

No. 1992-138

## AN ACT

HB 164

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," permitting the Secretary of Revenue to enter into contracts for the placement of commercial advertisements on lottery tickets.

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

Section 1. Section 6(a) of the act of August 26, 1971 (P.L.351, No.91), known as the State Lottery Law, is amended by adding a clause to read:

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:

\* \* \*

*(11.1) The production and merchandising of promotional items for the lottery.*

\* \* \*

Section 2. The act is amended by adding a section to read:

*Section 6.1. Commercial Advertising.—(a) The secretary may enter into contracts with persons, associations or corporations that provide for the placement of commercial advertisements on tickets or shares.*

*(b) The secretary may enter into the contracts only after completion of the bidding procedure contained in subsection (c).*

*(c) (1) The secretary shall, not less than six weeks prior to the date set for opening bids or proposals to place advertisements on the tickets or shares, advertise the opening of proposals for at least three days, the first and last publication to be at least ten days apart, in not fewer than six nor more than twelve newspapers of extensive general circulation in different parts of this Commonwealth. The advertisements shall invite proposals for the placement of commercial advertisements on the tickets or shares, shall direct potential bidders to include with their proposals a specimen advertisement and shall give notice of the time and place where the proposals will be received and when they will be opened.*

*(2) All proposals shall be delivered to the secretary on or before the hour designated in the invitation to bid, on the day set by the secretary, following the date of the last advertisement, and each bid shall be in duplicates, one of which shall be marked "Duplicate Bid." Each bid shall be enclosed in an*

*envelope, securely sealed, and shall be mailed or delivered to the secretary who shall retain all envelopes unopened until the time fixed for the opening thereof.*

*(3) The secretary shall, on the date fixed for opening of bids, at the hour designated in the invitation to bid, open and publish the proposals and, as soon thereafter as practicable, award the contract to the highest responsible bidder. The secretary shall have the right to reject any or all bids. The bids, when opened, shall be tabulated and shall be subject to examination by bidders. A record of all bids shall be made by the secretary in a book kept for that purpose.*

*(4) When no proposal has been received or if for any reason the secretary rejects all proposals, the secretary may advertise again for proposals, giving at least fifteen days' notice of the time of receiving the same, which proposals shall be opened, awarded and approved in like manner as the initial bids.*

*(5) The secretary shall have the discretion to refuse to accept any advertisement that is inappropriate or offensive or displays poor taste. Advertisements for tobacco products or for alcoholic beverages shall not be accepted.*

*(d) All revenues derived from contracts entered into under this section shall be deposited in the State Lottery Fund.*

*(e) The secretary may promulgate rules and regulations to implement the provisions of this section.*

*(f) As used in this section, the term "tickets or shares" shall not include instant game tickets.*

Section 3. This act shall take effect in 60 days.

APPROVED—The 14th day of December, A. D. 1992.

ROBERT P. CASEY