

1 SB3  
2 179052-1  
3 By Senators McClendon and Dial (Constitutional Amendment)  
4 RFD: Tourism and Marketing  
5 First Read: 15-AUG-16

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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 authorize an Alabama Lottery and dedicate the  
13 proceeds from the lottery, after expenses and  
14 prizes, to the state General Fund, for the ordinary  
15 expenses of the executive, legislative and judicial  
16 departments of the state.

17 The amendment would establish an Alabama  
18 Lottery Commission to implement, administer, and  
19 regulate the operation of such State Lottery. The  
20 amendment would further require the Legislature to  
21 pass general laws necessary to implement this  
22 constitutional amendment.

23  
24 A BILL  
25 TO BE ENTITLED  
26 AN ACT  
27

1 "Proposing an amendment to Section 65 of the  
2 Constitution of Alabama of 1901 to authorize an Alabama  
3 Lottery; to provide for the allocation of the lottery proceeds  
4 to the State General Fund; to establish an Alabama State  
5 Lottery Commission; and to require the Legislature to  
6 implement the constitutional amendment through passage of  
7 implementing legislation."

8 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

15 PROPOSED AMENDMENT

16 "PART I.

17 "The Except as provided in Part II of this section  
18 authorizing an Alabama Lottery, the Legislature shall have no  
19 power to authorize lotteries or gift enterprises for any  
20 purposes, and shall pass laws to prohibit the sale in this  
21 state of lottery or gift enterprise tickets, or tickets in any  
22 scheme in the nature of a lottery; and all acts, or parts of  
23 acts heretofore passed by the Legislature of this state,  
24 authorizing a lottery or lotteries, and all acts amendatory  
25 thereof, or supplemental thereto, are hereby avoided."

26 "PART II.

27 "(a) Authorization of an Alabama State Lottery.

1           "Notwithstanding Part I of this Section and the  
2 existing and continued constitutional prohibitions on  
3 lotteries and gift enterprises, there is authorized the  
4 establishment of an Alabama Lottery restricted in its  
5 operations to those activities authorized by this amendment.

6           "(b) Lottery Proceeds to General Fund.

7           "The proceeds from the Alabama Lottery shall be  
8 applied first to the payment of the expenses of administering  
9 and operating the Alabama Lottery by the Lottery Commission  
10 and the payment of all prizes, without any further  
11 appropriation required by law, and the balance of the proceeds  
12 shall be deposited in the State General Fund for the ordinary  
13 expenses of the executive, legislative, and judicial  
14 departments of the state and for principal and interest  
15 payments on the public debt.

16           "(c) Establishment of an Alabama State Lottery  
17 Commission.

18           "There is further established an Alabama State  
19 Lottery Commission, which shall function to administer and  
20 regulate the Alabama Lottery. The Lottery Commission shall be  
21 comprised of seven (7) members who will serve upon appointment  
22 by the Governor to be confirmed by the Senate at the next  
23 regular session.

24           "(d) Duty of the Legislature to Enact Implementing  
25 Legislation.

26           "In accordance with the authorization of this Part  
27 II, the Legislature shall enforce and implement this amendment

1 by passage of implementing legislation to provide for the  
2 administration, operation and regulation of the Alabama  
3 Lottery and for the duties and authorities of the Lottery  
4 Commission.

5 "(e) Authorization of Activities.

6 "The Alabama Lottery shall include only the sale of  
7 lottery tickets. The Lottery Commission may enter into  
8 reciprocal agreements with other jurisdictions for the  
9 operation and promotion of the activities authorized by this  
10 amendment.

11 "(f) Effect of Amendment.

12 "Nothing in this amendment affects, prohibits, or  
13 limits any activity which was legal at the time this amendment  
14 becomes effective, including, without limitation, pari-mutuel  
15 betting and nonprofit, traditional bingo, as provided for by  
16 specific law or laws. Further, nothing in this amendment  
17 authorizes any other activity beyond the Alabama Lottery  
18 authorized by this amendment.

19 "The terms and provisions of this amendment shall  
20 supersede and take precedence over any other provision of the  
21 law which may conflict or be inconsistent with this  
22 amendment."

23 Section 2. An election upon the proposed amendment  
24 shall be held in accordance with Sections 284 and 285 of the  
25 Constitution of Alabama of 1901, now appearing as Sections 284  
26 and 285 of the Official Recompilation of the Constitution of

1 Alabama of 1901, as amended, and the election laws of this  
2 state.

3 Section 3. The appropriate election official shall  
4 assign a ballot number for the proposed constitutional  
5 amendment on the election ballot and shall set forth the  
6 following description of the substance or subject matter of  
7 the proposed constitutional amendment:

8 "Proposing an amendment to Section 65 of the  
9 Constitution of Alabama of 1901, to authorize an Alabama State  
10 Lottery; to dedicate the proceeds from the lottery, after  
11 operation expenses and payment of prizes, to the State General  
12 Fund; to create and establish an Alabama Lottery Commission to  
13 administer and regulate the operation of such lottery; and to  
14 require the Legislature to implement this constitutional  
15 amendment through passage of implementing legislation and  
16 general laws."

17 "Proposed by Act \_\_\_\_\_."

18 This description shall be followed by the following  
19 language:

20 "Yes ( ) No ( )."