RECALLED

February 25, 2015

**H. 3519**

Introduced by Rep. Merrill

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Read the first time February 12, 2015.

**A** **BILL**

TO RATIFY 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, TO PROVIDE THE STANDARDS FOR THEIR CONDUCT AND MANAGEMENT, TO PROVIDE PENALTIES FOR VIOLATIONS, AND TO 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. The amendment to Article XVII of the Constitution of South Carolina, 1895, prepared under the terms of Joint Resolution 102 of 2013, having been submitted to the qualified electors at the General Election of 2014 as prescribed in Section 1, Article XVI of the Constitution of South Carolina, 1895, and a favorable vote having been received on the amendment, is ratified and declared to be a part of the Constitution so that Section 7 of Article XVII is amended to read:

“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 be used first 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 educational 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 a general law on the conduct and operation of a nonprofit raffle for charitable purposes, including the type of organization allowed to conduct raffles, is not enacted, then the raffle is a lottery prohibited by this section.”

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