

GEORGIA Amusement JOURNAL

Dedicated to serving the Georgia COAM industry
 Endorsed by the Georgia Amusement and Music Operators Association
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Redemption changes coming July 1

Major changes on tap for the COAM industry as legislation requiring gift cards takes effect at last



By Paul Tash
 Georgia Amusement Journal

Georgia's COAM industry will be ushering in major COAM redemption changes on July 1 — the exciting result of hard-earned legislation passed in 2024 under the guidance of the Georgia Amusement and Music Operators Association (GAMOA).

Starting July 1, locations will be required to offer only gift cards, lottery products or replays as redemption choices for Class B COAMs. No longer

will merchandise be allowed as prize redemption, a major change that ends a practice as old as the coin-operated amusement machines themselves.

The passage of House Bill 353, sponsored by Rep. Alan Powell, represented “a victory for the COAM industry in this state,” attorney Les Schneider, the lead GAMOA lobbyist, said at the time. GAMOA and its board of directors provided significant oversight throughout HB 353’s two-year legislative journey that began in 2022.

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MORE INSIDE

Operators must be careful over ‘workaround’ business models

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Fiery Pay offers new solution for Georgia



New point-of-sale, redemption tech will help operators grow

Georgia Amusement Journal

Georgia's Coin Operated Amusement Machine (COAM) industry is growing up fast, and with that maturity comes regulatory scrutiny, operational complexity, and a new set of expectations for the people who run these locations.

Afshaad Patel, founder of Fiery Pay, believes the technology should grow up with it. With the launch of the Fiery Pay Prize Card, he is introducing a purpose-built point-of-sale and redemption solution designed specifically for Georgia's location owners and master licensees, with transparency, audit readiness, and operational control at its core.

Patel is not new to payments. He began his career at First Data — now Fiserv — and has spent nearly two decades building

Afshaad Patel of Fiery Pay is releasing a new redemption solution designed specifically for Georgia's COAM market. *Fiery Pay photo*

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Game makers work to recoup tariff expenses

By Buck Wargo
CDC Gaming

The CEOs of slot manufacturers are working to recoup the cost of the tariffs that cut into their bottom lines and prompted them in some cases to temporarily move processes outside of Nevada.

The executives, who spoke at a Las Vegas gaming conference, said the tariffs imposed by the Trump administration over the past year continue to impact the industry and they hope to get relief. The Supreme Court struck down Trump's global tariffs in February, ruling he exceeded his executive authority under the 1977 International Emergency Economic Powers Act (IEEPA), since the power to impose tariffs lies with Congress.

"Some of the uncertainty it created continues," said Michael Comstock, acting chief executive officer with Ainsworth Game Technology. "Everyone is looking at IEEPA refunds right now and trying to determine when they'll reach that probable stage. It's good to hear that certain companies are starting to see a refund come in, but everyone has been a little hesitant to record those, knowing things can change on a daily or weekly basis."

David Lopez, president and CEO of AGS, said his company doesn't pass those added costs to their customers, absorbing the expense. "We talk about getting a refund, but it's an accounting nightmare," Lopez said.

Tom Jingoli, COO and president of Konami, said it's been costly to his bottom line, "a significant number we're trying to recoup. Konami is going directly to the government to get that refund and in other cases going to the third-party vendors securing those parts for the operator.

"It takes a significant amount of time in our finance and accounting department. We haven't seen the refunds at the level we thought we were. Obviously, it's turning political like everything else. Maybe, we will see some movement as the election nears, but it's been really slow on the quote unquote refunds. We haven't seen those yet."

When tariffs were imposed a year ago, the manufacturers had to pivot to reduce their expenses, since it's difficult to pass on the costs to casino operators.

"Being in a highly regulated environment, a lot of the parts and hardware we have to secure are subject to regulatory approval, so it's not like you can pivot really fast and get a new board or new monitor," Jingoli said. "Those

things all have to be tracked. We're in a highly competitive environment where the operator's return on investment means they aren't going to buy the product if it's cost prohibitive."

Lopez said his company had to pivot after Canadian customers were told by their elected officials not to take products manufactured in the U.S. after the political fallout between the two countries. That prompted AGS to manufacture equipment at their Mexico facility and ship them to Canada. "We tried to do an end run around it, so our margins wouldn't deteriorate even further."

Jingoli said Konami set up shop in Canada for assembly, which "costs us a lot of money and cut into our margins, all part of the tariff blowback we're dealing

with." As for Ainsworth, Comstock said it may not have been the best decision in hindsight, but the company in 2024 centralized its production in Las Vegas and stopped producing in Australia. When the tariffs hit in 2025, the company was all-in on Las Vegas, where 50% of what they built was re-exported.

"That was a big wake-up moment. We're not incentivized to produce in the U.S., because of the tariff costs," Comstock said. "Finding mechanisms that can help us mitigate some of that cost or risk is very time-consuming."

Konami isn't single sourced on any part, but that comes at a cost, Jingoli said. "If you're going to buy one widget from a company, you're buying a certain amount of

volume to get the bigger discount. With the tariffs and supply-chain challenges, it's almost impossible to be single sourced in anything anywhere."

No one, however, suggested that moving operations outside of Nevada is an option in light of the tariffs.

"We can build slot machines anywhere," Jingoli said. "We've chosen Nevada to be our home. All the major slot manufacturers are here in some form of manufacturing or final assembly. Nevada has been the gold standard from a regulatory standpoint and a gaming standpoint for all the years we've been here. It's critical we ensure what we're doing here meets the Nevada standards and it does have a trickle-down effect on a lot of the other jurisdictions."

Journal Opinion

Regulatory creativity or regulatory evasion?

By Shawn Fellows
Past GAMOA president,
Longtime GA master licensee

Georgia's COAM industry continues to evolve under increasing regulatory attention, legislative reform, and public scrutiny. As the industry grows, so does the pressure on operators, location owners, and master licensees to remain competitive in an environment where margins are tightening and enforcement expectations are becoming more serious.

But periods of regulatory uncertainty often create another problem: the temptation to justify aggressive business practices simply because others appear to be doing the same. That mindset creates risk not only for individual businesses, but for the long-term stability and credibility of Georgia's entire COAM industry. The reason that we are the most successful COAM industry in the U.S. is due to our goal of honest business practices and drawing a clear line between amusement gaming, noncash redemption and gambling practices.

Georgia's COAM framework



"Georgia COAM operators should be careful about 'workaround' business models. The reason that we are the most successful COAM industry in the U.S. is due to our goal of honest business practices and drawing a clear line between amusement gaming, noncash redemption and gambling practices."

— **Shawn Fellows**

exists under the authority of the Georgia Lottery for Education Act, O.C.G.A. §§ 50-27-70 et seq. and 16-12-35. We as an industry depend heavily on the confidence of regulators, lawmakers, law enforcement, and the public. Recent legislative reforms, including HB 353, reflect a growing effort by the state to reinforce accountability, increase oversight, stamp out any cash payout and preserve the distinction between lawful amusement gaming and unlawful gambling activity.

In regulated industries, courts and agencies often look beyond labels and technical formatting to evaluate the practical effect and intent behind a business arrangement. This principle matters as several emerging practices now raise important questions throughout the Georgia COAM market.

Redemption kiosks and indirect inducements

One increasingly debated issue involves the use of redemption kiosks or secondary devices tied to

COAM operations.

In some situations, kiosks are being introduced alongside COAM placements while also offering unrelated features such as:

- Horoscope readings
- Lucky numbers
- Sports predictions
- Promotional entertainment features
- Sweepstakes content

The argument often made is that because these devices perform additional functions independent of COAM gameplay, business arrangements connected to the kiosks should be viewed separately from COAM regulatory restrictions. This is utter nonsense and is done to try and do indirectly what you cannot do directly.

However, regulators typically evaluate the overall business purpose and operational relationship between devices rather than focusing exclusively on marketing descriptions or secondary features.

If a kiosk arrangement is

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COAM calendar

UPCOMING

July 20: Gross retail receipts for April, May and June are due. The gross retail receipts must be submitted electronically through the COAM website at www.gacoam.com. Failure to report on time may result in penalties.

MEETINGS & MORE

July 21: COAM Advisory Board, Lottery headquarters, Atlanta

Aug. 18-20: Southern Amusement & Entertainment Expo, Gas South Convention Center, Duluth

Write us: The *Georgia Amusement Journal* welcomes letters to the editor. Letters must include the writer's name and address. The word limit is 300. Mail to: Georgia Amusement Journal, P.O. Box 4307, Butte, MT 59702, or email paul@tashcommunications.com. The Journal reserves the right not to print letters it finds objectionable.

Assembly adjourns, but work to be done



Paul Tash photos

Hunter Kampf demonstrates a redemption solution after a GAMOA meeting May 14.

GAMOA will focus on keeping key initiatives moving forward

By Paul Tash
Georgia Amusement Journal

Georgia's General Assembly concluded this year without passing industry-supported legislation designed to further enhance the state's COAM industry, an industry lobbyist told the Georgia Amusement and Music Operators Association (GAMOA) in May.

Despite passing out of committee, House Bill 1197, sponsored by Rep. Alan Powell, didn't make the "crossover" deadline that keeps legislation moving.

"We ran out of time," said Frank Morris of Butler Avenue Partners, a lobbying firm for GAMOA.

Key tenets of bill

Some last-minute legislative maneuvering couldn't save the bill, but the legislation can be introduced again next year. HB 1197 sought to:

- Provide for dart and pool tournaments and the ability to award non-cash prizes;
- Provide the ability to track lottery tickets used for redemption;
- Ensure progressive discipline that prohibits Lottery inspectors from holding back individual citations and "bunching them up" to put a location in a position where it can lose its license;
- Streamline the hearing officer system;
- Enact financial consequences for frivolous arbitration by licensees that aims to simply keep a current contract open and doesn't allege legitimate legal concerns.

Other comments

In other comments, Morris urged COAM businesses to continue supporting legislators who are friendly to the industry during this election cycle, which continues with primary runoffs June 16.

"It's very important that you get out and vote," he said. "Every vote counts."

GAMOA President Mike Patel agreed.

"I can't tell you guys how important it is and how powerful your vote is in the primary and the runoffs and the general election," he said. "As all of you know, our industry is fragile. Working very closely with Frank and legislators, I can tell you things could change very rapidly. So I urge each and every one of you to go out and vote. Know what each candidate stands for, how they perceive our industry, and go out there and vote."

In other business, GAMOA officials said registration is now open for participants and vendors for the ever-expanding Southern Amusement & Entertainment Expo (SAEE), which is returning to the Gas South Convention Center Aug. 18-20 in Duluth, GA.

"We have a committee that works tirelessly on this from the minute our previous trade show is over," President Patel said.

Committee Chairman Paul Patel said the Expo continues to get "bigger and bigger."

"It's an exciting show," he added. "We would love for everyone to be there."

GAMOA's May meeting was sponsored by three Georgia COAM vendors — Betson Southeast, Skyline Unlimited, and EasyLinX.



Robert Aboujaoude of Betson Southeast showed a 43-inch Javelin curve monitor and the "Juice Box" power supply after the GAMOA meeting.



Brittany Patete and Ahmed Sadaqa of Skyline Unlimited demonstrated Novomatic's new Black Edition II machine and a new redemption kiosk at the GAMOA meeting. Skyline is Novomatic's exclusive dealer in Georgia.

Betson Southeast on the move



Betson Southeast photo

Betson Southeast has relocated to a new, larger facility in Kennesaw, GA. The expanded location at 1000 Cobb International Drive, Suite J, “enhances Betson’s ability to serve customers, showcase solutions, and support partners throughout the region,” according to information provided by Betson. To celebrate the move, Betson Southeast will host an open house on Thursday, July 23, from 11 a.m. to 4 p.m. Attendees are invited to tour the new facility, meet the team, and connect with leading industry vendors. Those pictured above in front of the new facility are Jeff Capilouto, Laura Jones, James Kaumeheiwā, Joe Carruthers, Rick Murphy, and Earl Montiro.

Fiery Pay

from Page 1

relationships across merchant-acquiring and card-issuing. That background didn’t simply inform Fiery Pay; it shaped its architecture from the ground up.

“Launching a card program in a regulated environment is complex,” Patel says. “Sponsor bank selection, compliance alignment, reporting architecture — every piece has to be structured for long-term sustainability and regulatory integrity.”

Crucially, Fiery Pay is not a generic card product dropped into a new vertical. Before going to market, Patel spent time with location owners and master license holders to understand the problems existing systems weren’t solving, including reconciliation bottlenecks, inconsistent reporting, and limited operational visibility. Those conversations became the blueprint for the new system.

How it works

The result is a unified, proprietary platform that delivers structured daily, weekly, and monthly reporting while strengthening internal controls across Fiery’s redemption ecosystem, Patel said. That ecosystem spans a standalone POS, an integrated custom-built Fiery Link Black Box powered by RKS, and TITO connectivity through the operator’s chosen CMS solution.



Pictured are the POS consoles used in the Fiery Prize Card redemption system. Fiery Pay photo

Patel sums up the value proposition in a single line: “One device, one platform, one card, one solution.”

Early results from several Georgia locations are encouraging. Operators, Patel said, report smoother reconciliations, improved transparency, and greater confidence heading into compliance reviews.

What sets Fiery Pay apart, though, is its timing as much as its functionality. Georgia’s COAM market is changing faster than many operators expected.

“The Georgia market is maturing fast,” Patel said. “Locations and master licensees need systems that scale with them tomorrow.”

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LIGHT & WONDER

Redemption

from Page 1

In the two-plus years since its passage in 2024, regulators and industry representatives have been working together to educate licensees on the new options. The new gift-card redemption options have also sparked an enormous influx of redemption technology into the market, elevating Georgia's COAM industry to the forefront in redemption and game innovation.

Lottery product redemption

COAM Vice President Mike Parham highlighted the redemption changes during a presentation at a GAMOA meeting last month and offered some tips for licensees to comply with the new regulations. He said locations can have both gift cards and Lottery products available for redemption, but must have at least one of those options available come July 1. If a COAM inspector finds a location that doesn't provide lawful redemption options after July 1, the location will receive a written warning. If the issue is not corrected by the follow-up inspection, the location will be issued a citation.

"You need to have redemption options available," Parham said.

COAM licensees who are not lottery retailers should begin the lottery application process if they intend to offer lottery products as a redemption option.

"We encourage them to do that," he said.

Following are more points Parham discussed regarding Lottery product redemption:

- Approved lottery retailer locations receive a 6% commission on lottery products redeemed for COAM prizes.
- Non-Lottery locations may purchase lottery tickets from any Lottery retailer, GLC District Office, or GLC kiosk to use for COAM prize redemption.
- Non-lottery locations are prohibited from selling Lottery tickets.
- Current Lottery retailers must maintain sufficient lottery product inventory to support Class B prize redemption.
- Lottery online draw-game tickets (Keno!, Cash 3, etc.) may not be used as COAM prizes at locations that are not licensed lottery retailers.
- Invalid tickets must not be knowingly distributed as prizes, including instant tickets from games that have officially ended, instant tickets in any status other than active or settled, fully or partially expired online tickets, and cancelled online tickets.

Gift card product redemption

Parham also urged locations that aren't currently a gift card retailer to research and establish a relationship with a gift card provider.

"I don't care who what vendor it's with, but start the process," he said.

Here are other points Parham made regarding gift card redemption:

- Gift cards may only be loaded with COAM winnings on the licensed premises.

- Locations should train staff to ensure they are familiar with the gift card vendor's point-of-sale device, so they can properly load gift cards.
- To reduce player questions and save staff time, post the gift card customer service phone number in the COAM area.
- Keep all gift cards secure and controlled at your location.
- The Georgia Lottery Corp. no longer provides lottery-branded gift cards to business locations.
- For gift card questions, contact the gift card provider directly, or contact your Master License Holder
- Some locations may have activation settings or limits that affect how cards are loaded.
- Digital gift cards are permitted for loading COAM winnings.
- Gift card self-service devices (kiosks) are allowed for issuing gift cards.
- Georgia Lottery's regulatory responsibility ends once COAM prize funds are successfully loaded onto a gift card.
- Gift cards may be nonreloadable or reloadable.
 - Nonreloadable gift card —Funds loaded onto the card once at the time of issue. No additional funds can be added.
 - Reloadable gift card — Funds can be added multiple times after initial load. Requires account registration with the provider.
- The financial sweep for gift card vendors operates separately from the COAM (Wednesday) and Lottery (Tuesday) sweep process.

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COAM licensing deadlines approaching

By Paul Tash
Georgia Amusement Journal

Important deadlines are fast approaching for the current COAM licensing process, “a very busy time of the year for us,” said COAM Vice President Mike Parham during a Georgia Amusement and Music Operators Association (GAMO) meeting last month.



July 1 is the date a \$1,000 late fee will be assessed to Class B master and location licensees and manufacturer and distributor licensees who have not renewed for the 2027 licensing period, which runs July 1, 2026, to June 30, 2027. An existing COAM licensee will not be allowed to apply for a new license to avoid payment of a late fee.

The state’s COAM Division has been emailing weekly renewal reminders to licensees who haven’t renewed yet, Parham said. Licensees can renew for the 2027 licensing period on the Georgia Lottery Corp.’s COAM website, which is www.gacoam.com. Class A master and location licensees face a \$100 late fee for not renewing on time.

In addition, June 30 is the deadline for master licensees to purchase additional Class A and Class B decals or location licensees to add Class A and Class B machines for the 2026

Hints for application process

Renew license before expiration date

- Renewal period: May 4 – June 30, 2026 (no late fee)
- Renewals submitted July 1 – Sept. 28, 2026, incur non-refundable late fee:
 - Class A Licenses – \$100 late fee
 - All other licenses – \$1,000 late fee
- Final day for renewal: Sept. 28, 2026

Check with Department of Revenue (DOR)

- Ensure officers/owners/shareholders and business address matches official records
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Request information if needed

- Contact COAM Retailer Contracts Administration (RCA): (800)746-8546 (Option 4 and 1)

licensing period, which ends June 30. This deadline only applies to 2026 COAM licenses.

Class B licensees can now apply for a multi-year license that allows them to extend their license for an additional one or two years

upon renewal or issuance. To begin the multi-year application process, licensees must have already submitted their 2027 application online.

The multiple-year license application is available for each license type under the Documents/Forms section of the website. Licensees who are applying for just the 2027 licensing year are not required to use the multiple-year license application.

Finally, Monday, Sept. 28, is the last day to submit a renewal location Class A and Class B license, master Class A and Class B license and manufacturer and distributor license for the 2027 licensing period. If a holder of a 2026 COAM license fails to renew their license, or their license application is not approved on or before this date, the person or entity will no longer be allowed to operate COAMs.

Parham said the main action location licensees can take to ensure a smooth renewal process is to handle any issues with the Department of Revenue before they even start the application process.

“This is our biggest speed bump when it comes to processing applications,” he said. “They need to make sure they’ve filed their returns, that they’ve paid their taxes, and their officers, owners and contact information, especially addresses, are correct (on the application). If that information is correct, the process goes much smoother for everybody.”

Licensees can check the status of their DOR information and update information on the DOR website at www.gtc.dor.ga.gov.

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from Page 4

perceived primarily as a mechanism to secure, influence, or extend COAM placement agreements, questions may arise regarding whether the arrangement functions as an inducement tied to regulated gaming activity.

This is especially important for location licensees to understand.

Adding unrelated entertainment functions to a device does not necessarily remove regulatory concerns if the practical business purpose remains connected to COAM placement or revenue generation. Paying to place a kiosk, which extends the COAM agreement is an inducement and interest in the business, plain and simple.

The broader concern for the industry is not innovation itself. The concern is whether certain structures begin to appear designed primarily to work around restrictions that lawmakers and regulators intended to impose.

Hybrid 'Class A' machines, regulatory parity concerns

Another growing issue involves the use of so-called hybrid "Class A" machines that, according to some industry observers, operate in ways that closely resemble Class B economic activity while existing outside portions of the Class B regulatory structure.

This issue raises several important concerns for operators and policymakers alike.

Georgia's Class B COAM framework includes a specific tax structure and operational limitations intended to support educational funding while maintaining a regulated gaming environment. Municipal machine limits, taxation requirements, and licensing rules were created intentionally as part of the state's broader regulatory balance.

When devices categorized as Class A are deployed in a manner that appears designed to replicate Class B economic benefits while avoiding portions of the Class B framework, questions naturally arise regarding competitive fairness and regulatory intent. Those concerns become even more significant when hybrid devices replace traditional Class B machines in ways that may effectively expand gaming capacity beyond what local governments originally intended.

Many municipalities have adopted six-machine limitations specifically to avoid the expansion of casino-style gaming environments. Simply

put, COAMs need to be part of a larger business, not the principal business activity. If additional devices are introduced that functionally increase gaming activity while technically existing outside those limits, local governments may begin to view such arrangements as against the intent of these ordinances. This can create broader political consequences for the industry as a whole. With the growth of personal property tax, sales tax and occupation tax revenue from COAMs, it is disingenuous to diminish the solid relationship that the COAM industry has developed with the vast majority of local governments.

Additionally, if a machine licensed or marketed as "Class A" were ultimately determined by regulators or the courts to actually function as a Class B device, operators could face substantial consequences, including fines, licensing actions (including revocations), tax assessments, or other enforcement measures. Questions may also arise regarding whether certain operational models were designed primarily to avoid portions of the Class B tax structure established under recent legislative reforms, including the 13% Class B tax provisions associated with HB 353.

Whether regulators ultimately adopt that interpretation or not, operators should recognize the seriousness of the issue before assuming aggressive classification strategies which are low-grade business tactics that tarnish the industry's reputation.

Revenue sharing and competitive imbalance

Another issue receiving growing attention involves revenue-sharing arrangements tied to hybrid devices.

Some operators have raised concerns that hybrid "Class A" machines are being used to offer revenue splits that differ substantially from the economic structure traditionally associated with regulated Class B operations.

Critics argue that these enhanced revenue arrangements may function as indirect incentives designed to secure or maintain Class B placements.

Whether or not regulators ultimately agree with those concerns, the perception alone creates tension within the marketplace.

Operators who follow the traditional regulatory structure may begin to feel competitively disadvantaged against businesses willing to pursue more aggressive operational models.

That is where the industry should exercise caution.

A healthy regulated

marketplace depends on consistency, transparency, and confidence that businesses are competing within the same general framework. When operators begin searching for ways to bypass established economic structures rather than compete within them, the long-term credibility of the regulatory system can begin to erode.

Gift cards, e-wallets, and indirect cash access

Perhaps no issue has generated more discussion recently than the use of gift cards, stored-value systems, e-wallets, and financial service integrations connected to COAM prize redemption.

HB 353 made clear that Georgia lawmakers intended to strengthen oversight surrounding prize redemption systems and reinforce limitations related to cash equivalency. O.C.G.A. § 50-27-71.1 specifically addresses COAM gift card systems and states that such instruments are intended for lawful noncash redemption and "shall not be exchanged for cash, change, or currency."

At the same time, some emerging technologies now allow players to move stored value through multiple transactional steps that may ultimately result in access to cash through ATM withdrawals, bank transfers, or related financial services.

Supporters of these systems often argue that the existence of intermediary steps changes the legal or regulatory analysis. Others argue that regulators may instead focus on the practical outcome of the transaction and whether the overall structure appears inconsistent with the purpose behind recent legislative reforms.

Regardless of where future interpretations ultimately land, operators should recognize that these issues are likely to receive significant regulatory attention moving forward. And history shows that in regulated industries, arrangements perceived as intentionally circumventing legislative safeguards often attract heightened scrutiny over time and bad results.

Illegal conduct not legal because others do it

One of the most concerning trends emerging in the Georgia COAM market is not necessarily the conduct itself — it is the growing attempt to justify questionable conduct based on the belief that competitors are already violating the rules. The argument typically sounds something like this:

- "Some locations are already paying cash."
- "Some operators are already paying inducements."

- "Some competitors are already exploiting loopholes."
- "If we do not do the same, we cannot compete."

That reasoning is deeply flawed. Illegal or questionable conduct by one operator does not automatically justify increasingly aggressive conduct by others.

Every regulated industry in America faces this same tension. If one bank violates anti-money laundering rules, competing banks are not permitted to create alternative "indirect" structures to achieve similar results. If one pharmacy violates controlled substance laws, other pharmacies are not justified in engineering different methods of unlawful distribution simply to preserve market share. And if one liquor store ignores age restrictions, competitors are not excused from compliance simply because the market became unfair.

Regulated industries survive because individual operators remain responsible for their own decisions — even when competitive pressure exists.

'Jumping off the bridge' is not a business strategy

There is an old saying: Just because someone else jumps off a bridge does not mean you should follow them. That principle applies directly to regulated business operations.

The correct response to suspected misconduct is not imitation. It is enforcement, accountability, and stronger compliance standards. When businesses begin rationalizing increasingly aggressive conduct simply because "everyone else is doing it," regulators eventually stop viewing problems as isolated incidents and begin viewing them as evidence of broader industry deterioration.

That shift matters. Once policymakers conclude that loophole-driven conduct is becoming systemic, the typical response is:

- Increased enforcement
- More restrictive legislation
- Additional taxation
- Greater operational limitations
- Expanded municipal restrictions

In other words, the short-term pursuit of competitive advantage can ultimately damage the entire industry.

Many of these issues are still being reviewed

Another important reality operators should not ignore is that many of these issues remain unsettled and continue to receive attention from regulators, lawmakers, law enforcement

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agencies, and the courts.

- Questions involving:
- Gift card redemption systems
- Indirect cash-access mechanisms
- Hybrid machine classifications
- Questionable revenue-sharing arrangements
- Inducement and interest structures
- Municipal machine-limit interpretations

... are increasingly becoming subjects of regulatory review and, in some cases, judicial interpretation regarding how existing statutes should be applied within an evolving industry environment.

That uncertainty alone should encourage caution.

At the same time, it is important not to paint the Georgia COAM industry with a broad brush. The overwhelming majority of location licensees, master licensees, distributors, and operators throughout Georgia work hard every day to operate responsibly, comply with the law, support their communities, and preserve the integrity of the COAM industry.

Unfortunately, as with any regulated business environment, a small number of aggressive actors can create disproportionate problems for everyone else. And that is precisely the concern facing the industry today.

Many of the current controversies do not involve standard operational practices accepted across the market. Rather, they involve a relatively small number of businesses attempting to push increasingly aggressive interpretations, workaround structures, or questionable competitive tactics that risk undermining the broader credibility of the entire industry.

History shows that regulators and lawmakers rarely distinguish between a few bad actors and the larger industry once public confidence begins to erode. That is why responsible operators should be especially concerned.

When a handful of businesses begin testing the outer edges of inducement restrictions, indirect cash-access systems, tax structures, or machine classifications, the consequences often extend far beyond those individual operators. Increased scrutiny, additional legislation,

expanded enforcement, and negative public perception eventually affect everyone — including the many businesses operating responsibly.

Responsible operators should also recognize that the absence of immediate enforcement does not necessarily mean a practice has been approved or validated.

In regulated industries, formal guidance, enforcement priorities, administrative rulings, and court decisions often develop more slowly than the business models themselves. By the time regulatory interpretation fully catches up, businesses that aggressively pursued uncertain practices may already face significant operational, financial, or reputational exposure.

That is especially important in Georgia's COAM industry because many of the ongoing debates center around legislative intent, statutory interpretation, and whether emerging technologies or transactional structures are consistent with the purpose behind reforms such as HB 353.

The industry should not allow a handful of bad actors chasing short-term advantage to create long-term damage for everyone

else. Responsible operators have too much invested in the future of Georgia's COAM market to remain silent while aggressive conduct threatens the credibility and stability of the system as a whole.

Final thought

The future stability of Georgia's COAM industry will not be determined by who discovers the next workaround. It will be determined by whether operators choose to prioritize long-term credibility over short-term advantage.

Innovation is not the problem. Competitive business practices are not the problem. The problem arises when business models begin appearing designed primarily to circumvent the purpose and structure of the regulatory framework itself.

Responsible operators should remember an important reality: In regulated industries, the question is rarely just whether something can technically be structured a certain way. The more important question is whether the arrangement respects the purpose, integrity, and intent of the system that allows the business to operate in the first place.

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Keep COAMs connected to ensure financial reporting

To ensure accurate reporting of financial data to the Central Accounting System, the Georgia Lottery Corporation (GLC) says it is imperative the Location License Holders (LLHs) ensure all equipment remains connected to the site controller and powered up at all times.

The GLC maintains a record of those LLHs that are repeat offenders of failing to ensure the continuous connectivity and operation of Class B COAMs.

Failure to comply with these procedures may result in fines up to \$50,000, suspension and/or revocation of the license.

Proper procedure for the decommission of COAMs

The proper procedure to decommission coin-operated amusement machines (COAMs) can be found on the COAM Division website, www.gacoam.com. The COAM decommission procedure should be followed when there is:

- A change of master, change of ownership, or cancellation letter received by GLC;
- A COAM game board swapped out with a different game;
- A COAM malfunction.

To proceed with the decommissioning:

1. Call Intralot before disconnecting the COAMs from a location and removing those COAMs. The Master License Holder (MLH) needs to contact the Intralot Hotline at 877-261-6242 to properly decommission COAMs. The COAMs must be connected to the site controller at this time.
2. Intralot will let you know when the COAMs are decommissioned. The Intralot representative will perform steps on the Intralot system that prepares the COAMs for the decommission. Once the steps are complete, Intralot will notify the MLH the machines have been decommissioned.
3. Disconnect decommissioned COAMs from the site controller.

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COIN OPERATED AMUSEMENT MACHINE LOCATION SWEEP AND MASTER PUSH CALENDAR



JAN-JUNE 2026



ACCOUNTING WEEK START	ACCOUNTING WEEK END	LOCATION SWEEP DATE	MASTER PUSH DATE
28-Dec-25	03-Jan-26	07-Jan-26	13-Jan-26
04-Jan-26	10-Jan-26	14-Jan-26	21-Jan-26*
11-Jan-26	17-Jan-26	21-Jan-26	27-Jan-26
18-Jan-26	24-Jan-26	28-Jan-26	03-Feb-26
25-Jan-26	31-Jan-26	04-Feb-26	10-Feb-26
01-Feb-26	07-Feb-26	11-Feb-26	18-Feb-26*
08-Feb-26	14-Feb-26	18-Feb-26	24-Feb-26
15-Feb-26	21-Feb-26	25-Feb-26	03-Mar-26
22-Feb-26	28-Feb-26	04-Mar-26	10-Mar-26
01-Mar-26	07-Mar-26	11-Mar-26	17-Mar-26
08-Mar-26	14-Mar-26	18-Mar-26	24-Mar-26
15-Mar-26	21-Mar-26	25-Mar-26	31-Mar-26
22-Mar-26	28-Mar-26	01-Apr-26	07-Apr-26
29-Mar-26	04-Apr-26	08-Apr-26	14-Apr-26
05-Apr-26	11-Apr-26	15-Apr-26	21-Apr-26
12-Apr-26	18-Apr-26	22-Apr-26	28-Apr-26
19-Apr-26	25-Apr-26	29-Apr-26	05-May-26
26-Apr-26	02-May-26	06-May-26	12-May-26
03-May-26	09-May-26	13-May-26	19-May-26
10-May-26	16-May-26	20-May-26	27-May-26*
17-May-26	23-May-26	27-May-26	02-Jun-26
24-May-26	30-May-26	03-Jun-26	09-Jun-26
31-May-26	06-Jun-26	10-Jun-26	16-Jun-26
07-Jun-26	13-Jun-26	17-Jun-26	24-Jun-26*
14-Jun-26	20-Jun-26	24-Jun-26	30-Jun-26
21-Jun-26	27-Jun-26	01-Jul-26	08-Jul-26*

*Indicates sweep or push date has been changed to accommodate holiday
 Note: Holidays on a Thursday and Friday may delay the availability of the Location Period Accounting Report on the following Monday

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