

1 HB235
2 116226-1
3 By Representative Rogers
4 RFD: Tourism and Travel
5 First Read: 12-JAN-10

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8 SYNOPSIS: Under existing law, casino gaming is not
9 allowed in this state.

10 This bill would authorize casino gaming in
11 cities with a population of more than 100,000. This
12 bill would create the Alabama Gaming Control Board;
13 provide for its membership, term of the members,
14 powers, and duties; and require each member,
15 employee, and agent of the board to file annually
16 certain financial information with the board.

17 This bill would require each person who
18 desires to conduct a casino gambling operation to
19 apply for a casino license and provide for the
20 application procedure. This bill would allow the
21 board to issue a supplier's license to those
22 persons who sell, lease, or contract to sell or
23 lease gaming equipment to any casino licensee. This
24 bill would prohibit the board from licensing
25 certain persons as suppliers. This bill would
26 require each local labor organization that directly
27 represents casino gaming employees to register

1 annually with the board. This bill would allow the
2 board to issue an occupational license to
3 individuals who are employed in the gaming
4 industry. The bill would allow the board to revoke
5 each license issued by it. The bill would impose a
6 wagering tax on the adjusted gross receipts of each
7 casino licensee. This bill would create the State
8 Casino Gaming Fund in the State General Fund and
9 provide for the allocation of the proceeds
10 deposited in the fund. This bill would create a
11 special account in the Education Trust Fund and
12 provide for the allocation of the proceeds
13 deposited in the fund. The bill would allow each
14 municipality where a casino is located to impose a
15 service fee. This bill would provide that
16 additional taxes could not be imposed exclusively
17 on any casino licensee. This bill would require
18 each casino licensee to transmit to the board and
19 the city where the casino is located on a quarterly
20 audit of its financial condition. This bill would
21 require the board to submit a report to the
22 Governor and the Legislature and to conduct a study
23 of minors and compulsive gamblers who sought entry
24 into a casino. This bill would provide the
25 procedure for the appointment of a conservator for
26 a casino licensee whom license has been revoked or
27 suspended. This bill would require the board to

1 create a list of persons barred from visiting
2 casinos.

3 Amendment 621 of the Constitution of Alabama
4 of 1901, now appearing as Section 111.05 of the
5 Official Recompilation of the Constitution of
6 Alabama of 1901, as amended, prohibits a general
7 law whose purpose or effect would be to require a
8 new or increased expenditure of local funds from
9 becoming effective with regard to a local
10 governmental entity without enactment by a 2/3 vote
11 unless: it comes within one of a number of
12 specified exceptions; it is approved by the
13 affected entity; or the Legislature appropriates
14 funds, or provides a local source of revenue, to
15 the entity for the purpose.

16 The purpose or effect of this bill would be
17 to require a new or increased expenditure of local
18 funds within the meaning of the amendment. However,
19 the bill does not require approval of a local
20 governmental entity or enactment by a 2/3 vote to
21 become effective because it comes within one of the
22 specified exceptions contained in the amendment.

23
24 A BILL
25 TO BE ENTITLED
26 AN ACT
27

1 To authorize casino gaming in cities of more than
2 100,000; to provide for the licensing, regulation, and control
3 of casino gaming operations, manufacturers and distributors of
4 gaming devices and gaming related equipment and supplies, and
5 persons who participate in gaming; to provide the distribution
6 of revenue; to vest authority for the licensing, regulation,
7 and control of casino gaming in the Alabama Gaming Control
8 Board; to restrict certain political contributions; to
9 establish a code of ethics for certain persons involved in
10 gaming; to create certain funds; to impose and authorize
11 certain taxes and fees; to impose penalties; to make an
12 appropriation; and in connection therewith would have as its
13 purpose or effect the requirement of a new or increased
14 expenditure of local funds within the meaning of Amendment 621
15 of the Constitution of Alabama of 1901, now appearing as
16 Section 111.05 of the Official Recompilation of the
17 Constitution of Alabama of 1901, as amended.

18 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

19 Section 1. This act shall be known and may be cited
20 as the "Alabama Gaming Control and Revenue Act."

21 Section 2. The Legislature hereby finds and declares
22 the following:

23 (1) The public policy of this state disfavors the
24 business of gambling. State law criminalizes various forms of
25 gambling and our constitution prohibits lotteries. Nothing
26 herein shall be construed, in any manner, to reflect a
27 legislative intent to change that policy.

1 (2) Gambling can become addicting in a small
2 percentage of people and is not an activity to be promoted or
3 legitimized as entertainment for families or children.

4 (3) Unregulated gambling is a danger to the health,
5 safety, and welfare of our state and thus gambling is not
6 permitted in this state except as it may be permitted by law
7 and pursuant to strictly enforced state laws.

8 (4) Gambling, however, is no longer an isolated
9 activity to be found in only a handful of locations. Whereas,
10 10 years ago, legalized gaming was an exception and could only
11 be found in a couple of isolated locations, it has become the
12 "rule" and now almost all states have legalized some form of
13 gambling.

14 (5) Generally, the legalization of gambling has been
15 a success with the economic and social benefits outweighing
16 any direct government regulatory costs or perceived negative
17 social consequences. Generally, the states that have passed
18 gaming laws have realized billions of dollars in tax revenues
19 allowing them to invest directly in, among other things, their
20 infrastructure, and advance and fund social programs, assist
21 start-up businesses with grants, repair roadways, and pay for
22 neighborhood developments. Additionally, they have experienced
23 economic growth in the form of job creation, in public
24 service, construction, entertainment, laundry, waste removal,
25 transportation services, banking, and food and beverage
26 distributions, and social services. Legalized gaming has
27 resulted in new construction, and increased revenues flowing

1 to local restaurants, theatres, and hotels. For example, in
2 the year 2000, the eight members of the Illinois Casino Gaming
3 Association paid local vendors over thirteen million dollars
4 (\$13,000,000) for meat, 2.7 million dollars (\$2,700,00) for
5 vegetables, and 1.7 million dollars (\$1,700,000) for laundry
6 and dry cleaning services.

7 (6) Our neighbor, Mississippi has become the third
8 most successful gaming jurisdiction in the United States.
9 Unfortunately, Alabama does not exist in a vacuum and
10 Mississippi's gaming and financial success, not only cannot be
11 ignored, but has come at a price to Alabama. Much of the money
12 that was earned in Mississippi gaming came from citizens of
13 Alabama.

14 (7) Alabama is losing hundreds of millions of
15 dollars to Mississippi's gaming, our economy has stalled, the
16 state is approximately eight hundred million dollars
17 (\$800,000,000) in debt, and we cannot afford to adequately
18 fund our public education system.

19 (8) Gaming is not unconstitutional in Alabama and
20 the intent of this act is not to expand gaming throughout
21 Alabama, but rather to regulate businesses that can offer
22 otherwise lawful forms of gambling games. We cannot close our
23 eyes and ignore the fact that while we contribute to the
24 education of Mississippi school children by spending money at
25 Mississippi casinos, our children's education is underfunded.
26 At the present time, Alabama spends less per capita on

1 education than any other state in the nation and, as a result,
2 our schools are subpar.

3 (9) The growth in legalized gaming in this nation
4 over the last 15 years has demonstrated that, when strictly
5 regulated, it can be a positive economic and social benefit to
6 communities and states.

7 (10) Public trust that regulated gaming will not
8 endanger public health, safety, or welfare and will contribute
9 to enhanced investment and development in Alabama, new jobs, a
10 more active economy, and increased tourism requires that
11 people have confidence in the integrity of the gaming
12 operations and the regulatory process. Therefore,
13 comprehensive measures shall be taken to ensure that such
14 gambling is free from criminal elements, that it is conducted
15 honestly and competitively, and that the games are placed in
16 suitable locations

17 Section 3. As used in this act, the following terms
18 shall have the following meanings:

19 (1) ADJUSTED GROSS RECEIPTS. The gross receipts less
20 winnings paid to wagers.

21 (2) AFFILIATE. A person who, directly or indirectly,
22 through one or more intermediaries, controls, is controlled
23 by, or is under common control with, is in a partnership or
24 joint venture relationship with, or is a co-shareholder of a
25 corporation, a co-member of a limited liability company, or
26 co-partner in a limited liability partnership with a person
27 who holds or applies for a casino license under this act.

1 (3) AFFILIATED COMPANY. Any form of business
2 organization which controls, is controlled by or is under
3 common control with, is in partnership or joint venture
4 relationship with, or is a co-shareholder of a corporation, a
5 co-member of a limited liability company, or co-partner in a
6 limited liability partnership with a person who holds or
7 applies for a casino license under this act.

8 (4) AGENT. Any person who is employed by any agency
9 of the state, other than the board, the state troopers, or
10 Attorney General, who is assigned to perform full-time
11 services on behalf of or for the benefit of the board
12 regardless of the title or position held by that person.

13 (5) APPLICANT. Any person who applies for a license
14 or for registration under this act. The term shall also
15 include an affiliate, affiliated company, officer, director,
16 or managerial employee of the applicant or a person who holds
17 greater than one percent direct or indirect interest in the
18 applicant. As used in this subdivision, affiliate and
19 affiliated company do not include a partnership, a joint
20 venture relationship, a co-shareholder of a corporation, a
21 co-member of a limited liability company, or a co-partner in a
22 limited liability partnership that has less than one percent
23 direct interest in the applicant and is not involved in the
24 casino or casino enterprise application as defined in rules
25 promulgated by the board.

26 (6) BOARD. The Alabama Gaming Control Board.

27 (7) CASINO. A building in which gaming is conducted.

1 (8) CASINO ENTERPRISE. The buildings, facilities, or
2 rooms functionally or physically connected to a casino,
3 including, but not limited to, any bar, restaurant, hotel,
4 cocktail lounge, retail establishment, or arena or any other
5 facility located in a city under the control of a casino
6 licensee or affiliated company.

7 (9) CERTIFIED DEVELOPMENT AGREEMENT. A development
8 agreement that has been certified by a city and submitted to
9 the Alabama Gaming Control Board.

10 (10) CHAIRPERSON. The chairperson of the board.

11 (11) CHEAT. To alter the selection of criteria which
12 determine the result of a gambling game or the amount or
13 frequency of payment in a gambling game in violation of this
14 act or rules promulgated under this act.

15 (12) CITY. A local unit of government other than a
16 county that has a population of at least 100,000 at the time a
17 license is issued.

18 (13) COMPANY. A sole proprietorship, corporation,
19 partnership, limited liability partnership, limited liability
20 company, trust, association, joint stock company, joint
21 venture, tribal corporation, or other form of business
22 organization.

23 (14) COMPENSATION. Any money, thing of value, or
24 financial benefit conferred on or received by a person in
25 return for services rendered, or to be rendered, whether by
26 that person or another.

1 (15) CONFLICT OF INTEREST. A situation in which the
2 private interest of a member, employee, or agent of the board
3 may influence the judgment of the member, employee, or agent
4 in the performance of his or her public duty under this act. A
5 conflict of interest includes, but is not limited to, the
6 following:

7 a. Any conduct that would lead a reasonable person,
8 knowing all of the circumstances, to conclude that the member,
9 employee, or agent of the board is biased against or in favor
10 of an applicant.

11 b. Acceptance of any form of compensation other than
12 from the board for any services rendered as part of the
13 official duties of the member, employee, or agent for the
14 board.

15 c. Participation in any business being transacted
16 with or before the board in which the member, employee, or
17 agent of the board or his or her parent, spouse, or child has
18 a financial interest.

19 d. Use of the position, title, or any related
20 authority of the member, employee, or agent of the board in a
21 manner designed for personal gain or benefit.

22 e. Demonstration, through work or other action in
23 the performance of the official duties of the member,
24 employee, or agent of the board, of any preferential attitude
25 or treatment of any person.

1 (16) CONTROL. Having a greater than 15 percent
2 direct or indirect pecuniary interest in the casino gaming
3 operation with respect to which the license is sought.

4 (17) DEVELOPMENT AGREEMENT. A written agreement
5 between a city and a person naming the person as the
6 designated developer of a casino in the city and covering
7 certain subjects including, but not limited to, approval by
8 the city of the location of the casino; certification by the
9 city that the applicant has sufficient financial resources to
10 construct and open the casino which it proposes to develop;
11 zoning and site plan requirements; utility connection fees;
12 infrastructure improvements; requirements to utilize local
13 businesses and small businesses as suppliers; employment
14 issues; compulsive gambling programs; insurance requirements;
15 conceptual design approval; reimbursement for predevelopment
16 and infrastructure costs, traffic engineering, and other
17 transportation costs; plans for completion of destination
18 attractions either within or outside the casino facility and
19 ancillary development rights.

20 (18) DISCIPLINARY ACTION. An action by the board
21 suspending or revoking a license, fining, excluding,
22 reprimanding, or otherwise penalizing a person for violating
23 this act or rules promulgated by the board.

24 (29) EX PARTE COMMUNICATION. Any communication,
25 direct or indirect, regarding a licensing application,
26 disciplinary action, or a contested case under this act other

1 than communication that takes place during a meeting or
2 hearing conducted under this act.

3 (20) FINANCIAL INTEREST or FINANCIALLY INTERESTED.

4 Any interest in investments, awarding of contracts, grants,
5 loans, purchases, leases, sales, or similar matters under
6 consideration or consummated by the board. A member, employee,
7 or agent of the board will be considered to have a financial
8 interest in a matter under consideration if any of the
9 following circumstances exist:

10 a. The individual owns one percent or more of any
11 class of outstanding securities that are issued by a party to
12 the matter under consideration or consummated by the board.

13 b. The individual is employed by or is an
14 independent contractor for a party to the matter under
15 consideration or consummated by the board.

16 (21) GAMBLING GAME. A game in which "chance" is not
17 the dominant factor in its outcome and skill or judgment can
18 have an impact on the outcome. Gambling games can be played
19 with cards, dice, equipment or a machine, including any
20 mechanical, electromechanical, or electronic device which
21 shall include computers and cashless wagering systems, for
22 money, credit, or any representative of value, including, but
23 not limited to, faro, monte, roulette, keno, bingo, fan tan,
24 twenty one, blackjack, seven and a half, klondike, craps,
25 poker, chuck a luck, Chinese chuck a luck (dai shu), wheel of
26 fortune, chemin de fer, baccarat, pai gow, beat the banker,
27 panguingui, slot machine, any banking or percentage game, or

1 any other game or device approved by the board, but does not
2 include games played with cards in private homes or residences
3 in which no person makes money for operating the game, except
4 as a player, or illegal and unconstitutional lotteries as
5 prohibited by Section 65 of the Constitution of Alabama of
6 1901.

7 (22) GAMBLING OPERATION. The conduct of authorized
8 gambling games in a casino.

9 (23) GAMING. To deal, operate, carry on, conduct,
10 maintain, or expose or offer for play any gambling game or
11 gambling operation.

12 (24) GROSS RECEIPTS. The total of all sums including
13 valid or invalid checks, currency, tokens, coupons, vouchers,
14 or instruments of monetary value whether collected or
15 uncollected, received by a casino licensee from gaming,
16 including all entry fees assessed for tournaments or other
17 contests, less a deduction for uncollectible gaming
18 receivables not to exceed the uncollectible amounts owed as a
19 result of wagers placed at or through a gambling game or four
20 percent of the total gross receipts, whichever is less. The
21 licensee shall not receive the deduction unless the licensee
22 provides written proof to the State Treasurer of the
23 uncollected gaming receivables and had complied with all rules
24 promulgated by the board regarding the issuance of credit and
25 the collection of amounts due under a credit extension.

26 (25) INSTITUTIONAL INVESTOR. Any retirement fund
27 administered by a public agency for the exclusive benefit of

1 federal, state, or local public employees, an employee benefit
2 plan, or pension fund that is subject to the Employee
3 Retirement Income Security Act of 1974, as amended, an
4 investment company registered under the Investment Company Act
5 of 1940, Title I of Chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1
6 to 80a-3, inclusive, and 80a-4 to 80a-64, inclusive, a
7 collective investment trust organized by a bank under part 9
8 of the rules of the comptroller of the currency, a closed end
9 investment trust, a chartered or licensed life insurance
10 company or property and casualty insurance company, a
11 chartered or licensed financial institution, an investment
12 advisor registered under the Investment Advisers Act of 1940,
13 Title II of Chapter 686, 54 Stat. 847, 15 U.S.C. 80b-1 to
14 80b-21, inclusive, or any other person as the board may
15 determine for reasons consistent with this act.

16 (26) INVESTIGATIVE HEARING. Any hearing conducted by
17 the board or its authorized representative to investigate and
18 gather information or evidence regarding pending license
19 applications, applicants, licensees, or alleged or apparent
20 violations of this act or rules promulgated by the board.

21 (27) JUNKET ENTERPRISE. Any person other than a
22 casino licensee or applicant who employes or otherwise engages
23 in the procurement or referral of persons who may participate
24 in a junket to a casino licensed under this act or casino
25 enterprise whether or not those activities occur within the
26 state.

1 (28) LOTTERY. A game in which the outcome is
2 predominantly the result of chance and as such is prohibited
3 under the Alabama Gaming Control and Revenue Act and the
4 Constitution of Alabama of 1901, Chapter 12, Title 13A, Code
5 of Alabama 1975.

6 (29) MANAGERIAL EMPLOYEE. A person who by virtue of
7 the level of their remuneration or otherwise holds a
8 management, supervisory, or policy-making position with any
9 licensee under this act, vendor, or the board.

10 (30) MEMBER. A board member appointed to the Alabama
11 Gaming Control Board under this act.

12 (31) OCCUPATIONAL LICENSE. A license issued by the
13 board to a person to perform an occupation in a casino or
14 casino enterprise which the board has identified as requiring
15 a license to engage in casino gaming in Alabama.

16 (32) PERSON. An individual, corporation, limited
17 liability company, association, partnership, limited liability
18 partnership, trust, entity, or other legal entity.

19 (33) SUPPLIER. A person who the board has identified
20 under rules promulgated by the board as requiring a license to
21 provide casino licensees or casino enterprises with goods or
22 services regarding the realty, construction, maintenance, or
23 business of a proposed or existing casino, casino enterprise,
24 or related facility on a regular or continuing basis,
25 including, but not limited to, junket enterprises, security
26 businesses, manufacturers, distributors, persons who service

1 gaming devices or equipment, garbage haulers, maintenance
2 companies, food purveyors, and construction companies.

3 (34) TREASURER. State Treasurer.

4 (35) VENDOR. A person who is not licensed under this
5 act who supplies any goods or services to a casino licensee or
6 supplier licensee.

7 (36) WAGERER. A person who plays a gambling game
8 authorized under this act.

9 (37) WINNINGS. The total cash value of all property
10 or sums including currency, tokens, or instruments of monetary
11 value paid to wagerers as a direct result of wagers placed at
12 or through a gambling game.

13 Section 4. (a) Casino gaming may be operated and
14 maintained to the extent that it is conducted in accordance
15 with this act. All gaming authorized by this act shall be
16 regulated by the board.

17 (b) Except as provided in subsection (b), this
18 authorization does not apply to any of the following:

19 (1) The pari mutuel system of wagering on horses and
20 greyhounds used or intended to be used in connection with race
21 meetings as authorized by the Alabama Legislature under
22 Chapter 65 (commencing with Section 11-65-1), Title 11, Code
23 of Alabama 1975.

24 (2) Gambling on Native American land and land held
25 in trust by the United States for a federally recognized
26 Indian tribe on which gaming may be conducted under the Indian
27 Gaming Regulatory Act, Public Law 100-497, 102 Stat. 2467.

1 (3) This act may not be construed to modify, amend,
2 or otherwise affect the validity of Article 2 (commencing with
3 Section 13A-12-1), Chapter 12, Title 13A, Code of Alabama
4 1975.

5 (c) Any law that is inconsistent with this act does
6 not apply to casino gaming as provided for by this act.

7 (d) This act and rules promulgated by the board
8 shall apply to all persons who are licensed or otherwise
9 participate in gaming under this act.

10 (e) If a federal court or agency rules or federal
11 legislation is enacted that allows a state to regulate
12 gambling on Native American land or land held in trust by the
13 United States for a federally recognized Indian tribe, the
14 Legislature shall enact legislation creating a new act
15 consistent with this act to regulate casinos that are operated
16 on Native American land or land held in trust by the United
17 States for a federally recognized Indian tribe.

18 Section 5. (a) The Alabama Gaming Control Board is
19 hereby established in the Department of Revenue. The board
20 shall have the powers and duties specified in this act and all
21 other powers necessary and proper to fully and effectively
22 execute and administer this act for the purpose of licensing,
23 regulating, and enforcing the system of casino gambling
24 established under this act. Its jurisdiction shall extend to
25 every person, association, corporation, partnership, and trust
26 involved in casino gaming operations in the State of Alabama.

1 (b) (1) The board shall consist of five members with
2 no more than three members being from the same political
3 party. The members of the board shall be appointed as follows:

4 a. Three members appointed by the Governor.

5 b. One member appointed by the Lieutenant Governor.

6 c. One member appointed by the Speaker of the House
7 of Representatives.

8 (2) Each member shall be a resident of this state
9 and one member shall be an attorney at law.

10 (c) The members shall be appointed for terms of
11 three years, except that the terms of office of the initial
12 board members appointed pursuant to this act will commence as
13 follows: One member shall be appointed for a term of one year,
14 two members shall be appointed for a term of two years, and
15 two members shall be appointed for a full term of three years.
16 A member's term shall expire on December 31 of the last year
17 of the member's term. Upon the expiration of the foregoing
18 terms, the successors of the member shall serve a term of
19 three years and until their successors are appointed and
20 qualified for like terms. If a vacancy occurs on the board,
21 the vacancy shall be filled for the unexpired term in like
22 manner as original appointments. Each member of the board
23 shall be eligible for reappointment at the discretion of the
24 appointing authority.

25 (d) Each member of the board shall receive one
26 thousand dollars (\$1,000) for each day the board meets and for
27 each day the member conducts any hearing pursuant to this act.

1 Each member of the board shall be reimbursed for all actual
2 and necessary expenses and disbursements incurred in the
3 execution of his or her official duties.

4 (e) A person who is not of good moral character or
5 who has been indicted or charged with, convicted of, pled
6 guilty or nolo contendere to, or forfeited bail concerning a
7 felony or a misdemeanor involving gambling, theft, dishonesty,
8 or fraud under the laws of this state, any other state, or the
9 United States or a local ordinance in any state involving
10 gambling, dishonesty, theft, or fraud that substantially
11 corresponds to a misdemeanor in that state shall not be
12 appointed or remain as a member of the board.

13 (f) Any member of the board may be removed by the
14 state Attorney General for neglect of duty, misfeasance,
15 malfeasance, nonfeasance, or any other just cause.

16 (g) An executive director for the board shall be
17 appointed by a majority vote of the board to serve a six-year
18 term. After the effective date of the act, the appointment of
19 the executive director shall require the approval of the
20 Senate by a record roll call vote. The executive director
21 shall perform any and all duties that the board shall assign
22 him or her. The salary of the executive director shall be
23 determined by the board. The executive director also shall be
24 reimbursed for all actual and necessary expenses incurred by
25 him or her in discharge of his or her official duties. The
26 executive director shall keep records of all proceedings of
27 the board and shall preserve all records, books, documents,

1 and other papers belonging to the board or entrusted to its
2 care. The executive director shall devote his or her full time
3 to the duties of the office and may not hold any other office
4 or employment. A vacancy in the position of executive director
5 shall be filled as provided in this subsection for a new
6 six-year term.

7 (h) The board shall employ personnel as necessary to
8 carry out the functions of the board under this act, including
9 having an Alabama licensed attorney on retainer.

10 (i) A person may not be appointed to or employed by
11 the board if any of the following circumstances exist:

12 (1) During the two years immediately preceding the
13 appointment or employment, the person held any direct or
14 indirect interest in, or any employment by, a person who is
15 licensed to operate a casino under this act or in another
16 jurisdiction, a person who had an application to operate a
17 casino pending before the board or any other jurisdiction, or
18 a casino enterprise. However, the person may be employed by
19 the board if his or her interest in any casino licensee or
20 casino enterprise would not, in the opinion of the board,
21 interfere with the objective discharge of the person's
22 employment obligations. However, a person may not be employed
23 by the board if his or her interest in the casino licensee or
24 casino enterprise licensed under this act constitutes a
25 controlling interest in that casino licensee or casino
26 enterprise.

1 (2) The person or his or her spouse, parent, child,
2 child's spouse, sibling, or spouse of a sibling is a member of
3 the board of directors of, or a person financially interested
4 in, any gambling operation subject to the jurisdiction of this
5 board or any person licensed as a casino licensee or casino
6 supplier, any person who has an application for a license
7 pending before the board, or a casino enterprise.

8 (j) Each member of the board, the executive
9 director, and each key employee as determined by the board
10 shall file with the Alabama Ethics Commission a statement of
11 economic interest listing all assets and liabilities, property
12 and business interests, and sources of income of the member,
13 executive director, and each key employee and any of their
14 spouses affirming that the member, executive director, and key
15 employee are in compliance with subsection (1) and (2) of this
16 section. The financial disclosure statement shall be under
17 oath and shall be filed at the time of employment and annually
18 thereafter.

19 (k) Each employee of the board shall file with the
20 board a statement listing all assets and liabilities, property
21 and business interests, and sources of income of the employee
22 and his or her spouse. This subsection does not apply to the
23 executive director or a key employee.

24 (1) A member of the board, executive director, or
25 key employee may not hold any direct or indirect interest in,
26 be employed by, or enter into a contract for services with an
27 applicant, a person licensed by or registered with the board,

1 or a casino enterprise for a period of two years after the
2 date his or her membership on the board terminates.

3 (m) An employee of the board may not acquire any
4 direct or indirect interest in, be employed by, or enter into
5 a contract for services with any applicant, person licensed by
6 the board, or casino enterprise for a period of two years
7 after the date his or her employment with the board is
8 terminated.

9 (n) A board member or a person employed by the board
10 shall not represent any person or party other than the state
11 before or against the board for a period of two years after
12 the termination of his or her office or employment with the
13 board.

14 (o) A business entity in which a former board member
15 or employee or agent has an interest, or any partner, officer,
16 or employee of the business entity may not make any appearance
17 or representation that is prohibited to that former member,
18 employee, or agent. As used in this subsection, "business
19 entity" means a corporation, limited liability company,
20 partnership, limited liability partnership, association,
21 trust, or other form of legal entity.

22 (p) The board shall have general responsibility for
23 the implementation of this act. The board's duties include,
24 but are not limited to, all of the following:

25 (1) Deciding in a reasonable period of time all
26 casino license applications. Any party aggrieved by an action
27 of the board denying, suspending, revoking, restricting or

1 refusing to renew a license may request a hearing before the
2 board. A request for a hearing shall be made to the board
3 within five days after service of the notice of the action of
4 the board. The criteria considered appropriate by the board
5 shall not be arbitrary, capricious, or contradictory to the
6 expressed provisions of this act.

7 (2) To decide in reasonable order all license
8 applications. Except for casino license applicants granted a
9 hearing under subdivision (a) of Section 9, any party
10 aggrieved by an action of the board denying, suspending,
11 revoking, restricting, or refusing to renew a license, or
12 imposing a fine, may request a hearing before the board. A
13 request for a hearing shall be made to the board in writing
14 within 21 days after service of notice of the action of the
15 board. Notice of the action of the board shall be served
16 either by personal delivery or by certified mail, postage
17 prepaid, to the aggrieved party. Notice served by certified
18 mail shall be considered complete on the business day
19 following the date of the mailing.

20 (3) Conducting its public meetings in compliance
21 with the open meetings act.

22 (4) Promulgating the rules as may be necessary to
23 implement, administer, and enforce this act. All rules
24 promulgated under this act shall not be arbitrary, capricious,
25 or contradictory to the expressed provisions of this act. The
26 rules may include, but need not be limited to, rules that do
27 one or more of the following:

1 a. Govern, restrict, approve, or regulate the casino
2 gaming authorized in this act.

3 b. Promote the safety, security, and integrity of
4 casino gaming authorized in this act.

5 c. License and regulate persons participating in or
6 involved with casino gaming authorized in this act.

7 (5) Providing for the establishment and collection
8 of all license and registration fees and taxes imposed by this
9 act and the rules promulgated by the board.

10 (6) Providing for the levy and collection of
11 penalties and fines for the violation of this act and the
12 rules promulgated by the board.

13 (7) Being present through its inspectors, agents,
14 auditors and the Alabama Bureau of Investigations or Attorney
15 General at any time in any casino and related casino
16 enterprise for the purpose of certifying the revenue thereof,
17 receiving complaints from the public, and conducting other
18 investigations into the conduct of the gambling games and the
19 maintenance of the equipment as from time to time the board
20 may consider necessary and proper to assure compliance with
21 this act and the rules promulgated by the board and to protect
22 and promote the overall safety, security, and integrity of
23 casino gaming authorized in this act.

24 (8) Reviewing and ruling upon any complaint by a
25 licensee regarding any investigative procedures of the state
26 which are unnecessarily disruptive of gambling operations. The
27 need to inspect and investigate shall be presumed at all

1 times. A licensee shall establish by clear and convincing
2 evidence that its operations were disrupted, the procedures
3 had no reasonable law enforcement or regulatory purposes, and
4 the procedures were so disruptive as to unreasonably inhibit
5 gambling operations.

6 (9) Holding at least one public meeting each quarter
7 of the fiscal year. In addition, special meetings may be
8 called by the chairperson or any two board members upon 72
9 hours' written notice to each member. Three members of the
10 board shall constitute a quorum, except when making
11 determinations on applications for casino licenses when four
12 members shall constitute a quorum. Three votes shall be
13 required in support of final determinations of the board on
14 applications for casino licenses. The board shall keep a
15 complete and accurate record of all its meetings and hearings.
16 Upon order of the board, one of the board members or a hearing
17 officer designated by the board may conduct any hearing
18 provided for under this act or by the rules promulgated by the
19 board and may recommend findings and decisions to the board.
20 The board member or hearing officer conducting the hearing
21 shall have all powers and rights regarding the conduct of
22 hearings granted to the board under this act. The record made
23 at the time of the hearing shall be reviewed by the board, or
24 a majority of the board, and the findings and decision of the
25 majority of the board shall constitute the order of the board
26 in the case.

1 (10) Maintaining records which are separate and
2 distinct from the records of any other state board. The
3 records shall be available for public inspection subject to
4 the limitations of this act, and shall accurately reflect all
5 board proceedings.

6 (11) Reviewing the patterns of wagering and wins and
7 losses by persons in casinos under this act and make
8 recommendations to the Governor and the Legislature in a
9 written annual report to the Governor and the Legislature and
10 additional reports as the Governor may request. The annual
11 report shall include a statement of receipts and disbursements
12 by the board, actions taken by the board, and any additional
13 information and recommendations that the board considers
14 appropriate or that the Governor may request.

15 Section 6. (a) The board shall have jurisdiction
16 over and shall supervise all gambling operations governed by
17 this act. The board shall have all powers necessary and proper
18 to fully and effectively execute this act, including, but not
19 limited to, the authority to do all of the following:

20 (1) Investigate applicants and determine the
21 eligibility of applicants for licenses or registration and to
22 grant licenses to applicants in accordance with this act and
23 the rules promulgated under this act.

24 (2) Have jurisdiction over and supervise casino
25 gambling operations authorized by this act and all persons in
26 casinos where gambling operations are conducted under this
27 act.

1 (3) Enter through its investigators, agents,
2 auditors, and the Alabama Department of Public Safety at any
3 time, without a warrant and without notice to the licensee,
4 the premises, offices, casinos, casino enterprises,
5 facilities, or other places of business of a casino licensee
6 or casino supplier licensee, where evidence of the compliance
7 or noncompliance with this act or rules promulgated by the
8 board is likely to be found, for the following purposes:

9 a. To inspect and examine all premises wherein
10 casino gaming or the business of gaming or the business of a
11 supplier is conducted, or where any records of the activities
12 are prepared.

13 b. To inspect, examine, audit, impound, seize, or
14 assume physical control of, or summarily remove from the
15 premises all books, ledgers, documents, writings, photocopies,
16 correspondence, records, videotapes, including electronically
17 stored records, money receptacles, other containers and their
18 contents, equipment in which the records are stored, or other
19 gaming related equipment and supplies on or around the
20 premises, including counting rooms.

21 c. To inspect the person, and inspect, examine, and
22 seize personal effects present in a casino facility licensed
23 under this act, of any holder of a license or registration
24 issued pursuant to this act while that person is present in a
25 licensed casino facility.

26 d. To investigate and deter alleged violations of
27 this act or the rules promulgated by the board.

1 e. This section is not intended to limit warrantless
2 inspections except in accordance with constitutional
3 requirements.

4 (4) Investigate alleged violations of this act or
5 rules promulgated by the board and to take appropriate
6 disciplinary action against a licensee or any other person or
7 holder of an occupational license for a violation, or
8 institute appropriate legal action for enforcement, or both.

9 (5) Adopt standards for the licensing of all persons
10 under this act, as well as for electronic or mechanical
11 gambling games or gambling games, and to establish fees for
12 the licenses.

13 (6) Adopt appropriate standards for all casino
14 gaming facilities and equipment.

15 (7) Require that all records of casino and supplier
16 licensees, including financial or other statements, shall be
17 kept on the premises of the casino licensee or supplier
18 licensee in the manner prescribed by the board.

19 (8) Require that each casino licensee involved in
20 the ownership or management of gambling operations submit to
21 the board an annual balance sheet, profit and loss statement,
22 and a list of the stockholders or other persons having a one
23 percent or greater beneficial interest in the gambling
24 activities of each licensee in addition to any other
25 information the board considers necessary in order to
26 effectively administer this act and all rules promulgated by
27 the board and orders and final decisions made under this act.

1 (9) Conduct investigative and contested case
2 hearings, issue subpoenas for the attendance of witnesses and
3 subpoenas duces tecum for the production of books, ledgers,
4 records, memoranda, electronically retrievable data, and other
5 pertinent documents and to administer oaths and affirmations
6 to the witnesses to exercise and discharge the powers and
7 duties of the board under this act. The executive director or
8 his or her designee may issue subpoenas and administer oaths
9 and affirmations to witnesses.

10 (10) Prescribe a form to be used by any licensee
11 involved in the ownership or management of gambling operations
12 as an application for employment for prospective employees.

13 (11) Revoke or suspend licenses, impose fines and
14 penalties as the board considers necessary and in compliance
15 with applicable laws of the state regarding administrative
16 procedures, and review and decide applications for the renewal
17 of licenses. The board may suspend a casino license, without
18 notice or hearing upon a determination that the safety or
19 health of patrons or employees is jeopardized by continuing a
20 casino's operation. If the board suspends a license under this
21 subdivision without notice or hearing, a prompt postsuspension
22 hearing shall be held to determine if the suspension should
23 remain in effect. The suspension may remain in effect until
24 the board determines that the cause for suspension has been
25 abated. The board may revoke the casino license upon a
26 determination that the owner has not made satisfactory
27 progress toward abating the hazard.

1 (12) In addition to a disassociated person, eject,
2 or exclude or authorize the ejection or exclusion of a person
3 from a casino if the person violates this act, rules
4 promulgated by the board, or final orders of the board or when
5 the board determines that the conduct or reputation of the
6 person is such that his or her presence within the casino
7 gambling facilities may compromise the honesty and integrity
8 of the gambling operations or interferes with the orderly
9 conduct of the gambling operations. However, the propriety of
10 the ejection or exclusion is subject to subsequent hearing by
11 the board.

12 (13) Suspend, revoke, or restrict licenses and
13 require the removal of a licensee or an employee of a licensee
14 for a violation of this act or rule promulgated by the board
15 or for engaging in a fraudulent practice, and impose civil
16 penalties of up to five thousand dollars (\$5,000) against
17 individuals and up to ten thousand dollars (\$10,000) or an
18 amount equal to the daily gross receipts, whichever is
19 greater, against casino licensees for each violation of this
20 act, any rules promulgated by the board, any order of the
21 board, or for any other action which the board determines is a
22 detriment or impediment to casino gambling operations.

23 (14) Disqualify a person under this act.

24 (15) In addition to the authority provided under
25 subdivision (13), revoke or suspend a casino license or impose
26 any other disciplinary action for any of the following
27 reasons:

1 a. The casino licensee has violated Title 28 of the
2 Code of Alabama 1975, or any rules promulgated by the Alabama
3 Beverage Control Board.

4 b. At any time the licensee no longer meets the
5 eligibility requirements or suitability determination by the
6 board for a casino license under this act.

7 c. The failure to revoke or suspend the license
8 would undermine the public's confidence in the Alabama gaming
9 industry.

10 (16) Conduct periodic audits of casinos authorized
11 under this act.

12 (17) Establish minimum levels of insurance to be
13 maintained by licensees.

14 (18) Delegate the execution of any of its powers
15 under this act for the purpose of administering and enforcing
16 this act and the rules promulgated by the board. This
17 subdivision does not apply to the granting of casino licenses
18 under this act.

19 (19) Perform a background check, at the vendor's
20 expense, of any vendor using the same standards that the board
21 uses in determining whether to grant a supplier's license.

22 (20) Review the business practices of a casino
23 licensee including, but not limited to, the price and quality
24 of goods and services offered to patrons and take disciplinary
25 action as the board considers appropriate to prevent practices
26 that undermine the confidence of the public in the Alabama
27 gaming industry.

1 (21) Review a licensee if that licensee is under
2 review or is otherwise subject to discipline by a regulatory
3 body in any other jurisdiction for a violation of a gambling
4 law or regulation in that jurisdiction.

5 (22) Take any other action as may be reasonable or
6 appropriate to enforce this act and rules promulgated by the
7 board.

8 (b) The board may seek and shall receive the
9 cooperation and assistance of the Alabama Department of Public
10 Safety and of the Attorney General of this state in conducting
11 background investigations of applicants and in fulfilling its
12 responsibilities under this act.

13 Section 7. (a) There is appropriated for the fiscal
14 year ending September 30, 2009, seven million five hundred
15 thousand dollars (\$7,500,000) for the purpose of funding the
16 operations of the board. The appropriation shall be reimbursed
17 in equal shares by each of the three casino licenses licensed
18 under this act. In no event shall the share of the casino
19 exceed 1/3 of the total amount required under this subsection.
20 The amount owing from each licensee shall be paid to the State
21 Treasurer and deposited into the State Casino Gaming Fund no
22 later than the first day on which each casino opens for
23 operation.

24 (b) The amount a casino licensee reimburses the
25 state under this section shall be credited against the annual
26 assessment provided by this act.

1 Section 8. (a) Except as otherwise provided in this
2 section, all information, records, interviews, reports,
3 statements, memoranda, or other data supplied to or used by
4 the board shall be subject to Section 36-12-40, Code of
5 Alabama 1975, except for the following:

6 (1) Unless presented during a public hearing, all
7 the information, records, interviews, reports, statements,
8 memoranda, or other data supplied to, created by, or used by
9 the board related to background investigation of applicants or
10 licensees and to trade secrets, internal controls, and
11 security measures of the licensees or applicants.

12 (2) All information, records, interviews, reports,
13 statements, memoranda, or other data supplied to or used by
14 the board that have been received from another jurisdiction or
15 local, state, or federal agency under a promise of
16 confidentiality or if the release of the information is
17 otherwise barred by the statutes, rules, or regulations of
18 that jurisdiction or agency or by an intergovernmental
19 agreement.

20 (3) All information provided in an application for
21 license required under this act.

22 (b) Notwithstanding subsection (a) (1) or (2), the
23 board, upon written request from any person, shall provide the
24 following information concerning the applicant or licensee,
25 his or her products, services or gambling enterprises, and his
26 or her business holdings if the board has the information in
27 its possession:

1 (1) The name, business address, and business
2 telephone number.

3 (2) An identification of any applicant or licensee
4 including, if an applicant or licensee is not an individual,
5 its state of incorporation or registration, its corporate
6 officers, and the identity of its shareholders. If an
7 applicant or licensee has a registration statement or a
8 pending registration statement filed with the securities and
9 exchange commission, only the names of those persons or
10 entities holding interest of five percent or more shall be
11 provided.

12 (3) An identification of any business, including, if
13 applicable, the state of incorporation or registration, in
14 which an applicant or licensee or a spouse of an applicant or
15 licensee, parent, or child has an equity interest of more than
16 five percent.

17 (4) Whether an applicant or licensee has been
18 indicted, convicted, pleaded guilty or nolo contendere, or
19 forfeited bail concerning any criminal offense under the laws
20 of any jurisdiction, either felony or misdemeanor, not
21 including traffic violations, including the name and location
22 of the court, the date, and disposition of the offense.

23 (5) Whether an applicant or licensee has had any
24 license or certification issued by a licensing authority in
25 Alabama or any other jurisdiction denied, restricted,
26 suspended, revoked, or not renewed and, if known by the board,
27 a statement describing the facts and circumstances concerning

1 the denial, restriction, suspension, revocation, or
2 nonrenewal, including the name of the licensing authority, the
3 date each action was taken, and the reason for each action.

4 (6) Whether an applicant or licensee has ever filed,
5 or had filed against it, a proceeding for bankruptcy or has
6 ever been involved in any formal process to adjust, defer,
7 suspend, or otherwise work out the payment of any debt,
8 including the date of filing, the name and location of the
9 court, the case, and number of the disposition.

10 (7) Whether an applicant or licensee has filed, or
11 been served with, a complaint or other notice fled with any
12 public body regarding the delinquent payment of any tax
13 required under federal, state, or local law, including the
14 amount of the tax, type of tax, the taxing agency, and time
15 periods involved.

16 (8) A statement listing the names and titles of all
17 public officials or officers of any city, state, or federal
18 body, agency, or entity and relatives of the officials who,
19 directly or indirectly, own any financial interest in, have
20 any beneficial interest in, are the creditors of, or hold or
21 have any other interest in, or any contractual or service
22 relationship with, an applicant or licensee under this act.

23 (9) Whether an applicant or licensee or the spouse,
24 parent, child, or spouse of a child of an applicant or
25 licensee has made, directly or indirectly, any political
26 contributions, or any loans, gifts, or other payments to any
27 candidate or officeholder elected in this state, within five

1 years prior to the date of filing the application, including
2 the amount and the method of payment or to a committee
3 established under the Fair Campaign Practices Act.

4 (10) The name and business telephone number of any
5 attorney, counsel, lobbyist agent as, or any other person
6 representing an applicant or licensee in matters before the
7 board.

8 (11) A summary of the development agreement of the
9 applicant with the city, including the applicant's proposed
10 location, the square footage of any proposed casino, the type
11 of additional facilities, restaurants, or hotels proposed by
12 the applicant, the expected economic benefit to the city,
13 anticipated or actual number of employees, any statement from
14 the applicant regarding compliance with federal and state
15 affirmative action guidelines, projected or actual admissions,
16 and projected or actual adjusted gross receipts.

17 (12) A description of the product or service to be
18 supplied by, or occupation to be engaged in by, a licensee.

19 (c) Except as otherwise provided in this subsection,
20 all information, records, interviews, reports, statements,
21 memoranda, or other data provided in a response to a request
22 for proposals for development agreements issued by the city
23 and all draft development agreements being negotiated by the
24 city shall be exempt from disclosure under Section 36-12-40,
25 Code of Alabama 1975, including, but not limited to, any of
26 the following:

1 (1) Unless presented during a public hearing, all
2 records, interviews, reports, statements, memoranda, or other
3 information supplied to, created by, or used by the city
4 related to background investigation of applicants for a
5 development agreement and to trade secrets, internal controls,
6 and security measures of the licensees or applicants.

7 (2) All records, interviews, reports, statements,
8 memoranda, or other information supplied to or used by the
9 city that have been received from another jurisdiction or
10 local, state, or federal agency under a promise of
11 confidentiality or if the release of the information is
12 otherwise barred by the statutes, rules, or regulations of
13 that jurisdiction or agency or by an intergovernmental
14 agreement.

15 (3) All information provided in a response to a
16 request for proposals for development agreements.

17 (d) Notwithstanding subsection (3) (a) or (c), the
18 city, upon request, shall disclose the following information
19 concerning the response to a request for proposals for
20 development agreements:

21 (1) The name, business address, and business
22 telephone number of the person filing the response.

23 (2) An identification of a person filing a response
24 including, if the person is not an individual, the state of
25 incorporation or registration, the corporate officers, and the
26 identity of all shareholders or participants. If a person
27 filing a response has a registration statement or a pending

1 registration statement filed with the Securities and Exchange
2 Commission, the city shall only provide the names of those
3 persons or entities holding interest of five percent or more.

4 (3) An identification of any business, including, if
5 applicable, the state of incorporation or registration, in
6 which a person filing a response or his or her spouse, parent,
7 or child has equity interest of more than five percent.

8 (4) Whether a person filing a response has been
9 indicted, convicted, pleaded guilty or nolo contendere, or
10 forfeited bail concerning any criminal offense under the laws
11 of any jurisdiction, either felony or misdemeanor, not
12 including traffic violations, including the name and location
13 of the court, the date, and disposition of the offense.

14 (5) Whether a person filing a response has had any
15 license or certification issued by a licensing authority in
16 Alabama or any other jurisdiction denied, restricted,
17 suspended, revoked, or not renewed and, if known by the city,
18 a statement describing the facts and circumstances concerning
19 the denial, restriction, suspension, revocation, or
20 nonrenewal, including the name of the licensing authority, the
21 date each action was taken, and the reason for each action.

22 (6) Whether a person filing a response has ever
23 filed, or had filed against it, a proceeding for bankruptcy or
24 has ever been involved in any formal process to adjust, defer,
25 suspend or otherwise work out the payment of any debt,
26 including the date of filing, the name and location of the
27 court, the case, and number of the disposition.

1 (7) Whether a person filing a response has filed, or
2 been served with, a complaint or other notice filed with any
3 public body regarding the delinquency in the payment of any
4 tax required under federal, state, or local law, including the
5 amount, type of tax, the taxing agency, and time periods
6 involved.

7 (8) A statement listing the names and titles of all
8 public officials or officers of any city, state, or federal
9 body, agency, or entity and relatives of the officials who,
10 directly or indirectly, own any financial interest in, have
11 any beneficial interest in, are the creditors of, or hold or
12 have any interest in or have any contractual or service
13 relationship with, a person filing a response.

14 (9) Whether a person filing a response or the
15 spouse, parent, child, or spouse of a child of a person filing
16 a response has made, directly or indirectly, any political
17 contributions, or any loans, gifts, or other payments to any
18 board member or any candidate or officeholder elected in this
19 state or to a committee established under the Fair Campaign
20 Practices Act within five years before the date of filing the
21 application, including the amount and the method of payment.

22 (10) The name and business telephone number of the
23 counsel representing a person filing a response.

24 (11) A summary of the development agreement proposal
25 with the city, including the proposed location of the
26 applicant, the square footage of any proposed casino, the type
27 of additional facilities, restaurants, or hotels proposed by

1 the person filing a response, the expected economic benefit to
2 the city, anticipated or actual number of employees, any
3 statement from the applicant regarding compliance with federal
4 and state affirmative action guidelines, projected or actual
5 admissions, and projected or actual adjusted gross receipts.

6 (12) A description of the product or service to be
7 supplied by, or occupation to be engaged in by, a person
8 filing a response.

9 (e) Notwithstanding the provisions of this section,
10 the board or the city may cooperate with and provide all
11 information, records, interviews, reports, statements,
12 memoranda, or other data supplied to or used by the board to
13 other jurisdictions or law enforcement agencies.

14 Section 9. (a) By January 31 of each year, each
15 member of the board shall prepare and file with the office of
16 the board, a board disclosure form in which the member does
17 all of the following:

18 (1) Affirms that the member or the member's spouse,
19 parent, child, or child's spouse is not a member of the board
20 of directors of, financially interested in, or employed by a
21 licensee or applicant.

22 (2) Affirms that the member continues to meet any
23 other criteria for board membership under this act or the
24 rules promulgated by the board.

25 (3) Discloses any legal or beneficial interests in
26 any real property that is or may be directly or indirectly

1 involved with gaming or gaming operations authorized by this
2 act.

3 (4) Disclose any information required to ensure that
4 the integrity of the board and its work is maintained.

5 (b) By January 31 of each year, each employee of the
6 board shall prepare and file with the office of the board an
7 employee disclosure form in which the employee does all of the
8 following:

9 (1) Affirms the absence of financial interests
10 prohibited by this act.

11 (2) Discloses any legal or beneficial interests in
12 any real property that is or may be directly or indirectly
13 involved with gaming or gaming operations authorized by this
14 act.

15 (3) Discloses whether the employee or the employee's
16 spouse, parent, child, or child's spouse is financially
17 interested in or employed by a supplier licensee or an
18 applicant for a supplier's license under this act.

19 (4) Discloses other matters required to ensure that
20 the integrity of the board and its work is maintained.

21 (c) A member, employee, or agent of the board who
22 becomes aware that the member, employee, or agent of the board
23 or his or her spouse, parent, or child is a member of the
24 board of, financially interested in, or employed by a licensee
25 or an applicant shall immediately provide detailed written
26 notice thereof to the chairperson.

1 (d) A member, employee, or agent of the board who
2 has been indicted, charged with, convicted of, pled guilty or
3 nolo contendere to, or forfeited bail concerning a misdemeanor
4 involving gambling, dishonesty, theft, or fraud or a local
5 ordinance in any state involving gambling, dishonesty, theft,
6 or fraud that substantially corresponds to a misdemeanor in
7 that state, or a felony under Alabama law, the laws of any
8 other state, or the laws of the United States, or any other
9 jurisdiction shall immediately provide detailed written notice
10 of the conviction or charge to the chairperson.

11 (e) Any member, employee, or agent of the board who
12 is negotiating for, or acquires by any means, any interest in
13 any person who is a licensee or an applicant, or any person
14 affiliated with such a person, shall immediately provide
15 written notice of the details of the interest to the chair.
16 The member, employee, or agent of the board shall not act on
17 behalf of the board with respect to that person.

18 (f) A member, employee, or agent of the board may
19 not enter into any negotiations for employment with any person
20 or affiliate of any person who is a licensee or an applicant,
21 and shall immediately provide written notice of the details of
22 any negotiations or discussions to the chair. The member,
23 employee, or agent of the board shall not take any action on
24 behalf of the board with respect to that person.

25 (g) Any member, employee, or agent of the board who
26 receives an invitation, written or oral, to initiate a
27 discussion concerning employment or the possibility of

1 employment with a person or affiliate of a person who is a
2 licensee or an applicant shall immediately report that he or
3 she received the invitation to the chair. The member,
4 employee, or agent of the board shall not take action on
5 behalf of the board with respect to the person.

6 (h) A licensee or applicant shall not knowingly
7 initiate a negotiation for or discussion of employment with a
8 member, employee, or agent of the board. A licensee or
9 applicant who initiates a negotiation or discussion about
10 employment shall immediately provide written notice of the
11 details of the negotiation or discussion to the chair as soon
12 as he or she becomes aware that the negotiation or discussion
13 has been initiated with a member, employee, or agent of the
14 board.

15 (i) A member, employee, or agent of the board, or
16 former member, employee, or agent of the board, shall not
17 disseminate or otherwise disclose any material or information
18 in the possession of the board that the board considers
19 confidential unless specifically authorized to do so by the
20 chair or the board.

21 (j) A member, employee, or agent of the board or a
22 parent, spouse, sibling, spouse of a sibling, child, or spouse
23 of a child of a member, employee, or agent of the board may
24 not accept any gift, gratuity, compensation, travel, lodging,
25 or anything of value, directly or indirectly, from any
26 licensee or any applicant or affiliate or representative of an
27 applicant or licensee, unless the acceptance conforms to a

1 written policy or directive that is issued by the chair or the
2 board. Any member, employee, or agent of the board who is
3 offered or receives any gift, gratuity, compensation, travel,
4 lodging, or anything of value, directly or indirectly, from
5 any licensee or any applicant or affiliate or representative
6 of an applicant or licensee shall immediately provide written
7 notification of the details to the chair.

8 (k) A licensee, applicant, affiliate, or
9 representative of an applicant or licensee, may not, directly
10 or indirectly, give or offer to give any gift, gratuity,
11 compensation, travel, lodging, or anything of value to any
12 member, employee, or agent of the board which the member,
13 employee, or agent of the board is prohibited from accepting
14 under subsection (i).

15 (l) A member, employee, or agent of the board shall
16 not engage in any conduct that constitutes a conflict of
17 interest, and shall immediately advise the chair in writing of
18 the details of any incident or circumstances that would
19 present the existence of a conflict of interest with respect
20 to the performance of the board-related work or duty of the
21 member, employee, or agent of the board.

22 (m) A member, employee, or agent of the board who is
23 approached and offered a bribe in violation of Section
24 13A-10-61, Code of Alabama 1975, or this act shall immediately
25 provide written account of the details of the incident to the
26 chair and to a law enforcement officer of a law enforcement
27 agency having jurisdiction.

1 (n) A member, employee, or agent of the board shall
2 disclose his or her past involvement with any casino interest
3 in the past five years and may not engage in political
4 activity or politically related activity during the duration
5 of his or her appointment or employment.

6 (o) A former member, employee, or agent of the board
7 may appear before the board as a fact witness about matters or
8 actions handled by the member, employee, or agent during his
9 or her tenure as a member, employee, or agent of the board.
10 The member, employee, or agent of the board may not receive
11 compensation for an appearance other than a standard witness
12 fee and reimbursement for travel expenses as established by
13 statute or court rule.

14 (p) A licensee or applicant or any affiliate or
15 representative of an applicant or licensee may not engage in
16 ex parte communications with a member of the board. A member
17 of the board may not engage in any ex parte communications
18 with a licensee or an applicant or with any affiliate or
19 representative of an applicant or licensee.

20 (q) Any board member, licensee, or applicant or
21 affiliate or representative of a board member, licensee, or
22 applicant who receives any ex parte communication in violation
23 of subsection (p), or who is aware of an attempted
24 communication in violation of subsection (p), shall
25 immediately report details of the communication or attempted
26 communication in writing to the chair.

1 (r) Any member of the board who receives an ex parte
2 communication which attempts to influence that member's
3 official action shall disclose the source and content of the
4 communication to the chair. The chair may investigate or
5 initiate an investigation of the matter with the assistance of
6 the Attorney General and state police to determine if the
7 communication violates subsection (p) or subsection (o) or
8 other state law. The disclosure under this section and the
9 investigation shall remain confidential. Following an
10 investigation, the chair shall advise the Governor or the
11 board, or both, of the results of the investigation and may
12 recommend action as the chair considers appropriate.

13 (s) A new or current employee or agent of the board
14 shall obtain written permission from the executive director
15 before continuing outside employment held at the time the
16 employee begins to work for the board. Permission shall be
17 denied, or permission previously granted will be revoked, if
18 the nature of the work is considered to or does create a
19 possible conflict of interest or otherwise interferes with the
20 duties of the employer or agent for the board.

21 (t) An employee or agent of the board granted
22 permission for outside employment may not conduct any business
23 or perform any activities, including solicitation, related to
24 outside employment on premises used by the board or during the
25 employee's working hours for the board.

26 (u) Whenever the chair, as an employee of the board,
27 is required to file disclosure forms or report in writing the

1 details of any incident or circumstance pursuant to this
2 section, he or she shall make the filings or written reports
3 to the board.

4 (v) The chair shall report any action he or she has
5 taken or contemplates taking under this section with respect
6 to an employee or agent or former employee or former agent to
7 the board at the next meeting of the board. The board may
8 direct the executive director to take additional or different
9 action.

10 (w) Except as follows, no member, employee, or agent
11 of the board may participate in or wager on any gambling game
12 conducted by any licensee or applicant or any affiliate of an
13 applicant or licensee in Alabama or in any other jurisdiction:

14 (1) A member, employee, or agent of the board may
15 participate in and wager on a gambling game conducted by a
16 licensee under this act, to the extent authorized by the chair
17 or board as part of the person's surveillance, security, or
18 other official duties for the board.

19 (2) A member, employee, or agent of the board shall
20 advise the chair at least 24 hours in advance if he or she
21 plans to be present in a casino in this state or in another
22 jurisdiction operated by a licensee or applicant, or affiliate
23 of a licensee or an applicant, outside the scope of his or her
24 official duties for the board.

25 (x) Violation of this section by a licensee or
26 applicant, or affiliate or representative of a licensee or
27 applicant, may result in denial of the application of

1 licensure or revocation or suspension of license or other
2 disciplinary action by the board.

3 (y) Violation of this section by a member of the
4 board may result in disqualification or constitute cause for
5 removal under subsection (9) of Section 5 or other
6 disciplinary action as determined by the board.

7 (z) A violation of this section by an employee or
8 agent of the board may not result in termination of employment
9 if the board determines that the conduct involved does not
10 violate the purpose of this act, or require other disciplinary
11 action, including termination of employment. However,
12 employment shall be terminated as follows:

13 (1) If, after being offered employment or beginning
14 employment with the board, the employee or agent intentionally
15 acquires a financial interest in a licensee or an applicant,
16 or affiliate or representative of a licensee or applicant,
17 employment with the board shall be terminated.

18 (2) If a financial interest in a licensee or an
19 applicant, or affiliate or representative of a licensee or
20 applicant, is acquired by an employee or agent that has been
21 offered employment with the board, an employee of the board,
22 or the employee's or agent's spouse, parent, or child, through
23 no intentional action of the employee or agent, the individual
24 shall have up to 30 days to divest or terminate the financial
25 interest. Employment may be terminated if the interest has not
26 been divested after 30 days.

1 (3) Employment shall be terminated if the employee
2 or agent is a spouse, parent, child, or spouse of a child of a
3 board member.

4 (aa) Violation of this section does not create a
5 civil cause of action.

6 (bb) As used in this section:

7 (1) Outside employment includes, but is not limited
8 to, the following:

9 a. Operation of a proprietorship.

10 b. Participation in a partnership or group business
11 enterprise.

12 c. Performance as a director or corporate officer of
13 any for-profit corporation or banking or credit institution.

14 (2) Political activity or politically related
15 activity includes all of the following:

16 a. Using his or her official authority or influence
17 for the purpose of interfering with or affecting the result of
18 an election.

19 b. Knowingly soliciting, accepting, or receiving a
20 political contribution from any person.

21 c. Running for the nomination or as a candidate for
22 election to a partisan political office.

23 d. Knowingly soliciting or discouraging the
24 participation in any political activity of any person who is
25 either of the following:

1 (i) Applying for any compensation, grant, contract,
2 ruling, license, permit, or certificate pending before the
3 board.

4 (ii) The subject of or a participant in an ongoing
5 audit, investigation, or enforcement action being carried out
6 by the board.

7 Section 10. (a) A person may apply to the board for
8 a casino license to conduct a casino gambling operation as
9 provided in this act. The application shall be made under oath
10 on forms provided by the board and shall contain information
11 as prescribed by the board, including, but not limited to, all
12 of the following:

13 (1) The name, business address, business telephone
14 number, Social Security number, and, where applicable, the
15 federal tax identification number of any applicant.

16 (2) The identity of every person having a greater
17 than one percent direct or indirect pecuniary interest in the
18 applicant with respect to which the license is sought. If the
19 disclosed entity is a trust, the application shall disclose
20 the names and addresses of the beneficiaries; if a
21 corporation, the names and addresses of all stockholders and
22 directors; if a partnership, the names and addresses of all
23 partners, both general and limited; if a limited liability
24 company, the names and addresses of all members.

25 (3) An identification of any business, including, if
26 applicable, the state of incorporation or registration, in
27 which an applicant or an applicant's spouse, parent, or child

1 has an equity interest of more than five percent. If an
2 applicant is a corporation, partnership, or other business
3 entity, the applicant shall identify any other corporation,
4 partnership, or other business entity in which it has an
5 equity interest of five percent or more, including, if
6 applicable, the state of incorporation or registration. An
7 applicant can comply with this subdivision by filing a copy of
8 the applicant's registration with the Securities and Exchange
9 Commission if the registration contains the information
10 required by this subdivision.

11 (4) Whether an applicant has been indicted, charged,
12 arrested, convicted, pleaded guilty or nolo contendere,
13 forfeited bail concerning, or had expunged any criminal
14 offense under the laws of any jurisdiction, either felony or
15 misdemeanor, not including traffic violations, regardless of
16 whether the offense has been expunged, pardoned, or reversed
17 on appeal or otherwise, including the date, the name and
18 location of the court, arresting agency and prosecuting
19 agency, the case caption, the docket number, the offense, the
20 disposition, and the location and length of incarceration.

21 (5) Whether an applicant has ever applied for or has
22 been granted any license or certificate issued by a licensing
23 authority in Alabama or any other jurisdiction that has been
24 denied, restricted, suspended, revoked, or not renewed and a
25 statement describing the facts and circumstances concerning
26 the application, denial, restriction, suspension, revocation,

1 or nonrenewal, including the licensing authority, the date
2 each action was taken, and the reason for each action.

3 (6) Whether an applicant has ever filed or had filed
4 against it a civil or administrative action or proceeding in
5 bankruptcy or has ever been involved in any formal process to
6 adjust, defer, suspend, or otherwise work out the payment of
7 any debt including the date of filing, the name and location
8 of the court, the case caption, the docket number, and the
9 disposition.

10 (7) Whether an applicant has filed, or been served
11 with, a complaint or other notice filed with any public body,
12 regarding the delinquency in the payment of, or a dispute over
13 the filings concerning the payment of, any tax required under
14 federal, state, or local law, including the amount, type of
15 tax, the taxing agency, and time periods involved.

16 (8) A statement listing the names and titles of all
17 public officials or officers of any unit of government, and
18 the spouses, parents, and children of those public officials
19 or officers who, directly or indirectly, own any financial
20 interest in, have any beneficial interest in, are the
21 creditors of or hold any debt instrument issued by, or hold or
22 have any interest in any contractual or service relationship
23 with, an applicant. As used in this subdivision, public
24 official or officer does not include a person who would have
25 to be listed solely because of his or her state or federal
26 military service.

1 (9) Whether an applicant or the spouse, parent,
2 child, or spouse of a child of an applicant has made, directly
3 or indirectly, any political contribution, or any loans,
4 donations, or other payments to any candidate or officeholder
5 elected in this state or to a committee established under the
6 Fair Campaign Practices Act, within five years from the date
7 of the filing of the application, including the identity of
8 the board member, candidate, or officeholder, the date, the
9 amount, and the method of payment.

10 (10) The name and business telephone number of any
11 attorney, counsel, lobbyist, agent, or any other person
12 representing an applicant in matters before the board
13 including the Alabama licensed attorney who represents the
14 applicant in matters before the board.

15 (11) A description of any proposed or approved
16 casino gaming operation and related casino enterprises,
17 including the economic benefit to the community, anticipated
18 or actual number of employees, any statement from an applicant
19 regarding compliance with federal and state affirmative action
20 guidelines, projected or actual admissions, projected or
21 actual gross receipts, and scientific market research.

22 (b) Financial information in the manner and form
23 prescribed by the board.

24 (c) Information provided on the application shall be
25 used as a basis for a thorough background investigation which
26 the board shall conduct on each applicant. A false or

1 incomplete application is cause for denial of a license by the
2 board.

3 (d) Applicants shall submit with their application
4 all required development agreements and documents,
5 certifications, resolutions, and letters of support from the
6 governing body that represents the municipality in which the
7 applicant proposes to operate a casino.

8 (e) Applicants shall consent in writing to being
9 subject to the inspections, searches, and seizures authorized
10 by this act and to disclosure to the board and its agents of
11 otherwise confidential records, including tax records held by
12 any federal, state, or local agency, or credit bureau or
13 financial institution, while applying for or holding a license
14 under this act.

15 (f) A nonrefundable application fee of fifty
16 thousand dollars (\$50,000) shall be paid at the time of filing
17 to defray the costs associated with the background
18 investigation conducted by the board. If the costs of the
19 investigation exceed fifty thousand dollars (\$50,000), the
20 applicant shall pay the additional amount to the board. All
21 information, records, interviews, reports, statements,
22 memoranda, or other data supplied to or used by the board in
23 the course of its review or investigation of an application
24 for a license under this act shall only be disclosed in
25 accordance with this act. The information, records,
26 interviews, reports, statements, memoranda, or other data may
27 not be admissible as evidence, nor discoverable in any action

1 of any kind in any court or before any tribunal, board,
2 agency, or person, except for any action considered necessary
3 by the board.

4 Section 11. (a) The board shall issue a casino
5 license to a person who applies for a license, who pays the
6 nonrefundable application fee and a twenty-five thousand
7 dollar (\$25,000) license fee for the first year of operation,
8 and who the board determines is eligible and suitable to
9 receive a casino license under this act and the rules
10 promulgated by the board. It is the burden of the applicant to
11 establish by clear and convincing evidence its suitability as
12 to character, reputation, integrity, business probity,
13 experience, and ability, financial ability and responsibility,
14 and other criteria as may be considered appropriate by the
15 board. The criteria considered appropriate by the board shall
16 not be arbitrary, capricious, or contradictory to the
17 expressed provisions of this act. A person is eligible to
18 apply for a casino license if all of the following criteria
19 are met:

20 (1) The applicant proposes to locate the casino in a
21 city where the local legislative body enacted an ordinance
22 approving casino gaming which may include provisions governing
23 casino operations, occupational licensees, and suppliers that
24 are consistent with this act and rules promulgated by the
25 board.

1 (2) The applicant entered into a certified
2 development agreement with the city where the local
3 legislative body enacted an ordinance approving casino gaming.

4 (3) The applicant or its affiliates or affiliated
5 companies has a history of, or a bona fide plan for, either
6 investment or community involvement in the city where the
7 casino will be located.

8 (b) A city may not certify or submit and have
9 pending before the board more than three certified development
10 agreements. If an applicant is denied a casino license by the
11 board, the city may then certify a development agreement with
12 another applicant and submit the certified development
13 agreement to the board. Nothing in this act shall be construed
14 to prevent the city from entering into more than three
15 development agreements.

16 (c) No more than three licenses shall be issued by
17 the board in any city. A license shall not be issued for a
18 casino to be located on land held in trust by the United
19 States for a federally recognized Indian tribe. In evaluating
20 the eligibility and suitability of all applicants under the
21 standards provided in this act, the board shall establish and
22 apply the standards to all applicants in a consistent and
23 uniform manner. If more than three applicants meet the
24 standards for eligibility and suitability provided for in
25 subsections (d) and (e), licenses shall first be issued to
26 those eligible and suitable applicants which submitted any
27 casino gaming proposal for voter approval in the city where

1 the casino will be located prior to its application and the
2 voters approved the proposal.

3 (d) An applicant shall be ineligible to receive a
4 casino license if any of the following circumstances exist:

5 (1) The applicant has been convicted of a felony
6 under the laws of this state, any other state, or the United
7 States.

8 (2) The applicant has been convicted of a
9 misdemeanor involving gambling, theft, dishonesty, or fraud in
10 any state or a local ordinance in any state involving
11 gambling, dishonesty, theft, or fraud that substantially
12 corresponds to a misdemeanor in that state.

13 (3) The applicant has submitted an application for a
14 license under this act that contains false information.

15 (4) The applicant is a member of the board.

16 (5) The applicant falls to demonstrate the
17 applicant's ability to maintain adequate liability and
18 casualty insurance for its proposed casino.

19 (6) The applicant holds an elective office of a
20 governmental unit of this state, another state, or the federal
21 government, or is a member of or employed by a gaming
22 regulatory body of a governmental unit in this state, another
23 state, or the federal government, or is employed by a
24 governmental unit of this state. This section does not apply
25 to an elected officer of or employee of a federally recognized
26 Indian tribe or to an elected precinct delegate.

1 (7) The applicant or affiliate owns more than a 10
2 percent ownership interest in any entity holding a casino
3 license issued under this act.

4 (8) The board concludes that the applicant lacks the
5 requisite suitability as to integrity, moral character, and
6 reputation; personal and business probity; financial ability
7 and experience; responsibility; or means to develop,
8 construct, operate, or maintain the casino proposed in the
9 certified development agreement.

10 (9) The applicant fails to meet other criteria
11 considered appropriate by the board. The criteria considered
12 appropriate by the board shall not be arbitrary, capricious,
13 or contradictory to the provisions of this act.

14 (e) In determining whether to grant a casino license
15 to an applicant, the board shall also consider all of the
16 following:

17 (1) The integrity, moral character, and reputation;
18 personal and business probity; financial ability and
19 experience; and responsibility of the applicant and of any
20 other person that either:

21 a. Controls, directly or indirectly, the applicant.

22 b. Is controlled, directly or indirectly, by the
23 applicant or by a person who controls, directly or indirectly,
24 the applicant.

25 (2) The prospective total revenue to be derived by
26 the state from the conduct of casino gambling.

1 (3) The financial ability of the applicant to
2 purchase and maintain adequate liability and casualty
3 insurance and to provide an adequate surety bond.

4 (4) The sources and total amount of the applicant's
5 capitalization to develop, construct, maintain, and operate
6 the proposed casino.

7 (5) Whether the applicant has adequate
8 capitalization to develop, construct, maintain, and operate
9 for the duration of a license the proposed casino in
10 accordance with the requirements of this act and rules
11 promulgated by the Board and to responsibly pay off its
12 secured and unsecured debts in accordance with its financing
13 agreement and other contractual obligations.

14 (6) The extent and adequacy of any compulsive
15 gambling programs that the applicant will adopt and implement
16 if licensed.

17 (7) The past and present compliance of the applicant
18 and its affiliates or affiliated companies with casino or
19 casino-related licensing requirements, casino-related
20 agreements, or compacts with the State of Alabama or any other
21 jurisdiction.

22 (8) Whether the applicant has been indicted,
23 charged, arrested, convicted, pleaded guilty or nolo
24 contendere, forfeited bail concerning, or had expunged any
25 criminal offense under the laws of any jurisdiction, either
26 felony or misdemeanor, not including traffic violations,

1 regardless of whether the offense has been expunged, pardoned,
2 or reversed on appeal or otherwise.

3 (9) Whether the applicant has filed, or had filed
4 against it, a proceeding for bankruptcy or has ever been
5 involved in any formal process to adjust, defer, suspend, or
6 otherwise work out the payment of any debt.

7 (10) Whether the applicant has been served with a
8 complaint or other notice filed with any public body regarding
9 a payment of any tax required under federal, state, or local
10 law that has been delinquent for one or more years.

11 (11) Whether the applicant has a history of
12 noncompliance with the casino licensing requirements of any
13 jurisdiction.

14 (12) Whether the applicant has a history of
15 noncompliance with any regulatory requirements in this state
16 or any other jurisdiction.

17 (13) Whether at the time of application the
18 applicant is a defendant in litigation involving its business
19 practices.

20 (14) Whether awarding a license to an applicant
21 would undermine the confidence of the public in the Alabama
22 gaming industry.

23 (15) Whether the applicant meets other standards for
24 the issuance of a casino license which the board may
25 promulgate by rule. The rules promulgated under this
26 subdivision shall not be arbitrary, capricious, or
27 contradictory to the expressed provisions of this act.

1 (e) Each applicant shall submit with its
2 application, on forms provided by the board, a photograph and
3 two sets of fingerprints for each person having a greater than
4 one percent direct or indirect pecuniary interest in the
5 casino, and each person who is an officer, director, or
6 managerial employee of the applicant.

7 (f) The board shall review all applications for
8 casino licenses and shall inform each applicant of the
9 decision of the board. Prior to rendering the decision, the
10 board shall provide a public investigative hearing at which
11 the applicant for a license shall have the opportunity to
12 present testimony and evidence to establish its suitability
13 for a casino license. Other testimony and evidence may be
14 presented at the hearing, but the decision of the board shall
15 be based on the whole record before the board and is not
16 limited to testimony and evidence submitted at the public
17 investigative hearing.

18 (g) A license shall be issued for a 10-year period.
19 All licenses are renewable upon payment of the license fee and
20 upon the transmittal to the board of an annual report to
21 include information required under rules promulgated by the
22 board.

23 (h) All applicants and licensees shall consent to
24 inspections, searches, and seizures and the providing of
25 handwriting exemplar, fingerprints, photographs, and
26 information as authorized in this act and in rules promulgated
27 by the board.

1 (i) Applicants and licensees shall be under a
2 continuing duty to provide information requested by the board
3 and to cooperate in any investigation, inquiry, or hearing
4 conducted by the board.

5 (j) Failure to provide information requested by the
6 board to assist in any investigation, inquiry, or hearing of
7 the board, or failure to comply with this act or rules
8 promulgated by the board, may result in denial, suspension,
9 or, upon reasonable notice, revocation of a license.

10 Section 12. (a) If in the review of an application
11 submitted under this act the board identifies a deficiency
12 that would require denial, the board shall notify the
13 applicant and the city in writing of the deficiency.

14 (b) The board shall provide the applicant a
15 reasonable period of time to correct the deficiency.

16 Section 13. This act does not prohibit a person
17 licensed to operate a casino from operating a school for the
18 training of any occupational licensee.

19 Section 14. (a) Unless the board determines that an
20 institutional investor may be found unqualified, an
21 institutional investor holding either under 10 percent of the
22 equity securities or debt securities of a casino licensee's
23 affiliate or affiliated company which is related in any way to
24 the financing of the casino licensee, if the securities
25 represent a percentage of the outstanding debt of the
26 affiliate or affiliated company not exceeding 20 percent, or a
27 percentage of any issue of the outstanding debt of the

1 affiliate or affiliated company not exceeding 50 percent,
2 shall be granted a waiver of the eligibility and suitability
3 requirements of Section 6 if the securities are those of a
4 publicly traded corporation and its holdings of the securities
5 were purchased for investment purposes only and, if requested
6 by the board, files with the board a certified statement that
7 it has no intention of influencing or affecting the affairs of
8 the issuer, the casino licensee, or its affiliate or
9 affiliated company.

10 (b) The board may grant a waiver under this section
11 to an institutional investor holding a higher percentage of
12 securities as allowed in subsection (a), upon a showing of
13 good cause and if the conditions specified in subsection (a)
14 are met.

15 (c) An institutional investor granted a waiver under
16 this section that subsequently intends to influence or affect
17 the affairs of the issuer shall provide notice to the board
18 and file an application for a determination of eligibility and
19 suitability before taking any action that may influence or
20 affect the affairs of the issuer.

21 (d) Notwithstanding any provisions of this act, an
22 institutional investor may vote on all matters that are put to
23 the vote of the outstanding security holders of the issuer.

24 (e) If an institutional investor changes its
25 investment intent or if the board finds that the institutional
26 investor may be found unqualified, no action other than

1 divestiture of the security holdings shall be taken until
2 there has been compliance with this act.

3 (f) The casino licensee or an affiliate or
4 affiliated company of the casino licensee shall immediately
5 notify the board of any information concerning an
6 institutional investor holding its equity or debt securities
7 which may impact the eligibility and suitability of the
8 institutional investor for a waiver under this section.

9 (g) If the board finds that an institutional
10 investor holding any security of an affiliate or affiliated
11 company of a casino licensee that is related in any way to the
12 financing of the casino licensee fails to comply with the
13 requirements of this section, or if at any time the board
14 finds that, by reason of the extent or nature of its holdings,
15 an institutional investor is in a position to exercise a
16 substantial impact upon the controlling interests of a casino
17 licensee, the board may take any necessary action to protect
18 the public interest, including requiring the institutional
19 investor to satisfy the eligibility and suitability
20 requirements.

21 Section 15. (a) The board may issue a supplier's
22 license to a person who applies for a license and pays a
23 nonrefundable application fee set by the board, if the board
24 determines that the applicant is eligible and suitable for a
25 supplier's license and the applicant pays a five thousand
26 dollar (\$5,000) annual license fee. It shall be the burden of
27 the applicant to establish by clear and convincing evidence

1 its suitability as to integrity, moral character, and
2 reputation; personal and business probity; financial ability
3 and experience; responsibility; and other criteria considered
4 appropriate by the board. All applications shall be made under
5 oath.

6 (b) A person who holds a supplier's license is
7 authorized to sell or lease, and to contract to sell or lease,
8 equipment and supplies to any licensee involved in the
9 ownership or management of gambling operations.

10 (c) Gambling supplies and equipment shall not be
11 distributed unless supplies and equipment conform to standards
12 adopted in rules promulgated by the board.

13 (d) An applicant is ineligible to receive a
14 supplier's license if any of the following circumstances
15 exist:

16 (1) The applicant has been convicted of a felony
17 under the laws of this state, any other state, or the United
18 States.

19 (2) The applicant has been convicted of a
20 misdemeanor involving gambling, theft, fraud, or dishonesty in
21 any state or a local ordinance in any state involving
22 gambling, dishonesty, theft, or fraud that substantially
23 corresponds to a misdemeanor in that state.

24 (3) The applicant has submitted an application for
25 license under this act which contains false information.

26 (4) The applicant is a member of the board.

1 (5) The applicant holds an elective office of a
2 governmental unit of this state, another state, or the federal
3 government, or is a member of or employed by a gaming
4 regulatory body of a governmental unit in this state, another
5 state, or the federal government, or is employed by a
6 governmental unit of this state. This subdivision does not
7 apply to an elected officer of or employee of a federally
8 recognized Indian tribe or an elected precinct delegate.

9 (6) The applicant owns more than a 10 percent
10 ownership interest in any entity holding a casino license
11 issued under this act.

12 (7) The board concludes that the applicant lacks the
13 requisite suitability as to integrity, moral character, and
14 reputation; personal and business probity; financial ability
15 and experience; and responsibility.

16 (8) The applicant fails to meet other criteria
17 considered appropriate by the board. The criteria considered
18 appropriate by the board may not be arbitrary, capricious, or
19 contradictory to the express provisions of this act.

20 (9) In determining whether to grant a supplier's
21 license to an applicant, the board shall consider all of the
22 following:

23 a. The past and present compliance of the applicant
24 with casino licensing requirements of this state or any other
25 jurisdiction pertaining to casino gaming or any other
26 regulated activities.

1 b. The integrity, moral character, and reputation;
2 personal and business probity; financial ability and
3 experience; and responsibility of the applicant or an
4 affiliate of the applicant.

5 c. Whether the applicant has been indicted, charged,
6 arrested, convicted, pleaded guilty or nolo contendere,
7 forfeited bail concerning, or had expunged any criminal
8 offense under the laws of any jurisdiction, either felony or
9 misdemeanor, not including traffic violations, regardless of
10 whether the offense has been expunged, pardoned, or reversed
11 on appeal or otherwise.

12 d. Whether the applicant has filed, or had filed
13 against it, a proceeding for bankruptcy or has ever been
14 involved in any formal process to adjust, defer, suspend, or
15 otherwise work out the payment of any debt.

16 e. Whether the applicant has been served with a
17 complaint or other notice filed with any public body regarding
18 a payment of any tax required under federal, state, or local
19 law that has been delinquent for one or more years.

20 f. Whether the applicant has a history of
21 noncompliance with the casino licensing requirements of any
22 jurisdiction.

23 g. Whether the applicant has a history of
24 noncompliance with any regulatory requirements in this state
25 or any other jurisdiction.

26 h. Whether at the time of application the applicant
27 is a defendant in litigation involving its business practices.

1 i. Whether awarding a license to an applicant would
2 undermine the confidence of the public in the Alabama gaming
3 industry.

4 j. Whether the applicant meets other standards for
5 the issuance of a supplier's license that the board may
6 promulgate by rule. The rules promulgated under this
7 subdivision shall not be arbitrary, capricious, or
8 contradictory to the expressed provisions of this act.

9 (e) Any person, including a junket enterprise, that
10 supplies equipment, devices, supplies, or services to a
11 licensed casino shall first obtain a supplier's license. A
12 supplier shall furnish to the board a list of all equipment,
13 devices, and supplies offered for sale or lease to casino
14 licensees licensed under this act.

15 (f) A supplier shall keep books and records of its
16 business activities with a casino operator, including its
17 furnishing of equipment, devices, supplies, and services to
18 gambling operations separate and distinct from any other
19 business that the supplier might operate. A supplier shall
20 file a quarterly return with the board listing all sales,
21 leases, and services. A supplier shall permanently affix its
22 name to all its equipment, devices, and supplies for gambling
23 operations. Any supplier's equipment, devices, or supplies
24 that are used by any person in an unauthorized gambling
25 operation shall be forfeited to the state.

1 (g) A casino licensee who owns its own equipment,
2 devices, and supplies is not required to obtain a supplier's
3 license.

4 (h) Any gambling equipment, devices, and supplies
5 provided by any licensed supplier may be either repaired in
6 the casino or removed from the casino to a licensed area.

7 (i) A license shall be issued for a two-year period.
8 All licenses are renewable upon payment of the license fee and
9 the transmittal to the board of an annual report to include
10 information required under rules promulgated by the board.

11 (j) All applicants and licensees shall consent to
12 inspections, searches, and seizures and to the disclosure to
13 the board and its agents of confidential records, including
14 tax records, held by any federal, state, or local agency,
15 credit bureau, or financial institution and to provide
16 handwriting exemplars, photographs, fingerprints, and
17 information as authorized in this act and in rules promulgated
18 by the board.

19 (k) Applicants and licensees shall be under a
20 continuing duty to provide information requested by the board
21 and to cooperate in any investigation, inquiry, or hearing
22 conducted by the board.

23 (l) Failure to provide information requested by the
24 board to assist in any investigation, inquiry, or hearing of
25 the board, or failure to comply with this act or rules
26 promulgated by the board, may result in denial, suspension,
27 or, upon reasonable notice, revocation of a license.

1 Section 16. (a) As used in this section, the
2 following terms shall have the following meanings:

3 (1) CANDIDATE.

4 a. That term as defined in Section 17-22A-2, Code of
5 Alabama 1975.

6 b. The holder of any state, legislative, or local
7 elective office.

8 (2) LICENSE. A casino license issued under this act
9 or a supplier's license issued under this act.

10 (3) LICENSEE. A person who holds a license as
11 defined in subdivision (2).

12 (4) OFFICER. Any of the following:

13 a. An individual listed as an officer of a
14 corporation, limited liability company, or limited liability
15 partnership.

16 b. An individual who is a successor to an individual
17 described in paragraph a.

18 (b) For purposes of this section, a person is
19 considered to have an interest in a licensee or casino
20 enterprise if any of the following circumstances exist:

21 (1) The person holds at least a one percent interest
22 in the licensee or casino enterprise.

23 (2) The person is an officer or a managerial
24 employee of the licensee or casino enterprise as defined by
25 rules promulgated by the board.

1 (3) The person is an officer of the person who holds
2 at least a one percent interest in the licensee or casino
3 enterprise.

4 (4) The person is an independent committee of the
5 licensee or casino enterprise.

6 (c) A licensee is considered to have made a
7 contribution if a contribution is made by a person who has an
8 interest in the licensee.

9 (d) A licensee or person who has an interest in a
10 licensee or casino enterprise, or the spouse, parent, child,
11 or spouse of a child of a licensee or person who has an
12 interest in a licensee or casino enterprise, may not make a
13 contribution to a candidate or a political committee during
14 the time period when a casino licensee or development
15 agreement is being considered by a city or the board.

16 (e) A licensee or person who has an interest in a
17 licensee or casino enterprise, or the spouse, parent, child,
18 or spouse of a child of a licensee or a person who has an
19 interest in a licensee or casino enterprise, may not make a
20 contribution to a candidate or committee through a legal
21 entity that is established, directed, or controlled by any of
22 the persons described in this subsection during the time
23 period described in subsection (d).

24 Section 17. (a) Each local labor organization that
25 directly represents casino gaming employees shall register
26 with the board annually and provide all of the following:

1 (1) The local labor organization's name, address,
2 and telephone number of the local labor organization.

3 (2) The name and address of any international labor
4 organization with which it directly or indirectly maintains an
5 affiliation or relationship.

6 (3) All of the following information for the
7 designated individuals and other personnel of the local labor
8 organization:

9 a. The full name and any known alias or nickname of
10 the individual.

11 b. The business address and telephone number of the
12 individual.

13 c. The title or other designation in the local labor
14 organization of the individual.

15 d. Unless information is required under paragraph e.
16 of subdivision (4), a brief description of the duties and
17 activities of the individual.

18 e. The annual compensation of the individual,
19 including salary, allowances, reimbursed expenses, and other
20 direct or indirect disbursements.

21 (4) All of the following additional information for
22 each designated individual of the local labor organization:

23 a. The home address and telephone number of the
24 individual.

25 b. The date and place of birth of the individual.

26 c. The Social Security number of the individual.

1 d. The date he or she was hired by or first
2 consulted with or advised the local labor organization.

3 e. A detailed description of all of the following:

4 1. The individual's duties and activities.
5 2. Whether he or she performed the same or similar
6 activities previously on behalf of the organization.

7 3. The prior employment or occupational history of
8 the individual.

9 f. Excluding minor traffic offenses, a detailed
10 description of all of the following:

11 1. The convictions incurred by the individual,
12 including any conviction that was expunged or set aside,
13 sealed by court order, or for which he or she received a
14 pardon.

15 2. Any criminal offense for which he or she was
16 charged or indicted but not convicted.

17 g. Whether he or she was ever denied a business,
18 liquor, gaming, or professional license or had such a license
19 revoked.

20 h. Whether a court or governmental agency determined
21 the individual unsuitable to be affiliated with a labor
22 organization and the details of that determination.

23 i. Whether the individual was ever subpoenaed as a
24 witness before a grand jury, legislative committee,
25 administrative body, crime commission, or similar agency and
26 the details relating to that subpoena.

1 j. A photograph of the individual taken within the
2 previous 60 days.

3 k. For the local labor organization's first filing,
4 a complete set of the fingerprints of the individual.

5 (5) A written certification under oath by the local
6 labor organization president, secretary, treasurer, or chief
7 official that the information provided under this subsection
8 is complete and accurate. The board shall prescribe the form
9 for this certification.

10 (b) A local labor organization may satisfy the
11 information requirements of subsection (a) by providing to the
12 board copies of reports filed with the United States
13 Department of Labor under the labor management reporting and
14 disclosure act of 1959, Public Law 86-257, supplemented by any
15 required information not contained in those reports.

16 (c) If information required under subsection (a) for
17 a designated individual changes after registration or if the
18 local labor organization gains a designated individual after
19 registration, the local labor organization shall provide the
20 board with that new information or the information,
21 photograph, and fingerprints required under subsection (a) for
22 the new designated individual within 21 days.

23 (d) Information provided by a local labor
24 organization to the board under this section is exempt from
25 disclosure under Section 36-12-40, Code of Alabama 1975.

26 (e) Upon finding by clear and convincing evidence
27 that grounds for disqualification under subsection (f) exist,

1 the board may disqualify an officer, agent, or principal
2 employee of a local labor organization registered or required
3 to be registered under this section from performing any of the
4 following functions:

5 (1) Adjusting grievances for or negotiating or
6 administering the wages, hours, working conditions, or
7 employment conditions of casino gaming employees.

8 (2) Soliciting, collecting, or receiving from casino
9 gaming employees any dues, assessments, levies, fines,
10 contributions, or other charges within this state for or on
11 behalf of the local labor organization.

12 (3) Supervising, directing, or controlling other
13 officers, agents, or employees of the local labor organization
14 in performing functions described in subdivisions (1) and (2).

15 (f) An individual may be disqualified under
16 subsection (e) for lacking good moral character if any of the
17 following apply:

18 (1) He or she has been indicted or charged with,
19 convicted of, pled guilty or nolo contendere to, or forfeited
20 bail in connection with a crime involving gambling, theft,
21 dishonesty, prostitution, or fraud under the laws of this
22 state, any other state, or the United States or a local
23 ordinance of a political subdivision of this state or another
24 state. Disqualification cannot be based only on crimes that
25 involve soliciting or engaging prostitution services unless
26 the individual is or has engaged in an ongoing pattern of that
27 behavior. If the grounds for disqualification are criminal

1 charges or indictment, at the request of the individual, the
2 board shall defer making a decision on disqualification while
3 the charge or indictment is pending.

4 (2) He or she intentionally or knowingly made or
5 caused to be made a false or misleading statement in a
6 document provided to the board or its agents or orally to a
7 board member or agent in connection with an investigation.

8 (3) He or she engages in criminal or unlawful
9 activities in an occupational manner or context for economic
10 gain, or is an associate or member of a group of individuals
11 who operate together in that fashion, and this behavior
12 creates a reasonable belief that the behavior adversely
13 affects gambling operations and the public policy underlying
14 this act. In making a determination under this subdivision,
15 the board may consider findings or identifications by the
16 Attorney General or treasurer of state police that an
17 individual is within this category.

18 (g) A designated individual shall report all
19 information described in subdivisions (1) to (3) of subsection
20 (f) concerning him or her to the local labor organization. A
21 local labor organization shall report all information
22 described in that subdivision concerning its designated
23 individuals of which it has actual knowledge to the board.

24 (h) The board may waive any disqualification
25 criterion under subsection (f) or may rescind a
26 disqualification under subsection (e), if doing so is

1 consistent with the public policy of this act and based on a
2 finding that the interests of justice so require.

3 (i) The board shall give written notice to an
4 individual it proposes to disqualify and to the affected labor
5 organization, stating the reason for the proposed
6 disqualification and describing any supporting evidence in the
7 possession of the board. Within 30 days after receiving the
8 written notice of proposed disqualification, the respondent
9 may file with the board a written request for a hearing, which
10 shall take place promptly. The board shall conduct the hearing
11 in conformity with the Administrative Procedure Act. A person
12 aggrieved by a final disqualification has the right to appeal
13 to the circuit court for the county in which the person
14 resides or has his or her principal place of business to have
15 the disqualification set aside based on any ground set forth
16 in the Administrative Procedure Act.

17 (j) Not later than January 31 of the calendar year
18 after disqualification and each year after that unless the
19 disqualification is rescinded or reversed, the disqualified
20 individual shall provide the board with a sworn statement that
21 he or she did not perform the functions described in
22 subsection (e) during the previous year.

23 (k) The board may petition in the circuit court for
24 the county in which the disqualified individual resides or has
25 his or her principal place of business for an order enforcing
26 the terms of the disqualification.

1 (1) A local labor organization that is registered or
2 required to be registered under this section or any officer,
3 agent, or principal employee of that organization may not
4 personally hold any financial interest in a casino licensee
5 employing casino gaming employees represented by the
6 organization or person.

7 (m) This section does not prohibit a local labor
8 organization from conducting training for or operating a
9 school to train casino gaming employees, or from entering into
10 an agreement or arrangement with a casino licensee, supplier,
11 or vendor to provide for the training of casino gaming
12 employees. A local labor organization that conducts the
13 training or operates a school or does not otherwise qualify as
14 a supplier is not subject to the contribution prohibitions of
15 Section 7.

16 (n) This section does not deny, abridge, or limit in
17 any way the legitimate rights of casino gaming employees to
18 form, join, or assist labor organizations, to bargain
19 collectively through representatives of their own choosing, or
20 to engage in other concerted activities for the purpose of
21 collective bargaining or other mutual aid and protection or
22 the free exercise of any other rights they may have as
23 employees under the laws of the United States or this state.

24 (o) This section may not be expanded or amplified by
25 action of the board or any other executive or administrative
26 body. The board and any other executive or administrative body
27 do not have authority to promulgate interpretive rules or

1 rulings to implement this section. The board and any other
2 executive or administrative body do not have authority under
3 this section to require that a local labor organization or an
4 officer, agent, or principal employee of a labor organization
5 does either of the following:

6 (1) Qualify for or obtain a casino, occupational, or
7 supplier's license or any other license or permit required
8 under rules promulgated by the board.

9 (2) Ensure the compliance of any person or entity
10 with the licensing requirements under this act or under rules
11 promulgated by the board.

12 (p) As used in this section, the following terms
13 shall have the following meanings:

14 (1) CASINO GAMING EMPLOYEE. The following and their
15 supervisors:

16 a. Individuals involved in operating a casino gaming
17 pit, including dealers, shills, clerks, hosts, and junket
18 representatives.

19 b. Individuals involved in handling money, including
20 cashiers, change persons, count teams, and coin wrappers.

21 c. Individuals involved in operating gambling games.

22 d. Individuals involved in operating and maintaining
23 slot machines, including mechanics, floorpersons, and change
24 and payoff persons.

25 e. Individuals involved in security, including
26 guards and game observers.

1 f. Individuals with duties similar to those
2 described in paragraphs a. to e. However, casino gaming
3 employee does not include an individual whose duties are
4 related solely to nongaming activities such as entertainment,
5 hotel operation, maintenance, or preparing or serving food and
6 beverages.

7 (2) DESIGNATED INDIVIDUAL. An officer, agent,
8 principal employee, or individual performing a function
9 described in subsection (e).

10 (q) Nothing in this act shall preclude employees
11 from exercising their legal rights to organize themselves into
12 collective bargaining units.

13 Section 18. (a) The board may issue an occupational
14 license to an applicant after all of the following have
15 occurred:

16 (1) The applicant has paid a nonrefundable
17 application fee set by the board.

18 (2) The board has determined that the applicant is
19 eligible for an occupational license pursuant to rules
20 promulgated by the board.

21 (3) The applicant has paid the biennial license fee
22 in an amount to be established by the board.

23 (b) It is the burden of the applicant to establish
24 by clear and convincing evidence the eligibility and
25 suitability of the applicant as to integrity, moral character,
26 and reputation; personal probity; financial ability and
27 experience; responsibility; and other criteria as may be

1 considered appropriate by the board. The criteria considered
2 appropriate by the board may not be arbitrary, capricious, or
3 contradictory to the expressed provisions of this act. All
4 applications shall be made under oath.

5 (c) To be eligible for an occupational license, an
6 applicant shall:

7 (1) Be at least 21 years of age if the applicant
8 will perform any function involved in gaming by patrons.

9 (2) Be at least 18 years of age if the applicant
10 will perform only nongaming functions.

11 (3) Not have been convicted of a felony under the
12 laws of this state, any other state, or the United States.

13 (4) Not have been convicted of a misdemeanor
14 involving gambling, dishonesty, theft, or fraud in any state
15 or any violation of a local ordinance in any state involving
16 gambling, dishonesty, theft, or fraud that substantially
17 corresponds to a misdemeanor in that state.

18 (d) Each application for an occupational license
19 shall be on a form prescribed by the board and shall contain
20 all information required by the board. The applicant shall set
21 forth in the application whether he or she has been issued
22 prior gambling related licenses; whether he or she has been
23 licensed in any other state under any other name, and, if so,
24 the name under which the license was issued and his or her age
25 at the time the license was issued; and whether or not a
26 permit or license issued to him or her in any other state has

1 been suspended, restricted, or revoked, and, if so, the cause
2 and the duration of each action.

3 (e) Each applicant shall submit with his or her
4 application, on a form provided by the board, two sets of his
5 or her fingerprints and a photograph. The board shall charge
6 each applicant an application fee set by the board to cover
7 all actual costs of administering the act relative to costs
8 generated by each licensee and all background checks.

9 (f) The board may deny an occupational license to a
10 person who is or does any of the following:

11 (1) The applicant fails to disclose or states
12 falsely any information requested in the application.

13 (2) The applicant is a member of the board.

14 (3) The applicant has a history of noncompliance
15 with the casino licensing requirements of any jurisdiction.

16 (4) Whether the applicant has been indicted,
17 charged, arrested, convicted, pleaded guilty or nolo
18 contendere, forfeited bail concerning, or had expunged any
19 criminal offense under the laws of any jurisdiction, either
20 felony or misdemeanor, not including traffic violations,
21 regardless of whether the offense has been expunged, pardoned,
22 or reversed on appeal or otherwise.

23 (5) The applicant has filed, or had filed against
24 it, a proceeding for bankruptcy or has ever been involved in
25 any formal process to adjust, defer, suspend, or otherwise
26 work out the payment of any debt.

1 (6) The applicant has a history of noncompliance
2 with any regulatory requirements in this state or any other
3 jurisdiction.

4 (7) The applicant has been served with a complaint
5 or other notice filed with any public body regarding a payment
6 of any tax required under federal, state, or local law that
7 has been delinquent for one or more years.

8 (8) The applicant is employed by a governmental
9 unit.

10 (9) The applicant or affiliate owns more than a 10
11 percent ownership interest in any entity holding a casino
12 license issued under this act.

13 (10) The board concludes that the applicant lacks
14 the requisite suitability as to integrity, moral character,
15 and reputation; personal probity; financial ability and
16 experience; or responsibility.

17 (11) The applicant fails to meet any other criteria
18 that the board considers appropriate. The criteria considered
19 appropriate by the board may not be arbitrary, capricious, or
20 contradictory to the expressed provisions of this act.

21 (12) The applicant is unqualified to perform the
22 duties required of the license.

23 (13) The applicant has been found guilty of a
24 violation of this act.

25 (14) The applicant has had a prior gambling related
26 license or license application suspended, restricted, revoked,
27 or denied for just cause in any other jurisdiction.

1 (g) The board may suspend, revoke, or restrict any
2 occupational licensee for any of the following:

3 (1) A violation of this act.

4 (2) A violation of any of the rules promulgated by
5 the board.

6 (3) Any cause which, if known to the board, would
7 have disqualified the applicant from receiving the license.

8 (4) A default in the payment of any obligation or
9 debt due to the State of Alabama.

10 (5) Any other just cause.

11 (h) A license issued pursuant to this section shall
12 be valid for a period of two years from the date of issuance.

13 (i) All applicants and licensees shall consent to
14 the inspections, searches, and seizures of their person and
15 personal effects and the providing of handwriting exemplars,
16 photographs, fingerprints, and information as authorized in
17 this act and in rules promulgated by the board.

18 (j) An applicant or licensee shall be under a
19 continuing duty to provide information requested by the board
20 and to cooperate in any investigation, inquiry, or hearing
21 conducted by the board.

22 (k) Failure to provide information requested by the
23 board, to assist in any investigation, inquiry, or hearing of
24 the board, or to comply with this act or rules of the board
25 may result in denial, suspension, or, upon reasonable notice,
26 revocation of a license.

1 Section 19. Before a casino license is issued, the
2 licensee shall post a bond in the sum of one million dollars
3 (\$1,000,000) to the State of Alabama and have retained an
4 Alabama licensed attorney to represent the applicant in all
5 matters before the board. The bond shall be used to guarantee
6 that the licensee faithfully makes the payments, keeps his or
7 her books and records, makes reports, and conducts his or her
8 casino gaming in conformity with this act and the rules
9 promulgated by the board. The bond may not be canceled by a
10 surety on less than 30 days' notice in writing to the board.
11 If a bond is canceled and the licensee fails to file a new
12 bond with the board in the required amount on or before the
13 effective date of cancellation, the licensee's license shall
14 be revoked. The total and aggregate liability of the surety on
15 the bond is limited to the amount specified in the bond.

16 Section 20. (a) Subject to the laws of this state,
17 prior to hiring a prospective employee, the holder of a casino
18 license shall conduct a background check of the prospective
19 employee to determine whether the prospective employee has had
20 any criminal convictions or has any pending criminal charges
21 at the time he or she submits an application for employment.

22 (b) The licensee shall indemnify, defend, and hold
23 harmless the Alabama Gaming Control Commission and its board
24 members, individually, in any civil proceedings arising out of
25 allegations that the licensee negligently performed or failed
26 to perform the background check required under subsection (a).

1 Section 21. (a) A license issued under this act is a
2 revocable privilege granted by the state and is not a property
3 right. Granting a license under this act does not create or
4 vest any right, title, franchise, or other property interest.
5 Each license is exclusive to the licensee, and a licensee or
6 any other person shall apply for and receive the board's and
7 city's approval before a license is transferred, sold, or
8 purchased, or before a voting trust agreement or other similar
9 agreement is established with respect to the license. A
10 licensee or any other person may not lease, pledge, or borrow,
11 or loan money against a license. The attempted transfer, sale,
12 or other conveyance of an interest in a license without prior
13 board approval is grounds for suspension or revocation of the
14 license, or other sanction considered appropriate by the
15 board.

16 (b) Upon the termination of a development agreement
17 between a casino licensee and the city in which the casino is
18 located, the board upon the request of the city shall revoke
19 that licensee's casino license.

20 Section 22. (a) Minimum and maximum wagers on games
21 may be set by the board.

22 (b) Employees of the board, the Alabama Department
23 of Public Safety, and the Attorney General may inspect any
24 casino at any time, without notice, for the purpose of
25 determining whether this act or rules promulgated by the board
26 are being complied with.

1 (c) Employees of the board, the Attorney General,
2 and their authorized agents shall have the right to be
3 present, at any time, in the casino or on adjacent facilities
4 under the control of the licensee.

5 (d) Gambling equipment and supplies customarily used
6 in conducting casino gambling shall be purchased or leased
7 only from suppliers who are licensed under this act.

8 (e) Persons licensed under this act shall permit no
9 form of wagering on gambling games except as permitted by this
10 act.

11 (f) Wagers may be received only from a person
12 present in a licensed casino. A person present in a licensed
13 casino may not place or attempt to place a wager on behalf of
14 another person who is not present in the casino.

15 (g) Wagering may not be conducted with money or
16 other negotiable currency.

17 (h) All tokens, chips, or electronic cards used to
18 make wagers shall be purchased from a licensed owner in the
19 casino. The tokens, chips, or electronic cards may be
20 purchased by means of an agreement under which the owner
21 extends credit to the patron. The tokens, chips, or electronic
22 cards may be used only while in a casino and only for the
23 purpose of making wagers on gaming games.

24 (i) A person under age 21 may not be permitted in an
25 area of a casino where gaming is being conducted, except for a
26 person at least 18 years of age who is an employee of the
27 gaming operation. An employee under the age of 21 may not

1 perform any function involved in gambling by the patrons. A
2 person under age 21 may not be permitted to make a wager under
3 this act.

4 (j) Managerial employees of casino licensees under
5 this act shall be under an affirmative duty to report to the
6 board and the Alabama Department of Public Safety, in writing,
7 within 24 hours, illegal or suspected illegal activity or
8 activity that is in violation of this act or of rules
9 promulgated by the board.

10 (k) In addition to the requirements of this section,
11 gambling shall be conducted in accordance with the rules
12 promulgated by the board.

13 (l) Unless approved by the city, a casino may not be
14 located within 1,000 feet of any of the following:

15 (1) A church or other place of worship.

16 (2) A school, college, or university.

17 (3) A financial institution or a branch of a
18 financial institution.

19 (4) A pawnshop.

20 (m) As used in subsection (1), "financial
21 institution" means a state or nationally chartered bank, a
22 state or federally chartered savings and loan association, a
23 state or federally chartered savings bank, a state or
24 federally chartered credit union, or any entity that provides
25 check-cashing services.

1 (n) A casino licensee may not employ an individual
2 who has been convicted of a felony in the previous five years
3 to work in a casino as a managerial employee.

4 Section 23. (a) A person who holds a casino license
5 may not install, own, or operate or allow another person to
6 install, own, or operate an electronic funds transfer terminal
7 on the premises of the casino which is less than 50 feet from
8 any game in the casino.

9 (b) A person who holds a casino license may not
10 install, own, or operate or allow another person to install,
11 own, or operate on the premises of the casino a game that is
12 played with a device that allows a player to operate the game
13 by transferring funds electronically from a credit or debit
14 card.

15 (c) As used in this section, "electronic funds
16 transfer terminal" means an information processing device used
17 for the purpose of executing deposit account transactions
18 between financial institutions and their customers by either
19 the direct transmission of electronic impulses or the
20 recording of electronic impulses for delayed processing. The
21 fact that a device is used for other purposes does not prevent
22 it from being an electronic funds transfer terminal.

23 Section 24. (a) A person who holds a casino license
24 may not televise or allow any other person to televise
25 simulcast horse races or greyhound races on the premises of
26 the casino.

1 (b) As used in this section, "simulcast" means the
2 live transmission of video and audio signals conveying a horse
3 race held either in or outside of this state.

4 Section 25. (a) A person who holds a casino license
5 issued pursuant to this act shall post conspicuously at each
6 entrance and exit of the casino, on each electronic funds
7 transfer terminal, and at each credit location, a visually
8 prominent sign on which is printed a toll-free compulsive
9 gaming helpline number.

10 (b) A person who holds a casino license shall
11 include a toll-free compulsive gaming helpline number on all
12 of its printed advertisement and promotional materials.

13 Section 26. A person who holds a casino license may
14 not accept from a wagerer a lien on real or personal property
15 to extend credit or for the payment of a debt.

16 Section 27. Alcoholic beverages shall only be sold
17 or distributed in a casino pursuant to regulations established
18 by the board. Casinos are exempt from state and local laws
19 concerning the sale and distribution of alcoholic beverages on
20 the casino premises.

21 Section 28. Notwithstanding any applicable statutory
22 provision to the contrary, a licensed owner who extends credit
23 to a wagerer pursuant to this act is authorized to institute a
24 cause of action to collect any amounts due as well as the
25 owner's costs, expenses, and reasonable attorney's fees
26 incurred in collection. A licensed owner or his or her agents

1 may not contact a wagerer concerning any amounts due at the
2 wagerer's place of business.

3 Section 29. (a) A wagering tax is imposed on the
4 adjusted gross receipts received by the licensee from gaming
5 authorized under this act at the rate of 15 percent. If a city
6 does either of the options in subsection (d), the tax rate
7 under this subsection shall be 8.1 percent. If the city
8 rescinds or is otherwise unable to exercise one of the options
9 in subsection (d), the tax rate under this subsection shall be
10 15 percent. A tax rate of 15 percent imposed under this
11 subsection shall cover any period for which the city does not
12 or is unable to exercise one of the options in subsection (d)
13 of this act.

14 (b) The State Casino Gaming Fund is created in the
15 General Fund. The fund is to be administered by the State
16 Treasurer in accordance with this act. Except as otherwise
17 specifically provided, the wagering tax plus all other fees,
18 fines, and charges imposed by the state shall be deposited
19 into the State Casino Gaming Fund. The wagering tax is to be
20 remitted daily by the holder of a casino license by electronic
21 wire transfer of funds. The state shall remit the city's
22 portion of the wagering tax to the city daily by electronic
23 wire transfer of funds as provided by this act.

24 (c) If the state imposes a wagering tax equal to 15
25 percent of adjusted gross receipts, the State Casino Gaming
26 Fund shall be allocated as follows:

1 (1) Fifty-five percent to the city in which a casino
2 is located for use in connection with the following:

3 a. The hiring, training, and deployment of street
4 patrol officers.

5 b. Neighborhood and downtown economic development
6 programs designed to create local jobs.

7 c. Public safety programs such as emergency medical
8 services, fire department programs, and street lighting.

9 d. Anti-gang and youth development programs.

10 e. Other programs that are designed to contribute to
11 the improvement of the quality of life in the city.

12 f. Relief to the taxpayers of the city from one or
13 more taxes or fees imposed by the city.

14 g. The costs of capital improvements.

15 h. Road repairs and improvements.

16 (2) Forty-five percent to the state to be deposited
17 in the Education Trust Fund to provide additional funds for
18 Alabama schools.

19 (d) A city in which a licensee is located may do one
20 of the following:

21 (1) In the development agreement into which the city
22 is entitled to enter, include a provision that requires the
23 licensee located in the city to pay the city a payment equal
24 to 6.9 percent of the adjusted gross receipts received by the
25 licensee from gaming authorized under this act.

26 (2) By ordinance, levy, assess, and collect an
27 excise tax upon licensees located in the city at a rate of 6.9

1 percent of the adjusted gross receipts received by the
2 licensee from gaming authorized under this act.

3 (e) Payments of any amount required to a city under
4 subsection (d) shall be made in a manner, at those times, and
5 subject to reporting requirements and penalties and interest
6 for delinquent payment as may be provided for in the
7 development agreement, if the payment is required under a
8 development agreement, or by ordinance if the payment is
9 required for a tax levied by the city. Payments required under
10 subsection (d) (1) may be in addition to any other payments
11 which may be required in the development agreement for the
12 conveyance of any interest in property, the purchase of
13 services, or the reimbursement of expenses. Payments to a city
14 under subsection (d) shall be used by the city for the
15 purposes listed in subsection (c) (1).

16 (f) Approval by the city of a development agreement
17 or an ordinance approving either casino gaming or the levy of
18 a local excise tax shall not be considered the granting of a
19 franchise or license by the city for purposes of any
20 statutory, charter, or constitutional provision.

21 (g) The wagering tax imposed under subsection (1)
22 and any tax imposed under Section 13(d) shall be administered
23 by the office of the State Treasurer pursuant to this act.

24 (h) Funds from this act may not be used to supplant
25 existing state appropriations or local expenditures.

26 Section 30. (a) In addition to application and
27 license fees described in this act, all regulatory and

1 enforcement costs, compulsive gambling programs,
2 casino-related programs and activities, casino-related legal
3 services provided by the Attorney General, and the
4 casino-related expenses of the Alabama Department of Public
5 Safety shall be paid by casino licensees as provided by this
6 section.

7 (b) The total annual assessment for the first year
8 in which any casino licensee under this act begins operating a
9 casino in this state shall be twenty-five million dollars
10 (\$25,000,000).

11 (c) The total annual assessment required under this
12 subsection shall be adjusted each year by multiplying the
13 annual assessment for the immediately preceding year by the
14 Alabama consumer price index for the immediately preceding
15 year. As used in this subsection, "Alabama consumer price
16 index" means the annual consumer price index for Alabama
17 consumers as defined and reported by the United States
18 Department of Labor, Bureau of Labor Statistics.

19 (d) On or before the date the casino licensee begins
20 operating the casino and annually on that date thereafter,
21 each casino licensee shall pay to the State Treasurer an equal
22 share of the total annual assessment required under this
23 section. In no event shall a casino's assessment exceed one
24 third of the total annual assessment required under this
25 section.

1 (e) From the amount collected under subsection (d),
2 two million dollars (\$2,000,000) shall be deposited in the
3 Compulsive Gaming Prevention Fund.

4 (f) Except as provided in subsections (c) and (i),
5 all funds collected under this section shall be deposited in a
6 special account in the Education Trust Fund. Distributions
7 from the fund shall be made by the Legislature through the
8 appropriations process.

9 (g) The balance of the special account in the
10 Education Trust Fund shall not exceed eighty-five million
11 dollars (\$85,000,000). If the funds collected under this
12 section would cause the balance to exceed the limitation of
13 this subsection, the surplus funds shall be credited in equal
14 shares against each casino licensee's annual assessment made
15 under this section.

16 Section 31. (a) In addition to payment of the state
17 or city wagering tax and other fees as set forth in this act,
18 and to any payment required pursuant to the development
19 agreement, a city may impose a municipal services fee upon
20 each licensee located in the city equal to the greater of 1.25
21 percent of adjusted gross receipts or four million dollars
22 (\$4,000,000) in order to assist the city in defraying the cost
23 of hosting casinos. The city may require a municipal services
24 fee of four million dollars (\$4,000,000) to be paid annually,
25 in advance, commencing on the date the casino opened for
26 operations and on the anniversary of that date thereafter.
27 Within 20 days after each anniversary of the date the licensed

1 casino opened for operations, the licensee shall pay any
2 additional municipal services fee owing for the operating year
3 just ended above the advance previously paid for that
4 operating year. The municipal services fee shall be deposited
5 by the city in its general fund for disbursement in accordance
6 with the restrictions of this section and applicable municipal
7 ordinances. The city may submit the question of whether to
8 impose the fee authorized by this subsection to the electors
9 of the city for approval.

10 (b) If a city does not impose a municipal services
11 fee under subsection (a), in addition to payment of the state
12 or city wagering tax and other fees as set forth in this act,
13 there is imposed by the state a municipal services tax upon
14 each licensee located in the city. The rate of the tax imposed
15 by this subsection shall be established to limit the aggregate
16 annual amount of the tax imposed by the state under this
17 subsection upon each licensee and by the city pursuant to
18 subsection (a) upon each licensee to the greater of 1.25
19 percent of adjusted gross receipts or four million dollars
20 (\$4,000,000). The tax imposed by this subsection shall be paid
21 in the same manner and at the same time as the fee imposed by
22 the city under subsection (a). The revenues received from the
23 imposition of the tax imposed by this subsection shall be
24 remitted to the city and deposited by the city in its general
25 fund for disbursement for the purposes permitted for a fee
26 under subsection (a).

1 Section 32. A licensee shall not be subject to any
2 excise tax, license tax, privilege tax, or occupational tax,
3 which is imposed exclusively upon the licensee by the state or
4 any political subdivision thereof, except as provided in this
5 act. Nothing in this section shall prohibit the city from
6 assessing a processing fee in an amount to be determined by
7 the city on responses to requests for proposals for
8 development agreements.

9 Section 33. Within 30 days after the end of each
10 quarter of each fiscal year, each casino licensee shall
11 transmit to the board and to the city an audit of the
12 financial condition of the licensee's total operations. All
13 audits shall be conducted by a certified public accountant in
14 a manner and form prescribed by the board. Each certified
15 public accountant shall be registered in the State of Alabama.
16 The compensation for each certified public accountant shall be
17 paid directly by the licensee to the certified public
18 accountant.

19 Section 34. (a) The board shall make an annual
20 report to the Governor, for the period ending December 31 of
21 each year. The report shall be filed with the Governor and
22 submitted to the chairs of the legislative committees that
23 govern casino-related issues on or before April 15 of the year
24 following the year that the report covers. The report shall
25 include an account of the board actions, its financial
26 position and results of operation under this act, and any
27 recommendations for legislation that the board considers

1 advisable. The report shall also include the information
2 required under subsection (b).

3 (b) Each casino licensee shall annually have a study
4 conducted on minors and compulsive gaming and compile all of
5 the following information for the casino that the licensee is
6 licensed to operate:

7 (1) The number of minors who were denied entry into
8 the casino.

9 (2) The number of minors who were physically
10 escorted from the casino premises.

11 (3) The number of minors who were detected
12 participating in gambling games other than slot machines and
13 the number of minors who were detected using slot machines.

14 (4) The number of minors who were taken into custody
15 by a law enforcement agency on the casino premises.

16 (5) The number of minors who were detected illegally
17 consuming alcohol on the casino premises.

18 (6) As used in this section, "minor" means a person
19 less than 21 years of age.

20 Section 35. All contested cases shall be appealable
21 pursuant to the Alabama Administrative Procedure Act. Appeals
22 from the grant or denial of a casino license shall be made to
23 the Alabama Court of Civil Appeals. All other contested case
24 appeals shall be to a circuit court of competent jurisdiction.

25 Section 36. (a) A person shall be guilty of a Class
26 C felony or a fine of not more than one hundred thousand
27 dollars (\$100,000), or both, and shall be barred from

1 receiving or maintaining a license for doing any of the
2 following:

3 (1) Conducting a gambling operation where wagering
4 is used or to be used without a license issued by the board.

5 (2) Conducting a gambling operation where wagering
6 is permitted other than in the manner specified by this act.

7 (3) Knowingly making a false statement on an
8 application for any license provided in this act or a written
9 document provided under oath in support of a proposal for a
10 development agreement.

11 (4) Knowingly providing false testimony to the board
12 or its authorized representative while under oath.

13 (5) Willfully failing to report, pay, or truthfully
14 account for any license fee or tax imposed by this act or
15 willfully attempt in any way to evade or defeat the license
16 fee, tax, or payment. A person convicted under this subsection
17 shall also be subject to a penalty of three times the amount
18 of the license fee or tax not paid.

19 (6) Making a political contribution in violation of
20 Section 7 of this act.

21 (b) In addition to the punishment provided by
22 subsection (a), a person shall be barred for life from a
23 gambling operation under the jurisdiction of the board if the
24 person does any of the following:

25 (1) Offers, promises, or gives anything of value or
26 benefit to a person who is connected with a licensee or
27 affiliated company, including, but not limited to, an officer

1 or employee of a casino licensee or holder of an occupational
2 license pursuant to an agreement or arrangement or with the
3 intent that the offer, promise, or thing of value or benefit
4 will influence the actions of the person to whom the offer,
5 promise, or gift was made in order to affect or attempt to
6 affect the outcome of a gambling game, or to influence
7 official action of a member of the board.

8 (2) Solicits or knowingly accepts or receives a
9 promise of anything of value or benefit while the person is
10 employed by or connected with a licensee, including, but not
11 limited to, an officer or employee of a casino licensee or
12 holder of an occupational license, pursuant to an
13 understanding or arrangement or with the intent that the
14 promise or thing of value or benefit will influence the
15 actions of the person to affect or attempt to affect the
16 outcome of a gambling game.

17 (3) Offers, promises, or gives anything of value or
18 benefit to a member, employee, or agent of the board or an
19 official of any state or local agency or governmental body
20 with the intent that the offer, promise, or thing of value or
21 benefit will influence the official action of the person to
22 whom the offer, promise, or gift was made pertaining to a city
23 development agreement, or administrating, licensing,
24 regulating, or enforcing this act.

25 (4) Solicits or knowingly accepts or receives a
26 promise of anything of value or benefit while the person is a
27 member, employee, or agent of the board, or an official of any

1 state or local agency or governmental body, pursuant to an
2 understanding or arrangement or with the intent that the
3 promise or thing of value or benefit will influence the
4 official action of the member, employee, or agent of the board
5 or official of the state or local governmental body pertaining
6 to a city development agreement, or enforcing this act.

7 (5) Except as otherwise provided by the board, uses
8 or possesses with the intent to use a device on casino
9 premises to assist in doing any of the following:

10 a. Projecting the outcome of a gambling game.

11 b. Keeping track of the cards played in a gambling
12 game.

13 c. Analyzing the probability of the occurrence of an
14 event relating to a gambling game.

15 d. Analyzing the strategy for playing or betting to
16 be used in a gambling game.

17 (6) Cheats at a gambling game.

18 (7) Manufactures, sells, or distributes cards,
19 chips, dice, a game, or a device that is intended to be used
20 to violate this act.

21 (8) Alters or misrepresents the outcome of a
22 gambling game on which wagers have been made after the outcome
23 is determined but before it is revealed to the players.

24 (9) Places a bet after acquiring knowledge, not
25 available to all players, of the outcome of the gambling game
26 that is the subject of the bet or to aid a person in acquiring

1 the knowledge for the purpose of placing a bet contingent on
2 that outcome.

3 (10) Claims, collects, takes, or attempts to claim,
4 collect, or take money or anything of value in or from the
5 gambling games, with intent to defraud, without having made a
6 wager contingent on winning a gambling game, or claims,
7 collects, or takes an amount of money or thing of value of
8 greater value than the amount won.

9 (11) Uses counterfeit chips or tokens in a gambling
10 game.

11 (12) Possesses a key or device designed for the
12 purpose of opening, entering, or affecting the operation of a
13 gambling game, drop box, or an electronic or mechanical device
14 connected with the gambling game or for removing coins,
15 tokens, chips, or other contents of a gambling game. This
16 subdivision does not apply to a gambling licensee or employee
17 of a gambling licensee acting in furtherance of the employee's
18 employment.

19 (c) A person, or an affiliate of a person, is guilty
20 of a misdemeanor punishable by imprisonment for not more than
21 one year in a county jail or a ten thousand dollar (\$10,000)
22 fine, or both, for doing any of the following:

23 (1) Knowingly making a wager if the person is under
24 21 years of age or permitting a person under 21 years to make
25 a wager.

1 (2) Willfully falling to appear before or provide an
2 item to the board at the time and place specified in a
3 subpoena or summons issued by the board or executive director.

4 (3) Willfully refusing, without just cause, to
5 testify or provide items in answer to a subpoena, subpoena
6 duces tecum or summons issued by the board or executive
7 director.

8 (4) Conducting or permitting a person who is not
9 licensed pursuant to this act to conduct activities required
10 to be licensed under the casino, occupational, and suppliers
11 licensee provisions in this act or in rules promulgated by the
12 board.

13 (5) Knowingly violates or aids or abets in the
14 violation of the provisions of Section 7 of this act.

15 (6) Leasing, pledging, borrowing, or loaning money
16 against a casino, supplier, or occupational license.

17 (d) The possession of more than one of the devices
18 described in subsection (b) (5) permits a rebuttable
19 presumption that the possessor intended to use the devices for
20 cheating.

21 (e) An action to prosecute any crime described in
22 this section, in the discretion of the Attorney General may be
23 tried in the county in which the crime occurred or in
24 Montgomery County or by the district attorney of the county in
25 which the crime occurred.

1 (f) This section is intended to supplement the
2 provisions of the Criminal Code of Alabama. To the extent they
3 are inconsistent or conflict, the Criminal Code prevails.

4 Section 37. Any equipment, gambling device, money,
5 apparatus, material of gaming, proceeds, substituted proceeds,
6 or real or personal property used, obtained, or received in
7 violation of this act shall be subject to seizure,
8 confiscation, destruction, or forfeiture.

9 Section 38. In addition to other penalties provided
10 for under this act, a person who conducts a gambling operation
11 without first obtaining a license to do so, or a licensee who
12 continues to conduct gambling games after revocation of the
13 licensee's license, or any licensee who conducts or allows to
14 be conducted any unauthorized gambling games in a casino in
15 which the licensee is authorized to conduct its gambling
16 operation is subject to a civil penalty equal to the amount of
17 gross receipts derived from wagering on the gambling games,
18 whether unauthorized or authorized, conducted on that day as
19 well as confiscation and forfeiture of all gambling game
20 equipment used in the conduct of unauthorized gambling games.

21 Section 39. When the board is authorized or required
22 by law to consider some aspect of criminal history record
23 information for the purpose of carrying out its statutory
24 powers and responsibilities, the board, in the form and manner
25 required by the Department of Public Safety and the Federal
26 Bureau of Investigation, shall cause to be conducted a
27 criminal history record investigation to obtain any

1 information currently or subsequently contained in the files
2 of the Department of Public Safety or the Federal Bureau of
3 Investigation. The Department of Public Safety shall provide
4 all criminal record information requested by the board for any
5 person who is an applicant for or a holder of a license.

6 Section 40. Pursuant to Section 2 of Chapter 1194,
7 64 Statute 1134, 15 U.S.C. 1172, approved January 2, 1951, the
8 State of Alabama, acting by and through duly elected and
9 qualified members of the Legislature, does declare and
10 proclaim that the state is exempt from Chapter 1194, 64
11 Statute 1134, 15 U.S.C. 1171 to 1178.

12 Section 41. All shipments of gambling devices to
13 licensed casinos in this state, the registering, recording,
14 and labeling of which have been completed by the manufacturer
15 or dealer thereof in accordance with Chapter 1194, 64 Statute
16 1134, 15 U.S.C. 1171 to 1178, are legal shipments of gambling
17 devices into the State of Alabama.

18 Section 42. (a) Notwithstanding any other provision
19 of this act, when the board revokes a casino license, or
20 suspends a casino license for a period in excess of 120 days,
21 or refuses to renew a casino license, whether or not an appeal
22 is pending, the board, with notice to the mayor of the city in
23 which the casino is located, shall appoint a conservator to,
24 among other things, take into his or her possession and
25 control all the property and business of the licensee relating
26 to the casino. However, this subsection may not apply in any
27 instance in which the casino for which the casino license had

1 been issued has not been in operation and open to the public.
2 A person shall not be appointed as conservator unless the
3 board is satisfied that he or she is qualified.

4 (b) The board may proceed in a conservatorship
5 action in a summary manner and shall have the power to appoint
6 and remove one or more conservators and to enjoin the former
7 or suspended licensee from exercising any of its privileges
8 from collecting any debts and from selling, assigning, or
9 transferring any of its property to a person other than a
10 conservator, except as the board may order. The board shall
11 have the further powers necessary for fulfilling the purposes
12 of this act.

13 (c) Every conservator shall, before assuming his or
14 her duties, execute and file a bond for the faithful
15 performance of his or her duties payable to the board in the
16 office of the board with the surety or sureties and in the
17 form that the board shall approve and in the amount prescribed
18 by the board.

19 (d) When more than one conservator is appointed
20 pursuant to this section, each conservator is subject to this
21 act. Each conservator may collect the debts and property of
22 the former or suspended licensee. The powers and rights
23 conferred upon the conservators shall be exercised only when a
24 majority of the conservators have agreed to the proposed
25 action.

26 (e) Upon his or her appointment, the conservator
27 shall become vested with the title of all the property of the

1 former or suspended licensee relating to the casino. Subject
2 to any and all valid liens, claims, and encumbrances, the
3 conservator shall have the duty to conserve and preserve the
4 assets to ensure that the assets shall continue to be operated
5 on a sound and businesslike basis.

6 (f) Subject to the general supervision of the board
7 and pursuant to any specific order it may consider
8 appropriate, a conservator shall have power to do all of the
9 following:

10 (1) Take into his or her possession all the property
11 of the former or suspended licensee relating to the casino and
12 the approved hotel, including its books, records, and papers.

13 (2) Institute and defend actions by or on behalf of
14 the former or suspended licensee.

15 (3) Settle or compromise with any debtor or creditor
16 of the former or suspended licensee, including any taxing
17 authority.

18 (4) Continue the business of the former or suspended
19 licensee including entering into contracts, borrowing money,
20 and pledging, mortgaging, or otherwise encumbering the
21 property of the former or suspended licensee as security for
22 the repayment of the conservator's loans. However, the power
23 shall be subject to any provisions and restrictions in any
24 existing credit documents.

25 (5) Hire, fire, and discipline employees.

26 (6) Review all outstanding agreements to which the
27 former or suspended licensee is a party that fall within the

1 purview of this act and advise the board on which, if any, of
2 the agreements should be the subject of scrutiny, examination,
3 or investigation by the board.

4 (7) Do all acts that best fulfill the purposes of
5 this act.

6 (g) Except as otherwise provided in subsection (h),
7 the conservator shall sell, assign, or otherwise transfer
8 ownership of all of the property, in bulk, of a former
9 licensee that was part of the casino or an approved hotel to a
10 person who meets all of the requirements of this act and rules
11 promulgated under this act to receive a casino license under
12 this act subject to all of the following:

13 (1) Prior approval of the board with the consent of
14 the mayor of the city in which the casino is located.

15 (2) Prior consultation with the former licensee
16 about the reasonableness of the terms and conditions of the
17 sale, assignment, or transfer.

18 (3) Prior written notice to all creditors and other
19 persons required to be notified pursuant to court rule or
20 statute.

21 (h) The conservator shall not conduct a sale,
22 assignment, or transfer under subsection (g) under any of the
23 following circumstances:

24 (1) A suspension of the casino license is pending.

25 (2) An appeal from an action that precipitated the
26 conservatorship is pending.

1 (3) The board has not approved a sale, assignment,
2 or transfer.

3 (i) Upon the request of the conservator, prior to a
4 sale, assignment, or transfer under subsection (g), the board
5 shall conduct a summary review of the proposed sale,
6 assignment, or transfer of ownership.

7 (j) The board may direct the conservator to retain
8 the property and continue the business of the former or
9 suspended licensee relating to the casino and the approved
10 hotel for an indefinite period of time. Without being
11 personally liable, during any period of operation by the
12 conservator, the conservator shall pay when due all secured
13 obligations. The conservator is not immune from foreclosure or
14 other legal proceedings to collect the secured debt. The
15 conservator shall have all of the legal rights, claims, or
16 defenses that would have been available to the former or
17 suspended licensee.

18 (k) In a proceeding described in subsection (i), the
19 board shall allow a reasonable compensation for the services,
20 costs, and expenses for the conservator, the attorney for the
21 conservator, the appraiser, the auctioneer, the accountant,
22 and the other persons as the board may appoint in connection
23 with the conservatorship.

24 (l) As an incident of its prior approval of the
25 sale, assignment, or other transfer, in bulk, of all property
26 of the former licensee that was a part of the casino, the
27 board may require that the purchaser of the property assume in

1 a form acceptable to the board all of the outstanding debts of
2 the former licensee that arise from or were based upon the
3 operation of the casino.

4 (m) The conservator shall not make a payment of net
5 earnings during the period of the conservatorship without the
6 prior approval of the board, which may direct that all or any
7 part of the net earnings be paid to the suspended or former
8 licensee or to the State Casino Gaming Fund or the State
9 Services Fee Fund or to the city as a municipal services fee
10 or tax or municipal wagering tax, in accordance with rules
11 promulgated by the board. The former or suspended licensee is
12 entitled to a fair rate of return out of net earnings, if any,
13 during the period of the conservatorship on the property
14 retained by the conservator.

15 (n) Following any sale, assignment, or other
16 transfer, in bulk, of all the property subject to the
17 conservatorship, the conservator shall pay the net proceeds
18 from the sale that remain after payment of all obligations
19 owing to the State of Alabama and any political subdivisions
20 of the state and of those allowances set forth in this act to
21 the former or suspended licensee.

22 (o) A conservator appointed pursuant to this act
23 shall at all times be subject to this act and the rules,
24 limitations, restrictions, terms, and conditions as the board
25 may prescribe. Except as otherwise provided in this act,
26 during the period of any conservatorship imposed by this act,

1 the casino operation in the form of the conservatorship shall
2 be considered a licensed casino operation subject to this act.

3 (p) The board shall direct the discontinuation of a
4 conservatorship when the conservator, with the prior approval
5 of the board, has consummated the sale, assignment, or other
6 transfer, in bulk, of all of the property of the former
7 licensee that was part of the casino.

8 (q) The board may direct the discontinuation of any
9 conservatorship when it determines that the reason for which
10 the action was instituted no longer exists.

11 (r) Upon the discontinuation of the conservatorship
12 and with the approval of the board, the conservator shall take
13 the steps necessary to effect an orderly transfer of the
14 property of the former or suspended licensee.

15 (s) The sale, assignment, transfer, pledge, or other
16 disposition of the securities issued by a former or suspended
17 licensee during the pendency of a conservatorship instituted
18 pursuant to this act does not divest or otherwise affect the
19 powers conferred upon a conservator by this act.

20 (t) A conservator appointed pursuant to this act
21 shall file with the board reports on the administration of the
22 conservatorship in the form and at the intervals the board
23 shall prescribe. The reports shall be available for
24 examination and inspection by any creditor or party in
25 interest and, in addition, the board may direct that copies of
26 the reports be mailed to designated creditors or other persons

1 and that summaries of any reports be published in designated
2 newspapers of general circulation.

3 Section 43. (a) The board shall create a list of
4 disassociated persons. The board, with the assistance of
5 casino licensees, shall inform each patron of the list of
6 disassociated persons and explain how the patron may add his
7 or her name to the list.

8 (b) The board may add an individual's name to the
9 list of disassociated persons if the individual has notified
10 the board in writing of his or her pledge not to visit a
11 casino in this state by filing an application for placement on
12 the list of disassociated persons with the board.

13 (c) The board shall create and make available an
14 application for placement on the list of disassociated
15 persons. The application shall include all of the following
16 information about the individual who is applying:

17 (1) Full name and all aliases.

18 (2) Physical description including height, weight,
19 hair and eye color, skin color, and any other noticeable
20 physical characteristics.

21 (3) Occupation.

22 (4) Current home and work addresses and phone
23 numbers.

24 (5) Social Security number.

25 (6) Date of birth.

26 (7) Statement that the individual believes he or she
27 is a problem gambler and is seeking treatment.

1 (8) A photograph suitable for the board and casino
2 licensees to use to identify the individual.

3 (9) Other information that the board considers
4 necessary.

5 (d) An individual's name shall be placed on the list
6 of disassociated persons after all of the following have
7 occurred:

8 (1) The individual has submitted an application to
9 be placed on the list of disassociated persons to the Alabama
10 Gaming Control Board.

11 (2) The application has been verified by a
12 representative of the board.

13 (3) The individual has signed an affidavit in which
14 he or she affirms that he or she wishes to be placed on the
15 list of disassociated persons and authorizing the board to
16 release the contents of his or her application to all casino
17 licensees in this state.

18 (4) The individual signs a form releasing the State
19 of Alabama, the board, and the casino licensees from any
20 injury the individual suffers as a consequence of placing his
21 or her name on the list of disassociated persons.

22 (5) The individual signs a form stating that he or
23 she understands and authorizes all of the following:

24 a. That a criminal complaint for trespassing will be
25 filed against him or her if he or she is found on the premises
26 of a casino in this state and he or she will be immediately
27 removed from the casino premises.

1 b. That if he or she enters a casino and wins any
2 money, the board will confiscate the winnings.

3 (e) An individual who has his or her name placed on
4 the list of disassociated persons shall remain on the list for
5 the remainder of his or her life.

6 (f) After an application has been submitted to the
7 board, the chair of the board shall file a notice of placement
8 on the list of disassociated persons with the board at the
9 next closed session. Information contained in an application
10 under subsection (d) is exempt from disclosure under
11 subdivision (3) of subsection (d) of this section and is not
12 open for public inspection. The information shall be disclosed
13 to the board, each casino licensee in this state, the Attorney
14 General, and the Department of Public Safety.

15 (g) The list of disassociated persons shall be
16 provided to each casino licensee, the Attorney General, and
17 the Department of Public Safety.

18 (h) Each casino licensee in this state shall submit
19 to the board a plan for disseminating the information
20 contained in the applications for placement on the list of
21 disassociated persons. The board shall approve the plan. The
22 plan shall be designed to safeguard the confidentiality of the
23 information but shall include dissemination to all of the
24 following:

25 (1) The general casino manager or the managerial
26 employee who has responsibility over the entire casino
27 operations.

1 (2) All security and surveillance personnel.

2 (3) The Department of Public Safety.

3 (i) A casino licensee shall not extend credit, offer
4 check cashing privileges, offer coupons, market its services,
5 or send advertisements to, or otherwise solicit the patronage
6 of, those persons whose names are on the list of disassociated
7 persons.

8 (j) The casino licensee shall keep a computer record
9 of each individual whose name is on the list of disassociated
10 persons. If a casino licensee identifies a person on the
11 premises of a casino, the licensee shall immediately notify
12 the board, a representative of the board, or a representative
13 of the Department of Public Safety who is on the premises of
14 the casino. After the licensee confirms that the individual
15 has filed an affidavit under this section, the licensee shall
16 do all of the following:

17 (1) Immediately remove the individual from the
18 casino premises.

19 (2) Report the incident to the prosecutor for the
20 county in which the casino is located.

21 (k) A casino licensee who violates this act is
22 subject to disciplinary action by the board.

23 (l) The board shall promulgate rules to implement
24 and administer this act.

25 (m) An individual who has placed his or her name on
26 the list of disassociated persons who enters a casino in this
27 state is guilty of criminal trespassing punishable by

1 imprisonment for not more than one year, a fine of not more
2 than one thousand dollars (\$1,000), or both.

3 (n) This act does not create any right or cause of
4 action on behalf of the individual whose name is placed on the
5 list of disassociated persons against the State of Alabama,
6 the board, or a casino licensee.

7 (o) Any winnings collected by the board under this
8 act shall be deposited into the Compulsive Gaming Prevention
9 Fund.

10 Section 44. For purposes of Sections 5, 6, and
11 subsection (a) of Section 7, the ownership and disclosure
12 threshold as to any company whose stock is widely held,
13 publicly traded, and regulated by the securities and exchange
14 commission shall be beneficial ownership of more than a five
15 percent interest in the company, provided, however, the board
16 shall have the authority, by rule or order, to establish a
17 reporting threshold below five percent if the company knew or
18 should have known the identity of the person holding the
19 interest below five percent.

20 Section 45. Although this bill would have as its
21 purpose or effect the requirement of a new or increased
22 expenditure of local funds, the bill is excluded from further
23 requirements and application under Amendment 621, now
24 appearing as Section 111.05 of the Official Recompilation of
25 the Constitution of Alabama of 1901, as amended, because the
26 bill defines a new crime or amends the definition of an
27 existing crime.

1 Section 46. This act shall become effective on the
2 first day of the third month following its passage and
3 approval by the Governor, or its otherwise becoming law.