



**House Economic Development and Tourism Reported
Substitute for HB151**

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A BILL
TO BE ENTITLED
AN ACT

Proposing an amendment to the Constitution of Alabama of 2022, relating to lotteries, gift enterprises, and gaming activities; to repeal and reenact Section 65 of the Constitution of Alabama of 2022, to authorize certain limited forms of gaming activities; to add a new Section 65.01 to the Constitution of Alabama of 2022, to establish a gaming commission to regulate and license authorized gaming activities, authorize the Legislature to provide for the membership, powers, and duties of the commission, and establish a law enforcement division within the commission to enforce gaming laws and eradicate unlawful gaming activity and unlawful gaming-related activity; to add Section 65.02 to the Constitution of Alabama of 2022, to authorize the Legislature to establish and regulate an official state lottery; to add Section 65.03 to the Constitution of Alabama of 2022, to prohibit certain local amendments to the Constitution of Alabama of 2022, which relate to lotteries, gift enterprises, casino-style games, sports wagering, raffles, or bingo; to add Section 65.04 to the Constitution of Alabama of 2022, to authorize the Governor to enter into a compact with the Poarch



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29 Band of Creek Indians for the operation of Class III games on
30 tribal lands; to add Section 65.05 to the Constitution of
31 Alabama of 2022, to provide for the authority of the
32 Legislature to grant jurisdiction to a court to hear matters
33 concerning gaming; and to repeal Sections 8-7.00, 20-7.00,
34 28-7.00, 32-7.00, 35-7.00, 37-7.00, 42-7.00, 43A-2.00,
35 43A-2.01, 44-7.00, 45-7.00, 49-7.00, 51-7.00, 52-7.00,
36 57-7.00, 64-7.00, and 64A-2.01 of the Constitution of Alabama
37 of 2022, relating to bingo.

38 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

41 PROPOSED AMENDMENT

42 Part 1. Section 65 of the Constitution of Alabama of
43 2022 is repealed and in lieu thereof the following language
44 shall be adopted as Section 65:

45 Section 65

46 (a) Except as expressly provided in this constitution,
47 the Legislature shall have no power to authorize any form of
48 gaming activity for any purpose and shall pass laws to
49 prohibit and effectively eradicate any unlawful gaming
50 activity and unlawful gaming-related activity.

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

53 (1) An official state lottery, administered by a public
54 corporation established by general law, using only tickets
55 made of cardboard, paper, plastic, or some functionally
56 similar material unless otherwise required to participate in a



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57 multi-jurisdiction lottery.

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

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

62 (4) Traditional raffles only if registered with the
63 commission.

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

66 (c) The Legislature may authorize a form of gaming
67 activity not included in subsection (b) or increase or
68 decrease the rate of taxation on a gaming activity provided by
69 general law only upon the receipt of a favorable report from
70 the commission recommending such action to the Legislature and
71 the passage of a general bill by a vote of three-fifths of all
72 members elected to each house of the Legislature taken by yeas
73 and nays and entered upon the journals thereof.

74 (d) The commission shall issue licenses for no more
75 than seven gaming establishments, including the license
76 contemplated by Section 65.04, where casino-style games may be
77 played. The commission's issuance of licenses for the gaming
78 establishments shall be subject to procedures and requirements
79 established by general law, including a local approval
80 requirement.

81 (e) Any person that establishes to the satisfaction of
82 the commission that it conducted gaming activities pursuant to
83 the authority of general law or a local provision of the
84 Constitution of Alabama of 2022, prior to the ratification of



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85 this amendment may continue to operate until January 1, 2027,
86 so long as the person does all of the following:

87 (1) Provides the names and addresses of its principal
88 owners and investors, business records, and other information
89 required by the commission.

90 (2) Provides a sworn statement of its willingness to
91 accept the reasonable regulation of the commission and the
92 State of Alabama.

93 (3) Pays any applicable state taxes as provided by
94 general law.

95 (4) Provides a description of the gaming activities
96 employed in its operation, the methods of delivery of such
97 gaming activities, the number of machines or devices used to
98 conduct such gaming activities, and other information required
99 by the commission.

100 Part 2. Sections 65.01, 65.02, 65.03, 65.04, and 65.05
101 are added to the Constitution of Alabama of 2022, to read as
102 follows:

103 Section 65.01

104 (a) There is established a commission within the
105 executive branch of government to protect consumers from
106 unscrupulous gaming practices, to ensure the integrity of
107 licensed gaming operators, to quickly stop unlawful gaming and
108 unlawful gaming-related activities, to mitigate the effects of
109 problem gaming, to preserve the aesthetic character of the
110 State of Alabama, and to produce revenues that improve the
111 quality of life of residents of the state, all pursuant to
112 general law.



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113 (b) The Legislature, by general law, may provide for
114 the membership, powers, and duties of the commission and shall
115 establish a law enforcement division within the commission to
116 police the conduct of all gaming activities within the state
117 and to effectively eradicate any unlawful gaming activity or
118 unlawful gaming-related activity in this state.

119 Section 65.02

120 The Legislature, by general law, may provide for the
121 establishment and regulation of an official state lottery that
122 shall be operated and regulated on behalf of the state by a
123 public corporation as an instrumentality of the state under
124 the supervision of the commission. The Legislature may provide
125 for some portion of the proceeds from the lottery to be used
126 to pay the operating expenses of the lottery, including all
127 prizes, without any appropriation required by law. Net
128 proceeds from the lottery shall be deposited at least annually
129 into the State Treasury and shall be separately appropriated
130 by the Legislature.

131 Section 65.03

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

137 Section 65.04

138 (a) The Governor shall negotiate and may execute a
139 Tribal-State compact with the Poarch Band of Creek Indians for
140 the operation and regulation of Class III games and sports



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141 wagering on lands held in trust by the United States for the
142 benefit of the Poarch Band of Creek Indians, as provided under
143 the Indian Gaming Regulatory Act, 25 U.S.C. § 2701 et seq.

144 (b) Following execution of the compact, the Governor
145 shall file the compact with the Secretary of State and the
146 commission. The Secretary of State shall forward an executed
147 copy of the compact to the Secretary of the Interior for
148 review and approval in accordance with, and to the extent
149 required by, federal law.

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

156 (d) The state's immunity to suit in federal court under
157 the Eleventh Amendment to the United States Constitution is
158 expressly waived for the sole purpose of resolving disputes
159 arising under the terms of any compact negotiated pursuant to
160 this section. The waiver of the state's immunity under this
161 section is contingent upon an equivalent submission in the
162 compact by the Poarch Band of Creek Indians to the
163 jurisdiction of federal court.

Section 65.05

164 **Notwithstanding any other provision of this**
165 **constitution, the Legislature, by general law, may grant**
166 **original jurisdiction to any court in the State of Alabama,**
167 **including any appellate court, to hear matters concerning**
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169 gaming, including matters in which the commission or lottery
170 corporation or their members, officers, employees, or agents
171 are named parties.

172 Part 3. The following local provisions of the
173 Constitution of Alabama of 2022, which purport to authorize or
174 otherwise relate to bingo or charitable bingo or a lottery or
175 gift enterprise, are repealed: Sections 8-7.00, 20-7.00,
176 28-7.00, 32-7.00, 35-7.00, 37-7.00, 42-7.00, 43A-2.00,
177 43A-2.01, 44-7.00, 45-7.00, 49-7.00, 51-7.00, 52-7.00,
178 57-7.00, 64-7.00, and 64A-2.01.

179 Upon ratification of this constitutional amendment, the
180 Code Commissioner shall number and place this amendment as
181 appropriate in the constitution omitting this instructional
182 paragraph and may make the following nonsubstantive revisions:
183 change capitalization, hierarchy, spelling, and punctuation
184 for purposes of style and uniformity; correct manifest
185 grammatical, clerical, and typographical errors; revise
186 internal or external citations and cross-references; and
187 translate effective dates.

END OF PROPOSED AMENDMENT

189 Section 2. An election upon the proposed amendment
190 shall be held in accordance with Sections 284 and 285 of the
191 Constitution of Alabama of 2022, and the election laws of this
192 state. The appropriate election official shall assign a ballot
193 number for the proposed constitutional amendment on the
194 election ballot and shall set forth the following description
195 of the substance or subject matter of the proposed
196 constitutional amendment:



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197 "Proposing an amendment to the Constitution of Alabama
198 of 2022, to (1) authorize five limited forms of gaming
199 activity: an official state lottery administered by a public
200 lottery corporation, casino-style games played only in person
201 at up to seven locally approved licensed gaming
202 establishments, limited sports wagering, traditional raffles,
203 and traditional paper bingo; (2) establish an Alabama Gaming
204 Commission to regulate licensed gaming, stop unlawful gaming
205 and unlawful gaming-related activity, reduce the effects of
206 problem gaming, preserve the State's aesthetic character, and
207 produce revenues that improve residents' quality of life; (3)
208 provide a two-year period for phasing out certain activities
209 currently conducted pursuant to local provisions of the
210 Constitution of Alabama of 2022 relating to bingo; and (4)
211 authorize the Governor to execute a compact with the Poarch
212 Band of Creek Indians to regulate gaming activities on tribal
213 land.

214 Proposed by Act ____."

215 This description shall be followed by the following
216 language:

217 "Yes () No ()."

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

221