

ADOPTED

Senators Cowser of the 46th and Millar of the 40th offered the following amendment:

1 *Amend the Senate Committee on Higher Education substitute to HB 713 (LC 21 5992S) by*
 2 *deleting lines 1 and 2 and inserting in lieu thereof the following:*

3 To amend Titles 20 and 50 of the Official Code of Georgia Annotated, relating to education
 4 and state government, respectively, so as to provide for certain grants and other funds for
 5 education; to provide for grants for certain

6 *By inserting after "program;" on line 7 the following:*

7 to establish the percentage of the lottery proceeds for each fiscal year which must equal the
 8 net proceeds to be transferred to the state treasury for credit to the Lottery for Education
 9 Account; to provide for exceptions; to provide for verification of certain information by the
 10 Department of Audits and Accounts;

11 *By deleting lines 11 and 12 and inserting in lieu thereof the following:*

12 Title 20 of the Official Code of Georgia Annotated, relating to education, is amended in
 13 Article 7 of Chapter 3, relating to scholarships, loans, and grants, by adding a new subpart
 14 to read as follows:

15 *By replacing "article" with "title" on lines 92 and 102 and by inserting between lines 110 and*
 16 *111 the following:*

17 **SECTION 3A.**

18 Title 50 of the Official Code of Georgia Annotated, relating to state government, is amended
 19 in Code Section 50-27-13, relating to disposition of lottery proceeds, budget report by
 20 Governor, appropriations by General Assembly, and shortfall reserve subaccount, by revising
 21 subsection (a) as follows:

22 "(a)(1) All lottery proceeds shall be the property of the corporation.

23 (2) From its lottery proceeds the corporation shall pay the operating expenses of the
 24 corporation. As nearly as practical, at least 45 percent of the amount of money from the
 25 actual sale of lottery tickets or shares shall be made available as prize money; provided,
 26 however, that this paragraph shall be deemed not to create any lien, entitlement, cause of
 27 action, or other private right, and any rights of holders of tickets or shares shall be
 28 determined by the corporation in setting the terms of its lottery or lotteries.

29 (3)(A) For fiscal year 2018, net proceeds shall equal at least 26.5 percent of the lottery
 30 proceeds. For fiscal year 2019, net proceeds shall equal at least 27.5 percent of the

31 lottery proceeds. Beginning with fiscal year 2020 and ~~As nearly as practical,~~ for each
32 fiscal year thereafter, net proceeds shall equal at least ~~35~~ 28.5 percent of the lottery
33 proceeds. ~~However, for the first two full fiscal years and any partial first fiscal year of~~
34 ~~the corporation, net proceeds need only equal 30 percent of the proceeds as nearly as~~
35 ~~practical.~~

36 (B) If for fiscal year 2018 the net sales revenue of tickets is 5 percent less than the net
37 sales revenue of tickets for fiscal year 2017 as verified by the Department of Audits and
38 Accounts as provided in subparagraph (C) of this paragraph, then the increase of the net
39 proceeds to at least 27.5 percent of the lottery proceeds for fiscal year 2019, as provided
40 in subparagraph (A) of this paragraph, shall not be required and instead the net proceeds
41 shall remain equal to at least 26.5 percent of the lottery proceeds for each fiscal year
42 thereafter. If for fiscal year 2019 the net sales revenue of tickets is 5 percent less than
43 the net sales revenue of tickets for fiscal year 2018 as verified by the Department of
44 Audits and Accounts as provided in subparagraph (C) of this paragraph, then the
45 increase of the net proceeds to at least 28.5 percent of the lottery proceeds for fiscal
46 year 2020, as provided in subparagraph (A) of this paragraph, shall not be required and
47 instead the net proceeds shall remain equal to at least 27.5 percent of the lottery
48 proceeds for each fiscal year thereafter. For purposes of this subparagraph, the term
49 'net sales revenue' means the total amount of revenue derived from ticket sales minus
50 the value of any tickets that are provided as prizes.

51 (C) The contingencies provided in subparagraph (B) of this paragraph shall not be
52 applicable unless and until the Department of Audits and Accounts or a third party
53 designated by the Department of Audits and Accounts shall verify that there has been
54 a decrease in the net sales revenue of tickets of at least 5 percent and that such decrease
55 was caused by the increased percentage of net proceeds the corporation was required
56 to transfer to the general fund of the state treasury as provided for in subparagraph (A)
57 of this paragraph."