

CHAPTER 806a. INTERACTIVE GAMING SUPPLIER

Sec.

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Authority

The provisions of this Chapter 806a added under 4 Pa.C.S. §§ 1202(b)(30) and 13B02, unless otherwise noted.

Source

The provisions of this Chapter 806a added August 27, 2021, effective August 28, 2021, 51 Pa.B. 5389, unless noted otherwise.

Cross References

This chapter cited in 58 Pa. Code § 830a.6 (relating to licensure requirements).

§ 806a.1. Interactive gaming supplier license requirements.

(a) A supplier seeking to sell, lease, offer or otherwise provide, distribute or service interactive gaming devices or associated equipment to an interactive gaming certificate holder or interactive gaming operator in this Commonwealth shall apply to the Board for an interactive gaming supplier license.

(b) In accordance with sections 1317 and 1317.1 of the act (relating to supplier licenses; and manufacturer licenses), an applicant for or the holder of an interactive gaming supplier license or any of the applicant's or holder's affiliates, intermediaries, subsidiaries or holding companies may not apply for or hold a slot machine license or an interactive gaming manufacturer license.

§ 806a.2. Interactive gaming supplier application and standards.

(a) An applicant for an interactive gaming supplier license shall submit all of the following:

- (1) An Enterprise Entity Application and Disclosure Information Form for the applicant and each of the applicant's principal affiliates.
- (2) The nonrefundable application fee posted on the Board's web site.
- (3) A diversity plan as set forth in section 1325(b) of the act (relating to license or permit issuance) and Chapter 481a (relating to diversity).
- (4) An application from every key employee under § 808a.3 (relating to interactive key employees) and principal under § 808a.2 (relating to interactive gaming principals) as specified by the Enterprise Entity Application and Disclosure Information Form and other persons as determined by the Board.

- (5) An affirmation that neither the applicant nor any of its affiliates, intermediaries, subsidiaries or holding companies is an applicant for or holder of a slot machine license and that the applicant has neither applied for nor holds an interactive gaming manufacturer license.
- (b) In addition to the materials required under subsection (a), an applicant for an interactive gaming supplier license shall comply with the general application requirements in Chapters 421a and 423a (relating to general provisions; and applications; statement of conditions; wagering restrictions).
- (c) In determining whether an applicant is suitable to be licensed as an interactive gaming supplier under this section, the Board will consider all of the following:
- (1) The financial fitness, good character, honesty, integrity and responsibility of the applicant.
 - (2) If all principals of the applicant are eligible and suitable under the standards of section 1311.1 of the act (relating to licensing of principals).
 - (3) The integrity of all financial backers.
 - (4) The suitability of the applicant and the principals of the applicant based on the satisfactory results of all of the following:
 - (i) The background investigation of the principals.
 - (ii) A current tax clearance review performed by the Department.
 - (iii) A current Unemployment Compensation Tax clearance review and a Workers Compensation Tax clearance review performed by the Department of Labor and Industry.

§ 806a.3. Interactive gaming supplier entity term and renewal.

- (a) An interactive gaming supplier license and the renewal thereof is valid for 5 years from the date of approval of the application by the Board.
- (b) A renewal application for an interactive gaming supplier license shall be filed at least 6 months prior to the expiration of the current license.
- (c) An interactive gaming supplier license for which a completed renewal application and fee has been received by the Board will continue in effect until acted upon by the Board.

§ 806a.4. Interactive gaming supplier abbreviated license process.

- (a) The Board may use an abbreviated licensing process if the applicant holds a license issued by the Board to supply slot machines, table games, sports wagering devices or associated equipment, video gaming terminals, table game devices or associated equipment and all of the following apply:
- (1) The license was issued by the Board and is currently in good standing.
 - (2) The entity to whom the supplier license was issued affirms there has been no material change in circumstances relating to the license.

(3) The Board determines, in its sole discretion, that there has been no material change in circumstances relating to the licensee that necessitates that the abbreviated process not be used.

(b) This section may not be construed to waive any fees associated with obtaining an interactive gaming supplier license through the application process in this Commonwealth.

§ 806a.5. Interactive gaming supplier licensee responsibilities.

(a) A supplier shall submit to the Bureau of Licensing for review any agreements with a licensed interactive gaming manufacturer, licensed interactive gaming operator, slot machine licensee or interactive gaming certificate holder. The review may include financing arrangements, technical competency, compensative agreements and other terms or conditions to ensure the financial independence of the licensed interactive gaming supplier from any licensed interactive gaming manufacturer or licensed or certified interactive gaming entity.

(b) A holder of a supplier license shall have a continuing duty to do all of the following:

(1) Comply with the general requirements in Chapters 421a and 423a (relating to general provisions; and applications; statement of conditions; wagering restrictions).

(2) For publicly traded interactive gaming suppliers, provide notification of all SEC filings or, if the supplier is publicly traded on a foreign exchange, a copy of all filings submitted to the securities regulator that has jurisdiction over the foreign publicly traded corporation. The notification or copies of the filings shall be submitted to the Bureau of Licensing within 30 days after the date of filing with the SEC or securities regulator that has jurisdiction over the foreign publicly traded corporation.

(c) An employee of a licensed interactive gaming supplier who is a gaming or nongaming employee as defined in § 801a.2 (relating to definitions) shall obtain a permit under § 808a.4 (relating to interactive gaming employees) or registration under § 808a.5 (relating to interactive nongaming employees).

§ 806a.6. Interactive gaming supplier change of control.

(a) For purposes of this section, a change of control of an interactive gaming supplier licensee will be deemed to have occurred when a person or group of persons acquires:

(1) More than 20% of an interactive gaming supplier licensee's securities, assets or other ownership interests.

(2) More than 20% of the securities or other ownership interests of a corporation or other form of business entity that owns directly or indirectly at least 20% of the voting or other securities or other ownership interests of the interactive gaming supplier licensee.

(3) Any other interest in an interactive gaming supplier licensee which allows the acquirer to control the interactive gaming supplier licensee.

(b) An interactive gaming supplier licensee shall notify the Bureau and the Bureau of Licensing by filing a Notification of Proposed Transfer of Interest Form immediately upon becoming aware of any proposed or contemplated change of control of the interactive gaming supplier licensee.

(c) Prior to acquiring a controlling interest in an interactive gaming supplier licensee, the acquirer shall file a petition in accordance with § 493a.4 (relating to petitions generally) requesting Board approval of the acquisition. The petition must include all of the following:

(1) A copy of all documents governing the acquisition.

(2) Completed applications for the acquiring company, as required under this chapter, principals as required under § 808a.2 (relating to interactive gaming principals) and key employees as required under § 808a.3 (relating to interactive key employees).

(3) An affirmation that neither the acquirer nor any of its affiliates, intermediaries, subsidiaries or holding companies is a slot machine licensee or interactive gaming certificate holder and that the acquirer has neither applied for nor holds an interactive gaming manufacturer license.

(d) A person or group of persons seeking to acquire a controlling interest in an interactive gaming supplier licensee shall promptly provide any additional information requested by the Board and Board staff and cooperate with the Bureau in any investigations related to the petition filed under subsection (c).

(e) A person or group of persons may not acquire a controlling interest in an interactive gaming supplier licensee until the petition, required under subsection (c), has been approved. A person or group of persons seeking to acquire a controlling interest in an interactive gaming supplier licensee and the supplier licensee may enter into a sales agreement that is contingent on Board approval of the petition.

(f) The requirements in this section do not apply to the acquisition of a controlling interest in an interactive gaming supplier licensee when all of the following conditions are met:

(1) The acquirer is an existing licensed slot machine, table game or interactive gaming supplier.

(2) The existing licensed interactive gaming supplier has provided the Bureau and the Bureau of Licensing notification and a copy of all documents governing the acquisition at least 60 days prior to the acquisition.

(3) After reviewing the documentation, the Bureau and the Bureau of Licensing determine that the filing of a petition is not required.

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