

The House Committee on Economic Development and Tourism offers 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 change certain provisions
5 relating to the shortfall reserves maintained within the Lottery for Education Account; to
6 provide for a short title; to provide for legislative findings; to provide for additional powers
7 and duties of the corporation and its board of directors; to provide for procedures, limitations,
8 requirements, qualifications, and licensing; to regulate wagers and provide requirements for
9 bettors; to provide for bettors to restrict themselves from placing certain wagers; to provide
10 certain resources for individuals with a gambling problem or a gambling disorder; to provide
11 for the collection and disposition of fees; to amend Chapter 8 of Title 48 of the Official Code
12 of Georgia Annotated, relating to sales and use taxes, so as to exempt wagers placed as part
13 of the lottery game of sports wagering; to provide for violations and penalties; to provide for
14 related matters; to provide for an effective date; to repeal conflicting laws; and for other
15 purposes.

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

S. B. 142 (SUB)

17
18

PART I
SECTION 1-1.

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

22 "50-27-3.

23 As used in this chapter, the term:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

123 **SECTION 1-2.**

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

126 "50-27-9.

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

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

133 (2) To adopt and alter a seal;

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

141 (4) To procure or to provide insurance;

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

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

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

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

194 **SECTION 1-3.**

195 Said chapter is further amended in Code Section 50-27-13, relating to disposition of lottery
 196 proceeds, budget report by Governor, appropriations by General Assembly, and shortfall
 197 reserve subaccount, by revising paragraph (3) of subsection (b) as follows:

198 "(3)(A) A shortfall reserve shall be maintained within the Lottery for Education
 199 Account in an amount equal to at least 50 percent. For Fiscal Year 2022, the shortfall

200 reserve amount shall not be more than 85 percent of the average amount of net proceeds
201 deposited into such account for the preceding three fiscal years; for Fiscal Year 2023,
202 it shall not be more than 75 percent of the average amount of net proceeds deposited
203 into such account for the preceding three fiscal years; and for Fiscal Year 2024, it shall
204 not be more than 65 percent of the average amount of net proceeds deposited into such
205 account for the preceding three fiscal years. For Fiscal Year 2025 and for each fiscal
206 year thereafter, the shortfall reserve amount shall be not less than 50 percent or more
207 than 60 percent of the average amount of net proceeds deposited into such account for
208 the preceding three fiscal year years.

209 (B) If the net proceeds paid into the Lottery for Education Account in any year are not
210 sufficient to meet the amount appropriated for education purposes, the shortfall reserve
211 may be drawn upon to meet the deficiency.

212 (C) ~~If In the event~~ the shortfall reserve is drawn upon and falls below 50 percent of the
213 average amount of net proceeds deposited into such account for the preceding three
214 fiscal year years, the shortfall reserve shall be replenished to the level required by
215 subparagraph (A) of this paragraph in the next fiscal year and the lottery-funded
216 programs shall be reviewed and adjusted accordingly."

217

PART II

218

SECTION 2-1.

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

220 "ARTICLE 4

221 Part 1

222 50-27-120.

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

225 50-27-121.

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

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

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

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

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

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

241 50-27-122.

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

243 (1) 'Adjusted gross income' means the total of all moneys paid to a licensee as bets minus
244 federal excise taxes and minus the total amount paid out to winning bettors over a
245 specified period of time, which shall include the cash equivalent of any merchandise or
246 thing of value awarded as a prize.

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

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

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

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

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

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

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

259 (6) 'Corporation vendor' means a contractor, subcontractor, or independent contractor
260 hired by or contracted with the corporation or a licensee for the purpose of facilitating the
261 business of the corporation or licensee under this article.

262 (7) 'Fantasy or simulated contest' means a game or event in which players compete
263 against each other and winning outcomes reflect the relative knowledge and skill of the
264 players and are determined predominately by accumulated statistical results of the
265 performance of individuals, which may include, but shall not be limited to, athletes in
266 sporting events.

267 (8) 'Fixed-odds betting' means bets made at predetermined odds or on the spread where
268 the return to the bettor is unaffected by any later change in odds or the spread.

- 269 (9) 'Future bet' means a wager made on the occurrence of an event in the future relating
270 to a sporting event.
- 271 (10) 'Interactive sports wagering' means placing a wager on a sporting event via the
272 internet, a mobile device, or any other telecommunications technologies.
- 273 (11) 'License' means a license to accept wagers from bettors on sporting events issued
274 under Code Section 50-27-140.
- 275 (12) 'Licensee' means a person that holds a license issued under Code Section 50-27-140.
- 276 (13) 'Live betting' means a type of wager that is placed after the sporting event being
277 wagered on has commenced and whose odds on events occurring are adjusted in real
278 time.
- 279 (14) 'Material nonpublic information' means information that has not been disseminated
280 publicly concerning an athlete, contestant, prospective contestant, or athletic team,
281 including, without limitation, confidential information related to medical conditions or
282 treatment, physical or mental health or conditioning, physical therapy or recovery,
283 discipline, sanctions, academic status, education records, eligibility, playbooks, signals,
284 schemes, techniques, game plans, practices, strategies, assessments, systems, drills, or
285 recordings of practices or other athletic activities.
- 286 (15) 'Minor' means an individual who is less than 21 years of age.
- 287 (16) 'Money line' means the fixed odds in relation to a dollar amount that a team or
288 person participating in a sporting event will win outright, regardless of the spread.
- 289 (17) 'Official event data' means statistics, results, outcomes, and other data related to a
290 sporting event obtained pursuant to an agreement with the relevant sporting events
291 operator whose corporate headquarters are based in the United States or an entity
292 expressly authorized by such sporting events operator to provide such information to
293 licensees for purposes of live betting.
- 294 (18) 'Official league data' means statistics, results, outcomes, and other data related to
295 a sporting event obtained pursuant to an agreement with the relevant sports governing

296 body whose corporate headquarters are based in the United States or an entity expressly
297 authorized by such sports governing body to provide such information to licensees for
298 purposes of live betting.

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

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

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

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

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

312 (24) 'Sporting event' means any:

313 (A) Professional or amateur sporting or athletic event, including motor sports
314 sanctioned by a national or international organization or association;

315 (B) Olympic sporting or athletic event;

316 (C) Sporting or athletic event sanctioned by a national or international organization or
317 association; or

318 (D) Other event authorized by the corporation.

319 Such term shall not include pari-mutuel wagering on horse racing or a fantasy or
320 simulated contest.

321 (25) 'Sporting events operator' means a person that conducts or organizes a sporting
322 event for athletes or other participants that is not held or sanctioned as an official sporting
323 event of a sports governing body.

324 (26) 'Sports betting' or 'sports wagering' means placing one or more wagers for a sporting
325 event.

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

329 (28) 'Spread' means the predicted scoring differential between two persons or teams
330 engaged in a sporting event.

331 (29) 'Supervisory employee' means a principal owner or employee having the authority
332 to act on behalf of a licensee or whose judgment is relied upon to manage and advance
333 the business operations of a licensee.

334 (30) 'Wager' or 'bet' means a sum of money that is risked by a bettor on the unknown
335 outcome of one or more sporting events, including, but not limited to, the form of
336 fixed-odds betting, a future bet, live betting, a money line bet, a parlay bet, pools, a
337 proposition bet, or a spread bet or any other form as authorized by rules and regulations
338 of the corporation. Such terms shall not include entry fees paid to participate in a fantasy
339 or simulated contest.

340 Part 2

341 50-27-130.

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

- 346 (1) To have jurisdiction and supervision of the lottery game of sports betting;
347 (2) To have jurisdiction and supervision of all persons conducting, participating in, or
348 attending any facility with sports betting;
349 (3) To employ such persons as necessary to ensure that such sports betting is conducted
350 with order and the highest degree of integrity. The corporation and such employees of
351 the corporation shall be authorized to eject or exclude from the sports betting facility or
352 any part thereof any individual, whether licensed or not, whose conduct or reputation is
353 such that his or her presence may, in the opinion of the corporation or the designated
354 employees of the corporation, reflect adversely on the honesty and integrity of the sports
355 betting or interfere with the orderly conduct of the sports betting;
356 (4) To enter upon, investigate, and have free access to all places of business of any
357 licensee under this article and to compel the production of any books, ledgers, documents,
358 records, memoranda, or other information of any licensee to ensure that this article and
359 the rules and regulations promulgated by the corporation pursuant to this article are
360 complied with;
361 (5) To promulgate any rules and regulations as the corporation deems necessary and
362 proper pursuant to Chapter 13 of this title, the 'Georgia Administrative Procedure Act,'
363 to administer the provisions of this article; provided, however, that the initial rules and
364 regulations governing sports betting shall be promulgated and adopted by the corporation
365 within 150 days of the effective date of this article after an opportunity has been provided
366 for public comment. The promulgation and adoption of such initial rules and regulations
367 shall not be subject to Chapter 13 of this title;
368 (6) To issue subpoenas for the attendance of witnesses before the corporation, administer
369 oaths, and compel production of records or other documents and testimony of witnesses
370 whenever, in the judgment of the corporation, it is necessary to do so for the effectual
371 discharge of the duties of the corporation;

- 372 (7) To compel any person licensed by the corporation to file with the corporation such
373 data, documents, and information as shall appear to the corporation to be necessary for
374 the performance of the duties of the corporation, including, but not limited to, financial
375 statements and information relative to stockholders and all others with a pecuniary
376 interest in such person;
- 377 (8) To prescribe the manner in which books and records of persons licensed or permitted
378 by the corporation shall be kept;
- 379 (9) To enter into arrangements with any foreign or domestic government or
380 governmental agency for the purposes of exchanging information or performing any other
381 act to better ensure the proper conduct of wagering under this article;
- 382 (10) To order such audits, in addition to those otherwise required by this article, as the
383 corporation deems necessary and desirable;
- 384 (11) Upon the receipt of a complaint of an alleged criminal violation of this article, to
385 immediately report the complaint to the Attorney General for appropriate action;
- 386 (12) To provide for the reporting of the applicable amount of state and federal income
387 tax of persons claiming a prize or payoff for a winning wager;
- 388 (13) To establish and administer a program for providing assistance to compulsive
389 gamblers, including, but not limited to, requiring that signs or notifications which bear
390 a toll-free number for an organization which provides assistance to compulsive gamblers
391 be posted on online sports wagering platforms;
- 392 (14) To appoint and employ such other employees as the corporation deems essential to
393 perform its duties under this article who shall possess such authority and perform such
394 duties as the corporation shall prescribe or delegate to them. Such employees may
395 include stewards, chemists, physicians, inspectors, accountants, attorneys, security
396 officers, and such other employees deemed by the corporation to be necessary for the
397 supervision and proper conduct of the highest standard of sports betting. Such employees
398 shall be compensated as provided by the corporation;

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

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

404 (b) The corporation shall not have the power to prescribe a licensee's maximum or
405 minimum payout or hold percentage.

406 Part 3

407 50-27-140.

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

412 (b) The corporation shall issue licenses to qualified applicants able to meet the duties of
413 a license holder under this article and that the corporation determines will be best able to
414 maximize revenues for the state.

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

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

421 (2) Satisfactory results from a fingerprint records check conducted by the Georgia Crime
422 Information Center and the Federal Bureau of Investigation, as determined by the
423 corporation. Application for a license under this Code section shall constitute express

424 consent and authorization for the corporation or its representatives to perform a criminal
425 background check. Each applicant who submits an application to the corporation for
426 licensure shall provide the corporation with any and all information necessary to run a
427 criminal background check, including, but not limited to, classifiable sets of fingerprints.
428 Applicants shall be responsible for all fees associated with the performance of such
429 background checks. If the applicant is an entity, all individuals who are principal owners
430 shall provide classifiable sets of fingerprints;

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

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

440 (5) To the extent available, letters of reference or the equivalent from law enforcement
441 agencies having jurisdiction of the applicant's place of residence and principal place of
442 business. Each such letter of reference shall indicate that the law enforcement agency
443 does not have any pertinent information concerning the applicant or, if such law
444 enforcement agency does have information pertaining to the applicant, shall provide such
445 information;

446 (6) If the applicant has conducted sports wagering operations in a jurisdiction which
447 permits such activity, a letter of reference from the regulatory body that governs sports
448 wagering that specifies the standing of the applicant with the regulatory body; provided,
449 however, that, if no such letter is received within 60 days of the request therefor, the

450 applicant may submit a statement under oath that the applicant is or was, during the
451 period such activities were conducted, in good standing with the regulatory body;

452 (7) Information, documentation, and assurances concerning financial background and
453 resources as may be required to establish by clear and convincing evidence the financial
454 stability, integrity, and responsibility of the applicant, including, but not limited to, bank
455 references, business and personal income and disbursement schedules, tax returns and
456 other reports filed with governmental agencies, and business and personal accounting and
457 check records and ledgers. Each applicant shall, in writing, authorize the examination of
458 all bank accounts and records as may be deemed necessary by the corporation. The
459 corporation may consider any relevant evidence of financial stability. The applicant is
460 presumed to be financially stable if the applicant establishes by clear and convincing
461 evidence the ability to:

462 (A) Assure the financial integrity of sports wagering operations by the maintenance of
463 a reserve of not less than \$500,000.00 or the amount required to be able to cover the
464 outstanding liabilities for wagers accepted by the licensee, whichever is greater. Such
465 reserve may take the form of a bond, an irrevocable letter of credit, payment processor
466 reserves and receivables, cash or cash equivalents segregated from operational funds,
467 or a combination thereof. Such reserve shall be adequate to pay winning wagers to
468 bettors when due. An applicant is presumed to have met this standard if the applicant
469 maintains, on a daily basis, a minimum reserve in an amount which is at least equal to
470 the average daily minimum reserve, calculated on a monthly basis, for the
471 corresponding month in the previous year;

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

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

475 (8) Information, documentation, and assurances as may be required to establish by clear
476 and convincing evidence that the applicant has sufficient business ability and sports

477 wagering experience to establish the likelihood of the creation and maintenance of
478 successful, efficient sports wagering operations in this state;

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

482 (10) A nonrefundable application fee in the amount of \$100,000.00 and an annual
483 licensing fee in the amount of \$900,000.00; and

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

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

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

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

498 (g) Except as provided in subsection (f) of this Code section, annual licensing and
499 application fees collected by the corporation shall be distributed to the general fund of the
500 state treasury and used as provided under Article I, Section II, Paragraph VIII of the
501 Constitution.

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

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

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

517 (j) Any sports governing body or sporting events operator on whose sporting event the
518 corporation has authorized wagering may also enter into commercial agreements with
519 sports wagering operators or other entities that provide for such sports governing body or
520 sporting events operator to share in the amount bet from sports wagering on sporting events
521 of such sports governing body or sporting events operator. A sports governing body or
522 sporting events operator shall not be required to obtain a license or any other approval from
523 the corporation to enter into such commercial agreements.

524 50-27-141.

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

- 526 (1) A member or employee of the corporation, an employee of a vendor, or an employee
527 of a corporation vendor; provided, however, that a vendor or a corporation vendor as an
528 entity may be eligible to apply for or obtain a license;
- 529 (2) An employee of a professional sports team;
- 530 (3) An individual or entity that has an ownership interest of 25 percent or more in a
531 professional sports team on which the applicant offers sports wagering or an employee
532 of such individual or entity;
- 533 (4) A coach of or player for a collegiate, professional, or Olympic sports team or sport
534 or an entity that has an affiliation or interest in such a sports team or sport;
- 535 (5) An individual who is a member or employee of any sports governing body or
536 sporting events operator or an entity that has an affiliation with any sports governing
537 body or sporting events operator;
- 538 (6) An individual or entity with an owner, officer, or director who has been convicted of
539 a crime as specified in rules and regulations promulgated by the corporation;
- 540 (7) A person having the ability to directly affect the outcome of a sporting event upon
541 which the applicant offers sports wagering; and
- 542 (8) Any other category of persons, established by rules and regulations of the
543 corporation, that, if licensed, would affect the integrity of sports wagering in this state.
- 544 (b) A person listed in paragraphs (2) through (8) of subsection (a) of this Code section may
545 hold an ownership interest in an applicant or licensee without disqualifying the applicant
546 or licensee from obtaining or holding a license; provided, however, that such an ownership
547 interest of 25 percent or more shall require approval from the corporation. In determining
548 whether such an ownership interest shall be the basis of disqualification, the corporation
549 shall consider whether such interest would affect the integrity of sports wagering in this
550 state and any other factors the corporation shall deem relevant.

551 50-27-142.

552 (a) A licensee shall not knowingly:

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

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

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

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

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

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

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

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

566 50-27-143.

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

569 50-27-144.

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

571 (1) The reserves that must be kept by licensees to comply with subparagraph (c)(7)(A)
572 of Code Section 50-27-140 to pay off bettors;

573 (2) Any insurance requirements for a licensee;

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

- 576 (A) Safeguarding assets and revenues, including evidence of indebtedness;
577 (B) Maintaining reliable records relating to accounts, transactions, profits and losses,
578 operations, and events; and
579 (C) Global risk management;
580 (4) Requirements for internal and independent audits of licensees;
581 (5) The manner in which periodic financial reports shall be submitted to the corporation
582 from each licensee, including the financial information to be included in the reports;
583 (6) The type of information deemed to be confidential financial or proprietary
584 information that is not subject to any reporting requirements under this article;
585 (7) Policies, procedures, and processes designed to mitigate the risk of cheating and
586 money laundering; and
587 (8) Any post-employment restrictions necessary to maintain the integrity of sports
588 wagering in this state.
589 (b) The licensee may maintain the bond, letter of credit, or cash reserve at any bank
590 lawfully operating in this state, and the licensee shall be the beneficiary of any interest
591 accrued thereon.

592 Part 4

593 50-27-150.

- 594 (a) Except for those individuals ineligible to place bets under Code Section 50-27-151, an
595 individual who is 21 years of age or older and who is physically located in this state may
596 place a wager in the manner authorized under this article and the rules and regulations of
597 the corporation.
598 (b) A licensee shall ensure that all wagers accepted in this state are from qualified bettors
599 and in accordance with this article and the rules and regulations of the corporation.

600 50-27-151.

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

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

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

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

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

612 (6) A contractor, subcontractor, or consultant or any officer or employee of a contractor,
613 subcontractor, or consultant of a licensee shall not place a wager on the licensee's
614 platform, if such individual is directly involved in the licensee's operation of sports
615 wagering or the processing of sports wagering claims or payments through the licensee's
616 platform.

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

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

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

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

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

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

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

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

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

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

647 (c) The corporation shall maintain a confidential registry of individuals and categories of
648 individuals who are ineligible to place a wager in this state and shall provide the registry
649 to each licensee in this state. The corporation shall provide each updated registry to the
650 licensees as soon as practicable. Each licensee shall maintain the registry provided by the
651 corporation confidentially. Such registry shall not be considered a record open to the

652 public pursuant to Article 4 of Chapter 18 of this title and shall be exempt from such
653 provisions.

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

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

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

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

661 50-27-152.

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

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

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

666 50-27-153.

667 (a) The corporation shall by rules and regulations prohibit wagering on injuries, penalties,
668 or the outcome of player discipline rulings or replay reviews under this article that are
669 contrary to public policy or unfair to bettors.

670 (b)(1) A sports governing body or sporting events operator may submit to the corporation
671 in writing, by providing notice in such form and manner as the corporation may require,
672 a request to restrict, limit, or prohibit a certain type, form, or category of sports wagering
673 with respect to sporting events of such sports governing body or sporting events operator,
674 if the sports governing body or sporting events operator believes that such type, form, or
675 category of sports wagering with respect to sporting events of such sports governing body
676 or sporting events operator may undermine the integrity or perceived integrity of such

677 sports governing body or sporting events operator or sporting events of such sports
678 governing body or sporting events operator. The corporation shall request comments
679 from sports wagering operators on all such requests it receives.

680 (2) After giving due consideration to all comments received, the corporation shall, upon
681 a demonstration of good cause from the requestor that such type, form, or category of
682 sports wagering is likely to undermine the integrity or perceived integrity of such sports
683 governing body or sporting events operator or sporting events of such sports governing
684 body or sporting events operator, grant the request. The corporation shall respond to a
685 request concerning a particular event before the start of the event, or if it is not feasible
686 to respond before then, no later than seven days after the request is made. If the
687 corporation determines that the requestor is more likely than not to prevail in successfully
688 demonstrating good cause for its request, the corporation may provisionally grant the
689 request of the sports governing body or sporting events operator until the corporation
690 makes a final determination as to whether the requestor has demonstrated good cause.
691 Absent such a provisional grant by the corporation, sports wagering operators may
692 continue to offer sports wagering on sporting events that are the subject of such a request
693 during the pendency of the corporation's consideration of the applicable request.

694 50-27-154.

695 (a) Prior to placing a wager with a licensee via interactive sports wagering, a bettor shall
696 register and establish a player account with the licensee remotely and attest that the bettor
697 meets the requirements to place a wager with a licensee in this state. Prior to verification
698 of a bettor's identity in accordance with this Code section, a licensee shall not allow the
699 bettor to engage in sports wagering, make a deposit, or process a withdrawal via interactive
700 sports wagering. A licensee shall implement commercially and technologically reasonable
701 procedures to prevent access to sports wagering by minors on its online sports wagering
702 platforms. A licensee may use information obtained from third parties to verify that an

703 individual is authorized to open an account, place wagers, and make deposits and
704 withdrawals.

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

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

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

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

712 (A) Legal name;

713 (B) Date of birth;

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

715 (D) Phone number;

716 (E) A unique username; and

717 (F) An active email account.

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

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

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

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

729 (1) Electronic bank transfer of funds, including such transfers through third parties;

- 730 (2) Debit cards;
731 (3) Online and mobile payment systems that support online money transfers; and
732 (4) Any other method approved by rules and regulations of the corporation.
- 733 (g)(1) Each financial transaction with respect to an account between a bettor and licensee
734 must be confirmed by email, telephone, text message, or other means agreed upon by the
735 account holder. A licensee shall use commercially and technologically reasonable means
736 to independently verify the identity of the bettor making a deposit or withdrawal.
- 737 (2) If a licensee determines that the information provided by a bettor to make a deposit
738 or process a withdrawal is inaccurate or incapable of verification or violates the policies
739 and procedures of the licensee, the licensee shall, within ten days, require the submission
740 of additional information that can be used to verify the identity of the bettor.
- 741 (3) If such information is not provided or does not result in verification of the bettor's
742 identity, the licensee shall:
- 743 (A) Immediately suspend the bettor's account and not allow the bettor to place wagers;
744 (B) Retain any winnings attributable to the bettor;
745 (C) Refund the balance of deposits made to the account to the source of such deposit
746 or by issuance of a check; and
747 (D) Suspend the account.
- 748 (h) A licensee shall utilize geolocation or geofencing technology to ensure that interactive
749 sports wagering is only available to bettors who are physically located in this state. A
750 licensee shall maintain in this state the servers it uses to transmit information for purposes
751 of accepting wagers on a sporting event placed by bettors located in this state.
- 752 (i) A licensee shall clearly and conspicuously display on its website a statement indicating
753 that it is illegal for a person under 21 years of age to engage in sports wagering in this state.
- 754 (j) The corporation shall promulgate rules and regulations for purposes of regulating sports
755 wagering via interactive sports wagering.

756 50-27-155.

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

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

765 (c) The corporation shall work with national and local organizations to provide services
766 for individuals with problem gambling or a gambling disorder and to establish prevention
767 initiatives to reduce the number of individuals with problem gambling or a gambling
768 disorder, including, but not limited to, utilizing currently established programs for problem
769 gambling or gambling disorders.

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

778 50-27-156.

779 (a) Each licensee shall adopt and adhere to a written, comprehensive policy outlining its
780 rules governing the acceptance of wagers and payouts. Such policy and rules must be

781 approved by the corporation prior to the acceptance of a wager by a licensee. Such policy
782 and rules must be readily available to a bettor on the licensee's website.

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

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

786 (2) Reporting requirements for suspicious wagers.

787 50-27-157.

788 (a) The corporation, licensees, corporation vendors, and vendors shall use commercially
789 reasonable efforts to cooperate with investigations conducted by any sports governing
790 body, any sporting events operator, and law enforcement agencies, including, but not
791 limited to, using commercially reasonable efforts to provide or facilitate the provision of
792 anonymized account level betting information and audio or video files relating to
793 individuals placing wagers. All disclosures under this Code section shall be subject to the
794 obligation of a sports wagering operator to comply with all federal, state, and local laws
795 and rules and regulations relating to privacy and personally identifiable information.

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

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

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

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

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

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

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

813 (d) Licensees shall use commercially reasonable efforts to maintain, in real time and at the
814 account level, anonymized information regarding a bettor; the amount and type of bet; the
815 time the bet was placed; the location of the bet, including the internet protocol address if
816 applicable; the outcome of the bet; and records of abnormal betting activity. The
817 corporation may request such information in the form and manner as required by rules and
818 regulations of the corporation. For purposes of this subsection, the term 'real time' means
819 on a commercially reasonable periodic interval.

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

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

829 (g) If a sports governing body or sporting events operator has notified the corporation that
830 real-time information sharing for wagers placed on its sporting events is necessary and
831 desirable, licensees shall share the same information with the sports governing body or
832 sporting events operator, or a designee of such sports governing body or sporting events
833 operator, with respect to wagers on sporting events of such sports governing body or

834 sporting events operator. A sports governing body or sporting events operator, or a
835 designee of such sports governing body or sporting events operator, shall only use
836 information received under this subsection for integrity-monitoring purposes and shall not
837 use such information for any other purpose. Nothing in this subsection shall require a
838 licensee to provide any information that is prohibited by federal, state, or local laws, rules,
839 or regulations, including, but not limited to laws, rules, or regulations relating to privacy
840 and personally identifiable information.

841 50-27-158.

842 (a) Except as provided in subsection (b) of this Code section, a licensee may use any data
843 source for determining the results of any live betting. Such data source may include, but
844 shall not be limited to, official league data.

845 (b) For purposes of live betting on sporting events that are not held or sanctioned as an
846 official sporting event of a sports governing body, a licensee shall exclusively use official
847 event data unless the licensee can demonstrate to the corporation that the sporting events
848 operator or other authorized entity cannot provide a feed of official event data for live
849 betting in accordance with commercially reasonable terms, as determined by the
850 corporation.

851 Part 5

852 50-27-170.

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

855 (b) There shall be imposed upon the adjusted gross income of a licensee a fee of
856 20 percent.

857 (c) The fee imposed under this Code section shall be paid monthly by a licensee based on
858 its monthly adjusted gross income for the immediately preceding calendar month. The fee
859 shall be paid to the corporation in accordance with rules and regulations promulgated by
860 the corporation. If the licensee's adjusted gross income for a month is a negative number,
861 such licensee may carry over such negative amount to subsequent months.
862 (d) All of the fees collected under this Code section shall be distributed by the corporation
863 to the general fund of the state treasury and used as provided under Article I, Section II,
864 Paragraph VIII of the Constitution.

865 Part 6

866 50-27-180.

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

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

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

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

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

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

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

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

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

886 50-27-181.

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

893 50-27-182.

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

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

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

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

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

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

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

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

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

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

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

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

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

914 50-27-183.

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

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

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

923 (2) For any violation by a licensee, impose an administrative fine not to exceed
924 \$25,000.00 per violation.

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

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

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

933 50-27-184.

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

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

939 (1) Clearly erroneous;

940 (2) Arbitrary and capricious;

941 (3) Procured by fraud;

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

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

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

946 50-27-185.

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

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

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

954 50-27-186.

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

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

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

964 Part 7

965 50-27-200.

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

967 50-27-201.

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

971 (1) The handling of wagers;

972 (2) The odds;

973 (3) Payout amounts and schedule of payouts;

974 (4) Systems for reporting suspicions of fraud and available legal actions;

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

977 (6) Contact information for the licensee; and

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

979 50-27-202.

980 Bettors shall have the right to privacy and protection of their personally identifiable
981 information and to the security of their funds and financial activities on sports betting
982 platforms.

983 50-27-203.

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

989 50-27-204.

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

996

PART III

997

SECTION 3-1.

998 Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to sales and use
999 taxes, is amended by revising paragraph (55) of Code Section 48-8-3, relating to exemptions
1000 from state sales and use taxes, as follows:

1001 "(55) The sale of lottery tickets or wagers authorized by Chapter 27 of Title 50;"

1002

PART IV

1003

SECTION 4-1.

1004 This Act shall become effective on July 1, 2021; provided, however, that if an amendment
1005 to the Constitution of the State of Georgia authorizing sports betting or sports wagering is
1006 passed by the General Assembly and ratified by the voters in the 2022 general election, then
1007 effective on January 1, 2023, all sports betting or sport wagering in this state shall be
1008 conducted, and all fees collected under this Act shall be used, in accordance with such
1009 amendment.

1010

SECTION 4-2.

1011 All laws and parts of laws in conflict with this Act are repealed.