

1 SB3
2 179052-4
3 By Senators McClendon and Dial (Constitutional Amendment)
4 RFD: Tourism and Marketing
5 First Read: 15-AUG-16

2
3
4 ENGROSSED

5
6
7 A BILL
8 TO BE ENTITLED
9 AN ACT

10
11 "Proposing an amendment to Section 65 of the
12 Constitution of Alabama of 1901 to authorize an Alabama
13 Lottery; to provide for the allocation of the lottery proceeds
14 to the Medicaid and the State General Fund and the Education
15 Trust Fund; to establish an Alabama State Lottery Commission;
16 and to require the Legislature to implement the constitutional
17 amendment through passage of implementing legislation."

18 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

25 PROPOSED AMENDMENT

26 Section 65.

27 "PART I.

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

10 "PART II.

11 "(a) Authorization of an Alabama State Lottery.

12 "Notwithstanding Part I of this Section and the
13 existing and continued constitutional prohibitions on
14 lotteries and gift enterprises, there is authorized the
15 establishment of an Alabama Lottery restricted in its
16 operations to those activities authorized by this amendment.

17 "(b) (1) Lottery Proceeds. The proceeds from the
18 Alabama Lottery shall be applied first to the payment of the
19 expenses of administering and operating the Alabama Lottery by
20 the Alabama State Lottery Commission and the payment of all
21 prizes, without any further appropriation required by law, and
22 the balance of the proceeds shall be used as follows with the
23 remainder as provided in this amendment:

24 "The first one hundred million dollars
25 (\$100,000,000) in proceeds generated annually shall be
26 distributed to Medicaid.

1 "(2) The allocation of proceeds from the Alabama
2 Lottery provided in this subsection shall be supplemental and
3 shall not be used to supplant other Education Trust Fund
4 Appropriations and other funding sources.

5 "(2) Expenses and other costs associated with the
6 advertisement and promotion of the Alabama Lottery may not be
7 paid from proceeds from the lottery.

8 "(c) Establishment of an Alabama State Lottery
9 Commission.

10 "(1) There is further established an Alabama State
11 Lottery Commission, which shall function to administer and
12 regulate the Alabama Lottery. The Lottery Commission shall be
13 comprised of seven members. The members of the commission
14 shall be appointed as follows:

15 "(1) Three members by the Governor.

16 "(2) One member by the Speaker of the House of
17 Representatives.

18 "(3) One member by the President Pro Tempore of the
19 Senate.

20 "(4) One member by the Commissioner of Agriculture
21 and Industries.

22 "(5) One member by the Lieutenant Governor.

23 "All members shall be appointed with the advice and
24 consent of the Senate. The appointing authorities shall
25 coordinate their appointments to assure the commission
26 membership is inclusive and reflects the racial, gender,
27 geographic, urban, rural, and economic diversity of the state.

1 "Members of the commission shall be residents of the
2 State of Alabama, United States citizens, and prominent
3 persons in their businesses or profession. Members may not
4 have been convicted of a felony, and may not be the executive
5 director of or another employee of the commission, an officer
6 of or occupy an official position in any political party, or
7 an elected official.

8 "Members shall serve a term of four years and may
9 serve two complete terms and any portion of an initial term of
10 less than four years or any portion of an unexpired term to
11 which appointed. Any vacancy occurring on the commission shall
12 be filled for the unexpired term by the appointing authority
13 as described in this section or as otherwise provided by act
14 of the Legislature. The initial term of office upon the
15 effective date of this amendment shall be two years for the
16 member appointed by the Commissioner of Agriculture and
17 Industries, three years for the members appointed by the
18 Speaker of the House of Representatives, four years for the
19 member appointed by the President Pro Tempore of the Senate,
20 three years for the member appointed by the Lieutenant
21 Governor, and four years for the member appointed by the
22 Governor. Each member of the commission shall serve for the
23 duration of his or her term and until his or her successor is
24 duly appointed and confirmed by the Senate.

25 "The commission and its members and employees shall
26 be subject to the Ethics Law, Section 36-25-1, et seq., Code
27 of Alabama 1975; the Open Records Act, Section 36-12-40, Code

1 of Alabama 1975; the Open Meetings Act, Section 36-25A-1 et
2 seq., Code of Alabama 1975; and the Administrative Procedure
3 Act, Section 41-22-1, et seq., Code of Alabama 1975.

4 comprised of seven members. The members of the
5 commission shall be appointed as follows:

6 "(1) Three members by the Governor.

7 "(2) One member by the Speaker of the House of
8 Representatives.

9 "(3) One member by the President Pro Tempore of the
10 Senate.

11 "(4) One member by the Commissioner of Agriculture
12 and Industries.

13 "(5) One member by the Lieutenant Governor.

14 "All members shall be appointed with the advice and
15 consent of the Senate. The appointing authorities shall
16 coordinate their appointments to assure the commission
17 membership is inclusive and reflects the racial, gender,
18 geographic, urban, rural, and economic diversity of the state.

19 "Members of the commission shall be residents of the
20 State of Alabama and United States citizens. Members may not
21 have been convicted of a felony, and may not be the executive
22 director of or another employee of the commission, an officer
23 of or occupy an official position in any political party, or
24 an elected official.

25 "Members shall serve a term of four years and may
26 serve two complete terms and any portion of an initial term of
27 less than four years or any portion of an unexpired term to

1 which appointed. Any vacancy occurring on the commission shall
2 be filled for the unexpired term by the appointing authority
3 as described in this section or as otherwise provided by act
4 of the Legislature. The initial term of office upon the
5 effective date of this amendment shall be two years for the
6 member appointed by the Commissioner of Agriculture and
7 Industries, three years for the member appointed by the
8 Speaker of the House of Representatives, four years for the
9 member appointed by the President Pro Tempore of the Senate,
10 three years for the member appointed by the Lieutenant
11 Governor, and four years for the members appointed by the
12 Governor. Each member of the commission shall serve for the
13 duration of his or her term and until his or her successor is
14 duly appointed and confirmed by the Senate.

15 The commission and its members and employees shall
16 be subject to the Ethics Law, Section 36-25-1, et seq., Code
17 of Alabama 1975; the Open Records Act, Section 36-12-40, Code
18 of Alabama 1975; the Open Meetings Act, Section 36-25A-1 et
19 seq., Code of Alabama 1975; and the Administrative Procedure
20 Act, Section 41-22-1, et seq., Code of Alabama 1975.

21 "(2) An individual or entity contracting with the
22 commission to provide services, technology, or equipment
23 related to the operation of the Alabama Lottery may not employ
24 a statewide elected official or legislator, or an immediate
25 family member of an elected official or legislator, or
26 contribute to a candidate for a statewide office or the
27 Legislature.

1 "(d) Duty of the Legislature to Enact Implementing
2 Legislation.

3 "In accordance with the authorization of this Part
4 II, the Legislature shall enforce and implement this amendment
5 by passage of implementing legislation to provide for the
6 administration, operation and regulation of the Alabama
7 Lottery and for the duties and authorities of the Lottery
8 Commission.

9 "(e) Authorization of Activities.

10 "The Alabama Lottery shall include only the sale of
11 lottery tickets. The Lottery Commission may enter into
12 reciprocal agreements with other jurisdictions for the
13 operation and promotion of the activities authorized by this
14 amendment.

15 "The commission may not hire or otherwise contract
16 with registered lobbyists or governmental affairs staff or
17 consultants.

18 "(f) Effect of Amendment.

19 "Nothing in this amendment shall affect, prohibit,
20 or limit any activity which is authorized by law at the time
21 this amendment is ratified as provided for by specific law or
22 laws. Further, nothing in this amendment shall authorize any
23 other activity beyond the Alabama Lottery provided by this
24 amendment."

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

1 and 285 of the Official Recompilation of the Constitution of
2 Alabama of 1901, as amended, and the election laws of this
3 state.

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

9 "Proposing an amendment to Section 65 of the
10 Constitution of Alabama of 1901, to authorize an Alabama State
11 Lottery; to dedicate the proceeds from the lottery, after
12 operation expenses and payment of prizes, to the Medicaid and
13 the State General Fund and to the Education Trust Fund; to
14 create and establish an Alabama Lottery Commission to
15 administer and regulate the operation of such lottery; and to
16 require the Legislature to implement this constitutional
17 amendment through passage of implementing legislation and
18 general laws."

19 "Proposed by Act _____."

20 This description shall be followed by the following
21 language:

22 "Yes () No ()."

1
2
3
4
5
6
7
8
9
10

11
12
13
14

Senate

Read for the first time and referred to the Senate committee on Tourism and Marketing.....	15-AUG-16
Read for the second time and placed on the calen- dar.....	16-AUG-16
Read for the third time and passed as amended	19-AUG-16

Patrick Harris
Secretary