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A BILL  
TO BE ENTITLED  
AN ACT

Relating to lotteries and gift enterprises; to propose an amendment to the Constitution of Alabama of 2022, to repeal and reenact Section 65 of the Constitution of Alabama of 2022, and to add Sections 65.01 through 65.08 to the Constitution of Alabama of 2022, to establish an official State Education Lottery; to establish the Alabama Gambling Commission and provide for its membership, powers, and duties; to authorize certain forms of gambling activity to be conducted within the state under the authority of the commission; to provide for the distribution of lottery and gambling revenues through independent supplemental appropriations; to provide a tax on certain gambling activities; to provide for the establishment of a law enforcement division within the Alabama Gambling Commission to police, investigate, and prevent unlawful gambling activities; to require the Governor to negotiate a compact with the Poarch Band of Creek Indians under certain conditions; to prohibit certain local amendments to the Constitution of Alabama of 2022, relating to lotteries, gift enterprises, casino-style games, sports wagering, raffles, or



29 bingo; to provide for the authority of the Legislature to  
30 grant jurisdiction to a court to hear matters concerning the  
31 Alabama Gambling Commission; to further provide for tax  
32 revenues and oversight of certain local bingo operations; and  
33 to repeal the following local provisions to the Constitution  
34 of Alabama of 2022, relating to bingo, effective September 30,  
35 2026: Section 8-7.00, relating to Calhoun County; Section  
36 20-7.00, relating to Covington County; Section 28-7.00,  
37 relating to Etowah County; Section 32-7.00, relating to Greene  
38 County; Section 35-7.00, relating to Houston County; Section  
39 37-7.00, relating to Jefferson County; Section 42-7.00,  
40 relating to Limestone County; Sections 43A-2.00 and 43A-2.01,  
41 relating to the Town of White Hall in Lowndes County; Section  
42 44-7.00, relating to Macon County; Section 45-7.00, relating  
43 to Madison County; Section 49-7.00, relating to Mobile County;  
44 Section 51-7.00, relating to Montgomery County; Section  
45 52-7.00, relating to Morgan County; Section 57-7.00, relating  
46 to Russell County; Section 59-7.00, relating to St. Clair  
47 County; Section 64-7.00, relating to Walker County; and  
48 Section 64A-2.01, relating to the City of Jasper in Walker  
49 County.

50 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

51 Section 1. The following amendment to the Constitution  
52 of Alabama of 2022, is proposed:

53 PROPOSED AMENDMENT

54 Part 1. Section 65 of the Constitution of Alabama of  
55 2022, is repealed and in lieu thereof the following language  
56 shall be adopted as Section 65, Section 65.01, Section 65.02,



57 Section 65.03, Section 65.04, Section 65.05, Section 65.06,  
58 Section 65.07, and Section 65.08 of the Constitution of  
59 Alabama of 2022:

60 Section 65

61 (a) Except as expressly provided in this constitution,  
62 the Legislature shall have no power to authorize any form of  
63 gambling activity for any purpose and shall pass laws to  
64 prohibit and effectively eradicate any unlawful gambling  
65 activity and unlawful gambling-related activity.

66 (b) The Legislature, by general law, may authorize and  
67 provide for the following gambling activities:

68 (1) An official State Education Lottery to be  
69 administered by a lottery corporation under the supervision of  
70 the Alabama Gambling Commission. The lottery may consist of  
71 draw-based or instant win lottery games and may use only  
72 tickets made of cardboard, paper, plastic, or some  
73 functionally similar material unless otherwise required to  
74 participate in a multi-jurisdiction lottery.

75 (2) In-person electronic games of chance which, when  
76 operated, may deliver or otherwise entitle a person to  
77 receive, as the result of the application of an element of  
78 chance, money or property. The commission may issue no more  
79 than seven licenses to conduct such games, which shall be  
80 limited to the following locations as further provided by  
81 general law: (i) At each of the racetracks in Greene,  
82 Jefferson, Macon, and Mobile Counties which are in existence  
83 on October 1, 2023, or property contiguous to them; (ii) at  
84 one additional location in Greene County which is a bingo hall



85 that is 40,000 or more square feet in size and in existence on  
86 October 1, 2023; (iii) at one location in Houston County which  
87 is a bingo hall in existence on October 1, 2023; and (iv) at  
88 one location in Lowndes County which is a bingo hall in  
89 existence on October 1, 2023. Except for the owner of the  
90 racetrack in Jefferson County, if an owner of an authorized  
91 location is determined to be unsuitable, as defined by general  
92 law, to conduct in-person electronic games of chance, the  
93 license shall be awarded in the applicable jurisdiction to a  
94 suitable applicant pursuant to an application process  
95 established by the commission.

96 (3) Traditional raffles only if permitted by the  
97 commission and conducted for noncommercial or charitable  
98 purposes as provided by general law.

99 (4) Traditional bingo, using only cardboard, paper,  
100 plastic, or some functionally similar material, only if  
101 permitted by the commission and conducted for noncommercial or  
102 charitable purposes as provided by general law.

103 (c) This section and Sections 65.01 through 65.08 of  
104 the constitution shall be further implemented by act of the  
105 Legislature enacted during the 2024 Regular Session. It is the  
106 intent of the Legislature that any such legislative act be  
107 read in pari materia with these constitutional provisions.

108 Section 65.01

109 (a) There is created within the executive branch the  
110 Alabama Gambling Commission to regulate and license lawful  
111 gambling activities and to investigate and prevent unlawful  
112 gambling and gambling-related activities.



113 (b) The Legislature, by general law, shall provide for  
114 the membership, powers, and duties of the commission.

115 (c) The Legislature, by general law, shall establish  
116 within the Alabama Gambling Commission a law enforcement  
117 division to police the conduct of all gambling activities  
118 within the state and to investigate and prevent unlawful  
119 gambling and gambling-related activities in this state.

120 Section 65.02

121 (a) The Legislature, by general law, may provide for  
122 the establishment and regulation of an official State  
123 Education Lottery that shall be operated and regulated on  
124 behalf of the state by a public corporation as an  
125 instrumentality of the state under the supervision of the  
126 Alabama Gambling Commission. The Legislature may provide for  
127 some portion of the proceeds from the lottery to be used to  
128 pay the operating expenses of the lottery, including all  
129 prizes, without any appropriation required by law. The  
130 Legislature shall use funds within the Education Trust Fund to  
131 pay for the initial start-up operating expenses of the state  
132 lottery and the public corporation described in this  
133 subsection; provided, the public corporation shall pay back to  
134 the Education Trust Fund the start-up expenses of the lottery  
135 and the corporation from the first revenues of the lottery.

136 (b) There is established in the State Treasury the  
137 Alabama Education Lottery Trust Fund. Net proceeds generated  
138 from the lottery shall be deposited at least annually into the  
139 fund and shall be separately appropriated by the Legislature  
140 through an annual independent supplemental appropriation bill



141 for education purposes only.

142 Section 65.03

143 (a) There is established in the State Treasury the  
144 Gambling Proceeds Fund. The Alabama Gambling Commission shall  
145 deposit all taxes, license fees, and other sources of revenue  
146 collected by the commission into the fund.

147 (b) Operating expenses of the commission shall be paid  
148 from the fund and budgeted and allotted pursuant to the Budget  
149 Management Act; provided, as part of its reasonable operating  
150 expenses, the commission shall pay back to the State General  
151 Fund the cost of the special election held to ratify this  
152 amendment and the start-up expenses of the commission from the  
153 first revenues of the commission.

154 (c) Net proceeds remaining in the Gambling Proceeds  
155 Fund shall be appropriated through an annual independent  
156 supplemental appropriation bill.

157 Section 65.04

158 (a) The Alabama Gambling Commission shall have the  
159 power to levy and provide for the collection of a state tax,  
160 at a rate between 20 and 28 percent, on the net gambling  
161 revenues on the operation of electronic games of chance, as  
162 defined by general law.

163 (b) The Legislature, by general law, shall provide a  
164 process, terms, and conditions for the Alabama Gambling  
165 Commission to establish the tax rate for each licensee under  
166 this section.

167 (c) The tax shall be collected by the Department of  
168 Revenue and remitted as provided by general law.



169 Section 65.05

170 (a) The Governor shall negotiate and may execute a  
171 Tribal-State gaming compact with the Poarch Band of Creek  
172 Indians, as contemplated under the Indian Gaming Regulatory  
173 Act, 25 U.S.C. § 2701 et seq., which shall authorize any and  
174 all activities allowable under that act, including Class III  
175 games in any form; provided, the Governor may only grant  
176 authority for activity to be conducted in person and on lands  
177 held in trust by the United States for the benefit of the  
178 Poarch Band of Creek Indians prior to February 6, 2024.

179 (b) Following execution of the compact, the Governor  
180 shall file the compact with the Secretary of State and the  
181 commission. The Secretary of State shall forward an executed  
182 copy of the compact to the Secretary of the Interior for  
183 review and approval in accordance with, and to the extent  
184 required by, federal law.

185 (c) The state's immunity to suit in federal court under  
186 the Eleventh Amendment to the United States Constitution is  
187 expressly waived for the sole purpose of resolving disputes  
188 arising under the terms of any compact negotiated pursuant to  
189 this section. The waiver of the state's immunity under this  
190 section is contingent upon an equivalent submission in the  
191 compact by the Poarch Band of Creek Indians to the  
192 jurisdiction of federal court.

193 (d) It is the intent of this section to only regulate  
194 the terms of a Tribal-State gaming compact for activities  
195 conducted on trust lands. Nothing in this section shall be  
196 deemed to prohibit the Poarch Band of Creek Indians, or a



197 wholly owned subsidiary thereof, from conducting any  
198 commercial activity off trust lands as a private commercial  
199 actor, subject to this constitution, general law, and rule of  
200 the Alabama Gambling Commission.

201 (e) Any revenues received by the State of Alabama as a  
202 result of a compact under this section shall be deposited into  
203 the Gambling Proceeds Fund.

204 Section 65.06

205 Beginning on the ratification date of this amendment,  
206 any future amendment to this constitution applicable to less  
207 than the entire state relating to gambling, including  
208 lotteries, gift enterprises, electronic games of chance,  
209 casino-style games, sports wagering, raffles, pari-mutuel  
210 wagering, or bingo, may not take effect and shall be void.

211 Section 65.07

212 Notwithstanding any other provision of this  
213 constitution, the Legislature, by general law, may grant  
214 original jurisdiction to any court in the State of Alabama,  
215 including any appellate court, to hear matters in which the  
216 Alabama Gambling Commission or its members, officers, or  
217 employees are named a party.

218 Section 65.08

219 (a) Effective September 30, 2026, any local provision  
220 of the Constitution of Alabama of 2022, which purports to  
221 authorize or otherwise relates to any form of bingo is hereby  
222 repealed, including, but not limited to: Section 8-7.00,  
223 relating to Calhoun County; Section 20-7.00, relating to  
224 Covington County; Section 28-7.00, relating to Etowah County;





225 Section 32-7.00, relating to Greene County; Section 35-7.00,  
226 relating to Houston County; Section 37-7.00, relating to  
227 Jefferson County; Section 42-7.00, relating to Limestone  
228 County; Sections 43A-2.00 and 43A-2.01, relating to the Town  
229 of White Hall in Lowndes County; Section 44-7.00, relating to  
230 Macon County; Section 45-7.00, relating to Madison County;  
231 Section 49-7.00, relating to Mobile County; Section 51-7.00,  
232 relating to Montgomery County; Section 52-7.00, relating to  
233 Morgan County; Section 57-7.00, relating to Russell County;  
234 Section 59-7.00, relating to St. Clair County; Section  
235 64-7.00, relating to Walker County; and Section 64A-2.01,  
236 relating to the City of Jasper in Walker County.

237 (b) On ratification of this amendment, any gambling tax  
238 revenue generated pursuant to a local provision of the  
239 Constitution of Alabama of 2022, described in subsection (a)  
240 shall be remitted to the Department of Revenue for  
241 distribution pursuant to general law.

242 (c) Immediately upon the establishment of the Alabama  
243 Gambling Commission, any gambling activity conducted pursuant  
244 to a local provision of the Constitution of Alabama of 2022,  
245 shall be under the jurisdiction and oversight of the  
246 commission.

247 Upon ratification of this constitutional amendment, the  
248 Code Commissioner shall number and place this amendment as  
249 appropriate in the constitution omitting this instructional  
250 paragraph and may make the following nonsubstantive revisions:  
251 change capitalization, hierarchy, spelling, and punctuation  
252 for purposes of style and uniformity; correct manifest



253 grammatical, clerical, and typographical errors; revise  
254 internal or external citations and cross-references; harmonize  
255 language; and translate effective dates.

256 END OF PROPOSED AMENDMENT

257 Section 2. A specially called election upon the  
258 proposed amendment shall be held on August 20, 2024, in  
259 accordance with Sections 284 and 285 of the Constitution of  
260 Alabama of 2022, and the election laws of this state. The  
261 appropriate election official shall assign a ballot number for  
262 the proposed constitutional amendment on the election ballot  
263 and shall set forth the following description of the substance  
264 or subject matter of the proposed constitutional amendment:

265 "Proposing an amendment to the Constitution of Alabama  
266 of 2022, to: (1) establish an official State Education  
267 Lottery; (2) create the Alabama Gambling Commission to  
268 regulate and tax legal gambling in the State of Alabama and to  
269 eradicate illegal gambling; (3) authorize not more than seven  
270 licenses for the operation of electronic games of chance at  
271 only the following locations: (i) the existing racetracks in  
272 Greene, Jefferson, Macon, and Mobile Counties, (ii) at an  
273 existing bingo hall in Greene County, (iii) at an existing  
274 bingo hall in Houston County, and (iv) at an existing bingo  
275 hall in Lowndes County; (4) provide for the distribution of  
276 all lottery and gambling tax revenues; (5) require the  
277 Governor to negotiate a compact with the Poarch Band of Creek  
278 Indians; and (6) repeal all local constitutional provisions  
279 authorizing bingo and prohibit any future local amendments  
280 allowing for any gambling activities.



281 Proposed by Act \_\_\_\_."

282 This description shall be followed by the following  
283 language:

284 "Yes( ) No( )."

285 Section 3. The proposed amendment shall become valid as  
286 a part of the Constitution of Alabama of 2022, when approved  
287 by a majority of the qualified electors voting thereon.