ASSEMBLY JOINT RESOLUTION NO. 11–ASSEMBLYMEN McCLAIN, PRICE, BUCKLEY, GIUNCHIGLIANI, PARNELL, ANDERSON, ARBERRY, BACHE, BERMAN, CEGAVSKE, CHOWNING, CLABORN, COLLINS, DE BRAGA, FREEMAN, GIBBONS, GOLDWATER, KOIVISTO, LEE, LESLIE, MANENDO, MARVEL, MORTENSON, NEIGHBORS, NOLAN, OCEGUERA, PARKS, PERKINS, SMITH, TIFFANY, VON TOBEL AND WILLIAMS

## MARCH 22, 2001

## Referred to Committee on Constitutional Amendments

SUMMARY—Proposes to amend Nevada Constitution to allow legislature to authorize state to operate lottery for support of public education of children and for support of health and welfare of senior citizens. (BDR C-1200)

FISCAL NOTE: Effect on Local Government: No.

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Effect on the State: No.

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EXPLANATION – Matter in **bolded italics** is new; matter between brackets <del>[omitted material]</del> is material to be omitted.

ASSEMBLY JOINT RESOLUTION—Proposing to amend the Constitution of the State of Nevada to allow the legislature to authorize this state to operate a lottery for the support of the public education of children and for the support of the health and welfare of senior citizens.

WHEREAS, A society is judged by the manner in which it treats its most vulnerable citizens; and

WHEREAS, The children of the State of Nevada are the future of this state and the public education of those children is vitally important to the future success of this state; and

WHEREAS, The system of public education extending from kindergarten through grade 12 is often not funded sufficiently; and

WHEREAS, The senior citizens of this state deserve continuing support into their golden years because of the service and sacrifice that they have extended on behalf of this state; and

WHEREAS, The cost of providing adequate health care to senior citizens has been escalating rapidly in recent years and, as a result, many senior citizens do not have access to adequate resources of health care; and

WHEREAS, Proceeds from a lottery may not be sufficiently reliable or stable to rely upon such proceeds to pay for programs that benefit children and senior citizens; and



WHEREAS, The legislature will determine how best to apply proceeds from a lottery to benefit children and senior citizens by accounting for such proceeds separately and by using such proceeds to supplement and enhance existing, permanently-funded programs; now, therefore, be it

RESOLVED BY THE ASSEMBLY AND SENATE OF THE STATE OF NEVADA, JOINTLY, That section 24 of article 4 of the Constitution of the State of Nevada be amended to read as follows:

[Sec:] Sec. 24. 1. [Except as otherwise provided in subsection 2, no lottery may be authorized by this State, nor may lottery tickets be sold.] The legislature may authorize a lottery to be operated by the State of Nevada. If the legislature authorizes such a lottery, the legislature shall, by law:

- (a) Determine the appropriate manner of operation for the lottery.
- (b) Account separately for the proceeds of the lottery for expenditure in the same manner as other noncontinuing sources of revenue.
- (c) Provide by appropriation for the disbursement of the proceeds of the lottery, less expenses directly related to the operation of the lottery, only for programs and services that enhance:
  - (1) The public education of children within this state.
  - (2) The health and welfare of senior citizens within this state.
- (d) Ensure that the proceeds from the lottery, other than expenses directly related to the operation of the lottery, may only be used to supplement and not supplant money that the state would otherwise have expended for the programs and services described in paragraph (c).
- 2. The [State and the] political subdivisions [thereof] of this state shall not operate a lottery. Except as otherwise provided in subsection 3, the legislature shall not authorize the operation of any private lottery.
- 3. The legislature may authorize persons engaged in charitable activities or activities not for profit to operate a lottery in the form of a raffle or drawing on their own behalf. All proceeds of the lottery, less expenses directly related to the operation of the lottery, must be used only to benefit charitable or nonprofit activities in this state. A charitable or nonprofit organization shall not employ or otherwise engage any person to organize or operate its lottery for compensation. The legislature may provide by law for the regulation of such lotteries.



