



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

A BILL  
TO BE ENTITLED  
AN ACT

Relating to gambling activities; to establish the Alabama Gambling Control Act; to add Chapter 30 to Title 41, Code of Alabama 1975, to implement the constitutional amendment proposed in House Bill 151 of the 2024 Regular Session, to provide legislative intent; to provide definitions; to establish and provide for the powers, membership, and duties of the Alabama Gambling Commission; to provide for the personnel of the commission; to create an enforcement division within the commission and provide for the duties thereof; to provide for representation of the commission by the Attorney General; to provide for the licensure and regulation of certain gambling activities; to provide for the regulation and permitting of certain charitable activities; to provide certain license fees and the distribution of the fees; to establish the Gambling Proceeds Fund and provide for the distribution of funds therein; to provide for the assessment of civil penalties imposed by the commission; to provide for criminal penalties for certain violations; to provide for a hearing and appeals process; to provide the commission with rulemaking authority; to provide for certain reporting requirements by the commission; to levy



29 a state tax on certain electronic games of chance; to provide  
30 various anticorruption prohibitions and a criminal penalty for  
31 a violation; to create the Alabama Education Lottery to be  
32 administered by the Alabama Lottery Corporation and to provide  
33 for the creation and operation of the corporation; to provide  
34 for the governance of the corporation by a board of directors  
35 and provide for the appointment and duties of the board; to  
36 provide for the appointment of a president of the corporation  
37 and provide for the powers and duties thereof; to establish  
38 the Alabama Education Lottery Trust Fund and provide for the  
39 distribution of funds therein through an independent  
40 supplemental appropriation bill; to provide the Court of Civil  
41 Appeals with original jurisdiction to hear various appeals of  
42 actions of the commission; to amend Sections 13A-12-20,  
43 13A-12-21, 13A-12-22, 13A-12-23, 13A-12-24, 13A-12-25,  
44 13A-12-26, 13A-12-27, 13A-12-28, 13A-12-30, Code of Alabama  
45 1975, and Section 13A-11-9, Code of Alabama 1975, as last  
46 amended by Act 2023-245, 2023 Regular Session, to update and  
47 increase certain criminal penalties for various unlawful  
48 gambling activities; to add Sections 13A-12-32 through  
49 13A-12-39 to the Code of Alabama 1975, to prescribe certain  
50 activity relating to gambling as unlawful and to provide for  
51 criminal penalties for violations; to amend Sections 8-1-150  
52 and 8-1-151, Code of Alabama 1975, to authorize certain  
53 contracts based on lawful gambling activity; to amend Section  
54 38-4-14, Code of Alabama 1975, to prohibit the use of public  
55 welfare monies to participate in gambling activity; to add  
56 Section 17-5-15.2 to the Code of Alabama 1975, to provide



57 restrictions on campaign finance contributions relating to  
58 gambling activity; to repeal Section 11-47-111, Code of  
59 Alabama 1975, relating to prohibition of gambling houses; to  
60 repeal Section 13A-12-29, Code of Alabama 1975, relating to  
61 lotteries drawn outside the state; to repeal Divisions 2, 3,  
62 and 4 of Article 2 of Chapter 12 of Title 13A, Code of Alabama  
63 1975, relating to suppression of gambling places,  
64 transportation of lottery paraphernalia, and the federal  
65 waging occupational tax stamp; and to provide for the repeal  
66 of the act under certain specified conditions.

67 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

68 Section 1. Chapter 30 is added to Title 41, Code of  
69 Alabama 1975, to read as follows:

70 Chapter 30. Alabama Gambling Control Act.

71 Article 1. General Provisions.

72 §41-30-1. Short title.

73 This chapter shall be known and may be cited as the  
74 Alabama Gambling Control Act.

75 §41-30-2. Definitions.

76 For the purposes of this chapter, the following words  
77 have the following meanings:

78 (1) CHARITABLE FUNDRAISER PERMIT. A permit issued by  
79 the commission to a charitable organization to conduct a  
80 charitable game in accordance with this chapter.

81 (2) CHARITABLE GAME. A traditional raffle or  
82 traditional bingo that is operated by a charitable  
83 organization in accordance with this chapter and pursuant to a  
84 permit issued by the commission. The term does not include any



85 electronic game of chance or sports wagering.

86 (3) CHARITABLE ORGANIZATION. An organization to which  
87 all of the following apply:

88 a. The organization is either of the following:

89 1. Organized and operated exclusively for exempt  
90 purposes set forth under 26 U.S.C. § 501(c)(3), including  
91 charitable, religious, veterans, educational, scientific,  
92 literary, public safety, and the prevention of cruelty to  
93 children or animals.

94 2. An elementary or secondary school or nonprofit  
95 elementary or secondary school-sponsored club or organization,  
96 or any nonprofit elementary or secondary school-affiliated  
97 group, including a parent-teacher organization or booster  
98 club, whose membership may be composed of individuals other  
99 than students.

100 3. A domestic fraternal society, order, or association  
101 under 26 U.S.C. § 501(c)(10) that devotes its net earnings  
102 exclusively to religious, charitable, scientific, literary,  
103 educational, or fraternal purposes.

104 b. None of the organization's net proceeds or earnings  
105 inure to any private shareholder or person.

106 c. The organization does not attempt to influence  
107 legislation as a substantial part of its activities and does  
108 not participate in any campaign activity for or against  
109 political candidates.

110 (4) COMMISSION. The Alabama Gambling Commission  
111 established by this chapter.

112 (5) ELECTRONIC GAME OF CHANCE. Electronic gambling



113 machines, including, but not limited to, any slot machines as  
114 defined in 15 U.S.C. § 1171(a)(1), pachinko, video lottery  
115 terminals, and video poker; electronic bingo machines; and  
116 historical horse racing machines. The term does not include  
117 any non-commercial social game or charitable game operating in  
118 accordance with this chapter. The term does not include any  
119 other form of gambling activity.

120 (6) ENFORCEMENT DIVISION. The Gambling Enforcement  
121 Division established by this chapter.

122 (7) EXECUTIVE DIRECTOR. The Executive Director of the  
123 Alabama Gambling Commission.

124 (8) GAMBLING ACTIVITY. To operate, carry on, conduct,  
125 maintain, or expose for play one or more electronic games of  
126 chance.

127 (9) GAMBLING EMPLOYEE. Any employee, contractor, or  
128 other representative of a licensed establishment whose job  
129 pertains to the operation, control, or outcome of any  
130 electronic game of chance, or the access, transport, or review  
131 of any gambling revenues.

132 a. The term includes all of the following with respect  
133 to a licensed establishment:

134 1. Accounting or internal auditing personnel who are  
135 directly involved in any recordkeeping or the examination of  
136 records associated with revenue from electronic games of  
137 chance.

138 2. Individuals whose duties are directly involved with  
139 the manufacture, repair, sale, or distribution of electronic  
140 games of chance.



141           3. Information technology personnel who have  
142 operational or supervisory control over information technology  
143 systems associated with any of the matters related to  
144 electronic games of chance.

145           4. Hosts or other individuals empowered to extend  
146 credit or complimentary services related to electronic games  
147 of chance.

148           5. Security personnel.

149           6. Any other individual as determined by the commission  
150 by rule.

151           b. The term does not include any employee, contractor,  
152 or other individual whose duties do not involve gambling  
153 activities; any individual engaged exclusively in preparing or  
154 serving food or beverages; or any individual involved solely  
155 in the resort or hotel functions of an associated licensed  
156 establishment.

157           (10) GAMBLING EQUIPMENT. Any mechanical,  
158 electromechanical, or electronic contrivance, component, or  
159 machine used in connection with any electronic game of chance.  
160 The term includes, but is not limited to, a system for  
161 processing information that can alter the normal criteria of a  
162 random selection, that affects the operation of any game, or  
163 that determines the outcome of a game. The term does not  
164 include a system or device that affects a game solely by  
165 stopping its operation so that the outcome remains  
166 undetermined.

167           (11) GAMBLING-RELATED ACTIVITY. Any conduct, whether or  
168 not approved by the commission, to which any of the following



169 apply:

170 a. Is ancillary to the operation of a licensed  
171 establishment.

172 b. Is subject to regulation by the commission.

173 c. Occurs on the premises of a licensed establishment.

174 (12) HOUSE BANKED GAME. Any game of chance that is  
175 played with the house as a participant in the game; where the  
176 house takes on players, collects from losers, and pays  
177 winners; and where the house can win. The term also includes  
178 any game in which the house collects a percentage of what is  
179 at risk or collects a fee as a condition for participation.

180 (13) LICENSED ESTABLISHMENT. A physical location for  
181 which the commission has issued a license for the operation  
182 therein of electronic games of chance.

183 (14) LOTTERY or LOTTERY GAME. A game of chance that  
184 generally involves the drawing or revealing of numbers at  
185 random for a prize. The term includes, but is not limited to,  
186 a state lottery, instant win game, a multi-jurisdiction  
187 lottery, or other draw-based or instant win game that is  
188 approved and conducted through the Alabama Lottery  
189 Corporation. The term does not include video lottery  
190 terminals, electronic games of chance, sports wagering, bingo,  
191 electronic bingo, or any game similar to bingo, including  
192 pull-tabs, punch boards, tip jars, or instant bingo, whether  
193 or not played with an electronic, computer, or other  
194 technological aid. The term does not include any other form of  
195 gambling activity.

196 (15) LOTTERY RETAILER. As defined under Section



197 41-30-401.

198 (16) LOTTERY TICKET. Any tangible evidence of proof of  
199 participation in, or a right, privilege, or possibility of  
200 becoming a winner in, a lottery game.

201 (17) MANAGEMENT SERVICES. Goods or services offered to  
202 an operator by a contractor, employee, or third party which  
203 directly relate to the operator's licensed establishment or  
204 business activity, including, but not limited to, gambling  
205 equipment manufacturers, suppliers, and repairers; management  
206 service providers; security services; and similar services  
207 ancillary to the operation of electronic games of chance at a  
208 licensed establishment. The term does not include non-gambling  
209 auxiliary services, including, but not limited to,  
210 restaurants, bars, clubs, and other food and beverage  
211 services; spas; retail establishments; entertainment services;  
212 hotel, concierge, and valet services; laundry services; and  
213 landscaping and other non-gambling property management  
214 services.

215 (18) MANAGEMENT SERVICES CONTRACT. A contract between  
216 an operator and a management services provider.

217 (19) MANAGEMENT SERVICES PROVIDER. A person licensed to  
218 provide management services to or on behalf of an operator.

219 (20) OPERATOR LICENSE. A license issued by the  
220 commission to operate, carry on, conduct, maintain, or expose  
221 for play one or more electronic games of chance.

222 (21) OPERATOR. The holder of an operator license.

223  
224 (22) NET GAMBLING REVENUE. The total amount of money or





225 value in any form received as a result of any gambling  
226 activity, whether or not approved by the commission, excluding  
227 free bets and promotional credits, less federal excise taxes,  
228 voided wagers, and the total money or value in any form paid  
229 as prizes or winnings, including the cash equivalent of any  
230 merchandise or thing of value awarded as a prize.

231 (23) PARI-MUTUEL WAGERING. A type of wagering in which  
232 bets of a particular type are placed together in a pool  
233 conducted by a person and in which the person takes a fee  
234 prior to distributing the pool among all winning bets.

235 (24) PERSON. An individual, corporation, partnership,  
236 association, or other legal or commercial entity. The term  
237 includes any federally recognized Indian tribe.

238 (25) POARCH BAND OF CREEK INDIANS or PCI. The federally  
239 recognized Indian tribe within the State of Alabama known as  
240 the Poarch Band of Creek Indians. The term includes a wholly  
241 owned subsidiary of the tribe.

242 (26) PRINCIPAL OWNER OR INVESTOR. Any person who has or  
243 controls, whether directly or indirectly, 10 percent or more  
244 ownership, income, or profit interest in an applicant for or  
245 holder of an operator's license or a licensed establishment.

246 (27) TRADITIONAL BINGO. A game in which players provide  
247 something of value to receive a prize according to the rules  
248 of the game commonly known as bingo, which includes each of  
249 the following elements:

250 a. The game requires human interaction and skill,  
251 including attentiveness and discernment and physical, visual,  
252 auditory, and verbal interaction by and between those persons



253 who are playing and a person, commonly known as the  
254 "announcer" or "caller," who is responsible for calling out  
255 the randomly drawn designations and allowing time between each  
256 call for the players to check their cards and to physically  
257 mark them accordingly.

258           b. The game requires the player to use actual physical  
259 cards made of cardboard, paper, or some functionally similar  
260 material that is flat and is preprinted with the grid and the  
261 designations referenced above.

262           (28) TRADITIONAL RAFFLE. A means of raising money by  
263 selling numbered paper tickets where one or more numbered  
264 paper tickets are subsequently drawn at random and the holder  
265 or holders of a matching ticket wins a prize. The term does  
266 not include bingo, electronic bingo, or any game similar to  
267 bingo, including pull-tabs, lotto, punch boards, tip jars, or  
268 instant bingo, whether or not played with an electronic,  
269 computer, or other technological aid. The term does not  
270 include any other form of gambling activity.

271           §41-30-3. Compliance with federal laws.

272           The State of Alabama, in accordance with 15 U.S.C. §  
273 1172, hereby declares that any and all lottery and gambling  
274 activity equipment, and the materials, paraphernalia, and  
275 supplies thereof, may be transported in interstate commerce  
276 into or out of the state, including Poarch Band of Creek  
277 Indians trust land, without violating that section, or any  
278 other applicable federal law, if the equipment, materials,  
279 paraphernalia, and supplies are used, to be used, or have been  
280 used in the conduct of gambling activities at licensed



281 gambling establishments or on Poarch Band of Creek Indians  
282 trust land.

283 §41-30-4. Disclaimer.

284 Nothing in this chapter shall be deemed to apply to,  
285 authorize state or commission regulation or taxation of, or  
286 require state or commission approval of, gambling activities  
287 conducted on land held in trust by the United States for the  
288 Poarch Band of Creek Indians, except to the extent that the  
289 provision is expressly incorporated into a Tribal-State gaming  
290 compact entered into by the State of Alabama and the Poarch  
291 Band of Creek Indians.

292 §41-30-5. No property rights awarded.

293 Any license or permit awarded under this chapter to  
294 conduct any form of gambling activity shall be deemed the  
295 granting of the privilege to conduct the activity. Nothing in  
296 this chapter shall be construed as awarding to any person any  
297 property right or interest.

298 Article 2. Alabama Gambling Commission.

299 §41-30-50. Alabama Gambling Commission created.

300 The Alabama Gambling Commission is created in the  
301 executive branch as a state agency to license and regulate the  
302 operation of all lawful charitable gambling activities,  
303 lotteries, and electronic games of chance in the state, as  
304 authorized by this chapter and the Constitution of Alabama of  
305 2022, and to effectively eradicate any unlawful gambling  
306 activity and unlawful gambling-related activity in this state.  
307 The commission shall be located in Montgomery County.

308 §41-30-51. Commission membership.



309 (a) The membership of the commission shall include all  
310 of the following:

311 (1) Four members of the public, appointed by the  
312 Governor.

313 (2) One member of the public, appointed by the Speaker  
314 of the House of Representatives.

315 (3) One member of the public, appointed by the  
316 President Pro Tempore of the Senate.

317 (4) One member of the public, appointed by the  
318 Lieutenant Governor.

319 (5) One member of the public, appointed by the  
320 President Pro Tempore of the Senate from a list of two  
321 nominees submitted by the Minority Leader of the Senate.

322 (6) One member of the public, appointed by the Speaker  
323 of the House of Representatives from a list of two nominees  
324 submitted by the Minority Leader of the House of  
325 Representatives.

326 (b) The initial appointees shall hold an organizational  
327 meeting at the call of the Governor. At the organizational  
328 meeting, the membership of the commission shall select a chair  
329 and a vice chair. Members of the commission shall draw lots to  
330 determine which three appointees shall serve for an initial  
331 two-year term; which three appointees shall serve for an  
332 initial three-year term; and which three appointees shall  
333 serve for an initial four-year term. Initial appointees may  
334 begin serving upon appointment; provided, the initial members  
335 may not award any license or take any official regulatory  
336 action until all of the members are confirmed by the Senate.



337 Thereafter, no member of the commission may serve until  
338 appointed and confirmed by the Senate.

339 (c) After the expiration of the initial terms, members  
340 appointed to the commission shall serve for four-year terms.  
341 Members may serve not more than two complete terms and any  
342 portion of an initial term of less than four years or any  
343 portion of an unexpired term to which appointed.

344 (d) All appointing authorities shall coordinate their  
345 appointments to assure the commission membership is inclusive  
346 and reflects the racial, gender, geographic, urban, rural, and  
347 economic diversity of the state.

348 (e) Each member of the commission shall satisfy all of  
349 the following qualifications:

350 (1) Shall be a citizen of the United States and a  
351 resident of the State of Alabama for at least five years  
352 immediately preceding appointment.

353 (2) Shall be 30 or more years of age.

354 (3) Shall have no conviction for any federal or state  
355 felony offense or any misdemeanor property offense, offense  
356 involving fraud, or offense involving moral turpitude as  
357 provided under Section 17-3-30.1.

358 (4) May not be the executive director of the commission  
359 or an employee of the commission.

360 (5) May not be an officer of a political party or the  
361 occupant of an official position in a political party.

362 (6) May not be a public official, as defined under  
363 Section 36-25-1.

364 (7) May not be actively engaged in the business of a



365 licensed establishment or in the operation of electronic games  
366 of chance, lottery games, or other activity regulated by this  
367 chapter.

368 (8) May not be a supplier of devices or equipment used  
369 for electronic games of chance or lottery games.

370 (9) May not have a financial interest in any of the  
371 following:

372 a. An operator or licensed establishment.

373 b. A lottery retailer or vendor.

374 c. A management services provider.

375 d. A contractor doing business or proposing to do  
376 business with the commission, the Alabama Lottery Corporation,  
377 or any of the entities described in paragraphs a. through c.

378 (f) Any vacancy occurring on the commission shall be  
379 filled for the unexpired term by the respective appointing  
380 authority; provided the individual filling the vacancy may not  
381 begin service on the commission until confirmed by the Senate.

382 (g) Each member of the commission shall serve for the  
383 duration of the member's term and until the member's successor  
384 is appointed and confirmed by the Senate.

385 (h) Members of the commission shall be subject to the  
386 state ethics code under Chapter 25 of Title 36.

387 (i) Members of the commission may only be removed by  
388 their respective appointing authority for cause given.

389 (j) Except as specifically provided for the initial  
390 members, no member may serve as a member of the commission  
391 unless confirmed by the Senate.

392 §41-30-52. Commission meetings.



393 (a) The commission shall meet at least quarterly and at  
394 other times as called by the chair or a majority of the  
395 commission members.

396 (b) Meetings of the commission shall be subject to the  
397 Alabama Open Meetings Act.

398 (c) (1) A majority of members shall constitute a quorum  
399 for the transaction of any business and for the exercise of  
400 any power or function of the commission.

401 (2) Action may be taken on motions and resolutions  
402 adopted by the commission at any meeting of the commission by  
403 an affirmative vote of a majority of present and voting  
404 commission members, a quorum being present.

405 (d) No vacancy in the membership of the commission  
406 shall impair the right of the members to exercise all the  
407 powers and perform all the duties of the commission.

408 §41-30-53. Compensation of members.

409 Each member of the commission shall receive annual  
410 compensation equal to one-half of that of a member of the  
411 Legislature and the same per diem and travel allowances  
412 provided for state employees.

413 §41-30-54. Start-up operations.

414 The Governor shall provide the commission with  
415 sufficient staffing, resources, and office space as necessary  
416 to assist in making the commission operational.

417 §41-30-55. Powers and duties of the commission.

418 The commission shall adopt, amend, or repeal rules in  
419 accordance with the Alabama Administrative Procedure Act and  
420 shall have all powers necessary and convenient to fulfilling



421 its duties with respect to electronic games of chance,  
422 gambling-related activity, traditional raffles, and  
423 traditional bingo. These powers shall include:

424 (1) To issue subpoenas and compel the production of  
425 documents or items and the attendance of witnesses, to  
426 administer oaths, to require testimony under oath, and to  
427 enforce its orders.

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

431 (3) To demand access to or inspect, examine, photocopy,  
432 and audit papers, books, records, equipment, supplies, and  
433 premises necessary to carry out its duties.

434 (4) To seize and impound any equipment, supplies, or  
435 premises used in violation of laws or commission rules  
436 governing the conduct of gambling activities, subject to the  
437 procedures provided under Section 20-2-93.

438 (5) To procure goods and services as provided under the  
439 state procurement code, Article 5 of Chapter 4 of Title 41.

440 (6) To impose reasonable civil penalties on any person  
441 for violations of this chapter or violations of rules adopted  
442 by the commission.

443 (7) To provide for the issuance of licenses for the  
444 operation of electronic games of chance and to provide for the  
445 renewal, modification, extension, suspension, revocation,  
446 transfer, or forfeiture of a license.

447 (8) To regulate and supervise the conduct and operation  
448 of operators and electronic games of chance.





449 (9) To adopt rules and procedures to address the  
450 failure of a licensee to timely remit taxes, fees, and fines  
451 and penalties.

452 (10) To adopt rules related to the reasonable operation  
453 and investment level for each licensed establishment.

454 (11) To adopt rules limiting access to gambling  
455 activities by minors and other susceptible individuals,  
456 including a program of voluntary self-exclusion for  
457 individuals struggling with problem gambling.

458 (12) To ensure that local distributions of revenue  
459 generated from bingo activity conducted pursuant to a local  
460 provision of the Constitution of Alabama of 2022, are properly  
461 made in accordance with law and to ensure existing local  
462 operations subject to repeal are dissolved in a timely and  
463 responsible manner.

464 §41-30-56. Audits and reports.

465 (a) To ensure the financial integrity of the operation  
466 of licensed establishments in this state, the commission shall  
467 do all of the following:

468 (1) Not later than the second legislative day of each  
469 regular session, submit an annual report to the Governor and  
470 the Legislature disclosing the total gambling revenues,  
471 operating and administrative expenses of the commission, and  
472 information relating to the number of licenses issued,  
473 suspended, revoked, or transferred during the reporting  
474 period. The annual report shall additionally describe the  
475 organizational structure of the commission and summarize the  
476 functions performed by each organizational division within the



477 commission. The annual report shall be displayed on the  
478 website of the commission.

479 (2) Adopt a system of internal audits and audits of  
480 licensees.

481 (3) Contract with a certified public accountant or firm  
482 for an annual financial audit of the commission. The certified  
483 public accountant or firm shall have no financial interest in  
484 any vendor with whom the commission is under contract or any  
485 licensee of the commission. The certified public accountant or  
486 firm shall present an audit report not later than four months  
487 after the end of the fiscal year. The certified public  
488 accountant or firm shall evaluate the internal auditing  
489 controls in effect during the audit period. The cost of this  
490 annual financial audit shall be an operating expense of the  
491 commission.

492 (b) The Department of Examiners of Public Accounts  
493 shall perform a legal compliance audit or examination of the  
494 commission on an annual basis or more frequently as deemed  
495 necessary by the Chief Examiner.

496 §41-30-57. Executive director and deputy director of  
497 the commission.

498 (a) (1) The commission shall appoint an executive  
499 director who shall direct the day-to-day operations and  
500 management of the commission and shall be vested with all  
501 powers and duties as specified by the commission and by law.  
502 The executive director shall serve at the pleasure of the  
503 commission.

504 (2) The executive director shall meet all of the



505 following qualifications:

506 a. Shall be a person of good moral character who has  
507 not engaged in conduct involving dishonesty, fraud, or  
508 misrepresentation.

509 b. May not have a conviction for any felony offense and  
510 may not have a conviction for any misdemeanor offense that  
511 reflects adversely on the individual's honesty or  
512 trustworthiness.

513 c. May not be an officer of a political party or the  
514 occupant of an official position in a political party.

515 d. May not be a public official, as defined under  
516 Section 36-25-1.

517 e. May not be actively engaged in the business of a  
518 licensed establishment or in the operation of electronic games  
519 of chance, lottery games, or other activity regulated by this  
520 chapter.

521 f. May not be a supplier of gambling equipment.

522 g. Shall possess any other qualifications adopted by  
523 the commission by rule.

524 (3) The executive director shall devote his or her full  
525 time and attention to the duties required under this chapter  
526 and may not hold any other office of profit or perform any  
527 other services for profit or any other gain.

528 (4) The executive director shall receive an annual  
529 salary as determined by the commission and approved pursuant  
530 to Section 36-6-6 as if he or she were an officer or employee  
531 appointed in the exempt service.

532 (b) (1) The executive director may appoint a deputy



533 director who shall perform duties designated by the executive  
534 director.

535 (2) The deputy director shall receive an annual salary  
536 as determined by the executive director and approved pursuant  
537 to Section 36-6-6 as if he or she were an officer or employee  
538 appointed in the exempt service.

539 (c) For purposes of the Merit System Act, Article 1 of  
540 Chapter 26 of Title 36, the executive director and deputy  
541 director shall be employed in the exempt service.

542 (d) The executive director and any deputy director may  
543 not have a financial interest in any of the following:

544 (1) An operator.

545 (2) A lottery retailer or vendor.

546 (3) A management services provider.

547 (4) A contractor doing business or proposing to do  
548 business with the commission, the Alabama Lottery Corporation,  
549 or any of the entities described in subdivisions (1) through  
550 (3).

551 §41-30-58. Powers and duties of the executive director.

552 (a) The executive director shall direct and supervise  
553 all administrative and technical activities in accordance with  
554 this chapter and with the rules, policies, and procedures  
555 adopted by the commission.

556 (b) The powers and duties of the executive director  
557 shall include all of the following:

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

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



561 (3) Make, execute, and effectuate agreements or  
562 contracts, including contracts for the purchase of goods and  
563 services, as are necessary for the conduct of the business of  
564 the commission.

565 (4) Employ and direct such personnel as deemed  
566 necessary.

567 (5) Employ by contract and compensate persons as deemed  
568 necessary for the operation and administration of the  
569 commission.

570 (6) Prepare a budget for the approval of the  
571 commission.

572 (7) Prepare an annual report on behalf of the  
573 commission as provided in Section 41-30-56.

574 (8) Perform other duties as necessary to implement and  
575 administer this chapter.

576 §41-30-59. Employees of the commission.

577 (a) (1) An employee of the commission may not have a  
578 financial interest in any of the following:

579 a. An operator.

580 b. A lottery retailer or vendor.

581 c. A management services provider.

582 d. A contractor doing business or proposing to do  
583 business with the commission, the Alabama Lottery Corporation,  
584 or any of the entities described in paragraphs a. through c.

585 (2) An employee of the commission with decision-making  
586 authority may not participate in any decision involving an  
587 operator with whom the employee has a financial interest.

588 (b) An employee of the commission who leaves the



589 employment of the commission may not represent any vendor,  
590 management services provider, or operator before the  
591 commission for a period of two years following termination of  
592 employment with the commission.

593 (c) An applicant for employment with the commission  
594 shall submit to the executive director, on a form sworn to by  
595 the applicant, his or her name, date of birth, Social Security  
596 number, and two complete sets of fingerprints for completion  
597 of a criminal history background check through the State  
598 Bureau of Investigation. Costs associated with conducting a  
599 criminal history background check may be paid by the  
600 commission.

601 (d) An individual who has been convicted of any federal  
602 or state felony offense or any misdemeanor property offense,  
603 offense involving fraud, or offense involving moral turpitude  
604 as provided under Section 17-3-30.1 may not be employed by the  
605 commission.

606 (e) The commission shall bond commission employees with  
607 access to commission funds in such an amount as provided by  
608 the commission and may bond other employees as deemed  
609 necessary.

610 (f) For purposes of the Merit System Act, Article 1 of  
611 Chapter 26 of Title 36, the employees of the commission shall  
612 be employed in the unclassified service and shall be entitled  
613 to insurance, retirement, and other state employees' benefits.

614 (g) Employees of the commission shall be subject to the  
615 state ethics code under Chapter 25 of Title 36.

616 §41-30-60. Employee participation prohibition.



617 (a) An employee of the commission may not operate an  
618 electronic game of chance at any licensed establishment except  
619 as necessary to perform their regulatory duties as an employee  
620 of the commission.

621 (b) An employee of a licensed establishment may not  
622 operate an electronic game of chance at any licensed  
623 establishment at which he or she is employed.

624 §41-30-61. Records of the commission.

625 (a) Except as provided in subsection (b) and Section  
626 41-30-105, records of the commission shall be public records  
627 for purposes of Section 36-12-40.

628 (b) The commission may determine which information and  
629 records relating to its operations are confidential and not  
630 subject to public disclosure. Confidential information, at a  
631 minimum, shall include trade secrets; security measures,  
632 systems, or procedures; security reports; employee personnel  
633 information unrelated to compensation, duties, qualifications,  
634 or responsibilities; and information obtained pursuant to  
635 investigations which is otherwise confidential. Information  
636 deemed confidential pursuant to this section shall be exempt  
637 from public disclosure.

638 §41-30-62. Minority business participation.

639 It is the intent of the Legislature that the commission  
640 encourage participation by minority businesses. Accordingly,  
641 the commission shall adopt a plan that achieves, to the  
642 greatest extent possible, a level of participation by minority  
643 businesses taking into account the total number of all  
644 gambling establishment licensees. The commission shall



645 administer training programs and other educational activities  
646 to enable eligible minority businesses to compete for licenses  
647 on an equal basis. The commission shall monitor the results of  
648 minority business participation and shall report the results  
649 of minority business participation to the Governor and the  
650 Legislature at least on an annual basis.

651 §41-30-63. Rulemaking authority.

652 The commission may adopt rules to implement and  
653 administer this chapter.

654 Article 3. Gambling Enforcement Division.

655 §41-30-100. Gambling Enforcement Division established.

656 The Gambling Enforcement Division within the commission  
657 is established. The enforcement division shall have  
658 independent and primary authority and jurisdiction to  
659 investigate violations of and enforce this chapter, the state  
660 gambling laws under Article 2 of Chapter 12 of Title 13A, and  
661 rules of the commission. The enforcement division may take any  
662 means necessary to aid the commission in the administration  
663 and enforcement of this chapter, the state gambling laws, and  
664 rules of the commission, and to effectively eradicate any  
665 unlawful gambling activity or unlawful gambling-related  
666 activity in the state.

667 §41-30-101. Gambling Enforcement Officer, created.

668 (a) (1) The position of Gambling Enforcement Officer is  
669 created. The Gambling Enforcement Officer shall be appointed  
670 by the executive director of the commission and shall hold  
671 office at the pleasure of the executive director.

672 (2) The Gambling Enforcement Officer shall have general





673 supervision and management of the functions and duties of the  
674 Gambling Enforcement Division, subject to approval of the  
675 executive director, including the power to change the working  
676 title of any position in the enforcement division or organize  
677 the enforcement division in a manner to efficiently administer  
678 the duties of the enforcement division.

679 (b) Individuals appointed to the position of Gambling  
680 Enforcement Officer shall satisfy all of the following  
681 qualifications:

682 (1) Be certified by the Alabama Peace Officers'  
683 Standards and Training Commission or become certified within  
684 one year of appointment.

685 (2) Have a bachelor's or equivalent degree from an  
686 accredited institution of higher education.

687 (3) Have a law enforcement background of at least 10  
688 years, including executive level experience with specific  
689 participation in complex investigations of financial crimes,  
690 conspiracy, racketeering, and other related crimes.

691 (c) The salary of the Gambling Enforcement Officer  
692 shall be set by the executive director. For purposes of the  
693 Merit System Act, Article 1 of Chapter 26 of Title 36, the  
694 Gambling Enforcement Officer shall be employed in the exempt  
695 service.

696 (d) For purposes of the immunity afforded in Section  
697 6-5-338, the Gambling Enforcement Officer shall be deemed a  
698 law enforcement officer.

699 (e) The Gambling Enforcement Officer shall have arrest  
700 powers.



701 (f) The Gambling Enforcement Officer may request the  
702 Attorney General or any local district attorney to issue  
703 subpoenas and compel the production of documents or items for  
704 purposes of enforcing this chapter, the gambling laws, and  
705 rules of the commission.

706 (g) The Gambling Enforcement Officer shall establish  
707 operational policy and procedures for the administration of  
708 the duties of the enforcement division.

709 §41-30-102. Personnel of the Gambling Enforcement  
710 Division.

711 (a) The Gambling Enforcement Officer shall hire all  
712 personnel necessary for the operation of the Gambling  
713 Enforcement Division, subject to approval by the executive  
714 director. Personnel shall include, but not be limited to, the  
715 following:

716 (1) Investigators.

717 (2) Auditors and forensic accountants.

718 (3) Compliance officers.

719 (4) Investigative technology experts.

720 (5) Administrative staff.

721 (6) Any other staff necessary for the operation of the  
722 division.

723 (b) To assist the executive director in carrying out  
724 his or her duties under this chapter, the Gambling Enforcement  
725 Division may employ consultants to render professional  
726 services, including, but not limited to, reviewing gambling  
727 records and other related records or items, providing expert  
728 testimony in contested cases, assisting in audits performed by



729 the enforcement division, and conducting technology reviews  
730 and implementation. Consultants shall be compensated for  
731 professional services at rates established by the commission.

732 (c) (1) The personnel of the enforcement division shall  
733 serve at the pleasure of the Gambling Enforcement Officer.

734 (2) Notwithstanding any other provision of local or  
735 general law, a retired state or local law enforcement officer  
736 may be employed by the enforcement division without suspension  
737 or modification of his or her state or local retirement  
738 benefits.

739 (d) The personnel employed by the enforcement division  
740 who are certified by the Alabama Peace Officers' Standards and  
741 Training Commission shall have the power of arrest.

742 (e) For purposes of the Alabama Criminal Justice  
743 Information Center and the National Crime Information Center,  
744 personnel of the Gambling Enforcement Division shall be  
745 considered an originating agency identifier for the purposes  
746 of criminal background checks and access to criminal history  
747 data.

748 (f) For purposes of the immunity afforded in Section  
749 6-5-338, personnel of the Gambling Enforcement Division who  
750 are certified by the Alabama Peace Officers' Standards and  
751 Training Commission shall be deemed law enforcement officers.

752 (g) Personnel of the Gambling Enforcement Division  
753 shall comply with all initial and continuing education  
754 requirements in Section 41-30-103.

755 §41-30-103. Continuing education requirements.

756 (a) By October 1, 2025, the Alabama Peace Officers'



757 Standards and Training Commission, in consultation with the  
758 Executive Director of the Alabama Gambling Commission and the  
759 Gambling Enforcement Officer, shall develop the following:

760 (1) An initial training curriculum for law enforcement  
761 officers relating to enforcement of gambling laws and rules,  
762 including associated activities.

763 (2) An annual continuing education curriculum to  
764 supplement the initial training curriculum relating to  
765 investigations and enforcement of gambling laws and rules of  
766 the Alabama Gambling Commission, including associated  
767 activities.

768 (b) The Alabama Peace Officers' Standards and Training  
769 Commission shall determine the number of hours necessary for  
770 the required training and shall consult with national gambling  
771 associations and other entities for inclusion of national  
772 standards relating to gambling investigations and enforcement  
773 in the training curriculum.

774 (c) The Gambling Enforcement Officer shall identify  
775 those individuals subject to the training requirements in this  
776 section and a schedule for completion of the required  
777 curriculum by division personnel.

778 §41-30-104. Duties and powers of the Gambling  
779 Enforcement Division.

780 (a) For the protection of the public and in accordance  
781 with the policy of this state, the Gambling Enforcement  
782 Officer, personnel of the Gambling Enforcement Division, and  
783 any individual operating under the direct authority of the  
784 Gambling Enforcement Division may do any of the following:



785 (1) Inspect and examine any gambling establishment,  
786 lottery retailer, or the premises of where gambling equipment  
787 is manufactured, sold, or distributed.

788 (2) Inspect all equipment and supplies on the premises  
789 of a licensed establishment or lottery retailer.

790 (3) Enforce compliance with this chapter, the gambling  
791 laws, and the rules of the commission.

792 (4) Enforce all laws of this state with respect to  
793 unlawful gambling activities and unlawful gambling -related  
794 activities.

795 (5) Have primary jurisdiction over any violation of  
796 this chapter or Article 2 of Chapter 12 of Title 13A that  
797 occurs on any premises.

798 (6) Summarily seize and remove from the premises of a  
799 licensed establishment or lottery retailer and impound any  
800 gambling equipment or other equipment or supplies for the  
801 purpose of examination and inspection.

802 (7) Make arrests for any violation of this chapter or  
803 Article 2 of Chapter 12 of Title 13A, relating to unlawful  
804 gambling activities, or any other unlawful gambling-related  
805 activity that occurs on any premises.

806 (8) Demand access to and inspect, examine, photocopy,  
807 and audit all papers, books, and records of applicants for  
808 licensure, licensees, and management service providers on  
809 their premises or elsewhere as practicable, in the presence of  
810 the licensee or an agent relating to the proceeds generated by  
811 any activities regulated by the commission and all other  
812 matters affecting the enforcement of this chapter or



813 commission rules.

814 (9) Make determinations and impose and enforce civil  
815 penalties for violations of gambling laws and rules of the  
816 commission.

817 (10) Conduct investigations of applicants for licensure  
818 to establish and assess suitability compliance and related  
819 issues.

820 (11) Conduct criminal investigations into any  
821 unlicensed or otherwise unlawful gambling activity conducted  
822 in this state and make arrests where appropriate for  
823 violations.

824 (12) Have concurrent jurisdiction with state, county,  
825 or local law enforcement agencies to enforce the general laws  
826 of this state for any violation of the general laws occurring  
827 on the premises of any licensee of the commission or other  
828 venue where lawful gambling activity, unlawful gambling  
829 activity, gambling-related activity, or charitable game is  
830 held, including any venue where lottery tickets are sold or  
831 redeemed.

832 (13) Take any other action deemed necessary and  
833 appropriate by the enforcement division in the administration  
834 of its duties under this chapter.

835 (b) No less than on an annual basis, and upon request  
836 of the commission or the Legislative Council, the enforcement  
837 division shall provide to the commission and Legislative  
838 Council reports of all investigative and enforcement activity  
839 conducted by the division.

840 §41-30-105. Confidentiality of records.



841 All of the following shall be privileged and  
842 confidential, unless presented as evidence at a public hearing  
843 of the commission:

844 (1) All reports of investigations by the enforcement  
845 division.

846 (2) Documents subpoenaed by the commission in  
847 furtherance of an investigation or other activity of the  
848 enforcement division.

849 (3) Reports of any investigative action by the  
850 enforcement division.

851 (4) Memoranda of the personnel of the enforcement  
852 division relating to an investigation.

853 (5) Statements of individuals interviewed by the  
854 enforcement division.

855 (6) All information, interviews, reports, statements,  
856 or memoranda of any nature furnished to the enforcement  
857 division.

858 (7) Any findings, conclusions, or recommendations  
859 resulting from proceedings of the enforcement division.

860 (8) All information containing proprietary trade secret  
861 information.

862 §41-30-106. Assistance by the Attorney General and  
863 district attorneys.

864 The Gambling Enforcement Officer may request assistance  
865 from the Attorney General, district attorneys, or other  
866 prosecuting attorneys of this state. The Attorney General,  
867 district attorneys, or other prosecuting attorneys, upon  
868 request, shall assist in any action for injunction or any



869 prosecution based on a violation of this chapter, any gambling  
870 law, or a rule of the commission.

871 Article 4. License Requirements.

872 §41-30-150. License required.

873 Electronic games of chance may only be operated,  
874 carried on, conducted, maintained, or exposed for play by an  
875 operator licensed under this article.

876 §41-30-151. Limitations on the issuance of licenses.

877 The commission may issue no more than seven operator's  
878 licenses to operate electronic games of chance at locations  
879 provided in the Constitution of Alabama of 2022.

880 §41-30-152. Reserved.

881 Reserved.

882 §41-30-153. Application for licensure.

883 (a) A person desiring to operate electronic games of  
884 chance at a location specified in the Constitution of Alabama  
885 of 2022, shall apply for licensure by the commission as  
886 provided in this section.

887 (b) An applicant shall meet the following minimum  
888 requirements in addition to any other requirement established  
889 by the commission by rule:

890 (1) The applicant must meet all suitability  
891 requirements provided by law.

892 (2) Except for the operator of an existing racetrack as  
893 provided in the Constitution of Alabama of 2022, the applicant  
894 has conducted pari-mutuel wagering on historical horse racing  
895 machines or bingo activities in the applicable county or  
896 municipality for not less than three years.





897 (3) The applicant, or principal owners thereof, must be  
898 a citizen of the United States.

899 (4) The applicant must submit its financial records  
900 with respect to the location for the past three fiscal years.

901 (5) With respect to paid taxes, the applicant must be  
902 in good standing with the United States Department of Treasury  
903 and the Alabama Department of Revenue or other applicable  
904 state revenue department.

905 (c) The commission shall by rule establish a  
906 nonrefundable application fee that must be accompanied with  
907 any submitted application.

908 (d) The commission may adopt rules prescribing the  
909 information an applicant is required to submit to the  
910 commission prior to the consideration of the person as  
911 eligible for potential licensure under this section,  
912 including, but not limited to, all of the following by sworn  
913 affidavit:

914 (1) The names and addresses of the principal owners and  
915 investors of the applicant, showing the ownership percentage  
916 of each.

917 (2) Any business records required by the commission.

918 (3) The types of electronic games of chance to be  
919 offered at the location.

920 (4) The number of gambling machines used to conduct  
921 electronic games of chance.

922 (5) The physical location of the licensed  
923 establishment.

924 (6) A set of fingerprints for each gambling employee



925 for purposes of a criminal history background check. The  
926 enforcement division shall submit the information collected  
927 pursuant to this subdivision to the State Bureau of  
928 Investigation for purposes of conducting the required criminal  
929 history background check. The applicant shall pay the cost of  
930 conducting the criminal history background check.

931 (7) Information, documentation, and assurances  
932 concerning the financial background and resources as may be  
933 required to establish the financial stability, integrity, and  
934 responsibility of the applicant, including bank references,  
935 business and personal income and disbursement schedules, tax  
936 returns and other financial reports filed with governmental  
937 agencies, and business and personal accounting and check  
938 records and ledgers. To meet the requirements of this  
939 subdivision, each applicant, in writing, shall authorize the  
940 examination of all bank accounts and records as may be deemed  
941 necessary by the commission. The applicant shall be presumed  
942 to be financially stable if the applicant establishes that it  
943 meets each of the following:

944 a. The ability to assure the financial integrity of  
945 commercial operations by the maintenance of a bankroll or  
946 equivalent provisions adequate to pay winnings when due.

947 b. The ability to meet ongoing operating expenses that  
948 are essential to the maintenance of continuous and stable  
949 licensed operations.

950 c. The ability to pay, as and when due, all state and  
951 federal taxes.

952 (8) Information, documentation, and assurances as may



953 be required to establish that the applicant has sufficient  
954 business ability and experience as to establish the likelihood  
955 of the creation and maintenance of a successful licensed  
956 operation.

957 (9) Demonstration of a willingness and ability to make  
958 a minimum capital investment of thirty-five million dollars  
959 (\$35,000,000) in the licensed establishment location. In  
960 addition, for initial licensure, the commission shall require  
961 the applicant to provide, for approval, the schedule for any  
962 proposed construction or renovation of licensed establishment  
963 facilities.

964 (10) Any other information required by the commission.

965 (e) Within a reasonable time after receiving an  
966 application under this section, the commission shall determine  
967 and notify the applicant in writing whether the application is  
968 complete. If the commission determines the application is  
969 incomplete, the commission shall specifically identify the  
970 missing information and specify the requirement creating the  
971 obligation to submit the missing documents or information in  
972 the written notice. The processing deadlines shall restart on  
973 the date the applicant submits all the documents and  
974 information identified by the commission to render the  
975 application complete.

976 (f) Within 60 days following the occurrence of all of  
977 the following, the commission shall award or deny the license  
978 application:

979 (1) The applicant has submitted a completed application  
980 as determined under subsection (e).



981 (2) The applicant has been deemed suitable for  
982 licensure under Section 41-30-155.

983 (3) The applicant meets all of the other requirements  
984 of this section.

985 §41-30-154. License fee.

986 (a)(1) Except as provided in subdivision (2), the  
987 commission shall issue operator's licenses to operate  
988 electronic games of chance for a 10-year term.

989 (2) The commission, by rule, may provide for an  
990 extended license term for an applicant as follows:

991 a. An applicant that makes a minimum capital investment  
992 of one hundred million dollars (\$100,000,000) during the term  
993 of the license shall be awarded an extended license term of an  
994 additional five years.

995 b. An applicant that makes a minimum capital investment  
996 of two hundred million dollars (\$200,000,000) during the term  
997 of the license shall be awarded an extended license term of an  
998 additional 10 years.

999 (b) License fees shall be not less than fifteen million  
1000 dollars (\$15,000,000) and not more than thirty million dollars  
1001 (\$30,000,000), as determined by the commission with respect to  
1002 each applicant, based upon the following factors:

1003 (1) The number and type of electronic games of chance  
1004 at the location.

1005 (2) The proposed capital investment plan of the  
1006 location.

1007 (3) The amount of any previous gross and net gambling  
1008 revenues generated at the location.



1009 (4) The business plan of the applicant.

1010 (5) The market conditions of the location.

1011 (6) Any other factors deemed relevant by the  
1012 commission.

1013 (c) Twenty-five percent of the total license fee shall  
1014 be paid at the time the license is awarded. The remaining  
1015 portion of the license fee shall be paid in annual  
1016 installments over the course of the initial 10-year term of  
1017 the license. The license fees shall be collected by the  
1018 commission and remitted to the State Treasury to the credit of  
1019 the Gambling Proceeds Fund.

1020 §41-30-155. Suitability requirements.

1021 (a) The commission may not issue a license to an  
1022 applicant pursuant to this article until the applicant has  
1023 demonstrated suitability for licensure.

1024 (b) For purposes of this section, "suitability" of an  
1025 applicant means consideration of all of the following with  
1026 respect to the applicant and any principal owner or investor  
1027 of the applicant:

1028 (1) The moral character, honesty, and integrity of the  
1029 applicant.

1030 (2) The reputation, experience, and financial integrity  
1031 of the applicant.

1032 (3) The financial ability of the applicant to purchase  
1033 and maintain adequate liability and casualty insurance and to  
1034 provide a surety bond as required by rule of the commission,  
1035 based on cost of licensure, annual revenue, and other  
1036 financial factors.



1037 (4) The past and present compliance of the applicant,  
1038 including whether the applicant has a history of noncompliance  
1039 with the gambling licensing requirements of any other  
1040 jurisdiction.

1041 (5) Whether the applicant has filed, or had filed  
1042 against it, a proceeding for bankruptcy or has ever been  
1043 involved in any formal process to adjust, defer, suspend, or  
1044 otherwise work out the payment of any debt.

1045 (6) Whether the applicant is or has been a defendant in  
1046 litigation involving its business practices.

1047 (7) Whether awarding a license would undermine the  
1048 public's confidence in the gambling industry in this state.

1049 (8) Prior activities, arrests, or criminal records, if  
1050 any, and the general reputation, habits, and associations of  
1051 any principal owner or investor of an applicant which may: (i)  
1052 pose a threat to the public interest of this state or to the  
1053 effective regulation of gambling in this state; and (ii)  
1054 create or enhance the dangers of unsuitable, unfair, or  
1055 unlawful practices, methods, and operations in the activities  
1056 authorized by this chapter and the financial arrangements and  
1057 activities incidental to the gambling activities authorized by  
1058 this chapter. For purposes of this subdivision, evidence of or  
1059 relating to an arrest, summons, charge, or indictment of an  
1060 applicant, or the dismissal thereof, shall be considered by  
1061 the commission where applicable, even if the arrest, summons,  
1062 charge, or indictment resulted in an acquittal, deferred  
1063 adjudication such as participation in a pretrial diversion  
1064 program, probation, parole, or pardon.



1065 (9) The likelihood of the applicant to conduct business  
1066 in complete compliance with this chapter.

1067 (10) Whether the applicant has a tax lien assessed  
1068 against it or owes any delinquent taxes or penalties or  
1069 interest thereon, excluding items under formal appeal or  
1070 protest as provided by law.

1071 (11) Whether awarding a license to the applicant would  
1072 create a monopoly or circumstances that would substantially  
1073 lessen or harm competition in a manner that would deprive  
1074 residents of the State of Alabama of the benefits of  
1075 competition. To this end, a person may not hold a majority  
1076 interest in more than two licensed establishments or more than  
1077 one percent in more than three licensed establishments. The  
1078 commission shall ensure that the award or transfer of a  
1079 license on or after the effective date of this act would not  
1080 result in a violation of this subdivision.

1081 (12) Any other factor or consideration deemed relevant  
1082 by the commission.

1083 (c) Each applicant for a license under this article  
1084 shall bear the obligation to establish its suitability for a  
1085 license.

1086 (d) The executive director shall conduct a suitability  
1087 analysis of each applicant for licensure. Each applicant shall  
1088 provide any information and documentation requested by the  
1089 executive director. The executive director shall report in  
1090 writing his or her findings to the members of the commission,  
1091 detailing the information supporting the determination,  
1092 including a formal recommendation of whether the applicant is



1093 suitable or not suitable for licensure. The members of the  
1094 commission, by majority vote, shall determine whether the  
1095 applicant is suitable for licensure.

1096 §41-30-156. Renewal of licenses.

1097 (a) Upon application to and approval of the commission,  
1098 any license granted to an applicant under this article may be  
1099 serially renewed as provided by this section.

1100 (b) A licensee that has paid all applicable taxes and  
1101 has continued to meet the suitability and other minimum  
1102 licensing criteria established under this article shall be  
1103 eligible for licensure renewal upon payment of any applicable  
1104 license renewal fee. License renewal fees and license terms  
1105 shall be set by the commission one year prior to the  
1106 expiration of the license term as provided by rule of the  
1107 commission. In determining the renewal fee, the commission  
1108 shall consider the licensing criteria under this article.

1109 (c) Upon making its determination under subsection (b),  
1110 the commission shall provide written notice to the licensed  
1111 establishment of the renewal fee and the new term of the  
1112 license, which shall be for a period of not less than 10  
1113 years. The commission shall specify in the notice the  
1114 timeframe in which the licensed establishment may apply for  
1115 renewal of the license.

1116 (d) The entire amount of the licensure renewal fee  
1117 shall be paid prior to the renewal of the license.

1118 §41-30-157. Transfer of a license.

1119 (a) The commission shall review and approve any  
1120 proposed transfer of a license issued pursuant to this





1121 article, including any change of principal owner or investor  
1122 of the licensee, prior to any transfer of the license.

1123 (b) License transfers shall be reviewed and approved  
1124 subject to the application for licensure procedures and  
1125 suitability requirements set out under this article. The  
1126 commission shall review any proposed transfer and may approve  
1127 or deny the transfer in accordance with rules adopted by the  
1128 commission.

1129 §41-30-158. Reserved.

1130 §41-30-159. Management services contracts.

1131 (a) An operator may enter into a contract with a  
1132 management services provider to provide management services  
1133 only if all of the following conditions are satisfied:

1134 (1) The management service provider is licensed by the  
1135 commission pursuant to Section 41-30-160 to provide management  
1136 services.

1137 (2) The contract is in writing.

1138 (3) The contract is approved by the commission.

1139 (4) The contract satisfies any other requirement  
1140 adopted by the commission by rule.

1141 (b) An operator shall submit to the commission any  
1142 material change in a management services contract previously  
1143 approved by the commission for approval or rejection before  
1144 the material change may take effect.

1145 (c) Any assignation or transfer of a management  
1146 services contract, or the duties therein, to a third party  
1147 shall be deemed a material change in the management services  
1148 contract and may not take effect without approval by the



1149 commission pursuant to subsection (b).

1150 §41-30-160. Management services provider license.

1151 (a) The commission may issue a license to a person to  
1152 provide management services under a management services  
1153 contract to a licensed establishment if the commission  
1154 determines that the person meets the requirements of this  
1155 section and any applicable rules of the commission.

1156 (b) Each applicant shall meet the following  
1157 requirements for a management services license:

1158 (1) Possess good moral character, honesty, and  
1159 integrity.

1160 (2) Possess the necessary experience and financial  
1161 ability to successfully carry out the functions of a  
1162 management services provider.

1163 (3) Demonstrate that the management services that the  
1164 applicant plans to offer conform to standards established by  
1165 rules of the commission and this chapter. The commission may  
1166 accept the approval of a management services provider by  
1167 another jurisdiction that is specifically determined by the  
1168 commission to have management services as evidence the  
1169 applicant meets the standards established by the commission  
1170 and this chapter.

1171 (4) Meet any other requirement established by rule of  
1172 the commission.

1173 (c) An applicant for a license to provide management  
1174 services shall do all of the following:

1175 (1) Submit an application to the commission in the form  
1176 required by the commission, including adequate information to



1177 serve as a basis for a thorough background check.

1178 (2) Submit fingerprints to the State Bureau of  
1179 Investigation for a state and national criminal background  
1180 check through the Alabama Criminal Justice Information Center  
1181 and the National Crime Information Center. The cost of the  
1182 criminal background check shall be paid by the applicant.

1183 (3) Pay to the commission a nonrefundable application  
1184 fee for deposit into the Gambling Proceeds Fund, in an amount  
1185 to be determined by the commission by rule, to cover the  
1186 administrative costs of processing the application.

1187 (4) Upon approval of the application, pay to the  
1188 commission a license fee as provided in subsection (e).

1189 (d) A management services license shall authorize the  
1190 licensee to provide management services at any licensed  
1191 establishment, provided the services are performed pursuant to  
1192 a management services contract meeting the requirements of  
1193 Section 41-30-159.

1194 (e) Prior to October 1 of each year, each management  
1195 services provider shall pay to the commission an annual  
1196 license fee, in an amount to be determined by the commission  
1197 by rule, for deposit into the Gambling Proceeds Fund.

1198 (f) The commission shall authorize the renewal of a  
1199 management services license upon verification that the  
1200 management services provider continues to comply with all  
1201 applicable statutory requirements and rules of the commission  
1202 and has paid its annual license fee.

1203 Article 5. Operation of licensed establishments.

1204 §41-30-200. Duties of licensees.



1205 A licensed operator shall do all of the following:

1206 (1) Promptly report to the commission any facts or  
1207 circumstances related to the licensed gambling activity which  
1208 would constitute a violation of state or federal law.

1209 (2) Conduct all licensed gambling activities and  
1210 functions in a manner that does not pose a threat to the  
1211 public health, safety, or welfare of the residents of this  
1212 state and that does not adversely affect the security or  
1213 integrity of the operation of those games in this state.

1214 (3) Hold the commission and this state harmless from,  
1215 and defend and pay for the defense of, claims that may be  
1216 asserted against a licensee, the commission or its members in  
1217 their official capacity, or the state or employees thereof,  
1218 arising from the licensee's actions or omission while  
1219 conducting any licensed gambling activity.

1220 (4) Assist the commission in regulating the revenue of  
1221 licensed gambling activity.

1222 (5) Maintain all records required by the commission.

1223 (6) Upon request by the commission, provide the  
1224 commission access to all records and the physical premises  
1225 where the licensee's gambling activity and gambling-related  
1226 activities occur for the purpose of monitoring or inspecting  
1227 the licensee's activities, including the games, gambling  
1228 equipment, gambling records, and security equipment.

1229 (7) Keep current in all payments and obligations to the  
1230 commission.

1231 (8) Acquire gambling equipment by purchase, lease, or  
1232 other assignment and provide a secure location for the



1233 placement, operation, and play of the equipment.

1234 (9) Prohibit a person from tampering with or  
1235 interfering with the operation of any gambling activity.

1236 (10) Ensure that all gambling activity is within the  
1237 sight and control of designated employees of the licensee and  
1238 under continuous observation by security equipment in  
1239 conformity with specifications and requirements of the  
1240 commission.

1241 (11) Ensure that gambling activity is placed and  
1242 remains placed in the specific locations within designated  
1243 gambling areas at the licensed establishment which have been  
1244 approved by the commission. Gambling activity at a licensed  
1245 establishment may only be relocated upon approval of the  
1246 commission in accordance with its rules. Electronic games of  
1247 chance shall only be available for in-person play on the  
1248 premises of a licensed establishment.

1249 (12) Maintain at all times sufficient cash and tokens,  
1250 chips, and electronic cards or other electronic media.

1251 (13) Install, post, and display conspicuously, at  
1252 locations within or about the licensed establishment, signs,  
1253 redemption information, and other promotional material as  
1254 required by the commission.

1255 (14) Assume liability for stolen money from any  
1256 gambling activity; provided, the licensee shall have a cause  
1257 of action for such unlawful activity.

1258 (15) Sustain minimum levels of operation and investment  
1259 as determined by commission rule.

1260 §41-30-201. Floor plan submission requirement.



1261 (a) Prior to commencing the operation of any gambling  
1262 activity at a licensed establishment, the operator of the  
1263 establishment shall submit to the commission for its approval  
1264 a detailed floor plan depicting the location of the designated  
1265 gambling areas in which gambling equipment will be located and  
1266 the proposed arrangement thereof.

1267 (b) Any floor plan submission that satisfies the  
1268 requirements of the rules adopted by the commission shall be  
1269 considered approved by the commission unless the licensee is  
1270 notified in writing to the contrary within one month of filing  
1271 a detailed floor plan.

1272 §41-30-202. Game rules of play.

1273 (a) Each licensed operator shall have written rules of  
1274 play for each type of electronic game of chance operated by  
1275 the licensee, which must be approved by the commission before  
1276 the game is offered to the public. Rules of play proposed by a  
1277 licensee may be approved, amended, or rejected by the  
1278 commission.

1279 (b) All gambling activity shall be conducted according  
1280 to the specific rules of play approved by the commission. All  
1281 wagers and pay-offs of winning wagers shall be made according  
1282 to those rules of play, which shall establish any limitations  
1283 necessary to assure the vitality of the game operations.

1284 (c) Each licensee shall make available in printed or  
1285 electronic form to any patron, upon request of the patron, the  
1286 complete text of the rules of play of any gambling activity in  
1287 operation, pay-offs of winning wagers, and any other notice to  
1288 the patron required by the commission.



1289 (d) Patrons are deemed to have agreed that the  
1290 determination of whether the patron is a valid winner is  
1291 subject to the game play rules and, in the case of any  
1292 dispute, shall be determined by the commission. The  
1293 determination by the commission shall be final and binding  
1294 upon all patrons and licensees and shall not be subject to  
1295 further review or appeal.

1296 §41-30-203. Betting limits, operations, and services.

1297 (a) A licensed operator, in the exercise of its  
1298 business judgment, may determine and establish with the  
1299 approval of the commission, all of the following relating to  
1300 its licensed gambling activities:

1301 (1) Minimum and maximum wagers.

1302 (2) Promotions subject to rules of the commission.

1303 (3) Hours of operation.

1304 (4) Currency denominations accepted by any mechanical  
1305 or electronic bill acceptors.

1306 (b) The commission may establish the following  
1307 parameters for any licensed gambling activity of any kind:

1308 (1) Minimum and maximum payout percentages.

1309 (2) Any probability limits of obtaining the maximum  
1310 payout for a particular play in conformance with industry  
1311 standards.

1312 (3) Limitations on the types and amounts of financial  
1313 transactions which a licensee may enter into with its patrons.

1314 §41-30-204. Posting of betting limits.

1315 (a) Licensed operators accepting bets or wagers shall  
1316 post in a conspicuous location indicating the permissible



1317 minimum and maximum wagers pertaining to the electronic game  
1318 of chance at that location, if applicable.

1319 (b) An operator may not require any wager to be greater  
1320 than the stated minimum or less than the stated maximum.  
1321 However, any wager actually made by a patron and not rejected  
1322 by a licensee prior to the commencement of play shall be  
1323 treated as a valid wager.

1324 §41-30-205. Complimentary service, gift, cash, or other  
1325 item.

1326 (a) A licensed operator may not offer or provide any  
1327 complimentary service, gift, cash, or other item of value to  
1328 any patron, except under any of the following conditions:

1329 (1) The complimentary item consists of room, food,  
1330 beverage, or entertainment expenses provided directly to a  
1331 patron and his or her guests by the operator or indirectly to  
1332 a patron and his or her guests on behalf of the operator by a  
1333 third party.

1334 (2) The complimentary item consists of documented  
1335 transportation expenses provided directly to a patron and his  
1336 or her guests on behalf of a operator by a third party,  
1337 provided the operator complies with the rules adopted by the  
1338 commission to ensure that the documented transportation  
1339 expenses of the patron and his or her guests are paid for or  
1340 reimbursed only once.

1341 (3) The complimentary item consists of coins, tokens,  
1342 cash, or other complimentary items or services provided  
1343 through any complimentary distribution program, the terms of  
1344 which shall be filed with the commission upon implementation





1345 of the program or maintained pursuant to commission rule. Any  
1346 change in the terms of a complimentary program shall be filed  
1347 with the commission upon implementation of the change.

1348 (b) (1) Notwithstanding subsection (a), a licensed  
1349 operator may offer to a patron and provide complimentary cash  
1350 or non-cash gifts that are not otherwise authorized to a  
1351 patron only if the complimentary cash or non-cash gifts in  
1352 excess of a maximum amount per trip, to be set by rule of the  
1353 commission, are supported by documentation regarding the  
1354 reason the gift was provided to the patron and his or her  
1355 guests, including, where applicable, the patron's player  
1356 rating.

1357 (2) The documentation required under subdivision (1)  
1358 shall be maintained by a licensee in accordance with  
1359 commission rules. For purposes of this subsection, all gifts  
1360 presented to a patron and a patron's guests directly by the  
1361 licensee or indirectly on behalf of the licensee by a third  
1362 party within any five-day period shall be considered to have  
1363 been made during a single trip.

1364 §41-30-206. Prohibition on participation by minors.

1365 (a) An individual under 21 years of age may not play or  
1366 engage in any gambling activity.

1367 (b) This section does not prohibit individuals under 21  
1368 years of age from being allowed on the premises of a licensed  
1369 establishment where licensed gambling activity is being  
1370 conducted, so long as those individuals are restricted to  
1371 areas of the establishment where the activity is not being  
1372 conducted.



1373 (c) An individual who is under 21 years of age but 18  
1374 or more years of age may be employed at a licensed  
1375 establishment in a non-gambling area. The individual may not  
1376 serve alcoholic beverages.

1377 (d) The commission shall adopt rules to implement and  
1378 administer this section.

1379 §41-30-207. Required reports.

1380 The holder of a operator's license shall maintain daily  
1381 records showing the gross receipts and adjusted gross receipts  
1382 of the licensed activities and shall timely file with the  
1383 commission any additional reports required by the commission  
1384 by rule.

1385 §41-30-208. Gambling advertising restrictions.

1386 (a) No commercial advertising conducted for the purpose  
1387 of promoting licensed activities under this article may have a  
1388 strong appeal to individuals under 21 years of age.

1389 (b) The commission shall adopt rules to establish  
1390 restrictions and requirements for all advertising conducted  
1391 pursuant to this article, including, at a minimum, rules  
1392 regulating signage and limitations on the media or forums  
1393 where advertising may occur.

1394 Article 6. Reserved.

1395 Reserved.

1396 Article 7. Charitable games.

1397 §41-30-300. Permit required.

1398 (a) Notwithstanding any provision of this chapter, a  
1399 person desiring to conduct a traditional raffle or traditional  
1400 bingo for charity fundraising shall apply to the commission



1401 for a charity fundraising permit under this article.

1402 (b) A permit issued under this article shall be valid  
1403 for the duration of a single fundraising event described in  
1404 the application.

1405 (c) The applicant shall pay a reasonable fee, not to  
1406 exceed twenty-five dollars (\$25), for the charity fundraising  
1407 permit, to be established by the commission by rule.

1408 (d) The fair market or cash value of any prize awarded  
1409 pursuant to a charitable game conducted pursuant to this  
1410 article may not exceed ten thousand dollars (\$10,000).

1411 (e) The commission shall adopt rules relating to the  
1412 conduct, operation, and reporting requirements of permitted  
1413 charitable games conducted under this article, including the  
1414 production of a form for submission of applications for a  
1415 permit under this article.

1416 (f) A person issued a permit under this article shall  
1417 comply with all rules adopted by the commission.

1418 (g) The commission shall ensure that a permit may only  
1419 be awarded to a bona fide charitable organization, as defined  
1420 under Section 41-30-2, acting as an amateur fundraiser that is  
1421 raising money for charitable purposes only.

1422 (h) All fees collected under this section shall be  
1423 remitted to the Gambling Proceeds Fund.

1424 §41-30-301. Application for charitable fundraising  
1425 permit.

1426 (a) The commission shall issue a charitable fundraising  
1427 permit to an applicant who meets all of the requirements of  
1428 this section.



1429 (b) An applicant for a charitable fundraising permit  
1430 shall submit to the commission a sworn application in writing  
1431 containing all of the following:

1432 (1) The name, address, and nature of the organization.

1433 (2) Proof, in a manner sufficient to the commission, to  
1434 establish that the organization meets the definition of  
1435 "charitable organization" as defined in this chapter.

1436 (3) The names of the officers or principals of the  
1437 organization, and of any person responsible for the  
1438 management, administration, or supervision of the  
1439 organization's charitable game and associated activities.

1440 (4) An affirmation that the charitable game is to be  
1441 conducted for a charitable purpose.

1442 (5) A description of any prize offered to be awarded  
1443 for participation in the charitable game, including the cash  
1444 or fair market value of the prize, and the names of any person  
1445 who donated or otherwise provided the prize.

1446 (6) A description of the intended use of any net  
1447 gambling proceeds of the charitable game operated by the  
1448 organization.

1449 (7) Any other information necessary to maintain the  
1450 integrity of the authorized gambling activities conducted  
1451 within the state at the sole discretion of the commission.

1452 (c) At the conclusion of a charitable game, the  
1453 charitable organization shall file a sworn financial report on  
1454 the charitable game, stating both of the following:

1455 (1) The expenses incurred in the operation of the  
1456 charitable game.



1457 (2) The amount and use of the net proceeds of the  
1458 charitable game.

1459 (d) The commission shall adopt rules providing for an  
1460 online or other convenient method to register a traditional  
1461 raffle or traditional bingo conducted pursuant to this  
1462 article.

1463 §41-30-302. Prohibited activities.

1464 (a) A charitable game permitted under this article may  
1465 not be operated out of this state or through the use of a  
1466 video lottery terminal or any other mechanical,  
1467 electromechanical, or other electronic device or machine that  
1468 performs all the functions of a lottery by itself when  
1469 networked with other similar devices or machines.

1470 (b) All traditional raffle ticket sales shall be  
1471 limited to individuals who are physically located in this  
1472 state at the time of purchase.

1473 (c) A permit holder under this article may not do  
1474 either of the following:

1475 (1) Compensate any person for the provision of supplies  
1476 or prizes used in the operation of a charitable game, except  
1477 to pay the actual fair market value of the prizes or supplies  
1478 necessary for the operation of the charitable game.

1479 (2) Provide any additional compensation to an  
1480 individual who is a regular employee of the organization for  
1481 the individual's services in organizing or operating a  
1482 charitable game.

1483 §41-30-303. Penalties.

1484 A person who knowingly violates this article shall be



1485 guilty of a Class C misdemeanor.

1486 Article 8. Social games.

1487 §41-30-350. Social games authorized.

1488 (a) There is no license requirement or tax levied on a  
1489 social game that meets all of the following requirements, and  
1490 such games are deemed lawful activity:

1491 (1) The game takes place pursuant to a bona fide social  
1492 or employment relationship.

1493 (2) No person makes a profit or any other gain for  
1494 operating or facilitating the game, except for an individual's  
1495 winnings as a player.

1496 (3) The game is not tangential to any commercial  
1497 activity.

1498 (4) The game is not played or operated with any  
1499 gambling equipment, including any electronic game of chance.

1500 (5) Each player competes on equal terms with one  
1501 another.

1502 (6) The game is not operated through a sports wagering  
1503 platform.

1504 (b) The commission may adopt rules to interpret the  
1505 definition of social game and to implement and administer this  
1506 section.

1507 §41-30-351. Coin-operated amusement machines.

1508 (a) There is no license requirement or gambling tax  
1509 levied on a coin-operated game or device designed and  
1510 manufactured for bona fide amusement purposes which, by  
1511 application of some skill, only entitles the player to replay  
1512 the game or device at no additional cost if a single play of



1513 the bona fide coin-operated amusement machine or device can  
1514 reach no more than 25 free replays or can be discharged of  
1515 accumulated free replay, or rewards the player exclusively  
1516 with merchandise limited to noncash merchandise, prizes, toys,  
1517 gift certificates, or novelties. This section shall not apply  
1518 to any game or device classified by the United States  
1519 government as requiring a federal gambling tax stamp under  
1520 applicable provisions of the Internal Revenue Code.

1521 (b) There is no license requirement or gambling tax  
1522 levied on a self-redeeming merchandiser machine or device that  
1523 meets all of the following requirements:

1524 (1) The merchandiser machine or device is designed and  
1525 manufactured only for bona fide amusement purposes and  
1526 involves at least some skill in its operation.

1527 (2) For a single play of the merchandiser machine or  
1528 device, the winning player is rewarded exclusively with  
1529 merchandise contained within the machine itself and the  
1530 merchandise is limited to noncash merchandise, prizes, toys,  
1531 gift certificates, or novelties.

1532 (3) The player of the merchandiser machine or device is  
1533 able to control the timing of the use of the claw or grasping  
1534 device to attempt to pick up or grasp a prize, toy, or  
1535 novelty.

1536 (4) The player of the merchandiser machine or device is  
1537 made aware of the total time that the merchandiser machine or  
1538 device allows during a game for the player to maneuver the  
1539 claw or grasping device into a position to attempt to pick up  
1540 or grasp a prize, toy, or novelty.



1541 (5) The claw or grasping device is not of a size,  
1542 design, or shape that prohibits picking up or grasping a  
1543 prize, toy, or novelty contained within the merchandiser  
1544 machine or device.

1545 (6) The merchandiser machine or device is not  
1546 classified by the United States government as requiring a  
1547 federal gambling stamp under the Internal Revenue Code.

1548 (c) A player of a bona fide coin-operated amusement  
1549 machine may accumulate winnings for the successful play of a  
1550 bona fide coin-operated amusement machine through either  
1551 tokens or tickets, and may redeem these tokens or tickets for  
1552 merchandise.

1553 (d) (1) For purposes of this section, "bona fide  
1554 coin-operated amusement machine" means a machine of any kind  
1555 or character used by the public to provide amusement or  
1556 entertainment whose operation requires the payment of or the  
1557 insertion of a coin, bill, other money, token, ticket, or  
1558 similar object, and the result of whose operation depends in  
1559 whole or in part upon the skill of the player, whether or not  
1560 it affords an award to a successful player, and which can be  
1561 legally shipped interstate according to federal law. The term  
1562 includes, but is not limited to, the following:

- 1563 a. Pinball machines.
- 1564 b. Console machines.
- 1565 c. Video games.
- 1566 d. Crane machines.
- 1567 e. Claw machines.
- 1568 f. Pusher machines.





- 1569 g. Bowling machines.
- 1570 h. Novelty arcade games.
- 1571 i. Foosball or table soccer machines.
- 1572 j. Miniature racetrack or football machines.
- 1573 k. Target or shooting gallery machines.
- 1574 l. Basketball machines.
- 1575 m. Shuffleboard games.
- 1576 n. Kiddie ride games.
- 1577 o. Skeeball machines.
- 1578 p. Air hockey machines.
- 1579 q. Roll down machines.
- 1580 r. Coin-operated pool tables or coin-operated billiard
- 1581 tables.
- 1582 s. Any other similar amusement machine that can be
- 1583 legally operated in this state.
- 1584 t. A machine of any kind or character used by the
- 1585 public to provide music whose operation requires the payment
- 1586 of or the insertion of a coin, bill, other money, token,
- 1587 ticket, or similar object, such as jukeboxes or other similar
- 1588 types of music machines.
- 1589 u. Virtual reality games.
- 1590 v. Merchandiser machines.
- 1591 (2) The term "bona fide coin-operated amusement
- 1592 machine" does not include any of the following:
- 1593 a. Coin-operated washing machines or dryers.
- 1594 b. Vending machines which for payment of money dispense
- 1595 products or services.
- 1596 c. Gas and electric meters.



- 1597           d. Pay telephones.
- 1598           e. Cigarette vending machines.
- 1599           f. Coin-operated scales.
- 1600           g. Coin-operated gumball machines.
- 1601           h. Coin-operated parking meters.
- 1602           i. Coin-operated television sets that provide cable or  
1603 network programming.
- 1604           j. Machines that are not legally permitted to be  
1605 operated in Alabama.
- 1606           k. Slot machines.
- 1607           l. Video poker games.

1608           Article 9. Alabama Lottery Corporation.

1609           §41-30-400. Accountability of the Alabama Lottery  
1610 Corporation.

1611           The Legislature recognizes that the operations of a  
1612 state lottery are unique activities for state government and  
1613 that a corporate structure will best enable the lottery to be  
1614 managed in an entrepreneurial and business-like manner. It is  
1615 the intent of the Legislature that the Alabama Lottery  
1616 Corporation shall be accountable to the Governor, the  
1617 Legislature, and the people of the State of Alabama through a  
1618 system of audits, reports, and disclosures as required by this  
1619 article.

1620           §41-30-401. Definitions.

1621           As used in this article, the following words have the  
1622 following meanings:

1623           (1) BOARD. The Alabama Lottery Corporation Board of  
1624 Directors.



1625 (2) CORPORATION. The Alabama Lottery Corporation.

1626 (3) FISCAL YEAR. The fiscal year used by the State of  
1627 Alabama government.

1628 (4) INSTANT TICKET. A lottery game in which a player  
1629 scratches or otherwise removes anything overlaying words or  
1630 symbols to determine if the player has won, as indicated by  
1631 the symbols and words that are displayed.

1632 (5) LOTTERY or LOTTERY GAME. As defined in Section  
1633 41-30-2.

1634 (6) LOTTERY RETAILER. Any person with whom the  
1635 corporation has contracted to sell lottery tickets to the  
1636 public.

1637 (7) MAJOR PROCUREMENT. Any item, product, or service in  
1638 the amount of one million dollars (\$1,000,000) or more,  
1639 including, but not limited to, major advertising contracts,  
1640 annuity contracts, prizes, products, and services unique to  
1641 the state lottery.

1642 (8) NET PROCEEDS. Gross lottery revenues, minus amounts  
1643 paid as prizes and expenses, of the operation of the lottery.

1644 (9) PERSON. Any individual, corporation, partnership,  
1645 unincorporated association, or other legal entity.

1646 (10) PRESIDENT. The president and chief executive  
1647 officer of the Alabama Lottery Corporation.

1648 (11) SECURITY. The protection of information that would  
1649 provide an unfair advantage to any individual involved in the  
1650 operation of the lottery; the protection and preservation of  
1651 the integrity of lottery games and operations; and the  
1652 measures taken to prevent crimes against the corporation and



1653 its retailers.

1654 (12) VENDOR. Any person who has entered into a contract  
1655 with the corporation.

1656 §41-30-402. Administration of the state lottery.

1657 (a) There is created a state lottery. The lottery shall  
1658 be administered by a corporation to be known as the Alabama  
1659 Lottery Corporation. The corporation shall be managed in a  
1660 manner that enables the people of the State of Alabama to  
1661 benefit from its profits and to ensure the integrity of the  
1662 lottery.

1663 (b) The existence of the corporation shall begin upon  
1664 the appointment of all seven members of the board as provided  
1665 in Section 41-30-403.

1666 (c) The corporation shall be domiciled in the State of  
1667 Alabama. The exclusive venue for any action or matter against  
1668 the corporation arising out of or in connection with the  
1669 issuance, nonissuance, delivery, or failure to deliver a  
1670 lottery ticket or payment or nonpayment of a lottery prize in  
1671 the county in which its corporate headquarters is located, and  
1672 the circuit court for that county shall have exclusive  
1673 jurisdiction over the action or matter. For purposes of the  
1674 assessment of court costs only, the corporation shall be a  
1675 private corporation.

1676 §41-30-403. Administration of the affairs of the  
1677 Alabama Lottery Corporation.

1678 (a) The affairs of the corporation shall be  
1679 administered by the Alabama Lottery Corporation Board of  
1680 Directors. The board shall be composed of seven voting members



1681 appointed by the Governor with the advice and consent of the  
1682 Senate. In addition, the Commissioner of Revenue and the State  
1683 Treasurer shall serve as ex officio, nonvoting members.

1684 (b) The voting members of the board shall be residents  
1685 of the State of Alabama and may not be serving as a public  
1686 official, as that term is defined in Section 36-25-1. The  
1687 Governor, when making appointments to the board, shall  
1688 coordinate the appointments so that diversity of gender, race,  
1689 and geographical area is reflective of the makeup of the  
1690 state.

1691 (c) The initial appointees of the board shall serve  
1692 staggered terms as follows: (i) One term shall expire after  
1693 one year; (ii) one term shall expire after two years; (iii)  
1694 one term shall expire after three years; (iv) one term shall  
1695 expire after four years; and (v) one term shall expire after  
1696 five years. After the expiration of the initial terms, members  
1697 of the board shall serve for terms of five years.

1698 (d) A member may serve beyond the end of his or her  
1699 respective term until a successor has been appointed and  
1700 confirmed by the Senate. No member may serve more than two  
1701 consecutive five-year terms. Members serve at the pleasure of  
1702 the Governor. The board shall elect a chair from among its  
1703 voting members. As near as practical, the board chair shall  
1704 serve a term of two years.

1705 (e) Appointed members of the board shall be entitled to  
1706 per diem compensation paid by the corporation and shall be  
1707 reimbursed by the corporation for necessary travel and other  
1708 reasonable expenses incurred in the performance of their



1709 official duties. Members of the board shall not have any  
1710 direct or indirect interest in an undertaking that puts their  
1711 personal interest in conflict with that of the corporation,  
1712 including, but not limited to, an interest in a major  
1713 procurement contract or a participating retailer.

1714 (f) The board, upon the initial call of the Governor  
1715 and the chair thereafter, shall meet each month for the first  
1716 18 months following the effective date of this act and at such  
1717 other times as the chair may determine. Five voting members of  
1718 the board shall constitute a quorum. The board shall also meet  
1719 upon the call of five or more of the voting members of the  
1720 board. The board shall keep accurate and complete records of  
1721 all its meetings.

1722 (g) Meetings of the board shall be subject to the  
1723 Alabama Open Meetings Act.

1724 §41-30-404. Inspection of records.

1725 All records of the corporation shall be deemed public  
1726 records and subject to public inspection pursuant to the  
1727 Article 3 of Chapter 12 of Title 36, unless any of the  
1728 following apply:

1729 (1) The record relates to or was provided by a  
1730 confidential source or informant and relates to lottery  
1731 security, applicant, vendor, or retailer qualifications or  
1732 conduct.

1733 (2) The record involves a trade secret of the  
1734 corporation or of a vendor.

1735 (3) The record pertains to the internal security  
1736 operations of the lottery or its lottery retailers or the



1737 record is of such a sensitive nature that its disclosure would  
1738 endanger the security of the lottery or its lottery retailers,  
1739 including, but not limited to, records containing security  
1740 procedures, investigative techniques, or internal security  
1741 information.

1742 (4) The record is covered by another exemption under  
1743 federal or state law.

1744 §41-30-405. Appointment of president of the Alabama  
1745 Lottery Corporation.

1746 (a) (1) From time to time, the board may appoint an  
1747 individual to serve as president of the corporation. The  
1748 president shall serve at the pleasure of the board.

1749 (2) The Governor may approve or disapprove the  
1750 appointment within 30 days of notice of the appointment. If  
1751 the Governor does not disapprove the appointment as prescribed  
1752 in this subsection, the appointment shall be deemed approved.

1753 (b) The president shall manage the daily affairs of the  
1754 corporation and shall have the powers and duties specified by  
1755 the board and this chapter and any rules adopted thereunder.

1756 (c) The president may employ personnel as he or she  
1757 deems necessary. All personnel shall serve at the will and  
1758 pleasure of the president, unless otherwise specified by the  
1759 president.

1760 (d) Following his or her appointment and during his or  
1761 her entire employment by the board, the president shall reside  
1762 in this state.

1763 §41-30-406. Duties of the board.

1764 The board shall have the following powers and duties:



1765 (1) Approve, disapprove, amend, or modify the budget  
1766 recommended by the president for the operation of the  
1767 corporation.

1768 (2) Recommend rules for adoption to the Alabama  
1769 Gambling Commission as necessary to carry out and implement  
1770 the operations of the corporation, the conduct of lottery  
1771 games in general, and any other matters necessary or desirable  
1772 for the efficient and effective operation of the lottery or  
1773 convenience of the public.

1774 (3) Establish the salary of the president.

1775 (4) Acquire and hold, in its own name, real property  
1776 and improvements thereon by purchase, gift, lease, lease with  
1777 the option to purchase, or other lawful means, except eminent  
1778 domain, to carry out its duties; and transfer, sell, or convey  
1779 real property and any improvements thereon. Any obligations  
1780 created in connection with the purchase or improvement of real  
1781 property shall not create debts, obligations, or liabilities  
1782 of the State of Alabama.

1783 (5) Provide for the conduct of specific lottery games  
1784 and operations, including, but not limited to, the following:

1785 a. The types of lottery games that may be conducted.

1786 b. The sale price of tickets.

1787 c. The number and amount of prizes.

1788 d. The methods that shall be used in selling tickets  
1789 for lottery games.

1790 e. The methods and location of selecting or validating  
1791 winning tickets.

1792 f. The manner of payment of prizes.





1793 g. The frequency of games and drawings.

1794 h. Any other matters necessary to carry out this act  
1795 and necessary for the efficient and effective operation of the  
1796 lottery.

1797 (6) Conduct hearings upon receiving a complaint  
1798 alleging a violation of this article or rules adopted by the  
1799 corporation or as otherwise provided by this article.

1800 (7) Periodically review the performance of the  
1801 corporation and advise the president and make recommendations  
1802 regarding operations of the corporation and identify potential  
1803 statutory improvements to this article, the rules of the  
1804 corporation, and the management of the corporation.

1805 (8) Request from the corporation any information the  
1806 board determines to be relevant to its duties.

1807 (9) Conduct and administer lottery games to result in  
1808 maximization of revenues to the State of Alabama. The  
1809 corporation, its employees, and the members of the board shall  
1810 provide for the efficient and effective operation of lottery  
1811 games, ensure the integrity of the lottery, and maintain the  
1812 dignity of the state and the general welfare of its residents.

1813 (10) Supervise and administer the lottery in accordance  
1814 with this article and the rules adopted by the commission  
1815 governing this article.

1816 (11) Submit quarterly and annual reports to the  
1817 Governor, the Lieutenant Governor, the Speaker of the House of  
1818 Representatives, the State Treasurer, the State Auditor, the  
1819 Joint Legislative Committee on Performance Evaluation and  
1820 Expenditure Review, the Alabama Gambling Commission, the



1821 Director of Finance, and the Commissioner of Revenue  
1822 containing financial information and projections which  
1823 include, but are not limited to, disclosure of gross revenues,  
1824 expenses, and net proceeds for the period.

1825 (12) Establish a system of continuous internal audits.

1826 (13) Maintain weekly or more frequent records of  
1827 lottery transactions, including distribution of tickets to  
1828 lottery retailers, revenues received, claims for prizes,  
1829 prizes paid, and all other financial transactions of the  
1830 corporation.

1831 (14) Establish a code of ethics for officers and  
1832 employees of the corporation to carry out the standards of  
1833 conduct established by this article.

1834 (15) Establish guidelines for the disposal of lottery  
1835 property if the corporation is dissolved.

1836 (16) Sue and be sued in its corporate name.

1837 (17) Adopt a corporate seal and a symbol.

1838 (18) Hold patents, copyrights, trademarks, and service  
1839 marks and enforce its rights with respect thereto.

1840 (19) Register to do business in the State of Alabama  
1841 and appoint agents upon which process may be served.

1842 (20) Enter into written agreements with one or more  
1843 other states or sovereigns for the operation, marketing, and  
1844 promotion of a joint lottery or joint-lottery games.

1845 (21) Make, solicit, and request proposals and offers,  
1846 and execute and effectuate any and all agreements or  
1847 contracts, including, but not limited to:

1848 a. Contracts that provide for the placement of



1849 commercial advertising on tickets.

1850           b. Contracts for the purchase or lease of real property  
1851 as are necessary for the operation and promotion of the  
1852 lottery.

1853           c. Contracts or agreements necessary for the  
1854 implementation, operation, and promotion of the lottery and  
1855 this article.

1856           (22) Adopt bylaws and recommend the adoption of rules  
1857 to the Alabama Gambling Commission as necessary to administer  
1858 this article.

1859           §41-30-407. Duties and obligations of the president.

1860           (a) The president, as chief executive officer of the  
1861 corporation, shall do all of the following:

1862           (1) Direct and supervise all administrative and  
1863 technical activities in accordance with this article and the  
1864 rules adopted by the commission governing this article.

1865           (2) Supervise and administer the operation of the  
1866 corporation, the lottery, and its games.

1867           (3) Employ, manage, and direct the personnel of the  
1868 corporation and its facilities and services as necessary to  
1869 implement this article.

1870           (4) Enter into contracts with lottery retailers.

1871           (5) Make available for inspection by the board or any  
1872 member of the board, upon request, all books, records, files,  
1873 and other information and documents of his or her office.

1874           (6) Advise and make recommendations to the board for  
1875 the adoption of rules or other actions to improve the  
1876 operation and administration of the lottery and the



1877 corporation.

1878 (7) Enter into any contract pursuant to this article  
1879 with any person for the promotion and operation of the lottery  
1880 or for the performance of any of the functions as provided in  
1881 this article or rule of the commission unless the contract  
1882 constitutes a major procurement. A major procurement shall  
1883 require approval from the board.

1884 (8) Attend meetings of the board or appoint a designee  
1885 to attend on his or her behalf.

1886 (9) Not later than 30 days before the beginning of the  
1887 corporation's fiscal year, submit the proposed annual budget  
1888 of the corporation and projected net proceeds to the board for  
1889 review and approval.

1890 (10) Subject to the approval of the board, amend or  
1891 modify the budget at any time in any manner deemed necessary  
1892 for the proper operation of the corporation.

1893 (11) Require bond from employees of the corporation as  
1894 he or she deems necessary; provided, the president shall  
1895 require bond, in an amount determined by the board, from  
1896 employees with access to corporate funds or lottery funds.

1897 (12) For good cause, suspend, revoke, or refuse to  
1898 renew any contract entered into in accordance with this  
1899 article or rule of the commission.

1900 (13) Upon specific or general approval of the board,  
1901 conduct hearings and administer oaths to persons for the  
1902 purpose of assuring the security or integrity of lottery  
1903 operations, or to determine the qualifications or compliance  
1904 by vendors and lottery retailers.



1905           (14) Upon receiving specific or general approval of the  
1906 board, enter into contracts with consultants and technical  
1907 assistants as may be required to implement and administer this  
1908 article.

1909           (15) By agreement, secure information, goods, and  
1910 services as necessary from any department, agency, or unit of  
1911 the federal, state, or local government. To the extent allowed  
1912 by federal or state law or rule, the president may compensate  
1913 the department, agency, or unit of government for its  
1914 information, goods, and services.

1915           (16) Supervise ticket validation and lottery drawings.

1916           (17) For just cause and subject to the terms of a  
1917 vendor contract, inspect the facilities of any vendor in order  
1918 to determine the integrity of the vendor's product and in  
1919 order to determine whether the vendor is in compliance with  
1920 its contract.

1921           (18) Report any suspected violations of this article to  
1922 the Gambling Enforcement Division and the local district  
1923 attorney or the Attorney General.

1924           (19) Upon request, provide assistance to the Gambling  
1925 Enforcement Division, local district attorney, and the  
1926 Attorney General during an investigation into a violation of  
1927 this article.

1928           (b) The president and the board shall conduct an  
1929 ongoing examination of the operation and administration of  
1930 lotteries in other states and countries, including reviewing  
1931 available literature on the subject; federal laws and  
1932 regulations which may affect the operation of the lottery; and



1933 the reaction of residents of this state to existing or  
1934 proposed features of lottery games with a view toward  
1935 implementing improvements that will tend to serve the purposes  
1936 of this article.

1937 (c) The president may also establish one or more market  
1938 or equipment research centers for lottery products and may  
1939 establish lottery player information centers.

1940 (d) There shall be no liability on the part of, and no  
1941 cause of action shall arise against, the corporation or its  
1942 governing board, staff, agents, vendors, or employees, arising  
1943 out of or in connection with their duties and obligations as  
1944 provided for under this article.

1945 §41-30-408. Exemption from state procurement law.

1946 (a) The corporation may purchase, lease, or  
1947 lease-purchase any goods or services as necessary for  
1948 implementing and administering this article.

1949 (b) The procurement of any supplies or services by the  
1950 corporation shall be solely governed by rules adopted by the  
1951 commission pursuant to the Alabama Administrative Procedure  
1952 Act. The rules adopted shall be consistent with any applicable  
1953 requirements of the Constitution of Alabama of 2022, and shall  
1954 be established in accordance with the underlying purposes and  
1955 policies of promoting responsible and efficient use of public  
1956 funds dedicated and appropriated to agencies for their use,  
1957 and promoting fairness, competition, transparency, integrity,  
1958 and value in the procurement process. In no case may the  
1959 commission adopt a rule in conflict with the laws of this  
1960 state regarding the public disclosure of the use of public



1961 funds and the transparency of public expenditures, or that is  
1962 otherwise in conflict with state law regarding public records  
1963 and public access to those records.

1964 (c) The corporation may make procurements necessary for  
1965 the function of the lottery, including procurements for the  
1966 design of lottery games, the distribution of lottery tickets  
1967 to lottery retailers, the supply of goods and services, and  
1968 advertising. In all procurement decisions, the corporation  
1969 shall take into account the particularly sensitive nature of  
1970 the state lottery and shall promote and ensure security,  
1971 honesty, fairness, and integrity in the operation and  
1972 administration of the lottery and the objectives of raising  
1973 net proceeds for the benefit of the state.

1974 §41-30-409. Agreements with other entities; exemption  
1975 from the Alabama Open Records Law.

1976 (a) The corporation may enter into intelligence  
1977 sharing, reciprocal use, or restricted use agreements with the  
1978 federal government, law enforcement agencies, lottery  
1979 regulation agencies, and gambling enforcement agencies of  
1980 other jurisdictions that provide for and regulate the use of  
1981 information provided and received pursuant to the agreement.

1982 (b) Records, documents, and information in the  
1983 possession of the corporation received pursuant to an  
1984 intelligence sharing, reciprocal use, or restricted use  
1985 agreement entered into by the corporation pursuant to  
1986 subsection (a) shall be exempt from Article 3 of Chapter 12 of  
1987 Title 36. The corporation may not release the record,  
1988 document, or other information without the written permission



1989 of the person or agency providing the record or information to  
1990 the corporation.

1991 §41-30-410. Lottery advertising restrictions.

1992 (a) The corporation may enter into one or more  
1993 commercial advertising contracts with a person for the purpose  
1994 of promoting the lottery and the sale of lottery tickets,  
1995 subject to the requirements of this section.

1996 (b) No commercial advertising conducted for the purpose  
1997 of promoting the lottery or the sale of lottery tickets may  
1998 have a strong appeal to individuals under 18 years of age.

1999 (c) The commission shall adopt rules to govern any  
2000 advertising conducted pursuant to this article. At a minimum,  
2001 the rules shall establish restrictions and requirements for  
2002 advertising, including signage, and may include limiting the  
2003 media or forums where advertising may occur.

2004 (d) Notwithstanding the foregoing, the corporation may  
2005 advertise as necessary to participate in a multi-jurisdiction  
2006 lottery.

2007 §41-30-411. Criminal background checks.

2008 (a) The Alabama State Bureau of Investigations shall  
2009 perform a criminal background check on potential vendors,  
2010 including potential lottery retailers and potential employees  
2011 of the corporation.

2012 (b) The required criminal background check shall be  
2013 conducted prior to the finalization of any contract with a  
2014 potential vendor or prior to the employment of any potential  
2015 employee.

2016 (c) The corporation shall reimburse the Alabama State





2017 Bureau of Investigations for the actual costs of conducting  
2018 the criminal background investigations.

2019 §41-30-412. Sale to minors; penalty.

2020 Except as provided under Section 41-30-422, relating to  
2021 unlawful sales by lottery retailers, any person who knowingly  
2022 sells a lottery ticket to an individual under 18 years of age  
2023 or permits an individual under 18 years of age to play a  
2024 lottery game shall be guilty of a Class C misdemeanor and  
2025 punished as follows:

2026 (1) On a first violation, a fine of not less than two  
2027 hundred dollars (\$200) nor more than one thousand dollars  
2028 (\$1000).

2029 (2) On a second or subsequent violation, a fine of not  
2030 less than five hundred dollars (\$500) nor more than two  
2031 thousand dollars (\$2000).

2032 §41-30-413. Claiming a prize.

2033 (a) The proceeds of any lottery prize of six hundred  
2034 dollars (\$600) or more shall be subject to state and federal  
2035 income tax withholding laws, as applicable. To claim a lottery  
2036 prize of six hundred dollars (\$600) or more, an individual  
2037 holding a winning lottery ticket must provide to the  
2038 corporation the individual's name, address, and any other  
2039 information required by rule of the Department of Revenue. The  
2040 Department of Revenue shall adopt rules governing the  
2041 administration of this subsection.

2042 (b) The corporation shall withhold any attachments,  
2043 garnishments, or executions authorized and issued pursuant to  
2044 law if timely served upon the process agent of the



2045 corporation.

2046 (c) The board shall adopt policies and procedures to  
2047 establish a system of verifying the validity of tickets or  
2048 shares claimed to win prizes and to effect payment of those  
2049 prizes, subject to the following conditions:

2050 (1) No prize, portion of a prize, or right of a person  
2051 to a prize shall be assignable. Any prize, or portion thereof,  
2052 remaining unpaid at the death of a prizewinner shall be paid  
2053 to the estate of the deceased prizewinner or to the trustee of  
2054 a trust established by the deceased prizewinner if a copy of  
2055 the trust document or instrument has been filed with the  
2056 corporation, along with a notarized letter of direction from  
2057 the deceased prizewinner, and no written notice of revocation  
2058 has been received by the corporation prior to the deceased  
2059 prizewinner's death. Following a deceased prizewinner's death  
2060 and prior to any payment to a trustee, the corporation shall  
2061 obtain from the trustee and each trust beneficiary a written  
2062 agreement to indemnify and hold the corporation harmless with  
2063 respect to any claims that may be asserted against the  
2064 corporation arising from payment to or through the trust.

2065 (2) No prize shall be paid arising from a claimed  
2066 ticket that is stolen, counterfeit, altered, fraudulent,  
2067 unissued, produced or issued in error, unreadable, not  
2068 received, unclaimed or not recorded by the corporation within  
2069 the applicable deadline, lacking in captions that conform and  
2070 agree with the play symbols as appropriate to the lottery game  
2071 involved, or not in compliance with any additional specific  
2072 rules and public or confidential validation and security tests



2073 of the corporation appropriate to the particular lottery game  
2074 involved.

2075 (3) No particular prize in any lottery game shall be  
2076 paid more than once, and in the event of a determination by  
2077 the corporation or a court that more than one claimant is  
2078 entitled to a particular prize, the sole remedy of the  
2079 claimants shall be to award to each of them an equal share in  
2080 the prize.

2081 (4) A holder of a winning ticket from an Alabama  
2082 lottery game or from a multi-state or multi-jurisdiction  
2083 lottery game shall claim a prize within the timeframe provided  
2084 for by rule of the board. If a valid claim is not made for a  
2085 prize within the applicable period, the prize shall constitute  
2086 an unclaimed prize for purposes of this section.

2087 (5) The corporation shall not disclose the identity of  
2088 the person holding a winning lottery ticket where the prize  
2089 amount is in excess of one million dollars (\$1,000,000)  
2090 without that person's written permission.

2091 (6) No prize shall be paid upon a lottery ticket  
2092 purchased or sold in violation of this article or rule adopted  
2093 thereunder. A lottery ticket purchased or sold in violation of  
2094 this article or rule adopted thereunder shall constitute an  
2095 unclaimed prize for purposes of this section.

2096 (d) Unclaimed prize money shall not constitute net  
2097 lottery proceeds. Unclaimed prize money shall be held in trust  
2098 by the corporation and used as provided in this section.  
2099 Annually, the corporation shall distribute a portion of  
2100 unclaimed prize money, not to exceed two hundred thousand



2101 dollars (\$200,000) each year, to the State General Fund to the  
2102 credit of the Department of Mental Health for the treatment of  
2103 compulsive gambling disorder and educational programs related  
2104 to the disorder. In addition, unclaimed prize money may be  
2105 added to the pool from which future prizes are to be awarded  
2106 or used for special prize promotions.

2107 (e) The corporation is discharged of all liability upon  
2108 payment of a prize.

2109 (f) No ticket shall be purchased by and no prize shall  
2110 be paid to any of the following persons:

2111 (1) Any member of the board.

2112 (2) Any member, officer, or employee of the Alabama  
2113 Gambling Commission.

2114 (3) Any officer or employee of the corporation.

2115 (4) Any spouse, child, brother, sister, or parent  
2116 residing as a member of the same household in the principal  
2117 place of abode of any individual listed in this subsection.

2118 §41-30-414. Withholding of lottery prizes of persons  
2119 who have outstanding child support arrearages or debts owed to  
2120 the state.

2121 (a) (1) The board shall coordinate with the Department  
2122 of Human Resources to recommend rules for adoption to the  
2123 Alabama Gambling Commission providing for the withholding of  
2124 lottery prizes of individuals who have outstanding child  
2125 support arrearages as reported to the corporation, beginning  
2126 at prize levels to be determined by the board. The rules may  
2127 require any agency reporting current child support arrearages  
2128 to the corporation to provide information relating to the



2129 arrearages in a manner, format, or record approved by the  
2130 corporation.

2131 (2) The corporation shall not be liable for withholding  
2132 a lottery prize based upon child support arrearage information  
2133 provided to the corporation.

2134 (b) (1) The corporation shall withhold any lottery prize  
2135 of an individual who has had a delinquent debt claim reported  
2136 by a state agency or a political subdivision of the state. The  
2137 Department of Revenue and the corporation shall cooperate to  
2138 implement this section.

2139 (2) The corporation shall not be liable for withholding  
2140 a lottery prize based upon a delinquent debt claim provided to  
2141 it by the Department of Revenue.

2142 (3) The commission shall adopt rules to implement this  
2143 subsection.

2144 §41-30-415. Monies received from the sale of lottery  
2145 tickets; creation of funds.

2146 (a) All lottery proceeds received by the corporation,  
2147 including all monies from the sale of lottery tickets and all  
2148 other sources of revenue, shall be the property of the  
2149 corporation. The corporation shall use monies in the fund to  
2150 first pay for its reasonable operating expenses, second for  
2151 the payment of prize money, and all remaining funds shall be  
2152 transferred to the Alabama Education Lottery Trust Fund  
2153 created pursuant to Section 65.02 of the Constitution of  
2154 Alabama of 2022. The corporation shall endeavor to maximize  
2155 the amount of revenues that may be generated for deposit into  
2156 the Alabama Education Lottery Trust Fund.



2157 (b) On or before the twentieth day of each month, the  
2158 corporation shall transfer from its operating accounts to the  
2159 Alabama Education Lottery Trust Fund the amount of all net  
2160 proceeds. Upon deposit into the Alabama Education Lottery  
2161 Trust Fund, any monies representing net proceeds shall become  
2162 the unencumbered property of the State of Alabama and the  
2163 corporation shall have no power to agree or undertake  
2164 otherwise. The monies shall be invested by the State Treasurer  
2165 in accordance with state investment practices.

2166 §41-30-416. Funding of the corporation.

2167 (a) The corporation may enter into contracts to incur  
2168 debt in its own name and enter into financing agreements with  
2169 the state, agencies, or instrumentalities of the state, or  
2170 with any commercial bank or credit provider. Any contract or  
2171 financing agreement entered into pursuant to this subsection  
2172 must be approved by the Finance Director of the Department of  
2173 Finance. Any obligations created in connection with any  
2174 contracts or financing agreements entered into pursuant to  
2175 this section shall solely and exclusively be obligations of  
2176 the corporation and shall not create debts, obligations, or  
2177 liabilities of the State of Alabama.

2178 (b) The corporation shall be self-sustaining and  
2179 self-funded. Monies in the State General Fund shall not be  
2180 used or obligated to pay the prizes of the lottery, and no  
2181 claim for the payment of an expense of the lottery or prizes  
2182 of the lottery may be made against any monies other than  
2183 monies credited to the operations accounts of the corporation.

2184 §41-30-417. Selection and maintenance of statewide



2185 network of lottery retailers.

2186 (a) The corporation shall develop and maintain a  
2187 statewide network of lottery retailers that will serve the  
2188 public convenience and promote the sale of lottery tickets,  
2189 while ensuring the integrity of the lottery operations, games,  
2190 and activities.

2191 (b) A lottery game may not be played except as  
2192 authorized by general law and rules adopted by the commission.  
2193 A lottery game may not be operated through the use of a video  
2194 lottery terminal or any other mechanical, electromechanical,  
2195 or other electronic device or machine that performs all the  
2196 functions of a lottery by itself when networked with other  
2197 similar devices or machines; provided, this section shall not  
2198 apply to the use of a lottery vending machine otherwise  
2199 allowed at a licensed lottery retailer which meets any  
2200 requirements established by the commission.

2201 (c) A lottery ticket may not be sold except by a  
2202 licensed lottery retailer in accordance with general law and  
2203 rules adopted by the commission.

2204 §41-30-418. Selection of lottery retailers.

2205 (a) To govern the selection of lottery retailers, the  
2206 board shall recommend rules for adoption to the Alabama  
2207 Gambling Commission which shall provide a list of objective  
2208 criteria upon which the selection of lottery retailers shall  
2209 be based. The criteria shall include, but not be limited to,  
2210 the following with regard to the applicant:

2211 (1) Financial responsibility.

2212 (2) Location and security of place of business or



2213 activity.

2214 (3) Character, integrity, and reputation.

2215 (4) Whether the applicant is current in the filing of  
2216 all applicable tax returns and the payment of all applicable  
2217 taxes, interest, and penalties owed to the state or any  
2218 political subdivision thereof, excluding items under formal  
2219 appeal.

2220 (b) No person shall be selected as a lottery retailer  
2221 for the sale of lottery tickets if the person has done any of  
2222 the following:

2223 (1) Has been convicted of a criminal offense related to  
2224 the security or integrity of the lottery in this state or any  
2225 other jurisdiction.

2226 (2) Has been convicted of any illegal gambling  
2227 activity, false statements, false swearing, or perjury in this  
2228 state or any other jurisdiction.

2229 (3) Has been convicted of any felony in this state,  
2230 unless more than five years have elapsed from the date of the  
2231 individual's release from incarceration without a subsequent  
2232 conviction of a crime described in this subsection.

2233 (4) Has been found to have violated this chapter or any  
2234 rule adopted under this chapter, unless either 10 or more  
2235 years have passed since the violation, or the president and  
2236 the board find the violation both minor and unintentional in  
2237 nature.

2238 (5) Is a vendor or an employee or agent of any vendor  
2239 doing business with the corporation.

2240 (6) Resides in the same household as an officer or





2241 board member of the corporation.

2242 (7) Has knowingly made a false statement of material  
2243 fact to the corporation.

2244 (c) The board shall not consider the applicant's  
2245 political affiliation, political activities, or monetary  
2246 contributions to political organizations or candidates for any  
2247 public office.

2248 §41-30-419. Cancellation, denial, revocation,  
2249 suspension, renewal rejection, or termination of contract with  
2250 lottery retailer.

2251 (a) Any contract executed by the corporation with a  
2252 lottery retailer pursuant to this article shall specify the  
2253 reasons for which any contract may be canceled, denied,  
2254 revoked, suspended, renewal rejected, or terminated by the  
2255 corporation, including, but not limited to, the following:

2256 (1) Violation of this article or a rule adopted  
2257 thereunder.

2258 (2) Failure to accurately account for lottery tickets,  
2259 revenues, or prizes as required by this article and rules  
2260 adopted thereunder.

2261 (3) Commission of any fraud, deceit, or  
2262 misrepresentation.

2263 (4) Insufficient sale of tickets.

2264 (5) Conduct prejudicial to public confidence in the  
2265 lottery.

2266 (6) Filing for or being placed in bankruptcy or  
2267 receivership.

2268 (7) Any material change in any matter considered by the



2269 corporation in executing the contract with the lottery  
2270 retailer.

2271 (8) Failure to make available for inspection or copying  
2272 any record upon request of the commission.

2273 (9) Failure to meet any of the objective criteria  
2274 established by the board pursuant to this article.

2275 (b) (1) Following a public hearing on the matter, if the  
2276 president determines that the cancellation, denial,  
2277 revocation, suspension, rejection of renewal, or termination  
2278 of a lottery retailer contract is in the best interest of the  
2279 lottery, the public welfare, or the State of Alabama, the  
2280 president may cancel, deny, revoke, suspend, reject the  
2281 renewal, or terminate the contract.

2282 (2) Notwithstanding subdivision (1), the president may  
2283 temporarily suspend any lottery retailer contract without  
2284 prior notice, pending any investigation, prosecution, and  
2285 public hearing.

2286 §41-30-420. Treatment of lottery proceeds by lottery  
2287 retailers; insolvency.

2288 (a) (1) All proceeds from the sale of lottery tickets  
2289 received by a lottery retailer shall be held in trust by the  
2290 lottery retailer until paid to the corporation either directly  
2291 or through the corporation's authorized collection  
2292 representative.

2293 (2) A lottery retailer shall have a fiduciary duty to  
2294 preserve and account for lottery proceeds and shall be  
2295 personally liable for the lottery proceeds.

2296 (3) Lottery proceeds shall include unsold instant



2297 tickets received by a lottery retailer, cash proceeds of the  
2298 sale of any lottery products, the net amount of allowable  
2299 sales commissions, and credit for lottery prizes to winners by  
2300 lottery retailers.

2301 (4) Sales proceeds and unused instant tickets shall be  
2302 delivered to the corporation or its authorized collection  
2303 representative upon demand.

2304 (b) (1) The board shall require each lottery retailer to  
2305 place all lottery proceeds due the corporation in a bank  
2306 account in an institution insured by the Federal Deposit  
2307 Insurance Corporation not later than the close of the next  
2308 banking day after the date of collection by the lottery  
2309 retailer until the date the proceeds are paid over to the  
2310 corporation.

2311 (2) Each lottery retailer shall establish a separate  
2312 bank account for lottery proceeds. The lottery proceeds shall  
2313 be kept separate and apart from all other funds and assets and  
2314 shall not be commingled with any other funds or assets.

2315 (c) A lottery retailer shall receive seven percent of  
2316 the sales of lottery tickets sold by the lottery retailer.

2317 (d) Whenever any individual who receives proceeds from  
2318 the sale of lottery tickets in the capacity of a lottery  
2319 retailer becomes insolvent, or dies insolvent, the proceeds  
2320 due the corporation from the individual or his or her estate  
2321 shall have preference over all other debts or demands.

2322 §41-30-421. Illegal lottery devices prohibited.

2323 (a) A lottery retailer or agent, associate, employee,  
2324 or representative of a lottery retailer may not allow any



2325 illegal lottery device to be on the licensed premises of the  
2326 lottery retailer. For purposes of this section, an illegal  
2327 lottery device is any machine or other device that sells  
2328 lottery tickets or otherwise participates in a lottery not  
2329 approved by the corporation.

2330 (b) The corporation may assess a fine against a lottery  
2331 retailer who violates this section, as follows:

2332 (1) For a first offense, a fine of not less than two  
2333 hundred dollars (\$200) nor more than one thousand dollars  
2334 (\$1000).

2335 (2) For a subsequent offense, a fine of not less than  
2336 five hundred dollars (\$500) nor more than two thousand dollars  
2337 (\$2,000). In addition, the corporation may suspend, revoke, or  
2338 take other disciplinary action against the lottery retailer  
2339 license of the lottery retailer.

2340 (c) (1) Except as provided in subdivision (2), a person  
2341 who violates this section is guilty of a Class A misdemeanor.

2342 (2) On a second or subsequent violation of this  
2343 section, a person is guilty of a Class C felony.

2344 §41-30-422. Sale to minors prohibited.

2345 (a) A lottery retailer or agent, associate, employee,  
2346 or representative of a lottery retailer may not sell a lottery  
2347 ticket to any individual unless the individual submits any one  
2348 of the following forms of identification to establish that the  
2349 individual is 18 years of age or older:

2350 (1) A valid and current Alabama driver license  
2351 containing a photograph of the individual presenting the  
2352 driver license.



2353 (2) A valid and current driver license of another state  
2354 containing a photograph of the individual presenting the  
2355 driver license.

2356 (3) A valid and current nondriver identification card  
2357 issued by the State of Alabama containing a photograph of the  
2358 individual presenting the identification card.

2359 (4) A valid and current passport or visa issued by the  
2360 federal government or another country or nation which contains  
2361 a permanently attached photograph of the individual presenting  
2362 the passport or visa.

2363 (5) A valid and current military or federal  
2364 identification card issued by the federal government  
2365 containing a photograph of the individual presenting the  
2366 identification card.

2367 (6) A valid and current tribal identification card  
2368 issued by a federally recognized Indian tribe containing a  
2369 photograph of the individual presenting the identification  
2370 card.

2371 (b) (1) Each form of identification listed in subsection  
2372 (a) must on its face establish the age of the individual as 18  
2373 years of age or older and there must be no reason to doubt the  
2374 authenticity or correctness of the identification.

2375 (2) No form of identification shall be accepted as  
2376 proof of age if it is expired, defaced, mutilated, or altered.  
2377 If the form of identification used is a duplicate, the  
2378 presenting individual shall submit additional identification  
2379 which contains the name, date of birth, and photograph of the  
2380 individual.



2381 (3) An educational institution identification card,  
2382 check-cashing identification card, or employee identification  
2383 card shall not be considered as lawful identification for the  
2384 purposes of this section.

2385 (c) The corporation shall assess a fine against any  
2386 lottery retailer who sells a lottery ticket to an individual  
2387 under 18 years of age in violation of this section, as  
2388 follows:

2389 (1) For a first offense, a fine of not less than two  
2390 hundred dollars (\$200) nor more than one thousand dollars  
2391 (\$1000).

2392 (2) For a subsequent offense, a fine of not less than  
2393 five hundred dollars (\$500) nor more than two thousand dollars  
2394 (\$2,000). In addition, the corporation may suspend, revoke, or  
2395 take other disciplinary action against the lottery retailer  
2396 license of the lottery retailer.

2397 (d) (1) Except as provided in subdivision (2), a person  
2398 who violates this section is guilty of a Class A misdemeanor.

2399 (2) On a second or subsequent violation of this  
2400 section, a person is guilty of a Class A misdemeanor and shall  
2401 serve a minimum of 48 hours in the county jail.

2402 §41-30-423. Underage purchase of lottery ticket;  
2403 penalty.

2404 (a) It is unlawful for any individual under 18 years of  
2405 age to purchase a lottery ticket.

2406 (b) An individual who violates this section shall be  
2407 guilty of a violation and fined not more than one hundred  
2408 dollars (\$100) and shall be subject to the citation and arrest



2409 procedures of Section 11-45-9.1.

2410 §41-30-424. Counterfeit lottery tickets prohibited.

2411 (a) It shall be unlawful for any person, with intent to  
2412 defraud, to falsely make, alter, forge, utter, pass, or  
2413 counterfeit a lottery ticket.

2414 (b) A violation of this section is a Class C felony.

2415 §41-30-425. Theft of lottery prize by deception or  
2416 fraud.

2417 (a) It shall be unlawful for any person to influence or  
2418 attempt to influence the winning of a lottery prize through  
2419 the use of coercion, fraud, or deception or by tampering with  
2420 lottery equipment or materials.

2421 (b) A violation of this section is a Class B felony.

2422 §41-30-426. Prohibited actions for current and former  
2423 board members and officers of the corporation.

2424 (a) A current or former board member or officer of the  
2425 corporation, or a corporation or other entity owned in whole  
2426 or in part by a former board member or officer of the  
2427 corporation, may not solicit, accept employment, or enter into  
2428 a contract for compensation of any kind with a vendor of the  
2429 corporation during the member's service with the corporation  
2430 or within one year after termination of service with the  
2431 corporation.

2432 (b) The name of any individual who is a board member or  
2433 an officer or employee of the corporation shall not appear  
2434 upon any lottery ticket, lottery game, lottery form, or paper  
2435 used in playing any lottery game.

2436 (c) A board member or an officer or employee of the



2437 corporation who violates this section shall be removed from  
2438 office or dismissed from employment.

2439 (d) The prohibitions of subsection (a) and subsection  
2440 (c) do not apply to ex officio members of the board.

2441 (e) The State Ethics Commission shall administer and  
2442 enforce this section. The procedures and penalties provided  
2443 for in Chapter 25 of Title 36 shall apply to the  
2444 administration and enforcement of this section.

2445 §41-30-427. Skimming of lottery proceeds.

2446 (a) An individual may not knowingly exclude, or take  
2447 any action in an attempt to exclude, anything or its value  
2448 from the deposit, counting, collection, or computation of  
2449 gross revenues or net proceeds from lottery activities. A  
2450 person who violates this section commits the crime of skimming  
2451 of lottery proceeds.

2452 (b) An individual who commits the crime of skimming of  
2453 lottery proceeds shall be punished as follows:

2454 (1) If the offense involves less than one thousand  
2455 dollars (\$1,000), the individual is guilty of a Class C  
2456 felony.

2457 (2) If the offense involves one thousand dollars  
2458 (\$1,000) or more but less than ten thousand dollars (\$10,000),  
2459 the individual shall be guilty of a Class B felony. The  
2460 individual shall serve a minimum period of incarceration of  
2461 not less than three years without benefit of probation,  
2462 parole, or suspension of sentence.

2463 (3) If the offense involves ten thousand dollars  
2464 (\$10,000) or more, the individual shall be guilty of a Class B





2465 felony and shall serve a period of incarceration of not less  
2466 10 years nor more than 25 years without benefit of probation,  
2467 parole, or suspension of sentence.

2468 §41-30-428. Reserved.

2469 Reserved.

2470 §41-30-429. Lottery tickets.

2471 (a) The board may recommend rules for adoption to the  
2472 Alabama Gambling Commission providing for the form of lottery  
2473 tickets sold pursuant to this article.

2474 (b) Lottery tickets, including instant tickets, shall  
2475 be printed onto paper, plastic, or other tangible material;  
2476 provided, the form of any multi-jurisdiction lottery ticket  
2477 shall be subject to any requirement to participate in any  
2478 multi-jurisdiction draw-based lottery.

2479 §41-30-430. Financial integrity of lottery.

2480 (a) To ensure the financial integrity of the lottery,  
2481 the corporation through its board shall do all of the  
2482 following:

2483 (1) Compile and submit quarterly and annual reports and  
2484 financial statements.

2485 (2) Contract with an independent auditor who is a  
2486 certified public accountant or firm to conduct an annual  
2487 financial audit of the books and records of the corporation.  
2488 The cost of this annual financial audit shall be an operating  
2489 expense of the corporation. The independent auditor shall have  
2490 no financial interest in any vendor with whom the corporation  
2491 is under contract.

2492 (b) A contract for an independent auditor under this



2493 section shall be reviewed by and subject to the approval of  
2494 the Examiner of Public Accounts to ensure that the independent  
2495 auditor is qualified to perform the audit.

2496 (c) The audit shall be completed by January 1 of each  
2497 year.

2498 (d) A contract for audit services may not exceed a  
2499 period of five years and the same firm may not receive two  
2500 consecutive audit contracts.

2501 §41-30-431. Distribution of lottery funds.

2502 (a) Proceeds in the Alabama Education Lottery Trust  
2503 Fund shall be annually appropriated by and through an  
2504 independent supplemental appropriation bill for any  
2505 non-recurring expenses related to education, including, but  
2506 not limited to, the following:

2507 (1) The establishment and support of problem gambling  
2508 and gambling addiction treatment centers and programs.

2509 (2) The establishment and provision of a last-dollar  
2510 postsecondary scholarship program for in-state two-year  
2511 community and technical colleges and in-state four-year  
2512 institutions of higher education.

2513 (3) Support of dual enrollment costs at any public  
2514 two-year or four-year university in the state. Monies  
2515 distributed under this subdivision may be available to any  
2516 high school student who attends a public or private high  
2517 school or is homeschooled, who resides in this state, and who  
2518 has a 2.5 GPA or higher on a 4.0 scale and who obtain written  
2519 approval from his or her principal or administrator  
2520 equivalent.



2521 (4) Bonuses to state education employees and bonuses to  
2522 retirees of the Teachers' Retirement System.

2523 (5) The provision of funding for four-year institutions  
2524 of higher education for research purposes.

2525 (b) Proceeds in the Alabama Education Lottery Trust  
2526 Fund shall not be used for prison construction.

2527 §41-30-432. Rulemaking authority.

2528 The Alabama Gambling Commission may adopt rules subject  
2529 to the Alabama Administrative Procedure Act under Chapter 22  
2530 of Title 41 to implement and administer this article.

2531 Article 10. State Tax on Gambling Revenue.

2532 §41-30-450. State tax on gambling revenues;  
2533 distribution of proceeds.

2534 (a) Within 20 days after the end of each calendar  
2535 month, a licensed operator shall pay the applicable tax  
2536 assessed by the commission pursuant to Section 65.04 of the  
2537 Constitution of Alabama of 2022, for the immediately preceding  
2538 calendar month. The commission shall timely remit all of the  
2539 proceeds as follows:

2540 (1) Ninety-four percent of the total revenues generated  
2541 each month shall be allocated to the Gambling Proceeds Fund.

2542 (2) Three percent of the total revenues generated each  
2543 month shall be allocated among the counties where licensed  
2544 establishments are located on a pro rata basis based on the  
2545 share of net gambling revenue generated in each county. A  
2546 minimum of 15 percent of the amount received by each county  
2547 commission under this subdivision shall be distributed by the  
2548 commission to nonprofit organizations within the respective



2549 county.

2550 (3) Three percent of the total revenues generated each  
2551 month shall be allocated among the municipalities where  
2552 licensed establishments are located on a pro rata basis based  
2553 on the share of net gambling revenue generated in each  
2554 municipality; provided, if gambling activity is conducted  
2555 wholly outside the police jurisdiction of any municipality in  
2556 a county described in subdivision (2), the county shall  
2557 receive the revenues as provided under this subdivision.

2558 (b) If the net gambling revenues under subsection (a)  
2559 properly reflect a net loss, as substantiated by audit, for a  
2560 calendar month, an adjustment for the amount of any remaining  
2561 net loss shall be carried forward on the subsequent tax and  
2562 fee schedules until the loss is offset by the entity's net  
2563 gambling revenues.

2564 §41-30-451. State tax rate.

2565 (a) The initial tax rate for a licensed gambling  
2566 operator shall be 24 percent, which shall not be increased or  
2567 decreased for a period of five years following the effective  
2568 date of this act.

2569 (b) Following the initial period of five years, the  
2570 commission, by rule subject to the Administrative Procedure  
2571 Act, may adjust the tax rate not more than every five years,  
2572 subject to the limits of Section 65.04 of the Constitution of  
2573 Alabama of 2022.

2574 (c) Any tax adjustments under this section shall be  
2575 based on the following factors:

2576 (1) The number of electronic games of chance at a



2577 location.

2578 (2) The amount of any previous net gambling revenues  
2579 generated at the location.

2580 (3) The crime rate in the local jurisdiction.

2581 (4) The frequency with which law enforcement is  
2582 requested to respond to an incident at the location.

2583 (5) The needs of the local jurisdiction.

2584 (6) Any other factor deemed relevant by the commission.

2585 §41-30-452. Taxes in lieu of state and local taxes.

2586 (a) (1) Except for any fees levied pursuant to this  
2587 chapter, the tax on net gambling revenues levied under this  
2588 article shall be in lieu of all other state or local taxes,  
2589 license fees, or franchise fees levied with respect to the  
2590 conduct of any gambling activities or the operation of any  
2591 machines used to operate electronic games of chance.

2592 (2) Any operator's license fee payable to the state  
2593 pursuant to this chapter shall be in lieu of all other state  
2594 or local license fees or franchise fees levied with respect to  
2595 a licensee providing hotel services, dining, or services  
2596 ancillary to its gambling activities, if the activities are  
2597 conducted at licensed establishments, but such providers of  
2598 hotel services, dining, other facilities, or ancillary  
2599 services must meet the environmental, fire, health, and safety  
2600 requirements of other similarly situated license holders in  
2601 the county and municipality in which the facility is located.

2602 (3) Notwithstanding the foregoing, all licensed  
2603 operators are liable for all state and local property taxes,  
2604 lodging taxes, tobacco taxes, and sales and use taxes on



2605 merchandise sold in gift shops or retail stores, and food and  
2606 beverages. The taxes shall be generally applicable at uniform  
2607 rates to all similarly situated businesses operating in the  
2608 county and municipality in which the licensed establishment is  
2609 located, and except with respect to those taxes, fees, or  
2610 expenses expressly addressed in this chapter, all other state  
2611 or local taxes which are generally imposed by the state or a  
2612 local taxing entity if the taxes shall be generally applied at  
2613 rates uniformly applied within reasonable classifications  
2614 among all businesses operating in the county or municipality,  
2615 or both.

2616 §41-30-453. Gambling Proceeds Fund created;  
2617 distribution of proceeds.

2618 (a) The Gambling Proceeds Fund is created within the  
2619 State Treasury pursuant to Section 65.03 of the Constitution  
2620 of Alabama of 2022. Except as otherwise provided for lottery  
2621 proceeds in Article 9, all state gambling tax proceeds as  
2622 provided in Section 41-30-450 and all other fines, fees, and  
2623 other revenues collected under this chapter shall be deposited  
2624 into the fund and allocated and appropriated as provided in  
2625 this section.

2626 (b) Operating expenses of the commission shall be paid  
2627 from the Gambling Proceeds Fund and budgeted and allotted  
2628 pursuant to the Budget Management Act. As part of its  
2629 operating expenses, the commission shall pay back to the State  
2630 General Fund any startup costs and the cost of the special  
2631 election held to ratify the proposed constitutional amendment  
2632 in HB151; provided, all such startup costs shall be repaid by



2633 the commission to the State General Fund no later than  
2634 September 30, 2028.

2635 (c) The commission shall report annually in writing to  
2636 the Governor and the Legislature regarding its operational and  
2637 administrative expenses.

2638 (d) Following the appropriation of the operating  
2639 expenses of the commission, the Legislature shall annually  
2640 appropriate the net proceeds in the Gambling Proceeds Fund  
2641 through an independent supplemental appropriation bill for  
2642 non-education purposes only, including, but not limited to,  
2643 the following:

2644 (1) The provision of mental health care, including the  
2645 care and treatment of individuals with behavioral health needs  
2646 and developmental disabilities and associated prevention,  
2647 treatment, and recovery services and supports.

2648 (2) The provision of rural health care services and  
2649 telemedicine and virtual health care and the purchase of  
2650 qualified health benefit plans for adults with income below  
2651 138 percent of the federal poverty level and parents or other  
2652 caretaker relatives of dependent children with income between  
2653 14 and 138 percent of the federal poverty level to ensure  
2654 residents have adequate health care services and ambulatory  
2655 care. The Legislature shall determine which areas of the state  
2656 have a critical lack of health care services and ambulatory  
2657 care and shall each year prioritize these critical areas in  
2658 the supplemental appropriation.

2659 (3) The improvement, repair, and construction of roads,  
2660 bridges, and other infrastructure in counties and



2661 municipalities.

2662 (4) The development and improvement of state parks,  
2663 state forests, and historical sites.

2664 (5) The provision of non-recurring capital expenditures  
2665 for volunteer fire departments.

2666 (6) Bonuses to state employees and bonuses to retirees  
2667 of the Employees' Retirement System.

2668 (7) Non-recurring expenses relating to the  
2669 establishment and support of drug courts, veteran's courts,  
2670 and other court-approved deferred prosecution programs.

2671 (8) The development and operation of public transits.  
2672 §41-30-454. State tax abatement prohibited.

2673 To qualify as a capital investment project under  
2674 Sections 41-30-153(d)(9) or 41-30-154(a)(2), the capital  
2675 investment project may not be subject to the abatement of any  
2676 state taxes.

2677 Article 11. Disciplinary procedures.

2678 §41-30-500. Suspension, revocation, and forfeiture of  
2679 licenses.

2680 (a) A license issued under this chapter may be  
2681 suspended or revoked for cause by the commission for any of  
2682 the following reasons:

2683 (1) Failure to pay a license fee to the commission.

2684 (2) Failure to remit applicable state taxes on gambling  
2685 revenues as required by this chapter.

2686 (3) Failure to pay any fines and penalties assessed by  
2687 the commission.

2688 (4) A violation of a law governing gambling activities,





2689 rules of the commission relating to the gambling activities of  
2690 the licensee, or Section 17-5-15.2 for which all appeals have  
2691 been exhausted.

2692 (5) Failure to maintain the reasonable operation and  
2693 investment level, as determined by the commission, at a  
2694 licensed establishment for a period of 18 consecutive months.

2695 (b) In the event an operator's license is revoked as  
2696 provided in subsection (a), the commission may award the  
2697 revoked license to another qualified applicant pursuant to an  
2698 application process and in accordance with the application  
2699 procedures and suitability analysis set out under this  
2700 chapter, subject to the authorized locations provided in  
2701 Section 65(b)(2), Constitution of Alabama of 2022.

2702 (c) The commission shall adopt rules to implement and  
2703 administer this section.

2704 §41-30-501. Civil penalties.

2705 In addition to any criminal penalty provided by law,  
2706 the commission may assess a civil penalty, not to exceed one  
2707 hundred thousand dollars (\$100,000), on any person who  
2708 violates any provision of this chapter or a rule adopted by  
2709 the commission, whether or not the person is licensed under  
2710 this chapter.

2711 §41-30-502. Hearing procedures.

2712 (a) Except as otherwise provided by law, before the  
2713 commission may take any adverse action involving a licensee  
2714 under this article, including the assessment of a civil  
2715 penalty under Section 41-30-501, the commission shall give the  
2716 person against whom the action is contemplated an opportunity



2717 for a hearing before the members of the commission or a  
2718 hearing officer designated by the commission.

2719 (b) At least 30 days prior to any hearing under this  
2720 section, the commission shall give notice of the hearing to  
2721 the person by certified mail addressed to the last known  
2722 address of the person. The person may be represented by legal  
2723 counsel.

2724 (c) (1) If a person fails to comply with a subpoena  
2725 issued for purposes of this section, on petition of the  
2726 commission, the Court of Civil Appeals may compel obedience to  
2727 the subpoena.

2728 (2) If, after due notice, the person against whom the  
2729 action is contemplated fails or refuses to appear or provide  
2730 the item or items for which a subpoena was issued, the  
2731 commission or the commission's designated hearing officer may  
2732 hear and determine the matter.

2733 (d) Within 30 days of a final order or decision of the  
2734 commission in a contested case, any person aggrieved by the  
2735 final order or decision may file a petition for appeal in the  
2736 Court of Civil Appeals.

2737 Article 12. Prohibited conduct.

2738 §41-30-550. False statement on application prohibited.

2739 (a) It is unlawful for a person to knowingly make a  
2740 false statement on any application for a license under this  
2741 chapter or on an application for renewal of a license issued  
2742 under this chapter.

2743 (b) A person who violates this section shall be guilty  
2744 of a Class A misdemeanor.



2745 §41-30-551. Unlawful exertion of influence.

2746 (a) For the purposes of this section, the phrase  
2747 "person who is connected with a licensee" includes, but is not  
2748 limited to, any licensed operator or any officer or employee  
2749 of the licensee.

2750 (b) A person who is connected with a licensee may not  
2751 do any of the following:

2752 (1) Offer, promise, or give anything of value or  
2753 benefit to a person who has an ownership or financial interest  
2754 in, is employed by, or has a management services contract with  
2755 a licensee or to that person's spouse or any dependent child  
2756 or dependent parent, pursuant to an agreement or arrangement,  
2757 in fact or implied from the circumstances, with the intent  
2758 that the promise or thing of value or benefit will influence  
2759 the actions of the person in order to affect or attempt to  
2760 affect the outcome of any electronic game of chance, or to  
2761 influence official action of a member of the commission.

2762 (2) Solicit or knowingly accept or receive a promise of  
2763 anything of value or benefit while the person is connected  
2764 with a licensee under this chapter, pursuant to an  
2765 understanding or arrangement in fact or implied from the  
2766 circumstances, with the intent that the promise or thing of  
2767 value or benefit will influence the actions of the person to  
2768 affect or attempt to affect the outcome of any gambling  
2769 activity, or to influence official action of a member of the  
2770 commission.

2771 (c) A person who violates this section shall be guilty  
2772 of a Class C felony and shall be required to pay a fine of not



2773 more than one hundred thousand dollars (\$100,000).

2774 Section 2. (a) The Court of Civil Appeals shall have  
2775 and exercise original jurisdiction in all cases where the  
2776 Alabama Gambling Commission is made a party to the case and in  
2777 all appeals of a final order or decision of the Alabama  
2778 Gambling Commission under Article 11 of Chapter 30 of Title  
2779 41, Code of Alabama 1975.

2780 (b) When exercising its original jurisdiction under  
2781 this section, the Court of Civil Appeals may appoint, from  
2782 time to time, a hearing officer for the purpose of presiding  
2783 over and conducting hearings as may be necessary to the  
2784 orderly conduct of the cases that arise under this section.  
2785 The hearing officer shall be an attorney in good standing with  
2786 the Alabama State Bar. The hearing officer may not have an  
2787 interest in or be related to any of the parties. The  
2788 compensation of the hearing officer shall be fixed by the  
2789 Court of Civil Appeals and all expenses associated with the  
2790 compensation shall be paid out of the Gambling Proceeds Fund  
2791 as operating expenses of the Alabama Gambling Commission.

2792 (c) The general duties of the hearing officer shall be  
2793 to preside over and direct the course of cases arising under  
2794 this section for the purpose of preparing a report as  
2795 described in subsection (d). The hearing officer may do the  
2796 following on behalf of the Court of Civil Appeals:

2797 (1) Issue procedural orders setting dates, deadlines,  
2798 and timetables by which parties must submit or disclose  
2799 evidentiary material or notices related to the orderly conduct  
2800 of a contested case. The hearing officer may grant



2801 continuances or postponements of hearings at his or her  
2802 discretion.

2803 (2) Issue subpoenas, protective orders, and discovery  
2804 orders upon application of a party. The hearing officer may  
2805 impose reasonable conditions and limitations on discovery in a  
2806 contested case through limited written interrogatories,  
2807 document production, and depositions.

2808 (3) Impose reasonable conditions and limitations on the  
2809 parties' presentations during a contested case including, but  
2810 not limited to, prescribing reasonable limitations on  
2811 argument, prescribing the length of time allotted for the  
2812 presentation of a party's case, directing that evidence  
2813 relevant to the general character and reputation of the  
2814 licensee be submitted in writing by affidavit, prescribing  
2815 reasonable limitations upon the number of witnesses permitted  
2816 to testify as to the character and reputation of the licensee,  
2817 and requiring the parties to submit briefs or memoranda on  
2818 issues put forth before the court.

2819 (4) Issue orders and rulings related to the attendance  
2820 of parties, attorneys, and witnesses at hearings and  
2821 conferences.

2822 (5) Hold and preside over pre-conferences of parties as  
2823 may be necessary to the orderly conduct of the case.

2824 (6) Issue orders and rulings on all other matters of  
2825 procedure and law necessary to the orderly conduct of the  
2826 case. Dismissal of a complaint may only occur upon order of  
2827 the Court of Civil Appeals.

2828 (7) Administer oaths and certify the authenticity of



2829 documents when required in the discharge of their duties as  
2830 the hearing officer in the case.

2831 (d) The hearing officer shall prepare a report upon the  
2832 matters submitted to the hearing officer by the order of  
2833 reference and, if required to make findings of fact and  
2834 conclusions of law, the hearing officer shall set them forth  
2835 in the report. The hearing officer shall file the report with  
2836 the clerk of the court and serve on all parties notice of the  
2837 filing. The hearing officer shall include with the report a  
2838 transcript of the proceedings and of the evidence of the  
2839 original exhibits. The hearing officer shall serve a copy of  
2840 the report on each party.

2841 (e) Where no hearing officer is appointed by the Court  
2842 of Civil Appeals, the presiding judge of the court shall  
2843 preside during hearings and perform all other duties of the  
2844 hearing officer.

2845 (f) All proceedings under this section shall be  
2846 conducted insofar as practicable in the same manner as a civil  
2847 action in accordance with the applicable Alabama Rules of  
2848 Civil Procedure.

2849 Section 3. Sections 13A-12-20, 13A-12-21, 13A-12-22,  
2850 13A-12-23, 13A-12-24, 13A-12-25, 13A-12-26, 13A-12-27,  
2851 13A-12-28, 13A-12-30, Code of Alabama 1975, and Section  
2852 13A-11-9, Code of Alabama 1975, as last amended by Act  
2853 2023-245, 2023 Regular Session, are amended to read as  
2854 follows:

2855 "§13A-12-20

2856 The following definitions apply to this article:



2857 ~~(1) ADVANCE GAMBLING ACTIVITY. A person "advances~~  
2858 ~~gambling activity" if he engages in conduct that materially~~  
2859 ~~aids any form of gambling activity. Conduct of this nature~~  
2860 ~~includes but is not limited to conduct directed toward the~~  
2861 ~~creation or establishment of the particular game, contest,~~  
2862 ~~scheme, device or activity involved, toward the acquisition or~~  
2863 ~~maintenance of premises, paraphernalia, equipment or apparatus~~  
2864 ~~therefor, toward the solicitation or inducement of persons to~~  
2865 ~~participate therein, toward the actual conduct of the playing~~  
2866 ~~phases thereof, toward the arrangement of any of its financial~~  
2867 ~~or recording phases or toward any other phase of its~~  
2868 ~~operation. A person advances gambling activity if, having~~  
2869 ~~substantial proprietary control or other authoritative control~~  
2870 ~~over premises being used with his knowledge for purposes of~~  
2871 ~~gambling activity, he permits that activity to occur or~~  
2872 ~~continue or makes no effort to prevent its occurrence or~~  
2873 ~~continuation.~~

2874 ~~(2) BOOKMAKING. Advancing gambling activity by~~  
2875 ~~unlawfully accepting bets from members of the public as a~~  
2876 ~~business, rather than in a casual or personal fashion, upon~~  
2877 ~~the outcome of future contingent events.~~

2878 ~~(3) CONTEST OF CHANCE. Any contest, game, gaming scheme~~  
2879 ~~or gaming device in which the outcome depends in a material~~  
2880 ~~degree upon an element of chance, notwithstanding that skill~~  
2881 ~~of the contestants may also be a factor therein.~~

2882 (1) COMMISSION. The Alabama Gambling Commission  
2883 established under Chapter 30 of Title 41.

2884 ~~(4) GAMBLING. A person engages in gambling if he stakes~~



2885 ~~or risks something of value upon the outcome of a contest of~~  
2886 ~~chance or a future contingent event not under his control or~~  
2887 ~~influence, upon an agreement or understanding that he or~~  
2888 ~~someone else will receive something of value in the event of a~~  
2889 ~~certain outcome. Gambling does not include bona fide business~~  
2890 ~~transactions valid under the law of contracts, including but~~  
2891 ~~not limited to contracts for the purchase or sale at a future~~  
2892 ~~date of securities or commodities, and agreements to~~  
2893 ~~compensate for loss caused by the happening of chance,~~  
2894 ~~including but not limited to contracts of indemnity or~~  
2895 ~~guaranty and life, health or accident insurance.~~

2896 (2) ELECTRONIC GAME OF CHANCE. As defined under Section  
2897 41-30-2.

2898 (3) GAME or GAMBLING. Engaging in a game of chance or  
2899 otherwise staking or risking something of value upon the  
2900 outcome of a contest of chance or future contingent event not  
2901 under a player's control or influence, upon an agreement or  
2902 understanding that the player or someone else will receive  
2903 something of value in the event of a certain outcome. The term  
2904 does not include participation in charitable games or social  
2905 games conducted in accordance with Chapter 30 of Title 41.

2906 ~~(5) GAMBLING~~ (4) GAMBLING DEVICE. Any device, machine,  
2907 paraphernalia, or equipment that is normally used or usable in  
2908 the playing phases of any ~~gambling activity, whether that~~  
2909 ~~activity consists of gambling between persons or gambling by a~~  
2910 ~~person involving the playing of a machine. However, gambling~~  
2911 authorized by law and approved by the commission. The term  
2912 does not include lottery tickets, ~~policy slips and~~ other items





2913 used in the playing phases of lottery ~~and policy schemes are~~  
2914 ~~not gambling devices within this definition,~~ or antique slot  
2915 machines authorized under existing law.

2916 (5) GAMBLING ESTABLISHMENT. Any facility licensed by  
2917 the commission to conduct the operation of electronic games of  
2918 chance.

2919 ~~(6) LOTTERY or POLICY. An unlawful gambling scheme in~~  
2920 ~~which:~~

2921 ~~a. The players pay or agree to pay something of value~~  
2922 ~~for chances, represented and differentiated by numbers or by~~  
2923 ~~combinations of numbers or by some other medium, one or more~~  
2924 ~~of which chances are to be designated by the winning ones; and~~

2925 ~~b. The winning chances are to be determined by a~~  
2926 ~~drawing or by some other fortuitous method; and~~

2927 ~~c. The holders of the winning chances are to receive~~  
2928 ~~something of value.~~

2929 (6) LOTTERY or LOTTERY GAME. As defined under Section  
2930 41-30-2.

2931 (7) LOTTERY TICKET or TICKET. Tickets or other tangible  
2932 evidence of participation used in lottery games.

2933 ~~(7) (8) PARI-MUTUEL WAGERING, ~~MUTUEL or THE NUMBERS~~~~  
2934 ~~GAME. A form of lottery. Wagering in which the winning chances~~  
2935 ~~or plays are not determined upon the basis of a drawing or~~  
2936 ~~other act on the part of persons conducting or connected with~~  
2937 ~~the scheme, but upon the basis of the outcome of a future~~  
2938 ~~contingent event or events otherwise unrelated to the~~  
2939 ~~particular scheme.~~

2940 ~~(8) (9) PLAYER. A person who engages in any form of~~



2941 ~~gambling~~gambling solely as a contestant or bettor, without  
2942 receiving or becoming entitled to receive any profit therefrom  
2943 other than personal ~~gambling~~gambling winnings, and without  
2944 otherwise rendering any material assistance to the  
2945 establishment, conduct, or operation of the particular  
2946 ~~gambling~~gambling activity.

2947 ~~(9)~~ (10) PROFIT FROM ~~GAMBLING~~ UNLAWFUL GAMBLING  
2948 ACTIVITY. ~~A person "profits from gambling activity" if he~~  
2949 ~~accepts or receives~~ The acceptance or receipt of money or  
2950 other property pursuant to an agreement or understanding with  
2951 any person whereby he or she shares or is to share in the  
2952 proceeds of ~~gambling~~unlawful gambling activity.

2953 ~~(10)~~ (11) SLOT MACHINE. A ~~gambling~~gambling device that,  
2954 as a result of the insertion of a coin or other object,  
2955 operates, either completely automatically or with the aid of  
2956 some physical act by the player, in ~~such~~ a manner that,  
2957 depending upon elements of chance, ~~it~~ the gambling device may  
2958 eject something of value. A device so constructed or readily  
2959 adaptable or convertible to such use is no less a slot machine  
2960 because it is not in working order or because some mechanical  
2961 act of manipulation or repair is required to accomplish its  
2962 adaptation, conversion, or workability. Nor is it any less a  
2963 slot machine because apart from its use or adaptability as  
2964 such it may also sell or deliver something of value on a basis  
2965 other than chance. The term includes any gambling device that  
2966 meets the definition of slot machine as defined under 15  
2967 U.S.C. § 1171(a)(1).

2968 ~~(11)~~ (12) SOMETHING OF VALUE. Any money or property, any



2969 token, object, or article exchangeable for money or property,  
2970 or any form of credit or promise directly or indirectly  
2971 contemplating a transfer of money or property or of any  
2972 interest therein, or involving extension of a service  
2973 entertainment or a privilege of playing at a game or scheme  
2974 without charge.

2975 ~~(12)~~ (13) UNLAWFUL GAMBLING ACTIVITY. ~~Not~~ A game or  
2976 gambling activity that is not specifically authorized by  
2977 general law or rule of the commission."

2978 "§13A-12-21

2979 (a) A person commits the crime of ~~simple~~  
2980 ~~gambling~~ unlawful gambling if he or she knowingly ~~advances or~~  
2981 profits from or participates in unlawful ~~gambling~~ gambling  
2982 activity as a player.

2983 (b) It is a defense to a prosecution under this section  
2984 that a person charged ~~with being a player~~ with violating this  
2985 section was engaged in playing a social game ~~in a private~~  
2986 ~~place~~ pursuant to Section 41-30-350. The burden of injecting  
2987 the issue is on the defendant, but this does not shift the  
2988 burden of proof.

2989 (c) ~~Simple gambling~~ Unlawful gambling is a Class ~~C~~ A  
2990 misdemeanor."

2991 "§13A-12-22

2992 (a) A person commits the crime of promoting ~~gambling~~  
2993 unlawful gambling activity if he or she knowingly ~~advances or~~  
2994 profits from unlawful ~~gambling~~ gambling activity otherwise  
2995 than as a player, or if having substantial proprietary control  
2996 or other authoritative control over any premises being used to



2997 conduct unlawful gambling activity, he or she permits that  
2998 unlawful gambling activity to occur or makes no effort to  
2999 prevent its occurrence or continuation.

3000 (b) (1) Promoting ~~gambling~~ unlawful gambling activity is  
3001 a ~~Class A misdemeanor~~ Class D felony.

3002 (2) Notwithstanding subdivision (1), on a second or  
3003 subsequent conviction of this section, promoting unlawful  
3004 gambling activity is a Class B felony, and all equipment,  
3005 money, and premises used to facilitate the offense shall be  
3006 subject to forfeiture pursuant to the procedures set forth in  
3007 Section 20-2-93."

3008 "§13A-12-23

3009 (a) A person commits the crime of conspiracy to promote  
3010 ~~gambling~~ unlawful gambling activities if ~~he~~ the person conspires  
3011 ~~to advance or~~ profit from ~~gambling~~ unlawful gambling activity  
3012 otherwise than as a player.

3013 (b) ~~"Conspire"~~ For the purposes of this section,  
3014 "conspire" means to engage in activity constituting a criminal  
3015 conspiracy as defined in Section 13A-4-3.

3016 (c) (1) Conspiracy to promote ~~gambling~~ unlawful gambling  
3017 activity is a ~~Class A misdemeanor~~ Class D felony.

3018 (2) Notwithstanding subdivision (1), on a second or  
3019 subsequent conviction of this section, conspiracy to promote  
3020 unlawful gambling activity is a Class B felony, and all  
3021 equipment, money, and premises used to facilitate the offense  
3022 shall be subject to forfeiture pursuant to the procedures set  
3023 forth in Section 20-2-93."

3024 "§13A-12-24



3025 (a) A person commits the crime of unlawful possession  
3026 of ~~gambling~~gambling records in the first degree if, with  
3027 knowledge of the contents thereof, ~~he~~the person possesses any  
3028 writing, paper, instrument, or article commonly used in any of  
3029 the following:

3030 (1) ~~Of a kind commonly used in the operation or~~  
3031 ~~promotion of a bookmaking scheme or enterprise,~~The operation  
3032 or promotion of any sports wagering activity and constituting,  
3033 reflecting, or representing more than five ~~bets,~~wagers or more  
3034 than ~~\$500.00; or~~five thousand dollars (\$5,000).

3035 (2) ~~Of a kind commonly used in the operation, promotion~~  
3036 ~~or playing of a lottery or mutuel scheme or enterprise,~~The  
3037 operation, promotion, or playing of a lottery game not  
3038 authorized by general law or the Alabama Lottery Corporation  
3039 and constituting, reflecting, or representing more than five  
3040 plays or chances ~~therein.~~

3041 (3) The operation, promotion, or playing of an  
3042 electronic game of chance or other gambling activity not  
3043 authorized by general law or rule of the commission.

3044 (b) (1) Possession of gamblingUnlawful possession of  
3045 gambling records in the first degree is a ~~Class A~~  
3046 ~~misdemeanor~~Class D felony.

3047 (2) Notwithstanding subdivision (1), on a second or  
3048 subsequent conviction of this section, unlawful possession of  
3049 gambling records in the first degree is a Class B felony, and  
3050 all equipment, money, and premises used to facilitate the  
3051 offense shall be subject to forfeiture pursuant to the  
3052 procedures set forth in Section 20-2-93."



3053 "§13A-12-25

3054 (a) A person commits the crime of unlawful possession  
3055 of ~~gambling~~ gambling records in the second degree if, with  
3056 knowledge of the contents thereof, he or she possesses any  
3057 writing, paper, instrument, or article commonly used in either  
3058 of the following:

3059 (1) ~~Of a kind commonly and peculiarly used in the~~The  
3060 operation or promotion of ~~a bookmaking scheme or enterprise;~~  
3061 ~~or~~sports wagering.

3062 (2) ~~Of a kind commonly and peculiarly used in the~~The  
3063 operation, promotion, or playing of a lottery~~or mutuel scheme~~  
3064 ~~or enterprise~~ game not authorized by general law or rule of  
3065 the commission.

3066 (b) (1) ~~Possession~~Unlawful possession of  
3067 ~~gambling~~gambling records in the second degree is a ~~Class A~~  
3068 ~~misdemeanor~~Class D felony.

3069 (2) Notwithstanding subdivision (1), on a second or  
3070 subsequent conviction of this section, unlawful possession of  
3071 gambling records in the second degree is a Class B felony, and  
3072 all equipment, money, and premises used to facilitate the  
3073 offense shall be subject to forfeiture pursuant to the  
3074 procedures set forth in Section 20-2-93."

3075 "§13A-12-26

3076 A person does not commit the crime of unlawful  
3077 possession of ~~gambling~~ gambling records ~~in either~~  
3078 ~~degree~~pursuant to Sections 13A-12-24 or 13A-12-25 if the  
3079 writing, paper, instrument, or article possessed by the  
3080 defendant is neither used nor intended to be used in the



3081 operation or promotion of ~~a bookmaking scheme or~~  
3082 ~~enterprise~~ unlawful sports wagering, or in the operation,  
3083 promotion, or playing of ~~a an unlawful~~ lottery ~~or mutuel scheme~~  
3084 ~~or enterprise~~ game as described under Section 13A-12-24(a)(2)  
3085 or 13A-12-25(a)(2). The burden of injecting the issue is on  
3086 the defendant, but this does not shift the burden of proof."

3087 "§13A-12-27

3088 (a) A person commits the crime of unlawful possession  
3089 of a ~~gambling~~ gambling device if, with knowledge of the  
3090 character ~~thereof~~ of the gambling device, he or she  
3091 manufactures, sells, transports, places, or possesses, or  
3092 conducts or negotiates any transaction affecting or designed  
3093 to affect ownership, custody, or use of, either of the  
3094 following:

3095 (1) ~~Aslot machine, unless exempted pursuant to~~  
3096 ~~subsection (c); or~~ An electronic game of chance not authorized  
3097 by law or rule of the commission.

3098 (2) ~~Any other gambling device, with the intention that~~  
3099 ~~it~~ A gambling device to be used in ~~the advancement of any~~  
3100 unlawful ~~gambling~~ gambling activity.

3101 (b) (1) ~~Possession~~ Unlawful possession of a ~~gambling~~  
3102 gambling device is a Class ~~A misdemeanor~~ D felony.

3103 (2) Notwithstanding subdivision (1), on a second or  
3104 subsequent conviction of this section, unlawful possession of  
3105 a gambling device is a Class B felony, and all equipment,  
3106 money, and premises used to facilitate the offense shall be  
3107 subject to forfeiture pursuant to the procedures set forth in  
3108 Section 20-2-93.



3109 (c) The crime of unlawful possession of a ~~gambling~~  
3110 gambling device does not apply to a slot machine manufactured  
3111 before 1960, with the intention that the slot machine be used  
3112 only for the personal and private use of the owner or for  
3113 public display as a historical artifact in a manner that the  
3114 slot machine is not accessible to the public."

3115 "§13A-12-28

3116 (a) Proof of possession of any ~~gambling~~gambling device,  
3117 as defined ~~by subdivision (5) of~~in Section 13A-12-20, or any  
3118 ~~gambling~~unlawful gambling record, as specified in Sections  
3119 13A-12-24 and 13A-12-25, is prima facie evidence of possession  
3120 ~~thereof~~ with knowledge of its character or contents.

3121 (b) In any prosecution under this article in which it  
3122 is necessary to prove the occurrence of a sporting event,  
3123 either of the following shall be admissible and shall be prima  
3124 facie proof of the occurrence of the event:

3125 (1) ~~a~~A published report of its occurrence in any daily  
3126 newspaper, magazine, or other periodically printed publication  
3127 of general circulation, ~~or~~.

3128 (2) ~~evidence~~Evidence that a description of some aspect  
3129 of the event was written, printed, or otherwise noted at the  
3130 place in which a violation of this chapter is alleged to have  
3131 been committed, ~~shall be admissible in evidence and shall~~  
3132 ~~constitute prima facie proof of the occurrence of the event."~~

3133 "§13A-12-30

3134 (a) Any ~~gambling~~gambling device or ~~gambling~~gambling  
3135 record unlawfully possessed or used in violation of this  
3136 article ~~is forfeited to the state, and shall by court order be~~





3137 ~~destroyed or otherwise disposed of as the court directs~~shall  
3138 be subject to forfeiture pursuant to the procedures set forth  
3139 in Section 20-2-93.

3140 (b) Any vehicle possessed or used in violation of this  
3141 article ~~may be forfeited to the state and disposed of by court~~  
3142 ~~order as authorized by law~~shall be subject to forfeiture  
3143 pursuant to the procedures set forth in Section 20-2-93.

3144 (c) Money used as ~~bets~~wagers or stakes in  
3145 ~~gambling~~unlawful gambling activity in violation of this  
3146 article ~~is forfeited to the state and by court order shall be~~  
3147 ~~transmitted to the General Fund of the state~~shall be subject  
3148 to forfeiture pursuant to the procedures set forth in Section  
3149 20-2-93."

3150 "§13A-11-9

3151 (a) A person commits the crime of loitering if he or  
3152 she does any of the following:

3153 (1) Loiters, remains, or wanders about in a public  
3154 place for the purpose of begging.

3155 (2) Loiters or remains in a public place for the  
3156 purpose of ~~gambling~~unlawful gambling pursuant to Section  
3157 13A-12-21.

3158 (3) Loiters or remains in a public place for the  
3159 purpose of engaging or soliciting another person to engage in  
3160 prostitution or sodomy, as defined under Section 13A-6-60.

3161 (4) Being masked, loiters, remains, or congregates in a  
3162 public place.

3163 (5) Loiters or remains in or about a school, college,  
3164 or university building or grounds after having been told to



3165 leave by any authorized official of the school, college, or  
3166 university, not having any reason or relationship involving  
3167 custody of or responsibility for a pupil or any other  
3168 specific, legitimate reason for being there, and not having  
3169 written permission from a school, college, or university  
3170 administrator.

3171 (6) Loiters or remains in any transportation facility,  
3172 unless specifically authorized to do so, for the purpose of  
3173 soliciting or engaging in any business, trade, or commercial  
3174 transactions involving the sale of merchandise or services.

3175 (7) Loiters or remains in any place with one or more  
3176 persons for the purpose of unlawfully using or possessing a  
3177 dangerous drug.

3178 (8) Loiters, or remains, on a public roadway maintained  
3179 by the state or the right-of-way of a public roadway  
3180 maintained by the state.

3181 (b) A person does not commit a crime under subdivision  
3182 (a) (4) if he or she is going to or from or staying at a  
3183 masquerade party, or is participating in a public parade or  
3184 presentation of an educational, religious, or historical  
3185 character or in an event as defined in Section 13A-11-140.

3186 ~~(c) Sodomy in subdivision (a) (3) is defined as in~~  
3187 ~~Section 13A-6-60.~~

3188 ~~(d) (c) Dangerous drug in subdivision (a) (7)~~ As used in  
3189 this section, "dangerous drug" means any narcotic, drug, or  
3190 controlled substance as defined in Chapter 2 of Title 20 and  
3191 any schedule incorporated therein.

3192 ~~(e) (d)~~ Loitering is a violation. A second or subsequent



3193 violation of this section in the same jurisdiction is a Class  
3194 C misdemeanor.

3195 ~~(f)~~ ~~(1)~~ (e) (1) Prior to making an arrest for a violation  
3196 of subdivision (a) (1), a law enforcement officer may instruct  
3197 any person in violation of subdivision (a) (1) to immediately  
3198 and peaceably exit the public roadway maintained by the state  
3199 or the right-of-way of the public roadway maintained by the  
3200 state.

3201 (2)a. Prior to making an arrest for an initial  
3202 violation of subdivision (a) (1), a law enforcement officer may  
3203 offer to transport any person in violation of subdivision  
3204 (a) (1) to a location in the jurisdiction that offers emergency  
3205 housing, if applicable.

3206 b. If a person accepts an offer made pursuant to  
3207 subdivision (1), a law enforcement officer may transport the  
3208 person accordingly.

3209 ~~(g)~~ (f) Any actions undertaken by a law enforcement  
3210 officer pursuant to this section shall be subject to Section  
3211 36-1-12."

3212 Section 4. Sections 13A-12-32 through 13A-12-36,  
3213 inclusive, are added to Division 1 of Article 2 of Chapter 12  
3214 of Title 13A, Code of Alabama 1975, to read as follows:

3215 §13A-12-32

3216 (a) It is unlawful to intentionally use or possess, at  
3217 a licensed gambling establishment, an electronic, electrical,  
3218 or mechanical device that is designed, constructed, or  
3219 programmed to assist the user or another person to do any of  
3220 the following:



3221 (1) Predict the outcome of any electronic game of  
3222 chance.

3223 (2) Analyze the probability of the occurrence of an  
3224 event relating to any electronic game of chance.

3225 (3) Obtain an unlawful advantage in playing any  
3226 electronic game of chance.

3227 (b) A licensed gambling establishment shall post notice  
3228 of this prohibition and the penalties for violations in a  
3229 manner determined by the commission.

3230 (c) A violation of this section is a Class A  
3231 misdemeanor.

3232 §13A-12-33

3233 (a) It is unlawful for any individual to cheat at any  
3234 electronic game of chance.

3235 (b) A violation of this section is a Class A  
3236 misdemeanor.

3237 §13A-12-34

3238 (a) It is unlawful to instruct an individual in  
3239 cheating or in the use of a device for that purpose, with the  
3240 knowledge or intent that the information or use may be  
3241 employed to violate Chapter 30 of Title 41, this chapter, or  
3242 rules adopted by the commission.

3243 (b) A violation of this section is a Class D felony.

3244 §13A-12-35

3245 (a) It is unlawful for an individual, other than a  
3246 licensed gambling establishment employee or agent acting in  
3247 furtherance of his or her employment, to have in his or her  
3248 possession on the grounds of a licensed gambling



3249 establishment, or grounds contiguous to the licensed gambling  
3250 establishment, any device intended to be used to violate  
3251 Chapter 30 of Title 41, this chapter, or a rule of the  
3252 commission.

3253 (b) A violation of this section is a Class D felony.  
3254 §13A-12-36

3255 (a) It is unlawful for an individual, other than a  
3256 gambling establishment employee or agent acting in furtherance  
3257 of his or her employment, to have in his or her possession,  
3258 within a licensed gambling establishment facility, a key or  
3259 device known to have been designed for the purpose of opening,  
3260 entering, or affecting the operation of any electronic game of  
3261 chance, drop box, or any electronic or mechanical device  
3262 connected thereto, or for removing money, tokens, chips, or  
3263 any other contents.

3264 (b) A violation of this section is a Class D felony.

3265 Section 5. Section 17-5-15.2 is added to Chapter 5,  
3266 Title 17 of the Code of Alabama 1975, to read as follows:

3267 §17-5-15.2. Prohibited contributions by gambling  
3268 interests.

3269 (a) The Legislature finds as follows:

3270 (1) Concerns with gambling-related corruption have long  
3271 been a motivating factor for maintaining strict prohibitions  
3272 on gambling in Alabama.

3273 (2) Notwithstanding the state's historically strict  
3274 prohibitions on gambling, the state has experienced multiple  
3275 instances of actual or apparent corruption in which  
3276 gambling-related interests have sought, or appear to have



3277 sought, to corruptly influence public officials in the  
3278 exercise of their official duties.

3279 (3) The state also recognizes the history of  
3280 gambling-related corruption that has occurred outside of the  
3281 State of Alabama.

3282 (4) The purpose of this section is to prevent quid pro  
3283 quo corruption or any appearance thereof. Avoiding corruption  
3284 and the appearance of corruption is a necessary condition of  
3285 authorizing any type of gambling in the State of Alabama.

3286 (b) The following persons are prohibited or otherwise  
3287 restricted from making contributions or expenditures to a  
3288 principal campaign committee of a candidate for state or local  
3289 office in the State of Alabama or a political action committee  
3290 that contributes to any candidate for state or local office in  
3291 the State of Alabama or from making an electioneering  
3292 communication:

3293 (1) A person that holds a license to operate a licensed  
3294 gambling establishment issued by the Alabama Gambling  
3295 Commission or a person that holds any financial interest in an  
3296 entity that holds such a license.

3297 (2) A person that executes a compact with the state  
3298 pursuant to Section 65.05 of the Constitution of Alabama of  
3299 2022, or a person that holds any financial interest in an  
3300 entity that executes such a compact with the state.

3301 (3) A person that holds any financial interest in the  
3302 buildings, facilities, or rooms connected, adjacent, or  
3303 ancillary to the conduct of any gambling activity pursuant to  
3304 a license issued by the commission or pursuant to a compact



3305 with the state pursuant to Section 65.05 of the Constitution  
3306 of Alabama of 2022.

3307 (4) An officer or managerial employee of any person  
3308 identified in this subsection.

3309 (5) A person that holds any financial interest in any  
3310 entity identified in this subsection.

3311 (6) A separate segregated fund, including a fund  
3312 established under Section 17-5-14.1, of any person identified  
3313 in this subsection.

3314 (7) Any manufacturer or provider of gambling equipment,  
3315 as defined under Section 41-30-2.

3316 (8) Any management services provider, as defined under  
3317 Section 41-30-2.

3318 (c) Any person identified in subsection (b) is also  
3319 prohibited from making contributions to a principal campaign  
3320 committee or a political action committee that contributes to  
3321 any candidate for state or local office in the State of  
3322 Alabama through a legal entity established, directed, or  
3323 controlled by that person.

3324 (d) No agent of a principal campaign committee of a  
3325 candidate for state or local office in the State of Alabama or  
3326 a political action committee shall knowingly accept a  
3327 contribution from any person identified in subsection (b) if  
3328 the principal campaign committee or political action committee  
3329 has contributed to a candidate for state or local office in  
3330 the State of Alabama or is reasonably likely to contribute to  
3331 a candidate for state or local office in the State of Alabama.

3332 (e) No person identified in subsection (b) shall



3333 provide a monetary or in-kind donation to an inaugural  
3334 committee or legislative caucus organization in this state;  
3335 and no agent of an inaugural committee or legislative caucus  
3336 organization shall accept a monetary or in-kind donation from  
3337 a person known by the agent to be a person identified in  
3338 subsection (b).

3339 (f) Any person who knowingly or intentionally violates  
3340 this section shall be guilty of a Class A misdemeanor.

3341 (g) For the purposes of this section, "person" includes  
3342 a federally recognized Indian tribe.

3343 Section 6. Sections 8-1-150 and 8-1-151, Code of  
3344 Alabama 1975, are amended to read as follows:

3345 "§8-1-150

3346 (a) All contracts founded in whole or in part on ~~a~~  
3347 ~~gambling~~unlawful gambling consideration are void. Any ~~person~~  
3348 individual who has paid any money or delivered any thing of  
3349 value lost upon any unlawful game or wager may recover such  
3350 money, thing, or its value by an action commenced within six  
3351 months from the time of such payment or delivery.

3352 (b) Any other person may also recover the amount of  
3353 such money, thing, or its value by an action commenced within  
3354 12 months after the payment or delivery thereof for the use of  
3355 ~~the wife or, if no wife, the~~ the individual's spouse or  
3356 children or, if no children, the next of kin ~~of the loser~~.

3357 (c) A judgment under either subsection (a) or (b) for  
3358 the amount of money paid, thing delivered, or its value is a  
3359 good defense to any action brought for such money, thing, or  
3360 its value under ~~the provisions of~~ the other subsection.





3361 (d) A judgment recovered under ~~the provisions of~~ this  
3362 section is a defense to any proceeding on any garnishment  
3363 served after the recovery of such judgment, and the court may  
3364 make any order staying proceedings as may be necessary to  
3365 protect the rights of the defendant.

3366 (e) For purposes of this section, a game, wager, or  
3367 gambling consideration is unlawful if it is part of any  
3368 gambling activity that is not approved by the Alabama Gambling  
3369 Commission."

3370 "§8-1-151

3371 (a) Any creditor of a losing party under ~~a gambling an~~  
3372 unlawful gambling contract may garnish the winner as other  
3373 debtors are garnished at any time within two years from the  
3374 payment of such money or delivery of such thing, ~~and if such.~~  
3375 If the garnishee fails to appear, judgment may be entered  
3376 against him or her as against other garnishees failing to  
3377 answer, but the answer of a garnishee shall not be evidence  
3378 against him or her in a criminal prosecution.

3379 (b) A judgment recovered by a creditor under ~~the~~  
3380 ~~provisions of~~ this section is a defense to any action brought  
3381 by any person under ~~the provisions of~~ Section 8-1-150.

3382 (c) For purposes of this section, a game, wager, or  
3383 gambling consideration is unlawful if it is part of any of  
3384 gambling activity that is not approved by the Alabama Gambling  
3385 Commission."

3386 Section 7. Section 38-4-14, Code of Alabama 1975, is  
3387 amended to read as follows:

3388 "§38-4-14



3389 (a) For the purposes of this section, the term "public  
3390 assistance benefits" means money or property provided directly  
3391 or indirectly to eligible persons through programs of the  
3392 federal government, the state, or any political subdivision  
3393 thereof, and administered by the Alabama Department of Human  
3394 Resources.

3395 (b) (1) A recipient of public assistance benefits may  
3396 not use any portion of the benefits for the purchase of any  
3397 alcoholic beverage, tobacco product, or lottery ticket or for  
3398 playing any form of gambling activity without regard to  
3399 whether the activity is authorized by or conducted in  
3400 accordance with Section 65 of the Constitution of Alabama of  
3401 2022, and the laws of this state. Any person who violates this  
3402 subsection shall reimburse the Alabama Department of Human  
3403 Resources for the purchase and shall be subject to the  
3404 following sanctions:

3405 a. Upon the first violation, the person shall be  
3406 disqualified from receiving public assistance benefits by  
3407 means of direct cash payment or an electronic benefits  
3408 transfer access card for one month.

3409 b. Upon the second violation, the person shall be  
3410 disqualified from receiving public assistance benefits by  
3411 means of direct cash payment or electronic benefits transfer  
3412 access card for three months.

3413 c. Upon a third or subsequent violation, the person  
3414 shall be permanently disqualified from receiving public  
3415 assistance benefits by means of direct cash payment or an  
3416 electronic benefits transfer access card.



3417 (2) A person who is disqualified from receiving public  
3418 assistance benefits under this subsection shall have the right  
3419 to a hearing pursuant to the Alabama Administrative Procedure  
3420 Act.

3421 (c) (1) A cash recipient of public assistance benefits  
3422 may not withdraw or use cash benefits by means of an  
3423 Electronic Benefits Transfer transaction for the purchase of  
3424 goods or services in a retail establishment the primary  
3425 purpose of which is the sale of alcoholic beverages, a casino,  
3426 a tattoo or body piercing facility, a facility providing  
3427 psychic services, or an establishment that provides  
3428 adult-oriented entertainment in which performers disrobe or  
3429 perform in an unclothed state. Any person who violates this  
3430 subsection shall reimburse the [Alabama](#) Department of Human  
3431 Resources for the amount withdrawn and used and shall be  
3432 subject to the following sanctions:

3433 a. Upon the first violation, the person shall be  
3434 disqualified from receiving public assistance benefits by  
3435 means of direct cash payment or an electronic benefits  
3436 transfer access card for a period of one month.

3437 b. Upon the second violation, the person shall be  
3438 disqualified from receiving public assistance benefits by  
3439 means of direct cash payment or electronic benefits transfer  
3440 access card for a period of three months.

3441 c. Upon a third or subsequent violation, the person  
3442 shall be permanently disqualified from receiving public  
3443 assistance benefits by means of direct cash payment or an  
3444 electronic benefits transfer access card.



3445 (2) A person who is disqualified from receiving public  
3446 assistance benefits under this subsection shall have the right  
3447 to a hearing pursuant to the Alabama Administrative Procedure  
3448 Act.

3449 (d) If a parent is deemed permanently disqualified from  
3450 receiving public assistance benefits under subsection (b) or  
3451 (c), the dependent child or other adult family member's  
3452 eligibility for public assistance benefits is not affected.

3453 (1) An appropriate protective payee shall be designated  
3454 to receive benefits on behalf of the child members.

3455 (2) The parent may choose to designate another person  
3456 to receive benefits for the minor child members. The  
3457 designated person must be an immediate family member or, if an  
3458 immediate family member is not available or the family member  
3459 declines the option, another person may be designated. The  
3460 designated person must be approved by the department.

3461 (e) The [Alabama](#) Department of Human Resources shall  
3462 inform all applicants for and recipients of public assistance  
3463 benefits of the restrictions contained in this section and the  
3464 penalties for violating those restrictions through any means  
3465 practical.

3466 (f) (1) The [Alabama](#) Department of Human Resources shall  
3467 consult with providers of automatic teller machine services to  
3468 consider the implementation of a program or method of blocking  
3469 access to cash benefits from an electronic benefits transfer  
3470 access card issued by the department at automatic teller  
3471 machines located in or at a retail establishment the primary  
3472 purpose of which is the sale of alcoholic beverages, a casino,



3473 a tattoo facility, a facility providing psychic services, or  
3474 an establishment that provides adult-oriented entertainment in  
3475 which performers disrobe or perform in an unclothed state. If  
3476 the department determines the implementation of a program is  
3477 feasible, the department shall initiate the program by October  
3478 1, 2015.

3479 (2) If the department requires a federal waiver to  
3480 comply with this section, the department shall apply  
3481 immediately for the federal waiver.

3482 (g) The [Alabama](#) Department of Human Resources shall  
3483 adopt rules to implement this section.

3484 (h) (1) The Alabama Department of Human Resources shall  
3485 perform a monthly incarceration match to obtain information to  
3486 assist in determining eligibility for public assistance  
3487 benefits based on incarceration status.

3488 (2) If the department determines that a recipient of  
3489 public assistance benefits is incarcerated at the time the  
3490 incarceration match is performed, the department shall not  
3491 issue an electronic benefits transfer access card to the  
3492 incarcerated recipient. If an electronic benefits transfer  
3493 access card has already been issued to the incarcerated  
3494 recipient, the department shall deactivate the card.

3495 (i) The department shall perform a monthly match using  
3496 the United States Social Security Death Index Database to  
3497 determine if a recipient is deceased. If the department  
3498 determines that the recipient is deceased at the time the  
3499 index match is performed, the department shall not issue an  
3500 electronic benefits transfer access card. If an electronic



3501 benefits transfer access card has already been issued to the  
3502 deceased recipient, the department shall deactivate the card."

3503 Section 8. The following sections of the Code of  
3504 Alabama 1975 are repealed:

3505 (1) Section 11-47-111, Code of Alabama 1975, relating  
3506 to prohibition of gambling houses.

3507 (2) Section 13A-12-29, Code of Alabama 1975, relating  
3508 to lotteries drawn outside of the state.

3509 (3) Division 2, comprised of Sections 13A-12-50 through  
3510 13A-12-58, of Article 2 of Chapter 12 of Title 13A, Code of  
3511 Alabama 1975, relating to suppression of gambling places.

3512 (4) Division 3, comprised of Sections 13A-12-70 through  
3513 13A-12-76, of Article 2 of Chapter 12 of Title 13A, Code of  
3514 Alabama 1975, relating to the transportation of lottery  
3515 paraphernalia.

3516 (5) Division 4, comprised of Sections 13A-12-90 through  
3517 13A-12-92, of Article 2 of Chapter 12 of Title 13A, Code of  
3518 Alabama 1975, relating to the federal wagering occupational  
3519 tax stamp.

3520 Section 9. In the event the proposed constitutional  
3521 amendment in House Bill 151 of the 2024 Regular Session is not  
3522 ratified at the August 20, 2024 Special Election, this act  
3523 shall be repealed.

3524 Section 10. Between the effective date of this act and  
3525 the passage of the constitutional amendment proposed in House  
3526 Bill 151 of the 2024 Regular Session, this act shall be  
3527 implemented to whatever extent it is not in conflict with the  
3528 Constitution of Alabama of 2022. Nothing in this act shall be



3529 construed to authorize any gambling activity prior to  
3530 ratification of the constitutional amendment proposed by House  
3531 Bill 151 of the 2024 Regular Session.

3532           Section 11. This act shall become effective upon  
3533 ratification of the amendment to the Constitution of Alabama  
3534 of 2022 proposed in House Bill 151 of the 2024 Regular  
3535 Session.