



1 **EMBARGOED UNTIL 2/8 AT 9:00 AM**

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4 SYNOPSIS:

5 Under Section 65 of the Constitution of Alabama
6 of 2022, lotteries and gift enterprises are prohibited.
7 Also, several local provisions of the constitution
8 purport to authorize certain forms of bingo within
9 various counties and municipalities within the state and
10 authorize the regulation of such activity by local
11 sheriffs.

12 This bill would propose an amendment to the
13 Constitution of Alabama of 2022, to authorize five
14 limited forms of gaming activities: An official state
15 lottery administered by a public lottery corporation,
16 casino-style games conducted only in person at up to
17 seven locally approved licensed gaming establishments,
18 limited sports wagering, traditional raffles, and
19 traditional paper bingo. All other forms of gaming in the
20 state would be prohibited.

21 The proposed amendment would create the Alabama
22 Gaming Commission to regulate, tax, and license all
23 lawful gaming activity conducted in accordance with
24 general law and would create a law enforcement division
25 within the commission which would police all gaming
26 activities and gaming-related activities across the
27 entire state.

28 The proposed amendment would prohibit any local



57 amendment to the Constitution of Alabama of 2022 not
58 applicable to the entire state which relates to
59 lotteries, gift enterprises, casino-style games, sports
60 wagering, gift raffles, or bingo.

61 The proposed amendment would also authorize the
62 Governor to execute a compact with the Poarch Band of
63 Creek Indians to regulate gaming activities on tribal
64 lands.

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A BILL
TO BE ENTITLED
AN ACT

71 Proposing an amendment to the Constitution of Alabama of
72 2022, relating to lotteries, gift enterprises, and gaming
73 activities; to repeal and reenact Section 65 of the Constitution
74 of Alabama of 2022, to authorize certain limited forms of gaming
75 activities; to add a new Section 65.01 to the Constitution of
76 Alabama of 2022, to establish a gaming commission to regulate
77 and license authorized gaming activities, authorize the
78 Legislature to provide for the membership, powers, and duties of
79 the commission, and establish a law enforcement division within
80 the commission to enforce gaming laws and eradicate unlawful
81 gaming activity and unlawful gaming-related activity; to add
82 Section 65.02 to the Constitution of Alabama of 2022, to
83 authorize the Legislature to establish and regulate an official
84 state lottery; to add Section 65.03 to the Constitution of



85 Alabama of 2022, to prohibit certain local amendments to the
86 Constitution of Alabama of 2022, which relate to lotteries, gift
87 enterprises, casino-style games, sports wagering, raffles, or
88 bingo; to add Section 65.04 to the Constitution of Alabama of
89 2022, to authorize the Governor to enter into a compact with the
90 Poarch Band of Creek Indians for the operation of Class III
91 games on tribal lands; and to repeal Sections 8-7.00, 20-7.00,
92 28-7.00, 32-7.00, 35-7.00, 37-7.00, 42-7.00, 43A-2.00, 43A-2.01,
93 44-7.00, 45-7.00, 49-7.00, 51-7.00, 52-7.00, 57-7.00, 64-7.00,
94 and 64A-2.01 of the Constitution of Alabama of 2022, relating to
95 bingo.

96 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

97 Section 1. The following amendment to the Constitution of
98 Alabama of 2022, is proposed:

99 PROPOSED AMENDMENT

100 Part 1. Section 65 of the Constitution of Alabama of 2022
101 is repealed and in lieu thereof the following language shall be
102 adopted as Section 65:

103 Section 65

104 (a) Except as expressly provided in this constitution,
105 the Legislature shall have no power to authorize any form of
106 gaming activity for any purpose and shall pass laws to prohibit
107 and effectively eradicate any unlawful gaming activity and
108 unlawful gaming-related activity.

109 (b) The Legislature, by general law, may authorize and
110 provide for the following gaming activities:

111 (1) An official state lottery, administered by a public
112 corporation established by general law, using only tickets made



113 of cardboard, paper, plastic, or some functionally similar
114 material unless otherwise required to participate in a multi-
115 jurisdiction lottery.

116 (2) Casino-style games played only in person on the
117 premises of a licensed gaming establishment.

118 (3) Sports wagering conducted only on events that have
119 not yet occurred or are already underway.

120 (4) Traditional raffles only if registered with the
121 commission.

122 (5) Traditional bingo, using only cardboard, paper,
123 plastic, or some functionally similar material.

124 (c) The Legislature may authorize a form of gaming
125 activity not included in subsection (b) or increase or decrease
126 the rate of taxation on a gaming activity provided by general
127 law only upon the receipt of a favorable report from the
128 commission recommending such action to the Legislature and the
129 passage of a general bill by a vote of three-fifths of all
130 members elected to each house of the Legislature taken by yeas
131 and nays and entered upon the journals thereof.

132 (d) The commission shall issue licenses for no more than
133 seven gaming establishments, including the license contemplated
134 by Section 65.04, where casino-style games may be played. The
135 commission's issuance of licenses for the gaming establishments
136 shall be subject to procedures and requirements established by
137 general law, including a local approval requirement.

138 (e) Any person that establishes to the satisfaction of
139 the commission that it conducted gaming activities pursuant to
140 the authority of general law or a local provision of the



141 Constitution of Alabama of 2022, prior to the ratification of
142 this amendment may continue to operate until January 1, 2027, so
143 long as the person does all of the following:

144 (1) Provides the names and addresses of its principal
145 owners and investors, business records, and other information
146 required by the commission.

147 (2) Provides a sworn statement of its willingness to
148 accept the reasonable regulation of the commission and the State
149 of Alabama.

150 (3) Pays any applicable state taxes as provided by
151 general law.

152 (4) Provides a description of the gaming activities
153 employed in its operation, the methods of delivery of such
154 gaming activities, the number of machines or devices used to
155 conduct such gaming activities, and other information required
156 by the commission.

157 Part 2. Sections 65.01, 65.02, 65.03, and 65.04 are added
158 to the Constitution of Alabama of 2022, to read as follows:

159 Section 65.01

160 (a) There is established a commission within the
161 executive branch of government to protect consumers from
162 unscrupulous gaming practices, to ensure the integrity of
163 licensed gaming operators, to quickly stop unlawful gaming and
164 unlawful gaming-related activities, to mitigate the effects of
165 problem gaming, to preserve the aesthetic character of the State
166 of Alabama, and to produce revenues that improve the quality of
167 life of residents of the state, all pursuant to general law.

168 (b) The Legislature, by general law, may provide for the



169 membership, powers, and duties of the commission and shall
170 establish a law enforcement division within the commission to
171 police the conduct of all gaming activities within the state and
172 to effectively eradicate any unlawful gaming activity or
173 unlawful gaming-related activity in this state.

174 Section 65.02

175 The Legislature, by general law, may provide for the
176 establishment and regulation of an official state lottery that
177 shall be operated and regulated on behalf of the state by a
178 public corporation as an instrumentality of the state under the
179 supervision of the commission. The Legislature may provide for
180 some portion of the proceeds from the lottery to be used to pay
181 the operating expenses of the lottery, including all prizes,
182 without any appropriation required by law. Net proceeds from the
183 lottery shall be deposited at least annually into the State
184 Treasury and shall be separately appropriated by the
185 Legislature.

186 Section 65.03

187 Beginning on the ratification date of this amendment, any
188 future amendment to this constitution applicable to less than
189 the entire state relating to gaming, including lotteries, gift
190 enterprises, casino-style games, sports wagering, raffles, and
191 bingo, may not take effect and shall be void.

192 Section 65.04

193 (a) The Governor shall negotiate and may execute a
194 Tribal-State compact with the Poarch Band of Creek Indians for
195 the operation and regulation of Class III games and sports
196 wagering on lands held in trust by the United States for the



197 benefit of the Poarch Band of Creek Indians, as provided under
198 the Indian Gaming Regulatory Act, 25 U.S.C. § 2701 et seq.

199 (b) Following execution of the compact, the Governor
200 shall file the compact with the Secretary of State and the
201 commission. The Secretary of State shall forward an executed
202 copy of the compact to the Secretary of the Interior for review
203 and approval in accordance with, and to the extent required by,
204 federal law.

205 (c) In return for the consideration established in the
206 compact contemplated by subsection (a), and for a term as
207 negotiated, the Poarch Band of Creek Indians shall be granted a
208 license, on terms and conditions provided for by general law, to
209 conduct and operate casino-style games at an additional site
210 outside of those lands held in trust.

211 (d) The state's immunity to suit in federal court under
212 the Eleventh Amendment to the United States Constitution is
213 expressly waived for the sole purpose of resolving disputes
214 arising under the terms of any compact negotiated pursuant to
215 this section. The waiver of the state's immunity under this
216 section is contingent upon an equivalent submission in the
217 compact by the Poarch Band of Creek Indians to the jurisdiction
218 of federal court.

219 Part 3. The following local provisions of the
220 Constitution of Alabama of 2022, which purport to authorize or
221 otherwise relate to bingo or charitable bingo or a lottery or
222 gift enterprise, are repealed: Sections 8-7.00, 20-7.00, 28-
223 7.00, 32-7.00, 35-7.00, 37-7.00, 42-7.00, 43A-2.00, 43A-2.01,
224 44-7.00, 45-7.00, 49-7.00, 51-7.00, 52-7.00, 57-7.00, 64-7.00,



improve residents' quality of life; (3) provide a two-year period for phasing out certain activities currently conducted pursuant to local provisions of the Constitution of Alabama of 2022 relating to bingo; and (4) authorize the Governor to execute a compact with the Poarch Band of Creek Indians to regulate gaming activities on tribal land.

Proposed by Act ____."

This description shall be followed by the following language:

"Yes () No ()."

Section 3. The proposed amendment shall become valid as a part of the Constitution of Alabama of 2022, when approved by a majority of the qualified electors voting thereon.