

1 HB6  
2 178825-1  
3 By Representative Ford (Constitutional Amendment)  
4 RFD: Economic Development and Tourism  
5 First Read: 15-AUG-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 the lottery.

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

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

23  
24 A BILL  
25 TO BE ENTITLED  
26 AN ACT  
27

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

11                 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

20   PROPOSED AMENDMENT

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

23                         "Section 65.

24                         "PART I.

25                         "The Except as provided in Part II of this  
26                         amendment, the Legislature shall have no power to authorize  
27                         lotteries or gift enterprises for any purposes, and shall pass

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

7 "PART II.

8 "(a) Establishment of an Alabama Lottery.

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

12 "(b) Lottery Trust Fund.

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

23 "(c) Alabama Lottery Corporation.

24 "The administration of the Alabama Lottery shall be  
25 vested in a corporation hereby created and designated the  
26 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 for up to two  
6 years to citizens of Alabama to attend two- and four-year  
7 public 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 ( )."