

1 HB172  
2 147405-1  
3 By Representative Ford (Constitutional Amendment)  
4 RFD: Ways and Means Education  
5 First Read: 06-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 certain  
13 Education Trust Fund programs, to create an Alabama  
14 Lottery Corporation to implement and to regulate  
15 the 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 Education Trust Fund for  
19 classroom instructional supplies, resource officers  
20 and scholarships. The amendment provides that  
21 lottery proceeds will not supplant or replace  
22 existing education revenues, establishes the  
23 Lottery Trust Fund, and authorizes the Legislature  
24 to pass 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, to establish an Alabama  
5 Lottery; to establish an Alabama Lottery Corporation; to  
6 establish the Lottery Trust Fund; to provide for the  
7 allocation of the lottery proceeds to the Education Trust Fund  
8 for classroom instructional supplies, resource officers and  
9 scholarships; to authorize the Legislature to implement the  
10 amendment through enabling legislation; to provide that  
11 lottery proceeds shall not supplant or replace existing  
12 education revenues; and to prohibit the operation of casinos  
13 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 section,  
2 the Legislature shall have no power to authorize lotteries or  
3 gift enterprises for any purposes, and shall pass laws to  
4 prohibit the sale in this state of lottery or gift enterprise  
5 tickets, or tickets in any scheme in the nature of a lottery;  
6 and all acts, or parts of acts heretofore passed by the  
7 Legislature of this state, authorizing a lottery or lotteries,  
8 and all acts amendatory thereof, or supplemental thereto, are  
9 hereby avoided.

10           "PART II.

11           "(a) Establishment of an Alabama Lottery.

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

15           "(b) Replacement of Existing Education Funds  
16 Prohibited.

17           "Funds deposited into the Education Trust Fund which  
18 are derived from the Alabama Lottery shall not replace or  
19 supplant existing or any other funds dedicated or intended for  
20 the purposes of such Fund.

21           "(c) Lottery Trust Fund.

22           "The proceeds from the Alabama Lottery shall be  
23 applied first to the payment of the expenses of administering  
24 and operating the Alabama Lottery, including, without  
25 limitation, the payment of all prizes, without any further  
26 appropriation required by law, and the balance of such  
27 proceeds remaining after such payments shall be deposited, as

1 provided by general law, and held in a special, separate  
2 account in the State Treasury hereby created and designated  
3 the "Lottery Trust Fund" until such time as such proceeds are  
4 disbursed pursuant to this amendment.

5 "(d) Alabama Lottery Corporation.

6 "The administration of the Alabama Lottery shall be  
7 vested in a corporation hereby created and designated the  
8 "Alabama Lottery Corporation." The duties, powers, authority,  
9 and composition of the Alabama Lottery Corporation shall be  
10 provided by general law.

11 "(e) Allocations and Disbursements.

12 "(1) Monies in the Lottery Trust Fund shall be  
13 allocated and disbursed to the Education Trust Fund to be used  
14 exclusively (a) first, to increase the annual appropriation  
15 for classroom instructional supplies to \$1,000 per teacher  
16 unit; (b) a minimum of \$25 million annually to help local  
17 public school systems hire, train and equip resource officers  
18 to place in the local schools; and (c) the remainder to  
19 provide scholarships to citizens of Alabama who are A/B Honor  
20 Roll students, as established by the Legislature, to attend  
21 universities, colleges, and junior, technical, or community  
22 colleges located in Alabama.

23 "(f) Agreements with other Jurisdictions.

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

1           "(g) Limitation on activities.

2           "The Alabama Lottery may authorize, conduct, employ,  
3 include, or utilize only those games of chance approved by the  
4 Alabama Lottery Corporation which may include, without  
5 limitation, the sale of lottery tickets; provided, however,  
6 that the Alabama Lottery is prohibited from operating, using,  
7 or employing, or authorizing the operation, use, or employment  
8 of, directly or indirectly, a casino or casinos and is further  
9 prohibited from authorizing, conducting, employing, including,  
10 or utilizing, directly or indirectly, any form of casino  
11 gambling.

12           "(h) Implementation.

13           "The Legislature may enforce and implement this  
14 section by appropriate general law. Any act or acts that are  
15 enacted by the Alabama Legislature during the same session of  
16 the Legislature at which this amendment is proposed and which  
17 are in implementation and furtherance of the purposes of this  
18 amendment and the authority granted by this amendment, and all  
19 actions heretofore taken pursuant to such act or acts, are  
20 hereby validated, ratified, and confirmed as effective as of  
21 the date on which such act or acts were so enacted in  
22 accordance with the Constitution of Alabama of 1901, as  
23 amended, and as of the respective dates on which such actions  
24 were taken.

25           "(i) Nothing in this amendment affects, prohibits,  
26 or limits any activity which was legal at the time this  
27 amendment becomes effective including, without limitation,

1 pari-mutuel betting and nonprofit bingo as provided for by  
2 specific laws.

3 "(j) The terms and provisions of this amendment and  
4 of any enabling legislation enacted by the Alabama Legislature  
5 with respect to this amendment shall supersede and take  
6 precedence over any other provision of law which may conflict  
7 or be inconsistent with this amendment or such legislation,  
8 and this amendment and such enabling legislation shall operate  
9 and be construed without regard to such conflict or  
10 inconsistency."

11 Section 2. An election upon the above proposed  
12 amendment shall be held, in accordance with the provisions of  
13 Sections 284 and 285 of the Constitution of Alabama of 1901,  
14 now appearing as Sections 284 and 285 of the Official  
15 Recompilation of the Constitution of Alabama of 1901, as  
16 amended, and the general election laws of Alabama. Notice of  
17 the election and of the proposed amendment shall be given by  
18 proclamation of the Governor, which proclamation shall be  
19 published once a week for four successive weeks next preceding  
20 the day appointed for the election in a newspaper in each  
21 county of the state.

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 the Education Trust Fund for classroom instructional  
5           supplies, and resource officers and scholarships; to create an  
6           Alabama Lottery Corporation to regulate and administer the  
7           lottery; to prohibit the operation of casinos; to require the  
8           proceeds to be used to increase funding for education and not  
9           to take the place of existing education revenues; and to allow  
10          the Legislature to implement the Alabama Lottery through  
11          appropriate general law."

12                   This description shall be followed by the following  
13          language:

14                   "Yes ( ) No ( )."