

1 HB308
2 155996-1
3 By Representatives Ford, McCampbell, Jackson, Black, Scott,
4 Buskey, Coleman-Evans and Boyd (Constitutional Amendment)
5 RFD: Ways and Means Education
6 First Read: 21-JAN-14

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8 SYNOPSIS: Under existing law, lotteries and gift
9 enterprises are prohibited.

10 This bill would propose an amendment to
11 Section 65 of the Constitution of Alabama of 1901,
12 to establish an Alabama Lottery to fund certain
13 Education Trust Fund programs, to create an Alabama
14 Lottery Corporation to implement and to regulate
15 the operation of such lottery, and to prohibit the
16 operation of casinos in the State.

17 The amendment dedicates the net proceeds
18 from the lottery to the Education Trust Fund for
19 resource officers and scholarships. The amendment
20 provides that lottery proceeds will not supplant or
21 replace existing education revenues, establishes
22 the Lottery Trust Fund, and authorizes the
23 Legislature to pass general laws to implement the
24 amendment.

25
26 A BILL
27 TO BE ENTITLED

1 AN ACT

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3 Proposing an amendment to Section 65 of the
4 Constitution of Alabama of 1901, to establish an Alabama
5 Lottery; to establish an Alabama Lottery Corporation; to
6 establish the Lottery Trust Fund; to provide for the
7 allocation of the lottery proceeds to the Education Trust Fund
8 for resource officers and scholarships; to authorize the
9 Legislature to implement the amendment through enabling
10 legislation; to provide that lottery proceeds shall not
11 supplant or replace existing education revenues; and to
12 prohibit the operation of casinos in the State.

13 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

14 Section 1. The following amendment to the
15 Constitution of Alabama of 1901, as amended, is proposed and
16 shall become valid as a part thereof when approved by a
17 majority of the qualified electors voting thereon and in
18 accordance with Sections 284, 285, and 287 of the Constitution
19 of Alabama of 1901, now appearing as Sections 284, 285 and 287
20 of the Official Recompilation of the Constitution of Alabama
21 of 1901, as amended:

22 PROPOSED AMENDMENT

23 Section 65 of Article IV of the Constitution of
24 Alabama of 1901, as amended, is amended to read as follows:

25 "Section 65.

26 "PART I.

1 ~~The~~ Except as provided in Part II of this section,
2 the Legislature shall have no power to authorize lotteries or
3 gift enterprises for any purposes, and shall pass laws to
4 prohibit the sale in this state of lottery or gift enterprise
5 tickets, or tickets in any scheme in the nature of a lottery;
6 and all acts, or parts of acts heretofore passed by the
7 Legislature of this state, authorizing a lottery or lotteries,
8 and all acts amendatory thereof, or supplemental thereto, are
9 hereby avoided.

10 "PART II.

11 "(a) Establishment of an Alabama Lottery.

12 "The Legislature shall, by general law, provide for
13 the establishment, administration, operation, and regulation
14 of an Alabama Lottery.

15 "(b) Replacement of Existing Education Funds
16 Prohibited.

17 "Funds deposited into the Education Trust Fund which
18 are derived from the Alabama Lottery shall not replace or
19 supplant existing or any other funds dedicated or intended for
20 the purposes of such Fund.

21 "(c) Lottery Trust Fund.

22 "The proceeds from the Alabama Lottery shall be
23 applied first to the payment of the expenses of administering
24 and operating the Alabama Lottery, including, without
25 limitation, the payment of all prizes, without any further
26 appropriation required by law, and the balance of such
27 proceeds remaining after such payments shall be deposited, as

1 provided by general law, and held in a special, separate
2 account in the State Treasury hereby created and designated
3 the "Lottery Trust Fund" until such time as such proceeds are
4 disbursed pursuant to this amendment.

5 "(d) Alabama Lottery Corporation.

6 "The administration of the Alabama Lottery shall be
7 vested in a corporation hereby created and designated the
8 "Alabama Lottery Corporation." The duties, powers, authority,
9 and composition of the Alabama Lottery Corporation shall be
10 provided by general law.

11 "(e) Allocations and Disbursements.

12 "(1) Monies in the Lottery Trust Fund shall be
13 allocated and disbursed to the Education Trust Fund to be used
14 exclusively (a) to provide \$50 million annually to help local
15 public school systems hire, train and equip resource officers
16 to place in the local schools; and (b) the remainder to
17 provide scholarships to citizens of Alabama who are A/B Honor
18 Roll students, as established by the Legislature, to attend
19 universities, colleges, and junior, technical, or community
20 colleges located in Alabama.

21 "(f) Agreements with other Jurisdictions.

22 "The Alabama Lottery Corporation may enter into
23 reciprocal agreements with other jurisdictions for the
24 operation and promotion of games which are permitted to be
25 operated, utilized, or conducted by the Alabama Lottery.

26 "(g) Limitation on activities.

1 "The Alabama Lottery may authorize, conduct, employ,
2 include, or utilize only those games of chance approved by the
3 Alabama Lottery Corporation which may include, without
4 limitation, the sale of lottery tickets; provided, however,
5 that the Alabama Lottery is prohibited from operating, using,
6 or employing, or authorizing the operation, use, or employment
7 of, directly or indirectly, a casino or casinos and is further
8 prohibited from authorizing, conducting, employing, including,
9 or utilizing, directly or indirectly, any form of casino
10 gambling.

11 "(h) Implementation.

12 "The Legislature may enforce and implement this
13 section by appropriate general law. Any act or acts that are
14 enacted by the Alabama Legislature during the same session of
15 the Legislature at which this amendment is proposed and which
16 are in implementation and furtherance of the purposes of this
17 amendment and the authority granted by this amendment, and all
18 actions heretofore taken pursuant to such act or acts, are
19 hereby validated, ratified, and confirmed as effective as of
20 the date on which such act or acts were so enacted in
21 accordance with the Constitution of Alabama of 1901, as
22 amended, and as of the respective dates on which such actions
23 were taken.

24 "(i) Nothing in this amendment affects, prohibits,
25 or limits any activity which was legal at the time this
26 amendment becomes effective including, without limitation,

1 pari-mutuel betting and nonprofit bingo as provided for by
2 specific laws.

3 "(j) The terms and provisions of this amendment and
4 of any enabling legislation enacted by the Alabama Legislature
5 with respect to this amendment shall supersede and take
6 precedence over any other provision of law which may conflict
7 or be inconsistent with this amendment or such legislation,
8 and this amendment and such enabling legislation shall operate
9 and be construed without regard to such conflict or
10 inconsistency."

11 Section 2. An election upon the above proposed
12 amendment shall be held, in accordance with the provisions of
13 Sections 284 and 285 of the Constitution of Alabama of 1901,
14 now appearing as Sections 284 and 285 of the Official
15 Recompilation of the Constitution of Alabama of 1901, as
16 amended, and the general election laws of Alabama.

17 Section 3. The appropriate election official shall
18 assign a ballot number for the proposed constitutional
19 amendment on the election ballot and shall set forth the
20 following description on the proposed constitutional
21 amendment:

22 "Proposing an amendment to the Constitution of
23 Alabama of 1901, to establish an Alabama Lottery and an
24 Alabama Lottery Trust Fund, to distribute net lottery proceeds
25 to the Education Trust Fund for resource officers and
26 scholarships; to create an Alabama Lottery Corporation to
27 regulate and administer the lottery; to prohibit the operation

1 of casinos; to require the proceeds to be used to increase
2 funding for education and not to take the place of existing
3 education revenues; and to allow the Legislature to implement
4 the Alabama Lottery through appropriate general law."

5 This description shall be followed by the following
6 language:

7 "Yes () No ()."