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COMMITTEE REPORT

April 15, 2010

**H. 4245**

Introduced by Reps. Merrill, Daning, Long, Wylie and Hutto

S. Printed 4/15/10--H.

Read the first time January 12, 2010.

**THE COMMITTEE ON WAYS AND MEANS**

To whom was referred a Joint Resolution (H. 4245) proposing an amendment to Section 7, Article XVII of the Constitution of South Carolina, 1895, relating to the prohibition on lotteries and the exceptions to this prohibition, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

DANIEL T. COOPER for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

$0 (No additional expenditures or savings are expected)

**EXPLANATION OF IMPACT:**

State Elections Commission

The commission reports that while there would be a cost to place the referendum on the ballot, funding received for statewide elections should be sufficient to cover the cost.

*Approved By:*

Harry Bell

Office of State Budget

**A** **JOINT RESOLUTION**

PROPOSING AN AMENDMENT TO SECTION 7, ARTICLE XVII OF THE CONSTITUTION OF SOUTH CAROLINA, 1895, RELATING TO THE PROHIBITION ON LOTTERIES AND THE EXCEPTIONS TO THIS PROHIBITION, SO AS TO PROVIDE THAT THE GENERAL ASSEMBLY MAY ALLOW RAFFLES TO BE CONDUCTED BY CHARITABLE OR NONPROFIT ORGANIZATIONS AND BY GENERAL LAW MUST DEFINE THE TYPE OF ORGANIZATION ALLOWED TO CONDUCT RAFFLES, PROVIDE THE STANDARDS FOR THE CONDUCT AND MANAGEMENT OF THE RAFFLES, PROVIDE PENALTIES FOR VIOLATIONS, AND PROVIDE FOR ANY OTHER LAW NECESSARY TO ASSURE THE PROPER FUNCTIONING, HONESTY, INTEGRITY, AND CHARITABLE PURPOSES FOR WHICH THE RAFFLES ARE CONDUCTED.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. It is proposed that Section 7, Article XVII of the Constitution of this State be amended to read as follows:

“Section 7. Only the State may conduct lotteries, and these lotteries must be conducted in the manner that the General Assembly provides by law. The revenue derived from the lotteries must first be used to pay all operating expenses and prizes for the lotteries. The remaining lottery revenues must be credited to a separate fund in the state treasury styled the ‘Education Lottery Account’, and the earnings on this account must be credited to it. Education Lottery Account proceeds may be used only for education purposes as the General Assembly provides by law.

The game of bingo, when conducted by charitable, religious, or fraternal organizations exempt from federal income taxation or when conducted at recognized annual state and county fairs, is not considered a lottery prohibited by this section.

The General Assembly shall provide by general law for a charitable or nonprofit organization to conduct raffles. The law must define the type of charitable or nonprofit organization authorized to conduct the raffles, provide standards for the management and conduct of the raffles, provide penalties for violations, and provide for any other law necessary to assure the proper functioning, honesty, integrity, and charitable purposes for which the raffles are conducted.”

SECTION 2. The proposed amendment must be submitted to the qualified electors at the next general election for representatives. Ballots must be provided at the various voting precincts with the following words printed or written on the ballot:

“Must Section 7, Article XVII of the Constitution of this State be amended so as to provide that the General Assembly shall by general law authorize a charitable or nonprofit organization to conduct raffles and must define the types of organizations that shall be authorized to conduct raffles, provide standards for the management and conduct of raffles, provide penalties for violations, and provide for any other general law necessary to assure the proper functioning, honesty, integrity, and charitable purposes for which the raffles are conducted?

Yes 

No 

Those voting in favor of the question shall deposit a ballot with a check or cross mark in the square after the word ‘Yes’, and those voting against the question shall deposit a ballot with a check or cross mark in the square after the word ‘No’.”

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