
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 408 Session of
2007

INTRODUCED BY CAUSER, ARGALL, BAKER, BRENNAN, CLYMER, EVERETT,
FAIRCHILD, FLECK, GEIST, GILLESPIE, GINGRICH, GOODMAN,
HENNESSEY, HERSHEY, HESS, HICKERNELL, M. KELLER, KENNEY,
MAJOR, McILHATTAN, MELIO, MILLARD, R. MILLER, MOYER, MURT,
NAILOR, O'NEILL, PEIFER, PERRY, PHILLIPS, PICKETT, PRESTON,
QUINN, RAPP, READSHAW, REICHLEY, ROAE, ROSS, RUBLEY, SAYLOR,
SCAVELLO, SONNEY, STERN, TRUE, TURZAI, VULAKOVICH AND WATSON,
SEPTEMBER 26, 2007

REFERRED TO COMMITTEE ON FINANCE, SEPTEMBER 26, 2007

A RESOLUTION

1 Directing the Legislative Budget and Finance Committee to
2 conduct a study of the State Lottery relating to its ability
3 to continue to support programs and services for older
4 Pennsylvanians.

5 WHEREAS, When the General Assembly enacted the State Lottery
6 Law in August 1971, the Commonwealth became the fifth state to
7 authorize the operation of a lottery; and

8 WHEREAS, Pennsylvania's State Lottery remains the only state
9 lottery program that earmarks lottery profits solely for
10 programs and services for older residents; and

11 WHEREAS, The Commonwealth has one of the oldest populations
12 in the United States, with demographics indicating that 20%, or
13 1 out of every 5 people in this Commonwealth, is 60 years of age
14 or older; and

15 WHEREAS, Since its inception, the State Lottery has provided
16 more than \$15.5 billion to allow older citizens to benefit from

1 a variety of programs and services, including low-cost
2 prescription drugs, property tax and rent rebates, low-cost
3 senior transportation programs and home-based and community-
4 based services made available through area agencies on aging and
5 senior community centers throughout this Commonwealth; and

6 WHEREAS, According to recent State Lottery reports, the 2006
7 lottery ticket sales gain of 16% has shrunk to a 0.02% sales
8 gain in 2007; and

9 WHEREAS, Although State Lottery ticket sales increased
10 slightly, from \$3.07 billion in fiscal year 2006 to \$3.08
11 billion in fiscal year 2007, the net proceeds after prizes and
12 costs were paid fell \$16 million to \$949.1 million; and

13 WHEREAS, Since the introduction of casino gambling in this
14 Commonwealth, a lingering concern has existed regarding the
15 impact of legalized slot machines on lottery sales; and

16 WHEREAS, State Lottery Fund revenues have increasingly been
17 drawn upon to meet certain General Fund obligations as well as
18 to expedite property tax relief for some residents of this
19 Commonwealth; and

20 WHEREAS, Recent trends raise serious questions regarding the
21 future ability of the State Lottery Fund to meet the increasing
22 demand for services for older Pennsylvanians; and

23 WHEREAS, The last comprehensive review of State Lottery
24 funding of programs and services for older Pennsylvanians was
25 conducted as mandated under the former Lottery Fund Preservation
26 Act and resulted in a June 1994 report issued by the Legislative
27 Budget and Finance Committee; therefore be it

28 RESOLVED, That the House of Representatives direct the
29 Legislative Budget and Finance Committee to conduct a study of
30 the State Lottery relating to its ability to continue to support

1 programs and services for older Pennsylvanians; and be it
2 further

3 RESOLVED, That the committee identify all programs, services
4 and functions funded through the State Lottery Fund and
5 determine their costs and services or activity levels; examine
6 all State Lottery Fund programs, services and functions and
7 analyze projections of future program demand, service levels and
8 associated costs; determine the current and projected financial
9 condition of the State Lottery Fund; analyze State Lottery
10 sales, including both short-term and long-term projections of
11 net collections from the State Lottery, to determine if State
12 Lottery Fund revenues will be sufficient to support lottery-
13 funded programs, services and functions at existing or expanded
14 levels or, if cutbacks or program changes will be necessary, to
15 maintain the solvency of the State Lottery Fund; and determine
16 if changes to law, regulation or policy are needed to maintain
17 the future solvency of the State Lottery Fund; and be it further

18 RESOLVED, That the committee prepare a report of its findings
19 and transmit copies of the report to the Aging and Older Adult
20 Services Committee and the Finance Committee no later than one
21 year after adoption of this resolution.