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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1691 Session of  
2021

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INTRODUCED BY BOBACK, PISCIOTTANO, HELM, HILL-EVANS AND CIRESI,  
JUNE 24, 2021

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REFERRED TO COMMITTEE ON VETERANS AFFAIRS AND EMERGENCY  
PREPAREDNESS, JUNE 24, 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. 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, and ending June 30, 2019,  
4 no less than 25% of the total revenues accruing from the  
5 sale of lottery tickets or shares shall be dedicated to  
6 this subparagraph. For fiscal years beginning after June  
7 30, 2019, and ending June 30, 2024, no less than 20% of  
8 the total revenues accruing from the sale of lottery  
9 tickets or shares shall be dedicated to this  
10 subparagraph. For fiscal years beginning after June 30,  
11 2024, no less than 25% of the total revenues accruing  
12 from the sale of lottery tickets or shares shall be  
13 dedicated to this subparagraph.

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

20 \* \* \*

21 Section 311. Disposition of funds.

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

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

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

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

26 (2) For the expenses of the division in its operation of  
27 the lottery.

28 (3) For property tax relief and free or reduced fare  
29 transit service for the elderly as provided under subsection

30 (a).

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

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

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

10          (b) Advertisement.--

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

15                   (i) Veterans' day-care services as established and  
16                   administered by the Department of Military and Veterans  
17                   Affairs.

18                   (ii) Veterans' benefit programs as provided by the  
19                   Commonwealth.

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

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

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

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