

1 HB200
2 209385-1
3 By Representative Rogers
4 RFD: Economic Development and Tourism
5 First Read: 02-FEB-21
6 PFD: 01/29/2021

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

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

17 This bill would require each person who
18 desires to conduct a casino gambling operation to
19 apply for a casino license and provide for the
20 application procedure.

21 This bill would allow the board to issue a
22 supplier's license to those persons who sell,
23 lease, or contract to sell or lease gaming
24 equipment to any casino licensee. This bill would
25 prohibit the board from licensing certain persons
26 as suppliers.

1 This bill would require each local labor
2 organization that directly represents casino gaming
3 employees to register annually with the board.

4 This bill would allow the board to issue an
5 occupational license to individuals who are
6 employed in the gaming industry.

7 This bill would allow the board to revoke
8 each license issued by it. The bill would impose a
9 wagering tax on the adjusted gross receipts of each
10 casino licensee.

11 This bill would create the State Casino
12 Gaming Fund in the State General Fund and provide
13 for the allocation of the proceeds deposited in the
14 fund.

15 This bill would create a special account in
16 the Education Trust Fund and provide for the
17 allocation of the proceeds deposited in the fund.

18 This bill would allow each municipality
19 where a casino is located to impose a service fee.

20 This bill would provide that additional
21 taxes could not be imposed exclusively on any
22 casino licensee.

23 This bill would require each casino licensee
24 to transmit to the board and the city where the
25 casino is located on a quarterly audit of its
26 financial condition.

1 This bill would require the board to submit
2 a report to the Governor and the Legislature and to
3 conduct a study of minors and compulsive gamblers
4 who sought entry into a casino.

5 This bill would provide the procedure for
6 the appointment of a conservator for a casino
7 licensee whom license has been revoked or
8 suspended.

9 This bill would require the board to create
10 a list of persons barred from visiting casinos.

11 This bill would provide that its effective
12 date would be contingent on the ratification of an
13 amendment to the Constitution of Alabama of 1901,
14 repealing the provision of the Constitution of
15 Alabama of 1901, prohibiting the Alabama
16 Legislature from enacting any legislation
17 authorizing lotteries or gift enterprises.

18 Amendment 621 of the Constitution of Alabama
19 of 1901, now appearing as Section 111.05 of the
20 Official Recompilation of the Constitution of
21 Alabama of 1901, as amended, prohibits a general
22 law whose purpose or effect would be to require a
23 new or increased expenditure of local funds from
24 becoming effective with regard to a local
25 governmental entity without enactment by a 2/3 vote
26 unless: it comes within one of a number of
27 specified exceptions; it is approved by the

1 affected entity; or the Legislature appropriates
2 funds, or provides a local source of revenue, to
3 the entity for the purpose.

4 The purpose or effect of this bill would be
5 to require a new or increased expenditure of local
6 funds within the meaning of the amendment. However,
7 the bill does not require approval of a local
8 governmental entity or enactment by a 2/3 vote to
9 become effective because it comes within one of the
10 specified exceptions contained in the amendment.

11
12 A BILL
13 TO BE ENTITLED
14 AN ACT
15

16 To authorize casino gaming in cities of more than
17 100,000; to provide for the licensing, regulation, and control
18 of casino gaming operations, manufacturers and distributors of
19 gaming devices and gaming related equipment and supplies, and
20 persons who participate in gaming; to provide the distribution
21 of revenue; to vest authority for the licensing, regulation,
22 and control of casino gaming in the Alabama Gaming Control
23 Board; to restrict certain political contributions; to
24 establish a code of ethics for certain persons involved in
25 gaming; to create certain funds; to impose and authorize
26 certain taxes and fees; to impose penalties; to make an
27 appropriation; to provide that the effective date of this act

1 would be contingent on the ratification of an amendment to the
2 Constitution of Alabama of 1901, repealing the provision of
3 the Constitution of Alabama of 1901, prohibiting the Alabama
4 Legislature from enacting any legislation authorizing
5 lotteries or gift enterprises; and in connection therewith
6 would have as its purpose or effect the requirement of a new
7 or increased expenditure of local funds within the meaning of
8 Amendment 621 of the Constitution of Alabama of 1901, now
9 appearing as Section 111.05 of the Official Recompilation of
10 the Constitution of Alabama of 1901, as amended.

11 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

14 Section 2. The Legislature hereby finds and declares
15 the following:

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

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

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

1 (4) Gambling, however, is no longer an isolated
2 activity to be found in only a handful of locations. Whereas,
3 10 years ago, legalized gaming was an exception and could only
4 be found in a couple of isolated locations, it has become the
5 "rule" and now almost all states have legalized some form of
6 gambling.

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

22 (6) Our neighbor, Mississippi has become the third
23 most successful gaming jurisdiction in the United States.
24 Unfortunately, Alabama does not exist in a vacuum and
25 Mississippi's gaming and financial success, not only cannot be
26 ignored, but has come at a price to Alabama. Much of the money

1 that was earned in Mississippi gaming came from citizens of
2 Alabama.

3 (7) Alabama is losing hundreds of millions of
4 dollars to Mississippi's gaming, our economy has stalled, and
5 we cannot afford to adequately fund our public education
6 system.

7 (8) Gaming is not unconstitutional in Alabama and
8 the intent of this act is not to expand gaming throughout
9 Alabama, but rather to regulate businesses that can offer
10 otherwise lawful forms of gambling games. We cannot close our
11 eyes and ignore the fact that while we contribute to the
12 education of Mississippi school children by spending money at
13 Mississippi casinos, our children's education is underfunded.
14 At the present time, Alabama spends less per capita on
15 education than any other state in the nation and, as a result,
16 our schools are subpar.

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

21 (10) Public trust that regulated gaming will not
22 endanger public health, safety, or welfare and will contribute
23 to enhanced investment and development in Alabama, new jobs, a
24 more active economy, and increased tourism requires that
25 people have confidence in the integrity of the gaming
26 operations and the regulatory process. Therefore,
27 comprehensive measures shall be taken to ensure that such

1 gambling is free from criminal elements, that it is conducted
2 honestly and competitively, and that the games are placed in
3 suitable locations

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

6 (1) ADJUSTED GROSS RECEIPTS. The gross receipts less
7 winnings paid to wagers.

8 (2) AFFILIATE. A person who, directly or indirectly,
9 through one or more intermediaries, controls, is controlled
10 by, or is under common control with, is in a partnership or
11 joint venture relationship with, or is a co-shareholder of a
12 corporation, a co-member of a limited liability company, or
13 co-partner in a limited liability partnership with a person
14 who holds or applies for a casino license under this act.

15 (3) AFFILIATED COMPANY. Any form of business
16 organization which controls, is controlled by or is under
17 common control with, is in partnership or joint venture
18 relationship with, or is a co-shareholder of a corporation, a
19 co-member of a limited liability company, or co-partner in a
20 limited liability partnership with a person who holds or
21 applies for a casino license under this act.

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

1 (5) APPLICANT. Any person who applies for a license
2 or for registration under this act. The term shall also
3 include an affiliate, affiliated company, officer, director,
4 or managerial employee of the applicant or a person who holds
5 greater than one percent direct or indirect interest in the
6 applicant. As used in this subdivision, affiliate and
7 affiliated company do not include a partnership, a joint
8 venture relationship, a co-shareholder of a corporation, a
9 co-member of a limited liability company, or a co-partner in a
10 limited liability partnership that has less than one percent
11 direct interest in the applicant and is not involved in the
12 casino or casino enterprise application as defined in rules
13 promulgated by the board.

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

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

16 (8) CASINO ENTERPRISE. The buildings, facilities, or
17 rooms functionally or physically connected to a casino,
18 including, but not limited to, any bar, restaurant, hotel,
19 cocktail lounge, retail establishment, or arena or any other
20 facility located in a city under the control of a casino
21 licensee or affiliated company.

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

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

26 (11) CHEAT. To alter the selection of criteria which
27 determine the result of a gambling game or the amount or

1 frequency of payment in a gambling game in violation of this
2 act or rules promulgated under this act.

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

6 (13) COMPANY. A sole proprietorship, corporation,
7 partnership, limited liability partnership, limited liability
8 company, trust, association, joint stock company, joint
9 venture, tribal corporation, or other form of business
10 organization.

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

15 (15) CONFLICT OF INTEREST. A situation in which the
16 private interest of a member, employee, or agent of the board
17 may influence the judgment of the member, employee, or agent
18 in the performance of his or her public duty under this act. A
19 conflict of interest includes, but is not limited to, the
20 following:

21 a. Any conduct that would lead a reasonable person,
22 knowing all of the circumstances, to conclude that the member,
23 employee, or agent of the board is biased against or in favor
24 of an applicant.

25 b. Acceptance of any form of compensation other than
26 from the board for any services rendered as part of the

1 official duties of the member, employee, or agent for the
2 board.

3 c. Participation in any business being transacted
4 with or before the board in which the member, employee, or
5 agent of the board or his or her parent, spouse, or child has
6 a financial interest.

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

10 e. Demonstration, through work or other action in
11 the performance of the official duties of the member,
12 employee, or agent of the board, of any preferential attitude
13 or treatment of any person.

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

17 (17) DEVELOPMENT AGREEMENT. A written agreement
18 between a city and a person naming the person as the
19 designated developer of a casino in the city and covering
20 certain subjects including, but not limited to, approval by
21 the city of the location of the casino; certification by the
22 city that the applicant has sufficient financial resources to
23 construct and open the casino which it proposes to develop;
24 zoning and site plan requirements; utility connection fees;
25 infrastructure improvements; requirements to utilize local
26 businesses and small businesses as suppliers; employment
27 issues; compulsive gambling programs; insurance requirements;

1 conceptual design approval; reimbursement for predevelopment
2 and infrastructure costs, traffic engineering, and other
3 transportation costs; plans for completion of destination
4 attractions either within or outside the casino facility and
5 ancillary development rights.

6 (18) DISCIPLINARY ACTION. An action by the board
7 suspending or revoking a license, fining, excluding,
8 reprimanding, or otherwise penalizing a person for violating
9 this act or rules promulgated by the board.

10 (29) EX PARTE COMMUNICATION. Any communication,
11 direct or indirect, regarding a licensing application,
12 disciplinary action, or a contested case under this act other
13 than communication that takes place during a meeting or
14 hearing conducted under this act.

15 (20) FINANCIAL INTEREST or FINANCIALLY INTERESTED.
16 Any interest in investments, awarding of contracts, grants,
17 loans, purchases, leases, sales, or similar matters under
18 consideration or consummated by the board. A member, employee,
19 or agent of the board will be considered to have a financial
20 interest in a matter under consideration if any of the
21 following circumstances exist:

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

25 b. The individual is employed by or is an
26 independent contractor for a party to the matter under
27 consideration or consummated by the board.

1 (21) GAMBLING GAME. A game in which "chance" is not
2 the dominant factor in its outcome and skill or judgment can
3 have an impact on the outcome. Gambling games can be played
4 with cards, dice, equipment or a machine, including any
5 mechanical, electromechanical, or electronic device which
6 shall include computers and cashless wagering systems, for
7 money, credit, or any representative of value, including, but
8 not limited to, faro, monte, roulette, keno, bingo, fan tan,
9 twenty one, blackjack, seven and a half, klondike, craps,
10 poker, chuck a luck, Chinese chuck a luck (dai shu), wheel of
11 fortune, chemin de fer, baccarat, pai gow, beat the banker,
12 panguingui, slot machine, any banking or percentage game, or
13 any other game or device approved by the board, but does not
14 include games played with cards in private homes or residences
15 in which no person makes money for operating the game, except
16 as a player, or illegal and unconstitutional lotteries as
17 prohibited by Section 65 of the Constitution of Alabama of
18 1901.

19 (22) GAMBLING OPERATION. The conduct of authorized
20 gambling games in a casino.

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

24 (24) GROSS RECEIPTS. The total of all sums including
25 valid or invalid checks, currency, tokens, coupons, vouchers,
26 or instruments of monetary value whether collected or
27 uncollected, received by a casino licensee from gaming,

1 including all entry fees assessed for tournaments or other
2 contests, less a deduction for uncollectible gaming
3 receivables not to exceed the uncollectible amounts owed as a
4 result of wagers placed at or through a gambling game or four
5 percent of the total gross receipts, whichever is less. The
6 licensee shall not receive the deduction unless the licensee
7 provides written proof to the State Treasurer of the
8 uncollected gaming receivables and had complied with all rules
9 promulgated by the board regarding the issuance of credit and
10 the collection of amounts due under a credit extension.

11 (25) INSTITUTIONAL INVESTOR. Any retirement fund
12 administered by a public agency for the exclusive benefit of
13 federal, state, or local public employees, an employee benefit
14 plan, or pension fund that is subject to the Employee
15 Retirement Income Security Act of 1974, as amended, an
16 investment company registered under the Investment Company Act
17 of 1940, Title I of Chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1
18 to 80a-3, inclusive, and 80a-4 to 80a-64, inclusive, a
19 collective investment trust organized by a bank under part 9
20 of the rules of the comptroller of the currency, a closed end
21 investment trust, a chartered or licensed life insurance
22 company or property and casualty insurance company, a
23 chartered or licensed financial institution, an investment
24 advisor registered under the Investment Advisers Act of 1940,
25 Title II of Chapter 686, 54 Stat. 847, 15 U.S.C. 80b-1 to
26 80b-21, inclusive, or any other person as the board may
27 determine for reasons consistent with this act.

1 (26) INVESTIGATIVE HEARING. Any hearing conducted by
2 the board or its authorized representative to investigate and
3 gather information or evidence regarding pending license
4 applications, applicants, licensees, or alleged or apparent
5 violations of this act or rules promulgated by the board.

6 (27) JUNKET ENTERPRISE. Any person other than a
7 casino licensee or applicant who employes or otherwise engages
8 in the procurement or referral of persons who may participate
9 in a junket to a casino licensed under this act or casino
10 enterprise whether or not those activities occur within the
11 state.

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

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

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

23 (31) OCCUPATIONAL LICENSE. A license issued by the
24 board to a person to perform an occupation in a casino or
25 casino enterprise which the board has identified as requiring
26 a license to engage in casino gaming in Alabama.

1 (32) PERSON. An individual, corporation, limited
2 liability company, association, partnership, limited liability
3 partnership, trust, entity, or other legal entity.

4 (33) SUPPLIER. A person who the board has identified
5 under rules promulgated by the board as requiring a license to
6 provide casino licensees or casino enterprises with goods or
7 services regarding the realty, construction, maintenance, or
8 business of a proposed or existing casino, casino enterprise,
9 or related facility on a regular or continuing basis,
10 including, but not limited to, junket enterprises, security
11 businesses, manufacturers, distributors, persons who service
12 gaming devices or equipment, garbage haulers, maintenance
13 companies, food purveyors, and construction companies.

14 (34) TREASURER. State Treasurer.

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

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

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

24 Section 4. (a) Casino gaming may be operated and
25 maintained to the extent that it is conducted in accordance
26 with this act. All gaming authorized by this act shall be
27 regulated by the board.

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

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

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

12 (3) This act may not be construed to modify, amend,
13 or otherwise affect the validity of Article 2 (commencing with
14 Section 13A-12-1), Chapter 12, Title 13A, Code of Alabama
15 1975.

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

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

21 (e) If a federal court or agency rules or federal
22 legislation is enacted that allows a state to regulate
23 gambling on Native American land or land held in trust by the
24 United States for a federally recognized Indian tribe, the
25 Legislature shall enact legislation creating a new act
26 consistent with this act to regulate casinos that are operated

1 on Native American land or land held in trust by the United
2 States for a federally recognized Indian tribe.

3 Section 5. (a) The Alabama Gaming Control Board is
4 hereby established in the Department of Revenue. The board
5 shall have the powers and duties specified in this act and all
6 other powers necessary and proper to fully and effectively
7 execute and administer this act for the purpose of licensing,
8 regulating, and enforcing the system of casino gambling
9 established under this act. Its jurisdiction shall extend to
10 every person, association, corporation, partnership, and trust
11 involved in casino gaming operations in the State of Alabama.

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

15 a. Three members appointed by the Governor.

16 b. One member appointed by the Lieutenant Governor.

17 c. One member appointed by the Speaker of the House
18 of Representatives.

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

21 (c) The members shall be appointed for terms of
22 three years, except that the terms of office of the initial
23 board members appointed pursuant to this act will commence as
24 follows: One member shall be appointed for a term of one year,
25 two members shall be appointed for a term of two years, and
26 two members shall be appointed for a full term of three years.
27 A member's term shall expire on December 31 of the last year

1 of the member's term. Upon the expiration of the foregoing
2 terms, the successors of the member shall serve a term of
3 three years and until their successors are appointed and
4 qualified for like terms. If a vacancy occurs on the board,
5 the vacancy shall be filled for the unexpired term in like
6 manner as original appointments. Each member of the board
7 shall be eligible for reappointment at the discretion of the
8 appointing authority.

9 (d) Each member of the board shall receive one
10 thousand dollars (\$1,000) for each day the board meets and for
11 each day the member conducts any hearing pursuant to this act.
12 Each member of the board shall be reimbursed for all actual
13 and necessary expenses and disbursements incurred in the
14 execution of his or her official duties.

15 (e) A person who is not of good moral character or
16 who has been indicted or charged with, convicted of, pled
17 guilty or nolo contendere to, or forfeited bail concerning a
18 felony or a misdemeanor involving gambling, theft, dishonesty,
19 or fraud under the laws of this state, any other state, or the
20 United States or a local ordinance in any state involving
21 gambling, dishonesty, theft, or fraud that substantially
22 corresponds to a misdemeanor in that state shall not be
23 appointed or remain as a member of the board.

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

1 (g) An executive director for the board shall be
2 appointed by a majority vote of the board to serve a six-year
3 term. After the effective date of the act, the appointment of
4 the executive director shall require the approval of the
5 Senate by a record roll call vote. The executive director
6 shall perform any and all duties that the board shall assign
7 him or her. The salary of the executive director shall be
8 determined by the board. The executive director also shall be
9 reimbursed for all actual and necessary expenses incurred by
10 him or her in discharge of his or her official duties. The
11 executive director shall keep records of all proceedings of
12 the board and shall preserve all records, books, documents,
13 and other papers belonging to the board or entrusted to its
14 care. The executive director shall devote his or her full time
15 to the duties of the office and may not hold any other office
16 or employment. A vacancy in the position of executive director
17 shall be filled as provided in this subsection for a new
18 six-year term.

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

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

24 (1) During the two years immediately preceding the
25 appointment or employment, the person held any direct or
26 indirect interest in, or any employment by, a person who is
27 licensed to operate a casino under this act or in another

1 jurisdiction, a person who had an application to operate a
2 casino pending before the board or any other jurisdiction, or
3 a casino enterprise. However, the person may be employed by
4 the board if his or her interest in any casino licensee or
5 casino enterprise would not, in the opinion of the board,
6 interfere with the objective discharge of the person's
7 employment obligations. However, a person may not be employed
8 by the board if his or her interest in the casino licensee or
9 casino enterprise licensed under this act constitutes a
10 controlling interest in that casino licensee or casino
11 enterprise.

12 (2) The person or his or her spouse, parent, child,
13 child's spouse, sibling, or spouse of a sibling is a member of
14 the board of directors of, or a person financially interested
15 in, any gambling operation subject to the jurisdiction of this
16 board or any person licensed as a casino licensee or casino
17 supplier, any person who has an application for a license
18 pending before the board, or a casino enterprise.

19 (j) Each member of the board, the executive
20 director, and each key employee as determined by the board
21 shall file with the Alabama Ethics Commission a statement of
22 economic interest listing all assets and liabilities, property
23 and business interests, and sources of income of the member,
24 executive director, and each key employee and any of their
25 spouses affirming that the member, executive director, and key
26 employee are in compliance with subsection (1) and (2) of this
27 section. The financial disclosure statement shall be under

1 oath and shall be filed at the time of employment and annually
2 thereafter.

3 (k) Each employee of the board shall file with the
4 board a statement listing all assets and liabilities, property
5 and business interests, and sources of income of the employee
6 and his or her spouse. This subsection does not apply to the
7 executive director or a key employee.

8 (l) A member of the board, executive director, or
9 key employee may not hold any direct or indirect interest in,
10 be employed by, or enter into a contract for services with an
11 applicant, a person licensed by or registered with the board,
12 or a casino enterprise for a period of two years after the
13 date his or her membership on the board terminates.

14 (m) An employee of the board may not acquire any
15 direct or indirect interest in, be employed by, or enter into
16 a contract for services with any applicant, person licensed by
17 the board, or casino enterprise for a period of two years
18 after the date his or her employment with the board is
19 terminated.

20 (n) A board member or a person employed by the board
21 shall not represent any person or party other than the state
22 before or against the board for a period of two years after
23 the termination of his or her office or employment with the
24 board.

25 (o) A business entity in which a former board member
26 or employee or agent has an interest, or any partner, officer,
27 or employee of the business entity may not make any appearance

1 or representation that is prohibited to that former member,
2 employee, or agent. As used in this subsection, "business
3 entity" means a corporation, limited liability company,
4 partnership, limited liability partnership, association,
5 trust, or other form of legal entity.

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

9 (1) Deciding in a reasonable period of time all
10 casino license applications. Any party aggrieved by an action
11 of the board denying, suspending, revoking, restricting or
12 refusing to renew a license may request a hearing before the
13 board. A request for a hearing shall be made to the board
14 within five days after service of the notice of the action of
15 the board. The criteria considered appropriate by the board
16 shall not be arbitrary, capricious, or contradictory to the
17 expressed provisions of this act.

18 (2) To decide in reasonable order all license
19 applications. Except for casino license applicants granted a
20 hearing under subdivision (a) of Section 9, any party
21 aggrieved by an action of the board denying, suspending,
22 revoking, restricting, or refusing to renew a license, or
23 imposing a fine, may request a hearing before the board. A
24 request for a hearing shall be made to the board in writing
25 within 21 days after service of notice of the action of the
26 board. Notice of the action of the board shall be served
27 either by personal delivery or by certified mail, postage

1 prepaid, to the aggrieved party. Notice served by certified
2 mail shall be considered complete on the business day
3 following the date of the mailing.

4 (3) Conducting its public meetings in compliance
5 with the open meetings act.

6 (4) Promulgating the rules as may be necessary to
7 implement, administer, and enforce this act. All rules
8 promulgated under this act shall not be arbitrary, capricious,
9 or contradictory to the expressed provisions of this act. The
10 rules may include, but need not be limited to, rules that do
11 one or more of the following:

12 a. Govern, restrict, approve, or regulate the casino
13 gaming authorized in this act.

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

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

18 (5) Providing for the establishment and collection
19 of all license and registration fees and taxes imposed by this
20 act and the rules promulgated by the board.

21 (6) Providing for the levy and collection of
22 penalties and fines for the violation of this act and the
23 rules promulgated by the board.

24 (7) Being present through its inspectors, agents,
25 auditors and the Alabama Bureau of Investigations or Attorney
26 General at any time in any casino and related casino
27 enterprise for the purpose of certifying the revenue thereof,

1 receiving complaints from the public, and conducting other
2 investigations into the conduct of the gambling games and the
3 maintenance of the equipment as from time to time the board
4 may consider necessary and proper to assure compliance with
5 this act and the rules promulgated by the board and to protect
6 and promote the overall safety, security, and integrity of
7 casino gaming authorized in this act.

8 (8) Reviewing and ruling upon any complaint by a
9 licensee regarding any investigative procedures of the state
10 which are unnecessarily disruptive of gambling operations. The
11 need to inspect and investigate shall be presumed at all
12 times. A licensee shall establish by clear and convincing
13 evidence that its operations were disrupted, the procedures
14 had no reasonable law enforcement or regulatory purposes, and
15 the procedures were so disruptive as to unreasonably inhibit
16 gambling operations.

17 (9) Holding at least one public meeting each quarter
18 of the fiscal year. In addition, special meetings may be
19 called by the chairperson or any two board members upon 72
20 hours' written notice to each member. Three members of the
21 board shall constitute a quorum, except when making
22 determinations on applications for casino licenses when four
23 members shall constitute a quorum. Three votes shall be
24 required in support of final determinations of the board on
25 applications for casino licenses. The board shall keep a
26 complete and accurate record of all its meetings and hearings.
27 Upon order of the board, one of the board members or a hearing

1 officer designated by the board may conduct any hearing
2 provided for under this act or by the rules promulgated by the
3 board and may recommend findings and decisions to the board.
4 The board member or hearing officer conducting the hearing
5 shall have all powers and rights regarding the conduct of
6 hearings granted to the board under this act. The record made
7 at the time of the hearing shall be reviewed by the board, or
8 a majority of the board, and the findings and decision of the
9 majority of the board shall constitute the order of the board
10 in the case.

11 (10) Maintaining records which are separate and
12 distinct from the records of any other state board. The
13 records shall be available for public inspection subject to
14 the limitations of this act, and shall accurately reflect all
15 board proceedings.

16 (11) Reviewing the patterns of wagering and wins and
17 losses by persons in casinos under this act and make
18 recommendations to the Governor and the Legislature in a
19 written annual report to the Governor and the Legislature and
20 additional reports as the Governor may request. The annual
21 report shall include a statement of receipts and disbursements
22 by the board, actions taken by the board, and any additional
23 information and recommendations that the board considers
24 appropriate or that the Governor may request.

25 Section 6. (a) The board shall have jurisdiction
26 over and shall supervise all gambling operations governed by
27 this act. The board shall have all powers necessary and proper

1 to fully and effectively execute this act, including, but not
2 limited to, the authority to do all of the following:

3 (1) Investigate applicants and determine the
4 eligibility of applicants for licenses or registration and to
5 grant licenses to applicants in accordance with this act and
6 the rules promulgated under this act.

7 (2) Have jurisdiction over and supervise casino
8 gambling operations authorized by this act and all persons in
9 casinos where gambling operations are conducted under this
10 act.

11 (3) Enter through its investigators, agents,
12 auditors, and the Alabama Law Enforcement Agency at any time,
13 without a warrant and without notice to the licensee, the
14 premises, offices, casinos, casino enterprises, facilities, or
15 other places of business of a casino licensee or casino
16 supplier licensee, where evidence of the compliance or
17 noncompliance with this act or rules promulgated by the board
18 is likely to be found, for the following purposes:

19 a. To inspect and examine all premises wherein
20 casino gaming or the business of gaming or the business of a
21 supplier is conducted, or where any records of the activities
22 are prepared.

23 b. To inspect, examine, audit, impound, seize, or
24 assume physical control of, or summarily remove from the
25 premises all books, ledgers, documents, writings, photocopies,
26 correspondence, records, videotapes, including electronically
27 stored records, money receptacles, other containers and their

1 contents, equipment in which the records are stored, or other
2 gaming related equipment and supplies on or around the
3 premises, including counting rooms.

4 c. To inspect the person, and inspect, examine, and
5 seize personal effects present in a casino facility licensed
6 under this act, of any holder of a license or registration
7 issued pursuant to this act while that person is present in a
8 licensed casino facility.

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

11 e. This section is not intended to limit warrantless
12 inspections except in accordance with constitutional
13 requirements.

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

19 (5) Adopt standards for the licensing of all persons
20 under this act, as well as for electronic or mechanical
21 gambling games or gambling games, and to establish fees for
22 the licenses.

23 (6) Adopt appropriate standards for all casino
24 gaming facilities and equipment.

25 (7) Require that all records of casino and supplier
26 licensees, including financial or other statements, shall be

1 kept on the premises of the casino licensee or supplier
2 licensee in the manner prescribed by the board.

3 (8) Require that each casino licensee involved in
4 the ownership or management of gambling operations submit to
5 the board an annual balance sheet, profit and loss statement,
6 and a list of the stockholders or other persons having a one
7 percent or greater beneficial interest in the gambling
8 activities of each licensee in addition to any other
9 information the board considers necessary in order to
10 effectively administer this act and all rules promulgated by
11 the board and orders and final decisions made under this act.

12 (9) Conduct investigative and contested case
13 hearings, issue subpoenas for the attendance of witnesses and
14 subpoenas duces tecum for the production of books, ledgers,
15 records, memoranda, electronically retrievable data, and other
16 pertinent documents and to administer oaths and affirmations
17 to the witnesses to exercise and discharge the powers and
18 duties of the board under this act. The executive director or
19 his or her designee may issue subpoenas and administer oaths
20 and affirmations to witnesses.

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

24 (11) Revoke or suspend licenses, impose fines and
25 penalties as the board considers necessary and in compliance
26 with applicable laws of the state regarding administrative
27 procedures, and review and decide applications for the renewal

1 of licenses. The board may suspend a casino license, without
2 notice or hearing upon a determination that the safety or
3 health of patrons or employees is jeopardized by continuing a
4 casino's operation. If the board suspends a license under this
5 subdivision without notice or hearing, a prompt postsuspension
6 hearing shall be held to determine if the suspension should
7 remain in effect. The suspension may remain in effect until
8 the board determines that the cause for suspension has been
9 abated. The board may revoke the casino license upon a
10 determination that the owner has not made satisfactory
11 progress toward abating the hazard.

12 (12) In addition to a disassociated person, eject,
13 or exclude or authorize the ejection or exclusion of a person
14 from a casino if the person violates this act, rules
15 promulgated by the board, or final orders of the board or when
16 the board determines that the conduct or reputation of the
17 person is such that his or her presence within the casino
18 gambling facilities may compromise the honesty and integrity
19 of the gambling operations or interferes with the orderly
20 conduct of the gambling operations. However, the propriety of
21 the ejection or exclusion is subject to subsequent hearing by
22 the board.

23 (13) Suspend, revoke, or restrict licenses and
24 require the removal of a licensee or an employee of a licensee
25 for a violation of this act or rule promulgated by the board
26 or for engaging in a fraudulent practice, and impose civil
27 penalties of up to five thousand dollars (\$5,000) against

1 individuals and up to ten thousand dollars (\$10,000) or an
2 amount equal to the daily gross receipts, whichever is
3 greater, against casino licensees for each violation of this
4 act, any rules promulgated by the board, any order of the
5 board, or for any other action which the board determines is a
6 detriment or impediment to casino gambling operations.

7 (14) Disqualify a person under this act.

8 (15) In addition to the authority provided under
9 subdivision (13), revoke or suspend a casino license or impose
10 any other disciplinary action for any of the following
11 reasons:

12 a. The casino licensee has violated Title 28 of the
13 Code of Alabama 1975, or any rules promulgated by the Alabama
14 Beverage Control Board.

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

18 c. The failure to revoke or suspend the license
19 would undermine the public's confidence in the Alabama gaming
20 industry.

21 (16) Conduct periodic audits of casinos authorized
22 under this act.

23 (17) Establish minimum levels of insurance to be
24 maintained by licensees.

25 (18) Delegate the execution of any of its powers
26 under this act for the purpose of administering and enforcing
27 this act and the rules promulgated by the board. This

1 subdivision does not apply to the granting of casino licenses
2 under this act.

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

6 (20) Review the business practices of a casino
7 licensee including, but not limited to, the price and quality
8 of goods and services offered to patrons and take disciplinary
9 action as the board considers appropriate to prevent practices
10 that undermine the confidence of the public in the Alabama
11 gaming industry.

12 (21) Review a licensee if that licensee is under
13 review or is otherwise subject to discipline by a regulatory
14 body in any other jurisdiction for a violation of a gambling
15 law or regulation in that jurisdiction.

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

19 (b) The board may seek and shall receive the
20 cooperation and assistance of the Alabama Law Enforcement
21 Agency and of the Attorney General of this state in conducting
22 background investigations of applicants and in fulfilling its
23 responsibilities under this act.

24 Section 7. (a) There is appropriated for the fiscal
25 year ending September 30, 2024, seven million five hundred
26 thousand dollars (\$7,500,000) for the purpose of funding the
27 operations of the board. The appropriation shall be reimbursed

1 in equal shares by each of the three casino licenses licensed
2 under this act. In no event shall the share of the casino
3 exceed 1/3 of the total amount required under this subsection.
4 The amount owing from each licensee shall be paid to the State
5 Treasurer and deposited into the State Casino Gaming Fund no
6 later than the first day on which each casino opens for
7 operation.

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

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

16 (1) Unless presented during a public hearing, all
17 the information, records, interviews, reports, statements,
18 memoranda, or other data supplied to, created by, or used by
19 the board related to background investigation of applicants or
20 licensees and to trade secrets, internal controls, and
21 security measures of the licensees or applicants.

22 (2) All information, records, interviews, reports,
23 statements, memoranda, or other data supplied to or used by
24 the board that have been received from another jurisdiction or
25 local, state, or federal agency under a promise of
26 confidentiality or if the release of the information is
27 otherwise barred by the statutes, rules, or regulations of

1 that jurisdiction or agency or by an intergovernmental
2 agreement.

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

5 (b) Notwithstanding subsection (a) (1) or (2), the
6 board, upon written request from any person, shall provide the
7 following information concerning the applicant or licensee,
8 his or her products, services or gambling enterprises, and his
9 or her business holdings if the board has the information in
10 its possession:

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

13 (2) An identification of any applicant or licensee
14 including, if an applicant or licensee is not an individual,
15 its state of incorporation or registration, its corporate
16 officers, and the identity of its shareholders. If an
17 applicant or licensee has a registration statement or a
18 pending registration statement filed with the securities and
19 exchange commission, only the names of those persons or
20 entities holding interest of five percent or more shall be
21 provided.

22 (3) An identification of any business, including, if
23 applicable, the state of incorporation or registration, in
24 which an applicant or licensee or a spouse of an applicant or
25 licensee, parent, or child has an equity interest of more than
26 five percent.

1 (4) Whether an applicant or licensee has been
2 indicted, convicted, pleaded guilty or nolo contendere, or
3 forfeited bail concerning any criminal offense under the laws
4 of any jurisdiction, either felony or misdemeanor, not
5 including traffic violations, including the name and location
6 of the court, the date, and disposition of the offense.

7 (5) Whether an applicant or licensee has had any
8 license or certification issued by a licensing authority in
9 Alabama or any other jurisdiction denied, restricted,
10 suspended, revoked, or not renewed and, if known by the board,
11 a statement describing the facts and circumstances concerning
12 the denial, restriction, suspension, revocation, or
13 nonrenewal, including the name of the licensing authority, the
14 date each action was taken, and the reason for each action.

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

21 (7) Whether an applicant or licensee has filed, or
22 been served with, a complaint or other notice fled with any
23 public body regarding the delinquent payment of any tax
24 required under federal, state, or local law, including the
25 amount of the tax, type of tax, the taxing agency, and time
26 periods involved.

1 (8) A statement listing the names and titles of all
2 public officials or officers of any city, state, or federal
3 body, agency, or entity and relatives of the officials who,
4 directly or indirectly, own any financial interest in, have
5 any beneficial interest in, are the creditors of, or hold or
6 have any other interest in, or any contractual or service
7 relationship with, an applicant or licensee under this act.

8 (9) Whether an applicant or licensee or the spouse,
9 parent, child, or spouse of a child of an applicant or
10 licensee has made, directly or indirectly, any political
11 contributions, or any loans, gifts, or other payments to any
12 candidate or officeholder elected in this state, within five
13 years prior to the date of filing the application, including
14 the amount and the method of payment or to a committee
15 established under the Fair Campaign Practices Act.

16 (10) The name and business telephone number of any
17 attorney, counsel, lobbyist agent as, or any other person
18 representing an applicant or licensee in matters before the
19 board.

20 (11) A summary of the development agreement of the
21 applicant with the city, including the applicant's proposed
22 location, the square footage of any proposed casino, the type
23 of additional facilities, restaurants, or hotels proposed by
24 the applicant, the expected economic benefit to the city,
25 anticipated or actual number of employees, any statement from
26 the applicant regarding compliance with federal and state

1 affirmative action guidelines, projected or actual admissions,
2 and projected or actual adjusted gross receipts.

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

5 (c) Except as otherwise provided in this subsection,
6 all information, records, interviews, reports, statements,
7 memoranda, or other data provided in a response to a request
8 for proposals for development agreements issued by the city
9 and all draft development agreements being negotiated by the
10 city shall be exempt from disclosure under Section 36-12-40,
11 Code of Alabama 1975, including, but not limited to, any of
12 the following:

13 (1) Unless presented during a public hearing, all
14 records, interviews, reports, statements, memoranda, or other
15 information supplied to, created by, or used by the city
16 related to background investigation of applicants for a
17 development agreement and to trade secrets, internal controls,
18 and security measures of the licensees or applicants.

19 (2) All records, interviews, reports, statements,
20 memoranda, or other information supplied to or used by the
21 city that have been received from another jurisdiction or
22 local, state, or federal agency under a promise of
23 confidentiality or if the release of the information is
24 otherwise barred by the statutes, rules, or regulations of
25 that jurisdiction or agency or by an intergovernmental
26 agreement.

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

3 (d) Notwithstanding subsection (3) (a) or (c), the
4 city, upon request, shall disclose the following information
5 concerning the response to a request for proposals for
6 development agreements:

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

9 (2) An identification of a person filing a response
10 including, if the person is not an individual, the state of
11 incorporation or registration, the corporate officers, and the
12 identity of all shareholders or participants. If a person
13 filing a response has a registration statement or a pending
14 registration statement filed with the Securities and Exchange
15 Commission, the city shall only provide the names of those
16 persons or entities holding interest of five percent or more.

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

21 (4) Whether a person filing a response has been
22 indicted, convicted, pleaded guilty or nolo contendere, or
23 forfeited bail concerning any criminal offense under the laws
24 of any jurisdiction, either felony or misdemeanor, not
25 including traffic violations, including the name and location
26 of the court, the date, and disposition of the offense.

1 (5) Whether a person filing a response has had any
2 license or certification issued by a licensing authority in
3 Alabama or any other jurisdiction denied, restricted,
4 suspended, revoked, or not renewed and, if known by the city,
5 a statement describing the facts and circumstances concerning
6 the denial, restriction, suspension, revocation, or
7 nonrenewal, including the name of the licensing authority, the
8 date each action was taken, and the reason for each action.

9 (6) Whether a person filing a response has ever
10 filed, or had filed against it, a proceeding for bankruptcy or
11 has ever been involved in any formal process to adjust, defer,
12 suspend or otherwise work out the payment of any debt,
13 including the date of filing, the name and location of the
14 court, the case, and number of the disposition.

15 (7) Whether a person filing a response has filed, or
16 been served with, a complaint or other notice filed with any
17 public body regarding the delinquency in the payment of any
18 tax required under federal, state, or local law, including the
19 amount, type of tax, the taxing agency, and time periods
20 involved.

21 (8) A statement listing the names and titles of all
22 public officials or officers of any city, state, or federal
23 body, agency, or entity and relatives of the officials who,
24 directly or indirectly, own any financial interest in, have
25 any beneficial interest in, are the creditors of, or hold or
26 have any interest in or have any contractual or service
27 relationship with, a person filing a response.

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

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

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

20 (12) A description of the product or service to be
21 supplied by, or occupation to be engaged in by, a person
22 filing a response.

23 (e) Notwithstanding the provisions of this section,
24 the board or the city may cooperate with and provide all
25 information, records, interviews, reports, statements,
26 memoranda, or other data supplied to or used by the board to
27 other jurisdictions or law enforcement agencies.

1 Section 9. (a) By January 31 of each year, each
2 member of the board shall prepare and file with the office of
3 the board, a board disclosure form in which the member does
4 all of the following:

5 (1) Affirms that the member or the member's spouse,
6 parent, child, or child's spouse is not a member of the board
7 of directors of, financially interested in, or employed by a
8 licensee or applicant.

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

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

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

18 (b) By January 31 of each year, each employee of the
19 board shall prepare and file with the office of the board an
20 employee disclosure form in which the employee does all of the
21 following:

22 (1) Affirms the absence of financial interests
23 prohibited by this act.

24 (2) Discloses any legal or beneficial interests in
25 any real property that is or may be directly or indirectly
26 involved with gaming or gaming operations authorized by this
27 act.

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

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

7 (c) A member, employee, or agent of the board who
8 becomes aware that the member, employee, or agent of the board
9 or his or her spouse, parent, or child is a member of the
10 board of, financially interested in, or employed by a licensee
11 or an applicant shall immediately provide detailed written
12 notice thereof to the chairperson.

13 (d) A member, employee, or agent of the board who
14 has been indicted, charged with, convicted of, pled guilty or
15 nolo contendere to, or forfeited bail concerning a misdemeanor
16 involving gambling, dishonesty, theft, or fraud or a local
17 ordinance in any state involving gambling, dishonesty, theft,
18 or fraud that substantially corresponds to a misdemeanor in
19 that state, or a felony under Alabama law, the laws of any
20 other state, or the laws of the United States, or any other
21 jurisdiction shall immediately provide detailed written notice
22 of the conviction or charge to the chairperson.

23 (e) Any member, employee, or agent of the board who
24 is negotiating for, or acquires by any means, any interest in
25 any person who is a licensee or an applicant, or any person
26 affiliated with such a person, shall immediately provide
27 written notice of the details of the interest to the chair.

1 The member, employee, or agent of the board shall not act on
2 behalf of the board with respect to that person.

3 (f) A member, employee, or agent of the board may
4 not enter into any negotiations for employment with any person
5 or affiliate of any person who is a licensee or an applicant,
6 and shall immediately provide written notice of the details of
7 any negotiations or discussions to the chair. The member,
8 employee, or agent of the board shall not take any action on
9 behalf of the board with respect to that person.

10 (g) Any member, employee, or agent of the board who
11 receives an invitation, written or oral, to initiate a
12 discussion concerning employment or the possibility of
13 employment with a person or affiliate of a person who is a
14 licensee or an applicant shall immediately report that he or
15 she received the invitation to the chair. The member,
16 employee, or agent of the board shall not take action on
17 behalf of the board with respect to the person.

18 (h) A licensee or applicant shall not knowingly
19 initiate a negotiation for or discussion of employment with a
20 member, employee, or agent of the board. A licensee or
21 applicant who initiates a negotiation or discussion about
22 employment shall immediately provide written notice of the
23 details of the negotiation or discussion to the chair as soon
24 as he or she becomes aware that the negotiation or discussion
25 has been initiated with a member, employee, or agent of the
26 board.

1 (i) A member, employee, or agent of the board, or
2 former member, employee, or agent of the board, shall not
3 disseminate or otherwise disclose any material or information
4 in the possession of the board that the board considers
5 confidential unless specifically authorized to do so by the
6 chair or the board.

7 (j) A member, employee, or agent of the board or a
8 parent, spouse, sibling, spouse of a sibling, child, or spouse
9 of a child of a member, employee, or agent of the board may
10 not accept any gift, gratuity, compensation, travel, lodging,
11 or anything of value, directly or indirectly, from any
12 licensee or any applicant or affiliate or representative of an
13 applicant or licensee, unless the acceptance conforms to a
14 written policy or directive that is issued by the chair or the
15 board. Any member, employee, or agent of the board who is
16 offered or receives any gift, gratuity, compensation, travel,
17 lodging, or anything of value, directly or indirectly, from
18 any licensee or any applicant or affiliate or representative
19 of an applicant or licensee shall immediately provide written
20 notification of the details to the chair.

21 (k) A licensee, applicant, affiliate, or
22 representative of an applicant or licensee, may not, directly
23 or indirectly, give or offer to give any gift, gratuity,
24 compensation, travel, lodging, or anything of value to any
25 member, employee, or agent of the board which the member,
26 employee, or agent of the board is prohibited from accepting
27 under subsection (i).

1 (1) A member, employee, or agent of the board shall
2 not engage in any conduct that constitutes a conflict of
3 interest, and shall immediately advise the chair in writing of
4 the details of any incident or circumstances that would
5 present the existence of a conflict of interest with respect
6 to the performance of the board-related work or duty of the
7 member, employee, or agent of the board.

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

14 (n) A member, employee, or agent of the board shall
15 disclose his or her past involvement with any casino interest
16 in the past five years and may not engage in political
17 activity or politically related activity during the duration
18 of his or her appointment or employment.

19 (o) A former member, employee, or agent of the board
20 may appear before the board as a fact witness about matters or
21 actions handled by the member, employee, or agent during his
22 or her tenure as a member, employee, or agent of the board.
23 The member, employee, or agent of the board may not receive
24 compensation for an appearance other than a standard witness
25 fee and reimbursement for travel expenses as established by
26 statute or court rule.

1 (p) A licensee or applicant or any affiliate or
2 representative of an applicant or licensee may not engage in
3 ex parte communications with a member of the board. A member
4 of the board may not engage in any ex parte communications
5 with a licensee or an applicant or with any affiliate or
6 representative of an applicant or licensee.

7 (q) Any board member, licensee, or applicant or
8 affiliate or representative of a board member, licensee, or
9 applicant who receives any ex parte communication in violation
10 of subsection (p), or who is aware of an attempted
11 communication in violation of subsection (p), shall
12 immediately report details of the communication or attempted
13 communication in writing to the chair.

14 (r) Any member of the board who receives an ex parte
15 communication which attempts to influence that member's
16 official action shall disclose the source and content of the
17 communication to the chair. The chair may investigate or
18 initiate an investigation of the matter with the assistance of
19 the Attorney General and state police to determine if the
20 communication violates subsection (p) or subsection (o) or
21 other state law. The disclosure under this section and the
22 investigation shall remain confidential. Following an
23 investigation, the chair shall advise the Governor or the
24 board, or both, of the results of the investigation and may
25 recommend action as the chair considers appropriate.

26 (s) A new or current employee or agent of the board
27 shall obtain written permission from the executive director

1 before continuing outside employment held at the time the
2 employee begins to work for the board. Permission shall be
3 denied, or permission previously granted will be revoked, if
4 the nature of the work is considered to or does create a
5 possible conflict of interest or otherwise interferes with the
6 duties of the employer or agent for the board.

7 (t) An employee or agent of the board granted
8 permission for outside employment may not conduct any business
9 or perform any activities, including solicitation, related to
10 outside employment on premises used by the board or during the
11 employee's working hours for the board.

12 (u) Whenever the chair, as an employee of the board,
13 is required to file disclosure forms or report in writing the
14 details of any incident or circumstance pursuant to this
15 section, he or she shall make the filings or written reports
16 to the board.

17 (v) The chair shall report any action he or she has
18 taken or contemplates taking under this section with respect
19 to an employee or agent or former employee or former agent to
20 the board at the next meeting of the board. The board may
21 direct the executive director to take additional or different
22 action.

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

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

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

12 (x) Violation of this section by a licensee or
13 applicant, or affiliate or representative of a licensee or
14 applicant, may result in denial of the application of
15 licensure or revocation or suspension of license or other
16 disciplinary action by the board.

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

21 (z) A violation of this section by an employee or
22 agent of the board may not result in termination of employment
23 if the board determines that the conduct involved does not
24 violate the purpose of this act, or require other disciplinary
25 action, including termination of employment. However,
26 employment shall be terminated as follows:

1 (1) If, after being offered employment or beginning
2 employment with the board, the employee or agent intentionally
3 acquires a financial interest in a licensee or an applicant,
4 or affiliate or representative of a licensee or applicant,
5 employment with the board shall be terminated.

6 (2) If a financial interest in a licensee or an
7 applicant, or affiliate or representative of a licensee or
8 applicant, is acquired by an employee or agent that has been
9 offered employment with the board, an employee of the board,
10 or the employee's or agent's spouse, parent, or child, through
11 no intentional action of the employee or agent, the individual
12 shall have up to 30 days to divest or terminate the financial
13 interest. Employment may be terminated if the interest has not
14 been divested after 30 days.

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

18 (aa) Violation of this section does not create a
19 civil cause of action.

20 (bb) As used in this section:

21 (1) Outside employment includes, but is not limited
22 to, the following:

23 a. Operation of a proprietorship.

24 b. Participation in a partnership or group business
25 enterprise.

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

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

3 a. Using his or her official authority or influence
4 for the purpose of interfering with or affecting the result of
5 an election.

6 b. Knowingly soliciting, accepting, or receiving a
7 political contribution from any person.

8 c. Running for the nomination or as a candidate for
9 election to a partisan political office.

10 d. Knowingly soliciting or discouraging the
11 participation in any political activity of any person who is
12 either of the following:

13 (i) Applying for any compensation, grant, contract,
14 ruling, license, permit, or certificate pending before the
15 board.

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

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

25 (1) The name, business address, business telephone
26 number, Social Security number, and, where applicable, the
27 federal tax identification number of any applicant.

1 (2) The identity of every person having a greater
2 than one percent direct or indirect pecuniary interest in the
3 applicant with respect to which the license is sought. If the
4 disclosed entity is a trust, the application shall disclose
5 the names and addresses of the beneficiaries; if a
6 corporation, the names and addresses of all stockholders and
7 directors; if a partnership, the names and addresses of all
8 partners, both general and limited; if a limited liability
9 company, the names and addresses of all members.

10 (3) An identification of any business, including, if
11 applicable, the state of incorporation or registration, in
12 which an applicant or an applicant's spouse, parent, or child
13 has an equity interest of more than five percent. If an
14 applicant is a corporation, partnership, or other business
15 entity, the applicant shall identify any other corporation,
16 partnership, or other business entity in which it has an
17 equity interest of five percent or more, including, if
18 applicable, the state of incorporation or registration. An
19 applicant can comply with this subdivision by filing a copy of
20 the applicant's registration with the Securities and Exchange
21 Commission if the registration contains the information
22 required by this subdivision.

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

1 whether the offense has been expunged, pardoned, or reversed
2 on appeal or otherwise, including the date, the name and
3 location of the court, arresting agency and prosecuting
4 agency, the case caption, the docket number, the offense, the
5 disposition, and the location and length of incarceration.

6 (5) Whether an applicant has ever applied for or has
7 been granted any license or certificate issued by a licensing
8 authority in Alabama or any other jurisdiction that has been
9 denied, restricted, suspended, revoked, or not renewed and a
10 statement describing the facts and circumstances concerning
11 the application, denial, restriction, suspension, revocation,
12 or nonrenewal, including the licensing authority, the date
13 each action was taken, and the reason for each action.

14 (6) Whether an applicant has ever filed or had filed
15 against it a civil or administrative action or proceeding in
16 bankruptcy or has ever been involved in any formal process to
17 adjust, defer, suspend, or otherwise work out the payment of
18 any debt including the date of filing, the name and location
19 of the court, the case caption, the docket number, and the
20 disposition.

21 (7) Whether an applicant has filed, or been served
22 with, a complaint or other notice filed with any public body,
23 regarding the delinquency in the payment of, or a dispute over
24 the filings concerning the payment of, any tax required under
25 federal, state, or local law, including the amount, type of
26 tax, the taxing agency, and time periods involved.

1 (8) A statement listing the names and titles of all
2 public officials or officers of any unit of government, and
3 the spouses, parents, and children of those public officials
4 or officers who, directly or indirectly, own any financial
5 interest in, have any beneficial interest in, are the
6 creditors of or hold any debt instrument issued by, or hold or
7 have any interest in any contractual or service relationship
8 with, an applicant. As used in this subdivision, public
9 official or officer does not include a person who would have
10 to be listed solely because of his or her state or federal
11 military service.

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

21 (10) The name and business telephone number of any
22 attorney, counsel, lobbyist, agent, or any other person
23 representing an applicant in matters before the board
24 including the Alabama licensed attorney who represents the
25 applicant in matters before the board.

26 (11) A description of any proposed or approved
27 casino gaming operation and related casino enterprises,

1 including the economic benefit to the community, anticipated
2 or actual number of employees, any statement from an applicant
3 regarding compliance with federal and state affirmative action
4 guidelines, projected or actual admissions, projected or
5 actual gross receipts, and scientific market research.

6 (b) Financial information in the manner and form
7 prescribed by the board.

8 (c) Information provided on the application shall be
9 used as a basis for a thorough background investigation which
10 the board shall conduct on each applicant. A false or
11 incomplete application is cause for denial of a license by the
12 board.

13 (d) Applicants shall submit with their application
14 all required development agreements and documents,
15 certifications, resolutions, and letters of support from the
16 governing body that represents the municipality in which the
17 applicant proposes to operate a casino.

18 (e) Applicants shall consent in writing to being
19 subject to the inspections, searches, and seizures authorized
20 by this act and to disclosure to the board and its agents of
21 otherwise confidential records, including tax records held by
22 any federal, state, or local agency, or credit bureau or
23 financial institution, while applying for or holding a license
24 under this act.

25 (f) A nonrefundable application fee of fifty
26 thousand dollars (\$50,000) shall be paid at the time of filing
27 to defray the costs associated with the background

1 investigation conducted by the board. If the costs of the
2 investigation exceed fifty thousand dollars (\$50,000), the
3 applicant shall pay the additional amount to the board. All
4 information, records, interviews, reports, statements,
5 memoranda, or other data supplied to or used by the board in
6 the course of its review or investigation of an application
7 for a license under this act shall only be disclosed in
8 accordance with this act. The information, records,
9 interviews, reports, statements, memoranda, or other data may
10 not be admissible as evidence, nor discoverable in any action
11 of any kind in any court or before any tribunal, board,
12 agency, or person, except for any action considered necessary
13 by the board.

14 Section 11. (a) The board shall issue a casino
15 license to a person who applies for a license, who pays the
16 nonrefundable application fee and a twenty-five thousand
17 dollar (\$25,000) license fee for the first year of operation,
18 and who the board determines is eligible and suitable to
19 receive a casino license under this act and the rules
20 promulgated by the board. It is the burden of the applicant to
21 establish by clear and convincing evidence its suitability as
22 to character, reputation, integrity, business probity,
23 experience, and ability, financial ability and responsibility,
24 and other criteria as may be considered appropriate by the
25 board. The criteria considered appropriate by the board shall
26 not be arbitrary, capricious, or contradictory to the
27 expressed provisions of this act. A person is eligible to

1 apply for a casino license if all of the following criteria
2 are met:

3 (1) The applicant proposes to locate the casino in a
4 city where the local legislative body enacted an ordinance
5 approving casino gaming which may include provisions governing
6 casino operations, occupational licensees, and suppliers that
7 are consistent with this act and rules promulgated by the
8 board.

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

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

16 (b) A city may not certify or submit and have
17 pending before the board more than three certified development
18 agreements. If an applicant is denied a casino license by the
19 board, the city may then certify a development agreement with
20 another applicant and submit the certified development
21 agreement to the board. Nothing in this act shall be construed
22 to prevent the city from entering into more than three
23 development agreements.

24 (c) No more than three licenses shall be issued by
25 the board in any city. A license shall not be issued for a
26 casino to be located on land held in trust by the United
27 States for a federally recognized Indian tribe. In evaluating

1 the eligibility and suitability of all applicants under the
2 standards provided in this act, the board shall establish and
3 apply the standards to all applicants in a consistent and
4 uniform manner. If more than three applicants meet the
5 standards for eligibility and suitability provided for in
6 subsections (d) and (e), licenses shall first be issued to
7 those eligible and suitable applicants which submitted any
8 casino gaming proposal for voter approval in the city where
9 the casino will be located prior to its application and the
10 voters approved the proposal.

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

13 (1) The applicant has been convicted of a felony
14 under the laws of this state, any other state, or the United
15 States.

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

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

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

24 (5) The applicant falls to demonstrate the
25 applicant's ability to maintain adequate liability and
26 casualty insurance for its proposed casino.

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

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

12 (8) The board concludes that the applicant lacks the
13 requisite suitability as to integrity, moral character, and
14 reputation; personal and business probity; financial ability
15 and experience; responsibility; or means to develop,
16 construct, operate, or maintain the casino proposed in the
17 certified development agreement.

18 (9) The applicant fails to meet other criteria
19 considered appropriate by the board. The criteria considered
20 appropriate by the board shall not be arbitrary, capricious,
21 or contradictory to the provisions of this act.

22 (e) In determining whether to grant a casino license
23 to an applicant, the board shall also consider all of the
24 following:

25 (1) The integrity, moral character, and reputation;
26 personal and business probity; financial ability and

1 experience; and responsibility of the applicant and of any
2 other person that either:

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

4 b. Is controlled, directly or indirectly, by the
5 applicant or by a person who controls, directly or indirectly,
6 the applicant.

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

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

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

15 (5) Whether the applicant has adequate
16 capitalization to develop, construct, maintain, and operate
17 for the duration of a license the proposed casino in
18 accordance with the requirements of this act and rules
19 promulgated by the Board and to responsibly pay off its
20 secured and unsecured debts in accordance with its financing
21 agreement and other contractual obligations.

22 (6) The extent and adequacy of any compulsive
23 gambling programs that the applicant will adopt and implement
24 if licensed.

25 (7) The past and present compliance of the applicant
26 and its affiliates or affiliated companies with casino or
27 casino-related licensing requirements, casino-related

1 agreements, or compacts with the State of Alabama or any other
2 jurisdiction.

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

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

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

18 (11) Whether the applicant has a history of
19 noncompliance with the casino licensing requirements of any
20 jurisdiction.

21 (12) Whether the applicant has a history of
22 noncompliance with any regulatory requirements in this state
23 or any other jurisdiction.

24 (13) Whether at the time of application the
25 applicant is a defendant in litigation involving its business
26 practices.

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

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

9 (e) Each applicant shall submit with its
10 application, on forms provided by the board, a photograph and
11 two sets of fingerprints for each person having a greater than
12 one percent direct or indirect pecuniary interest in the
13 casino, and each person who is an officer, director, or
14 managerial employee of the applicant.

15 (f) The board shall review all applications for
16 casino licenses and shall inform each applicant of the
17 decision of the board. Prior to rendering the decision, the
18 board shall provide a public investigative hearing at which
19 the applicant for a license shall have the opportunity to
20 present testimony and evidence to establish its suitability
21 for a casino license. Other testimony and evidence may be
22 presented at the hearing, but the decision of the board shall
23 be based on the whole record before the board and is not
24 limited to testimony and evidence submitted at the public
25 investigative hearing.

26 (g) A license shall be issued for a 10-year period.
27 All licenses are renewable upon payment of the license fee and

1 upon the transmittal to the board of an annual report to
2 include information required under rules promulgated by the
3 board.

4 (h) All applicants and licensees shall consent to
5 inspections, searches, and seizures and the providing of
6 handwriting exemplar, fingerprints, photographs, and
7 information as authorized in this act and in rules promulgated
8 by the board.

9 (i) Applicants and licensees shall be under a
10 continuing duty to provide information requested by the board
11 and to cooperate in any investigation, inquiry, or hearing
12 conducted by the board.

13 (j) Failure to provide information requested by the
14 board to assist in any investigation, inquiry, or hearing of
15 the board, or failure to comply with this act or rules
16 promulgated by the board, may result in denial, suspension,
17 or, upon reasonable notice, revocation of a license.

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

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

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

1 Section 14. (a) Unless the board determines that an
2 institutional investor may be found unqualified, an
3 institutional investor holding either under 10 percent of the
4 equity securities or debt securities of a casino licensee's
5 affiliate or affiliated company which is related in any way to
6 the financing of the casino licensee, if the securities
7 represent a percentage of the outstanding debt of the
8 affiliate or affiliated company not exceeding 20 percent, or a
9 percentage of any issue of the outstanding debt of the
10 affiliate or affiliated company not exceeding 50 percent,
11 shall be granted a waiver of the eligibility and suitability
12 requirements of Section 6 if the securities are those of a
13 publicly traded corporation and its holdings of the securities
14 were purchased for investment purposes only and, if requested
15 by the board, files with the board a certified statement that
16 it has no intention of influencing or affecting the affairs of
17 the issuer, the casino licensee, or its affiliate or
18 affiliated company.

19 (b) The board may grant a waiver under this section
20 to an institutional investor holding a higher percentage of
21 securities as allowed in subsection (a), upon a showing of
22 good cause and if the conditions specified in subsection (a)
23 are met.

24 (c) An institutional investor granted a waiver under
25 this section that subsequently intends to influence or affect
26 the affairs of the issuer shall provide notice to the board
27 and file an application for a determination of eligibility and

1 suitability before taking any action that may influence or
2 affect the affairs of the issuer.

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

6 (e) If an institutional investor changes its
7 investment intent or if the board finds that the institutional
8 investor may be found unqualified, no action other than
9 divestiture of the security holdings shall be taken until
10 there has been compliance with this act.

11 (f) The casino licensee or an affiliate or
12 affiliated company of the casino licensee shall immediately
13 notify the board of any information concerning an
14 institutional investor holding its equity or debt securities
15 which may impact the eligibility and suitability of the
16 institutional investor for a waiver under this section.

17 (g) If the board finds that an institutional
18 investor holding any security of an affiliate or affiliated
19 company of a casino licensee that is related in any way to the
20 financing of the casino licensee fails to comply with the
21 requirements of this section, or if at any time the board
22 finds that, by reason of the extent or nature of its holdings,
23 an institutional investor is in a position to exercise a
24 substantial impact upon the controlling interests of a casino
25 licensee, the board may take any necessary action to protect
26 the public interest, including requiring the institutional

1 investor to satisfy the eligibility and suitability
2 requirements.

3 Section 15. (a) The board may issue a supplier's
4 license to a person who applies for a license and pays a
5 nonrefundable application fee set by the board, if the board
6 determines that the applicant is eligible and suitable for a
7 supplier's license and the applicant pays a five thousand
8 dollar (\$5,000) annual license fee. It shall be the burden of
9 the applicant to establish by clear and convincing evidence
10 its suitability as to integrity, moral character, and
11 reputation; personal and business probity; financial ability
12 and experience; responsibility; and other criteria considered
13 appropriate by the board. All applications shall be made under
14 oath.

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

19 (c) Gambling supplies and equipment shall not be
20 distributed unless supplies and equipment conform to standards
21 adopted in rules promulgated by the board.

22 (d) An applicant is ineligible to receive a
23 supplier's license if any of the following circumstances
24 exist:

25 (1) The applicant has been convicted of a felony
26 under the laws of this state, any other state, or the United
27 States.

1 (2) The applicant has been convicted of a
2 misdemeanor involving gambling, theft, fraud, or dishonesty in
3 any state or a local ordinance in any state involving
4 gambling, dishonesty, theft, or fraud that substantially
5 corresponds to a misdemeanor in that state.

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

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

9 (5) The applicant holds an elective office of a
10 governmental unit of this state, another state, or the federal
11 government, or is a member of or employed by a gaming
12 regulatory body of a governmental unit in this state, another
13 state, or the federal government, or is employed by a
14 governmental unit of this state. This subdivision does not
15 apply to an elected officer of or employee of a federally
16 recognized Indian tribe or an elected precinct delegate.

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

20 (7) The board concludes that the applicant lacks the
21 requisite suitability as to integrity, moral character, and
22 reputation; personal and business probity; financial ability
23 and experience; and responsibility.

24 (8) The applicant fails to meet other criteria
25 considered appropriate by the board. The criteria considered
26 appropriate by the board may not be arbitrary, capricious, or
27 contradictory to the express provisions of this act.

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

4 a. The past and present compliance of the applicant
5 with casino licensing requirements of this state or any other
6 jurisdiction pertaining to casino gaming or any other
7 regulated activities.

8 b. The integrity, moral character, and reputation;
9 personal and business probity; financial ability and
10 experience; and responsibility of the applicant or an
11 affiliate of the applicant.

12 c. Whether the applicant has been indicted, charged,
13 arrested, convicted, pleaded guilty or nolo contendere,
14 forfeited bail concerning, or had expunged any criminal
15 offense under the laws of any jurisdiction, either felony or
16 misdemeanor, not including traffic violations, regardless of
17 whether the offense has been expunged, pardoned, or reversed
18 on appeal or otherwise.

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

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

1 f. Whether the applicant has a history of
2 noncompliance with the casino licensing requirements of any
3 jurisdiction.

4 g. Whether the applicant has a history of
5 noncompliance with any regulatory requirements in this state
6 or any other jurisdiction.

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

9 i. Whether awarding a license to an applicant would
10 undermine the confidence of the public in the Alabama gaming
11 industry.

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

17 (e) Any person, including a junket enterprise, that
18 supplies equipment, devices, supplies, or services to a
19 licensed casino shall first obtain a supplier's license. A
20 supplier shall furnish to the board a list of all equipment,
21 devices, and supplies offered for sale or lease to casino
22 licensees licensed under this act.

23 (f) A supplier shall keep books and records of its
24 business activities with a casino operator, including its
25 furnishing of equipment, devices, supplies, and services to
26 gambling operations separate and distinct from any other
27 business that the supplier might operate. A supplier shall

1 file a quarterly return with the board listing all sales,
2 leases, and services. A supplier shall permanently affix its
3 name to all its equipment, devices, and supplies for gambling
4 operations. Any supplier's equipment, devices, or supplies
5 that are used by any person in an unauthorized gambling
6 operation shall be forfeited to the state.

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

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

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

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

25 (k) Applicants and licensees shall be under a
26 continuing duty to provide information requested by the board

1 and to cooperate in any investigation, inquiry, or hearing
2 conducted by the board.

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

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

10 (1) CANDIDATE.

11 a. That term as defined in Section 17-5-2, Code of
12 Alabama 1975.

13 b. The holder of any state, legislative, or local
14 elective office.

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

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

19 (4) OFFICER. Any of the following:

20 a. An individual listed as an officer of a
21 corporation, limited liability company, or limited liability
22 partnership.

23 b. An individual who is a successor to an individual
24 described in paragraph a.

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

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

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

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

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

11 (c) A licensee is considered to have made a
12 contribution if a contribution is made by a person who has an
13 interest in the licensee.

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

21 (e) A licensee or person who has an interest in a
22 licensee or casino enterprise, or the spouse, parent, child,
23 or spouse of a child of a licensee or a person who has an
24 interest in a licensee or casino enterprise, may not make a
25 contribution to a candidate or committee through a legal
26 entity that is established, directed, or controlled by any of

1 the persons described in this subsection during the time
2 period described in subsection (d).

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

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

8 (2) The name and address of any international labor
9 organization with which it directly or indirectly maintains an
10 affiliation or relationship.

11 (3) All of the following information for the
12 designated individuals and other personnel of the local labor
13 organization:

14 a. The full name and any known alias or nickname of
15 the individual.

16 b. The business address and telephone number of the
17 individual.

18 c. The title or other designation in the local labor
19 organization of the individual.

20 d. Unless information is required under paragraph e.
21 of subdivision (4), a brief description of the duties and
22 activities of the individual.

23 e. The annual compensation of the individual,
24 including salary, allowances, reimbursed expenses, and other
25 direct or indirect disbursements.

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

1 a. The home address and telephone number of the
2 individual.

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

4 c. The Social Security number of the individual.

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

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

8 1. The individual's duties and activities.

9 2. Whether he or she performed the same or similar
10 activities previously on behalf of the organization.

11 3. The prior employment or occupational history of
12 the individual.

13 f. Excluding minor traffic offenses, a detailed
14 description of all of the following:

15 1. The convictions incurred by the individual,
16 including any conviction that was expunged or set aside,
17 sealed by court order, or for which he or she received a
18 pardon.

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

21 g. Whether he or she was ever denied a business,
22 liquor, gaming, or professional license or had such a license
23 revoked.

24 h. Whether a court or governmental agency determined
25 the individual unsuitable to be affiliated with a labor
26 organization and the details of that determination.

1 i. Whether the individual was ever subpoenaed as a
2 witness before a grand jury, legislative committee,
3 administrative body, crime commission, or similar agency and
4 the details relating to that subpoena.

5 j. A photograph of the individual taken within the
6 previous 60 days.

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

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

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

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

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

4 (e) Upon finding by clear and convincing evidence
5 that grounds for disqualification under subsection (f) exist,
6 the board may disqualify an officer, agent, or principal
7 employee of a local labor organization registered or required
8 to be registered under this section from performing any of the
9 following functions:

10 (1) Adjusting grievances for or negotiating or
11 administering the wages, hours, working conditions, or
12 employment conditions of casino gaming employees.

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

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

20 (f) An individual may be disqualified under
21 subsection (e) for lacking good moral character if any of the
22 following apply:

23 (1) He or she has been indicted or charged with,
24 convicted of, pled guilty or nolo contendere to, or forfeited
25 bail in connection with a crime involving gambling, theft,
26 dishonesty, prostitution, or fraud under the laws of this
27 state, any other state, or the United States or a local

1 ordinance of a political subdivision of this state or another
2 state. Disqualification cannot be based only on crimes that
3 involve soliciting or engaging prostitution services unless
4 the individual is or has engaged in an ongoing pattern of that
5 behavior. If the grounds for disqualification are criminal
6 charges or indictment, at the request of the individual, the
7 board shall defer making a decision on disqualification while
8 the charge or indictment is pending.

9 (2) He or she intentionally or knowingly made or
10 caused to be made a false or misleading statement in a
11 document provided to the board or its agents or orally to a
12 board member or agent in connection with an investigation.

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

23 (g) A designated individual shall report all
24 information described in subdivisions (1) to (3) of subsection
25 (f) concerning him or her to the local labor organization. A
26 local labor organization shall report all information

1 described in that subdivision concerning its designated
2 individuals of which it has actual knowledge to the board.

3 (h) The board may waive any disqualification
4 criterion under subsection (f) or may rescind a
5 disqualification under subsection (e), if doing so is
6 consistent with the public policy of this act and based on a
7 finding that the interests of justice so require.

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

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

1 (k) The board may petition in the circuit court for
2 the county in which the disqualified individual resides or has
3 his or her principal place of business for an order enforcing
4 the terms of the disqualification.

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

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

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

1 (o) This section may not be expanded or amplified by
2 action of the board or any other executive or administrative
3 body. The board and any other executive or administrative body
4 do not have authority to promulgate interpretive rules or
5 rulings to implement this section. The board and any other
6 executive or administrative body do not have authority under
7 this section to require that a local labor organization or an
8 officer, agent, or principal employee of a labor organization
9 does either of the following:

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

13 (2) Ensure the compliance of any person or entity
14 with the licensing requirements under this act or under rules
15 promulgated by the board.

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

18 (1) CASINO GAMING EMPLOYEE. The following and their
19 supervisors:

20 a. Individuals involved in operating a casino gaming
21 pit, including dealers, shills, clerks, hosts, and junket
22 representatives.

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

25 c. Individuals involved in operating gambling games.

1 d. Individuals involved in operating and maintaining
2 slot machines, including mechanics, floorpersons, and change
3 and payoff persons.

4 e. Individuals involved in security, including
5 guards and game observers.

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

12 (2) DESIGNATED INDIVIDUAL. An officer, agent,
13 principal employee, or individual performing a function
14 described in subsection (e).

15 (q) Nothing in this act shall preclude employees
16 from exercising their legal rights to organize themselves into
17 collective bargaining units.

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

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

23 (2) The board has determined that the applicant is
24 eligible for an occupational license pursuant to rules
25 promulgated by the board.

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

1 (b) It is the burden of the applicant to establish
2 by clear and convincing evidence the eligibility and
3 suitability of the applicant as to integrity, moral character,
4 and reputation; personal probity; financial ability and
5 experience; responsibility; and other criteria as may be
6 considered appropriate by the board. The criteria considered
7 appropriate by the board may not be arbitrary, capricious, or
8 contradictory to the expressed provisions of this act. All
9 applications shall be made under oath.

10 (c) To be eligible for an occupational license, an
11 applicant shall:

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

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

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

18 (4) Not have been convicted of a misdemeanor
19 involving gambling, dishonesty, theft, or fraud in any state
20 or any violation of a local ordinance in any state involving
21 gambling, dishonesty, theft, or fraud that substantially
22 corresponds to a misdemeanor in that state.

23 (d) Each application for an occupational license
24 shall be on a form prescribed by the board and shall contain
25 all information required by the board. The applicant shall set
26 forth in the application whether he or she has been issued
27 prior gambling related licenses; whether he or she has been

1 licensed in any other state under any other name, and, if so,
2 the name under which the license was issued and his or her age
3 at the time the license was issued; and whether or not a
4 permit or license issued to him or her in any other state has
5 been suspended, restricted, or revoked, and, if so, the cause
6 and the duration of each action.

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

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

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

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

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

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

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

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

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

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

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

17 (10) The board concludes that the applicant lacks
18 the requisite suitability as to integrity, moral character,
19 and reputation; personal probity; financial ability and
20 experience; or responsibility.

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

25 (12) The applicant is unqualified to perform the
26 duties required of the license.

1 (13) The applicant has been found guilty of a
2 violation of this act.

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

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

8 (1) A violation of this act.

9 (2) A violation of any of the rules promulgated by
10 the board.

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

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

15 (5) Any other just cause.

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

18 (i) All applicants and licensees shall consent to
19 the inspections, searches, and seizures of their person and
20 personal effects and the providing of handwriting exemplars,
21 photographs, fingerprints, and information as authorized in
22 this act and in rules promulgated by the board.

23 (j) An applicant or licensee shall be under a
24 continuing duty to provide information requested by the board
25 and to cooperate in any investigation, inquiry, or hearing
26 conducted by the board.

1 (k) Failure to provide information requested by the
2 board, to assist in any investigation, inquiry, or hearing of
3 the board, or to comply with this act or rules of the board
4 may result in denial, suspension, or, upon reasonable notice,
5 revocation of a license.

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

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

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

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

21 (b) Upon the termination of a development agreement
22 between a casino licensee and the city in which the casino is
23 located, the board upon the request of the city shall revoke
24 that licensee's casino license.

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

1 (b) Employees of the board, the Alabama Law
2 Enforcement Agency, and the Attorney General may inspect any
3 casino at any time, without notice, for the purpose of
4 determining whether this act or rules promulgated by the board
5 are being complied with.

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

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

13 (e) Persons licensed under this act shall permit no
14 form of wagering on gambling games except as permitted by this
15 act.

16 (f) Wagers may be received only from a person
17 present in a licensed casino. A person present in a licensed
18 casino may not place or attempt to place a wager on behalf of
19 another person who is not present in the casino.

20 (g) Wagering may not be conducted with money or
21 other negotiable currency.

22 (h) All tokens, chips, or electronic cards used to
23 make wagers shall be purchased from a licensed owner in the
24 casino. The tokens, chips, or electronic cards may be
25 purchased by means of an agreement under which the owner
26 extends credit to the patron. The tokens, chips, or electronic

1 cards may be used only while in a casino and only for the
2 purpose of making wagers on gaming games.

3 (i) A person under age 21 may not be permitted in an
4 area of a casino where gaming is being conducted, except for a
5 person at least 18 years of age who is an employee of the
6 gaming operation. An employee under the age of 21 may not
7 perform any function involved in gambling by the patrons. A
8 person under age 21 may not be permitted to make a wager under
9 this act.

10 (j) Managerial employees of casino licensees under
11 this act shall be under an affirmative duty to report to the
12 board and the Alabama Law Enforcement Agency, in writing,
13 within 24 hours, illegal or suspected illegal activity or
14 activity that is in violation of this act or of rules
15 promulgated by the board.

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

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

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

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

23 (3) A financial institution or a branch of a
24 financial institution.

25 (4) A pawnshop.

26 (m) As used in subsection (1), "financial
27 institution" means a state or nationally chartered bank, a

1 state or federally chartered savings and loan association, a
2 state or federally chartered savings bank, a state or
3 federally chartered credit union, or any entity that provides
4 check-cashing services.

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

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

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

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

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

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

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

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

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

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

25 Section 28. Notwithstanding any applicable statutory
26 provision to the contrary, a licensed owner who extends credit
27 to a wagerer pursuant to this act is authorized to institute a

1 cause of action to collect any amounts due as well as the
2 owner's costs, expenses, and reasonable attorney's fees
3 incurred in collection. A licensed owner or his or her agents
4 may not contact a wagerer concerning any amounts due at the
5 wagerer's place of business.

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

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

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

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

6 a. The hiring, training, and deployment of street
7 patrol officers.

8 b. Neighborhood and downtown economic development
9 programs designed to create local jobs.

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

12 d. Anti-gang and youth development programs.

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

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

17 g. The costs of capital improvements.

18 h. Road repairs and improvements.

19 (2) Forty-five percent to the state to be deposited
20 in the Education Trust Fund to provide additional funds for
21 Alabama schools.

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

24 (1) In the development agreement into which the city
25 is entitled to enter, include a provision that requires the
26 licensee located in the city to pay the city a payment equal

1 to 6.9 percent of the adjusted gross receipts received by the
2 licensee from gaming authorized under this act.

3 (2) By ordinance, levy, assess, and collect an
4 excise tax upon licensees located in the city at a rate of 6.9
5 percent of the adjusted gross receipts received by the
6 licensee from gaming authorized under this act.

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

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

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

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

3 Section 30. (a) In addition to application and
4 license fees described in this act, all regulatory and
5 enforcement costs, compulsive gambling programs,
6 casino-related programs and activities, casino-related legal
7 services provided by the Attorney General, and the
8 casino-related expenses of the Alabama Law Enforcement Agency
9 shall be paid by casino licensees as provided by this section.

10 (b) The total annual assessment for the first year
11 in which any casino licensee under this act begins operating a
12 casino in this state shall be twenty-five million dollars
13 (\$25,000,000).

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

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

1 third of the total annual assessment required under this
2 section.

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

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

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

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

1 operations and on the anniversary of that date thereafter.
2 Within 20 days after each anniversary of the date the licensed
3 casino opened for operations, the licensee shall pay any
4 additional municipal services fee owing for the operating year
5 just ended above the advance previously paid for that
6 operating year. The municipal services fee shall be deposited
7 by the city in its general fund for disbursement in accordance
8 with the restrictions of this section and applicable municipal
9 ordinances. The city may submit the question of whether to
10 impose the fee authorized by this subsection to the electors
11 of the city for approval.

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

1 fund for disbursement for the purposes permitted for a fee
2 under subsection (a).

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

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

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

1 position and results of operation under this act, and any
2 recommendations for legislation that the board considers
3 advisable. The report shall also include the information
4 required under subsection (b).

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

9 (1) The number of minors who were denied entry into
10 the casino.

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

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

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

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

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

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

1 Section 36. (a) A person shall be guilty of a Class
2 C felony or a fine of not more than one hundred thousand
3 dollars (\$100,000), or both, and shall be barred from
4 receiving or maintaining a license for doing any of the
5 following:

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

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

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

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

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

22 (6) Making a political contribution in violation of
23 Section 7 of this act.

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

1 (1) Offers, promises, or gives anything of value or
2 benefit to a person who is connected with a licensee or
3 affiliated company, including, but not limited to, an officer
4 or employee of a casino licensee or holder of an occupational
5 license pursuant to an agreement or arrangement or with the
6 intent that the offer, promise, or thing of value or benefit
7 will influence the actions of the person to whom the offer,
8 promise, or gift was made in order to affect or attempt to
9 affect the outcome of a gambling game, or to influence
10 official action of a member of the board.

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

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

1 (4) Solicits or knowingly accepts or receives a
2 promise of anything of value or benefit while the person is a
3 member, employee, or agent of the board, or an official of any
4 state or local agency or governmental body, pursuant to an
5 understanding or arrangement or with the intent that the
6 promise or thing of value or benefit will influence the
7 official action of the member, employee, or agent of the board
8 or official of the state or local governmental body pertaining
9 to a city development agreement, or enforcing this act.

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

13 a. Projecting the outcome of a gambling game.

14 b. Keeping track of the cards played in a gambling
15 game.

16 c. Analyzing the probability of the occurrence of an
17 event relating to a gambling game.

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

20 (6) Cheats at a gambling game.

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

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

1 (9) Places a bet after acquiring knowledge, not
2 available to all players, of the outcome of the gambling game
3 that is the subject of the bet or to aid a person in acquiring
4 the knowledge for the purpose of placing a bet contingent on
5 that outcome.

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

12 (11) Uses counterfeit chips or tokens in a gambling
13 game.

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

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

1 (1) Knowingly making a wager if the person is under
2 21 years of age or permitting a person under 21 years to make
3 a wager.

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

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

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

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

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

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

24 (e) An action to prosecute any crime described in
25 this section, in the discretion of the Attorney General may be
26 tried in the county in which the crime occurred or in

1 Montgomery County or by the district attorney of the county in
2 which the crime occurred.

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

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

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

23 Section 39. When the board is authorized or required
24 by law to consider some aspect of criminal history record
25 information for the purpose of carrying out its statutory
26 powers and responsibilities, the board, in the form and manner
27 required by the Alabama Law Enforcement Agency and the Federal

1 Bureau of Investigation, shall cause to be conducted a
2 criminal history record investigation to obtain any
3 information currently or subsequently contained in the files
4 of the Alabama Law Enforcement Agency or the Federal Bureau of
5 Investigation. The Alabama Law Enforcement Agency shall
6 provide all criminal record information requested by the board
7 for any person who is an applicant for or a holder of a
8 license.

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

15 Section 41. All shipments of gambling devices to
16 licensed casinos in this state, the registering, recording,
17 and labeling of which have been completed by the manufacturer
18 or dealer thereof in accordance with Chapter 1194, 64 Statute
19 1134, 15 U.S.C. 1171 to 1178, are legal shipments of gambling
20 devices into the State of Alabama.

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

1 control all the property and business of the licensee relating
2 to the casino. However, this subsection may not apply in any
3 instance in which the casino for which the casino license had
4 been issued has not been in operation and open to the public.
5 A person shall not be appointed as conservator unless the
6 board is satisfied that he or she is qualified.

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

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

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

1 majority of the conservators have agreed to the proposed
2 action.

3 (e) Upon his or her appointment, the conservator
4 shall become vested with the title of all the property of the
5 former or suspended licensee relating to the casino. Subject
6 to any and all valid liens, claims, and encumbrances, the
7 conservator shall have the duty to conserve and preserve the
8 assets to ensure that the assets shall continue to be operated
9 on a sound and businesslike basis.

10 (f) Subject to the general supervision of the board
11 and pursuant to any specific order it may consider
12 appropriate, a conservator shall have power to do all of the
13 following:

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

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

19 (3) Settle or compromise with any debtor or creditor
20 of the former or suspended licensee, including any taxing
21 authority.

22 (4) Continue the business of the former or suspended
23 licensee including entering into contracts, borrowing money,
24 and pledging, mortgaging, or otherwise encumbering the
25 property of the former or suspended licensee as security for
26 the repayment of the conservator's loans. However, the power

1 shall be subject to any provisions and restrictions in any
2 existing credit documents.

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

4 (6) Review all outstanding agreements to which the
5 former or suspended licensee is a party that fall within the
6 purview of this act and advise the board on which, if any, of
7 the agreements should be the subject of scrutiny, examination,
8 or investigation by the board.

9 (7) Do all acts that best fulfill the purposes of
10 this act.

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

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

20 (2) Prior consultation with the former licensee
21 about the reasonableness of the terms and conditions of the
22 sale, assignment, or transfer.

23 (3) Prior written notice to all creditors and other
24 persons required to be notified pursuant to court rule or
25 statute.

1 (h) The conservator shall not conduct a sale,
2 assignment, or transfer under subsection (g) under any of the
3 following circumstances:

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

5 (2) An appeal from an action that precipitated the
6 conservatorship is pending.

7 (3) The board has not approved a sale, assignment,
8 or transfer.

9 (i) Upon the request of the conservator, prior to a
10 sale, assignment, or transfer under subsection (g), the board
11 shall conduct a summary review of the proposed sale,
12 assignment, or transfer of ownership.

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

24 (k) In a proceeding described in subsection (i), the
25 board shall allow a reasonable compensation for the services,
26 costs, and expenses for the conservator, the attorney for the
27 conservator, the appraiser, the auctioneer, the accountant,

1 and the other persons as the board may appoint in connection
2 with the conservatorship.

3 (l) As an incident of its prior approval of the
4 sale, assignment, or other transfer, in bulk, of all property
5 of the former licensee that was a part of the casino, the
6 board may require that the purchaser of the property assume in
7 a form acceptable to the board all of the outstanding debts of
8 the former licensee that arise from or were based upon the
9 operation of the casino.

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

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

1 (o) A conservator appointed pursuant to this act
2 shall at all times be subject to this act and the rules,
3 limitations, restrictions, terms, and conditions as the board
4 may prescribe. Except as otherwise provided in this act,
5 during the period of any conservatorship imposed by this act,
6 the casino operation in the form of the conservatorship shall
7 be considered a licensed casino operation subject to this act.

8 (p) The board shall direct the discontinuation of a
9 conservatorship when the conservator, with the prior approval
10 of the board, has consummated the sale, assignment, or other
11 transfer, in bulk, of all of the property of the former
12 licensee that was part of the casino.

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

16 (r) Upon the discontinuation of the conservatorship
17 and with the approval of the board, the conservator shall take
18 the steps necessary to effect an orderly transfer of the
19 property of the former or suspended licensee.

20 (s) The sale, assignment, transfer, pledge, or other
21 disposition of the securities issued by a former or suspended
22 licensee during the pendency of a conservatorship instituted
23 pursuant to this act does not divest or otherwise affect the
24 powers conferred upon a conservator by this act.

25 (t) A conservator appointed pursuant to this act
26 shall file with the board reports on the administration of the
27 conservatorship in the form and at the intervals the board

1 shall prescribe. The reports shall be available for
2 examination and inspection by any creditor or party in
3 interest and, in addition, the board may direct that copies of
4 the reports be mailed to designated creditors or other persons
5 and that summaries of any reports be published in designated
6 newspapers of general circulation.

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

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

17 (c) The board shall create and make available an
18 application for placement on the list of disassociated
19 persons. The application shall include all of the following
20 information about the individual who is applying:

21 (1) Full name and all aliases.

22 (2) Physical description including height, weight,
23 hair and eye color, skin color, and any other noticeable
24 physical characteristics.

25 (3) Occupation.

26 (4) Current home and work addresses and phone
27 numbers.

1 (5) Social Security number.

2 (6) Date of birth.

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

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

7 (9) Other information that the board considers
8 necessary.

9 (d) An individual's name shall be placed on the list
10 of disassociated persons after all of the following have
11 occurred:

12 (1) The individual has submitted an application to
13 be placed on the list of disassociated persons to the Alabama
14 Gaming Control Board.

15 (2) The application has been verified by a
16 representative of the board.

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

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

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

1 a. That a criminal complaint for trespassing will be
2 filed against him or her if he or she is found on the premises
3 of a casino in this state and he or she will be immediately
4 removed from the casino premises.

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

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

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

19 (g) The list of disassociated persons shall be
20 provided to each casino licensee, the Attorney General, and
21 the Alabama Law Enforcement Agency.

22 (h) Each casino licensee in this state shall submit
23 to the board a plan for disseminating the information
24 contained in the applications for placement on the list of
25 disassociated persons. The board shall approve the plan. The
26 plan shall be designed to safeguard the confidentiality of the

1 information but shall include dissemination to all of the
2 following:

3 (1) The general casino manager or the managerial
4 employee who has responsibility over the entire casino
5 operations.

6 (2) All security and surveillance personnel.

7 (3) The Alabama Law Enforcement Agency.

8 (i) A casino licensee shall not extend credit, offer
9 check cashing privileges, offer coupons, market its services,
10 or send advertisements to, or otherwise solicit the patronage
11 of, those persons whose names are on the list of disassociated
12 persons.

13 (j) The casino licensee shall keep a computer record
14 of each individual whose name is on the list of disassociated
15 persons. If a casino licensee identifies a person on the
16 premises of a casino, the licensee shall immediately notify
17 the board, a representative of the board, or a representative
18 of the Alabama Law Enforcement Agency who is on the premises
19 of the casino. After the licensee confirms that the individual
20 has filed an affidavit under this section, the licensee shall
21 do all of the following:

22 (1) Immediately remove the individual from the
23 casino premises.

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

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

1 (1) The board shall promulgate rules to implement
2 and administer this act.

3 (m) An individual who has placed his or her name on
4 the list of disassociated persons who enters a casino in this
5 state is guilty of criminal trespassing punishable by
6 imprisonment for not more than one year, a fine of not more
7 than one thousand dollars (\$1,000), or both.

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

12 (o) Any winnings collected by the board under this
13 act shall be deposited into the Compulsive Gaming Prevention
14 Fund.

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

25 Section 45. Although this bill would have as its
26 purpose or effect the requirement of a new or increased
27 expenditure of local funds, the bill is excluded from further

1 requirements and application under Amendment 621, now
2 appearing as Section 111.05 of the Official Recompilation of
3 the Constitution of Alabama of 1901, as amended, because the
4 bill defines a new crime or amends the definition of an
5 existing crime.

6 Section 46. This act shall become effective on the
7 first day of the third month following its passage and
8 approval by the Governor, or its otherwise becoming law, if,
9 and only if, an amendment to the Constitution of Alabama of
10 1901, is ratified repealing the provision of the Constitution
11 of Alabama of 1901, prohibiting the Alabama Legislature from
12 enacting any legislation authorizing lotteries or gift
13 enterprises.