

ECTOR COUNTY - GAME ROOM ORDINANCE

Sec. 1 DEFINITIONS

The provisions of this article, relating to the definitions of words, terms, and phrases are hereby incorporated by reference and made a part hereof, and shall apply and govern the interpretation of these regulations, except as otherwise specifically declared, or as is clearly apparent from the context of the regulations herein. The following words, terms, and phrases shall have the ascribed meaning indicated below.

Agent. Any commissioned peace officer or designated agent of the county.

Amusement Redemption Machine. Any electronic, electromechanical, or mechanical contrivance designed, made, and adopted for bona fide amusement purposes that rewards the player exclusively with noncash merchandise, prizes, toys, or novelties, or a representation of value redeemable for those items, with a wholesale value available from a single play of the game or device in an amount not more than 10 times the amount charged to play the game or device once or \$5, whichever amount is less.

Applicant. The person who has completed an application with the Ector County Sheriff's Office for a license or permit to participate in the video gaming industry in the county.

Application. The process by which a person requests license or permit, or the renewal of a license or permit, for the participation in the video gaming industry in the county.

Designated Representative. An employee designated by the Licensee to oversee and assume responsibility for the operation of the licensed establishment.

Device. A video gaming device which complies with the rules of the county and this article.

Facility. The premises of a business which is licensed to house, or offer for play, video gaming devices within this county.

Game Room. A for-profit business located in a building or place that contains six or more:

- (a) Amusement redemption machines; or
- (b) Electronic, electromechanical, or mechanical contrivances that, for consideration, afford a player the opportunity to obtain a prize or thing of value, the award of which is determined solely or partially by chance, regardless of whether the contrivance is designed, made, or adopted solely for bona fide amusement purposes.

Game Room Owner. Person who:

- (a) Has an ownership interest in, or receives the profits from, a game room or an amusement redemption machine located in a game room;
- (b) Is a partner, director, or officer of a business, including a company or corporation, that has an ownership interest in a game room or in an amusement redemption machine located in a game room;
- (c) Is a shareholder that holds more than 10 percent of the outstanding shares of a business, including a company or corporation, that has an interest in a game room or in an amusement redemption machine located in a game room;
- (d) Has been issued by the county clerk an assumed name certificate for a business that owns a game room or an amusement redemption machine located in a game room;
- (e) Signs a lease for a game room;
- (f) Opens an account for utilities for a game room;
- (g) Receives a certificate of occupancy or certificate of compliance for a game room; or
- (h) Pays for advertising for a game room; or
- (i) Signs an alarm permit for a game room.

Inspection. The observation or examination by any agent of the county of any premises, or motor vehicles, of the Licensee or applicant, where video gaming devices and related equipment may be manufactured, distributed, stored, possessed, or offered for play. Or any inquiry procedures necessary to discover facts of things related/connected to video gaming in any way.

Operator. An individual who:

- (a) Operates a cash register, cash drawer, or other depository on the premises of a game room or of a business where the money earned or the records of credit card transactions or other credit transactions generated in any manner by the operation of a game room or activities conducted in a game room are kept;
- (b) Displays, delivers, or provides to a customer of a game room merchandise, goods, entertainment, or other services offered on the premises of a game room;
- (c) Takes orders from a customer of a game room for merchandise, goods, entertainment, or other services offered on the premises of a game room;
- (d) Acts as a door attendant to regulate entry of customers or other persons into a game room; or
- (e) Supervises or manages other persons at a game room in the performance of an activity listed in this subdivision.

Licensee. Any applicant or person who is granted a license by the county permitting video gaming activities that are authorized by this article. The authorized activity of all Licensees shall be limited to the type of license issued to each.

Minors. Every natural person under the age of eighteen (18) years.

Mixed Patronage. A clientele which includes both minors and adults.

Offense. Any violation of this article, or these rules, or any other criminal conduct.

Permittee. For purposes of these rules, shall have the same meaning as “video gaming employee” as provided in Sec. 3.

Premises. Land, together with all buildings, improvements, equipment, and personal property located thereon which is controlled by an applicant or Licensee and associated with video gaming activities authorized by this article.

Resident. Any natural person who is domiciled in the state, or who demonstrates that he/she maintains a permanent place of abode within the state, and who has resided and/or been domiciled in the state for a period of two years prior to the date of his application for a license.

Ticket Voucher. A ticket which is printed by a video gaming device by use of a payer-activated switch providing the player with a printed record of credits owed.

Video Gaming Device. Computers and other types of electronic machines or devices of any kind or character which are operated by, or upon, the payment of any form of consideration, including but not limited to paper currency, coins, legal tender, metal slugs, tokens, electronic card or checks, and which is used or capable of being used or operated for amusement and/or pleasure, including, but expressly not limited to versions of machines or devices commonly referred to as a slot machine and/or eight-liner machine which awards the player a ticket voucher as defined herein. This term expressly excludes gambling devices as defined by Texas Penal Code chapter 47, coin-operated music machines, pay toilets, pay telephones, coin-operated rides for children, and all other coin-operated machines which dispense or vend merchandise, commodities, confections or music or which award non-cash merchandise.

Written Reprimand. A written notification from the county to a Licensee which outlines any violation of these rules.

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| Sec. 2 APPLICATION AND LICENSE |
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(a) Initial/Renewal Applications.

- (1) All persons owning, possessing, operating or maintaining a “Game Room” shall apply for a license and registration from the county.
- (2) All applications for a license shall be submitted on forms provided by the county and mailed to an address provided by the county.
- (3) An application is not complete nor is it considered filed with the county unless it is submitted with the appropriate fee, is signed by the applicant, and contains all information required by the county.
- (4) All applicants for a license shall comply with the disclosure provisions. In addition, all applicants shall be required to disclose any violation of any administrative regulation from any jurisdiction.
- (5) All applications, except for a manufacturer’s application, shall include an accurate sketch of the interior of the facility, and the proposed location of all video gaming devices to be located therein. In addition, the sketch shall include all grounds and parking areas.
- (6) All applications shall include the name of the owner(s) of the premises on which the establishment is located.
- (7) All renewal applications shall be submitted in complete form.
- (8) All applicants shall provide all additional information requested by the county. If applicants fail to provide all additional information requested by the county, the application shall be considered incomplete.
- (9) All applications are to contain a properly notarized oath wherein the applicant states that:
 - (A) The information contained therein is true and correct.
 - (B) The applicant has read this article and these rules, and any other informational materials supplied by the county that pertain to video gaming; and
 - (C) The applicant agrees to comply with these rules and this article.
- (10) All applications shall contain a telephone number and permanent mailing address for receipt of correspondence and service of documents by the county.
- (11) Incomplete applications, including failure to pay fees, may result in a delay or denial of a license.
- (12) The applicant shall notify the county in writing of all changes of address, phone numbers, personnel, and other required information in the application within ten (10) business days of the effective date of the change.
- (13) An application or license may be denied, revoked, or suspended if the applicant is convicted of a crime that directly relates to the duties and responsibilities of the applicant.

- (14) An application shall be denied if an applicant has been convicted, in any jurisdiction, for any of the following offenses within the ten (10) years prior to the date of the application, and at least ten (10) years has not elapsed between the date of application and the successful completion of any service of a sentence, deferred adjudication, or period of probation or parole for any of the following:
 - (A) Any offense punishable by imprisonment for more than one (1) year;
 - (B) Theft or any crime involving false statements or declarations; or
 - (C) Gambling, as defined by the laws or ordinances of any municipality, county, or state, the United States, or any similar offense in any other jurisdiction.
- (15) If an applicant has pending criminal charges, approval or denial of the application shall be delayed until those charges are disposed of.
- (16) Any misrepresentation or false statement, including improperly notarized documents, in any report, disclosure, application, permit form, or any other document required shall be a violation of these rules and this article, and shall result in denial, revocation, or suspension of an application or license.

(b) Requirements for Licensing.

- (1) No person shall be granted a license, and no license shall be renewed, unless the applicant demonstrates to the county that he/she is eligible for licensing, and thereafter continues to maintain eligibility, as provided.
- (2) Once a video gaming license has been issued by the county, the license shall be conspicuously displayed by the Licensee in his place of business, so that it can be easily seen and read by the public.
- (3) If a Licensee fails to file a complete renewal application on or before forty-five (45) days prior to the license expiration date, the county may assess a civil penalty of \$250.00 for the first violation, \$500.00 for the second violation, and \$1,000.00 for the third violation. Subsequent offenses shall require administrative action, including, but not limited to, suspension or revocation of Licensee's license.
- (4) The appropriate annual fee shall be paid by all Licensees, regardless of the expiration date of the license, on or before January 15 of each year.
- (5) All nonrefundable fees required for application/renewal and any administrative fines or penalties shall be made payable to the Ector County Treasurer and remitted to an address provided by the county.
- (6) Upon discovery, hidden ownership, whether by counter letter or other device or agreement, whether oral or written, shall constitute grounds for immediate suspension, revocation or denial of a license or application. Therefore, if there is more than one owner, applicants and Licensees shall disclose full ownership of a company so that the aggregate of percentages of individual ownership total 100 percent, regardless of the percentage of individual ownership.
- (7) All Licensees shall maintain compliance with all applicable federal/state/local gambling laws and requirements. Failure to maintain compliance with any applicable law or requirement shall be a basis for suspension or revocation of a license.
- (8) All Licensees shall continue to operate the business described in the application during the term of the license. In the event either the business or the video gaming devices at the location are not in operation

for a period of thirty (30) consecutive calendar days during which the business would normally operate, the Licensee and device owner shall immediately notify the county of such fact, and the Licensee shall immediately surrender its license to the county.

- (9) If surrendered in accordance with the above provision, no gaming activities may be conducted at the premises unless and until the license is returned to the Licensee.
- (10) The license may be returned to the Licensee when business operations are resumed for the unexpired term, so long as, no more than one hundred eighty (180) days have elapsed from the date the license was surrendered.
- (11) Licenses surrendered in accordance with these provisions shall not be subject to renewal unless the license has been returned to the Licensee.
- (12) Failure to surrender the license as provided shall constitute grounds for revocation or suspension of the license.

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| Sec. 3 | OPERATION OF VIDEO GAMING ROOMS |
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(a) Responsibilities of Licensees.

- (1) The Licensee, or a designated representative of the licensed establishment, shall be required to be physically present and available within the licensed establishment at all times during all hours of operation; shall ensure that the devices are not tampered with, abused, or altered in any way; and shall prevent the play of video gaming devices by persons under the age of twenty-one (21) and prevent access to the gaming area by persons under the age of eighteen (18). The penalty for violation of this subsection shall be \$500.00. Subsequent offenses shall enable administrative action, including, but not limited to, suspension or revocation of the license.
- (2) Licensees and employees of a Licensee shall not loan money, extend credit, or provide any financial assistance to patrons of use in video gaming activities.
- (3) Licensees and employees of a Licensee shall not permit any person who appears to be intoxicated to participate in the play of the video devices.
- (4) All Licensees shall supervise all employees to ensure compliance with the laws and regulations relating to the operation of video gaming devices. This includes ensuring that all employees possess a valid video gaming employee permit. All Licensees shall pay a nonrefundable fee of \$100.00 for the annual issuance of a permit for each video gaming employee permit.
- (5) All Licensees shall be responsible for the proper placement and installment of devices within a licensed establishment as prescribed by the rules.
- (6) Licensees shall not advertise or participate in any promotion or scheme which is contingent upon the play of a video gaming device and which results in an enhanced payoff other than that set by the internal mechanism of the video gaming device.
- (7) All Licensees shall post signs on the premises of a licensed establishment, which admits mixed patronage, that restricts the play of video gaming devices by person under the age of twenty-one (21) and restricts the access to areas where gaming is conducted by person under the age of eighteen (18). The signs shall be placed at the entrances to device areas with lettering at least three (3) inches in height stating that there are gaming devices inside, no one under the age of eighteen (18) allowed in gaming area, and no one under the age of twenty-one (21) allowed to play video gaming devices.

(b) Video Gaming Employees and Permits.

- (1) It shall be the duty of the Licensee to ensure compliance with this subsection.
- (2) It shall be unlawful for any employee to have been convicted, in any jurisdiction, for any of the following offenses within the ten (10) years prior to the date of the application, and at least ten (10) years has not elapsed between the date of application and the successful completion of any service of a sentence, deferred adjudication, or period of probation or parole for any of the following:
 - (A) Any offense punishable by imprisonment for more than one year;
 - (B) Theft or any crime involving false statements or declaration; or
 - (C) Gambling, as defined by the laws or ordinances of any municipality, county, or state, the United States, or any similar offense in any other jurisdiction.
- (3) It is the responsibility of the Licensee to conduct a criminal background check on every employee and/or any other individual acting for, or acting on behalf of a game room.
- (4) All video gaming employees shall possess, and wear on their person, a valid video gaming employee permit. The video gaming employee permit shall be visible on the person at all times. The penalty shall be administrative action, including, but not limited to, suspension or revocation of the permit.
- (5) The county shall issue a video gaming employee permit to persons deemed eligible pursuant to the provisions of this article and the rules adopted by the county. The county will issue the permit based on the declarations and admissions made in the employee's application. The issuance of a permit to an employee does not negate the duties of a Licensee to ensure compliance with subsections (1), (2), and (3) immediately preceding this subsection.
- (6) All video gaming employee applications must be submitted on forms prescribed by the county.
 - (a) All applications shall be submitted to the Ector County Sheriff's Office.
 - (b) All applications shall contain a telephone number and permanent address for receipt of correspondence and service of documents by the county.
 - (c) All video gaming employees shall submit a renewal application to the county at least sixty (60) days prior to expiration of their permit to avoid a lapse in their ability to work as video gaming employees.
- (7) All applicants shall provide all additional information requested by the county. If an applicant fails to provide all additional information requested by the county, the application shall be denied.
- (8) All video gaming employees or applicants shall notify the county in writing of all changes of address, phone numbers, and other required information in the application within ten (10) calendar days or the effective date of the change.
- (9) All video gaming employees shall have knowledge of these rules and the provisions of this article.

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| Sec. 4 | LICENSE AND OPERATION FEES |
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(a) License Fees.

- (1) Upon application, a nonrefundable annual fee of \$1,000.00 shall be paid by each applicant. This fee is based on the cost of processing the application and investigating the Licensee. This provision does not apply to current licensed establishments until renewal of their licenses.
- (2) All appropriate license fees shall accompany the initial/renewal application.
- (3) All Licensees shall pay their license fee(s) for the year in a single payment.
- (4) All Licensees shall be paid by certified or cashier's check.

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| Sec. 5 | DEVICE REGULATIONS AND REQUIREMENTS FOR LICENSED ESTABLISHMENTS |
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(a) Device Specifications.

- (1) All devices shall include the following specifications and features:
 - (A) Accept only a type of consideration as listed in the "video gaming device" definition.
 - (B) The phrase "no person under the age of 21 allowed to play" shall be conspicuously displayed on the face of all devices.
 - (C) Permanent serial numbers not to exceed nine alpha and/or numeric characters. The serial number plate shall be located in the upper (front) right side panel of the device and shall contain the serial number of the device.

(b) Damage to or Theft from Devices.

- (1) Upon discovery of damage to or theft from a video gaming device, the device owner, licensed establishment owner, or a designate representative of the licensed establishment shall request the local law enforcement agency to investigate.
- (2) The device owner or licensed establishment owner shall immediately notify the Ector County Sheriff's Office, in writing, of any damage to or theft from a device.

(c) Devices Permanently Removed from Service.

- (1) When a device is permanently removed from service by a licensed device owner, the validation decal shall be removed by that device owner and shall be returned to the county with the completed device transfer report provided by the county.
- (2) No devices, which are permanently removed from service, shall have a validation decal displayed on them.
- (3) For purposes of this section, devices permanently removed from service shall mean devices:
 - (A) That are sold back, or otherwise returned, and shipped to the distributor or manufacturer;
 - (B) That are damaged beyond repair due to theft, vandalism, or natural disasters; or
 - (C) That are completely dismantled for parts or destroyed and properly discarded as waste.

- (d) Disabling or Seizure of Devices or Licenses. The county shall have the authority to disable, seal and/or seize any device or license at any location when a violation of the ordinance occurs, in accordance with the procedure provided herein. It shall be unlawful for any person to enable a lawfully disabled device, to break the seal of a device affixed by the county, or to continue to operate once the operator's license is seized.
- (e) Requirements for Licensed Establishments.
- (1) No licensed establishment shall be altered, renovated, or expanded if such alteration, renovation, or expansion is for the purpose of moving devices or installing additional devices, without first submitting to the county for approval, a written notification, via delivery by the United State Postal Service certified or registered mail, return receipt requested or a private or commercial interstate carrier, of the intent and set of plans illustrating the projected changes.
 - (2) All licensed establishments shall be required to have video surveillance on the inside of the establishment, as well as, on the outside of the establishment. This video surveillance should show a clear view of the gaming areas, as well as, the perimeter of the establishment. This video surveillance shall be provided to a requesting agent, or law enforcement agency, without a subpoena.
 - (3) If an agent or law enforcement agency requests permission to enter the establishment, they shall be granted access without interference.
 - (4) Any licensed establishments that allow mixed patronage shall have devices for play and operation only in designated areas. These gaming areas shall be physically separated by a partition. The partition shall be permanently affixed and solid except for an opening to allow for player access into the gaming area.
 - (5) A licensed establishment, which is connected by a doorway or other opening to any other business establishment, whether or not such other establishment is eligible for licensing by the county shall:
 - (A) Have a door, or doors, between the licensed establishment and the other entity which shall automatically close;
 - (B) Have a separate outside entrance for patrons, such that an individual patron may enter each establishment from the exterior of the building;
 - (C) Keep business records and books that are separate from those of the other entity; and
 - (D) Have personnel who work solely for the licensed establishment and not for the other entity during all hours of operation of the licensed establishment.
 - (6) Required distance from churches or regular places of religious worship, schools or other educational institutions, residential neighborhoods, or other video gaming establishment:
 - (A) The location of any video gaming establishment is hereby prohibited where the place of business is within 1,500 feet of any church or regular place of religious worship, school or other educational institution, residential neighborhood or other video gaming establishment in the county.
 - (B) The measurement of the distance between the place of business where the video gaming devices are located and the church or regular place of religious worship, school or other educational institution, or residential neighborhood or other video gaming establishment shall be along the property lines of the street fronts and from front door to front door, and in a direct line across intersections.

- (C) Once a video gaming license has been issued by the county for a particular location to a particular Licensee, it shall not be a ground for non-renewal that a church or regular place of religious worship, school or other educational institution, residential neighborhood or other video gaming establishment is located within 1,500 feet of the pre-existing video gaming establishment. However, if such pre-existing video gaming license at such location expires or is suspended or revoked for any reason, no video gaming license shall be granted for such location and no video gaming establishment shall be allowed to operate at such location in the future.
- (D) In addition to the above stated distance requirements, the maximum number of game rooms allowed to operate in the unincorporated areas of the county shall be a total of fifty (50) game rooms; however, once a video gaming license has been issued by the county for a particular location to a particular Licensee, it shall not be a ground for non-renewal that the maximum number of game rooms allowed to operate in the unincorporated areas of the county has been reached or exceeded. However, if such pre-existing video gaming license at such location expires or is suspended or revoked for any reason, no video gaming license shall be granted for such location and no video gaming establishment shall be allowed to operate at such location in the future.
- (7) It shall be unlawful for any person to possess, consume, or otherwise bring any alcoholic beverage in or upon any premises licensed as a gaming device location by the county.
- (8) It shall be unlawful for any permittee, Licensee, or employee thereof to allow any person to possess, consume, or otherwise bring any alcoholic beverage in or upon any premises licensed as a gaming device location by the county.
- (9) The exception to this prohibition by this section would not be applicable to premises licensed in accordance with the provisions of the Texas Alcoholic Beverage Code and the alcoholic beverage code of the county.
- (10) All entries and exits to licensed establishments by which customers enter and exit shall remain unlocked during all hours of operation to allow immediate, unobstructed entry into said locations by customers, county personnel, and law enforcement, and no electronic locks shall be used to prevent entry during all hours of operation.
- (11) The gaming area of a licensed establishment shall only be allowed to operate from 8 A.M. to 11 P.M. on Sunday through Thursday and from 8 A.M. to 12 A.M. on Fridays and Saturdays.
- (12) All licensed establishments shall comply with all fire code and safety code regulations at all times and shall have at least one marked fire exit for every twenty-five video gaming devices in operation on the premises.
- (13) All licensed establishments shall provide at least one exterior window in the front of the building and additional exterior windows as necessary to allow a clear and unobstructed view from the exterior of the building of all video gaming devices in operation on the premises.
- (14) All licensed establishments shall provide transparent uncovered glass in all exterior windows and it shall be unlawful for a person to cover, tint or otherwise block so as to obscure the view of any video gaming devices in operation on the premises.
- (15) No video gaming establishment shall be allowed to have more than fifty (50) video gaming machines in operation on the premises.

(a) General Provisions.

- (1) All Licensees and permittees shall comply with all applicable federal, state, and local laws and regulations.
- (2) In addition to any other penalty or punishment imposed by law, any violation of the provisions of this article shall also constitute a violation of these rules and grounds for revocation of a license or permit issued pursuant to this article.

(b) Unsuitable Conduct.

- (1) No Licensee or permittee shall engage in unsuitable conduct or practices, nor shall employ or have a business association with any person, natural or juridical, which engages in unsuitable conduct or practices.
- (2) For purposes of this section, unsuitable conduct or practices shall include, but not be limited to the following:
 - (A) Employment of, association with, or participation in any enterprise or business with a documented or identifiable organized crime group or recognized organized crime figure;
 - (B) Misrepresentation of any material fact or information to the county;
 - (C) Obstructing or impeding the lawful activities of the county or its agents;
 - (D) Engaging in, furtherance of, or profit from any illegal activity or practice, or any violation of these rules of this article;
 - (E) Persistent or repeated failure to pay amounts due or to be remitted to the county; and
 - (F) A Licensee or permittee shall not engage in, participate in, or facilitate by any means, any criminal activity.
- (3) Any person granted a license or permit shall have a continuing duty to notify the county of his/her arrest, summons, citation, or charge for any criminal offense or violation including DWI; however, minor traffic violations need not be included. All Licensees and permittees shall have a continuing duty to notify the county of any fact, event, occurrence, matter or action that may affect the conduct of gaming or the business and financial arrangements incidental thereto or the ability to conduct the activities for which the Licensee or permittee is licensed or permitted. Such notification shall be made within ten calendar days of the arrest, summons, citation, charge, fact, event, occurrence, matter or action.
- (4) A Licensee or permittee shall not intentionally make, cause to be made, or aid, assist, or procure another to make any false statement in any report disclosure, application, permit form, or any other document, including improperly notarized documents, required by these rules or this article.

(c) Additional Causes for Disciplinary Action.

- (1) Further instances of conduct by a Licensee or permittee where the county may sanction a Licensee or permittee shall include, but not be limited to, when:
 - (A) The Licensee or permittee has been involved in the diversion of gaming equipment for unlawful means;

- (B) The Licensee or permittee or a designated representative of the Licensee or permittee has been involved in activities otherwise prohibited by law, or the willful purpose of which was to circumvent, or contravene the provisions set forth in the county rules;
- (C) The Licensee or permittee has demonstrated a reluctance or inability or to comply with the requirements set forth in these rules and this article, particularly after repeated warnings;
- (D) The Licensee or permittee violates written conditions;
- (E) The county discovers incomplete or erroneous information as to a material or a substantial matter provided on an application or any item affecting the decision whether to license the applicant;
- (F) The county discovers substantial, incomplete or erroneous information provided in a report or other required communication;
- (G) The Licensee or permittee has failed to timely pay a fine imposed by the county; and
- (H) Unavailability of the Licensee or permittee, their designated representatives, or any agents of the Licensee.

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| Sec. 7 INVESTIGATIONS |
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(a) Background Investigations.

- (1) All applicants shall be subject to a background investigation in order to ensure that licensing requirements are met.
- (2) All applicants shall, upon request, make available to the county, records and documentation to substantiate statements and support information supplied in the application process.

(b) Inspections of Facilities.

- (1) During all hours of operation, any licensed premises upon which a Licensee conducts any video gaming activity, shall be subject to inspection by the county without advance notice, in order to ensure compliance with the provisions of this article. If the county is denied access to inspect, that premises' license shall be suspended.
- (2) Once an inspection commences, the Licensee or a designated representative shall render full courtesy and cooperation to agents.
- (3) Upon completion of an inspection, agents may advise the Licensee or a designated representative of any violation or problems which may exist.
- (4) Agents shall provide the Licensee or designated representative with a copy of an inspection report.

(c) Inspection Records.

- (1) All Licensees shall at all times keep all records onsite on the licensed premises. Upon request, all Licensees shall make available and produce for inspection to the county, any peace officer, fire safety official, and/or any designated county or city employee for inspection all required information and records, including, but not limited to licensed establishment documents including, but not limited to:

- (A) Licensee contract concerning the licensed premises, employee records, daily register of employee and job functions present at the establishment each day;
- (B) Daily prize register that contains a list of all cash prizes awarded or non-cash merchandise prizes over \$50 and name, date of birth, ID/DL/SSN number of each prize winner;
- (C) Other video gaming related documents of any of the above nature.

(2) The county may require a Licensee to submit any and all video gaming records or documents that are necessary for the facilitation and/or completion of an investigation pertaining to a violation of these rules or this article.

(d) Inspection of Devices.

(1) Agents of the county may, at any time, without advance notice, inspect any device located within a licensed premise.

(2) All devices shall have, at all times, the proper validation decal affixed to the device and maintain log books properly secured in the device and available for inspection by the county. The validation decal affixed to the machine should correspond with the serial number for which the validation decal was issued. It is a violation of this ordinance to affix a validation decal to a machine other than the one it was issued for. Moreover, tampering with a validation decal, or fabricating a validation decal, is a violation of this ordinance.

(3) Agents of the county may disable and/or seize any device which it finds to be in violation of any of these rules or the law.

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| Sec. 8 APPEALS |
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(a) The Ector County Commissioner's Court shall appoint a license appeal board. This board shall consist of five members. Each member of the Commissioner's Court shall appoint one member to serve on the board. The initial board shall consist of three members with a two-year term and two members with one-year term. The board member initially appointed shall draw to determine the length of their service. Thereafter, each member appointed shall serve two-year term. The members shall be citizens of Ector County who have no conflict of interest with any of the matters to be considered by the license appeal board. The board shall convene within thirty (30) days of its initial selection for the purpose of electing a chairperson. The board shall meet each year on a convenient date in the month of June for the purpose of electing a chairperson.

(b) If the Ector County Sheriff denied the issuance of a license or suspends or revokes a license, he shall send to the applicant, or Licensee, by certified mail, return receipt request, written notice of his action and the right to an appeal. An appeal may be filed by giving written notice of the aggrieved party's intent to appeal to the County Judge of Ector County, Texas, within thirty (30) days of the receipt of the notice that a license should be denied, suspended, or revoked. The license appeal board shall convene within twenty (20) days of the County Judge's receipt of written notice of appeal with a quorum of at least 3 members. The board may hear evidence from any interested party. The appeal board shall make a determination either affirming the Sheriff's decision or reversing the Sheriff's decision at the close of the hearing.

(c) The filing of a notice of appeal as directed above shall stay the denial, suspension, or revocation of a license pending the determination of the license appeal board. If the appeal board affirms the Sheriff's decision, any time that accrues on the suspension or revocation before appeal is filed pursuant to this section shall be credited against the original period of suspension or revocation. The remaining period of suspension or revocation shall commence on the appeal board's determination to affirm the sheriff's decision.

(d) The aggrieved party may appeal the decision of the license appeal board to a district court in Ector County on a trial de novo basis. Filing appeal in a district court stays the decision of the appeal board in suspending or revoking a license until the district court makes final decision. All decisions of the license appeal board become final within thirty (30) days.

Sec. 9 ENFORCEMENT

- (a) These regulations are promulgated pursuant to and in conformity with Chapter 234 of the Local Government Code, as amended, titled County Regulation of Businesses and Occupations. The Commissioners' Court of a county may regulate the operation of Game Rooms to promote the public health, safety, and welfare, according to Section 234.133 of the Local Government Code.
- (b) It is the purpose of the Ector County Commissioners' Court to exercise its police power, as established under Chapter 234 of the Local Government Code, to establish reasonable and uniform regulation of Game Rooms to promote the public health, safety, and welfare and to prohibit business activities which merely serve as a front for criminal activities, including but not limited to gambling and tax evasion.
- (c) These Regulations do not legalize anything prohibited under the Texas Penal Code or any other law(s) or regulation(s).
- (d) Ector County may sue in district court for an injunction to prohibit the violation or threatened violation of this subchapter or a regulation adopted under Section 234.133 of the Local Government Code. The county is entitled to recover reasonable expenses incurred in obtaining injunctive relief, including reasonable attorney's fees, court costs, and investigatory costs.
- (e) A person who violates a regulation adopted under section 234.133 of the Local Government Code is liable to the county for a civil penalty of not more than \$10,000 for each violation. Each day a violation continues is considered a separate violation for purposes of assessing the civil penalty. This suit will be brought by the county in district court. The county is entitled to recover reasonable expenses incurred in obtaining civil penalties including reasonable attorney's fees, court costs, and investigatory costs.
- (f) Under section 234.138 of the Local Government Code, as amended, a person commits an offense if the person intentionally or knowingly Operates a Game Room in violation of a regulation adopted by the county under Section 234.133. An offense under this section is a Class A misdemeanor.
- (g) The revocation or suspensions of any license shall not prohibit the imposition of a criminal penalty, and the imposition of a criminal penalty shall not prevent the revocation or suspension of a license.

Sec. 10 APPLICATION AND REQUIREMENTS

The applicant shall complete an application and registration of video game devices as set forth in attachments "A," "B," and "C."

Sec. 11 EXISTING LAWS

Nothing herein shall be construed or have the effect to license, permit, authorize or legalize any machine, device, table or coin-operated or slot machine, the keeping, exhibition, operation, display or maintenance of which is now illegal or in violation of any article of the Texas Penal Code and of any federal laws of the United States of America.