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3 HOUSE ECONOMIC DEVELOPMENT & TOURISM SUBSTITUTE FOR SB220
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8 SYNOPSIS: Under existing law, lotteries and gift
9 enterprises are prohibited by Section 65 of the
10 Constitution of Alabama of 1901.

11 This bill proposes an amendment to Section
12 65 of the Constitution of Alabama of 1901 to
13 establish an Alabama Lottery; to provide for the
14 sale of lottery tickets, including instant tickets
15 and multi-state lottery games; to provide for the
16 distribution of lottery proceeds; and to require
17 the Legislature to pass general laws to implement
18 the amendment.
19

20 A BILL
21 TO BE ENTITLED
22 AN ACT
23

24 Proposing an amendment to Section 65 of the
25 Constitution of Alabama of 1901, to establish an Alabama
26 Lottery; to provide for the sale of lottery tickets including
27 instant tickets and multi-state lottery games; to provide for

1 the distribution of lottery proceeds; and to require the
2 Legislature to pass general laws to implement the amendment.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. The following amendment to the
5 Constitution of Alabama of 1901, as amended, is proposed and
6 shall become valid as a part thereof when approved by a
7 majority of the qualified electors voting thereon and in
8 accordance with Sections 284, 285, and 287 of the Constitution
9 of Alabama of 1901, as amended:

10 PROPOSED AMENDMENT

11 "Section 65.

12 "Part I.

13 "Except as provided in Part II, the ~~The~~ legislature
14 shall have no power to authorize lotteries or gift enterprises
15 for any purposes, and shall pass laws to prohibit the sale in
16 this state of lottery or gift enterprise tickets, or tickets
17 in any scheme in the nature of a lottery; and, except as
18 provided in Part II, all acts, or parts of acts heretofore
19 passed by the legislature of this state, authorizing a lottery
20 or lotteries, and all acts amendatory thereof, or supplemental
21 thereto, are hereby avoided.

22 "Part II.

23 "Section 1. Declarations. The Legislature finds that
24 lotteries have been enacted in many states and the revenues
25 generated from those lotteries have contributed to the benefit
26 of those states. Many Alabamians already participate in other
27 state lotteries. Therefore, the purpose of the proposed

1 amendment is to establish and provide for a lottery to
2 generate revenue for the state.

3 "Section 2. Establishment of an Alabama Lottery.

4 "(a) The Legislature, by general law, shall provide
5 for the establishment, administration, operation, and
6 regulation of an Alabama Lottery consistent with this part.

7 "(b) Each fiscal year, the proceeds from the Alabama
8 Lottery shall be applied first to the payment of the expenses
9 of administering and operating the Alabama Lottery, including,
10 without limitation, the payment of all prizes, without any
11 further appropriation required by law, and the balance of the
12 proceeds remaining after the payments shall be distributed as
13 follows:

14 "(1) Seventy-five percent to the General Fund.

15 "(2) Twenty-five percent to the Education Trust
16 Fund.

17 "(c) The lottery games authorized by this part shall
18 be limited to the sale of paper tickets for instant lottery
19 games and paper or electronic tickets for non-instant lottery
20 games for which numbers are drawn to determine a winner. This
21 authorization includes reciprocal agreements with other states
22 and jurisdictions outside of Alabama for the operation and
23 promotion of lottery activities. Specifically excluded from
24 this authorization is any form of video lottery or the use of
25 video lottery terminal or any mobile, Internet-based,
26 monitor-based interactive game, or any simulated casino-style

1 game, including slot machines, video poker, roulette,
2 blackjack, or any variant of prohibited games.

3 "(d) "Instant ticket lottery games" means a lottery
4 game in which a player manipulates a paper ticket to determine
5 if the player has won.

6 "(e) "Video lottery" or "video lottery terminal"
7 excluded by this part means any electronic interactive game,
8 machine, or device equipped with a video screen and buttons,
9 keys, a keyboard, touchscreen, or other input method allowing
10 input by an individual player and into which the player
11 inserts coins, tokens, currency, or other representation of
12 value including, but not limited to, an electronic card,
13 ticket, or other thing on which value is electronically
14 recorded as consideration in order for play of a game, for the
15 possibility of receiving free games, credits redeemable for
16 cash or noncash prize, or some other thing of value, whether
17 received directly from the device or otherwise, determined by
18 chance.

19 "(f) The Legislature shall enact legislation
20 regulating the control, management, and operation of the
21 lottery, including the ability to participate in reciprocal
22 agreements with other states and jurisdictions outside of
23 Alabama for the operation and promotion of lottery activities.

24 "(g) Nothing in this part affects, prohibits, or
25 limits any of the following:

26 "(1) Activity which was legal at the time this part
27 becomes effective.

1 "(2) Activity that was occurring pursuant to a
2 constitutional amendment, general law, or local law prior to
3 January 1, 2005, including, without limitation, charity bingo
4 or pari-mutuel wagering on horse or dog racing, whether live
5 or simulcast.

6 "(3) Activity authorized pursuant to Amendment 386
7 of the Constitution of Alabama of 1901, as amended by
8 Amendment 600 to the Constitution of Alabama of 1901, or any
9 provision of Chapter 65 of Title 11 of the Code of Alabama
10 1975."

11 Section 2. An election upon the proposed amendment
12 shall be held in accordance with Sections 284 and 285 of the
13 Constitution of Alabama of 1901, now appearing as Sections 284
14 and 285 of the Official Recompilation of the Constitution of
15 Alabama of 1901, as amended, and the election laws of this
16 state on March 3, 2020.

17 Section 3. The appropriate election official shall
18 assign a ballot number for the proposed constitutional
19 amendment on the election ballot and shall set forth the
20 following description of the substance or subject matter of
21 the proposed constitutional amendment:

22 "Proposing an amendment to the Constitution of
23 Alabama of 1901, to establish an Alabama Lottery; to provide
24 for the sale of lottery tickets, including instant tickets and
25 multi-state lottery games; to provide for the distribution of
26 lottery proceeds; and to require the Legislature to pass
27 general laws to implement the amendment.

1 "Proposed by Act _____."

2 This description shall be followed by the following

3 language:

4 "Yes () No ()."