

## Senate Resolution 579

By: Senators Cowser of the 46th, Beach of the 21st, Butler of the 55th, Summers of the 13th, Albers of the 56th and others

## A RESOLUTION

1 Proposing an amendment to the Constitution of the State of Georgia so as to authorize the  
 2 Georgia General Assembly to provide by general law for sports betting in this state; to  
 3 provide for the regulation and allocation of revenues of such activities; to provide for related  
 4 matters; to provide for the submission of this amendment for ratification or rejection; and for  
 5 other purposes.

6 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA:

## 7 SECTION 1.

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

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

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

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

44 educational programs and purposes and such net proceeds shall be used to supplement, not  
45 supplant, ~~non-lottery~~ other educational resources for educational programs and purposes.  
46 The educational programs and educational purposes for which proceeds may be so  
47 appropriated shall include only the following:

48 (1) Tuition grants, scholarships, or loans to citizens of this state to enable such citizens  
49 to attend colleges and universities located within this state, regardless of whether such  
50 colleges or universities are operated by the board of regents, or to attend institutions  
51 operated under the authority of the ~~Department of Technical and Adult Education~~  
52 Technical College System of Georgia;

53 (2) Voluntary pre-kindergarten;

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

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

63 (5) Capital outlay projects for educational facilities;

64 provided, however, that no funds shall be appropriated for the items listed in ~~paragraphs (4)~~  
65 ~~and (5) of this subsection~~ subparagraphs (c)(4) and (c)(5) of this Paragraph until all persons  
66 eligible for and applying for assistance as provided in ~~paragraph (1) of this subsection~~  
67 subparagraph (c)(1) of this Paragraph have received such assistance, all approved  
68 pre-kindergarten programs provided for in ~~paragraph (2) of this subsection~~  
69 subparagraph (c)(2) of this Paragraph have been fully funded, and the education shortfall

70 reserve or reserves provided for in ~~paragraph (3) of this subsection~~ subparagraph (c)(3) of  
71 this Paragraph have been fully funded.

72 (d) The General Assembly may by law provide for the operation and regulation of sports  
73 betting activities. For the purpose of regulation and taxation of such sports betting  
74 activities, the General Assembly shall create a gaming commission and shall provide such  
75 commission with such powers and duties as necessary to provide appropriate regulation of  
76 such sports betting activities provided for under this subparagraph and to tax such  
77 activities. The proceeds derived from the taxation of the sports betting activities provided  
78 for in this subparagraph shall be used as provided for in subparagraph (e) of this Paragraph.  
79 Notwithstanding the provisions of Article VII, Section III, Paragraph II(a), all other  
80 proceeds derived from the regulation of such activities shall, without any appropriation  
81 required by law, be used to pay the operating expenses and, as may be provided by law, to  
82 fund any operating reserves of the gaming commission, except that the net proceeds after  
83 payment of such operating expenses and the funding of such operating reserves shall be  
84 paid into the general fund of the state treasury. Such proceeds derived from the taxation of  
85 sports betting activities and all other proceeds derived from the regulation of such activities  
86 that are required to be paid into the general fund of the state treasury shall be separately  
87 accounted for and shall be specifically identified by the Governor in his or her annual  
88 budget presented to the General Assembly as a separate budget category entitled 'Sports  
89 Betting Proceeds.'

90 (e)(1) Proceeds derived from the taxation of the sports betting activities provided for  
91 in subparagraph (d) of this Paragraph shall not be subject to the provisions of Article III,  
92 Section IX, Paragraph VI, relating to the allocation of proceeds, or Article VII, Section  
93 III, Paragraph II(a), relating to payment into the general fund of the state treasury, and  
94 shall be distributed and dedicated as follows:

95 (A) Eighty percent shall be deposited into the Educational Opportunity Fund from  
96 which funds shall be disbursed:

97 (i) For the purposes set forth in subparagraph (c)(2) of this Paragraph relating to  
98 voluntary pre-kindergarten; and

99 (ii) For the purposes set forth in subparagraph (c)(1) of this Paragraph relating to  
100 tuition grants, scholarships, or loans for attendance at colleges and universities located  
101 within this state; provided, however, that no funds shall be appropriated for such  
102 purposes until all approved voluntary pre-kindergarten programs provided for in  
103 subparagraph (c)(2) of this Paragraph have been fully funded;

104 (B) Fifteen percent shall be deposited into the Responsible Gaming Fund from which  
105 funds shall be disbursed for public health and educational programs and services that  
106 seek to prevent individuals from experiencing, and provide assistance to individuals  
107 who experience, addiction or other problems relating to betting or gambling; and

108 (C) Five percent shall be deposited into the Sports Promotion Fund from which funds  
109 shall be disbursed for the advancement of sports in the state, including, but not limited  
110 to, the costs and expenses associated with soliciting, promoting, honoring through  
111 sports halls of fame, sponsoring, and hosting regional, national, and international  
112 sporting events within this state.

113 (2) The General Assembly is authorized to create and appropriate moneys to the  
114 Educational Opportunity Fund, the Responsible Gaming Fund, and the Sports Promotion  
115 Fund from which funds shall be disbursed for those purposes respectively set forth in  
116 subparagraphs (e)(1)(A) through (e)(1)(C) of this Paragraph. The moneys paid into such  
117 funds shall not be subject to the provisions of Article III, Section IX, Paragraph IV(c),  
118 relating to the lapsing of funds.

119 (f) The Georgia Lottery Corporation shall be authorized to participate in any sports  
120 betting activities provided for by the General Assembly pursuant to subparagraph (d) of  
121 this Paragraph; provided, however, that all net proceeds received by the Georgia Lottery  
122 Corporation from its participation in such sports betting activities shall be used in  
123 accordance with the provisions of subparagraph (c) of this Paragraph. Any proceeds

124 derived from any tax imposed upon the Georgia Lottery Corporation's participation in such  
125 sports betting activities that are received by the gaming commission provided for in  
126 subparagraph (d) of this Paragraph shall be used in accordance with the provisions of  
127 subparagraph (e)(1) of this Paragraph.

128 ~~(d)~~(g) On and after January 1, 1995, the holding of raffles by nonprofit organizations  
129 shall be lawful and shall not be prohibited by any law enacted prior to January 1, 1994.  
130 Laws enacted on or after January 1, 1994, however, may restrict, regulate, or prohibit the  
131 operation of such raffles."

132

## SECTION 2.

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

136 "( ) YES Shall the Constitution of Georgia be amended so as to authorize the General  
137 ( ) NO Assembly to provide by law for sports betting in this state and to provide for  
138 such proceeds to be used for educational funding for pre-kindergarten and  
139 HOPE scholarships, services for gambling addiction, and the advancement  
140 and promotion of sports in this state?"

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