20

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2110 Session of 2014

INTRODUCED BY BENNINGHOFF, COHEN, GINGRICH, GODSHALL, GREINER, GROVE, C. HARRIS, HENNESSEY, JAMES, F. KELLER, MILNE, SAYLOR AND SWANGER, MARCH 18, 2014

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, OCTOBER 8, 2014

AN ACT

1 2 3 4 5 6 7 8	"An act providing for a State Lottery and administration thereof; authorizing the creation of a State Lottery Commission; prescribing its powers and duties; disposition of funds; violations and penalties therefor; exemption of prizes from State and local taxation and making an appropriation," further providing for DEFINITIONS, FOR powers and duties of secretary and for report.	<
9	The General Assembly of the Commonwealth of Pennsylvania	
10	hereby enacts as follows:	
11	Section 1. Sections 303(a)(11)(iv) and 315 of the act of	<
12	August 26, 1971 (P.L.351, No.91), known as the State Lottery	
13	Law, amended or added June 30, 2011 (P.L.110, No.23), are	
14	amended to read:	
15	SECTION 1. SECTION 302 OF THE ACT OF AUGUST 26, 1971	<
16	(P.L.351, NO.91), KNOWN AS THE STATE LOTTERY LAW, ADDED NOVEMBER	
17	21, 1996 (P.L.741, NO.134), IS AMENDED TO READ:	
18	SECTION 302. DEFINITIONS.	
19	THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER	

SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE

- 1 CONTEXT CLEARLY INDICATES OTHERWISE:
- 2 "DIRECTOR." THE DIRECTOR OF THE DIVISION OF THE STATE
- 3 LOTTERY.
- 4 "DIVISION." THE DIVISION OF THE STATE LOTTERY CREATED BY
- 5 THIS CHAPTER.
- 6 "INTERNET INSTANT GAME." A LOTTERY GAME IN WHICH, BY THE USE
- 7 OF A COMPUTER, TABLET COMPUTER OR OTHER MOBILE DEVICE, A PLAYER
- 8 REMOVES THE COVERING FROM RANDOMLY GENERATED NUMBERS OR LETTERS
- 9 WHICH REVEAL WHETHER THE INSTANT TICKET IS A WINNING TICKET FOR
- 10 WHICH MONEY IS PAID. A PLAYER SHALL NOT INCLUDE A RETAILER.
- 11 "KENO." A LOTTERY GAME COMMONLY KNOWN AS KENO.
- 12 "LOTTERY" OR "STATE LOTTERY." THE LOTTERY ESTABLISHED AND
- 13 OPERATED UNDER THIS CHAPTER.
- 14 "SECRETARY." THE SECRETARY OF REVENUE OF THE COMMONWEALTH.
- 15 SECTION 2. SECTION 303(A)(1), (8) AND (11)(IV) OF THE ACT,
- 16 AMENDED NOVEMBER 21, 1996 (P.L.741, NO.134) AND JUNE 30, 2011
- 17 (P.L.110, NO.23), ARE AMENDED AND THE SECTION IS AMENDED BY
- 18 ADDING A SUBSECTION TO READ:
- 19 Section 303. Powers and duties of secretary.
- 20 (a) Powers and duties enumerated. -- In addition to the powers
- 21 and duties provided by law and the act of April 9, 1929
- 22 (P.L.177, No.175), known as The Administrative Code of 1929, the
- 23 secretary shall have the power and it shall be his duty to
- 24 operate and administer the lottery, and to promulgate rules and
- 25 regulations governing the establishment and operation thereof,
- 26 including, but not limited to:
- 27 (1) THE TYPE OF LOTTERY TO BE CONDUCTED, EXCEPT THAT THE <--
- 28 <u>SECRETARY MAY NOT AUTHORIZE THE GAME OF KENO OR AN INTERNET</u>
- 29 INSTANT GAME UNLESS SPECIFICALLY AUTHORIZED BY LAW.
- 30 * * *

1 (8) THE METHOD TO BE USED IN SELLING TICKETS OR

2 SHARES[.], EXCEPT THAT SALES THROUGH THE LOTTERY'S INTERNET

3 WEBSITE OR INTERNET WEBSITES OPERATED BY LICENSED LOTTERY

4 <u>RETAILERS OF ANY LOTTERY GAME OR ANY INTERNET INSTANT GAME</u>

5 SHALL BE PROHIBITED UNLESS SPECIFICALLY AUTHORIZED BY LAW.

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(11) The apportionment of the total revenues accruing from the sale of lottery tickets or shares and from all other sources among:

10 * * *

11 (iv) for property tax relief and free or reduced 12 fare transit service for the elderly as provided in 13 section 311. For fiscal years beginning before July 1, 14 [2015] 2014, no less than 27% of the total revenues 15 accruing from the sale of lottery tickets or shares shall 16 be dedicated to this subparagraph. For fiscal years 17 beginning after June 30, [2015] 2014, no less than [30%] 18 25% of the total revenues accruing from the sale of 19 lottery tickets or shares shall be dedicated to this 20 subparagraph.

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- 22 (A.1) PROHIBITIONS.--THE SECRETARY MAY NOT OFFER ANY
- 23 <u>INTERNET-BASED OR MONITOR-BASED INTERACTIVE LOTTERY GAME OR</u>

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- 24 SIMULATED CASINO STYLE LOTTERY GAME, INCLUDING VIDEO POKER,
- 25 <u>VIDEO ROULETTE, SLOT MACHINES OR VIDEO BLACKJACK, THROUGH THE</u>
- 26 STATE LOTTERY.
- 27 * * *
- 28 SECTION 3. SECTION 315 OF THE ACT, ADDED JUNE 30, 2011
- 29 (P.L.110, NO.23), IS AMENDED TO READ:
- 30 Section 315. Report.

- 1 The Department of Revenue shall submit a report to the
- 2 Governor, the chairman and minority chairman of the
- 3 Appropriations Committee of the Senate, the chairman and
- 4 minority chairman of the Appropriations Committee of the House
- 5 of Representatives, the chairman and minority chairman of the
- 6 Aging and Youth Committee of the Senate [and] _ the chairman and
- 7 minority chairman of the Aging and Older Adult Services
- 8 Committee of the House of Representatives, the chairman and
- 9 minority chairman of the Finance Committee of the Senate and the
- 10 <u>chairman and minority chairman of the Finance Committee of the</u>
- 11 <u>House of Representatives</u> by [June 1] <u>September 1</u> of each year.
- 12 The report shall set forth current lottery profits and the State
- 13 Lottery's plan for increasing future profits. This report shall

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- 14 be posted on the department's publicly accessible Internet
- 15 website. [This section shall expire June 30, 2015.]
- 16 Section $\frac{2}{4}$. This act shall take effect immediately.