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Indicates New Matter

COMMITTEE REPORT

February 13, 2013

**S. 239**

Introduced by Senators Cleary, Davis, L. Martin, Campbell and Cromer

S. Printed 2/13/13--S.

Read the first time January 16, 2013.

**THE COMMITTEE ON JUDICIARY**

To whom was referred a Joint Resolution (S. 239) 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:

LUKE A. RANKIN for Committee.

**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 ENSURE 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.

A raffle, if provided for by general law and conducted by a nonprofit organization for charitable, religious, fraternal, educational or other eleemosynary purposes is not a lottery prohibited by this section. The general law must define the type of nonprofit organization authorized to operate and conduct a raffle, provide standards for the operation and conduct of raffles, provide for the use of proceeds for religious, charitable, fraternal, educational, or other eleemosynary purposes, provide penalties for violations, and provide for other laws necessary to ensure the proper functioning, honesty, and integrity of the raffles. If no general law on the conduct and operation of a nonprofit raffle for charitable purposes, including the type of organization allowed to conduct raffles, is enacted, then the raffle is a lottery 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 a raffle is not a lottery prohibited by this section, if the raffle is conducted by a nonprofit organization for charitable, religious, fraternal, educational, or other eleemosynary purposes, and the general law defines the type of organization authorized to operate and conduct the raffles, provides standards for the operation and conduct of the raffles, provides for the use of proceeds for charitable, religious, fraternal, educational, or other eleemosynary purposes, provides penalties for violations, and provides for other laws necessary to ensure the proper functioning, honesty, and integrity of the raffles, but in the absence of any general law, then the raffle remains a prohibited lottery?

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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