

16 "(19) To adopt and amend such regulations, policies, and procedures as necessary to
17 carry out and implement its powers and duties, organize and operate the corporation,
18 regulate the conduct of lottery games in general, and any other matters necessary or
19 desirable for the efficient and effective operation of the lottery or the convenience of the
20 public. The promulgation of any such regulations, policies, and procedures pursuant to
21 Articles 1 and 2 of this chapter shall be exempt from the requirements of Chapter 13 of
22 this title, the 'Georgia Administrative Procedure Act.' Notwithstanding any other
23 provision of law to the contrary, the promulgation of any form of licensure, rules,
24 regulations, policies, procedures, and any administrative hearings regarding violations of
25 Article 3 of this chapter shall be subject to the provisions of Chapter 13 of this title.
26 Hearings under Code Section 50-27-102 shall be held in accordance with the provisions
27 of the Georgia Arbitration Code."

28

SECTION 2.

29 Said chapter is further amended by revising subsection (b) of Code Section 50-27-70, relating
30 to legislative findings and definitions, by revising paragraph (3) and adding a new paragraph
31 to read as follows:

32 "(3) 'Class A machine' means a bona fide coin operated amusement machine that is not
33 a Class B machine, does not allow a successful player to carry over points won on one
34 play to a subsequent play or plays, and:

35 (A) Provides no reward to a successful player;

36 (B) Rewards a successful player only with free replays or additional time to play;

37 (C) Rewards a successful player with noncash merchandise, prizes, toys, gift
38 certificates, or novelties in compliance with the provisions of subsection (c) or
39 paragraph (1) of subsection (d) of Code Section 16-12-35, and does not reward a
40 successful player with any item prohibited as a reward in subsection (i) of Code Section

41 16-12-35 or any reward redeemable as an item prohibited as a reward in subsection (i)
42 of Code Section 16-12-35;

43 (D) Rewards a successful player with points, tokens, tickets, or other evidence of
44 winnings that may be exchanged only for items listed in subparagraph (C) of this
45 paragraph; or

46 (E) Rewards a successful player with any combination of items listed in
47 subparagraphs (B), (C), and (D) of this paragraph.

48 Notwithstanding the provisions of Code Section 16-12-35 or any other Code section to the
49 contrary, the permitted noncash redemption award on a per play basis for a Class A
50 machine shall not exceed the wholesale value of \$50.00; provided, however, that such
51 noncash redemption award shall not be for any items prohibited as redeemable or
52 exchangeable under subsection (i) of Code Section 16-12-35."

53

SECTION 3.

54 Said chapter is further amended by revising subsection (a.1) of Code Section 50-27-71,
55 relating to license fees, issuance of license, display of license, control number, duplicate
56 certificates, application for license or renewal, and penalty for noncompliance, as follows:

57 "(a.1) Every location owner or location operator shall pay an annual location license fee
58 for each bona fide coin operated amusement machine offered to the public for play. The
59 annual location license fee shall be \$25.00 for each Class A machine and \$125.00 for each
60 Class B machine. No location license for a Class B machine shall be issued for any
61 location which offers or sells distilled spirits by the drink. The annual location license fee
62 levied by this Code section shall be collected by the corporation, and the board may
63 establish procedures for location license fee collection and set due dates for payment of
64 such fees. The location license fee shall be paid to the corporation by company check,
65 cash, cashier's check, money order, or any other method approved by the chief executive
66 officer. Upon payment, the corporation shall issue a location license certificate that shall

67 state the number of bona fide coin operated amusement machines permitted for each class
68 without further description or identification of specific machines. No refund or credit of
69 the location license fee shall be allowed to any location owner or location operator who
70 ceases to offer bona fide coin operated amusement machines to the public for commercial
71 use prior the end of any license period.

72 **SECTION 4.**

73 Said chapter is further amended by revising paragraph (1) of subsection (b) of Code
74 Section 50-27-84, relating to limitation on percent of monthly gross retail receipts derived
75 from machines, monthly verified reports, issuance of fine or revocation or suspension of
76 license for violations, and submission of electronic reports, as follows:

77 "(b)(1) No location owner or location operator shall derive more than 50 percent of such
78 location owner's or location operator's monthly gross retail receipts for the business
79 location in which the Class B machine or machines are situated from such Class B
80 machines; provided, however, that revenues that are due to a master licensee or the
81 corporation or noncash redemption that is earned by the player shall not be deemed
82 revenue derived from Class B machines. This Code section shall not apply to historical
83 fraternal benefit associations or veterans organizations which are exempt from taxes and
84 are described in Code Sections 48-5-41 and 48-5-478.4."

85 **SECTION 5.**

86 Said chapter is further amended by revising subsections (a) and (b) of Code Section
87 50-27-102, relating to role of corporation, implementation and certification, separation of
88 funds and accounting, and disputes, as follows:

89 ~~"(a) Upon successful implementation and certification of the Class B accounting terminal~~
90 ~~under the provisions of Code Section 50-27-101, and for the first fiscal year thereafter, the~~
91 The corporation shall:

- 92 (1) Retain ~~5~~ 30 percent of the net receipts;
- 93 (2) Provide, within five business days of receipt, ~~47.5~~ 35 percent of the net receipts to
- 94 the location owner and location operator for the cost associated with allowing the Class
- 95 B machines to be placed; and
- 96 (3) Provide, within five business days of receipt, ~~47.5~~ 35 percent of the net receipts to
- 97 the operator holding the Class B master license for the cost of securing, operating, and
- 98 monitoring the machines.
- 99 ~~(b) In each fiscal year after the implementation and certification required by subsection (a)~~
- 100 ~~of this Code section, the corporation's share shall increase 1 percent, taken evenly from the~~
- 101 ~~location owner or location operator and the operator, to a maximum of 10 percent~~
- 102 Reserved.

103 **SECTION 6.**

104 This Act shall become effective on January 1, 2023.

105 **SECTION 7.**

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