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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 386 Session of  
2021

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INTRODUCED BY PISCIOTTANO, HILL-EVANS, A. DAVIS, McNEILL,  
BURGOS, CONKLIN, N. NELSON, DRISCOLL, DeLUCA, DEASY, CIRESI,  
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FEBRUARY 3, 2021

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REFERRED TO COMMITTEE ON VETERANS AFFAIRS AND EMERGENCY  
PREPAREDNESS, FEBRUARY 3, 2021

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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. Section 301 of the act of August 26, 1971  
14 (P.L.351, No.91), known as the State Lottery Law, is amended to  
15 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

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

8 Section 2. Section 303(a)(11) of the act, amended November  
9 27, 2019 (P.L.684, No.97), is amended to read:

10 Section 303. Powers and duties of secretary.

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

18 \* \* \*

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

22 (i) [the] The payment of prizes to the holders of  
23 winning tickets or shares[;].

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

30 (iv) [for] For property tax relief and free or

1 reduced fare transit service for the elderly as provided  
2 in section 311. For fiscal years beginning before July 1,  
3 2014, no less than 27% of the total revenues accruing  
4 from the sale of lottery tickets or shares shall be  
5 dedicated to this subparagraph. For fiscal years  
6 beginning after June 30, 2014, and ending June 30, 2019,  
7 no less than 25% of the total revenues accruing from the  
8 sale of lottery tickets or shares shall be dedicated to  
9 this subparagraph. For fiscal years beginning after June  
10 30, 2019, and ending June 30, 2024, no less than 20% of  
11 the total revenues accruing from the sale of lottery  
12 tickets or shares shall be dedicated to this  
13 subparagraph. For fiscal years beginning after June 30,  
14 2024, no less than 25% of the total revenues accruing  
15 from the sale of lottery tickets or shares shall be  
16 dedicated to this subparagraph.

17 (v) The payment to the Veterans' Trust Fund for  
18 veterans services, outreach and benefit programs as  
19 provided in section 316. All proceeds accruing from the  
20 sale of instant lottery games under section 316, after  
21 the payment of prizes and operational and administrative  
22 costs, shall be dedicated to this subparagraph.

23 \* \* \*

24 Section 3. Section 311 of the act is amended to read:

25 Section 311. Disposition of funds.

26 (a) State Lottery Fund.--All moneys received from the  
27 operation of the State lottery shall be deposited in a State  
28 Lottery Fund which is hereby created. Such moneys shall be used  
29 to the extent necessary for the payment of lottery prizes but  
30 the amount so used shall not be less than 40% of the amount of

1 which tickets or shares have been sold. All payments of lottery  
2 prizes and for expenses of operation of the lottery shall be  
3 made as provided by law. All moneys remaining after payment of  
4 prizes and operating expenses shall remain in the State Lottery  
5 Fund and shall be allocated for the purpose of providing  
6 property tax relief for the elderly for taxes paid in 1971 and  
7 thereafter pursuant to [the provisions of the act of March 11,  
8 1971 (P.L.104, No.3), known as the Senior Citizens Rebate and  
9 Assistance Act] Chapter 13 of the act of June 27, 2006 (1st  
10 Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act, and  
11 for the purpose of providing free or reduced fare transit  
12 service for the elderly pursuant to Chapter 9 and the act of  
13 February 11, 1976 (P.L.14, No.10), known as the Pennsylvania  
14 Rural and Intercity Common Carrier Surface Transportation  
15 Assistance Act and for veterans services, outreach and benefit  
16 programs as provided in section 316. In the event sufficient  
17 funds are not available from the lottery receipts to meet the  
18 requirements of [the Senior Citizens Rebate and Assistance Act]  
19 Chapter 13 of the Taxpayer Relief Act or for providing free or  
20 reduced fare transit service for the elderly under Chapter 9 and  
21 the Pennsylvania Rural and Intercity Common Carrier Surface  
22 Transportation Assistance Act or for veterans services, outreach  
23 and benefit programs as provided in section 316, additional  
24 funds to fulfill these obligations shall be appropriated from  
25 the General Fund for this purpose.

26 (b) Appropriations.--The moneys in said State Lottery Fund  
27 shall be appropriated only:

28 (1) For the payment of prizes to the holders of winning  
29 lottery tickets or shares.

30 (2) For the expenses of the division in its operation of

1 the lottery.

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

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

7 Section 4. The act is amended by adding a section to read:  
8 Section 316. Instant lottery game to benefit veterans.

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

14 (b) Advertisement.--

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

19 (i) Veterans' day-care services as established and  
20 administered by the Department of Military and Veterans  
21 Affairs.

22 (ii) Veterans' benefit programs as provided by the  
23 Commonwealth.

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

26 (2) The secretary shall change the design or theme of  
27 the game regularly to ensure that the game remains  
28 competitive with all instant lottery games offered by the  
29 State lottery.

30 (c) Transfer of funds.--On April 30 of each year, the

1 secretary shall transfer all proceeds from the sale of the  
2 instant lottery game tickets as provided under section 303(a)  
3 (11) (v) to the Veterans' Trust Fund for purposes specified in 51  
4 Pa.C.S. § 1721(c) (relating to Veterans' Trust Fund).

5 Section 5. This act shall take effect in 180 days.