HB282

135553-1

By Representatives Rogers, Moore (M) and Givan (Constitutional Amendment)

RFD: Ways and Means Education

First Read: 09-FEB-12
SYNOPSIS: Under existing law, lotteries and gift enterprises are prohibited. This bill would propose an amendment to Section 65 of the Constitution of Alabama of 1901, to establish an Alabama Lottery to fund education and general fund programs; to create an Alabama Lottery Corporation; to provide that lottery proceeds will not supplant or replace existing education revenues; to establish the Lottery Trust Fund; to permit the Legislature to pass general laws to implement the amendment; and to terminate the lottery and the Alabama Lottery Corporation after a specified period of time.

A BILL TO BE ENTITLED

AN ACT

Proposing an amendment to Section 65 of the Constitution of Alabama of 1901, to establish an Alabama
Lottery; to establish an Alabama Lottery Corporation; to establish the Lottery Trust Fund, provide for its allocation for education and general fund programs; to authorize the Legislature to implement the amendment through enabling legislation; and to terminate the lottery and the Alabama Lottery Corporation after a specified period of time.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

PROPOSED AMENDMENT

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

"Section 65.

"Part I.

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

(a) Establishment of an Alabama Lottery.

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

(b) Replacement of Existing Education Funds Prohibited.

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

(c) Lottery Trust Fund.

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

(d) Alabama Lottery Corporation.

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

(e) Appropriations and Disbursements.

Monies in the Lottery Trust Fund shall be allocated as follows: Forty percent shall be deposited into the State General Fund, 40 percent shall be deposited into the Education Trust Fund, and 20 percent shall be appropriated to the Alabama Department of Corrections.
(f) Agreements with other Jurisdictions.

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

(g) Income Reserved.

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

(h) Implementation.

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

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

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

Section 2. An election upon the proposed amendment shall be held in accordance with Sections 284 and 285 of the Constitution of Alabama of 1901, now appearing as Sections 284
and 285 of the Official Recompilation of the Constitution of
Alabama of 1901, as amended, and the election laws of this
state.

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

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

"Proposed by Act ________ ."

This description shall be followed by the following
language:

"Yes ( )  No ( )."