

1 HB199
2 194090-1
3 By Representative Rogers (Constitutional Amendment)
4 RFD: Economic Development and Tourism
5 First Read: 02-FEB-21
6 PFD: 01/29/2021

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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 education
13 and general fund programs; to create an Alabama
14 Lottery Corporation; to provide that lottery
15 proceeds will not supplant or replace existing
16 education revenues; to establish the Lottery Trust
17 Fund; to permit the Legislature to pass general
18 laws to implement the amendment; and to terminate
19 the lottery and the Alabama Lottery Corporation
20 after a specified period of time.

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22 A BILL
23 TO BE ENTITLED
24 AN ACT
25

26 Proposing an amendment to Section 65 of the
27 Constitution of Alabama of 1901, now appearing as Section 65

1 of the Official ReCompilation of the Constitution of Alabama
2 of 1901, as amended, to establish an Alabama Lottery; to
3 establish an Alabama Lottery Corporation; to establish the
4 Lottery Trust Fund, provide for its allocation for education
5 and general fund programs; to authorize the Legislature to
6 implement the amendment through enabling legislation; and to
7 terminate the lottery and the Alabama Lottery Corporation
8 after a specified period of time.

9 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

18 PROPOSED AMENDMENT

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

21 "Section 65.

22 "Part I.

23 "~~The legislature~~ Except as provided in Part II of
24 this section, the Legislature shall have no power to authorize
25 lotteries or gift enterprises for any purposes, and shall pass
26 laws to prohibit the sale in this state of lottery or gift
27 enterprise tickets, or tickets in any scheme in the nature of

1 a lottery; and all acts, or parts of acts heretofore passed by
2 the ~~legislature~~ Legislature of this state, authorizing a
3 lottery or lotteries, and all acts amendatory thereof, or
4 supplemental thereto, are hereby avoided.

5 "Part II.

6 "(a) Establishment of an Alabama Lottery.

7 "The Legislature shall provide for the establishment
8 and regulation of an Alabama Lottery.

9 "(b) Replacement of Existing Education Funds
10 Prohibited.

11 "Funds deposited into the Education Trust Fund
12 pursuant to subsection (e) may not be used in any manner to
13 replace or supplant existing or any other funds dedicated or
14 intended for education.

15 "(c) Lottery Trust Fund.

16 "The net proceeds from the Alabama Lottery shall be
17 deposited and held in a special, separate account in the State
18 Treasury to be known as the Lottery Trust Fund until such time
19 as the fund is allocated pursuant to this section.

20 "(d) Alabama Lottery Corporation.

21 "The administration of the Alabama Lottery shall be
22 vested in a corporation, to be known as the Alabama Lottery
23 Corporation which is hereby created. The duties, powers,
24 authority, and composition of the Alabama Lottery Corporation
25 shall be provided by general law.

26 "(e) Appropriations and Disbursements.

1 "Monies in the Lottery Trust Fund shall be allocated
2 as follows: Forty percent shall be deposited into the State
3 General Fund, 40 percent shall be deposited into the Education
4 Trust Fund, and 20 percent shall be appropriated to the
5 Alabama Department of Corrections.

6 "(f) Agreements with other Jurisdictions.

7 "The Alabama Lottery Corporation may enter into
8 reciprocal agreements with other jurisdictions for the
9 operation and promotion of a lottery or lotteries.

10 "(g) Income Reserved.

11 "All interest earnings on monies in the Lottery
12 Trust Fund shall be held in the fund and allocated only for
13 those items enumerated in subsection (e).

14 "(h) Implementation.

15 "The Legislature may enforce and implement this
16 section by appropriate general law. The Legislature may
17 establish definitions to effectuate the implementation of this
18 amendment.

19 "(i) Nothing in this section affects any activity
20 which was legal at the time the amendment to this section
21 becomes effective.

22 "(j) The lottery and the Alabama Lottery Corporation
23 created and functioning pursuant to this amendment and any
24 enabling legislation authorized by this amendment shall
25 terminate on December 31 of the tenth year following the date
26 of adoption of this amendment. If this amendment is adopted,
27 the Alabama Lottery Commission shall begin winding down

1 lottery operations on January 1 of the tenth year following
2 the date of the adoption of this amendment"

3 Section 2. An election upon the proposed amendment
4 shall be held in accordance with Sections 284 and 285 of the
5 Constitution of Alabama of 1901, now appearing as Sections 284
6 and 285 of the Official Recompilation of the Constitution of
7 Alabama of 1901, as amended, and the election laws of this
8 state.

9 Section 3. The appropriate election official shall
10 assign a ballot number for the proposed constitutional
11 amendment on the election ballot and shall set forth the
12 following description of the substance or subject matter of
13 the proposed constitutional amendment:

14 "Proposing an amendment to the Constitution of
15 Alabama of 1901, to establish an Alabama Lottery; to create an
16 Alabama Lottery Corporation to regulate and administer the
17 lottery; to allocate the expenditure of the proceeds to
18 general fund and education purposes; to allow the Legislature
19 to implement the Alabama Lottery through appropriate general
20 law; and to terminate the lottery and the Alabama Lottery
21 Corporation after a specified period of time."

22 "Proposed by Act _____."

23 This description shall be followed by the following
24 language:

25 "Yes () No ()."