

The Senate Committee on Economic Development and Tourism offered the following substitute to SB 45:

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 "Rural Georgia Jobs and Growth Act."

12 SECTION 2.

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

15 CHAPTER 41

16 ARTICLE 1

17 50-41-1.

18 It is found and declared by the General Assembly:

19 (1) That pari-mutuel wagering, conducted pursuant to this chapter, can support the state's
20 agricultural, tourism, and convention businesses, and enhance state revenues;

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

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

25 50-41-2.

26 As used in this chapter, the term:

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

33 (2) 'Bona fide coin operated amusement machine' means a bona fide coin operated
34 amusement machine as defined in subsection (b) of Code Section 50-27-70.

35 (3) 'Commission' means the Georgia Horse Racing Commission.

36 (4) 'Commissioner' means the chief executive officer of the commission.

37 (5) 'Distributor' means a person that is not affiliated with nor has an ownership interest
38 in an equestrian facility or manufacturer and is engaged in selling, leasing, or servicing
39 historic race wagering machines. A financing agreement for the purchase or sale of
40 devices used in connection with the equestrian facility is not an ownership interest and
41 does not create an affiliation between a distributor and an equestrian facility or
42 manufacturer.

43 (6) 'Equestrian facility' means a mixed-use land based development consisting of a
44 combination of various tourism amenities and facilities, including, but not limited to, a
45 racetrack or racetracks, pari-mutuel wagering facility or facilities, hotels, and restaurants.
46 An equestrian facility may also include convention facilities, attractions, entertainment
47 facilities, service centers, and shopping centers.

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

51 (8) 'Georgia Breeders Funds' means the fund or funds established to foster the industry
52 of breeding race horses in this state.

53 (9) 'Georgia Horse Racing Coalition' means the Georgia nonprofit company Georgia
54 Horse Racing Coalition, Inc.

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

- 58 (A) Counterfeit facsimiles of money, chips, tokens, wagering instruments, or wagering
59 credits;
- 60 (B) Coins of other countries which are received in historic race wagering machines;
- 61 (C) Any portion of the face value of any representative of value won by a licensee from
62 a patron for which the licensee can demonstrate that it or its affiliate has not received
63 cash;
- 64 (D) Cash taken in fraudulent acts perpetrated against a licensee for which the licensee
65 is not reimbursed;
- 66 (E) Cash received as entry fees for contests or tournaments in which patrons compete
67 for prizes, except for a contest or tournament conducted in conjunction with an
68 inter-facility linked system;
- 69 (F) Cash or other consideration provided by a licensee to a patron and subsequently
70 played by the patron, for which the licensee can demonstrate that it or its affiliate has
71 not been reimbursed; or
- 72 (G) Any promotional credit for any historic race wagering machine provided by a
73 licensee to a patron and subsequently won by such licensee.
- 74 (11) 'Historic race wagering' means a wager made on a historic race wagering machine
75 that allows a person to wager on the outcome of a horse race that occurred, in a licensed
76 jurisdiction, sometime prior to the wager.
- 77 (12) 'Historic race wagering machine' means a device of any kind that allows a person
78 to engage in historic race wagering; provided, however, that a bona fide coin operated
79 amusement machine is not a historic race wagering machine.
- 80 (13) 'Horse racing' or 'horse race' means a competition on a set course involving a race
81 between horses on which pari-mutuel wagering is permitted under the terms and
82 conditions established by the commission.
- 83 (14) 'Horseman' or 'horsemen' means any person that owns a 10 percent or greater
84 interest in a race horse and is actively engaged in horse racing.
- 85 (15) 'Inter-facility linked system' means a network of electronically interfaced, similar
86 historic race wagering machines, which are located at two or more licensed equestrian
87 facilities in this state or similar facilities not in this state, and which are linked to conduct
88 pari-mutuel wagering activities, contests, or tournaments.
- 89 (16) 'License' means a license required under this chapter and issued by the commission.
- 90 (17) 'Live pari-mutuel wagering' means pari-mutuel wagering on live horse race or horse
91 racers run at the licensed equestrian facility. Live pari-mutuel wagering does not include
92 historic race wagering.
- 93 (18) 'Manufacturer' means a person that is not affiliated with nor has an ownership
94 interest in an equestrian facility or distributor, and is engaged in creating, manufacturing,

95 or licensing of historic race wagering machines, including significant components and
96 software.

97 (19) 'Net receipts' means the gross historic race wagering machine revenue minus:

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

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

101 (C) Uncollectable debts when a member of the public has defaulted on a loan or other
102 credit instrument extended by the licensed facility to the person using the historic race
103 wagering machine.

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

111 (21) 'Person' means any individual, group of individuals, firm, company, corporation,
112 partnership, business, trust, association, or other legal entity.

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

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

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

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

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

124 (24) '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 (25) '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 (26) '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. Simulcast horse
136 racing received from outside this state shall have been licensed and regulated as
137 pari-mutuel horse racing by the regulatory authority in the state, territory, or country from
138 which it is broadcast.

139 (27) 'Steward' means a racing official, duly appointed by the commission or the
140 equestrian facility, with powers and duties prescribed by commission regulations.

141 (28) 'Takeout' means the percentage of the pari-mutuel pools deducted by the racetrack
142 prior to the distribution of the pool.

143 50-41-3.

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

149 (1) Members of the board of the commission shall serve four-year terms of office or until
150 their respective successors are appointed. Two members' initial terms shall be two years,
151 one member's initial term shall be three years, and two members' initial terms shall be
152 four years as specified by the Governor in his or her initial appointments. Members may
153 be reappointed by the Governor. Members of the commission shall serve without
154 compensation; provided, however, that members may be reimbursed for reasonable
155 expenses associated with carrying out their respective duties on the commission.

156 Members shall meet the following qualifications:

157 (A) Members shall be residents of the State of Georgia, shall be prominent persons in
158 their businesses or professions, and shall not have been convicted of any felony offense;

159 (B) At least one member of the commission shall possess a valid horse owner's license
160 from any state and have been an owner of thoroughbred horses for at least ten years;

161 (C) At least one member of the commission shall have registered at least one horse
162 with The Jockey Club in one of the last five consecutive years prior to appointment;

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

166 (E) At least one member of the commission shall have experience in financing and
167 horses or horse racing generally.

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

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

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

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

184 (b) The board shall:

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

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

189 (3) Approve or disapprove of commission regulations pursuant to Chapter 13 of this title;
190 and

191 (4) Perform such other functions as specified by this chapter.

192 (c) The commission shall name a chief executive officer who shall serve at the pleasure
193 of the commission for terms that may be decided and renewed by the commission. The
194 chief executive officer shall be known as the Georgia Horse Racing Commissioner. The
195 commissioner is empowered with all administrative duties carried out by the commission,
196 including, but not limited to, the authority to hire and fire personnel and to name senior
197 leadership.

198 50-41-4.

199 The commission shall have any and all powers necessary or convenient to its usefulness
200 in carrying out and effectuating the purposes and provisions of this chapter which are not
201 in conflict with the Constitution of this state and which are generally exercised by
202 corporations engaged in entrepreneurial pursuits and state instrumentalities engaged in

203 regulatory pursuits, including, but not limited to, the generality of the foregoing, the
204 following powers to:

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

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

208 (3) Sue and be sued;

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

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

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

215 (7) Adopt and alter a seal;

216 (8) Procure or to provide insurance;

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

219 (10) Enter into contracts to incur debt in its own name and enter into financing
220 agreements with the state, agencies or instrumentalities of the state, or with any
221 commercial bank or credit provider; provided, however, that any such debt must be
222 approved by the Georgia State Financing and Investment Commission;

223 (11) Be authorized to administer oaths, take depositions, issue subpoenas, and compel
224 the attendance of witnesses and the production of books, papers, documents, and other
225 evidence relative to any investigation or proceeding conducted by the commission;

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

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

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

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

240 50-41-5.

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

244 (b) The commission shall promulgate regulations that:

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

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

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

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

262 (5) Address contracts and dispute resolution between a licensed equestrian facility and
263 a recognized majority horseman's group. Such regulations shall provide at least that:

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

270 (B) In the event that a licensee and a recognized majority horseman's group are, in
271 good faith, unable to reach an agreement regarding purses at the live racetrack prior to
272 the 90th day prior to commencement of the racing meet of the licensee, the licensed
273 equestrian facility and recognized majority horseman's group shall, on or before such
274 90th day, submit the dispute over the contract to the commission which shall refer the
275 dispute to a third party commercial arbitration service, and the parties shall pay their
276 own costs of the hearing.

277 (C) In the event of arbitration under subparagraph (B) of paragraph (5) of this Code
278 section, any decision of the arbitrator involving less than \$1 million may be appealed
279 to the chairperson of the commission, and any decision involving \$1 million or more
280 may be appealed to the commission;

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

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

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

292 (6) Provide for addressing the appointment and retaining, through employment or
293 contract, stewards. Stewards shall act as racing officials to oversee the conduct of horse
294 racing at licensed racetracks. The stewards shall enforce the commission's rules and
295 regulations and the provisions of this chapter and shall have authority to interpret the
296 commission's rules and regulations and to decide all questions of racing not specifically
297 covered by the rules and regulations of the commission. Nothing in this subsection shall
298 limit the authority of the commission to carry out the provisions of this chapter and to
299 exercise control of horse racing as set forth in this chapter, including the power to review
300 all decisions and rulings of the stewards.

301 (c) The commission may promulgate regulations regarding hardware requirements of
302 historic race wagering machines.

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

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

309 50-41-6.

310 Except as otherwise provided in this chapter, the commission shall be subject to the
311 provisions of Chapter 14 and Article 4 of Chapter 18 of this title; provided, however, that
312 the following information shall be deemed to be confidential: trade secrets including

313 nonpublic corporate governance information; security measures, systems, or procedures;
314 background checks and investigative notes; security reports; information concerning bids
315 or other contractual data, the disclosure of which would impair the efforts of the
316 commission to contract for goods or services on favorable terms; employee personnel
317 information unrelated to compensation, duties, qualifications, or responsibilities; and
318 information obtained pursuant to investigations which is otherwise confidential, and such
319 other information as the commission shall determine to be confidential. Meetings or
320 portions of meetings devoted to discussing information deemed confidential pursuant to
321 this Code section shall be exempt from Chapter 14 of this title. Information deemed
322 confidential pursuant to this Code section shall be exempt from the provisions of Article 4
323 of Chapter 18 of this title.

324 50-41-7.

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

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

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

332 ARTICLE 2

333 50-41-8.

334 (a) No person shall construct, establish, or own an equestrian facility without having first
335 obtained an equestrian facility license from the commission.

336 (b) Notwithstanding any other provision of law, all licensed equestrian facilities operating
337 in this state may operate for all legal purposes, including, but not limited to, pari-mutuel
338 wagering, hotel and hospitality operations, and the sale and service of food and alcoholic
339 beverages, so long as the licensed facility is in compliance with all state and local alcohol,
340 tobacco, zoning, occupancy, and other land use laws as the commission deems appropriate.

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

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

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

349 50-41-9.

350 Whenever it appears to the commission that a licensee or any other person subject to the
351 jurisdiction of the commission has violated or may violate any provision of this chapter or
352 any regulations of the commission, or final decision of the commission, the commission
353 may apply to the appropriate superior court for an injunction against such person. The
354 order granting or refusing such injunction shall be subject to appeal as in other cases in
355 equity.

356 50-41-10.

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

360 (b) Commencing on January 1 of the first calendar year after an equestrian facility receives
361 its license, such equestrian facility shall maintain and complete not less than 60 live racing
362 days annually; provided, however, that an equestrian facility may apply to the commission
363 for a waiver of such requirement and request a lesser number of live racing days annually,
364 but no fewer than 45 days annually, and the commission may reduce such number for that
365 facility for that year or for a period of years specified by the commission. The commission
366 is authorized to suspend the equestrian facility license of any equestrian facility that fails
367 to satisfy this subsection; provided, however, that the commission may waive this
368 requirement if good cause has been shown that circumstances beyond the control of an
369 equestrian facility caused the reduced annual racing days.

370 50-41-11.

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

373 (b) The commission shall seek applications for equestrian facility licenses by issuing a
374 request for proposals for applications for licensure. Such request for proposals shall be for
375 a period of not less than 90 days and the commission shall announce its intent to seek
376 applications at least 90 days before any deadline to apply is imposed by the commission;
377 provided, however, that the commission shall accept applications for licensure at least once
378 within the first nine months after a local referendum approves of equestrian facility conduct
379 as set forth in this chapter. The commission shall review all applications for licensure
380 submitted in response to such request for proposals based on the criteria established in the

381 request for proposals which shall be consistent with the criteria set forth in this chapter.
 382 All other licenses may be applied for at any time.
 383 (c) Any aggrieved applicant may appeal any adverse decision of the commission, and a
 384 non-aggrieved applicant may intervene in an appeal pursuant to the procedures set forth in
 385 Chapter 13 of this title. No license applicant may challenge the application of any other
 386 license applicant.

387 50-41-12.

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

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

395 (2) The name and address of each stockholder or member of such corporation who has
 396 or controls a 5 percent or greater ownership or security interest or each partner of such
 397 partnership or joint venture who has or controls a 5 percent or greater ownership or
 398 security interest and of each person that has contracted for a pecuniary interest in the
 399 applicant or the enclosure where race meetings or pari-mutuel wagering will be
 400 conducted, whether such interest is an ownership or a security interest, the nature and
 401 value of such interest, and the name and address of each person that has agreed to lend
 402 money to the applicant; and

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

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

408 (c) The commission may request privileged and confidential information from an
 409 applicant. In any case when the commission requests privileged or confidential
 410 information the information provided shall:

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

412 (2) Not impose liability in any civil or criminal matter; and

413 (3) Be deemed not to constitute a waiver of any privilege that would otherwise have
 414 attached to the information disclosed to the commission, its agents, or employees.

415 (d) Each application shall be verified by the oath or affirmation of an officer of the
 416 applicant. Any person that knowingly makes a false statement of fact to the commission

417 for the purpose of obtaining a license under this chapter shall be guilty of a felony and,
418 upon conviction thereof, shall be punished by imprisonment for not less than one nor more
419 than ten years or a fine not to exceed \$50,000.00, or both.

420 50-41-13.

421 (a) The commission shall consider all applications for equestrian facility licenses. When
422 evaluating applications submitted for an equestrian facility license, the commission shall
423 consider several factors, including, but not limited to:

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

426 (2) Whether the applicant demonstrates the greatest ability to benefit the Georgia horse
427 racing and agricultural industry, submits the best proposal, and has been issued an
428 equestrian facility license by the commission;

429 (3) The location and description of the equestrian facility, including the placement of the
430 racetrack, place, or enclosure where such applicant proposes to hold such meetings or
431 wagering, including the name of any county or municipality in which any property of
432 such racetrack is or will be located;

433 (4) In cases where a comparative review is required among several applications, which
434 applicant demonstrates the greatest ability to benefit the Georgia horse racing and
435 agricultural industry;

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

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

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

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

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

446 (10) If any of the facilities necessary for the conduct of racing or pari-mutuel wagering
447 are to be constructed, the extent to which the license intends to utilize certified
448 disadvantaged business enterprises in the construction of such facilities; and

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

451 (b) No application for the equestrian facility shall be considered unless the applicant, a
452 majority of its owners who individually possess at least 5 percent of the applicant's stock

453 or membership, or its management, can demonstrate a successful history of operating at
454 least one horse racing track in one of the previous five years from the date of the
455 application.

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

458 (1) The facility is either within 50 miles of a major international airport with at least five
459 runways and includes a minimum investment of \$250 million per equestrian facility or
460 is further than 50 miles from any such airport and includes a minimum investment of
461 \$125 million;

462 (2) It is qualified to do business in this state and subject to the jurisdiction of the courts
463 of the State of Georgia, and all principal stockholders or members have submitted to the
464 jurisdiction of the courts of the State of Georgia and all nonresident principal
465 stockholders or members have designated the chairperson of the commission as their
466 agent for receipt of process;

467 (3) It has obtained a letter of support from the Georgia Horse Racing Coalition;

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

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

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

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

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

483 (e) The award of an equestrian facility license to an applicant authorizes such applicant to
484 begin construction or development of the equestrian facility detailed in the application
485 submitted to the commission once the county or municipality where such equestrian facility
486 is to be located has approved of pari-mutuel wagering. This subsection shall not excuse
487 a licensee from obtaining zoning approval and local permits required by local ordinance
488 and authorized by Code Section 50-41-25.

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

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

496 50-41-14.

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

501 50-41-15.

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

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

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

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

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

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

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

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

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

526 50-41-16.

527 No employee of the commission and no spouse or immediate family member of any such
528 employee shall have any financial interest, direct or indirect, in any equestrian facility,
529 distributor, or manufacturer. No employee of the commission and no spouse or immediate
530 family member of any such employee shall participate as owner of a horse or otherwise as
531 a contestant in any race subject to the jurisdiction of the commission or have any pecuniary
532 interest in the purse or prize contested for in any such race.

533 50-41-17.

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

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

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

542 50-41-18.

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

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

552 (c) The commission may summarily suspend any license for a period of not more than 90
553 days pending a de novo hearing and final determination by the commission if the
554 commission determines that emergency action is required to protect the public health,
555 safety, and welfare, including, but not limited to, revenues due the state, its political
556 subdivisions, and the horsemen's purse account. The commission shall schedule a hearing
557 within 15 business days after the license is summarily suspended and notify the licensee

558 not less than five business days before the hearing of the date, time, and place of the
559 hearing.

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

566 50-41-19.

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

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

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

576 50-41-20.

577 (a) No person shall engage in any horse racing or in the conduct of a race meeting or
578 pari-mutuel wagering thereon, including, but not limited to, as a horse owner, trainer,
579 jockey, driver, exercise rider, starter, groom, stable foreman, valet, veterinarian, agent,
580 pari-mutuel employee, concessionaire or employee thereof, track employee, or other
581 similar position the commission deems necessary to regulate to ensure the integrity of horse
582 racing in this state, unless such person possesses a permit therefor from the commission
583 and complies with the provisions of this chapter and all commission rules and regulations.

584 The commission shall establish procedures for the application and permitting of employees
585 whose services are also subject to licensure by the commission, and no application or
586 permit fee shall exceed the amounts set forth in this chapter. The application shall include
587 such information deemed necessary by the commission, but shall require no more
588 information than that needed to grant or deny an application for a manufacturer or
589 distributor. No permit issued under the provisions of this chapter shall be transferable.

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

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

596 (d) The commission may suspend, deny, or revoke a permit issued under this chapter
597 subject to the procedures set forth for manufacturers and distributors.

598 50-41-21.

599 (a) The equestrian facility licensee may establish the takeout for pari-mutuel pools on the
600 live racing that it conducts and any breakage from pari-mutuel pools and the proceeds from
601 pari-mutuel tickets that have not been redeemed with 180 days of the race on which the
602 wager was placed shall be retained by the equestrian facility licensee in a segregated
603 account and shall be used for capital expenditures and capital maintenance of the racetrack
604 and its racing surface and stabling areas.

605 (b) The commission shall promulgate regulations for the establishment of certain uses of
606 the live pari-mutuel wagering pools to insure that:

607 (1) Five percent shall be used for purses on live races conducted at its facility;

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

611 (3) One-half of 1 percent shall be paid in conjunction with racing at its facility as
612 breeders' awards or awards to owners of registered Georgia bred horses as breeding
613 incentives from the Georgia Breeders Funds in accordance with a plan approved by the
614 commission;

615 (4) One-half of 1 percent shall be paid for funding of state resources for the treatment of
616 problem pari-mutuel wagering issues;

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

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

622 (7) The balance of the takeout shall be used to cover the equestrian facility's operating
623 expense.

624 50-41-22.

625 (a) In addition to the funds that are set forth in this Code section and in Code Section
626 50-41-21, licensed equestrian facilities shall pay 20 percent of the monthly net receipts
627 generated from historic race wagering machines games played at such licensed equestrian

628 facility to the commission in accordance with the regulations of the commission. In
629 addition:

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

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

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

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

646 50-41-23.

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

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

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

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

657 (e) Licenses for individuals employed by distributors shall not exceed \$100.00 per year.

658 50-41-24.

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

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

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

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

672 (c)(1) A petition pursuant to paragraph (2) of subsection (b) of this Code section shall
673 be in the form specified by the rules and regulations of the State Election Board. Each
674 person signing such petition shall declare therein that he or she is a duly qualified and
675 registered elector of the county or municipality and shall add to his or her signature, his
676 or her residence address, giving municipality, if any, and county, with street and number,
677 if any, and shall be urged to add the person's date of birth, which shall be used for
678 verification purposes. No person shall sign the same petition more than once. The
679 petition shall also contain at the top of each page a statement of the question or questions
680 proposed to be submitted to the electors in accordance with this Code section. Each page
681 shall bear on the bottom or back thereof the affidavit of the circulator of such page, which
682 shall be subscribed and sworn to by such circulator before a notary public and shall set
683 forth his or her residence address, giving municipality with street and number, if any; that
684 each signer manually signed his or her own name with full knowledge of the contents of
685 the petition; and that, to the best of the affiant's knowledge and belief, the signers are
686 registered electors of the county or municipality qualified to sign the petition, that their
687 respective residences are correctly stated in the petition, and that they all reside in the
688 county or municipality. No notary public shall sign the petition as an elector or serve as
689 a circulator of any petition which he or she notarized. Any and all pages of a petition that
690 have the circulator's affidavit notarized by a notary public who also served as a circulator
691 of one or more pages of the petition or who signed one of the pages of the petition as an
692 elector shall be disqualified and rejected.

693 (2) Following the filing of such petition, the election superintendent shall verify such
694 petition within 90 days following its submission for verification. If such petition is found
695 to contain a sufficient number of valid signatures of the qualified electors of the
696 jurisdiction, the election superintendent shall call and conduct a special election in
697 accordance with Chapter 2 of Title 21 to submit the referendum question to the electors
698 of the jurisdiction. Such special election shall be held on the next available day under
699 Code Section 21-2-540 that is at least 60 days after the date on which the petition is

700 verified but shall not be later than the next general election unless such general election
 701 is within 60 days of the date on which the petition is verified.

702 (d) The election superintendent of such county or municipality shall publish notice of a
 703 referendum election under this Code section in the legal organ of the county or
 704 municipality once a week for three consecutive weeks immediately prior to such election
 705 notifying the electors of the jurisdiction of the date and purpose of such special election.
 706 Each ballot shall contain the following question as requested in the petition or approved by
 707 the local governing authority:

708 '() YES Shall horse racing and pari-mutuel wagering be permitted in [name of
 709 county or municipality] at a licensed racetrack in accordance with

710 () NO Chapter 41 of Title 50 of the O.C.G.A.?'

711 All persons desiring to vote for approval of the question shall vote 'Yes,' and all persons
 712 desiring to vote for rejection of the question shall vote 'No.' If more than one-half of the
 713 votes cast on the question are for approval, then pari-mutuel wagering may be conducted
 714 in such county or municipality. If the question is not so approved or if the election is not
 715 conducted as provided in this Code section, such question shall not be approved. The
 716 expense of such election shall be borne by the county or municipality, as appropriate. It
 717 shall be the election superintendent's duty to certify the result thereof to the Secretary of
 718 State. No such referendum shall be held more often than every three years in the same
 719 county or municipality. A subsequent referendum shall be required if a license has not
 720 been granted by the commission within five years of the certification of the special election
 721 approving a question.

722 50-41-25.

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

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

733 (2) The procurement and public display of a business license at an equestrian facility by
 734 a licensee, provided that such requirements are no more restrictive, onerous, or expensive
 735 than the requirements faced by all hotels and resorts located within the jurisdiction;

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

740 (4) Compliance of a licensed equestrian facility with local fire and safety codes, provided
 741 that such requirements are no more restrictive, onerous, or expensive than the
 742 requirements faced by all hotels and resorts located within the jurisdiction; and

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

747 50-41-26.

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

754 50-41-27.

755 (a) All conduct authorized by this chapter that takes place at a licensed equestrian facility
 756 or by authorized advance deposit wagering shall not constitute gambling or any other
 757 conduct made illegal by Article 2 of Chapter 11 of Title 16.

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

762 50-41-28.

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

766 (b) A licensee:

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

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

772 (2) May accept a credit instrument before, at the time, or after the patron incurs the debt.
 773 The credit instrument and the debt that such credit instrument represents are enforceable
 774 without regard to whether such credit instrument was accepted before, at the time, or after
 775 the debt was incurred.

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

778 (d) The commission shall have all necessary authority to promulgate regulations, policies,
 779 and procedures:

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

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

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

787 50-41-29.

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

795 ARTICLE 3

796 50-41-30.

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

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

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

802 (3) Any other impermissible means under the regulations, policies, and procedures of the
 803 commission

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

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

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

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

812 (3) Any other impermissible means under the regulations, policies, and procedures of the
813 commission shall be guilty of a felony and, upon conviction thereof, shall be punished
814 by imprisonment for not less than one nor more than ten years or a fine not to exceed
815 \$100,000.00, or both.

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

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

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

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

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

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

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

836 (7) Offers, promises, or gives anything of value to anyone for the purpose of influencing
837 the outcome of a race upon which a wager may be made, or places, increases, or
838 decreases a wager after acquiring knowledge, not available to the general public, that
839 anyone has been offered, promised, or given anything of value for the purpose of

840 influencing the outcome of the contest or race upon which the wager is placed, increased,
841 or decreased
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 \$25,000.00, or both.

844 50-41-31.

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

852 50-41-32.

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

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

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

866 50-41-33.

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

872 50-41-34.

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

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

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

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

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

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

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

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

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

899 50-41-35.

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

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

906 50-41-36.

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

913 50-41-37.

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

923 50-41-38.

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

935 50-41-39.

936 Any person that knowingly and intentionally by false representation attempts to or does
937 persuade, procure, or cause another person to wager on a horse in a race to be run in this
938 state or elsewhere and upon which money is wagered in this state and who asks or demands

939 compensation as a reward for information or purported information given in such case shall
940 be guilty of touting and, upon conviction, shall be punished as for a misdemeanor.

941 50-41-40.

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

952 50-41-41.

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

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

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

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

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

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

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

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

968 (c) Any person that:

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

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

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

976 (d)(1) The commission shall implement or contract with an independent third party to
977 implement a split-sample procedure for testing race horses under this Code section. The
978 commission shall split each urine and blood sample using the split-sample procedure into
979 a primary sample and a secondary or split sample upon collection. The commission shall
980 transfer custody of the primary sample to the commission laboratory, with custody of the
981 split sample remaining with the commission except as provided in this subsection.

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

989 (3) If the commission laboratory's findings are not confirmed by the independent
990 laboratory, no further administrative or disciplinary action under this Code section may
991 be pursued.

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

1000 (5) The commission shall require its laboratory and the independent laboratories to
1001 annually participate in an externally administered quality assurance program designed to
1002 assess testing proficiency in the detection and appropriate quantification of medications,
1003 drugs, and naturally occurring substances that may be administered to racing animals.
1004 The administrator of the quality assurance program shall report its results and findings
1005 to the commission and the Department of Agriculture.

1006 (e) The commission may inspect or coordinate inspections with law enforcement of any
1007 area of a facility where racing animals are raced, trained, housed, or maintained, including
1008 any areas where food, medications, or other supplies are kept, to ensure the humane
1009 treatment of racing animals and in compliance with this chapter and the rules of the
1010 commission.

1011 (f) In order to protect the safety and welfare of racing animals and the integrity of the races
1012 in which the animals participate, the commission shall adopt rules establishing the
1013 conditions of use and maximum concentrations of medications, drugs, and naturally
1014 occurring substances identified in the Controlled Therapeutic Medication Schedule, by the
1015 Association of Racing Commissioners International, Inc. (ARCI). Controlled therapeutic
1016 medications include only the specific medications and concentrations allowed in biological
1017 samples which have been approved by ARCI as controlled therapeutic medications.

1018 (g) The commission rules shall designate the appropriate biological specimens by which
1019 the administration of medications, drugs, and naturally occurring substances is monitored
1020 and shall determine the testing methodologies, including measurement uncertainties, for
1021 screening such specimens to confirm the presence of medications, drugs, and naturally
1022 occurring substances.

1023 (h) The commission rules shall include a classification system for drugs and substances
1024 and a corresponding penalty schedule for violations which incorporates the Uniform
1025 Classification Guidelines for Foreign Substances and Recommended Penalties Model Rule,
1026 by ARCI. The rules shall specify that a drug that is not listed in the Controlled Therapeutic
1027 Medication Schedule which is present in a sample taken from the animal immediately after
1028 the race is a prohibited substance. The presence of a prohibited substance in a sample may
1029 result in summary suspension of a permit holder.

1030 (i) Medications authorized by the commission pursuant to this Code section shall only be
1031 administered by the track veterinarian or the state veterinarian.

1032 50-41-42.

1033 The possession or transportation of any drug except those permitted by regulations of the
1034 commission within the racing enclosure is prohibited except upon a bona fide veterinarian's
1035 prescription with complete statement of uses and purposes on the container. A copy of
1036 such prescription shall be filed with the stewards. Any person knowingly violating the
1037 provisions of this Code section relating to the legal possession of drugs shall be guilty of
1038 a misdemeanor. The provisions of Chapter 13 of Title 16 shall apply in situations when
1039 drugs regulated by that chapter are within the racing enclosure.

1040 50-41-43.

1041 Any person that knowingly enters or races any horse in any running or harness race under
1042 any name or designation other than the name or designation assigned to such horse by and
1043 registered with the Jockey Club, the United States Trotting Association, the American
1044 Quarter Horse Association, or other applicable association or who knowingly instigates,
1045 engages in, or in any way furthers any act by which any horse is entered or raced in any

1046 running or trotting race under any name or designation other than the name or designation
 1047 duly assigned by and registered with the Jockey Club, the United States Trotting
 1048 Association, the American Quarter Horse Association, or other applicable association shall
 1049 be guilty of a felony and, upon conviction thereof, shall be punished by imprisonment for
 1050 not less than one nor more than ten years or a fine not to exceed \$100,000.00, or both.

1051 50-41-44.

1052 No person shall wager on or conduct any wagering on the outcome of a horse race pursuant
 1053 to the provisions of this chapter unless such person is 21 years of age or older. No person
 1054 shall accept any wager from a minor. Any person violating the provisions of this Code
 1055 section shall be guilty of a misdemeanor.

1056 ARTICLE 4

1057 50-41-50.

1058 The Interstate Compact on Licensure of Participants in Live Racing with Pari-mutuel
 1059 Wagering is enacted into law and entered into with all other jurisdictions legally joining
 1060 therein in the form substantially as follows:

1061 'ARTICLE I - PURPOSES

1062 SECTION 1. Purposes.

1063 The purposes of this compact are to:

1064 1. Establish uniform requirements among the party states for the licensing of participants
 1065 in live racing with pari-mutuel wagering, and ensure that all such participants who are
 1066 licensed pursuant to this compact meet a uniform minimum standard of honesty and
 1067 integrity.

1068 2. Facilitate the growth of the pari-mutuel racing industry in each party state and
 1069 nationwide by simplifying the process for licensing participants in live racing, and reduce
 1070 the duplicative and costly process of separate licensing by the regulatory agency in each
 1071 state that conducts live racing with pari-mutuel wagering.

1072 3. Authorize the Georgia Horse Racing Commission to participate in this compact.

1073 4. Provide for participation in this compact by officials of the party states, and permit those
 1074 officials, through the compact committee established by this compact, to enter into
 1075 contracts with governmental agencies and nongovernmental persons to carry out the
 1076 purposes of this compact.

1077 5. Establish the compact committee created by this compact as an interstate governmental
 1078 entity duly authorized to request and receive criminal history record information from the
 1079 Federal Bureau of Investigation and other state and local law enforcement agencies.

1080 ARTICLE II - DEFINITIONS

1081 SECTION 2. Definitions.

1082 "Compact committee" means the organization of officials from the party states that is
 1083 authorized and empowered by this compact to carry out the purposes of this compact.

1084 "Official" means the appointed, elected, designated or otherwise duly selected
 1085 representative of a racing commission or the equivalent thereof in a party state who
 1086 represents that party state as a member of the compact committee.

1087 "Participants in live racing" means participants in live racing with pari-mutuel wagering
 1088 in the party states.

1089 "Party state" means each state that has enacted this compact.

1090 "State" means each of the several states of the United States, the District of Columbia, the
 1091 Commonwealth of Puerto Rico and each territory or possession of the United States.

1092 ARTICLE III - ENTRY INTO FORCE, ELIGIBLE PARTIES AND WITHDRAWAL

1093 SECTION 3. Entry into force.

1094 This compact shall come into force when enacted by any four states. Thereafter, this
 1095 compact shall become effective as to any other state upon both (i) that state's enactment of
 1096 this compact and (ii) the affirmative vote of a majority of the officials on the compact
 1097 committee as provided in Section 8 of this compact.

1098 SECTION 4. States eligible to join compact.

1099 Any state that has adopted or authorized live racing with pari-mutuel wagering shall be
 1100 eligible to become party to this compact.

1101 SECTION 5. Withdrawal from compact and impact thereof

1102 on force and effect of compact.

1103 Any party state may withdraw from this compact by enacting a statute repealing this
 1104 compact, but no such withdrawal shall become effective until the head of the executive
 1105 branch of the withdrawing state has given notice in writing of such withdrawal to the head
 1106 of the executive branch of all other party states. If, as a result of withdrawals, participation
 1107 in this compact decreases to less than three party states, this compact no longer shall be in
 1108 force and effect unless and until there are at least three or more party states again
 1109 participating in this compact.

1110 ARTICLE IV - COMPACT COMMITTEE

1111 SECTION 6. Compact committee established.

1112 There is hereby created an interstate governmental entity to be known as the "compact
 1113 committee," which shall be comprised of one official from the racing commission or its
 1114 equivalent in each party state who shall be appointed, serve, and be subject to removal in
 1115 accordance with the laws of the party state he or she represents. Pursuant to the laws of his
 1116 or her party state, each official shall have the assistance of his or her state's racing
 1117 commission or the equivalent thereof in considering issues related to licensing of
 1118 participants in live racing and in fulfilling his or her responsibilities as the representative
 1119 from his or her state to the compact committee. If an official is unable to perform any duty
 1120 in connection with the powers and duties of the compact committee, the racing commission
 1121 or equivalent thereof from his or her state shall designate an alternate who shall serve in
 1122 his or her place and represent the party state as its official on the compact committee until
 1123 that racing commission or equivalent thereof determines that the original representative
 1124 official is able once again to perform his or her duties as that party state's representative
 1125 official on the compact committee. The designation of an alternate shall be communicated
 1126 by the affected state's racing commission or equivalent thereof to the compact committee
 1127 as the committee's bylaws may provide.

1128 SECTION 7. Powers and duties of compact committee.

1129 In order to carry out the purposes of this compact, the compact committee is hereby granted
 1130 the power and duty to:

- 1131 1. Determine which categories of participants in live horse racing, including, but not
 1132 limited to, owners, trainers, jockeys, grooms, mutuel clerks, racing officials, veterinarians,
 1133 and farriers, and which categories of equivalent participants in dog racing and other forms
 1134 of live racing with pari-mutuel wagering authorized in two or more of the party states,
 1135 should be licensed by the committee, and establish the requirements for the initial licensure
 1136 of applicants in each such category, the term of the license for each category, and the
 1137 requirements for renewal of licenses in each category; provided, however, that, with regard
 1138 to requests for criminal history record information on each applicant for a license, and with
 1139 regard to the effect of a criminal record on the issuance or renewal of a license, the
 1140 compact committee shall determine for each category of participants in live racing which
 1141 licensure requirements for that category are, in its judgment, the most restrictive licensure
 1142 requirements of any party state for that category and shall adopt licensure requirements for
 1143 that category that are, in its judgment, comparable to those most restrictive requirements.
- 1144 2. Investigate applicants for a license from the compact committee and, as permitted by
 1145 federal and state law, gather information on such applicants, including criminal history

1146 record information from the Federal Bureau of Investigation and relevant state and local
1147 law enforcement agencies, and, where appropriate, from the Royal Canadian Mounted
1148 Police and law enforcement agencies of other countries, necessary to determine whether
1149 a license should be issued under the licensure requirements established by the committee
1150 as provided in paragraph 1 of this section. Only officials on, and employees of, the
1151 compact committee may receive and review such criminal history record information, and
1152 those officials and employees may use that information only for the purposes of this
1153 compact. No such official or employee may disclose or disseminate such information to
1154 any person or entity other than another official on or employee of the compact committee.
1155 The fingerprints of each applicant for a license from the compact committee shall be taken
1156 by the compact committee, its employees, or its designee and, pursuant to Public
1157 Law 92-544 or Public Law 100-413, shall be forwarded to a state identification bureau, or
1158 to an association of state officials regulating pari-mutuel wagering designated by the
1159 Attorney General of the United States, for submission to the Federal Bureau of
1160 Investigation for a criminal history record check. Such fingerprints may be submitted on
1161 a fingerprint card or by electronic or other means authorized by the Federal Bureau of
1162 Investigation or other receiving law enforcement agency.

1163 3. Issue licenses to, and renew the licenses of, participants in live racing listed in
1164 paragraph 1 of this section who are found by the committee to have met the licensure and
1165 renewal requirements established by the committee. The compact committee shall not have
1166 the power or authority to deny a license. If it determines that an applicant will not be
1167 eligible for the issuance or renewal of a compact committee license, the compact
1168 committee shall notify the applicant that it will not be able to process his or her application
1169 further. Such notification does not constitute and shall not be considered to be the denial
1170 of a license. Any such applicant shall have the right to present additional evidence to, and
1171 to be heard by, the compact committee, but the final decision on issuance or renewal of the
1172 license shall be made by the compact committee using the requirements established
1173 pursuant to paragraph 1 this section.

1174 4. Enter into contracts or agreements with governmental agencies and with
1175 nongovernmental persons to provide personal services for its activities and such other
1176 services as may be necessary to effectuate the purposes of this compact.

1177 5. Create, appoint, and abolish those offices, employments, and positions, including an
1178 executive director, as it deems necessary for the purposes of this compact, prescribe their
1179 powers, duties and qualifications, hire persons to fill those offices, employments and
1180 positions, and provide for the removal, term, tenure, compensation, fringe benefits,
1181 retirement benefits, and other conditions of employment of its officers, employees, and
1182 other positions.

1183 6. Borrow, accept, or contract for the services of personnel from any state, the United
1184 States, or any other governmental agency, or from any person, firm, association,
1185 corporation, or other entity.

1186 7. Acquire, hold, and dispose of real and personal property by gift, purchase, lease, license,
1187 or in other similar manner, in furtherance of the purposes of this compact.

1188 8. Charge a fee to each applicant for an initial license or renewal of a license.

1189 9. Receive other funds through gifts, grants and appropriations.

1190 SECTION 8. Voting requirements.

1191 A. Each official shall be entitled to one vote on the compact committee.

1192 B. All action taken by the compact committee with regard to the addition of party states
1193 as provided in Section 3 of this compact, the licensure of participants in live racing, and the
1194 receipt and disbursement of funds shall require a majority vote of the total number of
1195 officials (or their alternates) on the committee. All other action by the compact committee
1196 shall require a majority vote of those officials (or their alternates) present and voting.

1197 C. No action of the compact committee may be taken unless a quorum is present. A
1198 majority of the officials (or their alternates) on the compact committee shall constitute a
1199 quorum.

1200 SECTION 9. Administration and management.

1201 A. The compact committee shall elect annually from among its members a chairman, a
1202 vice-chairman, and a secretary/treasurer.

1203 B. The compact committee shall adopt bylaws for the conduct of its business by a
1204 two-thirds' vote of the total number of officials (or their alternates) on the committee at that
1205 time and shall have the power by the same vote to amend and rescind these bylaws. The
1206 committee shall publish its bylaws in convenient form and shall file a copy thereof and a
1207 copy of any amendments thereto with the secretary of state or equivalent agency of each
1208 of the party states.

1209 C. The compact committee may delegate the day-to-day management and administration
1210 of its duties and responsibilities to an executive director and his or her support staff.

1211 D. Employees of the compact committee shall be considered governmental employees.

1212 SECTION 10. Immunity from liability for performance
1213 of official responsibilities and duties.

1214 No official of a party state or employee of the compact committee shall be held personally
1215 liable for any good faith act or omission that occurs during the performance and within the
1216 scope of his or her responsibilities and duties under this compact.

1217 ARTICLE V - RIGHTS AND RESPONSIBILITIES OF EACH PARTY STATE1218 SECTION 11. Rights and responsibilities of each party state.1219 A. By enacting this compact, each party state:

1220 1. Agrees (i) to accept the decisions of the compact committee regarding the issuance of
 1221 compact committee licenses to participants in live racing pursuant to the committee's
 1222 licensure requirements, and (ii) to reimburse or otherwise pay the expenses of its official
 1223 representative on the compact committee or his or her alternate.

1224 2. Agrees not to treat a notification to an applicant by the compact committee under
 1225 paragraph 3 of Section 7 of this compact that the compact committee will not be able to
 1226 process his or her application further as the denial of a license, or to penalize such an
 1227 applicant in any other way based solely on such a decision by the compact committee.

1228 3. Reserves the right (i) to charge a fee for the use of a compact committee license in that
 1229 state, (ii) to apply its own standards in determining whether, on the facts of a particular
 1230 case, a compact committee license should be suspended or revoked, (iii) to apply its own
 1231 standards in determining licensure eligibility, under the laws of that party state, for
 1232 categories of participants in live racing that the compact committee determines not to
 1233 license and for individual participants in live racing who do not meet the licensure
 1234 requirements of the compact committee, and (iv) to establish its own licensure standards
 1235 for the licensure of non-racing employees at pari-mutuel racetracks and employees at
 1236 separate satellite wagering facilities. Any party state that suspends or revokes a compact
 1237 committee license shall, through its racing commission or the equivalent thereof or
 1238 otherwise, promptly notify the compact committee of that suspension or revocation.

1239 B. No party state shall be held liable for the debts or other financial obligations incurred
 1240 by the compact committee.

1241 ARTICLE VI - CONSTRUCTION AND SEVERABILITY1242 SECTION 12. Construction and severability.

1243 This compact shall be liberally construed so as to effectuate its purposes. The provisions
 1244 of this compact shall be severable, and, if any phrase, clause, sentence or provision of this
 1245 compact is declared to be contrary to the Constitution of the United States or of any party
 1246 state, or the applicability of this compact to any government, agency, person, or
 1247 circumstance is held invalid, the validity of the remainder of this compact and the
 1248 applicability thereof to any government, agency, person, or circumstance shall not be
 1249 affected thereby. If all or some portion of this compact is held to be contrary to the
 1250 constitution of any party state, the compact shall remain in full force and effect as to the
 1251 remaining party states and in full force and effect as to the state affected as to all severable
 1252 matters.'

1253 50-41-51.

1254 The Governor shall appoint one official to represent the State of Georgia on the compact
1255 committee for a term of four years. No official shall serve more than three consecutive
1256 terms. A vacancy shall be filled by the Governor for the unexpired term.

1257 50-41-52.

1258 All departments, agencies, and officers of the State of Georgia and its political subdivisions
1259 are authorized to cooperate with the compact committee in furtherance of any of its
1260 activities pursuant to the compact.

1261 50-41-53.

1262 Nothing in this article shall be construed to diminish or limit the powers and
1263 responsibilities of the commission established by Article 1 of this chapter or to invalidate
1264 any action of the commission previously taken, including, without limitation, any rule or
1265 regulation promulgated thereby."

1266 **SECTION 3.**

1267 Providing that an amendment to the Constitution of the State of Georgia that authorizes
1268 pari-mutuel wagering is passed by the General Assembly and ratified by the voters in the
1269 2020 general election, this Act shall become effective on January 1, 2021.

1270 **SECTION 4.**

1271 All laws and parts of laws in conflict with this Act are repealed.