

1 HB308  
2 135553-1  
3 By Representatives Rogers and Moore (M) (Constitutional  
4 Amendment)  
5 RFD: Ways and Means Education  
6 First Read: 19-FEB-13

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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.

21  
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, to establish an Alabama

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

7 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

14 PROPOSED AMENDMENT

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

17 "Section 65.

18 "Part I.

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

1           "Part II.

2           "(a) Establishment of an Alabama Lottery.

3           "The Legislature shall provide for the establishment  
4 and regulation of an Alabama Lottery.

5           "(b) Replacement of Existing Education Funds  
6 Prohibited.

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

11           "(c) Lottery Trust Fund.

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

16           "(d) Alabama Lottery Corporation.

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

22           "(e) Appropriations and Disbursements.

23           "Monies in the Lottery Trust Fund shall be allocated  
24 as follows: Forty percent shall be deposited into the State  
25 General Fund, 40 percent shall be deposited into the Education  
26 Trust Fund, and 20 percent shall be appropriated to the  
27 Alabama Department of Corrections.

1                   "(f) Agreements with other Jurisdictions.

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

5                   "(g) Income Reserved.

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

9                   "(h) Implementation.

10                   "The Legislature may enforce and implement this  
11 section by appropriate general law. The Legislature may  
12 establish definitions to effectuate the implementation of this  
13 amendment.

14                   "(i) Nothing in this section affects any activity  
15 which was legal at the time the amendment to this section  
16 becomes effective.

17                   "(j) The lottery and the Alabama Lottery Corporation  
18 created and functioning pursuant to this amendment and any  
19 enabling legislation authorized by this amendment shall  
20 terminate on December 31 of the tenth year following the date  
21 of adoption of this amendment. If this amendment is adopted,  
22 the Alabama Lottery Commission shall begin winding down  
23 lottery operations on January 1 of the tenth year following  
24 the date of the adoption of this amendment"

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

1 and 285 of the Official Recompilation of the Constitution of  
2 Alabama of 1901, as amended, and the election laws of this  
3 state.

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

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

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

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

20 "Yes ( ) No ( )."