

1 HB651
2 169167-1
3 By Representative Ford (Constitutional Amendment)
4 RFD: Ways and Means Education
5 First Read: 12-MAY-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 the Alabama Lottery. The amendment
13 would also create the Lottery Trust Fund and the
14 Alabama Lottery Corporation to implement and
15 regulate the operation of the lottery.

16 The amendment provides for net proceeds from
17 the lottery to be deposited in the Lottery Trust
18 Fund and allocates one-half of the Lottery Trust
19 Fund for scholarships for qualifying students to
20 attend a college or junior college located in
21 Alabama and one-half for the state General Fund.

22 The amendment requires the Legislature to
23 enact general legislation to provide for the
24 administration, operation, and regulation of the
25 lottery and powers, duties, and authority of the
26 Alabama Lottery Corporation.

1 A BILL
2 TO BE ENTITLED
3 AN ACT
4

5 Proposing an amendment to Section 65 of the
6 Constitution of Alabama of 1901, now appearing as Section 65
7 of the Official Recompilation of the Constitution of Alabama
8 of 1901, as amended, to establish the Alabama Lottery, the
9 Alabama Lottery Corporation, and the Lottery Trust Fund; to
10 provide for the allocation of the lottery proceeds to the
11 Lottery Trust Fund, one-half for scholarships for qualifying
12 students to attend a college or junior college located in
13 Alabama and one-half for the state General Fund; and to
14 require the Legislature to implement the amendment by general
15 legislation.

16 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

25 PROPOSED AMENDMENT

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

1 "Section 65.

2 "PART I.

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

12 "PART II.

13 "(a) Establishment of an Alabama Lottery.

14 "The Alabama Lottery is created. The Legislature, by
15 general law, shall provide for the administration, operation,
16 and regulation of the Alabama Lottery.

17 "(b) Lottery Trust Fund.

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

1 "(c) Alabama Lottery Corporation.

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

7 "(d) Allocations and Disbursements.

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

13 "(2) Fifty percent of the monies in the Lottery
14 Trust Fund shall be allocated to the state General Fund.

15 "(e) Agreements with other Jurisdictions.

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

20 "(f) Limitation on activities.

21 "The Alabama Lottery may authorize, conduct, employ,
22 include, or utilize only those games of chance approved by the
23 Alabama Lottery Corporation which may include, without
24 limitation, the sale of lottery tickets."

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

1 now appearing as Sections 284 and 285 of the Official
2 Recompilation of the Constitution of Alabama of 1901, as
3 amended, and the general election laws of Alabama.

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 on the proposed constitutional
8 amendment:

9 "Proposing an amendment to the Constitution of
10 Alabama of 1901, to establish an Alabama Lottery, to
11 distribute net lottery proceeds to provide scholarships for
12 qualifying students to attend a college or junior college
13 located in Alabama and to the state General Fund; to create an
14 Alabama Lottery Corporation to regulate and administer the
15 lottery; and to require the Legislature to provide for
16 operation of the Alabama Lottery and the Alabama Lottery
17 Corporation through appropriate general law."

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

20 "Yes () No ()."