

1 HB209
2 173402-2
3 By Representative Ford (Constitutional Amendment)
4 RFD: Economic Development and Tourism
5 First Read: 11-FEB-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 establish an Alabama Lottery to fund
13 scholarships and to create an Alabama Lottery
14 Corporation to implement and to regulate the
15 operation of such lottery.

16 The amendment dedicates the net proceeds
17 from the lottery to the Lottery Trust Fund for
18 scholarships for qualifying students to attend a
19 public two- or four-year college located in
20 Alabama.

21 The amendment also establishes the Lottery
22 Trust Fund and authorizes the Legislature to pass
23 general laws to implement the amendment.

24
25 A BILL
26 TO BE ENTITLED
27 AN ACT

1
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 public two- or four-year
10 college located in Alabama; and to authorize the Legislature
11 to implement the amendment through enabling legislation.

12 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

21 PROPOSED AMENDMENT

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

24 "Section 65.

25 "PART I.

26 "The Except as provided in Part II of this
27 amendment, the Legislature shall have no power to authorize

1 lotteries or gift enterprises for any purposes, and shall pass
2 laws to prohibit the sale in this state of lottery or gift
3 enterprise tickets, or tickets in any scheme in the nature of
4 a lottery; and all acts, or parts of acts heretofore passed by
5 the Legislature of this state, authorizing a lottery or
6 lotteries, and all acts amendatory thereof, or supplemental
7 thereto, are hereby avoided.

8 "PART II.

9 "(a) Establishment of an Alabama Lottery.

10 "The Legislature, by general law, shall provide for
11 the establishment, administration, operation, and regulation
12 of an Alabama Lottery.

13 "(b) Lottery Trust Fund.

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

24 "(c) Alabama Lottery Corporation.

25 "The administration of the Alabama Lottery shall be
26 vested in a corporation hereby created and designated the
27 Alabama Lottery Corporation. The duties, powers, authority,

1 and composition of the Alabama Lottery Corporation shall be
2 provided by general law.

3 "(d) Allocations and Disbursements.

4 "(1) Monies in the Lottery Trust Fund shall be
5 allocated exclusively to provide scholarships to citizens of
6 Alabama who are A/B Honor Roll students to attend two- and
7 four-year institutions of higher education located in Alabama.

8 "(e) Agreements with other Jurisdictions.

9 "The Alabama Lottery Corporation may enter into
10 reciprocal agreements with other jurisdictions for the
11 operation and promotion of games that are permitted to be
12 operated, utilized, or conducted by the Alabama Lottery.

13 "(f) Limitation on Activities.

14 "The Alabama Lottery may authorize, conduct, employ,
15 or utilize only those games of chance approved by the Alabama
16 Lottery Corporation which may include, without limitation, the
17 sale of lottery tickets.

18 "(g) Implementation.

19 "The Legislature may enforce and implement this
20 amendment by appropriate general law. Any act or acts that are
21 enacted by the Legislature during the same session of the
22 Legislature at which this amendment is proposed and which are
23 in implementation and furtherance of the purposes of this
24 amendment and the authority granted by this amendment, and all
25 actions heretofore taken pursuant to such act or acts, are
26 hereby validated, ratified, and confirmed as effective as of
27 the date on which the act or acts were so enacted in

1 accordance with the Constitution of Alabama of 1901, as
2 amended, and as of the respective dates on which such actions
3 were taken.

4 "(h) Nothing in this amendment affects, prohibits,
5 or limits any activity that was legal at the time this
6 amendment becomes effective including, without limitation,
7 pari-mutuel betting and bingo as provided for by specific
8 laws.

9 "(i) This amendment and any enabling legislation
10 enacted by the Legislature with respect to this amendment
11 supersedes and takes precedence over any other provision of
12 law that may conflict or be inconsistent with this amendment
13 or the legislation, and this amendment and the legislation
14 shall operate and be construed without regard to the conflict
15 or inconsistency."

16 Section 2. An election upon the above proposed
17 amendment shall be held, in accordance with the provisions of
18 Sections 284 and 285 of the Constitution of Alabama of 1901,
19 now appearing as Sections 284 and 285 of the Official
20 Recompilation of the Constitution of Alabama of 1901, as
21 amended, and the general election laws of Alabama.

22 Section 3. The appropriate election official shall
23 assign a ballot number for the proposed constitutional
24 amendment on the election ballot and shall set forth the
25 following description on the proposed constitutional
26 amendment:

1 "Proposing an amendment to the Constitution of
2 Alabama of 1901, to establish an Alabama Lottery and an
3 Alabama Lottery Trust Fund, to distribute net lottery proceeds
4 to provide scholarships for qualifying students to attend a
5 public two- or four-year college located in Alabama; to create
6 an Alabama Lottery Corporation to regulate and administer the
7 lottery; and to allow the Legislature to implement the Alabama
8 Lottery through appropriate general law."

9 This description shall be followed by the following
10 language:

11 "Yes () No ()."