

1 HB545
2 200083-1
3 By Representatives McCampbell and Howard (Constitutional
4 Amendment)
5 RFD: Local Legislation
6 First Read: 02-MAY-19

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8 SYNOPSIS: Under existing law, bingo may be played in
9 Greene County pursuant to Amendment 743 to the
10 Constitution of Alabama of 1901.

11 This bill proposes the repeal of Amendment
12 743 and proposes a local amendment to the
13 Constitution of Alabama of 1901, to provide that in
14 Greene County, the game of bingo authorized by the
15 amendment may be played on any electronic machine
16 or device that is authorized pursuant to specified
17 federal law; to limit bingo gaming in Greene County
18 to qualified persons licensed by the Greene County
19 Gaming Commission; to levy a state gross receipts
20 tax and a local gross receipts tax on bingo gaming
21 revenue of each bingo licensee; to levy a tax on
22 vendors of bingo gaming equipment; to provide for
23 the allocation of the proceeds from the state gross
24 receipts tax, the local gross receipts tax, and the
25 tax on vendors of bingo gaming equipment; and to
26 create the Greene County Gaming Commission to
27 implement, regulate, and administer bingo gaming.

1
2 A BILL
3 TO BE ENTITLED
4 AN ACT
5

6 To repeal Amendment 743 and to propose an amendment
7 to the Constitution of Alabama of 1901, authorizing the
8 conduct of bingo games in Greene County; to provide that the
9 game of bingo authorized may be played in Greene County on any
10 electronic machine or device that is authorized by specified
11 federal law; to limit bingo gaming in Greene County to
12 qualified persons licensed by the Greene County Gaming
13 Commission; to levy a state gross receipts tax and a local
14 gross receipts tax on bingo gaming revenue of each bingo
15 licensee; to levy a tax on vendors of bingo gaming equipment;
16 and to create the Greene County Gaming Commission to
17 implement, regulate, and administer bingo gaming.

18 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

19 Section 1. An election upon the proposed amendment
20 shall be held in accordance with Sections 284 and 284.01 of
21 the Constitution of Alabama of 1901, now appearing as Sections
22 284 and 284.01 of the Official ReCompilation of the
23 Constitution of Alabama of 1901, as amended, and the election
24 laws of this state:

25 PROPOSED AMENDMENT

26 Section 1. For purposes of this amendment, the
27 following words have the following meanings:

1 (1) BINGO. That specific kind of game of chance
2 commonly known as bingo, whether or not played using paper or
3 on a computer or using electronic or technological aids in
4 connection therewith, in which prizes are awarded on the basis
5 of designated numbers or symbols on a card conforming to
6 numbers or symbols selected at random. The game of bingo may
7 be played on any machine or device, electronic or otherwise.
8 Sections 8-1-150, 13A-12-20 through 13A-12-30 of the Code of
9 Alabama 1975, do not apply to any bingo games authorized by
10 this amendment and operated in accordance with the rules
11 adopted by the Greene County Gaming Commission.

12 (2) BINGO LICENSEE. A qualified person licensed by
13 the Greene County Gaming Commission to conduct bingo gaming in
14 Greene County.

15 (3) EQUIPMENT. The receptacle and numbered objects
16 drawn from it, the master board upon which such objects are
17 placed as drawn, the cards or sheets bearing numbers or other
18 designations to be covered and the objects used to cover them
19 or electronic card marking machines, and the board or signs,
20 however operated, used to announce or display the numbers or
21 designations as they are drawn, and any electronic machine or
22 device that is authorized or approved pursuant to 25 U.S.C. §
23 2703(7).

24 (4) GAMING GROSS REVENUE. The total amount of money
25 or value in any form received by a bingo licensee with respect
26 to the playing of any form of bingo game, less the total money
27 or value in any form paid as prizes or winnings to the players

1 of a bingo game and free play or promotional credits, but
2 before deduction of any expenses incurred in operating the
3 establishment, including, but not limited to, depreciation or
4 leasing costs of physical facilities and equipment, wages and
5 other employment costs, utilities, interest, and taxes. Gaming
6 gross revenue may not be included in a pari-mutuel pool for
7 the purpose of determining any tax levied on pari-mutuel
8 wagering or for any other purpose.

9 (5) QUALIFIED PERSON. An individual, corporation,
10 limited liability company, or other business entity that is
11 not prohibited from receiving a bingo license based on the
12 disqualifiers set out below. The term does not include an
13 individual or business entity, including its officers and any
14 individual with a 15 percent or more ownership interest that:

15 a. Has been convicted of a gaming related felony.

16 b. Has been convicted of a felony involving theft by
17 deception, including, but not limited to, embezzlement, and
18 other thefts using fraud, trickery, illegal schemes, or the
19 like.

20 c. Has been convicted of any felony involving fraud
21 or misrepresentation, including, but not limited to, bad
22 checks, fraud, forgery, perjury, tax or welfare fraud, and
23 crimes involving false documentation.

24 d. Is currently being prosecuted or facing pending
25 charges, in any jurisdiction, for any of the above offenses,
26 or on a deferred prosecution, or a deferred judgment or
27 sentence for any of the above offenses.

1 Section 2. Bingo licensees may operate bingo games
2 for prizes or money. The Greene County Gaming Commission shall
3 adopt rules for the licensing, permitting, and operation of
4 bingo games within the county. The Greene County Gaming
5 Commission shall insure compliance with the rules and all of
6 the following:

7 (1) No person under the age of 19 years shall be
8 permitted to play any game or games of bingo, nor shall any
9 person under the age of 19 years be permitted to conduct or
10 assist in the operation of any game of bingo.

11 (2) Bingo games shall be operated exclusively on the
12 premises owned or leased by the bingo licensee operating the
13 bingo game.

14 (3) A bingo licensee may enter into a contract with
15 any individual, firm, association, or corporation to have the
16 individual or entity operate bingo games or concessions on
17 behalf of the bingo licensee, provided that the contract is
18 approved by the Greene County Gaming Commission. A bingo
19 licensee may pay consulting fees to any individual or entity
20 for any services performed in relation to the operation or
21 conduct of bingo games.

22 (4) A bingo licensee may not lend its name or allow
23 its identity to be used by another person or entity in the
24 operating, promoting, or advertising of bingo games in which
25 the bingo licensee is not directly and solely operating the
26 bingo games.

1 (5) All equipment shall be approved by the Greene
2 County Gaming Commission.

3 Section 3. State and Local Gross Receipts Tax.

4 (a) (1) A state gross receipts tax of two percent is
5 levied on the gaming gross revenue of each bingo licensee.

6 (2) The state gross receipts tax on gaming gross
7 revenue for each calendar month shall be paid by each bingo
8 licensee to the Department of Revenue on or before the 20th
9 day of the next succeeding calendar month for deposit in the
10 state General Fund.

11 (b) (1) A local gross receipts tax of 10 percent is
12 levied on the gaming gross revenue of each bingo licensee.

13 (2) The local gross receipts tax on gaming gross
14 revenue for each calendar month shall be paid to the Greene
15 County Gaming Commission on or before the 20th day of the next
16 succeeding calendar month.

17 (3) The Greene County Gaming Commission shall retain
18 the proceeds from one-half of one percent of the local gross
19 receipt tax to provide for all reasonable and necessary
20 expenses incurred by the commission in the furtherance of its
21 duties to license and regulate bingo gaming in Greene County.

22 (4) The Greene County Gaming Commission shall
23 apportion the remainder of the local gross receipts tax as
24 follows:

25 a. The proceeds from one-half of one percent to the
26 Greene County Commission.

1 b. The proceeds from two percent to the Greene
2 County Commission which shall be apportioned among the
3 municipalities in the county on the basis of the ratio of the
4 population of the municipality to the population of all the
5 municipalities in the county and paid to the municipalities
6 forthwith.

7 c. The proceeds from one-half of one percent to the
8 Greene County Firefighters Association.

9 d. The proceeds from two percent to the Greene
10 County Board of Education.

11 e. The proceeds from one-half of one percent to the
12 Greene County E-911 Communications District.

13 f. The proceeds from one percent to the Greene
14 County Hospital and Nursing Home.

15 g. The proceeds from one-quarter of one percent to
16 the Greene County Industrial Development Board.

17 h. The proceeds from one-quarter of one percent to
18 the Greene County Ambulance Service.

19 i. The proceeds from three-quarters of one percent
20 to the Greene County Housing Authority.

21 j. The proceeds from the remaining three-quarters of
22 one percent of the local gross receipts tax, based upon
23 criteria adopted by the Greene County Gaming Commission, shall
24 be awarded by the Greene County Gaming Commission to nonprofit
25 organizations that provide services to the residents of Greene
26 County.

1 (c) (1) A local bingo game vendor tax is hereby
2 levied on bingo game vendors conducting business in Greene
3 County in an amount equal to three percent of the gross
4 revenues collected by the bingo game vendor from leases or
5 other revenue sharing arrangements with a bingo licensee.

6 (2) A bingo game vendor shall pay the local bingo
7 game vendor tax for each calendar month to the Greene County
8 Gaming Commission on or before the twentieth day of the next
9 succeeding calendar year. Two-thirds of the proceeds of the
10 local bingo game vendor tax shall be deposited into the county
11 general fund to be distributed between the Eutaw Police
12 Department and the Greene County Sheriff's Department on the
13 basis of the ratio of the population of the municipality to
14 the population of the county. The remaining one-third of the
15 proceeds shall be awarded by the Greene County Gaming
16 Commission to nonprofit organizations that provide services to
17 the residents of Greene County.

18 (d) The state gross receipts of tax on gaming gross
19 revenue, the local gross receipts tax on gaming gross revenue,
20 and the local bingo game vendor tax shall be in lieu of all
21 other state or local taxes or license fees levied with respect
22 to the conduct of bingo games by a bingo licensee in Greene
23 County. Notwithstanding the foregoing, a bingo licensee is
24 liable for all income taxes, franchise taxes, property taxes,
25 lodging taxes, and sales and use taxes on merchandise, food,
26 and beverage generally applicable at uniform rates to all
27 businesses operating in the county.

1 Section 4. The Greene County Gaming Commission.

2 (a) There is hereby created the Greene County Gaming
3 Commission. The commission shall regulate and supervise the
4 operation and conduct of bingo games in Greene County, shall
5 implement, regulate, administer, and supervise all laws and
6 rules related to the operation and conduct of bingo games by a
7 bingo licensee in Greene County, and shall cooperate with the
8 local district attorney in enforcing all laws related to
9 illegal gambling.

10 (b) The Greene County Gaming Commission shall
11 consist of five members. Each member of the commission shall
12 be appointed by the local legislative delegation. The
13 appointed members shall represent the gender and racial
14 diversity of the state. At least three of the appointed
15 members must be residents of Greene County.

16 (1) Members of the commission shall be residents of
17 the State of Alabama, residents in the congressional district
18 which includes Greene County, United States citizens, and
19 prominent persons in their businesses or professions, may not
20 have been convicted of a felony, and may not be the executive
21 director of or another employee of the commission, an officer
22 of or occupy an official position in any political party, an
23 elected official, or actively engaged in the business of, or
24 have a pecuniary interest in, a racetrack or casino.

25 (2) Appointed members shall serve a term of five
26 years and may serve two complete terms and any portion of an
27 initial term of less than five years or any portion of an

1 unexpired term to which appointed. Any vacancy occurring on
2 the commission shall be filled for the unexpired term by the
3 appointing authority as described in this section. The initial
4 term of office upon the effective date of this amendment shall
5 be five years for the member appointed by the local
6 legislative delegation, three years for the remaining three
7 members appointed by the local legislative delegation. Each
8 member of the commission shall serve for the duration of his
9 or her term and until his or her successor is duly appointed;
10 provided, however, that if a successor is not appointed within
11 120 days after the expiration of a member's term, a vacancy
12 shall be deemed to exist.

13 (3) The commission and its members and employees
14 shall be subject to the Ethics Law, Section 36-25-1, et seq.,
15 Code of Alabama 1975; the Open Records Act, Section 36-12-40,
16 Code of Alabama 1975; the Open Meetings Act, Section 36-25A-1,
17 et seq., Code of Alabama 1975; and the Administrative
18 Procedure Act, Section 41-22-1, et seq., Code of Alabama 1975.

19 (c) Nothing in this amendment prohibits, limits, or
20 alters the authority of any local racing commission with
21 respect to the continued regulation and supervision of racing
22 and pari-mutuel wagering at a racetrack.

23 Section 2. Amendment 743 of the Constitution of
24 Alabama of 1901, is repealed.

25 END OF PROPOSED AMENDMENT

26 Section 3. An election upon the proposed amendment
27 shall be held in accordance with Section 284 and Section

1 284.01 of the Official ReCompilation of the Constitution of
2 Alabama of 1901, and the election laws of this state.

3 Section 4. The appropriate election official shall
4 assign a ballot number for the proposed constitutional
5 amendment on the election ballot and shall set forth the
6 following description of the substance or subject matter of
7 the proposed constitutional amendment:

8 "Relating to Greene County, proposing an amendment
9 to the Constitution of Alabama of 1901, to repeal Amendment
10 743, authorizing and regulating bingo gaming in Greene County;
11 to provide that the game of bingo may be played on any
12 electronic machine or device that is authorized pursuant by
13 federal law; to limit bingo gaming in Greene County to a bingo
14 licensee licensed by the Greene County Gaming Commission; to
15 levy a state gross receipts tax and a local gross receipts tax
16 on bingo gaming revenue of the bingo licensee; to levy a tax
17 on vendors of bingo gaming equipment; to provide for the
18 allocation of the tax proceeds; and to create the Greene
19 County Gaming Commission to implement, regulate, and
20 administer bingo gaming.

21 "Proposed by Act _____."

22 This description shall be followed by the following
23 language:

24 "Yes () No ()."