



October 22, 2018

Mr. Roger Tellinghuisen  
PO Box 1820  
Rapid City, SD 57709

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OCT 23 2018

S.D. SEC. OF STATE

Dear Mr. Tellinghuisen:

Pursuant to SDCL 12-13-25, this office is required to review each initiated amendment to the Constitution. Further, this office is required by SDCL 12-13-24 and 12-13-25 to determine if each initiated amendment is written in clear and coherent manner in the style and form of other legislation, is worded so that the effect of the initiated amendment is not misleading or likely to cause confusion among voters, does not create unnecessary conflict with existing law, and may effectively be administered. You are under no obligation to accept any of the suggestions contained in this letter, but please keep in mind the legal standards established in SDCL 12-13-24 and 12-13-25.

The language of Article III, § 25 contains several examples of outdated, ungrammatical, and imprecise terminology. Most of the changes contained in this revised draft are style-and-form changes we recommend to this section of the Constitution. Regarding the changes you submitted, we recommend "wagering on sporting events" instead of "sports bets" to be more precise.

Attached is a copy of your proposed constitutional amendment with our suggested changes in blue and your original proposed changes in red. If you have any questions regarding our suggested changes, please feel free to contact me.

It has been determined during this review that this proposed initiated amendment to the Constitution may have an impact on revenues, expenditures, or fiscal liability of the state and its agencies and political subdivisions. Please provide the Legislative Research Council a copy of the amendment as submitted in final form to the Attorney General, so we can develop any required fiscal note.

This letter constitutes neither an endorsement of your initiated constitutional amendment nor a guarantee of its sufficiency. It does constitute fulfillment of your responsibility pursuant to SDCL 12-13-25 to submit your draft to this office for review and comment. If you proceed with your initiated amendment, please take care to ensure that your statements or advertising do not imply that this office endorses or approves your proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "Jason Hancock". The signature is fluid and cursive, written over the word "Sincerely," and the printed name "Jason Hancock".

Jason Hancock  
Director

JH:DO:ct  
Enclosure

CC: The Honorable Shantel Krebs, Secretary of State  
The Honorable Marty Jackley, Attorney General

Submitted changes are in red. LRC recommended changes are in blue.

Section. 1. That Article III, section 25 of the Constitution of the State of South Dakota

be amended to read as follows:

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§ 25. ~~Games of chance prohibited—Exceptions.~~ The Legislature ~~shall~~may not authorize any game of chance, lottery, or gift enterprise, under any pretense, or for any other purpose ~~whatever provided, however, it shall be lawful for the~~ except as provided under this section. The Legislature ~~to~~may authorize by law, bona fide veterans, charitable, educational, religious or fraternal organizations, civic and service clubs, volunteer fire departments, or ~~such~~ other ~~public spirited~~public-spirited organizations as it may recognize, to conduct games of chance when the entire net proceeds of ~~such the~~ games of chance are to be devoted to educational, charitable, patriotic, religious, or other ~~public spirited~~public-spirited uses. ~~However, it shall be lawful for the~~ The Legislature ~~to~~may authorize by law a state lottery or video games of chance, or both, ~~which are to be~~ regulated ~~by the State of South Dakota,~~ either separately by the state or jointly with one or more states, and ~~which are to be~~ owned and operated ~~by the State of South Dakota,~~ either separately by the state or jointly with one or more states or persons, ~~provided any such video.~~ Video games of chance ~~shall~~may not directly dispense coins or tokens. ~~However, the~~ The

Legislature ~~shall~~ may not expand the statutory authority existing as of June 1, 1994, regarding any private ownership of state lottery games or video games of chance, or both. The Legislature shall establish the portion of proceeds due the state from ~~such~~ authorized lottery or video games of chance, or both, and the purposes for which those proceeds are to be used. ~~SDCL 42-7A, and its amendments, regulations, and related laws, and all acts and contracts relying for authority upon such laws and regulations, beginning July 1, 1987, to the effective date of this amendment, are ratified and approved. Further, it shall be lawful for the~~ The Legislature ~~to~~ may authorize by law, roulette, keno, craps, ~~sports bets~~ wagering on sporting events, limited card games, and slot machines within the city limits of Deadwood. The entire net Municipal proceeds, adjusted annually for inflation, of ~~such~~ authorized roulette, keno, craps, ~~sports bets~~ wagering on sporting events, card games, and slot machines shall be devoted to the Historic Restoration and Preservation of Deadwood.

§ 25. Games of chance prohibited--Exceptions. The Legislature shall not authorize any game of chance, lottery, or gift enterprise, under any pretense, or for any purpose whatever provided, however, it shall be lawful for the Legislature to authorize by law, bona fide veterans, charitable, educational, religious or fraternal organizations, civic and service clubs, volunteer fire departments, or such other public spirited organizations as it may recognize, to conduct games of chance when the entire net proceeds of such games of chance are to be devoted to educational, charitable, patriotic, religious, or other public spirited uses. However, it shall be lawful for the Legislature to authorize by law a state lottery or video games of chance, or both, which are regulated by the State of South Dakota, either separately by the state or jointly with one or more states, and which are owned and operated by the State of South Dakota, either separately by the state or jointly with one or more states or persons, provided any such video games of chance shall not directly dispense coins or tokens. However, the Legislature shall not expand the statutory authority existing as of June 1, 1994, regarding any private ownership of state lottery games or video games of chance, or both. The Legislature shall establish the portion of proceeds due the state from such lottery or video games of chance, or both, and the purposes for which those proceeds are to be used. SDCL 42-7A, and its amendments, regulations, and related laws, and all acts and contracts relying for authority upon such laws and regulations, beginning July 1, 1987, to the effective date of this amendment, are ratified and approved. Further, it shall be lawful for the Legislature to authorize by law, roulette, keno, craps, sports bets, limited card games and slot machines within the city limits of Deadwood. The entire net Municipal proceeds, adjusted annually for inflation, of such roulette, keno, craps, sports bets, card games and slot machines shall be devoted to the Historic Restoration and Preservation of Deadwood.