
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 601 Session of
2015

INTRODUCED BY BARRAR, SAINATO, ADOLPH, BOBACK, R. BROWN, COHEN,
D. COSTA, DEASY, DRISCOLL, DUSH, FARRY, KAVULICH, KNOWLES,
KORTZ, KOTIK, MICCARELLI, MOUL, MURT, READSHAW, ROZZI,
SACCONI, SAYLOR AND TOEPEL, FEBRUARY 26, 2015

REFERRED TO COMMITTEE ON VETERANS AFFAIRS AND EMERGENCY
PREPAREDNESS, FEBRUARY 26, 2015

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, amended
15 November 21, 1996 (P.L.741, No.134), is 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

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 June 30,
9 2011 (P.L.110, No.23) and October 31, 2014 (P.L.3041, No.201),
10 is amended to read:

11 Section 303. Powers and duties of secretary.

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

19 * * *

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

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

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

1 (iv) [for] For property tax relief and free or
2 reduced fare transit service for the elderly as provided
3 in section 311. For fiscal years beginning before July 1,
4 2014, no less than 27% of the total revenues accruing
5 from the sale of lottery tickets or shares shall be
6 dedicated to this subparagraph. For fiscal years
7 beginning after June 30, 2014, no less than 25% of the
8 total revenues accruing from the sale of lottery tickets
9 or shares shall be dedicated to this subparagraph.

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

16 * * *

17 Section 3. Section 311 of the act, amended November 21, 1996
18 (P.L.741, No.134), is amended to read:

19 Section 311. Disposition of funds.

20 (a) State Lottery Fund.--All moneys received from the
21 operation of the State lottery shall be deposited in a State
22 Lottery Fund which is hereby created. Such moneys shall be used
23 to the extent necessary for the payment of lottery prizes but
24 the amount so used shall not be less than 40% of the amount of
25 which tickets or shares have been sold. All payments of lottery
26 prizes and for expenses of operation of the lottery shall be
27 made as provided by law. All moneys remaining after payment of
28 prizes and operating expenses shall remain in the State Lottery
29 Fund and shall be allocated for the purpose of providing
30 property tax relief for the elderly for taxes paid in 1971 and

1 thereafter pursuant to [the provisions of the act of March 11,
2 1971 (P.L.104, No.3), known as the Senior Citizens Rebate and
3 Assistance Act] Chapter 13 of the act of June 27, 2006 (1st
4 Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act, and
5 for the purpose of providing free or reduced fare transit
6 service for the elderly pursuant to Chapter 9 and the act of
7 February 11, 1976 (P.L.14, No.10), known as the Pennsylvania
8 Rural and Intercity Common Carrier Surface Transportation
9 Assistance Act and for veterans services, outreach and benefit
10 programs as provided in section 316. In the event sufficient
11 funds are not available from the lottery receipts to meet the
12 requirements of the Senior Citizens Rebate and Assistance Act or
13 for providing free or reduced fare transit service for the
14 elderly under Chapter 9 and the Pennsylvania Rural and Intercity
15 Common Carrier Surface Transportation Assistance Act or for
16 veterans services, outreach and benefit programs as provided in
17 section 316, additional funds to fulfill these obligations shall
18 be appropriated from the General Fund for this purpose.

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

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

23 (2) For the expenses of the division in its operation of
24 the lottery.

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

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

30 Section 4. The act is amended by adding a section to read:

1 Section 316. Instant lottery game to benefit veterans.

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

7 (b) Advertisement.--

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

12 (i) Veterans' day-care services as established and
13 administered by the Department of Military and Veterans
14 Affairs.

15 (ii) Veterans' benefit programs as provided by the
16 Commonwealth.

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

19 (2) The secretary shall change the design or theme of
20 the game regularly to ensure that the game remains
21 competitive with all instant lottery games offered by the
22 State lottery.

23 (c) Transfer of funds.--On April 30th of each year the
24 secretary shall transfer all proceeds from the sale of the
25 instant lottery game tickets as provided under section 303(a)
26 (11)(v) to the Veterans' Trust Fund for purposes specified in 51
27 Pa.C.S. § 1721(c) (relating to veterans' trust fund).

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