



Pennsylvania Association of Area Agencies on Aging, Inc.

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Testimony of Carol Davies, Board Member of the PA Association of Area Agencies on Aging

House Gaming Oversight Committee Hearing regarding HB 1010

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Chairman Petri, Chairman Harkins, and Members of the Committee,

Thank you for the opportunity to testify on this important issue. My name is Carol Davies, and I am the Administrator of the Lebanon County Area Agency on Aging, or AAA, and a Board Member of the Pennsylvania Association of Area Agencies on Aging, or P4A, the statewide association that represents the 52 AAAs across the Commonwealth. I am testifying on behalf of P4A today to express our concern regarding the impact that the legalization of Video Gaming Terminals (VGTs) at bars and taverns could have on funding for programs benefitting Pennsylvania's seniors.

Governed by the federal Older Americans Act of 1965 and Pennsylvania's Act 70 of 1978, the state's AAA network provides guidance and services to seniors and their families. Every year, the Pennsylvania Lottery generates revenue that helps thousands of Pennsylvania seniors obtain nutritious meals, transportation assistance, prescriptions through the PACE program, property tax and rent rebates, and home care. Revenues from the Lottery also help fund senior centers which provide valuable social connections for seniors, helping them avoid isolation. These community-based services help seniors age in the community, which is generally their

preference, and delay or prevent the time when they may need to access more costly long-term care services in a nursing home instead.

The Pennsylvania Department of Revenue projects that the legalization of VGTs in Pennsylvania will result in a drastic decrease in Pennsylvania Lottery sales. The Department has reported that if VGTs are implemented in fiscal year 2017/18, Lottery ticket sales will decline by \$63.8 million, or 1.5 percent, and Lottery profits will decline by \$14.4 million, or 1.29 percent. In year five, the Department estimates that Lottery sales would be reduced by about \$432 million, or 9.8 percent, and profits reduced by \$96.3 million or 8.44 percent. We understand that the state is facing a difficult budget situation and legislators are looking for new revenue sources, but if the Department of Revenue's projections are accurate, the legalization of VGTs will have far reaching, unintended consequences on the funding of programs that benefit Pennsylvania's seniors. There are already over 4,700 seniors on the waiting list for these Lottery-funded services, and these numbers will continue to be impacted by the projected growth of the Commonwealth's over 60 population in the next several years.

The decision for P4A to provide testimony today was not made lightly. These important, and in many respects, lifesaving services will be in jeopardy if the Lottery becomes unable to meet the funding needs of Pennsylvania's senior population. P4A opposes the legalization of VGTs in Pennsylvania, and further, we strongly urge the General Assembly to include iLottery in all gaming expansion proposals to ensure our seniors receive the services they need and deserve.

Thank you for your time today.