

***PROPOSED COAM LEGISLATION
SENATE BILL 397***

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The Georgia Senate Regulated Industries and Utilities Committee Members met yesterday afternoon to discuss the proposed COAM legislation, SB 397. The committee heard testimony from several individuals and the bill was put to vote. The bill passed by a vote of 9 in favor with 2 Senators opposing the bill. However, this bill, as proposed, is a long way from becoming a law in Georgia. The bill will now be considered by the full voting body of the Senate. The bill may be amended at this stage and a final bill is then sent to the House for consideration and the process restarts in the House. Both House and Senate must pass the bill for it to become the law.

Senator Larry Walker introduced this bill to address three main problems in his District:

- (1) Frequent raids by law enforcement which results in arrests and store closures;
- (2) the Operation of “mini casinos”; and,
- (3) Excessive gambling and marginalization of his District.

What is in SB397?

More local control: Currently, Georgia law allows no more than 9 COAMs to be placed at a location. However, local government can enact an ordinance to limit COAMs to 6 per location. The proposed law would allow local governments to limit a store to no more than 3 COAMs. If this bill becomes a law and if a city or county pass an ordinance limiting COAMs to 3, you must obey.

Increase revenue share of Georgia Lottery:

Currently Lottery gets a 10% share of COAM revenue. The legislation increases share of Lottery revenue to 20%. This means that Location and Master share will be reduced by 5% each.

To address Senator’s Walkers concerns, David Jaffer, representing the United C-Stores, proposed certain revisions to the bill because SB 397 only treats the symptoms and does nothing to address the root cause of the problem of cash payouts. We suggested that Senator Walker’s bill include a provision for gift cards, or “fantastic plastic” for up to \$500. The raids result from cash payout and gift cards will eliminate or significantly reduce the need for cash payouts.

Also, if Lottery is to be given an increased share of the COAM revenue, than Lottery should spend more money on public education about gambling to reduce marginalization. We need to continue to work with Senator Walker and others to amend this bill as it moves forward as well as better insure we can affect future COAM rules and legislation to better benefit licensees.

By the Numbers:

- 9,624** Inspection by GLC;
- 388** Citations issues;
- \$3** Million in fines;
- 83** License revocation
- 3,752** Inspection by Sheriff’s Office
- 35** Raids by Law Enforcement

If you are interested in receiving additional information, please reply to this email or call our office.

UNITED C-STORES

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