

1 AN ACT proposing an amendment to Section 226 of the Constitution of Kentucky
2 relating to casino gaming.

3 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

4 ➔Section 1. Are you in favor of allowing the General Assembly to permit casino
5 gaming and, if it does so, to provide for the oversight and control of casino gaming
6 through an administrative body funded by license fees and taxes on casino gaming, with
7 all remaining net proceeds from license fees and taxes on casino gaming through the
8 fiscal year 2039 being allocated to the pension funds of Kentucky Employees Retirement
9 System, Kentucky Teachers' Retirement System, County Employees Retirement System,
10 and State Police Retirement System, and all net proceeds each year thereafter being
11 allocated as determined by the General Assembly, by amending the Constitution of
12 Kentucky to read as stated below?

13 ➔Section 2. It is proposed that Section 226 of the Constitution of Kentucky be
14 amended to read as follows:

15 (1) The General Assembly may establish a Kentucky state lottery and may establish
16 a state lottery to be conducted in cooperation with other states. Any lottery so established
17 shall be operated by or on behalf of the Commonwealth of Kentucky.

18 (2) The General Assembly may by general law permit charitable lotteries and
19 charitable gift enterprises and, if it does so, it shall:

20 (a) Define what constitutes a charity or charitable organization;

21 (b) Define the types of charitable lotteries and charitable gift enterprises which may
22 be engaged in;

23 (c) Set standards for the conduct of charitable lotteries and charitable gift
24 enterprises by charitable organizations;

25 (d) Provide for means of accounting for the amount of money raised by lotteries
26 and gift enterprises and for assuring its expenditure only for charitable purposes;

27 (e) Provide suitable penalties for violation of statutes relating to charitable lotteries

1 and charitable gift enterprises; and

2 (f) Pass whatever other general laws the General Assembly deems necessary to
3 assure the proper functioning, honesty, and integrity of charitable lotteries and charitable
4 gift enterprises, and the charitable purposes for which the funds are expended.

5 (3) *The General Assembly may by general law permit casino gaming and, if it*
6 *does so it:*

7 (a) *Shall define what constitutes casino gaming;*

8 (b) *Shall define the types of casino gaming which may be engaged in;*

9 (c) *Shall set standards for the conduct of casino gaming;*

10 (d) *Shall provide for means of accounting of the amount of money raised by*
11 *casino gaming and for assuring its expenditure only for prescribed purposes;*

12 (e) *Shall provide for the oversight and control of casino gaming by an*
13 *administrative body funded by license fees and taxes levied on casino gaming;*

14 (f) *Shall provide suitable penalties for violation of statutes relating to casino*
15 *gaming;*

16 (g) *Shall pass whatever other general laws the General Assembly deems*
17 *necessary to assure the proper functioning, honesty, and integrity of casino gaming;*

18 (h) *Shall, prior to the fiscal year beginning July 1, 2040, allocate one hundred*
19 *percent of the proceeds generated from licensing fees and taxation of casino gaming in*
20 *excess of the amount required for oversight and control of casino gaming to the*
21 *pension funds of the Kentucky Employees Retirement System, Kentucky Teachers'*
22 *Retirement System, County Employees Retirement System, and State Police Retirement*
23 *System, or their successors; and*

24 (i) *May, in the fiscal year beginning July 1, 2040, and thereafter, allocate all*
25 *proceeds generated from licensing fees and taxation of casino gaming in excess of the*
26 *amount required for oversight and control of casino gaming as it deems best serves the*
27 *Commonwealth.*

1 (4) Except as provided in this section, lotteries and gift enterprises are forbidden,
2 and no privileges shall be granted for such purposes, and none shall be exercised, and no
3 schemes for similar purposes shall be allowed. The General Assembly shall enforce this
4 section by proper penalties. All lottery privileges or charters heretofore granted are
5 revoked.

6 ➔Section 3. This amendment shall be submitted to the voters of the
7 Commonwealth for their ratification or rejection at the time and in the manner provided
8 for under Sections 256 and 257 of the Constitution and under Sections 4 and 5 of this
9 Act.

10 ➔Section 4. Notwithstanding any language in KRS 118.415 to the contrary, the
11 Secretary of State shall cause the entirety of the proposed amendment to the Constitution
12 of Kentucky contained in Sections 1 to 2 of this Act to be published at least one (1) time
13 in a newspaper of general circulation published in this state, and shall also cause to be
14 published at the same time and in the same manner the fact that the amendment will be
15 submitted to the voters for their acceptance or rejection at the next regular election at
16 which members of the General Assembly are to be voted for. The publication required by
17 this section and KRS 118.415 shall be made no later than the first Tuesday in August
18 preceding the election at which the amendment is to be voted on.

19 ➔Section 5. Notwithstanding any language in KRS 118.415 to the contrary, the
20 Secretary of State, not later than the second Monday after the second Tuesday in August
21 preceding the next regular election at which members of the General Assembly are to be
22 chosen in a year in which there is not an election for President and Vice President of the
23 United States, or not later than the Thursday after the first Tuesday in September
24 preceding a regular election in a year in which there is an election for President and Vice
25 President of the United States, shall certify the entirety of the proposed amendment to the
26 Constitution of Kentucky contained in Sections 1 to 3 of this Act to the county clerk of
27 each county, and the county clerk shall have the entirety of the amendment, as so

- 1 certified, indicated on the ballots provided to the voters in paper or electronic form as
- 2 applicable to the voting machines in use in each county or precinct.