

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 427

Session of
1983

INTRODUCED BY PETRARCA, LIVENGOD, OLASZ, RIEGER AND DONATUCCI,
MARCH 16, 1983

REFERRED TO COMMITTEE ON HEALTH AND WELFARE, MARCH 16, 1983

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 payments from the State Lottery Fund to
8 support a pharmaceutical assistance program.

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

11 Section 1. Sections 2, 6(a)(11) and 12 of the act of August
12 26, 1971 (P.L.351, No.91), known as the State Lottery Law,
13 amended October 17, 1980 (P.L.1088, No.184), are amended to
14 read:

15 Section 2. Statement of Purpose.--This act is enacted to
16 establish a lottery to be operated by the State, the net
17 proceeds of which are to be used after June 30, 1972 for the
18 purposes of providing property tax relief for the elderly for
19 taxes paid in 1971 and thereafter to persons sixty-five years of
20 age or older and for providing certain free fixed route local

1 transit services to persons sixty-five years of age or older and
2 reduced fare on group ride transit service to persons sixty-five
3 years of age or older. The net proceeds shall also be used after
4 June 30, 1983 for the support of a pharmaceutical assistance
5 program pursuant to the act of (P.L. , No.),
6 known as the "Pharmaceutical Assistance to the Aged Act." It is
7 further intended to provide a means through which to curb
8 illegal gambling operations in Pennsylvania.

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

10 (a) In addition to the powers and duties provided by law and
11 "The Administrative Code of 1929," the Secretary of Revenue
12 shall have the power and it shall be his duty to operate and
13 administer the lottery, and to promulgate rules and regulations
14 governing the establishment and operation thereof, including but
15 not limited to:

16 * * *

17 (11) The apportionment of the total revenues accruing from
18 the sale of lottery tickets or shares and from all other sources
19 among (i) the payment of prizes to the holders of winning
20 tickets or shares; (ii) the payment of costs incurred in the
21 operation and administration of the lottery, including the
22 expenses of the division and the costs resulting from any
23 contract or contracts entered into for promotional, advertising
24 or operational services or for the purchase or lease of lottery
25 equipment and materials; (iii) for the repayment of the moneys
26 appropriated to the State Lottery Fund pursuant to section 16 of
27 this act; and (iv) for property tax relief [and], free or
28 reduced fare transit service and pharmaceutical assistance for
29 the elderly as provided in section 12 of this act: Provided,
30 however, That no less than thirty per cent of the total revenues

1 accruing from the sale of lottery tickets or shares shall be
2 dedicated to subclause (iv) above.

3 * * *

4 Section 12. Disposition of Funds from Sale of Tickets or
5 Shares.--(a) All moneys received from the operation of the
6 State lottery shall be deposited in a State Lottery Fund which
7 is hereby created. Such moneys shall be used to the extent
8 necessary for the payment of lottery prizes but the amount so
9 used shall not be less than forty per cent of the amount of
10 which tickets or shares have been sold. All payments of lottery
11 prizes and for expenses of operation of the lottery shall be
12 made as provided by law. All moneys remaining after payment of
13 prizes and operating expenses shall remain in the State Lottery
14 Fund and shall be allocated for the purpose of providing
15 property tax relief for the elderly for taxes paid in 1971 and
16 thereafter pursuant to the provisions of the act of March 11,
17 1971 (P.L.104, No.3), known as the "Senior Citizens [Property
18 Tax or Rent] Rebate and [Older Persons Inflation Needs]
19 Assistance Act," and for the purpose of providing free or
20 reduced fare transit service for the elderly pursuant to the act
21 of January 22, 1968 (P.L.42, No.8), known as the "Pennsylvania
22 Urban Mass Transportation [Assistance] Law [of 1967]," and the
23 act of February 11, 1976 (P.L.14, No.10), known as the
24 "Pennsylvania Rural and Intercity Common Carrier Surface
25 Transportation Assistance [Act."] Act" and pharmaceutical
26 assistance to the elderly pursuant to the act of
27 _____ (P.L. _____, No. _____), known as the
28 "Pharmaceutical Assistance to the Aged Act." In the event
29 sufficient funds are not available from the lottery receipts to
30 meet the requirements of the act of March 11, 1971 (P.L.104,

1 No.3), known as the "Senior Citizens [Property Tax or Rent]
2 Rebate and [Older Persons Inflation Needs] Assistance Act," or
3 for providing free or reduced fare transit service for the
4 elderly under the act of January 22, 1968 (P.L.42, No.8), known
5 as the "Pennsylvania Urban Mass Transportation [Assistance] Law
6 [of 1967]," and the act of February 11, 1976 (P.L.14, No.10),
7 known as the "Pennsylvania Rural and Intercity Common Carrier
8 Surface Transportation Assistance Act," or pharmaceutical
9 assistance to the elderly pursuant to the act of
10 _____ (P.L. _____, No. _____), known as the
11 "Pharmaceutical Assistance to the Aged Act," additional funds to
12 fulfill these obligations, shall be appropriated from the
13 General Fund for this purpose.

14 (b) The moneys in said State Lottery Fund shall be
15 appropriated only:

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

18 (2) For the expenses of the division in its operation of the
19 lottery;

20 (3) For property tax relief [and], free or reduced fare
21 transit service and pharmaceutical assistance for the elderly as
22 provided under section 12 of this act; and

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

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