

No. 1980-184

## AN ACT

## HB 2255

Amending the act of August 26, 1971 (P.L.351, No.91), entitled "An act providing for a State Lottery and administration thereof; authorizing the creation of a State Lottery Commission; prescribing its powers and duties; disposition of funds; violations and penalties therefor; exemption of prizes from State and local taxation and making an appropriation," further providing for the allocation of money in the fund and making editorial changes.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 2, clause (11) of subsection (a) of section 6 and section 12, act of August 26, 1971 (P.L.351, No.91), known as the "State Lottery Law," amended December 27, 1972 (P.L.1629, No.338), are amended to read:

Section 2. Statement of Purpose.—This act is enacted to establish a lottery to be operated by the State, the net proceeds of which are to be used after June 30, 1972 for the purposes of providing property tax relief for the elderly for taxes paid in 1971 and thereafter *to persons sixty-five years of age or older* and for providing certain free *fixed route* local transit *services* to persons sixty-five years of age or older *and reduced fare on group ride transit service to persons sixty-five years of age or older*. It is further intended to provide a means through which to curb illegal gambling operations in Pennsylvania.

Section 6. Powers and Duties of the Secretary of Revenue.—(a) In addition to the powers and duties provided by law and "The Administrative Code of 1929," the Secretary of Revenue shall have the power and it shall be his duty to operate and administer the lottery, and to promulgate rules and regulations governing the establishment and operation thereof, including but not limited to:

\* \* \*

(11) The apportionment of the total revenues accruing from the sale of lottery tickets or shares and from all other sources among (i) the payment of prizes to the holders of winning tickets or shares; (ii) the payment of costs incurred in the operation and administration of the lottery, including the expenses of the division and the costs resulting from any contract or contracts entered into for promotional, advertising or operational services or for the purchase or lease of lottery equipment and materials; (iii) for the repayment of the moneys appropriated to the State Lottery Fund pursuant to section 16 of this act; and (iv) for property tax relief and free **[local] or reduced fare** transit *service* for the elderly as provided in section 12 of this act: Provided, however, That no less than thirty per cent of the total

revenues accruing from the sale of lottery tickets or shares shall be dedicated to subclause (iv) above.

\* \* \*

Section 12. Disposition of Funds from Sale of Tickets or Shares.—

(a) All moneys received from the operation of the State lottery shall be deposited in a State Lottery Fund which is hereby created. Such moneys shall be used to the extent necessary for the payment of lottery prizes but the amount so used shall not be less than forty per cent of the amount of which tickets or shares have been sold. All payments of lottery prizes and for expenses of operation of the lottery shall be made as provided by law. All moneys remaining after payment of prizes and operating expenses **[shall be transferred to the General Fund through June 30, 1972, after which date they]** shall remain in the State Lottery Fund and shall be allocated for the purpose of providing property tax relief for the elderly for taxes paid in 1971 and thereafter pursuant to the provisions of the act of March 11, 1971 (P.L.104, No.3), known as the **“Senior Citizens Property Tax [Assistance] or Rent Rebate and Older Persons Inflation Needs Act,”** and for the purpose of providing **[local] free or reduced fare transit service** for the elderly pursuant to the act of January 22, 1968 (P.L.42, No.8), known as the **“Pennsylvania Urban Mass Transportation Assistance Law of 1967,”** and the act of February 11, 1976 (P.L.14, No.10), known as the **“Pennsylvania Rural and Intercity Common Carrier Surface Transportation Assistance Act.”** In the event sufficient funds are not available from the lottery receipts to meet the requirements of the act of March 11, 1971 (P.L.104, No.3), known as the **“Senior Citizens Property Tax [Assistance] or Rent Rebate and Older Persons Inflation Needs Act,”** or for providing **[local] free or reduced fare transit service** for the elderly under the act of January 22, 1968 (P.L.42, No.8), known as the **“Pennsylvania Urban Mass Transportation Assistance Law of 1967,”** and the act of February 11, 1976 (P.L.14, No.10), known as the **“Pennsylvania Rural and Intercity Common Carrier Surface Transportation Assistance Act,”** additional funds to fulfill these obligations, shall be appropriated from the General Fund for this purpose.

(b) The moneys in said State Lottery Fund shall be appropriated only:

(1) For the payment of prizes to the holders of winning lottery tickets or shares;

(2) For the expenses of the division in its operation of the lottery;

(3) For property tax relief and free **[local] or reduced fare transit service** for the elderly as provided under section 12 of this act; and

(4) For transfer to the General Fund through June 30, 1972, and for the repayment to the General Fund of the amount appropriated to the fund pursuant to section 16 of this act.

Section 2. This act shall take effect in 60 days.

APPROVED—The 17th day of October, A. D. 1980.

DICK THORNBURGH