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HAND DELIVERED

November 21, 2018

Filed this 21st day of
November 2018

SECRETARY OF STATE

Hon. Shantel Krebs
Secretary of State
500 E. Capitol
Pierre, SD 57501

Re: **Attorney General's Statement for initiated constitutional amendment
(allowing sports wagering)**

Dear Secretary Krebs,

Enclosed is a copy of an initiated constitutional amendment, in final form, that this Office received pursuant to SDCL 12-13-25.1. In accordance with that statute, I hereby submit the Attorney General's Statement with respect to this initiated amendment. By copy of this letter, I am providing a copy of the Attorney General's Statement to the sponsor of the amendment.

Very truly yours,

MARTY J. JACKLEY
Attorney General

MJJ/PA/lde

Enc.

cc/enc.: Roger Tellinghuisen
Jason Hancock, Director of LRC

CONSTITUTIONAL AMENDMENT
ATTORNEY GENERAL'S STATEMENT

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Title: An initiated amendment to the South Dakota Constitution authorizing the Legislature to allow sports wagering in Deadwood.

Explanation:

The constitution currently authorizes the Legislature to allow certain types of gaming in the City of Deadwood: roulette, keno, craps, limited card games, and slot machines. This proposed constitutional amendment authorizes the Legislature to also include wagering on sporting events as a type of gaming allowed in Deadwood.

The constitution requires the net municipal proceeds of Deadwood gaming to be devoted to Deadwood historic restoration and preservation. Under this proposed amendment, those proceeds would be adjusted annually for inflation.

Under federal law, any gaming authorized by the Legislature to be offered in Deadwood would also be allowed at on-reservation tribal casinos.

§ 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, 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 roulette, keno, craps, wagering on sporting events, card games and slot machines shall be devoted to the Historic Restoration and Preservation of Deadwood.

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