

No. 2014-201

AN ACT

HB 2110

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 definitions, for powers and duties of secretary and for report.

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

Section 1. Section 302 of the act of August 26, 1971 (P.L.351, No.91), known as the State Lottery Law, added November 21, 1996 (P.L.741, No.134), is amended to read:

Section 302. Definitions.

The following words and phrases when used in this chapter shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Director." The Director of the Division of the State Lottery.

"Division." The Division of the State Lottery created by this chapter.

"Internet instant game." A lottery game in which, by the use of a computer, tablet computer or other mobile device, a player removes the covering from randomly generated numbers or letters which reveal whether the instant ticket is a winning ticket for which money is paid. A player shall not include a retailer who sells or purchases tickets through the lottery central computer.

"Keno." A lottery game of chance in which a player selects numbers between a preestablished range of numbers with winning numbers selected by a lottery central computer system and displayed on a monitor, commonly known as keno.

"Lottery" or "State Lottery." The lottery established and operated under this chapter.

"Secretary." The Secretary of Revenue of the Commonwealth.

Section 2. Section 303(a)(1), (8) and (11)(iv) of the act, amended November 21, 1996 (P.L.741, No.134) and June 30, 2011 (P.L.110, No.23), are amended and the section is amended by adding a subsection to read:

Section 303. Powers and duties of secretary.

(a) Powers and duties enumerated.—In addition to the powers and duties provided by law and the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, the secretary 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:

(1) The type of lottery to be conducted, **except that the secretary may not authorize the game of keno or an Internet instant game unless specifically authorized by law.**

* * *

(8) The method to be used in selling tickets or shares[.], *except that sales through the lottery's Internet website or Internet websites operated by licensed lottery retailers of any lottery game or any Internet instant game shall be prohibited unless specifically authorized by law.*

* * *

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

* * *

(iv) for property tax relief and free or reduced fare transit service for the elderly as provided in section 311. For fiscal years beginning before July 1, [2015] 2014, no less than 27% of the total revenues accruing from the sale of lottery tickets or shares shall be dedicated to this subparagraph. For fiscal years beginning after June 30, [2015] 2014, no less than [30%] 25% of the total revenues accruing from the sale of lottery tickets or shares shall be dedicated to this subparagraph.

* * *

(a.1) Prohibitions.—The secretary may not offer any Internet-based or monitor-based interactive lottery game or simulated casino-style lottery game, including video poker, video roulette, slot machines or video blackjack, through the State Lottery.

* * *

Section 3. Section 315 of the act, added June 30, 2011 (P.L.110, No.23), is amended to read:

Section 315. Report.

The Department of Revenue shall submit a report to the Governor, the chairman and minority chairman of the Appropriations Committee of the Senate, the chairman and minority chairman of the Appropriations Committee of the House of Representatives, the chairman and minority chairman of the Aging and Youth Committee of the Senate [and], the chairman and minority chairman of the Aging and Older Adult Services Committee of the House of Representatives, *the chairman and minority chairman of the Finance Committee of the Senate and the chairman and minority chairman of the Finance Committee of the House of Representatives* by [June 1] *September 1* of each year. The report shall set forth current lottery profits and the State Lottery's plan for increasing future profits. This report shall be posted on the department's publicly accessible Internet website. **[This section shall expire June 30, 2015.]**

Section 4. This act shall take effect immediately.

APPROVED—The 31st day of October, A.D. 2014

TOM CORBETT