

1 HB10  
2 172810-1  
3 By Representative Ford (Constitutional Amendment)  
4 RFD: Economic Development and Tourism  
5 First Read: 02-FEB-16  
6 PFD: 01/12/2016

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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 public two- or four-year college located in  
21 Alabama.

22 The amendment also establishes the Lottery  
23 Trust Fund and authorizes the Legislature to pass  
24 general laws to implement the amendment.  
25

26 A BILL  
27 TO BE ENTITLED

1 AN ACT

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

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

23 PROPOSED AMENDMENT

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

26 "Section 65.

27 "PART I.

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

10           "PART II.

11           "(a) Establishment of an Alabama Lottery.

12           "The Legislature, by general law, shall 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 the proceeds  
21 remaining after the payments shall be deposited, as provided  
22 by general law, and held in a special, separate account in the  
23 State Treasury hereby created and designated the Lottery Trust  
24 Fund until such time as the proceeds are disbursed pursuant to  
25 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 two- and  
10 four-year institutions of higher education located in Alabama.

11          "(e) Agreements with other Jurisdictions.

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

16          "(f) Limitation on Activities.

17          "The Alabama Lottery may authorize, conduct, employ,  
18 or utilize only those games of chance approved by the Alabama  
19 Lottery Corporation which may include, without limitation, the  
20 sale of lottery tickets; provided, however, that the Alabama  
21 Lottery may not operate, use, or employ, or authorize the  
22 operation, use, or employment of, directly or indirectly, a  
23 casino or casinos and may not authorize, conduct, employ, or  
24 utilize, directly or indirectly, any form of casino gambling.

25          "(g) Implementation.

26          "The Legislature may enforce and implement this  
27 amendment by appropriate general law. Any act or acts that are

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

11 "(h) Nothing in this amendment affects, prohibits,  
12 or limits any activity that was legal at the time this  
13 amendment becomes effective including, without limitation,  
14 pari-mutuel betting and nonprofit bingo as provided for by  
15 specific laws.

16 "(i) This amendment and any enabling legislation  
17 enacted by the Legislature with respect to this amendment  
18 supersedes and takes precedence over any other provision of  
19 law that may conflict or be inconsistent with this amendment  
20 or the legislation, and this amendment and the legislation  
21 shall operate and be construed without regard to the conflict  
22 or inconsistency."

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

1       Recompilation of the Constitution of Alabama of 1901, as  
2       amended, and the general election laws of Alabama.

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

8               "Proposing an amendment to the Constitution of  
9       Alabama of 1901, to establish an Alabama Lottery and an  
10       Alabama Lottery Trust Fund, to distribute net lottery proceeds  
11       to provide scholarships for qualifying students to attend a  
12       public two- or four-year college located in Alabama; to create  
13       an Alabama Lottery Corporation to regulate and administer the  
14       lottery; to prohibit the operation of casinos; and to allow  
15       the Legislature to implement the Alabama Lottery through  
16       appropriate general law."

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

19               "Yes ( ) No ( )."