
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 863 Session of
2019

INTRODUCED BY BARRAR, SAINATO, DEASY, GABLER, MURT, POLINCHOCK,
READSHAW, RYAN, STRUZZI AND MULLINS, MARCH 18, 2019

REFERRED TO COMMITTEE ON VETERANS AFFAIRS AND EMERGENCY
PREPAREDNESS, MARCH 18, 2019

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 in State lottery, further providing for statement of purpose,
8 for powers and duties of secretary and for disposition of
9 funds and providing for instant lottery game to benefit
10 veterans.

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

13 Section 1. Sections 301, 303(a)(11) and 311 of the act of
14 August 26, 1971 (P.L.351, No.91), known as the State Lottery
15 Law, are amended to read:

16 Section 301. Statement of purpose.

17 This chapter is enacted to establish a lottery to be operated
18 by the State, the net proceeds of which are to be used after
19 June 30, 1972, for the purposes of providing property tax relief
20 for the elderly for taxes paid in 1971 and thereafter to persons
21 65 years of age or older and for providing certain free fixed

1 route local transit services to persons 65 years of age or older
2 and reduced fare on group ride transit service to persons 65
3 years of age or older and for establishing an instant lottery
4 game to benefit veterans. It is further intended to provide a
5 means through which to curb illegal gambling operations in
6 Pennsylvania.

7 Section 303. Powers and duties of secretary.

8 (a) Powers and duties enumerated.--In addition to the powers
9 and duties provided by law and the act of April 9, 1929
10 (P.L.177, No.175), known as The Administrative Code of 1929, the
11 secretary shall have the power and it shall be his duty to
12 operate and administer the lottery, and to promulgate rules and
13 regulations governing the establishment and operation thereof,
14 including, but not limited to:

15 * * *

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

19 (i) ~~the~~ The payment of prizes to the holders of
20 winning tickets or shares~~;~~.

21 (ii) ~~the~~ The payment of costs incurred in the
22 operation and administration of the lottery, including
23 the expenses of the division and the costs resulting from
24 any contract or contracts entered into for promotional,
25 advertising or operational services or for the purchase
26 or lease of lottery equipment and materials~~;~~ ~~and~~.

27 (iv) ~~for~~ For property tax relief and free or
28 reduced fare transit service for the elderly as provided
29 in section 311. For fiscal years beginning before July 1,
30 2014, no less than 27% of the total revenues accruing

1 from the sale of lottery tickets or shares shall be
2 dedicated to this subparagraph. For fiscal years
3 beginning after June 30, 2014, no less than 25% of the
4 total revenues accruing from the sale of lottery tickets
5 or shares shall be dedicated to this subparagraph.

6 (v) The payment to the Veterans' Trust Fund for
7 veterans services, outreach and benefit programs as
8 provided in section 316. All proceeds accruing from the
9 sale of instant lottery games under section 316, after
10 the payment of prizes and operational and administrative
11 costs, shall be dedicated to this subparagraph.

12 * * *

13 Section 311. Disposition of funds.

14 (a) State Lottery Fund.--All moneys received from the
15 operation of the State lottery shall be deposited in a State
16 Lottery Fund which is hereby created. Such moneys shall be used
17 to the extent necessary for the payment of lottery prizes but
18 the amount so used shall not be less than 40% of the amount of
19 which tickets or shares have been sold. All payments of lottery
20 prizes and for expenses of operation of the lottery shall be
21 made as provided by law. All moneys remaining after payment of
22 prizes and operating expenses shall remain in the State Lottery
23 Fund and shall be allocated for the purpose of providing
24 property tax relief for the elderly for taxes paid in 1971 and
25 thereafter pursuant to [the provisions of the act of March 11,
26 1971 (P.L.104, No.3), known as the Senior Citizens Rebate and
27 Assistance Act] Chapter 13 of the act of June 27, 2006 (1st
28 Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act, and
29 for the purpose of providing free or reduced fare transit
30 service for the elderly pursuant to Chapter 9 and the act of

1 February 11, 1976 (P.L.14, No.10), known as the Pennsylvania
2 Rural and Intercity Common Carrier Surface Transportation
3 Assistance Act and for veterans services, outreach and benefit
4 programs as provided in section 316. In the event sufficient
5 funds are not available from the lottery receipts to meet the
6 requirements of [the Senior Citizens Rebate and Assistance Act]
7 Chapter 13 of the Taxpayer Relief Act or for providing free or
8 reduced fare transit service for the elderly under Chapter 9 and
9 the Pennsylvania Rural and Intercity Common Carrier Surface
10 Transportation Assistance Act or for veterans services, outreach
11 and benefit programs as provided in section 316, additional
12 funds to fulfill these obligations shall be appropriated from
13 the General Fund for this purpose.

14 (b) Appropriations.--The moneys in said State Lottery Fund
15 shall be 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
19 the lottery.

20 (3) For property tax relief and free or reduced fare
21 transit service for the elderly as provided under subsection
22 (a).

23 (4) To the Veterans' Trust Fund for veterans services,
24 outreach and benefit programs as provided in section 316.

25 Section 2. The act is amended by adding a section to read:
26 Section 316. Instant lottery game to benefit veterans.

27 (a) General rule.--The secretary shall operate an instant
28 lottery game to benefit veterans of the armed forces of the
29 United States who reside in this Commonwealth. The game tickets
30 must clearly state that the game proceeds are used to benefit

1 veterans in this Commonwealth.

2 (b) Advertisement.--

3 (1) The secretary shall market and advertise the instant
4 lottery game operated under this section to inform the public
5 that the game tickets are available for purchase daily and
6 that the game proceeds will be used to fund the following:

7 (i) Veterans' day-care services as established and
8 administered by the Department of Military and Veterans
9 Affairs.

10 (ii) Veterans' benefit programs as provided by the
11 Commonwealth.

12 (iii) Veterans' outreach as determined by the
13 Department of Military and Veterans Affairs.

14 (2) The secretary shall change the design or theme of
15 the game regularly to ensure that the game remains
16 competitive with all instant lottery games offered by the
17 State lottery.

18 (c) Transfer of funds.--On April 30 of each year, the
19 secretary shall transfer all proceeds from the sale of the
20 instant lottery game tickets as provided under section 303(a)
21 (11)(v) to the Veterans' Trust Fund for purposes specified in 51
22 Pa.C.S. § 1721(c) (relating to Veterans' Trust Fund).

23 Section 3. This act shall take effect in 180 days.