

FILED MAR 13 1979

SENATE FILE 444
BY HANSEN

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the authorization of an instant lottery game
2 to fund student scholarships and providing an effective date.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

SE 444
STATE GOVERNMENT

1 Section 1. NEW SECTION. 99E.9A INSTANT LOTTERY GAME FOR
2 STUDENT SCHOLARSHIPS.

3 1. a. For the fiscal year beginning July 1, 2001, and
4 ending June 30, 2002, and for each of the four succeeding
5 fiscal years, the lottery commissioner shall develop and
6 conduct a new instant lottery game annually to provide moneys
7 for postsecondary educational scholarships for children born
8 in this state during each of the years 2002 through 2006,
9 respectively. Each annual instant lottery game shall be
10 conducted during the entire fiscal year and the proceeds shall
11 be used to fund scholarships for children born in this state
12 during the calendar year commencing on the succeeding January
13 1. The moneys received from the sale of tickets for each
14 instant lottery game shall be deposited in a special account
15 in the lottery fund. Notwithstanding section 99E.10, after
16 payment of the prizes and the deduction of moneys authorized
17 pursuant to section 99E.10, subsection 1, paragraphs "a" and
18 "c", the remaining moneys shall be transferred to a separate
19 account in the Iowa children postsecondary scholarship trust
20 created in subsection 2. The proceeds of the account
21 including all interest and other moneys accruing from
22 investments shall be used to fund scholarships to public
23 postsecondary colleges and universities in this state
24 commencing eighteen years after the eligible children's birth
25 year.

26 b. Within six months after the completion of the fifth
27 annual instant lottery game, the director shall submit a
28 report on the results of the instant lottery games to the
29 general assembly pursuant to section 7A.11A.

30 c. As used in this section, the term "children born in
31 this state" also includes newborn children adopted by Iowa
32 residents.

33 2. An Iowa children postsecondary scholarship trust is
34 created. The treasurer of state is the trustee and shall be
35 responsible for the administration and investment of all

1 moneys credited to the trust. In carrying out the duties of
2 trustee and administrator of the trust, the treasurer of state
3 may exercise any of the powers authorized in section 12D.2 as
4 those powers are applicable to the investment of moneys in the
5 trust. The proceeds of each account in the Iowa children
6 postsecondary scholarship trust shall be used exclusively to
7 fund scholarships as authorized by the general assembly for
8 eligible Iowans.

9 3. Not later than January 1, 2007, the college student aid
10 commission, created pursuant to section 261.1, shall prepare
11 and submit to the general assembly recommendations for an Iowa
12 children postsecondary scholarship program for the eligible
13 students. The recommendations shall include, but are not
14 limited to, consideration of the various types of scholarships
15 which may be offered based on projections of the number of
16 children potentially eligible and the amount of moneys
17 available to fund the scholarships each year, academic
18 standards for eligibility, and the workforce needs of this
19 state.

20 Sec. 2. EFFECTIVE DATE. This Act, being deemed of
21 immediate importance, takes effect upon enactment.

22 EXPLANATION

23 This bill directs the lottery commissioner to develop and
24 conduct an instant lottery game each fiscal year for five
25 fiscal years to fund postsecondary educational scholarships
26 for children born in Iowa during 2002 or each of the
27 succeeding four years. The proceeds from each separate
28 instant lottery game shall be credited to a separate account
29 in an Iowa children postsecondary scholarship trust fund which
30 is created in the state treasury. Each account shall be
31 credited with all of the proceeds from the sale of the instant
32 lottery tickets for each fiscal year less the amount paid for
33 prizes, the amounts deducted for the gambling treatment fund,
34 and the expense of conducting the instant lottery game.

35 The treasurer of state shall serve as trustee to the

1 scholarship trust fund and shall be responsible for the
2 administration and investment of all moneys. The treasurer of
3 state may exercise any of the powers authorized for the
4 investment of moneys in the Iowa educational savings trust.

5 Not later than January 1, 2007, the college student aid
6 commission is directed to prepare and submit to the general
7 assembly recommendations for the Iowa children postsecondary
8 scholarship program including, but not limited to,
9 consideration of the types of scholarships which may be
10 offered based on projections of the number of eligible
11 students and the amount of moneys available, and the workforce
12 needs in this state.

13 After completion of the five annual instant lottery games,
14 the lottery commissioner is to submit a report to the general
15 assembly on the results of the games.

16 This bill takes effect upon enactment.

17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35