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Indicates New Matter

COMMITTEE REPORT

January 19, 2011

**S. 256**

Introduced by Senators Cleary, McConnell, Hutto and Rose

S. Printed 1/19/11--S. [SEC 1/20/11 2:25 PM]

Read the first time January 11, 2011.

**THE COMMITTEE ON JUDICIARY**

To whom was referred a Joint Resolution (S. 256) 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:

RAYMOND E. CLEARY III 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:**

The State Election Commission indicates that the cost for the amendment would be covered with funds appropriated for the statewide election; therefore there would be no additional impact on the General Fund of the State.

*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 AUTHORIZE RAFFLES TO BE OPERATED AND CONDUCTED BY RELIGIOUS, CHARITABLE, OR NONPROFIT ORGANIZATIONS FOR RELIGIOUS, CHARITABLE, OR ELEEMOSYNARY PURPOSES, AND BY GENERAL LAW MUST DEFINE THE TYPE OF ORGANIZATION AUTHORIZED TO CONDUCT RAFFLES, PROVIDE THE STANDARDS FOR THEIR CONDUCT AND MANAGEMENT, 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 religious, charitable, educational, and nonprofit organizations to operate and conduct raffles. The law must define the type of religious, charitable, educational, or nonprofit organization authorized to operate and conduct the raffles, provide standards for their operation and conduct, require proceeds to be used for religious, charitable, educational, or other eleemosynary purposes, provide penalties for violations, and provide for other laws necessary to assure the proper functioning, honesty, and integrity of the raffles. Raffles operated according to the laws prescribed in this paragraph are not lotteries prohibited by this section.”

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 religious, charitable, educational, and nonprofit organizations to operate and conduct raffles, define the types of organizations that shall be authorized to conduct raffles, provide standards for the management and conduct of raffles, require proceeds from the raffles to be used for religious, charitable, educational, or eleemosynary purposes, provide penalties for violations, and provide for any other general law necessary to assure the proper functioning, honesty, and integrity of the raffles, and provide that a raffle operated pursuant to these laws shall not be a lottery prohibited by this section?

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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