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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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# SENATE RESOLUTION

No. 8

Session of  
1993

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INTRODUCED BY ANDREZESKI, LAVALLE, MUSTO, WILLIAMS AND RHOADES,  
JANUARY 22, 1993

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REFERRED TO RULES AND EXECUTIVE NOMINATIONS, JANUARY 22, 1993

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A RESOLUTION

1 Establishing a Special Committee to investigate means of  
2 generating additional sources of revenues needed to maintain  
3 the integrity of the State Lottery Fund.

4 WHEREAS, The Pennsylvania Lottery was established by the  
5 General Assembly under Act 91 of 1971 "for the purposes of  
6 providing property tax relief for the elderly" and "for  
7 providing certain free fixed route local transit services to  
8 persons sixty-five years of age or older"; and

9 WHEREAS, Since that time, the State Lottery Fund has been  
10 called on to provide more funds for more programs that benefit  
11 older Pennsylvanians; and

12 WHEREAS, The State Lottery Fund now pays for Property Tax and  
13 Rent Rebates, Inflation Dividends, Free Mass Transit, Elderly  
14 Vehicle Registrations, Area Agency on Aging Grants, the  
15 Pharmaceutical Assistance Contract for the Elderly (PACE)  
16 Program, Abuse Intervention Services for Older Pennsylvanians,  
17 the PennCARE Program and the general government operations of  
18 the Pennsylvania Department of Aging; and

1       WHEREAS, The State Lottery Fund has also been used to pay for  
2 existing programs that were formerly funded out of the General  
3 Fund, providing almost \$173 million in funds to such programs in  
4 1986-1987; and

5       WHEREAS, The expansion of the State Lottery Fund, coupled  
6 with the growing costs of funding existing programs for older  
7 Pennsylvanians, has now reached a point where the State Lottery  
8 Fund is projected to show a negative ending balance in the next  
9 fiscal year; and

10       WHEREAS, Even with the continued transfer of line items from  
11 the State Lottery Fund to the General Fund and other  
12 preservation initiatives, it is estimated that the deficit in  
13 the State Lottery Fund will reach \$200 million in fiscal year  
14 1993-1994; and

15       WHEREAS, The deficit in the State Lottery Fund would  
16 seriously jeopardize the continuation of existing senior citizen  
17 programs at their current levels; therefore be it

18       RESOLVED, That the preservation of the State Lottery Fund and  
19 those lottery-funded programs that serve older Pennsylvanians be  
20 the highest priority of the Pennsylvania Senate; and be it  
21 further

22       RESOLVED, That the Senate take steps necessary to protect the  
23 integrity of the State Lottery Fund by establishing a Special  
24 Committee to investigate means of generating additional revenues  
25 to keep the State Lottery Fund solvent; and be it further

26       RESOLVED, That this Special Committee specifically study what  
27 impact various other options of gambling in Pennsylvania would  
28 have in terms of generating additional moneys to keep the State  
29 Lottery Fund out of deficit; and be it further

30       RESOLVED, That the Special Committee make a thorough

1 examination of all forms of gambling as they now exist in  
2 Pennsylvania by utilizing public opinion surveys, focus groups  
3 and public hearings, as well as the means by which the  
4 Commonwealth operates, licenses or regulates these forms of  
5 gambling to the benefit of its citizens; and be it further

6       RESOLVED, That the Special Committee investigate what impact  
7 other existing forms of gambling, including, but not limited to,  
8 sports betting, video poker, small games of chance and off-track  
9 betting, would have on enabling the Commonwealth to be in the  
10 premiere position to realize additional revenues that will  
11 enable the State Lottery Fund to remain solvent; and be it  
12 further

13       RESOLVED, That the Special Committee examine existing forms  
14 of gambling in other states, which may be similar or dissimilar  
15 to those forms which exist in Pennsylvania, and evaluate what  
16 social and economic impact they have both in that state and  
17 potential impact, if any, for the Commonwealth; and be it  
18 further

19       RESOLVED, That the Special Committee consist of five majority  
20 members and four minority members of the Senate appointed by the  
21 President pro tempore and that the expenses incurred by the  
22 Special Committee in carrying out its responsibility, including  
23 the hiring of an actuary, be paid from appropriate accounts  
24 under the control of the Chief Clerk; and be it further

25       RESOLVED, That the Special Committee make recommendations to  
26 the full Senate based on its analysis of the potential for  
27 generating additional revenues from various other options of  
28 gambling and the potential fiscal impact of these additional  
29 revenues on preserving the integrity of the State Lottery Fund  
30 in terms of:

1           (1) continuing existing programs to benefit senior  
2 citizens at current levels;

3           (2) expanding certain programs to keep up with the  
4 demands placed on State services by an increasingly aging  
5 population; and

6           (3) creating new programs to meet unmet needs in the  
7 areas of long-term care and catastrophic medical coverage for  
8 older Pennsylvanians.