

1 HB34
2 171582-1
3 By Representative Ford (Constitutional Amendment)
4 RFD: Economic Development and Tourism
5 First Read: 09-SEP-15

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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
13 scholarships, to create an Alabama Lottery
14 Corporation to implement and to regulate the
15 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 Lottery Trust Fund for
19 scholarships for qualifying students to attend a
20 college or junior college located in Alabama. The
21 amendment establishes the Lottery Trust Fund and
22 authorizes the Legislature to pass general laws to
23 implement the amendment.

24
25 A BILL
26 TO BE ENTITLED
27 AN ACT

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2 Proposing an amendment to Section 65 of the
3 Constitution of Alabama of 1901, now appearing as Section 65
4 of the Official Recompilation of the Constitution of Alabama
5 of 1901, as amended, to establish an Alabama Lottery; to
6 establish an Alabama Lottery Corporation; to establish the
7 Lottery Trust Fund; to provide for the allocation of the
8 lottery proceeds to the Lottery Trust Fund for scholarships
9 for qualifying students to attend a college or junior college
10 located in Alabama; to authorize the Legislature to implement
11 the amendment through enabling legislation; and to prohibit
12 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) Lottery Trust Fund.

16 "The proceeds from the Alabama Lottery shall be
17 applied first to the payment of the expenses of administering
18 and operating the Alabama Lottery, including, without
19 limitation, the payment of all prizes, without any further
20 appropriation required by law, and the balance of such
21 proceeds remaining after such payments shall be deposited, as
22 provided by general law, and held in a special, separate
23 account in the State Treasury hereby created and designated
24 the "Lottery Trust Fund" until such time as such proceeds are
25 disbursed pursuant to this amendment.

26 "(c) Alabama Lottery Corporation.

1 "The administration of the Alabama Lottery shall be
2 vested in a corporation hereby created and designated the
3 "Alabama Lottery Corporation." The duties, powers, authority,
4 and composition of the Alabama Lottery Corporation shall be
5 provided by general law.

6 "(d) Allocations and Disbursements.

7 "(1) Monies in the Lottery Trust Fund shall be
8 allocated exclusively to provide scholarships to citizens of
9 Alabama who are A/B Honor Roll students to attend
10 universities, colleges, and junior, technical, or community
11 colleges located in Alabama.

12 "(e) Agreements with other Jurisdictions.

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

17 "(f) Limitation on activities.

18 "The Alabama Lottery may authorize, conduct, employ,
19 include, or utilize only those games of chance approved by the
20 Alabama Lottery Corporation which may include, without
21 limitation, the sale of lottery tickets; provided, however,
22 that the Alabama Lottery is prohibited from operating, using,
23 or employing, or authorizing the operation, use, or employment
24 of, directly or indirectly, a casino or casinos and is further
25 prohibited from authorizing, conducting, employing, including,
26 or utilizing, directly or indirectly, any form of casino
27 gambling.

1 "(g) Implementation.

2 "The Legislature may enforce and implement this
3 section by appropriate general law. Any act or acts that are
4 enacted by the Alabama Legislature during the same session of
5 the Legislature at which this amendment is proposed and which
6 are in implementation and furtherance of the purposes of this
7 amendment and the authority granted by this amendment, and all
8 actions heretofore taken pursuant to such act or acts, are
9 hereby validated, ratified, and confirmed as effective as of
10 the date on which such act or acts were so enacted in
11 accordance with the Constitution of Alabama of 1901, as
12 amended, and as of the respective dates on which such actions
13 were taken.

14 "(h) Nothing in this amendment affects, prohibits,
15 or limits any activity which was legal at the time this
16 amendment becomes effective including, without limitation,
17 pari-mutuel betting and nonprofit bingo as provided for by
18 specific laws. Any games which are authorized by the National
19 Indian Gaming Commission pursuant to the Indian Gaming
20 Regulatory Act, 25 U.S.C. § 2701 et seq., and which are
21 operated by any Native American tribe in Alabama, may be
22 played at a location licensed by a pari-mutuel racing
23 commission at the time of the adoption of this amendment in
24 any county where the game of bingo may be played pursuant to a
25 constitutional amendment enacted after January 1, 2003.

26 "(i) The terms and provisions of this amendment and
27 of any enabling legislation enacted by the Alabama Legislature

1 with respect to this amendment shall supersede and take
2 precedence over any other provision of law which may conflict
3 or be inconsistent with this amendment or such legislation,
4 and this amendment and such enabling legislation shall operate
5 and be construed without regard to such conflict or
6 inconsistency."

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

13 Section 3. The appropriate election official shall
14 assign a ballot number for the proposed constitutional
15 amendment on the election ballot and shall set forth the
16 following description on the proposed constitutional
17 amendment:

18 "Proposing an amendment to the Constitution of
19 Alabama of 1901, to establish an Alabama Lottery and an
20 Alabama Lottery Trust Fund, to distribute net lottery proceeds
21 to provide scholarships for qualifying students to attend a
22 college or junior college located in Alabama; to create an
23 Alabama Lottery Corporation to regulate and administer the
24 lottery; to prohibit the operation of casinos; and to allow
25 the Legislature to implement the Alabama Lottery through
26 appropriate general law."

1 This description shall be followed by the following
2 language:
3 "Yes () No ()."