

The Senate Committee on Special Judiciary offered the following substitute to HB 903:

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 provide for violations and penalties; to provide for
11 related matters; to provide for an effective date; to repeal conflicting laws; and for other
12 purposes.

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

14 style="text-align:center">**PART I**
15 style="text-align:center">**SECTION 1-1.**

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

19 "50-27-3.

20 As used in this chapter, the term:

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

24 (2) 'Assignee' means any person or third party other than the winner to whom any portion
25 of a prize or any right of any person to a prize awarded payable by the corporation in

26 installment payments may be transferred or assigned pursuant to an appropriate judicial
27 order as provided in Code Section 50-27-24.1.

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

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

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

37 (6) 'Capital outlay projects' means the acquisition, construction, installation,
38 modification, renovation, repair, extension, renewal, replacement, or rehabilitation of
39 land, interests in land, buildings, structures, facilities, or other improvements and the
40 acquisition, installation, modification, renovation, repair, extension, renewal,
41 replacement, rehabilitation, or furnishing of fixtures, machinery, equipment, computers,
42 software, laboratories, furniture, textbooks, and reference material or other property of
43 any nature whatsoever used on, in, or in connection with educational facilities.

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

47 (8) 'Chief executive officer' means the chief executive officer of the Georgia Lottery
48 Corporation.

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

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

55 (11) 'Educational purposes and programs' means capital outlay projects for educational
56 facilities; tuition grants, scholarships, or loans to citizens of this state to enable such
57 citizens to attend colleges and universities located within this state, regardless of whether
58 such colleges and universities are owned or operated by the board of regents or to attend
59 institutions operated under the authority of the Technical College System of Georgia;
60 costs of providing to teachers at accredited public institutions who teach levels K-12,
61 personnel at public postsecondary technical institutes under the authority of the Technical
62 College System of Georgia, and professors and instructors within the University System

63 of Georgia the necessary training in the use and application of computers and advanced
64 electronic instructional technology to implement interactive learning environments in the
65 classroom and to access the state-wide distance learning network; costs associated with
66 repairing and maintaining advanced electronic instructional technology; voluntary
67 pre-kindergarten; and an education shortfall reserve.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

116 (25) 'Vendor' means a person who provides or proposes to provide goods or services to
 117 the corporation pursuant to a major procurement contract, but does not include an
 118 employee of the corporation, a retailer, or a state agency or instrumentality thereof. Such
 119 term does not include any corporation whose shares are publicly traded and which is the
 120 parent company of the contracting party in a major procurement contract."

121 **SECTION 1-2.**

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

124 "50-27-9.

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

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

131 (2) To adopt and alter a seal;

132 (3) To adopt, amend, and repeal bylaws, regulations, and policies and procedures for the
 133 regulation of its affairs and the conduct of its business; to elect and prescribe the duties

134 of officers and employees of the corporation; and to perform such other matters as the
135 corporation may determine. In the adoption of bylaws, regulations, policies, and
136 procedures or in the exercise of any regulatory power, the corporation shall be exempt
137 from the requirements of Chapter 13 of this title, the 'Georgia Administrative Procedure
138 Act';

139 (4) To procure or to provide insurance;

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

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

145 (7) To enter into written agreements with one or more other states or sovereigns for the
146 operation, participation in marketing, and promotion of a joint lottery or joint lottery
147 games;

148 (8) To conduct such market research as is necessary or appropriate, which may include
149 an analysis of the demographic characteristics of the players of each lottery game and an
150 analysis of advertising, promotion, public relations, incentives, and other aspects of
151 communication;

152 (9) To acquire or lease real property and make improvements thereon and acquire by
153 lease or by purchase personal property, including, but not limited to, computers;
154 mechanical, electronic, and ~~on-line~~ online equipment and terminals; and intangible
155 property, including, but not limited to, computer programs, systems, and software;

156 (10) To enter into contracts to incur debt in its own name and enter into financing
157 agreements with the state, agencies or instrumentalities of the state, or with any
158 commercial bank or credit provider; provided, however, that any such debt must be
159 approved by the Georgia State Financing and Investment Commission;

160 (11) To be authorized to administer oaths, take depositions, issue subpoenas, and compel
161 the attendance of witnesses and the production of books, papers, documents, and other
162 evidence relative to any investigation or proceeding conducted by the corporation;

163 (12) To appoint and select officers, agents, and employees, including professional and
164 administrative staff and personnel and hearing officers to conduct hearings required by
165 this chapter, and to fix their compensation, pay their expenses, and provide a benefit
166 program, including, but not limited to, a retirement plan and a group insurance plan;

167 (13) To select and contract with vendors and retailers;

168 (14) To enter into contracts or agreements with state or local law enforcement agencies,
169 including the Department of Revenue, for the performance of law enforcement,

170 background investigations, security checks, and auditing and enforcement of license
 171 requirements required by ~~Article 3 of~~ under this chapter;

172 (15) To enter into contracts of any and all types on such terms and conditions as the
 173 corporation may determine;

174 (16) To establish and maintain banking relationships, including, but not limited to,
 175 establishment of checking and savings accounts and lines of credit;

176 (17) To advertise and promote ~~the lottery and~~ lottery games;

177 (18) To act as a retailer, to conduct promotions which involve the dispensing of lottery
 178 tickets or shares, and to establish and operate a sales facility to sell lottery tickets or
 179 shares and any related merchandise; ~~and~~

180 (19) To offer the lottery game of sports wagering and to regulate sports wagering in this
 181 state; and

182 ~~(19)~~(20) To adopt and amend such regulations, policies, and procedures as necessary to
 183 carry out and implement its powers and duties, organize and operate the corporation,
 184 regulate the conduct of lottery games in general, and any other matters necessary or
 185 desirable for the efficient and effective operation of the lottery or the convenience of the
 186 public. The promulgation of any such regulations, policies, and procedures shall be
 187 exempt from the requirements of Chapter 13 of this title, the 'Georgia Administrative
 188 Procedure Act.'

189 (b) The powers enumerated in subsection (a) of this Code section are cumulative of and
 190 in addition to those powers enumerated elsewhere in this chapter, and no such powers limit
 191 or restrict any other powers of the corporation."

192 **PART II**

193 **SECTION 2-1.**

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

195 "ARTICLE 4

196 Part 1

197 50-27-120.

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

200 50-27-121.

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

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

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

209 (3) Net proceeds of lottery games conducted pursuant to this article shall be used to
 210 support improvements and enhancements for educational purposes and programs and that
 211 such net proceeds shall be used to supplement, not supplant, existing resources for such
 212 educational purposes and programs;

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

215 (5) The lottery game of sports wagering can be conducted in a manner to safeguard the
 216 fiscal soundness of the state, enhance public welfare, and support the need to educate
 217 Georgia's children through the HOPE scholarship program and pre-kindergarten funding
 218 authorized by Article I, Section II, Paragraph VIII of the Constitution.

219 50-27-122.

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

221 (1) 'Adjusted gross income' means the total of all money paid to a licensee as bets minus
 222 the total amount paid out to winning bettors over a specified period of time, which
 223 includes the cash equivalent of any merchandise or thing of value awarded as a prize.

224 (2) 'Applicant' means any person that applies for a license under this article.

225 (3) 'Bettor' means an individual who is:

226 (A) Twenty-one years of age or older;

227 (B) Physically present in this state when placing a wager with a licensee; and

228 (C) Not prohibited from placing a wager or bet under Code Section 50-27-151.

229 (4) 'Bond' means a bond held in escrow for the purpose of maintaining adequate reserves
 230 to account for losses suffered by a licensee and owed to bettors.

231 (5) 'Cheating' means improving the chances of winning or altering the outcome by
 232 deception, interference, or manipulation of a sporting event or of any equipment,
 233 including software pertaining to or used in relation to the equipment, used for or in
 234 connection with the sporting event on which wagers are placed or invited, including
 235 attempts and conspiracy to cheat.

236 (6) 'Collegiate' means belonging to or involving a public or private institution of higher
 237 education.

- 238 (7) 'Collegiate sporting event' means a sporting or athletics event involving a sports or
239 athletics team of a public or private institution of higher education.
- 240 (8) 'Corporation vendor' means a contractor, subcontractor, or independent contractor
241 hired by or contracted with the corporation or a licensee for the purpose of facilitating the
242 business of the corporation or licensee under this article.
- 243 (9) 'E-sport' means any multiplayer video game played competitively for spectators,
244 either in-person or via remote connection, in which success principally depends upon the
245 superior knowledge, training, experience, and adroitness of the players.
- 246 (10) 'Fixed-odds betting' means bets made at predetermined odds or on the spread where
247 the return to the bettor is unaffected by any later change in odds or the spread.
- 248 (11) 'Future bet' means a wager made on the occurrence of an event in the future relating
249 to a sporting event.
- 250 (12) 'Interactive sports wagering' means placing a wager on a sporting event via the
251 internet, a mobile device, or any other telecommunications platform.
- 252 (13) 'License' means a license to accept wagers from bettors on sporting events issued
253 under Code Section 50-27-140.
- 254 (14) 'Licensee' means a person that holds a license issued under Code Section 50-27-140.
- 255 (15) 'Live betting' means a type of wager that is placed after the sporting event being
256 wagered on has commenced and whose odds on events occurring are adjusted in real
257 time.
- 258 (16) 'Material nonpublic information' means information that has not been disseminated
259 publicly concerning an athlete, contestant, prospective contestant, or athletic team,
260 including, without limitation, confidential information related to medical conditions or
261 treatment, physical or mental health or conditioning, physical therapy or recovery,
262 discipline, sanctions, academic status, education records, eligibility, playbooks, signals,
263 schemes, techniques, game plans, practices, strategies, assessments, systems, drills, or
264 recordings of practices or other athletic activities.
- 265 (17) 'Minor' means an individual who is less than 21 years of age.
- 266 (18) 'Money line' means the fixed odds in relation to a dollar amount that a team or
267 person participating in a sporting event will win outright, regardless of the spread.
- 268 (19) 'Official league data' means statistics, results, outcomes, and other data related to
269 a sporting event obtained pursuant to an agreement with the relevant governing body of
270 a sport or sports league, organization, or association whose corporate headquarters are
271 based in the United States or an entity expressly authorized by such governing body to
272 provide such information to licensees for purposes of live betting.
- 273 (20) 'Online sports wagering platform' means the combination of hardware, software, and
274 data networks used to manage, administer, or control sports wagering and any associated

275 wagers accessible by any electronic means, including mobile applications and internet
276 websites accessed via a mobile device or computer.

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

279 (22) 'Professional sports team' means a major or minor league professional baseball,
280 football, basketball, soccer, or hockey franchise or a professional motor sport.

281 (23) 'Proposition bet' means a wager made regarding the occurrence or nonoccurrence
282 during a sporting event of an event that does not directly affect the final outcome of the
283 sporting event.

284 (24) 'Sporting event' means any professional sporting or athletic event, including motor
285 sports and e-sports, any collegiate sporting event, or any Olympic sporting or athletic
286 event sanctioned by a national or international organization or association. Such term
287 shall not include horse racing.

288 (25) 'Sports betting' or 'sports wagering' means placing one or more wagers for a sporting
289 event.

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

293 (27) 'Spread' means the predicted scoring differential between two persons or teams
294 engaged in a sporting event.

295 (28) 'Supervisory employee' means a principal owner or employee having the authority
296 to act on behalf of a licensee or whose judgment is relied upon to manage and advance
297 the business operations of a licensee.

298 (29) 'Wager' or 'bet' means a sum of money that is risked by a bettor on the unknown
299 outcome of one or more sporting events, including, but not limited to, the form of
300 fixed-odds betting, a future bet, live betting, a money line bet, pari-mutuel betting, a
301 parlay bet, pools, a proposition bet, or a spread bet or any other form as authorized by
302 rules and regulations of the corporation. For purposes of this paragraph, pari-mutuel
303 betting means a type of bet in which all wagers on a particular occurrence are pooled and
304 winnings are paid in accordance with the size of the pool and the number of winners.

305 Part 2

306 50-27-130.

307 In addition to the powers and duties otherwise specified in this chapter, the corporation
308 shall have all powers and duties necessary to carry out the provisions of this article and to

309 exercise the control of sports betting in this state as authorized by this article. Such powers
310 and duties shall include, but shall not be limited to, the following:

311 (1) To have jurisdiction and supervision of the lottery game of sports betting;

312 (2) To have jurisdiction and supervision of all persons conducting, participating in, or
313 attending any facility with sports betting;

314 (3) To employ such persons as necessary to ensure that such sports betting is conducted
315 with order and the highest degree of integrity. The corporation and such employees of
316 the corporation shall be authorized to eject or exclude from the sports betting facility or
317 any part thereof any individual, whether licensed or not, whose conduct or reputation is
318 such that his or her presence may, in the opinion of the corporation or the designated
319 employees of the corporation, reflect adversely on the honesty and integrity of the sports
320 betting or interfere with the orderly conduct of the sports betting;

321 (4) To enter upon, investigate, and have free access to all places of business of any
322 licensee under this article and to compel the production of any books, ledgers, documents,
323 records, memoranda, or other information of any licensee to ensure that this article and
324 the rules and regulations promulgated therein are complied with strictly;

325 (5) To promulgate any rules and regulations as the corporation deems necessary and
326 proper pursuant to Chapter 13 of this title, the 'Georgia Administrative Procedure Act,'
327 to administer the provisions of this article;

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

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

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

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

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

344 (11) Upon the receipt of a complaint of an alleged criminal violation of this article, to
345 immediately report the complaint to the corporation and Attorney General for appropriate
346 action;

347 (12) To provide for the withholding of the applicable amount of state and federal income
348 tax of persons claiming a prize or payoff for a winning wager and to establish the
349 thresholds for such withholdings;

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

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

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

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

367 Part 3

368 50-27-140.

369 (a) Any person engaging in the lottery game of sports wagering in this state shall be
370 licensed by the corporation.

371 (b) An applicant for a license shall submit an application on a form in such manner and in
372 accordance with such requirements as may be prescribed by rules and regulations of the
373 corporation.

374 (c) An application for a license shall include the following:

375 (1) If the applicant is an entity, identification of the applicant's principal owners who
376 own 5 percent or more of such entity and such entity's board of directors and officers;

377 (2) Satisfactory results from a fingerprint records check report conducted by the Georgia
378 Crime Information Center and the Federal Bureau of Investigation, as determined by the

379 corporation. Application for a license under this Code section shall constitute express
380 consent and authorization for the corporation or its representative to perform a criminal
381 background check. Each applicant who submits an application to the corporation for
382 licensure shall provide the corporation with any and all information necessary to run a
383 criminal background check, including, but not limited to, classifiable sets of fingerprints.
384 Such applicant shall be responsible for all fees associated with the performance of such
385 background check. If the applicant is an entity, all individuals who own 5 percent or
386 more of the entity shall provide classifiable sets of fingerprints;

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

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

396 (5) Letters of reference from law enforcement agencies having jurisdiction of the
397 applicant's place of residence and principal place of business. Each such letter of
398 reference shall indicate that the law enforcement agency does not have any pertinent
399 information concerning the applicant or, if such law enforcement agency does have
400 information pertaining to the applicant, shall provide such information;

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

407 (7) Information, documentation, and assurances concerning financial background and
408 resources as may be required to establish by clear and convincing evidence the financial
409 stability, integrity, and responsibility of the applicant, including, but not limited to, bank
410 references, business and personal income and disbursement schedules, tax returns and
411 other reports filed with governmental agencies, and business and personal accounting and
412 check records and ledgers. Each applicant shall, in writing, authorize the examination of
413 all bank accounts and records as may be deemed necessary by the corporation. The
414 corporation may consider any relevant evidence of financial stability. The applicant is

415 presumed to be financially stable if the applicant establishes by clear and convincing
416 evidence the ability to:

417 (A) Assure the financial integrity of sports wagering operations by the maintenance of
418 a bankroll or equivalent provisions adequate to pay winning wagers to bettors when
419 due. An applicant is presumed to have met this standard if the applicant maintains, on
420 a daily basis, a bankroll and equivalent provisions, in an amount which is at least equal
421 to the average daily minimum bankroll or equivalent provisions, calculated on a
422 monthly basis, for the corresponding month in the previous year;

423 (B) Meet ongoing operating expenses which are essential to the maintenance of
424 continuous and stable sports wagering operations; and

425 (C) Pay, as and when due, all state and federal taxes;

426 (8) Information, documentation, and assurances as may be required to establish by clear
427 and convincing evidence that the applicant has sufficient business ability and sports
428 wagering experience to establish the likelihood of the creation and maintenance of
429 successful, efficient sports wagering operations;

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

433 (10) A nonrefundable application fee in the amount of \$50,000.00 and an annual
434 licensing fee in the amount of \$900,000.00; and

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

436 (d) Upon review of the application, the corporation shall approve or deny an application
437 for a license not more than 90 days after receipt of an application.

438 (e) A licensee may renew its license by submitting an application on a form in such
439 manner and in accordance with such requirements as may be prescribed by rules and
440 regulations of the corporation. A licensee shall submit the nonrefundable annual licensing
441 and application fees prescribed under paragraph (10) of subsection (c) of this Code section
442 with its application for the renewal of its license.

443 (f) For each application for licensure or renewal of a license that is approved under this
444 Code section, the amount of the application fee must be credited toward the licensee's
445 annual licensing fee and the licensee shall remit the balance of the annual fee to the
446 corporation upon approval of a license. The fees collected from licensees under this Code
447 section shall be used by the corporation to pay the actual operating and administrative
448 expenses incurred pursuant to this article.

449 (g) Except as provided in subsection (f) of this Code section, annual licensing and
450 application fees collected by the corporation shall be distributed to the general fund of the
451 state treasury for distribution in the same manner as provided in Code Section 50-27-170.

452 (h) Each licensee shall have a continuing duty to immediately inform the corporation of
 453 any change in status relating to any information that may disqualify the licensee from
 454 holding the license.

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

460 (2) Upon receiving a request for a temporary license, the chief executive officer shall
 461 review the request. If the chief executive officer determines that the person requesting the
 462 temporary license holds a license or permit issued by another jurisdiction to engage in
 463 sports wagering and has paid the required license fee, the chief executive officer shall
 464 authorize such person to engage in sports wagering pursuant to this article under a
 465 temporary license for a period of two years or until a final determination on the sports
 466 wagering license application is made.

467 50-27-141.

468 The following persons shall not be eligible to apply for or obtain a license:

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

470 (2) An employee of a professional sports team or an entity that has an ownership or
 471 interest in a professional sports team;

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

474 (4) An individual who is a member or employee of any governing body of a sports team,
 475 league, or association or an entity that has an affiliation with any governing body of a
 476 sports team, league, or association;

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

479 (6) A person having the ability to directly affect the outcome of a sporting event; and

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

482 50-27-142.

483 (a) A licensee shall not:

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

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

486 (3) Directly advertise or promote sports wagering to minors;

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

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

493 (b) A person that violates this Code section:

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

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

497 50-27-143.

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

500 50-27-144.

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

502 (1) The amount of a bond in escrow and the amount of cash that shall be kept on hand
 503 to ensure that adequate reserves exist by licensees to pay off bettors;

504 (2) Any insurance requirements for a licensee;

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

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

508 (B) Maintenance of reliable records relating to accounts, transactions, profits and
 509 losses, operations, and events; and

510 (C) Global risk management;

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

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

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

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

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

520 (b) The licensee may maintain the bond at any bank lawfully operating in this state, and
 521 the licensee shall be the beneficiary of any interest accrued thereon.

522

Part 4523 50-27-150.

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

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

530 50-27-151.

531 (a) The following individuals or categories of individuals shall not, directly or indirectly,
532 wager or bet on a sporting event in this state:

533 (1) Any member, officer, or employee of the corporation;

534 (2) Any vendor or corporation vendor;

535 (3) Any licensee or principal owner, partner, member of the board of directors, officer,
536 or supervisory employee of a licensee;

537 (4) Any vendor of a licensee or any principal owner, partner, member of the board of
538 directors, officer, or supervisory employee of a vendor;

539 (5) Any contractor, subcontractor, or consultant or any officer or employee of a
540 contractor, subcontractor, or consultant of a licensee, if such individual is directly
541 involved in the licensee's operation of sports wagering or the processing of sports
542 wagering claims or payments through the licensee's online sports wagering platform;

543 (6) Any individual subject to a contract with the corporation if the contract contains a
544 provision prohibiting the individual from participating in sports wagering;

545 (7) Any individual with access to information that is known exclusively by an individual
546 who is prohibited from placing a wager in this state under this article;

547 (8) Any amateur or Olympic athlete if the wager is based on the sport or athletic event
548 in which the athlete participates and that is overseen by the athlete's sports governing
549 body;

550 (9) Any professional athlete if the wager is based on any sport or athletic event overseen
551 by the athlete's sports governing body;

552 (10) Any owner or employee of a team, player, umpire or sports union personnel, or
553 employee, referee, coach, or official of a sports governing body, if the wager is based on
554 a sporting event overseen by the individual's sports governing body;

555 (11) Any trustee or regent of a governing board of a public or private institution of
556 higher education;

557 (12) Any individual prohibited by the rules of a governing body of a collegiate sports
558 team, league, or association from participating in sports wagering;

559 (13) With respect to a student or an employee of a public or private institution of higher
560 education, any individual who has access to material nonpublic information concerning
561 a student athlete or team if the information is relevant to the outcome of a sporting event,
562 provided that the individual is only prohibited from using the information to place a
563 wager on a collegiate sporting event; and

564 (14) Any individual having the ability to directly affect the outcome of a sporting event.
565 (b) The corporation may prescribe by rules and regulations additional categories of
566 individuals who are prohibited from placing a wager in this state.

567 (c) The corporation shall maintain a confidential registry of persons and categories of
568 individuals who are ineligible to place a wager in this state and shall provide the registry
569 to each licensee in this state. The corporation shall provide each updated registry to the
570 licensees as soon as practicable. Each licensee shall maintain the registry provided by the
571 corporation confidentially. Such registry shall not be considered a record open to the
572 public pursuant to Article 4 of Chapter 18 of this title and shall be exempt from such
573 provisions.

574 (d) Any person that violates subsection (a) of this Code section:

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

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

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

581 50-27-152.

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

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

585 (2) Exempt from Article 2 of Chapter 12 of this title.

586 50-27-153.

587 (a)(1) The corporation shall by rules and regulations prohibit wagering on:

588 (A) Injuries, penalties, and other types or forms of wagering under this article that are
589 contrary to public policy or unfair to bettors; and

590 (B) Individual actions, events, statistics, occurrences, or nonoccurrences to be
591 determined during a collegiate sporting event, including, without limitation, in-game

592 proposition bets on the performance or nonperformance of a team or individual
 593 participant during a collegiate sporting event.

594 (2) A licensee shall only offer parlay bets and proposition bets of the type or category
 595 as prescribed by rules and regulations of the corporation. The corporation shall prescribe
 596 by rules and regulations the types and categories of parlay and proposition bets that may
 597 be offered in this state, if any.

598 (b)(1) A licensee; professional sports team, league, or association; or institution of higher
 599 education may submit to the corporation in writing a request to prohibit a type or form
 600 of wagering or to prohibit a category of individuals from wagering, if the licensee, team,
 601 league, association, or institution believes that such wagering by type, form, or category
 602 is contrary to public policy, is unfair to bettors, or affects the integrity of a particular sport
 603 or the sports wagering and gaming industry.

604 (2) The corporation shall, upon a demonstration of good cause from the requestor, grant
 605 a request provided for in paragraph (1) of this subsection. The corporation shall respond
 606 to any such request concerning a particular event before the start of the event or, if it is
 607 not feasible to respond before the start of the event, as soon as practicable.

608 50-27-154.

609 (a) Prior to placing a wager with a licensee via interactive sports wagering, a bettor shall
 610 register with the licensee remotely and attest that the bettor meets the requirements to place
 611 a wager with a licensee in this state. Prior to verification of a bettor's identity in
 612 accordance with this Code section, a licensee shall not allow the bettor to engage in sports
 613 wagering, make a deposit, or process a withdrawal via interactive sports wagering. A
 614 licensee shall implement commercially and technologically reasonable procedures to
 615 prevent access to sports wagering by minors on its online sports wagering platforms. A
 616 licensee may use information obtained from third parties to verify that an individual is
 617 authorized to open an account, place wagers, and make deposits and withdrawals.

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

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

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

624 (3) Obtain the following information:

625 (A) A physical address other than a post office box;

626 (B) A phone number;

627 (C) A unique user name; and

628 (D) An active email account.

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

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

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

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

640 (1) Electronic bank transfer of funds, including such transfers through third parties;
641 (2) Debit cards;
642 (3) Online and mobile payment systems that support online money transfers; and
643 (4) Any other method approved by rules and regulations of the corporation that is
644 initiated with cash.

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

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

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

655 (A) Immediately suspend the bettor's account and not allow the bettor to place wagers;
656 (B) Retain any winnings attributable to the bettor;
657 (C) Refund the balance of deposits made to the account to the source of such deposit
658 or by issuance of a check; and
659 (D) Deactivate the account.

660 (h) A licensee shall utilize geo-location or geo-fencing technology to ensure that
661 interactive sports wagering is only available to bettors who are physically located in this
662 state. A licensee shall maintain in this state its servers used to transmit information for
663 purposes of accepting or paying out bets or wagers on a sporting event placed by bettors
664 located in this state.

665 (i) A licensee shall clearly and conspicuously display on its website a statement indicating
666 that it is illegal for a person under 21 years of age to engage in sports wagering in this state.
667 (j) The corporation shall promulgate rules and regulations for purposes of regulating sports
668 wagering via interactive sports wagering.

669 50-27-155.

670 (a) Licensees shall allow bettors to restrict themselves from placing wagers with the
671 licensee, including limits on the time spent betting and amounts wagered, and take
672 reasonable steps to prevent those bettors from placing such wagers. At the request of a
673 bettor, a licensee may share the request with the corporation for the sole purpose of
674 disseminating the request to other licensees.

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

678 (c) The Department of Behavioral Health and Developmental Disabilities shall work with
679 national and local organizations to provide treatment services for individuals with problem
680 gambling or a gambling disorder and to establish prevention initiatives to reduce the
681 number of individuals with problem gambling or a gambling disorder.

682 (d) The Department of Behavioral Health and Developmental Disabilities shall annually
683 generate a report outlining the activities of such department with respect to problem
684 gambling and gambling disorders, including, but not limited to, descriptions of programs,
685 therapies, grants, and other resources made available; the success and outcomes of utilizing
686 such programs, therapies, grants, and resources; the number of individuals treated; the
687 number of individuals who complete programs and therapies; and the rate of recidivism,
688 if known. Such department shall file the annual report with the Governor, the Lieutenant
689 Governor, and the Speaker of the House of Representatives and shall publish the report on
690 its website no later than January 1 of each year.

691 50-27-156.

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

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

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

699 (2) Reporting requirements for suspicious wagers.

700 50-27-157.

701 (a) The corporation, licensees, and vendors shall cooperate with investigations conducted
702 by sports governing bodies and law enforcement agencies, including, but not limited to,
703 providing or facilitating the provision of account-level betting information and data files
704 relating to individuals placing wagers.

705 (b) Licensees shall immediately report to the corporation any information relating to:

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

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

710 (3) Any potential breach of a sports governing body's internal rules and codes of conduct
711 pertaining to sports wagering;

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

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

717 (c) Licensees shall also immediately report information relating to conduct described in
718 paragraphs (2) through (4) of subsection (b) of this Code section to the relevant sports
719 governing body.

720 (d) Licensees shall share with the corporation, in real time and at the account level,
721 information regarding a bettor; the amount and type of bet; the time the bet was placed; the
722 location of the bet, including the internet protocol address if applicable; the outcome of the
723 bet; and records of abnormal betting activity. Information shared under this subsection
724 shall be submitted in the form and manner as required by rules and regulations of the
725 corporation.

726 (e) If a sports governing body has notified the corporation that real time information
727 sharing for wagers placed on its sporting events is necessary and desirable, licensees shall
728 share the same information with the sports governing body or its designee with respect to
729 wagers on its sporting events. Such information shall be provided in anonymized form and
730 shall be used by a sports governing body solely for integrity purposes.

731 (f) All records, documents, and information received by the corporation pursuant to this
732 Code section shall be considered investigative records of a law enforcement agency, shall
733 not be subject to Article 4 of Chapter 18 of this title, and shall not be released under any
734 condition without the permission of the person providing such records, documents, or
735 information.

736 (g) In addition to its specific rule-making authority under this article, the corporation may
737 promulgate rules and regulations it deems necessary to maintain the integrity of sports
738 wagering in this state and to protect the public interest.

739 50-27-158.

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

742 (b)(1) A sports governing body headquartered in the United States may notify the
743 corporation that it desires licensees to use official league data for determining the results
744 of live betting. A notification under this subsection shall be made in the form and manner
745 as the corporation shall require. The corporation shall notify each licensee within five
746 days after receipt of such notification from a sports governing body. If a sports governing
747 body does not notify the corporation of its desire to supply official league data, a licensee
748 may use any data source for determining the results of any live betting on athletic events
749 of that sports governing body.

750 (2) Within 60 days after the corporation notifies each licensee of a sports governing
751 body's desire to require official league data as provided under paragraph (1) of this
752 subsection, each such licensee shall be required to use only official league data to
753 determine the results of live betting on sporting events sanctioned by such sports
754 governing body, except when:

755 (A) The sports governing body or its designee is unable to provide a feed of official
756 league data to determine the results of a particular type of live betting, in which case
757 licensees may use any data source for determining the results of the applicable live
758 betting until the data feed becomes available on commercially reasonable terms; or

759 (B) A licensee is able to demonstrate to the corporation that the sports governing body
760 or its designee will not provide a feed of official league data to the licensee on
761 commercially reasonable terms. The corporation shall consider the following factors
762 in evaluating whether official league data is being provided by the sports governing
763 body on commercially reasonable terms:

764 (i) The availability of a sports governing body's official league data on live betting
765 to a licensee from more than one authorized source;

766 (ii) Market information regarding the purchase by licensees of data from any
767 authorized source, including sports governing bodies or their designees, for the
768 purpose of settling sports wagers, for use in this state or other jurisdictions;

769 (iii) The nature and quantity of data, including the quality and complexity of the
770 process used for collecting such data;

771 (iv) The extent to which sports governing bodies or their designees have made data
 772 used to determine the results of live betting available to licensees; and
 773 (v) Any other factors considered by the corporation to be relevant and proper to its
 774 determination.

775 (3) While the corporation is determining whether a feed of official league data has been
 776 provided on commercially reasonable terms pursuant to paragraph (2) of this subsection,
 777 a licensee may use any data source for determining the results of any live betting.

778 (4) The corporation shall make a determination under paragraph (2) of this subsection
 779 within 120 days after the licensee notifies the corporation that it desires to demonstrate
 780 that the sports governing body or its designee will not provide a feed of official league
 781 data to such licensee on commercially reasonable terms.

782 Part 5

783 50-27-170.

784 (a) Notwithstanding any other law to the contrary, a licensee shall only pay a privilege tax
 785 on its adjusted gross income in accordance with this Code section.

786 (b) There shall be imposed upon the adjusted gross income of a licensee a tax of
 787 20 percent.

788 (c) The tax imposed under this Code section shall be paid monthly by a licensee based on
 789 its monthly adjusted gross income for the immediately preceding calendar month. The tax
 790 shall be paid to the corporation in accordance with rules and regulations promulgated by
 791 the corporation.

792 (d) For the purpose of enforcing this article and ascertaining the amount of tax due under
 793 this Code section, the corporation may competitively procure the services of a vendor to
 794 provide a central accounting and reporting system, to ascertain all bets wagered minus the
 795 total amount paid out to winning bettors daily, and to obtain such other information as the
 796 corporation may require. All licensees shall utilize such central accounting and reporting
 797 system.

798 (e) All of the tax collected under this Code section shall be distributed by the corporation
 799 to the general fund of the state treasury for deposit into the Lottery for Education Account.

800 Part 6

801 50-27-180.

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

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

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

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

810 (b) A licensee shall immediately report to the corporation any information relating to:

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

813 (2) The acquisition by any person of 5 percent or more of any class of corporate stock.

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

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

821 50-27-181.

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

828 50-27-182.

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

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

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

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

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

- 838 (A) For a first offense, \$1,000.00;
839 (B) For a second offense, \$2,000.00; and
840 (C) For a third or subsequent offense, \$5,000.00; or
841 (2) An individual is unlawfully accepting wagers from another individual without a
842 license, the corporation shall impose a fine against the individual in the following
843 amount:
844 (A) For a first offense, \$10,000.00;
845 (B) For a second offense, \$15,000.00; and
846 (C) For a third or subsequent offense, \$25,000.00.
847 (c) Nothing in this Code section shall prohibit the corporation from suspending, revoking,
848 or refusing to renew the license of a licensee in accordance with Code Section 50-27-183.
849 50-27-183.
850 (a) The corporation may investigate and conduct a hearing with respect to a licensee upon
851 information and belief that the licensee has violated this article or upon the receipt of a
852 credible complaint from any person that a licensee has violated this article. The
853 corporation shall conduct investigations and hearings in accordance with rules and
854 regulations adopted by the corporation.
855 (b) If the corporation determines that a licensee has violated any provision of this article
856 or any rules and regulations of the corporation, the corporation may:
857 (1) Suspend, revoke, or refuse to renew a license; and
858 (2) For any violation by a licensee, impose an administrative fine not to exceed
859 \$25,000.00 per violation.
860 (c) Except as provided in Code Section 50-27-182, the corporation shall promulgate rules
861 and regulations establishing a schedule of administrative fines that may be assessed in
862 accordance with subsection (b) of this Code section for each violation of this article.
863 (d) Fines assessed under this Code section must be accounted for separately for use by the
864 corporation in a manner consistent with rules and regulations of the corporation.
865 (e) The corporation may issue subpoenas to compel the attendance of witnesses and the
866 production of relevant books, accounts, records, and documents for purposes of carrying
867 out its duties under this article.
868 50-27-184.
869 (a) A licensee or other individual aggrieved by a final action of the corporation may appeal
870 that decision to the Superior Court of Fulton County.

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

874 (1) Clearly erroneous;

875 (2) Arbitrary and capricious;

876 (3) Procured by fraud;

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

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

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

881 50-27-185.

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

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

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

889 50-27-186.

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

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

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

899

PART III

900

SECTION 3-1.

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

903

SECTION 3-2.

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