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Local Share Accounts: What Are They and Why Should You Care?

By State Rep. Bud Cook (R-Washington/Fayette)

In 2004, the Pennsylvania Race Horse Development and Gaming Act passed (Act 71 of 2004) with the primary intent of protecting the public from unlawful gaming, followed by enhancing live horse racing. The law was amended to include table games in 2010 and further expanded gaming in 2017, which adds to the complexity of the revenue flow.

A small portion of the revenue brought in by casino gambling is then put into Local Share Accounts (LSA) under the Race Horse Development and Gaming Act. That money is to be distributed fairly to local entities to assist projects that would improve the community that receives the funds. In Washington County, these LSA grants total approximately \$6 million annually.

Under Act 71, also known as The Gaming Act, the Department of Community and Economic Development (DCED) and the Commonwealth Financing Authority (CFA) developed program guidelines to distribute LSA funds generated in Lehigh, Luzerne, Monroe, Montgomery, and Northampton counties, and for Washington, Fayette and Philadelphia counties. Each county is eligible for funding for economic development projects, job training, community improvement projects and public interest projects. The Lehigh, Luzerne, Monroe, Montgomery and Northampton counties LSAs are run directly by the CFA, while Fayette, Philadelphia and Washington counties' LSAs are run locally. So, after the CFA distributes money to Washington County, local officials take over.

You may have read this and asked yourself, "Why does this matter?" Simply put, it is public money. The process of LSA selections are SUPPOSED to be very straightforward and transparent. We all agree that LSA grants are extremely beneficial to our community and several organizations. To make our community the best it can be, we need to ensure that funds are being used appropriately. We need to be able to trust that our local government is doing what is best for us. That is something I cannot guarantee for my constituents until ALL government selection processes are **fair**, **accountable** and **transparent**.

Editor's Note: This is part one of a two-part editorial about LSA grants. In the next piece, you can expect to read about where LSA money comes from and how the grant process works.