

The Senate Committee on Regulated Industries and Utilities offered the following substitute to SB 212:

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 provide a short title; to provide for related matters; to
6 provide for a contingent effective date; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

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

11 **SECTION 2.**

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

14 "CHAPTER 41

15 ARTICLE 1

16 50-41-1.

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

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

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

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

24 50-41-2.

25 As used in this chapter, the term:

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

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

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

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

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

39 (6) 'Equestrian facility' means a mixed-use land based development consisting of a
40 combination of various tourism amenities and facilities, including, but not limited to, a
41 racetrack or racetracks, pari-mutuel wagering facility or facilities, hotels, restaurants,
42 convention facilities, attractions, entertainment facilities, service centers, and shopping
43 centers.

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

47 (8) 'Georgia Breeders Fund' means the fund or funds established under Code Section
48 50-41-20 to foster the industry of breeding racehorses in this state.

49 (9) 'Historic race wagering' means a wager on the outcome of any horse race that was
50 completed sometime prior to the wager being placed.

51 (10) 'Historic race wagering machine' means a device of any kind that allows a person
52 to engage in historic race wagering.

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

56 (12) 'Horseman' or 'horsemen' means any person that owns 10 percent or greater interest
57 in a horse that is actively engaged in horse racing.

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

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

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

62 (16) 'Pari-mutuel wagering' means the system of wagering on horse races in which those
63 who wager on horses that finish in the position or positions for which wagers are taken
64 share in the total amounts wagered, plus any amounts voluntarily provided by an
65 equestrian facility licensee, minus deductions required or permitted by law. Such term

66 shall also include wagering on simulcast horse racing originating from within this state
67 or from any other jurisdiction and live pari-mutuel wagering. Such term shall not include
68 historic race wagering.

69 (17) 'Participant' means any person that:

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

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

72 (C) Takes part in any horse racing subject to the jurisdiction of the commission or in
73 the conduct of a race meeting or pari-mutuel wagering thereon, including, but not
74 limited to, a horse owner, trainer, jockey, driver, groom, stable foreman, valet,
75 veterinarian, agent, pari-mutuel employee, concessionaire or employee thereof, track
76 employee, or other position the commission deems necessary to regulate to ensure the
77 integrity of horse racing in this state.

78 (18) 'Person' means any individual, group of individuals, firm, company, corporation,
79 partnership, business, trust, association, or other legal entity.

80 (19) 'Pool' means the amount wagered during a race meeting or during a specified period
81 thereof.

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

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

88 (22) 'Simulcast horse racing' means the dissemination, receipt, or display of broadcasts
89 of the audio or video portion, or both, of horse races conducted by a licensed horse
90 racetrack, whether such races are conducted within this state or are conducted in any
91 other jurisdiction, by satellite communication devices, television cables, telephone lines,
92 or any other means for the purposes of conducting pari-mutuel wagering by patrons of

93 a licensed horse racetrack or advance deposit account wagering licensee. Such term shall
94 not include historic race wagering.

95 (23) 'Steward' means a racing official, duly appointed by the commission or an
96 equestrian facility, with powers and duties prescribed by rules and regulations of the
97 commission.

98 (24) 'Takeout' means the percentage of the pari-mutuel pools deducted by the racetrack
99 prior to the distribution of the pool.

100 50-41-3.

101 (a) There is hereby established the Georgia Horse Racing Commission, which shall be a
102 body corporate and politic. The commission shall have full legal authority over the
103 practice of pari-mutuel wagering on horse racing in this state; provided, however, that it
104 shall not regulate play on bona fide coin operated amusement machines. The commission
105 shall be governed by a board that shall consist of five members appointed by the Governor.

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

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

119 (B) In one of the five consecutive years prior to appointment, at least one member of
120 the board shall have registered at least one horse with The Jockey Club or a similar
121 organization dedicated to the improvement of thoroughbred breeding and racing that
122 has been in existence for at least 100 years;

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

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

128 (2) Members of the board shall not have any direct or indirect interest in any undertaking
129 that puts their personal interest in conflict with that of the commission, including, but not
130 limited to, an interest in a major procurement contract or a participating retailer, or person
131 that applies for or has obtained an equestrian facility license by the commission.
132 Members of the board may have an ownership interest in or possess a permit issued by
133 the commission to participate in horse racing.

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

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

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

146 (b) The board shall:

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

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

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

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

155 (c) The board shall name a chief executive officer who shall be known as the Georgia
156 horse racing commissioner and who shall serve at the pleasure of and be appointed by the
157 board for a term that shall be decided and may be renewed by the board. The
158 commissioner shall be empowered with all administrative duties carried out by the
159 commission, including, but not limited to, the authority to hire and fire personnel and to
160 appoint senior leadership.

161 50-41-4.

162 The commission shall have any and all powers necessary or convenient to its usefulness
163 in carrying out and effectuating the purposes and provisions of this chapter which are not
164 in conflict with the Constitution of this state and which are generally exercised by
165 corporations engaged in entrepreneurial pursuits and state instrumentalities engaged in
166 regulatory pursuits, including, but not limited to, the following responsibilities and powers
167 to:

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

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

171 (3) Sue and be sued;

- 172 (4) Appoint and select officers, auditors, agents, and employees, including professional
173 and administrative staff, personnel, and hearing officers;
- 174 (5) Enter into contracts of any and all types on such terms and conditions as the
175 commission may determine;
- 176 (6) Establish and maintain banking relationships, including, but not limited to,
177 establishment of checking and savings accounts and lines of credit;
- 178 (7) Adopt and alter a seal;
- 179 (8) Procure or provide insurance;
- 180 (9) Hold copyrights, trademarks, and service marks and enforce its rights with respect
181 thereto;
- 182 (10) Enter into contracts to incur debt in its own name and enter into financing
183 agreements with the state, agencies or instrumentalities of the state, or any commercial
184 bank or credit provider; provided, however, that any such debt must be approved by the
185 Georgia State Financing and Investment Commission;
- 186 (11) Administer oaths, take depositions, issue subpoenas, and compel the attendance of
187 witnesses and the production of books, papers, documents, and other evidence relative
188 to any investigation or proceeding conducted by the commission;
- 189 (12) Enter into contracts or agreements with state or local law enforcement agencies,
190 including the Department of Revenue, for the performance of law enforcement,
191 background investigations, security checks, and auditing and enforcement of license
192 requirements required by Article 3 of this chapter;
- 193 (13) Regulate pari-mutuel wagering in this state, including the supervision and control
194 of all licensing procedures and issuances;
- 195 (14) Enter any facility issued a license by the commission, to audit the financial books
196 and records of any facility issued a license by the commission, and to suspend, deny,
197 revoke, or confiscate any license issued pursuant to this chapter; provided, however, that
198 no license shall be sanctioned by the commission without due process having been

199 afforded to the licensee, including the opportunity for judicial review of the commission's
200 decision pursuant to Code Section 50-13-19; and

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

203 50-41-5.

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

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

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

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

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

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

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

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

234 (B) In the event that a licensee and a recognized majority horseman's group are, in
235 good faith, unable to reach an agreement regarding purses at the live racetrack prior to
236 the 90th day before commencement of the racing meet of the licensee, the licensed
237 equestrian facility and recognized majority horseman's group shall, on or before such
238 90th day, submit the dispute over the contract to the commission which shall refer the
239 dispute to a third-party commercial arbitration service, and the parties shall pay their
240 own costs of the hearing;

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

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

249 (E) The commission shall issue a final decision within 60 days of receiving the appeal
250 of a decision of an arbitrator or arbitrators, and such decision shall be deemed the final

251 agency decision and appealable pursuant to Chapter 13 of this title; provided, however,
252 that the parties may agree to a one-time extension of up to 60 days for good cause; and
253 (F) If the commission does not render a decision within the initial 60 day period or the
254 extended period, the decision shall be deemed affirmed as a matter of law and deemed
255 the final agency decision; and

256 (6) Provide for addressing the appointment and retaining, through employment or
257 contract, of stewards. Stewards shall act as racing officials to oversee the conduct of
258 horse racing at licensed racetracks. Stewards shall enforce the commission's rules and
259 regulations and the provisions of this chapter and shall have authority to interpret the
260 commission's rules and regulations and to decide all questions of racing not specifically
261 covered by the rules and regulations of the commission. Nothing in this paragraph shall
262 limit the authority of the commission to carry out the provisions of this chapter and to
263 exercise control of horse racing as set forth in this chapter, including the power to review
264 all decisions and rulings of stewards.

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

269 50-41-6.

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

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

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

275 (3) Background checks and investigative notes;

276 (4) Security reports;

277 (5) Information concerning bids or other contractual data, the disclosure of which would
278 impair the efforts of the commission to contract for goods or services on favorable terms;
279 (6) Employee personnel information unrelated to compensation, duties, qualifications,
280 or responsibilities;
281 (7) Information obtained pursuant to investigations which is otherwise confidential; and
282 (8) Such other information as the commission shall determine to be confidential.
283 (b) Meetings or portions of meetings devoted to discussing information deemed
284 confidential pursuant to this Code section shall be exempt from Chapter 14 of this title.
285 (c) Information deemed confidential pursuant to this Code section shall be exempt from
286 the provisions of Article 4 of Chapter 18 of this title.

287 50-41-7.

288 (a) Except as provided in Code Section 50-41-16, pari-mutuel wagering shall take place
289 in this state only on the grounds of licensed equestrian facilities on the same parcel or
290 parcels of property where there is a common entranceway for motor vehicles.
291 (b) No person shall be permitted to participate in pari-mutuel wagering unless he or she
292 has reached the age of 21 years.

293 ARTICLE 2

294 50-41-8.

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

300 (b) Notwithstanding any other provision of law, and except as provided in subsection (c)
301 of this Code section, all licensed equestrian facilities operating in this state may operate for
302 all legal purposes, including, but not limited to, pari-mutuel wagering, hotel and hospitality
303 operations, the sale of tobacco products, and the sale and service of food and alcoholic
304 beverages, so long as the licensed facility is in compliance with all state and local alcohol,
305 tobacco, zoning, occupancy, and other land use laws as the commission deems appropriate.
306 (c) No equestrian facility operating in this state shall offer or permit on the premises of
307 such facility historic race wagering machines, bona fide coin operated amusement
308 machines, or any form of betting or game of skill, other than pari-mutuel wagering, that is
309 played on a kiosk or other machine.
310 (d) Except upon approval of the commission, no license issued under the provisions of this
311 chapter shall be transferable.

312 50-41-9.

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

318 50-41-10.

319 (a) The commission's authority to award equestrian facility licenses shall be limited to a
320 maximum of five equestrian facilities in this state.
321 (b) Commencing on January 1 of the first calendar year after an equestrian facility receives
322 its license, such equestrian facility shall maintain and complete not less than 60 live racing
323 days annually; provided, however, that an equestrian facility may apply to the commission
324 for a waiver of such requirement and request a lesser number of live racing days annually.

325 but no fewer than 45 days annually, and the commission may reduce such number for that
326 facility for that year or for a period of years specified by the commission. The commission
327 shall be authorized to suspend the equestrian facility license of any equestrian facility that
328 fails to satisfy this subsection; provided, however, that the commission may waive this
329 requirement if good cause has been shown that circumstances beyond the control of an
330 equestrian facility caused the reduced annual racing days. Horse racing with quarter horses
331 may be used to satisfy the annual racing day requirement imposed by this Code section.

332 50-41-11.

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

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

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

349 50-41-12.

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

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

357 (2) The name and address of each stockholder or member of such corporation who has
358 or controls a 5 percent or greater ownership or security interest or each partner of a
359 partnership or joint venture who has or controls a 5 percent or greater ownership or
360 security interest and of each person that has contracted for a pecuniary interest in the
361 applicant or the enclosure where race meetings or pari-mutuel wagering will be
362 conducted, whether such interest is an ownership or a security interest, the nature and
363 value of such interest, and the name and address of each person that has agreed to lend
364 money to the applicant; and

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

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

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

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

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

384 50-41-13.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

426 (1) The facility includes a minimum investment of \$125 million;

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

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

438 (4) It has not legally defaulted in the payment of any obligation or debt due to the State
439 of Georgia; and

440 (5) It is a Georgia person subject to the jurisdiction of the laws and courts of the State
441 of Georgia.

442 (d) An equestrian facility license may be suspended or revoked by the commission upon
443 a finding that the licensee is not in good standing because it has failed to meet the
444 minimum standards for facilities or racing quality or other minimum standards required by
445 this chapter.

446 (e) The award of an equestrian facility license to an applicant authorizes such applicant to
447 begin construction or development of the equestrian facility detailed in the application
448 submitted to the commission, provided that any county or municipality in which such
449 equestrian facility is to be located has, by the adoption of an ordinance or resolution,
450 indicated the desire for the location of an equestrian facility within its boundaries or any
451 portion thereof. This subsection shall not excuse a licensee from obtaining zoning approval
452 and local permits required by local ordinance and authorized by Code Section 50-41-24.

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

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

460 50-41-14.

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

465 50-41-15.

466 No employee of the commission and no spouse or immediate family member of any such
467 employee shall have any financial interest, direct or indirect, in any equestrian facility. No
468 employee of the commission and no spouse or immediate family member of any such
469 employee shall participate as owner of a horse or otherwise as a contestant in any race
470 subject to the jurisdiction of the commission or have any pecuniary interest in the purse or
471 prize contested for in any such race.

472 50-41-16.

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

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

477 (c) Any advance deposit wagering that is conducted in this state shall be limited to live
478 pari-mutuel wagering and shall be conducted on the grounds of a licensed equestrian
479 facility.

480 50-41-17.

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

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

490 (c) The commission may summarily suspend any license for a period of not more than 90
491 days pending a de novo hearing and final determination by the commission if the
492 commission determines that emergency action is required to protect the public health,
493 safety, and welfare, including, but not limited to, revenues due the state, its political
494 subdivisions, and the horsemen's purse account. The commission shall schedule a hearing
495 within 15 business days after the license is summarily suspended and notify the licensee
496 not less than five business days before the hearing of the date, time, and place of the
497 hearing.

498 (d) Deliberations of the commission shall be conducted pursuant to the provisions of
499 Chapter 14 of this title. If any license is suspended or revoked, the commission shall state
500 its reasons for doing so, which shall be made a formal part of the record. Such action shall
501 be final unless appealed in accordance with Code Section 50-41-11. Suspension or

502 revocation of a license by the commission for any violation shall not preclude criminal
503 liability for such violation.

504 50-41-18.

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

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

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

515 50-41-19.

516 (a) No person shall engage in any horse racing or in the conduct of a race meeting or
517 pari-mutuel wagering thereon, including, but not limited to, as a horse owner, trainer,
518 jockey, driver, exercise rider, starter, groom, stable foreman, valet, veterinarian, agent,
519 pari-mutuel employee, concessionaire or employee thereof, track employee, or other
520 similar position the commission deems necessary to regulate to ensure the integrity of horse
521 racing in this state, unless such person possesses a permit therefor from the commission
522 and complies with the provisions of this chapter and all rules and regulations of the
523 commission. The commission shall establish procedures for the application and permitting
524 of employees whose services are also subject to licensure by the commission, and no
525 application or permit fee shall exceed the amounts set forth in this chapter. The application
526 shall include such information deemed necessary by the commission, but shall require no

527 more information than that needed to grant or deny an application. No permit issued under
528 the provisions of this chapter shall be transferable.

529 (b) The commission may waive the permit requirement for any person that possesses a
530 valid permit or license to participate in the conduct of horse racing in another racing
531 jurisdiction and participates in horse racing in this state on nonconsecutive racing days.

532 (c) Once a horse is entered to run in this state, all participants shall come under the
533 jurisdiction of the commission and its stewards and shall be subject to the rules and
534 regulations of the commission and sanctions it or its stewards may impose.

535 (d) The commission may suspend, deny, or revoke a permit issued under this chapter.

536 50-41-20.

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

543 (b) The live pari-mutuel wagering pools shall be used as follows:

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

545 (2) One and one-five hundredths percent shall be used for the operational expenses of
546 the commission as follows:

547 (A) One-half of 1 percent shall be deposited into a separate account to be established
548 by the commission and known as the Georgia Breeders Fund in conjunction with racing
549 at an equestrian facility as breeders' awards or awards to owners of registered
550 Georgia-bred horses as breeding incentives in accordance with a plan approved by the
551 commission;

552 (B) One-tenth of 1 percent shall be used by the commission solely for the promotion
553 and growth of the equestrian racing and breeding industry in this state through
554 allocation of such funds to the breeding industry in this state through partnerships with
555 veterinarian schools of medicine in this state, including the College of Veterinary
556 Medicine of the University of Georgia;

557 (C) Two-tenths of 1 percent shall be used by the commission for racing horse
558 retirement;

559 (D) One-quarter of 1 percent shall be used by the commission as aide for the
560 prosecution and prevention of acts of animal cruelty as well as the treatment of abused
561 animals; and

562 (E) The balance of the takeout shall be retained by the equestrian facility.

563 (3) Three and three-fourths percent shall be held in a separate account by the commission
564 and transferred on a quarterly basis to the state treasury to be separately accounted for in
565 the Horse Racing for Georgia Account to be established and maintained by the State
566 Treasurer. Upon the deposit of such funds, the moneys representing such deposit shall
567 then become the unencumbered property of the State of Georgia. In the budget report to
568 the General Assembly, as a separate budget category entitled 'horse race betting
569 proceeds,' the Governor shall estimate the amount of net proceeds and treasury earnings
570 thereon to be credited to the Horse Racing for Georgia Account during the fiscal year and
571 the amount of unappropriated surplus estimated to be accrued in the account at the
572 beginning of the fiscal year. In the budget report the Governor shall specify
573 recommendations as to the programs and purposes for which appropriations should be
574 made from the Horse Racing for Georgia Account. The General Assembly shall
575 appropriate from the Horse Racing for Georgia Account by specific reference to it, or by
576 reference to 'horse race betting proceeds.' All appropriations of lottery proceeds to any
577 particular budget unit shall be made together in a separate part entitled, identified,
578 administered, and accounted for separately as a distinct budget unit for lottery proceeds.

579 Such appropriations shall otherwise be made in the manner required by law for
580 appropriations. The funds held in the Horse Racing for Georgia Account shall be used
581 for:

582 (A) Education;

583 (B) Health care;

584 (C) Rural development programs, including, but not limited to, programs to provide
585 broadband and other communications technologies for rural areas; and

586 (D) Programs for the prevention and treatment of compulsive and addictive betting and
587 gambling which shall be provided for by the commission.

588 (c) The commission shall promulgate any rules and regulations necessary to establish uses
589 of the live pari-mutuel pools consistent with this Code section.

590 50-41-21.

591 In addition to the funds set forth in Code Section 50-41-20, there shall be a tax of 0.625
592 percent imposed on export signal racing revenue. The tax shall be paid to the commission
593 for deposit into the general fund of the state treasury.

594 50-41-22.

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

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

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

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

605 50-41-23.

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

611 (1) Zoning restrictions related to distance from specified structures and uses and building
612 and related permits so long as the distance requirements, use restrictions, and building
613 permits applied to licensed equestrian facilities are no more restrictive, onerous, or
614 expensive than the requirements and restrictions applicable to all hotels and resorts
615 located within the jurisdiction;

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

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

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

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

632 50-41-24.

633 All pari-mutuel wagering conducted in this state shall be regulated, licensed, subjected to
634 revenue collection, or taxed only in accordance with the provisions of this chapter and the
635 rules and regulations of the commission and shall not be subject to any licensing
636 requirements, regulatory considerations, revenue collection, or taxes pursuant to Chapter
637 27 of this title or any other state or local law or rules, regulations, ordinances, or
638 resolutions.

639 50-41-25.

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

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

647 50-41-26.

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

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

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

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

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

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

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

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

666 (e) Except as provided in Code Section 50-41-16, no pari-mutuel wagering shall occur
667 anywhere in this state except on the premises of a licensed equestrian facility.

668 50-41-27.

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

676

ARTICLE 3677 50-41-30.

678 (a) Any person that, with the intent to defraud, acts to alter the outcome of any horse race
679 or pari-mutuel wagering through:

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

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

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

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

687 (b) Any person that, with the intent to defraud, influences or conspires with another to alter
688 the outcome of any horse race or pari-mutuel wagering through:

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

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

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

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

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

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

699 (2) Places, increases, or decreases a bet or to determine the course of play after acquiring
700 knowledge, not available to all players, of the outcome of a horse race or any event that
701 affects the outcome of the horse race or which is the subject of the bet or to aid anyone

702 in acquiring such knowledge for the purpose of placing, increasing, or decreasing a bet
703 or determining the course of play contingent upon that event or outcome;

704 (3) Places or increases a wager after acquiring knowledge of the outcome of the
705 gambling game or other event which is the subject of the bet, including past posting and
706 pressing bets;

707 (4) Reduces the amount wagered or cancels the bet after acquiring knowledge of the
708 outcome of a pari-mutuel wager or other event which is the subject of the bet, including
709 pinching bets; or

710 (5) Offers, promises, or gives anything of value to anyone for the purpose of influencing
711 the outcome of a race upon which a wager may be made, or places, increases, or
712 decreases a wager after acquiring knowledge, not available to the general public, that
713 anyone has been offered, promised, or given anything of value for the purpose of
714 influencing the outcome of the contest or race upon which the wager is placed, increased,
715 or decreased

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

718 50-41-31.

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

726 50-41-32.

727 (a) It shall be unlawful for any licensee, employee, or other person, not a duly authorized
728 employee of a licensee acting in furtherance of his or her employment within a licensed
729 equestrian facility, to possess, use, sell, or manufacture any counterfeit instruments,
730 counterfeit tickets, or other counterfeit items that are used to determine the outcome of any
731 contest or promotional activity conducted by or on behalf of any licensee.

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

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

740 50-41-33.

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

746 50-41-34.

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

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

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

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

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

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

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

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

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

774 50-41-35.

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

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

781 50-41-36.

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

787 50-41-37.

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

797 50-41-38.

798 Any person that knowingly transmits information as to the progress or results of a horse
799 race or information as to wagers, betting odds, post or off times, or jockey changes in any
800 race by any means whatsoever for the purposes of carrying on illegal betting in violation
801 of Part 1 of Article 2 of Chapter 12 of Title 16 or to a person engaged in illegal betting
802 shall be guilty of a felony and, upon conviction thereof, shall be punished by imprisonment
803 for not less than one nor more than ten years or a fine not to exceed \$100,000.00, or both.
804 This Code section shall not be construed to prohibit a newspaper from printing such results
805 or information as news or any television or radio station from telecasting or broadcasting
806 such results or information as news. This Code section shall not be construed to place in
807 jeopardy any common carrier or its agents performing operations within the scope of a
808 public franchise or any gambling operation authorized by law.

809 50-41-39.

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

816 50-41-40.

817 Any person that gives, promises, or offers to any jockey, driver, groom, or any person
818 participating in any race meeting, including owners of racetracks and their employees,
819 stewards, trainers, judges, starters, and special peace officers, any valuable thing with intent
820 to influence him or her to attempt to lose or cause to be lost a horse race in which such
821 person is taking part or expects to take part or has any duty or connection to or any

822 individual who, being either jockey, driver, or groom or participant in a race meeting,
823 solicits or accepts any valuable thing to influence him or her to lose or cause to be lost a
824 horse race in which he or she is taking part or expects to take part or has any duty or
825 connection to shall be guilty of a felony and, upon conviction thereof, shall be punished by
826 imprisonment for not less than one nor more than ten years or a fine not to exceed
827 \$100,000.00, or both.

828 50-41-41.

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

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

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

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

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

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

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

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

844 (c) Any person that:

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

848 (2) At any time exposes any substance foreign to the natural horse with the intent of
849 impeding or increasing the speed, endurance, health, or condition of a horse
850 shall be guilty of a felony and, upon conviction thereof, shall be punished by imprisonment
851 for not less than one nor more than ten years or a fine not to exceed \$100,000.00, or both.

852 (d)(1) The commission shall implement or contract with an independent third party to
853 implement a split-sample procedure for testing racehorses under this Code section. The
854 commission shall split each urine and blood sample using the split-sample procedure into
855 a primary sample and a secondary or split sample upon collection. The commission shall
856 transfer custody of the primary sample to the commission laboratory, with custody of the
857 split sample remaining with the commission except as provided in this subsection.

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

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

868 (4) If the independent laboratory confirms the commission laboratory's positive result,
869 the commission shall commence enforcement proceedings against the offending
870 individuals, including the owner, trainer, and veterinarian. For purposes of this
871 subsection, the commission shall in good faith attempt to obtain a sufficient quantity of
872 the test fluid to allow both a primary test and a secondary test to be made. If there is an
873 insufficient quantity of the split sample for confirmation of the commission laboratory's

874 positive result, the commission shall not take further action on the matter against the
875 owner or trainer, and any resulting license suspension shall be immediately lifted.

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

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

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

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

899 (h) The commission's rules and regulations shall include a classification system for drugs
900 and substances and a corresponding penalty schedule for violations which incorporates the

901 ARCI's Uniform Classification Guidelines for Foreign Substances and Recommended
902 Penalties Model Rule. The commission's rules and regulations shall specify that a drug not
903 listed in the Controlled Therapeutic Medication Schedule which is present in a sample
904 taken from a horse immediately after a race is a prohibited substance. The presence of a
905 prohibited substance in a sample may result in summary suspension of a permit or license
906 holder.

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

909 50-41-42.

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

917 50-41-43.

918 Any person that knowingly enters or races any horse in any horse race under any name or
919 designation other than the name or designation duly assigned to such horse by and
920 registered with The Jockey Club, the United States Trotting Association, the American
921 Quarter Horse Association, or other applicable association or who knowingly instigates,
922 engages in, or in any way furthers any act by which any horse is entered or raced in any
923 horse race under any name or designation other than the name or designation duly assigned
924 by and registered with The Jockey Club, the United States Trotting Association, the
925 American Quarter Horse Association, or other applicable association shall be guilty of a

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

928 50-41-44.

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

933 **SECTION 3.**

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

937 **SECTION 4.**

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