

1 SB310  
2 210994-2  
3 By Senator Marsh  
4 RFD: Tourism  
5 First Read: 09-MAR-21

8           SYNOPSIS:           This bill would implement the constitutional  
9                                    amendment proposed in SB214 of the 2021 Regular  
10                                   Session providing further for the powers and duties  
11                                   of the Alabama Gaming Commission to supervise the  
12                                   conduct of the Alabama Education Lottery, bingo,  
13                                   charitable bingo and raffles, sports wagering, and  
14                                   casino-style games in the state.

15                                This bill would create an advisory board to  
16                                the commission and would provide for the personnel  
17                                of the commission.

18                                This bill would also provide for the  
19                                issuance and renewal of licenses issued by the  
20                                commission to certain gaming facilities to operate  
21                                casino-style games and sports wagering and would  
22                                further provide for the licensure process.

23                                This bill would further provide for the  
24                                regulation of charitable bingo and raffles, sports  
25                                wagering, and casino-style games in the state.

1                   This bill would also provide for the  
2                   distribution of gaming proceeds deposited into the  
3                   Gaming Trust Fund.

4                   621 of the Constitution of Alabama of 1901,  
5                   as amended by Amendment 890, now appearing as  
6                   Section 111.05 of the Official Recompilation of the  
7                   Constitution of Alabama of 1901, prohibits a  
8                   general law whose purpose or effect would be to  
9                   require a new or increased expenditure of local  
10                  funds from becoming effective with regard to a  
11                  local governmental entity without enactment by a  
12                  2/3 vote unless: it comes within one of a number of  
13                  specified exceptions; it is approved by the  
14                  affected entity; or the Legislature appropriates  
15                  funds, or provides a local source of revenue, to  
16                  the entity for the purpose.

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

24  
25                                   A BILL  
26                                   TO BE ENTITLED  
27                                   AN ACT

1  
2           Relating to gaming; to provide legislative intent;  
3 to provide definitions; to further provide for the powers and  
4 duties of the Alabama Gaming Commission; to create an advisory  
5 board to the commission; to provide for the powers and duties  
6 of the advisory board; to provide for the personnel of the  
7 commission; to provide for the executive director and deputy  
8 director of the commission; to create an enforcement division  
9 within the commission; to provide for representation of the  
10 commission by the Attorney General; to further provide for the  
11 licensure of gaming facilities to operate certain games; to  
12 provide for the licensure of management contract service  
13 providers; to provide for the assessment of civil penalties by  
14 the commission; to provide for criminal penalties for certain  
15 violations; to provide for appeal of commission decisions; to  
16 provide rulemaking authority; to provide for certain reporting  
17 requirements by the commission; to provide for the  
18 distribution of funds in the Gaming Trust Fund; and in  
19 connection therewith would have as its purpose or effect the  
20 requirement of a new or increased expenditure of local funds  
21 within the meaning of Amendment 621 of the Constitution of  
22 Alabama of 1901, as amended by Amendment 890, now appearing as  
23 Section 111.05 of the Official Recompilation of the  
24 Constitution of Alabama of 1901.

25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

26           Section 1. Legislative findings and intent.

27           The Legislature finds and declares the following:

1           (1) The purpose of this act is to further implement  
2 the constitutional amendment proposed in SB214 of the 2021  
3 Regular Session, upon adoption of the amendment by the voters  
4 of this state providing for the establishment of the Alabama  
5 Gaming Commission to supervise the conduct of the Alabama  
6 Education Lottery, bingo, charitable bingo and raffles, sports  
7 wagering, and casino-style games in this state.

8           (2) It is necessary to establish effective and  
9 transparent regulation of gaming facilities by the commission  
10 to protect consumers and to promote integrity within the  
11 gaming industry in this state.

12           Section 2. Definitions.

13           For the purposes of this act, the following words  
14 shall have the following meanings:

15           (1) ADDITIONAL SITE. A single site operated by the  
16 Poarch Band of Creek Indians offering casino-style games and  
17 sports wagering located in Jackson or DeKalb County.

18           (2) AUTHORIZED INTERNET SPORTS WAGERING PLATFORMS.  
19 An operator of an Internet-based platform who has been issued  
20 a management service license by the commission to, and has  
21 elected to, offer wagers pursuant to the terms of the license.

22           (3) BINGO. The game commonly or traditionally known  
23 as bingo and defined by the following characteristics, when  
24 players provide something of value to play and receive  
25 something of value for winning:

1           a. Each player uses one or more cards with spaces  
2 arranged in five columns and five rows, with an alphanumeric  
3 or similar designation assigned to each space.

4           b. Alphanumeric or similar designations are randomly  
5 drawn and announced one by one.

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

10          d. A player can fail to pay proper attention or to  
11 properly mark his or her card, and thereby miss an opportunity  
12 to be declared winner.

13          e. A player must recognize that the player's card  
14 has a predetermined pattern of matching values, and in turn  
15 announce to the other players and the announcer that this is  
16 the case before any other player does so.

17          f. The game of bingo contemplates a group activity  
18 in which multiple players compete against each other to be the  
19 first to properly mark a card with the predetermined winning  
20 pattern and announce that fact.

21          g. The game of bingo is played with actual physical  
22 cards made of cardboard, paper, or some functionally similar  
23 material that is flat and is preprinted with the grid and the  
24 designations referenced in this subdivision. The game of bingo  
25 may not be played with an electronic, computer, or other  
26 technologic aid.

27                 The term does not include electronic bingo.

1           The term does not apply to any game operated on  
2 Poarch Band of Creek Indians trust lands and at covered  
3 locations.

4           (4) CASINO-STYLE GAME. Any casino game, activity, or  
5 device approved by the commission that is accessed for play by  
6 physical presence at the location site of the game, activity,  
7 or device, including, but not limited to: Slot machines; a  
8 video lottery; video lottery terminals; electronic  
9 representations of pari-mutuel wagering games, including, but  
10 not limited to, historical horse racing machines, historical  
11 sporting event machines, machines of any kind that are based  
12 on historic events, and other technological aids and  
13 electronic facsimiles of these games; banking or banked card  
14 games, including, but not limited to, poker, baccarat, chemin  
15 de fer, and blackjack; all dice games; roulette; all table  
16 games and electronic representations of such games; all  
17 electronic sweepstakes games, terminals, or devices; and any  
18 electronic gaming device used to play these games. The term  
19 includes electronic bingo. The term does not include the  
20 Alabama Education Lottery or pari-mutuel wagering on simulcast  
21 and live racing events.

22           (5) CHARITABLE BINGO AND RAFFLES. Bingo, as defined  
23 in subdivision (2), conducted by or for the benefit of a bona  
24 fide religious, educational, youth, service, senior citizens',  
25 fraternal, veterans', or other eleemosynary organization that  
26 operates without profit to its members and that either has  
27 been in existence continuously as such an organization for a

1 period of three years or is exempt from taxation by virtue of  
2 having been classified as a tax exempt nonprofit organization  
3 by the Internal Revenue Service, United States Government. The  
4 term includes charitable raffles and draw downs. The term does  
5 not include electronic bingo.

6 (6) COMMISSION. The Alabama Gaming Commission  
7 created by the proposed in SB214 of the 2021 Regular Session  
8 and further provided for in this act.

9 (7) CORPORATION. The Alabama Education Lottery  
10 Corporation.

11 (8) COVERED LOCATION. The Greenetrack location,  
12 Jefferson County location, Mobile County location, VictoryLand  
13 location, the Houston County location, and the additional  
14 site.

15 (9) COVERED OPERATOR. The owner of an authorized  
16 Internet sports wagering platforms or covered location or a  
17 wholly owned subsidiary entity of the owner of a covered  
18 location.

19 (10) DIRECTOR. The Executive Director of the Alabama  
20 Gaming Commission.

21 (11) ELECTRONIC BINGO. Any game approved by the  
22 commission and referred to as bingo if played with an  
23 electronic, computer, or other technologic aid.

24 (12) GREENETRACK LOCATION. The currently existing  
25 location in Greene County, Alabama, which is commonly known as  
26 Greenetrack, and any contiguous land that is later added to  
27 the existing location.



1 (13) HISTORICAL HORSE RACING. A form of horse racing  
2 that creates pari-mutuel pools from wagers placed on  
3 previously conducted horse races.

4 (14) HOUSTON COUNTY LOCATION. The Crossing at Big  
5 Creek located in Houston County.

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

9 (16) JEFFERSON COUNTY LOCATION. The currently  
10 existing location in Jefferson County, Alabama, which is  
11 commonly known as the Birmingham Race Course, and any  
12 contiguous land that is later added to the existing location.

13 (17) MANAGEMENT SERVICES PROVIDER. A party that  
14 holds a license issued by the commission pursuant to Section  
15 26 to operate sports wagering in person at a covered location  
16 or through any authorized Internet sports wagering platform on  
17 behalf of a covered operator with a sports wagering operator  
18 license as authorized by the commission.

19 (18) MOBILE COUNTY LOCATION. The currently existing  
20 location in Mobile County, which is commonly known as the  
21 Mobile Greyhound Racing facility, and any contiguous land that  
22 is later added to the existing location.

23 (19) NET GAMING REVENUE. The total amount of money  
24 or value in any form received by a covered operator with  
25 respect to the playing of a casino-style game less the total  
26 money or value in any form paid as prizes or winnings as a  
27 result of the play, free play, or promotional play.

1           (20) NET GAMING REVENUE FOR SPORTS WAGERING. The  
2 total amount of money or value in any form received by a  
3 covered operator with respect to sports wagering, excluding  
4 free bets and promotional credits, less federal excise taxes  
5 and the total money or value in any form paid as prizes or  
6 winnings, including the cash equivalent of any merchandise or  
7 thing of value awarded as a prize.

8           (21) POARCH BAND OF CREEK INDIANS. The federally  
9 recognized Indian tribe within the State of Alabama known as  
10 the Poarch Band of Creek Indians. The term includes a wholly  
11 owned subsidiary of the tribe.

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

18           (23) SPORTS WAGERING. The acceptance of wagers on  
19 sporting events or portions of sporting events, the individual  
20 performance statistics of athletes in a sporting event, or a  
21 combination of any of the same by any system or method of  
22 wagering authorized in general law. The term may include  
23 single-game bets, teaser bets, parlays, over-under, moneyline,  
24 pools, exchange wagering, in-game wagering, in-play bets,  
25 proposition bets, straight bets, and any other bet authorized  
26 by the commission. The term does not include wagers on fantasy

1 sports contests authorized under Chapter 19F of Title 8, Code  
2 of Alabama 1975.

3 (24) VICTORYLAND LOCATION. The currently existing  
4 location in Macon County, Alabama, which is commonly known as  
5 VictoryLand, and any contiguous land that is later added to  
6 the existing location.

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

22 Section 3. Alabama Gaming Commission created.

23 The Alabama Gaming Commission is created as a state  
24 agency to supervise the conduct of the Alabama Education  
25 Lottery, bingo, charitable bingo and raffles, sports wagering,  
26 and casino-style games in the state pursuant to the

1 Constitution of Alabama of 1901, this act, and existing law.  
2 The commission shall be located in Montgomery County.

3 Section 4. Commission members.

4 (a) The commission shall consist of seven members,  
5 appointed as follows:

6 (1) Three by the Governor.

7 (2) One by the Speaker of the House of  
8 Representatives.

9 (3) One by the President Pro Tempore of the Senate.

10 (4) One by the Lieutenant Governor.

11 (5) One by the State Treasurer.

12 (b) All members shall be appointed with the advice  
13 and consent of the Senate at the first regular or special  
14 session of the Legislature held after the appointment;  
15 provided, however, that this subsection does not affect the  
16 right or authority of an appointee to act pending confirmation  
17 or rejection. Initial appointments shall be made within 60  
18 days after ratification of the amendment proposed in SB214 of  
19 the 2021 Regular Session, creating the commission and shall  
20 serve until confirmed or rejected by the Senate. The  
21 appointing authorities of the commission shall coordinate  
22 their appointments to assure the commission membership is  
23 inclusive and reflects the racial, gender, geographic,  
24 urban/rural, and economic diversity of the state.

25 (c) Members of the commission shall satisfy all of  
26 the following qualifications:

1           (1) Shall be residents of the State of Alabama for  
2 at least five years immediately preceding appointment, be  
3 United States citizens, and be prominent persons in their  
4 businesses or professions.

5           (2) Shall be at least 30 years of age.

6           (3) Shall have no felony convictions or convictions  
7 for property offenses, fraud, or offenses involving moral  
8 turpitude.

9           (4) May not be the executive director of the  
10 commission or an employee of the commission.

11           (5) May not be a member, employee, or vendor of the  
12 Alabama Education Lottery Corporation, or an officer of a  
13 political party or the occupant of an official position in a  
14 political party, a public official, or actively engaged in the  
15 business of, or have a pecuniary interest in, a covered  
16 location, an operation owned by the Poarch Band of Creek  
17 Indians, or a lottery retailer or lottery vendor.

18           (6) May not be a supplier of devices or equipment  
19 used in the play of casino-style games.

20           (d)(1) The initial term of office of each member  
21 shall be four years for members appointed under subdivision  
22 (a)(1), three years for the member appointed under subdivision  
23 (b)(2), and two years for members appointed under subdivisions  
24 (b)(3) and (4). Thereafter, members shall serve a term of four  
25 years.

26           (2) Members may serve two complete terms and any  
27 portion of an initial term of less than four years or any

1 portion of an unexpired term to which appointed. Any vacancy  
2 occurring on the commission shall be filled for the unexpired  
3 term by the appointing authority as described in this section,  
4 or as otherwise provided by act of the Legislature. Each  
5 member of the commission shall serve for the duration of the  
6 member's term and until the member's successor is duly  
7 appointed and confirmed by the Senate.

8 (e) Members of the commission shall be subject to  
9 the Ethics Law, Section 36-25-1, et seq., Code of Alabama  
10 1975.

11 (f) The commission may not take official action  
12 until all members have been appointed. At its initial meeting,  
13 the commission shall elect a chair from its membership.

14 (g) (1) The commission shall meet at least quarterly  
15 and at other times as called by the chair or a majority of the  
16 commission members.

17 (2) Members of the commission may participate in a  
18 meeting of the commission in person, by means of telephone  
19 conference, video conference, or other similar communications  
20 equipment so that all individuals participating in the meeting  
21 may hear each other at the same time. Participation by any  
22 such means shall constitute presence in person at a meeting  
23 for all purposes, including for purposes of establishing a  
24 quorum, and the affirmative vote of a majority of the members  
25 in attendance shall be necessary for any action of the  
26 commission.

1                   (3) Meetings of the commission shall be subject to  
2 the Alabama Open Meetings Act.

3                   (h) (1) A majority of members shall constitute a  
4 quorum for the transaction of any business and for the  
5 exercise of any power or function of the commission.

6                   (2) Action may be taken and motions and resolutions  
7 adopted by the commission at any meeting of the commission by  
8 an affirmative vote of a majority of present and voting  
9 commission members.

10                  (i) No vacancy in the membership of the commission  
11 shall impair the right of the members to exercise all the  
12 powers and perform all the duties of the commission.

13                   Section 5. Compensation of Members.

14                   Members of the commission shall receive no  
15 compensation for their services, but may be paid the per diem  
16 and travel allowance as provided for state employees.

17                   Section 6. Alabama Gaming Commission Advisory Board.

18                   (a) There is created the Alabama Gaming Commission  
19 Advisory Board, which shall provide information and make  
20 recommendations to the Alabama Gaming Commission regarding the  
21 implementation and administration of the Alabama Education  
22 Lottery, charitable bingo and raffles, sports wagering, and  
23 casino-style games in the state pursuant to the Constitution  
24 of Alabama of 1901, this act, and existing law.

25                   (b) The advisory board shall consist of the  
26 following members:

1           (1) One member appointed by the Secretary of the  
2 Alabama State Law Enforcement Agency, who is certified by the  
3 Alabama Peace Officers' Standards and Training Commission and  
4 experienced in law enforcement and criminal investigations  
5 with a focus on financial crimes.

6           (2) One member appointed by the Attorney General,  
7 who has extensive prosecutorial experience.

8           (3) One member appointed by the Governor, who is a  
9 certified public accountant in this state with experience in  
10 financial audits and forensic accounting.

11           (4) One member appointed by the Lieutenant Governor  
12 who is a licensed attorney in this state and who has  
13 significant experience in gaming law and regulatory compliance  
14 law.

15           (5) One member appointed by the Speaker of the House  
16 of Representatives, who is a sheriff or police chief with a  
17 gaming facility operating within his or her jurisdiction.

18           (6) One member appointed by the President Pro  
19 Tempore of the Senate, who has extensive experience in Indian  
20 gaming laws and regulations.

21           (7) The Commissioner of the Alabama Department of  
22 Revenue, or his or her designee.

23           (8) The Director of the Alabama Securities  
24 Commission, or his or her designee.

25           (9) The Secretary of the Alabama State Law  
26 Enforcement Agency, or his or her designee.



1           (10) The Director of the Alabama Tourism Department,  
2 or his or her designee.

3           (11) The Attorney General, or his or her designee.

4           (c) (1) The appointed members of the advisory board  
5 shall serve at the pleasure of the appointing authority.

6           (2) All appointing authorities shall coordinate  
7 their appointments so that diversity of gender, race, and  
8 geographical areas is reflective of the makeup of this state.

9           (d) (1) The advisory board shall meet as often as  
10 necessary, but at least annually, to formulate recommendations  
11 to the commission to regulate and administer the lottery and  
12 gaming in this state, including identification of any further  
13 statutory changes necessary to promote the operation and  
14 regulation of the lottery and gaming in this state.

15           (2) Meetings of the advisory board shall be subject  
16 to the Alabama Open Meetings Act.

17           (3) Members of the advisory board may participate in  
18 a meeting of the advisory board in person, by means of  
19 telephone conference, video conference, or other similar  
20 communications equipment so that all individuals participating  
21 in the meeting may hear each other at the same time.  
22 Participation by any such means shall constitute presence in  
23 person at a meeting for all purposes, including for purposes  
24 of establishing a quorum, and the affirmative vote of a  
25 majority of the members in attendance shall be necessary for  
26 any action of the advisory board.

1           (e) The advisory board shall establish its own rules  
2 and internal operating policies and procedures. Members of the  
3 advisory board shall serve without compensation or  
4 reimbursement of expenses. The advisory board may report to  
5 the commission in writing at any time. The commission may also  
6 allow members of the advisory board to attend regular meetings  
7 of the commission and make presentations to the commission.

8           Section 7. Executive director and deputy director of  
9 the commission.

10           (a) (1) The commission shall appoint an executive  
11 director who shall direct the day-to-day operations and  
12 management of the commission and shall be vested with all  
13 powers and duties as specified by the commission and by law.  
14 The executive director shall serve at the pleasure of the  
15 commission.

16           (2) The executive director shall meet all of the  
17 following qualifications:

18           a. Be an attorney licensed to practice law in this  
19 state and be a person of good moral character.

20           b. Have no felony convictions or convictions for  
21 property offenses, fraud, or offenses involving moral  
22 turpitude.

23           c. May not be a member, employee, or vendor of the  
24 Alabama Lottery Corporation, or an officer of a political  
25 party or the occupant of an official position in a political  
26 party, a public official, or actively engaged in the business  
27 of, or have a pecuniary interest in, a covered location, an

1 operation owned by the Poarch Band of Creek Indians or a  
2 lottery retailer or lottery vendor.

3 d. May not be a supplier of devices or equipment  
4 used in the play of casino-style games.

5 e. Any other qualifications adopted by the  
6 commission by rule.

7 (3) The executive director shall devote his or her  
8 entire time and attention to the duties required under this  
9 act and the business of the commission and may not pursue any  
10 other business or occupation or hold any other office of  
11 profit.

12 (4) The executive director shall receive an annual  
13 salary determined by the commission.

14 (b) (1) With the approval of the commission, the  
15 executive director may appoint a deputy director who shall  
16 perform any and all duties designated by the executive  
17 director.

18 (2) The deputy director shall receive an annual  
19 salary determined by the commission.

20 Section 8. Powers and duties of the executive  
21 director.

22 The executive director of the commission shall  
23 direct and supervise all administrative and technical  
24 activities in accordance with this act and with the rules,  
25 policies, and procedures adopted by the commission. It shall  
26 be the duty of the executive director to do all of the  
27 following:

1 (1) Sue and be sued on behalf of the commission.

2 (2) Acquire real property in accordance with  
3 existing law and make improvements thereon on behalf of the  
4 commission.

5 (3) Make, execute, and effectuate any and all  
6 agreements or contracts, including contracts for the purchase  
7 of goods and services as are necessary for the conduct of the  
8 business of the commission.

9 (4) Employ and direct such personnel as deemed  
10 necessary.

11 (5) Employ by contract and compensate persons and  
12 firms as deemed necessary for the operation and administration  
13 of the commission.

14 (6) Prepare a budget for the approval of the  
15 commission.

16 (7) Report quarterly to the Governor, the  
17 Legislature, and the commission a full and complete statement  
18 of gaming revenues and expenses for the preceding quarter.

19 (8) Perform other duties as necessary to implement  
20 and administer this act.

21 Section 9. Duties of the commission.

22 The commission shall adopt, amend, or repeal rules  
23 in accordance with the Alabama Administrative Procedure Act,  
24 and shall have all of the following powers and duties:

25 (1) To issue subpoenas and compel the production of  
26 documents or items and the attendance of witnesses, to

1 administer oaths, to require testimony under oath, and to  
2 enforce its orders.

3 (2) To appoint impartial hearing examiners who may  
4 administer oaths and receive evidence and testimony under oath  
5 and make recommendations to the commission.

6 (3) To demand access to and inspect, examine,  
7 photocopy, and audit all papers, books, and records respecting  
8 net gaming revenues and net gaming revenues for sports  
9 wagering and any other matters necessary to carry out its  
10 duties.

11 (4) To impose reasonable civil fines and penalties  
12 on any individual or entity for violations of this act,  
13 violations of general law enacted pursuant to this act, or  
14 violations of rules adopted by the commission.

15 (5) To regulate the Alabama Education Lottery  
16 Corporation in the operation and conduct of the Alabama  
17 Education Lottery.

18 (6) To provide for the issuance of licenses for the  
19 operation of casino-style games and sports wagering and to  
20 provide for the renewal, modification, extension, suspension,  
21 revocation, transfer, or forfeiture of a license.

22 (7) To regulate and supervise the conduct and  
23 operation of casino-style games and sports wagering and  
24 charitable bingo and raffles.

25 (8) To approve all casino-style games and Alabama  
26 Education Lottery games.

1           (9) To adopt rules and procedures to address the  
2 failure of an operator to timely remit applicable state tax on  
3 net gaming revenues, net gaming revenues on sports wagering,  
4 license fees, and fines and penalties assessed by the  
5 commission.

6           (10) To adopt rules related to the reasonable  
7 operation level for each covered location.

8           (11) To adopt rules limiting access to casino-style  
9 games and sports wagering by minors and other susceptible  
10 individuals.

11           Section 10. Employees of the commission.

12           (a) (1) An employee of the commission may not have a  
13 financial interest in any vendor doing business or proposing  
14 to do business with the commission or a covered operator.

15           (2) An employee of the commission with  
16 decision-making authority may not participate in any decision  
17 involving a covered operator with whom the employee has a  
18 financial interest.

19           (b) An employee of the commission who leaves the  
20 employment of the commission may not represent any vendor,  
21 management services contract provider, or covered operator  
22 before the commission for a period of two years following  
23 termination of employment with the commission.

24           (c) An applicant for employment with the commission  
25 shall submit to the executive director, on a form sworn to by  
26 the applicant, his or her name, date of birth, Social Security  
27 number, and two complete sets of fingerprints for completion

1 of a criminal history background check through the Alabama  
2 State Law Enforcement Agency. Costs associated with conducting  
3 a criminal history background check may be paid by the  
4 commission.

5 (d) An individual who has been convicted of a  
6 felony, a crime involving moral turpitude, or a crime  
7 involving unlawful gambling may not be employed by the  
8 commission.

9 (e) The commission shall bond commission employees  
10 with access to commission funds in such an amount as provided  
11 by the commission and may bond other employees as deemed  
12 necessary.

13 (f) Employees of the commission shall not be state  
14 Merit System employees, but shall be entitled to insurance,  
15 retirement, and other state employees' benefits.

16 (g) Employees of the commission shall be subject to  
17 the Ethics Laws, Sections 36-25-1, et seq., Code of Alabama  
18 1975.

19 Section 11. Employee participation prohibition.

20 Any employee of the commission may not play any  
21 casino-style game or sports wagering at a covered location.  
22 Any employee of a covered operator may not play any  
23 casino-style game or sports wagering at which he or she is  
24 employed.

25 Section 12. Records of the commission.

1           (a) Except as provided in subsection (b), records of  
2 the commission shall be public records for purposes of Section  
3 36-12-40, Code of Alabama 1975.

4           (b) The commission may determine which information  
5 and records relating to its operations are confidential and  
6 not subject to public disclosure. The information includes  
7 trade secrets; security measures, systems, or procedures;  
8 security reports; employee personnel information unrelated to  
9 compensation, duties, qualifications, or responsibilities; and  
10 information obtained pursuant to investigations which is  
11 otherwise confidential. Information deemed confidential  
12 pursuant to this section shall be exempt from public  
13 disclosure.

14           Section 13. Minority business participation.

15           It is the intent of the Legislature that the  
16 commission encourage participation by minority businesses.  
17 Accordingly, the commission shall adopt a plan that achieves  
18 to the greatest extent possible a level of participation by  
19 minority businesses taking into account the total number of  
20 all covered operators. The commission may administer training  
21 programs and other educational activities to enable eligible  
22 minority businesses to compete for licenses on an equal basis.  
23 The commission shall monitor the results of minority business  
24 participation and shall report the results of minority  
25 business participation to the Governor and the Legislature at  
26 least on an annual basis.



1                   Section 14. Enforcement division established;  
2 assistance by the Alabama State Law Enforcement Agency and  
3 sheriffs.

4                   (a) The commission shall establish a Gaming  
5 Enforcement Division to investigate violations of gaming laws  
6 and enforce the general laws and rules of the commission.

7                   (b) Any alleged violation of the conduct of any  
8 gaming activity by a covered operator, management services  
9 contract provider, lottery retailer, lottery vendor, or  
10 employee or independent contractor of the entity shall be  
11 referred to the division for investigation, enforcement, and  
12 recommendation to the commission for necessary action relating  
13 to a license issued by the commission or referral for  
14 prosecution by the Attorney General or district attorney for  
15 criminal violations, if necessary.

16                   (c) In addition to the personnel referenced in  
17 subsections (e) and (f), the executive director shall employ  
18 personnel with a background in law enforcement and  
19 investigations to serve in the division as necessary.

20                   (d) The division shall provide reports of  
21 investigative and enforcement activity to the commission as  
22 often as the commission requires.

23                   (e) (1) To assist the division in the performance of  
24 its duties under this section, the commission may enter into  
25 agreements with the Alabama State Law Enforcement Agency to  
26 facilitate the assistance of agents in investigations and  
27 enforcement activities under this section.

1           (2) The agents appointed under subdivision (1) shall  
2 be certified by the Alabama Peace Officers' Standards and  
3 Training Commission.

4           (3) The commission and the Secretary of the Alabama  
5 State Law Enforcement Agency may execute memoranda of  
6 understanding or other agreements to implement and administer  
7 the requirements of this subsection.

8           (f) (1) The commission may enter into agreements with  
9 the sheriff in each county where a covered operator is located  
10 to assist the division in investigations and enforcement  
11 activities under this section.

12           (2) A sheriff and the commission may execute  
13 memoranda of understanding or other agreements to implement  
14 and administer the requirements of this section.

15           (g) Agents and deputy sheriffs providing assistance  
16 to the division under subsections (e) and (f) shall complete  
17 annual training as determined by the commission and the  
18 Secretary of the Alabama State Law Enforcement Agency, in  
19 consultation with the Alabama Peace Officers' Standards and  
20 Training Commission.

21           (h) For purposes of the Alabama Criminal Justice  
22 Information Center (ACJIC) and the National Crime Information  
23 Center (NCIC), personnel of the division shall be considered  
24 an originating agency identifier for the purposes of criminal  
25 background checks and access to criminal history data.

26           Section 15. Powers and duties of the enforcement  
27 division.

1           (a) For the protection of the public and in the  
2 public interest in accordance with the policy of this state,  
3 the executive director, his or her personnel, or any person  
4 operating under the authority of the gaming enforcement  
5 division of the commission may do any of the following for  
6 cause:

7           (1) Inspect and examine the premises of covered  
8 locations or the premises of where gambling devices or  
9 equipment is manufactured, sold, or distributed.

10          (2) Inspect and examine the premises of lottery  
11 retailers.

12          (3) Inspect all equipment and supplies on the  
13 premises of a covered location or lottery retailers.

14          (4) Summarily seize and remove from the premises of  
15 a covered location or lottery retailer and impound any  
16 equipment or supplies for the purpose of examination and  
17 inspection.

18          (5) Demand access to and inspect, examine,  
19 photocopy, and audit all papers, books, and records of  
20 applicants for licensure, covered operators, and lottery  
21 retailers on their premises or elsewhere as practicable, in  
22 the presence of the covered operator or an agent relating to  
23 the proceeds generated by any activities regulated by the  
24 commission and all other matters affecting the enforcement of  
25 the policy or any of the provisions of this act.

26           Section 16. Representation by the Attorney General.

1           The Attorney General shall represent the commission  
2 and the executive director in any proceeding to which the  
3 commission or the executive director is a party under this act  
4 and shall also advise the commission and the executive  
5 director in all other matters.

6           Section 17. Licenses required.

7           A covered operator may not engage in any activity in  
8 connection with casino-style games, charitable bingo or  
9 raffles, or sports wagering in this state for which a license  
10 is required by this act or rules of the commission unless all  
11 necessary licenses have been obtained in accordance with this  
12 act and rules of the commission.

13           Section 18. Licenses for the operation of charitable  
14 bingo and raffles.

15           (a) A person operating a charitable bingo and raffle  
16 operation shall apply to the commission for a license  
17 authorizing the person to conduct a charitable bingo or raffle  
18 operation.

19           (b) The person shall pay a nominal fee for the  
20 license as determined by the commission by rule.

21           (c) At the end of the original term of the license  
22 to operate a charitable bingo or raffle operation, the license  
23 may be serially renewed for a nominal fee established by the  
24 commission by rule.

25           (d) The commission may adopt rules relating to the  
26 conduct and operation of charitable bingo and raffles.

1 (e) A person operating a charitable bingo and raffle  
2 operation shall comply with all rules adopted by the  
3 commission.

4 Section 19. Licenses for casino-style games and  
5 sports wagering.

6 (a) Casino-style games and sports wagering may only  
7 be operated by a covered operator with a valid license issued  
8 by the commission. The commission may adopt rules prescribing  
9 the information a covered operator is required to submit to  
10 the commission prior to the issuance of a license under this  
11 section.

12 (b) Licenses fees for covered locations shall be as  
13 follows for an initial license term of 10 years and shall be  
14 deposited into the Gaming Trust Fund:

15 (1) Five million dollars (\$5,000,000), payable in 10  
16 consecutive annual equal installments of five hundred thousand  
17 dollars (\$500,000) each for the Greenetrack Location, the  
18 Houston County Location, and the Mobile County Location.

19 (2) Twenty million dollars (\$20,000,000), payable in  
20 10 consecutive annual equal installments of two million  
21 dollars (\$2,000,000) each for the VictoryLand Location.

22 (3) Thirty-five million dollars (\$35,000,000),  
23 payable in 10 consecutive annual equal installments of three  
24 million five hundred thousand dollars (\$3,500,000) each for  
25 the Jefferson County Location.

26 (4) Not less than five million dollars (\$5,000,000)  
27 and not more than thirty-five million dollars (\$35,000,000),

1 as determined by the commission and payable in 10 consecutive  
2 annual equal installments, for the additional site selected by  
3 the Poarch Band of Creek Indians in Jackson or DeKalb County.

4 (c) Each covered operator shall pay the applicable  
5 first license fee installment receipt of an invoice from the  
6 commission and as provided in subdivisions (b)(1) through (3)  
7 for the Greenetrack Location, Mobile County Location,  
8 VictoryLand Location, the Houston County Location, and the  
9 Jefferson County Location. Once the appropriate license fee is  
10 paid, the commission shall issue a license to the covered  
11 operator to conduct and operate casino-style games and sports  
12 wagering for the 10-year term.

13 (d)(1) For issuance of the license for operations at  
14 the additional site, the Poarch Band of Creek Indians shall  
15 select a site in either Jackson or DeKalb County. The Poarch  
16 Band of Creek Indians shall submit its business plan relating  
17 to its proposed operation at the additional site for review by  
18 the commission. The commission shall review the plan  
19 considering the license fees and terms provided for the other  
20 covered locations in subsection (b) and make a determination  
21 regarding the license fee for a 10-year term to be paid for  
22 the operation at the additional site as provided in  
23 subdivision (b)(4).

24 (2) Upon notice of this determination by the  
25 commission, the Poarch Band of Creek Indians shall pay its  
26 first license fee installment as specified by the commission  
27 to the Gaming Trust Fund for the additional site. Once the

1 appropriate license fee is paid, the commission shall issue a  
2 license to the Poarch Band of Creek Indians to open a gaming  
3 facility and to conduct and operate casino-style games, and  
4 sports wagering at the additional site for a 10-year term.

5 (e) The commission shall extend the original license  
6 term to 30 years upon request of a covered operator  
7 demonstrating a capital investment in the covered location  
8 that is 10 or more times greater than the initial license fee.

9 Section 20. Renewal of licenses.

10 (a) Any license granted to a covered operator under  
11 Section 19 may be serially renewed by the covered operator as  
12 provided in this section.

13 (b) Renewal fees and license terms shall be set by  
14 the commission one year prior to the expiration of the license  
15 term as provided by rule of the commission. The commission  
16 shall consider market conditions and other factors deemed  
17 relevant by the commission in its determination of the renewal  
18 fee.

19 (c) Upon its determination under subsection (b), the  
20 commission shall provide notice to the covered operator of the  
21 renewal fee and the new term of the license. The term may be  
22 for a longer or shorter period than required for initial  
23 licenses under Section 19. The commission shall specify in the  
24 notice the time in which the covered operator has to apply for  
25 renewal of the license.

26 Section 21. Suspension, revocation, and forfeiture  
27 of licenses.

1 (a) A license issued to a covered operator under  
2 Section 19 may be suspended or revoked for cause by the  
3 commission or forfeited by a covered operator for any of the  
4 following reasons pursuant to rules adopted by the commission:

5 (1) Failure to remit a license fee to the  
6 commission.

7 (2) Failure to remit applicable state taxes on net  
8 gaming revenues or net gaming revenues on sports wagering.

9 (3) Failure to pay any fines and penalties assessed  
10 by the commission.

11 (4) Violation of laws or rules of the commission  
12 relating to the activities of the covered operator.

13 (5) Failure to maintain the reasonable operation  
14 level, as determined by the commission, at the covered  
15 location for a period of 18 consecutive months.

16 (b) In the event a license is revoked or forfeited  
17 as provided in subsection (a), the commission may award a  
18 license at any covered location or similar location to another  
19 operator pursuant to a competitive process as provided by the  
20 commission.

21 Section 22. Transfer of a license.

22 The transfer of a license issued to a covered  
23 operator under Sections 19 and 20 may not be transferred  
24 unless the commission has approved the transfer pursuant to  
25 its rules.

26 Section 23. Floor plan submission requirement.



1 (a) Prior to commencing the operation of any  
2 casino-style games or sports wagering at a covered location, a  
3 covered operator shall submit to the commission for its  
4 approval a detailed floor plan depicting the location of the  
5 designated gaming area in which casino-style games or sports  
6 wagering equipment will be located and its proposed  
7 arrangement of the gaming equipment.

8 (b) Any floor plan submission that satisfies the  
9 requirements of the rules adopted by the commission shall be  
10 considered approved by the commission unless the covered  
11 operator is notified in writing to the contrary within one  
12 month of filing a detailed floor plan.

13 Section 24. Management service contracts.

14 (a) A covered operator may not enter into any  
15 management service contract that would permit any person other  
16 than the covered operator to act for the covered operator in  
17 operating casino-style games, and sports wagering, unless the  
18 management service contract satisfies all of the following:

19 (1) Is with a person licensed under Section 25 to  
20 provide management services.

21 (2) Is in writing.

22 (3) The contract has been approved by the  
23 commission.

24 (b) A covered operator shall submit any material  
25 change in a management service contract previously approved by  
26 the commission to the commission for its approval or rejection  
27 before the material change may take effect.

1 (c) A management services contract may not be  
2 assigned or transferred to a third party.

3 (d) The duties and responsibilities of a management  
4 services provider under a management services contract may not  
5 be assigned, delegated, subcontracted, or transferred to a  
6 third party to perform without the prior approval of the  
7 commission. Third parties must be licensed under this act  
8 before providing service. The commission, by rule, may clarify  
9 application of this subsection and provide exceptions to its  
10 application.

11 Section 25. Management service license.

12 (a) The commission may issue a license to a person  
13 providing management services under a management services  
14 contract to a covered operator when the commission determines  
15 that the person meets the requirements of this section and any  
16 applicable rules of the commission.

17 (b) Each applicant for a management services license  
18 shall be of good moral character, honesty, and integrity and  
19 shall have the necessary experience and financial ability to  
20 successfully carry out the functions of a management services  
21 provider. The commission may adopt rules establishing  
22 additional requirements for an authorized management services  
23 provider. The commission may accept licensing by another  
24 jurisdiction, specifically determined by the commission to  
25 have similar licensing requirements, as evidence the applicant  
26 meets authorized management services provider licensing  
27 requirements.

1 (c) An applicant for a license to provide management  
2 services to a covered operator shall demonstrate that the  
3 management services that the applicant plans to offer to the  
4 covered operator conform or will conform to standards  
5 established by rules of the commission and applicable state  
6 law. The commission may accept management services provider  
7 approval by another jurisdiction, specifically determined by  
8 the commission to have management services, as evidence the  
9 applicant meets the standards established by the commission  
10 and applicable state law.

11 (d) An applicant for a license to provide management  
12 services to a covered operator shall do all of the following:

13 (1) Submit an application to the commission in the  
14 form required by the commission including adequate information  
15 to serve as a basis for a thorough background check.

16 (2) Submit fingerprints for transfer to the Alabama  
17 State Law Enforcement Agency for a state and national criminal  
18 background check through the Alabama Criminal Justice  
19 Information Center (ACJIC) and the National Crime Information  
20 Center (NCIC). The cost of the criminal background check shall  
21 be paid by the applicant.

22 (3) Pay to the commission a nonrefundable  
23 application and license fee for deposit into the Gaming Trust  
24 Fund in the amount to be determined by the commission which  
25 shall be in lieu of the first year's license fee provided in  
26 subsection (f).

1 (e) A license to provide management services to a  
2 covered operator authorizes the licensee to provide management  
3 services to a covered operator at a covered location while the  
4 license is active. The commission, by rule, may establish the  
5 conditions which constitute an emergency under which the  
6 commission may issue provisional licenses pending completion  
7 of final action on an application.

8 (f) (1) A licensed provider of management services  
9 shall pay to the commission an annual license fee in an amount  
10 to be determined by the commission, for deposit into the  
11 Gaming Trust Fund, for an initial term beginning prior to the  
12 date of the provider's first contract with a covered operator  
13 and continuing through the end of the twelfth month thereafter  
14 whenever the licensee has paid the renewal fee and has  
15 continued to comply with all applicable statutory and  
16 requirements in the rules of the commission.

17 (2) The commission shall renew a license to provide  
18 management services to a covered operator annually thereafter.  
19 A covered operator may continue to use the management services  
20 provided by the management services provider while that  
21 provider was licensed, notwithstanding the expiration of the  
22 provider's license, unless the commission finds the services  
23 provided are not conforming to standards established by rule  
24 of the commission and applicable state law.

25 Section 26. Civil penalties.

26 (a) The commission may assess a civil penalty, not  
27 to exceed one hundred thousand dollars (\$100,000), on any

1 person who violates any provision of this act or a rule  
2 adopted by the commission, whether or not the person is  
3 licensed under this act.

4 (b) The assessment of a civil penalty may be  
5 appealed by an aggrieved party as provided in Section 29.

6 Section 27. Hearing procedures.

7 (a) Except as otherwise provided by law, before the  
8 commission takes any adverse action involving a licensee under  
9 this act, including the assessment of a civil penalty under  
10 Section 28, it shall give the persons against whom the action  
11 is contemplated an opportunity for a hearing before the  
12 commission or a hearing officer designated by the commission.

13 (b) The commission shall give notice of the hearing,  
14 to be sent to the person by certified mail addressed to the  
15 last known address of the person at least 30 days before the  
16 hearing. The person may be represented at the hearing by legal  
17 counsel.

18 (c) (1) If a person fails to comply with a subpoena  
19 issued for purposes of this section, on petition of the  
20 commission, the Circuit Court of the Fifteenth Judicial  
21 Circuit may compel obedience to the subpoena.

22 (2) If after due notice the person against whom the  
23 action is contemplated fails or refuses to appear or provide  
24 the item or items for which a subpoena duces tecum was issued,  
25 the commission or the commission's designated hearing officer  
26 may hear and determine the matter.

1 (d) Any person aggrieved by a final order or  
2 decision of the commission in a contested case may file a  
3 petition for appeal in the Alabama Court of Civil Appeals.

4 Section 28. Criminal penalties for violations.

5 (a) (1) A person may not do any of the following:

6 a. Knowingly make a false statement on any  
7 application for a license under this act or on an application  
8 for renewal of a license issued under this act.

9 b. Operate, carry on, or expose for play a  
10 casino-style game or sports wagering prior to obtaining a  
11 license or after the person's license has expired and prior to  
12 actual renewal of the license or before the rules for play of  
13 the game are approved or modified and approved by the  
14 commission.

15 (2) A violation under subdivision (1) shall be a  
16 Class A misdemeanor.

17 (b) (1) For the purposes of this subsection, the  
18 phrase "person who is connected with a covered operator"  
19 includes, but is not limited to, a person licensed under this  
20 act and an officer or employee of a licensee.

21 (2) A person may not do any of the following:

22 a. Offer, promise, or give anything of value or  
23 benefit to a person who has an ownership or financial interest  
24 in, is employed by, or has a service contract with, a covered  
25 operator or to that person's spouse or any dependent child or  
26 dependent parent, pursuant to an agreement or arrangement, in  
27 fact or implied from the circumstances, with intent that the

1 promise or thing of value or benefit will influence the  
2 actions of the person in order to affect or attempt to affect  
3 the outcome of a casino-style game or sports wager, or to  
4 influence official action of the commission.

5 b. Solicit or knowingly accept or receive a promise  
6 of anything of value or benefit while the person is connected  
7 with a covered operator, pursuant to an understanding or  
8 arrangement in fact or implied from the circumstances, with  
9 the intent that the promise or thing of value or benefit will  
10 influence the actions of the person to affect or attempt to  
11 affect the outcome of a casino-style game or sports wager, or  
12 to influence official action of the commission.

13 (3) A violation of subdivision (2) shall be a Class  
14 C felony.

15 Section 29. Audits and reports.

16 (a) To ensure the financial integrity of the  
17 operation of gaming facilities in this state, the commission  
18 shall do all of the following:

19 (1) Submit annual reports to the Governor and the  
20 Legislature disclosing the total gaming revenues, operating  
21 and administrative expenses of the commission, information  
22 relating to the number of licenses issued, suspended, revoked,  
23 or transferred during the reporting period. The annual report  
24 shall additionally describe the organizational structure of  
25 the commission and summarize the functions performed by each  
26 organizational division within the commission.

1           (2) Adopt a system of internal audits and audits of  
2 covered operators.

3           (3) Contract with a certified public accountant or  
4 firm for an annual financial audit of the commission. The  
5 certified public accountant or firm shall have no financial  
6 interest in any vendor with whom the commission is under  
7 contract. The certified public accountant or firm shall  
8 present an audit report not later than four months after the  
9 end of the fiscal year. The certified public accountant or  
10 firm shall evaluate the internal auditing controls in effect  
11 during the audit period. The cost of this annual financial  
12 audit shall be an operating expense of the commission.

13           (b) The Department of Examiners of Public Accounts  
14 may perform an audit or examination of the commission.

15           Section 30. Duties of covered operators regarding  
16 casino-style games.

17           (a) A covered operator shall do all of the  
18 following:

19           (1) Promptly report to the commission any facts or  
20 circumstances related to the operation of a covered location  
21 which would constitute a violation of state or federal law.

22           (2) Conduct all casino-style game activities and  
23 functions in a manner that does not pose a threat to the  
24 public health, safety, or welfare of the citizens of this  
25 state and that does not adversely affect the security or  
26 integrity of the operation of those games in this state.



1           (3) Hold the commission and this state harmless from  
2 and defend and pay for the defense of any and all claims that  
3 may be asserted against a covered operator, the commission, or  
4 the state or employees thereof, arising from the covered  
5 operator's actions or omission while conducting casino-style  
6 games.

7           (4) Assist the commission in regulating casino-style  
8 game revenues.

9           (5) Maintain all records required by the commission.

10          (6) Upon request by the commission, provide the  
11 commission access to all records and the physical premises  
12 where the covered operator's casino-style game activities and  
13 related activities occur, for the purpose of monitoring or  
14 inspecting the covered operator's activities, the games,  
15 gaming equipment, and security equipment.

16          (7) Keep current in all payments and obligations to  
17 the commission.

18          (8) Acquire casino-style games and gaming equipment  
19 by purchase, lease, or other assignment and provide a secure  
20 location for the placement, operation, and play of those games  
21 and gaming equipment.

22          (9) Prohibit a person from tampering with or  
23 interfering with the operation of any casino-style game.

24          (10) Ensure that casino-style games are within the  
25 sight and control of designated employees of the covered  
26 location and under continuous observation by security

1 equipment in conformity with specifications and requirements  
2 of the commission.

3 (11) Ensure that casino-style games are placed and  
4 remain placed in the specific locations within designated  
5 gaming areas at the covered location which have been approved  
6 by the commission. Casino-style games at a covered location  
7 may only be relocated in accordance with the rules of the  
8 commission.

9 (12) Maintain at all times sufficient cash and  
10 gaming tokens, chips, and electronic cards or other electronic  
11 media.

12 (13) Install, post, and display conspicuously at  
13 locations within or about the covered location, signs,  
14 redemption information, and other promotional material as  
15 required by the commission.

16 (14) Assume liability for stolen money from any  
17 casino-style game.

18 Section 31. Compliance with federal laws.

19 The State of Alabama, in accordance with Section  
20 1172 of Title 15 of the United States Code, does hereby  
21 declare that any and all casino-style games, bingo equipment,  
22 and lottery game equipment, materials, paraphernalia, and  
23 supplies may be transported in interstate commerce into or out  
24 of the state, including Poarch Band of Creek Indians trust  
25 land, without violating that section, or any other applicable  
26 federal law, if the equipment, materials, paraphernalia, and  
27 supplies are used, to be used, or have been used in the

1 conduct of the Alabama Education Lottery, charitable bingo,  
2 casino-style games, or pari-mutuel games at covered locations  
3 or on Poarch Band of Creek Indians trust land.

4 Section 32. Game rules of play for casino-style  
5 games.

6 (a) Each covered location shall have written rules  
7 of play for each casino-style game it operates that are  
8 approved by the commission before the game is offered to the  
9 public. Rules of play proposed by a covered operator may be  
10 approved, amended, or rejected by the commission.

11 (b) All casino-style games and shall be conducted  
12 according to the specific rules of play approved by the  
13 commission. All wagers and pay-offs of winning wagers shall be  
14 made according to those rules of play, which shall establish  
15 any limitations necessary to assure the vitality of the game  
16 operations.

17 (c) Each covered operator shall make available in  
18 printed form to any patron, upon request of the patron, the  
19 complete text of the rules of play of any casino-style game in  
20 operation at its covered location, pay-offs of winning wagers,  
21 and any other notice to the player required by the commission.

22 (d) Patrons are considered to have agreed that the  
23 determination of whether the patron is a valid winner is  
24 subject to the game play rules and, in the case of any  
25 dispute, will be determined by the commission. The  
26 determination by the commission shall be final and binding

1 upon all patrons and shall not be subject to further review or  
2 appeal.

3 Section 33. Betting limits; operations, and services  
4 for casino-style games.

5 (a) Notwithstanding any other provision of this act,  
6 a covered operator, in the exercise of its business judgment,  
7 may determine and establish with the approval of the  
8 commission, all of the following relating to casino-style  
9 games:

10 (1) Minimum and maximum wagers.

11 (2) Promotions subject to rules of the commission.

12 (3) Any hours of operation that fall below 24 hours  
13 a day, seven days a week.

14 (4) Currency denominations accepted by any  
15 mechanical or electronic bill acceptors.

16 (b) The commission may establish the following  
17 parameters for any casino-style game of any kind which is  
18 played at a covered location:

19 (1) Minimum and maximum payout percentages.

20 (2) Any probability limits of obtaining the maximum  
21 payout for a particular play in conformance with industry  
22 standards.

23 (3) Limitations on the types and amounts of  
24 financial transactions which a covered location can enter into  
25 with its patrons.

26 Section 34. Posting of betting limits for  
27 casino-style games.

1 (a) A covered operator shall conspicuously post a  
2 sign at each casino-style game indicating the permissible  
3 minimum and maximum wagers pertaining at that table. The  
4 posting of the minimum and maximum wagers only applies to  
5 table games.

6 (b) A covered operator may not require any wager to  
7 be greater than the stated minimum or less than the stated  
8 maximum. However, any wager actually made by a patron and not  
9 rejected by a covered operator prior to the commencement of  
10 play shall be treated as a valid wager.

11 Section 35. Complimentary service, gift, cash, or  
12 other item.

13 (a) A covered operator may not offer or provide any  
14 complimentary service, gift, cash, or other item of value to  
15 any person, except under any of the following conditions:

16 (1) The complimentary consists of room, food,  
17 beverage, or entertainment expenses provided directly to the  
18 patron and his or her guests by the covered operator or  
19 indirectly to the patron and his or her guests on behalf of  
20 the licensee by a third party.

21 (2) The complimentary consists of documented  
22 transportation expenses provided directly to the patron and  
23 his or her guests on behalf of a covered operator by a third  
24 party, provided that the licensee complies with the rules  
25 adopted by the commission to ensure that a patron's and his or  
26 her guests' documented transportation expenses are paid for or  
27 reimbursed only once.

1           (3) The complimentary consists of coins, tokens,  
2 cash, or other complimentary items or services provided  
3 through any complimentary distribution program, the terms of  
4 which shall be filed with the commission upon implementation  
5 of the program or maintained pursuant to commission rule. Any  
6 change in the terms of a complimentary program shall be filed  
7 with the commission upon implementation of the change.

8           (b) (1) Notwithstanding subsection (a), a covered  
9 operator may offer and provide complimentary cash or non-cash  
10 gifts that are not otherwise included in that subsection to  
11 any person; provided, however, any complimentary cash or  
12 non-cash gifts in excess of an amount per trip to be set by  
13 interpretive rule of the commission, are supported by  
14 documentation regarding the reason the gift was provided to  
15 the patron and his or her guests, including, where applicable,  
16 a patron's player rating.

17           (2) The documentation required under subdivision (1)  
18 shall be maintained by a covered operator in accordance with  
19 commission rules. For purposes of this subsection, all gifts  
20 presented to a patron and a patron's guests directly by the  
21 covered operator or indirectly on behalf of the covered  
22 operator by a third party within any five-day period shall be  
23 considered to have been made during a single trip.

24           Section 36. Prohibition on participation by minors.

25           (a) A person under the age of 21 years may not play  
26 any casino-style game or engage in sports wagering, be  
27 employed to operate any casino-style game or sports wagering.

1 (b) This section does not prohibit persons under the  
2 age of 21 years from being allowed on the premises of a  
3 facility where casino-style games and sports wagering are  
4 being played in areas of the facility in which casino-style  
5 games and sports wagering are not being conducted. However,  
6 persons 18 years of age or older may be employed at covered  
7 locations in non-gaming and non-alcohol-serving positions as  
8 provided by rules of the commission.

9 Section 37. Sports wagering.

10 (a) The commission shall adopt rules governing the  
11 licensing, administration, and conduct of sports wagering,  
12 which shall include all of the following:

13 (1) Qualifications and conditions of licenses issued  
14 for the operation of sports wagering either in person or  
15 through any authorized Internet sports wagering platform.

16 (2) The acceptance of wagers on a sporting event or  
17 a series of sporting events and acceptable forms of payment  
18 and advance deposit methods by patrons.

19 (3) The method of accounting to be used by sports  
20 wagering operators, including the types of records that shall  
21 be maintained by the operator.

22 (4) Protections for patrons placing wagers,  
23 including requirements to ensure responsible gaming.

24 (b) A person may not engage in any activity in  
25 connection with sports wagering in this state unless all  
26 necessary licenses have been obtained from the commission in  
27 accordance with this section.

1 (c) The commission may not grant a license until it  
2 determines that each person who has control of the applicant  
3 meets all qualifications for licensure. For purposes of this  
4 subsection, "control of the applicant" means any owner of 10  
5 percent or more of the applicant, its chief executive officer,  
6 and any individual who has ultimate responsibility for the  
7 applicant's operations in this state.

8 (d) (1) The commission shall issue a sports wagering  
9 operator license to a covered operator as provided in this  
10 section.

11 (2) The fee paid by the covered operator under  
12 Sections 19 and 20 shall grant the operator the right to  
13 conduct sports wagering, subject to all other qualifications  
14 and conditions provided by the commission.

15 (3) A sports wagering operator license authorizes  
16 the operation of sports wagering at a covered location through  
17 up to three, individually branded, Internet sports wagering  
18 platforms operated by management service providers, which may  
19 include websites and associated mobile applications approved  
20 by the commission.

21 (4) A sports wagering operator licensee may not  
22 enter into any contract with a management services provider  
23 that would permit any person other than the licensee to act as  
24 the sports wagering operator licensee's agent in operating  
25 sports wagering unless the contract with the management  
26 services provider satisfies all of the following:



1           1. Is with a person licensed as a management  
2 services provider.

3           2. Is in writing.

4           3. Has been approved by the commission.

5           (5) A licensed sports wagering operator shall submit  
6 to the commission such documentation or information as the  
7 commission may require demonstrating that the licensee  
8 continues to meet the requirements of the law and rules of the  
9 commission.

10           (e) (1) The holder of a license to operate sports  
11 wagering may contract with up to three management service  
12 providers to conduct their Internet sports wagering operation  
13 and may contract with up to one management services provider  
14 to conduct sports wagering at its covered location in  
15 accordance with the rules of the commission. Each management  
16 services provider shall obtain a license as a management  
17 services provider prior to the execution of any contract, and  
18 the license shall be issued pursuant to this section and any  
19 rules adopted by the commission.

20           (2) Each applicant for a management services  
21 provider license shall meet all requirements for licensure and  
22 pay a nonrefundable license and application fee of one hundred  
23 thousand dollars (\$100,000), which shall be deposited into the  
24 Gaming Trust Fund. The commission may adopt rules establishing  
25 additional requirements for a management services provider.  
26 The commission shall accept licensing by another jurisdiction  
27 that has similar licensing requirements, as evidence the

1 applicant meets management services provider licensing  
2 requirements.

3 (3) Management services provider licenses shall be  
4 renewed every five years to any licensee who continues to be  
5 in compliance with all requirements and who pays the renewal  
6 fee determined by the commission.

7 (f) The commission may enter into sports wagering  
8 agreements with other states and jurisdictions to authorize  
9 individuals who are physically located in a signatory  
10 jurisdiction to participate in sports wagering conducted by  
11 one or more operators licensed by the signatory states and  
12 jurisdictions.

13 Section 38. Reports by covered operators.

14 A covered operator shall maintain daily records  
15 showing the gross receipts and adjusted gross receipts of the  
16 covered location from casino-style games and sports wagering  
17 and shall timely file with the commission any additional  
18 reports required by rule adopted by the commission.

19 Section 39. State Tax on Net Gaming Revenues and Net  
20 Gaming Revenues on Sports Wagering and distribution of  
21 proceeds.

22 (a) Within 20 days after the end of each calendar  
23 month, a covered operator shall pay the commission a tax of 20  
24 percent of the net gaming revenues for the covered location  
25 for the immediately preceding calendar month, to be  
26 distributed as follows:

27 (1) 95 percent to the Gaming Trust Fund.

1           (2) 3 percent to the county commission of the county  
2 in which the covered operator is located.

3           (3) 2 percent to the governing body of the  
4 municipality in which the covered operator is located,  
5 including within its police jurisdiction. If the covered  
6 operator is not located within the corporate limits or police  
7 jurisdiction of a municipality, 2 percent of the proceeds  
8 shall be remitted to the county commission of the county in  
9 which the covered operator is located.

10           (b) (1) Within 20 days after the end of each calendar  
11 month, the covered operator and a management services provider  
12 shall pay the commission a tax of 20 percent of the net gaming  
13 revenues for sports wagering for the location for the  
14 immediately preceding calendar month. The commission shall  
15 timely remit all of the proceeds for deposit as follows:

16           a. First to the repayment of the Alabama Trust Fund  
17 under the People's Trust Act, Section 29-10-1, Code of Alabama  
18 1975.

19           b. Upon completion of repayment of the Alabama Trust  
20 Fund under the People's Trust Act, to be deposited into the  
21 General Fund Budget Reserve Fund established in Section  
22 29-13-3, Code of Alabama 1975, until the total balance in the  
23 fund is at least one hundred million dollars (\$100,000,000).

24           c. Upon the completion of payments under  
25 subdivisions (1) and (2), to be deposited as follows:

- 26           1. 75 percent to the state General Fund.
- 27           2. 25 percent to the Alabama Trust Fund.

1           (2) If the net gaming revenue for sports wagering  
2 properly reflects a net loss for a covered operator for a  
3 calendar month, an adjustment for the amount of any remaining  
4 net loss shall be carried forward on the subsequent tax and  
5 fee schedules until the loss is offset by the net gaming  
6 revenue for sports wagering.

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

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

8 Section 40. Gaming Trust Fund created; distribution  
9 of gaming proceeds.

10 (a) The Gaming Trust Fund is hereby created within  
11 the State Treasury.

12 (b) Proceeds in the fund shall be applied first to  
13 the payment of the reasonable annual expenses of the  
14 commission. The commission shall report annually in writing to  
15 the Governor and the Legislature regarding its operational and  
16 administrative expenses.

17 (c) (1) Remaining proceeds in the fund shall be  
18 annually appropriated by and through an independent  
19 supplemental appropriation bill, as follows:

20 a. Proceeds from the tax on net gaming revenue  
21 pursuant to Section 41(a) shall be appropriated as follows:

22 1. 65 percent for information technology  
23 infrastructure. The first one billion dollars (\$1,000,000,000)  
24 appropriated under this subparagraph shall be for the  
25 statewide development and expansion of broadband.

26 2. 25 percent for the provision of health care  
27 services, including rural health care services.

1                   3. 10 percent for mental health services.

2                   (2) When the amount distributed under subparagraph  
3 (1)a.1. cumulatively reaches one billion dollars  
4 (\$1,000,000,000) for the development and expansion of  
5 broadband, the proceeds shall be appropriated as follows:

6                   a. 25 percent for capital or other nonrecurring  
7 expenses.

8                   b. 25 percent for the provision of health care  
9 services, including rural health care services.

10                   c. 25 percent for information technology  
11 infrastructure.

12                   d. 15 percent for mental health services.

13                   e. 10 percent for grant programs awarded to  
14 municipalities and counties that do not have a gaming facility  
15 within their corporate limits or police jurisdiction for  
16 infrastructure improvements.

17                   Section 41. County and municipal grant program.

18                   (a) Proceeds distributed from the Gaming Trust Fund  
19 for grant programs awarded to municipalities and counties that  
20 do not have a gaming facility within their corporate limits  
21 for infrastructure improvements shall be directed to the  
22 Alabama Department of Economic and Community Affairs (ADECA),  
23 which shall administer the grant program.

24                   (b) To receive funds under this section, a county or  
25 municipality shall file an application with ADECA describing  
26 how the funds will be used to improve the infrastructure

1 within its jurisdiction and any other information ADECA may  
2 require.

3 (c) The ADECA, by rule, shall adopt rules providing  
4 for the award of funds to counties and municipalities under  
5 this section.

6 Section 42. No provision of this act shall be deemed  
7 to apply to, authorize state or commission regulation or  
8 taxation of, or require state or commission approval of  
9 electronic bingo conducted on land held in trust by the United  
10 States for the Poarch Band of Creek Indians. Additionally, no  
11 provision of this act shall be deemed to apply to, authorize  
12 state or commission regulation or taxation of, or require  
13 state or commission approval of casino-style gaming or sports  
14 wagering on land held in trust by the United States for the  
15 Poarch Band of Creek Indians, except to the extent that the  
16 provision is expressly incorporated into a tribal-state gaming  
17 compact entered into by the State of Alabama and the Poarch  
18 Band of Creek Indians.

19 Section 43. Although this bill would have as its  
20 purpose or effect the requirement of a new or increased  
21 expenditure of local funds, the bill is excluded from further  
22 requirements and application under Amendment 621, as amended  
23 by Amendment 890, now appearing as Section 111.05 of the  
24 Official Recompilation of the Constitution of Alabama of 1901,  
25 as amended, because the bill defines a new crime or amends the  
26 definition of an existing crime.

1                   Section 44. This act shall take effect on the first  
2                   day of the third month following its passage and approval by  
3                   the Governor or its otherwise becoming law, contingent and  
4                   operative upon ratification of the constitutional amendment  
5                   proposed in Senate Bill 214 of the 2021 Regular Session  
6                   creating the Alabama Gaming Commission.