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3 MCCLENDON SUBSTITUTE FOR SB319
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8 SYNOPSIS: Under existing law, lotteries and gift
9 enterprises are prohibited by Section 65 of the
10 Constitution of Alabama of 1901.

11 This bill proposes an amendment to Section
12 65 of the Constitution of Alabama of 1901, to
13 establish the Alabama Education Lottery and the
14 Alabama Education Lottery Corporation and require
15 the Legislature to enact one or more general laws
16 to provide for the duties, powers, authority, and
17 composition of the corporation.

18 The proposed amendment would also create the
19 Alabama Gaming Commission to supervise the conduct
20 of bingo, charitable bingo and raffles, sports
21 wagering, and casino-style games in the state.

22 The proposed amendment would provide that
23 casino-style games and sports wagering may be
24 operated only at sites in Jefferson County, Mobile
25 County, Macon County, Greene County, Houston
26 County, and Jackson or DeKalb County, and on lands
27 held in trust for the Poarch Band of Creek Indians

1 pursuant to a compact. The proposed amendment would
2 provide for an award of licenses to operate
3 casino-style games and sports wagering for
4 specified terms pursuant to a competitive bidding
5 process established by the commission.

6 The amendment would impose a tax on the net
7 gaming revenues of the gaming operations in the
8 state except operations on lands held in trust for
9 the Poarch Band of Creek Indians.

10 The proposed amendment would also require
11 the Governor to negotiate in good faith a compact
12 with the Poarch Band of Creek Indians to authorize
13 casino-style games on lands held in trust for the
14 Poarch Band of Creek Indians and require the
15 Legislature to enact implementing legislation.

16
17 A BILL
18 TO BE ENTITLED
19 AN ACT

20
21 Proposing an amendment to Section 65 of the
22 Constitution of Alabama of 1901, to authorize the Alabama
23 Education Lottery; to authorize, limit, and regulate
24 casino-style games at sites in Jefferson County, Mobile
25 County, Macon County, Greene County, Houston County, and
26 Jackson or DeKalb County; to provide for the award of licenses
27 pursuant to a competitive bidding process established by the

1 commission; to create the Alabama Education Lottery
2 Corporation to operate the lottery and the Alabama Gaming
3 Commission to supervise and regulate bingo, charitable bingo
4 and raffles and casino-style games authorized by the
5 amendment; to authorize sports wagering and to allow the
6 commission to adopt rules governing the licensing,
7 administration, and conduct of sports wagering; and to require
8 the Governor to negotiate a compact with the Poarch Band of
9 Creek Indians.

10 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

11 Section 1. The following amendment to the
12 Constitution of Alabama of 1901, as amended, is proposed and
13 shall become valid as a part thereof when approved by a
14 majority of the qualified electors voting thereon and in
15 accordance with Sections 284, 285, and 287 of the Constitution
16 of Alabama of 1901, as amended:

17 PROPOSED AMENDMENT

18 "Section 65.

19 "Part I.

20 "~~The legislature~~ Except as provided in Part II and
21 Part III, the Legislature shall have no power to authorize
22 lotteries or gift enterprises for any purposes, and shall pass
23 laws to prohibit the sale in this state of lottery or gift
24 enterprise tickets, or tickets in any scheme in the nature of
25 a lottery; and, except as provided in Part II and Part III,
26 all acts, or parts of acts heretofore passed by the
27 ~~legislature~~ Legislature of this state, authorizing a lottery

1 or lotteries, and all acts amendatory thereof, or supplemental
2 thereto, are hereby ~~avoided~~ voided.

3 "Part II.

4 "Section 1. Declarations. The People of Alabama find
5 that: Lotteries have been enacted in many states and the
6 revenues generated from the lotteries benefit those states;
7 many Alabamians participate in lotteries in other states; an
8 official state lottery would benefit Alabama if fairly and
9 honestly administered and if the proceeds improve quality of
10 life in the state; gaming facilities and resorts are allowed
11 in many states and generate revenues that benefit economic
12 development and increased tourism in those states; many
13 Alabamians already visit gaming facilities and resorts in
14 nearby states; and Alabamians support gaming in Alabama if it
15 is effectively and honestly regulated to protect consumers and
16 to promote integrity within the gaming industry, if it is
17 effectively taxed to produce revenues that improve quality of
18 life in the state, and if it is effectively limited to
19 designated locations to preserve the aesthetic character of
20 the state. Therefore, the purposes of this amendment are: (1)
21 to establish and provide for a fair and honest Alabama
22 Education Lottery to generate revenue for postsecondary
23 education scholarships; (2) to limit and regulate gaming to
24 designated locations and to subject all gaming to regulation;
25 (3) to levy taxes on gaming at those locations to generate
26 revenue for the benefit of the state; (4) to support the
27 state's tourism industry and economic development; (5) to

1 require the Governor to negotiate a compact for gaming with
2 the Poarch Band of Creek Indians; and (6) to establish the
3 Alabama Education Lottery Corporation and the Alabama Gaming
4 Commission to regulate gaming in the state.

5 "Section 2. Definitions.

6 "For the purposes of this part and Part III, the
7 following terms shall have the following meanings:

8 "(1) ALABAMA EDUCATION LOTTERY. Any large-scale
9 intrastate, multistate, or multi-sovereign lottery approved by
10 the commission for operation by the Alabama Education Lottery
11 Corporation such as Pick-3, Pick-4, Mega Millions, or
12 Powerball. The term includes instant tickets. The term does
13 not include a video lottery or video lottery terminal.

14 "(2) BINGO. The game commonly or traditionally known
15 as bingo and defined by the following characteristics, when
16 players provide something of value to play and receive
17 something of value for winning:

18 "a. Each player uses one or more cards with spaces
19 arranged in five columns and five rows, with an alphanumeric
20 or similar designation assigned to each space.

21 "b. Alphanumeric or similar designations are
22 randomly drawn and announced one by one.

23 "c. In order to play, each player must pay attention
24 to the value announced; if one of the values matches a value
25 on one or more of the player's cards, the player must
26 physically act by marking his or her card accordingly.

1 "d. A player can fail to pay proper attention or to
2 properly mark his or her card, and thereby miss an opportunity
3 to be declared winner.

4 "e. A player must recognize that the player's card
5 has a predetermined pattern of matching values, and in turn
6 announce to the other players and the announcer that this is
7 the case before any other player does so.

8 "f. The game of bingo contemplates a group activity
9 in which multiple players compete against each other to be the
10 first to properly mark a card with the predetermined winning
11 pattern and announce that fact.

12 "g. The game of bingo is played with actual physical
13 cards made of cardboard, paper, or some functionally similar
14 material that is flat and is preprinted with the grid and the
15 designations referenced in this subdivision. The game of bingo
16 may not be played with an electronic, computer, or other
17 technologic aid.

18 "The term does not include electronic bingo.

19 "The term does not apply to any game operated on
20 Poarch Band of Creek Indians trust lands and at covered
21 locations.

22 "(3) CASINO-STYLE GAME. Any casino game, activity,
23 or device approved by the commission that is accessed for play
24 by physical presence at the location site of the game,
25 activity, or device, including, but not limited to: Slot
26 machines; a video lottery; video lottery terminals; electronic
27 representations of pari-mutuel wagering games, including, but

1 not limited to, historical horse racing machines, historical
2 sporting event machines, machines of any kind that are based
3 on historic events, and other technological aids and
4 electronic facsimiles of these games; banking or banked card
5 games, including, but not limited to, poker, baccarat, chemin
6 de fer, and blackjack; all dice games; roulette; all table
7 games and electronic representations of such games; all
8 electronic sweepstakes games, terminals, or devices; and any
9 electronic gaming device used to play these games. The term
10 includes electronic bingo. The term does not include the
11 Alabama Education Lottery or pari-mutuel wagering on simulcast
12 and live racing events.

13 "(4) CHARITABLE BINGO AND RAFFLES. Bingo, as defined
14 in subdivision (2), conducted by or for the benefit of a bona
15 fide religious, educational, youth, service, senior citizens',
16 fraternal, veterans', or other eleemosynary organization that
17 operates without profit to its members and that either has
18 been in existence continuously as such an organization for a
19 period of three years or is exempt from taxation by virtue of
20 having been classified as a tax exempt nonprofit organization
21 by the Internal Revenue Service, United States Government. The
22 term includes charitable raffles and draw downs. The term does
23 not include electronic bingo.

24 "(5) COMMISSION. The Alabama Gaming Commission
25 created by this amendment.

1 "(6) COVERED LOCATION. A location in Jefferson
2 County, Mobile County, Macon County, Greene County, Houston
3 County, and Jackson or DeKalb County.

4 "(7) COVERED OPERATOR. The owner of a covered
5 location or a wholly owned subsidiary entity of the owner of a
6 covered location.

7 "(8) ELECTRONIC BINGO. Any game approved by the
8 commission and referred to as bingo if played with an
9 electronic, computer, or other technologic aid.

10 "(9) EXISTING GREENETRACK OPERATOR. The operator of
11 the currently existing location in Greene County, Alabama,
12 which is commonly known as Greenetrack, and any contiguous
13 land that is later added to the existing location.

14 "(10) EXISTING HOUSTON COUNTY OPERATOR. The operator
15 of Crossing at Big Creek located in Houston County, and any
16 contiguous land that is later added to the existing location.

17 "(11) EXISTING JEFFERSON COUNTY OPERATOR. The
18 operator of the currently existing location in Jefferson
19 County, Alabama, which is commonly known as the Birmingham
20 Race Course, and any contiguous land that is later added to
21 the existing location.

22 "(12) EXISTING MACON COUNTY OPERATOR. The operator
23 of the currently existing location in Macon County, Alabama,
24 which is commonly known as VictoryLand, and any contiguous
25 land that is later added to the existing location.

26 "(13) EXISTING MOBILE COUNTY OPERATOR. The operator
27 of the currently existing location in Mobile County, which is

1 commonly known as the Mobile Greyhound Racing facility, and
2 any contiguous land that is later added to the existing
3 location.

4 "(14) HISTORICAL HORSE RACING. A form of horse
5 racing that creates pari-mutuel pools from wagers placed on
6 previously conducted horse races.

7 "(15) INSTANT TICKET. A lottery game in which a
8 player manipulates a ticket to determine if the player has
9 won.

10 "(16) NET GAMING REVENUE. The total amount of money
11 or value in any form received by a covered operator with
12 respect to the playing of a casino-style game less the total
13 money or value in any form paid as prizes or winnings as a
14 result of the play, free play, or promotional play.

15 "(17) POARCH BAND OF CREEK INDIANS. The federally
16 recognized Indian tribe within the State of Alabama known as
17 the Poarch Band of Creek Indians. The term includes a wholly
18 owned subsidiary of the tribe.

19 "(18) POARCH BAND OF CREEK INDIANS TRUST LAND. Lands
20 held in trust by the Secretary of the Department of the
21 Interior for the benefit of the Poarch Band of Creek Indians.

22 "(19) SPORTING EVENT. Any amateur sport or athletic
23 event, professional sport or athletic event, any collegiate
24 sport or athletic event, motor race event, electronic sports
25 event, competitive video game event, or any other event
26 authorized by the commission under this amendment. The term
27 does not include any amateur youth sport or athletic event.

1 "(20) SPORTS WAGERING. The acceptance of wagers on
2 sporting events or portions of sporting events, the individual
3 performance statistics of athletes in a sporting event, or a
4 combination of any of the same by any system or method of
5 wagering authorized in general law. The term may include
6 single-game bets, teaser bets, parlays, over-under, moneyline,
7 pools, exchange wagering, in-game wagering, in-play bets,
8 proposition bets, straight bets, and any other bet authorized
9 by the commission. The term does not include wagers on fantasy
10 sports contests authorized under Chapter 19F of Title 8, Code
11 of Alabama 1975.

12 "(21) VIDEO LOTTERY or VIDEO LOTTERY TERMINAL. Any
13 electronic interactive game, machine, or device equipped with
14 a video screen and buttons, keys, a keyboard, touchscreen or
15 other input method allowing input by an individual player and
16 into which the player inserts coins, tokens, currency, or
17 other representation of value, including, but not limited to,
18 an electronic card, ticket, or other thing on which value is
19 electronically recorded, as consideration in order for play of
20 a game to be available, and through which, as a result of play
21 of a game to be available, and through which, as a result of
22 the play of the game, the player may receive free games,
23 credits, redeemable for cash or a noncash prize, or some other
24 thing of value, whether received directly from the device or
25 otherwise, determined wholly or predominantly by chance. The
26 term does not include electronic bingo.

1 "Section 3. Establishment of an Alabama Education
2 Lottery.

3 "(a) The Legislature, by general law, shall provide
4 for the establishment, administration, operation, and
5 regulation of an Alabama Education Lottery consistent with
6 this part and Part III.

7 "(b) (1) The proceeds from the Alabama Education
8 Lottery shall be applied first to the payment of the expenses
9 of administering, operating, and regulating the Alabama
10 Education Lottery, including, without limitation, the payment
11 of all prizes and the funding of programs that aid compulsive
12 gambling to be administered through grants or other means by
13 the commission subject to any limitations provided by general
14 law, without any further appropriation required by law, and
15 the balance of the proceeds after the payments shall be
16 deposited in a special, separate account in the State Treasury
17 hereby created and designated the Lottery Trust Fund. Proceeds
18 in the Lottery Trust Fund shall be appropriated by and through
19 an independent supplemental appropriation bill for education
20 purposes and needs and a postsecondary scholarship program
21 based on a combination of need, merit, and workforce needs in
22 the state, which may include scholarships to four-year
23 institutions of higher education for in-demand fields, as
24 provided in general law.

25 "(2) The first fifteen million dollars (\$15,000,000)
26 of any lottery prize money that remains unclaimed annually
27 shall be used for agricultural grant programs as established

1 by general law. Any remaining unclaimed prize money shall be
2 used for scholarships as provided in subdivision (1).

3 "(c) The administration and operation of the Alabama
4 Education Lottery shall be vested in a corporation hereby
5 created and designated the Alabama Education Lottery
6 Corporation. The duties, powers, authority, and composition of
7 the Alabama Education Lottery Corporation shall be enumerated
8 in one or more general laws enacted by the Legislature.

9 "Part III.

10 "Section 1. Limitation on Gaming in Alabama.

11 "(a) Casino-style games may be operated only through
12 in-person, on-premises play at covered locations and shall be
13 regulated by the commission. Casino-style games may be
14 operated only on Poarch Band of Creek Indians trust land
15 pursuant to a compact negotiated under Section 7 and regulated
16 in a manner consistent with the terms of a negotiated compact.
17 Electronic bingo on Poarch Creek Trust Land is not subject to
18 approval or regulation of the commission.

19 "(b) Sports wagering may be operated as provided in
20 general law and only pursuant to rules adopted by the
21 commission.

22 "(c) Bingo and charitable bingo and raffles may be
23 conducted only pursuant to rules adopted by the commission.
24 Any definition of bingo in state or local law that varies from
25 the definition of bingo in Section 2 of Part II is hereby
26 superseded by the definition of bingo in Section 2 of Part II,
27 and all previously ratified constitutional amendments relating

1 to bingo or charitable bingo and raffles, including, but not
2 limited to, Amendments 386, 387, 413, 440, 506, 508, 549, 550,
3 565, 569, 599, 600, 612, 674, 692, 732, 743, and 744, are
4 repealed.

5 "Section 2. Award of Licenses to Covered Operators.

6 "(a) In the interim between the ratification of this
7 amendment and the issuance of licenses as provided in this
8 section, the electronic bingo and historical horse racing,
9 including electronic facsimiles of these games, may be played
10 at each covered location in operation at that time.

11 "(b) (1) The commission, by rule, shall establish a
12 competitive bidding process for the award of licenses at
13 covered locations, considering market conditions, financial
14 fitness of the bidders, and other factors deemed relevant by
15 the commission. The commission may require minimum bids.

16 "(2) The existing Greene County operator, the
17 existing Houston County operator, the existing Jefferson
18 County Operator, the existing Mobile County operator, and the
19 existing Macon County operator shall have a right to make a
20 final bid exceeding the highest bidder in the competitive
21 bidding process for the covered locations in Greene, Houston,
22 Jefferson, Mobile, and Macon Counties, respectively.

23 "(3) The Poarch Band of Creek Indians shall have a
24 right to make a final bid exceeding the highest bidder in the
25 competitive bidding process for the covered location in
26 Jackson or DeKalb County.

1 "(c) Upon selection for the award of a license, each
2 covered operator shall pay the applicable first license fee
3 installment upon receipt of an invoice from the commission and
4 as provided by rule of the commission to the Gaming Trust
5 Fund. Once the appropriate license fee is paid, the commission
6 shall issue a license to the covered operator to conduct and
7 operate casino-style games and sports wagering at the covered
8 location for a 10-year term.

9 "(d) A license awarded pursuant to this section may
10 be serially renewed, modified, extended, suspended, revoked,
11 transferred, or forfeited by a covered operator as provided by
12 general law and rules adopted by the commission. Suspension
13 and revocation of a license shall be for cause.

14 "(e) If another constitutional amendment that
15 provides for the operation of casino-style games or sports
16 wagering at a location in the state other than a covered
17 location or on Poarch Band of Creek Indians trust land is
18 ratified within 10 years of when this amendment is ratified,
19 the remaining license fees due to be paid on the remaining
20 portion of the initial license fee under this section are no
21 longer due and payable by the applicable covered operator.

22 "(f) Any other form of gambling that is not a game
23 of chance or otherwise allowed by this amendment may not be
24 authorized by general law for a period of 10 years from the
25 date this amendment is ratified.

26 "(g) The commission shall extend the initial license
27 term to 30 years upon request of a covered operator and upon

1 demonstration to the commission of a capital investment in the
2 covered location that is 10 or more times greater than the
3 initial license fee.

4 "(h) Renewal fees for licenses awarded under this
5 section to covered operators shall be set by the commission as
6 provided in general law, not to exceed the original license
7 fee plus an inflationary adjustment.

8 "Section 3. State Tax on Net Gaming Revenues and Use
9 of Tax Proceeds.

10 "(a) Within 20 days after the end of each calendar
11 month, a covered operator shall pay the commission a tax of 20
12 percent of the net gaming revenues for the location for the
13 immediately preceding calendar month. The commission shall
14 timely remit the proceeds to the Gaming Trust Fund, created in
15 Section 4, the county commission of a county in which a
16 covered operator is located, and the governing body of a
17 municipality in which a covered operator is located, including
18 its police jurisdiction, as provided by general law.

19 "(b) Within 20 days after the end of each calendar
20 month, the covered operator and any management services
21 provider shall pay the commission a tax of 20 percent of the
22 net gaming revenues for sports wagering, as defined by general
23 law, for the location for the immediately preceding calendar
24 month. The commission shall timely remit all of the proceeds
25 for deposit as provided by general law.

26 "(c) The tax rates under subsections (a) and (b) may
27 be amended by the Legislature in general law, upon

1 recommendation of the commission, every five years after the
2 ratification of this amendment and every five years
3 thereafter; provided, however, any amendment to the tax rate
4 shall not be more than 2 percent each time it is considered,
5 and the tax rate shall never exceed 30 percent.

6 "(d) The tax on net gaming revenue and net gaming
7 revenue on sports wagering shall be in lieu of all other state
8 or local taxes, license fees, or franchise fees levied with
9 respect to the conduct of any casino-style games or the
10 operation of any machines used to conduct casino-style games
11 or sport wagering. The license fee payable to the state shall
12 be in lieu of all other state or local license fees or
13 franchise fees levied with respect to a licensee providing
14 hotel services, dining, other facilities, or services
15 ancillary to its gaming activities, if the activities are
16 conducted in conjunction with this act at covered locations,
17 but such providers of hotel services, dining, other
18 facilities, or ancillary services must meet the environmental,
19 fire, health, and safety requirements of other similarly
20 situated license holders in the county and municipality in
21 which the facility is located. Notwithstanding the foregoing,
22 all covered locations are liable for all state and local
23 property taxes, lodging taxes, and sales and use taxes on
24 merchandise sold in gift shops or retail stores, food, and
25 beverages generally applicable at uniform rates to all
26 similarly situated businesses operating in the county and
27 municipality in which the covered location is located, and

1 except with respect to those taxes, fees, or expenses
2 expressly addressed in this act, all other state or local
3 taxes which are generally imposed by the state or a local
4 taxing entity if the taxes are generally applied at rates
5 uniformly applied within reasonable classifications among all
6 businesses operating in the county or municipality, or both.

7 "Section 4. Establishment of the Gaming Trust Fund.

8 "(a) (1) The Gaming Trust Fund shall be created
9 within the State Treasury. Proceeds received by the Alabama
10 Gaming Commission from license fees pursuant to Section 2,
11 fees from a compact negotiated under Section 7, fines and
12 penalties collected by the commission pursuant to Section 6,
13 and a portion of the proceeds of the tax on net gaming revenue
14 pursuant to Section 3(a) shall be deposited in the fund as
15 provided by general law. Proceeds in the fund shall be
16 appropriated by general law for the following purposes as
17 further provided in general law:

18 "a. For information technology infrastructure, with
19 the first one billion dollars (\$1,000,000,000) appropriated in
20 general law for the development and expansion of broadband.

21 "b. For the provision of health care services,
22 including rural health care services.

23 "c. For the provision of mental health services.

24 "(2) When the amount distributed under paragraph
25 (1)a. cumulatively reaches one billion dollars
26 (\$1,000,000,000) for the development and expansion of
27 broadband, the proceeds shall be appropriated as provided by

1 general law for capital or other nonrecurring expenses, the
2 provision of health care services, including rural health care
3 services, information technology infrastructure, mental health
4 care services, and grant programs awarded to municipalities
5 and counties that do not have a gaming facility within their
6 corporate limits or police jurisdiction.

7 "(b) Proceeds from other sources shall be
8 appropriated for purposes established in the general laws
9 enacted by the Legislature subsequent to and supplemental to
10 this amendment.

11 "Section 5. Creation of the Alabama Gaming
12 Commission.

13 "(a) There is created the Alabama Gaming Commission.

14 "(b) The commission shall consist of seven members,
15 appointed as follows:

16 "(1) Two by the Governor.

17 "(2) One by the Speaker of the House of
18 Representatives.

19 "(3) One by the Minority Leader of the House of
20 Representatives.

21 "(4) One by the President Pro Tempore of the Senate.

22 "(5) One by the Minority Leader of the Senate.

23 "(6) One by the Lieutenant Governor.

24 "(c) All members shall be appointed with the advice
25 and consent of the Senate. Initial appointments shall be made
26 within 60 days after ratification of this amendment. The
27 appointing authorities of the commission shall coordinate

1 their appointments to assure the commission membership is
2 inclusive and reflects the racial, gender, geographic,
3 urban/rural, and economic diversity of the state.

4 "(1) The commission may not take official action
5 until all members have been appointed. At its initial meeting,
6 the commission shall elect a chair from its membership.

7 "(2) Members of the commission shall satisfy
8 qualifications provided by general law.

9 "(3) The term of office of members of the commission
10 shall be provided by general law.

11 "(4) The appointing authority may at any time remove
12 his or her appointee to the commission for cause, which shall
13 include neglect of duty, malfeasance, misfeasance, or
14 nonfeasance in office.

15 "(d) The Legislature, by general law, shall provide
16 for the personnel of the commission and may create an advisory
17 board to the commission to assist the commission in the
18 performance of its duties.

19 "(5) The commission and its members and employees
20 shall be subject to the Ethics Law, Section 36-25-1, et seq.,
21 Code of Alabama 1975; the Alabama Open Records Act, as
22 amended; the Alabama Open Meetings Act, as amended; and the
23 Alabama Administrative Procedure Act, as amended, provided,
24 however, that the appeal of any contested case shall be as
25 provided in general law.

26 "(6) The compensation of the members of the
27 commission shall be provided by general law.

1 "Section 6. Powers and Duties of the Commission.

2 "(a) The commission may adopt rules necessary to
3 implement this amendment and related legislation. All rules
4 relative to hearings and licenses shall include due process
5 for those involved, including for covered operators. The
6 commission shall adopt, amend, or repeal rules in accordance
7 with the Alabama Administrative Procedure Act, and shall have
8 all of the following powers and duties:

9 "(1) In addition to other enforcement powers granted
10 by general law, and subject to Rule 45 of the Alabama Rules of
11 Civil Procedure, for which purpose the commission shall be in
12 the place of a court, as to matters within the commission's
13 jurisdiction, the commission may establish an enforcement
14 division and may issue subpoenas and compel the production of
15 documents or items and the attendance of witnesses, to
16 administer oaths, to require testimony under oath, and to
17 enforce its orders. Any person making a false oath in any
18 matter before the commission is subject to a criminal perjury
19 charge. The Legislature, by general law, may require law
20 enforcement agencies to assist the commission in the
21 enforcement of gaming laws and regulations.

22 "(2) The commission may appoint impartial hearing
23 examiners who may administer oaths and receive evidence and
24 testimony under oath and make recommendations to the
25 commission.

26 "(3) The commission may demand access to and
27 inspect, examine, photocopy, and audit all papers, books, and

1 records respecting net gaming revenues and net gaming revenues
2 for sports wagering and any other matters necessary to carry
3 out its duties.

4 "(4) The commission may impose reasonable civil
5 finances and penalties on any individual or entity for violations
6 of this amendment, violations of general law enacted pursuant
7 to this amendment, or violations of rules adopted by the
8 commission.

9 "(5) The commission shall regulate the Alabama
10 Education Lottery Corporation in the operation and conduct of
11 the Alabama Education Lottery as provided in Section 3 of Part
12 II.

13 "(6) The commission shall regulate and supervise the
14 conduct and operation of casino-style games at covered
15 locations and charitable bingo and raffles. The commission
16 shall regulate sports wagering.

17 "(7) The commission shall approve all casino-style
18 games and Alabama Education Lottery games.

19 "(8) The commission shall adopt rules and procedures
20 to address the failure of an operator to timely remit
21 applicable state tax on net gaming revenues, net gaming
22 revenues on sports wagering, license fees, and fines and
23 penalties assessed by the commission. The rules shall clearly
24 state the actions that can be taken against the operator and
25 the operator's license, including, but not limited to,
26 suspension or revocation of the license.

1 "(9) The commission shall cooperate with the
2 Attorney General and the local district attorneys in enforcing
3 all laws related to legal gaming and illegal gaming. Nothing
4 in this amendment shall be construed to diminish the supreme
5 executive power of the Governor or the power of either the
6 Governor or the Attorney General with respect to litigation
7 affecting the state.

8 "(10) The commission shall adopt rules related to
9 the reasonable operation level for each covered location.

10 "(11) The commission shall adopt rules limiting
11 access to casino-style games and sports wagering by minors and
12 other susceptible individuals.

13 "(b) Appeal of decisions of the commission shall be
14 as prescribed by general law.

15 "(c) In addition to the powers granted in this
16 section, additional powers of the commission with respect to
17 regulation and supervision of covered locations and charitable
18 bingo and raffles shall be enumerated in one or more general
19 laws enacted by the Legislature and supplemental to this
20 amendment to further its purposes and provide for its
21 implementation.

22 "(d) The number of casino-style games in operation
23 at a covered location may not be restricted by the commission.

24 "(e) The commission may coordinate with local
25 communities and covered locations to develop educational
26 programs and other social programs to enhance public awareness
27 of gaming-related issues.

1 "(f) The existing local racing commissions at each
2 of the covered locations shall not interfere with the issuance
3 of licenses under this amendment or operation of casino-style
4 games or sports wagering at the covered locations. The
5 existing local racing commission at each covered location
6 shall continue to have jurisdiction over pari-mutuel wagering
7 and racing at such covered location, but the regulatory and
8 supervisory power of each local racing commission over
9 pari-mutuel wagering and racing at the covered location shall
10 be subordinate to the regulatory and supervisory power of the
11 commission, with any enforcement action of the commission to
12 control and prevail.

13 "Section 7. Compact with the Poarch Band of Creek
14 Indians.

15 "(a) The Governor, or the Governor's designee, shall
16 negotiate in good faith and conclude a compact for the
17 operation and regulation of casino-style games and sports
18 wagering with the Poarch Band of Creek Indians on Poarch Band
19 of Creek Indians trust land. The compact may include
20 provisions providing for revenue-sharing payments to the state
21 in exchange for meaningful concessions that provide
22 substantial economic benefits to the Poarch Band of Creek
23 Indians. Meaningful concessions may include the grant of
24 licenses to operate casino-style games at an additional site
25 pursuant to Section 2(c).

26 "(b) Following execution of a compact, the Governor,
27 or the Governor's designee, shall file the executed compact

1 with the Secretary of State and the commission. The Secretary
2 of State shall immediately forward an executed copy of the
3 compact to the Secretary of the Interior for that person's
4 review and approval in accordance with 25 U.S.C. § 2710
5 (d) (8).

6 "(c) In addition to any and all other powers of the
7 office which may exist now or hereafter, the Governor, or the
8 Governor's designee, may negotiate, execute, and deliver any
9 and all documents on behalf of the state, and enter into any
10 agreement or compact, or both, on behalf of the state, with
11 the Poarch Band of Creek Indians. If negotiated in good faith
12 by the state, any consideration received or to be received by
13 the state pursuant to this amendment, whether monetary or
14 otherwise, shall be adequate and no action shall be had for
15 private inurement or other unlawful waste, use, or
16 misappropriation of public funds.

17 "(d) The state's immunity to suit in federal court
18 under the Eleventh Amendment of the United States Constitution
19 is expressly waived for the sole purpose of resolving disputes
20 arising under the terms of any compact negotiated pursuant to
21 this section. The waiver of the state's immunity under this
22 subsection is contingent upon an equivalent submission in the
23 compact by the Poarch Band of Creek Indians to the
24 jurisdiction of federal court.

25 "(e) Disputes between the state and the Poarch Band
26 of Creek Indians relating to compliance with compact

1 provisions may also be resolved through arbitration procedures
2 as set forth in the compact.

3 "Section 8. Criminal laws related to gambling.

4 "In order to further the regulation of gaming as
5 imposed by this amendment, the Legislature shall amend Article
6 2 of Chapter 12 of Title 13A of the Code of Alabama 1975,
7 specifically, Sections 13A-12-22 through 13A-12-25 and
8 13A-12-27, in order to provide felony penalties for the crimes
9 specified in those sections.

10 "Section 9. Campaign Contribution Prohibition.

11 "(a) The Legislature:

12 "(1) Shall, by general law, enact as strict a
13 prohibition as may be enacted consistent with federal law on
14 the making of political contributions by any natural person or
15 legal entity, including but not limited to a federally
16 recognized Indian tribe, that has a financial interest in any
17 gaming license or compact authorized by this amendment to a
18 principal campaign committee or a political action committee
19 that contributes to any candidate for state or local office in
20 Alabama.

21 "(2) Shall, by general law, establish criminal and
22 civil penalties for any person who violates the prohibitions
23 authorized by this amendment or any subsequent gaming
24 legislation enacted by the Legislature, including but not
25 limited to, the revocation of a gaming license or compact
26 authorized by this amendment or any subsequent gaming
27 legislation enacted by the Legislature.

1 "(3) May enact by general law additional,
2 supplemental prohibitions or restrictions as permitted by
3 federal law on any natural person or legal entity, including
4 but not limited to a federally recognized Indian tribe, that
5 has a financial interest in any gaming license or compact
6 authorized by this amendment.

7 "(b) Any gaming license and any compact authorized
8 by this amendment shall expressly include and incorporate by
9 reference the prohibitions and restrictions authorized by this
10 section.

11 "(c) The anticorruption prohibitions authorized by
12 this section are necessary conditions of the gaming and
13 compact authorizations contained in this amendment. Should any
14 anticorruption prohibitions authorized by this section be held
15 unconstitutional or unenforceable, the Legislature, by general
16 law, shall enact a new prohibition or restriction that is as
17 strict as may be enacted consistent with federal law.

18 "Section 10. Special Session.

19 "For the exclusive purpose of enacting general laws
20 to implement this amendment, the Governor shall call the
21 Legislature into a special session. If the Governor does not
22 call the Legislature into a special session, the Legislature
23 shall convene in special session beginning on the fourth
24 Tuesday after the ratification of this amendment. This section
25 does not apply if the Legislature enacts general laws to
26 implement this amendment contingent upon, and prior to, the
27 ratification of this amendment.

1 "Section 11. Conflicting Provisions.

2 "The operation of this amendment is not subject to,
3 or prohibited, limited, or impaired by, any constitutional
4 provision, statute, regulation, court decision, ordinance,
5 resolution, or other law that is inconsistent with this
6 amendment. Specifically, this amendment, and its implementing
7 legislation, does not violate the ban on irrevocable or
8 exclusive grants of special privileges or immunities in
9 Section 22 of the constitution, and the licenses authorized
10 pursuant to this amendment do not violate the prohibition on
11 grants or franchises, privileges, or immunities in Section
12 22."

13 Section 2. At the November 2022 general election,
14 the election upon the proposed amendment shall be held in
15 accordance with Sections 284 and 285 of the Constitution of
16 Alabama of 1901, now appearing as Sections 284 and 285 of the
17 Official Recompilation of the Constitution of Alabama of 1901,
18 as amended, and the election laws of this state.

19 Section 3. The appropriate election official shall
20 assign a ballot number for the proposed constitutional
21 amendment on the election ballot and shall set forth the
22 following description of the substance or subject matter of
23 the proposed constitutional amendment:

24 "Proposing an amendment to the Constitution of
25 Alabama of 1901, to authorize the Alabama Education Lottery;
26 to authorize, limit, and regulate casino-style games at sites
27 in Jefferson County, Mobile County, Macon County, Greene

1 County, Houston County, and Jackson or DeKalb County; to
2 provide for the award of licenses pursuant to a competitive
3 bidding process established by the commission; to create the
4 Alabama Education Lottery Corporation to operate the lottery
5 and the Alabama Gaming Commission to supervise and regulate
6 bingo, charitable bingo and raffles and casino-style games
7 authorized by the amendment; to authorize sports wagering and
8 to allow the commission to adopt rules governing the
9 licensing, administration, and conduct of sports wagering; and
10 to require the Governor to negotiate a compact with the Poarch
11 Band of Creek Indians.

12 "Proposed by Act _____."

13 This description shall be followed by the following
14 language:

15 "Yes () No ()."