**South Carolina General Assembly**

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Summary: Gaming Commission

**HISTORY OF LEGISLATIVE ACTIONS**

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**VERSIONS OF THIS BILL**

[03/06/2025](https://www.scstatehouse.gov/sess126_2025-2026/prever/4176_20250306.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY ENACTING THE “I‑95 ECONOMIC AND EDUCATION STIMULUS ACT” by adding chapter 36 to title 1 SO AS TO ESTABLISH THE SOUTH CAROLINA GAMING COMMISSION THAT MAY AWARD CASINO LICENSES IN CERTAIN COUNTIES.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. This act may be cited as the “I‑95 Economic and Education Stimulus Act.”

SECTION 2. The General Assembly finds that casino gaming is not consistent with nor compatible with the economic, labor, or tourism industry profile for most communities in South Carolina. However, the General Assembly recognizes and further finds that certain counties along Interstate 95 (I‑95) represent rural and impoverished school districts. The General Assembly further finds that casino gaming in these counties is consistent and compatible with their economic, labor, and tourism profiles and that revenue, job creation, and economic improvement from such gaming would substantially enhance the educational opportunities of children living in these areas. As set forth in Chapter 36, Title 1, the General Assembly expressly intends to limit, regulate, and suppress options for casino gaming within the State of South Carolina.

SECTION 3. Title 1 of the S.C. Code is amended by adding:

CHAPTER 36

Gaming Commission

 Section 1‑36‑10. As used in this chapter:

 (1) “Applicant” means the person selected by the eligible county to seek a casino license from the commission.

 (2) “Casino” means the business authorized to engage in, promote, and host casino gaming pursuant to the provisions of this chapter.

 (3) “Casino site” is the specific parcel identified for the casino structure and ancillary structures located within an eligible county.

 (4) “Casino gaming” for purposes of this chapter means all Class III gaming as defined in 25 C.F.R. Section 502.4, with exception of a lottery, which is not permitted under the provisions of this chapter.

 (5) “Casino license” is the license to own, develop and operate a casino pursuant to Section 1‑36‑20 and the provisions of this chapter and will be site-specific.

 (6) “Commencement of Gaming” is the date upon which the casino begins operations and offers casino gaming and access to the public pursuant to the regulations as established by the commission.

 (7) “Commission” means the South Carolina Gaming Commission.

 (8) “Development agreement” means an agreement between the applicant and an eligible county that meets the requirements of Section 6‑31‑60(A). Notwithstanding the term and acreage limitations of a development agreement pursuant to Section 6‑31‑40, any development agreement relating to a casino site shall have an initial term coterminous with the initial license, including any extensions.

 (9) “Eligible county” means those counties that:

 (a) contain a section of I‑95 within their borders;

 (b) is classified as a Tier IV county for job tax credit purposes pursuant to Section 12‑6‑3360(B) as determined by the South Carolina Department of Revenue in Information Letter #23‑18; and

 (c) have passed an ordinance by the county council requesting the commission to issue a casino license to the applicant pursuant to a development agreement between the applicant and the eligible county.

 (10) “Executive director" means the Executive Director of the South Carolina Gaming Commission.

 (11) “Economic Impact Study” or “EIS” means a comprehensive market study of the proposed casino and the economic impacts of the same.

 (12) “Gaming Equipment” means any tables, electronic gaming machines or other equipment commonly identified as Class III gaming and authorized by this chapter. Equipment used in connection with Class II gaming, as defined in the 25 C.F.R. Section 502.3, is specifically excluded from this definition.

 (13) “Gross Gaming Revenue” or “GGR” is the total amount of money wagered by players minus the winnings paid out, representing the casino gaming revenue that the licensee earns before deducting expenses and taxes.

 (14) “Host county” is the county in which the casino site is located and receives portions of the privilege tax pursuant to Section 1‑36‑70.

 (15) “Initial license” is the first casino license issued pursuant to provisions of this chapter and approved by the commission at the request of an eligible county, to own and operate the casino in South Carolina.

 (16) “Key personnel” means principals or employees with control over decision making of a licensee to manage and advance the business operations of a licensee in this State.

 (17) “Licensee” means the person licensed pursuant to provisions of this chapter that is ultimately responsible for ownership, development, operation, and management of the casino.

 (18) “Lottery” means a game of chance as defined in the South Carolina Education Lottery Act.

 (19) “Owner” means any person having five percent or more ownership of a licensee.

 (20) “Operator” means the person in control of daily operations of the casino licensed under this chapter.

 (21) “Person” means an individual, corporation, partnership, unincorporated association, or other legal entity.

 (22) “Suitability license” means a certificate issued by the commission finding the individual meets the qualifications and character requirements as may be required or established by the regulations of the commission to work for or with the licensee in the ownership, operation, or management of gaming activities of the casino.

 (23) “Vendor” means any person supplying Class III gaming equipment to the casino.

 Section 1‑36‑20. (A) The ownership, development, and operation of a licensed casino, participation in casino gaming within the licensed facility, and ancillary activities are lawful only when conducted pursuant to the limited provisions of this chapter.

 (B) A person may not engage in any activities in this State that require a casino license pursuant to this chapter unless all necessary licenses have been obtained and are maintained pursuant to the provisions of this chapter.

 (C) By and through this chapter, the State expressly intends that competition for such licenses and the options available for casino sites be limited and restricted.

 Section 1‑36‑30. (A) There is established the South Carolina Gaming Commission to provide governance and oversight of casino gaming authorized under this chapter. The commission and its employees are subject to the South Carolina Consolidated Procurement Code, South Carolina Administrative Procedures Act, South Carolina Ethics Reform Act, and South Carolina Freedom of Information Act. Venue for the commission is in Richland County.

 (B) The commission is composed of three members. One member must be appointed by the Governor who shall serve as chairman of the commission, one member must be appointed by the President of the Senate, and one member must be appointed by the Speaker of the House of Representatives. Decisions of the commission must be made by majority vote. A quorum of the commission is two or more members.

 (C) A member must:

 (1) be a resident of the State of South Carolina;

 (2) not have been convicted of a felony offense or bookmaking or other form of unlawful gambling. A background investigation must be conducted on each commission nominee. The commission shall pay for the cost of the investigation and may contract with the State Law Enforcement Division or appropriate federal agency for the performance of the investigation;

 (3) meet the qualifications for electors as provided in Section 7‑5‑120; and

 (4) not have been an elected public official, an office that would be considered for purposes of the prohibition against dual-office holding, as provided in Section 24, Article III of the Constitution of this State, and Section 2‑1‑100, for at least one year before appointment.

 (D) An individual is not eligible for appointment as a member of the commission if the individual:

 (1) is an officer or official of a political party;

 (2) has a direct pecuniary interest in the gaming industry;

 (3) has been convicted of a felony;

 (4) has been convicted of a misdemeanor involving gambling, theft, computer‑related offenses, forgery, perjury, dishonesty, or unlawfully selling or providing a product or substance to a minor;

 (5) has been convicted of a violation under this chapter; or

 (6) has been convicted of an offense in a federal court, military court, or court of another state, territory, or jurisdiction that under the laws of this State would disqualify him pursuant to items (3), (4), or (5).

 (E) In making appointments to the commission, the Governor, the President of the Senate, and the Speaker of the House of Representatives, as appropriate, shall consider legal, financial, accounting, and marketing experience and race, gender, and other demographic factors to ensure nondiscrimination, inclusion, and representation of all segments of the State to the greatest extent possible.

 (F) The term of each commission member begins on March first and shall continue for a period of four years with each new appointment or reappointment being four years and validly serving until his successor is appointed and qualified. Vacancies, if any, must be filled for the balance of the then‑remaining term and an appointment to the vacant office must be made by the appointing authority that made the original appointment and under the same standards as the original appointment, mutatis mutandis.

 (G) A member of the commission may be removed from the commission by the appointing authority if, in the opinion of the appointing authority, the member has committed misfeasance or malfeasance in office or neglect of duty.

 (H) The commission shall meet no less than quarterly and may hold additional regular and special meetings at the call of the commission. The members shall not receive a salary but may be reimbursed for per diem and travel expenses as provided for commissions and boards.

 Section 1‑36‑40. (A) The commission shall appoint an executive director and provide for the compensation of an executive director which may not be based upon or a function of profitability or revenue of any casino. The executive director must be an employee of the commission who directs the day‑to‑day operations and management of the commission and is vested with powers and duties specified by the commission and by law. The executive director serves at the pleasure of the commission. The commission may extend a multiyear employment agreement to the executive director.

 (B)(1) The executive director shall direct and supervise all administrative and technical activities as provided for in this chapter, regulations promulgated pursuant to the Administrative Procedures Act, and policies and procedures adopted by the commission. It is the duty of the executive director to:

 (a) employ and direct necessary personnel;

 (b) employ by contract and compensate necessary persons and firms, except that such contracts must not be with an entity for the purpose of having that entity undertake the organization and conduct of the commission;

 (c) prepare a budget for the approval of the commission;

 (d) report monthly to the board a full and complete statement of revenues and expenses for the preceding six months or such other period as the commission may require; and

 (e) perform other duties as provided for in this chapter and assigned to the executive director by the commission.

 (2) The commission shall keep and maintain the licensing fees and application fees to fund the administrative and operational expenses of the commission.

 (C) The executive director may not contribute to or make independent expenditures relative to the campaign of a candidate for the General Assembly or a statewide constitutional office, to a political party, as defined in Section 8‑13‑1300, or to a committee, as defined in Section 8‑13‑1300. An executive director who violates this section must, notwithstanding any contract or agreement to the contrary, be immediately terminated.

 Section 1‑36‑50. (A) The commission shall hire and provide for the compensation of an internal auditor and necessary staff who may be employees of the commission and who are vested with the powers and duties specified by the commission and by law. The internal auditor shall report directly to the commission. Except for the internal auditor, the commission may delegate the hiring of necessary staff to the executive director.

 (B) Beginning one year after the establishment of the commission, and every three years thereafter, or by the request of ten members of the House of Representatives or five members of the Senate, the Legislative Audit Council shall conduct a management performance audit of the commission. The cost of this audit is an operating expense of the commission.

 Section 1‑36‑60. (A)(1) The initial casino license may be issued to a qualifying applicant pursuant to a request from the county council of an eligible county. Once the initial license has been issued at the request of one of the eligible counties, no additional casino licenses may be issued for a period of ten years. Any subsequent casino license, other than a renewal of an existing initial license by the commission, may only be authorized under the provisions of this chapter.

 (2) The term of the initial license must be for a period of fifteen years and may be renewed by the commission for subsequent periods of five years each.

 (B) The county council of the eligible county may request the initial license be issued to a qualified individual or entity, subject to the review and approval of the commission. No county may have more than one request pending before the commission for its review of an applicant’s eligibility for a casino license within such county at any given time. The request must identify and include:

 (1) a copy of the ordinance requesting the initial license, and the approved and executed development agreement between the eligible county and the applicant;

 (2) the application of the proposed licensee complying with subsection (C);

 (3) the specific site of the proposed casino; and

 (4) an economic impact study meeting the requirements of subsection (D)(5).

 (C) The commission shall review and issue a casino license to a qualifying licensee. The applicant shall submit the application fee of five hundred thousand dollars and a licensing fee of two million dollars. If the application is denied, the licensing fee must be refunded. The application fee is nonrefundable.

 (D) An applicant for a casino license shall submit the application on a form and in a manner in accordance with regulations as may be prescribed and established by the commission, which shall include those items listed in this section. To the extent no such regulations exist at the time of the initial submission by applicant and eligible county, said application to the commission must include:

 (1) the identification of each owner associated with the applicant;

 (2) a national criminal background check for each individual identified in item (1) conducted by the South Carolina Law Enforcement Division or another appropriate law enforcement agency;

 (3) notice and a description of any final civil judgments obtained against the applicant pertaining to antitrust or security regulation laws of the federal government, of this State or of another state, jurisdiction, province, or country within the past ten years;

 (4) evidence that establishes the applicant, or individual with control of the applicant has:

(a) at least ten years of experience in casino gaming;

 (b) ownership or control of the proposed casino site in the eligible county for a period of no less than two years prior to the date of the development agreement being approved by the eligible county;

 (c) not served as an elected public official for at least five years prior to the effective date of the development agreement;

 (d) no felony convictions or, any convictions for bookmaking, or other forms of unlawful gambling in any jurisdiction; and

 (e) meets the qualifications of an elector under Section 7‑5‑120;

 (5) an economic impact study assuming an investment in real property improvements and necessary infrastructure improvements in connection with the proposed casino site of no less than two hundred million dollars. The EIS further shall set forth:

 (a) a market study of gaming within the State;

 (b) identification of economic impacts on the closest municipality, eligible county, and the State;

 (c) projected development costs and time frames or phases for development;

 (d) traffic counts;

 (e) employment opportunities and impacts therefrom; and

 (f) projected gross gaming revenues;

 (6) information, documentation, and assurances concerning financial background and resources as may be required to establish the financial stability, integrity, and responsibility of the applicant and each owner. The commission may consider relevant evidence of financial stability, including requests for tax information from the South Carolina Department of Revenue;

 (7) information, documentation, and materials as may be required to establish that the applicant has sufficient business ability and casino gaming experience as to establish the likelihood of the creation and maintenance of a successful, efficient casino operation.

 (E) The commission shall also consider, but may waive in its discretion, whether the applicant or individual with control or ownership has:

 (1) previously obtained a casino gaming-related license in the State or other jurisdictions;

 (2) previously obtained a license from the State of South Carolina Department of Revenue and remained in good standing during the pendency of that license;

 (3) has previously owned or been licensed to place casino gaming equipment; and

 (4) is a resident of the State of South Carolina.

 (F) Each person holding a casino license pursuant to this chapter has a continuing duty to inform the commission as soon as commercially reasonable of any change in status relating to any information provided in connection with the initial application or any renewal application for a casino license.

 (G) A person issued a license to operate a casino pursuant to this chapter is subject to all provisions of this chapter relating to licensure, regulation, and civil and criminal penalties.

 (H)(1) A background investigation must be conducted for all principal owners, operators, and key personnel, and the cost of such investigations shall be borne by the commission.

 (2) The commission may require that certain persons directly and actively involved in the administration or supervision of the casino gaming activities of licensees be found suitable so long as that involvement continues. The following persons shall apply for a finding of suitability and, if determined appropriate by the commission, issued a suitability license by the commission to continue with a licensee in ownership, operation or control of the casino:

 (a) each person who has five percent or more ownership in or control of the licensed entity;

 (b) each person who serves in any audit or compliance committees of the licensed entity; and

 (c) any executive, employee, or agent of a licensee having the power to exercise a significant influence over decisions concerning any part of the operation of a licensee.

 (3) Except for those persons ineligible to participate pursuant to this chapter, a person who is no less than twenty‑one years of age or older may participate in casino gaming within the licensed facility.

 (4) The following individuals or categories of individuals may not, directly or indirectly, participate in casino gaming in this State:

 (a) a member, officer, or employee of the commission;

 (b) with respect to a licensee, a principal owner, partner, member of the board of directors, officer, or supervisory employee with that licensee;

 (c) with respect to a vendor of a licensee, a principal owner, partner, member of the board of directors, officer, or supervisory employee with a licensee that vendor contracts with;

 (d) a contractor, subcontractor, consultant, or employee of a licensee, if the individual is directly involved in the licensee’s operation of casino gaming; and

 (e) a person subject to a contract with the commission if the contract contains a provision prohibiting the person from participating in casino gaming.

 (I) The commission shall keep all information, records, interviews, reports, statements, memoranda, or other data supplied to or used by the commission in the course of its review or investigation of an application for or renewal of a casino license as described in this chapter confidential and shall use that material only to evaluate the applicant for a casino license or renewal. Nothing in this chapter or any other law may be construed to permit the disclosure of such information, records, interviews, reports, statements, memoranda, or other data supplied to or used by the commission pursuant to this section and such materials are exempt from disclosure pursuant to Section 30‑4‑40.

 (J) Upon review of the application, the commission shall approve or deny an application for a casino license no more than thirty days after receipt of an application. Once issued, the casino license may not be transferred without the express written permission of the commission. Any change of ownership of the licensee entity must be immediately reported to the commission if such change results in any individual or entity meeting or exceeding reporting requirements for an owner.

 (K) The term of the casino license begins to run with the commencement of casino gaming and an additional annual fee, in an amount equal to the application fee set forth in subsection (C), is due on or before a full calendar year from commencement of gaming and continuing for every year of operation of the casino.

 (L) A licensee may renew its casino license by submitting an application on a form, in such manner, and in accordance with such requirements as may be prescribed by the commission. A licensee shall submit the renewal application, renewal application fee of five hundred thousand dollars and the license fee of two million dollars with its application for the renewal of its casino license. If the application is denied, the licensing fee must be refunded. The application fee is nonrefundable. The fees collected from licensees pursuant to this section must be used by the commission to pay the actual operating and administrative expenses incurred pursuant to this chapter.

 Section 1‑36‑70. (A) It is a taxable privilege to operate a casino in this State under a casino license issued in accordance with this chapter. Notwithstanding any other provision of law, a licensee shall pay a monthly privilege tax on its adjusted gross gaming revenue (GGR) in accordance with this section.

 (B)(1) There is imposed upon the adjusted GGR of a licensee a privilege tax of fifteen percent.

 (2) If a licensee’s GGR is negative, such licensee may carry over such negative amount to subsequent months.

 (C) A licensee shall complete and submit the return for the preceding month by electronic communication to the executive director, on or before the fifteenth calendar day, commencing on the first full calendar month following commencement of casino gaming, in the form prescribed by the executive director, which must provide:

 (1) the GGR on all gaming equipment during that month;

 (2) the tax amount for which the licensee is liable; and

 (3) any additional information necessary in the computation and collection of the tax on adjusted GGR required by the director.

 (D) The proceeds from the privilege tax must be credited to the general fund.

 (E) The gross gaming revenues of a licensee are not subject to additional state or local taxation not prescribed by this section including, local business license taxes, other than state income taxes. Other revenues of a casino including, without limitation, retail sales, sales of prepared meals and beverages, rents and other charges for accommodations, are subject to sales and use taxes as provided by law.

 Section 1‑36‑80. A person who engages in ownership, operation of a licensed casino, supplies gaming equipment or otherwise acts as a vendor to the licensed casino or participates in casino gaming while at the licensed facility is not in violation of gambling and lottery prohibitions pursuant to Chapter 19, Title 16 and Chapter 21, Title 12.

 Section 1‑36‑90. (A) The commission may expend, pursuant to the provisions of this chapter, monies received from any source, including income from the commission’s operations, for effectuating its purposes, including the payment of the initial expenses of organization, administration, and operation of the commission.

 (B) The commission must be self‑sustaining and self‑funded. Monies in the state general fund must not be used or obligated to pay the expenses of the commission.

 (C) The commission may purchase, lease, or lease‑purchase goods or services necessary for effectuating the purposes of this chapter. The commission may make procurements to promote and ensure security, honesty, fairness, and integrity in the operation and administration of the commission and the objectives of raising net proceeds for the benefit of the public.

SECTION 4. This act takes effect upon approval by the Governor.

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