

QUESTION 1: CONSTITUTIONAL AMENDMENT

Education – Commercial Gaming Revenues

Chapter 357 of 2018 (Senate Bill 1122)

Summary

This proposed constitutional amendment would require that the Governor, beginning in fiscal year 2020, provide in the annual budget submission supplemental State funding for public education through the use of commercial gaming revenues. The supplemental funding must be in addition to the State funding provided through the Bridge to Excellence in Public Schools Act of 2002. The supplemental funding included in the submission must total at least \$125 million in fiscal year 2020, \$250 million in fiscal year 2021, and \$375 million in fiscal year 2022. In all subsequent fiscal years, 100% of the gaming revenues dedicated to public education must be included as supplemental funding.

The Bridge to Excellence in Public Schools Act established funding formulas for direct State aid to public schools. The Education Trust Fund is a special fund that is separate from the State's General Fund and currently used for the continued funding of the Bridge to Excellence in Public Schools Act formulas and programs. The General Fund consists of revenues collected by the State that are not dedicated by law to any specific purpose; a special fund consists of revenues, the use of which are statutorily limited as to purpose. A portion of the proceeds from video lottery terminals and table games is dedicated to the Education Trust Fund. Currently, all proceeds credited to the Education Trust Fund are budgeted for the Bridge to Excellence in Public Schools Act formulas and programs. Designating the use of a portion or all of the money credited to the Education Trust Fund for supplemental funding will require General Fund expenditures for the Bridge to Excellence in Public Schools Act formulas and programs to increase by an equal amount.

The proposed amendment requires the Governor to identify in the annual State budget submission how the supplemental revenue is being used to supplement and not supplant spending on public schools. The proposed amendment also requires that the supplemental funding be used to:

- ensure access to public education that allows children in the State to compete in the global economy of the future;
- provide funding for high-quality early childhood education programs;
- provide opportunities for public school students to participate in career and technical education programs that lead to an identified job skill or certificate;
- allow students to obtain, at no cost to the student, college credit and degrees while in high school;

- support advancement and professionalization of educators in public schools; and
- maintain, renovate, or construct public schools.

Finally, the proposed amendment repeals the constitutional provision specifying that capital projects at community colleges and public senior higher education institutions are among the primary purposes for which revenue from video lottery terminal facilities is raised.