

House Bill 538

By: Representative Stephens of the 164th

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 pari-mutuel horse racing in this state at a limited number of licensed
3 equestrian centers; to create the Georgia Horse Racing Commission; to provide for the
4 comprehensive regulation of pari-mutuel and related activities; to provide for legislative
5 findings; to provide for definitions; to enter into the Interstate Compact on Licensure of
6 Participants in Live Racing with Pari-mutuel Wagering; to provide a short title; to provide
7 for related matters; to provide for a contingent effective date; to repeal conflicting laws; and
8 for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **SECTION 1.**

11 This Act shall be known and may be cited as the "Harry Geisinger Rural Georgia Jobs and
12 Growth Act."

13 **SECTION 2.**

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

H. B. 538

16 "CHAPTER 41

17 ARTICLE 1

18 50-41-1.

19 It is found and declared by the General Assembly that:

20 (1) Pari-mutuel wagering, conducted pursuant to this chapter, can provide support for the
21 state's agricultural, tourism, and convention businesses and enhance state revenues;

22 (2) Pari-mutuel horse racing shall only be permitted at facilities licensed by the State of
23 Georgia; and

24 (3) The Georgia Horse Racing Commission shall be accountable to the General
25 Assembly and to the public through a system of audits and reports.

26 50-41-2.

27 As used in this chapter, the term:

28 (1) 'Advance deposit wagering' means a system of pari-mutuel wagering on races
29 sanctioned by this state or another jurisdiction in which wagers of an account holder are
30 debited and payouts are credited to an account established by the account holder,
31 regardless of whether the wagers are made in person at a licensed equestrian facility, by
32 approved and licensed telephone application, or through other approved and licensed
33 electronic means.

34 (2) 'Board' means the board of the commission appointed under Code Section 50-41-3.

35 (3) 'Bona fide coin operated amusement machine' shall have the same meaning as
36 provided for in subsection (b) of Code Section 50-27-70.

37 (4) 'Commission' means the Georgia Horse Racing Commission established under Code
38 Section 50-41-3.

39 (5) 'Commissioner' means the chief executive officer of the commission appointed by the
40 board under Code Section 50-41-3 and known as the Georgia horse racing commissioner.

41 (6) 'Distributor' means a person that is not affiliated with nor has an ownership interest
42 in an equestrian facility or manufacturer and is engaged in selling, leasing, or servicing
43 historic race wagering machines. A financing agreement for the purchase or sale of
44 devices used in connection with the equestrian facility or manufacturer is not an
45 ownership interest in the equestrian facility or manufacturer and does not create an
46 affiliation with such equestrian facility or manufacturer.

47 (7) 'Equestrian facility' means a mixed-use land based development consisting of a
48 combination of various tourism amenities and facilities, including, but not limited to, a
49 racetrack or racetracks, pari-mutuel wagering facility or facilities, hotels, restaurants,
50 convention facilities, attractions, entertainment facilities, service centers, and shopping
51 centers.

52 (8) 'Export signal racing revenue' means moneys received by a licensed facility for the
53 broadcast of races that occur at the equestrian facility to other facilities that are licensed
54 or otherwise lawfully permitted to show horse races.

55 (9) 'Georgia Breeders Fund' means the fund or funds established under Code Section
56 50-41-21 to foster the industry of breeding racehorses in this state.

57 (10) 'Gross historic race wagering machine revenue' means the whole of moneys
58 received from the public for the play of historic race wagering machines. Such term shall
59 not include the following:

60 (A) Counterfeit facsimiles of money, chips, tokens, wagering instruments, or wagering
61 credits;

62 (B) Coins of other countries which are received in historic race wagering machines;

63 (C) Any portion of the face value or any other representative of value won by a
64 licensee from a patron for which the licensee can demonstrate that neither it nor its
65 affiliate has received cash;

66 (D) Cash taken in fraudulent acts perpetrated against a licensee for which the licensee
67 is not reimbursed;

68 (E) Cash received as entry fees for contests or tournaments in which patrons compete
69 for prizes, except for a contest or tournament conducted in conjunction with an
70 interfacility linked system;

71 (F) Cash or other consideration provided by a licensee to a patron and subsequently
72 played by the patron, for which the licensee can demonstrate that neither it nor its
73 affiliate has been reimbursed; or

74 (G) Any promotional credit for any historic race wagering machine provided by a
75 licensee to a patron and subsequently won by such licensee.

76 (11) 'Historic race wagering' means a wager on the outcome of a horse race that occurred
77 in a licensed jurisdiction sometime prior to the wager.

78 (12) 'Historic race wagering machine' means a device of any kind that allows a person
79 to engage in historic race wagering. Such term shall not mean a bona fide coin operated
80 amusement machine.

81 (13) 'Horse race' or 'horse racing' means a competition on a set course involving a
82 competition between horses on which pari-mutuel wagering is permitted under the terms
83 and conditions established by the commission.

84 (14) 'Horseman' or 'horsemen' means any person that owns a 10 percent or greater
85 interest in a horse that is actively engaged in horse racing.

86 (15) 'Interfacility linked system' means a network of electronically interfaced, similar
87 historic race wagering machines, which are located at two or more licensed equestrian
88 facilities in this state or similar facilities not in this state, and which are linked to conduct
89 pari-mutuel wagering activities, contests, or tournaments.

90 (16) 'License' means a license required under this chapter and issued by the commission.

91 (17) 'Licensee' means any person that holds a license issued under this chapter.

92 (18) 'Live pari-mutuel wagering' means pari-mutuel wagering on live horse races run at
93 a licensed equestrian facility. Such term shall not include historic race wagering.

94 (19) 'Manufacturer' means a person that is not affiliated with nor has an ownership
95 interest in an equestrian facility or distributor and is engaged in creating, producing, or
96 licensing historic race wagering machines, including significant components and
97 software.

98 (20) 'Net receipts' means the gross historic race wagering machine revenue minus:

99 (A) The amount of winnings paid to the public from historic race wagering machines;

100 (B) The amount of moneys refunded to the public for bona fide malfunctions of
101 historic race wagering machines; and

102 (C) Uncollectible debts when a patron has defaulted on a loan or other credit
103 instrument extended by a licensed facility to the patron using the historic race wagering
104 machine.

105 (21) 'Pari-mutuel wagering' means the system of wagering on horse races in which those
106 who wager on horses that finish in the position or positions for which wagers are taken
107 share in the total amounts wagered, plus any amounts voluntarily provided by an
108 equestrian facility licensee, less deductions required or permitted by law. Such term shall
109 also include wagering on simulcast horse racing originating within this state or from any
110 other jurisdiction, live pari-mutuel wagering, and historic race wagering.

111 (22) 'Participant' means any person that:

112 (A) Has an ownership interest in any horse entered to race in this state;

113 (B) Acts as the trainer, jockey, or driver of any horse entered to race in this state; or

114 (C) Takes part in any horse racing subject to the jurisdiction of the commission or in
115 the conduct of a race meeting or pari-mutuel wagering thereon, including, but not

116 limited to, a horse owner, trainer, jockey, driver, groom, stable foreman, valet,

117 veterinarian, agent, pari-mutuel employee, concessionaire or employee thereof, track

118 employee, or other position the commission deems necessary to regulate to ensure the

119 integrity of horse racing in this state.

120 (23) 'Person' means any individual, group of individuals, firm, company, corporation,
121 partnership, business, trust, association, or other legal entity.

122 (24) 'Pool' means the amount wagered during a race meeting or during a specified period
123 thereof.

124 (25) 'Race meeting' means the whole, consecutive period of time during which live horse
125 racing with pari-mutuel wagering is conducted by a licensee which spans from the first
126 day of the licensed racing calendar until the final racing day, including all days on which
127 racing is not conducted within such period of time.

128 (26) 'Racetrack' or 'track' means an outdoor course located in this state which is laid out
129 for horse racing and is licensed by the commission as part of an equestrian license.

130 (27) 'Simulcast horse racing' means the dissemination, receipt, or display of broadcasts
131 of the audio or video portion, or both, of horse races conducted by a licensed horse
132 racetrack, whether such races are conducted within this state or are conducted in any
133 other jurisdiction, by satellite communication devices, television cables, telephone lines,
134 or any other means for the purposes of conducting pari-mutuel wagering by patrons of
135 a licensed horse racetrack or advance deposit account wagering licensee.

136 (28) 'Steward' means a racing official, duly appointed by the commission or an
137 equestrian facility, with powers and duties prescribed by rules and regulations of the
138 commission.

139 (29) 'Takeout' means the percentage of the pari-mutuel pools deducted by the racetrack
140 prior to the distribution of the pool.

141 50-41-3.

142 (a) There is hereby established the Georgia Horse Racing Commission, which shall be a
143 body corporate and politic. The commission shall have full legal authority over the
144 practice of pari-mutuel wagering on horse racing in this state; provided, however, that it

145 shall not regulate play on bona fide coin operated amusement machines. The commission
146 shall be governed by a board that shall consist of five members appointed by the Governor.

147 (1) Members of the board of the commission shall serve four-year terms of office or until
148 their respective successors are appointed. Two members' initial terms shall be two years,
149 one member's initial term shall be three years, and two members' initial terms shall be
150 four years as specified by the Governor in his or her initial appointments. Members may
151 be reappointed by the Governor. Members of the board shall serve without
152 compensation; provided, however, that members may be reimbursed for reasonable
153 expenses associated with carrying out their respective duties on the board. Members of
154 the board shall be residents of the State of Georgia, shall be prominent persons in their
155 businesses or professions, and shall not have been convicted of any felony offense. At
156 least four of the members shall satisfy at least one of the following criteria and each of
157 the criteria shall be satisfied even if one member can satisfy two or more of the following:

158 (A) At least one member of the board shall possess a valid horse owner's license from
159 any state and shall have been an owner of thoroughbred horses for at least two years;

160 (B) In one of the five consecutive years prior to appointment, at least one member of
161 the board shall have registered at least one horse with The Jockey Club or a similar
162 organization dedicated to the improvement of thoroughbred breeding and racing for at
163 least 100 years;

164 (C) At least one member of the board shall possess a United States Trotting
165 Association standardbred license or the equivalent thereof and shall have been
166 responsible for the dropping and registering of a standardbred horse in this state; and

167 (D) At least one member of the board shall have experience in financing and horses or
168 horse racing generally.

169 (2) Members of the board shall not have any direct or indirect interest in any undertaking
170 that puts their personal interest in conflict with that of the commission, including, but not
171 limited to, an interest in a major procurement contract or a participating retailer, or person

172 that applies for or has obtained an equestrian facility license, distributor license, or
173 manufacturer license by the commission. Members of the board may have an ownership
174 interest in or possess a permit issued by the commission to participate in horse racing.

175 (3) The board shall elect from its membership a chairperson and vice chairperson. The
176 board shall also elect a secretary and treasurer who may also serve as the chief executive
177 officer of the commission. Such officers shall serve for such terms as shall be prescribed
178 by the rules and regulations promulgated by the commission and until their respective
179 successors are elected and qualified. No member of the board shall hold more than one
180 office of the commission, except that the same person may serve as secretary and
181 treasurer.

182 (4) The board may delegate to any one or more of its members, to the chief executive
183 officer, or to any agent or employee of the commission such powers and duties as it may
184 deem proper and that are consistent with this chapter.

185 (5) No vacancy in the membership of the board shall impair the right of the members to
186 exercise all the powers and perform all the duties of the board.

187 (b) The board shall:

188 (1) Approve, disapprove, amend, or modify the budget recommended by the chief
189 executive officer for the operation of the commission;

190 (2) Approve, disapprove, amend, or modify the terms of major procurements
191 recommended by the chief executive officer;

192 (3) Approve or disapprove of commission rules and regulations pursuant to Chapter 13
193 of this title; and

194 (4) Perform such other functions necessary for the operation of the commission
195 consistent with this chapter.

196 (c) The board shall name a chief executive officer who shall be known as the Georgia
197 horse racing commissioner and who shall serve at the pleasure of and be appointed by the
198 board for a term that shall be decided and may be renewed by the board. The

199 commissioner shall be empowered with all administrative duties carried out by the
200 commission, including, but not limited to, the authority to hire and fire personnel and to
201 appoint senior leadership.

202 50-41-4.

203 The commission shall have any and all powers necessary or convenient to its usefulness
204 in carrying out and effectuating the purposes and provisions of this chapter which are not
205 in conflict with the Constitution of this state and which are generally exercised by
206 corporations engaged in entrepreneurial pursuits and state instrumentalities engaged in
207 regulatory pursuits, including, but not limited to, the following responsibilities and powers
208 to:

209 (1) Conduct background and other investigations, security checks, and auditing and
210 enforcement of license requirements required under this chapter;

211 (2) Promote responsible pari-mutuel wagering in this state;

212 (3) Sue and be sued;

213 (4) Appoint and select officers, auditors, agents, and employees, including professional
214 and administrative staff, personnel, and hearing officers;

215 (5) Enter into contracts of any and all types on such terms and conditions as the
216 commission may determine;

217 (6) Establish and maintain banking relationships, including, but not limited to,
218 establishment of checking and savings accounts and lines of credit;

219 (7) Adopt and alter a seal;

220 (8) Procure or to provide insurance;

221 (9) Hold copyrights, trademarks, and service marks and enforce its rights with respect
222 thereto;

223 (10) Enter into contracts to incur debt in its own name and enter into financing
224 agreements with the state, agencies or instrumentalities of the state, or any commercial

225 bank or credit provider; provided, however, that any such debt must be approved by the
226 Georgia State Financing and Investment Commission;

227 (11) Administer oaths, take depositions, issue subpoenas, and compel the attendance of
228 witnesses and the production of books, papers, documents, and other evidence relative
229 to any investigation or proceeding conducted by the commission;

230 (12) Enter into contracts or agreements with state or local law enforcement agencies,
231 including the Department of Revenue, for the performance of law enforcement,
232 background investigations, security checks, and auditing and enforcement of license
233 requirements required by Article 3 of this chapter;

234 (13) Regulate pari-mutuel wagering in this state, including the supervision and control
235 of all licensing procedures and issuances;

236 (14) Enter any facility issued a license by the commission, to audit the financial books
237 and records of any facility issued a license by the commission, and to suspend, deny,
238 revoke, or confiscate any license issued pursuant to this chapter; provided, however, that
239 no license shall be sanctioned by the commission without due process having been
240 afforded to the licensee, including the opportunity for judicial review of the commission's
241 decision pursuant to Code Section 50-13-19; and

242 (15) Provide a report annually on or before April 15 to the Governor and the General
243 Assembly which shall include a financial statement of its operation of the commission.

244 50-41-5.

245 (a) The commission shall have the authority to promulgate rules and regulations to govern
246 pari-mutuel wagering and horse racing and to implement the provisions of this chapter.
247 Such rules and regulations shall be promulgated pursuant to Chapter 13 of this title.

248 (b) The commission shall promulgate rules and regulations that:

249 (1) Require the existence of a contract between a licensed equestrian facility and a
250 recognized majority horseman's group providing for the payment purses and prizes on
251 horse racing conducted by the licensee;

252 (2) Provide for the formation, conduct, and verification of any organization claiming to
253 be a recognized majority horseman's group;

254 (3) Require licensed equestrian facilities to provide live races no less than 60 days per
255 year; provided, however, that the commission shall allow a licensed equestrian facility
256 to run less than 60 days of live racing if such facility has shown reasonable good cause
257 for failing to do so;

258 (4) Authorize the circumstances under which simulcast horse racing shall be conducted
259 at a licensed equestrian facility in this state and all other rules and regulations it deems
260 necessary and appropriate to effectuate the purposes of this chapter. Such rules and
261 regulations shall include provisions that all simulcast horse racing shall comply with the
262 federal Interstate Horse Racing Act of 1978, 15 U.S.C. Section 3001, et seq., and the
263 rules and regulations of the commission and the jurisdiction from which simulcast horse
264 racing is received. Except as otherwise authorized pursuant to this chapter, wagering on
265 simulcast horse racing shall take place only at a licensed equestrian facility;

266 (5) Address contracts and dispute resolution between a licensed equestrian facility and
267 a recognized majority horseman's group. Such rules and regulations shall provide at a
268 minimum that:

269 (A) Any contract between a licensee and a recognized majority horseman's group shall
270 be subject to the approval of the commission not less than 90 days prior to the
271 commencement of the racing meet of the licensee. The commission's authority to
272 approve or disapprove of the contract shall include, but shall not be limited to, the
273 provisions regarding expenses related to the administration of the horseman's group and
274 the purses and prizes paid on horse racing pursuant to the agreement;

275 (B) In the event that a licensee and a recognized majority horseman's group are, in
276 good faith, unable to reach an agreement regarding purses at the live racetrack prior to
277 the 90th day before commencement of the racing meet of the licensee, the licensed
278 equestrian facility and recognized majority horseman's group shall, on or before such
279 90th day, submit the dispute over the contract to the commission which shall refer the
280 dispute to a third-party commercial arbitration service, and the parties shall pay their
281 own costs of the hearing;

282 (C) In the event of arbitration under subparagraph (B) of this paragraph, any decision
283 of the arbitrator involving less than \$1 million may be appealed to the chairperson of
284 the commission, and any decision involving \$1 million or more may be appealed to the
285 commission;

286 (D) When reviewing a decision of an arbitrator or arbitrators, neither the chairperson
287 nor the commission shall substitute his, her, or its judgment for that of the arbitrator
288 unless the findings of fact are clearly erroneous or not supported by any evidence, or
289 if the arbitrator's conclusions of law constitute an abuse of discretion;

290 (E) The commission shall issue a final decision within 60 days of receiving the appeal
291 of a decision of an arbitrator or arbitrators, and such decision shall be deemed the final
292 agency decision and appealable pursuant to Chapter 13 of this title; provided, however,
293 that the parties may agree to a one-time extension of up to 60 days for good cause; and

294 (F) If the commission does not render a decision within the initial 60 day period or the
295 extended period, the decision shall be deemed affirmed as a matter of law and deemed
296 the final agency decision; and

297 (6) Provide for addressing the appointment and retaining, through employment or
298 contract, of stewards. Stewards shall act as racing officials to oversee the conduct of
299 horse racing at licensed racetracks. Stewards shall enforce the commission's rules and
300 regulations and the provisions of this chapter and shall have authority to interpret the
301 commission's rules and regulations and to decide all questions of racing not specifically

302 covered by the rules and regulations of the commission. Nothing in this paragraph shall
303 limit the authority of the commission to carry out the provisions of this chapter and to
304 exercise control of horse racing as set forth in this chapter, including the power to review
305 all decisions and rulings of stewards.

306 (c) The commission may promulgate rules and regulations regarding hardware
307 requirements of historic race wagering machines.

308 (d) The commission shall have plenary authority throughout this state to investigate and
309 issue citations for persons involved in the conduct of horse racing and pari-mutuel
310 wagering of any kind which does not comply with the provisions of this chapter and the
311 commission's rules and regulations.

312 (e) The authority to regulate bona fide coin operated amusement machines shall remain
313 the exclusive jurisdiction of the Georgia Lottery Corporation.

314 50-41-6.

315 (a) Except as otherwise provided in this chapter, the commission shall be subject to the
316 provisions of Chapter 14 and Article 4 of Chapter 18 of this title; provided, however, that
317 the following information shall be deemed to be confidential:

318 (1) Trade secrets, including nonpublic corporate governance information;

319 (2) Security measures, systems, or procedures;

320 (3) Background checks and investigative notes;

321 (4) Security reports;

322 (5) Information concerning bids or other contractual data, the disclosure of which would
323 impair the efforts of the commission to contract for goods or services on favorable terms;

324 (6) Employee personnel information unrelated to compensation, duties, qualifications,
325 or responsibilities;

326 (7) Information obtained pursuant to investigations which is otherwise confidential; and

327 (8) Such other information as the commission shall determine to be confidential.

328 (b) Meetings or portions of meetings devoted to discussing information deemed
329 confidential pursuant to this Code section shall be exempt from Chapter 14 of this title.

330 (c) Information deemed confidential pursuant to this Code section shall be exempt from
331 the provisions of Article 4 of Chapter 18 of this title.

332 50-41-7.

333 (a) Except as provided in Code Section 50-41-17, pari-mutuel wagering shall take place
334 in this state only on the grounds of licensed equestrian facilities on the same parcel or
335 parcels of property where there is a common entranceway for motor vehicles.

336 (b) No person shall be permitted to participate in pari-mutuel wagering unless he or she
337 has reached the age of 21 years.

338 (c) Nothing in this chapter shall limit, impair, or otherwise regulate the operation and play
339 of bona fide coin operated amusement machines.

340 ARTICLE 2

341 50-41-8.

342 (a) No person shall construct, establish, or own an equestrian facility without having first
343 obtained an equestrian facility license from the commission. Each equestrian facility
344 license shall be limited to one location, and such license shall not authorize any person to
345 establish satellite or freestanding locations that are not on the same parcel or parcels of
346 property as the main location.

347 (b) Notwithstanding any other provision of law, all licensed equestrian facilities operating
348 in this state may operate for all legal purposes, including, but not limited to, pari-mutuel
349 wagering, hotel and hospitality operations, the sale of tobacco products, and the sale and
350 service of food and alcoholic beverages, so long as the licensed facility is in compliance

351 with all state and local alcohol, tobacco, zoning, occupancy, and other land use laws as the
352 commission deems appropriate.

353 (c) No person shall manufacture historic race wagering machines placed at a licensed
354 equestrian facility in this state without having first obtained a manufacturer's license from
355 the commission.

356 (d) No person shall sell, lease, or distribute historic race wagering machines to a licensed
357 equestrian facility in this state without having first obtained a distributor's license from the
358 commission.

359 (e) Except upon approval of the commission, no license issued under the provisions of this
360 chapter shall be transferable.

361 50-41-9.

362 Whenever it appears to the commission that a licensee or any other person subject to the
363 jurisdiction of the commission has violated or may violate any provision of this chapter or
364 any rules and regulations or final decision of the commission, the commission may apply
365 to the appropriate superior court for an injunction against such person. The order granting
366 or refusing such injunction shall be subject to appeal as in other cases in equity.

367 50-41-10.

368 (a) The commission's authority to award equestrian facility licenses shall be limited to a
369 maximum of three equestrian facilities in this state. No equestrian facility shall be located
370 within 125 miles of any other equestrian facility.

371 (b) Commencing on January 1 of the first calendar year after an equestrian facility receives
372 its license, such equestrian facility shall maintain and complete not less than 60 live racing
373 days annually; provided, however, that an equestrian facility may apply to the commission
374 for a waiver of such requirement and request a lesser number of live racing days annually,
375 but no fewer than 45 days annually, and the commission may reduce such number for that

376 facility for that year or for a period of years specified by the commission. The commission
377 shall be authorized to suspend the equestrian facility license of any equestrian facility that
378 fails to satisfy this subsection; provided, however, that the commission may waive this
379 requirement if good cause has been shown that circumstances beyond the control of an
380 equestrian facility caused the reduced annual racing days. Horse racing with quarter horses
381 may be used to satisfy the annual racing day requirement imposed by this Code section.

382 50-41-11.

383 (a) Any person seeking a license issued by the commission shall apply to the commission
384 for such license.

385 (b) The commission shall seek applications for equestrian facility licenses by issuing a
386 request for proposals for applications for licensure. Such request for proposals shall be for
387 a period of not less than 90 days and the commission shall announce its intent to seek
388 applications at least 90 days before any deadline to apply is imposed by the commission;
389 provided, however, that the commission shall accept applications for licensure at least once
390 within the first nine months after a local referendum approves of equestrian facility conduct
391 as set forth in this chapter. The commission shall review all applications for licensure
392 submitted in response to such request for proposals based on the criteria established in the
393 request for proposals which shall be consistent with the criteria set forth in this chapter.
394 All other licenses may be applied for at any time.

395 (c) Any aggrieved applicant may appeal any adverse decision of the commission, and a
396 nonaggrieved applicant may intervene in an appeal pursuant to the procedures set forth in
397 Chapter 13 of this title. No license applicant may challenge the application of any other
398 license applicant.

399 50-41-12.

400 (a) A person applying for an equestrian facility license shall be required to provide
401 financial information and information about its principal shareholders, members, officers,
402 and board of directors as required by the commission, specifically including, at a minimum:

403 (1) The name and address of such person; if a corporation, the state of its incorporation,
404 the full name and address of each officer and director thereof, and, if a foreign
405 corporation, whether it is qualified to do business in this state; and, if a partnership or
406 joint venture, the name and address of each officer thereof;

407 (2) The name and address of each stockholder or member of such corporation who has
408 or controls a 5 percent or greater ownership or security interest or each partner of a
409 partnership or joint venture who has or controls a 5 percent or greater ownership or
410 security interest and of each person that has contracted for a pecuniary interest in the
411 applicant or the enclosure where race meetings or pari-mutuel wagering will be
412 conducted, whether such interest is an ownership or a security interest, the nature and
413 value of such interest, and the name and address of each person that has agreed to lend
414 money to the applicant; and

415 (3) Such information as the commission deems appropriate regarding the character,
416 background, and responsibility of the applicant and the members, partners, stockholders,
417 officers, and directors of the applicant.

418 (b) The commission is empowered to assess a nonrefundable fee of up to \$500,000.00 for
419 each application.

420 (c) The commission may request privileged and confidential information from an
421 applicant; provided, however, that the commission shall not be authorized to compel the
422 production of information that is protected by privileges set forth in Chapter 5 of Title 24
423 or common law. In any case when the commission requests privileged or confidential
424 information, the information provided shall:

425 (1) Not be subject to inspection pursuant to Article 4 of Chapter 18 of this title;

426 (2) Not impose liability in any civil or criminal matter; and
427 (3) Be deemed not to constitute a waiver of any privilege that would otherwise have
428 attached to the information disclosed to the commission or its agents or employees.
429 (d) Each application shall be verified by the oath or affirmation of an officer of the
430 applicant. Any person that knowingly makes a false statement of fact to the commission
431 for the purpose of obtaining a license under this chapter shall be guilty of a felony and,
432 upon conviction thereof, shall be punished by imprisonment for not less than one nor more
433 than ten years or a fine not to exceed \$50,000.00, or both.

434 50-41-13.

435 (a) The commission shall consider all applications for equestrian facility licenses. When
436 evaluating an application pursuant to this Code section, the commission shall consider the
437 experience and acts of the applicant's principal shareholders, members, officers, and board
438 of directors as those of the applicant itself. The factors which shall be considered by the
439 commission in determining whether to issue an equestrian facility license shall include, but
440 shall not be limited to, the following:

441 (1) Whether the applicant is financially capable of constructing, operating, owning, and
442 maintaining an equestrian facility;

443 (2) Whether the applicant demonstrates the greatest ability to benefit the Georgia horse
444 racing and agricultural industries, submits the best proposal, and has been previously
445 issued an equestrian facility license by the commission;

446 (3) The location and description of the equestrian facility, including the placement of the
447 racetrack, place, or enclosure where such applicant proposes to hold race meetings or
448 pari-mutuel wagering, including the name of any county or municipality in which any
449 property of such racetrack is or will be located;

450 (4) In cases where a comparative review is required among several applications, which
451 applicant demonstrates the greatest ability to benefit the Georgia horse racing and
452 agricultural industries;

453 (5) The applicant's history of community involvement and support in each jurisdiction
454 in which it or its leadership operates or has operated;

455 (6) The applicant's record of supporting and advancing the sport of horse racing;

456 (7) The applicant's record or its leadership's record of cooperation and support of
457 associations representing horsemen in all jurisdictions in which such applicant is licensed
458 to operate horse racing tracks;

459 (8) The applicant's history or its leadership's history of supporting the agricultural
460 industry in each state in which it is licensed or has been licensed to operate horse racing
461 tracks;

462 (9) If any of the facilities necessary for the conduct of racing or pari-mutuel wagering
463 are to be leased and the terms of such lease;

464 (10) If any of the facilities necessary for the conduct of horse racing or pari-mutuel
465 wagering are to be constructed, the extent to which the licensee intends to utilize
466 disadvantaged business enterprises in the construction of such facilities; and

467 (11) Any other similar information which the commission in its discretion deems
468 appropriate.

469 (b) No application for an equestrian facility shall be considered unless the applicant, a
470 majority of its owners who individually possess at least 5 percent of the applicant's stock
471 or membership, or its management can demonstrate a successful history of operating at
472 least one horse racing track in one of the previous five years from the date of the
473 application.

474 (c) The commission shall deny an application for an equestrian facility unless the applicant
475 can demonstrate that:

476 (1) The facility is either within 50 miles of a major international airport with at least five
477 runways and includes a minimum investment of \$250 million per equestrian facility or
478 farther than 50 miles from any such airport and includes a minimum investment of
479 \$125 million;

480 (2) It is qualified to do business in this state and subject to the jurisdiction of the courts
481 of the State of Georgia, that all principal stockholders or members have submitted to the
482 jurisdiction of the courts of the State of Georgia, and that all nonresident principal
483 stockholders or members have designated the chairperson of the commission as their
484 agent for receipt of process;

485 (3) It has obtained a letter of support from the nonprofit Georgia Horse Racing
486 Coalition, Inc., or a similar organization that has been in existence and advocated for
487 equine welfare in this state for five years or more; provided, however, that failure to
488 obtain such a letter shall not be the sole reason to deny an application;

489 (4) Neither it nor its management has knowingly made a false statement of material fact
490 or has deliberately failed to disclose any information requested or has been found guilty
491 of any illegal, corrupt, or fraudulent act, practice, or conduct in connection with any horse
492 racing in this or any other state; has been convicted of a felony; or has had a license or
493 permit to hold or conduct a horse race or maintain a pari-mutuel wagering license denied
494 for just cause, suspended, or revoked in any other state or country;

495 (5) It has no corporate affiliation with or interest in a distributor or manufacturer;

496 (6) It has not legally defaulted in the payment of any obligation or debt due to the State
497 of Georgia; and

498 (7) It is a Georgia person subject to the jurisdiction of the laws and courts of the State
499 of Georgia.

500 (d) An equestrian facility license may be suspended or revoked by the commission upon
501 a finding that the licensee is not in good standing because it has failed to meet the

502 minimum standards for facilities or racing quality or other minimum standards required by
503 this chapter.

504 (e) The award of an equestrian facility license to an applicant authorizes such applicant to
505 begin construction or development of the equestrian facility detailed in the application
506 submitted to the commission, provided that the county or municipality where such
507 equestrian facility is to be located has approved of pari-mutuel wagering. This subsection
508 shall not excuse a licensee from obtaining zoning approval and local permits required by
509 local ordinance and authorized by Code Section 50-41-25.

510 (f) Upon the award of an equestrian facility license, the applicant shall cause \$50 million
511 to be paid to the commission within ten business days or such license shall be revoked as
512 a matter of law.

513 (g) Any person holding a license to operate an equestrian facility in this state pursuant to
514 this chapter shall be authorized to conduct pari-mutuel wagering on horse racing subject
515 to the provisions of this chapter and the orders, conditions, and rules and regulations of the
516 commission.

517 50-41-14.

518 An equestrian facility license shall be for a term of ten years. An equestrian facility
519 licensee may renew its license for a fee of \$250,000.00, and the renewal shall be granted
520 unless the commission determines that there is a reason to revoke the license for reasons
521 set forth in this chapter.

522 50-41-15.

523 (a) The commission shall grant a license to a distributor that applies and demonstrates to
524 the commission that it has no interest or corporate affiliation with an equestrian facility or
525 a manufacturer and:

526 (1) Is a Georgia entity subject to the jurisdiction of the courts of the State of Georgia;

527 (2) Has not knowingly made a false statement of material fact or has deliberately failed
528 to disclose any information requested;

529 (3) Has not been found guilty or its principal stockholders, members, officers, or partners
530 have not been found guilty of any illegal, corrupt, or fraudulent act, practice, or conduct
531 in connection with any horse racing, pari-mutuel wagering, or similar activity in this or
532 any other state as applicable, or has not been convicted of a felony;

533 (4) Has not had a pari-mutuel wagering related license or permit suspended or revoked
534 in any other state or country; or

535 (5) Has not legally defaulted in the payment of any obligation or debt due to the State of
536 Georgia.

537 (b) The commission shall grant a license to a manufacturer that applies to the commission
538 and demonstrates, to the satisfaction of the commission, that it is subject to the jurisdiction
539 of the courts of the State of Georgia, has no interest in or corporate affiliation with a
540 distributor or equestrian facility, and satisfies the criteria set forth in paragraphs (2) through
541 (5) of subsection (a) of this Code section.

542 (c) The commission shall set the application, license, and renewal fees for manufacturers
543 and distributors; provided, however, that no fee imposed pursuant to this Code section shall
544 exceed \$25,000.00.

545 (d) A distributor or manufacturer license shall not constitute a gambling license for
546 purposes of Code Section 50-27-87.

547 50-41-16.

548 No employee of the commission and no spouse or immediate family member of any such
549 employee shall have any financial interest, direct or indirect, in any equestrian facility,
550 distributor, or manufacturer. No employee of the commission and no spouse or immediate
551 family member of any such employee shall participate as owner of a horse or otherwise as

552 a contestant in any race subject to the jurisdiction of the commission or have any pecuniary
553 interest in the purse or prize contested for in any such race.

554 50-41-17.

555 (a) A license granted to an equestrian facility shall include the exclusive authorization to
556 provide for advance deposit account wagering in this state.

557 (b) No person other than a licensed equestrian facility shall provide for advance deposit
558 account wagering in this state.

559 (c) Any advance deposit wagering that is conducted in this state shall be limited to live
560 pari-mutuel wagering and shall be conducted on the grounds of a licensed equestrian
561 facility. Historic race wagering machines shall only be placed at a licensed equestrian
562 facility.

563 50-41-18.

564 (a) After a hearing upon at least 15 days' notice, the commission may suspend or revoke
565 any license or fine the holder thereof a sum not to exceed \$250,000.00 in any case in which
566 the commission has reason to believe that any provision of this chapter, or any rule,
567 regulation, or condition of the commission, has not been complied with or has been
568 violated.

569 (b) The commission may revoke any equestrian facility license if the licensee, within three
570 years of issuance of such licensure, fails to commence its licensed activity in accordance
571 with its license; provided, however, that the commission is empowered with the discretion
572 to extend this deadline once for one year for good cause shown.

573 (c) The commission may summarily suspend any license for a period of not more than 90
574 days pending a de novo hearing and final determination by the commission if the
575 commission determines that emergency action is required to protect the public health,
576 safety, and welfare, including, but not limited to, revenues due the state, its political

577 subdivisions, and the horsemen's purse account. The commission shall schedule a hearing
578 within 15 business days after the license is summarily suspended and notify the licensee
579 not less than five business days before the hearing of the date, time, and place of the
580 hearing.

581 (d) Deliberations of the commission shall be conducted pursuant to the provisions of
582 Chapter 14 of this title. If any license is suspended or revoked, the commission shall state
583 its reasons for doing so, which shall be made a formal part of the record. Such action shall
584 be final unless appealed in accordance with Code Section 50-41-11. Suspension or
585 revocation of a license by the commission for any violation shall not preclude criminal
586 liability for such violation.

587 50-41-19.

588 (a) A licensee shall notify the commission of any person that seeks to become affiliated
589 with such licensee at a level that would have to be disclosed at the time of the application.

590 (b) The commission shall determine whether the investment or status of the person
591 described in subsection (a) of this Code section would require the commission to revoke
592 the license and it shall be authorized to seek any information needed to make that
593 determination.

594 (c) If the commission determines that the proposed affiliation of the person described in
595 subsection (a) of this Code section would impair the commission's ability to grant or renew
596 a license issued under this chapter, it shall notify the licensee or applicant of its decision,
597 and the decision may be appealed as set forth in this chapter.

598 50-41-20.

599 (a) No person shall engage in any horse racing or in the conduct of a race meeting or
600 pari-mutuel wagering thereon, including, but not limited to, as a horse owner, trainer,
601 jockey, driver, exercise rider, starter, groom, stable foreman, valet, veterinarian, agent,

602 pari-mutuel employee, concessionaire or employee thereof, track employee, or other
603 similar position the commission deems necessary to regulate to ensure the integrity of horse
604 racing in this state, unless such person possesses a permit therefor from the commission
605 and complies with the provisions of this chapter and all rules and regulations of the
606 commission. The commission shall establish procedures for the application and permitting
607 of employees whose services are also subject to licensure by the commission, and no
608 application or permit fee shall exceed the amounts set forth in this chapter. The application
609 shall include such information deemed necessary by the commission, but shall require no
610 more information than that needed to grant or deny an application for a manufacturer or
611 distributor. No permit issued under the provisions of this chapter shall be transferable.
612 (b) The commission may waive the permit requirement for any person that possesses a
613 valid permit or license to participate in the conduct of horse racing in another racing
614 jurisdiction and participates in horse racing in this state on nonconsecutive racing days.
615 (c) Once a horse is entered to run in this state, all participants shall come under the
616 jurisdiction of the commission and its stewards and shall be subject to the rules and
617 regulations of the commission and sanctions it or its stewards may impose.
618 (d) The commission may suspend, deny, or revoke a permit issued under this chapter
619 subject to the procedures set forth for manufacturers and distributors.

620 50-41-21.

621 (a) An equestrian facility licensee may establish the takeout for pari-mutuel pools on the
622 live racing that it conducts and any breakage from pari-mutuel pools and the proceeds from
623 pari-mutuel tickets that have not been redeemed with 180 days of the race on which the
624 wager was placed shall be retained by the equestrian facility licensee in a segregated
625 account. Such proceeds shall be used for capital expenditures and capital maintenance of
626 the racetrack and its racing surface and stabling areas.

627 (b) The commission shall promulgate rules and regulations for the establishment of certain
628 uses of the live pari-mutuel wagering pools to ensure that:

629 (1) Five percent shall be used for purses on live races conducted at an equestrian facility;

630 (2) Three and one-half of 1 percent shall be held in a separate account by the
631 commission. It is the intent of the General Assembly that the funds held in this account
632 be used to fund education, health care needs, and rural development in this state;

633 (3) One-half of 1 percent shall be paid from a fund to be established by the commission
634 and known as the Georgia Breeders Fund in conjunction with racing at an equestrian
635 facility as breeders' awards or awards to owners of registered Georgia bred horses as
636 breeding incentives in accordance with a plan approved by the commission;

637 (4) One-quarter of 1 percent shall be paid for funding of state resources for the treatment
638 of problem pari-mutuel wagering issues;

639 (5) One-tenth of 1 percent shall be allocated by the commission to the College of
640 Veterinary Medicine of the University of Georgia to be used solely for the promotion and
641 growth of the equestrian racing and breeding industry in this state;

642 (6) Two-tenths of 1 percent shall be allocated by the commission for racing horse
643 retirement;

644 (7) One-quarter of 1 percent shall be paid for funding of state resources for the
645 prosecution and prevention of acts of animal cruelty as well as the treatment of abused
646 animals; and

647 (8) The balance of the takeout shall be retained by the equestrian facility.

648 50-41-22.

649 (a) In addition to the funds that are set forth in this Code section and Code
650 Section 50-41-21, a licensed equestrian facility shall pay 20 percent of the monthly net
651 receipts generated from historic race wagering machines played at such licensed equestrian

652 facility to the commission in accordance with the rules and regulations of the commission.

653 In addition:

654 (1) The commission shall maintain the payment made pursuant to this subsection in a
655 separate account and report on the account's balance to the Governor and the General
656 Assembly on a quarterly basis. It is the intent of the General Assembly that funds
657 deposited in the separate account shall be used to fund education, health care, and rural
658 development programs in the State of Georgia:

659 (2) The collection of any tax or fee on the monthly net revenue generated from historic
660 race wagering machines shall be the exclusive province of the commission. No tax on
661 historic race wagering machine revenue or other similar levy on pari-mutuel wagering
662 shall be implemented by a county, municipality, or consolidated government in this state;
663 and

664 (3) All sales of historic race wagering machines authorized under this chapter shall be
665 exempt from any and all sales taxes imposed by state or local law.

666 (b) In addition to the funds set forth in this Code section and Code Section 50-41-21, there
667 shall be a tax of 0.625 percent imposed on export signal racing revenue; provided,
668 however, that the tax imposed by this subsection shall not exceed \$1 million on an annual
669 basis. The tax shall be paid to the commission for deposit into the general fund of the state
670 treasury.

671 50-41-23.

672 (a) The commission shall require all individuals employed by a licensed equestrian facility
673 to register and obtain a license from the commission if the commission determines that the
674 individual has not been convicted of a crime involving cruelty to animals, pari-mutuel
675 wagering, or related crime.

676 (b) Licenses for individuals associated with owning or training horses for racing shall not
677 exceed \$100.00 per year.

678 (c) Licenses for individuals employed by racetracks or advance deposit account wagering
679 operations shall not exceed \$500.00 per year.

680 (d) Licenses for individuals employed by entities doing business with racetracks or
681 advance deposit wagering account operations shall not exceed \$500.00 per year.

682 (e) Licenses for individuals employed by distributors or manufacturers shall not exceed
683 \$100.00 per year.

684 50-41-24.

685 (a) Except as provided in this Code section, the commission shall not grant any initial
686 license to construct, establish, operate, or own an equestrian facility unless the county or
687 municipality where the track is to be located has voted to approve the state-wide
688 constitutional amendment referendum to allow for pari-mutuel wagering.

689 (b) The commission may grant any initial license to construct, establish, operate, or own
690 an equestrian facility in a county or municipality where a majority of voters disapproved
691 of the state-wide constitutional referendum on the question of pari-mutuel wagering if:

692 (1) The local governing authority approves a referendum; or

693 (2) A petition signed by 1 percent or 1,000, whichever is less, of the qualified electors
694 of such county or municipality is filed with the election superintendent of such county or
695 municipality asking that a referendum be held on the question of whether horse racing
696 and pari-mutuel wagering shall be permitted at a licensed racetrack in such county or
697 municipality in accordance with this chapter.

698 (c)(1) A petition pursuant to paragraph (2) of subsection (b) of this Code section shall
699 be in the form specified by the rules and regulations of the State Election Board. Each
700 person signing such petition shall declare therein that he or she is a duly qualified and
701 registered elector of the county or municipality and shall add to his or her signature, his
702 or her residence address, giving municipality, if any, and county, with street and number,
703 if any, and shall be urged to add the person's date of birth, which shall be used for

704 verification purposes. No person shall sign the same petition more than once. The
705 petition shall also contain at the top of each page a statement of the question or questions
706 proposed to be submitted to the electors in accordance with this Code section. Each page
707 shall bear on the bottom or back thereof the affidavit of the circulator of such page, which
708 shall be subscribed and sworn to by such circulator before a notary public and shall set
709 forth his or her residence address, giving municipality with street and number, if any; that
710 each signer manually signed his or her own name with full knowledge of the contents of
711 the petition; and that, to the best of the affiant's knowledge and belief, the signers are
712 registered electors of the county or municipality qualified to sign the petition, that their
713 respective residences are correctly stated in the petition, and that they all reside in the
714 county or municipality. No notary public shall sign the petition as an elector or serve as
715 a circulator of any petition which he or she notarized. Any and all pages of a petition that
716 have the circulator's affidavit notarized by a notary public who also served as a circulator
717 of one or more pages of the petition or who signed one of the pages of the petition as an
718 elector shall be disqualified and rejected.

719 (2) Following the filing of such petition, the election superintendent shall verify such
720 petition within 90 days following its submission for verification. If such petition is found
721 to contain a sufficient number of valid signatures of the qualified electors of the
722 jurisdiction, the election superintendent shall call and conduct a special election in
723 accordance with Chapter 2 of Title 21 to submit the referendum question to the electors
724 of the jurisdiction. Such special election shall be held on the next available day under
725 Code Section 21-2-540 that is at least 60 days after the date on which the petition is
726 verified but shall not be later than the next general election unless such general election
727 is within 60 days of the date on which the petition is verified.

728 (d) The election superintendent of such county or municipality shall publish notice of a
729 referendum election under this Code section in the legal organ of the county or
730 municipality once a week for three consecutive weeks immediately prior to such election

731 date notifying the electors of the jurisdiction of the date and purpose of such special
 732 election. Each ballot shall contain the following question as requested in the petition or
 733 approved by the local governing authority:

734 '() YES Shall horse racing and pari-mutuel wagering be permitted in [name of
 735 () NO county or municipality] at a licensed racetrack in accordance with
 736 Chapter 41 of Title 50 of the Official Code of Georgia Annotated?'

737 All persons desiring to vote for approval of the question shall vote 'Yes,' and all persons
 738 desiring to vote for rejection of the question shall vote 'No.' If more than one-half of the
 739 votes cast on the question are for approval, then pari-mutuel wagering may be conducted
 740 in such county or municipality. If the question is not so approved or if the election is not
 741 conducted as provided in this Code section, then pari-mutuel wagering shall not be
 742 conducted in such county or municipality. The expense of then pari-mutuel wagering shall
 743 be borne by the county or municipality, as appropriate. It shall be the election
 744 superintendent's duty to certify the result thereof to the Secretary of State. No such
 745 referendum shall be held more often than every three years in the same county or
 746 municipality. A subsequent referendum shall be required if a license has not been granted
 747 by the commission within five years of the certification of the special election approving
 748 a referendum.

749 50-41-25.

750 Although the power to license, regulate, and collect certain revenues of pari-mutuel
 751 wagering in this state is vested with the commission, the governing authority of any county,
 752 municipality, or consolidated government in this state shall be authorized to enact and
 753 enforce certain ordinance provisions authorized by this Code section. Permissible local
 754 ordinances are those that provide for:

755 (1) Zoning restrictions related to distance from specified structures and uses and building
 756 and related permits so long as the distance requirements, use restrictions, and building

757 permits applied to licensed equestrian facilities are no more restrictive, onerous, or
758 expensive than the requirements and restrictions applicable to all hotels and resorts
759 located within the jurisdiction;

760 (2) The procurement and public display of a business license at an equestrian facility by
761 a licensee, provided that such requirements are no more restrictive, onerous, or expensive
762 than the requirements and restrictions applicable to all hotels and resorts located within
763 the jurisdiction;

764 (3) The procurement of a local alcohol license by a licensee for an equestrian facility,
765 provided that such requirements are no more restrictive, onerous, or expensive than the
766 requirements and restrictions applicable to all hotels and resorts located within the
767 jurisdiction that are licensed to sell and serve alcoholic beverages;

768 (4) Compliance of a licensed equestrian facility with local fire and safety codes, provided
769 that such requirements are no more restrictive, onerous, or expensive than the
770 requirements and restrictions applicable to all hotels and resorts located within the
771 jurisdiction; or

772 (5) The elimination of any ordinance or local regulation on the ability of a licensed
773 equestrian facility to operate on a 24 hour basis for all legal purposes, including, but not
774 limited to, pari-mutuel wagering, hotel and hospitality operations, and the sale and
775 service of food and alcoholic beverages.

776 50-41-26.

777 All pari-mutuel wagering conducted in this state shall be regulated, licensed, subjected to
778 revenue collection, or taxed only in accordance with the provisions of this chapter and the
779 rules and regulations of the commission and shall not be subject to any licensing
780 requirements, regulatory considerations, revenue collection, or taxes already placed on
781 bona fide coin operated amusement machines pursuant to Chapter 27 of this title or any
782 other state or local law or rules, regulations, ordinances, or resolutions.

783 50-41-27.

784 (a) All conduct authorized by this chapter that takes place at a licensed equestrian facility
785 or by authorized advance deposit wagering shall not constitute gambling or any other
786 conduct made illegal by Article 2 of Chapter 12 of Title 16.

787 (b) The provisions of Code Section 13-8-3 regarding the illegality and nonenforceability
788 of gambling contracts and any debt associated with them shall not be applicable to
789 contracts or debt arising out of legal pari-mutuel wagering conducted in accordance with
790 the requirements of this chapter and the rules and regulations of the commission.

791 50-41-28.

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

795 (b) A licensee may accept a credit instrument:

796 (1) That is payable to an affiliated company or may complete a credit instrument in the
797 name of an affiliated company as payee if such credit instrument otherwise complies with
798 this Code section and the records of the affiliated company pertaining to the credit
799 instrument are made available to agents of the commission upon request; and

800 (2) Before, at the time, or after the patron incurs the debt. The credit instrument and the
801 debt that such credit instrument represents are enforceable without regard to whether such
802 credit instrument was accepted before, at the time, or after the debt was incurred.

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

805 (d) The commission shall have all necessary authority to promulgate rules, regulations,
806 policies, and procedures:

807 (1) Regarding the issuance of credit instruments by licensees; and

808 (2) Prescribing the conditions under which a credit instrument may be redeemed or
809 presented to a bank or credit union for collection or payment.

810 (e) Except as provided in Code Section 50-41-17, no pari-mutuel wagering shall occur
811 anywhere in this state except on the premises of a licensed equestrian facility; provided,
812 however, that the play of bona fide coin operated amusement machines shall not constitute
813 gambling or commercial gambling for any purpose.

814 50-41-29.

815 All licensees shall, in addition to maintaining full compliance with the obligations of this
816 chapter and the rules and regulations of the commission, adhere to the federal
817 record-keeping, reporting, and compliance program demands required of similar operators
818 by the Financial Crimes Enforcement Network (FinCEN) of the United States Department
819 of the Treasury. Such obligations include, but are not limited to, adhering, when
820 applicable, to the requirements of the federal Bank Secrecy Act of 1970, as amended, and
821 its associated regulations in 31 C.F.R. Part 103.

822 ARTICLE 3

823 50-41-30.

824 (a) Any person that, with the intent to defraud, acts to alter the outcome of any horse race,
825 pari-mutuel wagering, or use of a historic race wagering machine through:

826 (1) The use of any device, electrical or otherwise, except those specifically permitted by
827 the rules, regulations, policies, or procedures of the commission;

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

829 (3) Any other impermissible means under the rules, regulations, policies, and procedures
830 of the commission

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

833 (b) Any person that, with the intent to defraud, influences or conspires with another to alter
834 the outcome of any horse race, pari-mutuel wagering, or use of a historic race wagering
835 machine through:

836 (1) The use of any device, electrical or otherwise, except those specifically permitted by
837 the rules, regulations, policies, or procedures of the commission;

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

839 (3) Any other impermissible means under the rules, regulations, policies, and procedures
840 of the commission

841 shall be guilty of a felony and, upon conviction thereof, shall be punished by imprisonment
842 for not less than one nor more than ten years or a fine not to exceed \$100,000.00, or both.

843 (c) Any person that, with the intent to defraud:

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

846 (2) Places, increases, or decreases a bet or to determine the course of play after acquiring
847 knowledge, not available to all players, of the outcome of a horse race or any event that
848 affects the outcome of the horse race or which is the subject of the bet or to aid anyone
849 in acquiring such knowledge for the purpose of placing, increasing, or decreasing a bet
850 or determining the course of play contingent upon that event or outcome;

851 (3) Claims, collects, or takes, or attempts to claim, collect, or take, money or anything
852 of value in or from a historic race wagering machine without having made a wager
853 contingent thereon, or to claim, collect, or take an amount greater than the amount won;

854 (4) Places or increases a wager after acquiring knowledge of the outcome of the
855 gambling game or other event which is the subject of the bet, including past posting and
856 pressing bets;

857 (5) Reduces the amount wagered or cancels the bet after acquiring knowledge of the
858 outcome of a pari-mutuel wager or other event which is the subject of the bet, including
859 pinching bets;

860 (6) Manipulates any component of a historic race wagering machine in a manner
861 contrary to the designed and normal operational purpose for the component or
862 pari-mutuel wagering; or

863 (7) Offers, promises, or gives anything of value to anyone for the purpose of influencing
864 the outcome of a race upon which a wager may be made, or places, increases, or
865 decreases a wager after acquiring knowledge, not available to the general public, that
866 anyone has been offered, promised, or given anything of value for the purpose of
867 influencing the outcome of the contest or race upon which the wager is placed, increased,
868 or decreased

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

871 50-41-31.

872 It shall be unlawful for any person to use, possess with the intent to use, or assist another
873 person in using or possessing with the intent to use any computerized, electronic, electrical,
874 or mechanical device, or any software or hardware, or any combination thereof, which is
875 designed, constructed, altered, or programmed to obtain an advantage at making any
876 pari-mutuel wager in a licensed equestrian facility. A person violating this Code section
877 shall be guilty of a felony and, upon conviction thereof, shall be punished by imprisonment
878 for not less than one nor more than ten years or a fine not to exceed \$25,000.00, or both.

879 50-41-32.

880 (a) It shall be unlawful for any licensee, employee, or other person, not a duly authorized
881 employee of a licensee acting in furtherance of his or her employment within a licensed

882 equestrian facility, to possess, use, sell, or manufacture any counterfeit instruments,
883 counterfeit tickets, or other counterfeit items that are used to determine the outcome of any
884 contest or promotional activity conducted by or on behalf of any licensee.

885 (b) It shall be unlawful for any individual, not a duly authorized employee of a licensee
886 acting in furtherance of his or her employment within a licensed equestrian facility, to have
887 on his or her person or in his or her possession on or off the premises of any licensed
888 equestrian facility any device intended to be used to violate the provisions of this chapter
889 or the rules, regulations, policies, and procedures of the commission.

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

893 50-41-33.

894 It shall be unlawful for any person, whether the person is an owner or employee of or a
895 player in a licensed equestrian facility, to knowingly cheat at pari-mutuel wagering. Any
896 individual found to be knowingly cheating shall be guilty of a felony and, upon conviction
897 thereof, shall be punished by imprisonment for not less than one nor more than ten years
898 or a fine not to exceed \$25,000.00, or both.

899 50-41-34.

900 (a) As used in this Code section, 'medium of communication' includes, but shall not be
901 limited to, mail, telephone, television, telegraph, facsimile, cable, wire, internet, or any
902 other similar medium.

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

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

907 (2) Allow a lessee, agent, or employee to accept or receive, directly or indirectly, through
908 any medium of communication a wager from another person that is physically present
909 within this state.

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

912 (1) From within this state, place, send, transmit, or relay through a medium of
913 communication a wager to another person or equestrian facility that is located within or
914 outside of this state; or

915 (2) From outside of this state, place, send, transmit, or relay through a medium of
916 communication a wager to another person or licensed equestrian facility that is located
917 within this state.

918 (d) The provisions of subsections (b) and (c) of this Code section shall not apply to a
919 wager placed by a person for the person's own benefit or, without compensation, for the
920 benefit of another that is accepted or received by, placed with, or sent, transmitted, or
921 relayed to any other person or licensed equestrian facility that is licensed to engage in
922 wagering pursuant to this chapter, if the wager is accepted or received within this state and
923 otherwise complies with all other applicable laws and rules and regulations concerning
924 wagering.

925 (e) A person that violates the provisions of subsection (b) or (c) of this Code section shall
926 be guilty of a misdemeanor.

927 50-41-35.

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

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

934 50-41-36.

935 Any person not licensed in accordance with this chapter who conducts pari-mutuel
936 wagering or horse racing on which pari-mutuel wagering is conducted with his or her
937 knowledge or consent shall be guilty of a felony and, upon conviction thereof, shall be
938 punished by imprisonment for not less than one nor more than ten years or a fine not to
939 exceed \$100,000.00, or both.

940 50-41-37.

941 Any person other than the lawful holder thereof who has in his or her possession any
942 credential, license, or permit issued by the commission or a forged or simulated credential,
943 license, or permit of the commission and who uses such credential, license, or permit for
944 the purpose of misrepresentation, fraud, or touting shall be guilty of a felony and, upon
945 conviction thereof, shall be punished by imprisonment for not less than one nor more than
946 ten years or a fine not to exceed \$100,000.00, or both. Any credential, license, or permit
947 issued by the commission if used by the holder thereof for a purpose other than
948 identification and in the performance of legitimate duties on a racetrack shall be
949 automatically revoked whether so used on or off a racetrack.

950 50-41-38.

951 Any person that knowingly transmits information as to the progress or results of a horse
952 race or information as to wagers, betting odds, post or off times, or jockey changes in any
953 race by any means whatsoever for the purposes of carrying on illegal betting in violation
954 of Part 1 of Article 2 of Chapter 12 of Title 16 or to a person engaged in illegal betting
955 shall be guilty of a felony and, upon conviction thereof, shall be punished by imprisonment

956 for not less than one nor more than ten years or a fine not to exceed \$100,000.00, or both.
957 This Code section shall not be construed to prohibit a newspaper from printing such results
958 or information as news or any television or radio station from telecasting or broadcasting
959 such results or information as news. This Code section shall not be construed to place in
960 jeopardy any common carrier or its agents performing operations within the scope of a
961 public franchise or any gambling operation authorized by law.

962 50-41-39.

963 Any person that knowingly and intentionally by false representation attempts to or does
964 persuade, procure, or cause another person to wager on a horse in a race to be run in this
965 state or elsewhere and upon which money is wagered in this state and that asks for or
966 demands compensation as a reward for information or purported information given in such
967 case shall be guilty of touting and, upon conviction, shall be punished as for a
968 misdemeanor.

969 50-41-40.

970 Any person that gives, promises, or offers to any jockey, driver, groom, or any person
971 participating in any race meeting, including owners of racetracks and their employees,
972 stewards, trainers, judges, starters, and special peace officers, any valuable thing with intent
973 to influence him or her to attempt to lose or cause to be lost a horse race in which such
974 person is taking part or expects to take part or has any duty or connection to or any
975 individual who, being either jockey, driver, or groom or participant in a race meeting,
976 solicits or accepts any valuable thing to influence him or her to lose or cause to be lost a
977 horse race in which he or she is taking part or expects to take part or has any duty or
978 connection to shall be guilty of a felony and, upon conviction thereof, shall be punished by
979 imprisonment for not less than one nor more than ten years or a fine not to exceed
980 \$100,000.00, or both.

981 50-41-41.

982 (a) Any person that, with the intent to defraud, acts to alter the outcome of a horse race by:

983 (1) The administration of any substance foreign to the natural horse, except those
984 substances specifically permitted by the rules and regulations of the commission; or

985 (2) The use of any device, electrical or otherwise, except those specifically permitted by
986 the rules and regulations of the commission.

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

989 (b) Any person that, with the intent to defraud, influences or conspires with another to alter
990 the outcome of a race by:

991 (1) The administration of any substance foreign to the natural horse, except those
992 substances specifically permitted by the rules and regulations of the commission; or

993 (2) The use of any device, electrical or otherwise, except those specifically permitted by
994 the rules and regulations of the commission.

995 shall be guilty of a felony and, upon conviction thereof, shall be punished by imprisonment
996 for not less than one nor more than ten years or a fine not to exceed \$100,000.00, or both.

997 (c) Any person that:

998 (1) Administers any substance foreign to the natural horse, except those substances
999 specifically permitted by the rules and regulations of the commission, when the horse is
1000 entered to start; or

1001 (2) At any time exposes any substance foreign to the natural horse with the intent of
1002 impeding or increasing the speed, endurance, health, or condition of a horse

1003 shall be guilty of a felony and, upon conviction thereof, shall be punished by imprisonment
1004 for not less than one nor more than ten years or a fine not to exceed \$100,000.00, or both.

1005 (d)(1) The commission shall implement or contract with an independent third party to
1006 implement a split-sample procedure for testing racehorses under this Code section. The
1007 commission shall split each urine and blood sample using the split-sample procedure into

1008 a primary sample and a secondary or split sample upon collection. The commission shall
1009 transfer custody of the primary sample to the commission laboratory, with custody of the
1010 split sample remaining with the commission except as provided in this subsection.

1011 (2) The commission shall notify the owner or trainer, the stewards, and the equestrian
1012 facility of all drug test results. If a drug test result is positive, upon request by the
1013 affected trainer or owner of the horse from which the sample was obtained, the
1014 commission shall send the split sample to an approved independent laboratory for
1015 analysis. The commission shall establish standards and rules for uniform enforcement
1016 and shall maintain a list of at least five approved independent laboratories from which an
1017 owner or trainer can select if a drug test result is positive.

1018 (3) If the commission laboratory's findings are not confirmed by the independent
1019 laboratory, no further administrative or disciplinary action under this Code section shall
1020 be pursued.

1021 (4) If the independent laboratory confirms the commission laboratory's positive result,
1022 the commission shall commence enforcement proceedings against the offending
1023 individuals, including the owner, trainer, and veterinarian. For purposes of this
1024 subsection, the commission shall in good faith attempt to obtain a sufficient quantity of
1025 the test fluid to allow both a primary test and a secondary test to be made. If there is an
1026 insufficient quantity of the split sample for confirmation of the commission laboratory's
1027 positive result, the commission shall not take further action on the matter against the
1028 owner or trainer, and any resulting license suspension shall be immediately lifted.

1029 (5) The commission shall require its laboratory and the independent laboratories to
1030 annually participate in an externally administered quality assurance program designed to
1031 assess testing proficiency in the detection and appropriate quantification of medications,
1032 drugs, and naturally occurring substances that may be administered to racehorses. The
1033 administrator of the quality assurance program shall report its results and findings to the
1034 commission and the Department of Agriculture.

1035 (e) The commission may inspect or coordinate inspections with law enforcement of any
1036 area of an equestrian facility where horses are raced, trained, housed, or maintained,
1037 including any areas where food, medications, or other supplies are kept, to ensure the
1038 humane treatment of racehorses and in compliance with this chapter and the rules and
1039 regulations of the commission.

1040 (f) In order to protect the safety and welfare of racehorses and the integrity of the races in
1041 which the horses participate, the commission shall adopt rules establishing the conditions
1042 of use and maximum concentrations of medications, drugs, and naturally occurring
1043 substances identified in the Controlled Therapeutic Medication Schedule by the
1044 Association of Racing Commissioners International, Inc. (ARCI). Controlled therapeutic
1045 medications include only the specific medications and concentrations allowed in biological
1046 samples which have been approved by ARCI as controlled therapeutic medications.

1047 (g) The commission's rules and regulations shall designate the appropriate biological
1048 specimens by which the administration of medications, drugs, and naturally occurring
1049 substances is monitored and shall determine the testing methodologies, including
1050 measurement uncertainties, for screening such specimens to confirm the presence of
1051 medications, drugs, and naturally occurring substances.

1052 (h) The commission's rules and regulations shall include a classification system for drugs
1053 and substances and a corresponding penalty schedule for violations which incorporates the
1054 ARCI's Uniform Classification Guidelines for Foreign Substances and Recommended
1055 Penalties Model Rule. The commission's rules and regulations shall specify that a drug not
1056 listed in the Controlled Therapeutic Medication Schedule which is present in a sample
1057 taken from a horse immediately after a race is a prohibited substance. The presence of a
1058 prohibited substance in a sample may result in summary suspension of a permit or license
1059 holder.

1060 (i) Medications authorized by the commission pursuant to this Code section shall only be
1061 administered by the track veterinarian or the state veterinarian.

1062 50-41-42.

1063 The possession or transportation of any drug except those permitted by rules and
1064 regulations of the commission within the racing enclosure is prohibited except upon a bona
1065 fide veterinarian's prescription with a complete statement of uses and purposes on the
1066 container. A copy of such prescription shall be filed with the stewards. Any person
1067 knowingly violating the provisions of this Code section relating to the legal possession of
1068 drugs shall be guilty of a misdemeanor. The provisions of Chapter 13 of Title 16 shall
1069 apply in situations when drugs regulated by that chapter are within the racing enclosure.

1070 50-41-43.

1071 Any person that knowingly enters or races any horse in any horse race under any name or
1072 designation other than the name or designation duly assigned to such horse by and
1073 registered with The Jockey Club, the United States Trotting Association, the American
1074 Quarter Horse Association, or other applicable association or who knowingly instigates,
1075 engages in, or in any way furthers any act by which any horse is entered or raced in any
1076 horse race under any name or designation other than the name or designation duly assigned
1077 by and registered with The Jockey Club, the United States Trotting Association, the
1078 American Quarter Horse Association, or other applicable association shall be guilty of a
1079 felony and, upon conviction thereof, shall be punished by imprisonment for not less than
1080 one nor more than ten years or a fine not to exceed \$100,000.00, or both.

1081 50-41-44.

1082 No person shall wager on or conduct any wagering on the outcome of a horse race pursuant
1083 to the provisions of this chapter unless such person is 21 years of age or older. No person
1084 shall accept any wager from a minor. Any person violating the provisions of this Code
1085 section shall be guilty of a misdemeanor.

1086

ARTICLE 41087 50-41-50.

1088 The Interstate Compact on Licensure of Participants in Live Racing with Pari-mutuel
1089 Wagering is enacted into law and entered into with all other jurisdictions legally joining
1090 therein in the form substantially as follows:

1091

'ARTICLE I - PURPOSES

1092

SECTION 1. Purposes.1093 The purposes of this compact are to:

1094 1. Establish uniform requirements among the party states for the licensing of participants
1095 in live racing with pari-mutuel wagering, and ensure that all such participants who are
1096 licensed pursuant to this compact meet a uniform minimum standard of honesty and
1097 integrity.

1098 2. Facilitate the growth of the pari-mutuel racing industry in each party state and
1099 nationwide by simplifying the process for licensing participants in live racing, and reduce
1100 the duplicative and costly process of separate licensing by the regulatory agency in each
1101 state that conducts live racing with pari-mutuel wagering.

1102 3. Authorize the Georgia Horse Racing Commission to participate in this compact.

1103 4. Provide for participation in this compact by officials of the party states, and permit those
1104 officials, through the compact committee established by this compact, to enter into
1105 contracts with governmental agencies and nongovernmental persons to carry out the
1106 purposes of this compact.

1107 5. Establish the compact committee created by this compact as an interstate governmental
1108 entity duly authorized to request and receive criminal history record information from the
1109 Federal Bureau of Investigation and other state and local law enforcement agencies.

1110 ARTICLE II - DEFINITIONS1111 SECTION 2. Definitions.

1112 "Compact committee" means the organization of officials from the party states that is
1113 authorized and empowered by this compact to carry out the purposes of this compact.

1114 "Official" means the appointed, elected, designated or otherwise duly selected
1115 representative of a racing commission or the equivalent thereof in a party state who
1116 represents that party state as a member of the compact committee.

1117 "Participants in live racing" means participants in live racing with pari-mutuel wagering
1118 in the party states.

1119 "Party state" means each state that has enacted this compact.

1120 "State" means each of the several states of the United States, the District of Columbia, the
1121 Commonwealth of Puerto Rico and each territory or possession of the United States.

1122 ARTICLE III - ENTRY INTO FORCE, ELIGIBLE PARTIES AND WITHDRAWAL1123 SECTION 3. Entry into force.

1124 This compact shall come into force when enacted by any four states. Thereafter, this
1125 compact shall become effective as to any other state upon both (i) that state's enactment of
1126 this compact and (ii) the affirmative vote of a majority of the officials on the compact
1127 committee as provided in Section 8 of this compact.

1128 SECTION 4. States eligible to join compact.

1129 Any state that has adopted or authorized live racing with pari-mutuel wagering shall be
1130 eligible to become party to this compact.

1131 SECTION 5. Withdrawal from compact and impact thereof
1132 on force and effect of compact.
1133 Any party state may withdraw from this compact by enacting a statute repealing this
1134 compact, but no such withdrawal shall become effective until the head of the executive
1135 branch of the withdrawing state has given notice in writing of such withdrawal to the head
1136 of the executive branch of all other party states. If, as a result of withdrawals, participation
1137 in this compact decreases to less than three party states, this compact no longer shall be in
1138 force and effect unless and until there are at least three or more party states again
1139 participating in this compact.

1140 ARTICLE IV - COMPACT COMMITTEE

1141 SECTION 6. Compact committee established.

1142 There is hereby created an interstate governmental entity to be known as the "compact
1143 committee," which shall be comprised of one official from the racing commission or its
1144 equivalent in each party state who shall be appointed, serve, and be subject to removal in
1145 accordance with the laws of the party state he or she represents. Pursuant to the laws of his
1146 or her party state, each official shall have the assistance of his or her state's racing
1147 commission or the equivalent thereof in considering issues related to licensing of
1148 participants in live racing and in fulfilling his or her responsibilities as the representative
1149 from his or her state to the compact committee. If an official is unable to perform any duty
1150 in connection with the powers and duties of the compact committee, the racing commission
1151 or equivalent thereof from his or her state shall designate an alternate who shall serve in
1152 his or her place and represent the party state as its official on the compact committee until
1153 that racing commission or equivalent thereof determines that the original representative
1154 official is able once again to perform his or her duties as that party state's representative
1155 official on the compact committee. The designation of an alternate shall be communicated

1156 by the affected state's racing commission or equivalent thereof to the compact committee
1157 as the committee's bylaws may provide.

1158 SECTION 7. Powers and duties of compact committee.

1159 In order to carry out the purposes of this compact, the compact committee is hereby granted
1160 the power and duty to:

1161 1. Determine which categories of participants in live horse racing, including, but not
1162 limited to, owners, trainers, jockeys, grooms, mutuel clerks, racing officials, veterinarians,
1163 and farriers, and which categories of equivalent participants in dog racing and other forms
1164 of live racing with pari-mutuel wagering authorized in two or more of the party states,
1165 should be licensed by the committee, and establish the requirements for the initial licensure
1166 of applicants in each such category, the term of the license for each category, and the
1167 requirements for renewal of licenses in each category; provided, however, that, with regard
1168 to requests for criminal history record information on each applicant for a license, and with
1169 regard to the effect of a criminal record on the issuance or renewal of a license, the
1170 compact committee shall determine for each category of participants in live racing which
1171 licensure requirements for that category are, in its judgment, the most restrictive licensure
1172 requirements of any party state for that category and shall adopt licensure requirements for
1173 that category that are, in its judgment, comparable to those most restrictive requirements.
1174 2. Investigate applicants for a license from the compact committee and, as permitted by
1175 federal and state law, gather information on such applicants, including criminal history
1176 record information from the Federal Bureau of Investigation and relevant state and local
1177 law enforcement agencies, and, where appropriate, from the Royal Canadian Mounted
1178 Police and law enforcement agencies of other countries, necessary to determine whether
1179 a license should be issued under the licensure requirements established by the committee
1180 as provided in paragraph 1 of this section. Only officials on, and employees of, the
1181 compact committee may receive and review such criminal history record information, and

1182 those officials and employees may use that information only for the purposes of this
1183 compact. No such official or employee may disclose or disseminate such information to
1184 any person or entity other than another official or employee of the compact committee.
1185 The fingerprints of each applicant for a license from the compact committee shall be taken
1186 by the compact committee, its employees, or its designee and, pursuant to Public
1187 Law 92-544 or Public Law 100-413, shall be forwarded to a state identification bureau, or
1188 to an association of state officials regulating pari-mutuel wagering designated by the
1189 Attorney General of the United States, for submission to the Federal Bureau of
1190 Investigation for a criminal history record check. Such fingerprints may be submitted on
1191 a fingerprint card or by electronic or other means authorized by the Federal Bureau of
1192 Investigation or other receiving law enforcement agency.

1193 3. Issue licenses to, and renew the licenses of, participants in live racing listed in
1194 paragraph 1 of this section who are found by the committee to have met the licensure and
1195 renewal requirements established by the committee. The compact committee shall not have
1196 the power or authority to deny a license. If it determines that an applicant will not be
1197 eligible for the issuance or renewal of a compact committee license, the compact
1198 committee shall notify the applicant that it will not be able to process his or her application
1199 further. Such notification does not constitute and shall not be considered to be the denial
1200 of a license. Any such applicant shall have the right to present additional evidence to, and
1201 to be heard by, the compact committee, but the final decision on issuance or renewal of the
1202 license shall be made by the compact committee using the requirements established
1203 pursuant to paragraph 1 this section.

1204 4. Enter into contracts or agreements with governmental agencies and with
1205 nongovernmental persons to provide personal services for its activities and such other
1206 services as may be necessary to effectuate the purposes of this compact.

1207 5. Create, appoint, and abolish those offices, employments, and positions, including an
1208 executive director, as it deems necessary for the purposes of this compact, prescribe their

1209 powers, duties and qualifications, hire persons to fill those offices, employments and
1210 positions, and provide for the removal, term, tenure, compensation, fringe benefits,
1211 retirement benefits, and other conditions of employment of its officers, employees, and
1212 other positions.

1213 6. Borrow, accept, or contract for the services of personnel from any state, the United
1214 States, or any other governmental agency, or from any person, firm, association,
1215 corporation, or other entity.

1216 7. Acquire, hold, and dispose of real and personal property by gift, purchase, lease, license,
1217 or in other similar manner, in furtherance of the purposes of this compact.

1218 8. Charge a fee to each applicant for an initial license or renewal of a license.

1219 9. Receive other funds through gifts, grants and appropriations.

1220 SECTION 8. Voting requirements.

1221 A. Each official shall be entitled to one vote on the compact committee.

1222 B. All action taken by the compact committee with regard to the addition of party states
1223 as provided in Section 3 of this compact, the licensure of participants in live racing, and the
1224 receipt and disbursement of funds shall require a majority vote of the total number of
1225 officials (or their alternates) on the committee. All other action by the compact committee
1226 shall require a majority vote of those officials (or their alternates) present and voting.

1227 C. No action of the compact committee may be taken unless a quorum is present. A
1228 majority of the officials (or their alternates) on the compact committee shall constitute a
1229 quorum.

1230 SECTION 9. Administration and management.

1231 A. The compact committee shall elect annually from among its members a chairman, a
1232 vice-chairman, and a secretary/treasurer.

1233 B. The compact committee shall adopt bylaws for the conduct of its business by a
1234 two-thirds' vote of the total number of officials (or their alternates) on the committee at that
1235 time and shall have the power by the same vote to amend and rescind these bylaws. The
1236 committee shall publish its bylaws in convenient form and shall file a copy thereof and a
1237 copy of any amendments thereto with the secretary of state or equivalent agency of each
1238 of the party states.

1239 C. The compact committee may delegate the day-to-day management and administration
1240 of its duties and responsibilities to an executive director and his or her support staff.

1241 D. Employees of the compact committee shall be considered governmental employees.

1242 SECTION 10. Immunity from liability for performance
1243 of official responsibilities and duties.

1244 No official of a party state or employee of the compact committee shall be held personally
1245 liable for any good faith act or omission that occurs during the performance and within the
1246 scope of his or her responsibilities and duties under this compact.

1247 ARTICLE V - RIGHTS AND RESPONSIBILITIES OF EACH PARTY STATE

1248 SECTION 11. Rights and responsibilities of each party state.

1249 A. By enacting this compact, each party state:

1250 1. Agrees (i) to accept the decisions of the compact committee regarding the issuance of
1251 compact committee licenses to participants in live racing pursuant to the committee's
1252 licensure requirements, and (ii) to reimburse or otherwise pay the expenses of its official
1253 representative on the compact committee or his or her alternate.

1254 2. Agrees not to treat a notification to an applicant by the compact committee under
1255 paragraph 3 of Section 7 of this compact that the compact committee will not be able to
1256 process his or her application further as the denial of a license, or to penalize such an
1257 applicant in any other way based solely on such a decision by the compact committee.

1258 3. Reserves the right (i) to charge a fee for the use of a compact committee license in that
1259 state, (ii) to apply its own standards in determining whether, on the facts of a particular
1260 case, a compact committee license should be suspended or revoked, (iii) to apply its own
1261 standards in determining licensure eligibility, under the laws of that party state, for
1262 categories of participants in live racing that the compact committee determines not to
1263 license and for individual participants in live racing who do not meet the licensure
1264 requirements of the compact committee, and (iv) to establish its own licensure standards
1265 for the licensure of non-racing employees at pari-mutuel racetracks and employees at
1266 separate satellite wagering facilities. Any party state that suspends or revokes a compact
1267 committee license shall, through its racing commission or the equivalent thereof or
1268 otherwise, promptly notify the compact committee of that suspension or revocation.
1269 B. No party state shall be held liable for the debts or other financial obligations incurred
1270 by the compact committee.

1271 ARTICLE VI - CONSTRUCTION AND SEVERABILITY

1272 SECTION 12. Construction and severability.

1273 This compact shall be liberally construed so as to effectuate its purposes. The provisions
1274 of this compact shall be severable, and, if any phrase, clause, sentence or provision of this
1275 compact is declared to be contrary to the Constitution of the United States or of any party
1276 state, or the applicability of this compact to any government, agency, person, or
1277 circumstance is held invalid, the validity of the remainder of this compact and the
1278 applicability thereof to any government, agency, person, or circumstance shall not be
1279 affected thereby. If all or some portion of this compact is held to be contrary to the
1280 constitution of any party state, the compact shall remain in full force and effect as to the
1281 remaining party states and in full force and effect as to the state affected as to all severable
1282 matters.'

1283 50-41-51.

1284 The Governor shall appoint one official to represent the State of Georgia on the compact
1285 committee for a term of four years. No official shall serve more than three consecutive
1286 terms. A vacancy shall be filled by the Governor for any unexpired term.

1287 50-41-52.

1288 All departments, agencies, and officers of the State of Georgia and its political subdivisions
1289 are authorized to cooperate with the compact committee in furtherance of any of its
1290 activities pursuant to the compact.

1291 50-41-53.

1292 Nothing in this article shall be construed to diminish or limit the powers and
1293 responsibilities of the commission established by Article 1 of this chapter or to invalidate
1294 any action of the commission previously taken, including, without limitation, any rule or
1295 regulation promulgated thereby."

1296 **SECTION 3.**

1297 Providing that an amendment to the Constitution of the State of Georgia that authorizes
1298 pari-mutuel wagering is passed by the General Assembly and ratified by the voters in
1299 the 2022 general election, this Act shall become effective on January 1, 2023.

1300 **SECTION 4.**

1301 All laws and parts of laws in conflict with this Act are repealed.