

9/4/03

**Regulatory Analysis Form**

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(1) Agency

Revenue

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(2) I.D. Number (Governor's Office Use)

15-423

INDUSTRY  
REVIEW COMMISSION

IRRC Number: 2365

(3) Short Title

Repeal of Obsolete Lottery Regulations

(4) PA Code Cite

61 Pa. Code §§ 817.91 – 817.107,  
817.111 – 817.127, 831.1 – 831.17,  
867.1 – 867.17, 868.1 – 868.17 and  
869.1 – 869.15

(5) Agency Contacts &amp; Telephone Numbers

Primary Contact: Anita M. Doucette (717) 787-1382  
ext. 64637Secondary Contact: Douglas A. Berguson (717) 787-1382  
ext. 64633

(6) Type of Rulemaking (check one)

- ☐ Proposed Rulemaking  
☐ Final Order Adopting Regulation  
☒ Final Order, Proposed Rulemaking Omitted

(7) Is a 120-Day Emergency Certification Attached?

- ☐ No  
☐ Yes: By the Attorney General  
☐ Yes: By the Governor

(8) Briefly explain the regulation in clear and nontechnical language.

Play of the on-line lottery games subject to repeal under this regulation were concluded in accordance with the terms of the regulations. The Lottery does not intend now or in the near future to offer these games in their stated configuration. The areas to be deleted are as follows:

Chapter	Game Name/Title	61 sections
817	Pennsylvania Lotto	(§§ 817.91 – 817.107)
	Wild Card Lotto	(§§ 817.111 – 817.127)
831	Pennsylvania Super 7	(§§ 831.1 – 831.17)
867	Hearts and Diamonds	(§§ 867.1 – 867.17)
868	Keystone Jackpot	(§§ 868.1 – 868.17)

(9) State the statutory authority for the regulation and any relevant state or federal court decisions.

Statutory authority for the regulation is contained in section 303 of the State Lottery Law (72 P.S. § 3761-303).

## **Regulatory Analysis Form**

(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

The regulation is not mandated by federal or state law, court order or federal regulation.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

This regulation is intended to delete regulatory sections relating to games the Lottery does not intend now or in the near future to offer in their stated configuration.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

There are no public health, safety, environmental or general welfare risks associated with nonregulation.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

In accordance with Executive Order 1996-1 and its normal review of Title 61 regulations, the Department determined that the repeal of the regulations not only rids Title 61 of unnecessary regulations, it also alleviates any possible confusion that the appearance of the regulations may raise among those who read the regulations and expect to play these non-existent games.

### Regulatory Analysis Form

(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

No parties should be adversely affected by the regulation.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

N/A

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

A copy of the regulation was forwarded to the Pennsylvania Bar Association; the Pennsylvania Institute of Certified Public Accountants; the Pennsylvania Society of Public Accountants and the Pennsylvania Chamber of Business and Industry. The regulation will be listed in the Department's next Agenda of Regulations and will be forwarded to interested parties upon request.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

There are no cost and/or savings to the regulated community associated with this regulation.

## **Regulatory Analysis Form**

(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures which may be required.

This regulation does not increase costs or savings to local governments. No legal, accounting or consultant procedures are required by the regulation.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required.

This regulation does not increase costs or savings to state government by any significant amount.

### Regulatory Analysis Form

(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
<b>SAVINGS:</b>	\$	\$	\$	\$	\$	\$
<b>Regulated Community</b>						
<b>Local Government</b>						
<b>State Government</b>						
<b>Total Savings</b>	N/A					
<b>COSTS:</b>						
<b>Regulated Community</b>						
<b>Local Government</b>						
<b>State Government</b>						
<b>Total Costs</b>	N/A					
<b>REVENUE LOSSES:</b>						
<b>Regulated Community</b>						
<b>Local Government</b>						
<b>State Government</b>						
<b>Total Revenue Losses</b>	N/A					

(20a) Explain how the cost estimates listed above were derived.

The savings from implementing this regulation are insignificant. The costs of implementing this regulation are minimal.

## Regulatory Analysis Form

(20b) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY -3	FY -2	FY -1	Current FY
Lottery <sup>1</sup>	\$623,392	\$720,347	\$800,417	\$859,278

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

The costs associated with this regulation are minimal. The regulation is needed for administrative efficiency by the Pennsylvania Lottery.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

There are no nonregulatory alternatives associated with the regulation.

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal.

There are no alternative regulatory schemes associated with the regulation.

<sup>1</sup> These amounts represent monies expended from the Lottery Fund to programs to benefit older Pennsylvanians. (Dollar amounts in thousands).

## Regulatory Analysis Form

(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

There are no federal standards associated with this regulation.

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

This regulation repeals obsolete sections of Title 61, it will not put Pennsylvania at a competitive disadvantage with other states.

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

This regulation does not affect any other existing or proposed regulation of the Department or any other state agency.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

The Department has not scheduled any public hearings or informational meetings to discuss the regulation.

### Regulatory Analysis Form

(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available.

This regulation does not change existing reporting, record keeping or other paperwork requirements.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

No special groups are affected by the regulation.

(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?

This regulation will be effective upon final publication in the Pennsylvania Bulletin. There are no permits, licenses or other approvals required by the regulation.

(31) Provide the schedule for continual review of the regulation.

This regulation repeals obsolete sections of Title 61, no schedule for continual review is necessary.



**FACE SHEET  
FOR FILING DOCUMENTS  
WITH THE LEGISLATIVE REFERENCE BUREAU**

**(Pursuant to Commonwealth Documents Law)**

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**DO NOT WRITE IN THIS SPACE**  
INDEPENDENT REGULATORY  
REVIEW COMMISSION

Copy below is hereby approved as  
to form and legality. Attorney  
General

By: \_\_\_\_\_  
(Deputy Attorney General)

DATE OF APPROVAL

☐ Check if applicable  
Copy not approved. Objections  
attached.

Copy below is hereby certified to be true and  
correct copy of a document issued, prescribed  
or promulgated by:

PA Department of Revenue  
(AGENCY)

DOCUMENT/FISCAL NOTE NO. 15-423

DATE OF ADOPTION \_\_\_\_\_

BY Gregory C. Fajt  
TITLE Secretary of Revenue  
(Executive Officer, Chairman or Secretary)

Copy below is hereby approved as  
to form and legality. Executive or  
Independent Agencies

9/9/03  
DATE OF APPROVAL  
Executive  
(Deputy General Counsel)  
(Chief Counsel-Independent Agency)  
(Strike-inapplicable title)

☐ Check if applicable. No Attorney  
General Approval or objection  
within 30 days after submission.

NOTICE OF FINAL-OMITTED RULEMAKING

DEPARTMENT OF REVENUE

State Lotteries

61 Pa. Code §§ 817.91-817.107, 817.111-817.127,  
831.1-831.17, 867.1-867.17, 868.1-868.17  
and 869.1-869.15

Repeal of Obsolete Lottery Regulations

## PREAMBLE

The Secretary of Revenue (Secretary), under the authority contained in section 303 of the State Lottery Law (72 P.S. § 3761-303), by this notice of proposed rulemaking omitted, amends 61 Pa. Code by deleting Chapters 817, 831, 867, 868 and 869.

As the selection of on-line games available to lottery players in this Commonwealth changed over the years, regulations relating to the discontinued on-line games remained in Title 61. In accordance with Executive Order 1996-1 and its normal review of Title 61 regulations, the Department of Revenue (Department) determined that the repeal of the regulations not only rids Title 61 of unnecessary regulations, it also alleviates any possible confusion that the appearance of the regulations may raise among those who read the regulations and expect to play these non-existent games.

Because the regulatory sections proposed to be deleted relate to on-line lottery games that were retired or discontinued with actual notice conveyed through the issuance of press releases and the termination of sales, the Department, under section 204 of the act of July 31, 1968 (P.L. 769, No. 240) (CDL) (45 P.S. § 1204) and the regulation thereunder, 1 Pa. Code § 7.4, finds that notice of proposed rulemaking is under the circumstances impracticable and, therefore, may be omitted.

### Purpose of Regulation

Play of the on-line lottery games subject to repeal under this regulation were concluded in accordance with the terms of the regulations. The Lottery does not intend now or in the near future to offer these games in their stated configuration.

### Explanation of Regulatory Requirements

The areas to be deleted are as follows:

Chapter	Game Name/Title 61 sections	End of Play
817	Pennsylvania Lotto (§§ 817.91 - 817.107)	1988
	Wild Card Lotto (§§ 817.111 - 817.127)	1998
831	Pennsylvania Super 7 (§§ 831.1 - 831.17)	1995
867	Hearts and Diamonds (§§ 867.1 - 867.17)	1996
868	Keystone Jackpot (§§ 868.1 - 868.17)	1998
869	Pennsylvania Lottery 25th Anniversary TV Game Show (§§ 869.1 - 869.15)	1997

### Fiscal Impact

The Department of Revenue has determined that the regulations will have no fiscal impact on the Commonwealth.

### Paperwork

The regulations will not generate additional paperwork for the public or the Commonwealth.

### Effectiveness/Sunset Date

The regulations will become effective upon publication in the Pennsylvania Bulletin.

### Contact Person

The contact person for an explanation of the regulations is Anita M. Doucette, Office of Chief Counsel, PA Department of Revenue, Dept. 281061, Harrisburg, Pennsylvania 17128-1061.

### Regulatory Review

Under section 5.1(c) of the Regulatory Review Act (71 P.S. § 745.5a(c)), on *September 30, 2003*, the Department submitted a copy of the regulations with proposed rulemaking omitted to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the House Committee on Finance and the Senate Committee on Finance. On the same date, the regulations were submitted to the Office of Attorney General for review and approval under the Commonwealth Attorneys Act (71 P.S. §§ 732-101 - 732-506). In accordance with section 5.1(j.1) of the Regulatory Review Act (71 P.S. § 745.5a(j.1)), the regulations were (deemed) approved by the Committees on . IRRC met on and (deemed) approved the regulations under section 5.1(e) of the Regulatory Review Act (71 P.S. § 745.5a(e)).

## Findings

The Department finds that the regulatory sections in Chapters 817, 831, 868 and 869 are no longer necessary for administration and enforcement of the authorizing statute. Under section 204 of the CDL, the Department also finds that the proposed rulemaking procedures in sections 201 and 202 of the CDL (45 P.S. §§ 1201 and 1202) are unnecessary because the games were retired or discontinued with actual notice conveyed through the issuance of press releases and the termination of sales and are under the circumstances impracticable.

## Order

The Department, acting under the authorizing statute, orders that:

(a) The regulations of the Department, 61 Pa. Code, are amended by deleting Chapters 817, 831, 867, 868 and 869 as set forth in Annex A.

(b) The Secretary shall submit this order and Annex A to the Office of General Counsel and Office of Attorney General for approval as to form and legality as required by law.

(c) The Secretary shall certify this order and Annex A and deposit them with the Legislative Reference Bureau as required by law.

(d) This order shall take effect upon publication in the  
Pennsylvania Bulletin.

GREGORY C. FAJT  
SECRETARY OF REVENUE

05/09/03

CONTINUATION SHEET  
FOR FILING DOCUMENTS  
WITH THE LEGISLATIVE REFERENCE BUREAU  
(Pursuant to Commonwealth Documents Law)

ANNEX A

Title 61. Revenue, Part V. State Lotteries.

Chapter. 817. Reserved.

§§ 817.91 - 817.107. Reserved.

§§ 817.111 - 817.127. Reserved.

Chapter 831. Reserved.

§§ 831.1 - 831.17. Reserved.

Chapter 867. Reserved.

§§ 867.1 - 867.17. Reserved.

Chapter 868. Reserved.

§§ 868.1 - 868.17. Reserved.

Chapter 869. Reserved.

§§ 869.1 - 869.15. Reserved.

04/22/03

**TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE  
REGULATORY REVIEW ACT**

**I.D. NUMBER:** 15-423  
**SUBJECT:** Repeal of Obsolete Lottery Regulations  
**AGENCY:** DEPARTMENT OF REVENUE

**TYPE OF REGULATION**

Proposed Regulation

Final Regulation

X Final Regulation with Notice of Proposed Rulemaking Omitted

120-day Emergency Certification of the Attorney General

120-day Emergency Certification of the Governor

Delivery of Tolled Regulation

a. With Revisions

b.

Without Revisions

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REVIEW COMMISSION

**FILING OF REGULATION**

**DATE**

**SIGNATURE**

**DESIGNATION**

9/30/03 Linda Habowski HOUSE COMMITTEE ON FINANCE

9/30/03 Janice Hase SENATE COMMITTEE ON FINANCE

9/30/03 Elena Pagan INDEPENDENT REGULATORY REVIEW COMMISSION

9-30-03 M. Munnell ATTORNEY GENERAL (for Final Omitted only)

LEGISLATIVE REFERENCE BUREAU (for Proposed only)

September 10, 2003