

1 SB293  
2 218316-1  
3 By Senator Albritton (Constitutional Amendment)  
4 RFD: Tourism  
5 First Read: 03-MAR-22

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8       SYNOPSIS:               Under Section 65 of the Constitution of  
9                               Alabama of 1901, lotteries and gift enterprises are  
10                              prohibited.

11                             This bill would propose an amendment to the  
12                             Constitution of Alabama of 1901, to provide for the  
13                             limited authorization of gambling in the state to  
14                             be supervised and regulated by a new Alabama  
15                             Education Lottery and Gambling Commission.

16                             The proposed amendment would establish an  
17                             official state lottery to be known as the Alabama  
18                             Education Lottery, which would consist solely of  
19                             games approved and administered by the commission.

20                             The proposed amendment would also allow  
21                             casino-style games, sports betting, bingo, and  
22                             raffles to be conducted subject to the rules and  
23                             supervision of the commission. Casino-style games  
24                             would be limited to in-person, on-premises play at  
25                             one of a limited number of licensed casinos. Sports  
26                             betting would be limited to in-person, on-premises  
27                             play at a licensed casino or play through an online

1 sports betting platform offered through a licensed  
2 casino.

3 The proposed amendment would limit the  
4 number of licensed casinos to five locations. A  
5 single license would be awarded pursuant to a  
6 competitive process at each of the following four  
7 sites: Greenetrack in Greene County; the Birmingham  
8 Race Course in Jefferson County; VictoryLand in  
9 Macon County; and the Mobile County Greyhound  
10 Racing facility in Mobile County. A fifth licensed  
11 casino in either DeKalb or Jackson County would be  
12 allowed as part of a compact to be negotiated  
13 between the Governor and the Poarch Band of Creek  
14 Indians. Additionally, the compact would address  
15 casino-style games and sports betting on Poarch  
16 Band of Creek Indians trust land.

17 The proposed amendment would authorize  
18 satellite casinos, in addition to licensed casinos,  
19 to offer a limited number of electronic gaming  
20 machines. A single satellite casino license would  
21 be issued in Houston County and Lowndes County.

22 The proposed amendment would require a  
23 selected casino operator to negotiate license fees  
24 or similar payments with the commission and would  
25 impose a tax of 20 percent on the net gambling  
26 revenues for casinos and sports betting. Proceeds  
27 of the Alabama Education Lottery would be

1           appropriated for the establishment of a scholarship  
2           or other program to support educational attainment  
3           or fulfillment of the state's workforce needs.  
4           Gambling revenues would be appropriated for  
5           distribution to cities and counties and would be  
6           authorized to be used for capital or other  
7           non-recurring expenses that serve a public purpose.  
8           Up to one-half of one percent of lottery proceeds  
9           and gambling revenues could be appropriated for  
10          programs to address problem gambling.

11  
12                                   A BILL  
13                                   TO BE ENTITLED  
14                                   AN ACT

15  
16           Relating to gaming; to propose an amendment to  
17   Section 65 of the Constitution of Alabama of 1901, to provide  
18   for the limited authorization of gambling subject to  
19   regulation and supervision by the Alabama Education Lottery  
20   and Gambling Commission; to authorize an official state  
21   lottery known as the Alabama Education Lottery, casino-style  
22   games, sports betting, bingo, and raffles subject to  
23   regulation and supervision by the commission; to limit the  
24   play of casino-style games to five licensed casinos; to  
25   provide that four of the licensed casinos may be located, by  
26   competitive process, at Greenetrack in Greene County, the  
27   Birmingham Race Course in Jefferson County, VictoryLand in

1 Macon County, and the Mobile County Greyhound Racing facility  
2 in Mobile County; to provide that a fifth licensed casino may  
3 be operated by the Poarch Band of Creek Indians at a location  
4 in either DeKalb County or Jackson County to be determined in  
5 a compact negotiated by the Governor; to provide for the  
6 operation of satellite casinos; to provide that satellite  
7 casinos may operate electronic gaming machines; to provide  
8 that satellite casinos may be located, by competitive process,  
9 in Houston County and Lowndes County; to limit sports betting  
10 to the five licensed casinos and to Internet sports betting  
11 platforms offered through the five licensed casinos and  
12 approved by the commission; to impose license fees and a tax  
13 on certain gambling proceeds; to authorize the Governor to  
14 negotiate a compact with the Poarch Band of Creek Indians; to  
15 provide for appropriation of Alabama Education Lottery  
16 proceeds for a scholarship or other program to support  
17 educational attainment or fulfilment of the state's workforce  
18 needs; and to provide for appropriation of gambling revenues  
19 for distributions to cities and counties and for capital or  
20 other non-recurring expenses that serve a public purpose.

21 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

22 Section 1. The following amendment to the  
23 Constitution of Alabama of 1901, as amended, is proposed and  
24 shall become valid as a part thereof when approved by a  
25 majority of the qualified electors voting thereon and in  
26 accordance with Sections 284, 285, and 287 of the Constitution  
27 of Alabama of 1901, as amended:

1 PROPOSED AMENDMENT

2 Section 65 of the Constitution of Alabama of 1901,  
3 is amended to read as follows:

4 "Section 65. Lotteries and gift enterprises  
5 prohibited. Limited authorization of gambling.

6 "(a) Findings. The Legislature and the people of  
7 Alabama find that:

8 "(1) Alabamians support the limited authorization of  
9 gambling in Alabama, including an official state lottery, but  
10 only subject to the following general principles:

11 "a. The authorized gambling must be effectively  
12 taxed and structured to produce revenues that meaningfully  
13 improve quality of life in the state.

14 "b. The authorized gambling must be effectively and  
15 honestly regulated to protect consumers and to promote  
16 integrity among operators.

17 "c. The authorized gambling must be effectively  
18 limited in forms and locations to preserve the aesthetic  
19 character of the state.

20 "(b) Definitions. As used in this amendment, the  
21 following words and phrases shall have the following  
22 respective meanings:

23 "(1) ALABAMA EDUCATION LOTTERY AND GAMBLING  
24 COMMISSION or COMMISSION. The regulatory body established by  
25 this amendment to administer the Alabama Education Lottery and  
26 to regulate and supervise gambling within the state.

1           "(2) ALABAMA EDUCATION LOTTERY GAME. Any large-scale  
2 intrastate, multistate, or multi-sovereign lottery approved by  
3 the commission, including Pick-3, Pick-4, Mega Millions,  
4 Powerball, or instant scratch-off games. The term does not  
5 include a video lottery or video lottery terminals. The term  
6 does not include banked card games, casino-style games, bingo,  
7 electronic bingo, or any games similar to bingo, including  
8 pull-tabs, lotto, punch boards, tip jars, or instant bingo,  
9 whether or not played with an electronic, computer, or other  
10 technologic aid. The term does not include any other form of  
11 gambling.

12           "(3) BANKING or BANKED CARD GAMES. Games,  
13 activities, and devices that include, but are not limited to,  
14 poker, baccarat, chemin de fer, keno, and blackjack; all dice  
15 games; roulette; all table games and electronic  
16 representations of such games; and any electronic gaming  
17 device used to play these games.

18           "(4) BINGO. The game commonly or traditionally known  
19 as bingo and defined by the following characteristics, when  
20 players provide something of value to play and receive  
21 something of value for winning:

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

25           "b. Alphanumeric or similar designations are  
26 randomly drawn and announced one by one.

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

5           "d. A player can fail to pay proper attention or to  
6 properly mark his or her card, and thereby miss an opportunity  
7 to be declared a winner.

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

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

16           "g. The game of bingo is played with actual physical  
17 cards made of cardboard, paper, or some functionally similar  
18 material that is flat and is preprinted with the grid and the  
19 designations referenced in this subdivision.

20           "h. The game of bingo may not be played with an  
21 electronic, computer, or other technologic aid. The term does  
22 not include electronic bingo. The term does not include any  
23 other form of gambling.

24           "(5) CASINO. One of the five licensed facilities  
25 where casino-style games and sports betting may be conducted  
26 under this amendment. The term does not include any facility  
27 operated on Poarch Band of Creek Indians trust land.



1           "(6) CASINO SPORTS BETTING LICENSE. A license issued  
2 by the commission to an operator of a casino to conduct sports  
3 betting, subject to the rules of the commission, through  
4 in-person, on-premises play at a casino.

5           "(7) CASINO-STYLE GAME. Any casino game, activity,  
6 or device that is determined by the commission to be a game,  
7 activity, or device traditionally found in a casino. Such  
8 games, activities, or devices include, but are not limited to,  
9 electronic gaming machines and banking or banked card games.  
10 The term does not include Alabama Education Lottery Games or  
11 pari-mutuel wagering on simulcast and live racing events. The  
12 term does not include bingo, electronic bingo, or any games  
13 similar to bingo, including pull-tabs, lotto, punch boards,  
14 tip jars, or instant bingo, whether or not played with an  
15 electronic, computer, or other technologic aid. The term does  
16 not include any other form of gambling.

17           "(8) ELECTRONIC BINGO. Any game referred to as bingo  
18 other than that defined in subdivision (4) or any game  
19 referred to as bingo if played with an electronic, computer,  
20 or other technologic aid.

21           "(9) ELECTRONIC GAMING MACHINE. Games, activities,  
22 or devices that include slot machines; a video lottery; video  
23 lottery terminals; all electronic sweepstakes games,  
24 terminals, or devices; electronic representations of  
25 pari-mutuel wagering games, including, but not limited to,  
26 historical horse racing machines, historical sporting event  
27 machines, machines of any kind that are based on historic

1 events, and other technological aids and electronic facsimiles  
2 of these games.

3 "(10) GAMBLING. Any game, activity, or other  
4 arrangement in which a person stakes or risks something of  
5 value upon the outcome of a contest of chance or a future  
6 contingent event not under his or her control or influence,  
7 upon an agreement or understanding that the person or someone  
8 else will receive something of value in the event of a certain  
9 outcome. The term does not include bona fide business  
10 transactions valid under the law of contracts, including, but  
11 not limited to, contracts for the purchase or sale at a future  
12 date of securities or commodities, and agreements to  
13 compensate for loss caused by the happening of chance,  
14 including, but not limited to, contracts of indemnity or  
15 guaranty and life, health, or accident insurance.

16 "(11) LOTTERY. Any game, activity, or other  
17 arrangement in which consideration is provided to win a prize  
18 awarded predominantly based on chance.

19 "(12) MINORITY-OWNED BUSINESS. A for-profit business  
20 that is independently owned and controlled and is at least 51  
21 percent owned and controlled by one or more underrepresented  
22 persons or, in the case of a publicly owned business, the  
23 company is a for-profit business of which at least 51 percent  
24 of the stock is owned and controlled by one or more  
25 underrepresented persons and whose daily management and  
26 operations are under the control of one or more

1 underrepresented persons. Minority-owned businesses shall  
2 include women-owned businesses.

3 "(13) NET GAMBLING REVENUE. The total amount of  
4 money or value in any form received with respect to the  
5 conduct of gambling, whether or not approved by the  
6 commission, less free bets and promotional credits, federal  
7 excise taxes, voided wagers, and the total money or value in  
8 any form paid as prizes or winnings, including the cash  
9 equivalent of any merchandise or thing of value awarded as a  
10 prize.

11 "(14) ONLINE SPORTS BETTING LICENSE. A license  
12 issued by the commission, which may include mobile  
13 applications and other digital platforms that use  
14 communications technology to accept wagers, to a licensed  
15 casino, or through the Poarch Band of Creek Indians on Poarch  
16 Band of Creek Indian trust lands pursuant to a compact  
17 negotiated by the Governor.

18 "(15) OPERATOR. The owner of a casino or satellite  
19 casino or a wholly owned subsidiary entity of the owner of a  
20 casino or satellite casino.

21 "(16) POARCH BAND OF CREEK INDIANS. The federally  
22 recognized Indian tribe within the State of Alabama known as  
23 the Poarch Band of Creek Indians. The term includes any wholly  
24 owned subsidiary of the tribe formed for the purpose of  
25 operating a gaming facility.

1           "(17) POARCH BAND OF CREEK INDIANS TRUST LAND. Lands  
2 held in trust by the Secretary of the Department of the  
3 Interior for the benefit of the Poarch Band of Creek Indians.

4           "(18) RAFFLE. A lottery in which participants  
5 provide consideration for a chance to win a prize and the  
6 winner is selected through a drawing or other random selection  
7 process.

8           "(19) SATELITTE CASINO. A licensed facility offering  
9 up to 300 electronic gaming machines only.

10           "(20) SPORTING EVENT. Any amateur, professional, or  
11 collegiate sport or athletic event, motor race event,  
12 electronic sports event, competitive video game event, or any  
13 other event authorized by the commission under this amendment.  
14 The term does not include any youth sport or youth athletic  
15 event.

16           "(21) SPORTS BETTING. The acceptance of wagers on  
17 live sporting events or portions of live sporting events, the  
18 individual performance statistics of athletes in a live  
19 sporting event, or a combination of any of the same, by any  
20 system or method of wagering approved by the commission. The  
21 term does not include wagers on fantasy sports contests  
22 authorized under general law. The term does not include bingo,  
23 electronic bingo, or any games similar to bingo, including  
24 pull-tabs, lotto, punch boards, tip jars, or instant bingo,  
25 whether or not played with an electronic, computer, or other  
26 technologic aid. The term does not include any other form of  
27 gambling.

1           "(22) SUITABILITY. Fitness for licensure, as  
2           demonstrated by a prospective licensee to the satisfaction of  
3           the commission, considering the prospective licensee's moral  
4           character, honesty, and integrity; reputation, experience, and  
5           financial integrity; financial ability to purchase and  
6           maintain adequate liability and casualty insurance, and to  
7           provide an adequate surety bond as may be required by a  
8           license issued by the commission; past and present compliance  
9           or noncompliance with the casino or other gambling licensing  
10           requirements of another jurisdiction; involvement or past  
11           involvement in any bankruptcy or receivership proceeding;  
12           participation as a defendant in frequent litigation involving  
13           unfair consumer trade practices; prior activities, arrests,  
14           criminal records, habits, and associations; likelihood of  
15           conducting business as authorized pursuant to this amendment;  
16           and delinquency with respect to any state, county, or  
17           municipal taxes, penalties, or interest, excluding items under  
18           formal appeal or protest as provided by law or any tax  
19           assessment that was determined to be void by the United States  
20           Tax Court or the Alabama Tax Tribunal. The commission may also  
21           consider any other factor or consideration it deems  
22           appropriate to determining a prospective licensee's fitness  
23           for licensure.

24           "(23) VIDEO LOTTERY or VIDEO LOTTERY TERMINAL. Any  
25           electronic interactive game, machine, or device equipped with  
26           a video screen and buttons, keys, a keyboard, touchscreen, or  
27           other input method allowing input by an individual player and

1 into which the player inserts coins, tokens, currency, or  
2 other representations of value, including, but not limited to,  
3 an electronic card, ticket, or other thing on which value is  
4 electronically recorded, as consideration in order for play of  
5 a game to be available, and through which, as a result of the  
6 play of the game, the player may receive additional free  
7 plays, credits redeemable for cash or a noncash prize, or some  
8 other thing of value, whether received directly from the  
9 device or otherwise, determined wholly or predominantly by  
10 chance. The term does not include electronic bingo.

11 "(c) Limitations on gambling.

12 "(1) ~~The legislature~~ Except as provided in this  
13 amendment, the Legislature shall have no power to authorize  
14 lotteries or gift enterprises for any purposes, and shall pass  
15 laws to prohibit the sale in this state of lottery or gift  
16 enterprise tickets, or tickets in any scheme in the nature of  
17 a lottery; and all acts, or parts of acts heretofore passed by  
18 the ~~legislature~~ Legislature of this state, authorizing a  
19 lottery or lotteries, and all acts amendatory thereof, or  
20 supplemental thereto, are hereby avoided.

21 "(2) Notwithstanding Section 284 of this  
22 constitution, any future constitutional amendments proposing  
23 grants of covered locations or the addition of any type of  
24 gaming beyond casino-style games or Alabama lottery games  
25 shall require a two-thirds vote of each house for passage.

26 "(3) The only authorized lotteries or gift  
27 enterprises in the state shall be as follows:

1           "a. An official state lottery to be known as the  
2 Alabama Education Lottery, which shall consist solely of  
3 Alabama Education Lottery Games, which shall be administered  
4 and operated solely by the Alabama Education Lottery and  
5 Gambling Commission.

6           "b. Casino-style games operated only through  
7 in-person, on-premises play at a licensed casino subject to  
8 rules adopted by the commission or pursuant to a Compact with  
9 the Poarch Band of Creek Indians.

10          "c. Electronic gaming machines operated only through  
11 in-person, on-premises play at a licensed satellite casino  
12 subject to rules adopted by the commission.

13          "d. Sports betting conducted only pursuant to a  
14 valid casino sports betting license or conducted in connection  
15 with a casino pursuant to a valid online sports betting  
16 license and subject to rules adopted by the commission,  
17 including policies and procedures prescribing a minimum and  
18 maximum number of online sports betting licenses that may be  
19 associated with each casino and that may be issued by the  
20 commission. Sports betting shall also be conducted pursuant to  
21 a Compact with the Poarch Band of Creek Indians.

22          "e. Bingo and raffles conducted only pursuant to  
23 rules adopted by the commission, provided that the commission  
24 may not unduly restrict bingo or raffles conducted for a  
25 charitable, social, or other non-commercial purpose. Any  
26 definition of bingo in state or local law that varies from the  
27 definition of bingo in subsection (b) is hereby superseded.

1 All previously ratified constitutional amendments relating to  
2 bingo or charitable bingo, including, but not limited to,  
3 Amendments 386, 387, 413, 440, 506, 508, 549, 550, 565, 569,  
4 599, 600, 612, 674, 692, 732, 743, and 744, to the  
5 Constitution of Alabama 1901, are hereby repealed, at which  
6 time electronic bingo shall be prohibited, except as  
7 hereinafter provided in Greene County and except where on  
8 Poarch Band of Creek Indians trust land pursuant to federal  
9 law. Any current operator of electronic bingo games in Greene  
10 County may continue to operate bingo for no greater than two  
11 years from the date of the ratification of this amendment. Any  
12 current operator of bingo, electronic bingo, and raffles on  
13 the date of passage of this proposed amendment by the  
14 Legislature shall be subject to licensure and taxation by the  
15 commission as provided in subsections (g) and (i). The  
16 operator shall also be subject to a suitability review by the  
17 commission within one year of the commission becoming fully  
18 operational. If the operator of the facility fails to  
19 demonstrate suitability, as defined in this amendment, the  
20 commission shall terminate the facility's authority to  
21 operate.

22 "(4) Nothing in this amendment shall be construed to  
23 give any person or entity an absolute right to conduct or  
24 operate any form of lottery. All lotteries authorized by this  
25 amendment are subject to rules adopted by the commission  
26 pursuant to which any person's or entity's authorization to



1 conduct or operate an otherwise authorized lottery may be  
2 suspended, revoked, limited, or restricted.

3 "(5) The Legislature shall amend Article 2 of  
4 Chapter 12 of Title 13A of the Code of Alabama 1975, to  
5 provide felony penalties for the commission of a gambling  
6 offense.

7 "(d) Establishment of the Alabama Lottery and  
8 Gambling Commission.

9 "(1) There is created a regulatory body to be known  
10 as the Alabama Education Lottery and Gambling Commission. The  
11 commission shall be governed by a board of directors composed  
12 of nine members to be appointed as follows:

13 "a. Three members appointed by the Governor, one of  
14 whom shall be an attorney licensed in this state and one of  
15 whom shall be a certified public accountant.

16 "b. One member appointed by the Lieutenant Governor,  
17 who shall have expertise in business and marketing.

18 "c. One member appointed by the President Pro  
19 Tempore of the Senate.

20 "d. One member appointed by the Speaker of the House  
21 of Representatives.

22 "e. One member appointed by the Attorney General.

23 "f. One member appointed by the Minority Leader of  
24 the House of Representatives.

25 "g. One member appointed by the Minority Leader of  
26 the Senate.

1           "(2) All members shall be appointed with the advice  
2 and consent of the Senate. Appointees shall begin serving  
3 immediately upon appointment and shall continue serving unless  
4 rejected by the Senate during the next regular session or an  
5 intervening special session following the appointment.

6           "(3) The appointing authorities of the board shall  
7 coordinate their appointments to ensure commission membership  
8 is inclusive and reflects the racial, gender, geographic,  
9 urban, rural, and economic diversity of the state. Members of  
10 the board shall be residents of the State of Alabama, United  
11 States citizens, and prominent persons in their businesses or  
12 professions. Members of the board may not be an employee of  
13 the commission; a member, employee, or vendor or retailer of  
14 the Alabama Education Lottery; an officer of a political party  
15 or the occupant of an official position in a political party;  
16 an elected official; actively engaged in the business of, or  
17 have a pecuniary interest in, a casino or satellite casino; or  
18 actively engaged in the business of, or have a pecuniary  
19 interest in, an operation owned by the Poarch Band of Creek  
20 Indians; or a vendor offering goods or services to casinos or  
21 satellite casinos.

22           "(4) The initial term of office shall be four years  
23 for three of the members, three years for two of the members,  
24 and two years for the remaining two members. Thereafter,  
25 members shall serve a term of four years. Members may serve  
26 two complete terms and any portion of an initial term of less  
27 than four years, or any portion of an unexpired term to which

1 they are appointed. Any vacancy occurring on the board shall  
2 be filled for the unexpired term by the Governor as described  
3 in this amendment. Each member of the board shall serve for  
4 the duration of the member's term and until the member's  
5 successor is duly appointed and confirmed by the Senate.

6 "(5) By general law, the Legislature may prescribe  
7 additional qualifications and training requirements for board  
8 members and commission employees, compensation for board  
9 members, and ethical requirements for board members and  
10 commission employees.

11 "(e) General powers and duties of the commission.

12 "(1) The commission shall have the following powers:

13 "a. The commission may adopt rules necessary and  
14 convenient for implementing this amendment or legislation  
15 enacted in furtherance of this amendment. All rules adopted by  
16 the commission shall be subject to the Alabama Administrative  
17 Procedure Act.

18 "b. The commission may adopt rules to appoint and  
19 supervise its personnel without regard to the state Merit  
20 System law or other similar law.

21 "c. The commission and its agents may demand access  
22 to and inspect, examine, photocopy, or audit all of the  
23 following:

24 "1. The papers, books, and records of any licensee,  
25 prospective licensee, retailer of Alabama Education Lottery  
26 Games, or person engaged in the business of gambling relating  
27 to the proceeds generated by any form of gambling, whether

1 legal or illegal, and any other matters affecting the  
2 enforcement of state laws or commission rules concerning  
3 gambling.

4 "2. The premises of any licensee, prospective  
5 licensee, retailer of Alabama Education Lottery Games, or any  
6 facility where gambling devices or equipment is manufactured,  
7 sold, distributed, or stored, and any equipment or supplies  
8 located at any such premises. To facilitate the inspection and  
9 examination, the commission or its agents may summarily seize  
10 and impound any such equipment or supplies, only for as long  
11 as is necessary to complete the inspection and examination,  
12 and, in any event, no longer than a period of 30 days, unless  
13 otherwise ordered by a court of competent jurisdiction or  
14 pursuant to general law otherwise allowing for seizure or  
15 forfeiture of the equipment or supplies.

16 "d. Except as otherwise provided in general law, the  
17 commission may obtain from any department or agency of the  
18 state, or any of its political subdivisions, information  
19 necessary to carry out its duties under this amendment.

20 "e. As to matters within the commission's  
21 jurisdiction, the commission may issue subpoenas and compel  
22 the production of documents or items and the attendance of  
23 witnesses, administer oaths, require testimony under oath, and  
24 enforce its orders. Any person making a false statement of  
25 material fact in any matter before the commission is subject  
26 to a criminal perjury charge.

1           "f. The commission may appoint impartial hearing  
2 examiners who may administer oaths and receive evidence and  
3 testimony under oath and make recommendations to the  
4 commission.

5           "g. The commission may adopt rules under which the  
6 commission or its agents may impose reasonable civil fines and  
7 penalties, or other appropriate relief, including the seizure  
8 and impoundment of any unlawful device or equipment, against  
9 any person or entity for violations of this amendment,  
10 violations of general law enacted pursuant to this amendment,  
11 or violations of rules adopted by the commission.

12           "h. The commission shall have, in addition to those  
13 powers specifically enumerated in this amendment, all powers  
14 necessary or convenient to effect the purposes for which it  
15 has been established, together with all powers incidental  
16 thereto or necessary for the discharge of its powers and  
17 duties.

18           "(2) The commission shall have the following duties:

19           "a. The commission shall adopt and enforce rules to  
20 regulate and supervise the conduct and operation of  
21 casino-style games, sports betting, bingo, and raffles,  
22 including through the issuance, modification, transfer,  
23 renewal, suspension, revocation, or termination of any license  
24 required by this amendment. The commission's rules may be  
25 based on any factor the commission deems relevant to the best  
26 interests of the state, including, but not limited to, the  
27 protection of gambling participants, the advancement of

1 minimum standards of operation of casinos and satellite  
2 casinos, the promotion of integrity within the gambling  
3 industry, the preservation of the aesthetic character of the  
4 state, and the generation of revenue.

5 "b. To facilitate the elimination of illegal  
6 gambling, the commission shall implement a system by which it  
7 may indicate its approval of a lottery as an authorized  
8 Alabama Education Lottery Game, an authorized casino-style  
9 game, an authorized form of sports betting, or other  
10 authorized lottery or other form of gambling.

11 "c. The commission shall establish an enforcement  
12 division to consist of a director, an assistant director,  
13 investigators, auditors, forensic accountants, compliance  
14 officers, investigative technology experts, administrative  
15 staff, and any other personnel deemed necessary by the  
16 commission, each of whom shall have arrest powers if certified  
17 by the Alabama Peace Officers' Standards and Training  
18 Commission. The enforcement division may enforce all criminal  
19 laws of this state, whether or not related to gambling, and  
20 all rules of the commission. Insofar as a violation of any  
21 rule or law relates to gambling or occurs at a casino, the  
22 authority of the enforcement division shall be paramount to,  
23 and shall prevail over, the authority of any sheriff or local  
24 law enforcement agency or officer.

25 "d. The commission shall adopt and enforce rules  
26 requiring its licensees to publicly report nonproprietary

1 information that the commission deems appropriate to promote  
2 consumer awareness and the integrity of its licensees.

3 "e. The commission shall adopt and enforce rules  
4 providing for the voluntary self-exclusion of persons from  
5 participation in an authorized lottery.

6 "f. The commission shall adopt and enforce rules to  
7 prohibit persons under the legal age of majority from playing,  
8 or facilitating the play of, any lottery.

9 "g. The commission shall adopt and enforce rules to  
10 facilitate compliance by its licensees and patrons or  
11 customers of its licensees with the tax laws of the state. In  
12 adopting these rules, the commission shall cooperate with the  
13 Department of Revenue.

14 "h. The commission shall exercise regulatory and  
15 supervisory power over the existing local racing commissions  
16 with respect to pari-mutuel wagering and racing. The existing  
17 local racing commissions shall not interfere with the issuance  
18 of licenses issued under this amendment, the operation of  
19 casino-style games, or with any other gambling activity  
20 permitted under rules adopted by the commission.

21 "i. The commission shall adopt and enforce rules to  
22 ensure due process for any person or entity due to appear  
23 before the commission.

24 "j. The commission shall cooperate with the Attorney  
25 General in enforcing all laws related to lotteries or other  
26 gambling activity, whether legal or illegal. Nothing in this  
27 amendment shall be construed to diminish the supreme executive

1 power of the Governor or the power of either the Governor or  
2 the Attorney General with respect to litigation affecting the  
3 state.

4 "k. The commission shall comply with any laws  
5 generally applicable to state agencies concerning the  
6 inspection of public records, open meetings, and procurement,  
7 subject to exceptions provided in general law.

8 "(3) By general law, the Legislature may grant the  
9 commission additional powers if necessary or convenient for  
10 the regulation or supervision of legal or illegal gambling in  
11 the state.

12 "(4) Any party aggrieved by an action of the  
13 commission may appeal to an appellate court of statewide  
14 jurisdiction in compliance with rules adopted pursuant to  
15 Section 150.

16 "(f) Minority-owned business participation.

17 "(1) It is the intent that the commission encourage  
18 participation by minority-owned businesses in the ownership,  
19 licensure, operation, and contracting opportunities with  
20 casinos, and satellite casinos. Accordingly, the commission  
21 shall adopt a plan that achieves to the greatest extent  
22 possible a level of participation by minority-owned  
23 businesses. The commission may administer training programs  
24 and other educational activities to enable eligible  
25 minority-owned businesses to compete for participation on an  
26 equal basis. Minority-owned business participation goals



1 should be reflective of the community in which the facility is  
2 located.

3 "(2) Each operator shall submit a quarterly report  
4 to the commission describing activities undertaken at its  
5 licensed facility relating to the development and  
6 implementation of its diversity plan in accordance with  
7 paragraph (g)(1)c. during the prior quarter. At a minimum, the  
8 quarterly report shall contain a detailed summary of all of  
9 the following:

10 "a. All employee recruitment and retention efforts  
11 undertaken to ensure the participation of diverse groups in  
12 employment with the operator.

13 "b. The total number of hires and employment offers  
14 made, including data relating to the race, gender, and  
15 residence of those hired or offered employment.

16 "c. All contracting and subcontracting data  
17 involving the operator and minority-owned businesses.

18 "d. Any other information deemed relevant or  
19 necessary by the commission to assess the diversity plan of  
20 the operator.

21 "(3) The commission shall conduct an annual review  
22 of each operator related to the implementation of its  
23 diversity plan in order to evaluate whether the operator has  
24 taken effective and meaningful action to implement a diversity  
25 plan and whether the operator's plan and any other actions  
26 taken have achieved or will achieve the state's goal of

1 enhanced representation of diverse groups in the gaming  
2 industry as set forth in subdivision (1).

3 "(4) The review under subdivision (3) shall be  
4 completed within six months following the ratification of this  
5 amendment, if practically possible, and annually thereafter.  
6 The review shall contain recommendations that the commission  
7 determines appropriate. Each review shall contain, at a  
8 minimum, a descriptive summary of the following relating to  
9 each operator's licensed facility:

10 "a. Employee recruitment and retention programs  
11 designed to ensure the participation of diverse groups.

12 "b. The total number of hires and employment offers  
13 made, including data relating to the race, gender, and  
14 residence of individuals hired or offered employment.

15 "c. Minority-owned businesses contracting and  
16 subcontracting data, including specific data relating to the  
17 amount of contracts entered into generally and comparatively  
18 the number entered into with minority-owned businesses.

19 "(5) Each operator shall provide information as  
20 required by the commission to enable the commission to  
21 complete the review required in subdivision (3).

22 "(g) Licenses and fees.

23 "(1)a. As soon as practicable following ratification  
24 of this amendment, the commission shall adopt rules  
25 establishing a competitive process for the award of a casino  
26 license to an operator at each of the following sites and any  
27 contiguous land that is later added to the following sites:

1 the site in Greene County commonly known as Greenetrack; the  
2 site in Jefferson County commonly known as the Birmingham Race  
3 Course; the site in Macon County commonly known as  
4 VictoryLand; and the site in Mobile County commonly known as  
5 the Mobile County Greyhound Racing facility.

6 "b. As soon as practicable following ratification of  
7 this amendment, the commission shall adopt rules establishing  
8 a competitive process for the award of a satellite casino  
9 license to an operator in each of the following counties:  
10 Houston County and Lowndes County.

11 "c. Among other considerations deemed relevant by  
12 the commission, the commission shall include all of the  
13 following considerations in its competitive process for the  
14 award of licenses:

15 "1. The operator's development and implementation  
16 of, or agreement to develop and implement, a diversity plan to  
17 ensure that all persons are accorded equality of opportunity  
18 in employment and contracting by the applicant, its  
19 contractors, subcontractors, assignees, lessees, agents,  
20 vendors, and suppliers.

21 "2. The operator's good faith plan to recruit,  
22 train, and upgrade diversity in all employment classifications  
23 in the facility.

24 "3. The operator's good faith plan for enhancing the  
25 representation of diverse groups in the operation of its  
26 facility through the ownership and operation of business  
27 enterprises associated with, or used by, its facility or

1 through the provision of goods or services used by its  
2 facility and through the participation in the ownership of  
3 applicant.

4 "4. The operator's good faith effort to ensure that  
5 all persons are accorded equality of opportunity in employment  
6 and contracting by it and any contractors, subcontractors,  
7 assignees, lessees, agents, vendors, and suppliers it may  
8 employ directly or indirectly.

9 "5. The degree to which the operator presents a plan  
10 for the project that will likely lead to the creation of  
11 quality, living-wage jobs and full-time permanent jobs for  
12 residents of this state generally and for residents of the  
13 municipalities and counties where the facility is located.

14 "6. The operator's record in dealing with its  
15 employees and their representatives at other locations.

16 "d. The commission shall set the minimum bid as  
17 follows:

18 "1. For the site in Jefferson County, commonly known  
19 as the Birmingham Race course, thirty-five million dollars  
20 (\$35,000,000).

21 "2. For the site in Macon County, commonly known as  
22 VictoryLand, twenty million dollars (\$20,000,000).

23 "3. For the sites in Greene County, commonly known  
24 as Greenetrack, and Mobile County, commonly known as the  
25 Mobile Greyhound Racing facility, five million dollars  
26 (\$5,000,000).

1           "4. For the satellite casino licenses to be issued  
2 in Houston County and Lowndes County, one million dollars  
3 (\$1,000,000).

4           "e. The owners of the locations in Greene County,  
5 commonly known as Greenetrack; Jefferson County, commonly  
6 known as the Birmingham Race Course; Macon County, commonly  
7 known as VictoryLand; and Mobile County, commonly known as the  
8 Mobile Greyhound Racing facility, shall have the right to make  
9 a final bid exceeding the highest bidder in the competitive  
10 bidding process for the casino license in their respective  
11 locations.

12           "(2) Upon selection of an operator through the  
13 competitive bidding process in subdivision (1), the commission  
14 shall include terms unique to the casino and satellite casino  
15 at issue, including the amount and payment structure for a  
16 license fee, capital-investment, employment, and any other  
17 location-specific terms the commission deems to be in the best  
18 interests of the state. Thereafter, upon the selected  
19 operator's demonstration of suitability, the commission shall  
20 issue a license to the operator to conduct and operate  
21 casino-style games at casinos and electronic gaming machines  
22 at satellite casinos, subject to rules of the commission and  
23 the terms of the license. At the same time, the commission  
24 shall issue a casino sports betting license to the operator of  
25 a casino.

26           "(3) As soon as practicable following any required  
27 federal approval of a compact negotiated pursuant to

1 subsection (h), the commission shall issue a casino license to  
2 the Poarch Band of Creek Indians to conduct and operate  
3 casino-style games, subject to the rules of the commission, at  
4 a single site in either DeKalb County or Jackson County to be  
5 determined in the compact, and on terms to be determined in  
6 the compact. At the same time, the commission shall issue a  
7 casino sports betting license to the Poarch Band of Creek  
8 Indians for the casino determined in the compact.

9 "(4) If a license previously issued to an operator  
10 pursuant to this subsection is revoked by the commission or  
11 waived or forfeited by the operator, the commission may  
12 transfer the casino or satellite casino license to a new  
13 operator for a casino or satellite casino located within the  
14 same county as the previous licensee if the relocation  
15 requirements in subdivision (5) are met, contingent upon a  
16 demonstration of suitability by the operator; provided,  
17 however, that in no event may the relocating casino or  
18 satellite casino be relocated closer to a currently licensed  
19 casino or satellite casino. The commission shall adopt rules  
20 establishing a competitive process for the award of a license  
21 transferred pursuant to this subdivision. The commission shall  
22 also issue a casino sports betting license to an operator of a  
23 casino that is awarded a transferred license pursuant to this  
24 subdivision.

25 "(5) The commission shall adopt rules authorizing a  
26 licensed operator to relocate a casino subject to the approval  
27 of all of the following: The commission, by resolution; the

1 governing bodies of both the county and any municipality in  
2 which the casino or satellite casino would be relocated; and  
3 by joint resolution of the Legislature; provided, however,  
4 that a casino or satellite casino may not be relocated  
5 pursuant to this subdivision for a period of five years  
6 following the initial issuance of a license pursuant to  
7 subdivision (1) or (3). The commission's rules shall require  
8 the commission to consider aesthetic factors and market  
9 conditions, including economic impact and proximity to any  
10 existing licensed operators, before the commission approves  
11 any request to relocate a casino or satellite casino. The  
12 commission's rules also shall ensure that any relocation of a  
13 casino or satellite casino is contingent upon a satisfactory  
14 demonstration by the operator of a sufficient remediation plan  
15 or alternate viable use for the existing casino or satellite  
16 casino location. The commission's rules also shall ensure that  
17 any relocation of a casino or satellite casino would not  
18 violate or undermine any compact negotiated pursuant to  
19 subsection (h).

20 "(6) Only a licensed operator of a casino shall be  
21 issued an online sports betting license; provided, however,  
22 that the license fee paid by the operator of a casino under  
23 subdivision (1) shall be in lieu of any other license fees.

24 "(7) The licenses authorized pursuant to this  
25 amendment do not violate the prohibition on grants or  
26 franchises, privileges, or immunities in Section 22 of this  
27 constitution.

1           "(h) Compact with the Poarch Band of Creek Indians.

2           "(1) The Governor or the Governor's designee shall  
3 negotiate, execute, conclude, and take any other steps  
4 necessary to effectuate a compact with the Poarch Band of  
5 Creek Indians for the operation and regulation of casino-style  
6 games and sports betting on Poarch Band of Creek Indians trust  
7 land. Consideration for the compact may include provisions  
8 relating to the issuance of a casino license and a casino  
9 sports betting license pursuant to subdivision (g) (3). Any  
10 amounts payable to the state under the compact shall be  
11 payable to the commission, with a portion of that amount  
12 distributed to the counties and municipalities in which  
13 casino-style games are being operated, as determined by the  
14 compact.

15           "(2) Following execution of a compact, the Governor  
16 or the Governor's designee shall file the executed compact  
17 with the Secretary of State and the commission. The Secretary  
18 of State shall forthwith forward an executed copy of the  
19 compact to the Secretary of the Interior for that person's  
20 review and approval in accordance with, and to the extent  
21 required by, federal law.

22           "(3) The state's immunity from suit in federal court  
23 under the Eleventh Amendment of the United States Constitution  
24 is expressly waived for the sole purpose of resolving disputes  
25 arising under the terms of any compact negotiated pursuant to  
26 this amendment. The waiver of the state's immunity under this



1 subdivision is contingent upon an equivalent waiver of  
2 immunity in the compact by the Poarch Band of Creek Indians.

3 "(i) Collection and disposition of revenue.

4 "(1)a. The commission may retain a portion of  
5 proceeds from the Alabama Education Lottery that is necessary  
6 to pay for its reasonable operating expenses, including,  
7 without limitation, the payment of all prizes.

8 "b. Within 20 days after the end of each calendar  
9 month, the commission shall deposit all remaining proceeds  
10 from the Alabama Education Lottery into a special, separate  
11 account in the State Treasury hereby created and designated  
12 the Alabama Education Lottery Trust Fund.

13 "(2)a. Within 20 days after the end of each calendar  
14 month, each operator shall remit to the commission a tax of 20  
15 percent of the net gambling revenues for the licensed location  
16 for the immediately preceding calendar month.

17 "b. Within 20 days after the end of each quarter,  
18 each person or entity conducting sports betting pursuant to an  
19 online sports betting license shall pay to the commission a  
20 tax of 20 percent of the net gambling revenues for online  
21 sports betting for the immediately preceding quarter.

22 "c. The commission may retain that portion of its  
23 revenues necessary to pay for its reasonable operating  
24 expenses.

25 "d. The commission shall timely deposit all  
26 remaining revenues, including the taxes imposed under this  
27 paragraph and any other amounts it collects or receives

1 pursuant to this amendment, including license fees, civil  
2 penalties, or amounts received pursuant to a compact  
3 negotiated under subsection (h), into a special, separate  
4 account in the State Treasury hereby created and designated  
5 the Alabama Gambling Trust Fund.

6 "(3) Annually, the commission shall submit to the  
7 Governor, the President Pro Tempore of the Senate, and the  
8 Speaker of the House of Representatives a detailed and  
9 accurate financial report accounting for its receipt and  
10 disposition of all monies collected pursuant to this  
11 amendment, including a detailed accounting of the commission's  
12 operating expenses.

13 "(4) Upon recommendation of the commission, the  
14 Legislature may enact general laws to amend the tax rates  
15 specified in subdivision (2) and may provide for the  
16 definition of "net gambling revenue" specified in subdivision  
17 (2); provided, however, that the tax on net gambling revenue  
18 shall not exceed 30 percent. Any future general laws amending  
19 the tax rate or definition of "net gambling revenue" shall  
20 require a two-thirds vote of each house for passage.

21 "(5) The Legislature, by general law, shall provide  
22 that payment of the tax on net gambling revenue imposed by  
23 this subsection shall be in lieu of other specified state and  
24 local taxes.

25 "(6) The Legislature, by general law, shall provide  
26 that payment of a tax on any proceeds from a lottery prize or  
27 a gambling wager in a casino-style game or sports betting

1 shall be in lieu of other specified state and local taxes,  
2 including, but not limited to, any state or local income and  
3 sales taxes.

4 "(j) Use of proceeds.

5 "(1) In each fiscal year, the Legislature shall  
6 appropriate funds in the Alabama Education Lottery Trust Fund  
7 through an independent supplemental appropriation bill as  
8 follows:

9 "a. Up to one-half of one percent of the proceeds  
10 deposited during a preceding fiscal year shall be appropriated  
11 for programs to address problem gambling.

12 "b. All other proceeds deposited during a preceding  
13 fiscal year shall be appropriated for a scholarship or other  
14 program to support educational attainment or fulfillment of  
15 the state's workforce needs.

16 "(2) Any lottery prize money that remains unclaimed  
17 shall be used for public K-12 schools designated as failing  
18 schools.

19 "(k) (1) In each fiscal year, the Legislature shall  
20 appropriate funds in the Alabama Gambling Trust Fund through  
21 an independent supplemental appropriation bill. Up to one-half  
22 of one percent of the funds deposited during a preceding  
23 fiscal year shall be appropriated for programs to address  
24 problem gambling. Thereafter, the remaining funds shall be  
25 distributed for capital and nonrecurring expenses as follows:

26 "a.1. Two and one-half percent, distributed to the  
27 county commissions of the state, except those county

1 commissions entitled to receive a distribution under paragraph  
2 b. The first 50 percent shall be distributed to the county  
3 commissions equally, and the remainder shall be distributed to  
4 the county commissions on a per capita basis as determined by  
5 the most recent decennial census.

6 "2. Two and one-half percent, distributed to the  
7 governing bodies of the municipalities of the state, except  
8 those governing bodies entitled to receive a distribution  
9 under paragraph c. The first 25 percent shall be distributed  
10 to the governing bodies of the municipalities equally, and the  
11 remainder shall be distributed to the governing bodies of the  
12 municipalities on a per capita basis as determined by the most  
13 recent decennial census.

14 "b. Two and one-half percent of the funds deposited  
15 during a preceding fiscal year shall be appropriated for  
16 distribution among the county commissions for each county in  
17 which casinos or satellite casinos are being operated pursuant  
18 to a license issued under subsection (g). This distribution  
19 shall be based on the proportion of funds in the fund that  
20 were generated in each such county as determined by the  
21 commission.

22 "c. Two and one-half percent of the funds deposited  
23 during a preceding fiscal year shall be appropriated for  
24 distribution among the governing bodies of the municipalities  
25 in which casinos or satellite casinos are being operated  
26 within the municipality or its police jurisdiction pursuant to  
27 a license issued under subsection (g). This distribution shall

1 be based on the proportion of funds in the fund that were  
2 generated in each such municipality as determined by the  
3 commission. If the casinos or satellite casinos are not being  
4 operated within the corporate limits of a municipality, the  
5 county commission in which the games are being operated shall  
6 receive an additional distribution under this subsection as if  
7 it were the governing body of a municipality in which casinos  
8 or satellite casinos are being operated pursuant to a license  
9 issued under subsection (g).

10 "d. All other funds deposited during a preceding  
11 fiscal year shall be appropriated and may be used for capital  
12 or other nonrecurring expenses that serve a public purpose.

13 "(2) If the Legislature determines that any amount  
14 of the funds in the Alabama Education Lottery Trust Fund or  
15 the Alabama Gambling Trust Fund are not needed for the  
16 purposes specified in subdivision (1), it shall indicate the  
17 amount by joint resolution, and the State Treasurer shall  
18 transfer the amount so specified to a special trust fund  
19 created for investment of such amounts by the State Treasurer.  
20 All earnings on the special trust fund assets shall be  
21 deposited into the State General Fund.

22 "(3) The Department of Examiners of Public Accounts  
23 may perform an audit or examination of the commission.

24 "(1) Enabling legislation.

25 "In the event that the Legislature fails to enact  
26 legislation prior to the adoption of this amendment, the  
27 Governor, within 30 days of ratification of this amendment,

1 shall call a special session of the Legislature for the  
2 purpose of adopting enabling legislation. Should the Governor  
3 fail to call the Legislature into a special session in  
4 accordance with this subsection, the Legislature shall convene  
5 for that purpose on the thirty-first calendar day following  
6 ratification of this amendment.

7           Section 2. At the November 2022 general election,  
8 the election upon the proposed amendment shall be held in  
9 accordance with Sections 284 and 285 of the Constitution of  
10 Alabama of 1901, now appearing as Sections 284 and 285 of the  
11 Official Recompilation of the Constitution of Alabama of 1901,  
12 as amended, and the election laws of this state.

13           Section 3. The appropriate election official shall  
14 assign a ballot number for the proposed constitutional  
15 amendment on the election ballot and shall set forth the  
16 following description of the substance or subject matter of  
17 the proposed constitutional amendment:

18           "Proposing an amendment to Section 65 of the  
19 Constitution of Alabama of 1901, to provide for the limited  
20 authorization of gambling subject to regulation by a new  
21 Alabama Education Lottery and Gambling Regulatory Commission;  
22 to authorize an official state lottery known as the Alabama  
23 Education Lottery, electronic gaming machines, casino-style  
24 games, sports betting, bingo, and raffles subject to  
25 regulation by the commission; to limit the play of  
26 casino-style games to five licensed casinos; to provide that  
27 four of the licensed casinos may be located, by competitive

1 process, at Greenetrack in Greene County, the Birmingham Race  
2 Course in Jefferson County, VictoryLand in Macon County, and  
3 the Mobile County Greyhound Racing facility in Mobile County;  
4 to provide that a fifth licensed casino may be operated by the  
5 Poarch Band of Creek Indians at a location in either DeKalb  
6 County or Jackson County to be determined in a compact  
7 negotiated by the Governor; to authorize electronic gaming  
8 machines at two satellite casinos in Houston County and  
9 Lowndes County; to limit sports betting and online sports  
10 betting to the licensed casinos; to impose license fees and a  
11 tax on certain gambling proceeds; to provide for appropriation  
12 of Alabama Education Lottery proceeds for a scholarship or  
13 other program to support educational attainment or fulfillment  
14 of the state's workforce needs; to authorize the Governor to  
15 negotiate a compact with the Poarch Band of Creek Indians; and  
16 to provide for appropriation of gambling revenues for  
17 distributions to cities and counties and for capital or other  
18 non-recurring expenses that serve a public purpose.

19 "Proposed by Act \_\_\_\_\_."

20 This description shall be followed by the following  
21 language:

22 "Yes ( ) No ( )."