

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1302 Session of
1983

INTRODUCED BY BARBER, WACHOB, HOFFEL, BELOFF, IRVIS, MILLER,
HARPER, FATTAH, WIGGINS, ITKIN, ZWIKL, F. E. TAYLOR, MRKONIC,
SALOOM, CIMINI, KOSINSKI, MICHLOVIC, CIVERA, ALDERETTE,
ANGSTADT, MICOZZIE, MANDERINO, JOHNSON, GRUPPO, LASHINGER,
PRATT, DeLUCA, J. L. WRIGHT, MORRIS, HALUSKA, FREEMAN,
PRESTON, MAIALE, CALTAGIRONE, CLARK, COLE, BELFANTI,
KUKOVICH, GALLAGHER, JAROLIN, RYBAK, DOMBROWSKI, COY,
SHOWERS, PISTELLA, COHEN, STEIGHNER, RUDY, SEVENTY, FISCHER,
KASUNIC, E. Z. TAYLOR, TRUMAN, McCALL, OLIVER, RICHARDSON,
STUBAN AND DAWIDA, JUNE 29, 1983

AS REPORTED FROM COMMITTEE ON HEALTH AND WELFARE, HOUSE OF
REPRESENTATIVES, AS AMENDED, JULY 12, 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 certain prescription drug payments for
8 certain persons; PROHIBITING FUNDING FROM THE GENERAL FUND; <—
9 AND PROHIBITING THE TRANSFER OF CERTAIN FUNDS.

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

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

16 Section 2. Statement of Purpose.--This act is enacted to

1 establish a lottery to be operated by the State, the net
2 proceeds of which are to be used after June 30, 1972 for the
3 purposes of providing property tax relief for the elderly for
4 taxes paid in 1971 and thereafter to persons sixty-five years of
5 age or older [and], for providing certain free fixed route local
6 transit services to persons sixty-five years of age or older and
7 reduced fare on group ride transit service to persons sixty-five
8 years of age or older and for providing prescription drug
9 payments for certain persons. It is further intended to provide
10 a means through which to curb illegal gambling operations in
11 Pennsylvania.

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

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

19 * * *

20 (11) The apportionment of the total revenues accruing from
21 the sale of lottery tickets or shares and from all other sources
22 among (i) the payment of prizes to the holders of winning
23 tickets or shares; (ii) the payment of costs incurred in the
24 operation and administration of the lottery, including the
25 expenses of the division and the costs resulting from any
26 contract or contracts entered into for promotional, advertising
27 or operational services or for the purchase or lease of lottery
28 equipment and materials; (iii) for the repayment of the moneys
29 appropriated to the State Lottery Fund pursuant to section 16 of
30 this act; and (iv) for property tax relief [and], free or

1 reduced fare transit service for the elderly and prescription
2 drug payments for certain persons as provided in section 12 of
3 this act: Provided, however, That no less than thirty per cent
4 of the total revenues accruing from the sale of lottery tickets
5 or shares shall be dedicated to subclause (iv) above.

6 * * *

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

1 are not available from the lottery receipts to meet the
2 requirements of the act of March 11, 1971 (P.L.104, No.3), known
3 as the "Senior Citizens [Property Tax or Rent] Rebate and [Older
4 Persons Inflation Needs] Assistance Act," or for providing free
5 or reduced fare transit service for the elderly under the act of
6 January 22, 1968 (P.L.42, No.8), known as the "Pennsylvania
7 Urban Mass Transportation [Assistance] Law [of 1967]," and the
8 act of February 11, 1976 (P.L.14, No.10), known as the
9 "Pennsylvania Rural and Intercity Common Carrier Surface
10 Transportation Assistance Act." [additional] NO funds to fulfill <—
11 these obligations, shall be appropriated from the General Fund
12 for this purpose.

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

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

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

19 (3) For property tax relief [and], free or reduced fare
20 transit service for the elderly and prescription drug payments
21 for certain persons as provided under section 12 of this act;
22 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 (C) NO MONEYS SHALL BE TRANSFERRED OR BORROWED FROM THE <—
27 STATE LOTTERY FUND FOR ANY REASON EXCEPT AS SPECIFICALLY SET
28 FORTH IN SUBSECTION (B) AND TO BE USED AS THE STATE SHARE OF THE
29 MEDICAL ASSISTANCE PROGRAM FOR LONG TERM CARE FOR SENIOR
30 CITIZENS OVER THE AGE OF 65.

1 Section 2. This act shall take effect July 1, 1983.