

1 AN ACT proposing an amendment to Section 226 of the Constitution of Kentucky  
2 relating to 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 define, permit,  
5 oversee, and regulate all forms of otherwise-permissible gaming, if the proceeds are  
6 allocated to the public pension system for a twenty-year period, by amending Section 226  
7 of the Constitution of Kentucky to read as stated below?

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

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

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

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

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

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

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

22 (e) Provide suitable penalties for violation of statutes relating to charitable lotteries  
23 and charitable gift enterprises; and

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

27 **(3) *The General Assembly may by general law define, permit, oversee, and***

1 regulate all forms of otherwise-permissible gaming and, if it does so, it shall:

2 (a) Provide for the oversight and control of gaming by an administrative body  
 3 funded by license fees and taxes levied on gaming; and

4 (b) Prior to the fiscal year beginning July 2040, allocate one hundred percent  
 5 (100%) of the proceeds generated from licensing fees and taxation of gaming in excess  
 6 of the amount required by paragraph (a) of this subsection to the Kentucky Employees  
 7 Retirement System nonhazardous pension fund, the Kentucky Employees Retirement  
 8 System hazardous pension fund, and the Kentucky Teachers' Retirement System  
 9 pension fund in amounts the General Assembly determines best meet the needs of the  
 10 respective funds at that time.

11 ~~(4)~~~~(3)~~ Except as provided in this section, lotteries and gift enterprises are  
 12 forbidden, and no privileges shall be granted for such purposes, and none shall be  
 13 exercised, and no schemes for similar purposes shall be allowed. The General Assembly  
 14 shall enforce this section by proper penalties. All lottery privileges or charters heretofore  
 15 granted are revoked.

16 ➔Section 3. This amendment shall be submitted to the voters of the  
 17 Commonwealth for their ratification or rejection at the time and in the manner provided  
 18 for under Sections 256 and 257 of the Constitution, KRS 118.415, and Sections 4 and 5  
 19 of this Act.

20 ➔Section 4. Notwithstanding any language in KRS 118.415 to the contrary, the  
 21 Secretary of State shall cause the entirety of the question in Section 1 of this Act and the  
 22 entirety of the proposed amendment to the Constitution of Kentucky contained in Section  
 23 2 of this Act to be published at least one time in a newspaper of general circulation  
 24 published in this state, and shall also cause to be published at the same time and in the  
 25 same manner the fact that the amendment will be submitted to the voters for their  
 26 acceptance or rejection at the next regular election at which members of the General  
 27 Assembly are to be voted for. The publication required by this section and KRS 118.415

1 shall be made no later than the first Tuesday in August preceding the election at which the  
2 amendment is to be voted on.

3       ➔Section 5. Notwithstanding any language in KRS 118.415 to the contrary, the  
4 Secretary of State, not later than the second Monday after the second Tuesday in August  
5 preceding the next regular election at which members of the General Assembly are to be  
6 chosen in a year in which there is not an election for President and Vice President of the  
7 United States, or not later than the Thursday after the first Tuesday in September  
8 preceding a regular election in a year in which there is an election for President and Vice  
9 President of the United States, shall certify the entirety of the question in Section 1 of this  
10 Act and the entirety of the proposed amendment to the Constitution of Kentucky  
11 contained in Section 2 of this Act to the county clerk of each county, and the county clerk  
12 shall have the entirety of the question and the amendment, as so certified, indicated on the  
13 ballots provided to the voters in paper or electronic form as applicable to the voting  
14 machines in use in each county or precinct.