 section shall be deposited in the State Lottery Fund.

21 Section 4. This act shall take effect in 60 days.