HB152

Z66ZRKR-2

By Representatives Blackshear, Whitt

RFD: Economic Development and Tourism

First Read: 08-Feb-24

A BILL

TO BE ENTITLED

AN ACT

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

requirements by the commission; to levy a state tax on certain casino-style gaming and sports wagering revenues; to provide various anticorruption prohibitions and a criminal penalty for a violation; to create a state lottery to be administered by the Alabama Lottery Corporation and to provide for the creation and operation of the corporation; to provide for the governance of the corporation by a board of directors and provide for the appointment and duties of the board; to provide for the appointment of a president of the corporation and provide for the powers and duties thereof; to establish the Lottery Proceeds Fund in the State Treasury for the purpose of receiving all monies and other revenues collected by the corporation; to establish the Lottery for Education Fund and provide for the distribution of funds therein through an independent supplemental appropriation bill; to provide the Court of Civil Appeals with original jurisdiction to hear various appeals of actions of the commission;, to amend Sections 13A-12-20, 13A-12-21, 13A-12-22, 13A-12-23, 13A-12-24, 13A-12-25, 13A-12-26, 13A-12-27, 13A-12-28, 13A-12-30, Code of Alabama 1975, and Section 13A-11-9, Code of Alabama 1975, as last amended by Act 2023-245, 2023 Regular Session, to update and increase certain criminal penalties for various unlawful gaming activities; to add Sections 13A-12-32 through 13A-12-39 to the Code of Alabama 1975, to prescribe certain activity relating to gaming as unlawful and to provide for criminal penalties for violations; to amend Sections 8-1-150 and 8-1-151, Code of Alabama 1975, to authorize certain contracts based on lawful gaming activity; to amend

Section 38-4-14, Code of Alabama 1975, to prohibit the use of public welfare monies to participate in gaming activity; to add Section 17-5-15.2 to the Code of Alabama 1975, to provide restrictions on campaign finance contributions relating to gaming activity; to repeal Section 11-47-111, Code of Alabama 1975, relating to prohibition of gambling houses; to repeal Section 13A-12-29, Code of Alabama 1975, relating to lotteries drawn outside the state; to repeal Divisions 2, 3, and 4 of Article 2 of Chapter 12 of Title 13A, Code of Alabama 1975, relating to suppression of gambling places, transportation of lottery paraphernalia, and the federal waging occupational tax stamp; to provide for the repeal of the act under certain specified conditions; and in connection therewith would have as its purpose or effect the requirement of a new or increased expenditure of local funds within the meaning of Section 111.05 of the Constitution of Alabama of 2022.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

Chapter 30. Alabama Gaming Control Act.

Article 1. General Provisions.

§41-30-1. Short title.

This chapter shall be known and may be cited as the Alabama Gaming Control Act.

§41-30-2. Definitions.

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

(1) CASINO-STYLE GAME. Any commercial or house banked

game that is played with cards, dice, equipment, or any other mechanical or electronic device or machine, and that is played for money, property, checks, credit, or any other representative of value.

a. The term includes, but is not limited to, any of the following:

1. Table games, including, but not limited to, blackjack, baccarat, roulette, craps, twenty-one, poker, Texas hold'em, cassino, five-card draw, three-card draw, chemin de fer (shimmy), pai gow poker, yablon (red dog), let it ride poker, caribbean stud, casino war, video poker, or any variation thereof.

2. Gaming machines, including, but not limited to, any slot machines as defined in 15 U.S.C. § 1171(a)(1), pachinko, video lottery terminals, and video poker.

3. Pari-mutuel wagering, whether electronic, simulcast, or otherwise.

4. Any other house banked game or game of chance in which the house takes a fee, as determined by the commission by rule.

b. The term does not include any non-commercial social game or charitable game operating in accordance with this chapter. The term does not include bingo, electronic bingo, or any games similar to bingo, including pull-tabs, lotto, punch boards, tip jars, or instant bingo, whether or not played with an electronic, computer, or other technological aid. The term does not include any other form of gaming activity.

(2) CASINO-STYLE GAMING ACTIVITY. To operate, carry on,

conduct, maintain, or expose for play one or more casino-style games.

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

(4) CHARITABLE GAME. A traditional raffle or traditional bingo that is operated by a charitable organization in accordance with this chapter and pursuant to a permit issued by the commission. The term does not include any casino-style game or sports wagering.

(5) CHARITABLE ORGANIZATION. An organization to which all of the following apply:

a. The organization is either of the following:

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

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

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

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

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

(6) COMMISSION. The Alabama Gaming Commission established by this chapter.

(7) ENFORCEMENT DIVISION. The Gaming Enforcement Division established by this chapter.

(8) EXECUTIVE DIRECTOR. The Executive Director of the Alabama Gaming Commission.

(9) GAMING ACTIVITY. Any casino-style game, lottery game, or sports wagering activity.

(10) GAMING EMPLOYEE. Any employee, contractor, or other representative of a gaming establishment or sports wagering platform whose job pertains to the operation, control, or outcome of any casino-style gaming activity or sports wagering, or the access, transport, or review of any gaming revenues.

a. The term includes all of the following:

1. Accounting or internal auditing personnel who are directly involved in any recordkeeping or the examination of records associated with revenue from gaming activities.

2. Cage and counting room personnel.

3. Slot personnel.

4. Table games personnel.

5. Keno personnel.

6. Sports wagering platform personnel.

7. Pari-mutuel wagering personnel.

8. Individuals whose duties are directly involved with the manufacture, repair, sale, or distribution of gaming equipment.

9. Individuals who perform, or who supervise the performance of, the function of receiving and transmitting sports wagers.

10. Information technology personnel who have operational or supervisory control over information technology systems associated with any of the matters related to gaming activities or sports wagering.

11. Hosts or other individuals empowered to extend credit or complimentary services related to gaming activities.

12. Gaming machine mechanics.

13. Odds makers and line setters.

14. Gaming establishment security personnel.

15. Gaming establishment shift or pit bosses.

16. Shills.

17. Supervisors or managers of any individual described in this subdivision.

18. Any other individual as determined by the commission by rule.

b. The term does not include any gaming establishment employee, contractor, or other individual whose duties do not involve gaming activities; any individual engaged exclusively in preparing or serving food or beverages; or any individual involved solely in the resort or hotel functions of a licensed

gaming establishment.

(11) GAMING EQUIPMENT. Any mechanical, electromechanical, or electronic contrivance, component, or machine used in connection with any casino-style game. The term includes, but is not limited to, a system for processing information that can alter the normal criteria of a random selection, that affects the operation of any game, or that determines the outcome of a game. The term does not include a system or device that affects a game solely by stopping its operation so that the outcome remains undetermined.

(12) GAMING ESTABLISHMENT. A physical location for which the commission has issued a license to authorize casino-style gaming activity to be conducted therein.

(13) GAMING ESTABLISHMENT LICENSE. A license issued by the commission to operate, carry on, conduct, maintain, or expose for play one or more casino-style games.

(14) GAMING ESTABLISHMENT LICENSEE. The holder of a gaming establishment license.

(15) GAMING-RELATED ACTIVITY. Any conduct, whether or not approved by the commission, to which any of the following apply:

a. Is ancillary to the operation of a gaming establishment.

b. Is subject to regulation by the commission.

c. Occurs on the premises of a gaming establishment.

(16) GAMING SERVICES. Goods or services offered to a gaming establishment licensee by a contractor, employee, or third party which directly relate to the gaming establishment

or casino-style gaming activity, including, but not limited to, gaming equipment manufacturers, suppliers, and repairers; gaming management services; gaming employees; security services; and similar services ancillary to the operation of casino-style gaming activities at a licensed gaming establishment. The term does not include non-gaming auxiliary services, including, but not limited to, restaurants, bars, clubs, and other food and beverage services; spas; retail establishments; entertainment services; hotel, concierge, and valet services; laundry services; and landscaping and other non-gaming property management services.

(17) GAMING SERVICES CONTRACT. A contract between a gaming establishment licensee and a gaming services provider.

(18) GAMING SERVICES PROVIDER. A person licensed to provide gaming services to or on behalf of a gaming establishment licensee.

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

(20) IN-PERSON SPORTS WAGERING LICENSE. A license issued by the commission to conduct sports wagering, subject to the policies and procedures of the commission and this chapter, through in-person on-premises play at the licensed gaming establishment.

(21) LOTTERY or LOTTERY GAME. A draw-based game of

chance that generally involves the drawing of numbers at random for a prize. The term includes any game deemed a lottery by rule of the commission. The term may include, but is not limited to, a state lottery, instant lottery game, a multi-jurisdiction lottery, or other draw-based lottery that is approved and conducted through the Alabama Lottery Corporation. The term does not include video lottery terminals. The term does not include bingo, electronic bingo, or any game similar to bingo, including pull-tabs, lotto, punch boards, tip jars, or instant bingo, whether or not played with an electronic, computer, or other technological aid. The term does not include any other form of gaming activity.

(22) LOTTERY RETAILER. As defined under Section 41-30-401.

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

(24) ONLINE SPORTS WAGERING LICENSE. A license to operate, carry on, conduct, maintain, or expose for play sports wagering through an online sports wagering platform.

(25) ONLINE SPORTS WAGERING PLATFORM. A person that, for commercial gain, offers sports wagering over the Internet, including on websites or mobile devices, or both.

(26) NET GAMING REVENUE. The total amount of money or value in any form received as a result of any gaming activity, whether or not approved by the commission, excluding free bets and promotional credits, less federal excise taxes, voided

wagers, and the total money or value in any form paid as prizes or winnings, including the cash equivalent of any merchandise or thing of value awarded as a prize.

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

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

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

(30) PRINCIPAL OWNER OR INVESTOR. Any person who has or controls, whether directly or indirectly, 10 percent or more ownership, income, or profit interest in an applicant for licensure under this chapter or a gaming establishment licensee.

(31) SPORTING EVENT. Any sport, athletic contest, game, match, race, motor race, electronic sports event, competitive video game event, or similar competitive event, whether amateur, interscholastic, collegiate, or professional, involving two or more competitors, in which the winner is determined by score or placement. The term does not include any public or private K-12 school or other amateur youth sports or athletic event.

(32) SPORTS WAGERING. The acceptance of wagers that

have a basis in a sporting event that has not yet occurred or is already underway, including the outcome of the sporting event or the individual performance statistics of one or more athletes in a sporting event, or a combination thereof by any system or method of wagering. The term includes, but is not limited to, any of the following that have a basis in a sporting event: Single-game bets, teaser bets, parlays, over-under, moneyline, pools, exchange wagering, in-game wagering, in-play bets, proposition bets, and straight bets. The term does not include wagers on fantasy sports contests authorized under general law. The term does not include bingo, electronic bingo, or any games similar to bingo, including pull-tabs, lotto, punch boards, tip jars, or instant bingo, whether or not played with an electronic, computer, or other technological aid. The term does not include any other form of gaming activity.

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

a. The game requires human interaction and skill, including attentiveness and discernment and physical, visual, auditory, and verbal interaction by and between those persons who are playing and a person, commonly known as the "announcer" or "caller," who is responsible for calling out the randomly drawn designations and allowing time between each call for the players to check their cards and to physically mark them accordingly.

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

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

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

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

§41-30-4. Disclaimer.

Nothing in this chapter shall be deemed to apply to, authorize state or commission regulation or taxation of, or require state or commission approval of, gaming activities or

sports wagering conducted on land held in trust by the United States for the Poarch Band of Creek Indians, except to the extent that the provision is expressly incorporated into a tribal-state gaming compact entered into by the State of Alabama and the Poarch Band of Creek Indians.

§41-30-5. No property rights awarded.

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

Article 2. Alabama Gaming Commission.

§41-30-50. Alabama Gaming Commission created.

The Alabama Gaming Commission is created in the executive branch as a state agency to license and regulate the conduct of all lawful sports wagering, charitable gaming activities, lotteries, and casino-style gaming activities conducted within this state, as authorized by the Constitution of Alabama of 2022, and this chapter, and to effectively eradicate any unlawful gaming activity and unlawful gaming-related activity in this state. The commission shall be located in Montgomery County.

§41-30-51. Commission membership.

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

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

(2) One member of the public, appointed by the Speaker

of the House of Representatives.

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

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

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

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

(b)(1) Initial appointments of the commission shall be made no later than July 1, 2024. The initial appointees shall serve immediately upon appointment and shall continue to serve until confirmed or rejected by the Senate at the first regular or special session of the Legislature held after the initial appointments.

(2) The initial appointees shall hold an organizational meeting of the commission not later than October 1, 2024. At the organizational meeting, the membership of the commission shall select a chair and a vice chair, who shall serve in that position for two years. Members of the commission shall draw lots to determine which three appointees shall serve for an initial two-year term; which three appointees shall serve for an initial three-year term; and which three appointees shall serve for an initial four-year term.

(c) After the expiration of the initial terms, members

appointed to the commission shall serve for four-year terms and shall be confirmed with the advice and consent of the Senate at the first regular or special session of the Legislature held after the appointment. Members may serve two complete terms and any portion of an initial term of less than four years or any portion of an unexpired term to which appointed.

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

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

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

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

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

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

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

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

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

gaming establishment or in the operation of casino-style gaming activities, lottery games, or sports wagering.

(8) May not be a supplier of devices or equipment used in gaming activities.

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

a. A gaming establishment licensee.

b. An online sports wagering platform.

c. A lottery retailer or vendor.

d. A gaming services provider.

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

(f) Any vacancy occurring on the commission shall be filled for the unexpired term by the respective appointing authority. The appointee shall serve immediately upon appointment and shall continue to serve until confirmed or rejected by the Senate at the first regular or special session of the Legislature held after the appointment.

(g) Each member of the commission shall serve for the duration of the member's term and until either the member's successor is appointed and confirmed by the Senate or, if no successor is appointed, for a period of not more than 18 months following the expiration of the member's term.

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

(i) Any member of the commission may be removed for cause by his or her respective appointing authority.

§41-30-52. Commission meetings.

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

(b) Meetings of the commission shall be subject to the Alabama Open Meetings Act; provided, that members of the commission may participate in a meeting of the commission in person, by means of telephone conference, video conference, or other similar communications equipment so that all individuals participating in the meeting may hear each other at the same time. Participation by such means shall constitute presence in person at a meeting for all purposes, including for purposes of establishing a quorum, and the affirmative vote of a majority of the members necessary for any action of the commission.

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

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

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

§41-30-53. Compensation of members.

Each member of the commission shall receive annual compensation equal to one-half of that of a member of the

Legislature and the same per diem and travel allowances provided for state employees.

§41-30-54. Identification, regulation, and taxation of current gaming activities.

The commission may adopt temporary continuing operation rules to implement and administer this chapter and Section 65(e) of the Constitution of Alabama of 2022. These rules are exempt from the requirements of the Alabama Administrative Procedures Act and shall expire on January 1, 2027.

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

The commission shall adopt, amend, or repeal rules in accordance with the Alabama Administrative Procedure Act and shall have all powers necessary and convenient to fulfilling its duties with respect to gaming activity, gaming-related activity, traditional raffles, and traditional bingo. These powers include:

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

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

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

(4) To seize and impound any equipment, supplies, or premises used in violation of laws or commission rules

governing the conduct of gaming activities, subject to the procedures provided under Section 20-2-93.

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

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

(7) To provide for the issuance of licenses for the operation of casino-style gaming activities and sports wagering and to provide for the renewal, modification, extension, suspension, revocation, transfer, or forfeiture of a license.

(8) To regulate and supervise the conduct and operation of gaming activities.

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

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

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

§41-30-56. Audits and reports.

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

(1) Not later than the second legislative day of each

regular session, submit an annual report to the Governor and the Legislature disclosing the total gaming revenues, operating and administrative expenses of the commission, and information relating to the number of licenses issued, suspended, revoked, or transferred during the reporting period. The annual report shall additionally describe the organizational structure of the commission and summarize the functions performed by each organizational division within the commission. The annual report shall be displayed on the website of the commission.

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

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

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

§41-30-57. Executive director and deputy director of

the commission.

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

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

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

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

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

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

e. May not be actively engaged in the business of a gaming establishment or in the operation of casino-style gaming activities, lottery games, or sports wagering.

f. May not be a supplier of gaming equipment.

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

(3) The executive director shall devote his or her full time and attention to the duties required under this chapter

and may not hold any other office of profit or perform any other services for profit or any other gain.

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

(b)(1) The executive director may appoint a deputy director who shall perform duties designated by the executive director.

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

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

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

(1) A gaming establishment licensee.

(2) An online sports wagering platform.

(3) A lottery retailer or vendor.

(4) A gaming services provider.

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

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

(a) The executive director shall direct and supervise

all administrative and technical activities in accordance with this chapter and with the rules, policies, and procedures adopted by the commission.

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

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

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

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

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

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

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

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

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

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

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

a. A gaming establishment licensee.

b. An online sports wagering platform.

c. A lottery retailer or vendor.

d. A gaming services provider.

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

(2) An employee of the commission with decision-making authority may not participate in any decision involving a gaming establishment licensee with whom the employee has a financial interest.

(b) An employee of the commission who leaves the employment of the commission may not represent any vendor, gaming services provider, or gaming establishment licensee before the commission for a period of two years following termination of employment with the commission.

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

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

(e) The commission shall bond commission employees with

access to commission funds in such an amount as provided by the commission and may bond other employees as deemed necessary.

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

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

§41-30-60. Employee participation prohibition.

(a) An employee of the commission may not engage in gaming activity at any gaming establishment except as necessary to perform their regulatory duties as an employee of the commission.

(b) An employee of a licensed gaming establishment may not engage in any gaming activity at any gaming establishment at which he or she is employed. This subsection does not apply to employees of a gaming establishment while operating as a dealer or while playing on behalf of the house to facilitate any gaming activity.

§41-30-61. Records of the commission.

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

(b) The commission may determine which information and records relating to its operations are confidential and not subject to public disclosure. Confidential information, at a minimum, shall include trade secrets; security measures,

systems, or procedures; security reports; employee personnel information unrelated to compensation, duties, qualifications, or responsibilities; and information obtained pursuant to investigations which is otherwise confidential. Information deemed confidential pursuant to this section shall be exempt from public disclosure.

§41-30-62. Minority business participation.

It is the intent of the Legislature that the commission encourage participation by minority businesses. Accordingly, the commission shall adopt a plan that achieves, to the greatest extent possible, a level of participation by minority businesses taking into account the total number of all gaming establishment licensees. The commission shall administer training programs and other educational activities to enable eligible minority businesses to compete for licenses on an equal basis. The commission shall monitor the results of minority business participation and shall report the results of minority business participation to the Governor and the Legislature at least on an annual basis.

§41-30-63. Rulemaking authority.

The commission may adopt rules to implement and administer this chapter, including rules to interpret the terms "casino-style game" and "sports wagering."

Article 3. Gaming Enforcement Division.

§41-30-100. Gaming Enforcement Division established.

The Gaming Enforcement Division within the commission is established. The enforcement division shall have independent and primary authority and jurisdiction to

investigate violations of this chapter and enforce the general laws and rules of the commission. The enforcement division may take any means necessary to aid the commission in the administration and enforcement of this chapter, the gaming laws, and rules of the commission, and to effectively eradicate any unlawful gaming activity or unlawful gaming-related activity in the state.

§41-30-101. Director of the Gaming Enforcement Division.

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

(2) The Gaming Enforcement Officer shall have general supervision and management of the functions and duties of the Gaming Enforcement Division, subject to approval of the executive director, including the power to change the working title of any position in the enforcement division or organize the enforcement division in a manner to efficiently administer the duties of the enforcement division.

(b) The Gaming Enforcement Officer shall satisfy all of the following qualifications:

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

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

(3) Have a law enforcement background of at least 10

years, including executive level experience with specific participation in complex investigations of financial crimes, conspiracy, racketeering, and other related crimes.

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

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

(e) The Gaming Enforcement Officer shall have arrest powers.

(f) The Gaming Enforcement Officer may request the Attorney General or any local district attorney to issue subpoenas and compel the production of documents or items for purposes of enforcing this chapter, the gaming laws, and rules of the commission.

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

§41-30-102. Personnel of the Gaming Enforcement Division.

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

(1) Investigators.

(2) Auditors and forensic accountants.

(3) Compliance officers.

(4) Investigative technology experts.

(5) Administrative staff.

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

(b) To assist the executive director in carrying out his or her duties under this chapter, the Gaming Enforcement Division may employ consultants to render professional services, including, but not limited to, reviewing gaming records and other related records or items, providing expert testimony in contested cases, assisting in audits performed by the enforcement division, and conducting technology reviews and implementation. Consultants shall be compensated for professional services at rates established by the commission.

(c)(1) The personnel of the Gaming Enforcement Division shall serve at the pleasure of the Gaming Enforcement Officer.

(2) Notwithstanding any other provision of local or general law, a retired state or local law enforcement officer may be employed by the Gaming Enforcement Division without suspension or modification of his or her state or local retirement benefits.

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

(e) For purposes of the Alabama Criminal Justice Information Center and the National Crime Information Center, personnel of the Gaming Enforcement Division shall be

considered an originating agency identifier for the purposes of criminal background checks and access to criminal history data.

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

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

§41-30-103. Continuing education requirements.

(a) By October 1, 2025, the Alabama Peace Officers' Standards and Training Commission, in consultation with the Executive Director of the Alabama Gaming Commission and the Gaming Enforcement Officer, shall develop the following:

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

(2) An annual continuing education curriculum to supplement the initial training curriculum relating to investigations and enforcement of gaming laws and rules of the Alabama Gaming Commission, including associated activities.

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

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

§41-30-104. Duties and powers of the Gaming Enforcement Division.

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

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

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

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

(4) Enforce all laws of this state with respect to unlawful gaming activities and unlawful gaming-related activities.

(5) Have primary jurisdiction over any violation of this chapter or Article 2 of Chapter 12 of Title 13A that occurs on the property of a licensed gaming establishment.

(6) Summarily seize and remove from the premises of a gaming establishment or lottery retailer and impound any gaming equipment or other equipment or supplies for the purpose of examination and inspection.

(7) Make arrests of violators of this chapter, the gaming laws and rules of the commission, and any other laws of this state.

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

(9) Make determinations and impose and enforce civil penalties for violations of gaming laws and rules of the commission.

(10) Conduct investigations of applicants for licensure to establish and assess suitability compliance and related issues as provided in Section 41-30-73.

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

(12) Conduct criminal investigations into any unlicensed or otherwise unlawful gaming activity conducted in this state and make arrests where appropriate for violations.

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

§41-30-105. Confidentiality of records.

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

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

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

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

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

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

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

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

(8) All information containing proprietary trade secret information.

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

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

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

Article 4. Casino-style gaming activities.

§41-30-150. License required.

Except to the extent authorized under Section 41-30-54, casino-style gaming activities may only be operated, carried on, conducted, maintained, or exposed for play by a gaming establishment licensee or as otherwise authorized by this chapter.

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

(a) Subject to the receipt of local approval under Section 41-30-152, the commission may issue no more than seven gaming establishment licenses, including the license reserved for the Poarch Band of Creek Indians pursuant to Section 65.04 of the Constitution of Alabama of 2022. Licenses may be awarded pursuant to criteria established by the commission by rule, which shall include a competitive open bidding process, to applicants who have been deemed suitable pursuant Section 41-30-155. The licenses awarded shall be limited by the following conditions:

(1) Four of the licenses shall be reserved for issuance as follows: one in Greene County, one in the portion of the City of Birmingham that is within Jefferson County, one in Macon County, and one in Mobile County.

(2) One license shall be reserved for issuance in accordance with the terms of a gaming compact as provided under Section 41-30-158.

(3) Two licenses shall be reserved for issuance in the

following counties: one in Houston County and one in Lowndes County.

(b) The commission shall adopt rules establishing a competitive open bidding process for the award of gaming establishment licenses as described in subsection (a). The competitive open bidding process shall require the commission to consider all of the following with regard to a suitable applicant:

(1) The applicant's proposed capital investment at the location, including the applicant's commitment to offer amenities such as restaurants and entertainment venues.

(2) The applicant's existing or past investments in the relevant local jurisdiction and the state.

(3) The applicant's past paid taxes to the state and the relevant local jurisdiction.

(4) The applicant's experience in the operation of a gaming establishment.

(5) The applicant's familiarity with the local market.

(6) The applicant's ties to, and community support within, the State of Alabama and the jurisdiction of the proposed gaming establishment.

(7) The applicant's anticipated annual revenues.

(8) The applicant's commitment to employ local citizens and to pay them competitive wages.

(9) The applicant's plans for recruiting a diverse workforce.

(10) The applicant's plans for ensuring the opportunity for participation by minority owned businesses as contractors,

vendors, and other affiliates.

(11) The maximum license fee the applicant is willing to pay.

(c) In selecting an applicant for licensure, the commission shall endeavor to preserve and maintain the historical minority diversity of ownership of sites listed in subsection (a). If the commission receives a bid from a suitable applicant meeting the minority diversity requirements, the commission may give the applicant enhanced consideration if the applicant's bid is no more than 10 percent less than the highest bid received.

§41-30-152. Local approval of a gaming establishment.

(a) The Alabama Gaming Commission may issue a gaming establishment license in a municipality or county only if local county or municipal approval is obtained in accordance with this section.

(b) A county or municipality may grant local approval of a gaming establishment being located in the county or municipality by doing either of the following:

(1) Passing a resolution approving the issuance of a gaming establishment license within the county or municipality.

(2)a. Holding a local referendum in accordance with this subdivision. The governing body of the county or municipality may direct the judge of probate of the county to submit the question of whether to allow a gaming establishment to be located in the applicable county or municipality to the qualified electors of the county or municipality.

b. The election shall be held on the day designated by the judge of probate of the county. The notice of the election shall be given by the judge of probate and the election shall be held, conducted, and the results canvassed in the same manner as other local elections. The election shall be held in conjunction with the next regularly scheduled state or local election to be held in the county, unless specially called by the judge of probate at an earlier time. A period of not less than 180 days must elapse between the date of any second or subsequent election in a local jurisdiction under this paragraph. The county or municipality, as applicable, shall pay any costs and expenses not otherwise reimbursed by a governmental agency which are incidental to the election.

c. The question to the qualified electors shall be, "Do you favor the award of a gaming establishment license in this municipality/county (as applicable)?" The judge of probate may, in his or her sole discretion, identify the specific address of a proposed gaming establishment on the ballot.

d. If a majority of the votes cast in the election are "Yes," local approval shall be deemed granted.

e. The judge of probate shall certify the results of the election to the Secretary of State and the Alabama Gaming Commission.

(c) Upon obtaining local approval, the commission may grant a license in the county or municipality.

§41-30-153. Application to bid for licensure.

(a) A person desiring to operate, carry on, conduct, maintain, or expose for play casino-style gaming activities

shall apply to be considered for licensure by the commission. The commission may adopt rules prescribing the information an applicant is required to submit to the commission prior to the consideration of the person as eligible for potential licensure under this section. The commission shall by rule establish an application fee that must be paid as an application requirement.

(b) An application for consideration under this section shall include all of the following by sworn affidavit:

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

(2) Any business records required by the commission.

(3) The types of casino-style games to be offered at the location.

(4) The number of gaming machines, casino-style game tables, or other devices used to conduct gaming activities.

(5) The physical location of the gaming establishment.

(6) A set of fingerprints for each gaming employee for purposes of a criminal history background check. The enforcement division shall submit the information collected pursuant to this subdivision to the State Bureau of Investigation for purposes of conducting the required criminal history background check. The applicant shall pay the cost of conducting the criminal history background check.

(7) Information, documentation, and assurances concerning the financial background and resources as may be required to establish the financial stability, integrity, and

responsibility of the applicant, including bank references, business and personal income and disbursement schedules, tax returns and other financial reports filed with governmental agencies, and business and personal accounting and check records and ledgers. To meet the requirements of this subdivision, each applicant, in writing, shall authorize the examination of all bank accounts and records as may be deemed necessary by the commission. The applicant shall be presumed to be financially stable if the applicant establishes that it meets each of the following:

a. The ability to assure the financial integrity of gaming establishment operations by the maintenance of a bankroll or equivalent provisions adequate to pay winnings when due.

b. The ability to meet ongoing operating expenses that are essential to the maintenance of continuous and stable gaming establishment operations.

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

(8) Information, documentation, and assurances as may be required to establish that the applicant has sufficient business ability and gaming experience as to establish the likelihood of the creation and maintenance of a successful, efficient sports wagering operation, if applicable.

(9) Any other information required by the commission.

(c) Within a reasonable time after receiving an application under this section, the commission shall determine and notify the applicant in writing whether the application is

complete. If the commission determines the application is incomplete, the commission shall specifically identify the missing information and specify the requirement creating the obligation to submit the missing documents or information in the written notice. The processing deadlines shall restart on the date the applicant submits all the documents and information identified by the commission to render the application complete.

(d) The commission, by rule, shall require an applicant pursuant to this section to demonstrate an ability to make a minimum capital investment of thirty-five million dollars ($35,000,000) in the gaming establishment location. The commission shall consider any previous capital investments of the applicant and existing facilities and structures at the proposed site. In addition, for initial licensure, the commission shall require the applicant to demonstrate that any proposed construction or renovation of gaming establishment facilities would commence within 12 months of licensure.

§41-30-154. Gaming establishment license fee.

(a) The commission shall issue gaming establishment licenses for an initial 15-year term; provided, the commission, by rule, may provide for an extended initial license term for an applicant that proposes to make a minimum capital investment of five hundred million dollars ($500,000,000) at the proposed site. License fees shall be not less than five million dollars ($5,000,000), as determined by the commission with respect to each applicant, based upon the following factors:

(1) The number and type of gaming machines at the location.

(2) The number and type of table games at the location.

(3) The number and type of random number games at the location.

(4) The proposed capital investment plan of the location.

(5) The amount of any previous gross and net gaming revenues generated at the location.

(6) The business plan of the applicant.

(7) The market conditions of the location.

(8) Any other factors deemed relevant by the commission.

(b) One-half of the license fee shall be paid at the time of licensure. The remaining portion of the license fee shall be paid in consecutive equal monthly installments. The license fees shall be collected by the commission and remitted to the State Treasury to the credit of the Gaming Trust Fund.

§41-30-155. Suitability requirements.

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

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

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

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

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

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

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

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

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

(8) Prior activities, arrests, or criminal records, if any, and the general reputation, habits, and associations of any principal owner or investor of an applicant which may: (i) pose a threat to the public interest of this state or to the effective regulation of gaming in this state; and (ii) create or enhance the dangers of unsuitable, unfair, or unlawful practices, methods, and operations in the activities authorized by this chapter and the financial arrangements and activities incidental to the gaming activities authorized by

this chapter. For purposes of this subdivision, evidence of or relating to an arrest, summons, charge, or indictment of an applicant, or the dismissal thereof, shall be considered by the commission where applicable, even if the arrest, summons, charge, or indictment resulted in an acquittal, deferred adjudication such as participation in a pretrial diversion program, probation, parole, or pardon.

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

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

(11) Whether awarding a license to the applicant would create a monopoly or circumstances that would substantially lessen or harm competition in a manner that would deprive residents of the State of Alabama of the benefits of competition. To this end, a person may not hold a majority interest in more than two licensed gaming establishments or more than one percent in more than three licensed gaming establishments. The commission shall ensure that the award or transfer of a license on or after June 1, 2024, would not result in a violation of this subdivision.

(12) Whether an applicant registered and accepted the regulation of the commission, became subject to taxation, and provided information required by the commission, as provided under Section 65(e) of the Constitution of Alabama of 2022, and rules of the commission pursuant to Section 41-30-54. The

commission may give an applicant enhanced consideration for satisfying this subdivision.

(13) Any other factor or consideration deemed relevant by the commission.

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

(d) The executive director shall conduct a suitability analysis of each applicant for licensure. Each applicant shall provide any information and documentation requested by the executive director. The executive director shall report in writing his or her findings to the members of the commission, detailing the information supporting the determination, including a formal recommendation of whether the applicant is suitable or not suitable for licensure. The members of the commission, by majority vote, shall determine whether the applicant is suitable for licensure.

§41-30-156. Renewal of licenses.

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

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

commission. In determining the renewal fee, the commission shall consider the licensing criteria under this article.

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

§41-30-157. Transfer of a license.

The commission shall approve any proposed transfer of a license issued pursuant to this article, including any change of principal owner or investor of the licensee, prior to any transfer of the license. License transfers shall be subject to the application for licensure procedures set out under this article. The commission shall review any proposed transfer and may approve or deny the transfer in accordance with rules adopted by the commission.

§41-30-158. Licensure under gaming compact.

(a) Upon the State of Alabama entering into a compact with the Poarch Band of Creek Indians (PCI), as contemplated by the constitutional amendment enacted pursuant to House Bill ___ of the 2024 Regular Session, the commission shall issue PCI a license for one additional site outside of trust lands at a location approved pursuant to Section 41-30-152. The location shall be in a county that is wholly located north of U.S. Route 411 and that borders the State of Georgia, or a municipality within such a county.

(b) The Poarch Band of Creek Indians shall submit its business plan relating to its proposed operation at the additional site for review by the commission. The commission shall review the plan considering the license fees and terms provided for the other gaming establishments in this article and make a determination regarding the license fee for a term as provided under Section 41-30-154(a); provided, the license fee and license term may not conflict with the terms of the compact.

(c) Upon notice of this determination by the commission, PCI shall pay its first license fee installment as provided by this article and the commission shall issue the license.

§41-30-159. Gaming services contracts.

(a) A gaming establishment licensee may enter into a contract with a gaming services provider to provide gaming services only if all of the following conditions are satisfied:

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

(2) The contract is in writing.

(3) The contract is approved by the commission.

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

(b) A gaming establishment licensee shall submit any material change in a gaming services contract previously approved by the commission to the commission for its approval

or rejection before the material change may take effect.

(c) Any assignation or transfer of a gaming services contract, or the duties therein, to a third party shall be deemed a material change in the gaming services contract and may not take effect without approval by the commission pursuant to subsection (b).

§41-30-160. Gaming services provider license.

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

(b) Each applicant shall meet the following requirements for a gaming services license:

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

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

(3) Demonstrate that the gaming services that the applicant plans to offer conform to standards established by rules of the commission and this chapter. The commission may accept the approval of a gaming services provider by another jurisdiction that is specifically determined by the commission to have gaming services as evidence the applicant meets the standards established by the commission and this chapter.

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

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

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

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

(3) Pay to the commission a nonrefundable application fee for deposit into the Gaming Trust Fund, in an amount to be determined by the commission by rule, to cover the administrative costs of processing the application.

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

(d) A license to provide gaming services shall authorize the licensee to provide gaming services at any licensed gaming establishment pursuant to a gaming services contract.

(e) Prior to October 1 of each year, each gaming services provider shall pay to the commission an annual license fee, in an amount to be determined by the commission by rule, for deposit into the Gaming Trust Fund.

(f) The commission shall authorize the renewal of a gaming services license upon verification that the gaming services provider continues to comply with all applicable statutory requirements and rules of the commission and has

paid its annual license fee.

§41-30-161. Judicial challenge of license award.

(a) As used in this section, the term "unsuccessful gaming establishment license applicant" means any person or entity seeking, or who has sought, the award of a gaming establishment license from the Alabama Gaming Commission; or any person or entity that possesses a financial interest in any person or entity seeking, or who has sought, the award of such a license.

(b) The award of a gaming establishment license by the Alabama Gaming Commission shall be deemed final and conclusive by the courts of this state as to any unsuccessful gaming establishment license applicant. No action, claim, counterclaim, defense, or other legal contention challenging the validity of such a license shall be brought or maintained in a court of this state by an unsuccessful gaming establishment license applicant, and the courts of this state shall be powerless and without jurisdiction to issue to an unsuccessful gaming establishment license applicant an injunction, writ, order, or any other form of relief that would have the effect of preventing the commission from issuing a license or invalidating a license previously awarded by the commission.

(c) A court shall promptly dismiss for lack of jurisdiction any such action, claim, counterclaim, defense, or other legal contention or any such request for an injunction, writ, order, or other form of relief.

(d) Any court's injunction, writ, order, or other form

of relief that would have the effect of preventing the commission from issuing a license or invalidating a license previously awarded shall be immediately appealable to the Alabama Supreme Court in the same manner as a final order in the action. The appeal may only be filed within 42 days of the issuance of the injunction, writ, order, or other form of relief. If the appeal is not the first appeal taken by the party, the subsequent appeal shall be considered by the court only to the extent that either the facts or controlling law relevant to the issuance of a gaming establishment license have changed from that which existed or controlled at the time of the earlier appeal.

(e) During the pendency of any such appeal, the action in the trial court shall be stayed in all respects.

Article 5. Operation of gaming establishments.

§41-30-200. Duties of licensees.

A gaming establishment licensee shall do all of the following:

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

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

(3) Hold the commission and this state harmless from, and defend and pay for the defense of, claims that may be

asserted against a licensee, the commission or its members in their official capacity, or the state or employees thereof, arising from the licensee's actions or omission while conducting any licensed gaming activity.

(4) Assist the commission in regulating the revenue of licensed gaming activity.

(5) Maintain all records required by the commission.

(6) Upon request by the commission, provide the commission access to all records and the physical premises where the licensee's gaming activity and related activities occur for the purpose of monitoring or inspecting the licensee's activities, the games, gaming equipment, and security equipment.

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

(8) Acquire gaming activities and gaming equipment by purchase, lease, or other assignment and provide a secure location for the placement, operation, and play of those games and gaming equipment.

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

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

(11) Ensure that gaming activity is placed and remains placed in the specific locations within designated gaming

areas at the gaming establishment which have been approved by the commission. Gaming activity at a gaming establishment may only be relocated upon approval of the commission in accordance with its rules. Casino-style games shall only be available for in-person play on the premises of a licensed gaming establishment.

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

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

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

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

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

(a) Prior to commencing the operation of any gaming activity at a gaming establishment, a gaming establishment licensee shall submit to the commission for its approval a detailed floor plan depicting the location of the designated gaming area in which gaming activity or gaming equipment will be located and the proposed arrangement thereof.

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

a detailed floor plan.

§41-30-202. Game rules of play.

(a) Each gaming establishment licensee shall have written rules of play for each type of gaming activity operated by the licensee, which must be approved by the commission before the game is offered to the public. Rules of play proposed by a licensee may be approved, amended, or rejected by the commission.

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

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

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

§41-30-203. Betting limits, operations, and services for gaming activity.

(a) A gaming establishment licensee, in the exercise of

its business judgment, may determine and establish with the approval of the commission, all of the following relating to its licensed gaming activities:

(1) Minimum and maximum wagers.

(2) Promotions subject to rules of the commission.

(3) Hours of operation.

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

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

(1) Minimum and maximum payout percentages.

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

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

§41-30-204. Posting of betting limits for table games.

(a) Gaming establishment licensees accepting bets or wagers shall post in a conspicuous location at each specific location where the gaming activity is occurring indicating the permissible minimum and maximum wagers pertaining to table games at that location.

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

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

item.

(a) A gaming establishment licensee may not offer or provide any complimentary service, gift, cash, or other item of value to any patron, except under any of the following conditions:

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

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

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

(b)(1) Notwithstanding subsection (a), a gaming establishment licensee may offer and provide complimentary cash or non-cash gifts that are not otherwise included in that subsection to a patron; provided, however, any complimentary

cash or non-cash gifts in excess of an amount per trip to be set by rule of the commission are supported by documentation regarding the reason the gift was provided to the patron and his or her guests, including, where applicable, the patron's player rating.

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

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

(a) An individual under 21 years of age may not play or engage in any casino-style games.

(b) This section does not prohibit individuals under 21 years of age from being allowed on the premises of a gaming establishment where licensed gaming activity is being conducted, so long as those individuals are restricted to areas of the gaming establishment in which casino-style gaming activity is not being conducted.

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

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

§41-30-207. Required reports.

The holder of a gaming establishment license shall maintain daily records showing the gross receipts and adjusted gross receipts of the licensed activities and shall timely file with the commission any additional reports required by the commission by rule.

Article 6. Sports wagering.

§41-30-250. Sports wagering license required.

(a) Sports wagering activities in every form, including by physical, electronic, or other means, may only be operated, carried on, conducted, maintained, or exposed for play in this state in accordance with this article and rules adopted thereunder.

(b) A person desiring to operate, carry on, conduct, maintain, or expose for play sports wagering activities in this state shall apply for a sports wagering license from the commission.

(c) Nothing in this article shall authorize any online casino-style gaming activities or other in-person or online gaming activities, including lottery games, except sports wagering.

§41-30-251. Sports wagering license application.

(a) An applicant for licensure under this article shall submit an application on a form in a manner as required by the commission. The commission shall by rule establish an application fee that must be paid as an application requirement. The application shall include all of the following with respect to the applicant:

(1) The names of each principal owner and investor.

(2) Information, documentation, and assurances, as prescribed by rule of the commission, that may be required to establish the good character, honesty, and integrity of the principal owners and investors of the applicant and its gaming employees.

(3) Notice and a description of all civil judgments obtained against the applicant.

(4) A list of all jurisdictions where the applicant has conducted sports wagering operations.

(5) Information, documentation, and assurances concerning the financial background and resources as may be required to establish the financial stability, integrity, and responsibility of the applicant, including, but not limited to, bank references, business and personal income and disbursement schedules, tax returns and other reports filed with governmental agencies, and business and personal accounting and check records and ledgers. To meet the requirements of this subdivision, each applicant, in writing, shall authorize the examination of all bank accounts and related records as may be deemed necessary by the commission. The commission may consider any relevant evidence of financial stability. The applicant shall be presumed to be financially stable if the applicant establishes that it meets each of the following:

a. The ability to assure the financial integrity of sports wagering operations by the maintenance of a bankroll or equivalent provisions adequate to pay winning wagers to bettors when due. An applicant is presumed to have met this

standard if the applicant maintains, on a daily basis, a bankroll and equivalent provisions in an amount that is at least equal to the average daily minimum bankroll or equivalent provisions, calculated on a monthly basis, for the corresponding month in the previous year.

b. The ability to meet ongoing operating expenses that are essential to the maintenance of continuous and stable sports wagering operations.

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

(6) If an applicant has not previously been engaged in business operations prior to applying for licensure, documents that establish that the applicant has made sufficient arrangements to fund its proposed sports wagering operations.

(7) Information, documentation, and assurances as may be required to establish that the applicant has sufficient business ability and gaming experience as to establish the likelihood of the creation and maintenance of a successful, efficient sports wagering operation.

(8) Information, as required by rule of the commission, regarding the financial standing of the applicant, including, but not limited to, a listing of each individual or entity that has provided loans or financing to the applicant.

(9) If the applicant intends to offer sports wagering through an online sports wagering platform, copies of any contracts with the online sports wagering platforms and any other information requested by the commission relating to the contract.

(10) A nonrefundable application fee to be set by the commission by rule. If the application is approved, the application fee shall be applied to the initial license fee provided under Section 41-30-252.

(11) Any additional information required by the commission by rule.

(b) The executive director shall review each application for licensure. The executive director shall report in writing his or her findings to the members of the commission, detailing the information supporting the determination, including a formal finding of whether the applicant is recommended for licensure.

(c) The commission shall approve or deny the license application by majority vote of the members of the commission within a reasonable time after receipt of the application.

(d) Each person holding a license under this article has a continuing duty to immediately inform the commission of any material change in status relating to any information that may disqualify the person from holding the license.

§41-30-252. Sports wagering license fee.

The license fee for a sports wagering license issued pursuant to Section 41-30-251 shall be for an amount and term of years to be determined by the commission by rule based on market factors and conditions and industry standards.

§41-30-253. In-person and online sports wagering license.

(a) The commission may issue licenses authorizing a licensee to operate, carry on, conduct, maintain, or expose

for play sports wagering activities as follows:

(1) The commission may issue to a gaming establishment licensee one in-person sports wagering license that authorizes the licensee to conduct in-person sports wagering on the premises of the licensee's gaming establishment.

(2) The commission may issue an online sports wagering license to an applicant that authorizes the licensee to conduct sports wagering activities through an individually branded sports wagering platform website and through an associated mobile application bearing the same brand name.

(b) The commission shall adopt rules prescribing a minimum and maximum number of online sports wagering licenses that may be issued. It is the intent of the Legislature that the number of licenses awarded foster a competitive environment.

§41-30-254. Promotional credits.

Sports wagering licensees may provide promotional credits, incentives, bonuses, or similar benefits designed to induce sports bettors to wager. The commission shall adopt rules to govern this section.

§41-30-255. Prohibited sports wagering activities.

(a) A sports wagering licensee may not conduct any sports wagering activities on any public or private K-12 school or other amateur youth sports or athletic events.

(b) A sports wagering licensee may not authorize any individual under 21 years of age to engage in any sports wagering activities. A sports wagering platform may satisfy this requirement by using any reasonable commercially

available age-verification software or program.

(c) The commission shall adopt rules to implement and administer this section, including uniform civil penalties for a violation.

§41-30-256. Deposit of fees.

All fees collected under this article shall be deposited into the Gaming Trust Fund pursuant to Section 41-30-453.

§41-30-257. Required reports.

The holder of a sports wagering license shall maintain daily records showing the gross receipts and adjusted gross receipts of the licensed activities and shall timely file with the commission any additional reports required by the commission by rule.

§41-30-258. Rulemaking authority.

The commission shall adopt rules governing the licensing, administration, and conduct of sports wagering, which shall include all of the following:

(1) Qualifications and conditions of licenses issued for the operation of sports wagering either in person or online.

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

(3) The method of accounting to be used by sports wagering licensees, including the types of records that shall be maintained by the licensee.

(4) Protections for patrons placing wagers, including

requirements to ensure responsible gaming.

§41-30-259. Interstate sports wagering agreements.

The commission may enter into sports wagering agreements with other states and jurisdictions to authorize individuals who are physically located in a signatory jurisdiction to participate in sports wagering activities.

§41-30-260. Temporary sports wagering permit.

(a) Notwithstanding any provision of this chapter to the contrary, the commission may award a temporary sports wagering permit to the operator of a racetrack for a live motor sports race event the attendance of which includes, on average, an estimated 60,000 or more individuals.

(b) The temporary permit shall generally be valid for three consecutive calendar days; provided, the commission, by rule, may authorize limited exceptions to extend the number of calendar days if a race is canceled or delayed due to weather or other circumstances.

(c) The temporary permit shall authorize the operator of the racetrack to conduct in-person sports wagering on race events at the racetrack.

(d) The commission, by rule, shall establish the temporary sports wagering permit fee. All fees collected by the commission under this section shall be deposited into the Gaming Trust Fund.

Article 7. Charitable games.

§41-30-300. Permit required.

(a) Notwithstanding any provision of this chapter, a person desiring to conduct a traditional raffle or traditional

bingo for charity fundraising shall apply to the commission for a charity fundraising permit under this article.

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

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

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

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

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

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

(h) All fees collected under this section shall be remitted to the Gaming Trust Fund.

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

(a) The commission shall issue a charitable fundraising permit to an applicant who meets all of the requirements of

this section.

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

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

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

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

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

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

(6) A description of the intended use of any net gaming proceeds of the charitable game operated by the organization.

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

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

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

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

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

§41-30-302. Prohibited activities.

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

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

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

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

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

§41-30-303. Penalties.

A person who knowingly violates this article shall be

guilty of a Class C misdemeanor.

Article 8. Social gaming.

§41-30-350. Social gaming authorized.

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

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

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

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

(4) The game is not played or operated with any gaming equipment, including any electronic form of bingo or a slot machine.

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

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

(7) The game is not a casino-style game, as defined under Section 41-30-2.

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

Article 9. Alabama Lottery Corporation.

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

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

§41-30-401. Definitions.

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

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

(2) CORPORATION. The Alabama Lottery Corporation.

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

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

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

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

(7) MAJOR PROCUREMENT. Any item, product, or service in the amount of one million dollars ($1,000,000) or more,

including, but not limited to, major advertising contracts, annuity contracts, prizes, products, and services unique to the state lottery.

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

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

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

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

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

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

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

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

(c) The corporation shall be domiciled in the State of

Alabama. The exclusive venue for any action or matter against the corporation arising out of or in connection with the issuance, nonissuance, delivery, or failure to deliver a lottery ticket or payment or nonpayment of a lottery prize in the county in which its corporate headquarters is located, and the circuit court for that county shall have exclusive jurisdiction over the action or matter. For purposes of the assessment of court costs only, the corporation shall be a private corporation.

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

(a) The affairs of the corporation shall be administered by the Alabama Lottery Corporation Board of Directors. The board shall be composed of seven voting members appointed by the Governor with the advice and consent of the Senate. In addition, the Commissioner of Revenue and the State Treasurer shall serve as ex officio, nonvoting members.

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

(c) The initial appointees of the board shall serve staggered terms as follows: (i) One term shall expire after one year; (ii) one term shall expire after two years; (iii) one term shall expire after three years; (iv) one term shall

expire after four years; and (v) one term shall expire after five years. After the expiration of the initial terms, members of the board shall serve for terms of five years.

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

(e) Appointed members of the board shall be entitled to per diem compensation paid by the corporation and shall be reimbursed by the corporation for necessary travel and other reasonable expenses incurred in the performance of their official duties. Members of the board shall not have any direct or indirect interest in an undertaking that puts their personal interest in conflict with that of the corporation, including, but not limited to, an interest in a major procurement contract or a participating retailer.

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

(g) Meetings of the board shall be subject to the

Alabama Open Meetings Act; provided that members of the commission may participate in a meeting of the commission in person, by means of telephone conference, video conference, or other similar communications equipment so that all individuals participating in the meeting may hear each other at the same time. Participation by any such means shall constitute presence in person at a meeting for all purposes, including for purposes of establishing a quorum, and the affirmative vote of a majority of the members in attendance shall be necessary for any action of the commission.

§41-30-404. Inspection of records.

All records of the corporation shall be deemed public records and subject to public inspection pursuant to the Alabama Public Records Act, Chapter 25A of Title 36, unless any of the following apply:

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

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

(3) The record pertains to the internal security operations of the lottery or its lottery retailers or the record is of such a sensitive nature that its disclosure would endanger the security of the lottery or its lottery retailers, including, but not limited to, records containing security procedures, investigative techniques, or internal security information.

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

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

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

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

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

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

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

§41-30-406. Duties of the board.

The board shall have the following powers and duties:

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

(2) Recommend rules for adoption to the Alabama Gaming Commission as necessary to carry out and implement the

operations of the corporation, the conduct of lottery games in general, and any other matters necessary or desirable for the efficient and effective operation of the lottery or convenience of the public.

(3) Establish the salary of the president.

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

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

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

b. The sale price of tickets.

c. The number and amount of prizes.

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

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

f. The manner of payment of prizes.

g. The frequency of games and drawings.

h. The manner and amount of compensation to lottery retailers, except all compensation shall be uniform.

i. Any other matters necessary to carry out this act and necessary for the efficient and effective operation of the

lottery.

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

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

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

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

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

(11) Submit quarterly and annual reports to the Governor, the Lieutenant Governor, the Speaker of the House of Representatives, the State Treasurer, the State Auditor, the Joint Legislative Committee on Performance Evaluation and Expenditure Review, the Alabama Gaming Commission, the Director of Finance, and the Commissioner of Revenue containing financial information and projections which include, but are not limited to, disclosure of gross revenues,

expenses, and net proceeds for the period.

(12) Establish a system of continuous internal audits.

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

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

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

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

(17) Adopt a corporate seal and a symbol.

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

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

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

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

a. Contracts that provide for the placement of commercial advertising on tickets.

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

lottery.

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

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

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

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

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

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

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

(4) Enter into contracts with lottery retailers.

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

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

(7) Enter into any contract pursuant to this article with any person for the promotion and operation of the lottery

or for the performance of any of the functions as provided in this article or rule of the commission unless the contract constitutes a major procurement. A major procurement shall require approval from the board.

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

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

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

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

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

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

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

article.

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

(16) Supervise ticket validation and lottery drawings.

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

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

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

(b) The president and the board shall conduct an ongoing examination of the operation and administration of lotteries in other states and countries, including reviewing available literature on the subject; federal laws and regulations which may affect the operation of the lottery; and the reaction of residents of this state to existing or proposed features of lottery games with a view toward implementing improvements that will tend to serve the purposes

of this article.

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

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

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

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

(b) The corporation shall be exempt from the requirements of the state procurement law, Article 5 of Chapter 4 of Title 41, Code of Alabama 1975, and the requirements of Chapter 16 of Title 41, relating to the design and operation of the lottery or purchase of lottery equipment, tickets, and related materials.

(c) The corporation may make procurements necessary for the function of the lottery, including procurements for the design of lottery games, the distribution of lottery tickets to lottery retailers, the supply of goods and services, and advertising. In all procurement decisions, the corporation shall take into account the particularly sensitive nature of the state lottery and shall promote and ensure security, honesty, fairness, and integrity in the operation and administration of the lottery and the objectives of raising

net proceeds for the benefit of the state.

§41-30-409. Agreements with other entities; exemption from Alabama Public Records Law.

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

(b) Records, documents, and information in the possession of the corporation received pursuant to an intelligence sharing, reciprocal use, or restricted use agreement entered into by the corporation pursuant to subsection (a) shall be exempt from the Alabama Public Records Law of Chapter 13 of Title 41. The corporation may not release the record, document, or other information without the written permission of the person or agency providing the record or information to the corporation.

§41-30-410. Advertising.

(a) The corporation may enter into one or more commercial advertising contracts with a person for the purpose of promoting the lottery and the sale of lottery tickets.

(b) The board shall recommend rules for adoption to the Alabama Gaming Commission which shall govern any advertising conducted pursuant to this section.

§41-30-411. Criminal background checks.

(a) The Alabama State Bureau of Investigation shall perform a criminal background check on potential vendors,

including potential lottery retailers and potential employees of the corporation.

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

(c) The corporation shall reimburse the Alabama State Bureau of Investigation for the actual costs of conducting the criminal background investigations.

§41-30-412. Sale to minors; penalty, affirmative defense.

(a) Any person who knowingly sells a lottery ticket to an individual under 18 years of age or permits an individual under 18 years of age to play a lottery game shall be guilty of a Class C misdemeanor and fined as follows:

(1) On a first violation, not less than one hundred dollars ($100) nor more than five hundred dollars ($500).

(2) On a subsequent offense, not less than two hundred dollars ($200) nor more than one thousand dollars ($1,000).

(b) It shall be an affirmative defense to a charge of violating this section that the retailer reasonably and in good faith relied upon presentation of proof of age in making the sale.

§41-30-413. Claiming a prize.

(a) The proceeds of any lottery prize of six hundred dollars ($600) or more shall be subject to state and federal income tax withholding laws, as applicable. To claim a lottery prize of six hundred dollars ($600) or more, an individual

holding a winning lottery ticket must provide to the corporation the individual's name, address, and any other information required by rule of the Department of Revenue. The Department of Revenue shall adopt rules governing the administration of this subsection.

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

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

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

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

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

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

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

(6) No prize shall be paid upon a lottery ticket purchased or sold in violation of this article or rule adopted

thereunder. A lottery ticket purchased or sold in violation of this article or rule adopted thereunder shall constitute an unclaimed prize for purposes of this section.

(d) Unclaimed prize money shall not constitute net lottery proceeds. Unclaimed prize money shall be held in trust by the corporation and used as provided in this section. Annually, the corporation shall distribute a portion of unclaimed prize money, not to exceed two hundred thousand dollars ($200,000) each year, to the State General Fund to the credit of the Department of Mental Health for the treatment of compulsive gambling disorder and educational programs related to the disorder. In addition, unclaimed prize money may be added to the pool from which future prizes are to be awarded or used for special prize promotions.

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

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

(1) Any member of the board.

(2) Any member, officer, or employee of the Alabama Gaming Commission.

(3) Any officer or employee of the corporation.

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

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

(a)(1) The board shall coordinate with the Department of Human Resources to recommend rules for adoption to the Alabama Gaming Commission providing for the withholding of lottery prizes of individuals who have outstanding child support arrearages as reported to the corporation, beginning at prize levels to be determined by the board. The rules may require any agency reporting current child support arrearages to the corporation to provide information relating to the arrearages in a manner, format, or record approved by the corporation.

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

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

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

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

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

(a) There is established in the State Treasury the Lottery Proceeds Fund. All lottery proceeds received by the corporation, including all monies from the sale of lottery

tickets and all other sources of revenue, shall be deposited into the fund. All lottery proceeds shall be the property of the corporation.

(b) The corporation shall use monies in the fund to first pay for its reasonable operating expenses, second for the payment of prize money, and all remaining funds shall be transferred to the Lottery for Education Fund as provided under subsection (c). The corporation shall endeavor to maximize the amount of revenues that may be generated for deposit into the Lottery for Education Fund.

(c)(1) The Lottery for Education Fund is established in the State Treasury.

(2) On or before the twentieth day of each month, the corporation shall transfer, from the Lottery Proceeds Fund to the Lottery for Education Fund, the amount of all net proceeds described in subsection (b). Upon their deposit into the Lottery for Education Fund, any monies representing net proceeds shall become the unencumbered property of the State of Alabama and the corporation shall have no power to agree or undertake otherwise. The monies shall be invested by the State Treasurer in accordance with state investment practices.

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

(a) The corporation may enter into contracts to incur debt in its own name and enter into financing agreements with the state, agencies, or instrumentalities of the state, or with any commercial bank or credit provider. Any contract or financing agreement entered into pursuant to this subsection must be approved by the Finance Director of the Department of

Finance. Any obligations created in connection with any contracts or financing agreements entered into pursuant to this section shall solely and exclusively be obligations of the corporation and shall not create debts, obligations, or liabilities of the State of Alabama.

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

§41-30-417. Selection and maintenance of statewide network of lottery retailers.

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

(b) A lottery game may not be played except as authorized by general law and rules adopted by the commission. A lottery game may not be operated through the use of a video lottery terminal or any other mechanical, electromechanical, or other electronic device or machine that performs all the functions of a lottery by itself when networked with other similar devices or machines.

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

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

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

(1) Financial responsibility.

(2) Location and security of place of business or activity.

(3) Character, integrity, and reputation.

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

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

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

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

(3) Has been convicted of any felony in this state, unless more than five years have elapsed from the date of the individual's release from incarceration without a subsequent

conviction of a crime described in this subsection.

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

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

(6) Resides in the same household as an officer or board member of the corporation.

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

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

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

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

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

(2) Failure to accurately account for lottery tickets, revenues, or prizes as required by this article and rules

adopted thereunder.

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

(4) Insufficient sale of tickets.

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

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

(7) Any material change in any matter considered by the corporation in executing the contract with the lottery retailer.

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

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

(2) Notwithstanding subdivision (1), the president may temporarily suspend for not more than 60 consecutive calendar days any lottery retailer contract without prior notice, pending any investigation, prosecution, and public hearing.

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

(a)(1) All proceeds from the sale of lottery tickets received by a lottery retailer shall be held in trust by the

lottery retailer until paid to the corporation either directly or through the corporation's authorized collection representative.

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

(3) Lottery proceeds shall include unsold instant tickets received by a lottery retailer, cash proceeds of the sale of any lottery products, the net amount of allowable sales commissions, and credit for lottery prizes to winners by lottery retailers.

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

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

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

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

(d) Whenever any individual who receives proceeds from

the sale of lottery tickets in the capacity of a lottery retailer becomes insolvent, or dies insolvent, the proceeds due the corporation from the individual or his or her estate shall have preference over all other debts or demands.

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

(a) A lottery retailer or agent, associate, employee, or representative of a lottery retailer may not allow any illegal lottery device to be on the licensed premises of the lottery retailer. For purposes of this section, an illegal lottery device is any machine or other device that sells lottery tickets or otherwise participates in a lottery not approved by the corporation.

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

(1) For a first offense, a fine of not less than one hundred dollars ($100) nor more than five hundred dollars ($500).

(2) For a subsequent offense, a fine of not less than two hundred dollars ($200) nor more than one thousand dollars ($1,000). In addition, the corporation may suspend, revoke, or take other disciplinary action against the lottery retailer license of the lottery retailer.

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

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

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

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

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

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

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

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

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

(2) No form of identification shall be accepted as proof of age if it is expired, defaced, mutilated, or altered. If the form of identification used is a duplicate, the

presenting individual shall submit additional identification which contains the name, date of birth, and photograph of the individual.

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

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

(1) For a first offense, a fine of not less than one hundred dollars ($100) nor more than five hundred dollars ($500).

(2) For a subsequent offense, a fine of not less than two hundred dollars ($200) nor more than one thousand dollars ($1,000). In addition, the corporation may suspend, revoke, or take other disciplinary action against the lottery retailer license of the lottery retailer.

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

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

(b) An individual who violates this section shall be guilty of a violation and fined not more than one hundred dollars ($100) and shall be subject to the citation and arrest procedures of Section 11-45-9.1.

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

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

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

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

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

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

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

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

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

(c) A board member or an officer or employee of the corporation who violates this section shall be removed from office or dismissed from employment.

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

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

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

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

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

(1) If the offense involves less than one thousand dollars ($1,000), the individual is guilty of a Class D felony.

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

(3) If the offense involves ten thousand dollars ($10,000) or more, the individual shall be guilty of a Class B felony and shall serve a period of incarceration of not less 10 years nor more than 25 years without benefit of probation,

parole, or suspension of sentence.

§41-30-428. Reserved.

Reserved.

§41-30-429. Lottery tickets.

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

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

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

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

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

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

(b) A contract for an independent auditor under this section shall be reviewed by and subject to the approval of the Examiner of Public Accounts to ensure that the independent

auditor is qualified to perform the audit.

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

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

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

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

(1) The establishment and support of problem gaming and gaming addiction treatment centers and programs.

(2)a. The establishment and provision of a last-dollar postsecondary scholarship program for public two-year community and technical colleges to provide degrees, certifications, course credit, and credentials for in-demand fields to meet instructional and workforce training needs throughout the state. For the purposes of this section, a last-dollar postsecondary scholarship is financial aid awarded to an applicant based on the gap between what has already been awarded to the applicant and what is still needed to help a student meet the cost of attendance at a postsecondary two-year community or technical college.

b. To receive a scholarship under this scholarship program, an applicant must meet the following requirements:

1. Have an Alabama driver license or Alabama nondriver

identification card as provided in Division 1 of Article 1 of Chapter 6 of Title 32.

2. Provide proof of current residency in the State of Alabama.

3. Provide proof of residency in the State of Alabama for the immediately preceding 12 months prior to the filing of the application.

4. Have received a high school diploma or G.E.D. equivalent within the immediately preceding five years prior to the filing of the application.

c. Following receipt of a scholarship under this program, each student must maintain a minimum GPA of 2.0 or higher on a 4.0 scale and satisfy any other requirement of the Board of Trustees of the Alabama Community College System to maintain his or her scholarship.

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

(4) Distribution to local boards of education, based on average daily membership, for capital or other nonrecurring expenses, and school security purposes, including the hiring of student resource officers and the purchase of security doors.

(5) The provision of funding for four-year colleges for research purposes.

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

§41-30-432. Rulemaking authority.

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

Article 10. State Tax on Gaming Revenue.

§41-30-450. State tax on casino-style gaming revenues; distribution of proceeds.

(a) Within 20 days after the end of each calendar month, a gaming establishment licensee shall pay to the commission a tax of 24 percent of the net gaming revenues for casino-style gaming activities for the immediately preceding calendar month. The commission shall timely remit all of the proceeds for deposit as follows:

(1) First, to the General Fund Budget Reserve Fund established in Section 29-13-3, until the total balance in the fund is at least three hundred million dollars ($300,000,000).

(2) Upon the completion of payments described under subdivision (1), to the following:

a. Ninety-five percent of the total gaming revenue generated each month shall be allocated to the Gaming Trust Fund.

b. Three percent of the total gaming revenue generated each month shall be allocated among the counties where gaming establishments are located on a pro rata basis based on the

share of net gaming revenue generated in each county. A minimum of 15 percent of the amount received by each county commission under this paragraph shall be distributed by the commission to nonprofit organizations within the respective county.

c. Two percent of the total gaming revenue generated each month shall be allocated among the municipalities where gaming establishments are located on a pro rata basis based on the share of net gaming revenue generated in each municipality. If a gaming establishment is not located within the corporate limits of a municipality, the percentage distributed pursuant to this paragraph shall be remitted to the county commission of the county in which the licensed gaming establishment is located.

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

§41-30-451. State tax on sports wagering revenues; distribution of proceeds.

(a) Within 20 days after the end of each quarter of the fiscal year, a sports wagering licensee shall pay to the commission a tax of 17 percent of the net gaming revenues for sports wagering activities for the immediately preceding quarter. The commission shall timely remit all of the proceeds for deposit into as follows:

(1) Ninety percent to the Gaming Trust Fund.

(2) Ten percent to be allocated among each county commission of the state to be used exclusively for law enforcement purposes of the respective sheriff's department. All monies received by a county commission under this subdivision shall be distributed, within 30 days of receipt, to the respective sheriff's office to be expended at his or her discretion. A county commission shall not retain any portion of monies received pursuant to this subdivision. The county commission shall not be responsible for the expenditure of any monies received pursuant to this subdivision. All funds received by a sheriff under this subdivision shall be in addition to any other funding sources for the sheriff and may not reduce or replace those funds.

(b) If the net gaming revenues under subsection (a) properly reflect a net loss, as substantiated by audit, for a quarter, an adjustment for the amount of any remaining net loss shall be carried forward on the subsequent tax and fee schedules until the loss is offset by the entity's net gaming revenues.

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

(a)(1) Except for any fees levied pursuant to this chapter, the tax on net gaming revenues levied under this article shall be in lieu of all other state or local taxes, license fees, or franchise fees levied with respect to the conduct of any gaming activities or the operation of any machines used to conduct casino-style gaming activities or

sports wagering activities.

(2) Any gaming establishment license fee or sports wagering license fee payable to the state pursuant to this chapter shall be in lieu of all other state or local license fees or franchise fees levied with respect to a licensee providing hotel services, dining, or services ancillary to its gaming activities, if the activities are conducted at gaming establishments, but such providers of hotel services, dining, other facilities, or ancillary services must meet the environmental, fire, health, and safety requirements of other similarly situated license holders in the county and municipality in which the facility is located.

(3) Notwithstanding the foregoing, all gaming establishment licensees and sports wagering licensees are liable for all state and local property taxes, lodging taxes, tobacco taxes, and sales and use taxes on merchandise sold in gift shops or retail stores, and food and beverages. The taxes are generally applicable at uniform rates to all similarly situated businesses operating in the county and municipality in which the gaming establishment is located, and except with respect to those taxes, fees, or expenses expressly addressed in this chapter, all other state or local taxes which are generally imposed by the state or a local taxing entity if the taxes are generally applied at rates uniformly applied within reasonable classifications among all businesses operating in the county or municipality, or both.

§41-30-453. Gaming Trust Fund created; distribution of gaming proceeds.

(a) The Gaming Trust Fund is created within the State Treasury. Except as otherwise provided for lottery proceeds in Article 9, all state gaming tax proceeds as provided in Sections 41-30-450 and 41-30-451 and all other fines, fees, and other revenues collected under this chapter shall be deposited into the fund and allocated and appropriated as provided in this section.

(b) Proceeds in the fund shall be applied first to the payment of the reasonable annual expenses of the commission and the repayment of any startup costs appropriated to the commission for the establishment and initial operation of the commission; provided, all such startup costs shall be repaid by the commission to the State General Fund no later than September 30, 2028. The commission shall report annually in writing to the Governor and the Legislature regarding its operational and administrative expenses.

(c) Net proceeds remaining in the fund after payment of the expenses of the commission shall be annually appropriated by and through an independent supplemental appropriation bill for non-recurring, non-education purposes only, including, but not limited to, the following:

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

(2) The provision of rural health care services and telemedicine and virtual health care and the purchase of qualified health benefit plans for adults with income below

138 percent of the federal poverty level and parents or other caretaker relatives of dependent children with income between 14 and 138 percent of the federal poverty level to ensure residents have adequate health care services and ambulatory care. The Legislature shall determine which areas of the state have a critical lack of health care services and ambulatory care and shall each year prioritize these critical areas in the supplemental appropriation.

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

(4) The development and improvement of state parks and historical sites.

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

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

(7) Establishment and support of drug courts, veteran's courts, and other court-approved deferred prosecution programs.

Article 11. Disciplinary procedures.

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

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

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

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

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

(4) A violation of a law governing gaming activities, rules of the commission relating to the gaming activities of the licensee, or Section 17-5-15.2 for which all appeals have been exhausted.

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

(b) In the event a gaming establishment license is revoked as provided in subsection (a), the commission may award the revoked license to another qualified applicant pursuant to a competitive process and in accordance with the application procedures set out under this chapter.

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

§41-30-501. Civil penalties.

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

§41-30-502. Hearing procedures.

(a) Except as otherwise provided by law, before the commission may take any adverse action involving a licensee

under this article, including the assessment of a civil penalty under Section 41-30-501, the commission shall give the person against whom the action is contemplated an opportunity for a hearing before the members of the commission or a hearing officer designated by the commission.

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

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

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

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

Article 12. Prohibited conduct.

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

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

under this chapter.

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

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

(a) For the purposes of this section, the phrase "person who is connected with a licensee" includes, but is not limited to, any gaming establishment licensee or sports wagering licensee, or any officer or employee of the licensee.

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

(1) Offer, promise, or give anything of value or benefit to a person who has an ownership or financial interest in, is employed by, or has a gaming services contract with a licensee or to that person's spouse or any dependent child or dependent parent, pursuant to an agreement or arrangement, in fact or implied from the circumstances, with the intent that the promise or thing of value or benefit will influence the actions of the person in order to affect or attempt to affect the outcome of any casino-style gaming activity or sports wager, or to influence official action of a member of the commission.

(2) Solicit or knowingly accept or receive a promise of anything of value or benefit while the person is connected with a licensee under this chapter, pursuant to an understanding or arrangement in fact or implied from the circumstances, with the intent that the promise or thing of value or benefit will influence the actions of the person to affect or attempt to affect the outcome of any gaming activity

or sports wager, or to influence official action of a member of the commission.

(c) A person who violates this section shall be guilty of a Class C felony and shall be required to pay a fine of not more than one hundred thousand dollars ($100,000).

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

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

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

(1) Issue procedural orders setting dates, deadlines, and timetables by which parties must submit or disclose evidentiary material or notices related to the orderly conduct of a contested case. The hearing officer may grant continuances or postponements of hearings at his or her discretion.

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

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

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

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

(6) Issue orders and rulings on all other matters of

procedure and law necessary to the orderly conduct of the case. Dismissal of a complaint may only occur upon order of the Court of Civil Appeals.

(7) Administer oaths and certify the authenticity of documents when required in the discharge of their duties as the hearing officer in the case.

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

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

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

Section 3. Sections 13A-12-20, 13A-12-21, 13A-12-22, 13A-12-23, 13A-12-24, 13A-12-25, 13A-12-26, 13A-12-27, 13A-12-28, 13A-12-30, Code of Alabama 1975, and Section 13A-11-9, Code of Alabama 1975, as last amended by Act

2023-245, 2023 Regular Session, are amended to read as follows:

"§13A-12-20

The following definitions apply to this article:

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

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

~~(3) CONTEST OF CHANCE. Any contest, game, gaming scheme or gaming device in which the outcome depends in a material degree upon an element of chance, notwithstanding that skill~~

~~of the contestants may also be a factor therein.~~

(1) CASINO-STYLE GAME. As defined under Section 41-30-2.

(2) COMMISSION. The Alabama Gaming Commission.

~~(4) GAMBLING. A person engages in gambling if he stakes or risks something of value upon the outcome of a contest of chance or a future contingent event not under his control or influence, upon an agreement or understanding that he or someone else will receive something of value in the event of a certain outcome. Gambling does not include bona fide business transactions valid under the law of contracts, including but not limited to contracts for the purchase or sale at a future date of securities or commodities, and agreements to compensate for loss caused by the happening of chance, including but not limited to contracts of indemnity or guaranty and life, health or accident insurance.~~

(3) GAME or GAMING. Engaging in a casino-style game or sports wagering or otherwise staking or risking something of value upon the outcome of a contest of chance or future contingent event not under his or her control or influence, upon an agreement or understanding that he or she or someone else will receive something of value in the event of a certain outcome. The term does not include participation in charitable games or social gaming conducted in accordance with Chapter 30 of Title 41.

~~(5) GAMBLING~~(4) GAMING DEVICE. Any device, machine, paraphernalia, or equipment that is normally used or usable in the playing phases of any ~~gambling activity, whether that~~

~~activity consists of gambling between persons or gambling by a person involving the playing of a machine. However,~~ gaming authorized by law and approved by the commission. The term does not include lottery tickets, ~~policy slips and~~ other items used in the playing phases of lottery ~~and policy schemes are not gambling devices within this definition~~, or antique slot machines authorized under existing law.

(5) GAMING ESTABLISHMENT. Any facility licensed by the commission to conduct casino-style gaming activity.

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

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

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

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

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

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

~~(7)~~ (8) PARI-MUTUEL WAGERING~~, MUTUEL or THE NUMBERS GAME. A form of lottery~~. Wagering in which the winning chances or plays are not determined upon the basis of a drawing or other act on the part of persons conducting or connected with

the scheme, but upon the basis of the outcome of a future contingent event or events otherwise unrelated to the particular scheme.

~~(8)~~ (9) PLAYER. A person who engages in any form of ~~gambling~~gaming solely as a contestant or bettor, without receiving or becoming entitled to receive any profit therefrom other than personal ~~gambling~~gaming winnings, and without otherwise rendering any material assistance to the establishment, conduct, or operation of the particular ~~gambling~~gaming activity.

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

~~(10)~~ (11) SLOT MACHINE. A ~~gambling~~gaming device that, as a result of the insertion of a coin or other object, operates, either completely automatically or with the aid of some physical act by the player, in ~~such~~ a manner that, depending upon elements of chance, ~~it~~ the gaming device may eject something of value. A device so constructed or readily adaptable or convertible to such use is no less a slot machine because it is not in working order or because some mechanical act of manipulation or repair is required to accomplish its adaptation, conversion, or workability. Nor is it any less a slot machine because apart from its use or adaptability as such it may also sell or deliver something of value on a basis

other than chance. The term includes any gaming device that meets the definition of slot machine as defined under 15 U.S.C. § 1171(a)(1).

~~(11)~~(12) SOMETHING OF VALUE. Any money or property, any token, object, or article exchangeable for money or property, or any form of credit or promise directly or indirectly contemplating a transfer of money or property or of any interest therein, or involving extension of a service entertainment or a privilege of playing at a game or scheme without charge.

(13) SPORTING EVENT. As defined under Section 41-30-2.

(14) SPORTS WAGERING. As defined under Section 41-30-2.

~~(12)~~(15) UNLAWFUL GAMING ACTIVITY. ~~Not~~A game or gaming activity that is not specifically authorized by general law or rule of the commission."

"§13A-12-21

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

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

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

"§13A-12-22

(a) A person commits the crime of promoting ~~gambling~~ unlawful gaming activity if he or she knowingly ~~advances or~~ profits from unlawful ~~gambling~~ gaming activity otherwise than as a player, or if having substantial proprietary control or other authoritative control over premises being used to conduct unlawful gaming activity, he or she permits that unlawful gaming activity to occur or makes no effort to prevent its occurrence or continuation.

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

(2) Notwithstanding subdivision (1), on a second or subsequent conviction of this section, promoting unlawful gaming activity is a Class B felony."

"§13A-12-23

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

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

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

(2) Notwithstanding subdivision (1), on a second or subsequent conviction of this section, conspiracy to promote unlawful gaming activity is a Class B felony."

"§13A-12-24

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

(1) ~~Of a kind commonly used in the operation or promotion of a bookmaking scheme or enterprise,~~The operation or promotion of any sports wagering activity not authorized by general law or rule of the commission ~~and~~ constituting, reflecting, or representing more than five ~~bets,~~wagers or more than ~~$500.00; or~~five thousand dollars ($5,000).

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

(3) The operation, promotion, or playing of a casino-style game not authorized by general law or rule of the commission.

(b)(1) ~~Possession of gambling~~Unlawful possession of gaming records in the first degree is a ~~Class A misdemeanor~~Class D felony.

(2) Notwithstanding subdivision (1), on a second or subsequent conviction of this section, unlawful possession of gaming records in the first degree is a Class B felony."

"§13A-12-25

(a) A person commits the crime of unlawful possession

of ~~gambling~~ gaming records in the second degree if, with knowledge of the contents thereof, he or she possesses any writing, paper, instrument, or article commonly used in either of the following:

(1) ~~Of a kind commonly and peculiarly used in the~~The operation or promotion of ~~a bookmaking scheme or enterprise; or~~sports wagering not authorized by general law or rule of the commission.

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

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

(2) Notwithstanding subdivision (1), on a second or subsequent conviction of this section, unlawful possession of gaming records in the second degree is a Class B felony."

"§13A-12-26

A person does not commit the crime of unlawful possession of ~~gambling~~ gaming records ~~in either degree~~pursuant to Sections 13A-12-24 or 13A-12-25 if the writing, paper, instrument, or article possessed by the defendant is neither used nor intended to be used in the operation or promotion of ~~a bookmaking scheme or enterprise~~unlawful sports wagering, or in the operation, promotion, or playing of ~~a~~an unlawful lottery ~~or mutuel scheme or enterprise~~ as described under Section 13A-12-24(a)(2). The burden of injecting the issue is

on the defendant, but this does not shift the burden of proof."

"§13A-12-27

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

(1) A ~~slot machine, unless exempted pursuant to subsection (c); or~~casino-style game not authorized by law or rule of the commission.

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

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

(2) Notwithstanding subdivision (1), on a second or subsequent conviction of this section, unlawful possession of a gaming device is a Class B felony.

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

"§13A-12-28

(a) Proof of possession of any ~~gambling~~gaming device,

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

(b) In any prosecution under this article in which it is necessary to prove the occurrence of a sporting event, either of the following shall be admissible and shall be prima facie proof of the occurrence of the event:

(1) ~~a~~A published report of its occurrence in any daily newspaper, magazine, or other periodically printed publication of general circulation~~, or~~.

(2) ~~evidence~~Evidence that a description of some aspect of the event was written, printed, or otherwise noted at the place in which a violation of this chapter is alleged to have been committed~~, shall be admissible in evidence and shall constitute prima facie proof of the occurrence of the event~~."

"§13A-12-30

(a) Any ~~gambling~~gaming device or ~~gambling~~gaming record unlawfully possessed or used in violation of this article ~~is forfeited to the state, and shall by court order be destroyed or otherwise disposed of as the court directs~~shall be subject to forfeiture pursuant to the procedures set forth in Section 20-2-93.

(b) Any vehicle possessed or used in violation of this article ~~may be forfeited to the state and disposed of by court order as authorized by law~~shall be subject to forfeiture pursuant to the procedures set forth in Section 20-2-93.

(c) Money used as ~~bets~~wagers or stakes in

~~gambling~~unlawful gaming activity in violation of this article ~~is forfeited to the state and by court order shall be transmitted to the General Fund of the state~~shall be subject to forfeiture pursuant to the procedures set forth in Section 20-2-93."

"§13A-11-9

(a) A person commits the crime of loitering if he or she does any of the following:

(1) Loiters, remains, or wanders about in a public place for the purpose of begging.

(2) Loiters or remains in a public place for the purpose of ~~gambling~~unlawful gaming activity.

(3) Loiters or remains in a public place for the purpose of engaging or soliciting another person to engage in prostitution or sodomy, as defined under Section 13A-6-60.

(4) Being masked, loiters, remains, or congregates in a public place.

(5) Loiters or remains in or about a school, college, or university building or grounds after having been told to leave by any authorized official of the school, college, or university, not having any reason or relationship involving custody of or responsibility for a pupil or any other specific, legitimate reason for being there, and not having written permission from a school, college, or university administrator.

(6) Loiters or remains in any transportation facility, unless specifically authorized to do so, for the purpose of soliciting or engaging in any business, trade, or commercial

transactions involving the sale of merchandise or services.

(7) Loiters or remains in any place with one or more persons for the purpose of unlawfully using or possessing a dangerous drug.

(8) Loiters, or remains, on a public roadway maintained by the state or the right-of-way of a public roadway maintained by the state.

(b) A person does not commit a crime under subdivision (a)(4) if he or she is going to or from or staying at a masquerade party, or is participating in a public parade or presentation of an educational, religious, or historical character or in an event as defined in Section 13A-11-140.

~~(c) Sodomy in subdivision (a)(3) is defined as in Section 13A-6-60.~~

~~(d)~~ (c) ~~Dangerous drug in subdivision (a)(7)~~As used in this section, "dangerous drug" means any narcotic, drug, or controlled substance as defined in Chapter 2 of Title 20 and any schedule incorporated therein.

~~(c)~~ (d) Loitering is a violation. A second or subsequent violation of this section in the same jurisdiction is a Class C misdemeanor.

~~(f)(1)~~ (e)(1) Prior to making an arrest for a violation of subdivision (a)(1), a law enforcement officer may instruct any person in violation of subdivision (a)(1) to immediately and peaceably exit the public roadway maintained by the state or the right-of-way of the public roadway maintained by the state.

(2)a. Prior to making an arrest for an initial

violation of subdivision (a)(1), a law enforcement officer may offer to transport any person in violation of subdivision (a)(1) to a location in the jurisdiction that offers emergency housing, if applicable.

b. If a person accepts an offer made pursuant to subdivision (1), a law enforcement officer may transport the person accordingly.

~~(g)~~ (f) Any actions undertaken by a law enforcement officer pursuant to this section shall be subject to Section 36-1-12."

Section 4. Sections 13A-12-32 through 13A-12-39, inclusive, are added to Division 1 of Article 2 of Chapter 12 of Title 13A, Code of Alabama 1975, to read as follows:

§13A-12-32

(a) It is unlawful to intentionally use or possess, at a gaming establishment, an electronic, electrical, or mechanical device that is designed, constructed, or programmed to assist the user or another person to do any of the following:

(1) Predict the outcome of any casino-style game.

(2) Keep track of cards dealt or in play.

(3) Analyze the probability of the occurrence of an event relating to any casino-style game.

(4) Analyze the strategy for playing or wagering to be used in any casino-style game, except as permitted by the commission.

(5) Obtain an advantage in playing any casino-style game.

(b) A gaming establishment shall post notice of this prohibition and the penalties for violations in a manner determined by the commission.

(c) A violation of this section is a Class A misdemeanor.

§13A-12-33

(a) It is unlawful for any individual to cheat at any casino-style game or sports wagering activity.

(b) A violation of this section is a Class A misdemeanor.

§13A-12-34

(a) It is unlawful to manufacture, sell, or distribute any cards, chips, die, game, or device that is intended to be used to violate Chapter 30 of Title 41, this chapter, or the rules of the commission.

(b) It is unlawful for any individual to use counterfeit chips in any casino-style game.

(c) It is unlawful for any individual, in playing a casino-style game designed to be played with, received, or be operated by chips or tokens approved by the commission or lawful coins of the United States of America, to knowingly use chips or tokens not approved by the commission or otherwise not lawful currency of the United States of America.

(d) A violation of this section is a Class D felony.

§13A-12-35

(a) It is unlawful to instruct an individual in cheating or in the use of a device for that purpose, with the knowledge or intent that the information or use may be

employed to violate Chapter 30 of Title 41, this chapter, or rules adopted by the commission.

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

§13A-12-36

(a) It is unlawful to place, increase, or decrease a wager or determine the course of play after acquiring knowledge, not available to all players, of the outcome of any casino-style game or sports wagering or event that affects the outcome of the game or that is the subject of the wager, or to aid an individual in acquiring such knowledge for the purpose of placing, increasing, or decreasing a wager or determining the course of play contingent on that event or outcome.

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

§13A-12-37

(a)(1) It is unlawful to knowingly claim, collect, take, or attempt to claim, collect, or take money or anything of value into or from a casino-style game with the intent to defraud, without having made a wager contingent thereon.

(2) It is unlawful to knowingly claim, collect, or take any amount of money or anything of value greater than the amount won in a casino-style game or sports wagering.

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

§13A-12-38

(a) It is unlawful for an individual, other than a gaming establishment employee or agent acting in furtherance of his or her employment, to have in his or her possession on the grounds of a gaming establishment, or grounds contiguous to the gaming establishment, any device intended to be used to

violate Chapter 30 of Title 41, this chapter, or a rule of the commission.

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

§13A-12-39

(a) It is unlawful for an individual, other than a gaming establishment employee or agent acting in furtherance of his or her employment, to have in his or her possession, within a gaming facility, a key or device known to have been designed for the purpose of opening, entering, or affecting the operation of any casino-style game, drop box, or any electronic or mechanical device connected thereto, or for removing money, tokens, chips, or any other contents.

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

Section 5. Section 17-5-15.2 is added to Chapter 5, Title 17 of the Code of Alabama 1975, to read as follows:

§17-5-15.2. Prohibited contributions by gaming interests.

(a) The Legislature finds as follows:

(1) Concerns with gaming-related corruption have long been a motivating factor for maintaining strict prohibitions on gaming in Alabama.

(2) Notwithstanding the state's historically strict prohibitions on gaming, the state has experienced multiple instances of actual or apparent corruption in which gaming-related interests have sought, or appear to have sought, to corruptly influence public officials in the exercise of their official duties.

(3) The state also recognizes the history of

gaming-related corruption that has occurred outside of the State of Alabama.

(4) The purpose of this section is to prevent quid pro quo corruption and any appearance thereof. Avoiding corruption and the appearance of corruption is a necessary condition of authorizing any type of gaming in the State of Alabama.

(b) The following persons are prohibited or otherwise restricted from making contributions or expenditures to a principal campaign committee of a candidate for state or local office in the State of Alabama or a political action committee that contributes to any candidate for state or local office in the State of Alabama or from making an electioneering communication:

(1) A person that holds a license issued by the Alabama Gaming Commission or a person that holds any interest greater than one percent in an entity that holds a license issued by the commission.

(2) A person that executes a compact with the state pursuant to Section 65.04 of the Constitution of Alabama of 2022, or a person that holds any interest greater than one percent in an entity that executes such a compact with the state.

(3) A person that holds any interest greater than one percent in the buildings, facilities, or rooms connected, adjacent, or ancillary to the conduct of any gaming activity pursuant to a license issued by the commission or pursuant to a compact with the state pursuant to Section 65.04 of the Constitution of Alabama of 2022.

(4) An officer or managerial employee of any person identified in this subsection.

(5) A person that holds any interest greater than one percent in any entity identified in this subsection.

(6) A separate segregated fund, including a fund established under Section 17-5-14.1, of any person identified in this subsection.

(7) Any manufacturer or provider of gaming equipment, as defined under Section 41-30-2.

(8) Any gaming services provider, as defined under Section 41-30-2.

(c) Any person identified in subsection (b) is also prohibited from making contributions to a principal campaign committee or a political action committee that contributes to any candidate for state or local office in the State of Alabama through a legal entity established, directed, or controlled by that person.

(d) No agent of a principal campaign committee of a candidate for state or local office in the State of Alabama or a political action committee shall knowingly accept a contribution from any person identified in subsection (b) if the principal campaign committee or political action committee has contributed to a candidate for state or local office in the State of Alabama or is reasonably likely to contribute to a candidate for state or local office in the State of Alabama.

(e) No person identified in subsection (b) shall provide a monetary or in-kind donation to an inaugural committee or legislative caucus organization in this state;

and no agent of an inaugural committee or legislative caucus organization shall accept a monetary or in-kind donation from a person known by the agent to be a person identified in subsection (b).

(f) Any person who knowingly or intentionally violates this section shall be guilty of a Class A misdemeanor.

(g) For the purposes of this section, "person" includes a federally recognized Indian tribe.

Section 6. Sections 8-1-150 and 8-1-151, Code of Alabama 1975, are amended to read as follows:

"§8-1-150

(a) All contracts founded in whole or in part on ~~a gambling~~unlawful gaming consideration are void. Any ~~person~~ individual who has paid any money or delivered any thing of value lost upon any unlawful game or wager may recover such money, thing, or its value by an action commenced within six months from the time of such payment or delivery.

(b) Any other person may also recover the amount of such money, thing, or its value by an action commenced within 12 months after the payment or delivery thereof for the use of ~~the wife or, if no wife, the~~ the individual's spouse or children or, if no children, the next of kin~~ of the loser~~.

(c) A judgment under either subsection (a) or (b) for the amount of money paid, thing delivered, or its value is a good defense to any action brought for such money, thing, or its value under the provisions of the other subsection.

(d) A judgment recovered under~~ the provisions of~~ this section is a defense to any proceeding on any garnishment

served after the recovery of such judgment, and the court may make any order staying proceedings as may be necessary to protect the rights of the defendant.

(e) For purposes of this section, a game, wager, or gaming consideration is unlawful if it is part of any of gaming activity that is not approved by the Alabama Gaming Commission."

"§8-1-151

(a) Any creditor of a losing party under ~~a gambling~~an unlawful gaming contract may garnish the winner as other debtors are garnished at any time within two years from the payment of such money or delivery of such thing~~, and if such~~. If the garnishee fails to appear, judgment may be entered against him or her as against other garnishees failing to answer, but the answer of a garnishee shall not be evidence against him or her in a criminal prosecution.

(b) A judgment recovered by a creditor under ~~the provisions of~~ this section is a defense to any action brought by any person under ~~the provisions of~~ Section 8-1-150.

(c) For purposes of this section, a game, wager, or gaming consideration is unlawful if it is part of any of gaming activity that is not approved by the Alabama Gaming Commission."

Section 7. Section 38-4-14, Code of Alabama 1975, is amended to read as follows:

"§38-4-14

(a) For the purposes of this section, the term "public assistance benefits" means money or property provided directly

or indirectly to eligible persons through programs of the federal government, the state, or any political subdivision thereof, and administered by the Alabama Department of Human Resources.

(b)(1) A recipient of public assistance benefits may not use any portion of the benefits for the purchase of any alcoholic beverage, tobacco product, or lottery ticket or for playing any form of gaming activity, as defined under Section 41-30-2, without regard to whether the activity is authorized by or conducted in accordance with Section 65 of the Constitution of Alabama of 2022, and the laws of this state. Any person who violates this subsection shall reimburse the Alabama Department of Human Resources for the purchase and shall be subject to the following sanctions:

a. Upon the first violation, the person shall be disqualified from receiving public assistance benefits by means of direct cash payment or an electronic benefits transfer access card for one month.

b. Upon the second violation, the person shall be disqualified from receiving public assistance benefits by means of direct cash payment or electronic benefits transfer access card for three months.

c. Upon a third or subsequent violation, the person shall be permanently disqualified from receiving public assistance benefits by means of direct cash payment or an electronic benefits transfer access card.

(2) A person who is disqualified from receiving public assistance benefits under this subsection shall have the right

to a hearing pursuant to the Alabama Administrative Procedure Act.

(c)(1) A cash recipient of public assistance benefits may not withdraw or use cash benefits by means of an Electronic Benefits Transfer transaction for the purchase of goods or services in a retail establishment the primary purpose of which is the sale of alcoholic beverages, a casino, a tattoo or body piercing facility, a facility providing psychic services, or an establishment that provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state. Any person who violates this subsection shall reimburse the Alabama Department of Human Resources for the amount withdrawn and used and shall be subject to the following sanctions:

a. Upon the first violation, the person shall be disqualified from receiving public assistance benefits by means of direct cash payment or an electronic benefits transfer access card for a period of one month.

b. Upon the second violation, the person shall be disqualified from receiving public assistance benefits by means of direct cash payment or electronic benefits transfer access card for a period of three months.

c. Upon a third or subsequent violation, the person shall be permanently disqualified from receiving public assistance benefits by means of direct cash payment or an electronic benefits transfer access card.

(2) A person who is disqualified from receiving public assistance benefits under this subsection shall have the right

to a hearing pursuant to the Alabama Administrative Procedure Act.

(d) If a parent is deemed permanently disqualified from receiving public assistance benefits under subsection (b) or (c), the dependent child or other adult family member's eligibility for public assistance benefits is not affected.

(1) An appropriate protective payee shall be designated to receive benefits on behalf of the child members.

(2) The parent may choose to designate another person to receive benefits for the minor child members. The designated person must be an immediate family member or, if an immediate family member is not available or the family member declines the option, another person may be designated. The designated person must be approved by the department.

(e) The Alabama Department of Human Resources shall inform all applicants for and recipients of public assistance benefits of the restrictions contained in this section and the penalties for violating those restrictions through any means practical.

(f)(1) The Alabama Department of Human Resources shall consult with providers of automatic teller machine services to consider the implementation of a program or method of blocking access to cash benefits from an electronic benefits transfer access card issued by the department at automatic teller machines located in or at a retail establishment the primary purpose of which is the sale of alcoholic beverages, a casino, a tattoo facility, a facility providing psychic services, or an establishment that provides adult-oriented entertainment in

which performers disrobe or perform in an unclothed state. If the department determines the implementation of a program is feasible, the department shall initiate the program by October 1, 2015.

(2) If the department requires a federal waiver to comply with this section, the department shall apply immediately for the federal waiver.

(g) The Alabama Department of Human Resources shall adopt rules to implement this section.

(h)(1) The Alabama Department of Human Resources shall perform a monthly incarceration match to obtain information to assist in determining eligibility for public assistance benefits based on incarceration status.

(2) If the department determines that a recipient of public assistance benefits is incarcerated at the time the incarceration match is performed, the department shall not issue an electronic benefits transfer access card to the incarcerated recipient. If an electronic benefits transfer access card has already been issued to the incarcerated recipient, the department shall deactivate the card.

(i) The department shall perform a monthly match using the United States Social Security Death Index Database to determine if a recipient is deceased. If the department determines that the recipient is deceased at the time the index match is performed, the department shall not issue an electronic benefits transfer access card. If an electronic benefits transfer access card has already been issued to the deceased recipient, the department shall deactivate the card."

Section 8. The following sections of the Code of Alabama 1975 are repealed:

(1) Section 11-47-111, Code of Alabama 1975, relating to prohibition of gambling houses.

(2) Section 13A-12-29, Code of Alabama 1975, relating to lotteries drawn outside of the state.

(3) Division 2, comprised of Sections 13A-12-50 through 13A-12-58, of Article 2 of Chapter 12 of Title 13A, Code of Alabama 1975, relating to suppression of gambling places.

(4) Division 3, comprised of Sections 13A-12-70 through 13A-12-76, of Article 2 of Chapter 12 of Title 13A, Code of Alabama 1975, relating to the transportation of lottery paraphernalia.

(5) Division 4, comprised of Sections 13A-12-90 through 13A-12-92, of Article 2 of Chapter 12 of Title 13A, Code of Alabama 1975, relating to the federal wagering occupational tax stamp.

Section 9. In the event the proposed constitutional amendment in House Bill ___ of the 2024 Regular Session is not ratified at the November 2024 General Election, this act shall be repealed.

Section 10. Although this bill would have as its purpose or effect the requirement of a new or increased expenditure of local funds, the bill is excluded from further requirements and application under Section 111.05 of the Constitution of Alabama of 2022, because the bill defines a new crime or amends the definition of an existing crime.

Section 11. Between the effective date of this act and

the passage of the constitutional amendment proposed in House Bill ___ of the 2024 Regular Session, this act shall be implemented to whatever extent it is not in conflict with the Constitution of Alabama of 2022. Nothing in this act shall be construed to authorize any gaming activity prior to ratification of the constitutional amendment proposed by House Bill ___ of the 2024 Regular Session.

Section 12. This act shall become effective June 1, 2024, following its passage and approval by the Governor or its otherwise becoming law.

House of Representatives

Read for the first time and referred 08-Feb-24
to the House of Representatives
committee on Economic Development
and Tourism

Read for the second time and placed 14-Feb-24
on the calendar:
1 amendment

Read for the third time and passed 15-Feb-24
as amended
Yeas 67
Nays 30
Abstains 1

John Treadwell
Clerk