

House Bill 677

By: Representatives Stephens of the 164th, Rogers of the 29th, Harbin of the 122nd, and Evans of the 42nd

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 50 of the Official Code of Georgia Annotated, relating to state government,
2 so as to provide for casino gaming in this state at a limited number of licensed resort facilities
3 in counties and municipalities that have approved by public referendum the establishment
4 of such facilities; to provide for the comprehensive regulation of such activities; to provide
5 for definitions; to provide for the establishment of the Georgia Lottery and Casino Gaming
6 Commission; to provide for the membership, terms of office, filling of vacancies,
7 qualifications, duties, and responsibilities of the members of such commission; to provide
8 for the legal representation of such commission; to provide for commission staff and
9 employees; to provide for funding; to provide for certain background investigations; to
10 provide for certain appeals and injunctions; to provide for certain licenses and permits; to
11 provide for local referendums on the approval of casino gaming at a limited number of
12 licensed resort facilities in counties or municipalities; to provide for certain taxes on licensed
13 resort facilities and to provide for the distribution of the net revenues and proceeds from such
14 taxes; to establish and provide for the Georgia Problem Gaming Fund; to provide for audits
15 of licensed resort facilities; to prohibit certain conduct and provide for penalties; to amend
16 Title 13 of the Official Code of Georgia Annotated, relating to contracts, so as to change
17 certain provisions relating to gambling contracts; to amend Title 16 of the Official Code of
18 Georgia Annotated, relating to crimes and offenses, so as to change certain provisions
19 relating to gambling and commercial gambling; to change certain provisions relating to
20 keeping a gambling place; to change certain provisions relating to the possession,
21 manufacture, or transfer of gambling device or parts and possession of antique slot machines;
22 to change certain provisions relating to solicitation of another to gamble with intent to
23 defraud or deceive; to change certain provisions relating to advertising commercial
24 gambling; to change certain provisions relating to communicating gambling information; to
25 change certain provisions relating to seizure and destruction of gambling devices; to change
26 certain provisions relating to the seizure and disposition of certain property; to change certain
27 provisions relating to lawful promotional and giveaway contests; to change certain provisions
28 relating to legislative intent relative to bingo; to change certain provisions relating to license

29 required to operate certain bingo games; to change certain provisions relating to bingo
 30 licensing procedures, fees, and renewals; to change certain provisions relating to revocation
 31 of bingo licenses and access to premises by law enforcement agencies; to change certain
 32 provisions relating to restrictions as to ownership of premises utilized for bingo; to change
 33 certain provisions relating to annual report to be filed with the director of the Georgia Bureau
 34 of Investigation relative to bingo; to change certain provisions relating to rules and
 35 regulations relating to bingo; to provide for related matters; to provide for a contingent
 36 effective date and repeal under certain circumstances; to repeal conflicting laws; and for
 37 other purposes.

38 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

39 **PART I**
 40 **SECTION 1-1.**

41 Title 50 of the Official Code of Georgia Annotated, relating to state government, is amended
 42 by adding a new chapter to read as follows:

43 "CHAPTER 39

44 50-39-1.

45 (a) Casino gaming as licensed in this chapter shall be permitted in the State of Georgia for
 46 the preservation of the HOPE scholarship program and other educational purposes in a
 47 manner consistent with the health, safety, and welfare of the people. Casino gaming shall
 48 only be permitted at a limited number of licensed resort facilities in counties and
 49 municipalities that have approved by public referendum the establishment of such facilities.
 50 The Georgia Lottery and Casino Gaming Commission shall be vested with control of all
 51 casino gaming in the State of Georgia, with plenary power to prescribe regulations and
 52 conditions under which casino gaming shall be conducted, so as to prevent corruption,
 53 incompetence, dishonesty, and unprincipled practices in the casino gaming industry and
 54 to maintain complete honesty and integrity in casino gaming in this state. The Georgia
 55 Lottery and Casino Gaming Commission shall encourage participation by local individuals
 56 and businesses in those activities associated with casino gaming.

57 (b) The conduct of any casino gaming and entrance to any place where such casino gaming
 58 is conducted is a privilege which may be granted or denied by the Commission or its duly
 59 authorized representatives in its discretion in order to effectuate the purposes set forth in
 60 this chapter.

61 (c) The award of any money, casino gaming credit, or any other similar item of value in
62 conjunction with any casino gaming wager placed at a licensed resort facility licensed by
63 the commission shall not be deemed to be a violation of Article 2 of Chapter 12 of Title 16.

64 50-39-2.

65 As used in this chapter, the term:

66 (1) 'Advisory committee' means the Advisory Committee on Problem Gaming created
67 by Code Section 50-39-31.

68 (2) 'Applicant' means a person who applies for a casino gaming license required under
69 this chapter.

70 (3) 'Application' means an application for a casino gaming license submitted by a
71 prospective licensee under this chapter.

72 (4) 'Automated teller machine' or 'ATM' means an automated bank teller machine
73 capable of dispensing cash to its user.

74 (5) 'Background investigation' means a security, criminal, and credit investigation of a
75 person who applies for or who is awarded or issued a casino gaming license under this
76 chapter.

77 (6) 'Board' means the board of the Georgia Lottery and Casino Gaming Commission.

78 (7) 'Cashless wagering system' means a method of wagering and accounting in which the
79 validity and value of a wagering instrument or wagering credits are determined,
80 monitored, and retained by a computer operated and maintained by a casino gaming
81 licensee which maintains a record of each transaction involving the wagering instrument
82 or wagering credits, exclusive of the game or gaming device on which wagers are being
83 made. The term 'cashless wagering system' shall include computerized systems which
84 facilitate electronic transfers of money directly to or from a game or gaming device.

85 (8) 'Casino gaming' means to deal, operate, carry on, conduct, maintain, or expose for
86 play any game or gambling game as defined in paragraph (16) of this Code section, or to
87 operate an inter-casino linked system.

88 (9) 'Casino Gaming Education Account' refers to the separate financial account in the
89 state treasury created by Code Section 50-39-29, which serves as the main repository of
90 the proceeds generated by the licensing, regulation, and taxation of casino gaming in this
91 state.

92 (10) 'Casino gaming license' means any license awarded or issued to a licensed resort
93 facility under this chapter that permits such facility to offer or provide legal casino
94 gaming to members of the public.

95 (11) 'Casino gaming proceeds' refers to the budget category contained within the annual
96 budget presented to the General Assembly by the Governor which matches the annual

- 97 amount of expected proceeds deposited under the terms of this chapter into the Casino
98 Gaming Education Account during a given fiscal year.
- 99 (12) 'Commission' means the Georgia Lottery and Casino Gaming Commission.
- 100 (13) 'Coin-operated amusement machine' has the same meaning as defined in Code
101 Section 50-27-70.
- 102 (14) 'Credit instrument' means a writing which evidences a gaming debt owed to a person
103 who holds a casino gaming license at the time the debt is created and includes any writing
104 taken in consolidation, redemption, or payment of a previous credit instrument.
- 105 (15) 'Dependent' means a son, daughter, father, mother, brother, sister, or other person,
106 whether or not related by blood or marriage, if such person receives from an officer or
107 employee more than half of his or her financial support.
- 108 (16) 'Game' or 'gambling game' means any game played with cards, dice, equipment, or
109 any mechanical, electromechanical, or electronic device or machine for money, property,
110 checks, credit, or any representative of value, including, without limiting the generality
111 of the foregoing, faro, monte, roulette, keno, bingo, fan-tan, twenty-one, blackjack,
112 seven-and-a-half, big injun, klondike, craps, poker, chuck-a-luck, Chinese chuck-a-luck
113 (dai shu), wheel of fortune, chemin de fer, baccarat, pai gow, beat the banker, panguingui,
114 any banking or percentage game, or any other table game, slot machine, or device
115 approved by the commission.
- 116 (17) 'Gaming employee' means any person connected directly with the operation of
117 casino gaming or an inter-casino linked system located at a licensed resort facility in this
118 state, including:
- 119 (A) Accounting or internal auditing personnel who are directly involved in any
120 recordkeeping or the examination of records associated with revenue from gaming;
- 121 (B) Boypersons;
- 122 (C) Cashiers;
- 123 (D) Change personnel;
- 124 (E) Counting room personnel;
- 125 (F) Dealers;
- 126 (G) Employees whose duties are directly involved with the manufacture, repair, sale,
127 or distribution of gaming devices or cashless wagering systems;
- 128 (H) Employees of operators of inter-casino linked systems, whose duties include the
129 operational or supervisory control of the systems or the games that are part of the
130 systems;
- 131 (I) Employees who have access to the commission's system of records for the purpose
132 of processing regulatory permit applications for licensee personnel regulated under this
133 chapter and any regulations adopted pursuant thereto;

- 134 (J) Floorpersons;
 135 (K) Hosts or other persons empowered to extend credit or complimentary services;
 136 (L) Keno runners;
 137 (M) Keno writers;
 138 (N) Machine mechanics;
 139 (O) Shift or pit bosses;
 140 (P) Shills;
 141 (Q) Supervisors or managers;
 142 (R) Employees of a licensee who have local access to hardware and provide
 143 management, support, security, or disaster recovery services for any hardware or
 144 software that is regulated pursuant to the provisions of this chapter and any regulations
 145 adopted pursuant thereto; and
 146 (S) Temporary or contract employees hired by a licensee to perform a function related
 147 to gaming.
- 148 (18) 'Gaming position' means one seat at a slot machine or table game. For the
 149 avoidance of doubt, one slot machine counts as one gaming position and one table game,
 150 regardless of the actual number of seats provided, counts as six gaming positions.
- 151 (18.1) 'Georgia Licensed Resort Facility Host Community Fund' means the fund created
 152 within the state general fund pursuant to Code Section 50-39-33.
- 153 (18.2) 'Georgia Problem Gaming Fund' means the fund created within the state general
 154 fund pursuant to Code Section 50-39-32.
- 155 (19) 'Good standing' means that a licensee possesses an active casino gaming license
 156 under this chapter and is in substantial or full compliance with obligations of such license
 157 and the rules and regulations set forth for licensees by the commission.
- 158 (20)(A) 'Gross gaming revenue' means the total of all cash received by a licensed resort
 159 facility as winnings and all cash received in payment for credit extended by a licensed
 160 resort facility to a patron for the purpose of gaming, less the total of all cash paid out
 161 as losses to patrons, those amounts paid to fund periodic payments, and any other items
 162 made deductible as losses under subparagraph (D) of this paragraph. For the purposes
 163 of this term, the cash or the value of noncash prizes awarded to patrons in a contest or
 164 tournament are not losses, except that losses in a contest or tournament conducted in
 165 conjunction with an inter-casino linked system may be deducted to the extent of the
 166 compensation received for the right to participate in that contest or tournament.
- 167 (B) The term 'gross gaming revenue' shall not include the following:
- 168 (i) Counterfeit facsimiles of money, chips, tokens, wagering instruments, or wagering
 169 credits;
- 170 (ii) Coins of other countries which are received in gaming devices;

- 171 (iii) Any portion of the face value of any chip, token, or other representative of value
 172 won by a licensee from a patron for which the licensee can demonstrate that it or its
 173 affiliate has not received cash;
- 174 (iv) Cash taken in fraudulent acts perpetrated against a licensee for which the licensee
 175 is not reimbursed;
- 176 (v) Cash received as entry fees for contests or tournaments in which patrons compete
 177 for prizes, except for a contest or tournament conducted in conjunction with an
 178 inter-casino linked system;
- 179 (vi) Uncollected baccarat commissions;
- 180 (vii) Cash provided by a licensee to a patron and subsequently won by the licensee,
 181 for which the licensee can demonstrate that it or its affiliate has not been reimbursed;
 182 or
- 183 (viii) Any promotional gaming credit for slot machines or table games provided by
 184 a licensee to a patron and subsequently won by the licensee.
- 185 (C) For the purposes of gross gaming revenue, the phrase 'baccarat commission' shall
 186 mean:
- 187 (i) A fee assessed by a licensee on cash paid out as a loss to a patron at baccarat to
 188 modify the odds of the game; or
- 189 (ii) A rate or fee charged by a licensee for the right to participate in a baccarat game.
- 190 (D) When calculating gross gaming revenue under this chapter, the following items
 191 may be deducted:
- 192 (i) Any prizes, premiums, drawings, benefits, or tickets that are redeemable for
 193 money or merchandise or other promotional allowance, except money or tokens paid
 194 at face value directly to a patron as the result of a specific wager, must not be
 195 deducted as losses from winnings at any game except a slot machine;
- 196 (ii) The amount of cash paid to fund periodic payments may be deducted as losses
 197 from winnings for any game;
- 198 (iii) With regard to slot machines, keno, and bingo, the actual cost to the licensee of
 199 any personal property distributed to a patron as the result of a specific legitimate
 200 wager may be deducted as a loss, but not travel expenses, food, refreshments, lodging,
 201 or services;
- 202 (iv) With regard to bingo, a licensee who provides a patron with additional play at
 203 bingo as the result of an initial wager may deduct as losses from winnings all money
 204 or tokens paid directly to that patron as a result of such additional play; and
- 205 (v) The pro rata share of a payout from a game played in an inter-casino linked
 206 system except for a payout made in conjunction with a card game. The amount of the
 207 deduction must be determined based upon the written agreement among the licensed

208 gaming establishments participating in the inter-casino linked system and the operator
209 of the system. All cash prizes and the value of noncash prizes awarded during a
210 contest or tournament conducted in conjunction with an inter-casino linked system are
211 also deductible on a pro rata basis to the extent of the compensation received for the
212 right to participate in that contest or tournament. The deductions may be taken only
213 by those participating licensed gaming establishments that held an active gaming
214 license at any time during the month in which the payout was awarded.

215 (20.1) 'HOPE scholarship program' means the program for which funding is authorized
216 by Article I, Section II, Paragraph VIII of the Constitution of Georgia.

217 (21) 'Immediate family' means a spouse and any other person residing in the same
218 household as an officer or employee, who is a dependent of such officer or employee, or
219 of whom such officer or employee is dependent.

220 (22) 'Inter-casino linked system' means a network of electronically interfaced similar
221 games which are located at two or more licensed gaming establishments, either inside or
222 outside this state, which are linked to conduct gaming activities, contests, or tournaments.

223 (23) 'License' means, unless the context otherwise requires, a casino gaming license
224 required under this chapter.

225 (24) 'Licensed resort facility' or 'resort facility' means a destination casino and resort
226 property that has been awarded or issued a casino gaming license in accordance with the
227 provisions of this chapter that allows the property to provide or offer legal casino gaming
228 to the public.

229 (25) 'Licensee' means any person awarded or issued a casino gaming license for a
230 licensed resort facility under this chapter.

231 (26) 'Licensing region' or 'casino gaming licensing region' refers to any of the geographic
232 regions described in Article I, Section II, Paragraphs VIII(f)(1)-(5) of the Constitution of
233 Georgia where casino gaming licenses may be awarded or issued.

234 (27) 'Licensing Region One' means the casino gaming licensing region described in
235 Article I, Section II, Paragraph VIII(f)(1) of the Constitution of Georgia.

236 (28) 'Licensing Region Two' means the casino gaming licensing region described in
237 Article I, Section II, Paragraph VIII(f)(2) of the Constitution of Georgia.

238 (29) 'Licensing Region Three' means the casino gaming licensing region described in
239 Article I, Section II, Paragraph VIII(f)(3) of the Constitution of Georgia.

240 (30) 'Licensing Region Four' means the casino gaming licensing region described in
241 Article I, Section II, Paragraph VIII(f)(4) of the Constitution of Georgia.

242 (31) 'Licensing Region Five' means the casino gaming licensing region described in
243 Article I, Section II, Paragraph VIII(f)(5) of the Constitution of Georgia.

244 (32) 'Member' means any person designated a member of a nonstock corporation and any
245 person who by means of a pecuniary or other interest in such corporation exercises the
246 power of a member.

247 (33) 'Operator of an inter-casino linked system' means a person who, under agreement
248 whereby consideration is paid or payable for the right to place an inter-casino linked
249 system, is engaged in the business of placing and operating an inter-casino linked system
250 upon the premises of two or more licensed gaming establishments, either inside or outside
251 this state, and who is authorized to share in the revenue from the games that are a part of
252 the inter-casino linked system without having been individually licensed to conduct
253 gaming at the licensed resort facility in this state.

254 (34) 'Periodic payments' means a series of payments that are disbursed at least annually
255 to remit payouts on winning wagers to a patron.

256 (35) 'Permit' means a regulatory authorization issued in accordance with Code Sections
257 50-39-20 and 50-39-21 and any associated rules or regulations promulgated by the
258 commission in accordance therewith.

259 (36) 'Person' means any individual, group of individuals, firm, company, corporation,
260 partnership, business, trust, association, or other legal entity.

261 (37) 'Primary casino gaming license' refers to the unencumbered casino gaming license
262 awarded or issued to a licensee in Licensing Region One that places no limitation on the
263 number of table games or slot machines that may be operated by the licensee at its
264 licensed resort facility.

265 (38) 'Principal stockholder' means any person who individually or in concert with his or
266 her spouse and immediate family members beneficially owns or controls, directly or
267 indirectly, 5 percent or more of the stock of any person which is a licensee or who in
268 concert with his or her spouse and immediate family members has the power to vote or
269 cause the vote of 5 percent or more of any such stock. The term 'principal stockholder'
270 shall not include a broker-dealer registered under the federal Securities Exchange Act of
271 1934, as amended, which holds in inventory shares for sale on the financial markets for
272 a publicly traded corporation holding, directly or indirectly, a license from the
273 commission.

274 (39) 'Problem gaming' means persistent and recurrent maladaptive behavior relating to
275 casino gaming that causes disruptions in any major area of life, including, without
276 limitation, the psychological, social, or vocational areas of life.

277 (40) 'Secondary casino gaming license' refers to the restricted casino gaming license
278 awarded or issued to a licensee in Licensing Region One that limits the aggregate number
279 of table games and slot machines that may be operated by the licensee at its licensed
280 resort facility to 2,000 total gaming positions.

281 (41) 'Slot machine' means any mechanical, electrical, or other device, contrivance, or
 282 machine which, upon insertion of a coin, token, or similar object, or upon payment of any
 283 consideration, is available to play or operate, the play or operation of which, whether by
 284 reason of the skill of the operator in playing a gambling game which is presented for play
 285 by the machine or application of the element of chance, or both, may deliver or entitle the
 286 person playing or operating the machine to receive cash, premiums, merchandise, tokens,
 287 or any thing of value, whether the payoff is made automatically from the machine or in
 288 any other manner.

289 (42) 'Stock' includes all classes of stock, partnership interest, membership interest, or
 290 similar ownership interest of an applicant or licensee and any debt or other obligation of
 291 such person or an affiliated person if the commission finds that the holder of such interest
 292 or stock derives therefrom such control of or voice in the operation of the applicant or
 293 licensee that he or she should be deemed an owner of stock.

294 (43) 'Table game equipment' means equipment that is related to the operation of table
 295 games and that is owned or leased by licensed resort facility and located on the licensed
 296 resort facility's premises.

297 (44) 'Table games' means:

298 (A) Roulette, baccarat, twenty-one, blackjack, craps, big six wheel, minibaccarat,
 299 poker, pai gow poker, sic bo, faro, monte, keno, bingo, fan-tan, seven-and-a-half, big
 300 injun, klondike, chuck-a-luck, Chinese chuck-a-luck (dai shu), wheel of fortune, chemin
 301 de fer, beat the banker, panguingui, any banking or percentage game, and any variation
 302 and composites of such games;

303 (B) Gaming tournaments in which players compete against one another in one or more
 304 of the games authorized under this chapter; and

305 (C) Any other games approved by the commission through rules and regulations as
 306 table games.

307 (45) 'Temporary permitted employee or independent contractor' means any employee or
 308 independent contractor authorized to work at a licensed resort facility in this state, under
 309 Code Section 50-39-20 or any associated commission regulations, from the date of
 310 submitting a completed application or renewal application for regulatory permitting for
 311 a period not to exceed 120 days following the commission's receipt of the regulatory
 312 permitting application.

313 (46) 'Total investment' means expenditures by a gaming licensee incurred during or for
 314 the development of a licensed resort facility, which include but are not limited to costs
 315 associated with construction, licensing fees, architecture, and design of the resort facility,
 316 property taxes associated with the resort facility, site acquisition, and preparation of the
 317 property for the resort facility, permits, infrastructure improvements, operating supplies,

318 equipment, furniture, fixtures, financing, preopening costs, and any other costs or
 319 expenses approved by the commission.

320 (47) 'Wager' means a sum of money or representative of value that is risked in casino
 321 gaming on an occurrence for which the outcome is uncertain.

322 (48) 'Wagering credit' means a representative of value, other than a chip, token, or
 323 wagering instrument, that is used for wagering at a game or gaming device and is
 324 obtained by the payment of cash or a cash equivalent, the use of a wagering instrument,
 325 or the electronic transfer of money.

326 (49) 'Wagering instrument' means a representative of value, other than a chip or token,
 327 that is issued by a casino gaming licensee and approved by the commission for use in a
 328 cashless wagering system.

329 50-39-3.

330 The Georgia Lottery Corporation is hereby renamed the Georgia Lottery and Casino
 331 Gaming Commission and shall have full legal authority over the practice of casino gaming
 332 in this state. The commission shall maintain all powers, responsibilities, and duties of the
 333 Georgia Lottery Corporation, and be organized in accordance with, and have all powers
 334 and responsibilities set forth in, the contents of this chapter and Chapter 27 of this title.

335 50-39-4.

336 (a) The commission shall have all powers and duties necessary to carry out the provisions
 337 of this chapter and Chapter 27 of this title and to exercise regulatory control over casino
 338 gaming as set forth in Code Section 50-39-1. Such powers and duties shall include, but not
 339 be limited to, the general powers set forth in Code Section 50-27-9 and the following:

340 (1) The commission is vested with jurisdiction to supervise the licensing of casino
 341 gaming in this state and to observe the conduct of casino gaming by licensed resort
 342 facilities to the end that licenses shall not be held by unqualified or disqualified parties
 343 or unsuitable parties whose operations are conducted in an unsuitable manner. The
 344 commission shall employ such persons as are necessary to ensure that casino gaming is
 345 conducted in this state with order and the highest degree of integrity. The commission
 346 may eject or exclude from any part of any licensed resort facility any person, whether an
 347 employee or patron of a licensee, whose conduct or reputation is such that his or her
 348 presence may, in the opinion of the commission, reflect adversely on the honesty and
 349 integrity or interfere with the orderly conduct of casino gaming in this state;

350 (2) The commission, its representatives, and employees shall visit, investigate, and have
 351 free access to the office, facilities, and other places of business of any licensees and may
 352 compel the production of any of the books, documents, records, or memoranda of any

353 licensee for the purpose of satisfying itself that the obligations of this chapter and Chapter
354 27 of this title and any regulations developed by the commission are strictly complied
355 with. In conjunction with this authority, the commission may:

356 (A) Demand access to and inspect, examine, photocopy, and audit all papers, books,
357 and records of any applicant or licensee on its premises, or elsewhere as practicable,
358 and in the presence of the applicant or licensee or its agent, respecting the gross income
359 produced by any gaming business, and require verification of income, and all other
360 matters affecting the enforcement of the policy or any of the provisions of this chapter;

361 (B) Demand access to and inspect, examine, photocopy, and audit all papers, books,
362 and records of any affiliate of a licensee whom the commission knows or reasonably
363 suspects is involved in the financing, operation, or management of the licensee. The
364 inspection, examination, photocopying, and audit may take place on the affiliate's
365 premises or elsewhere as practicable, and in the presence of the affiliate or its agent;
366 and

367 (C) The commission may require the production of an annual balance sheet and
368 operating statement of any licensee operating in this state and may likewise require the
369 production of any contract to which such licensee is or may be a party;

370 (3) The commission shall promulgate rules and regulations setting forth conditions under
371 which casino gaming shall be conducted in this state and all such other regulations it
372 deems necessary and appropriate to affect the purposes of this chapter and Chapter 27 of
373 this title, including a requirement that licensees post, in a conspicuous place in every
374 licensed resort facility where casino gaming takes place, a sign which bears a toll-free
375 telephone number for an organization which provides assistance to compulsive gamblers.
376 Nothing in this paragraph shall be deemed to preclude private ownership of licensed
377 resort facilities or private participation in the commerce of casino gaming. The rules and
378 regulations developed by the commission may include penalties for violations and shall
379 be promulgated in accordance with the provisions of this chapter and Chapter 27 of this
380 title;

381 (4) The commission may compel any licensee to file with it such data as shall appear to
382 the commission to be necessary for the performance of its duties, including, but not
383 limited to, financial statements and information relative to stockholders and all others
384 with any pecuniary interest in such licensee. It may also prescribe the manner in which
385 books and records of such persons shall be kept;

386 (5) The commission may enter into arrangements with any foreign or domestic
387 government or governmental agency for the purposes of exchanging information or
388 performing any other act to better ensure the proper regulation of casino gaming in this
389 state;

390 (6) The commission and its representatives and employees may, within any licensed
391 resort facility, and during regular and usual business hours, subject any licensed resort
392 facility to inspections of its property or premises to ascertain compliance with the
393 provisions of this chapter and Chapter 27 of this title. Any item, document, or record
394 indicative of a violation of any provision of this chapter or Chapter 27 of this title or rules
395 and regulations of the commission may be seized as evidence of such violation. All
396 licensed resort facilities shall be deemed to consent to the searches and seizures
397 authorized in this paragraph as a condition of accepting a license from the commission
398 to operate a casino gaming facility in this state. The commission may revoke or suspend
399 the license of any licensee who fails or refuses to comply with this paragraph or any rules
400 and regulations of the commission;

401 (7) The commission, its representatives, and employees shall have all necessary authority
402 to inspect all premises where gambling devices or equipment are manufactured, sold or
403 distributed in this state;

404 (8) The commission, its representatives, and employees shall have all necessary authority
405 to summarily seize, remove, and impound from all licensed resort facilities any
406 equipment or supplies for the purpose of examination and inspection;

407 (9) The commission, its representatives, and employees shall have all necessary authority
408 to study, review, and analyze the business of casino gaming and other forms of gaming
409 in this state, and may make recommendations to the Governor, General Assembly, and
410 the casino advisory board regarding the proper regulation and administration of such
411 activities;

412 (10) The commission, its representatives, and employees shall have all necessary
413 authority to study, review, and analyze the scope and impact of illegal gaming activities,
414 sometimes referred to 'black-market gaming' or 'gray-market gaming,' within this state
415 and may make recommendations to the Governor, General Assembly, and the casino
416 advisory board regarding how best to eliminate such activities. The commission shall
417 also have the necessary authority to investigate suspected illegal gaming activities in this
418 state and to refer the results of such investigations to state and local law enforcement
419 authorities for appropriate legal action;

420 (11) The commission, its representatives, and employees shall have all necessary
421 authority to study, review, and analyze gambling addiction, problem gaming, and other
422 associated afflictions and may make recommendations to the Governor, General
423 Assembly, and the casino advisory board regarding how best to identify and treat citizens
424 within the state affected by such disorders;

425 (12) For the purpose of conducting audits after the cessation of gaming by a licensee, the
426 commission shall have all necessary authority to demand that a former licensee furnish,

427 upon demand of an employee or agent of the commission, books, papers, and records as
428 necessary to conduct such audits. The former licensee shall maintain all books, papers,
429 and records necessary for such audits for one year after the date of the surrender or
430 revocation of its gaming license. If the former licensee seeks judicial review of a
431 deficiency determination or seeks a redetermination from the commission, the former
432 licensee must maintain all books, papers, and records until a final order is entered on the
433 determination; and

434 (13) The commission shall have all necessary authority to issue subpoenas and compel
435 the attendance of witnesses as is necessary to carry out its duties as set forth in this
436 chapter and Chapter 27 of this title.

437 (b) As set forth in this chapter, the power to license and regulate all casino gaming
438 activities in this state, and the power to collect taxes from licensed resort facilities in this
439 state, is vested solely in the commission. In light of this fact, no other governmental body
440 may promulgate rules or procedures infringing upon this authority.

441 50-39-5.

442 (a) To the extent not already provided by law, the commission shall have the authority to
443 appoint or hire such employees that it deems essential to perform its casino gaming
444 regulatory duties under this chapter and Chapter 27 of this title. Employees hired by the
445 commission for this purpose shall possess such authority and perform such duties as the
446 commission shall prescribe or delegate to them and shall be compensated as provided by
447 the commission.

448 (b) To the extent not already provided by law, the commission shall have the obligation
449 to keep true and accurate records of its proceedings regarding casino gaming and to
450 preserve at the commission's general office all books, documents, and papers of the
451 commission.

452 50-39-6.

453 (a) The funding of commission operating expenses related to casino gaming regulation and
454 licensing shall be provided for in the manner set forth in Code Sections 50-39-29 and
455 50-39-30 from funds appropriated from the annual proceeds maintained in the Casino
456 Gaming Education Account. The establishment of this funding framework for casino
457 gaming operations shall in no way alter or impact the manner in which the commission
458 funds its lottery-related operating expenses under Code Section 50-27-13 and other
459 provisions of Chapter 27 of this title.

460 (b)(1) Prior to the Governor's presentation of his or her annual budget to the General
461 Assembly each year, the board shall develop a preliminary budget report document

462 detailing its operational costs for the regulation of casino gaming for the past fiscal year
463 and its expected operational expenditures for the regulation of casino gaming for the
464 upcoming fiscal year. Such report shall provide the Governor with a detailed overview
465 of the commission's activities and regulatory priorities in the casino gaming context in
466 both the past and upcoming fiscal year. The report shall be prepared in accordance with
467 the procedures developed by the commission, but its contents shall take into account the
468 state constitutional requirement that the commission's annual budget for casino gaming
469 regulation shall never constitute more than 5 percent of the annual casino gaming
470 proceeds deposited into the Casino Gaming Education Account.

471 (2) The provisions of paragraph (1) of this subsection shall apply in each fiscal year
472 following the effective date of this chapter. In the year of the effective date of this
473 chapter, however, the board shall be responsible for developing a preliminary budget
474 report document detailing its expected operational expenditures for the first fiscal year
475 after the effective date of this chapter. The contents of this report shall take into account
476 the state constitutional requirement that the commission's annual budget for casino
477 gaming regulation shall never constitute more than 5 percent of the annual casino gaming
478 proceeds deposited into the Casino Gaming Education Account.

479 (c) In the initial year of the effective date of this chapter, the General Assembly shall have
480 the authority to appropriate all necessary funds for the initial development of the
481 commission's casino gaming operational structure and the commencement of its initial
482 licensing and regulatory operations. Such appropriations shall be set in consultation with
483 the Governor and the board and shall provide sufficient funds for the commission to carry
484 out its duties with respect to casino gaming as delineated in this chapter and Chapter 27 of
485 this title until such time as the Casino Gaming Education Account is funded through the
486 mechanisms described in this chapter. It is the expectation of the General Assembly that
487 funding for commission operations shall derive from the Casino Gaming Education
488 Account starting in the first full fiscal year following the effective date of this chapter.

489 50-39-7.

490 (a) No person shall construct, establish, own, or operate a resort facility in this state unless
491 such person has been awarded and issued a casino gaming license from the commission in
492 accordance with the provisions of this chapter.

493 (b) All licensed resort facilities operating in this state may operate 24 hours a day for all
494 legal purposes, including, but not limited to, casino gaming, hotel and hospitality
495 operations, and the sale and service of food and alcoholic beverages. To facilitate such 24
496 hour operation by licensed resort facilities, the commission shall have all necessary
497 authority to consider and make recommendations to the Governor, the General Assembly,

498 and appropriate county and municipal governments on proposed changes to any existing
499 state or local laws or regulations that currently restrict or prohibit 24 hour business
500 operations for any purpose, including those described in this subsection. Any licensee
501 awarded a casino gaming license by the commission may request that the commission
502 consider and make recommendations to the Governor, the General Assembly, and
503 appropriate county and municipal governments on proposed changes to any existing state
504 or local laws or regulations that restrict or prohibit the licensee's ability to conduct business
505 operations for any purpose, including those described in this subsection, on a 24 hour basis.

506 (c) All casino gaming licenses issued pursuant to this chapter shall provide the licensee
507 with the ability to operate a resort facility in this state where casino gaming is permissible.
508 All other forms of casino gaming not explicitly set forth shall remain illegal in this state
509 until such time as they are approved by the commission in accordance with the legal
510 authority granted to it by the General Assembly, or until such time as the General
511 Assembly provides by law for the express legalization of such forms of casino gaming in
512 this state.

513 (d) No license issued under the provisions of this chapter shall be transferable, except as
514 provided by this chapter. This prohibition on the transfer of casino gaming licenses shall
515 in no way be construed to impair the transfer of ownership interests in existing licensees,
516 provided that such transfers are conducted in accordance with Code Section 50-39-18 and
517 the rules and regulations of the commission.

518 50-39-8.

519 (a) As set forth in the Constitution of Georgia, the commission shall only have the
520 authority to award or issue a maximum of six casino gaming licenses at any given time in
521 accordance with this chapter. Such licenses shall be awarded and issued on a geographic
522 basis to licensed resort facilities located within the five distinct regions of the state
523 described in Article I, Section II, Paragraphs VIII(f)(1)-(5) of the Constitution of Georgia.

524 (b) In the counties and municipalities described in Article I, Section II, Paragraph
525 VIII(f)(1) of the Constitution of Georgia as Licensing Region One, no more than two
526 casino gaming licenses may be awarded or issued to licensed resort facilities at any given
527 time. Such licenses shall be of the following nature:

528 (1) The first license awarded and issued in Licensing Region One shall be a primary
529 casino gaming license and shall be encumbered only by the requirements and obligations
530 set forth in this chapter; and

531 (2) The second license awarded and issued in Licensing Region One shall be a secondary
532 casino gaming license and shall be limited as such:

533 (A) Any licensed resort facility holding a secondary casino gaming license in
534 Licensing Region One shall be entitled to host casino gaming on its premises in
535 accordance with the requirements and obligations set forth in this chapter, but such
536 facility shall contain no more than an aggregate of 2,000 gaming positions; and

537 (B) No secondary casino gaming license shall be awarded in Licensing Region One
538 until such time as the commission has awarded the initial, primary casino gaming
539 license in Licensing Region One to a casino gaming license applicant.

540 (c) In the counties and municipalities described in Article I, Section II, Paragraphs
541 VIII(f)(2)-(5) of the Constitution of Georgia as Licensing Region Two, Licensing Region
542 Three, Licensing Region Four, and Licensing Region Five, no more than one casino
543 gaming license per region may be awarded or issued to a licensed resort facility at any
544 given time. Such licenses shall be primary casino gaming licenses and encumbered only
545 by the requirements and obligations set forth in this chapter.

546 (d) As set forth in the Constitution of Georgia, the absence of an active casino gaming
547 license in any of the described licensing regions shall not alter the limitations placed on the
548 number and nature of permissible licenses that may be awarded and issued by the
549 commission within each region. At no time may more than two casino gaming licenses be
550 active in Licensing Region One, nor may more than one casino gaming license per region
551 be active in Licensing Region Two, Licensing Region Three, Licensing Region Four, and
552 Licensing Region Five.

553 (e) The commission shall have the authority to recommend to the General Assembly that
554 it adjust the limitations placed on the secondary casino gaming license awarded and issued
555 within Licensing Region One. The commission may not, however, alter the specific
556 limitations contained in subsection (b) of this Code section through rulemaking or
557 regulatory action.

558 (f) To the extent not already specified, the licensing of resort facilities for casino gaming
559 in this state shall be considered the exclusive province of the state government and, in
560 particular, the commission. In turn, no licensing structure or similar regulatory framework
561 may be implemented by any county or municipality within this state.

562 50-39-9.

563 (a) Any person desiring to construct, establish, own, or operate a resort facility in this state
564 shall file with the commission an application for a casino gaming license. Such application
565 shall be filed at the time and place prescribed by the commission and shall be in such form
566 and contain such information as prescribed by the rules and regulations of the commission,
567 including, but not limited to, the following:

568 (1) The name and address of such person; if a corporation, the state of its incorporation,
569 the full name and address of each officer and director thereof, and, if a foreign
570 corporation, whether it is qualified to do business in this state; if a partnership or joint
571 venture, the name and address of each officer thereof;
572 (2) The name and address of each stockholder or member of such corporation who has
573 a 5 percent or greater ownership or security interest or each partner of such partnership
574 or joint venture who has a 5 percent or greater ownership or security interest and of each
575 person who has contracted for a pecuniary interest in the applicant or the resort facility
576 where casino gaming will be conducted, whether such interest is an ownership or a
577 security interest, the nature and value of such interest, and the name and address of each
578 person who has agreed to lend money to the applicant;
579 (3) Such information as the commission deems appropriate regarding the character,
580 background, and responsibility of the applicant, the members, partners, stockholders,
581 officers, directors, and managers of the applicant, and any other persons who are likely
582 to have significant influence over the casino gaming operations of the applicant;
583 (4) The location and description of the planned or existing resort facility where the
584 applicant proposes to conduct casino gaming operations, including the name of any
585 county or municipality in which any property of such resort facility is or will be located.
586 The commission shall require such information about the planned or existing resort
587 facility as it deems necessary and appropriate to determine whether it complies with the
588 minimum standards provided in this chapter and whether the operation of casino gaming
589 in such location would be in the best interests of the people of this state;
590 (5) Such information relating to the financial responsibility of the applicant as the
591 commission deems appropriate;
592 (6) If any of the facilities necessary for the operation of casino gaming at the resort
593 facility are to be leased, the terms of such lease; and
594 (7) Any other information which the commission in its discretion deems appropriate.
595 (b) Each application shall be verified by the oath and affirmation of an officer of the
596 applicant, and shall be accompanied by a nonrefundable application review and processing
597 fee not to exceed \$500,000.00. The total amount of this application review and processing
598 fee shall be established by the commission in light of the expected expenses associated
599 with the review and processing of a casino gaming license application submitted under this
600 chapter. All application review and processing fees received by the commission in
601 accordance with the requirements of this Code section shall be transferred by the
602 commission to the Casino Gaming Education Account in the state treasury within a period
603 of seven days from receipt.

604 (c) Each application shall also be accompanied by a financial deposit pursuant to
605 subsection (d) of this Code section that is equal to the amount of the casino gaming
606 licensing fee in the licensing region associated with the application. If the casino gaming
607 license application of a prospective licensee is approved for license award by the
608 commission, such deposit shall be credited toward the casino gaming licensing fee required
609 of the licensee by Code Section 50-39-12. If the casino gaming license application of a
610 prospective licensee is denied by the commission, however, such deposit shall be refunded
611 to the applicant following the conclusion of the seven-day licensing appeal period
612 described in Code Sections 50-39-13 and 50-39-16. Should a casino gaming license
613 applicant who is denied a casino gambling license choose to appeal the licensing decision
614 of the commission to the Superior Court of Fulton County in accordance with Code Section
615 50-39-16, such applicant will forfeit its application deposit to the commission.

616 (d) During the application evaluation period, all financial deposits associated with
617 prospective applicants shall be held in escrow by the commission or a financial institution
618 of the commission's choosing. All financial deposits subject to refund shall be returned to
619 the appropriate applicant by the commission within a period of seven days from the close
620 of the licensing appeal period described in Code Sections 50-39-13 and 50-39-16. All
621 forfeited deposits of applicants who are not awarded casino gaming licenses shall be
622 transferred by the commission to the Casino Gaming Education Account in the state
623 treasury within a period of seven days after such applicants appeal the commission's
624 licensing decisions pursuant to this chapter. All deposits of applicants who are awarded
625 casino gaming licenses that are to be credited toward the applicant's casino gaming
626 licensing fee under this chapter shall be transferred by the commission to the Casino
627 Gaming Education Account in the state treasury within seven days of the commission's
628 awarding the licenses to the applicants.

629 (e) Any person who knowingly makes a false statement to the commission for the purposes
630 of obtaining a license under this chapter shall be guilty of a felony and, upon conviction
631 thereof, shall be punished by a fine not to exceed \$50,000.00, or by imprisonment for not
632 less than one nor more than ten years, or both.

633 50-39-10.

634 (a) The commission shall consider all applications for a casino gaming license submitted
635 in compliance with the provisions of this chapter and may award a valid casino gaming
636 license to a resort facility that meets the criteria set forth in this chapter and established by
637 rules and regulations of the commission. The issuance of a casino gaming license to an
638 applicant authorizes the applicant to begin construction or development of the proposed
639 licensed resort facility detailed in the application submitted to the commission. Operation

640 of the facility shall not commence, however, until such time as the commission has
641 formally issued the casino gaming license to the licensee. The timing of this issuance shall
642 be determined by the commission in accordance with the specifications of this chapter.
643 The final decision on whether to issue a casino gaming license rests with the board.

644 (b) The commission shall deny any application for a casino gaming license for a proposed
645 or existing resort facility located in any county or municipality that has not approved by
646 public referendum, in accordance with Code Section 50-39-25, the construction,
647 establishment, operation, or ownership of a licensed resort facility where casino gaming
648 is permitted.

649 (c) The commission shall deny any application for a casino gaming license if it finds for
650 any reason that the issuance of such license to the applicant would not be in the interest of
651 the people of this state or the casino gaming industry in this state or would reflect adversely
652 on the honesty and integrity of the casino gaming industry in this state or that the applicant
653 or any officer, partner, principal stockholder, member, or director of the applicant:

654 (1) Has knowingly made a false statement of material fact or has deliberately failed to
655 disclose any information requested;

656 (2) Is or has been found guilty of any illegal, corrupt, or fraudulent act, practice, or
657 conduct in connection with any casino gaming in this or any other state, or has been
658 convicted of a felony;

659 (3) Has at any time knowingly failed to comply with the provisions of this chapter,
660 Chapter 27 of this title, or of any rules or regulations of the commission;

661 (4) Has legally defaulted in the payment of any obligation or debt due to the State of
662 Georgia;

663 (5) Has constructed or caused to be constructed a resort facility for casino gaming in this
664 state for which a license was required under Code Section 50-39-11 without being
665 awarded or issued such a license, or has deviated substantially, without the permission
666 of the commission, from the plans and specifications submitted to the commission for the
667 construction of a licensed resort facility; or

668 (6) Is not qualified to do business in this state or is not subject to the jurisdiction of the
669 courts of the State of Georgia.

670 (d) When evaluating applications submitted for any casino gaming license described in this
671 chapter, the commission shall award such license to the applicant who best meets the
672 following criteria for licensure:

673 (1) The applicant is adequately capitalized to construct, operate, own, and maintain a
674 resort facility of outstanding quality for proposed casino gaming. With regard to this
675 criterion, adequate capitalization shall be evaluated and consideration given to any recent

676 bankruptcies filed by the current or predecessor parent companies or holding companies
677 of the applicant;

678 (2) The applicant, if a stock corporation, has stock that is fully paid and nonassessable
679 and has been subscribed and paid for only in cash or property to the exclusion of past
680 services;

681 (3) All principal stockholders or members of the applicant have submitted to the
682 jurisdiction of the courts of the State of Georgia and have designated an agent for service
683 of process in the state;

684 (4) The plans and specifications submitted by the applicant for the resort facility where
685 casino gaming is proposed meet minimum total investment levels as set by the
686 commission, and such applicant has a demonstrated history of meeting such total
687 investment levels in resort facilities it has developed, managed, or operated such that:

688 (A) At no time shall the commission permit minimum total investment levels for
689 licensed resort facilities to be less than \$1 billion for applicants seeking the primary
690 casino gaming license in Licensing Region One;

691 (B) At no time shall the commission permit minimum total investment levels for
692 licensed resort facilities to be less than \$200 million for applicants seeking the
693 secondary casino gaming license in Licensing Region One; and

694 (C) At no time shall the commission permit minimum total investment levels for
695 licensed resort facilities to be less than \$200 million for applicants seeking a casino
696 gaming license in Licensing Region Two, Licensing Region Three, Licensing Region
697 Four, or Licensing Region Five;

698 (5) The applicant has a demonstrated history of excellence in resort design and
699 architecture, and the plans and specifications submitted by such applicant for the resort
700 facility where casino gaming is proposed reflect a focus on such high-quality resort
701 design and architecture that is also complimentary to the existing architecture of the area;

702 (6) The applicant has a demonstrated history of excellence in developing resort facilities
703 with high-quality, nongaming amenities, and the plans and specifications submitted by
704 the applicant for the resort facility where casino gaming is proposed reflect a focus on
705 providing such high-quality, nongaming amenities;

706 (7) The applicant has a demonstrated history of excellence in the development,
707 management, and operation of high-quality resort facilities for casino gaming, and the
708 plans and specifications submitted by the applicant for the resort facility where casino
709 gaming is proposed reflect a focus on developing, managing, and operating such a
710 high-quality facility;

711 (8) The applicant has a demonstrated history of development, management, and
712 operation of resort facilities for casino gaming that value the principles of environmental

713 sustainability and stewardship at a LEED Gold level standard or higher as awarded by the
714 United States Green Building Council, and the plans and specifications submitted by the
715 applicant for the resort facility where casino gaming is proposed reflect a focus on the
716 principles of environmental sustainability and stewardship at the same LEED Gold level
717 standard or higher;

718 (9) The applicant has a demonstrated history of job creation, employment partnerships,
719 and initial and ongoing training programs in the development, management, and
720 operation of resort facilities for casino gaming, and the plans and specifications submitted
721 by the applicant for the resort facility where casino gaming is proposed reflect a focus on
722 creating a diverse range of high-quality and permanent job opportunities;

723 (10) The applicant has a demonstrated history of developing, managing, and operating
724 resort facilities for casino gaming that match the existing infrastructure capabilities of the
725 areas surrounding such facilities, and the plans and specifications submitted by the
726 applicant for the resort facility where casino gaming is proposed reflect adequate concern
727 for the infrastructure capabilities of the preferred site location;

728 (11) The applicant has a demonstrated history of promoting tourism through the
729 development, management, and operation of resort facilities for casino gaming, and the
730 resort facility proposal submitted by the applicant exhibits an ability to promote tourism
731 in this state and increased economic engagement by out-of-state residents. With regard
732 to this criterion, the promotion of tourism shall be evaluated with consideration given as
733 to the proposed economic impact of increased tourism on the target licensing region. The
734 applicant's demonstrated history of promoting economic development through tourism
735 promotion will also be taken into account;

736 (12) The applicant has a demonstrated ability of generating substantial casino gaming
737 revenue in a competitive business environment and under varying economic conditions,
738 and the proposal submitted by the applicant exhibits an ability to generate such
739 substantial revenue in this state at the resort facility where casino gaming is proposed;

740 (13) The applicant has a demonstrated history of brand recognition, tourism-generating
741 partnerships, and consumer satisfaction in developing, managing, and operating resort
742 facilities for casino gaming, and the proposal submitted by the applicant exhibits an
743 ability to maximize economic opportunity for the people of this state through leveraging
744 the applicant's tourism-generating partnerships and reputation for brand recognition and
745 consumer satisfaction;

746 (14) The applicant has a demonstrated history of generating substantial gaming and
747 nongaming tax proceeds from the resort facilities it develops, manages, and operates, and
748 the proposal submitted by the applicant exhibits an ability to generate substantial gaming

749 and nongaming tax proceeds in this state at the resort facility where casino gaming is
750 proposed with consideration given to tax revenue generation from out-of-state visitors;

751 (15) The applicant demonstrates that it has a reasonable plan to address any impact
752 casino gaming at its resort facility might have on the operations of the board pursuant to
753 Chapter 27 of this title;

754 (16) The applicant has a demonstrated history of developing, managing, and operating
755 resort facilities for casino gaming that have a positive impact on economic development
756 and business growth in the localities around such facilities, and the proposal submitted
757 by the applicant exhibits an ability to encourage economic development and business
758 growth in the preferred site locality where it intends to develop, manage, and operate a
759 resort facility where casino gaming is proposed;

760 (17) The applicant has a demonstrated history of local support, community partnerships,
761 and socially responsible behavior in the communities where it has developed, managed,
762 and operated resort facilities for casino gaming, and the proposal submitted by the
763 applicant exhibits clear evidence of local support and community engagement from the
764 county or municipal jurisdiction in this state where the applicant seeks to establish a
765 resort facility where casino gaming is proposed; and

766 (18) The applicant meets all other criteria established by the commission pursuant to
767 rules of and regulations for the award and issuance of a casino gaming license.

768 (e) In deciding whether to award any license pursuant to this Code section, the commission
769 shall consider whether the commission has previously awarded or issued a license to the
770 applicant and the extent to which an application is supported by elected officials in the
771 county or municipality where the proposed licensed resort facility would operate.

772 50-39-11.

773 (a) As part of its review of casino gaming license applications submitted by potential
774 licensees, the commission shall fingerprint and require a background investigation, to
775 include a criminal history record information check, of every person who is an officer,
776 director, or principal stockholder of a corporation applying for a license to operate a resort
777 facility in this state where casino gaming will be undertaken.

778 (b) Any such background investigations conducted as part of this Code section shall be
779 conducted by the commission in accordance with its rules and regulations. The
780 commission may, as it sees fit, also authorize a representative of a law enforcement agency
781 of the State of Georgia to conduct such background investigations.

782 50-39-12.

783 (a) An initial casino gaming license issued under this chapter shall be for a term of 15
784 years and shall be subject to review by the commission once every five years within the
785 license term. The commission shall designate on the license the term of such license, the
786 location of the licensed resort facility holding the license, and such other information as it
787 deems proper. The term of the license shall commence as of the issuance date of the
788 license and not as of the award date of the license.

789 (b) Following the award of a casino gaming license to an applicant, the commission shall
790 require the approved licensee to pay a casino gaming licensing fee. The casino gaming
791 licensing fee shall vary based upon the licensing region where the approved resort facility
792 is to be located and shall be required to be paid once for each approved resort facility as
793 follows:

794 (1) The licensing fee for a primary casino gaming license issued to a resort facility that
795 will be located in Licensing Region One shall be \$25 million;

796 (2) The licensing fee for a secondary casino gaming license issued to a resort facility that
797 will be located in Licensing Region One shall be \$10 million; and

798 (3) The licensing fee for casino gaming licenses issued to resort facilities that will be
799 located in Licensing Region Two, Licensing Region Three, Licensing Region Four, or
800 Licensing Region Five shall be \$10 million.

801 (c) The commission shall have the authority to recommend to the General Assembly that
802 it adjust the casino gaming licensing fees set forth in this Code section. The commission
803 may not, however, increase or decrease such fees through rulemaking or regulatory actions.

804 (d) As set forth in Code Section 50-39-9, any applicant awarded a casino gaming license
805 by the commission shall have the full amount of its casino gaming licensing fee satisfied
806 through the crediting of its casino gaming license application deposit against its respective
807 licensing fee obligation. The commission must complete this crediting process prior to
808 transferring the applicant's license application deposit to the Casino Gaming Education
809 Account and shall, in conjunction with this crediting process, provide the applicant with
810 suitable documentation verifying that its casino gaming licensing fee has been paid in full.

811 (e) The commission shall keep a comprehensive record of all casino gaming licensing fees
812 paid through the crediting process described in subsection (d) of this Code section. Such
813 record shall, at a minimum, include true and accurate information regarding all casino
814 gaming licensing fee obligations met through the crediting process and all casino gaming
815 license application deposits transferred to the Casino Gaming Education Account following
816 the crediting process.

817 (f) The commission shall establish criteria and procedures for the renewal of a casino
818 gaming license upon its expiration. As part of this renewal process, the commission shall

819 provide that one year before the expiration of a casino gaming license, a licensee may file
 820 with the commission a notice of intent to renew the license. Following the submission of
 821 this notice of intent and before the expiration of its active casino gaming license, a licensee
 822 may apply for renewal of its license for another 15 year term. If a licensee is considered
 823 in good standing at the time of its renewal application, the commission shall automatically
 824 renew its license. If a licensee is not considered to be in good standing at the time of its
 825 renewal application, the commission shall not automatically renew the license but may
 826 provide the licensee with an opportunity to remedy any issues affecting its standing with
 827 the commission. If such issues are addressed to the satisfaction of the commission, it may,
 828 but is not compelled to, renew the licensee's casino gaming license for a new 15 year term.
 829 (g) To the extent not already specified in this chapter, the licensing of resort facilities for
 830 casino gaming in this state and the assessment of licensing fees associated therewith shall
 831 be considered the exclusive province of the state government and, in particular, the
 832 commission. In turn, no licensing structure or regulatory fee framework may be
 833 implemented against casino gaming licensees by any county or municipal government in
 834 this state.

835 50-39-13.

836 The denial of a casino gaming license application by the commission shall be final unless
 837 appealed under Code Section 50-39-16 within seven days of the commission's decision.

838 50-39-14.

839 (a) A person who has had an application for a casino gaming license denied or who has
 840 been found unsuitable by the commission is not entitled to profit from such person's
 841 investment in a:

842 (1) Corporation, other than a publicly traded corporation;

843 (2) Partnership;

844 (3) Limited partnership;

845 (4) Limited liability company; or

846 (5) Joint venture

847 which has applied for or has been awarded or issued a casino gaming license.

848 (b) A person who has had an application for a casino gaming license denied or who has
 849 been found unsuitable by the commission shall not retain interest in a corporation,
 850 partnership, limited partnership, limited liability company, or joint venture licensed by the
 851 commission beyond that period prescribed by the commission.

852 (c) A person who has had an application for a casino gaming license denied or who has
 853 been found unsuitable by the commission shall not accept more for interest held in a

854 corporation, partnership, limited partnership, limited liability company, or joint venture
855 licensed by the commission than such person paid for it or the market value on the date of
856 the denial of the license or the finding of unsuitability.

857 50-39-15.

858 (a) The commission shall maintain and make available to every licensee a complete and
859 current list containing the names of every person who has been denied a license, has been
860 found unsuitable, or has had a license or finding of suitability revoked by the commission.

861 (b) Any person whose name has been placed on the list maintained by the board pursuant
862 to subsection (a) of this Code section may apply, on a form prescribed by the commission,
863 for removal from the list no earlier than five years after the date on which the person was
864 denied a license, was found unsuitable, or had a license or finding of suitability revoked
865 by the commission.

866 50-39-16.

867 (a) Any failed applicant for a casino gaming license awarded under the terms of this
868 chapter may appeal the decision of the commission to the Superior Court of Fulton County
869 within a period of seven days from the commission's determination. This appellate review
870 shall be conducted by the court and shall be confined to the record presented by the
871 commission.

872 (b) The Superior Court of Fulton County shall not substitute its judgment for that of the
873 commission or its board members on matters of discretion expressly delegated to the
874 commission and its board under this chapter and other state law. Likewise, the court shall
875 not substitute its judgment for that of the commission or its board members on matters of
876 interpretation associated with the evaluation of facts presented in an application for a
877 casino gaming license. The court may, however, review the record presented by the
878 commission to ascertain whether an applicant's rights have been prejudiced because the
879 commission's licensing determination is clearly:

880 (1) In violation of state constitutional or statutory provisions;

881 (2) In excess of the statutory authority of the commission;

882 (3) Made upon unlawful procedures;

883 (4) Affected by other error of law;

884 (5) Not reasonably supported by substantial evidence in view of the reliable and
885 probative evidence in the record as a whole; or

886 (6) Arbitrary or capricious, or characterized by abuse of discretion or clearly
887 unwarranted exercise of discretion.

888 (c) Appeal from any final judgment of the Superior Court of Fulton County with regard
889 to a licensing award decision made by the commission may be taken by any party,
890 including the commission, in the manner provided for in civil actions generally.

891 50-39-17.

892 (a) After a hearing upon at least 15 days' notice, the commission may suspend or revoke
893 any license or fine the holder of any license a sum not to exceed \$250,000.00 in any case
894 in which the commission has reason to believe that any provision of this chapter, Chapter
895 27 of this title, or any rule or regulation or condition of the commission has not been
896 complied with or has been violated. The commission may revoke a license if it finds that
897 facts not known by it at the time it considered the application for licensure that indicate that
898 such license should not have been awarded or issued.

899 (b) The commission may revoke any casino gaming license awarded to an applicant under
900 this chapter if the licensee, within three years of awarding, fails to engage in casino gaming
901 at the resort facility licensed in accordance with this chapter. Revocation of such an
902 awarded casino gaming license under this subsection is not mandatory, and the commission
903 retains all necessary authority to extend the period of time before revocation if it believes
904 the licensee is operating and acting in good faith.

905 (c) The commission, at a meeting at which a quorum of the members of the board is
906 present, may summarily suspend any casino gaming license for a period of not more than
907 90 days pending a hearing and final determination by the commission if the commission
908 determines that emergency action is required to protect the health, safety, and welfare,
909 including, but not limited to, revenues due the state and its political subdivisions. The
910 commission shall schedule a hearing within 14 business days after the license is summarily
911 suspended and notify the licensee not less than five business days before the hearing of the
912 date, time, and place of the hearing.

913 (d) Deliberations of the commission shall be conducted pursuant to the rules and
914 regulations developed by the commission. If any casino gaming license is suspended or
915 revoked, the commission shall state its reasons for doing so, which shall be entered into the
916 commission's record. Such action shall be final unless appealed in accordance with Code
917 Section 50-39-16. Suspension or revocation of a license by the commission for any
918 violation shall not preclude criminal liability for such violation.

919 (e) Any license revoked or surrendered in accordance with the obligations of this chapter
920 shall revert to the state for future reissuance.

921 50-39-18.

922 (a) The commission shall have all necessary authority to review and monitor changes in
923 the ownership structure of casino gaming licensees, including, but not limited to, the
924 following: the addition of new partners, members, and principal stockholders to the
925 ownership structure of existing licensees; changes in operational or financial control within
926 existing licensees; and transfers of partial ownership interests in existing licensees. In
927 conjunction with this authority, the commission shall have the power to adopt and
928 promulgate those rules and regulations necessary to guarantee that all such changes in the
929 ownership structures of existing licensees comply with the demands of this chapter and
930 Chapter 27 of this title and otherwise align with the general public interest. Any
931 regulations adopted and promulgated by the commission in accordance with this subsection
932 shall be in addition to the specific requirements set forth in subsections (b) through (e) of
933 this Code section.

934 (b) The commission shall require any person desiring to become a new partner, member,
935 or principal stockholder of an existing licensee or any person seeking to gain operational
936 or financial control over an existing licensee to apply to the commission for approval
937 thereof and may require such information of the applicant as it finds necessary. The
938 commission shall consider such application forthwith and shall approve or deny the
939 application within 60 days of receipt. The commission shall approve an application that
940 meets the criteria set forth in this chapter. The commission shall deny such application if
941 in its judgment the proposed acquisition by the applicant would be detrimental to the public
942 interest or to the honesty, integrity, and reputation of casino gaming in this state. In
943 situations involving an application to acquire actual control over an existing licensee, the
944 commission should only approve such application if it finds that the applicant meets the
945 criteria set forth in subsection (c) of this Code section.

946 (c) If an applicant proposes to acquire operational or financial control, or both, of an
947 existing licensee, such person shall, pursuant to subsection (b) of this Code section, submit
948 to the commission its proposal for the future operation of any existing or planned licensed
949 resort facility owned or operated by the licensee and such information as may be required
950 by the commission to assure the commission that the licensee, under the actual control of
951 such person, will have the experience, expertise, financial responsibility, and commitment
952 to comply with the following:

953 (1) The provisions of this chapter and Chapter 27 of this title;

954 (2) All commission rules, regulations, and orders;

955 (3) All requirements for continued operation of the existing licensed resort facility
956 pursuant to the terms and conditions in effect on the date of application for the license at
957 issue; and

958 (4) All plans and specifications contained in the proposal and application submitted to
 959 the commission by the existing licensee when obtaining the license at issue.

960 The provisions of this subsection shall apply regardless of whether the control acquired
 961 over the existing licensee is direct or indirect, or whether the acquisition is accomplished
 962 individually or in concert with others.

963 (d) Any acquisition of financial or operation control, or both, over an existing licensee
 964 without prior approval of the commission shall be grounds for the commission to revoke
 965 any license it has issued to such licensee, order compliance with this Code section, or take
 966 any such other action as may be appropriate within the authority of the commission.

967 (e) The requirements of this Code section shall be in addition to, and shall in no way
 968 impair, the regulatory permitting provisions set forth in Code Section 50-39-20. As such,
 969 all individuals who are approved to become a new partner, member, or principal
 970 stockholder of an existing licensee, or acquire new financial or operational control, or both,
 971 over an existing licensee, shall also be subject to all applicable rules and regulations for
 972 regulatory permitting developed by the commission in accordance with Code Section
 973 50-39-20.

974 50-39-19.

975 Whenever it appears to the commission that a licensee or any other person subject to the
 976 jurisdiction of the commission has violated or may violate any provision of this chapter or
 977 Chapter 27 of this title or any rule or regulation or final decision of the commission, the
 978 commission may apply to the appropriate superior court for an injunction against such
 979 person. The order granting or refusing such injunction shall be subject to appeal as in other
 980 cases in equity.

981 50-39-20.

982 (a)(1) The commission may establish by rules and regulations procedures for the
 983 regulatory permitting of certain officers, directors, members, partners, and stockholders
 984 of casino gaming licensees, as well as certain other persons who are likely to have
 985 significant influence over the casino gaming operations of such licensees.

986 (2) In the context of licensees that are publicly traded corporations, the commission may
 987 establish by rules and regulations procedures for the regulatory permitting of all officers,
 988 directors, and employees who the commission determines are actively and directly
 989 engaged or involved in the administration or supervision of the casino gaming activities
 990 of a licensee.

991 (3) In the context of licensees that are corporations that are not publicly traded, the
 992 commission may establish by rules and regulations procedures for the regulatory

993 permitting of all officers and directors of a licensee. The commission may also, if in the
 994 public interest, expand such regulatory permitting to a corporate licensee's stockholders,
 995 lenders, holders of evidence of indebtedness, underwriters, key executive personnel, and
 996 other similar persons.

997 (4) In the context of licensees that are limited liability companies that are not publicly
 998 traded, the commission may establish by rules and regulations procedures for the
 999 regulatory permitting of all limited liability company members with more than a 5
 1000 percent ownership interest in a licensee. The commission may also, if in the public
 1001 interest, expand such regulatory permitting to certain limited liability company members
 1002 with ownership interests of 5 percent or less in a licensee. In such circumstances, the
 1003 commission may also expand its regulatory permitting to a limited liability company
 1004 licensee's lenders, holders of evidence of indebtedness, underwriters, key executive
 1005 personnel, and other similar persons.

1006 (5) In the context of licensees that are partnerships, the commission may establish by
 1007 rules and regulations procedures for the regulatory permitting of all general partners of
 1008 a licensee, or all limited partners with more than a 5 percent ownership interest in a
 1009 licensee. The commission may also, if in the public interest, expand such regulatory
 1010 permitting to certain limited partners with ownership interests of 5 percent or less in a
 1011 licensee. In such circumstances, the commission may also expand its regulatory
 1012 permitting to a partnership licensee's lenders, holders of evidence of indebtedness,
 1013 underwriters, key executive personnel, and other similar persons.

1014 (6) In the context of licensees that are neither corporations, limited liability corporations,
 1015 nor partnerships, the commission may establish by rules and regulations procedures for
 1016 the regulatory permitting of any employee, agent, guardian, personal representative,
 1017 lender, or holder of indebtedness of a licensee who, in the opinion of the commission, has
 1018 the power to exercise significant influence over the licensee's casino gaming operations
 1019 in this state.

1020 (b) The commission may establish by rules and regulations procedures for the regulatory
 1021 permitting of individuals working at licensed resort facilities as either employees or
 1022 independent contractors in the following capacities:

1023 (1) Security personnel;

1024 (2) Gaming employees; and

1025 (3) All other personnel of any licensee who the commission deems necessary to regulate
 1026 and permit so as to ensure honesty and integrity in casino gaming within this state,
 1027 provided that such persons are not exempted from regulation or permitting by rule or
 1028 regulation of the commission.

1029 (c) When establishing by rules and regulations procedures for the regulation and
1030 permitting of persons described in subsections (a) and (b) of this Code section, the
1031 commission shall at least develop protocols for permit application, issuance, renewal,
1032 suspension, and revocation. In the case of applicants for permits described in subsection
1033 (b) of this Code section, the commission shall create a process by which such applicants
1034 can work as temporary permitted employees or independent contractors during the period
1035 of time, not to exceed 120 days, in which their permit applications are being reviewed and
1036 processed by the commission. Additionally, the commission may create a process by
1037 which unsuccessful permit applicants under this Code section can appeal any negative
1038 rulings issued by the commission. The rules and procedures developed by the commission
1039 under this Code section may also provide for the assessment of minor civil penalties
1040 against those persons who violate the requirements of this chapter or any rules or
1041 regulations adopted by the commission.

1042 50-39-21.

1043 The commission may establish by rules and regulations procedures for a permitting process
1044 governing casino gaming vendors who supply table game equipment or slot machines to
1045 licensed resort facilities within this state. When establishing by rules and regulations
1046 procedures for the regulation and permitting of such vendors, the commission shall at least
1047 develop protocols for permit application, issuance, renewal, suspension, and revocation.
1048 Additionally, the commission may create a process by which applicants that are denied
1049 permits can appeal any negative rulings issued by the commission. The rules and
1050 regulations developed by the commission pursuant to this Code section may also provide
1051 for the assessment of minor civil penalties against those persons who violate the
1052 requirements of this chapter or any rule or regulation adopted by the commission.

1053 50-39-22.

1054 The commission may establish by rules and regulations procedures for the regulation and
1055 periodic inspection of casino gaming operations at licensed resort facilities within this state
1056 to ensure that such operations in are in accordance with the requirements of this chapter,
1057 Chapter 27 of this title, and the rules and regulations of the commission. The procedures
1058 developed by the commission through rules and regulations pursuant to this Code section
1059 may also provide for the assessment of minor civil penalties against those licensees who
1060 violate the requirements of this chapter or any rule or regulation adopted by the
1061 commission.

1062 50-39-23.

1063 The commission shall adopt rules and regulations for licensed resort facilities that restrict
1064 participation in casino gaming to individuals who are 21 years of age or older. Such rules
1065 and regulations shall be designed to prevent the act of underage casino gaming but shall
1066 not restrict access to licensed resort facilities by persons who are age 20 or younger.

1067 50-39-24.

1068 To the extent authorized by this chapter, the commission may establish by rules and
1069 regulations procedures for the assessment of minor civil penalties against persons who
1070 violate the requirements of this chapter and all other rules or regulations adopted by the
1071 commission. Such civil penalties shall be collected by the commission itself in accordance
1072 with its rules and regulations and held in escrow by the commission or a financial
1073 institution of its choosing until transferred to the Casino Gaming Education Account within
1074 the state treasury. The transfer of such penalty funds to the Casino Gaming Education
1075 Account shall take place on a monthly basis and shall be properly documented and
1076 recorded by the commission.

1077 50-39-25.

1078 The commission shall not award any casino gaming license to any applicant for any resort
1079 facility within this state until a referendum approving the question set forth herein is held
1080 in each county or municipality of this state in which such resort facility is to be located.
1081 Such a referendum should be conducted in the following manner:

1082 (1) The governing authority of any county or municipality in this state may permit casino
1083 gaming at a licensed resort facility within its jurisdiction if the establishment of such a
1084 facility is approved by referendum as provided in paragraph (2) of this Code section;

1085 (2) Any governing authority of any county or municipality in this state desiring to permit
1086 casino gaming at a licensed resort facility within its jurisdiction pursuant to paragraph (1)
1087 of this Code section shall so provide by proper resolution or ordinance for the
1088 authorization of casino gaming at such a facility located within its county or municipal
1089 boundaries, provided that such conduct is approved by public referendum. Upon passage
1090 of such a resolution or ordinance, the governing authority of the county or municipality
1091 shall provide the election superintendent of the jurisdiction with a copy of the resolution
1092 or ordinance. Upon receipt of the resolution or ordinance, the election superintendent of
1093 the county or municipality shall issue the call and shall conduct a special election in
1094 accordance with Chapter 2 of Title 21 to submit the referendum question to the electors
1095 of the jurisdiction. Such election shall be on the next available day under Code Section
1096 21-2-540 that is at least 60 days after the date on which the resolution or ordinance was

1097 delivered to the election superintendent, but shall not be later than the next general
 1098 election unless such general election is within 60 days of the date on which the resolution
 1099 or ordinance was delivered to the election superintendent;

1100 (3) The election superintendent shall cause the date and purpose of the special election
 1101 to be published once a week for four weeks immediately preceding the date of the special
 1102 election in the official legal organ of the county or municipality; and

1103 (4) Each ballot used in the special election shall contain the following written or printed
 1104 question:

1105 '() YES Shall the governing authority of (name of county or municipality) be
 1106 authorized to permit the establishment of a licensed resort facility
 1107 () NO within (name of county or municipality) where casino gaming is
 1108 permitted, which will provide (name of county or municipality) with
 1109 new job opportunities and economic benefit, and which will provide the
 1110 state with a new source of net tax revenues to preserve the future
 1111 financial stability of the HOPE scholarship program and other
 1112 educational programs?'

1113 All persons desiring to vote for approval of the question shall vote 'Yes' and all persons
 1114 desiring to vote for rejection of the question shall vote 'No'. If more than one-half of the
 1115 votes cast on the question are for approval, then such question shall be approved and
 1116 casino gaming shall be approved and may be conducted at licensed resort facilities
 1117 located in such county or municipality. If the question is not so approved or if the
 1118 election is not conducted as provided in this Code section, then casino gaming shall not
 1119 be approved and shall not be conducted in such county or municipality. The expense of
 1120 such special election shall be borne by the county or municipality which adopts the
 1121 resolution or ordinance pursuant to paragraph (2) of this Code section. It shall be the
 1122 duty of the election superintendent of the county or municipality to certify the result of
 1123 the special election to the Secretary of State. No such referendum shall be held more
 1124 often than once every three years in the same county or municipality. A subsequent
 1125 referendum shall be required in a county or municipality if a casino gaming license has
 1126 not been granted by the commission in that locality within five years of the certification
 1127 of a special election approving the above question.

1128 50-39-26.

1129 (a) As noted in paragraph (17) of subsection (d) of Code Section 50-39-10, when
 1130 evaluating casino gaming license applicants for the potential award of a casino gaming
 1131 license under this chapter, the commission is obligated to consider the degree to which
 1132 there is evidence of local support and community engagement from the county or

1133 municipal jurisdiction in this state where the applicant seeks to establish its licensed resort
1134 facility. In light of this obligation, the commission shall have all necessary authority and
1135 power to communicate with officials in potential host counties and municipalities
1136 throughout this state for the purpose of gathering information about their prospective
1137 support or opposition for a particular licensed resort facility applicant. When
1138 communicating with county and municipal officials on such matters, the commission shall
1139 note whether officials elicit any preferences for certain applicants and attempt to discern
1140 the reasoning behind such preferences, including whether or not a prospective applicant has
1141 promised to provide certain benefits to the host community if awarded a casino gaming
1142 license.

1143 (b) Any information gathered by the commission in accordance with subsection (a) of this
1144 Code section indicating that a prospective applicant has promised to provide certain
1145 benefits to its potential host community if awarded a casino gaming license, or has already
1146 entered into a formal community benefit agreement with its potential host community, shall
1147 be considered by the commission when evaluating the casino gaming license application
1148 of that potential licensee. Given the fact that formal and informal community benefit
1149 agreements invade upon the exclusive licensing, regulation, and taxation authority of the
1150 commission with regard to casino gaming in this state, the commission shall be permitted
1151 to draw a negative inference against those applicants engaged in such arrangements or
1152 agreements when evaluating casino gaming license applications.

1153 (c) As set forth in this chapter, the licensing, regulation, and taxation of casino gaming in
1154 this state shall be the express province of the state government and, in particular, the
1155 commission. In turn, no county or municipality of this state shall enter into any agreement
1156 or arrangement with a licensee or potential licensee that obligates such licensee or potential
1157 licensee to submit to any local casino gaming licensing or regulatory structures, or to the
1158 payment of any funds, fees, levies, assessments, valuations, charges, duties, or other
1159 amounts not otherwise required of noncasino gaming businesses operating in the county
1160 or municipality.

1161 50-39-27.

1162 (a) Although the power to license, regulate, and tax casino gaming in this state is vested
1163 with the state government, and in particular, the commission, the governing authority of
1164 any county or municipality in this state shall be authorized to enact and enforce certain
1165 ordinance provisions that do not encroach on state authority in the area of casino gaming.
1166 Such acceptable provisions include any or all of the following:

1167 (1) Ordinances providing for zoning restrictions related to distance from specified
1168 structures and uses so long as the distance requirements and use restrictions applied to

1169 licensed resort facilities are no more restrictive than such requirements and restrictions
 1170 applicable to all other hotels and resorts located within the jurisdiction that are licensed
 1171 to sell and serve alcoholic beverages;

1172 (2) Ordinances providing for the procurement and public display of a business license
 1173 by a licensed resort facility, provided that such requirements are no more restrictive,
 1174 onerous, or expensive than the requirements faced by all hotels and resorts located within
 1175 the jurisdiction;

1176 (3) Ordinances providing for the procurement of a local alcohol license by a licensed
 1177 resort facility, provided that such requirements are no more restrictive, onerous, or
 1178 expensive than the requirements faced by all hotels and resorts located within the
 1179 jurisdiction that are licensed to sell and serve alcoholic beverages;

1180 (4) Ordinances providing for adherence of a licensed resort facility to local fire and
 1181 safety codes, provided that such requirements are no more restrictive, onerous, or
 1182 expensive than the requirements faced by all hotels and resorts located within the
 1183 jurisdiction; and

1184 (5) Ordinances eliminating any statutory or regulatory restrictions on the ability of
 1185 licensed resort facilities to operate on a 24 hour-per-day basis for all legal purposes,
 1186 including, but not limited to, casino gaming, hotel and hospitality operations, and the sale
 1187 and service of food and alcoholic beverages.

1188 50-39-28.

1189 (a) Licensed resort facilities operating within this state shall be subject to an annual tax on
 1190 their gross gaming revenue, which shall be levied and collected by the Department of
 1191 Revenue in accordance with promulgated rules and regulations. This tax on licensed resort
 1192 facilities shall be set at 12 percent of annual, gross gaming revenue generated by a licensee.

1193 (b) Prior to the implementation of this annual tax on gross gaming revenue generated by
 1194 licensees, the commission shall coordinate with the Department of Revenue on the
 1195 development of appropriate processes and procedures for the collection of such tax
 1196 proceeds. Additionally, the commission and Department of Revenue shall coordinate on
 1197 the development of appropriate processes and procedures for the enforcement of tax
 1198 delinquencies and violations.

1199 (c) The taxation of gaming revenue generated by licensees under this chapter shall be the
 1200 exclusive province of the state government. In turn, no such gross gaming revenue tax or
 1201 other similar levy on gaming revenue generated by licensees may be implemented by a
 1202 county or municipality in this state.

1203 (d) All sales of games on slot machines or similar electronic gaming machines authorized
1204 under this chapter shall be exempt from any and all sales taxes imposed by state or local
1205 law.

1206 50-39-29.

1207 (a) A separate account is hereby created in the state treasury that shall be known as the
1208 Casino Gaming Education Account. The Casino Gaming Education Account shall be the
1209 sole repository of revenue and proceeds derived from the following sources associated with
1210 casino gaming in this state:

1211 (1) Casino gaming licensing fees as collected and transferred in accordance with Code
1212 Section 50-39-12;

1213 (2) Forfeited financial deposits of unsuccessful casino gaming license applicants as
1214 collected and transferred in accordance with Code Section 50-39-9;

1215 (3) Civil penalties levied against licensees and other parties regulated by the commission
1216 and transferred in accordance with Code Section 50-39-24;

1217 (4) All proceeds generated by the state's taxation of the gross gaming revenue of licensed
1218 resort facilities in accordance with Code Section 50-39-28; and

1219 (5) All other permitting or regulatory fees collected and transferred by the commission
1220 in accordance with any future rules or procedures it promulgates.

1221 (b) All funds contained within the Casino Gaming Education Account shall be
1222 unencumbered property of the state and shall be invested by the state treasurer in
1223 accordance with state investment practices. Likewise, all earnings attributable to such
1224 investments shall be the unencumbered property of the state and shall accrue to the credit
1225 of the Casino Gaming Education Account.

1226 50-39-30.

1227 (a) Funds contained within the Casino Gaming Education Account shall only be
1228 appropriated, dispensed and utilized in accordance with the requirements of Article I,
1229 Section II, Paragraph VIII(g) of the Constitution of Georgia. As required by those
1230 provisions, the proceeds contained within the Casino Gaming Education Account shall only
1231 be appropriated, dispensed, or utilized as set forth herein for the:

1232 (1) Funding of educational programs and purposes;

1233 (2) Payment of operating expenses associated with the regulation of casino gaming by
1234 the commission;

1235 (3) Funding of state resources for the treatment of problem gaming issues; and

1236 (4) Financial support of counties and municipalities hosting licensed resort facilities for
1237 casino gaming.

1238 (b)(1) Each fiscal year, the Governor of this state shall specifically identify in his or her
 1239 annual budget presented to the General Assembly a budget category entitled 'Casino
 1240 Gaming Proceeds,' which shall match the expected annual proceeds contained within the
 1241 Casino Gaming Education Account. Within the budget category for Casino Gaming
 1242 Proceeds, the Governor shall make specific recommendations for how such proceeds
 1243 shall be distributed among the budget subcategories described in subsection (a) of this
 1244 Code section. Specifically, the Governor shall make specific recommendations as to how
 1245 much of the annual casino gaming proceeds shall be spent on the following:

1246 (A) The funding of educational programs and purposes;

1247 (B) The payment of commission operating expenses associated with the regulation of
 1248 casino gaming;

1249 (C) The funding of the Georgia Problem Gaming Fund; and

1250 (D) The funding of the Georgia Licensed Resort Facility Host Community Fund.

1251 (2)(A) As demanded by the Constitution of Georgia, the Governor's recommended
 1252 funding for the payment of commission operating expenses associated with the
 1253 regulation of casino gaming shall not exceed 5 percent of the total casino gaming
 1254 proceeds for a given fiscal year.

1255 (B) As demanded by the Constitution of Georgia, the Governor's recommended
 1256 funding for the Georgia Problem Gaming Fund shall not exceed 2 percent of the total
 1257 casino gaming proceeds for a given fiscal year.

1258 (C) As demanded by the Constitution of Georgia, the Governor's recommended
 1259 funding for the Georgia Licensed Resort Facility Host Community Fund shall not
 1260 exceed 4 percent of the total casino gaming proceeds for a given fiscal year.

1261 (D) The funding recommendations presented by the Governor with regard to
 1262 educational programs and purposes shall at all times constitute at least 90 percent of the
 1263 total casino gaming proceeds for a given fiscal year. As demanded by the Constitution
 1264 of Georgia, casino gaming proceeds recommended for educational funding shall only
 1265 be provided for the following programs and purposes:

1266 (i) The HOPE scholarship program;

1267 (ii) Other tuition grants, scholarships, or loans to citizens of this state to enable such
 1268 citizens to attend colleges and universities located within this state, regardless of
 1269 whether such colleges and universities are operated by the Board of Regents, or to
 1270 attend institutions operated under the authority of the Department of Technical and
 1271 Adult Education;

1272 (iii) Voluntary pre-kindergarten; and

1273 (iv) One or more educational shortfall reserves in a total amount of not more than 5
 1274 percent of the net revenues or proceeds from casino gaming for the preceding fiscal
 1275 year;
 1276 provided, however, that no funds shall be recommended for the items listed in divisions
 1277 (ii) through (iv) of this subparagraph until the HOPE Scholarship has been fully funded.
 1278 (c)(1) Upon consideration of the budgetary recommendations provided by the Governor,
 1279 in the General Appropriations Act adopted each fiscal year, the General Assembly shall
 1280 appropriate all 'Casino Gaming Proceeds' by separate category for the following
 1281 purposes: the funding of educational programs and purposes, the payment of commission
 1282 operating expenses associated with the regulation of casino gaming, the funding of the
 1283 Georgia Problem Gaming Fund, and the funding of the Georgia Licensed Resort Facility
 1284 Host Community Fund.
 1285 (2)(A) As demanded by the Constitution of Georgia, the General Assembly's
 1286 appropriation of funds to the commission for the payment of its operating expenses
 1287 associated with the regulation of casino gaming shall not exceed 5 percent of the total
 1288 casino gaming proceeds for a given fiscal year.
 1289 (B) As demanded by the Constitution of Georgia, the General Assembly's
 1290 appropriation of funds to the Georgia Problem Gaming Fund shall not exceed 2 percent
 1291 of the total casino gaming proceeds for a given fiscal year.
 1292 (C) As demanded by the Constitution of Georgia, the General Assembly's
 1293 appropriation of funds for the Georgia Licensed Resort Facility Host Community Fund
 1294 shall not exceed 4 percent of the total casino gaming proceeds for a given fiscal year.
 1295 (D) The General Assembly's appropriation of funds for educational programs and
 1296 purposes shall at all times constitute at least 90 percent of the total casino gaming
 1297 proceeds for a given fiscal year. As demanded by the Constitution of Georgia, the
 1298 General Assembly's appropriation of funds for educational programs and purposes shall
 1299 be limited to financial support for the following:
 1300 (i) The HOPE scholarship program;
 1301 (ii) Other tuition grants, scholarships, or loans to citizens of this state to enable such
 1302 citizens to attend colleges and universities located within this state, regardless of
 1303 whether such colleges and universities are operated by the Board of Regents, or to
 1304 attend institutions operated under the authority of the Department of Technical and
 1305 Adult Education;
 1306 (iii) Voluntary pre-kindergarten; and
 1307 (iv) One or more educational shortfall reserves in a total amount of not more than 5
 1308 percent of the net revenues or proceeds from casino gaming for the preceding fiscal
 1309 year;

1310 provided, however, that no funds shall be appropriated for the items listed in divisions
 1311 (ii) through (iv) of this subparagraph until the HOPE Scholarship has been fully funded.
 1312 (d) Each fiscal year the state treasurer shall transfer to the designated recipients the portion
 1313 of annual casino gaming proceeds specifically appropriated from the Casino Gaming
 1314 Education Account pursuant to the General Appropriations Act. The timing and process
 1315 of such transfers shall be in accordance with traditional state budgetary and appropriation
 1316 principles.

1317 50-39-31.

1318 (a) The commission shall establish an Advisory Committee on Problem Gaming,
 1319 consisting of seven members, to advise it on matters associated with problem gaming.

1320 (b) The Governor shall appoint the following individuals as members of the advisory
 1321 committee:

1322 (1) Two representatives from current casino gaming licensees;

1323 (2) Two individuals who work in the area of mental health, at least one of whom has
 1324 experience in the treatment of individuals who are problem gamblers;

1325 (3) One individual who represents the Georgia Department of Education and has
 1326 experience in the prevention or treatment of problem gaming; and

1327 (4) Two individuals who represent organizations that provide assistance to individuals
 1328 who are problem gamblers.

1329 (c) Members shall serve without compensation for a term to be established by the
 1330 commission. Any member appointed to the advisory committee who is an officer or
 1331 employee of this state or a political subdivision of this state must be relieved from his or
 1332 her duties without loss of his or her regular compensation so that he or she may prepare for
 1333 and attend meetings of the advisory committee and perform any work necessary to carry
 1334 out the duties of the advisory committee in the most timely manner practicable. A state
 1335 agency or political subdivision of this state shall not require an officer or employee who
 1336 is a regular member of the advisory committee to:

1337 (1) Make up the time he or she is absent from work to carry out his or her duties as a
 1338 regular member of the advisory committee; or

1339 (2) Take annual leave or compensatory time for such absence.

1340 (d) The advisory committee shall:

1341 (1) At its first meeting and annually thereafter, elect a chair from among its regular
 1342 members;

1343 (2) Meet at the call of the commission, the chair, or a majority of its members as
 1344 necessary, within the budget of the advisory committee, but not to exceed six meetings
 1345 per year; and

- 1346 (3) Adopt rules for its management and government.
- 1347 (e) The advisory committee shall have such powers and duties as set by the commission,
 1348 which may include the following:
- 1349 (1) Reviewing each request received by the commission from a state agency or other
 1350 political subdivision of this state or from an organization or educational institution for a
 1351 grant of money or a contract for services to provide programs for the prevention and
 1352 treatment of problem gaming or to provide services related to the development of data,
 1353 the assessment of needs, the performance of evaluations, or technical assistance;
- 1354 (2) Recommending to the commission each request received pursuant to paragraph (1)
 1355 of this subsection that the advisory committee believes should be awarded;
- 1356 (3) Establishing criteria for determining which state agencies and other political
 1357 subdivisions of this state and organizations and educational institutions to recommend for
 1358 grants of money or contracts for services pursuant to paragraph (2) of this subsection;
- 1359 (4) Monitoring each grant of money awarded by the commission to provide programs for
 1360 the prevention and treatment of problem gaming or to provide services related to the
 1361 development of data, the assessment of needs, the performance of evaluations, or
 1362 technical assistance;
- 1363 (5) Assisting the commission in determining the needs of local communities and in
 1364 establishing priorities for funding programs for the prevention and treatment of problem
 1365 gaming and funding services related to the development of data, the assessment of needs,
 1366 the performance of evaluations, or technical assistance; and
- 1367 (6) Appointing groups consisting of members of the advisory committee, former
 1368 members of the advisory committee, and members of the public who have appropriate
 1369 experience or knowledge to:
- 1370 (A) Consider specific problems or other matters that are related to and within the scope
 1371 of activities of the advisory committee; and
- 1372 (B) Review requests for grants of money or contracts for services related to specific
 1373 programs for the prevention and treatment of problem gaming or services related to the
 1374 development of data, the assessment of needs, the performance of evaluations, or
 1375 technical assistance.
- 1376 50-39-32.
- 1377 (a) An account is hereby created within the state general fund that shall be known as the
 1378 Georgia Problem Gaming Fund. The Georgia Problem Gaming Fund shall be administered
 1379 by the board.
- 1380 (b) As described in this chapter, annual funding for the Georgia Problem Gaming Fund
 1381 shall come from a portion of the casino gaming proceeds appropriated by the General

1382 Assembly from the Casino Gaming Education Account. At no point in time, however,
1383 shall annual funding for the Georgia Problem Gaming Fund exceed more than 2 percent
1384 of the total casino gaming proceeds appropriated by the General Assembly.

1385 (c) Except as otherwise provided in this Code section, the money in the Georgia Problem
1386 Gaming Fund must be expended:

1387 (1) To award grants of money or contracts for services to state agencies and other
1388 political subdivisions of this state or to organizations or educational institutions to
1389 provide programs for the prevention and treatment of problem gaming or to provide
1390 services related to the development of data, the assessment of needs, the performance of
1391 evaluations, or technical assistance. The commission may use no more than 10 percent
1392 of the money in the Georgia Problem Gaming Fund to administer the fund itself; and

1393 (2) For any other purpose authorized by law.

1394 (d) The existence of the Georgia Problem Gaming Fund shall not create a right in any state
1395 agency or other political subdivision of this state or in any organization or educational
1396 institution to receive money from the Georgia Problem Gaming Fund.

1397 (e) The commission may apply for and accept any gift, donation, bequest, grant, or other
1398 source of money. Any money so received must be deposited in the Georgia Problem
1399 Gaming Fund. The interest and income earned on money in the Georgia Problem Gaming
1400 Fund from any gift, donation, or bequest, after deducting any applicable charges, must be
1401 credited to the Georgia Problem Gaming Fund. Money from any gift, donation, or bequest
1402 that remains in the Georgia Problem Gaming Fund at the end of the fiscal year does not
1403 revert to the state general fund, and the balance in the Georgia Problem Gaming Fund must
1404 be carried forward to the next fiscal year.

1405 (f) The commission shall adopt any and all necessary rules and regulations to carry out the
1406 provisions of this Code section. The rules and regulations adopted by the commission must
1407 include, without limitation:

1408 (1) The procedure by which a state agency or other political subdivision of this state or
1409 an organization or educational institution may apply for a grant of money or a contract
1410 for services to be paid from the Georgia Problem Gaming Fund;

1411 (2) The criteria that the commission must consider in determining whether to award a
1412 grant of money or a contract for services to be paid from the Georgia Problem Gaming
1413 Fund; and

1414 (3) The procedure used by the commission to ensure that the money in the Georgia
1415 Problem Gaming Fund is distributed in a fair and equitable manner.

1416 50-39-33.

1417 (a) An account is hereby created within the state general fund that shall be known as the
 1418 Georgia Licensed Resort Facility Host Community Fund. The Georgia Licensed Resort
 1419 Facility Host Community Fund shall be administered by the board.

1420 (b) As described in this chapter, annual funding for the Georgia Licensed Resort Facility
 1421 Host Community Fund shall come from a portion of the casino gaming proceeds
 1422 appropriated by the General Assembly from the Casino Gaming Education Account. At
 1423 no point in time, however, shall annual funding for the Georgia Licensed Resort Facility
 1424 Host Community Fund exceed more than 4 percent of the total casino gaming proceeds
 1425 appropriated by the General Assembly.

1426 (c) Except as otherwise provided in this Code section, the money in the Georgia Licensed
 1427 Resort Facility Host Community Fund must be expended to provide local impact grants
 1428 only to those counties and municipalities within this state that host licensed resort facilities
 1429 where casino gaming is permitted. Such local impact grants shall be made, at the discretion
 1430 of the commission, only for the following purposes:

1431 (1) To fund infrastructure and transportation improvement projects within a five-mile
 1432 radius of the licensed resort facility in the host county or municipality;

1433 (2) To fund school construction projects and educational programs in the host county or
 1434 municipality;

1435 (3) To fund economic and community development projects in the host county or
 1436 municipality;

1437 (4) To fund public safety projects and police, fire, and emergency service activities
 1438 within a five-mile radius of the licensed resort facility in the host county or municipality;

1439 (5) To fund sanitation projects within the host county or municipality; and

1440 (6) To fund all other projects that the General Assembly may otherwise designate as
 1441 permissible.

1442 (d) When a licensed resort facility in this state is located within the boundaries of both a
 1443 county and independent municipality, both the county and municipality shall be entitled
 1444 to apply for a local impact grant as set forth in this Code section. Similarly, when a
 1445 licensed resort facility is situated in multiple counties or municipalities, all such counties
 1446 or municipalities where the licensed resort facility's property is located shall be entitled to
 1447 apply for a local impact grant as set forth in this Code section.

1448 (e) The existence of the Georgia Licensed Resort Facility Host Community Fund shall not
 1449 create a right for any host county or municipality to receive money from the Georgia
 1450 Licensed Resort Facility Host Community Fund.

1451 (f) Money contained in the Georgia Licensed Resort Facility Host Community Fund at the
 1452 end of the fiscal year does not revert to the state general fund, and the balance in the

1453 Georgia Licensed Resort Facility Host Community Fund shall be carried forward to the
 1454 next fiscal year.

1455 (g) The commission shall adopt any and all necessary rules and regulations to carry out the
 1456 provisions of this Code section. The rules and regulations adopted by the commission must
 1457 include, without limitation:

1458 (1) The procedure by which a host county or municipality may apply for a local impact
 1459 grant of money from the Georgia Licensed Resort Facility Host Community Fund;

1460 (2) The criteria that the commission must consider in determining whether to award a
 1461 local impact grant of money from the Georgia Licensed Resort Facility Host Community
 1462 Fund; and

1463 (3) The procedure used by the commission to ensure that the money in the Georgia
 1464 Licensed Resort Facility Host Community Fund shall be distributed in a fair and
 1465 equitable manner.

1466 50-39-34.

1467 All casino gaming conducted in this state shall be regulated, licensed, and taxed only in
 1468 accordance with the provisions of this chapter and the rules and regulations of the
 1469 commission, and shall not be subject to any licensing requirements, regulatory
 1470 considerations, or taxes already placed on coin-operated amusement machines pursuant to
 1471 Chapter 27 of this title or any other state or local law or regulation.

1472 50-39-35.

1473 The commission shall have all necessary authority to promulgate regulations regarding the
 1474 placement of automated teller machines within licensed resort facilities in this state.

1475 50-39-36.

1476 (a) A credit instrument accepted by a licensee on or after the effective date of this chapter
 1477 and the debt that the credit instrument represents are valid and may be enforced by the legal
 1478 process.

1479 (b) A licensee under this chapter may accept an incomplete credit instrument which is
 1480 signed by a patron and states the amount of the debt in figures and may complete the
 1481 instrument as necessary for the instrument to be presented for payment.

1482 (c) A licensee:

1483 (1) May accept a credit instrument that is payable to an affiliated company or may
 1484 complete a credit instrument in the name of an affiliated company as payee if the credit
 1485 instrument otherwise complies with this Code section and the records of the affiliated

1486 company pertaining to the credit instrument are made available to agents of the
1487 commission upon request; and

1488 (2) May accept a credit instrument either before, at the time, or after the patron incurs
1489 the debt. The credit instrument and the debt that the credit instrument represents are
1490 enforceable without regard to whether the credit instrument was accepted before, at, or
1491 after the debt is incurred.

1492 (d) This Code section shall not prohibit the establishment of an account by a deposit of
1493 cash, recognized traveler's check, or any other instrument which is equivalent to cash.

1494 (e) The commission shall have all necessary authority to promulgate regulations
1495 prescribing the conditions under which a credit instrument may be redeemed or presented
1496 to a bank or credit union for collection or payment.

1497 50-39-37.

1498 The commission shall have all necessary authority to promulgate rules and regulations
1499 regarding the issuance of credit instruments by the operators of licensed resort facilities in
1500 this state.

1501 50-39-38.

1502 The provisions of Code Section 13-8-3 regarding the illegality and nonenforceability of
1503 gambling contracts and any debt associated therewith under state law shall not be
1504 applicable to contracts or debt arising out of legal casino gaming activities conducted in
1505 accordance with the requirements of this chapter and the rules and regulations of the
1506 commission.

1507 50-39-39.

1508 (a) Except as otherwise provided in this chapter, gaming debts that are not evidenced by
1509 a credit instrument shall be void and unenforceable and shall not give rise to any
1510 administrative or civil cause of action.

1511 (b) A claim by a patron of a licensee for payment of a gaming debt that is not evidenced
1512 by a credit instrument may be resolved in accordance with the procedures set forth in this
1513 chapter and any procedures set forth in the rules and regulations of the commission.

1514 50-39-40.

1515 (a) The commission shall have all necessary authority to promulgate rules and regulations
1516 regarding the resolution of all disputes between casino patrons and licensees or any persons
1517 acting on behalf of or in conjunction with licensees regarding:

1518 (1) Alleged winnings, alleged losses, or the award or distribution of cash, prizes,
 1519 benefits, tickets, or any other item or items in a game, tournament, contest, drawing,
 1520 promotion, or similar activity or event; and

1521 (2) The manner in which a game, tournament, contest, drawing, promotion, or similar
 1522 activity or event is conducted.

1523 (b) When establishing rules and regulations governing disputes relating to gaming debts,
 1524 the commission shall at least develop protocols for the following:

1525 (1) Preliminary investigation of disputes by the commission;

1526 (2) Review and adjudication of disputes by a specified subcomponent of the commission;

1527 (3) Board review of any preliminary findings made by a specified subcomponent of the
 1528 commission during the review and adjudication stage of the dispute resolution process;

1529 (4) Judicial review of any findings made by the commission in accordance with the
 1530 dispute resolution process described in this Code section; and

1531 (5) Payment of claims regarding resolved disputes.

1532 50-39-41.

1533 (a) The commission shall establish by rules and regulations procedures governing the
 1534 approval and operation of inter-casino linked systems and the permitting of the operators
 1535 of inter-casino linked systems at licensed resort facilities in this state.

1536 (b) The commission shall, without limitation, include in such rules and regulations the
 1537 following:

1538 (1) Standards for the approval and operation of inter-casino linked systems;

1539 (2) Requirements for the:

1540 (A) Operator of an inter-casino linked system to disclose to the commission and
 1541 licensees on a confidential basis the rate of progression of the primary jackpot meter;
 1542 and

1543 (B) Establishment of a minimum rate of progression of the primary jackpot meter;

1544 (3) Criteria for multiple permitting of inter-casino linked systems and the operators of
 1545 inter-casino linked systems; and

1546 (4) Procedures and criteria for the regular auditing of the regulatory compliance of an
 1547 operator of an inter-casino linked system.

1548 50-39-42.

1549 All casino gaming licensees operating in this state shall, in addition to maintaining full
 1550 compliance with the obligations of this chapter and the rules and regulations of the
 1551 commission, adhere to the federal record-keeping, reporting, and compliance program
 1552 demands required of casino gaming operators by the Financial Crimes Enforcement

1553 Network (FinCEN) of the United States Department of the Treasury. Such obligations
1554 include, but are not limited to, adhering to the casino-specific requirements of the Bank
1555 Secrecy Act of 1970, as amended, and its associated regulations in 31 C.F.R. Part 103.

1556 50-39-43.

1557 Any person not licensed in accordance with this chapter that knowingly operates a facility
1558 where casino gaming is undertaken shall be guilty of a felony and, upon conviction thereof,
1559 shall be punished by a fine not to exceed \$100,000.00, or by imprisonment for not less than
1560 one nor more than ten years, or both.

1561 50-39-44.

1562 (a) Any person other than the lawful holder thereof who is in possession of any license or
1563 permit issued by the commission or a forged or simulated license or permit of the
1564 commission and who uses such license or permit for the purpose of misrepresentation,
1565 fraud, or touting shall be guilty of a felony and, upon conviction thereof, shall be punished
1566 by a fine not to exceed \$100,000.00, or by imprisonment of not less than one nor more than
1567 ten years, or both.

1568 (b) Any license or permit issued by the commission if used by the holder thereof for a
1569 purpose other than for identification or for the performance of legitimate duties associated
1570 with casino gaming shall be automatically revoked whether or not such use was inside or
1571 outside of a licensed resort facility.

1572 50-39-45.

1573 (a) Any person who, with the intent to defraud, acts to alter the outcome of any table game
1574 or slot machine through:

1575 (1) The use of any device, electrical or otherwise, except those specifically permitted by
1576 the regulations of the commission;

1577 (2) The administration or introduction of any foreign substance or item; or

1578 (3) Any other impermissible means under the rules and regulations of the commission
1579 shall be guilty of a felony and, upon conviction thereof, shall be punished by a fine not to
1580 exceed \$25,000.00, or by imprisonment for not less than one nor more than three years, or
1581 both.

1582 (b) Any person who, with the intent to defraud, influences or conspires with another to
1583 alter the outcome of any table game or slot machine through:

1584 (1) The use of any device, electrical or otherwise, except those specifically permitted by
1585 the regulations of the commission;

1586 (2) The administration or introduction of any foreign substance or item; or

1587 (3) Any other impermissible means under the rules and regulations of the commission
1588 shall be guilty of a felony and, upon conviction thereof, shall be punished by a fine not to
1589 exceed \$100,000.00, or by imprisonment for not less than one nor more than ten years, or
1590 both.

1591 (c) Any person who with the intent to defraud:

1592 (1) Alters or misrepresents the outcome of a game or other event on which wagers have
1593 been made after the outcome is made sure but before it is revealed to the players;

1594 (2) Places, increases, or decreases a bet or to determine the course of play after acquiring
1595 knowledge, not available to all players, of the outcome of the game or any event that
1596 affects the outcome of the game or which is the subject of the bet or to aid anyone in
1597 acquiring such knowledge for the purpose of placing, increasing, or decreasing a bet or
1598 determining the course of play contingent upon that event or outcome;

1599 (3) Claims, collects, or takes, or attempts to claim, collect, or take, money or anything
1600 of value in or from a gambling game without having made a wager contingent thereon,
1601 or to claim, collect, or take an amount greater than the amount won;

1602 (4) Entices or induces another to go to any place where a gambling game is being
1603 conducted or operated in violation of the provisions of this chapter, with the intent that
1604 the other person play or participate in that gambling game;

1605 (5) Places or increases a bet after acquiring knowledge of the outcome of the game or
1606 other event which is the subject of the bet, including past posting and pressing bets;

1607 (6) Reduces the amount wagered or cancels the bet after acquiring knowledge of the
1608 outcome of the game or other event which is the subject of the bet, including pinching
1609 bets;

1610 (7) Manipulates any component of a gaming device in a manner contrary to the designed
1611 and normal operational purpose for the component, including, but not limited to, varying
1612 the pull of the handle of a slot machine, with knowledge that the manipulation affects the
1613 outcome of the game or with knowledge of any event that affects the outcome of the
1614 game; or

1615 (8) Offers, promises, or gives anything of value to anyone for the purpose of influencing
1616 the outcome of a contest or game upon which a wager may be made, or places, increases,
1617 or decreases a wager after acquiring knowledge, not available to the general public, that
1618 anyone has been offered, promised, or given anything of value for the purpose of
1619 influencing the outcome of the contest or game upon which the wager is placed,
1620 increased, or decreased

1621 shall be guilty of a felony and, upon conviction thereof, shall be punished by a fine not to
1622 exceed \$25,000.00, or by imprisonment for not less than one nor more than three years, or
1623 both.

1624 50-39-46.

1625 It shall be unlawful for any person to use, possess with the intent to use, or assist another
 1626 person in using or possessing with the intent to use any computerized, electronic, electrical,
 1627 or mechanical device, or any software or hardware, or any combination thereof, which is
 1628 designed, constructed, altered, or programmed to obtain an advantage at playing any game
 1629 in a licensed resort facility or any game that is offered by a licensee, including, without
 1630 limitation, a device that:

1631 (1) Projects the outcome of the game;

1632 (2) Keeps track of cards played or cards prepared for play in the game;

1633 (3) Analyzes the probability of the occurrence of an event relating to the game; or

1634 (4) Analyzes the strategy for playing or betting to be used in the game,

1635 except as may be made available as part of an approved game or otherwise permitted by
 1636 the commission. Any individual violating the terms of this Code section shall be guilty of
 1637 a felony and, upon conviction thereof, shall be punished by a fine not to exceed
 1638 \$25,000.00, or by imprisonment for not less than one nor more than three years, or both.

1639 50-39-47.

1640 (a) It shall be unlawful for any licensee, employee, or other person, not a duly authorized
 1641 employee of a licensee acting in furtherance of his or her employment within licensed
 1642 resort facility, to possess, use, sell, or manufacture counterfeit chips, counterfeit debit
 1643 instruments, or other counterfeit wagering instruments in a gambling game, associated
 1644 equipment, or a cashless wagering system.

1645 (b) It shall be unlawful for any licensee, employee, or other person, not a duly authorized
 1646 employee of a licensee acting in furtherance of his or her employment within a licensed
 1647 resort facility, to possess, use, sell, or manufacture any counterfeit instruments, counterfeit
 1648 tickets, or other counterfeit items that are used to determine the outcome of any contest or
 1649 promotional activity conducted by or on behalf of any licensee.

1650 (c) It shall be unlawful for any person, in playing or using any gambling game, associated
 1651 equipment, or cashless wagering system designed to be played with, receive or be operated
 1652 by chips, tokens, wagering credits, or other wagering instruments approved by the
 1653 commission or by lawful coin or legal tender of the United States of America to:

1654 (1) Knowingly to use other than chips, tokens, wagering credits, or other wagering
 1655 instruments approved by the commission or lawful coin or legal tender of the United
 1656 States of America, or to use coin or tokens not of the same denomination as the coin or
 1657 tokens intended to be used in that gambling game, associated equipment, or cashless
 1658 wagering system; or

1659 (2) Use any device or means to violate the provisions of this chapter or the rules or
 1660 regulations of the commission.

1661 (d) It shall be unlawful for any individual, not a duly authorized employee of a licensee
 1662 acting in furtherance of such employment within a licensed resort facility, to have on his
 1663 or her person or in his or her possession on or off the premises of any licensed gaming
 1664 establishment any device intended to be used to violate the provisions of this chapter or the
 1665 rules or regulations of the commission.

1666 (e) It shall be unlawful for any person, not a duly authorized employee of a licensee acting
 1667 in furtherance of such employment within a licensed resort facility, to have on his or her
 1668 person or in his or her possession on or off the premises of any licensed gaming
 1669 establishment any key or device known to have been designed for the purpose of and
 1670 suitable for opening, entering, or affecting the operation of any gambling game, cashless
 1671 wagering system, or drop box, or any electronic or mechanical device connected thereto,
 1672 or for removing money or other contents therefrom.

1673 (f)(1) It shall be unlawful for any person, not a duly authorized employee of a licensee
 1674 acting in furtherance of such employment within licensed resort facility, to have on his
 1675 or her person or in his or her possession any paraphernalia for manufacturing slugs.

1676 (2) As used in this subsection, 'paraphernalia for manufacturing slugs' means the
 1677 equipment, products, and materials that are intended for use or designed for use in
 1678 manufacturing, producing, fabricating, preparing, testing, analyzing, packaging, storing,
 1679 or concealing a counterfeit facsimile of the chips, tokens, debit instruments, or other
 1680 wagering instruments approved by the commission or a lawful coin of the United States,
 1681 the use of which is unlawful pursuant to subsection (c) of this Code section. The term
 1682 'paraphernalia for manufacturing slugs' includes, but shall not be limited to:

1683 (A) Lead or lead alloys;

1684 (B) Molds, forms, or similar equipment capable of producing a likeness of a gaming
 1685 token or United States coin;

1686 (C) Melting pots or other receptacles;

1687 (C) Torches;

1688 (D) Tongs, trimming tools, or other similar equipment; and

1689 (E) Equipment which can be reasonably demonstrated to manufacture facsimiles of
 1690 debit instruments or wagering instruments approved by the commission.

1691 (g) Possession of more than one of the devices, equipment, products, or materials
 1692 described in this Code section permits a rebuttable inference that the possessor intended
 1693 to use them for cheating.

1694 (h) Any person violating the terms of this Code section shall be guilty of a felony and,
1695 upon conviction thereof, shall be punished by a fine not to exceed \$25,000.00, or by
1696 imprisonment for not less than one nor more than three years, or both.

1697 50-39-48.

1698 It shall be unlawful for any person, whether the person is an owner or employee of or a
1699 player in a licensed resort facility, to knowingly cheat at any gambling game. Any
1700 individual found to be knowingly cheating shall be guilty of a felony and, upon conviction
1701 thereof, shall be punished by a fine not to exceed \$25,000.00, or by imprisonment for not
1702 less than one nor more than three years, or both.

1703 50-39-49.

1704 (a) It shall be unlawful to manufacture, sell, or distribute any cards, chips, dice, game, or
1705 device which is intended to be used to violate any provision of this chapter.

1706 (b) It shall be unlawful to mark, alter, or otherwise modify any associated equipment or
1707 gaming device in a manner that:

1708 (1) Affects the result of a wager by determining win or loss; or

1709 (2) Alters the normal criteria of random selection, which affects the operation of a game
1710 or which determines the outcome of a game.

1711 (c) It shall be unlawful for any person to instruct another in cheating or in the use of any
1712 device for that purpose, with the knowledge or intent that the information or use so
1713 conveyed may be employed to violate any provision of this chapter or the rules or
1714 regulations of the commission.

1715 (d) Any individual violating the provisions of this Code section shall be guilty of a felony
1716 and, upon conviction thereof, shall be punished by a fine not to exceed \$25,000.00, or by
1717 imprisonment for not less than one nor more than three years, or both.

1718 50-39-50.

1719 (a) As used in this Code section, 'medium of communication' includes, but shall not be
1720 limited to, mail, telephone, television, telegraph, facsimile, cable, wire, the Internet, or any
1721 other similar medium.

1722 (b) Except as otherwise provided in subsection (d) of this Code section, a person, alone or
1723 with others, shall not knowingly, within or outside of this state:

1724 (1) Accept or receive, directly or indirectly, through any medium of communication a
1725 wager from another person who is physically present within this state; or

1726 (2) Allow a lessee, agent, or employee to accept or receive, directly or indirectly, through
 1727 any medium of communication a wager from another person who is physically present
 1728 within this state.

1729 (c) Except as otherwise provided in this Code section, a person, alone or with others, shall
 1730 not knowingly:

1731 (1) From within this state, place, send, transmit, or relay through a medium of
 1732 communication a wager to another person or casino gaming establishment that is located
 1733 within or outside of this state; or

1734 (2) From outside of this state, place, send, transmit, or relay through a medium of
 1735 communication a wager to another person or a casino gaming establishment that is
 1736 located within this state.

1737 (d) The provisions of subsections (b) and (c) of this Code section shall not apply to a
 1738 wager placed by a person for the person's own benefit or, without compensation, for the
 1739 benefit of another that is accepted or received by, placed with, or sent, transmitted, or
 1740 relayed to:

1741 (1) Any other person or licensed resort facility that is licensed to engage in wagering
 1742 pursuant to this chapter, if the wager is accepted or received within this state and
 1743 otherwise complies with all other applicable laws and regulations concerning wagering;
 1744 or

1745 (2) Any other person or licensed resort facility that is licensed to engage in wagering in
 1746 another jurisdiction and is permitted to accept or receive a wager from patrons within this
 1747 state under any agreement entered into by the Governor pursuant to this chapter or the
 1748 rules and regulations of the commission.

1749 (e) A person who violates the provisions of subsections (b) and (c) of this Code section is
 1750 guilty of a misdemeanor.

1751 50-39-51.

1752 (a) Any person who conspires, confederates, or combines with another, either inside or
 1753 outside this state, to commit a felony prohibited by this chapter shall be guilty of a felony
 1754 and, upon conviction thereof, shall be punished by a fine not exceed \$100,000.00, by
 1755 imprisonment for not less than one nor more than ten years, or both.

1756 (b) Any person who attempts to commit any act prohibited by this chapter shall be guilty
 1757 of a criminal offense and shall be punished as provided in Code Section 16-4-6."

1758 **PART II**

1759 **SECTION 2-1.**

1760 Said title is further amended by revising Chapter 27, relating to lottery for education, as
1761 follows:

1762 "CHAPTER 27

1763 ARTICLE 1

1764 50-27-1.

1765 This chapter shall be known and may be cited as the 'Georgia Lottery for Education Act.'

1766 50-27-2.

1767 It is found and declared by the General Assembly:

1768 (1) That net proceeds of lottery games and casino gaming conducted pursuant to this
1769 chapter and Chapter 39 of this title shall be used to support improvements and
1770 enhancements for educational purposes and programs and that such net proceeds shall be
1771 used to supplement, not supplant, existing resources for educational purposes and
1772 programs;

1773 (2) That lottery games are an entrepreneurial enterprise and that the state shall create a
1774 public body, corporate and politic, known as the Georgia Lottery ~~Corporation~~ and Casino
1775 Gaming Commission, with comprehensive and extensive powers as generally exercised
1776 by corporations engaged in entrepreneurial pursuits;

1777 (3) That lottery games shall be operated and managed and casino games regulated, in a
1778 manner which provides continuing entertainment to the public, maximizes revenues, and
1779 ensures that the lottery ~~is~~ and casino gaming at licensed resort facilities are operated with
1780 integrity and dignity and free of political influence; and

1781 (4) That the Georgia Lottery ~~Corporation~~ and Casino Gaming Commission shall be
1782 accountable to the General Assembly and to the public through a system of audits and
1783 reports.

1784 50-27-3.

1785 As used in this chapter, the term:

1786 (1) 'Administrative expenses' means operating expenses, excluding amounts set aside for
1787 prizes, regardless of whether such prizes are claimed and excluding amounts held as a
1788 fidelity fund pursuant to Code Section 50-27-19.

- 1789 (1.1) 'Advisory board' means the Bona Fide Coin Operated Amusement Machine
 1790 Operator Advisory Board established pursuant to Code Section 50-27-89.
- 1791 (2) 'Assignee' means any person or third party other than the winner to whom any portion
 1792 of a prize or any right of any person to a prize awarded payable by the ~~corporation~~
 1793 commission in installment payments may be transferred or assigned pursuant to an
 1794 appropriate judicial order as provided in Code Section 50-27-24.1.
- 1795 (3) 'Assignment' means the transfer of any portion of a prize or any right of any person
 1796 to a prize awarded payable by the ~~corporation~~ commission in installment payments to any
 1797 person or third party pursuant to an appropriate judicial order as provided in Code Section
 1798 50-27-24.1.
- 1799 (4) 'Assignor' means any person receiving installment payments seeking to assign or
 1800 transfer any portion of a prize or any right of any person to a prize awarded to an assignee
 1801 or any person or third party pursuant to an appropriate judicial order as provided in Code
 1802 Section 50-27-24.1.
- 1803 (5) 'Board' means the board of directors of the Georgia Lottery ~~Corporation~~ and Casino
 1804 Gaming Commission.
- 1805 (6) 'Capital outlay projects' means the acquisition, construction, installation,
 1806 modification, renovation, repair, extension, renewal, replacement, or rehabilitation of
 1807 land, interests in land, buildings, structures, facilities, or other improvements and the
 1808 acquisition, installation, modification, renovation, repair, extension, renewal,
 1809 replacement, rehabilitation, or furnishing of fixtures, machinery, equipment, computers,
 1810 software, laboratories, furniture, textbooks, and reference material or other property of
 1811 any nature whatsoever used on, in, or in connection with educational facilities.
- 1812 (6.1) 'Casino advisory board' means the Casino Gaming Advisory Board created pursuant
 1813 to Code Section 50-27-6.1.
- 1814 (7) ~~'Casino gambling gaming' means a location or business for the purpose of conducting~~
 1815 ~~illegal gambling activities shall have the same meaning as in paragraph (8) of Code~~
 1816 Section 50-39-2, but excluding shall not include the sale and purchase of lottery tickets
 1817 or shares as authorized by this chapter.
- 1818 (8) 'Chief executive officer' means the chief executive officer of the Georgia Lottery
 1819 ~~Corporation~~ and Casino Gaming Commission.
- 1820 (9) ~~'Corporation'~~ 'Commission' means the Georgia Lottery ~~Corporation~~ and Casino
 1821 Gaming Commission.
- 1822 (10) 'Educational facilities' means land, structures, and buildings owned or operated by
 1823 and through the board of regents, the State Board of Education, the Technical College
 1824 System of Georgia, or by any city, county, or independent school system within this state;

1825 provided, however, that a public road or highway leading to an educational facility shall
1826 not be considered an educational facility.

1827 (11) 'Educational purposes and programs' means capital outlay projects for educational
1828 facilities; tuition grants, scholarships, or loans to citizens of this state to enable such
1829 citizens to attend colleges and universities located within this state, regardless of whether
1830 such colleges and universities are owned or operated by the board of regents or to attend
1831 institutions operated under the authority of the Technical College System of Georgia;
1832 costs of providing to teachers at accredited public institutions who teach levels K-12,
1833 personnel at public postsecondary technical institutes under the authority of the Technical
1834 College System of Georgia, and professors and instructors within the University System
1835 of Georgia the necessary training in the use and application of computers and advanced
1836 electronic instructional technology to implement interactive learning environments in the
1837 classroom and to access the state-wide distance learning network; costs associated with
1838 repairing and maintaining advanced electronic instructional technology; voluntary
1839 pre-kindergarten; and an education shortfall reserve.

1840 (11.1) 'Gross gaming revenue' or 'gross gaming revenues' shall have the same meaning
1841 as in paragraph (20) of Code Section 50-39-2.

1842 (12) 'Interested party' means any individual or entity that has notified the ~~corporation~~
1843 commission of his or her interest in the prize or is a party to a civil matter adverse to the
1844 assignor, including actions for alimony and child support.

1845 (13) 'Lottery,' 'lotteries,' 'lottery game,' or 'lottery games' means any game of chance
1846 approved by the board and operated pursuant to this chapter, including, but not limited
1847 to, instant tickets, ~~on-line~~ online games, and games using mechanical or electronic
1848 devices but excluding pari-mutuel betting and casino ~~gambling~~ gaming as defined in this
1849 Code section.

1850 (14) 'Major procurement contract' means any gaming product or service costing in excess
1851 of \$75,000.00, including, but not limited to, major advertising contracts, annuity
1852 contracts, prize payment agreements, consulting services, equipment, tickets, and other
1853 products and services unique to the Georgia lottery, but not including materials, supplies,
1854 equipment, and services common to the ordinary operations of a ~~corporation~~ commission.

1855 (15) 'Member' or 'members' means a director or directors of the board of directors of the
1856 Georgia Lottery ~~Corporation~~ and Casino Gaming Commission.

1857 (16) 'Member of a minority' means an individual who is a member of a race which
1858 comprises less than 50 percent of the total population of the state.

1859 (17) 'Minority business' means any business which is owned by:

1860 (A) An individual who is a member of a minority who reports as his or her personal
1861 income for Georgia income tax purposes the income of such business;

1862 (B) A partnership in which a majority of the ownership interest is owned by one or
 1863 more members of a minority who report as their personal income for Georgia income
 1864 tax purposes more than 50 percent of the income of the partnership; or

1865 (C) A corporation organized under the laws of this state in which a majority of the
 1866 common stock is owned by one or more members of a minority who report as their
 1867 personal income for Georgia income tax purposes more than 50 percent of the
 1868 distributed earnings of the corporation.

1869 (18) 'Net proceeds' means all revenue derived from the sale of lottery tickets or shares
 1870 and all other moneys derived from the lottery less operating expenses.

1871 (19) 'Operating expenses' means all costs of doing business, including, but not limited
 1872 to, prizes, commissions, and other compensation paid to retailers, advertising and
 1873 marketing costs, personnel costs, capital costs, depreciation of property and equipment,
 1874 funds for compulsive gambling education and treatment, amounts held in or paid from
 1875 a fidelity fund pursuant to Code Section 50-27-19, and other operating costs.

1876 (20) 'Pari-mutuel betting' means a method or system of wagering on actual races
 1877 involving horses or dogs at tracks which involves the distribution of winnings by pools.
 1878 Such term shall not mean lottery games which may be predicated on a horse racing or dog
 1879 racing scheme that does not involve actual track events. Such term shall not mean
 1880 traditional lottery games which may involve the distribution of winnings by pools.

1881 (21) 'Person' means any individual, corporation, partnership, unincorporated association,
 1882 or other legal entity.

1883 (22) 'Retailer' means a person who sells lottery tickets or shares on behalf of the
 1884 ~~corporation~~ commission pursuant to a contract.

1885 (23) 'Share' means any intangible evidence of participation in a lottery game.

1886 (24) 'Ticket' means any tangible evidence issued by the lottery to provide participation
 1887 in a lottery game.

1888 (25) 'Vendor' means a person who provides or proposes to provide goods or services to
 1889 the ~~corporation~~ commission pursuant to a major procurement contract, but does not
 1890 include an employee of the ~~corporation~~ commission, a retailer, or a state agency or
 1891 instrumentality thereof. Such term does not include any corporation whose shares are
 1892 publicly traded and which is the parent company of the contracting party in a major
 1893 procurement contract.

1894 50-27-4.

1895 There is created a body corporate and politic to be known as the Georgia Lottery
 1896 ~~Corporation~~ and Casino Gaming Commission which shall be deemed to be an

1897 instrumentality of the state, and not a state agency, and a public corporation. Venue for the
1898 ~~corporation~~ commission shall be in Fulton County.

1899 50-27-5.

1900 (a) The ~~corporation~~ commission shall be governed by a board of directors composed of
1901 seven members to be appointed by the Governor. Members shall be appointed with a view
1902 toward equitable geographic representation.

1903 (b) Members shall be residents of the State of Georgia, shall be prominent persons in their
1904 businesses or professions, and shall not have been convicted of any felony offense. The
1905 Governor should consider appointing to the board an attorney, an accountant, an architect
1906 or other individual with expertise in urban planning, an individual with expertise in finance
1907 or economics, an individual with knowledge of the casino gaming industry, and a person
1908 having expertise in marketing.

1909 (c) Members shall serve terms of five years, except that of the initial members appointed,
1910 three shall be appointed for initial terms of two years, two shall be appointed for initial
1911 terms of four years, and two shall be appointed for initial terms of five years. Any vacancy
1912 occurring on the board shall be filled by the Governor by appointment for the unexpired
1913 term.

1914 (d) All members appointed by the Governor shall be confirmed by the Senate. Members
1915 appointed when the General Assembly is not in regular session shall serve only until the
1916 Senate has confirmed the appointment at the next regular or special session of the General
1917 Assembly. If the Senate refuses to confirm an appointment, the member shall vacate his or
1918 her office on the date the confirmation fails.

1919 (e) Members of the board shall not have any direct or indirect interest in an undertaking
1920 that puts their personal interest in conflict with that of the ~~corporation~~ commission,
1921 including, but not limited to, an interest in a major procurement contract or a participating
1922 retailer.

1923 (f) Upon approval by the chairperson, members of the board shall be reimbursed for actual
1924 and reasonable expenses incurred for each day's service spent in the performance of the
1925 duties of the ~~corporation~~ commission.

1926 (g) The members shall elect from their membership a chairperson and vice chairperson.
1927 The members shall also elect a secretary and treasurer who can be the chief executive
1928 officer of the ~~corporation~~ commission. Such officers shall serve for such terms as shall be
1929 prescribed by the bylaws of the ~~corporation~~ commission or until their respective successors
1930 are elected and qualified. No member of the board shall hold more than any one office of
1931 the ~~corporation~~ commission, except that the same person may serve as secretary and
1932 treasurer.

1933 (h) The board of directors may delegate to any one or more of its members, to the chief
 1934 executive officer, or to any agent or employee of the ~~corporation~~ commission such powers
 1935 and duties as it may deem proper.

1936 (i) A majority of members in office shall constitute a quorum for the transaction of any
 1937 business and for the exercise of any power or function of the ~~corporation~~ commission.

1938 (j) Action may be taken and motions and resolutions adopted by the board at any meeting
 1939 thereof by the affirmative vote of a majority of present and voting board members.

1940 (k) No vacancy in the membership of the board shall impair the right of the members to
 1941 exercise all the powers and perform all the duties of the board.

1942 50-27-6.

1943 (a) The chairperson of the board of directors shall appoint a Lottery Retailer Advisory
 1944 Board to be composed of ten lottery retailers representing the broadest possible spectrum
 1945 of geographical, racial, and business characteristics of lottery retailers. The function of the
 1946 advisory board shall be to advise the board of directors on retail aspects of the lottery and
 1947 to present the concerns of lottery retailers throughout the state.

1948 (b) Members appointed to the Lottery Retailer Advisory Board shall serve terms of two
 1949 years; provided, however, that five of the initial appointees shall serve initial terms of one
 1950 year.

1951 (c) The advisory board shall establish its own rules and internal operating procedures.
 1952 Members of the advisory board shall serve without compensation or reimbursement of
 1953 expenses. The advisory board may report to the board of directors or to the oversight
 1954 committee in writing at any time. The board of directors may invite the advisory board to
 1955 make an oral presentation to the board of directors at regular meetings of the board.

1956 50-27-6.1.

1957 (a) The chairperson of the board shall appoint a Casino Gaming Advisory Board to be
 1958 composed of ten persons representing the broadest possible spectrum of geographical,
 1959 racial, and business characteristics of casino gaming licensees, casino gaming vendors, and
 1960 other pertinent interest groups associated with casino gaming in this state. The function
 1961 of the casino advisory board shall be to advise the board of directors on various aspects of
 1962 the casino gaming industry and to present the concerns of casino gaming licensees,
 1963 vendors, and other interested parties throughout the state.

1964 (b) Members appointed to the casino advisory board shall serve terms of two years;
 1965 provided, however, that five of the initial appointees shall serve initial terms of one year.

1966 50-27-7.

1967 The board of directors shall provide the chief executive officer with private-sector
1968 perspectives of a large marketing enterprise and policy guidance regarding the regulation
1969 of casino gaming in the state. The board shall:

1970 (1) Approve, disapprove, amend, or modify the budget recommended by the chief
1971 executive officer for the operation of the ~~corporation~~ commission;

1972 (2) Approve, disapprove, amend, or modify the terms of major ~~lottery~~ commission
1973 procurements recommended by the chief executive officer;

1974 (3) Hear appeals of hearings required by this chapter;

1975 (4) Adopt regulations, policies, and procedures relating to the conduct of lottery games
1976 and casino gaming and as specified in Code ~~Section~~ Sections 50-27-9 and 50-27-10.1;

1977 and

1978 (5) Perform such other functions as specified by this chapter.

1979 50-27-8.

1980 The board of directors shall appoint and shall provide for the compensation of a chief
1981 executive officer who shall be an employee of the ~~corporation~~ commission and who shall
1982 direct the day-to-day operations and management of the ~~corporation~~ commission and shall
1983 be vested with such powers and duties as specified by the board and by law. The chief
1984 executive officer shall serve at the pleasure of the board.

1985 50-27-9.

1986 (a) The ~~corporation~~ commission shall have any and all powers necessary or convenient to
1987 its usefulness in carrying out and effectuating the purposes and provisions of this chapter
1988 and of Chapter 39 of this title which are not in conflict with the Constitution of ~~this state~~
1989 Georgia and which are generally exercised by corporations engaged in entrepreneurial
1990 pursuits or state instrumentalities engaged in regulatory pursuits, including, but without
1991 limiting the generality of the foregoing, the following powers:

1992 (1) To sue and be sued in contract and in tort and to complain and defend in all courts;

1993 (2) To adopt and alter a seal;

1994 (3) To adopt, amend, and repeal bylaws, regulations, and policies and procedures for the
1995 regulation of its affairs and the conduct of its business; to elect and prescribe the duties
1996 of officers and employees of the ~~corporation~~ commission; and to perform such other
1997 matters as the ~~corporation~~ commission may determine. In the adoption of bylaws,
1998 regulations, policies, and procedures or in the exercise of any regulatory power, the
1999 ~~corporation~~ commission shall be exempt from the requirements of Chapter 13 of this title,
2000 the 'Georgia Administrative Procedure Act';

- 2001 (4) To procure or to provide insurance;
- 2002 (5) To hold copyrights, trademarks, and service marks and enforce its rights with respect
2003 thereto;
- 2004 (6) To initiate, supervise, and administer the operation of the lottery and the regulation
2005 of casino gaming in accordance with the provisions of this chapter and Chapter 39 of this
2006 title, and regulations, policies, and procedures adopted pursuant thereto;
- 2007 (7) To enter into written agreements with one or more other states or sovereigns for the
2008 operation, participation in marketing, and promotion of a joint lottery or joint lottery
2009 games;
- 2010 (8) To conduct such market research as is necessary or appropriate, which may include
2011 an analysis of the demographic characteristics of the players of each lottery game and an
2012 analysis of advertising, promotion, public relations, incentives, and other aspects of
2013 communication;
- 2014 (9) To acquire or lease real property and make improvements thereon and acquire by
2015 lease or by purchase personal property, including, but not limited to, computers;
2016 mechanical, electronic, and ~~on-line~~ online equipment and terminals; and intangible
2017 property, including, but not limited to, computer programs, systems, and software;
- 2018 (10) To enter into contracts to incur debt in its own name and enter into financing
2019 agreements with the state, agencies or instrumentalities of the state, or with any
2020 commercial bank or credit provider; provided, however, that any such debt must be
2021 approved by the Georgia State Financing and Investment Commission;
- 2022 (11) To be authorized to administer oaths, take depositions, issue subpoenas, and compel
2023 the attendance of witnesses and the production of books, papers, documents, and other
2024 evidence relative to any investigation or proceeding conducted by the ~~corporation~~
2025 commission or any subcomponent thereof, or in any situation where, in the judgment of
2026 the commission, it is necessary to do so for the effectual discharge of its duties;
- 2027 (12) To appoint and select officers, agents, and employees, including professional and
2028 administrative staff and personnel and hearing officers to conduct hearings required by
2029 this chapter, and to fix their compensation, pay their expenses, and provide a benefit
2030 program, including, but not limited to, a retirement plan and a group insurance plan;
- 2031 (13) To select and contract with vendors and retailers;
- 2032 (14) To enter into contracts or agreements with state or local law enforcement agencies,
2033 including the Department of Revenue, for the performance of law enforcement,
2034 background investigations, security checks, and auditing and enforcement of license
2035 requirements required by Article 3 of this chapter and Chapter 39 of this title;
- 2036 (15) To enter into contracts of any and all types on such terms and conditions as the
2037 ~~corporation~~ commission may determine;

- 2038 (16) To establish and maintain banking relationships, including, but not limited to,
 2039 establishment of checking and savings accounts and lines of credit;
- 2040 (17) To advertise and promote the lottery and lottery games;
- 2041 (18) To act as a retailer, to conduct promotions which involve the dispensing of lottery
 2042 tickets or shares, and to establish and operate a sales facility to sell lottery tickets or
 2043 shares and any related merchandise; and
- 2044 (19) To adopt and amend such regulations, policies, and procedures as necessary to carry
 2045 out and implement its powers and duties, organize and operate the ~~corporation~~
 2046 commission, regulate the conduct of lottery and casino games in general, and any other
 2047 matters necessary or desirable for the efficient and effective operation of the lottery, the
 2048 efficient and effective administration of casino gaming, or the convenience of the public.
 2049 The promulgation of any such regulations, policies, and procedures shall be exempt from
 2050 the requirements of Chapter 13 of this title, the 'Georgia Administrative Procedure Act.'
- 2051 (b) The powers enumerated in subsection (a) of this Code section are cumulative of and
 2052 in addition to those powers enumerated elsewhere in this chapter and in Chapter 39 of this
 2053 title, and no such powers limit or restrict any other powers of the ~~corporation~~ commission.
- 2054 50-27-10.
- 2055 The board may adopt regulations, policies, and procedures regulating the conduct of lottery
 2056 games in general, including, but not limited to, regulations, policies, and procedures
 2057 specifying:
- 2058 (1) The type of games to be conducted, including, but not limited to, instant lotteries,
 2059 ~~on-line~~ online games, and other games traditional to the lottery. Such games may include
 2060 the selling of tickets or shares or the use of electronic or mechanical devices;
- 2061 (2) The sale price of tickets or shares and the manner of sale; provided, however, that all
 2062 sales shall be for cash only and payment by checks, credit cards, charge cards, or any
 2063 form of deferred payment is prohibited;
- 2064 (3) The number and amount of prizes;
- 2065 (4) The method and location of selecting or validating winning tickets or shares;
- 2066 (5) The manner and time of payment of prizes, which may include lump sum payments
 2067 or installments over a period of years;
- 2068 (6) The manner of payment of prizes to the holders of winning tickets or shares,
 2069 including without limitation provision for payment of prizes not exceeding \$600.00 after
 2070 deducting the price of the ticket or share and after performing validation procedures
 2071 appropriate to the game and as specified by the board. The board may provide for a
 2072 limited number of retailers who can pay prizes of up to \$5,000.00 after performing

2073 validation procedures appropriate to the game and as specified by the board without
 2074 regard to where such ticket or share was purchased;

2075 (7) The frequency of games and drawings or selection of winning tickets or shares;

2076 (8) The means of conducting drawings;

2077 (9)(A) The method to be used in selling tickets or shares, which may include the use
 2078 of electronic or mechanical devices, but such devices may be placed only in locations
 2079 on the premises of the lottery retailer which are within the view of such retailer or an
 2080 employee of such retailer. All electronic or mechanical devices shall bear a conspicuous
 2081 label prohibiting the use of such device by persons under 18 years of age.

2082 (B) A lottery retailer who knowingly allows a person under 18 years of age to purchase
 2083 a lottery ticket or share from an electronic or mechanical device shall be subject to the
 2084 penalties provided in Code Section 50-27-26;

2085 (10) The manner and amount of compensation to lottery retailers; and

2086 (11) Any and all other matters necessary, desirable, or convenient toward ensuring the
 2087 efficient and effective operation of lottery games, the continued entertainment and
 2088 convenience of the public, and the integrity of the lottery.

2089 50-27-10.1.

2090 To the extent not already specified in this chapter and Chapter 39 of this title, the board
 2091 shall possess all requisite power and authority to promulgate and adopt any and all rules
 2092 and regulations necessary or desirable for the efficient and effective administration and
 2093 regulation of casino gaming in this state.

2094 50-27-11.

2095 (a) The chief executive officer of the ~~corporation~~ commission shall direct and supervise
 2096 all administrative and technical activities in accordance with the provisions of this chapter
 2097 and Chapter 39 of this title, and with the regulations, policies, and procedures adopted by
 2098 the board. It shall be the duty of the chief executive officer to:

- 2099 (1) Facilitate the initiation and supervise and administer the operation of the lottery
 2100 games and supervise and administer the regulation of casino gaming in this state;
- 2101 (2) Employ and direct such personnel as deemed necessary;
- 2102 (3) Employ by contract and compensate such persons and firms as deemed necessary;
- 2103 (4) Promote or provide for promotion of the lottery and any functions related to the
 2104 corporation commission;
- 2105 (5) Prepare a budget for the approval of the board;
- 2106 (6) Require bond from such lottery retailers and vendors in such amounts as required by
 2107 the board;

2108 (7) Report quarterly to the state auditor, the state accounting officer, and the board a full
2109 and complete statement of lottery and casino gaming revenues and commission expenses
2110 for the preceding quarter; and

2111 (8) Perform other duties generally associated with a chief executive officer of a
2112 corporation commission of an entrepreneurial nature.

2113 (b) The chief executive officer may for good cause suspend, revoke, or refuse to renew any
2114 contract entered into in accordance with the provisions of this chapter or Chapter 39 of this
2115 title or the regulations, policies, and procedures of the board.

2116 (c) The chief executive officer or his or her designee may conduct hearings and administer
2117 oaths to persons for the purpose of assuring the security or integrity of lottery and casino
2118 gaming operations in this state or to determine the qualifications of or compliance by
2119 vendors, and retailers, and licensees.

2120 50-27-12.

2121 (a) The corporation commission shall establish and maintain a personnel program for its
2122 employees and fix the compensation and terms of compensation of its employees,
2123 including, but not limited to, production incentive payments; provided, however, that
2124 production incentive payments, bonuses, or any other consideration in addition to an
2125 employee's base compensation shall not exceed 25 percent of such employee's base
2126 compensation. In total, bonuses shall not exceed 1 percent of the net increase over the
2127 prior year's deposit into the Lottery for Education Account. No bonuses may be awarded
2128 in years in which there is not a net increase over the prior year's deposit into the Lottery for
2129 Education Account.

2130 (b) No employee of the corporation commission shall have a financial interest in any
2131 vendor doing business or proposing to do business with the corporation commission.

2132 (c) No employee of the corporation commission with decision-making authority shall
2133 participate in any decision involving a retailer or licensee with whom the employee has a
2134 financial interest.

2135 (d) No employee of the corporation commission who leaves the employment of the
2136 corporation commission may represent any vendor, licensee, or lottery retailer before the
2137 corporation commission for a period of two years following termination of employment
2138 with the corporation commission.

2139 (e) Background investigation shall be conducted on each applicant who has reached the
2140 final selection process prior to employment by the corporation commission at the level of
2141 division director and above and at any level within any division of security and as
2142 otherwise required by the board. The corporation commission shall be authorized to pay
2143 for the actual cost of such investigations and may contract with the Georgia Bureau of

2144 Investigation for the performance of such investigations. The results of such a background
2145 investigation shall not be considered a record open to the public pursuant to Article 4 of
2146 Chapter 18 of this title.

2147 (f) No person who has been convicted of a felony or bookmaking or other forms of illegal
2148 gambling or of a crime involving moral turpitude shall be employed by the ~~corporation~~
2149 commission.

2150 (g) The ~~corporation~~ commission shall bond ~~corporation~~ commission employees with
2151 access to ~~corporation~~ commission funds, casino gaming revenue, or lottery revenue in such
2152 an amount as provided by the board and may bond other employees as deemed necessary.

2153 50-27-13.

2154 (a)(1) All lottery proceeds shall be the property of the ~~corporation~~ commission.

2155 (2) From its lottery proceeds the ~~corporation~~ commission shall pay the operating
2156 expenses of the ~~corporation~~ commission. As nearly as practical, at least 45 percent of the
2157 amount of money from the actual sale of lottery tickets or shares shall be made available
2158 as prize money; provided, however, that this paragraph shall be deemed not to create any
2159 lien, entitlement, cause of action, or other private right, and any rights of holders of
2160 tickets or shares shall be determined by the ~~corporation~~ commission in setting the terms
2161 of its lottery or lotteries.

2162 (3) As nearly as practical, for each fiscal year, net proceeds shall equal at least 35 percent
2163 of the lottery proceeds. However, for the first two full fiscal years and any partial first
2164 fiscal year of the ~~corporation~~ commission, net proceeds need only equal 30 percent of the
2165 proceeds as nearly as practical.

2166 (b)(1) On or before the fifteenth day of each quarter, the ~~corporation~~ commission shall
2167 transfer to the general fund of the state treasury, for credit to the Lottery for Education
2168 Account for the preceding quarter, the amount of all net proceeds during the preceding
2169 quarter. The state treasurer shall separately account for net proceeds by establishing and
2170 maintaining a Lottery for Education Account within the state treasury.

2171 (2) Upon their deposit into the state treasury, any moneys representing a deposit of net
2172 proceeds shall then become the unencumbered property of the State of Georgia and the
2173 ~~corporation~~ commission shall have no power to agree or undertake otherwise. Such
2174 moneys shall be invested by the state treasurer in accordance with state investment
2175 practices. All earnings attributable to such investments shall likewise be the
2176 unencumbered property of the state and shall accrue to the credit of the Lottery for
2177 Education Account.

2178 (3) A shortfall reserve shall be maintained within the Lottery for Education Account in
2179 an amount equal to at least 50 percent of net proceeds deposited into such account for the

2180 preceding fiscal year. If the net proceeds paid into the Lottery for Education Account in
 2181 any year are not sufficient to meet the amount appropriated for education purposes, the
 2182 shortfall reserve may be drawn upon to meet the deficiency. In the event the shortfall
 2183 reserve is drawn upon and falls below 50 percent of net proceeds deposited into such
 2184 account for the preceding fiscal year, the shortfall reserve shall be replenished to the level
 2185 required by this paragraph in the next fiscal year and the lottery-funded programs shall
 2186 be reviewed and adjusted accordingly.

2187 (c)(1) In the budget report to the General Assembly, as a separate budget category
 2188 entitled 'lottery proceeds,' the Governor shall estimate the amount of net proceeds and
 2189 treasury earnings thereon to be credited to the Lottery for Education Account during the
 2190 fiscal year and the amount of unappropriated surplus estimated to be accrued in the
 2191 account at the beginning of the fiscal year. The sum of estimated net proceeds, treasury
 2192 earnings thereon, and unappropriated surplus shall be designated lottery proceeds.

2193 (2) In the budget report the Governor shall further make specific recommendations as to
 2194 the ~~education~~ educational purposes and programs and ~~purposes~~ for which appropriations
 2195 should be made from the Lottery for Education Account. The General Assembly shall
 2196 appropriate from the Lottery for Education Account by specific reference to it, or by
 2197 reference to 'lottery proceeds.' All appropriations of lottery proceeds to any particular
 2198 budget unit shall be made together in a separate part entitled, identified, administered, and
 2199 accounted for separately as a distinct budget unit for lottery proceeds. Such
 2200 appropriations shall otherwise be made in the manner required by law for appropriations.

2201 (3) It is the intent of the General Assembly that appropriations from the Lottery for
 2202 Education Account shall be for educational purposes and ~~projects~~ programs only.

2203 (4) If, for any educational purpose or program, less is appropriated in or during the fiscal
 2204 year than is authorized, the excess shall be available for appropriation the following fiscal
 2205 year and shall not retain its character as funds for the particular purpose.

2206 (d) Appropriations for educational purposes and programs from the account not committed
 2207 during the fiscal year shall lapse to the general fund and shall be credited to the Lottery for
 2208 Education Account.

2209 (e) Except as qualified by this chapter, appropriations from the Lottery for Education Fund
 2210 shall be subject to Part 1 of Article 4 of Chapter 12 of Title 45, the 'Budget Act.'

2211 (f) In compliance with the requirement of the Constitution that there shall be a separate
 2212 accounting of lottery proceeds, no deficiency in the Lottery for Education Account shall
 2213 be replenished by book entries reducing any nonlottery reserve of general funds, including
 2214 specifically but without limitation the revenue shortfall reserve or the midyear adjustment
 2215 reserve; such programs must be adjusted or discontinued according to available lottery
 2216 proceeds unless the General Assembly by general law establishes eligibility requirements

2217 and appropriates specific funds within the ~~general appropriations~~ General Appropriations
 2218 Act; nor shall any nonlottery surplus in the general fund be reduced. No surplus in the
 2219 Lottery for Education Account shall be reduced to correct any nonlottery deficiencies in
 2220 sums available for general appropriations, and no surplus in the Lottery for Education
 2221 Account shall be included in any surplus calculated for setting aside any nonlottery reserve
 2222 or midyear adjustment reserve. In calculating net revenue collections for the revenue
 2223 shortfall reserve and midyear adjustment reserve, the state accounting officer shall not
 2224 include the net proceeds.

2225 50-27-13.1.

2226 The funding of the commission operating expenses related to casino gaming regulation
 2227 shall be provided for in the manner set forth in Chapter 39 of this title from funds
 2228 appropriated from the annual proceeds maintained in the Casino Gaming Education
 2229 Account. The establishment of this funding framework for casino gaming operations shall
 2230 in no way alter or impact the manner in which the commission funds its lottery-related
 2231 operating expenses under Code Section 50-27-13 and other provisions of this chapter.

2232 50-27-14.

2233 It is the intent of the General Assembly that the ~~corporation~~ commission encourage
 2234 participation by minority businesses. Accordingly, the board of directors shall adopt a plan
 2235 which achieves to the greatest extent possible a level of participation by minority
 2236 businesses taking into account the total number of all retailers, licensees, and vendors,
 2237 including any subcontractors. The ~~corporation~~ commission is authorized and directed to
 2238 undertake training programs and other educational activities to enable such minority
 2239 businesses to compete for contracts on an equal basis. The board shall monitor the results
 2240 of minority business participation and shall report the results of minority business
 2241 participation to the Governor at least on an annual basis.

2242 50-27-15.

2243 (a) The ~~corporation~~ commission shall investigate the financial responsibility, security, and
 2244 integrity of any lottery system vendor who is a finalist in submitting a bid, proposal, or
 2245 offer as part of a major procurement. At the time of submitting such bid, proposal, or offer
 2246 to the ~~corporation~~ commission, the ~~corporation~~ commission may require the following
 2247 items:

2248 (1) A disclosure of the vendor's name and address and, as applicable, the names and
 2249 addresses of the following:

- 2250 (A) If the vendor is a corporation, the officers, directors, and each stockholder in such
 2251 corporation; provided, however, that in the case of owners of equity securities of a
 2252 publicly traded corporation, only the names and addresses of those known to the
 2253 corporation to own beneficially 5 percent or more of such securities need be disclosed;
- 2254 (B) If the vendor is a trust, the trustee and all persons entitled to receive income or
 2255 benefits from the trust;
- 2256 (C) If the vendor is an association, the members, officers, and directors; and
- 2257 (D) If the vendor is a partnership or joint venture, all of the general partners, limited
 2258 partners, or joint venturers;
- 2259 (2) A disclosure of all the states and jurisdictions in which the vendor does business and
 2260 the nature of the business for each such state or jurisdiction;
- 2261 (3) A disclosure of all the states and jurisdictions in which the vendor has contracts to
 2262 supply gaming goods or services, including, but not limited to, lottery goods and services,
 2263 and the nature of the goods or services involved for each such state or jurisdiction;
- 2264 (4) A disclosure of all the states and jurisdictions in which the vendor has applied for,
 2265 has sought renewal of, has received, has been denied, has pending, or has had revoked
 2266 a lottery or gaming license of any kind or had fines or penalties assessed to his or her
 2267 license, contract, or operation and the disposition of such in each such state or
 2268 jurisdiction. If any lottery or gaming license or contract has been revoked or has not been
 2269 renewed or any lottery or gaming license or application has been either denied or is
 2270 pending and has remained pending for more than six months, all of the facts and
 2271 circumstances underlying the failure to receive such a license shall be disclosed;
- 2272 (5) A disclosure of the details of any finding or plea, conviction, or adjudication of guilt
 2273 in a state or federal court of the vendor for any felony or any other criminal offense other
 2274 than a traffic violation;
- 2275 (6) A disclosure of the details of any bankruptcy, insolvency, reorganization, or
 2276 corporate or individual purchase or takeover of another corporation, including bonded
 2277 indebtedness, or any pending litigation of the vendor; and
- 2278 (7) Such additional disclosures and information as the ~~corporation~~ commission may
 2279 determine to be appropriate for the procurement involved.

2280 If at least 25 percent of the cost of a vendor's contract is subcontracted, the vendor shall
 2281 disclose all of the information required by this Code section for the subcontractor as if the
 2282 subcontractor were itself a vendor.

2283 (b) ~~A lottery procurement~~ No contract shall ~~not~~ be entered into with any lottery system
 2284 vendor who has not complied with the disclosure requirements described in subsection (a)
 2285 of this Code section, and any contract with such a vendor is voidable at the option of the
 2286 ~~corporation~~ commission. Any contract with a vendor who does not comply with such

2287 requirements for periodically updating such disclosures during the tenure of contract as
 2288 may be specified in such contract may be terminated by the ~~corporation~~ commission. The
 2289 provisions of this Code section shall be construed broadly and liberally to achieve the ends
 2290 of full disclosure of all information necessary to allow for a full and complete evaluation
 2291 by the ~~corporation~~ commission of the competence, integrity, background, and character of
 2292 vendors for major procurements.

2293 (c) A major procurement contract shall not be entered into with any vendor who has been
 2294 found guilty of a felony related to the security or integrity of the lottery or casino gaming
 2295 in this or any other jurisdiction.

2296 (d) A major procurement contract shall not be entered into with any vendor if such vendor
 2297 has an ownership interest in an entity that had supplied consultation services under contract
 2298 to the ~~corporation~~ commission regarding the request for proposals pertaining to those
 2299 particular goods or services.

2300 (e) No lottery system vendor nor any applicant for a major procurement contract with the
 2301 commission may pay, give, or make any economic opportunity, gift, loan, gratuity, special
 2302 discount, favor, hospitality, or service, excluding food and beverages having an aggregate
 2303 value not exceeding \$100.00 in any calendar year, to the chief executive officer, any board
 2304 member, or any employee of the ~~corporation~~ commission or to a member of the immediate
 2305 family residing in the same household as any such person.

2306 50-27-16.

2307 (a)(1) Each vendor shall, at the execution of the contract with the ~~corporation~~
 2308 commission, post a performance bond or letter of credit from a bank or credit provider
 2309 acceptable to the ~~corporation~~ commission in an amount as deemed necessary by the
 2310 ~~corporation~~ commission for that particular bid or contract. In lieu of the bond, a vendor
 2311 may, to assure the faithful performance of its obligations, deposit and maintain with the
 2312 ~~corporation~~ commission securities that are interest bearing or accruing and that are rated
 2313 in one of the three highest classifications by an established nationally recognized
 2314 investment rating service. Securities eligible under this Code section are limited to:

2315 (A) Certificates of deposit issued by solvent banks or savings associations approved
 2316 by the ~~corporation~~ commission and which are organized and existing under the laws of
 2317 this state or under the laws of the United States;

2318 (B) United States bonds, notes, and bills for which the full faith and credit of the
 2319 government of the United States is pledged for the payment of principal and interest;
 2320 and

2321 (C) Corporate bonds approved by the ~~corporation~~ commission. The corporation which
 2322 issued the bonds shall not be an affiliate or subsidiary of the depositor.

2323 Such securities shall be held in trust and shall have at all times a market value at least
 2324 equal to the full amount estimated to be paid annually to the lottery vendor under
 2325 contract.

2326 (2) Because of certain economic considerations, minority businesses may not be able
 2327 financially to comply with the bonding, deposit of securities, or letter of credit
 2328 requirements of paragraph (1) of this subsection. Notwithstanding any other provisions
 2329 of this subsection, in order to assure minority participation in major procurement
 2330 contracts to the most feasible and practicable extent possible, the chief executive officer
 2331 is authorized and directed to waive the bonding, deposit of securities, and letter of credit
 2332 requirements of paragraph (1) of this subsection for a period of five years from the time
 2333 that a minority business enters into a major procurement contract for any minority
 2334 business which substantiates financial hardship pursuant to the policies and procedures
 2335 established by the board.

2336 (b) Each vendor shall be qualified to do business in this state and shall file appropriate tax
 2337 returns as provided by the laws of this state. All contracts under this Code section shall be
 2338 governed by the laws of this state.

2339 (c) No contract shall be let with any vendor in which a public official, as defined by Code
 2340 Section 45-10-20, has an ownership interest of 10 percent or more.

2341 (d) All major procurement contracts must be competitively bid pursuant to policies and
 2342 procedures approved by the board unless there is only one qualified vendor and that vendor
 2343 has an exclusive right to offer the service or product.

2344 50-27-17.

2345 (a) The General Assembly recognizes that to conduct a successful lottery, the ~~corporation~~
 2346 commission must develop and maintain a state-wide network of lottery retailers that will
 2347 serve the public convenience and promote the sale of tickets or shares and the playing of
 2348 lottery games while ensuring the integrity of the lottery operations, games, and activities.

2349 (b) The ~~corporation~~ commission must make every effort to provide small retailers a chance
 2350 to participate in the sales of lottery tickets or shares.

2351 (c) The ~~corporation~~ commission shall provide for compensation to lottery retailers in the
 2352 form of commissions in an amount of 6 percent of gross sales and may provide for other
 2353 forms of incentive compensation beginning on July 1, 2016; provided, however, that other
 2354 forms of incentive compensation may be provided beginning on July 1, 2014, if the Lottery
 2355 for Education Account deposits exceed \$1 billion in the previous fiscal year or may be
 2356 provided prior to July 1, 2016, as authorized by the Governor.

2357 (d) The ~~corporation~~ commission shall issue a certificate of authority to each person with
 2358 whom it contracts as a retailer for purposes of display. Every lottery retailer shall post and

2359 keep conspicuously displayed in a location on the premises accessible to the public its
 2360 certificate of authority. No certificate shall be assignable or transferable.

2361 (e) The board shall develop a list of objective criteria upon which the qualification of
 2362 lottery retailers shall be based. Separate criteria shall be developed to govern the selection
 2363 of retailers of instant tickets and ~~on-line~~ online retailers. In developing these criteria, the
 2364 board shall consider such factors as the applicant's financial responsibility, security of the
 2365 applicant's place of business or activity, accessibility to the public, integrity, and reputation.
 2366 The board shall not consider political affiliation, activities, or monetary contributions to
 2367 political organizations or candidates for any public office. The criteria shall include but
 2368 not be limited to the following:

2369 (1) The applicant shall be current in filing all applicable tax returns to the State of
 2370 Georgia and in payment of all taxes, interest, and penalties owed to the State of Georgia,
 2371 excluding items under formal appeal pursuant to applicable statutes. The Department of
 2372 Revenue is authorized and directed to provide this information to the ~~corporation~~
 2373 commission;

2374 (2) No person, partnership, unincorporated association, corporation, or other business
 2375 entity shall be selected as a lottery retailer who:

2376 (A) Has been convicted of a criminal offense related to the security or integrity of the
 2377 lottery in this or any other jurisdiction;

2378 (B) Has been convicted of any illegal gambling activity, false statements, false
 2379 swearing, or perjury in this or any other jurisdiction or convicted of any crime
 2380 punishable by more than one year of imprisonment or a fine of more than \$1,000.00 or
 2381 both unless the person's civil rights have been restored and at least five years have
 2382 elapsed from the date of the completion of the sentence without a subsequent conviction
 2383 of a crime described in this subparagraph;

2384 (C) Has been found to have violated the provisions of this chapter or any regulation,
 2385 policy, or procedure of the ~~corporation~~ commission unless either ten years have passed
 2386 since the violation or the board finds the violation both minor and unintentional in
 2387 nature;

2388 (D) Is a vendor or any employee or agent of any vendor doing business with the
 2389 ~~corporation~~ commission;

2390 (E) Resides in the same household as an officer of the ~~corporation~~ commission;

2391 (F) Has made a statement of material fact to the ~~corporation~~ commission knowing such
 2392 statement to be false; or

2393 (G) Is engaged exclusively in the business of selling lottery tickets or shares; provided,
 2394 however, that this subsection shall not preclude the ~~corporation~~ commission from
 2395 selling or giving away lottery tickets or shares for promotional purposes;

2396 (3) Persons applying to become lottery retailers shall be charged a uniform application
 2397 fee for each lottery outlet. Retailers who participate in ~~on-line~~ online games shall be
 2398 charged a uniform application fee for each ~~on-line~~ online outlet;

2399 (4) Any lottery retailer contract executed pursuant to this Code section may, for good
 2400 cause, be suspended, revoked, or terminated by the chief executive officer or his or her
 2401 designee if the retailer is found to have violated any provision of this chapter or objective
 2402 criteria established by the board. Review of such activities shall be in accordance with
 2403 the procedures outlined in this chapter and shall not be subject to Chapter 13 of this title,
 2404 the 'Georgia Administrative Procedure Act'; and

2405 (5) All lottery retailer contracts may be renewable annually in the discretion of the
 2406 ~~corporation~~ commission unless sooner canceled or terminated.

2407 (f) No lottery retailer or applicant to be a lottery retailer shall pay, give, or make any
 2408 economic opportunity, gift, loan, gratuity, special discount, favor, hospitality, or service,
 2409 excluding food and beverages having an aggregate value not exceeding \$100.00 in any
 2410 calendar year, to the chief executive officer, any board member, or any employee of the
 2411 ~~corporation~~ commission or to a member of the immediate family residing in the same
 2412 household as any such person.

2413 50-27-18.

2414 (a) No lottery retailer contract shall be transferable or assignable. No lottery retailer shall
 2415 contract with any person for lottery goods or services except with the approval of the
 2416 board.

2417 (b) Lottery tickets and shares shall only be sold by the retailer stated on the lottery retailer
 2418 certificate.

2419 50-27-19.

2420 (a) The ~~corporation~~ commission may establish a fidelity fund separate from all other funds
 2421 and shall assess each retailer a one-time fee not to exceed \$100.00 per sales location. The
 2422 ~~corporation~~ commission is authorized to invest the funds or place such funds in one or
 2423 more interest-bearing accounts. Moneys deposited to the fund may be used to cover losses
 2424 the ~~corporation~~ commission experiences due to nonfeasance, misfeasance, or malfeasance
 2425 of a lottery retailer. In addition, the funds may be used to purchase blanket bonds covering
 2426 the Georgia Lottery ~~Corporation~~ and Casino Gaming Commission against losses from all
 2427 retailers. At the end of each fiscal year, the ~~corporation~~ commission shall pay to the
 2428 general lottery fund any amount in the fidelity fund which exceeds \$500,000.00, and such
 2429 funds shall be commingled with and treated as net proceeds from the lottery.

2430 (b) A reserve account may be established as a general operating expense to cover amounts
 2431 deemed uncollectable. The ~~corporation~~ commission shall establish procedures for
 2432 minimizing any losses that may be experienced for the foregoing reasons and shall exercise
 2433 and exhaust all available options in such procedures prior to amounts being written off to
 2434 this account.

2435 (c) The ~~corporation~~ commission may require any retailer to post an appropriate bond, as
 2436 determined by the ~~corporation~~ commission, using an insurance company acceptable to the
 2437 ~~corporation~~ commission. The amount should not exceed the applicable district sales
 2438 average of lottery tickets for two billing periods.

2439 (d)(1) In its discretion, the ~~corporation~~ commission may allow a retailer to deposit and
 2440 maintain with the ~~corporation~~ commission securities that are interest bearing or accruing.
 2441 Securities eligible under this paragraph shall be limited to:

2442 (A) Certificates of deposit issued by solvent banks or savings associations organized
 2443 and existing under the laws of this state or under the laws of the United States;

2444 (B) United States bonds, notes, and bills for which the full faith and credit of the
 2445 United States is pledged for the payment of principal and interest;

2446 (C) Federal agency securities by an agency or instrumentality of the United States
 2447 government.

2448 (2) Such securities shall be held in trust in the name of the Georgia Lottery ~~Corporation~~
 2449 and Casino Gaming Commission.

2450 50-27-20.

2451 (a) Any retail contract executed by the ~~corporation~~ commission pursuant to this chapter
 2452 shall specify the reasons for which a contract may be canceled, suspended, revoked, or
 2453 terminated by the ~~corporation~~ commission, which reasons shall include but not be limited
 2454 to:

2455 (1) Commission of a violation of this chapter, a regulation, or a policy or procedure of
 2456 the ~~corporation~~ commission;

2457 (2) Failure to accurately or timely account for lottery tickets, lottery games, revenues,
 2458 or prizes as required by the ~~corporation~~ commission;

2459 (3) Commission of any fraud, deceit, or misrepresentation;

2460 (4) Insufficient sales;

2461 (5) Conduct prejudicial to public confidence in the lottery;

2462 (6) The retailer filing for or being placed in bankruptcy or receivership;

2463 (7) Any material change as determined in the sole discretion of the ~~corporation~~
 2464 commission in any matter considered by the ~~corporation~~ commission in executing the
 2465 contract with the retailer; or

2466 (8) Failure to meet any of the objective criteria established by the ~~corporation~~
 2467 commission pursuant to this chapter.

2468 (b) If, in the discretion of the chief executive officer or his or her designee cancellation,
 2469 denial, revocation, suspension, or rejection of renewal of a lottery retailer or other
 2470 commission contract is in the best interest of the ~~lottery~~ commission, the public welfare,
 2471 or the State of Georgia, the chief executive officer or his or her designee may cancel,
 2472 suspend, revoke, or terminate, after notice and a right to a hearing, any contract issued
 2473 pursuant to this chapter. Such contract may, however, be temporarily suspended by the
 2474 chief executive officer or his or her designee without prior notice pending any prosecution,
 2475 hearing, or investigation, whether by a third party or by the chief executive officer. A
 2476 contract may be suspended, revoked, or terminated by the chief executive officer or his or
 2477 her designee for any one or more of the reasons enumerated in this Code section. Any
 2478 hearing held shall be conducted by the chief executive officer or his or her designee. A
 2479 party to the contract aggrieved by the decision of the chief executive officer or his or her
 2480 designee may appeal the adverse decision to the board. Such appeal shall be pursuant to the
 2481 regulations, policies, and procedures set by the board and is not subject to Chapter 13 of
 2482 this title, the 'Georgia Administrative Procedure Act.'

2483 50-27-21.

2484 (a) All proceeds from the sale of the lottery tickets or shares shall constitute a trust fund
 2485 until paid to the ~~corporation~~ commission either directly or through the ~~corporation's~~
 2486 commission's authorized collection representative. A lottery retailer and officers of a
 2487 lottery retailer's business shall have a fiduciary duty to preserve and account for lottery
 2488 proceeds and lottery retailers shall be personally liable for all proceeds. Proceeds shall
 2489 include unsold instant tickets received by a lottery retailer and cash proceeds of the sale of
 2490 any lottery products, net of allowable sales commissions and credit for lottery prizes sold
 2491 to or paid to winners by lottery retailers. Sales proceeds and unused instant tickets shall
 2492 be delivered to the ~~corporation~~ commission or its authorized collection representative upon
 2493 demand.

2494 (b) The ~~corporation~~ commission shall require retailers to place all lottery proceeds due the
 2495 ~~corporation~~ commission in accounts in institutions insured by the Federal Deposit
 2496 Insurance Corporation not later than the close of the next banking day after the date of their
 2497 collection by the retailer until the date they are paid over to the ~~corporation~~ commission.
 2498 At the time of such deposit, lottery proceeds shall be deemed to be the property of the
 2499 ~~corporation~~ commission. The ~~corporation~~ commission may require a retailer to establish
 2500 a single separate electronic funds transfer account where available for the purpose of
 2501 receiving moneys from ticket or share sales, making payments to the ~~corporation~~

2502 commission, and receiving payments for the ~~corporation~~ commission. Unless otherwise
2503 authorized in writing by the ~~corporation~~ commission, each lottery retailer shall establish
2504 a separate bank account for lottery proceeds which shall be kept separate and apart from
2505 all other funds and assets and shall not be commingled with any other funds or assets.

2506 (c) Whenever any person who receives proceeds from the sale of lottery tickets or shares
2507 in the capacity of a lottery retailer becomes insolvent or dies insolvent, the proceeds due
2508 the ~~corporation~~ commission from such person or his or her estate shall have preference
2509 over all debts or demands.

2510 50-27-22.

2511 If a lottery retailer's rental payments for the business premises are contractually computed,
2512 in whole or in part, on the basis of a percentage of retail sales and such computation of
2513 retail sales is not explicitly defined to include sales of tickets or shares in a state operated
2514 or state managed lottery, only the compensation received by the lottery retailer from the
2515 ~~corporation~~ commission may be considered the amount of the lottery retail sale for
2516 purposes of computing the rental payment.

2517 50-27-23.

2518 (a) No person shall sell a ticket or share at a price other than established by the ~~corporation~~
2519 commission unless authorized in writing by the chief executive officer. No person other
2520 than a duly certified lottery retailer shall sell lottery tickets, but this subsection shall not be
2521 construed to prevent a person who may lawfully purchase tickets or shares from making
2522 a gift of lottery tickets or shares to another. Nothing in this chapter shall be construed to
2523 prohibit the ~~corporation~~ commission from designating certain of its agents and employees
2524 to sell or give lottery tickets or shares directly to the public.

2525 (b) Lottery tickets or shares may be given by merchants as a means of promoting goods
2526 or services to customers or prospective customers subject to prior approval by the
2527 ~~corporation~~ commission.

2528 (c) No lottery retailer shall sell a lottery ticket or share except from the locations listed in
2529 his or her contract and as evidenced by his or her certificate of authorization unless the
2530 ~~corporation~~ commission authorizes in writing any temporary location not listed in his or
2531 her contract.

2532 (d) No lottery tickets or shares shall be sold to persons under 18 years of age, but this Code
2533 section does not prohibit the purchase of a lottery ticket or share by a person 18 years of
2534 age or older for the purpose of making a gift to any person of any age. In such case, the
2535 ~~corporation~~ commission shall direct payment of proceeds of any lottery prize to an adult
2536 member of the person's family or a legal representative of the person on behalf of such

2537 person. The person named as custodian shall have the same powers and duties as
2538 prescribed for a custodian pursuant to Article 5 of Chapter 5 of Title 44.

2539 50-27-24.

2540 (a) Proceeds of any lottery prize shall be subject to the Georgia state income tax.

2541 (b) Except as otherwise provided in Article 2 of this chapter, attachments, garnishments,
2542 or executions authorized and issued pursuant to law shall be withheld if timely served upon
2543 the ~~corporation~~ commission. This subsection shall not apply to a retailer.

2544 (c) The ~~corporation~~ commission shall adopt regulations, policies, and procedures to
2545 establish a system of verifying the validity of tickets or shares claimed to win prizes and
2546 to effect payment of such prizes, except that:

2547 (1) Except as provided in Code Section 50-27-24.1, no prize, any portion of a prize, or
2548 any right of any person to a prize awarded shall be assignable. Any prize or any portion
2549 of a prize remaining unpaid at the death of a prize winner shall be paid to the estate of the
2550 deceased prize winner or to the trustee of a trust established by the deceased prize winner
2551 as settlor if a copy of the trust document or instrument has been filed with the ~~corporation~~
2552 commission along with a notarized letter of direction from the settlor and no written
2553 notice of revocation has been received by the ~~corporation~~ commission prior to the settlor's
2554 death. Following a settlor's death and prior to any payment to such a successor trustee,
2555 the ~~corporation~~ commission shall obtain from the trustee a written agreement to
2556 indemnify and hold the ~~corporation~~ commission harmless with respect to any claims that
2557 may be asserted against the ~~corporation~~ commission arising from payment to or through
2558 the trust. Notwithstanding any other provisions of this Code section, any person,
2559 pursuant to an appropriate judicial order, shall be paid the prize to which a winner is
2560 entitled;

2561 (2) No prize shall be paid arising from claimed tickets that are stolen, counterfeit, altered,
2562 fraudulent, unissued, produced or issued in error, unreadable, not received, or not
2563 recorded by the ~~corporation~~ commission within applicable deadlines; lacking in captions
2564 that conform and agree with the play symbols as appropriate to the particular lottery game
2565 involved; or not in compliance with such additional specific regulations and public or
2566 confidential validation and security tests of the ~~corporation~~ commission appropriate to
2567 the particular lottery game involved;

2568 (3) No particular prize in any lottery game shall be paid more than once, and in the event
2569 of a determination that more than one claimant is entitled to a particular prize, the sole
2570 remedy of such claimants is the award to each of them of an equal share in the prize; and

2571 (4) A holder of a winning cash ticket or share from a lottery game shall claim a cash
2572 prize within 180 days, or for a multistate or multisovereign lottery game within 180 days,

2573 after the drawing in which the cash prize was won. In any Georgia lottery game in which
2574 the player may determine instantly if he or she has won or lost, he or she shall claim a
2575 cash prize within 90 days, or for a multistate lottery game within 180 days, after the end
2576 of the lottery game. If a valid claim is not made for a cash prize within the applicable
2577 period, the cash prize shall constitute an unclaimed prize for purposes of this Code
2578 section.

2579 (d) No prize shall be paid upon a ticket or share purchased or sold in violation of this
2580 chapter. Any such prize shall constitute an unclaimed prize for purposes of this Code
2581 section.

2582 (e) The ~~corporation~~ commission is discharged of all liability upon payment of a prize.

2583 (f) No ticket or share shall be purchased by and no prize shall be paid to any member of
2584 the board of directors; any officer or employee of the ~~corporation~~ commission; or to any
2585 spouse, child, brother, sister, or parent residing as a member of the same household in the
2586 principal place of residence of any such person. No ticket or share shall be purchased by
2587 and no prize shall be paid to any officer, employee, agent, or subcontractor of any vendor
2588 or to any spouse, child, brother, sister, or parent residing as a member of the same
2589 household in the principal place of residence of any such person if such officer, employee,
2590 agent, or subcontractor has access to confidential information which may compromise the
2591 integrity of the lottery.

2592 (g) No lottery game utilizing an electronic or mechanical machine may use a machine
2593 which dispenses coins or currency.

2594 (h) Unclaimed prize money shall not constitute net lottery proceeds. A portion of
2595 unclaimed prize money, not to exceed \$200,000.00 annually, shall be directed to the
2596 Department of Behavioral Health and Developmental Disabilities for the treatment of
2597 compulsive gambling disorder and educational programs related to such disorder. In
2598 addition, unclaimed prize money may be added to the pool from which future prizes are to
2599 be awarded or used for special prize promotions.

2600 50-27-24.1.

2601 (a) Under an appropriate judicial order, any prize or any portion of a prize or any right of
2602 any person to a prize awarded payable by the ~~corporation~~ commission in installment
2603 payments may be paid to any person other than the winner.

2604 (b) The right of a person to a prize payable by the ~~corporation~~ commission in installment
2605 payments may be voluntarily assigned as a whole or in part if the assignment is made to
2606 a person designated in accordance with an order of the superior court in the county where
2607 the ~~corporation~~ commission is located. In the case of a voluntary assignment for
2608 consideration made under a judicial order, the assignee shall withhold from the purchase

2609 price to be paid to the assignor federal and state income taxes in a manner and amount
2610 consistent with the procedures of the ~~corporation~~ commission and pay such withheld taxes
2611 to the proper taxing authority in a timely manner and maintain and file all required records,
2612 forms, and reports.

2613 (c) On the filing by the assignor or the assignee in the superior court of a petition seeking
2614 approval of a voluntary assignment, the filing party shall schedule a hearing on such
2615 petition and serve notice of the hearing on all interested parties. The court shall conduct
2616 an evidentiary hearing. If the court finds that:

2617 (1) The assignment is in writing, is executed by the assignor, and is by its terms subject
2618 to the laws of the state;

2619 (2) The assignor has provided a sworn affidavit attesting that he or she is of sound mind,
2620 is in full command of his or her faculties, and is not acting under duress;

2621 (3) The assignor has been advised about the assignment by an independent attorney who
2622 is not related to and not compensated by the assignee or an affiliate of the assignee;

2623 (4) The assignor understands that he or she will not receive the prize payments or parts
2624 of payments during the years assigned;

2625 (5) The assignor understands and agrees that the ~~corporation~~ commission, directors, and
2626 officials and employees of the ~~corporation~~ commission are not liable or responsible for
2627 making any of the assigned payments;

2628 (6) The assignee has provided the assignor with a one-page disclosure statement in
2629 boldface type not less than 14 points in size, setting forth:

2630 (A) The payments being assigned by the amount and payment date;

2631 (B) The purchase price;

2632 (C) The rate of discount to present value assuming daily compounding and funding on
2633 the contract date;

2634 (D) An itemized listing of all brokers' commissions, service charges, application fees,
2635 processing fees, closing costs, filing fees, administrative fees, notary fees, and other
2636 commissions, fees, costs, expenses, and charges, and a good faith estimate of all legal
2637 fees and court costs payable by the assignor or deductible from the gross amount
2638 otherwise payable to the assignor;

2639 (E) The net amount payable to the assignor after deduction of all commissions, fees,
2640 costs, expenses, and charges described in subparagraph (D) of this paragraph; and

2641 (F) The amount of any penalty and the amount of any liquidated damages, inclusive
2642 of penalties, payable by the assignor in the event of any breach of the transfer
2643 agreement by the assignor;

2644 (7) The interest rate or discount rate, as applicable, associated with the assignment does
2645 not indicate overreaching or exploitation, does not exceed current usury rates, and does
2646 not violate any laws of usury of this state; and

2647 (8) The contract of assignment expressly states that the assignor has three business days
2648 after signing the contract to cancel the assignment,

2649 the court shall issue an order approving a voluntary assignment and directing the
2650 ~~corporation~~ commission to make prize payments as a whole or in part to the assignee.

2651 (d) Written notice of the petition and proposed assignment and any court hearing
2652 concerning the petition and proposed assignment shall be given to the ~~corporation's~~
2653 commission's counsel at least ten days before a court hearing. The ~~corporation~~ commission
2654 need not appear in or be named as party to an action that seeks judicial approval of an
2655 assignment but may intervene as of right in the action. A certified copy of a court order
2656 approving a voluntary assignment shall be given to the ~~corporation~~ commission not later
2657 than ten days before the date on which the payment is to be made. Written notice of the
2658 petition and proposed assignment and any court hearing concerning the petition and
2659 proposed assignment shall be served by certified mail to the last known address of any
2660 interested party. The interested party need not appear in or be named as party to an action
2661 that seeks judicial approval of an assignment but may intervene as of right in the action.

2662 (e) The ~~corporation~~ commission, not later than ten days after receiving a certified copy of
2663 a court order approving a voluntary assignment, shall send the assignor and the assignee
2664 written confirmation of the court approved assignment and the intent of the ~~corporation~~
2665 commission to rely on the assignment in making payments to the assignee named in the
2666 order free from any attachments, garnishments, or executions.

2667 (f) A voluntary assignment may not include or cover payments or parts of payments to the
2668 assignor to the extent that such payments are subject to attachments, garnishments, or
2669 executions authorized and issued pursuant to law as provided in subsection (b) of Code
2670 Section 50-27-24. Each court order issued under this subsection shall provide that any
2671 obligations of the assignor created by subsection (b) of Code Section 50-27-24 shall be
2672 satisfied out of the proceeds to be received by the assignor.

2673 (g) A voluntary assignment may not include portions of payments that are subject to offset
2674 on account of a defaulted or delinquent child support obligation, nonwage garnishment, or
2675 criminal restitution obligation or on account of a debt owed to a state agency. Each court
2676 order issued under subsection (c) of this Code section shall provide that any delinquent
2677 child support or criminal restitution obligations of the assignor and any debts owed to a
2678 state agency by the assignor, as of the date of the court order, shall be set off by the
2679 ~~corporation~~ commission first against remaining payments or portions thereof due the prize
2680 winner and then against payments due the assignee.

2681 (h) The ~~corporation~~ commission, the directors, officials, and employees of the ~~corporation~~
2682 commission are not liable under this Code section after payment of an assigned prize is
2683 made. The assignor and assignee shall hold harmless and indemnify the ~~corporation~~
2684 commission, the directors, and the state, and its employees and agents, from all claims,
2685 suits, actions, complaints, or liabilities related to the assignment.

2686 (i) The ~~corporation~~ commission may establish a reasonable fee to defray administrative
2687 expenses associated with assignments made under this Code section, including a processing
2688 fee imposed by a private annuity provider. The amount of the fee shall reflect the direct
2689 and indirect costs of processing assignments.

2690 (j) The assignee shall notify the ~~corporation~~ commission of its business location and
2691 mailing address for payment purposes and of any change in location or address during the
2692 entire course of the assignment.

2693 (k) A court order or a combination of court orders under this Code section may not require
2694 the ~~corporation~~ commission to divide a single prize payment among more than three
2695 different persons. This Code section does not prohibit the substitution of assignees as long
2696 as there are not more than three assignees at any one time for any one prize payment. Any
2697 subsequent assignee is bound as the original assignee by the provisions of this Code section
2698 and the terms and conditions of the contract of assignment.

2699 (l) If the federal Internal Revenue Service or a court of competent jurisdiction issues a
2700 determination letter, revenue ruling, or other public document declaring that the voluntary
2701 assignment of prizes will affect the federal income tax treatment of lottery prize winners
2702 who do not assign their prizes, then within 15 days after the ~~corporation~~ commission
2703 receives the letter, ruling, or other document, the director of the ~~corporation~~ commission
2704 shall file a copy of it with the Attorney General and a court may not issue an order
2705 authorizing a voluntary assignment under this Code section.

2706 (m) The provisions of this Code section shall prevail over any inconsistent provision in
2707 Code Section 11-9-109.

2708 (n) Any agreement or option to sell, assign, pledge, hypothecate, transfer, or encumber a
2709 lottery prize, or any portion thereof, prior to May 12, 2008, shall be void in its entirety.

2710 50-27-25.

2711 (a) Except as authorized in this chapter, the ~~corporation~~ commission is subject to the
2712 provisions of Article 4 of Chapter 18 of this title and Chapter 14 of this title. The
2713 ~~corporation~~ commission is specifically authorized to determine which information relating
2714 to the operation of the lottery is confidential. Such information includes trade secrets;
2715 security measures, systems, or procedures; security reports; information concerning bids
2716 or other contractual data, the disclosure of which would impair the efforts of the

2717 ~~corporation~~ commission to contract for goods or services on favorable terms; employee
 2718 personnel information unrelated to compensation, duties, qualifications, or responsibilities;
 2719 and information obtained pursuant to investigations which is otherwise confidential.
 2720 Information deemed confidential pursuant to this Code section is exempt from the
 2721 provisions of Article 4 of Chapter 18 of this title. Meetings or portions of meetings
 2722 devoted to discussing information deemed confidential pursuant to this Code section are
 2723 exempt from Chapter 14 of this title.

2724 (b) The ~~corporation~~ commission shall perform full criminal background investigations
 2725 prior to the execution of any lottery vendor contract.

2726 (c) The ~~corporation~~ commission or its authorized agent shall:

2727 (1) Conduct criminal background investigations and credit investigations on all potential
 2728 retailers;

2729 (2) Supervise ticket or share validation and lottery drawings;

2730 (3) Inspect at times determined solely by the ~~corporation~~ commission the facilities of any
 2731 vendor or lottery retailer in order to determine the integrity of the vendor's product or the
 2732 operations of the retailer in order to determine whether the vendor or the retailer is in
 2733 compliance with its contract;

2734 (4) Report any suspected violations of this chapter to the appropriate district attorney or
 2735 the Attorney General and to any law enforcement agencies having jurisdiction over the
 2736 violation; and

2737 (5) Upon request, provide assistance to any district attorney, the Attorney General, or a
 2738 law enforcement agency investigating a violation of this chapter.

2739 50-27-25.1.

2740 Except as authorized in this chapter, the commission is subject to the provisions of Article
 2741 4 of Chapter 18 of this title and Chapter 14 of this title. The commission is specifically
 2742 authorized to determine which information relating to the regulation of casino gaming is
 2743 confidential. Such information shall include trade secrets; security measures, systems, or
 2744 procedures; security reports; information concerning bids or other contractual data, the
 2745 disclosure of which would impair the efforts of the commission to contract for goods or
 2746 services on favorable terms; employee personnel information unrelated to compensation,
 2747 duties, qualifications, or responsibilities; and information obtained pursuant to
 2748 investigations which is otherwise confidential. Information deemed confidential pursuant
 2749 to this Code section shall be exempt from the provisions of Article 4 of Chapter 18 of this
 2750 title. Meetings or portions of meetings devoted to discussing information deemed
 2751 confidential pursuant to this Code section shall be exempt from Chapter 14 of this title.

2752 50-27-26.

2753 Any person who knowingly sells a lottery ticket or share to a person under 18 years of age
2754 or permits a person under 18 years of age to play any lottery games shall be guilty of a
2755 misdemeanor and shall be fined not less than \$100.00 nor more than \$500.00 for the first
2756 offense and for each subsequent offense not less than \$200.00 nor more than \$1,000.00.
2757 It shall be an affirmative defense to a charge of a violation under this Code section that the
2758 retailer reasonably and in good faith relied upon representation of proof of age in making
2759 the sale.

2760 50-27-27.

2761 (a) Any person who, with intent to defraud, falsely makes, alters, forges, utters, passes, or
2762 counterfeits a state lottery ticket shall be punished by a fine not to exceed \$50,000.00 or
2763 imprisonment for not longer than five years or both.

2764 (b) Any person who influences or attempts to influence the winning of a prize through the
2765 use of coercion, fraud, deception, or tampering with lottery equipment or materials shall
2766 be punished by a fine not to exceed \$50,000.00 or by imprisonment for not longer than five
2767 years or both.

2768 50-27-28.

2769 No person shall knowingly or intentionally make a material false statement in any
2770 application for a license or proposal to conduct lottery activities or make a material false
2771 entry in any book or record which is compiled or maintained or submitted to the board
2772 pursuant to the provisions of this chapter. Any person who violates the provisions of this
2773 Code section shall be punished by a fine not to exceed \$25,000.00 or the dollar amount of
2774 the false entry or statement, whichever is greater, or by imprisonment for not longer than
2775 five years or both.

2776 50-27-29.

2777 (a) The ~~corporation~~ commission may enter into intelligence sharing, reciprocal use, or
2778 restricted use agreements with the federal government, law enforcement agencies, lottery
2779 regulation agencies, and gaming enforcement agencies of other jurisdictions which provide
2780 for and regulate the use of information provided and received pursuant to the agreement.

2781 (b) Records, documents, and information in the possession of the ~~corporation~~ commission
2782 received pursuant to an ~~intelligence-sharing~~ intelligence sharing, reciprocal use, or
2783 restricted use agreement entered into by the ~~corporation~~ commission with a federal
2784 department or agency, any law enforcement agency, or the lottery regulation or gaming
2785 enforcement agency of any jurisdiction shall be considered investigative records of a law

2786 enforcement agency and are not subject to Article 4 of Chapter 18 of this title and shall not
 2787 be released under any condition without the permission of the person or agency providing
 2788 the record or information.

2789 50-27-30.

2790 (a) The ~~corporation~~ commission shall enter into its contracts for major procurements after
 2791 competitive bidding. The requirement for competitive bidding does not apply in the case
 2792 of a single vendor having exclusive rights to offer a particular service or product.
 2793 Procedures adopted by the board shall be designed to allow the selection of proposals that
 2794 provide the greatest long-term benefit to the state, the greatest integrity for the ~~corporation~~
 2795 commission, and the best service and products for the public.

2796 (b) In any bidding process, the ~~corporation~~ commission may administer its own bidding
 2797 and procurement or may utilize the services of the Department of Administrative Services
 2798 or other state agency or subdivision thereof.

2799 50-27-31.

2800 (a) Any retailer, vendor, or applicant for a retailer or vendor contract aggrieved by an
 2801 action of the board may appeal that decision to the Superior Court of Fulton County.

2802 (b) The Superior Court of Fulton County shall hear appeals from decisions of the board
 2803 and based upon the record of the proceedings before the board may reverse the decision of
 2804 the board only if the appellant proves the decision to be:

2805 (1) Clearly erroneous;

2806 (2) Arbitrary and capricious;

2807 (3) Procured by fraud;

2808 (4) A result of substantial misconduct by the board; or

2809 (5) Contrary to the United States Constitution or the Constitution of Georgia or the
 2810 provisions of this chapter.

2811 (c) The superior court may remand an appeal to the board to conduct further hearings.

2812 (d) Any person who appeals the award of a major procurement contract for the supply of
 2813 a lottery ticket system, share system, or an ~~on-line~~ online or other mechanical or electronic
 2814 system shall be liable for all costs of appeal and defense in the event the appeal is denied
 2815 or the contract award upheld. Cost of appeal and defense shall specifically include but not
 2816 be limited to court costs, bond, legal fees, and loss of income to the ~~corporation~~
 2817 commission resulting from institution of the appeal if, upon the motion of the ~~corporation~~
 2818 commission, the court finds the appeal to have been frivolous.

2819 50-27-32.

2820 (a) The ~~corporation~~ commission may borrow, or accept and expend, in accordance with
 2821 the provisions of this chapter, such moneys as may be received from any source, including
 2822 income from the ~~corporation's~~ commission's operations, for effectuating its ~~corporate~~
 2823 organizational purposes, including the payment of the initial expenses of initiation,
 2824 administration, and operation of the ~~corporation~~ commission and the lottery, as well as the
 2825 regulation of casino gaming in this state.

2826 (b) Any debt of the ~~corporation~~ commission may be validated pursuant to the provisions
 2827 of subsection (e) of Code Section 50-17-25, and the provisions of such subsection relating
 2828 to the State Financing and Investment Commission shall be deemed to apply to the
 2829 ~~corporation~~ commission.

2830 (c) The ~~corporation~~ commission shall be self-sustaining and self-funded. Moneys in the
 2831 state general fund shall not be used or obligated to pay the expenses of the ~~corporation~~
 2832 commission or prizes of the lottery, and no claim for the payment of an expense of the
 2833 lottery or prizes of the lottery may be made against any moneys other than moneys credited
 2834 to the ~~corporation~~ commission operating account.

2835 (d) The ~~corporation~~ commission may purchase, lease, or lease-purchase such goods or
 2836 services as are necessary for effectuating the purposes of this chapter. The ~~corporation~~
 2837 commission may make procurements which integrate functions such as lottery game
 2838 design, lottery ticket distribution to retailers, supply of goods and services, and advertising.
 2839 In all procurement decisions, the ~~corporation~~ commission shall take into account the
 2840 particularly sensitive nature of the state lottery and casino gaming, and shall act to promote
 2841 and ensure security, honesty, fairness, and integrity in the operation and administration of
 2842 the lottery and the regulation of casino gaming, and the objectives of raising net proceeds
 2843 for the benefit of educational programs and purposes.

2844 50-27-33.

2845 To ensure the financial integrity of the ~~lottery~~ commission and its operation, the
 2846 ~~corporation~~ commission through its board of ~~directors~~ shall:

2847 (1) Submit quarterly and annual reports to the Governor, state auditor, the state
 2848 accounting officer, and the oversight committee created by Code Section 50-27-34,
 2849 disclosing ~~the~~ total lottery revenues and prize disbursements, gross gaming revenues
 2850 generated by licensed resort facilities within the state, ~~prize disbursements~~, and total
 2851 commission operating ~~expenses~~; and administrative expenses ~~of the corporation~~ during
 2852 the reporting period. The annual report shall additionally describe the organizational
 2853 structure of the ~~corporation~~ commission and ~~summarize the functions performed by each~~
 2854 ~~organizational division within the corporation~~ and provide the public with a

- 2855 comprehensive financial report of casino gaming operations conducted at licensed resort
2856 facilities within the state during the previous calendar year, including revenues generated,
2857 and operation expenses incurred;
- 2858 (2) Adopt a system of internal audits;
- 2859 (3) Maintain weekly or more frequent records of lottery transactions, including the
2860 distribution of tickets or shares to retailers, revenues received, claims for prizes, prizes
2861 paid, prizes forfeited, and other financial transactions of the ~~corporation~~ commission;
- 2862 (3.1) Maintain monthly or more frequent records of casino gaming operations conducted
2863 by licensed resort facilities within the state, including, but not limited to, data regarding
2864 gross gaming revenues generated and operational expenses incurred by licensees;
- 2865 (4) Contract with a certified public accountant or firm for an annual financial audit of the
2866 ~~corporation~~ commission. The certified public accountant or firm shall have no financial
2867 interest in any vendor with whom the ~~corporation~~ commission is under contract. The
2868 certified public accountant or firm shall present an audit report not later than four months
2869 after the end of the fiscal year. The certified public accountant or firm shall evaluate the
2870 internal auditing controls in effect during the audit period. The cost of this annual
2871 financial audit shall be an operating expense of the ~~corporation~~ commission. The state
2872 auditor may at any time conduct an audit of any phase of the operations of the Georgia
2873 Lottery ~~Corporation~~ and Casino Gaming Commission at the expense of the state and shall
2874 receive a copy of the annual independent financial audit. A copy of any audit performed
2875 by the certified public accountant or firm or the state auditor shall be transmitted to the
2876 Governor, the Lieutenant Governor, and the Speaker of the House of Representatives, the
2877 state auditor, the state accounting officer, and the oversight committee chairperson;
- 2878 (5) Submit to the Office of Planning and Budget, the state auditor, and the state
2879 accounting officer by June 30 of each year a copy of the annual operating budget for the
2880 ~~corporation~~ commission for the next fiscal year. This annual operating budget shall be
2881 approved by the board and be on such forms as prescribed by the Office of Planning and
2882 Budget;
- 2883 (6) For informational purposes only, submit to the Office of Planning and Budget on
2884 September 1 of each year a proposed operating budget for the ~~corporation~~ commission
2885 for the succeeding fiscal year. This budget proposal shall also be accompanied by an
2886 estimate of the net proceeds to be deposited into the Lottery for Education Account
2887 during the succeeding fiscal year. This budget shall be on such forms as prescribed by
2888 the Office of Planning and Budget; and
- 2889 (7) Adopt the same fiscal year as that used by state government.

2890 50-27-34.

2891 (a) There is created as a joint committee of the General Assembly, the Georgia Lottery
 2892 ~~Corporation~~ and Casino Gaming Commission Legislative Oversight Committee, to be
 2893 composed of the members of the House Committee on Regulated Industries and the Senate
 2894 Economic Development Committee. The chairpersons of such committees shall serve as
 2895 cochairpersons of the oversight committee. The oversight committee shall periodically
 2896 inquire into and review the operations of the Georgia Lottery ~~Corporation~~ and Casino
 2897 Gaming Commission, as well as periodically review and evaluate the success with which
 2898 the authority is accomplishing its statutory duties and functions as provided in this ~~chapter~~
 2899 title. The oversight committee may conduct any independent audit or investigation of the
 2900 authority it deems necessary.

2901 (b) The Georgia Lottery ~~Corporation~~ and Casino Gaming Commission shall provide the
 2902 oversight committee not later than December 1 of each year with a complete report of the
 2903 level of participation of minority businesses in all retail and major procurement contracts
 2904 awarded by the ~~corporation~~ commission.

2905 ARTICLE 2

2906 50-27-50.

2907 The purpose of this article is to establish a policy and to provide a system whereby all
 2908 claimant agencies of this state in conjunction with the ~~corporation~~ commission shall
 2909 cooperate in identifying debtors who owe money to the state through its various claimant
 2910 agencies or to persons on whose behalf the state and its claimant agencies act and who
 2911 qualify for prizes under Article 1 of this chapter from the ~~corporation~~ commission. It is
 2912 also the purpose of this article to establish procedures for setting off against any such prize
 2913 the sum of any debt owed to the state or to persons on whose behalf the state and its
 2914 claimant agencies act. It is the intent of the General Assembly that this article be liberally
 2915 construed to effectuate these purposes.

2916 50-27-51.

2917 As used in this article, the term:

2918 (1) 'Claimant agency' means any state agency, department, board, bureau, commission,
 2919 or authority to which an individual owes a debt or which acts on behalf of an individual
 2920 to collect a debt.

2921 (2) 'Debt' means any liquidated sum due and owing any claimant agency, which sum has
 2922 accrued through contract, subrogation, tort, or operation of law regardless of whether

2923 there is an outstanding judgment for the sum, or any sum which is due and owing any
 2924 person and is enforceable by the state or any of its agencies or departments.

2925 (3) 'Debtor' means any individual owing money to or having a delinquent account with
 2926 any claimant agency, which obligation has not been adjudicated as satisfied by court
 2927 order, set aside by court order, or discharged in bankruptcy.

2928 (4) 'Prize' means the proceeds of any lottery prize awarded under Article 1 of this
 2929 chapter.

2930 50-27-52.

2931 The collection remedy authorized by this article is in addition to and not in substitution for
 2932 any other remedy available by law.

2933 50-27-53.

2934 (a) Any claimant agency may submit to the ~~corporation~~ commission a list of the names of
 2935 all persons owing debts in excess of \$100.00 to such claimant agency or to persons on
 2936 whose behalf the claimant agency is acting. The full amount of the debt shall be
 2937 collectable from any lottery winnings without regard to limitations on the amounts that may
 2938 be collectable in increments through garnishment or other proceedings. Such list shall
 2939 constitute a valid lien upon and claim of lien against the lottery winnings of any debtor
 2940 named in such list. The list shall contain the names of the debtors, their social security
 2941 numbers if available, and any other information which would assist the ~~corporation~~
 2942 commission in identifying the debtors named in the list.

2943 (b) The ~~corporation~~ commission is authorized and directed to withhold any winnings
 2944 subject to the lien created by this Code section and send notice to the winner by certified
 2945 mail or statutory overnight delivery, return receipt requested, of such action and the reason
 2946 the winnings were withheld. However, if the winner appears and claims winnings in
 2947 person, the ~~corporation~~ commission shall notify the winner at that time by hand delivery
 2948 of such action. If the debtor does not protest the withholding of such funds in writing
 2949 within 30 days of such notice, the ~~corporation~~ commission shall pay the funds over to the
 2950 claimant agency. If the debtor protests the withholding of such funds within 30 days of
 2951 such notice, the ~~corporation~~ commission shall file an action in interpleader in the superior
 2952 court of the county in which the debtor resides, pay the disputed sum into the registry of
 2953 the court, and give notice to the claimant agency and debtor of the initiation of such action.

2954 (c) The liens created by this Code section shall rank among themselves as follows:

2955 (1) Taxes due the state;

2956 (2) Delinquent child support; and

2957 (3) All other judgments and liens in order of the date entered or perfected.

2958 (d) The ~~corporation~~ commission shall not be required to deduct claimed debts from prizes
2959 paid out by retailers or entities other than the corporation.

2960 (e) Any list of debt provided pursuant to this article shall be provided periodically as the
2961 ~~corporation~~ commission shall provide by rules and regulations and the ~~corporation~~
2962 commission shall not be obligated to retain such lists or deduct debts appearing on such
2963 lists beyond the period determined by such rules and regulations.

2964 (f) The ~~corporation~~ commission is authorized to prescribe forms and promulgate rules and
2965 regulations which it deems necessary to carry out the provisions of this article.

2966 (g) The ~~corporation~~ commission and any claimant agency shall incur no civil or criminal
2967 liability for good faith adherence to the provisions of this Code section.

2968 (h) The claimant agency shall pay the ~~corporation~~ commission for all costs incurred by the
2969 ~~corporation~~ commission in setting off debts in the manner provided in this article.

2970 50-27-54.

2971 (a) Notwithstanding Code Section 50-27-29, which prohibits disclosure by the ~~corporation~~
2972 commission of the contents of prize winner records or information, and notwithstanding
2973 any other confidentiality statute, the ~~corporation~~ commission may provide to a claimant
2974 agency all information necessary to accomplish and effectuate the intent of this article.

2975 (b) The information obtained by a claimant agency from the ~~corporation~~ commission in
2976 accordance with this article shall retain its confidentiality and shall only be used by a
2977 claimant agency in the pursuit of its debt collection duties and practices. Any employee
2978 or prior employee of any claimant agency who unlawfully discloses any such information
2979 for any other purpose, except as otherwise specifically authorized by law, shall be subject
2980 to the same penalties specified by law for unauthorized disclosure of confidential
2981 information by an agent or employee of the ~~corporation~~ commission.

2982 50-27-55.

2983 The provisions of this article shall only apply to prizes of \$5,000.00 or more and shall not
2984 apply to any retailers authorized by the board to pay prizes of up to \$5,000.00 after
2985 deducting the price of the ticket or share; excepting that a claim for delinquent child
2986 support filed by the Child Support Enforcement Agency of the Department of Human
2987 Services shall apply to all prizes of \$2,500.00 or more.

ARTICLE 3

Part 1

2990 50-27-70.

2991 (a) The General Assembly finds that the ability to operate a bona fide coin operated
 2992 amusement machine business in this state constitutes a privilege and not a right. Further,
 2993 in order to prevent the unregulated operation of the bona fide coin operated amusement
 2994 machine business, the General Assembly is enacting the procedural enhancements of this
 2995 article which will aid in the enforcement of the tax obligations that arise from the operation
 2996 of bona fide coin operated amusement machine businesses as well as prevent unauthorized
 2997 cash payouts. The General Assembly finds that the bona fide coin operated amusement
 2998 machine business can be conducted in a manner to safeguard the fiscal soundness of the
 2999 state, enhance public welfare, and support the need to educate Georgia's children through
 3000 the HOPE scholarship program and pre-kindergarten funding authorized by Article I,
 3001 Section II, Paragraph VIII of the Constitution.

3002 (b) As used in this article, the term:

3003 (1) 'Applicant' or 'licensee' means an owner, including an owner's officers, directors,
 3004 shareholders, individuals, members of any association or other entity not specified, and,
 3005 when applicable in context, the business entity itself.

3006 (2)(A) 'Bona fide coin operated amusement machine' means every machine of any kind
 3007 or character used by the public to provide amusement or entertainment whose operation
 3008 requires the payment of or the insertion of a coin, bill, other money, token, ticket, card,
 3009 or similar object and the result of whose operation depends in whole or in part upon the
 3010 skill of the player, whether or not it affords an award to a successful player pursuant to
 3011 subsections (b) through (g) of Code Section 16-12-35, and which can be legally shipped
 3012 interstate according to federal law. Examples of bona fide coin operated amusement
 3013 machines include, but are expressly not limited to, the following:

3014 (i) Pinball machines;

3015 (ii) Console machines;

3016 (iii) Video games;

3017 (iv) Crane machines;

3018 (v) Claw machines;

3019 (vi) Pusher machines;

3020 (vii) Bowling machines;

3021 (viii) Novelty arcade games;

3022 (ix) Foosball or table soccer machines;

3023 (x) Miniature racetrack, football, or golf machines;

- 3024 (xi) Target or shooting gallery machines;
- 3025 (xii) Basketball machines;
- 3026 (xiii) Shuffleboard games;
- 3027 (xiv) Kiddie ride games;
- 3028 (xv) Skee-ball machines;
- 3029 (xvi) Air hockey machines;
- 3030 (xvii) Roll down machines;
- 3031 (xviii) Trivia machines;
- 3032 (xix) Laser games;
- 3033 (xx) Simulator games;
- 3034 (xxi) Virtual reality machines;
- 3035 (xxii) Maze games;
- 3036 (xxiii) Racing games;
- 3037 (xxiv) Coin operated pool tables or coin operated billiard tables as defined in
- 3038 paragraph (3) of Code Section 43-8-1; and
- 3039 (xxv) Any other similar amusement machine which can be legally operated in
- 3040 Georgia.
- 3041 The term also means a machine of any kind or character used by the public to provide
- 3042 music whose operation requires the payment of or the insertion of a coin, bill, other
- 3043 money, token, ticket, card, or similar object such as jukeboxes or other similar types of
- 3044 music machines.
- 3045 (B) The term 'bona fide coin operated amusement machine' does not include the
- 3046 following:
- 3047 (i) Coin operated washing machines or dryers;
- 3048 (ii) Vending machines which for payment of money dispense products or services;
- 3049 (iii) Gas and electric meters;
- 3050 (iv) Pay telephones;
- 3051 (v) Pay toilets;
- 3052 (vi) Cigarette vending machines;
- 3053 (vii) Coin operated scales;
- 3054 (viii) Coin operated gumball machines;
- 3055 (ix) Coin operated parking meters;
- 3056 (x) Coin operated television sets which provide cable or network programming;
- 3057 (xi) Coin operated massage beds; and
- 3058 (xii) Machines which are not legally permitted to be operated in Georgia.

- 3059 (3) 'Class A machine' means a bona fide coin operated amusement machine that is not
3060 a Class B machine, does not allow a successful player to carry over points won on one
3061 play to a subsequent play or plays, and:
- 3062 (A) Provides no reward to a successful player;
 - 3063 (B) Rewards a successful player only with free replays or additional time to play;
 - 3064 (C) Rewards a successful player with noncash merchandise, prizes, toys, gift
3065 certificates, or novelties in compliance with the provisions of subsection (c) or
3066 paragraph (1) of subsection (d) of Code Section 16-12-35, and does not reward a
3067 successful player with any item prohibited as a reward in subsection (i) of Code Section
3068 16-12-35 or any reward redeemable as an item prohibited as a reward in subsection (i)
3069 of Code Section 16-12-35;
 - 3070 (D) Rewards a successful player with points, tokens, tickets, or other evidence of
3071 winnings that may be exchanged only for items listed in subparagraph (C) of this
3072 paragraph; or
 - 3073 (E) Rewards a successful player with any combination of items listed in subparagraphs
3074 (B), (C), and (D) of this paragraph.
- 3075 (4) 'Class B machine' means a bona fide coin operated amusement machine that allows
3076 a successful player to accrue points on the machine and carry over points won on one
3077 play to a subsequent play or plays in accordance with paragraph (2) of subsection (d) of
3078 Code Section 16-12-35 and:
- 3079 (A) Rewards a successful player in compliance with the provisions of paragraphs (1)
3080 and (2) of subsection (d) of Code Section 16-12-35; and
 - 3081 (B) Does not reward a successful player with any item prohibited as a reward in
3082 subsection (i) of Code Section 16-12-35 or any reward redeemable as an item
3083 prohibited as a reward in subsection (i) of Code Section 16-12-35.
- 3084 (5) 'Distributor' means a person, individual, partnership, corporation, limited liability
3085 company, or any other business entity that buys, sells, or distributes Class B machines to
3086 or from operators.
- 3087 (6) 'Location license' means the initial and annually renewed license which every
3088 location owner or location operator must purchase and display in the location where one
3089 or more bona fide coin operated amusement machines are available for commercial use
3090 by the public for play in order to operate legally any such machine in this state.
- 3091 (7) 'Location license fee' means the fee paid to obtain the location license.
- 3092 (8) 'Location owner or location operator' means an owner or operator of a business where
3093 one or more bona fide coin operated amusement machines are available for commercial
3094 use and play by the public.

- 3095 (9) 'Manufacturer' means a person, individual, partnership, corporation, limited liability
3096 company, or any other business entity that supplies and sells major components or parts,
3097 including software, hardware, or both, to Class B machine distributors or operators.
- 3098 (10) 'Master license' means the certificate which every owner of a bona fide coin
3099 operated amusement machine must purchase and display in the owner's or operator's
3100 place of business where the machine is located for commercial use by the public for play
3101 in order to legally operate the machine in the state.
- 3102 (11) 'Net receipts' means the entire amount of moneys received from the public for play
3103 of an amusement machine, minus the amount of expenses for noncash redemption of
3104 winnings from the amusement machine, and minus the amount of moneys refunded to the
3105 public for bona fide malfunctions of the amusement machine.
- 3106 (12) 'Operator' means any person, individual, firm, company, association, corporation,
3107 or other business entity that exhibits, displays, or permits to be exhibited or displayed, in
3108 a place of business other than his or her or its own, any bona fide coin operated
3109 amusement machine in this state.
- 3110 (13) 'Owner' means any person, individual, firm, company, association, corporation, or
3111 other business entity owning any bona fide coin operated amusement machine in this
3112 state.
- 3113 (14) 'Permit fee' means the annual per machine charge which every owner of a bona fide
3114 coin operated amusement machine in commercial use must purchase and display in either
3115 the owner's or operator's place of business in order to legally operate the machine in the
3116 state.
- 3117 (15) 'Person' means an individual, any corporate entity or form authorized by law
3118 including any of its subsidiaries or affiliates, or any officer, director, board member, or
3119 employee of any corporate entity or form authorized by law.
- 3120 (16) 'Single play' or 'one play' means the completion of a sequence of a game, or replay
3121 of a game, where the player receives a score and from the score the player can secure free
3122 replays, merchandise, points, tokens, vouchers, tickets, cards, or other evidence of
3123 winnings as set forth in subsection (c) or (d) of Code Section 16-12-35. A player may,
3124 but is not required to, exchange a score for rewards permitted by subparagraphs (d)(1)(A)
3125 through (d)(1)(D) of Code Section 16-12-35 after each play.
- 3126 (17) 'Slot machine or any simulation or variation thereof' means any contrivance which,
3127 for a consideration, affords the player an opportunity to obtain money or other thing of
3128 value, the award of which is determined solely by chance, whether or not a prize is
3129 automatically paid by the contrivance.
- 3130 (18) 'Sticker' means the decal issued for every bona fide coin operated amusement
3131 machine to show proof of payment of the permit fee.

3132 (19) 'Successful player' means an individual who wins on one or more plays of a bona
3133 fide coin operated amusement machine.

3134 (20) 'Temporary location permit' means the permit which every location owner or
3135 location operator must purchase and display in the location where one or more bona fide
3136 coin operated amusement machines are available for commercial use by the public for
3137 play in order to operate legally the machine or machines in this state for seven days or
3138 less. Such temporary location permits shall be subject to the same regulations and
3139 conditions as location licenses.

3140 50-27-71.

3141 (a) Every owner, except an owner holding a bona fide coin operated amusement machine
3142 solely for personal use or resale, who offers others the opportunity to play for a charge,
3143 whether directly or indirectly, any bona fide coin operated amusement machine shall pay
3144 annual master license fees to the ~~corporation~~ commission as follows:

3145 (1) For Class A machines:

3146 (A) For five or fewer machines, the owner shall pay a master license fee of \$500.00.

3147 In the event such owner acquires a sixth or greater number of machines during a
3148 calendar year which require a certificate for lawful operation under this article so that
3149 the total number of machines owned does not exceed 60 machines or more, such owner
3150 shall pay an additional master license fee of \$1,500.00;

3151 (B) For six or more machines but not more than 60 machines, the owner shall pay a
3152 master license fee of \$2,000.00. In the event such owner acquires a sixty-first or
3153 greater number of machines during a calendar year which require a certificate for lawful
3154 operation under this article, such owner shall pay an additional master license fee of
3155 \$1,500.00; or

3156 (C) For 61 or more machines, the owner shall pay a master license fee of \$3,500.00;
3157 and

3158 (2) For any number of Class B machines, the owner shall pay a master license fee of
3159 \$5,000.00.

3160 The cost of the license shall be paid to the ~~corporation~~ commission by company check,
3161 cash, cashier's check, money order, or any other method approved by the chief executive
3162 officer. Upon such payment, the ~~corporation~~ commission shall issue a master license
3163 certificate to the owner. The master license fee levied by this Code section shall be
3164 collected by the ~~corporation~~ commission on an annual basis for the period from July 1 to
3165 June 30. The board may establish procedures for master license collection and set due
3166 dates for these license payments. No refund or credit of the master license charge levied

3167 by this Code section may be allowed to any owner who ceases the operation of bona fide
3168 coin operated amusement machines prior to the end of any license or permit period.

3169 (a.1) Every location owner or location operator shall pay an annual location license fee
3170 for each bona fide coin operated amusement machine offered to the public for play. The
3171 annual location license fee shall be \$25.00 for each Class A machine and \$125.00 for each
3172 Class B machine. The annual location license fee levied by this Code section shall be
3173 collected by the ~~corporation~~ commission on an annual basis from July 1 to June 30. The
3174 location license fee shall be paid to the ~~corporation~~ commission by company check, cash,
3175 cashier's check, money order, or any other method approved by the chief executive officer.
3176 Upon payment, the ~~corporation~~ commission shall issue a location license certificate that
3177 shall state the number of bona fide coin operated amusement machines permitted for each
3178 class without further description or identification of specific machines. The board may
3179 establish procedures for location license fee collection and set due dates for payment of
3180 such fees. No refund or credit of the location license fee shall be allowed to any location
3181 owner or location operator who ceases to offer bona fide coin operated amusement
3182 machines to the public for commercial use prior the end of any license period.

3183 (a.2) The ~~corporation~~ commission may refuse to issue or renew a location owner or
3184 location operator license or may revoke or suspend a location owner or location operator
3185 license issued under this article if:

3186 (1) The licensee or applicant has intentionally violated a provision of this chapter or a
3187 regulation promulgated under this chapter;

3188 (2) The licensee or applicant has intentionally failed to provide requested information
3189 or answer a question, intentionally made a false statement in or in connection with his or
3190 her application or renewal, or omitted any material or requested information;

3191 (3) The licensee or applicant used coercion to accomplish a purpose or to engage in
3192 conduct regulated by the ~~corporation~~ commission;

3193 (4) Failure to revoke or suspend the license would be contrary to the intent and purpose
3194 of this article;

3195 (5) The licensee or applicant has engaged in unfair methods of competition and unfair
3196 or deceptive acts or practices as provided in Code Section 50-27-87.1; or

3197 (6) Any applicant, or any person, firm, corporation, legal entity, or organization having
3198 any interest in any operation for which an application has been submitted, fails to meet
3199 any obligations imposed by the tax laws or other laws or regulations of this state.

3200 (b) A copy of an owner's master license and the location owner's or location operator's
3201 location license shall be prominently displayed at all locations where the owner and
3202 location owner or location operator have bona fide coin operated amusement machines

- 3203 available for commercial use and for play by the public to evidence the payment of the fees
3204 levied under this Code section.
- 3205 (c) Each master license and each location license shall list the name and address of the
3206 owner or location owner or location operator, as applicable.
- 3207 (d) The ~~corporation~~ commission may provide a duplicate original master license certificate
3208 or location license certificate if the original certificate has been lost, stolen, or destroyed.
3209 The fee for a duplicate original certificate is \$100.00. If the original certificate is lost,
3210 stolen, or destroyed, a sworn, written statement must be submitted explaining the
3211 circumstances by which the certificate was lost, stolen, or destroyed and including the
3212 number of the lost, stolen, or destroyed certificate, if applicable, before a duplicate original
3213 certificate can be issued. A certificate for which a duplicate certificate has been issued is
3214 void.
- 3215 (e) A license or permit issued under this Code section:
- 3216 (1) Is effective for a single business entity;
- 3217 (2) Vests no property or right in the holder of the license or permit except to conduct the
3218 licensed or permitted business during the period the license or permit is in effect;
- 3219 (3) Is nontransferable, nonassignable by and between owners or location owners and
3220 location operators, and not subject to execution; and
- 3221 (4) Expires upon the death of an individual holder of a license or permit or upon the
3222 dissolution of any other holder of a license or permit.
- 3223 (f) An application for the renewal of a license or permit must be made to the ~~corporation~~
3224 commission by June 1 of each year.
- 3225 (g) Acceptance of a license or permit issued under this Code section constitutes consent
3226 by the licensee and the location owner or location operator of the business where bona fide
3227 coin operated amusement machines are available for commercial use and for play by the
3228 public that the ~~corporation's~~ commission's agents may freely enter the business premises
3229 where the licensed and permitted machines are located during normal business hours for
3230 the purpose of ensuring compliance with this article.
- 3231 (h) An application for a license or permit to do business under this article shall contain a
3232 complete statement regarding the ownership of the business to be licensed or the business
3233 where the permitted machines are to be located. This statement of ownership shall specify
3234 the same information that is required by the application to secure a sales tax number for the
3235 State of Georgia.
- 3236 (i) An application for a master license shall be accompanied by either the annual or
3237 semiannual fee plus the required permit fee due for each machine. Additional per machine
3238 permits can be purchased during the year if needed by the owner. An application for a
3239 location license shall be accompanied by the appropriate fee.

- 3240 (j) An application is subject to public inspection.
- 3241 (k) A renewal application filed on or after July 1, but before the license expires, shall be
 3242 accompanied by a late fee of \$125.00. A master license or location license that has been
 3243 expired for more than 90 days may not be renewed. In such a case, the owner shall obtain
 3244 a new master license or the location owner or location operator shall obtain a new location
 3245 license, as applicable, by complying with the requirements and procedures for obtaining
 3246 an original master license or location license.
- 3247 (l) A holder of a license who properly completes the application and remits all fees with
 3248 it by the due date may continue to operate bona fide coin operated amusement machines
 3249 after the expiration date if its license or permit renewal has not been issued, unless the
 3250 holder of the license is notified by the ~~corporation~~ commission prior to the expiration date
 3251 of a problem with the renewal.
- 3252 (m) Holders of location licenses and temporary location permits shall be subject to the
 3253 same provisions of this article with regard to refunds, license renewals, license suspensions,
 3254 and license revocations as are holders of master licenses.
- 3255 (n) Failure to obtain a master license or location license as required by this Code section
 3256 shall subject the person to a fine of up to \$25,000.00 and repayment of all fees or receipts
 3257 due to the ~~corporation~~ commission pursuant to this article and may subject the person to
 3258 a loss of all state licenses.
- 3259 50-27-72.
- 3260 (a) No refund is allowed for a master license except as follows:
- 3261 (1) The owner makes a written request to the ~~corporation~~ commission for a refund prior
 3262 to the beginning of the calendar year for which it was purchased;
- 3263 (2) The owner makes a written request prior to the issuance of the master license or
 3264 registration certificate;
- 3265 (3) The owner makes a written request for a refund claiming the master license or
 3266 registration certificate was mistakenly purchased due to reliance on incorrect information
 3267 from the ~~corporation~~ commission;
- 3268 (4) The processing of the master license is discontinued; or
- 3269 (5) The issuance of the master license is denied.
- 3270 (b) Before a refund will be allowed if the renewal of a master license is denied, the
 3271 ~~corporation~~ commission shall verify that the applicant has no machines in operation and
 3272 does not possess any machines except those that are exempt from the fees. If a master
 3273 license is not issued, the ~~corporation~~ commission may retain \$100.00 to cover
 3274 administrative costs.

3275 (c) No refund will be allowed if the owner has an existing liability for any other fees or
 3276 taxes due. Any refund will be applied to the existing liability due.

3277 50-27-73.

3278 (a) The ~~corporation~~ commission shall not renew a master, location owner, or location
 3279 operator license for a business under this article and shall suspend for any period of time
 3280 or cancel a master, location owner, or location operator license if the ~~corporation~~
 3281 commission finds that the applicant or licensee is indebted to the state for any fees, costs,
 3282 penalties, or delinquent fees.

3283 (b) The ~~corporation~~ commission shall not issue or renew a license for a business under this
 3284 article if the applicant does not designate and maintain an office in this state or if the
 3285 applicant does not permit inspection by the ~~corporation's~~ commission's agents of his or her
 3286 place of business or of all records which the applicant or licensee is required to maintain.

3287 (c) The ~~corporation~~ commission may refuse to issue or renew a master license or may
 3288 revoke or suspend a master license issued under this chapter if:

3289 (1) The licensee or applicant has intentionally violated a provision of this chapter or a
 3290 regulation promulgated under this chapter;

3291 (2) The licensee or applicant has intentionally failed to provide requested information
 3292 or answer a question, intentionally made a false statement in or in connection with his or
 3293 her application or renewal, or omitted any material or requested information;

3294 (3) The licensee or applicant used coercion to accomplish a purpose or to engage in
 3295 conduct regulated by the ~~corporation~~ commission;

3296 (4) A licensee or applicant allows the use of its master license certificate or per machine
 3297 permit stickers by any other business entity or person who owns or operates bona fide
 3298 coin operated amusement machines available for commercial use and available to the
 3299 public for play. If such unauthorized use occurs, the ~~corporation~~ commission may fine
 3300 the licensee as follows:

3301 (A) One thousand dollars for each improper use of a per machine permit sticker; and

3302 (B) Twenty-five thousand dollars for each improper use of a master license certificate.

3303 In addition, the ~~corporation~~ commission is authorized to seize the machines in question
 3304 and assess the master license and permit fees as required by law and to assess the costs
 3305 of such seizure to the owner or operator of the machines;

3306 (5) Failure to suspend or revoke the license would be contrary to the intent and purpose
 3307 of this article;

3308 (6) The licensee or applicant has engaged in unfair methods of competition and unfair
 3309 or deceptive acts or practices as provided in Code Section 50-27-87.1; or

3310 (7) Any applicant, or any person, firm, corporation, legal entity, or organization having
 3311 any interest in any operation for which an application has been submitted, fails to meet
 3312 any obligations imposed by the tax laws or other laws or regulations of this state.

3313 (d) The ~~corporation~~ commission, on the request of a licensee or applicant for a license,
 3314 shall conduct a hearing to ascertain whether a licensee or applicant for a license has
 3315 engaged in conduct which would be grounds for revocation, suspension, or refusal to issue
 3316 or renew a license.

3317 (e) The ~~corporation~~ commission shall not issue any new Class B master licenses until one
 3318 year after it certifies that the Class B accounting terminal authorized by Code Section
 3319 50-27-101 is implemented; provided, however, that the corporation commission shall be
 3320 permitted to renew Class B master licenses at any time.

3321 50-27-74.

3322 (a) An applicant or licensee is entitled to at least 30 days' written notice and, if requested,
 3323 a hearing in the following instances:

3324 (1) After an application for an original or renewal license has been refused;

3325 (2) Before the ~~corporation~~ commission may revoke a license; or

3326 (3) Before the ~~corporation~~ commission may invoke any other sanctions provided by this
 3327 article. For purposes of this paragraph, sanctions shall not include:

3328 (A) Issuance of a citation;

3329 (B) Imposition of a late fee, penalty fee, or interest penalty under subsection (k) of
 3330 Code Section 50-27-71, Code Section 50-27-80, or subsection (a) of Code Section
 3331 50-27-82; or

3332 (C) Sealing a machine or imposing charges related thereto under subsection (f) of Code
 3333 Section 50-27-82.

3334 (b) The written notice provided by this Code section may be served personally by the chief
 3335 executive officer or an authorized representative of the ~~corporation~~ commission or sent by
 3336 United States certified mail or statutory overnight delivery addressed to the applicant,
 3337 licensee, or registration certificate holder at its last known address. In the event that notice
 3338 cannot be effected by either of these methods after due diligence, the chief executive
 3339 officer may prescribe any reasonable method of notice calculated to inform a person of
 3340 average intelligence and prudence of the ~~corporation's~~ commission's action, including
 3341 publishing the notice in a newspaper of general circulation in the area in which the
 3342 applicant, licensee, or registration certificate holder conducts its business activities. The
 3343 written notice shall state with particularity the basis upon which the ~~corporation~~
 3344 commission is taking the proposed actions.

3345 (c) Subject to approval by the chief executive officer and ~~corporation~~ commission, the
 3346 Bona Fide Coin Operated Amusement Machine Operator Advisory Board shall establish
 3347 a procedure for hearings required by this article. Such procedure shall empower the chief
 3348 executive officer with the authority to delegate or appoint any person or public agency to
 3349 preside over the hearing and adjudicate the appeal, and the chief executive officer shall
 3350 identify the party responsible for entering a final decision for the ~~corporation~~ commission.

3351 50-27-75.

3352 (a) The ~~corporation~~ commission shall deliver to the applicant or licensee a written copy
 3353 of the order refusing an application or renewal application, revoking a master license, or
 3354 imposing any other sanction provided in this article issued after any required hearing
 3355 provided by Code Section 50-27-74.

3356 (b) Delivery of the ~~corporation's~~ commission's order may be given by:

3357 (1) Personal service upon an individual applicant or licensee;

3358 (2) Personal service upon any officer, director, partner, trustee, or receiver, as the case
 3359 may be;

3360 (3) Personal service upon the person in charge of the business premises, temporarily or
 3361 otherwise, of the applicant or licensee;

3362 (4) Sending such notice by United States certified mail or statutory overnight delivery
 3363 addressed to the business premises of the applicant or licensee; or

3364 (5) Posting notice upon the outside door of the business premises of the applicant or
 3365 licensee.

3366 (c) Notice shall be deemed complete upon the performance of any action authorized in this
 3367 Code section.

3368 50-27-76.

3369 (a) Appeal by an affected person from all actions of the ~~corporation~~ commission or chief
 3370 executive officer shall be to the Superior Court of Fulton County. The review shall be
 3371 conducted by the court and shall be confined to the record.

3372 (b) The court shall not substitute its judgment for that of the ~~corporation~~ commission or
 3373 chief executive officer as to the weight of the evidence on questions of fact committed to
 3374 the discretion of the ~~corporation~~ commission or chief executive officer. The court may
 3375 affirm the decision of the ~~corporation~~ commission or chief executive officer in whole or
 3376 in part; the court shall reverse or remand the case for further proceedings if substantial
 3377 rights of the appellant have been prejudiced because the ~~corporation's~~ commission's or
 3378 chief executive officer's findings, inferences, conclusions, or decisions are:

3379 (1) In violation of constitutional or statutory provisions;

- 3380 (2) In excess of the statutory authority of the ~~corporation~~ commission or chief executive
 3381 officer;
- 3382 (3) Made upon unlawful procedures;
- 3383 (4) Affected by other error of law;
- 3384 (5) Not reasonably supported by substantial evidence in view of the reliable and
 3385 probative evidence in the record as a whole; or
- 3386 (6) Arbitrary or capricious or characterized by abuse of discretion or clearly unwarranted
 3387 exercise of discretion.

3388 50-27-77.

3389 Appeal from any final judgment of the Superior Court of Fulton County may be taken by
 3390 any party, including the ~~corporation~~ commission, in the manner provided for in civil
 3391 actions generally.

3392 50-27-78.

3393 (a) Every owner, except an owner holding a coin operated amusement machine solely for
 3394 personal use or resale, who offers others the opportunity to play for a charge, whether
 3395 direct or indirect, any bona fide coin operated amusement machine shall pay an annual
 3396 permit fee for each bona fide coin operated amusement machine in the amount of \$25.00
 3397 for each Class A machine and \$125.00 for each Class B machine. The fee shall be paid to
 3398 the ~~corporation~~ commission by company check, cash, cashier's check, money order, or any
 3399 other method approved by the chief executive officer. Upon payment, the ~~corporation~~
 3400 commission shall issue a sticker for each bona fide coin operated amusement machine. The
 3401 annual fees levied by this article shall be collected by the ~~corporation~~ commission on an
 3402 annual basis for the period from July 1 to June 30. The board may establish procedures for
 3403 annual collection and set due dates for the fee payments. No refund or credit of the annual
 3404 fee levied by this article shall be allowed to any owner who ceases the exhibition or display
 3405 of any bona fide coin operated amusement machine prior to the end of any license or
 3406 permit period.

3407 (b) The sticker issued by the ~~corporation~~ commission to evidence the payment of the fee
 3408 under this Code section shall be securely attached to the machine. Owners may transfer
 3409 stickers from one machine to another in the same class and from location to location so
 3410 long as all machines in commercial use available for play by the public have a sticker of
 3411 the correct class and the owner uses the stickers only for machines that it owns.

3412 (c) Each permit sticker shall not list the name of the owner but shall have a control number
 3413 which corresponds with the control number issued on the master license certificate to allow
 3414 for effective monitoring of the licensing and permit system. Permit stickers are only

3415 required for bona fide coin operated amusement machines in commercial use available to
3416 the public for play at a location.

3417 (d) The ~~corporation~~ commission may provide a duplicate permit sticker if a valid permit
3418 sticker has been lost, stolen, or destroyed. The fee for a duplicate permit sticker shall be
3419 \$50.00. If a permit sticker is lost, stolen, or destroyed, a sworn, written statement must be
3420 submitted explaining the circumstances by which the permit sticker was lost, stolen, or
3421 destroyed and including the number of the lost, stolen, or destroyed permit before a
3422 replacement permit can be issued. A permit for which a duplicate permit sticker has been
3423 issued is void.

3424 (e) Each permit sticker issued for a bona fide coin operated amusement machine which
3425 rewards a winning player exclusively with free replays, noncash redemption merchandise,
3426 prizes, toys, gift certificates, or novelties; or points, tokens, tickets, cards, or other evidence
3427 of winnings that may be exchanged for free replays or noncash redemption merchandise,
3428 prizes, toys, gift certificates, or novelties, in accordance with the provisions of subsections
3429 (b) through (d) of Code Section 16-12-35 shall include the following: 'GEORGIA LAW
3430 PROHIBITS THE PAYMENT OR RECEIPT OF ANY MONEY FOR REPLAYS OR
3431 MERCHANDISE AWARDED FOR PLAYING THIS MACHINE. O.C.G.A. SECTION
3432 16-12-35.'

3433 (f) The ~~corporation~~ commission shall not assess any fees that are not explicitly authorized
3434 under this article on a manufacturer, distributor, operator, location owner, or location
3435 operator.

3436 (g) All fees assessed by the ~~corporation~~ commission pursuant to this article shall be
3437 considered proceeds derived from a lottery operated on or on behalf of the state and shall
3438 not be remitted to the general fund pursuant to Article I, Section II, Paragraph VIII(c) of
3439 the Constitution.

3440 50-27-79.

3441 No refund shall be allowed for the annual permit fee assessed on each bona fide coin
3442 operated amusement machine registered with the ~~corporation~~ commission except as
3443 follows:

3444 (1) The owner makes a written request to the ~~corporation~~ commission for a refund prior
3445 to the beginning of the calendar year for which the permit sticker was purchased and
3446 returns the permit sticker;

3447 (2) The owner makes a written request for a refund prior to the issuance of the permit
3448 sticker;

3449 (3) The owner makes a written request for a refund claiming the permit sticker was
3450 mistakenly purchased for a machine not subject to the permit fee and returns the permit
3451 sticker; or

3452 (4) The owner provides the ~~corporation~~ commission with a sworn affidavit that a
3453 machine was sold, stolen, or destroyed prior to the beginning of the calendar year for
3454 which the permit was purchased and returns the sticker unless it was attached to the
3455 stolen or destroyed machine.

3456 50-27-80.

3457 If an owner purchases or receives additional bona fide coin operated amusement machines
3458 during the calendar year, the applicable annual permit fee shall be paid to the ~~corporation~~
3459 commission and the sticker shall be affixed to the machine before the machine may be
3460 legally operated. A penalty fee equal to twice the applicable annual permit fee shall be
3461 assessed by the ~~corporation~~ commission for every machine in operation without a permit
3462 sticker.

3463 50-27-81.

3464 (a) The chief executive officer shall provide for the proper administration of this article
3465 and is authorized to act on behalf of the ~~corporation~~ commission for such purpose. The
3466 chief executive officer may initiate investigations, hearings, and take other necessary
3467 measures to ensure compliance with the provisions of this article or to determine whether
3468 violations exist. If the chief executive officer finds evidence of any criminal violations, he
3469 or she shall notify the appropriate prosecuting attorney in the county in which such
3470 violation occurred.

3471 (b) The chief executive officer is authorized to provide for the enforcement of this article
3472 and the board shall provide for collection of the revenues under this article by rule and
3473 regulation.

3474 (c) The chief executive officer may delegate to an authorized representative any authority
3475 given to the chief executive officer by this article, including the conduct of investigations,
3476 imposing of fees and fines, and the holding of hearings.

3477 50-27-82.

3478 (a) If any owner or operator of any bona fide coin operated amusement machine in this
3479 state shall violate any provision of this article or any rule and regulation promulgated under
3480 this article, the ~~corporation~~ commission may investigate the violation and may seek
3481 sanctions, including late fees of \$50.00 for failure to pay timely permit sticker fees,

3482 \$125.00 for failure to pay timely the master license fee, suspension or revocation of a
3483 license, seizure of equipment, interest penalty, and debarment for repeat offenders.

3484 (b) No person other than an owner shall intentionally remove a current permit sticker from
3485 a bona fide coin operated amusement machine or from the location where the machine is
3486 located. Any person who violates this subsection shall be guilty of a misdemeanor.

3487 (c) A person who owns or operates bona fide coin operated amusement machines without
3488 a current master license or without a permit sticker on display shall be guilty of a
3489 misdemeanor.

3490 (d) A person who knowingly makes a material false statement on any application or
3491 renewal application for a master license or permit sticker under this article by fraud,
3492 misrepresentation, or subterfuge or makes a material false entry on any book, record, or
3493 report which is compiled, maintained, or submitted to the ~~corporation~~ commission pursuant
3494 to the provisions of this article is guilty of a felony and upon conviction thereof shall be
3495 punished by imprisonment for not less than one nor more than five years, a fine not to
3496 exceed \$25,000.00, or both.

3497 (e) Any bona fide coin operated amusement machine not having the required master
3498 license or permit stickers may be seized and confiscated by the ~~corporation's~~ commission's
3499 agents or employees and sold at public auction after 30 days' advertisement. Upon
3500 payment of the license required, the ~~corporation~~ commission may return any property so
3501 seized and confiscated and compromise any fee or penalty assessed. The owner from
3502 whom the bona fide coin operated amusement machine is seized may, at any time within
3503 ten days after the seizure, repossess the property by filing with the ~~corporation~~ commission
3504 a bond, in cash or executed by a surety company authorized to do business in this state, in
3505 double amount of the tax and penalties due. Within 30 days after the bond has been filed,
3506 the owner must bring an action in a court of competent jurisdiction to have the seizure set
3507 aside; otherwise, the bond so filed shall be declared forfeited to the ~~corporation~~
3508 commission.

3509 (f) The chief executive officer or an authorized representative thereof may seal in a manner
3510 that will prevent its full operation any such bona fide coin operated amusement machine
3511 that is in commercial use available to the public for play whose master license or sticker
3512 under this article has been suspended or revoked, upon which the fee has not been paid, or
3513 that is not registered with the ~~corporation~~ commission under this article. Whoever shall
3514 break the seal affixed by the chief executive officer or an authorized representative thereof
3515 without the chief executive officer's approval or whoever shall provide in commercial use
3516 available to the public for play any such bona fide coin operated amusement machine after
3517 the seal has been broken without the chief executive officer's approval or whoever shall
3518 remove any bona fide coin operated amusement machine from its location after the same

3519 has been sealed by the chief executive officer shall be guilty of a misdemeanor. The
 3520 ~~corporation~~ commission shall charge a fee of \$75.00 for the release of any bona fide coin
 3521 operated amusement machine which is sealed. The fee shall be paid to the ~~corporation~~
 3522 commission.

3523 50-27-83.

3524 (a) All taxes, fees, penalties, and interest accruing to the State of Georgia under any other
 3525 provision of Title 48 as it existed prior to July 1, 2010, shall be and remain valid and
 3526 binding obligations to the State of Georgia for all taxes, penalties, and interest accruing
 3527 under the provisions of prior or preexisting laws and all such taxes, penalties, and interest
 3528 now or hereafter becoming delinquent to the State of Georgia prior to July 1, 2010, are
 3529 expressly preserved and declared to be legal and valid obligations to the state.

3530 (b) The enactment and amendment of this article shall not affect offenses committed or
 3531 prosecutions begun under any preexisting law, but any such offenses or prosecutions may
 3532 be conducted under the law as it existed at the time of the commission of the offense.

3533 (c) Nothing in this article shall be construed or have the effect to license, permit, authorize,
 3534 or legalize any machine, device, table, or bona fide coin operated amusement machine the
 3535 keeping, exhibition, operation, display, or maintenance of which is in violation of the laws
 3536 or Constitution of ~~this state~~ Georgia.

3537 50-27-84.

3538 (a) As used in this Code section, the term:

3539 (1) 'Amusement or recreational establishment' means an open-air establishment
 3540 frequented by the public for amusement or recreation. Such an establishment shall be in
 3541 a licensed fixed location located in this state and which has been in operation for at least
 3542 35 years.

3543 (2) 'Business location' means any structure, vehicle, or establishment where a business
 3544 is conducted.

3545 (3) 'Gross retail receipts' means the total revenue derived by a business at any one
 3546 business location from the sale of goods and services and the commission earned at any
 3547 one business location on the sale of goods and services but shall not include revenue from
 3548 the sale of goods or services for which the business will receive only a commission.
 3549 Revenue from the sale of goods and services at wholesale shall not be included.

3550 (b)(1) No location owner or location operator shall derive more than 50 percent of such
 3551 location owner's or location operator's monthly gross retail receipts for the business
 3552 location in which the Class B machine or machines are situated from such Class B
 3553 machines.

3554 (2) Except as authorized by a local ordinance, no location owner or location operator
 3555 shall offer more than nine Class B machines to the public for play in the same business
 3556 location; provided, however, that this limitation shall not apply to an amusement or
 3557 recreational establishment.

3558 (c) For each business location which offers to the public one or more Class B machines,
 3559 the location owner or location operator shall prepare a monthly verified report setting out
 3560 separately by location in Georgia:

- 3561 (1) The gross receipts from the Class B machines;
- 3562 (2) The gross retail receipts for the business location; and
- 3563 (3) The net receipts of the Class B machines.

3564 (c.1) Each person holding a Class B master license shall prepare a monthly verified report
 3565 setting out separately by location in Georgia:

- 3566 (1) The gross receipts from the Class B machines which the master licensee maintains;
 3567 and
- 3568 (2) The net receipts of the Class B machines.

3569 (d) In accordance with the provisions of Code Section 50-27-73 and the procedures set out
 3570 in Code Sections 50-27-74 and 50-27-75, the ~~corporation~~ commission may fine an
 3571 applicant or holder of a license, refuse to issue or renew a location license or master
 3572 license, or revoke or suspend a location license or master license for single or repeated
 3573 violations of subsection (b) of this Code section.

3574 (e) A location owner or location operator shall report the information prescribed in this
 3575 Code section in the form required by the ~~corporation~~ commission. Such report shall be
 3576 submitted in an electronic format approved by the ~~corporation~~ commission.

3577 (f) Beginning on August 20, 2013, and on the twentieth day of each month thereafter, for
 3578 the previous month, the reports required by subsections (c) and (c.1) of this Code section
 3579 shall be supplied to the ~~corporation~~ commission on forms provided by the ~~corporation~~
 3580 commission, including electronic means. The ~~corporation~~ commission shall be authorized
 3581 to audit any records for any such business location or master licensee subject to this Code
 3582 section. The ~~corporation~~ commission may contract with any state agencies to perform the
 3583 audits authorized by this Code section, and it may contract or enter into a memorandum of
 3584 understanding with the Department of Revenue to enforce the provisions of this Code
 3585 section.

3586 50-27-85.

3587 (a) Except as specifically provided in this article, for single or repeated violations of this
 3588 article by a location owner or location operator who offers one or more bona fide coin

3589 operated amusement machines for play by the public, the ~~corporation~~ commission may
 3590 impose the following penalties on such a location owner or location operator:

3591 (1) A civil fine in an amount specified in rules and regulations promulgated in
 3592 accordance with this article; or

3593 (2) For a third or subsequent offense, a suspension or revocation of the privilege of
 3594 offering one or more bona fide coin operated amusement machines for play by the public.

3595 (b) Before a penalty is imposed in accordance with this Code section, a location owner or
 3596 location operator shall be entitled to at least 30 days' written notice and, if requested, a
 3597 hearing as provided in Code Section 50-27-74. Such written notice shall be served in the
 3598 manner provided for written notices to applicants and holders of licenses in subsection (b)
 3599 of Code Section 50-27-74, and an order imposing a penalty shall be delivered in the
 3600 manner provided for delivery of the ~~corporation's~~ commission's orders to applicants for
 3601 licenses and holders of licenses in Code Section 50-27-75.

3602 (c) In the case of a suspension or revocation in accordance with this Code section, the
 3603 ~~corporation~~ commission shall require the location owner or location operator to post a
 3604 notice in the business location setting out the period of the suspension or revocation. No
 3605 applicant or holder of a license or permit shall allow a bona fide coin operated amusement
 3606 machine under the control of such applicant or holder of a license or permit to be placed
 3607 in a business location owned or operated by a location owner or location operator who has
 3608 been penalized by a suspension or revocation during the period of the suspension or
 3609 revocation.

3610 50-27-86.

3611 In addition to the state regulatory provisions regarding bona fide coin operated amusement
 3612 machines contained in Code Section 16-12-35 and this article, the governing authority of
 3613 any county or municipal corporation shall be authorized to enact and enforce an ordinance
 3614 which includes any or all of the following provisions:

3615 (1) Prohibiting the offering to the public of more than six Class B machines that reward
 3616 the player exclusively with noncash merchandise, prizes, toys, gift certificates, or
 3617 novelties at the same business location;

3618 (2) Requiring the owner or operator of a business location which offers to the public any
 3619 bona fide coin operated amusement machine that rewards the player exclusively as
 3620 described in subsection (d) of Code Section 16-12-35 to inform all employees of the
 3621 prohibitions and penalties set out in subsections (e), (f), and (g) of Code Section
 3622 16-12-35;

3623 (3) Requiring the owner or possessor of any bona fide coin operated amusement machine
 3624 that rewards the player exclusively as described in subsection (d) of Code Section

3625 16-12-35 to inform each location owner or location operator of the business location
3626 where such machine is located of the prohibitions and penalties set out in subsections (e),
3627 (f), and (g) of Code Section 16-12-35;

3628 (4) Providing for the suspension or revocation of a license granted by such local
3629 governing authority to manufacture, distribute, or sell alcoholic beverages or for the
3630 suspension or revocation of any other license granted by such local governing authority
3631 as a penalty for conviction of the location owner or location operator of a violation of
3632 subsection (e), (f), or (g) of Code Section 16-12-35, or both. An ordinance providing for
3633 the suspension or revocation of a license shall conform to the due process guidelines for
3634 granting, refusal, suspension, or revocation of a license for the manufacture, distribution,
3635 or sale of alcoholic beverages set out in subsection (b) of Code Section 3-3-2;

3636 (5) Providing for penalties, including fines or suspension or revocation of a license as
3637 provided in paragraph (4) of this subsection, or both, for a violation of any ordinance
3638 enacted pursuant to this subsection; provided, however, that a municipal corporation shall
3639 not be authorized to impose any penalty greater than the maximum penalty authorized by
3640 such municipal corporation's charter;

3641 (6) Requiring any location owner or location operator subject to paragraph (1) of
3642 subsection (b) of Code Section 50-27-84 to provide to the local governing authority a
3643 copy of each verified monthly report prepared in accordance with such Code section,
3644 incorporating the provisions of such Code section in the ordinance, providing for any and
3645 all of the penalties authorized by subsection (d) of Code Section 50-27-84, and allowing
3646 an annual audit of the reports from the location owner or location operator;

3647 (7) Requiring the location owner or location operator of any business location which
3648 offers to the public one or more bona fide coin operated amusement machines to post
3649 prominently a notice including the following or substantially similar language:

3650 'GEORGIA LAW PROHIBITS PAYMENT OR RECEIPT OF MONEY FOR
3651 WINNING A GAME OR GAMES ON THIS AMUSEMENT MACHINE; PAYMENT
3652 OR RECEIPT OF MONEY FOR FREE REPLAYS WON ON THIS AMUSEMENT
3653 MACHINE; PAYMENT OR RECEIPT OF MONEY FOR ANY MERCHANDISE,
3654 PRIZE, TOY, GIFT CERTIFICATE, OR NOVELTY WON ON THIS AMUSEMENT
3655 MACHINE; OR AWARDING ANY MERCHANDISE, PRIZE, TOY, GIFT
3656 CERTIFICATE, OR NOVELTY OF A VALUE EXCEEDING \$5.00 FOR A SINGLE
3657 PLAY OF THIS MACHINE.';

3658 (8) Providing for restrictions relating to distance from specified structures or uses so long
3659 as those distance requirements are no more restrictive than such requirements applicable
3660 to the sale of alcoholic beverages;

3661 (9) Requiring as a condition for doing business in the jurisdiction disclosure by the
3662 location owner or location operator of the name and address of the owner of the bona fide
3663 coin operated amusement machine or machines;

3664 (10) Requiring that all bona fide coin operated amusement machines are placed and kept
3665 in plain view and accessible to any person who is at the business location; and

3666 (11) Requiring a business that offers one or more bona fide coin operated amusement
3667 machines to the public for play to post its business license or occupation tax certificate.

3668 50-27-87.

3669 (a)(1) Except as provided in this Code section, a person shall not own, maintain, place,
3670 or lease a bona fide coin operated amusement machine unless he or she has a valid master
3671 license; provided, however, that a manufacturer or distributor may own a bona fide coin
3672 operated amusement machine intended for sale to an operator, master licensee,
3673 manufacturer, or distributor.

3674 (2) A master licensee shall only place or lease bona fide coin operated amusement
3675 machines for use in Georgia in a licensed location owner's or location operator's
3676 establishments.

3677 (3) To be eligible as a master licensee, the person shall not have had a gambling license
3678 in any state for at least five years prior to obtaining or renewing a Georgia master's
3679 license.

3680 (4) On or after July 1, 2013, no person with or applying for a master license shall have
3681 an interest in any manufacturer, distributor, location owner, or location operator in this
3682 state. Additionally, no group or association whose membership includes manufacturers,
3683 distributors, operators, master licensees, location owners, or location operators shall
3684 obtain a master license nor shall they form an entity which acts as a master licensee,
3685 operator, location owner, or location operator for the purpose of obtaining a master
3686 license; provided, however, that through June 30, 2015, this paragraph shall not apply to
3687 persons who, as of December 31, 2013, have or will have continuously possessed a
3688 master license for ten or more years and, for ten or more years, have or will have
3689 continuously owned or operated a location where a bona fide coin operated machine has
3690 been placed.

3691 (5) Failure to adhere to the provisions of this subsection shall result in a fine of not more
3692 than \$50,000.00 and loss of the license for a period of one to five years per incident and
3693 subject the master licensee to the loss of any other state or local license held by the
3694 master licensee. The ~~corporation~~ commission shall notify any state or federal agency that
3695 issues a license to such master licensee of the breach of its duties under this article.

3696 (b)(1) No bona fide coin operated amusement machine, its parts, or software or hardware
3697 shall be placed or leased in any location owner's or location operator's establishment
3698 except by a master licensee and only if the owner or agent of the location owner or
3699 location operator has entered into a written agreement with a master licensee for
3700 placement of the bona fide coin operated amusement machine. Beginning on July 1,
3701 2013, no person with or applying for a location owner's or location operator's license shall
3702 have an interest in any person or immediate family member of a person with a master
3703 license, or doing business as a distributor, or manufacturer in this state. A location owner
3704 or location operator may sell a bona fide coin operated amusement machine to anyone
3705 except another location owner or location operator. Failure to adhere to this subsection
3706 shall result in a fine of not less than \$50,000.00 and loss of the location owner's or
3707 location operator's license for a period of one to five years per incident and subject the
3708 location owner or location operator to the loss of any other state or local licenses held by
3709 the location owner or location operator. The ~~corporation~~ commission shall notify any
3710 state or federal agency that issues a license to such location owner or location operator
3711 of the breach of its duties under this article.

3712 (2) A copy of the written agreement shall be on file in the master licensee's and the
3713 location owner's and location operator's place of business and available for inspection by
3714 individuals authorized by the ~~corporation~~ commission.

3715 (3) Any written agreement entered into after April 10, 2013, shall be exclusive as
3716 between one bona fide coin operated amusement machine master licensee and one
3717 location owner or location operator per location.

3718 (c) No person shall receive a portion of any proceeds or revenue from the operation of a
3719 bona fide coin operated amusement machine except the operator, location owner, or
3720 location operator, notwithstanding Code Section 50-27-102. No commission or fee shall
3721 be awarded for the facilitation of a contract or agreement between a master licensee and
3722 a location owner or location operator; provided, however, that an employee of a master
3723 licensee may receive compensation, including a commission, for such agreements or
3724 contracts. A master licensee shall not pay a commission or provide anything of value to
3725 any person who is an employee, independent contractor, or immediate family member of
3726 a location owner or location operator.

3727 (d) This Code section shall only apply to manufacturers, distributors, operators, master
3728 licensees, and location owners or location operators of Class B machines.

3729 50-27-87.1.

3730 The following acts or practices are deemed unfair methods of competition and unfair and
3731 deceptive acts under this article:

3732 (1) Until the ~~corporation~~ commission certifies that the Class B accounting terminal
 3733 authorized by Code Section 50-27-101 is implemented, a master licensee, location owner,
 3734 or location operator retaining more than 50 percent of the net monthly proceeds for the
 3735 operation of a Class B machine;

3736 (2) A master licensee or owner entering into an agreement with a manufacturer or
 3737 distributor:

3738 (A) That grants the owner or master licensee exclusive rights to own, maintain, place,
 3739 or lease a type, model, or brand of bona fide coin operated amusement machine in this
 3740 state; or

3741 (B) For the lease of a bona fide coin operated amusement machine, its parts, or
 3742 software or hardware;

3743 (3) A location owner or location operator asking, demanding, or accepting anything of
 3744 value, including but not limited to a loan or financing arrangement, gift, procurement fee,
 3745 lease payments, revenue sharing, or payment of license fees or permit fees from a master
 3746 licensee, as an incentive, inducement, or any other consideration to locate bona fide coin
 3747 operated amusement machines in that establishment. A location owner that violates this
 3748 subsection shall have all of the location owner's state business licenses revoked for a
 3749 period of one to five years per incident. The location owner also shall be fined up to
 3750 \$50,000.00 per incident and required to repay any incentive fees or other payments
 3751 received from the operator; and

3752 (4) An operator, master licensee, or individual providing anything of value, including but
 3753 not limited to a loan or financing arrangement, gift, procurement fee, lease payments,
 3754 revenue sharing, or payment of license fees or permit fees to a location owner or location
 3755 operator, as any incentive, inducement, or any other consideration to locate bona fide coin
 3756 operated amusement machines in that establishment. An operator, master licensee, or
 3757 individual who violates this subsection shall have all of his or her state business licenses
 3758 revoked for a period of one to five years per incident. The individual, owner, or master
 3759 licensee also shall be fined up to \$50,000.00 per incident.

3760 50-27-88.

3761 (a) The ~~corporation~~ commission shall establish rules or policies, with the advice of the
 3762 Bona Fide Coin Operated Amusement Machine Operator Advisory Board, to establish or
 3763 create:

3764 (1) Forms and information reasonably required for the submission of a license
 3765 application; and

3766 (2) Procedures to ensure that applicants for a license provide the identical name and
 3767 address of the applicant as stated in the application for a license required by local

3768 governing authorities and specify the premises where the licensee shall have its place of
3769 business.

3770 (b) Any legal entity, including but not limited to all partnerships, limited liability
3771 companies, and domestic or foreign corporations, lawfully registered and doing business
3772 under the laws of Georgia or the laws of another state and authorized by the Secretary of
3773 State to do business in Georgia which seeks to obtain a license for bona fide coin operated
3774 amusement machines may be permitted to apply for a license in the name of the legal entity
3775 as it is registered in the office of the Secretary of State; provided, however, that:

3776 (1) In its application for any bona fide coin operated amusement machine license, the
3777 legal entity shall provide the ~~corporation~~ commission with the name and address of its
3778 agent authorized to receive service of process under the laws of Georgia, together with
3779 a listing of its current officers and their respective addresses;

3780 (2) Any change in the status of the licensee's registered agent, including but not limited
3781 to change of address or name, shall be reported to the ~~corporation~~ commission within ten
3782 business days of such occurrence;

3783 (3) In the event that a legal entity shall fail to appoint or maintain a registered agent in
3784 Georgia as required by law, or whenever its registered agent cannot with due diligence
3785 be found at the registered office of the business as designated in its application for
3786 license, the chief executive officer shall be appointed agent to receive any citation for
3787 violation of the provisions of this article;

3788 (4) Process may be served upon the chief executive officer by leaving with the chief
3789 executive officer duplicate copies of such citations;

3790 (5) In the event that the notice of citation is served upon the chief executive officer or
3791 one of the chief executive officer's designated agents, the chief executive officer shall
3792 immediately forward one of the copies to the business at its registered office;

3793 (6) Any service made upon the chief executive officer shall be answerable within 30
3794 days; and

3795 (7) The ~~corporation~~ commission shall keep a record of all citations served upon the chief
3796 executive officer under this article and shall record the time of service and the disposition
3797 of that service.

3798 50-27-89.

3799 (a) There shall be a Bona Fide Coin Operated Amusement Machine Operator Advisory
3800 Board to be composed of ten members. The chief executive officer of the ~~corporation~~
3801 commission shall serve as a member. Two members shall be appointed by the Speaker of
3802 the House of Representatives, two members by the Lieutenant Governor, and five members
3803 by the Governor; at least one appointee shall be a licensed location owner or location

3804 operator. At least seven members shall be Georgia operators with current master licenses
3805 representing the broadest possible spectrum of business characteristics of bona fide coin
3806 operated amusement machine operators.

3807 (b) Members appointed to the advisory board shall serve terms of four years. Upon the
3808 expiration of a member's term of office, a new member appointed in the same manner as
3809 the member whose term of office expired as provided in subsection (a) of this Code section
3810 shall become a member of the advisory board and shall serve for a term of four years and
3811 until such member's successor is duly appointed and qualified. If a vacancy occurs in the
3812 membership of the advisory board, a new member shall be appointed for the unexpired
3813 term of office by the official who appointed the vacating member. Members may be
3814 reappointed to additional terms.

3815 (c) The advisory board shall establish its own policies and internal operating procedures.
3816 Members of the advisory board shall serve without compensation or reimbursement of
3817 expenses. The advisory board may report to the ~~corporation~~ commission in writing at any
3818 time. The ~~corporation~~ commission may invite the advisory board to make an oral
3819 presentation to the ~~corporation~~ commission.

3820 (d) The advisory board shall have the exclusive authority to initiate a process to determine
3821 a variety of cost-effective, efficacious, and fiscally responsible approaches for
3822 consideration by the ~~corporation~~ commission of a Class B accounting terminal authorized
3823 by Code Section 50-27-101; provided, however, that the board shall comply with the
3824 deadline contained in subsection (a) of Code Section 50-27-101 for procuring the
3825 centralized accounting terminal and communications network. The advisory board shall
3826 be further authorized to contract with the Department of Administrative Services to
3827 develop a request for proposal to receive bids to provide the Class B accounting terminal
3828 and shall submit a minimum of three recommended proposals to the ~~corporation~~
3829 commission unless only two vendors respond. The ~~corporation~~ commission shall select
3830 one of the recommended proposals to serve as the Class B accounting terminal vendor.

3831 (e) No advisory board member, ~~corporation~~ commission member, or immediate family of
3832 either may own a substantial interest in or be an employee, independent contractor, agent,
3833 or officer of any vendor recommended to or selected by the ~~corporation~~ commission. For
3834 the purposes of this Code section, 'substantial interest' means the direct or indirect
3835 ownership of any privately held assets or stock or over \$5,000.00 in publicly traded stock.

3836 Part 2

3837 50-27-100.

3838 The General Assembly finds that:

3839 (1) There is a compelling state interest in ensuring the most efficient, honest, and
3840 accurate regulation of the bona fide coin operated amusement machine industry in this
3841 state; and

3842 (2) The most efficient, accurate, and honest regulation of the bona fide coin operated
3843 amusement machine industry in this state can best be facilitated by establishing a Class
3844 B accounting terminal to which all Class B machines will be linked by a communications
3845 network to provide superior capability of auditing, reporting, and regulation of the coin
3846 operated amusement machine industry.

3847 50-27-101.

3848 (a) On or before July 1, 2014, in cooperation with the Bona Fide Coin Operated
3849 Amusement Machine Operator Advisory Board established under Code Section 50-27-89,
3850 the ~~corporation~~ commission shall procure a Class B accounting terminal linked by a
3851 communications network through which all Class B machines in a location shall connect
3852 to a single point of commerce for the purpose of accounting and reporting to the state. In
3853 no event shall the terminal approved by the ~~corporation~~ commission limit participation to
3854 only one manufacturer or one type of bona fide coin operated amusement machine.
3855 Consideration shall be given to the cost associated with retrofitting all existing Class B
3856 machines and efforts made to minimize that cost.

3857 (b) Six months after the procurement of a Class B accounting terminal and successful pilot
3858 testing, all Class B machines shall be linked by a communications network to a Class B
3859 accounting terminal for purposes of monitoring and reading device activities as provided
3860 for in this Code section. When the ~~corporation~~ commission is satisfied with the operation
3861 of the Class B accounting terminal it shall certify the effective status of the Class B
3862 accounting terminal and notify all licensees of such certification.

3863 (c) The Class B accounting terminal shall be designed and operated to allow the
3864 monitoring and reading of all Class B machines for the purpose of compliance with regard
3865 to their obligations to the state. The Class B accounting terminal shall be located within
3866 and administered by the ~~corporation~~ commission.

3867 (d) The Class B accounting terminal shall not provide for the monitoring or reading of
3868 personal or financial information concerning patrons of bona fide coin operated amusement
3869 machines.

3870 (e) Any entity that acts as a vendor for the ~~corporation~~ commission in building, operating,
3871 maintaining, or contracting to build, operate, or maintain a Class B accounting terminal
3872 shall be prohibited from obtaining a license as an operator or location owner or location
3873 operator. As used in this subsection, the term 'entity' shall also include the entity's
3874 employees, independent contractors, consultants, or any other person as defined in

3875 paragraph (15) of subsection (b) of Code Section 50-27-70 which is related to the entity
 3876 during the time the vendor is involved with providing service as it relates to the Class B
 3877 accounting terminal for the ~~corporation~~ commission.

3878 (f) Except as provided in subsection (e) of Code Section 50-27-73, nothing in this part
 3879 shall be construed to provide any authority to the ~~corporation~~ commission to limit or
 3880 eliminate Class B machines or to limit, eliminate, or unduly restrict the number of licenses,
 3881 permits, or certifications for operators or location owners or location operators.

3882 (g) The ~~corporation~~ commission shall not expand, limit, or otherwise alter what constitutes
 3883 a bona fide coin operated amusement machine and the permitted redemption related items,
 3884 except that the ~~corporation~~ commission shall be permitted to authorize any ticket or product
 3885 of the ~~corporation~~ commission.

3886 50-27-102.

3887 (a) Upon successful implementation and certification of the Class B accounting terminal
 3888 under the provisions of Code Section 50-27-101, and for the first fiscal year thereafter, the
 3889 ~~corporation~~ commission shall:

3890 (1) Retain 5 percent of the net receipts;

3891 (2) Provide, within five business days of receipt, 47.5 percent of the net receipts to the
 3892 location owner and location operator for the cost associated with allowing the Class B
 3893 machines to be placed; and

3894 (3) Provide, within five business days of receipt, 47.5 percent of the net receipts to the
 3895 operator holding the Class B master license for the cost of securing, operating, and
 3896 monitoring the machines.

3897 (b) In each fiscal year after the implementation and certification required by subsection (a)
 3898 of this Code ~~Section~~ section, the ~~corporation's~~ commission's share shall increase 1 percent,
 3899 taken evenly from the location owner or location operator and the operator, to a maximum
 3900 of 10 percent.

3901 (c) The ~~corporation~~ commission shall require location owners and location operators to
 3902 place all bona fide coin operated amusement machine proceeds due the ~~corporation~~
 3903 commission in a segregated account in institutions insured by the Federal Deposit
 3904 Insurance Corporation not later than the close of the next banking day after the date of their
 3905 collection by the retailer until the date they are paid over to the ~~corporation~~ commission.
 3906 At the time of such deposit, bona fide coin operated amusement machine proceeds shall be
 3907 deemed to be the property of the ~~corporation~~ commission. The ~~corporation~~ commission
 3908 may require a location owner or location operator to establish a single separate electronic
 3909 funds transfer account where available for the purpose of receiving proceeds from Class
 3910 B machines, making payments to the ~~corporation~~ commission, and receiving payments for

3911 the ~~corporation~~ commission. Unless otherwise authorized in writing by the ~~corporation~~
 3912 commission, each bona fide coin operated amusement machine location owner or location
 3913 operator shall establish a separate bank account for bona fide coin operated amusement
 3914 machine proceeds which shall be kept separate and apart from all other funds and assets
 3915 and shall not be commingled with any other funds or assets. Whenever any person who
 3916 receives proceeds from bona fide coin operated amusement machines becomes insolvent
 3917 or dies insolvent, the proceeds due the ~~corporation~~ commission from such person or his or
 3918 her estate shall have preference over all debts or demands. If any financial obligation to
 3919 the ~~corporation~~ commission has not been timely received, the officers, directors, members,
 3920 partners, or shareholders of the location owner or location operator shall be personally
 3921 liable for the moneys owed to the ~~corporation~~ commission.

3922 50-27-103.

3923 (a) Any local governing authority may, after providing no less than 60 days' notice to all
 3924 master licensees and location owners and location operators, and in a manner consistent
 3925 with this Code section, vote to remove any Class B machines from the local jurisdiction.

3926 (b) Beginning on the first day of the first January after the certification of the Class B
 3927 accounting terminal under the provisions of Code Section 50-27-101:

3928 (1) The ~~corporation~~ commission shall notify any master licensee and location owner and
 3929 location operator of any materially adverse findings of any audit conducted by the
 3930 ~~corporation~~ commission to ensure compliance with Code Section 50-27-102. The notice
 3931 shall be provided to both the master licensee and the location owner or location operator,
 3932 regardless of which party's acts or conduct caused the materially adverse finding;

3933 (2) If, after the notice required by this Code section, another consecutive audit conducted
 3934 by the ~~corporation~~ commission not less than six months later contains a similar materially
 3935 adverse finding, the ~~corporation~~ commission shall notify the master licensee and the
 3936 location owner or location operator that were audited and every master licensee and
 3937 location owner and location operator in this state. After the second consecutive audit
 3938 described in this paragraph, the ~~corporation~~ commission may enter into a corrective
 3939 action plan with the master licensee or the location owner or location operator, or both.
 3940 If the next audit conducted by the ~~corporation~~ commission not less than six months later
 3941 contains a similar materially adverse finding, the ~~corporation~~ commission shall notify the
 3942 master licensee and the location owner or location operator that were audited and every
 3943 master licensee and location owner and location operator in this state, and such notice
 3944 shall be considered an order by the ~~corporation~~ commission. Unless a longer period of
 3945 time is agreed to by the ~~corporation~~ commission, not more than 30 days after the third
 3946 consecutive materially adverse audit finding, the master licensee and location owner or

3947 location operator that were audited may appeal the findings of any of the three audits to
 3948 the Office of State Administrative Hearings as a contested case under Chapter 13 of ~~Title~~
 3949 ~~50~~ this title, the 'Georgia Administrative Procedure Act.' If the master licensee or
 3950 location owner or location operator that was audited does not appeal the ~~corporation's~~
 3951 commission's order as authorized in this Code section, it shall be deemed a final order and
 3952 shall be used to determine whether the notice to local governing authorities provided for
 3953 in paragraph (3) of this subsection is required, and only upon such notice shall the action
 3954 described by subsection (a) of this Code section be authorized. For the purposes of this
 3955 Code section, notice shall be provided in the same manner required by subsection (b) of
 3956 Code Section 50-27-74; and

3957 (3) If, pursuant to paragraph (2) of this subsection, a final judgment or final order has
 3958 been entered against at least 15 percent of master licensees and location owners and
 3959 location operators in a local jurisdiction over any consecutive two-year period, the
 3960 ~~corporation~~ commission shall notify the city or county and each and every licensee in this
 3961 state.

3962 50-27-104.

3963 The penalties provided for in this article shall be in addition to any criminal penalties that
 3964 may otherwise be provided by law."

3965 PART III

3966 SECTION 3-1.

3967 Title 13 of the Official Code of Georgia Annotated, relating to contracts, is amended by
 3968 revising Code section 13-8-3, relating to gambling contracts, as follows:

3969 "13-8-3.

3970 (a) Except as provided in subsection (c) of this Code section, ~~Gambling~~ gambling contracts
 3971 are void; and all evidences of debt, except negotiable instruments in the hands of holders
 3972 in due course or encumbrances or liens on property, executed upon a gambling
 3973 consideration, are void in the hands of any person.

3974 (b) Except as provided in subsection (c) of this Code section, ~~Money~~ money paid or
 3975 property delivered upon a gambling consideration may be recovered from the winner by
 3976 the loser by institution of an action for the same within six months after the loss and, after
 3977 the expiration of that time, by institution of an action by any person, at any time within four
 3978 years, for the joint use of himself or herself and the educational fund of the county.

3979 (c) Subsections (a) and (b) of this Code section shall not be applicable to contracts or debt
 3980 arising out of legal casino gaming activities conducted in accordance with the requirements

3981 of Chapter 39 of Title 50 and the rules and regulations of the Georgia Lottery and Casino
 3982 Gaming Commission promulgated thereunder."

3983 **PART IV**

3984 **SECTION 4-1.**

3985 Title 16 of the Official Code of Georgia Annotated, relating to crimes and offenses, is
 3986 amended by revising Code Section 16-12-21, relating to gambling, as follows:

3987 "16-12-21.

3988 (a) Except as provided in subsection (c) of this Code section, A a person commits the
 3989 offense of gambling when he or she:

3990 (1) Makes a bet upon the partial or final result of any game or contest or upon the
 3991 performance of any participant in such game or contest;

3992 (2) Makes a bet upon the result of any political nomination, appointment, or election or
 3993 upon the degree of success of any nominee, appointee, or candidate; or

3994 (3) Plays and bets for money or other thing of value at any game played with cards, dice,
 3995 or balls.

3996 (b) A person who commits the offense of gambling shall be guilty of a misdemeanor.

3997 (c) This Code section shall not be applicable to legal casino gaming activities conducted
 3998 in accordance with the requirements of Chapter 39 of Title 50 and the rules and regulations
 3999 of the Georgia Lottery and Casino Gaming Commission promulgated thereunder."

4000 **SECTION 4-2.**

4001 Said title is further amended by revising Code Section 16-12-22, relating to commercial
 4002 gambling, as follows:

4003 "16-12-22.

4004 (a) Except as provided in subsection (c) of this Code section, A a person commits the
 4005 offense of commercial gambling when he or she intentionally does any of the following
 4006 acts:

4007 (1) Operates or participates in the earnings of a gambling place;

4008 (2) Receives, records, or forwards a bet or offer to bet;

4009 (3) For gain, becomes a custodian of anything of value bet or offered to be bet;

4010 (4) Contracts to have or give himself or herself or another the option to buy or sell or
 4011 contracts to buy or sell at a future time any gain or other commodity whatsoever or any
 4012 stock or security of any company, when it is at the time of making such contract intended
 4013 by both parties thereto that the contract to buy or sell, the option whenever exercised or

4014 the contract resulting therefrom, shall be settled not by the receipt or delivery of such
4015 property but by the payment only of differences in prices thereof;

4016 (5) Sells chances upon the partial or final result of or upon the margin of victory in any
4017 game or contest or upon the performance of any participant in any game or contest or
4018 upon the result of any political nomination, appointment, or election or upon the degree
4019 of success of any nominee, appointee, or candidate;

4020 (6) Sets up or promotes any lottery, sells or offers to sell, or knowingly possesses for
4021 transfer or transfers any card, stub, ticket, check, or other device designed to serve as
4022 evidence of participation in any lottery; or

4023 (7) Conducts, advertises, operates, sets up, or promotes a bingo game without having a
4024 valid license to operate a bingo game as provided by law.

4025 (b) A person who commits the offense of commercial gambling shall be guilty of a felony
4026 and, upon conviction thereof, shall be punished by imprisonment for not less than one nor
4027 more than five years or by a fine not to exceed \$20,000.00, or both.

4028 (c) This Code section shall not be applicable to legal casino gaming activities conducted
4029 in accordance with the requirements of Chapter 39 of Title 50 and the rules and regulations
4030 of the Georgia Lottery and Casino Gaming Commission promulgated thereunder."

4031 **SECTION 4-3.**

4032 Said title is further amended by revising Code Section 16-12-23, relating to keeping a
4033 gambling place, as follows:

4034 "16-12-23.

4035 (a) Except as provided in subsection (c) of this Code section, ~~A~~ a person who knowingly
4036 permits any real estate, building, room, tent, vehicle, boat, or other property whatsoever
4037 owned by him or her or under his or her control to be used as a gambling place or who
4038 rents or lets any such property with a view or expectation that it be so used commits the
4039 offense of keeping a gambling place.

4040 (b) A person who commits the offense of keeping a gambling place shall be guilty of a
4041 misdemeanor of a high and aggravated nature.

4042 (c) This Code section shall not be applicable to legal casino gaming activities conducted
4043 in accordance with the requirements of Chapter 39 of Title 50 and the rules and regulations
4044 of the Georgia Lottery and Casino Gaming Commission promulgated thereunder."

4045 **SECTION 4-4.**

4046 Said title is further amended by revising Code Section 16-12-24, relating to possession,
4047 manufacture, or transfer of gambling device or parts and possession of antique slot machines,
4048 as follows:

4049 "16-12-24.

4050 (a) Except as provided in subsection (c) of this Code section, A a person who knowingly
 4051 owns, manufactures, transfers commercially, or possesses any device which he or she
 4052 knows is designed for gambling purposes or anything which he or she knows is designed
 4053 as a subassembly or essential part of such device is guilty of a misdemeanor of a high and
 4054 aggravated nature.

4055 (b)(1) As used in this subsection, the term:

4056 (A) 'Antique slot machine' means a coin operated, nonelectronic mechanical gambling
 4057 device that pays off according to the matching of symbols on wheels spun by a handle
 4058 and was manufactured in its entirety, except for identical replacement parts, prior to
 4059 January 1, 1950.

4060 (B) 'Conviction' includes a plea of nolo contendere to a felony.

4061 (2) It shall be a defense to any action or prosecution under this Code section for
 4062 possession of a gambling device that the device is an antique slot machine and that said
 4063 device was not being used for gambling; provided, however, that the defense shall not be
 4064 available to any person who has been convicted of a felony in this or any other state or
 4065 under federal law and provided, further, that this defense shall not be available if the
 4066 antique slot machine is on the premises of a private or public club or in an establishment
 4067 where alcoholic beverages are sold.

4068 (3) Any antique slot machine seized as a result of a violation of this Code section shall
 4069 be contraband and subject to seizure and destruction as provided in Code Section
 4070 16-12-30. An antique slot machine seized for a violation of this Code section shall not be
 4071 destroyed, altered, or sold until the owner has been afforded a reasonable opportunity to
 4072 present evidence that the device was not operated for unlawful gambling or in violation
 4073 of this Code section. If the court determines that the device is an antique slot machine and
 4074 was not operated or possessed in violation of this or any other Code section, such device
 4075 shall be returned to its owner.

4076 (c) This Code section shall not be applicable to activities conducted in connection with
 4077 legal casino gaming undertaken in accordance with the requirements of Chapter 39 of Title
 4078 50 and the rules and regulations of the Georgia Lottery and Casino Gaming Commission
 4079 promulgated thereunder."

4080 **SECTION 4-5.**

4081 Said title is further amended by revising Code Section 16-12-25, relating to solicitation of
 4082 another to gamble with intent to defraud or deceive, as follows:

4083 "16-12-25.

4084 (a) Except as provided in subsection (c) of this Code section, Any any person who solicits
 4085 another person to commit any of the following acts with the intent to defraud or deceive
 4086 such person on or adjacent to the premises of any business operated for pecuniary gain
 4087 shall be guilty of a felony and, upon conviction thereof, shall be punished by imprisonment
 4088 for not less than one nor more than five years:

4089 (1) Keeps, maintains, employs, or carries on a game for the hazarding of money or other
 4090 thing of value;

4091 (2) Permits the playing for money or other thing of value of a game or device for the
 4092 hazarding of money or other thing of value;

4093 (3) Keeps or employs a device or equipment for the purpose of carrying on or operating
 4094 a game or device for the hazarding of money or other thing of value;

4095 (4) Permits the betting or wagering of money or other thing of value;

4096 (5) Sells or offers to sell to a person a ticket number or combination or chance or
 4097 anything representing a chance in a lottery or other similar scheme;

4098 (6) Keeps, maintains, employs, or carries on a lottery or scheme or device for the
 4099 hazarding of money or other thing of value;

4100 (7) Keeps, maintains, or employs a lottery ticket, lottery book, lottery ribbon, or other
 4101 article used in keeping, maintaining, or carrying on a lottery or other scheme, game, or
 4102 device for the hazarding of money or other thing of value;

4103 (8) Solicits a person to engage in a game or to operate a device for the hazarding of
 4104 money or other thing of value; or

4105 (9) Solicits a person to engage in a lottery or other scheme or device for the hazarding
 4106 of money or other thing of value.

4107 (b) This Code section is cumulative of and supplemental to any laws making any of the
 4108 activities prohibited by this Code section unlawful and punishable as a misdemeanor; and
 4109 nothing in this Code section shall be construed to repeal, amend, alter, or supersede any
 4110 such laws.

4111 (c) This Code section shall not be applicable to activities conducted, without the intent to
 4112 defraud or deceive, in connection with legal casino gaming undertaken in accordance with
 4113 the requirements of Chapter 39 of Title 50 and the rules and regulations of the Georgia
 4114 Lottery and Casino Gaming Commission promulgated thereunder."

4115 **SECTION 4-6.**

4116 Said title is further amended by revising Code Section 16-12-26, relating to advertising
 4117 commercial gambling, as follows:

4118 "16-12-26.

4119 (a) Except as provided in subsection (c) of this Code section, A a person who knowingly
4120 prints, publishes, or advertises any lottery or other scheme for commercial gambling or
4121 who knowingly prints or publishes any lottery ticket, policy ticket, or other similar device
4122 designed to serve as evidence of participation in a lottery commits the offense of
4123 advertising commercial gambling.

4124 (b) A person who commits the offense of advertising commercial gambling shall be guilty
4125 of a misdemeanor of a high and aggravated nature.

4126 (c) This Code section shall not be applicable to any advertising undertaken in connection
4127 with legal casino gaming activities conducted in accordance with the requirements of
4128 Chapter 39 of Title 50 and the rules and regulations of the Georgia Lottery and Casino
4129 Gaming Commission promulgated thereunder."

4130 SECTION 4-7.

4131 Said title is further amended by revising Code Section 16-12-28, relating to communicating
4132 gambling information, as follows:

4133 "16-12-28.

4134 (a) Except as provided in subsection (c) of this Code section, A a person who knowingly
4135 communicates information as to bets, betting odds, or changes in betting odds or who
4136 knowingly installs or maintains equipment for the transmission or receipt of such
4137 information with the intent to further gambling commits the offense of communicating
4138 gambling information.

4139 (b) A person who commits the offense of communicating gambling information, upon
4140 conviction thereof, shall be punished by imprisonment for not less than one nor more than
4141 five years or by a fine not to exceed \$5,000.00, or both.

4142 (c) This Code section shall not be applicable to any communications undertaken in
4143 connection with legal casino gaming activities conducted in accordance with the
4144 requirements of Chapter 39 of Title 50 and the rules and regulations of the Georgia Lottery
4145 and Casino Gaming Commission promulgated thereunder."

4146 SECTION 4-8.

4147 Said title is further amended by revising Code Section 16-12-30, relating to seizure and
4148 destruction of gambling devices, as follows:

4149 "16-12-30.

4150 (a) Except as provided in subsection (b) of Code Section 16-12-24 and subsection (c) of
4151 this Code section, every gambling device is declared to be contraband and subject to

4152 seizure and confiscation by any state or local authority within whose jurisdiction the same
4153 may be found.

4154 (b) At such time as there shall be a final judgment entered in any case or cases in which
4155 a seized gambling device is necessary evidence or at such time as the state shall determine
4156 that the continued physical existence of the seized gambling device is no longer necessary,
4157 the same shall be turned over by that person having custody of the device to the sheriff of
4158 the county wherein the device was confiscated. The sheriff shall within ten days after
4159 receiving the device destroy the same in the presence of the district attorney of the circuit
4160 in which such county is located and shall forward to the state revenue commissioner a
4161 certificate so stating which shall include the serial number of the device so destroyed.

4162 (c) This Code section shall not be applicable to any gambling devices, gaming equipment,
4163 slot machines, table games, or any other similar items or property used in conjunction with
4164 legal casino gaming activities conducted in accordance with the requirements of Chapter
4165 39 of Title 50 and the rules and regulations of the Georgia Lottery and Casino Gaming
4166 Commission promulgated thereunder."

4167 SECTION 4-9.

4168 Said title is further amended by revising Code Section 16-12-32, relating to seizure and
4169 disposition of property used in or derived from violation of article, as follows:

4170 "16-12-32.

4171 (a) As used in this Code section, 'property' means any personal property of any type,
4172 tangible or intangible, including but not limited to vehicles, conveyances, aircraft,
4173 watercraft, funds, other things of value or choses in action or any interest in such property,
4174 but shall not include a gambling device subject to seizure and destruction under Code
4175 Section 16-12-30.

4176 (b) Except as provided in subsection (i) of this Code section, All property used in,
4177 intended for use in, used to facilitate, or derived from or realized through a violation of this
4178 article or which is located within any gambling place or within any vehicle or other
4179 conveyance used to transport any gambling device, any subassembly or essential part
4180 thereof, card, stub, ticket, check, funds, things of value, or other device designed to
4181 facilitate participation in any lottery is declared to be contraband and may be seized and
4182 forfeited as provided in this Code section.

4183 (c) Any such property shall be seized by any peace officer who, within ten days after the
4184 seizure of such property, shall report the same to the district attorney of the superior court
4185 having jurisdiction in the county where the seizure was made.

4186 (d) Within 30 days from the date he or she receives notice of such seizure, the district
4187 attorney of said judicial circuit shall cause to be filed in the superior court of the county in

4188 which the property was seized an action against the property so seized and any and all
4189 persons having an interest in or right affected by the seizure or sale of such property.

4190 (e) A copy of the action shall be served upon the person or persons having custody or
4191 possession of such property at the time of seizure, and, if known, upon any owner, lessee,
4192 and any person having a duly recorded security interest in or lien upon such property at the
4193 time of seizure. If the owner or lessee is unknown or resides out of the state or departs the
4194 state or cannot after due diligence be found within the state or conceals himself or herself
4195 so as to avoid service, notice of such proceedings shall be published once a week for two
4196 consecutive weeks in the newspaper in which sheriff's advertisements are published. Such
4197 publication shall be deemed notice to any and all persons having an interest in or right
4198 affected by such proceeding and any sale of the property resulting therefrom but shall not
4199 constitute notice to any person having a duly recorded security interest in or lien upon such
4200 property and required to be served under this subsection unless that person is unknown or
4201 resides out of the state or departs the state or cannot after due diligence be found within the
4202 state or conceals himself or herself to avoid service.

4203 (f) If no defense is filed within 30 days after the service of a copy of the action or the last
4204 publication required under subsection (e) of this Code section, judgment by default shall
4205 be entered by the court at chambers, otherwise the case shall proceed as other civil cases
4206 in said court.

4207 (g) Should it appear that any person filing a defense in the action knew, or by the exercise
4208 of ordinary care should have known, that the property was used in violation of this Code
4209 section, the same shall be sold by order of the court after such advertisement as the court
4210 shall direct, and such person shall have no claim upon the property or the proceeds from
4211 the sale thereof.

4212 (h) Except as otherwise provided in this Code section, property forfeited pursuant to this
4213 subsection shall be disposed of by order of the court as follows:

- 4214 (1) Upon application of the seizing law enforcement agency or any other law
4215 enforcement agency of state, county, or municipal government, the court may permit the
4216 agency to retain the property for official use in law enforcement work; or
4217 (2) The court may sell that which is not required to be destroyed by law and which is not
4218 harmful to the public, and the proceeds of such sale shall be used for payment of all
4219 proper expenses of the forfeiture and sale including, but not limited to, the expenses of
4220 seizure, maintenance of custody, advertising, and court costs.

4221 The remainder of the proceeds of a sale of forfeited property, after payment of these
4222 expenses, shall be paid into the general fund of the county.

4223 (i) This Code section shall not be applicable to any property used in, derived from, or
4224 realized through legal casino gaming activities conducted in accordance with the

4225 requirements of Chapter 39 of Title 50 and the rules and regulations of the Georgia Lottery
 4226 and Casino Gaming Commission promulgated thereunder."

4227 **SECTION 4-10.**

4228 Said title is further amended by revising Code Section 16-12-36, relating to lawful
 4229 promotional and giveaway contests, as follows:

4230 "16-12-36.

4231 (a) A promotional or giveaway contest which conforms with the qualifications of a lawful
 4232 promotion specified in paragraph (16) of subsection (b) of Code Section 10-1-393 shall not
 4233 be a lottery.

4234 (b) Except as provided in ~~subsection~~ subsections (a) and (c) of this Code section, all
 4235 promotions or promotional contests involving an element of chance in the distribution of
 4236 prizes, gifts, awards, or other items which otherwise meet the definition of a 'lottery' in this
 4237 article shall be included within the definition of the term 'lottery' for purposes of this
 4238 article, unless specifically exempted by some other statute or law.

4239 (c) All promotions or promotional contests involving an element of chance in the
 4240 distribution of prizes, gifts, awards, or other items, which are conducted in association with
 4241 legal casino gaming activities undertaken in accordance with the requirements of Chapter
 4242 39 of Title 50, shall not qualify as a 'lottery' and shall not be included within the definition
 4243 of a 'lottery' for the purposes of this article."

4244 **SECTION 4-11.**

4245 Said title is further amended by revising Code Section 16-12-50, relating to legislative intent
 4246 relative to bingo, as follows:

4247 "16-12-50.

4248 It is the intention of the General Assembly that, except for recreational bingo and bingo
 4249 conducted as a legal casino gaming activity in accordance with the requirements of Chapter
 4250 39 of Title 50, only nonprofit, tax-exempt organizations which are properly licensed
 4251 pursuant to this part shall be allowed to operate bingo games."

4252 **SECTION 4-12.**

4253 Said title is further amended by revising Code Section 16-12-52, relating to license required
 4254 to operate bingo game and recreational bingo exception, as follows:

4255 "16-12-52.

4256 (a) Any other law to the contrary notwithstanding except for ~~subsection~~ subsections (b)
 4257 and (c) of this Code section, no nonprofit, tax-exempt organization shall be permitted to
 4258 operate a bingo game until the director issues a license to the organization authorizing it

4259 to do so. In the event of any controversy concerning whether or not certain activity
 4260 constitutes bingo for which a license may be issued, the decision of the director shall
 4261 control. The license described in this Code section is in addition to and not in lieu of any
 4262 other licenses which may be required by this state or any political subdivision thereof, and
 4263 no bingo game shall be operated until such time as all requisite licenses have been
 4264 obtained.

4265 (b) Recreational bingo is a nonprofit bingo game or a bingo game operated by an employer
 4266 with ten or more full-time employees for the purpose of providing a safe workplace
 4267 incentive and shall not be subject to the licensing requirements and regulations provided
 4268 in this part applicable to bingo games not considered recreational bingo and operated by
 4269 nonprofit, tax-exempt organizations.

4270 (c) All bingo games operated in connection with legal casino gaming activities undertaken
 4271 in accordance with the requirements of Chapter 39 of Title 50 and the rules and regulations
 4272 of the Georgia Lottery and Casino Gaming Commission promulgated thereunder shall be
 4273 exempt from the requirements of this Code section."

4274 **SECTION 4-13.**

4275 Said title is further amended by revising Code Section 16-12-53, relating to licensing
 4276 procedure, fee, and renewal, as follows:

4277 "16-12-53.

4278 (a) Any nonprofit, tax-exempt organization desiring to obtain a license to operate bingo
 4279 games shall make application to the director on forms prescribed by the Georgia Bureau
 4280 of Investigation and shall pay an annual fee of \$100.00. No license shall be issued to any
 4281 nonprofit, tax-exempt organization unless the organization has been in existence for 12
 4282 months immediately prior to the issuance of the license. The license will expire at 12:00
 4283 Midnight on December 31 following the granting of the license. Renewal applications for
 4284 each calendar year shall be filed with the director prior to January 1 of each year and shall
 4285 be on a form prescribed by the Georgia Bureau of Investigation.

4286 (b) Each application for a license and each application for renewal of a license shall
 4287 contain the following information:

4288 (1) The name and home address of the applicant and, if the applicant is a corporation,
 4289 association, or other similar legal entity, the names and home addresses of each of the
 4290 officers of the organization as well as the names and addresses of the directors, or other
 4291 persons similarly situated, of the organization;

4292 (2) The names and home addresses of each of the persons who will be operating,
 4293 advertising, or promoting the bingo game;

- 4294 (3) The names and home addresses of any persons, organizations, or other legal entities
 4295 that will act as surety for the applicant or to which the applicant is financially indebted
 4296 or to which any financial obligation is owed by the applicant;
- 4297 (4) A determination letter from the Internal Revenue Service certifying that the applicant
 4298 is an organization exempt under federal tax law;
- 4299 (5) A statement affirming that the applicant is exempt under the income tax laws of this
 4300 state under Code Section 48-7-25;
- 4301 (6) The location at which the applicant will conduct the bingo games and, if the premises
 4302 on which the games are to be conducted is to be leased, a copy of the lease or rental
 4303 agreement;
- 4304 (7) A statement showing the convictions, if any, for criminal offenses other than minor
 4305 traffic offenses of each of the persons listed in paragraphs (1), (2), and (3) of this
 4306 subsection; and
- 4307 (8) Any other necessary and reasonable information which the director may require.
- 4308 (c) The director shall refuse to grant a bingo license to any applicant who fails to provide
 4309 fully the information required by this Code section.
- 4310 (d) When a nonprofit, tax-exempt organization which operates or intends to operate bingo
 4311 games for residents and patients of a retirement home, nursing home, or hospital operated
 4312 by that organization at which gross receipts are or will be limited to \$100.00 or less during
 4313 each bingo session and pays or will pay prizes having a value of \$100.00 or less during
 4314 each bingo session, then, notwithstanding any other provision of this part or any rule or
 4315 regulation promulgated by the director pursuant to the provisions of Code Section
 4316 16-12-61, neither the applicant nor any of the persons whose names and addresses are
 4317 required under paragraphs (1) and (2) of subsection (b) of this Code section shall be
 4318 required to submit or provide fingerprints or photographs as a condition of being granted
 4319 a license.
- 4320 (e) If the director determines that an organization has one or more auxiliaries, the members
 4321 of any such auxiliary may assist in such organization's bingo operations, even if such
 4322 auxiliary holds a license under this part, and the members of the main organization may
 4323 assist in the bingo operations of any such licensed auxiliary.
- 4324 (f) The licensing procedures, fees, and renewal obligations set forth in this Code section
 4325 shall not be applicable to any bingo games operated in connection with legal casino gaming
 4326 activities undertaken in accordance with the requirements of Chapter 39 of Title 50 and the
 4327 rules and regulations of the Georgia Lottery and Casino Gaming Commission promulgated
 4328 thereunder."

SECTION 4-14.

4329
4330 Said title is further amended by revising Code Section 16-12-54, relating to revocation of
4331 licenses and access to premises by law enforcement agencies, as follows:

4332 "16-12-54.

4333 (a) The director shall have the specific authority to suspend or revoke any license for any
4334 violation of this part or for any violation of any rule or regulation promulgated under this
4335 part. Any licensee accused of violating any provision of this part or of any rule or
4336 regulation promulgated hereunder shall be entitled, unless waived, to a hearing on the
4337 matter of the alleged violation conducted in accordance with Chapter 13 of Title 50, the
4338 'Georgia Administrative Procedure Act.'

4339 (b) By making application for a license under this part, every applicant consents that the
4340 director, as well as any of his or her agents, together with any prosecuting attorney, as well
4341 as any of his or her agents, may come upon the premises of any licensee or upon any
4342 premises on which any licensee is conducting a bingo game for the purpose of examining
4343 the accounts and records of the licensee to determine if a violation of this part has occurred.

4344 (c) The procedures and powers set forth in this Code section shall not be applicable to any
4345 bingo games operated in connection with legal casino gaming activities undertaken in
4346 accordance with the requirements of Chapter 39 of Title 50 and the rules and regulations
4347 of the Georgia Lottery and Casino Gaming Commission promulgated thereunder."

SECTION 4-15.

4348
4349 Said title is further amended by revising Code Section 16-12-57, relating to restrictions as
4350 to ownership of premises utilized, as follows:

4351 "16-12-57.

4352 Bingo games, except those operated in connection with legal casino gaming activities
4353 undertaken in accordance with the requirements of Chapter 39 of Title 50 and the rules and
4354 regulations of the Georgia Lottery and Casino Gaming Commission promulgated
4355 thereunder, shall be operated only on premises owned by the nonprofit, tax-exempt
4356 organization operating the bingo game, on property leased by the nonprofit, tax-exempt
4357 organization and used regularly by that organization for purposes other than the operation
4358 of a bingo game, or on property leased by the nonprofit, tax-exempt organization operating
4359 the bingo game from another nonprofit, tax-exempt organization."

SECTION 4-16.

4360
4361 Said title is further amended by revising Code Section 16-12-59, relating to annual report to
4362 be filed with the director of the Georgia Bureau of Investigation, as follows:

4363 "16-12-59.
 4364 On or before April 15 of each year, every nonprofit, tax-exempt organization engaged in
 4365 operating bingo games shall file with the director a report disclosing all receipts and
 4366 expenditures relating to the operation of bingo games in the previous year. The report shall
 4367 be in addition to all other reports required by law. The report shall be prepared and signed
 4368 by a certified public accountant competent to prepare such a report and shall be deemed a
 4369 public record subject to public inspection. Such reporting requirements shall not apply to
 4370 operators of bingo games at licensed resort facilities in this state where legal casino gaming
 4371 activities are undertaken in accordance with the requirements of Chapter 39 of Title 50 and
 4372 the rules and regulations of the Georgia Lottery and Casino Gaming Commission
 4373 promulgated thereunder."

4374 **SECTION 4-17.**

4375 Said title is further amended by revising Code Section 16-12-60, relating to rules and
 4376 regulations, as follows:

4377 "16-12-60.

4378 (a) A licensee that conducts or operates a bingo session shall maintain the following
 4379 records for at least three years from the date on which the bingo session is conducted:

4380 (1) An itemized list of the gross receipts for each session;

4381 (2) An itemized list of all expenses other than prizes that are incurred in the conducting
 4382 of the bingo session as well as the name of each person to whom the expenses are paid
 4383 and a receipt for all of the expenses;

4384 (3) A list of all prizes awarded during the bingo session and the name and address of all
 4385 persons who are winners of prizes of \$50.00 or more in value;

4386 (4) An itemized list of the recipients other than the licensee of the proceeds of the bingo
 4387 game, including the name and address of each recipient to whom such funds are
 4388 distributed; and

4389 (5) A record of the number of persons who participate in any bingo session conducted
 4390 by the licensee.

4391 (b) A licensee shall:

4392 (1) Own all the equipment used to conduct a bingo game or lease such equipment;

4393 (2) Display its bingo license conspicuously at the location where the bingo game is
 4394 conducted;

4395 (3) Conduct bingo games only at the single location specified in the licensee's
 4396 application; and

4397 (4) Not conduct more than one bingo session during any one calendar day, which session
 4398 shall not exceed five hours.

- 4399 (c) No nonprofit, tax-exempt organization shall enter into any contract with any individual,
4400 firm, association, or corporation to have such individual, firm, association, or corporation
4401 operate bingo games or concessions on behalf of the nonprofit, tax-exempt organization.
- 4402 (d) A nonprofit, tax-exempt organization shall not lend its name nor allow its identity to
4403 be used by any individual, firm, association, or corporation in the operating or advertising
4404 of a bingo game in which said nonprofit, tax-exempt organization is not directly and solely
4405 operating the bingo game.
- 4406 (e) It shall be unlawful for two or more nonprofit, tax-exempt organizations which are
4407 properly licensed pursuant to this part to operate bingo games jointly or to operate bingo
4408 games upon the same premises during any 18 hour period.
- 4409 (f) It shall be unlawful to award prizes in excess of \$1,500.00 in cash or gifts of equivalent
4410 value during any calendar day or \$3,000.00 in cash or gifts of equivalent value during any
4411 calendar week. It shall be unlawful to exceed such limits at any combination of locations
4412 operated by a single licensee or such licensee's agents or employees. It shall be unlawful
4413 for two or more licensees to pyramid the valuation of prizes in such manner as to exceed
4414 the limits contained in this Code section. The term 'equivalent value' shall mean the fair
4415 market value of the gift on the date the gift is given as the prize in a bingo game.
- 4416 (g) No person or organization by whatever name or composition thereof shall take any
4417 salary, expense money, or fees for the operation of any bingo game, except that not more
4418 than \$30.00 per day may be paid to one or more individuals for assisting in the conduct of
4419 such games on such day.
- 4420 (h) No person shall pay consulting fees to any person for any services performed in
4421 relation to the operation or conduct of a bingo game.
- 4422 (i) A person who is a member of more than one nonprofit, tax-exempt organization shall
4423 be permitted to participate in the bingo operations of only two organizations of which such
4424 person is a member; provided, however, that such person shall not receive more than
4425 \$30.00 per day for assisting in the conduct of bingo games regardless of whether such
4426 person assists both organizations in the same day.
- 4427 (j) The provisions of this Code section shall not be applicable to any bingo game
4428 operations conducted as part of legal casino gaming activities undertaken in accordance
4429 with the requirements of Chapter 39 of Title 50 and the rules and regulations of the Georgia
4430 Lottery and Casino Gaming Commission promulgated thereunder."

4431

PART V

4432

SECTION 5-1.

4433 This Act shall become effective on January 1, 2017, provided that an amendment to the
4434 Constitution of the State of Georgia authorizing casino gaming at a limited number of
4435 licensed resort facilities is passed by the General Assembly and ratified by electors of this
4436 state in the 2016 general election. If no such amendment is proposed by the General
4437 Assembly, if such amendment is rejected by the electors, or if the election to ratify the
4438 proposed amendment is not held at the time of the 2016 general election, this Act shall be
4439 repealed on January 1, 2017.

4440

SECTION 5-2.

4441 All laws and parts of laws in conflict with this Act are repealed.