

11 GCA FINANCE & TAXATION
CH. 5 GAMING

CHAPTER 5
GAMING

- § 5101. Director of the Department of Revenue and Taxation or his designee, Powers and Duties.
- § 5102. Director of the Department of Revenue and Taxation or his designee records Public Documents; Penalty for Failure to Disclose Contents.
- § 5103. Racing Meetings authorized; Restrictions.
- § 5104. Application for Permit to Conduct Race Meetings.
- § 5105. Issuance of License by Director of the Department of Revenue and Taxation; Revocation of License; Penalty in Lieu Thereof.
- § 5106. Dog Racing; Periods of Operations.
- § 5107. Moneys to be Paid to Director of the Department of Revenue and Taxation or his designee for its Operations.
- § 5108. Bond Required of Licensees to Conduct Race Meetings.
- § 5109. Pari-Mutuel Pool Authorized, Director of the Department of Revenue and Taxation or his designee, Breaks, Tax, Etc.
- § 5110. Establishing the Greyhound Owners Prize Fund.
- § 5111. Distribution of Greyhound Owners Prize Fund.
- § 5112. Disposition of Greyhounds Owned by Licensee.
- § 5113. Pari-Mutuel Tax.
- § 5114. Escheat to Territory of Abandonment Interest in or Contribution to Pari-Mutuel Pools.
- § 5115. Certain Persons Prohibited from Holding Racing Permits; Suspension or Revocation of Permits.
- § 5116. Permits not Assignable.
- § 5117. Conniving to Prearrange Result of Race; Stimulating or Depressing Greyhound; Penalty.
- § 5118. Unauthorized Race Meeting; Penalty.
- § 5119. Breaks, Distribution of.
- § 5120. Prohibitions.
- § 5121. Application of Laws Inconsistent with this Chapter.
- § 5122. Veterans Bonus Fund. [Repealed]
- § 5123. Termination of Bonus Fund. [Repealed]

NOTE: The *Guam Gaming Commission* originally known as the *Guam Greyhound Commission* has gone through numerous changes since its first inception. It was first created by P.L. 13-26. Public Law 13-105 later amended and renamed the Commission to the *Guam Gaming Commission*. The 19th Guam Legislature through P.L. 19-5:117 repealed §59000 and subsection (3) of §59002. Section 118 of the same public law changed all references of the *Guam Gaming Commission* to

11 GCA FINANCE & TAXATION
CH. 5 GAMING

the Director of the Department of Revenue and Taxation or his designee. Section 121 of P.L. 19-5 then transferred all of its supplies, records, personal property, cash on hand and equipment to the Director of the Department of Revenue and Taxation. Employees as well as their benefits and salaries were transferred to the Department of Revenue and Taxation.

The remaining sections [§§59001 - 59019.1] are now entitled and recodified as GAMING under this chapter.

§ 5101. Director of the Department of Revenue and Taxation or his Designee, Powers and Duties.

The Director of the Department of Revenue and Taxation or his designee shall carry out the provisions of this Chapter and the Director or his designee shall personally or by agents supervise and check the making of pari-mutuel pools and the distribution therefrom; and

(1) Fix and set the dates for racing.

(2) Make an annual public report to the Governor and the Legislature showing its own actions, receipts derived under the provisions of this Chapter, the practical effects of the application of this Chapter and any suggestions it may approve for the more effectual accomplishments of the purposes of this Chapter.

(3) Require an oath to each and every application by the person or executive officer of the association or corporation, stating that such information contained in the application is true.

(4) Make rules and regulations for the control, supervision and direction of all applicants, committees and licensees, and for the holding, conducting and operating of all race tracks, race meets and races held in this Territory; provided, such rules and regulations shall be uniform in their application and effect, and the duty of exercising this control and power is made mandatory upon the Director of the Department of Revenue and Taxation or his designee. The Director of the Department of Revenue and Taxation or his designee may take testimony concerning any matter within its jurisdiction and each member therefor, may administer oaths for that purpose. The Director or his designee shall have the power to issue summons and subpoenas for any witness and subpoenas duces tecum in connection with any matter within the jurisdiction of the Director or his designee under its seal and signed by the Director or his designee or the super visor or assistant supervisor of racing.

**11 GCA FINANCE & TAXATION
CH. 5 GAMING**

(5) Require of each applicant an application setting forth:

(a) The full name of the person, association or corporation, and if a corporation the name of the state or territory under which it is incorporated.

(b) If an association or corporation, the nationality and residence of the members of the association and the names of the stockholders and directors of the corporation.

(c) The exact location where it is desired to conduct or hold a race meeting.

(d) Whether or not the racing plant is owned or leased and if leased, the name, nationality and residence of the fee owner, or if a corporation, of the directors and stockholders thereof; provided, however, that nothing in this Chapter shall prevent a person from applying to the Director or his designee for a permit to conduct races, regard less of whether the racing plant has been constructed or not.

(e) A statement of the assets and liabilities of the person, corporation or association making such application.

(f) The desired period during which the sponsors wish to conduct racing.

(g) Such other information as the Director or designee may require.

(6) Upon receipt of such application and any amendments properly made thereto, the Director or his designee shall further investigate the matters contained in the application and if any applicant shall duly fulfill and meet all requirements, conditions and qualifications set forth in this Chapter and the rules and regulations of the Director or his designee hereunder, then the Director or his designee shall grant the permit to such qualified applicant as hereinabove provided.

SOURCE: GC §59001. Added by P.L. 13-26; amended by P.L. 13-105:1; amended by P.L. 13-123:1.

§ 5102. Director of the Department of Revenue and Taxation or his Designee Records Public Documents; Penalty for Failure to Disclose Contents.

**11 GCA FINANCE & TAXATION
CH. 5 GAMING**

(1) All books, records, maps, documents and papers of the Director or his designee, including those filed with said Department of Revenue and Taxation as well as those prepared by or for it, shall at all reasonable times be open for the personal inspection of any officer of the Territory of any official investigative body or committee of the Legislature, and no person having charge or custody thereof shall refuse this privilege to any such officer or investigative body or committee.

(2) Any member or employee of the Department of Revenue and Taxation who violates subsection (1) of this Section shall be deemed guilty of a petty misdemeanor. Any member of the Department who violates said Subsection (1) shall also be deemed guilty of malfeasance and shall be subject to removal from office.

SOURCE: GC §59002. Added by P.L. 13-26; amended by P.L. 13-105:1; amended by P.L. 13-123. Subsection (2) amended by P.L. 13-187:264. Subsection (3) repealed by P.L. 19-5:117 and amended by P.L. 19-5:118.

§ 5103. Racing Meetings Authorized: Restrictions.

Any person desiring to operate a greyhound racing track in this Territory may, subject to the provisions of this Chapter, hold and conduct such meetings at such track as shall be authorized by the Director or his designee. No person under 18 years of age shall be permitted to be employed at such track, except as a groom, exercise boy or kennel attendant. No person under eighteen (18) years of age shall be permitted to place any bet or gamble in any matter at such track. Nothing in this Chapter shall be construed to prohibit the use of any dog racing plant or facility, for the conducting of ‘hound dog derbies’ or ‘mutt derbies’, from being used by any charitable, civic or nonprofit organization for the purpose of conducting ‘hound dog derbies’ or ‘mutt derbies’ where only dogs other than those usually used in greyhound racing are permitted to race and where adults and minors may participate as dog owners or spectators, and provided further that during such racing events pari-mutuel betting and gambling shall be prohibited.

SOURCE: GC §59003. Added by P.L. 13-26:1; amended by P.L. 13-123; amended by P.L. 19-5:118.

§ 5104. Application for Permit to Conduct Race Meetings.

(1) Between June 1 and July 1 of each year, but at no other time, any person possessing the qualifications prescribed in this Chapter may apply to the Director or his designee for a permit to conduct race meetings and

11 GCA FINANCE & TAXATION
CH. 5 GAMING

racing under this Chapter. No application thus received by the Director or his designee shall be amended after August 10 of each year; and on or before August 15, but not thereafter, of each year, after receipt of any application, the Director or his designee shall convene to consider and act upon permits applied for, and all applications not definitely acted upon the Director or his designee or prior to August 15 of each year shall be void.

(2) Upon all application filed and approved a permit shall be issued to the applicant setting forth the name, the location of the race track and a statement showing qualifications of the applicant to conduct racing at said track under this Chapter.

SOURCE: GC §59004. Added by P.L. 13-26; amended by P.L. 13-105; amended by P.L. 13-123; amended by P.L. 19-5:118.

§ 5105. Issuance of License by Director of the Department of Revenue and Taxation or his designee for its Operations.

After a permit has been granted by the Director or his designee, the Director or his designee shall grant to the lawful holder of such permit, subject to the conditions hereof, a license to conduct racing under this Chapter, and fix annually the time, place and number of days during which racing may be conducted by such permit holder at the location fixed in said permit. After the first license has been issued to the holder of a permit, all subsequent annual applications for a license by said permit holder shall be accompanied by proof in such form as the Director or his designee may require, that the permit holder still possesses all the qualifications prescribed by this Chapter. The Director or his designee may revoke any permit or license hereunder upon the willful violation by the licensee of any of the provisions of this Chapter, or of any rule or regulation issued by the Director or his designee under the provisions of this Chapter. In lieu of the suspension or revocation of licenses, the Director or his designee after notice and hearing may impose a civil penalty against any licensee for violations of this Chapter or any rule or regulation promulgated by the Director or his designee. No penalty so imposed shall exceed One Thousand Dollars (\$1,000) for each count or separate offense and all penalties imposed and collected shall be deposited to the General Fund. It is unlawful for any licensee under this Chapter, directly or indirectly, to make any contribution whatsoever to any political party or to any candidate for any public office in the Territory; and the Director or his designee, upon proof of any

11 GCA FINANCE & TAXATION
CH. 5 GAMING

contribution having been made, shall immediately revoke the permit of such licensee and no further license or permit shall be issued thereafter to such former licensee.

SOURCE: GC §59005. Added by P.L. 13-26; amended by P.L. 13-105; amended by P.L. 13-123 and P.L. 19-5:118.

§ 5106. Dog Racing; Periods of Operations.

Holders of valid permits for greyhound racing may hold race meetings at any time they choose during the year for the aggregate number of racing days fixed and permitted by the Director or his designee

SOURCE: GC §59006. Added by P.L. 13-26. Amended by P.L. 13-105; amended by P.L. 13-123 and P.L. 19-5:118.

§ 5107. Monies to be Paid to Director of Revenue and Taxation or his Designee for its Operations.

(1) Every person engaged in the business of conducting race meetings under this Chapter shall pay to the Treasury of Guam a sum equal to one percent (1%) of the total contributions to all pari-mutuel pools conducted or made on any and every race track licensed under this Chapter, and on every race at such track. In addition to the aforesaid taxes and subject to the provisions of Subsection (2) of this Section, each person authorized to conduct race meetings under this Chapter shall collect from each person attending such race fifteen percent (15%) of established admission price or the sum of Ten Cents (10¢) from each person attending such race, whichever sum is the greater, as an admission tax, and said person shall pay such tax to the Treasury of Guam. Payments shall be made on every seventh (7th) day of any and every race meeting and shall be accompanied by a report under oath, showing the total of all contributions and admissions on the races covered by such report and such other information as the Director may require.

(2) Each person authorized to conduct race meetings under this Chapter may elect to admit any and all persons sixteen (16) years of age or under without charging any admission fee therefore. In the event persons sixteen (16) years of age and under are admitted without payment of any admission price or admission fee then, notwithstanding the provisions of Subsection (1) of this Section, no admission tax shall be

11 GCA FINANCE & TAXATION
CH. 5 GAMING

payable by such person and no admission tax shall be collectible as to such persons.

(3) No free passes or complimentary cards shall be issued to guests by any licensee; provided, however, that a race track permit holder may, by and with the consent of the Director or his designee, issue tax-free passes to its officers, officials and bona fide employees. A list of all persons to whom tax-free passes are issued shall be filed with the Director or his designee.

SOURCE: GC §59007. Added by P.L. 13-26:1. Amended by P.L. 13-105. Amended by P.L. 13-123; amended by P.L. 14-63. Subsection (1) repealed and reenacted by P.L. 19-5:120.

§ 5108. Bond Required of Licensees to Conduct Race Meetings.

Every person to whom a license may be granted under this Chapter, at his own cost and expense, shall before any such license is delivered, give a bond in the penal sum of Fifty Thousand Dollars (\$50,000) payable to the Governor and his successors in office, with a surety or sureties to be approved by the Director or his designee; conditioned to faithfully make the payments to the Director or his designee and to keep his books and records and make reports as provided, and to conduct his racing in conformity with this Chapter.

SOURCE: GC §59009. Added by P.L. 13-26; Amended by P.L. 13-105:3; Amended by P.L. 13-123; Amended by P.L. 19-5:118.

§ 5109. Pari-mutuel Pool Authorized, Director of the Department of Revenue and Taxation or his Designee, Breaks, Tax, Etc.

(1) In addition to any other tax, there shall be deducted from the total daily pari-mutuel pool an amount equal to six percent (6%) of all money paid into the pari-mutuel pool to be deposited in the 'Greyhound Owners Prize Fund.' The Fund shall be administered by the licensee under the supervision of the Director or his designee pursuant to rules and regulations promulgated by the Director or his designee. The Fund shall not be subject to any charge, deduction or other diminution of its value. Proceeds shall be distributed to the owners of greyhounds raced at the track from which the Fund is derived within thirty (30) days from the date on which deposits in the Fund are made pursuant to this statute.

(2) The Commission on a pari-mutuel pool on every dog race which may be withheld by the licensee and the Territory for the total

11 GCA FINANCE & TAXATION
CH. 5 GAMING

contributions made to such pari-mutuel pool shall in no event exceed thirty percent (30%) of the amounts contributed thereto, which said maximum commission shall include the one percent (1%) tax heretofore provided for by § 5107, the Greyhound Owners Prize Pool established in § 5110 and the additional tax provided thereafter by § 5113. The one percent (1%) tax provided for by § 5107, the six percent (6%) Greyhound Owners Prize Pool provided for by § 5110 and the additional tax provided for by § 5113 shall be deducted from the pari-mutuel pool before the licensee shall have the right to its commission and before the licensee shall receive any money or payments from the pari-mutuel pool.

(3) After deducting a commission or license fee and the ‘breaks’ (hereinafter defined), a pari-mutuel pool shall be redistributed to the contributors.

(4) Redistribution of funds otherwise distributable to the contributors of a pari-mutuel pool shall be a sum equal to the next lowest multiple of ten (10).

(5) No distribution of a pari-mutuel pool shall be made of the odd cents of any sum otherwise distributable, which odd cents shall be known as ‘breaks’.

(6) The ‘breaks’ shall be known as the difference between the amount contributed to a pari-mutuel pool and the total of the commissions and sums redistributed to the contributors.

(7) Any willful or wanton failure by any licensee to make payment into the state treasury as required by law shall constitute sufficient ground for the Director or his designee to revoke the permit of such licensee and no further license or permit shall be issued to such former licensee.

SOURCE: GC §59000. Added by P.L. 13-26; amended by P.L. 13-105; amended by P.L. 13-124; amended by P.L. 14-63. Subsection (1) repealed and reenacted by P.L. 17-27. Subsection (1) amended by P.L. 17-63:10. Subsection (2) amended by P.L. 16-48:1. subsection (2) amended by P.L. 17-63:9.

§ 5110. Establishing the Greyhound Owners Prize Fund.

In addition to any other tax, there shall be deducted from the total daily pari-mutuel pool an amount equal to five percent (5%) of all money paid into the pari-mutuel pool to be deposited in the ‘Greyhound Owners Prize Fund.’ The Fund shall be administered by the licensee under the

11 GCA FINANCE & TAXATION
CH. 5 GAMING

supervision of the Director or his designee pursuant to rules it adopts pursuant to the Administrative Adjudication Act. Such rules shall require the payment of prizes to owners of greyhounds raced at the track from which the Fund is derived. The Fund shall not be subjected to any charge, deduction or other diminution of its value. Proceeds shall be distributed to owners within thirty (30) days.

SOURCE: GC §59009.1. Added by P.L. 16-48:2.

§ 5111. Distribution of Greyhound Owners Prize Fund.

The Greyhound Owners Prize Fund shall be distributed as follows:

(a) If the licensee owns no dogs, then the total amount shall be paid to owners of greyhounds; or

(b) If the licensee owns dogs, then one-half (1/2) shall be paid to the licensee and one-half (1/2) shall be paid by the licensee to greyhound dog owners other than the licensee as prize money for sweepstake.

SOURCE: GC §59009.2. Added by P.L. 16-48:3.

§ 5112. Disposition of Greyhounds Owned by Licensee.

Within two (2) years from the effective date of this Act, the licensee shall dispose of all greyhounds and Subsection (b), § 5111 of the Government Code shall no longer be of force and effect.

SOURCE: GC §59009.3. Added by P.L. 16-48:4.

§ 5113. Pari-Mutuel Tax.

(1) In addition to any other tax, there shall be deducted from the total daily pari-mutuel pool and paid to the government of Guam a daily operating tax of three percent (3%) of all money paid into the pari-mutuel pool.

(2) Effective October 1, 2000, the pari-mutuel tax revenue provided for in this Section and all other revenue paid to Guam pursuant to § 5107 of Title 11 of the Guam Code Annotated shall be deposited in the General Fund.

SOURCE: GC §59011. Added by P.L. 13-26. Amended by P.L. 13-105. Amended by P.L. 13-123. Amended by P.L. 19-5:118. Amended by P.L. 25-176:7.

§ 5115. Certain Persons Prohibited from Holding Racing Permits; Suspension or Revocation of Permits.

11 GCA FINANCE & TAXATION
CH. 5 GAMING

(1) No person who shall have been convicted of a felony in the Territory or under the laws of any other jurisdiction of an offense which would be a felony if committed within this Territory, or who is commonly known as an associate of persons commonly known as criminals, shall hold any racing permit or be a member of any association which holds such a permit, or be an officer or director of any corporation which holds such a permit, or be an employee of the holder of any such a permit in any capacity connected to any extent with the racing business.

(2) Every person holding a racing permit, and every person who is a member of an association holding such a permit, and every person who is an officer or director of a corporation which holds such a permit, and every employee of a holder of any such permit shall, at such times as shall be fixed by rule promulgated by the Director or his designee, furnish the Director or his designee his fingerprints and photograph taken under the supervision and direction of Director or his designee.

(3) The Director or his designee shall either suspend or revoke a racing permit upon proof, after due notice and hearing, that such permit is held in violation of Subsection (1) of this Section; except, however, that no such permit shall be either suspended or revoked because of the employment of a person in violation of said Subsection (1) if such employment is terminated and sufficient evidence of such termination furnished the Director or his designee within three (3) days after notice is given to the permit holder of the Director's or his designee's finding, after a hearing held as hereinabove provided for, that such person is an employee of the permit holder in violation of Subsection (1); and except, further, that no such permit held by a corporation shall be either suspended or revoked because a person is an officer or director and the Director or his designee is furnished sufficient evidence that such is the case, within fifteen (15) days after notice is given to the permit holder of the Director's or his designee's finding, after a hearing held as hereinabove provided for, that such person is an officer or director in violation of Subsection (1).

SOURCE: GC §59012. Added by P.L. 13-26. Amended by P.L. 13-105, Amended by P.L. 13-123. Amended by P.L. 19-5:118.

§ 5116. Permits not Assignable.

11 GCA FINANCE & TAXATION
CH. 5 GAMING

No permit granted under the provisions of this Chapter shall be transferrable or assignable except upon application to and written consent and approval of the Director of Revenue and Taxation.

SOURCE: GC §59013. Added by P.L. 13-26; amended by P.L. 13-105. Amended by P.L. 13-123; amended by P.L. 19-5:118.

§ 5117. Conniving to Prearrange Result of Race; Stimulating or Depressing Greyhound; Penalty.

(1) Any person who shall influence or have any understanding or connivance with any owner or other person associated with or interested in any kennel, greyhound, race or race track in which any greyhound participates, to prearrange or predetermine the results of any such race, or any person who shall stimulate or depress a greyhound for the purpose of affecting the results of a race, shall be guilty of a felony.

SOURCE: GC §59014. Added by P.L. 13-26. Amended by P.L. 13-105; amended by P.L. 13-123. Subsection (2) repealed by P.L. 13-186:265.

§ 5118. Unauthorized Race Meeting; Penalty.

Every race meeting at which racing is conducted for any stake, purse, prize or premium, except as allowed by this Chapter, is prohibited and declared to be a public nuisance, and every person acting or aiding therein or conducting, or attempting to conduct racing not in conformity with this Chapter shall be deemed guilty of a misdemeanor and upon conviction be punished as provided by law.

SOURCE: GC §59015. Added by P.L. 13-26. Amended by P.L. 13-105. Amended by P.L. 13-123.

§ 5119. Breaks, Distribution of.

Money withheld from distribution in the pari-mutuel pool as provided for in Section § 5109 shall be divided equally between the Territory and the holder of the racing permit. Money from the breaks retained by the holder of the racing permit shall be treated, for tax purposes, as income.

SOURCE: GC §59016. Added by P.L. 13-26. Amended by P.L. 13-105; amended by P.L. 13-123.

§ 5120. Prohibitions.

No government land shall be used for the purposes of this Act, neither shall any provisions of Chapter 70, Title 5, Guam Code

**11 GCA FINANCE & TAXATION
CH. 5 GAMING**

Annotated, including but not limited to taxes, be used for the purposes of this Act.

SOURCE: GC §59017. Added by P.L. 13-26. Amended by P.L. 13-105; amended by P.L. 123.

§ 5121. Application of Laws Inconsistent with this Chapter.

All laws and parts of laws inconsistent with any of the provisions of this Chapter are expressly declared not to apply to any person participating or engaged in racing or making or contributing to pools thereon as authorized by and conducted under this Chapter.

SOURCE: GC §59018. Added by P.L. 13-26. Amended by P.L. 13-105. Amended by P.L. 13-123.

§ 5122. Veterans Bonus Fund.

[Repealed.]

SOURCE: GC §59019. Added by P.L. 13-77:1. Repealed and reenacted by P.L. 14-126:1. Amended by P.L. 15-119. Subsections (a) and (b) amended by P.L. 15-119; repealed by P.L. 20-196:2.

§ 5123. Termination of Bonus Fund.

[Repealed.]

SOURCE: GC §59019.1. Repealed by P.L. 20-196:2.
