

The Senate Committee on Regulated Industries and Utilities offered the following substitute to SR 135:

A RESOLUTION

1 Proposing an amendment to the Constitution of the State of Georgia, so as to provide for
2 sports betting in this state; to provide for related matters; to provide for the submission of this
3 amendment for ratification or rejection; and for other purposes.

4 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA:

5 SECTION 1.

6 Article I, Section II of the Constitution is amended by revising Paragraph VIII as follows:

7 "Paragraph VIII. ***Lotteries, and nonprofit bingo games, and sports betting.*** (a) Except
8 as herein specifically provided in this Paragraph ~~VIII~~, all lotteries, and the sale of lottery
9 tickets, and all forms of pari-mutuel betting and casino gambling are hereby prohibited; and
10 this prohibition shall be enforced by penal laws.

11 (b) The General Assembly may by law provide that the operation of a nonprofit bingo
12 game shall not be a lottery and shall be legal in this state. The General Assembly may by
13 law define a nonprofit bingo game and provide for the regulation of nonprofit bingo games.

14 (c) The General Assembly may by law provide for the operation and regulation of a
15 lottery or lotteries, including, but not limited to sports betting, by or on behalf of the state
16 and for any matters relating to the purposes or provisions of this subparagraph. Such
17 lottery or lotteries, including, but not limited to sports betting, shall be implemented and

18 regulated by the Georgia Lottery Corporation or any successor entity created by the
19 General Assembly consistent with the enabling legislation for the Georgia Lottery
20 Corporation or any such successor entity. Except as provided in subparagraph (e) of this
21 Paragraph for sports betting lotteries, proceeds Proceeds derived from the lottery or
22 lotteries operated by or on behalf of the state shall be used to pay the operating expenses
23 of the lottery or lotteries, including all prizes, without any appropriation required by law,
24 and for educational programs and purposes as hereinafter provided. Lottery proceeds shall
25 not be subject to Article VII, Section III, Paragraph II; Article III, Section IX, Paragraph
26 VI(a); or Article III, Section IX, Paragraph IV(c), except that the net proceeds after
27 payment of such operating expenses shall be subject to Article VII, Section III, Paragraph
28 II. Except as provided in subparagraph (e) of this Paragraph for sports betting lotteries, net
29 ~~Net~~ proceeds after payment of such operating expenses shall be separately accounted for
30 and shall be specifically identified by the Governor in his or her annual budget presented
31 to the General Assembly as a separate budget category entitled 'Lottery Proceeds,' and the
32 Governor shall make specific recommendations as to educational programs and educational
33 purposes to which said net proceeds shall be appropriated. In the General Appropriations
34 Act adopted by the General Assembly, the General Assembly shall appropriate all net
35 proceeds of the lottery or lotteries, except as provided in subparagraph (e) of this Paragraph
36 for sports betting lotteries, by such separate budget category to educational programs and
37 educational purposes. Such net proceeds shall be used to support improvements and
38 enhancements for educational programs and purposes and such net proceeds shall be used
39 to supplement, not supplant, ~~non-lottery~~ nonlottery educational resources for educational
40 programs and purposes. The educational programs and educational purposes for which
41 proceeds may be so appropriated shall include only the following:

42 (1) Tuition grants, scholarships, or loans to citizens of this state to enable such citizens
43 to attend colleges and universities located within this state, regardless of whether such
44 colleges or universities are operated by the board of regents, or to attend institutions

45 operated under the authority of the ~~Department of Technical and Adult Education~~
46 Technical College System of Georgia;

47 (2) Voluntary pre-kindergarten;

48 (3) One or more educational shortfall reserves in a total amount of not less than 10
49 percent of the net proceeds of the lottery for the preceding fiscal year;

50 (4) Costs of providing to teachers at accredited public institutions who teach levels
51 K-12, personnel at public postsecondary technical institutes under the authority of the
52 ~~Department of Technical and Adult Education~~ Technical College System of Georgia, and
53 professors and instructors within the University System of Georgia the necessary training
54 in the use and application of computers and advanced electronic instructional technology
55 to implement interactive learning environments in the classroom and to access the
56 state-wide distance learning network; and

57 (5) Capital outlay projects for educational facilities;

58 provided, however, that no funds shall be appropriated for the items listed in ~~paragraphs~~
59 ~~(4) and (5) of this subsection~~ subparagraphs (c)(4) and (c)(5) of this Paragraph until all
60 persons eligible for and applying for assistance as provided in ~~paragraph (1) of this~~
61 ~~subsection~~ subparagraph (c)(1) of this Paragraph have received such assistance, all
62 approved pre-kindergarten programs provided for in ~~paragraph (2) of this subsection~~
63 subparagraph (c)(2) of this Paragraph have been fully funded, and the education shortfall
64 reserve or reserves provided for in ~~paragraph (3) of this subsection~~ subparagraph (c)(3) of
65 this Paragraph have been fully funded.

66 (d) In addition to the sports betting lotteries provided for in subparagraph (c) of this
67 Paragraph, the General Assembly may by law provide for the operation and regulation of
68 sports betting activities by or on behalf of the state. For the purpose of regulation and
69 taxation of such sports betting activities, the General Assembly shall create a gaming
70 commission and shall provide such commission with such powers and duties as necessary
71 to provide appropriate regulation of such sports betting activities provided for under this

72 subparagraph and to tax such activities. The proceeds derived from the taxation of the
73 sports betting activities provided for in this subparagraph shall be used as provided for in
74 subparagraph (e)(1) of this Paragraph and all other proceeds derived from the regulation
75 of such activities shall be used to pay the operating expenses of the gaming commission.
76 Such proceeds derived from the regulation and taxation of sports betting activities shall be
77 separately accounted for and shall be specifically identified by the Governor in his or her
78 annual budget presented to the General Assembly as a separate budget category entitled
79 'Sports Betting Proceeds.'

80 (e)(1) Proceeds derived from the taxation of the sports betting lotteries in paragraph (c)
81 of this Paragraph and the sports betting activities provided for in subparagraph (d) of this
82 Paragraph shall be appropriated by the General Assembly, as provided by law, for the
83 following purposes:

84 (A) Need based scholarships, grants, or loans to citizens of this state to enable such
85 citizens to attend units of the University System of Georgia, branches of the Technical
86 College System of Georgia, or eligible private colleges and universities as may be
87 provided by general law;

88 (B) Rural health care services and health care insurance coverage as may be provided
89 by general law; and

90 (C) The deployment of broadband services and other communications technologies
91 throughout the state at adequate speeds with priority given to rural areas with the least
92 amount of broadband coverage and the lowest speeds as may be provided by general
93 law. Such deployment may be through funding awards, grants, loans, or any other
94 means as may be provided by general law and may be made through public-private
95 partnerships, directly to service providers, or other methods as may be provided by
96 general law, which shall not be subject to Article III, Section VI, Paragraph VI, relating
97 to gratuities.

98 (2) The General Assembly is authorized to create and appropriate moneys to the
 99 Healthcare Equality Fund, the Broadband and Communications Technologies Fund, and
 100 the Education Opportunity Fund from which funds shall be disbursed for those purposes
 101 respectively set forth in subparagraphs (A) through (C) of subparagraph (e)(1) of this
 102 Paragraph. The moneys paid into such funds shall not be subject to the provisions of
 103 Article III, Section IX, Paragraph IV(c), relating to the lapsing of funds; Article III,
 104 Section IX, Paragraph VI(a), relating to allocation of proceeds; or Article VII, Section III,
 105 Paragraph II(a), relating to payment into the general fund of the state treasury.
 106 ~~(d)~~(f) On and after January 1, 1995, the holding of raffles by nonprofit organizations
 107 shall be lawful and shall not be prohibited by any law enacted prior to January 1, 1994.
 108 Laws enacted on or after January 1, 1994, however, may restrict, regulate, or prohibit the
 109 operation of such raffles."

110

SECTION 2.

111 The above proposed amendment to the Constitution shall be published and submitted as
 112 provided in Article X, Section I, Paragraph II of the Constitution. The ballot submitting the
 113 above proposed amendment shall have written or printed thereon the following:

114 "() YES Shall the Constitution of Georgia be amended so as to authorize sports betting
 115 () NO in this state and to provide for such proceeds to be used for need based
 116 educational funding, rural health care services, and deployment of broadband
 117 to unserved areas?"

118 All persons desiring to vote in favor of ratifying the proposed amendment shall vote "Yes."
 119 All persons desiring to vote against ratifying the proposed amendment shall vote "No." If
 120 such amendment shall be ratified as provided in said Paragraph of the Constitution, it shall
 121 become a part of the Constitution of this state.