

The Senate Committee on Regulated Industries and Utilities offered the following substitute to SB 142:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 27 of Title 50 of the Official Code of Georgia Annotated, relating to
2 lottery for education, so as to provide for the lottery game of sports wagering in this state;
3 to provide for and revise certain definitions; to provide for oversight of such lottery game by
4 the Georgia Lottery Corporation and its board of directors; to provide for a short title; to
5 provide for legislative findings; to provide for additional powers and duties of the
6 corporation and its board of directors; to provide for procedures, limitations, requirements,
7 qualifications, and licensing; to regulate wagers and provide requirements for bettors; to
8 provide for bettors to restrict themselves from placing certain wagers; to provide certain
9 resources for individuals with a gambling problem or a gambling disorder; to provide for the
10 collection and disposition of taxes; to amend Chapter 8 of Title 48 of the Official Code of
11 Georgia Annotated, relating to sales and use taxes, so as to exempt wagers placed as part of
12 the lottery game of sports wagering; to provide for violations and penalties; to provide for
13 related matters; to provide for an effective date; to repeal conflicting laws; and for other
14 purposes.

15 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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PART I
SECTION 1-1.

18 Chapter 27 of Title 50 of the Official Code of Georgia Annotated, relating to lottery for
19 education, is amended by revising Code Section 50-27-3, relating to definitions related to
20 lottery for education, as follows:

21 "50-27-3.

22 As used in this chapter, the term:

23 (1) 'Administrative expenses' means operating expenses, excluding amounts set aside for
24 prizes, regardless of whether such prizes are claimed and excluding amounts held as a
25 fidelity fund pursuant to Code Section 50-27-19.

26 (2) 'Assignee' means any person or third party other than the winner to whom any portion
27 of a prize or any right of any person to a prize awarded payable by the corporation in
28 installment payments may be transferred or assigned pursuant to an appropriate judicial
29 order as provided in Code Section 50-27-24.1.

30 (3) 'Assignment' means the transfer of any portion of a prize or any right of any person
31 to a prize awarded payable by the corporation in installment payments to any person or
32 third party pursuant to an appropriate judicial order as provided in Code
33 Section 50-27-24.1.

34 (4) 'Assignor' means any person receiving installment payments seeking to assign or
35 transfer any portion of a prize or any right of any person to a prize awarded to an assignee
36 or any person or third party pursuant to an appropriate judicial order as provided in Code
37 Section 50-27-24.1.

38 (5) 'Board' means the board of directors of the Georgia Lottery Corporation.

39 (6) 'Capital outlay projects' means the acquisition, construction, installation,
40 modification, renovation, repair, extension, renewal, replacement, or rehabilitation of
41 land, interests in land, buildings, structures, facilities, or other improvements and the

42 acquisition, installation, modification, renovation, repair, extension, renewal,
43 replacement, rehabilitation, or furnishing of fixtures, machinery, equipment, computers,
44 software, laboratories, furniture, textbooks, and reference material or other property of
45 any nature whatsoever used on, in, or in connection with educational facilities.

46 (7) 'Casino gambling' means a location or business for the purpose of conducting illegal
47 gambling activities, but excluding lottery games and the sale and purchase of lottery
48 tickets or shares as authorized by this chapter.

49 (8) 'Chief executive officer' means the chief executive officer of the Georgia Lottery
50 Corporation.

51 (9) 'Corporation' means the Georgia Lottery Corporation.

52 (10) 'Educational facilities' means land, structures, and buildings owned or operated by
53 and through the board of regents, the State Board of Education, the Technical College
54 System of Georgia, or by any city, county, or independent school system within this state;
55 provided, however, that a public road or highway leading to an educational facility shall
56 not be considered an educational facility.

57 (11) 'Educational purposes and programs' means capital outlay projects for educational
58 facilities; tuition grants, scholarships, or loans to citizens of this state to enable such
59 citizens to attend colleges and universities located within this state, regardless of whether
60 such colleges and universities are owned or operated by the board of regents or to attend
61 institutions operated under the authority of the Technical College System of Georgia;
62 costs of providing to teachers at accredited public institutions who teach levels K-12,
63 personnel at public postsecondary technical institutes under the authority of the Technical
64 College System of Georgia, and professors and instructors within the University System
65 of Georgia the necessary training in the use and application of computers and advanced
66 electronic instructional technology to implement interactive learning environments in the
67 classroom and to access the state-wide distance learning network; costs associated with

68 repairing and maintaining advanced electronic instructional technology; voluntary
69 pre-kindergarten; and an education shortfall reserve.

70 (12) 'Interested party' means any individual or entity that has notified the corporation of
71 his or her interest in the prize or is a party to a civil matter adverse to the assignor,
72 including actions for alimony and child support.

73 (13) 'Lottery,' 'lotteries,' 'lottery game,' or 'lottery games' means any game of chance
74 approved by the board and operated pursuant to this chapter, including, but not limited
75 to, instant tickets, ~~on-line~~ online games, and games using mechanical or electronic
76 devices, including, but not limited to, online sports wagering platforms as such term is
77 defined in Code Section 50-27-122 but excluding pari-mutuel betting and casino
78 gambling as defined in this Code section.

79 (14) 'Major procurement contract' means any gaming product or service costing in excess
80 of \$75,000.00, including, but not limited to, major advertising contracts, annuity
81 contracts, prize payment agreements, consulting services, equipment, tickets, and other
82 products and services unique to the Georgia lottery, but not including materials, supplies,
83 equipment, and services common to the ordinary operations of a corporation.

84 (15) 'Member' or 'members' means a director or directors of the board of directors of the
85 Georgia Lottery Corporation.

86 (16) 'Member of a minority' means an individual who is a member of a race which
87 comprises less than 50 percent of the total population of the state.

88 (17) 'Minority business' means any business which is owned by:

89 (A) An individual who is a member of a minority who reports as his or her personal
90 income for Georgia income tax purposes the income of such business;

91 (B) A partnership in which a majority of the ownership interest is owned by one or
92 more members of a minority who report as their personal income for Georgia income
93 tax purposes more than 50 percent of the income of the partnership; or

94 (C) A corporation organized under the laws of this state in which a majority of the
95 common stock is owned by one or more members of a minority who report as their
96 personal income for Georgia income tax purposes more than 50 percent of the
97 distributed earnings of the corporation.

98 (18) 'Net proceeds' means all revenue derived from the sale of lottery tickets or shares
99 and all other moneys derived from the lottery less operating expenses.

100 (19) 'Operating expenses' means all costs of doing business, including, but not limited
101 to, prizes, commissions, and other compensation paid to retailers, advertising and
102 marketing costs, personnel costs, capital costs, depreciation of property and equipment,
103 funds for compulsive gambling education and treatment, amounts held in or paid from
104 a fidelity fund pursuant to Code Section 50-27-19, and other operating costs.

105 (20) 'Pari-mutuel betting' means a method or system of wagering on actual races
106 involving horses or dogs at tracks which involves the distribution of winnings by pools.
107 Such term shall not mean the lottery game of sports wagering as defined in Code Section
108 50-27-122 or traditional lottery games which may involve the distribution of winnings
109 by pools.

110 (21) 'Person' means any individual, corporation, partnership, unincorporated association,
111 or other legal entity.

112 (22) 'Retailer' means a person who sells lottery tickets or shares on behalf of the
113 corporation pursuant to a contract.

114 (23) 'Share' means any intangible evidence of participation in a lottery game.

115 (24) 'Ticket' means any tangible evidence issued by the lottery to provide participation
116 in a lottery game.

117 (25) 'Vendor' means a person who provides or proposes to provide goods or services to
118 the corporation pursuant to a major procurement contract, but does not include an
119 employee of the corporation, a retailer, or a state agency or instrumentality thereof. Such

120 term does not include any corporation whose shares are publicly traded and which is the
121 parent company of the contracting party in a major procurement contract."

122 **SECTION 1-2.**

123 Said chapter is further amended by revising Code Section 50-27-9, relating to general powers
124 of the Georgia Lottery Corporation, as follows:

125 "50-27-9.

126 (a) The corporation shall have any and all powers necessary or convenient to its usefulness
127 in carrying out and effectuating the purposes and provisions of this chapter which are not
128 in conflict with the Constitution of this state and which are generally exercised by
129 corporations engaged in entrepreneurial pursuits, including, but without limiting the
130 generality of the foregoing, the following powers:

131 (1) To sue and be sued in contract and in tort and to complain and defend in all courts;

132 (2) To adopt and alter a seal;

133 (3) To adopt, amend, and repeal bylaws, regulations, and policies and procedures for the
134 regulation of its affairs and the conduct of its business; to elect and prescribe the duties
135 of officers and employees of the corporation; and to perform such other matters as the
136 corporation may determine. In the adoption of bylaws, regulations, policies, and
137 procedures or in the exercise of any regulatory power, the corporation shall be exempt
138 from the requirements of Chapter 13 of this title, the 'Georgia Administrative Procedure
139 Act';

140 (4) To procure or to provide insurance;

141 (5) To hold copyrights, trademarks, and service marks and enforce its rights with respect
142 thereto;

143 (6) To initiate, supervise, and administer the operation of the lottery in accordance with
144 the provisions of this chapter and regulations, policies, and procedures adopted pursuant
145 thereto;

- 146 (7) To enter into written agreements with one or more other states or sovereigns for the
147 operation, participation in marketing, and promotion of a joint lottery or joint lottery
148 games;
- 149 (8) To conduct such market research as is necessary or appropriate, which may include
150 an analysis of the demographic characteristics of the players of each lottery game and an
151 analysis of advertising, promotion, public relations, incentives, and other aspects of
152 communication;
- 153 (9) To acquire or lease real property and make improvements thereon and acquire by
154 lease or by purchase personal property, including, but not limited to, computers;
155 mechanical, electronic, and ~~on-line~~ online equipment and terminals; and intangible
156 property, including, but not limited to, computer programs, systems, and software;
- 157 (10) To enter into contracts to incur debt in its own name and enter into financing
158 agreements with the state, agencies or instrumentalities of the state, or with any
159 commercial bank or credit provider; provided, however, that any such debt must be
160 approved by the Georgia State Financing and Investment Commission;
- 161 (11) To be authorized to administer oaths, take depositions, issue subpoenas, and compel
162 the attendance of witnesses and the production of books, papers, documents, and other
163 evidence relative to any investigation or proceeding conducted by the corporation;
- 164 (12) To appoint and select officers, agents, and employees, including professional and
165 administrative staff and personnel and hearing officers to conduct hearings required by
166 this chapter, and to fix their compensation, pay their expenses, and provide a benefit
167 program, including, but not limited to, a retirement plan and a group insurance plan;
- 168 (13) To select and contract with vendors and retailers;
- 169 (14) To enter into contracts or agreements with state or local law enforcement agencies,
170 including the Department of Revenue, for the performance of law enforcement,
171 background investigations, security checks, and auditing and enforcement of license
172 requirements required by ~~Article 3 of~~ under this chapter;

- 173 (15) To enter into contracts of any and all types on such terms and conditions as the
 174 corporation may determine;
- 175 (16) To establish and maintain banking relationships, including, but not limited to,
 176 establishment of checking and savings accounts and lines of credit;
- 177 (17) To advertise and promote ~~the lottery and~~ lottery games;
- 178 (18) To act as a retailer, to conduct promotions which involve the dispensing of lottery
 179 tickets or shares, and to establish and operate a sales facility to sell lottery tickets or
 180 shares and any related merchandise; ~~and~~
- 181 (19) To offer the lottery game of sports wagering and to regulate sports wagering in this
 182 state; and
- 183 ~~(19)~~(20) To adopt and amend such regulations, policies, and procedures as necessary to
 184 carry out and implement its powers and duties, organize and operate the corporation,
 185 regulate the conduct of lottery games in general, and any other matters necessary or
 186 desirable for the efficient and effective operation of the lottery or the convenience of the
 187 public. The promulgation of any such regulations, policies, and procedures shall be
 188 exempt from the requirements of Chapter 13 of this title, the 'Georgia Administrative
 189 Procedure Act.'
- 190 (b) The powers enumerated in subsection (a) of this Code section are cumulative of and
 191 in addition to those powers enumerated elsewhere in this chapter, and no such powers limit
 192 or restrict any other powers of the corporation."

193

PART II

194

SECTION 2-1.

195 Said chapter is further amended by adding a new article to read as follows:

196 "ARTICLE 4
197 Part 1

198 50-27-120.

199 This article shall be known and may be cited as the 'Georgia Lottery Mobile Sports
200 Wagering Integrity Act.'

201 50-27-121.

202 It is found and declared by the General Assembly that:

203 (1) Sports wagering is a lottery game and as such shall be operated and managed by the
204 Georgia Lottery Corporation in a manner which provides continuing entertainment to the
205 public, maximizes revenues, and ensures that the lottery is operated with integrity and
206 dignity and free of political influence;

207 (2) The Georgia Lottery Corporation shall be accountable to the General Assembly and
208 to the public for the operation and management of sports wagering in this state through
209 a system of audits and reports;

210 (3) Net proceeds of lottery games conducted pursuant to this article shall be used for the
211 purposes authorized by Article I, Section II, Paragraph VIII of the Constitution;

212 (4) The ability to offer the lottery game of sports wagering in this state under a license
213 issued in accordance with this article constitutes a taxable privilege and not a right; and

214 (5) The lottery game of sports wagering shall be conducted in a manner to safeguard the
215 fiscal soundness of the state, enhance public welfare, and support the funding authorized
216 by Article I, Section II, Paragraph VIII of the Constitution.

217 50-27-122.

218 Unless another meaning is required by the context, as used in this article, the term:

- 219 (1) 'Adjusted gross income' means the total of all moneys paid to a licensee as bets,
220 excluding free bets and promotional credits, minus federal excise taxes and the total
221 amount paid out to winning bettors over a specified period of time, including the cash
222 equivalent of any merchandise or thing of value awarded as a prize.
- 223 (2) 'Applicant' means any person that applies for a license under this article.
- 224 (3) 'Bettor' means an individual who is:
- 225 (A) Twenty-one years of age or older;
- 226 (B) Physically present in this state when placing a wager with a licensee; and
- 227 (C) Not prohibited from placing a wager or bet under Code Section 50-27-151.
- 228 (4) 'Bond' means a bond held in escrow for the purpose of maintaining adequate reserves
229 to account for losses suffered by a licensee and owed to bettors.
- 230 (5) 'Cheating' means improving the chances of winning or altering the outcome by
231 deception, interference, or manipulation of a sporting event or of any equipment,
232 including software pertaining to or used in relation to the equipment, used for or in
233 connection with the sporting event on which wagers are placed or invited, including
234 attempts and conspiracy to cheat.
- 235 (6) 'Collegiate sporting event' means a sporting or athletics event involving a sports or
236 athletics team of a public or private institution of higher education. Each game of a
237 tournament or playoff shall be considered a separate collegiate sporting event.
- 238 (7) 'Corporation vendor' means a contractor, subcontractor, or independent contractor
239 hired by or contracted with the corporation or a licensee for the purpose of facilitating the
240 business of the corporation or licensee under this article.
- 241 (8) 'Fixed-odds betting' means bets made at predetermined odds or on the spread where
242 the return to the bettor is unaffected by any later change in odds or the spread.
- 243 (9) 'Future bet' means a wager made on the occurrence of an event in the future relating
244 to a sporting event.

245 (10) 'Interactive sports wagering' means placing a wager on a sporting event via the
246 internet, a mobile device, or any other telecommunications technologies.

247 (11) 'License' means a license to accept wagers from bettors on sporting events issued
248 under Code Section 50-27-140.

249 (12) 'Licensee' means a person that holds a license issued under Code Section 50-27-140.

250 (13) 'Live betting' means a type of wager that is placed after the sporting event being
251 wagered on has commenced and whose odds on events occurring are adjusted in real
252 time.

253 (14) 'Material nonpublic information' means information that has not been disseminated
254 publicly concerning an athlete, contestant, prospective contestant, or athletic team,
255 including, without limitation, confidential information related to medical conditions or
256 treatment, physical or mental health or conditioning, physical therapy or recovery,
257 discipline, sanctions, academic status, education records, eligibility, playbooks, signals,
258 schemes, techniques, game plans, practices, strategies, assessments, systems, drills, or
259 recordings of practices or other athletic activities.

260 (15) 'Minor' means an individual who is less than 21 years of age.

261 (16) 'Money line' means the fixed odds in relation to a dollar amount that a team or
262 person participating in a sporting event will win outright, regardless of the spread.

263 (17) 'Official league data' means statistics, results, outcomes, and other data related to
264 a sporting event obtained pursuant to an agreement with the relevant:

265 (A) Sports governing body whose corporate headquarters are based in the United States
266 or an entity expressly authorized by such sports governing body to provide such
267 information to licensees for purposes of live betting; or

268 (B) Sporting events operator whose corporate headquarters are based in the United
269 States or an entity expressly authorized by such sporting events operator to provide
270 such information to licensees for purposes of live betting.

271 (18) 'Online sports wagering platform' or 'platform' means the combination of hardware,
272 software, and data networks used to manage, administer, or control sports wagering and
273 any associated wagers accessible by any electronic means, including, but not limited to,
274 applications and internet websites accessed via a mobile device, computer, or kiosk.

275 (19) 'Parlay bet' means a single wager that incorporates two or more individual bets for
276 purposes of earning a higher payout if each bet incorporated within the wager wins.

277 (20) 'Permitted collegiate sporting event' means any collegiate sporting event that is not
278 a prohibited collegiate sporting event.

279 (21) 'Principal owner' means a person that owns an interest of 10 percent or more of the
280 entity.

281 (22) 'Prohibited collegiate sporting event' is any collegiate sporting event in which a
282 sports or athletics team of a public or private institution of higher education located in
283 Georgia participates regardless of where the event takes place and whether it takes place
284 during regular season or during a tournament or playoff.

285 (23) 'Professional sports team' means a major or minor league professional baseball,
286 football, basketball, soccer, or hockey franchise or a professional motor sport.

287 (24) 'Proposition bet' means a wager made regarding the occurrence or nonoccurrence
288 during a sporting event of an event that does not directly affect the final outcome of the
289 sporting event.

290 (25) 'Regular season' means a series of collegiate sporting events that occur as scheduled
291 by the sports governing body that does not include playoff games, tournaments, or bowl
292 games that occur in postseason.

293 (26) 'Sporting event' means any:

294 (A) Professional sporting or professional athletic event, including motor sports
295 sanctioned by a national or international organization or association;

296 (B) Permitted collegiate sporting or athletic event;

297 (C) Olympic sporting or athletic event;

298 (D) Sporting or athletic event sanctioned by a national or international organization or
299 association; or

300 (E) Other event authorized by the corporation.

301 Such term shall not include horse racing.

302 (27) 'Sporting events operator' means a person that conducts or organizes a sporting
303 event for athletes or other participants that is not held or sanctioned as an official sporting
304 event of a sports governing body.

305 (28) 'Sports betting' or 'sports wagering' means placing one or more wagers for a sporting
306 event.

307 (29) 'Sports governing body' means the organization, league, or association that oversees
308 a sport and prescribes final rules and enforces codes of conduct with respect to such sport
309 and participants therein.

310 (30) 'Spread' means the predicted scoring differential between two persons or teams
311 engaged in a sporting event.

312 (31) 'Supervisory employee' means a principal owner or employee having the authority
313 to act on behalf of a licensee or whose judgment is relied upon to manage and advance
314 the business operations of a licensee.

315 (32) 'Wager' or 'bet' means a sum of money that is risked by a bettor on the unknown
316 outcome of one or more sporting events, including, but not limited to, the form of
317 fixed-odds betting, a future bet, live betting, a money line bet, a parlay bet, pools, a
318 proposition bet, or a spread bet or any other form as authorized by rules and regulations
319 of the corporation.

320

Part 2321 50-27-130.

322 (a) In addition to the powers and duties otherwise specified in this chapter, the corporation
323 shall have all powers and duties necessary to carry out the provisions of this article and to
324 exercise the control of sports betting in this state as authorized by this article. Such powers
325 and duties shall include, but shall not be limited to, the following:

326 (1) To have jurisdiction and supervision of the lottery game of sports betting;327 (2) To have jurisdiction and supervision of all persons conducting, participating in, or
328 attending any facility with sports betting;329 (3) To employ such persons as necessary to ensure that such sports betting is conducted
330 with order and the highest degree of integrity. The corporation and such employees of
331 the corporation shall be authorized to eject or exclude from the sports betting facility or
332 any part thereof any individual, whether licensed or not, whose conduct or reputation is
333 such that his or her presence may, in the opinion of the corporation or the designated
334 employees of the corporation, reflect adversely on the honesty and integrity of the sports
335 betting or interfere with the orderly conduct of the sports betting;336 (4) To enter upon, investigate, and have free access to all places of business of any
337 licensee under this article and to compel the production of any books, ledgers, documents,
338 records, memoranda, or other information of any licensee to ensure that this article and
339 the rules and regulations promulgated by the corporation pursuant to this article are
340 complied with;341 (5) To promulgate any rules and regulations as the corporation deems necessary and
342 proper pursuant to Chapter 13 of this title, the 'Georgia Administrative Procedure Act,'
343 to administer the provisions of this article; provided, however, that the initial rules and
344 regulations governing sports betting shall be promulgated and adopted by the corporation
345 within 150 days of the effective date of this article after an opportunity has been provided

346 for public comment. The promulgation and adoption of such initial rules and regulations
347 shall not be subject to Chapter 13 of this title;

348 (6) To issue subpoenas for the attendance of witnesses before the corporation, administer
349 oaths, and compel production of records or other documents and testimony of witnesses
350 whenever, in the judgment of the corporation, it is necessary to do so for the effectual
351 discharge of the duties of the corporation;

352 (7) To compel any person licensed by the corporation to file with the corporation such
353 data, documents, and information as shall appear to the corporation to be necessary for
354 the performance of the duties of the corporation, including, but not limited to, financial
355 statements and information relative to stockholders and all others with a pecuniary
356 interest in such person;

357 (8) To prescribe the manner in which books and records of persons licensed or permitted
358 by the corporation shall be kept;

359 (9) To enter into arrangements with any foreign or domestic government or
360 governmental agency for the purposes of exchanging information or performing any other
361 act to better ensure the proper conduct of wagering under this article;

362 (10) To order such audits, in addition to those otherwise required by this article, as the
363 corporation deems necessary and desirable;

364 (11) Upon the receipt of a complaint of an alleged criminal violation of this article, to
365 immediately report the complaint to the Attorney General for appropriate action;

366 (12) To provide for the reporting of the applicable amount of state and federal income
367 tax of persons claiming a prize or payoff for a winning wager;

368 (13) To establish and administer a program for providing assistance to compulsive
369 gamblers, including, but not limited to, requiring that signs or notifications which bear
370 a toll-free number for an organization which provides assistance to compulsive gamblers
371 be posted in a conspicuous place in facilities at which sports wagering is conducted and
372 on online sports wagering platforms;

373 (14) To appoint and employ such other employees as the corporation deems essential to
374 perform its duties under this article who shall possess such authority and perform such
375 duties as the corporation shall prescribe or delegate to them. Such employees may
376 include stewards, chemists, physicians, inspectors, accountants, attorneys, security
377 officers, and such other employees deemed by the corporation to be necessary for the
378 supervision and proper conduct of the highest standard of sports betting. Such employees
379 shall be compensated as provided by the corporation;

380 (15) To keep a true and full record of all proceedings of the corporation under this article
381 and preserve at the corporation's general office all books, documents, and papers of the
382 corporation; and

383 (16) To adopt rules and regulations specific to the manner in which a licensee may
384 advertise its business operations as authorized by this article.

385 (b) The corporation shall have the power to prescribe a licensee's maximum or minimum
386 payout of hold percentage.

387 Part 3

388 50-27-140.

389 (a) Any person engaging in the lottery game of sports wagering in this state shall be
390 licensed by the corporation. A license issued by the corporation shall permit the licensee
391 to operate an individually branded online sports wagering platform in accordance with this
392 article.

393 (b)(1) The corporation shall issue no fewer than six licenses to qualified applicants able
394 to meet the duties of a license holder under this article and that the corporation
395 determines will be best able to maximize tax revenue for the state; provided, however,
396 that, if fewer than six qualified applicants seek licenses, the corporation shall issue as
397 many licenses as there are qualified applicants, and the absence of six issued licenses

398 shall not preclude licensees from engaging in the lottery game of sports wagering in
399 accordance with this article. If a license is revoked, expires, or otherwise becomes
400 ineffective, such license shall not be included in the number of licenses issued.

401 (2) Although six licenses is the minimum number of licenses the corporation shall issue,
402 there is no maximum limitation.

403 (c) An applicant for a license shall submit an application on a form in such manner and in
404 accordance with such requirements as may be prescribed by rules and regulations of the
405 corporation. Such rules and regulations shall require, at a minimum, that the application
406 include the following:

407 (1) If the applicant is an entity, identification of the applicant's principal owners, board
408 of directors, and officers;

409 (2) Satisfactory results from a fingerprint records check conducted by the Georgia Crime
410 Information Center and the Federal Bureau of Investigation, as determined by the
411 corporation. Application for a license under this Code section shall constitute express
412 consent and authorization for the corporation or its representatives to perform a criminal
413 background check. Each applicant who submits an application to the corporation for
414 licensure shall provide the corporation with any and all information necessary to run a
415 criminal background check, including, but not limited to, classifiable sets of fingerprints.
416 Applicants shall be responsible for all fees associated with the performance of such
417 background checks. If the applicant is an entity, all individuals who are principal owners
418 shall provide classifiable sets of fingerprints;

419 (3) Information, documentation, and assurances as may be required to establish by clear
420 and convincing evidence the applicant's good character, honesty, and integrity. Such
421 information may include, without limitation, information pertaining to family, habits,
422 character, reputation, criminal and arrest records, business activities, financial affairs, and
423 business, professional, and personal associates, covering at least the ten-year period
424 immediately preceding the filing of the application;

425 (4) Notice and a description of civil judgments obtained against the applicant pertaining
426 to antitrust or security regulation laws of the federal government, this state, or any other
427 state, jurisdiction, province, or country;

428 (5) To the extent available, letters of reference or the equivalent from law enforcement
429 agencies having jurisdiction of the applicant's place of residence and principal place of
430 business. Each such letter of reference shall indicate that the law enforcement agency
431 does not have any pertinent information concerning the applicant or, if such law
432 enforcement agency does have information pertaining to the applicant, shall provide such
433 information;

434 (6) If the applicant has conducted sports wagering operations in a jurisdiction which
435 permits such activity, a letter of reference from the regulatory body that governs sports
436 wagering that specifies the standing of the applicant with the regulatory body; provided,
437 however, that, if no such letter is received within 60 days of the request therefor, the
438 applicant may submit a statement under oath that the applicant is or was, during the
439 period such activities were conducted, in good standing with the regulatory body;

440 (7) Information, documentation, and assurances concerning financial background and
441 resources as may be required to establish by clear and convincing evidence the financial
442 stability, integrity, and responsibility of the applicant, including, but not limited to, bank
443 references, business and personal income and disbursement schedules, tax returns and
444 other reports filed with governmental agencies, and business and personal accounting and
445 check records and ledgers. Each applicant shall, in writing, authorize the examination of
446 all bank accounts and records as may be deemed necessary by the corporation. The
447 corporation may consider any relevant evidence of financial stability. The applicant is
448 presumed to be financially stable if the applicant establishes by clear and convincing
449 evidence the ability to:

450 (A) Assure the financial integrity of sports wagering operations by the maintenance of
451 a cash reserve of not less than \$500,000.00 or the amount required to be able to cover

452 the outstanding liabilities for wagers accepted by the licensee, whichever is greater.
453 Such reserve shall be adequate to pay winning wagers to bettors when due. An
454 applicant is presumed to have met this standard if the applicant maintains, on a daily
455 basis, a minimum cash reserve in an amount which is at least equal to the average daily
456 minimum cash reserve, calculated on a monthly basis, for the corresponding month in
457 the previous year;

458 (B) In addition to the required cash reserve in subparagraph (A) of this paragraph, post
459 a bond in the amount of \$5 million for the purpose of maintaining adequate reserves to
460 account for losses suffered by a licensee and owed to bettors;

461 (C) Meet ongoing operating expenses which are essential to the maintenance of
462 continuous and stable sports wagering operations; and

463 (D) Pay, as and when due, all state and federal taxes;

464 (8) Information, documentation, and assurances as may be required to establish by clear
465 and convincing evidence that the applicant has sufficient business ability and sports
466 wagering experience to establish the likelihood of the creation and maintenance of
467 successful, efficient sports wagering operations in this state;

468 (9) Information, as required by rules and regulations of the corporation, regarding the
469 financial standing of the applicant, including, without limitation, each person or entity
470 that has provided loans or financing to the applicant;

471 (10) A nonrefundable application fee in the amount of \$10,000.00 and an annual
472 licensing fee in the amount of \$100,000.00; and

473 (11) Any additional information required by rules and regulations of the corporation.

474 (d) The corporation shall review and approve or deny an application for a license not more
475 than 90 days after receipt of an application.

476 (e) A licensee may renew its license by submitting an application on a form in such
477 manner and in accordance with such requirements as may be prescribed by rules and
478 regulations of the corporation. A licensee shall submit the nonrefundable annual licensing

479 and application fees prescribed under paragraph (10) of subsection (c) of this Code section
480 with its application for license renewal.

481 (f) For each application for licensure or renewal of a license approved under this Code
482 section, the amount of the application fee must be credited toward the licensee's annual
483 licensing fee and the licensee shall remit the balance of the annual fee to the corporation
484 upon approval of a license. The fees collected from licensees under this Code section shall
485 be used by the corporation to pay the actual operating and administrative expenses incurred
486 pursuant to this article.

487 (g) Except as provided in subsection (f) of this Code section, annual licensing and
488 application fees collected by the corporation shall be distributed to the general fund of the
489 state treasury for deposit into the Lottery for Education Account established pursuant to
490 Code Section 50-27-13.

491 (h) Each licensee shall have a continuing duty to promptly inform the corporation of any
492 change in status relating to any information that may disqualify the licensee from holding
493 a license.

494 (i)(1) A person that holds a license or permit to engage in sports wagering issued by
495 another jurisdiction may submit a request to the corporation for a temporary license for
496 such person to immediately commence engagement in this state in the lottery game of
497 sports wagering. Such request shall include the licensing fee required under
498 paragraph (10) of subsection (c) of this Code section.

499 (2) Upon receiving a request for a temporary license, the chief executive officer may
500 review the request at his or her discretion. If the chief executive officer reviews the
501 request and determines that the person requesting the temporary license holds a license
502 or permit issued by another jurisdiction to engage in sports wagering and has paid the
503 required licensing fee, the chief executive officer may authorize such person to engage
504 in sports wagering pursuant to this article under a temporary license for up to one year
505 or until a final determination on such person's application is made.

506 (j) Any sports governing body or sporting events operator on whose sporting event the
507 corporation has authorized wagering may also enter into commercial agreements with
508 sports wagering operators or other entities that provide for such sports governing body or
509 sporting events operator to share in the amount bet from sports wagering on sporting events
510 of such sports governing body or sporting events operator. A sports governing body or
511 sporting events operator shall not be required to obtain a license or any other approval from
512 the corporation to enter into such commercial agreements.

513 50-27-141.

514 (a) The following persons shall not be eligible to apply for or obtain a license:

515 (1) A member or employee of the corporation or a vendor or corporation vendor;

516 (2) An employee of a professional sports team;

517 (3) An individual or entity that has an ownership interest of 25 percent or more in a
518 professional sports team on which the applicant offers sports wagering or an employee
519 of such individual or entity;

520 (4) A coach of or player for a collegiate, professional, or Olympic sports team or sport
521 or an entity that has an affiliation or interest in such a sports team or sport;

522 (5) An individual who is a member or employee of any sports governing body or
523 sporting events operator or an entity that has an affiliation with any sports governing
524 body or sporting events operator;

525 (6) An individual or entity with an owner, officer, or director who has been convicted of
526 a crime as specified in rules and regulations promulgated by the corporation;

527 (7) A person having the ability to directly affect the outcome of a sporting event upon
528 which the applicant offers sports wagering; and

529 (8) Any other category of persons, established by rules and regulations of the
530 corporation, that, if licensed, would affect the integrity of sports wagering in this state.

531 (b) A person listed in paragraphs (2) through (8) of subsection (a) of this Code section may
532 hold an ownership interest in an applicant or licensee without disqualifying the applicant
533 or licensee from obtaining or holding a license; provided, however, that such an ownership
534 interest of 25 percent or more shall require approval from the corporation. In determining
535 whether such an ownership interest shall be the basis of disqualification, the corporation
536 shall consider whether such interest would affect the integrity of sports wagering in this
537 state and any other factors the corporation shall deem relevant.

538 50-27-142.

539 (a) A licensee shall not knowingly:

540 (1) Allow a minor to place a wager;

541 (2) Offer, accept, or extend credit to a bettor;

542 (3) Target minors in advertising or promotions for sports wagering;

543 (4) Offer or accept a wager on any event, outcome, or occurrence other than a sporting
544 event, including, without limitation, a high school sporting event offered, sponsored, or
545 played in connection with a public or private institution that offers education at the
546 secondary level; or

547 (5) Accept a wager from an individual who is on the registry created and maintained by
548 the corporation under Code Section 50-27-151.

549 (b) A person that knowingly violates this Code section:

550 (1) For a first offense, shall be guilty of a misdemeanor; and

551 (2) For a second or subsequent offense, shall be guilty of a misdemeanor of a high and
552 aggravated nature.

553 50-27-143.

554 The corporation may adopt rules and regulations prescribing the manner in which a license
555 may be transferred and a fee for a license transfer.

556 50-27-144.

557 (a) The corporation shall prescribe by rules and regulations:

558 (1) The amount of a bond in escrow, letter of credit, or cash that shall be kept on hand
559 by licensees to ensure that adequate reserves exist by licensees to pay off bettors;

560 (2) Any insurance requirements for a licensee;

561 (3) Minimum requirements by which each licensee shall exercise effective control over
562 its internal fiscal affairs, including, without limitation, requirements for:

563 (A) Safeguarding assets and revenues, including evidence of indebtedness;

564 (B) Maintaining reliable records relating to accounts, transactions, profits and losses,
565 operations, and events; and

566 (C) Global risk management;

567 (4) Requirements for internal and independent audits of licensees;

568 (5) The manner in which periodic financial reports shall be submitted to the corporation
569 from each licensee, including the financial information to be included in the reports;

570 (6) The type of information deemed to be confidential financial or proprietary
571 information that is not subject to any reporting requirements under this article;

572 (7) Policies, procedures, and processes designed to mitigate the risk of cheating and
573 money laundering; and

574 (8) Any post-employment restrictions necessary to maintain the integrity of sports
575 wagering in this state.

576 (b) The licensee may maintain the bond, letter of credit, or cash reserve at any bank
577 lawfully operating in this state, and the licensee shall be the beneficiary of any interest
578 accrued thereon.

579

Part 4580 50-27-150.

581 (a) Except for those individuals ineligible to place bets under Code Section 50-27-151, an
582 individual who is 21 years of age or older and who is physically located in this state may
583 place a wager in the manner authorized under this article and the rules and regulations of
584 the corporation.

585 (b) A licensee shall ensure that all wagers accepted in this state are from qualified bettors
586 and in accordance with this article and the rules and regulations of the corporation.

587 50-27-151.

588 (a)(1) Certain individuals and categories of individuals shall not, directly or indirectly,
589 place a wager on sporting events or online sports wagering platforms in this state as
590 specified in this Code section.

591 (2) A member, officer, or employee of the corporation shall not place a wager on any
592 sporting event or platform.

593 (3) A corporation vendor shall not place a wager on any sporting event or platform.

594 (4) A licensee or principal owner, partner, member of the board of directors, officer, or
595 supervisory employee of a licensee shall not place a wager on the licensee's platform.

596 (5) A vendor of a licensee or any principal owner, partner, member of the board of
597 directors, officer, or supervisory employee of a vendor shall not place a wager on the
598 licensee's platform.

599 (6) A contractor, subcontractor, or consultant or any officer or employee of a contractor,
600 subcontractor, or consultant of a licensee shall not place a wager on the licensee's
601 platform, if such individual is directly involved in the licensee's operation of sports
602 wagering or the processing of sports wagering claims or payments through the licensee's
603 platform.

604 (7) An individual subject to a contract with the corporation shall not place a wager on
605 any platform, if the contract contains a provision prohibiting the individual from
606 participating in sports wagering.

607 (8) A individual with access to material nonpublic information that is known exclusively
608 by an individual who is prohibited from placing a wager in this state under this Code
609 section shall not use any such information to place a wager on any sporting event or
610 platform.

611 (9) An amateur or Olympic athlete shall not place a wager on any sporting event in
612 which the athlete participates.

613 (10) A professional athlete shall not place a wager on any sporting event overseen by
614 such athlete's sports governing body or sporting events operator.

615 (11) An owner or employee of a team, player, umpire, or sports union personnel, or
616 employee, referee, coach, or official of a sports governing body or sporting events
617 operator shall not place a wager on any sporting event, if the wager is based on a sporting
618 event overseen by the individual's sports governing body or sporting events operator.

619 (12) An individual having the ability to directly affect the outcome of a sporting event
620 shall not place a wager on such sporting event.

621 (13) A trustee or regent of a governing board of a public or private institution of higher
622 education shall not place a wager on a collegiate sporting event.

623 (14) An individual prohibited by the rules or regulations of a sports governing body or
624 sporting events operator of a collegiate sports, team, league, or association from
625 participating in sports wagering shall not place a wager on any sporting event to which
626 such prohibition applies.

627 (15) A student or an employee of a public or private institution of higher education who
628 has access to material nonpublic information concerning a student athlete or a sports team
629 shall be prohibited from placing a wager on a collegiate sporting event if such
630 information is relevant to the outcome of such event.

631 (b) The corporation may prescribe by rules and regulations additional categories of
632 individuals who are prohibited from placing a wager on specified sporting events or online
633 sports wagering platforms in this state.

634 (c) The corporation shall maintain a confidential registry of individuals and categories of
635 individuals who are ineligible to place a wager in this state and shall provide the registry
636 to each licensee in this state. The corporation shall provide each updated registry to the
637 licensees as soon as practicable. Each licensee shall maintain the registry provided by the
638 corporation confidentially. Such registry shall not be considered a record open to the
639 public pursuant to Article 4 of Chapter 18 of this title and shall be exempt from such
640 provisions.

641 (d) Any individual who places a wager in violation of this Code section:

642 (1) For a first offense, shall be guilty of a misdemeanor;

643 (2) For a second offense, shall be guilty of a misdemeanor and shall be fined not less
644 than \$500.00 nor more than \$1,000.00 or shall be imprisoned for not less than one month
645 nor more than five months, or both; and

646 (3) For a third or subsequent offense, shall be guilty of a misdemeanor of a high and
647 aggravated nature.

648 50-27-152.

649 Notwithstanding any other provision of law, each wager placed with a licensee in
650 accordance with this article shall be:

651 (1) Deemed to be an enforceable contract; and

652 (2) Exempt from Chapter 13 of this title.

653 50-27-153.

654 (a) The corporation shall by rules and regulations prohibit wagering on injuries, penalties,
655 and other types or forms of wagering under this article that are contrary to public policy or
656 unfair to bettors.

657 (b)(1) A sports governing body or sporting events operator may submit to the corporation
658 in writing, by providing notice in such form and manner as the corporation may require,
659 a request to restrict, limit, or prohibit a certain type, form, or category of sports wagering
660 with respect to sporting events of such sports governing body or sporting events operator,
661 if the sports governing body or sporting events operator believes that such type, form, or
662 category of sports wagering with respect to sporting events of such sports governing body
663 or sporting events operator may undermine the integrity or perceived integrity of such
664 sports governing body or sporting events operator or sporting events of such sports
665 governing body or sporting events operator. The corporation shall request comments
666 from sports wagering operators on all such requests it receives.

667 (2) After giving due consideration to all comments received, the corporation shall, upon
668 a demonstration of good cause from the requestor that such type, form, or category of
669 sports wagering is likely to undermine the integrity or perceived integrity of such sports
670 governing body or sporting events operator or sporting events of such sports governing
671 body or sporting events operator, grant the request. The corporation shall respond to a
672 request concerning a particular event before the start of the event, or if it is not feasible
673 to respond before then, no later than seven days after the request is made. If the
674 corporation determines that the requestor is more likely than not to prevail in successfully
675 demonstrating good cause for its request, the corporation may provisionally grant the
676 request of the sports governing body or sporting events operator until the corporation
677 makes a final determination as to whether the requestor has demonstrated good cause.
678 Absent such a provisional grant by the corporation, sports wagering operators may

679 continue to offer sports wagering on sporting events that are the subject of such a request
680 during the pendency of the corporation's consideration of the applicable request.

681 50-27-154.

682 (a) Prior to placing a wager with a licensee via interactive sports wagering, a bettor shall
683 register and establish a player account with the licensee remotely and attest that the bettor
684 meets the requirements to place a wager with a licensee in this state. Prior to verification
685 of a bettor's identity in accordance with this Code section, a licensee shall not allow the
686 bettor to engage in sports wagering, make a deposit, or process a withdrawal via interactive
687 sports wagering. A licensee shall implement commercially and technologically reasonable
688 procedures to prevent access to sports wagering by minors on its online sports wagering
689 platforms. A licensee may use information obtained from third parties to verify that an
690 individual is authorized to open an account, place wagers, and make deposits and
691 withdrawals.

692 (b) A licensee shall adopt a registration policy to ensure that all bettors utilizing interactive
693 sports wagering are authorized to place a wager with a licensee within this state. Such
694 policy must include, without limitation, a mechanism which shall:

695 (1) Verify the name and age of the registrant;

696 (2) Verify that the registrant is not prohibited from placing a wager under Code
697 Section 50-27-151; and

698 (3) Obtain the following information from the registrant:

699 (A) Legal name;

700 (B) Date of birth;

701 (C) Physical address other than a post office box;

702 (D) Phone number;

703 (E) Social security number;

704 (F) A unique username; and

705 (G) An active email account.

706 (c) A licensee may in its discretion require a bettor to provide the licensee with a signed
707 and notarized document attesting that the bettor is qualified to engage in sports wagering
708 under this article as part of the registration policy of the licensee.

709 (d) A bettor shall not register more than one account with a licensee, and a licensee shall
710 use commercially and technologically reasonable means to ensure that each bettor is
711 limited to one account.

712 (e) A licensee, in addition to complying with state and federal law pertaining to the
713 protection of the private, personal information of registered bettors, shall use all other
714 commercially and technologically reasonable means to protect such information consistent
715 with industry standards.

716 (f) Once a bettor's account is created, a bettor may fund the account through:

717 (1) Electronic bank transfer of funds, including such transfers through third parties;
718 (2) Debit cards;
719 (3) Online and mobile payment systems that support online money transfers; and
720 (4) Any other method approved by rules and regulations of the corporation.

721 (g) The total amount a bettor shall be permitted to deposit in any 30 day period into such
722 bettor's account or accounts shall not exceed \$2,500.00 in total, unless the bettor has
723 self-imposed a restriction of a lesser amount as provided in Code Section 50-27-155.

724 (h)(1) Each financial transaction with respect to an account between a bettor and licensee
725 must be confirmed by email, telephone, text message, or other means agreed upon by the
726 account holder. A licensee shall use commercially and technologically reasonable means
727 to independently verify the identity of the bettor making a deposit or withdrawal.

728 (2) If a licensee determines that the information provided by a bettor to make a deposit
729 or process a withdrawal is inaccurate or incapable of verification or violates the policies
730 and procedures of the licensee, the licensee shall, within ten days, require the submission
731 of additional information that can be used to verify the identity of the bettor.

732 (3) If such information is not provided or does not result in verification of the bettor's
733 identity, the licensee shall:

734 (A) Immediately suspend the bettor's account and not allow the bettor to place wagers;

735 (B) Retain any winnings attributable to the bettor;

736 (C) Refund the balance of deposits made to the account to the source of such deposit
737 or by issuance of a check; and

738 (D) Suspend the account.

739 (i) A licensee shall utilize geolocation or geofencing technology to ensure that interactive
740 sports wagering is only available to bettors who are physically located in this state. A
741 licensee shall maintain in this state the servers it uses to transmit information for purposes
742 of accepting wagers on a sporting event placed by bettors located in this state.

743 (j) A licensee shall clearly and conspicuously display on its website a statement indicating
744 that it is illegal for a person under 21 years of age to engage in sports wagering in this state.

745 (k) The corporation shall promulgate rules and regulations for purposes of regulating
746 sports wagering via interactive sports wagering.

747 50-27-155.

748 (a) Licensees shall allow bettors to restrict themselves from placing wagers with the
749 licensee, including limits on the amounts wagered, and take reasonable steps to prevent
750 those bettors from placing such wagers. At the request of a bettor, a licensee may share the
751 request with the corporation for the sole purpose of disseminating the request to other
752 licensees.

753 (b) The corporation shall promulgate rules and regulations that require a licensee to
754 implement responsible sports wagering programs that include comprehensive training on
755 responding to circumstances in which individuals present signs of a gambling disorder.

756 (c) The corporation shall work with national and local organizations to provide services
757 for individuals with problem gambling or a gambling disorder and to establish prevention

758 initiatives to reduce the number of individuals with problem gambling or a gambling
759 disorder, including, but not limited to, utilizing currently established programs for problem
760 gambling or gambling disorders.

761 (d) The corporation shall annually generate a report outlining activities with respect to
762 problem gambling and gambling disorders, including, but not limited to, descriptions of
763 programs, grants, and other resources made available; the number of individuals seeking
764 assistance; the number of individuals who reported completing programs and therapies; and
765 the rate of recidivism, if known to the corporation. The corporation shall file the annual
766 report with the Governor, the Lieutenant Governor, and the Speaker of the House of
767 Representatives and shall publish the report on its website no later than January 1 of each
768 year.

769 50-27-156.

770 (a) Each licensee shall adopt and adhere to a written, comprehensive policy outlining its
771 rules governing the acceptance of wagers and payouts. Such policy and rules must be
772 approved by the corporation prior to the acceptance of a wager by a licensee. Such policy
773 and rules must be readily available to a bettor on the licensee's website.

774 (b) The corporation shall promulgate rules and regulations regarding:

775 (1) The manner in which a licensee accepts wagers from and issues payouts to bettors,
776 including payouts in excess of \$10,000.00; and

777 (2) Reporting requirements for suspicious wagers.

778 50-27-157.

779 (a) The corporation, licensees, corporation vendors, and vendors shall use commercially
780 reasonable efforts to cooperate with investigations conducted by any sports governing
781 body, any sporting events operator, and law enforcement agencies, including, but not
782 limited to, using commercially reasonable efforts to provide or facilitate the provision of

783 anonymized account level betting information and audio or video files relating to
784 individuals placing wagers. All disclosures under this Code section shall be subject to the
785 obligation of a sports wagering operator to comply with all federal, state, and local laws
786 and rules and regulations relating to privacy and personally identifiable information.

787 (b) Licensees shall promptly report to the corporation any information relating to:

788 (1) Criminal or disciplinary proceedings commenced against the licensee in connection
789 with its operations;

790 (2) Abnormal betting activity or patterns that may indicate a concern with the integrity
791 of a sporting event;

792 (3) Any potential breach of the internal rules and codes of conduct of a sports governing
793 body or sporting events operator pertaining to sports wagering to the extent that such
794 rules or codes of conduct are provided to the licensee by the sports governing body or
795 sporting events operator or are otherwise known to the licensee;

796 (4) Conduct that corrupts the betting outcome of a sporting event for purposes of
797 financial gain, including match fixing; and

798 (5) Suspicious or illegal wagering activities, including cheating, use of funds derived
799 from illegal activity, wagers to conceal or launder funds derived from illegal activity, use
800 of agents to place wagers, and use of false identification.

801 (c) Licensees shall as soon as is practicable report any information relating to conduct
802 described in paragraphs (2) through (4) of subsection (b) of this Code section to the
803 relevant sports governing body or sporting events operator.

804 (d) Licensees shall use commercially reasonable efforts to maintain, in real time and at the
805 account level, anonymized information regarding a bettor; the amount and type of bet; the
806 time the bet was placed; the location of the bet, including the internet protocol address if
807 applicable; the outcome of the bet; and records of abnormal betting activity. The
808 corporation may request such information in the form and manner as required by rules and

809 regulations of the corporation. For purposes of this subsection, the term 'real time' means
810 on a commercially reasonable periodic interval.

811 (e) All records, documents, and information received by the corporation pursuant to this
812 Code section shall be considered investigative records of a law enforcement agency, shall
813 not be subject to Article 4 of Chapter 18 of this title, and shall not be released under any
814 condition without the permission of the person providing such records, documents, or
815 information.

816 (f) Nothing in this Code section shall require a sports wagering operator to provide any
817 information that is prohibited by federal, state, or local laws or rules and regulations,
818 including without limitation laws and rules and regulations relating to privacy and
819 personally identifiable information.

820 (g) If a sports governing body or sporting events operator has notified the corporation that
821 real-time information sharing for wagers placed on its sporting events is necessary and
822 desirable, licensees shall share the same information with the sports governing body or
823 sporting events operator, or a designee of such sports governing body or sporting events
824 operator, with respect to wagers on sporting events of such sports governing body or
825 sporting events operator. A sports governing body or sporting events operator, or a
826 designee of such sports governing body or sporting events operator, shall only use
827 information received under this subsection for integrity-monitoring purposes and shall not
828 use such information for any other purpose. Nothing in this subsection shall require a
829 licensee to provide any information that is prohibited by federal, state, or local laws, rules,
830 or regulations, including, but not limited to laws, rules, or regulations relating to privacy
831 and personally identifiable information.

832 50-27-158.

833 (a) Except as provided under subsection (b) of this Code section, a licensee may use any
834 data source for determining the results of all live betting.

835 (b)(1) A sports governing body or sporting events operator headquartered in the United
836 States may notify the corporation that it desires licensees to use official league data for
837 determining the results of live betting. A notification under this subsection shall be made
838 in the form and manner as the corporation shall require. The corporation shall notify each
839 licensee within five days after receipt of such notification from a sports governing body
840 or sporting events operator. If a sports governing body or sporting events operator does
841 not notify the corporation of its desire to supply official league data, a licensee may use
842 any data source for determining the results of any live betting on athletic events of that
843 sports governing body or sporting events operator.

844 (2) Within 60 days after the corporation notifies each licensee of the desire of a sports
845 governing body or sporting events operator to require official league data as provided
846 under paragraph (1) of this subsection, each such licensee shall be required to use only
847 official league data to determine the results of live betting on sporting events sanctioned
848 by such sports governing body or sporting events operator, except when:

849 (A) The sports governing body or sporting events operator, or a designee of such sports
850 governing body or sporting events operator, is unable to provide a feed of official
851 league data to determine the results of a particular type of live betting, in which case
852 licensees may use any data source for determining the results of the applicable live
853 betting until the data feed becomes available on commercially reasonable terms; or

854 (B) A licensee is able to demonstrate to the corporation that, within 30 days of making
855 a written request, the sports governing body or sporting events operator, or a designee
856 of such sports governing body or sporting events operator, will not provide a feed of
857 official league data to the licensee on commercially reasonable terms.

858 (3) The corporation may consider the following factors in evaluating whether official
859 league data is being provided by the sports governing body or sporting events operator
860 on commercially reasonable terms:

- 861 (A) The availability of official league data of a sports governing body or a sporting
862 events operator on live betting to a licensee from more than one authorized source;
863 (B) Market information regarding the purchase by licensees of comparable data for the
864 purpose of settling sports wagers, for use in this state or other jurisdictions;
865 (C) The nature and quantity of data, including the quality and complexity of the
866 process used for collecting such data;
867 (D) The extent to which sports governing bodies or sporting events operators, or
868 designees of sports governing bodies or sporting events operators, have made data used
869 to determine the results of live betting available to licensees; and
870 (E) Any other factors considered by the corporation to be relevant and proper to its
871 determination.
- 872 (4) While the corporation is determining whether a feed of official league data has been
873 provided on commercially reasonable terms pursuant to paragraph (2) of this subsection,
874 a licensee may use any data source for determining the results of any live betting.
- 875 (5) The corporation shall make a determination under paragraph (2) of this subsection
876 within 120 days after the licensee notifies the corporation that it desires to demonstrate
877 that the sports governing body or sporting events operator, or a designee of such sports
878 governing body or sporting events operator, will not provide a feed of official league data
879 to such licensee on commercially reasonable terms.

880 Part 5

881 50-27-170.

- 882 (a) Notwithstanding any other law to the contrary, a licensee shall only pay a privilege tax
883 on its adjusted gross income in accordance with this Code section.
- 884 (b) There shall be imposed upon the adjusted gross income of a licensee a tax of
885 16 percent.

886 (c) The tax imposed under this Code section shall be paid monthly by a licensee based on
887 its monthly adjusted gross income for the immediately preceding calendar month. The tax
888 shall be paid to the corporation in accordance with rules and regulations promulgated by
889 the corporation. If the licensee's adjusted gross income for a month is a negative number,
890 such licensee may carry over such negative amount to returns filed for subsequent months.
891 (d) All of the tax collected under this Code section shall be distributed by the corporation
892 to the general fund of the state treasury for deposit into the Lottery for Education Account
893 established pursuant to Code Section 50-27-13.

894 Part 6

895 50-27-180.

896 (a) Each licensee shall report to the corporation, no later than January 15 of each year:

897 (1) The total amount of wagers received from bettors for the immediately preceding
898 calendar year;

899 (2) The adjusted gross income of the licensee for the immediately preceding calendar
900 year; and

901 (3) Any additional information required by rules and regulations of the corporation
902 deemed in the public interest or necessary to maintain the integrity of sports wagering in
903 this state.

904 (b) A licensee shall promptly report to the corporation any information relating to:

905 (1) The name of any newly elected officer or director of the board of the licensed entity;
906 and

907 (2) The acquisition by any person of 10 percent or more of any class of corporate stock.

908 (c) With respect to information reported under subsection (b) of this Code section, a
909 licensee shall include with the report a statement of any conflict of interest that may exist
910 as a result of such election or acquisition.

911 (d) Upon receiving a report under this Code section or subsection (b) of Code
912 Section 50-27-157, the corporation may conduct a hearing in accordance with Code
913 Section 50-27-183 to determine whether the licensee remains in compliance with this
914 article.

915 50-27-181.

916 Members of the corporation or designated employees thereof may, during normal business
917 hours, enter the premises of any facility of a licensee or third party utilized by the licensee
918 to operate and conduct business in accordance with this article for the purpose of inspecting
919 books and records kept as required by this article, to ensure that the licensee is in
920 compliance with this article, or to make any other inspection of the premises necessary to
921 protect the public interests of this state and its consumers.

922 50-27-182.

923 (a) The corporation shall conduct investigations to determine whether:

924 (1) A licensee is accepting wagers from minors or other persons ineligible to place
925 wagers in this state; and

926 (2) An individual is unlawfully accepting wagers from another individual without a
927 license or at a location in violation of this article.

928 (b) After a hearing under Code Section 50-27-183, if the corporation finds that:

929 (1) A licensee is accepting wagers from minors or other persons ineligible to place
930 wagers in this state, the corporation shall impose a fine against the licensee in the
931 following amount:

932 (A) For a first offense, \$1,000.00;

933 (B) For a second offense, \$2,000.00; and

934 (C) For a third or subsequent offense, \$5,000.00; or

935 (2) An individual is unlawfully accepting wagers from another individual without a
936 license, the corporation shall impose a fine against the individual in the following
937 amount:

938 (A) For a first offense, \$10,000.00;

939 (B) For a second offense, \$15,000.00; and

940 (C) For a third or subsequent offense, \$25,000.00.

941 (c) Nothing in this Code section shall prohibit the corporation from suspending, revoking,
942 or refusing to renew the license of a licensee in accordance with Code Section 50-27-183.

943 50-27-183.

944 (a) The corporation may investigate and conduct a hearing with respect to a licensee upon
945 information and belief that the licensee has violated this article or upon the receipt of a
946 credible complaint from any person that a licensee has violated this article. The
947 corporation shall conduct investigations and hearings in accordance with rules and
948 regulations adopted by the corporation.

949 (b) If the corporation determines that a licensee has violated any provision of this article
950 or any rules and regulations of the corporation, the corporation may:

951 (1) Suspend, revoke, or refuse to renew a license; and

952 (2) For any violation by a licensee, impose an administrative fine not to exceed
953 \$25,000.00 per violation.

954 (c) Except as provided in Code Section 50-27-182, the corporation shall promulgate rules
955 and regulations establishing a schedule of administrative fines that may be assessed in
956 accordance with subsection (b) of this Code section for each violation of this article.

957 (d) Fines assessed under this Code section must be accounted for separately for use by the
958 corporation in a manner consistent with rules and regulations of the corporation.

959 (e) The corporation may issue subpoenas to compel the attendance of witnesses and the
960 production of relevant books, accounts, records, and documents for purposes of carrying
961 out its duties under this article.

962 50-27-184.

963 (a) A licensee or other individual aggrieved by a final action of the corporation may appeal
964 that decision to the Superior Court of Fulton County.

965 (b) The Superior Court of Fulton County shall hear appeals from decisions of the
966 corporation and, based upon the record of the proceedings before the corporation, may
967 reverse the decision of the corporation only if the appellant proves the decision to be:

968 (1) Clearly erroneous;

969 (2) Arbitrary and capricious;

970 (3) Procured by fraud;

971 (4) A result of substantial misconduct by the corporation; or

972 (5) Contrary to the United States Constitution, the Constitution of Georgia, or this article.

973 (c) The Superior Court of Fulton County may remand an appeal to the corporation to
974 conduct further hearings.

975 50-27-185.

976 (a) It shall be unlawful for any individual or entity, directly or indirectly, to knowingly
977 receive, supply, broadcast, display, or otherwise transmit material nonpublic information
978 for the purpose of wagering on a sporting event or influencing another individual's or
979 entity's wager on a sporting event.

980 (b) This Code section shall not apply to the dissemination of public information as news,
981 entertainment, or advertising.

982 (c) Any person that violates this Code section shall be guilty of a misdemeanor.

983 50-27-186.

984 (a) A licensee or other individual who violates this article shall be liable for a civil penalty
985 of not more than \$5,000.00 per violation, not to exceed \$50,000.00 for violations arising
986 out of the same transaction or occurrence, which must accrue to the corporation and may
987 be recovered in a civil action brought by the Attorney General in the name of the
988 corporation.

989 (b) The Attorney General may seek and obtain an injunction in a court of competent
990 jurisdiction for purposes of enforcing this article.

991 (c) Costs shall not be taxed against the Attorney General or this state for actions brought
992 under this Code section.

993 Part 7

994 50-27-200.

995 Bettors shall have certain rights as set forth in this part.

996 50-27-201.

997 Bettors shall have the right to access information necessary for making wagers, as well as
998 information demonstrating that the licensee's offerings are administered legally and fairly
999 in all respects. Such information includes but is not limited to:

1000 (1) The handling of wagers;

1001 (2) The odds and pertinent information used to calculate those odds;

1002 (3) Payout amounts and schedule of payouts;

1003 (4) Systems for reporting suspicions of fraud, such as internal reporting protocols and
1004 available legal actions;

1005 (5) Prohibition of certain parties with an interest in or ability to affect the outcome of a
1006 sporting event from wagering on such sporting events;

1007 (6) Contact information for the licensee; and

1008 (7) Resources for problem gambling, expressed in a clear and easily accessible manner.

1009 50-27-202.

1010 Bettors shall have the right to privacy and protection of their personally identifiable
1011 information and to the security of their funds and financial activities on sports betting
1012 platforms.

1013 50-27-203.

1014 Bettors shall be provided with easy access, through their preferred sports betting platform,
1015 to resources about the warning signs and treatment of gambling addictions. Licensees shall
1016 be proactive in preventing at-risk customers from becoming problem gamblers by
1017 implementing responsible gaming programs, trainings, and other practices to help bettors
1018 participate responsibly.

1019 50-27-204.

1020 A bettor shall have the right to recourse against a licensee in the event he or she believes
1021 a transaction or other interaction has been mishandled. Such recourse is essential to
1022 establish the credibility of sports betting and to maintain consumer trust. Bettors shall have
1023 the right to seek relief as may be provided in this article and by rules and regulations of the
1024 corporation. Licensees shall provide a clear, expeditious protocol to address concerns
1025 raised by bettors."

1026

PART III

1027

SECTION 3-1.

1028 Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to sales and use
1029 taxes, is amended by revising paragraph (55) of Code Section 48-8-3, relating to exemptions
1030 from state sales and use taxes, as follows:

1031 "(55) The sale of lottery tickets or wagers authorized by Chapter 27 of Title 50;"

1032

PART IV

1033

SECTION 4-1.

1034 This Act shall become effective upon its approval by the Governor or upon its becoming law
1035 without such approval.

1036

SECTION 4-2.

1037 All laws and parts of laws in conflict with this Act are repealed.