

POLICY POSITION
PENNSYLVANIA ASSOCIATION OF AREA
AGENCIES ON AGING, INC.

Video Poker in Pennsylvania

(Final, Ratified 10/27/09)

BACKGROUND NARRATIVE

For more than thirty years, the Pennsylvania Lottery has provided funds to programs for Pennsylvania's seniors. With increasing numbers of seniors to serve, it is critical that Lottery revenues be protected and enhanced. Accordingly, when new or expanded forms of legalized gambling are proposed for the Commonwealth, P4A's primary consideration is the impact of the proposed form of gambling on Lottery revenues. A secondary concern is the impact on revenues from small games of chance and bingo, some of which also benefit older Pennsylvanians. Unfortunately, a credible, independent analysis of the impact of other forms of legalized gambling on Pennsylvania Lottery revenues or those generated by small games of chance and bingo has never been conducted.

PROBLEM STATEMENT

Governor Rendell has proposed the introduction of legalized video poker in bars, restaurants and clubs. The revenues generated from this form of gambling would be used for tuition assistance at Pennsylvania's Community Colleges and State-Owned Universities. The potential impact of this form of gambling on Pennsylvania Lottery revenues, and those generated by small games of chance and bingo, is unknown.

GOAL

P4A's goal is to ensure that older Pennsylvanians are held harmless from the potential negative impact of video poker on Pennsylvania Lottery revenues, as well as those generated through small games of chance and bingo.

THE POSITION

1. An independent and comprehensive study should be conducted by a highly reputable organization on the impact of other forms of legalized

gambling, including video poker, on revenues generated through the State Lottery, and small games of chance and bingo.

2. Video poker should not be legalized in bars, restaurants and clubs until it can be credibly demonstrated that either:
 - a. Video poker in bars, restaurants and clubs does not have a negative impact on lottery revenues or those derived from small games of chance and bingo, or;
 - b. A dependable mechanism is in place to hold aging programs harmless from reductions in revenues that result from legalization of video poker.

CONCLUSION

The State Lottery and, to a lesser degree, small games of chance and bingo are crucial resources funding services to older Pennsylvanians. It is crucial that their impact not be diluted by other forms of legalized gambling such as video poker.

P4A

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