

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 591

Session of
1979

INTRODUCED BY PRATT AND F. TAYLOR, MARCH 7, 1979

REFERRED TO COMMITTEE ON FINANCE, MARCH 7, 1979

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 further providing for the allocation of money in the fund.

8 The General Assembly of the Commonwealth of Pennsylvania
9 hereby enacts as follows:

10 Section 1. Section 2, clause (11) of subsection (a) of
11 section 6 and section 12, act of August 26, 1971 (P.L.351,
12 No.91), known as the "State Lottery Law," amended December 27,
13 1972 (P.L.1629, No.338), are amended to read:

14 Section 2. Statement of Purpose.--This act is enacted to
15 establish a lottery to be operated by the State, the net
16 proceeds of which are to be used after June 30, 1972 for the
17 purposes of providing property tax relief for the elderly for
18 taxes paid in 1971 and thereafter and for providing certain free
19 local transit to persons sixty-five years of age or older, to
20 the permanently disabled and to the handicapped. It is further
21 intended to provide a means through which to curb illegal

1 gambling operations in Pennsylvania.

2 Section 6. Powers and Duties of the Secretary of Revenue.--

3 (a) In addition to the powers and duties provided by law and
4 "The Administrative Code of 1929," the Secretary of Revenue
5 shall have the power and it shall be his duty to operate and
6 administer the lottery, and to promulgate rules and regulations
7 governing the establishment and operation thereof, including but
8 not limited to:

9 * * *

10 (11) The apportionment of the total revenues accruing from
11 the sale of lottery tickets or shares and from all other sources
12 among (i) the payment of prizes to the holders of winning
13 tickets or shares; (ii) the payment of costs incurred in the
14 operation and administration of the lottery, including the
15 expenses of the division and the costs resulting from any
16 contract or contracts entered into for promotional, advertising
17 or operational services or for the purchase or lease of lottery
18 equipment and materials; (iii) for the repayment of the moneys
19 appropriated to the State Lottery Fund pursuant to section 16 of
20 this act; and (iv) for property tax relief and free local
21 transit for the elderly, to the permanently disabled and to the
22 handicapped as provided in section 12 of this act: Provided,
23 however, That no less than thirty per cent of the total revenues
24 accruing from the sale of lottery tickets or shares shall be
25 dedicated to subclause (iv) above.

26 * * *

27 Section 12. Disposition of Funds from Sale of Tickets or
28 Shares.--(a) All moneys received from the operation of the
29 State lottery shall be deposited in a State Lottery Fund which
30 is hereby created. Such moneys shall be used to the extent

1 necessary for the payment of lottery prizes but the amount so
2 used shall not be less than forty per cent of the amount of
3 which tickets or shares have been sold. All payments of lottery
4 prizes and for expenses of operation of the lottery shall be
5 made as provided by law. All moneys remaining after payment of
6 prizes and operating expenses shall be transferred to the
7 General Fund through June 30, 1972, after which date they shall
8 remain in the State Lottery Fund and shall be allocated for the
9 purpose of providing property tax relief for the elderly for
10 taxes paid in 1971 and thereafter pursuant to the provisions of
11 the act of March 11, 1971 (P.L.104, No.3), known as the "Senior
12 Citizens Property Tax Assistance Act," and for the purpose of
13 providing local transit for the elderly, to the permanently
14 disabled and to the handicapped pursuant to the act of January
15 22, 1968 (P.L.42, No.8), known as the "Pennsylvania Urban Mass
16 Transportation Assistance Law of 1967." In the event sufficient
17 funds are not available from the lottery receipts to meet the
18 requirements of the act of March 11, 1971 (P.L.104, No.3), known
19 as the "Senior Citizens Property Tax Assistance Act," or for
20 providing local transit for the elderly, to the permanently
21 disabled and to the handicapped under the act of January 22,
22 1968 (P.L.42, No.8), known as the "Pennsylvania Urban Mass
23 Transportation Assistance Law of 1967," additional funds to
24 fulfill these obligations, shall be appropriated from the
25 General Fund for this purpose.

26 (b) The moneys in said State Lottery Fund shall be
27 appropriated only:

28 (1) For the payment of prizes to the holders of winning
29 lottery tickets or shares;

30 (2) For the expenses of the division in its operation of the

1 lottery;

2 (3) For property tax relief and free local transit for the
3 elderly as provided under section 12 of this act; and

4 (4) For transfer to the General Fund through June 30, 1972,
5 and for the repayment to the General Fund of the amount
6 appropriated to the fund pursuant to section 16 of this act.

7 Section 2. This act shall take effect in 60 days.