

1 HB507
2 116901-4
3 By Representatives Black and Knight (Constitutional Amendment)
4 RFD: Tourism and Travel
5 First Read: 04-FEB-10

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8 SYNOPSIS: This bill would propose an amendment to the
9 Constitution of Alabama of 1901, to authorize
10 federally recognized bingo at points of destination
11 in each of the current seven Congressional
12 Districts of the state, to levy taxes on federally
13 recognized bingo operations, to distribute the
14 proceeds to the Education Trust Fund and the
15 General Fund for the benefit of the state Medicaid
16 program, as well as to any county that has no local
17 bingo constitutional amendment, to limit federally
18 recognized bingo throughout the state while
19 enhancing tourism through the creation of points of
20 destination, to create a State Gaming Commission to
21 regulate bingo in Alabama and enforce the gambling
22 laws of the state, and to relieve operators of
23 maritime gaming on cruise ships docked in Mobile
24 from the application of certain laws in the state
25 that adversely affect maritime gaming on cruise
26 ships.
27

1 A BILL
2 TO BE ENTITLED
3 AN ACT
4

5 To amend the Constitution of Alabama of 1901, to
6 authorize federally recognized bingo in each of the current
7 seven Congressional Districts of the state, levy taxes on
8 federally recognized bingo games and distribute the proceeds,
9 limit federally recognized bingo throughout the state while
10 enhancing tourism through the creation of points of
11 destination, create a State Gaming Commission for the
12 regulation of bingo games and for the enforcement of the
13 gambling laws of the state, and to relieve operators of
14 maritime gaming on cruise ships docked in Mobile from the
15 application of certain laws in the state that adversely affect
16 maritime gaming on cruise ships.

17 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

18 Section 1. The following amendment to the
19 Constitution of Alabama of 1901, as amended, is proposed and
20 shall become valid as a part thereof when approved by a
21 majority of the qualified electors voting thereon and in
22 accordance with Sections 284, 285, and 287 of the Constitution
23 of Alabama of 1901, as amended:

24 PROPOSED AMENDMENT

25 Section 1. Declarations. Because Alabama has
26 experienced a proliferation of bingo gaming throughout the
27 state, it is of paramount importance for such bingo

1 enterprises to be limited, regulated, and taxed. This
2 amendment authorizes federally recognized bingo to be
3 conducted at points of destination in each of the current
4 seven Congressional Districts of the state where a member of
5 the United States House of Representatives is elected, and
6 through taxation of federally recognized bingo, enhances the
7 economic viability of such areas and raises additional revenue
8 for the state General Fund to benefit the state Medicaid
9 program and the Education Trust Fund for the benefit of the
10 public schools, as well as provide additional revenue to any
11 county that has no local bingo constitutional amendment. To
12 prohibit the proliferation of illegal and unregulated gaming
13 in the state, this amendment further creates a State Gaming
14 Commission for the regulation of bingo and for the enforcement
15 of gambling laws of this state and prescribes certain
16 conditions and prohibitions governing gaming activities. This
17 amendment further prescribes minimum investment requirements
18 in non-gaming amenities at points of destination in each
19 Congressional District to assure that federally recognized
20 bingo revenues serve as a catalyst to create jobs and develop
21 an entertainment and tourism industry in the state. This
22 amendment also protects maritime gaming on the cruise ships
23 docked in Mobile from the application of certain laws in the
24 state that adversely affect maritime gaming on cruise ships.

25 Section 2. Definitions. As used in this amendment,
26 the following words and phrases shall have the following
27 respective meanings:

1 "BINGO EQUIPMENT" means any mechanical,
2 electromechanical, electronic, or video machine or device, or
3 component thereof, that, for consideration, assists or allows
4 a player to play a game of federally recognized bingo.

5 "BINGO GROSS REVENUE," when used with reference to
6 any facility conducting federally recognized bingo means the
7 total amount of money or value in any form received by the
8 operator of a federally recognized bingo establishment with
9 respect to the playing of federally recognized bingo using
10 bingo equipment, less the total amount of money or value in
11 any form paid as winnings to the players of federally
12 recognized bingo, but before deduction of any expenses
13 incurred in operating the federally recognized bingo
14 establishment, including, without limitation thereto,
15 depreciation or leasing costs of physical facilities and
16 equipment, wages and other employment costs, utilities,
17 interest, and taxes; provided that bingo gross revenue shall
18 not include all or any part of the amounts wagered in
19 pari-mutuel pools on racing and, further, shall not be
20 construed as constituting any amount wagered in such
21 pari-mutuel pools for the purpose of determining any tax
22 levied on pari-mutuel wagering or for any other purpose.

23 "CLASS II GAMING" means the game of bingo as
24 authorized by IGRA to be conducted for the general public by
25 an Indian tribe in the state without the necessity of a
26 tribal-state compact applicable to such game of bingo. With
27 respect to the interpretation and application of this

1 amendment, Class II gaming shall be deemed to refer only to
2 the nature of the game of bingo itself that is conducted by
3 the Indian tribe, including the playing of such game with
4 bingo equipment, and any condition imposed by IGRA on Class II
5 gaming related to the use of tribal lands or matters of tribal
6 governance, such as the adoption of a tribal ordinance
7 concerning Class II gaming, the approval of such ordinance by
8 the Chairman of the National Indian Gaming Commission or the
9 issuance of a tribal license for Class II gaming, shall not be
10 relevant in determining whether federally recognized bingo is
11 conducted in the same manner, to the same extent, and under
12 the same conditions as Class II gaming. Further, for purposes
13 of determining the equivalence between Class II gaming and
14 federally recognized bingo, the nature, conditions, and limits
15 of Class II gaming shall not be based upon any theoretical
16 interpretation of IGRA but on the actual game of bingo,
17 including the use of bingo equipment in playing such game,
18 that is conducted by the Indian tribe offering such game to
19 the general public as allowed by the regulations and practices
20 of the National Indian Gaming Commission and as enforced by
21 federal officials pursuant to 18 U.S.C. § 1166.

22 "COMMISSION" means the State Gaming Commission
23 created by this amendment.

24 "CONGRESSIONAL DISTRICT" means one of the seven
25 geographically designated districts that exist on the
26 effective date of this amendment within the state that is

1 entitled to elect one representative to the United States
2 House of Representatives.

3 "FEDERALLY RECOGNIZED BINGO" means the game of
4 bingo, which is the game of chance, whether or not electronic,
5 computer, or other technologic aids are used in connection
6 therewith, that is played for prizes, including monetary
7 prizes, with cards bearing numbers or other designations, in
8 which the holder of the card covers such numbers or
9 designations when objects, similarly number or designated, are
10 drawn or electronically determined, and in which the game is
11 won by the first person covering a previously designated
12 arrangement of numbers or designations on such cards,
13 including the use of bingo equipment in the playing of such
14 game, that, insofar as the nature of the game itself is
15 concerned, is conducted for the general public on land that is
16 not Indian tribal lands by a person or persons in the same
17 manner, to the same extent, and under the same conditions,
18 excluding regulation and supervision by the National Indian
19 Gaming Commission, as Class II gaming conducted on Indian
20 tribal lands in the state by an Indian tribe.

21 "GROSS RECEIPTS TAX" means the gross receipts tax
22 levied by the state pursuant to Section 6 hereof, on all
23 federally recognized bingo or illegal gambling in the state.

24 "IGRA" means the Indian Gaming Regulatory Act
25 enacted by the Congress of the United States, 25 U.S.C. §§
26 2701-2721, including all amendments thereof and supplements
27 thereto at any time enacted and the regulations promulgated

1 thereunder and maintained in effect by the National Indian
2 Gaming Commission.

3 "LOCAL BINGO AMENDMENT" means any amendment to the
4 Constitution of Alabama of 1901, other than this amendment,
5 which authorizes bingo to be played in a particular county or
6 municipality and which was adopted prior to the effective date
7 of this amendment by the affirmative vote of the entire
8 electorate of the state pursuant to Section 284 of the
9 Constitution of Alabama of 1901, or, alternatively, was
10 adopted at any time, whether before or after the effective
11 date of this amendment, by the affirmative vote of the
12 electorate of a single county pursuant to Amendment 425 or
13 Amendment 555 to the Constitution of Alabama of 1901.

14 "MARITIME GAMING" means, when used with reference to
15 cruise ships that embark and disembark passengers and take on
16 supplies at saltwater ports in the state, casino gaming
17 conducted for profit on such ships while cruising or anchored
18 on the high seas beyond the territorial jurisdiction of
19 Alabama law. Maritime gaming includes, without limitation
20 thereto, all banked card and table games and games played with
21 "gambling devices" or "slot machines" within the meaning of
22 subsections (5) and (10) of Section 13A-12-20 of the Code of
23 Alabama 1975.

24 "OPERATOR" means any person, corporation, limited
25 liability company, or other legal entity now or hereafter
26 licensed to conduct federally recognized bingo.

1 "PERSON" means any natural person, corporation, or
2 limited liability company, partnership, association, or other
3 legal entity, whether or not operated for profit, capable of
4 being sued or made subject to a criminal prosecution.

5 "POINT OF DESTINATION" means a licensed federally
6 recognized bingo location designated in Section 7 of this
7 amendment whereby a parcel of land containing a physical plant
8 owned by a business, governmental entity, charitable
9 organization, or racetrack houses at least 1,000 federally
10 recognized bingo machines using bingo equipment and which the
11 cost of the federally recognized bingo playing area of the
12 physical plant of the federally recognized bingo operation,
13 including all non-bingo equipment and fixtures functioning as
14 a part of the federally recognized bingo playing area but
15 excluding bingo equipment, is less than half of the total cost
16 of the entire physical plant, land, outbuildings, parking
17 areas, infrastructure, fixtures, and equipment located on the
18 same parcel of land owned by such business, governmental
19 entity, charitable organization, or racetrack housing such
20 bingo operation and whereby the total cost of such licensed
21 location exceeds one hundred million dollars (\$100,000,000);
22 provided, however, the two existing licensed bingo locations
23 using federally recognized bingo equipment in the City of
24 Whitehall in Lowndes County shall not require any minimum
25 investment and the entire cost of the point of destination
26 using bingo equipment to conduct federally recognized bingo at
27 the racetrack located in Greene County shall exceed fifty

1 million dollars (\$50,000,000). A federally recognized bingo
2 licensee at a point of destination shall have three years
3 following the effective date of this amendment to comply with
4 these minimum investment requirements to be a point of
5 destination, unless the State Gaming Commission for good cause
6 shown allows an extension of time for such federally
7 recognized bingo licensee to comply with the minimum
8 investment requirements for a period not to exceed five years
9 from the effective date of this amendment.

10 "RACETRACK" when used with respect to any facility
11 located in the state, means a single facility at which
12 pari-mutuel wagering on live or telecast racing events is
13 authorized by law when this amendment shall become effective,
14 together with any observation facilities, authorized
15 equipment, restaurants, and other physical facilities and
16 improvements that together constitute such racing facility,
17 including facilities necessary or desirable for conducting
18 bingo. There are four racetracks located in the state, one in
19 Mobile County, one in Macon County, one in the City of
20 Birmingham in Jefferson County, and one in Greene County.

21 "TRADITIONAL BINGO EQUIPMENT" means traditional
22 paraphernalia used in playing bingo and electronic or
23 mechanical equipment used to facilitate the playing of paper
24 or card bingo, including, without limitation thereto,
25 mechanical or electronic systems for selecting by chance the
26 numbers or symbols that are covered or otherwise marked on the
27 grids used in bingo games, electronic or computer terminals

1 that enable an individual player to play multiple cards or
2 grids in a single game, and electronic or video display
3 equipment that shows the progress, results, and payoffs of
4 bingo games; provided, however, that no paraphernalia or
5 equipment used in playing bingo pursuant to a local bingo
6 amendment shall be deemed to constitute traditional bingo
7 equipment unless the use thereof shall be lawfully authorized
8 by the independent construction of such local bingo amendment
9 without taking into account any provision of this amendment;
10 provided, further that bingo shall not be conducted at any
11 location pursuant to a local bingo amendment, whether or not
12 using traditional bingo equipment, under conditions where more
13 than one bingo game per minute is played at such location. No
14 equipment or device of any kind shall qualify as traditional
15 bingo equipment if it is used to play, or facilitate the
16 playing of, more than one bingo game per minute in any single
17 building, hall, or other location used for playing bingo.

18 Section 3. Scope of Amendment.

19 (a) After the date of ratification of this
20 amendment, any county may authorize federally recognized bingo
21 through ratification of a local constitutional amendment which
22 complies with the provisions set forth in this amendment
23 including regulation by the State Gaming Commission,
24 remittance of fees and tax, and fulfilling point of
25 destination requirements. Only one point of destination may be
26 authorized in such county authorizing federally recognized

1 bingo after the ratification of this amendment and
2 ratification of the subsequent local constitutional amendment.

3 (b) If bingo played with bingo equipment is
4 conducted under the claimed authorization of a local bingo
5 amendment, and any accompanying regulations promulgated
6 thereunder, then the succeeding provisions of this subsection
7 shall also apply, both retroactively and prospectively, to
8 federally recognized bingo conducted by licensees at points of
9 destination set forth in Section 7 of this amendment that
10 previously operated pursuant to such local bingo amendment and
11 accompanying regulations. The conduct of federally recognized
12 bingo at any licensed point of destination with bingo
13 equipment shall not be prohibited, limited, or impaired by (i)
14 any provision or interpretation of Section 65 of the
15 Constitution of Alabama of 1901, (ii) any provision or
16 interpretation of any local bingo amendment, including the
17 particular local bingo amendment pursuant to which the
18 licensee at the point of destination has heretofore and now
19 conducts bingo in any form or on behalf of any charitable
20 organization, (iii) any otherwise applicable provisions of
21 Title 13A, Chapter 12, Article 2, or Title 8, Chapter 1,
22 Article 8, Code of Alabama 1975, (iv) any other statute
23 whenever enacted that is inconsistent with any provision of
24 this amendment, and (v) any judicial judgment, decision or
25 opinion that would otherwise have the effect of prohibiting,
26 limiting, or impairing the conduct of federally recognized
27 bingo or bingo equipment in connection therewith.

1 (c) Bingo equipment, whether considered separately
2 or as a system consisting of multiple components, shall not
3 for any purpose be deemed to be a "gambling device" or "slot
4 machine" within the meaning of Section 13A-12-20(5) and (10),
5 Code of Alabama 1975.

6 (d) In no event shall this amendment preclude any
7 nonprofit organization or governmental entity from conducting
8 bingo in this state using traditional bingo equipment in
9 accordance with a local bingo amendment. Also, in no event
10 shall this amendment preclude any licensed third-party entity
11 domiciled in the state from operating a point of destination
12 for one or more nonprofit organizations or governmental
13 entities. Further, to the extent of any conflict with any
14 provision of a local bingo amendment, the terms and provisions
15 of this amendment shall prevail and the local bingo amendment
16 shall be deemed amended to conform to this amendment,
17 provided, further, a local bingo amendment shall no longer
18 apply to the operator of federally recognized bingo using
19 bingo equipment at a point of destination. This amendment
20 shall thereafter apply to such operator.

21 (e) In no event shall any person or persons or
22 governmental entity conduct federally recognized bingo
23 anywhere in the state except pursuant to a federally
24 recognized bingo license issued to an operator by the State
25 Gaming Commission for a point of destination.

26 (f) No criminal prosecution under any provision of
27 Title 13A, Chapter 12, Article 2, Code of Alabama 1975, shall

1 be brought or maintained against any person for engaging in
2 maritime gaming.

3 Section 4. Exemptions from Conflicting Laws;
4 Compliance with Federal Law.

5 (a) The conduct of federally recognized bingo using
6 bingo equipment at points of destination, and any manufacture,
7 sale, transportation, installation, possession, ownership,
8 leasing, or use of authorized equipment or other materials,
9 supplies, or paraphernalia used in conducting federally
10 recognized bingo that are authorized under and done in
11 accordance with this amendment, shall be exempt from laws that
12 prohibit or limit activities of the kind authorized by this
13 amendment, including the provisions of Title 13A, Chapter 12,
14 Article 2 and Title 8, Chapter 1, Article 8, Code of Alabama
15 1975.

16 (b) The State of Alabama, acting by and through the
17 adoption of this amendment, and in accordance with the
18 provisions of 15 U.S.C. § 1172, does hereby declare that any
19 and all bingo equipment, materials, paraphernalia, and
20 supplies, as well as gambling devices for maritime gaming on
21 cruise ships, may be transported in interstate commerce into
22 or out of the state without violating § 1172, or any other
23 applicable federal law, if such bingo equipment,
24 paraphernalia, materials, and supplies are used, or gambling
25 devices for maritime gaming on cruise ships, or are to be
26 used, or have been used, in the conduct of federally

1 recognized bingo at licensed points of destination, or to
2 conduct maritime gaming on cruise ships.

3 Section 5. Licensees at Points of Destination
4 Authorized to Conduct Federally Recognized Bingo Using Bingo
5 Equipment and Traditional Bingo Equipment.

6 (a) The Houston County licensee and the two City of
7 White Hall bingo licensees all being located in Congressional
8 District 2, and the racetrack in Mobile County located in
9 Congressional District 1, the racetrack in Macon County
10 located in Congressional District 3, the racetrack in Greene
11 County located in Congressional District 7, and the racetrack
12 in the City of Birmingham located in Congressional District 6,
13 are each hereby authorized to immediately conduct federally
14 recognized bingo using bingo equipment, as well as traditional
15 bingo equipment, at their respective point of destination
16 designated in Section 7 of this amendment upon payment of the
17 license fee and posting of bond required by Section 14 of this
18 amendment, with the State Gaming Commission to issue a state
19 federally recognized bingo license without application by the
20 licensee. Within 90 days following the effective date of this
21 amendment, any applicant for a license to conduct federally
22 recognized bingo at a point of destination in each of
23 Congressional District 4, Congressional District 5, and
24 Congressional District 6 must first be approved by the local
25 screening committee for the county in which the applicant
26 intends to operate federally recognized bingo at a point of
27 destination. Such local screening committee shall consist of

1 the district attorney or his or her designee, the chair of the
2 county commission or his or her designee, and the sheriff of
3 such county or his or her designee. If such local screening
4 committee rejects the application of such applicant, the State
5 Gaming Commission shall not consider the applicant for a
6 license to operate federally recognized bingo at such point of
7 destination. Within 180 days following the effective date of
8 this amendment, the State Gaming Commission shall select an
9 operator to conduct federally recognized bingo using bingo
10 equipment, as well as traditional bingo equipment, at one
11 point of destination in each of Congressional District 4,
12 Congressional District 5, and Congressional District 6. Any
13 licensee or applicant for a federally recognized bingo license
14 at any point of destination shall be subject to investigation
15 by the State Gaming Commission and shall comply with this
16 amendment and the rules and regulations of the State Gaming
17 Commission. The State Gaming Commission shall issue the state
18 bingo license to the operator selected by the State Gaming
19 Commission at a point of destination in each of Congressional
20 District 4, Congressional District 5, and Congressional
21 District 6 so long as each operator is in compliance with the
22 qualifications of a bingo licensee as provided in this
23 amendment.

24 (b) Any general or local law, ordinance, or
25 regulation affecting dog or horse racing and pari-mutuel
26 wagering thereon now in effect or hereafter enacted to the
27 contrary notwithstanding, the operator of each racetrack shall

1 be entitled to conduct business, including both pari-mutuel
2 wagering and bingo, with the full participation of betting
3 patrons physically on the premises of such racetrack and on
4 such days and during such times as such operator determines to
5 be necessary or beneficial for the profitability of such
6 racetrack; provided, however, that each racetrack must comply
7 with all generally applicable laws, local acts, and county and
8 municipal ordinances governing the times during which
9 businesses serving the general public may sell alcoholic
10 beverages.

11 (c) In order to discourage predatory competition
12 among the points of destination that may legally conduct
13 federally recognized bingo pursuant to this amendment, the
14 operator of any point of destination is authorized to enter
15 into an agreement with the operator of another point of
16 destination to share profits from the conduct of federally
17 recognized bingo in such proportions and to cooperate in such
18 manner with respect to conducting federally recognized bingo
19 as such operators may deem to be mutually beneficial. The
20 provisions of this section shall be retroactive, and any such
21 profit sharing or cooperative agreement entered into by
22 operators prior to the effective date of this amendment shall
23 be given full force and effect and shall be deemed ratified
24 and confirmed by this amendment. For purposes of this section,
25 an operator of a point of destination shall be deemed to
26 include any Alabama corporation, limited liability company,
27 partnership, or other legal entity exercising control of,

1 being controlled by, or being under common control with, any
2 such operator.

3 (d) No licensed federally recognized bingo operator
4 conducting federally recognized bingo using bingo equipment at
5 a given point of destination shall operate without remitting
6 to the state the applicable gross receipts tax on all bingo
7 gross revenue.

8 (e) No person under the age of 19 years shall be
9 permitted to play any game of federally recognized bingo using
10 bingo equipment, nor shall any person under the age of 19
11 years be employed to operate bingo equipment, or to facilitate
12 the playing of federally recognized bingo using bingo
13 equipment, or to serve any persons playing federally
14 recognized bingo using bingo equipment. This subsection shall
15 not be construed to prohibit persons under the age of 19 years
16 from being allowed on the premises of a facility where
17 federally recognized bingo is played or being served in food
18 and beverage service operations located in such facility.

19 (f) The racing commissions respectively having
20 jurisdiction of the racetracks, in addition to the powers that
21 each thereof has under existing law, shall have the same
22 powers to regulate and supervise the conduct of federally
23 recognized bingo as each has to regulate and supervise racing
24 activities and pari-mutuel wagering thereon, with such
25 modification of such powers, not inconsistent with the
26 provisions of this amendment, as is necessary or appropriate
27 to adapt them to the purposes of regulating and supervising

1 bingo; provided, however, the regulatory and supervisory power
2 of each local racing commission over federally recognized
3 bingo at the racetrack shall be subordinate to the regulatory
4 and supervisory power of the State Gaming Commission over the
5 conduct of federally recognized bingo at the racetrack with
6 any enforcement action of the State Gaming Commission to
7 control and prevail.

8 (g) All monetary obligations in contracts between a
9 federally recognized bingo operator and nonprofit
10 organizations or in contracts between a federally recognized
11 bingo operator and a local governing body entered into prior
12 to the effective date of this amendment shall remain in full
13 force and effect and shall not be terminated as a result of
14 this amendment.

15 Section 6. State Gross Receipts Tax and Use of the
16 Proceeds Thereof; Local Gross Receipts Tax and Use of the
17 Proceeds Thereof.

18 (a) (1) A state gross receipts tax on federally
19 recognized bingo games using bingo equipment at each point of
20 destination is hereby levied in an amount equal to 20 percent
21 of the bingo gross revenue derived by the operator therefrom.
22 A local gross receipts tax on federally recognized bingo games
23 using bingo equipment at each point of destination is also
24 hereby levied in an amount equal to five percent of the gross
25 revenue derived by the operator therefrom. The state gross
26 receipts tax and the local gross receipts tax for each
27 calendar month shall be paid to the Alabama Department of

1 Revenue by the operator of each such licensed or any
2 unauthorized gaming establishment on or before the twentieth
3 day of the next succeeding calendar month.

4 (2) A state gross receipts tax of 50 percent on all
5 gross revenue on all unauthorized gaming establishments is
6 also hereby levied in addition to any other civil or criminal
7 liabilities. For purposes of the preceding sentence only,
8 gross revenue shall include the gross revenue of such
9 unauthorized gaming establishment before deduction of any
10 disbursement of winnings to patrons of such unauthorized
11 gaming establishment.

12 (b) The Alabama Department of Revenue shall have the
13 same power to make rules respecting the reporting, collection,
14 and enforcement of the state gross receipts tax and the local
15 gross receipts tax as it has with respect to the pari-mutuel
16 pool tax levied by Title 40, Chapter 26A, Code of Alabama
17 1975, with necessary and appropriate changes to reflect the
18 different nature of the state gross receipts tax and the local
19 gross receipts tax on federally recognized bingo. The levy,
20 collection, and enforcement of the state gross receipts tax
21 and the local gross receipts tax shall be administered by the
22 Alabama Department of Revenue in accordance with the Taxpayers
23 Bill of Rights and Uniform Revenue Procedures Act, as codified
24 in Chapter 2A of Title 40 of the Code of Alabama 1975, or
25 amendatory or successor law.

26 (c) For administrative purposes, the Alabama
27 Department of Revenue shall establish separate accounts in the

1 State Treasury for the federally recognized bingo licensee for
2 each point of destination, and the total amount of state gross
3 receipts tax and local gross receipts tax collected from each
4 such point of destination licensee shall be credited as
5 received to the related account. For the fiscal year of the
6 state in which this amendment shall become effective, and for
7 each fiscal year thereafter while the levy and collection of
8 the state gross receipts tax and local gross receipts tax
9 shall remain in effect, there shall be appropriated by the
10 Legislature, as a first charge against the state gross
11 receipts tax and local gross receipts tax, such amount of the
12 actual expenses of the Alabama Department of Revenue as shall
13 be necessary to administer the levy, collection, and
14 enforcement of the state gross receipts tax and local gross
15 receipts tax. Amounts equal in aggregate to the annual
16 appropriation for the administration of the state gross
17 receipts tax shall be charged to and withdrawn from the
18 separate accounts in proportion to the gross collections of
19 state gross receipts tax and local gross receipts tax
20 respectively credited each account; however, no such
21 collection amount shall exceed one percent of all gross
22 receipts tax proceeds.

23 (d) All proceeds of the state gross receipts tax not
24 required to satisfy the prior appropriation pursuant to
25 subsection (c) of this section are hereby dedicated and
26 appropriated to the Education Trust Fund for the benefit of
27 public schools in the state and to the state General Fund for

1 the benefit of the state Medicaid program. The Education Trust
2 Fund shall receive 65 percent of gross receipts tax proceeds
3 and the General Fund shall receive 35 percent of gross
4 receipts tax proceeds for the benefit of the state Medicaid
5 program.

6 (e) All proceeds of the local gross receipts tax not
7 required to satisfy the prior appropriation pursuant to
8 subsection (c) of this section are hereby dedicated and
9 apportioned among and paid to the counties in the state where
10 no local bingo constitutional amendments exist on the basis of
11 the ratio of the population of each such county where no local
12 bingo constitutional amendment exists to the total population
13 of all such counties where no local bingo constitutional
14 amendments exist.

15 (f) Due to the significant investment and other
16 contractual commitments made by the Houston County licensee to
17 its local governing body in Houston County, notwithstanding
18 any contrary provisions contained herein, the state gross
19 receipts tax on federally recognized bingo games using bingo
20 equipment at the Houston County point of destination shall be
21 7.5 percent of the bingo gross revenue for the initial five
22 years following the effective date of this amendment, and
23 thereafter the state gross receipts tax on federally
24 recognized bingo using bingo equipment at the Houston County
25 point of destination shall be 20 percent of the bingo gross
26 revenue; provided further, that the Houston County licensee
27 shall pay the local gross receipts tax at five percent of the

1 bingo gross revenue beginning with the effective date of this
2 amendment.

3 Section 7. Limit in the number of bingo points of
4 destination.

5 The seven Congressional Districts in the state shall
6 be allowed one or more points of destination as follows:

7 (1) Congressional District 1, one point of
8 destination which shall be the racetrack in Mobile County;

9 (2) Congressional District 2, three points of
10 destination consisting of the Houston County bingo licensee
11 and the two City of White Hall bingo licensees;

12 (3) Congressional District 3, one point of
13 destination which shall be the racetrack in Macon County;

14 (4) Congressional District 4, one point of
15 destination which shall be selected by the State Gaming
16 Commission;

17 (5) Congressional District 5, one point of
18 destination which shall be selected by the State Gaming
19 Commission;

20 (6) Congressional District 6, two points of
21 destination, one point of destination of which shall be the
22 racetrack in the City of Birmingham in Jefferson County and
23 one point of destination which shall be selected by the State
24 Gaming Commission; and

25 (7) Congressional District 7, one point of
26 destination which shall be the racetrack in Greene County.

1 For all purposes of this amendment, the term
2 "Houston County Licensee" shall mean the for-profit entity
3 that currently has a licensing agreement with the Houston
4 County nonprofit corporation that is licensed by the Houston
5 County Commission to operate federally recognized bingo.

6 Section 8. State Gaming Commission, creation,
7 powers.

8 (a) There is hereby created a State Gaming
9 Commission (the "commission") which shall oversee, regulate,
10 provide for consumer protection and safety of gaming patrons,
11 enforce gaming laws of the state, and provide for licensing of
12 all gaming operations in the state, including licensees
13 conducting federally recognized bingo at points of
14 destination.

15 (b) The commission shall consist of five members of
16 which one member shall be appointed by the Governor with the
17 advice and consent of the Senate, one member shall be
18 appointed by the Attorney General with the advice and consent
19 of the Senate, one member shall be appointed by the Lieutenant
20 Governor with the advice and consent of the Senate, one member
21 shall be appointed by the Speaker of the House of
22 Representatives with the advice and consent of the Senate, and
23 one member shall be appointed by the Chief Justice of the
24 state Supreme Court with the advice and consent of the Senate.
25 These members, where possible, shall represent the gender and
26 racial diversity of the state. Members appointed when the
27 Legislature is not in regular session may serve until or

1 unless the Senate rejects the appointment at the next regular
2 or special session of the Legislature.

3 (1) Members of the commission shall be residents of
4 the State of Alabama, shall be prominent persons in their
5 businesses or professions, and shall not have been convicted
6 of a felony. A member of the commission shall not have been
7 employed by the gaming industry for a period of five years
8 prior to his or her appointment or following his or her
9 service. No person actively engaged or having a direct
10 pecuniary interest in gaming activities shall be a member of
11 the commission. No elected official shall be a member of the
12 commission.

13 (2) Except for the initial term of office, members
14 shall serve for terms of five years. Any vacancy occurring on
15 the commission shall be filled for the unexpired term by the
16 appointing authority as described in this section. The initial
17 term of office upon ratification of this amendment shall be
18 one year for two members, two years for two members, and three
19 years for one member. The initial term of a member shall be
20 determined by lot. The respective appointing authorities shall
21 meet at the call of the Governor at a meeting to be held
22 within 30 days of ratification of this amendment to draw lots.
23 No member may serve for more than two terms whether
24 consecutive or not.

25 (3) Members of the commission and its employees
26 shall be subject to the Ethics Law, Section 36-25-1, et seq.,

1 Code of Alabama 1975, and the commission shall be subject to
2 the Administrative Procedure Act.

3 (4) Each member of the commission shall serve for
4 the duration of his or her term and until his or her successor
5 shall be duly appointed and qualified; provided, however, that
6 in the event that a successor is not duly appointed and
7 qualified within 120 days after the expiration of the member's
8 term, a vacancy shall be deemed to exist.

9 (5) A commission member may be removed from office
10 for misconduct in office, willful neglect of duty, or other
11 conduct evidencing unfitness for his or her office, or for
12 incompetence. A proceeding for removal may be instituted by
13 the Attorney General in the Circuit Court of Montgomery
14 County, Alabama. Notwithstanding any provision of this or any
15 other act, any commissioner or employee of the commission
16 shall automatically forfeit his or her office or position upon
17 conviction of a felony.

18 (6) Each member of the commission staff may be paid
19 an annual salary that shall not exceed that established by the
20 State Personnel Board.

21 (c) The officers of the commission shall include a
22 chair and a vice chair who shall be members of the commission,
23 and an Executive Director who shall not be a member of the
24 commission.

25 (1) The chair shall be elected annually at the
26 organizational meeting of the commission by a majority of the
27 full commission. The chair, as chief executive officer of the

1 commission, shall schedule and preside at all meetings of the
2 commission; shall appoint the members of the commission to
3 such committees as the commission may, from time to time,
4 establish; shall have the authority to accept for filing all
5 applications; shall have the authority to incur on behalf of
6 the commission such expenses as the commission shall have
7 approved in its operating budget; shall have general
8 supervision, direction, and control of the affairs of the
9 commission; and shall perform such other duties as are
10 incidental to the office and as may be assigned, from time to
11 time, by the commission.

12 (2) The vice chair shall be elected annually at the
13 organizational meeting of the commission by a majority of the
14 full commission. The vice chair shall be a member of the
15 commission other than the chair. He or she shall possess such
16 powers and shall perform such duties as may be assigned, from
17 time to time, by the commission. In the absence or inability
18 of the chair to serve or in the event of a vacancy in the
19 office of chair, the vice chair shall be empowered to carry
20 out all of the responsibilities of the chair.

21 (3) The Executive Director shall be appointed by the
22 commission and shall serve at the pleasure of the commission.
23 The Executive Director is entitled to an annual salary in the
24 amount specified by the commission, subject to the approval of
25 the State Personnel Board, within the limits of legislative
26 appropriations or authorizations. The Executive Director shall
27 have significant prior experience in the field of gaming, and

1 shall be a prominent and respected person in his or her
2 profession. The Executive Director shall not have been
3 convicted of a felony. The Executive Director may, in his or
4 her discretion, also appoint a General Counsel and such other
5 qualified staff to serve the Executive Director. The Executive
6 Director may employ the services of such persons as he or she
7 considers necessary for the purposes of consultation or
8 investigation and fix the salaries of or contract for the
9 services of such legal, professional, technical, and
10 operational personnel and consultants, subject to applicable
11 provisions of the State Personnel Board. For the purpose of
12 implementing the provisions of this amendment, additional
13 legal assistance may be retained only with the approval of the
14 Attorney General. Under the supervision of the chair, the
15 Executive Director shall be responsible for the conduct of the
16 administrative affairs of the commission and shall have
17 custody of the commission's seal and its official records. The
18 Executive Director shall keep a record of the proceedings at
19 all meetings of the commission in a minute book and a
20 resolution book or both, to be kept for the purpose, which
21 shall be open at all reasonable times to inspection by any
22 member of the commission. He or she shall cause a verbatim
23 transcript to be made of the public meetings of the
24 commission, according to law. He or she shall affix the seal
25 of the commission to all papers authorized to be executed by
26 the commission requiring such seal to be affixed. He or she
27 shall cause copies to be made of the verbatim transcript of

1 the public meetings, and of all minutes, resolutions, and
2 other records and shall cause such copies to be filed with the
3 appropriate authorities according to law. He or she shall give
4 certificates under the seal of the commission to the effect
5 that such copies are true copies and all persons dealing with
6 the commission may rely on such certificates. He or she shall
7 perform such other duties as are incident to his or her office
8 or as may be assigned, from time to time, by the commission or
9 by the chair.

10 (d) Regular and special meetings of the commission
11 may be held, at the discretion of the commission, at such
12 times and places as it may deem convenient, but at least one
13 regular meeting shall be held each month on or after the
14 fifteenth day of the month. All meetings shall be subject to
15 the provisions of the Open Meetings Law.

16 (e) A majority of the members constitutes a quorum
17 of the commission.

18 Section 9. Administration of provision for
19 protection of the public; commission and Executive Director
20 duties.

21 (a) The provisions of this amendment with respect to
22 state gaming licenses shall be administered by the Executive
23 Director for the protection of the public and in the public
24 interest in accordance with the policy of this state.

25 (b) The Executive Director and his or her employees
26 may:

1 (1) Inspect and examine all premises wherein gaming
2 is conducted or gaming devices or equipment are manufactured,
3 sold, or distributed;

4 (2) Inspect all equipment and supplies in, upon, or
5 about such premises, and require security and safety measures
6 to be taken at an operator's expense at any facility for the
7 health and well-being of patrons and employees;

8 (3) Summarily seize and remove from such premises
9 and impound any equipment or supplies for the purpose of
10 examination and inspection following a due process hearing;
11 and

12 (4) Demand access to and inspect, examine,
13 photocopy, and audit all papers, books, and records of
14 applicants and licensees, on their premises or elsewhere as
15 practicable, in the presence of the licensee or his or her
16 agent, respecting the gross receipts produced by any gaming
17 business, and may require verification of receipts, and
18 respecting all other matters affecting the enforcement of the
19 policy or any of the provisions of this amendment.

20 (c) For the purpose of conducting audits after the
21 cessation of gaming by a licensee, the former licensee shall
22 furnish, upon demand of the Executive Director or his or her
23 employee, books, papers, and records as necessary to conduct
24 the audits. The former licensee shall maintain all books,
25 papers, and records necessary for audits for a period of three
26 years after the date of the surrender or revocation of his or
27 her bingo license. If the former licensee seeks judicial

1 review of a deficiency determination or files a petition for a
2 redetermination, he or she must maintain all books, papers,
3 and records until a final order is entered on the
4 determination.

5 (d) The Executive Director and enforcement employees
6 may investigate, for the purpose of prosecution, any suspected
7 criminal violation of the provisions of this amendment. For
8 the purpose of the administration and enforcement of this
9 amendment, the Executive Director and enforcement employees
10 have the powers of a peace officer of this state.

11 (e) The commission or Executive Director has full
12 power and authority to issue subpoenas and compel the
13 attendance of witnesses at any place within this state, to
14 administer oaths, and to require testimony under oath. Any
15 process or notice may be served in the manner provided for
16 service of process and notices in civil actions. The
17 commission or the Executive Director may pay such
18 transportation and other expenses of witnesses as the
19 commission or Executive Director deem reasonable and proper.
20 Any person making false oath in any matter before the
21 commission is guilty of perjury. The commission may appoint
22 hearing examiners who may administer oaths and receive
23 evidence and testimony under oath.

24 (f) The Executive Director and his or her employees
25 shall investigate the qualifications of each applicant under
26 this amendment before any license is issued or before any
27 registration, finding of suitability, or approval of acts or

1 transactions for which commission approval is required is
2 granted, and the Executive Director shall continue to observe
3 the conduct of all licensees and other persons having a
4 material involvement directly or indirectly with a licensed
5 bingo operation or registered holding company to ensure that
6 licenses are not issued or held by, nor is there any material
7 involvement directly or indirectly with a licensed bingo
8 operation or registered holding company by, unqualified,
9 disqualified, or unsuitable persons or persons whose
10 operations are conducted in an unsuitable manner or in
11 unsuitable or prohibited places or locations.

12 (g) The Executive Director has the authority to
13 recommend to the commission the denial of any application, the
14 limitation, conditioning, or restriction of any license,
15 registration, finding of suitability, or approval or the
16 imposition of a fine upon any person licensed, registered, or
17 found suitable or approved for any cause deemed reasonable by
18 the Executive Director.

19 (h) Subject to the due process provisions as
20 hereinafter provided, the commission shall have authority for
21 any violation of this amendment, or any local amendment, or
22 any other laws of the state to deny any application or limit,
23 condition, restrict, revoke, or suspend any license,
24 registration, finding of suitability, or approval, or fine any
25 person licensed, registered, found suitable, or approved, for
26 any cause deemed reasonable by the commission; provided,
27 however, the commission shall have no authority to set the

1 business hours of operation or limit bingo sessions of a
2 licensed operator or limit the monetary amount of bingo prizes
3 or the number or type of bingo equipment used by the operator
4 so long as such bingo equipment complies with this amendment.

5 (i) Any license issued or other commission approval
6 granted pursuant to the provisions of this amendment is a
7 revocable privilege, and no holder acquires any vested right
8 therein or thereunder. Subject to the provisions of subsection
9 (h), the initial decision of the commission to deny, limit,
10 condition, or restrict a license shall be final unless
11 appealed in accordance with the provisions of this amendment.

12 (j) The commission shall serve as a hearing panel
13 and settle disputes between operators or between operators and
14 patrons.

15 (k) Any person or licensee aggrieved by the refusal
16 of the commission to issue any license, or the suspension or
17 revocation of a license, the imposition of a fine or penalty,
18 the disapproval of a contract, or any other action or failure
19 of action by the commission, may, within 60 days of such
20 action or failure of action, appeal to the circuit court of
21 the county where the bingo facility is located. If such court
22 finds that the action of such commission, or its failure to
23 take action, was arbitrary, unreasonable, or contrary to the
24 provisions of this amendment, the court shall order the
25 issuance or reinstatement of such license, the abatement of
26 such fine or penalty, the approval of such contract, or such
27 other remedial action as the court deems appropriate in the

1 circumstances. The decision of such court shall be subject to
2 appeal as in other cases at law.

3 (1) The commission shall coordinate with local
4 communities in developing educational programs and other
5 social programs to enhance social and public awareness of
6 gambling-related issues.

7 Section 10. Persons excluded from bingo facilities.

8 (a) The exclusion or ejection of certain persons
9 from licensed bingo establishments is necessary to effectuate
10 the policies of this amendment and to maintain effectively the
11 strict regulation of licensed bingo.

12 (b) The commission may by rule provide for the
13 establishment of a list of persons who are to be excluded or
14 ejected from any licensed bingo establishment. The list may
15 include any person whose presence in the establishment is
16 determined by the commission or the Executive Director to pose
17 a threat to the interests of this state or to licensed bingo,
18 or both. Any licensed bingo establishment may eject persons
19 from such establishment for reasons deemed appropriate except
20 for those found under subsection (d).

21 (c) In making that determination, the commission and
22 the Executive Director may consider any:

23 (1) Prior conviction of a crime which is a felony in
24 this state or under the laws of the United States, a crime
25 involving moral turpitude, or a violation of the gaming laws
26 of any state;

1 (2) Violation or conspiracy to violate the
2 provisions of this amendment relating to:

3 a. The failure to disclose an interest in a bingo
4 establishment for which the person must obtain a license; or

5 b. Willful evasion of fees or taxes.

6 (3) Notorious or unsavory reputation which would
7 adversely affect public confidence and trust that the bingo
8 industry is free from criminal or corruptive elements; or

9 (4) Written order of a governmental agency which
10 authorizes the exclusion or ejection of the person from an
11 establishment at which gaming is conducted.

12 (d) Race, color, creed, sex, national origin,
13 disability, or ancestry shall not be grounds for denying any
14 person the right of entry.

15 Section 11. Penalties; failure by bingo
16 establishments to exclude or eject.

17 (a) The commission may revoke, limit, condition,
18 suspend, or fine an individual licensee or licensed bingo
19 facility in accordance with the laws of this state and the
20 regulations of the commission if that establishment or any
21 individual licensee affiliated therewith knowingly fails to
22 exclude or eject from the premises of the licensed
23 establishment any person placed on the list of persons to be
24 excluded or ejected.

25 (b) Any person who has been placed on the list of
26 persons to be excluded or ejected from any licensed
27 establishment is guilty of a misdemeanor if he or she

1 thereafter enters the premises of a licensed establishment
2 without first having obtained a determination by the
3 commission that he or she should not have been placed on the
4 list of persons to be excluded or ejected.

5 Section 12. Effective control over internal fiscal
6 affairs.

7 (a) The commission shall prescribe minimum
8 procedures for adoption by each licensee to exercise effective
9 control over the internal fiscal affairs of the licensee,
10 which shall include, but are not limited to provisions for:

11 (1) The safeguarding of assets and revenues,
12 especially the recording of cash and evidences of
13 indebtedness; and

14 (2) The provision of reliable records, accounts and
15 reports of transactions, operations and events, including
16 reports to the commission and the Executive Director to verify
17 bingo gross revenue.

18 (b) The commission shall by rule require periodic
19 reports from each licensee concerning the bingo gross revenue
20 of such licensee.

21 (c) The commission shall by rule require audits of
22 the bingo gross revenue of all federally recognized bingo
23 licensees at points of destination.

24 (1) The audits, compilations, and reviews provided
25 for in subsections (a), (b), and (c) must be made by
26 independent accountants holding permits to practice public
27 accounting in the State of Alabama.

1 (2) For every audit required pursuant to this
2 section:

3 a. The independent accountants shall submit an audit
4 report which must express an unqualified or qualified opinion
5 or, if appropriate, disclaim an opinion on the statements
6 taken as a whole in accordance with standards for the
7 accounting profession established by rules and regulations of
8 the Alabama State Board of Public Accountancy, but the
9 preparation of statement without audit does not constitute
10 compliance.

11 b. The examination and audit must disclose whether
12 the accounts, records, and control procedures maintained by
13 the licensee are as required by the regulations promulgated by
14 the commission.

15 (3) If the license of a licensee at a point of
16 destination is terminated within three months after the end of
17 a period covered by an audit, the licensee may submit compiled
18 statements for bingo gross revenue in lieu of an additional
19 audited statement of the bingo gross revenue for the
20 licensee's final period of business.

21 (4) The licensee shall be responsible for the
22 payment of costs or fees generated by any audit required by
23 the commission. Failure to pay such costs and fees for such
24 audit may result in the revocation of his or her license.

25 Section 13. Operating license for facility;
26 applicant eligibility.

1 (a) No bingo establishment shall operate unless all
2 necessary licenses and approvals therefor have been obtained
3 in accordance with this amendment.

4 (b) The proposed operator of a federally recognized
5 bingo facility may not be licensed if the proposed operator or
6 an owner of more than five percent of the proposed operator
7 has ever been convicted of a felony or convicted of any
8 gambling offense or offense involving moral turpitude.

9 Section 14. Issuance of licenses.

10 (a) If satisfied that an applicant is eligible to
11 receive a state bingo license to conduct federally recognized
12 bingo, and upon tender to the Department of Revenue of:

13 (1) All license fees and taxes as required by law
14 and regulation of the State Gaming Commission; and

15 (2) A bond in the amount of the gross receipts tax
16 anticipated in the first month of operation shall be executed
17 by the applicant as principal, and by a corporation qualified
18 under the laws of this state as surety, payable to the State
19 of Alabama and conditioned upon the payment of license fees,
20 taxes, penalties, interest, fines, and the faithful
21 performance of all requirements imposed by law or regulation
22 or the conditions of the license; the commission shall issue
23 licenses for a period of 20 years, which shall be renewed for
24 consecutive five-year periods unless the commission shows
25 cause that a violation of the provisions of this amendment has
26 occurred, and deliver to the applicant a license entitling the

1 applicant to engage in the federally recognized bingo
2 operation for which he or she is licensed.

3 (b) The Executive Director shall prepare and
4 maintain a written record of the specific terms and conditions
5 of any license issued and delivered and of any modification to
6 the license. A duplicate of the record must be delivered to
7 the applicant or licensee.

8 Section 15. Payment of fees to make application for
9 or continue license.

10 (a) Subject to the power of the commission to deny,
11 revoke, suspend, condition, or limit licenses, any federally
12 recognized bingo license in force using bingo equipment may be
13 received or continued by the commission upon proper payment of
14 state license fees and any other fees, taxes, and penalties as
15 required by this amendment, including an annual license fee of
16 not less than two hundred thousand dollars (\$200,000).

17 (b) Except for those points of destination initially
18 licensed following the ratification of this amendment, a
19 non-refundable application fee of not less than two hundred
20 fifty thousand dollars (\$250,000) shall be remitted by any new
21 applicant and a renewal fee of two hundred fifty thousand
22 dollars (\$250,000) shall be due from a licensee at any
23 destination point within 30 days following any license
24 renewal. These license and application fees shall be
25 appropriated annually for the operations and maintenance of
26 the commission. At the end of each fiscal year any excess fees
27 shall revert to the General Fund.

1 (c) All state license fees and fees required by law
2 must be paid to the Department of Revenue on or before the
3 dates respectively provided by law or regulation for each fee.

4 (d) Any person failing to pay the state gross
5 receipts tax and local gross receipts tax on bingo gross
6 revenue or the license or application fees due at the times
7 respectively provided shall pay in addition to such license
8 fee or fees, a penalty of not less than 25 percent of the
9 amount due, unless failure to timely pay is due to reasonable
10 cause as determined by the commission. The penalty must be
11 collected as are other charges, license fees, and penalties
12 under this amendment.

13 (e) If any licensee fails to pay his or her license
14 fee as provided in this section, the commission may order the
15 immediate closure of all the bingo activity until all
16 necessary fees, interest, and penalties have been paid.

17 (f) Counties in which federally recognized bingo
18 activities using bingo equipment are authorized by this
19 amendment are authorized to impose on the operator of a point
20 of destination a bingo equipment license fee which shall not
21 exceed one million five hundred thousand dollars (\$1,500,000)
22 per year; provided, however, the annual bingo equipment
23 license fee for the operator of the point of destination in
24 Greene County shall not exceed seven hundred fifty thousand
25 dollars (\$750,000) per year, and provided, further, that no
26 bingo equipment license fee shall be imposed hereunder for the
27 two operators of points of destination in White Hall and the

1 operator of the point of destination in Houston County. The
2 revenues from the bingo equipment license fee for a given
3 county shall be held in escrow and, pending the disbursement
4 thereof, shall be invested in obligations in which
5 municipalities of the state are authorized to invest their
6 surplus funds, until a local act, or general act of local
7 application, pertaining to the county where the point of
8 destination is located shall be enacted by the Legislature to
9 provide for the disbursement of such proceeds. The state gross
10 receipts tax and the local gross receipts tax, the state
11 license fees, and the local federally recognized bingo
12 equipment license fees required to be paid pursuant to this
13 amendment shall be in lieu of all other state or local taxes
14 or license fees levied with respect to the conduct of
15 federally recognized bingo and the operator; provided,
16 however, that all operators of federally recognized bingo
17 games shall continue to be liable for all income taxes,
18 franchise taxes, property taxes, lodging taxes, and sales and
19 use taxes on merchandise, food, and beverage generally
20 applicable to all businesses at uniform rates; provided,
21 however, any lodging taxes imposed by any county shall not
22 exceed the average lodging tax rate for all counties in the
23 applicable Congressional District and any lodging taxes
24 imposed by any municipality shall not exceed the average
25 lodging tax rate for all municipalities in the applicable
26 Congressional District.

27 Section 16. Amendment to Be Self-Executing.

1 This amendment shall be self-executing, but the
2 Legislature shall have the right and power to enact general or
3 local laws supplemental to this amendment to further its
4 purposes or provide for its implementation; provided, however,
5 that such laws shall not be inconsistent with the express
6 provisions of this amendment.

7 Section 17. Effective Date. This amendment shall
8 take effect as part of the Constitution of Alabama of 1901,
9 upon its adoption by the electors of the state.

10 Section 2. An election upon the proposed amendment
11 shall be held in accordance with Sections 284 and 285 of the
12 Constitution of Alabama of 1901, now appearing as Sections 284
13 and 285 of the Official Recompilation of the Constitution of
14 Alabama of 1901, as amended, and the election laws of this
15 state.

16 Section 3. The appropriate election official shall
17 assign a ballot number for the proposed constitutional
18 amendment on the election ballot and shall set forth the
19 following description of the substance or subject matter of
20 the proposed constitutional amendment:

21 "Proposing an amendment to the Constitution of
22 Alabama of 1901, (i) to authorize bingo destination points in
23 each of the seven Congressional Districts and provide further
24 for maritime gaming on cruise ships, (ii) to establish the
25 conditions under which bingo as allowed by federal law for
26 Indian tribes may also be played in limited areas in the
27 state, (iii) to levy a state gross receipts tax and local

1 gross receipts tax on the revenue generated by these bingo
2 games, (iv) to create a State Gaming Commission for the
3 regulation of bingo operations throughout the state and to
4 enforce the gaming laws of the state, and (v) to distribute
5 the proceeds of the taxes to the Education Trust Fund, the
6 General Fund for the benefit of the state Medicaid program,
7 and to those counties which do not have local bingo
8 constitutional amendments.

9 "Proposed by Act _____."

10 This description shall be followed by the following
11 language:

12 "Yes () No ()."