

The House Committee on Higher Education offers the following substitute to HB 686:

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 50 of the Official Code of Georgia Annotated, relating to state government,
2 so as to authorize and provide for the regulation and taxation of sports betting in this state;
3 to provide for additional powers and duties of the Georgia Lottery Corporation; to provide
4 for the corporation to engage in certain activities related to sports betting; to provide for a
5 short title; to provide for legislative findings; to provide for definitions; to provide for the
6 corporation's powers and duties relative to sports betting; to provide for the procedures,
7 limitations, requirements, and qualifications of the licensing of any person offering,
8 operating, or managing sports betting in this state; to provide for rules and regulations
9 promulgated by the corporation; to provide for a privilege tax; to establish the Georgia Sports
10 Betting Proceeds Trust Fund; to require certain reports; to regulate wagers and provide
11 requirements for bettors; to provide for violations; to provide for penalties and fines; to
12 provide for bettors to restrict themselves from placing certain wagers; to provide certain
13 resources and safeguards for individuals with problem gambling or a betting or gambling
14 disorder; to provide for the use of official league data; to prohibit certain conduct by the
15 corporation, employees of the corporation, licensees, and other persons; to provide for certain
16 penalties; to provide for the collection and disposition of fees and fines; to provide for
17 construction; to amend Part 1 of Article 2 of Chapter 12 of Title 16 of the Official Code of
18 Georgia Annotated, relating to gambling, so as to exclude from the definition of "bet" any

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19 consideration paid to a sports betting licensee; to provide for the exemption of persons
 20 lawfully engaged in online sports betting from regulations and restrictions regarding
 21 gambling information; to amend Title 48 of the Official Code of Georgia Annotated, relating
 22 to revenue and taxation, so as to exempt wagers placed as part of sports betting; to provide
 23 for related matters; to provide for a contingent effective date and automatic repeal; to repeal
 24 conflicting laws; and for other purposes.

25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

26 **PART I**
 27 **SECTION 1-1.**

28 Title 50 of the Official Code of Georgia Annotated, relating to state government, is amended
 29 in Code Section 50-27-9, relating to general powers of the Georgia Lottery Corporation, by
 30 revising paragraphs (18) and (19) of subsection (a) and adding a new paragraph to read as
 31 follows:

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

35 (19) To perform any actions and carry out any responsibilities provided for in Article 4
 36 of this chapter; and

37 ~~(19)~~(20) To adopt and amend such regulations, policies, and procedures as necessary to
 38 carry out and implement its powers and duties, organize and operate the corporation,
 39 regulate the conduct of lottery games in general, and any other matters necessary or
 40 desirable for the efficient and effective operation of the lottery or the convenience of the
 41 public. The promulgation of any such regulations, policies, and procedures pursuant to
 42 this article and Article 2 of this chapter shall be exempt from the requirements of

43 Chapter 13 of this title, the 'Georgia Administrative Procedure Act.' Notwithstanding any
44 other provision of law to the contrary, hearings related to any dispute between licensees
45 under Code Section 50-27-102 shall be held in accordance with the provisions of Part 1
46 of Article 1 of Chapter 9 of Title 9, the 'Georgia Arbitration Code.' All other hearings
47 and any rules, regulations, policies, or procedures related to the administration,
48 enforcement, or violation of this article shall be subject to the provisions of Chapter 13
49 of this title."

50 **PART II**
51 **SECTION 2-1.**

52 Said title is further amended by adding a new article to Chapter 27, relating to the "Georgia
53 Lottery for Education Act," to read as follows:

54 "ARTICLE 4

55 Part 1

56 50-27-120.

57 This article shall be known and may be cited as the 'Georgia Sports Betting Act.'

58 50-27-121.

59 The General Assembly finds that:

60 (1) Sports betting shall be overseen and regulated, and may also be offered, by the
61 Georgia Lottery Corporation in a manner that provides continuing entertainment to the
62 public, maximizes revenues, protects consumers, and ensures that sports betting is
63 operated in this state with integrity and dignity and free of political influence;

64 (2) The corporation shall be accountable to the General Assembly and to the public for
65 the management and oversight of sports betting in this state through a system of audits
66 and reports;

67 (3) The ability to offer sports betting in this state under a license issued in accordance
68 with this article constitutes a taxable privilege and not a right;

69 (4) Net proceeds of sports betting conducted pursuant to this article shall be used for the
70 purposes authorized by Article I, Section II, Paragraph VIII of the Constitution of
71 Georgia; and

72 (5) In accordance with Code Section 50-27-2, sports betting shall be conducted in a
73 manner so as to safeguard the fiscal soundness of the state, to enhance public welfare, and
74 to support the funding authorized by Article I, Section II, Paragraph VIII(c) of the
75 Constitution of Georgia.

76 50-27-122.

77 As used in this article, the term:

78 (1) 'Adjusted gross income' means the total of all moneys paid to a licensee as wagers
79 minus federal excise taxes and minus the total amount paid out to winning bettors,
80 including the cash value of merchandise awarded as winnings.

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

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

83 (A) Physically present in this state when placing a wager with a licensee;

84 (B) Twenty-one years of age or older; and

85 (C) Not prohibited from placing a wager or bet under Code Section 50-27-162.

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

88 (5) 'Cheating' means improving the chances of winning or altering the outcome through
89 deception, interference, or manipulation of a sporting event or of any equipment,

- 90 including software, pertaining to or used in relation to the equipment used for or in
91 connection with the sporting event on which wagers are placed or invited. Such term
92 shall include match fixing and attempts and conspiracy to cheat.
- 93 (6) 'Collegiate sporting event' means a sporting or athletic event involving a sports or
94 athletic team of a public or private institution of higher education.
- 95 (7) 'Esports event' means an organized video game competition between players who
96 play individually or as teams.
- 97 (8) 'Fantasy or simulated contest' means a game or event in which one or more players
98 compete based on winning outcomes that reflect the relative knowledge and skill of the
99 players and are determined predominately by accumulated statistical results of the
100 performance of individuals, including, but not limited to, athletes in sporting events.
- 101 (9) 'Fixed-odds betting' means bets made at predetermined odds or on the spread where
102 the return to the bettor is unaffected by any later change in odds or the spread.
- 103 (10) 'Futures wager' means a wager made on the occurrence of an event in the future
104 relating to a sporting event.
- 105 (11) 'Institutional investor' means:
- 106 (A) A retirement fund administered by a public agency for the exclusive benefit of
107 federal, state, or local public employees;
- 108 (B) An investment company registered under the Investment Company Act of 1940;
- 109 (C) A chartered or licensed life insurance company or property and casualty insurance
110 company;
- 111 (D) A banking and other chartered or licensed lending institution;
- 112 (E) An investment advisor registered under the Investment Advisers Act of 1940; or
- 113 (F) A pension investment board.
- 114 (12) 'License' means any of the licenses issued by the corporation under this article.
- 115 (13) 'Licensee' means a person that holds a license issued by the corporation under this
116 article.

- 117 (14) 'Master sports betting licensee' means the Georgia Lottery Corporation.
- 118 (15) 'Material nonpublic information' means information that has not been disseminated
119 publicly concerning an athlete, contestant, prospective contestant, or athletic team,
120 including, without limitation, confidential information related to medical conditions or
121 treatment, physical or mental health or conditioning, physical therapy or recovery,
122 discipline, sanctions, academic status, education records, eligibility, playbooks, signals,
123 schemes, techniques, game plans, practices, strategies, assessments, systems, drills, or
124 recordings of practices or other athletic activities.
- 125 (16) 'Merchandise' means any goods or services provided to bettors free of charge, at a
126 discounted rate, or in the form of a rebate or credit.
- 127 (17) 'Minor' means an individual who is less than 21 years of age.
- 128 (18) 'Moneyline wager' means the fixed odds in relation to a dollar amount that a team
129 or person participating in a sporting event will win outright regardless of the spread.
- 130 (19) 'Official event data' means statistics, results, outcomes, and other data related to a
131 sporting event obtained pursuant to an agreement with the relevant sporting events
132 operator whose corporate headquarters is based in the United States or an entity expressly
133 authorized by such sporting events operator to provide such information to licensees for
134 purposes of determining the outcome of tier 2 sports wagers on such sporting event.
- 135 (20) 'Official league data' means statistics, results, outcomes, and other data related to
136 a sporting event obtained pursuant to an agreement with the relevant professional sports
137 governing body whose corporate headquarters is based in the United States or an entity
138 expressly authorized by such professional sports governing body to provide such
139 information to licensees for purposes of determining the outcome of tier 2 sports wagers.
- 140 (21) 'Online sports betting' means a wager on a sporting event that is placed via the
141 internet through any electronic device and accepted through an online sports betting
142 platform.

143 (22) 'Online sports betting platform' means the combination of hardware, software, and
144 data networks used to manage, administer, or control online sports betting and any
145 associated wagers accessible by any electronic means.

146 (23) 'Online sports betting services provider' means a person that contracts with the
147 master sports betting licensee or a Type 1 sports betting licensee under Code Section
148 50-27-133 to operate online sports betting on behalf of such licensee and that is licensed
149 by the corporation.

150 (24) 'Over/under wager' means a single wager that predicts whether the combined score
151 of the two persons or teams engaged in a sporting event will be lower or higher than a
152 predetermined number.

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

155 (26) 'Person' means an individual or entity.

156 (27) 'Principal owner' means a person that owns an interest of 10 percent or more of the
157 entity.

158 (28) 'Professional sporting event' means an athletic or sporting event involving at least
159 two competitors who have the opportunity to receive compensation for participating in
160 such event.

161 (29) 'Professional sports governing body' means the organization, league, or association
162 whose corporate headquarters is based in the United States that oversees a sport and
163 prescribes final rules and enforces codes of conduct with respect to such sport and
164 participants therein.

165 (30) 'Professional sports team' means a major league professional team:

166 (A) Based in this state;

167 (B) That plays baseball, football, men's basketball, soccer, or women's basketball; and

168 (C) Whose regular season games have had the highest attendance for its respective
169 professional sport in the state during the past five years.

170 (31) 'Proposition wager' means a wager on a single specific action, statistic, occurrence,
171 or nonoccurrence to be determined during a sporting event and includes any such action,
172 statistic, occurrence, or nonoccurrence that does not directly affect the final outcome of
173 the professional sporting event to which it relates.

174 (32) 'Sporting event' means any:

175 (A) Professional sporting event, including motor sports sanctioned by a national or
176 international organization or association;

177 (B) Collegiate sporting event;

178 (C) Olympic sporting or athletic event;

179 (D) Sporting or athletic event sanctioned by a national or international organization or
180 association;

181 (E) Sporting or athletic event conducted or organized by a sporting events operator;

182 (F) Esports event; or

183 (G) Other event authorized by the corporation.

184 Such term shall not include a nonprofessional, noncollegiate, or non-Olympic sporting
185 or athletic event if the majority of the participants are under the age of 18 years and shall
186 not include any Special Olympics sporting or athletic event.

187 (33) 'Sporting events operator' means a person that conducts or organizes a sporting
188 event for athletes or other participants that is not held or sanctioned as an official sporting
189 event of a professional sports governing body.

190 (34) 'Sports betting' means online sports betting.

191 (35) 'Sports betting equipment' means any of the following that is directly used in
192 connection with the operation of sports betting:

193 (A) Any mechanical, electronic, or other device, mechanism, or equipment;

194 (B) Any software, application, components, or other goods; or

195 (C) Anything to be installed or used on a personal electronic device.

196 (36)(A) 'Sports betting supplier' means a person that provides sports betting equipment
197 necessary for the creation of sports betting markets and the determination of bet
198 outcomes, directly to any licensee involved in the acceptance of bets, including any of
199 the following:

200 (i) Providers of data feeds and odds services;

201 (ii) Platform providers;

202 (iii) Risk management providers;

203 (iv) Integrity monitoring providers; and

204 (v) Other providers of sports betting supplier services as determined by the
205 corporation.

206 (B) Such term shall not include a professional sports governing body that:

207 (i) Provides official league data concerning its own sporting event to a sports betting
208 licensee solely on that basis; or

209 (ii) Provides raw statistical match data to one or more designated and licensed
210 suppliers of data feeds and odds services solely on that basis.

211 (37) 'Spread' means the predicted scoring differential between two persons or teams
212 engaged in a sporting event.

213 (38) 'Supervisory employee' means a principal owner or employee having the authority
214 to act on behalf of a licensee whose judgment is relied upon to manage and advance the
215 sports betting business operations of a licensee.

216 (39) 'Tier 1 sports wager' means a sports wager that is determined solely by the final
217 score or final outcome of the sporting event and is placed before the sporting event has
218 begun.

219 (40) 'Tier 2 sports wager' means a wager that is not a tier 1 sports wager.

220 (41) 'Type 1 eligible entity' means any of the following:

221 (A) Any professional sports team;

222 (B) A professional sports governing body that holds one or more sanctioned annual
223 golf tournaments on a national tour of professional golf in this state, and has held one
224 or more of the same or different sanctioned annual golf tournaments on a national tour
225 of professional golf in this state for at least 30 years;

226 (C) The owner of a facility in this state that has held an annual invitational golf
227 tournament for professional and amateur golfers for at least 30 years;

228 (D) The owner of a facility located in this state that hosts automobile races on a
229 national association for stock car racing national tour or a wholly owned for-profit
230 subsidiary of the owner of such a facility, if the owner is a nonprofit corporation or
231 nonprofit organization; and

232 (E) The Georgia Lottery Corporation.

233 (42) 'Type 1 sports betting licensee' means the master sports betting licensee, an online
234 sports betting services provider awarded a Type 1 license via the public procurement
235 process by the master sports betting licensee, or a Type 1 eligible entity licensed or
236 authorized by the corporation to directly or indirectly offer online sports betting.

237 (43) 'Wager' or 'bet' means a sum of money that is risked by a bettor on the unknown
238 outcome of one or more sporting events or portions of sporting events. Such term shall
239 include single-game wagers, futures wagers, tier 1 or tier 2 wagers, teaser wagers, parlay
240 wagers, over/under wagers, moneyline wagers, pools, exchange wagering, in-game
241 wagering, in-play wagers, proposition wagers, straight wagers, fixed-odds betting, and
242 any other bet or wager approved by the corporation. Such term shall not include a
243 pari-mutuel bet or wager or an entry fee paid to participate in a fantasy or simulated
244 contest.

245 50-27-123.

246 (a) The corporation shall have all powers and duties necessary to carry out the provisions
247 of this article and to exercise the control of sports betting in this state as authorized by this
248 article. Such powers and duties shall include, but shall not be limited to, the following:

249 (1) To have jurisdiction, supervision, and regulatory authority over sports betting,
250 including, but not limited to, regulation, licensure, and offering of sports betting on
251 mobile applications available state wide via the internet and through a limited number of
252 licenses to be awarded to Type 1 sports betting licensees;

253 (2) To appoint and employ such persons as the corporation deems essential to perform
254 its duties under this article and to ensure that such sports betting is conducted with order
255 and the highest integrity. Such employees shall possess such authority and perform such
256 duties as the corporation shall prescribe or delegate to them. Such employees shall be
257 compensated as provided by the corporation;

258 (3) To enter upon, investigate, and have free access to all places of business of any
259 licensee under this article and to compel the production of any books, ledgers, documents,
260 records, memoranda, or other information of any licensee to ensure such licensee's
261 compliance with the rules and regulations promulgated by the corporation pursuant to this
262 article;

263 (4) To promulgate any rules and regulations as the corporation deems necessary and
264 proper to administer the provisions of this article; provided, however, that the initial rules
265 and regulations governing sports betting shall be promulgated, provided for a period of
266 public comment, and adopted by the corporation within 90 days of the effective date of
267 this article. Such initial rules and regulations and all other rules and regulations of the
268 corporation promulgated and adopted pursuant to this article shall not be subject to
269 Chapter 13 of this title, the 'Georgia Administrative Procedure Act';

270 (5) To issue subpoenas for the attendance of witnesses before the corporation, administer
271 oaths, and compel production of records or other documents and testimony of witnesses

272 whenever, in the judgment of the corporation, it is necessary to do so for the effectual
273 discharge of the duties of the corporation under this article;

274 (6) To compel any person licensed by the corporation to file with the corporation such
275 data, documents, and information as shall appear to the corporation to be necessary for
276 the performance of the duties of the corporation under this article, including, but not
277 limited to, financial statements and information relative to stockholders and all others
278 with a pecuniary interest in such person;

279 (7) To prescribe the manner in which books and records of persons licensed or permitted
280 by the corporation under this article shall be kept;

281 (8) To enter into arrangements with any foreign or domestic government or
282 governmental agency for the purposes of exchanging information or performing any other
283 act to better ensure the proper conduct of betting under this article;

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

286 (10) Upon the receipt of a complaint of an alleged criminal violation of this article, to
287 immediately report such complaint to the appropriate law enforcement agency with
288 jurisdiction to investigate criminal activity;

289 (11) To provide for the reporting of the applicable amount of state and federal income
290 tax of persons claiming a prize or payoff for a winning wager under this article;

291 (12) To establish and administer programs for providing assistance to individuals with
292 problem gambling or a betting or gambling disorder, including, but not limited to:

293 (A) Educating potential gamblers of methods and types of bets and fairly informing
294 potential gamblers of the odds or likelihood of winning such bets;

295 (B) Establishing and administering programs for educating potential gamblers about
296 responsible gambling, the warning signs of problem gambling or betting or gambling
297 disorders and how to prevent and treat problem gambling or betting or gambling
298 disorders;

299 (C) Developing and funding responsible gaming education campaigns coupled with
300 prevention and education efforts within communities that raise awareness of potential
301 signs or risk factors of problem gambling or betting or gambling disorders;

302 (D) Encouraging the use of harm-minimizing measures by bettors, such as excluding
303 or limiting oneself from obtaining credit extensions, making credit card or cashless
304 payments, cashing checks, or making automated teller machine withdrawals, as well as
305 utilizing limit-setting tools and personal data and information to make informed
306 decisions about gambling;

307 (E) Promulgating rules and regulations that enable bettors to self-limit with a licensee
308 and self-exclude from sports betting activities state wide. Any such rules or regulations
309 related to self-exclusion shall require the individual seeking self-exclusion to provide
310 identifying information, including, at a minimum, full name, address, date of birth, and
311 social security number;

312 (F) Adopting processes for individuals to express concerns related to problem
313 gambling or betting or gambling disorders to the corporation;

314 (G) Developing state-wide advertising guidelines to ensure that the marketing of sports
315 betting is not targeted to minors and does not include content, themes, and promotions
316 that have special appeal to individuals with problem gambling or a betting or gambling
317 disorder;

318 (H) Requiring the electronic posting of signs or notifications on online sports betting
319 platforms that bear the 1-800-GAMBLER toll-free number, which provides or directs
320 callers to assistance and resources for individuals with problem gambling or a betting
321 or gambling disorder; and

322 (I) Requiring, through the promulgation of rules and regulations, limitations on the
323 amount of bets a bettor can place when such bettor has exhibited signs of problem
324 gambling or a betting or gambling disorder. Such rules and regulations shall require

325 the implementation of systems to monitor betting and provide individuals with
326 guidance, information, and options when their betting may be problematic;

327 (13) To keep a true and full record of all proceedings of the corporation under this article
328 and preserve at the corporation's general office all books, documents, and papers of the
329 corporation;

330 (14) To adopt rules and regulations specific to the manner in which a licensee may
331 advertise its business operations as authorized by this article; and

332 (15) To comply with Code Section 50-27-14 as it relates to sports betting in order to
333 encourage participation by minority businesses.

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

336 50-27-124.

337 The corporation shall prescribe by rules and regulations:

338 (1) The reserves that must be kept by licensees to comply with subparagraph (c)(6)(A)
339 of Code Section 50-27-130 to pay off bettors;

340 (2) Any insurance requirements for a licensee;

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

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

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

346 (C) Global risk management;

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

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

- 350 (6) The type of information deemed to be confidential financial or proprietary
351 information that is not subject to any reporting requirements under this article;
352 (7) Policies, procedures, and processes designed to mitigate the risk of cheating and
353 money laundering; and
354 (8) Any post-employment restrictions necessary to maintain the integrity of sports
355 betting in this state.

356 Part 2

357 50-27-130.

358 (a) Any person offering, operating, or managing sports betting in this state shall be
359 licensed by the corporation.

360 (b) The corporation shall issue licenses to qualified applicants able to meet the duties of
361 a license holder under this article and that the corporation determines will best satisfy the
362 following criteria:

363 (1) Expertise in the business of online sports betting;

364 (2) Integrity, sustainability, and safety of the online sports betting platform;

365 (3) Past relevant experience of the applicant;

366 (4) Advertising and promotional plans to increase and sustain revenue;

367 (5) The amount of adjusted gross income and associated tax revenue that an applicant
368 is projected to generate;

369 (6) Demonstrated commitment to and plans for the promotion of responsible gaming;
370 and

371 (7) Capacity to increase the number of bettors on the applicant's platform.

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

374 corporation. Such rules and regulations shall require, at a minimum, that the application
375 include the following:

376 (1) If the applicant is an entity, identification of the applicant's principal owners, board
377 of directors, officers, and supervisory employees;

378 (2) Information, documentation, and assurances as may be required by the corporation
379 to establish by clear and convincing evidence the applicant's good character, honesty, and
380 integrity, including, but not limited to, information pertaining to family, habits, character,
381 reputation, criminal and arrest records, business activities, financial affairs, and business,
382 professional, and personal associates, covering at least the ten-year period immediately
383 preceding the filing of the application. No license shall be issued to an applicant, if such
384 applicant or a principal owner of such applicant, has been convicted of, has been found
385 guilty of, or has pled guilty to, regardless of adjudication and in any jurisdiction, any
386 felony or any misdemeanor that is directly related to gambling, dishonesty, theft, or fraud;

387 (3) Notice and a description of civil judgments obtained against the applicant pertaining
388 to antitrust or security regulation laws of the federal government, this state, or any other
389 state, jurisdiction, province, or country;

390 (4) To the extent available, letters of reference or the equivalent from law enforcement
391 agencies having jurisdiction of the applicant's place of residence and principal place of
392 business. Each such letter of reference shall indicate that the law enforcement agency
393 does not have any pertinent information concerning the applicant or, if such law
394 enforcement agency does have information pertaining to the applicant, shall provide such
395 information, to the extent permitted by law;

396 (5) If the applicant has conducted sports betting operations in another jurisdiction, a
397 letter of reference from the regulatory body that governs sports betting that specifies the
398 standing of the applicant with such regulatory body; provided, however, that, if no such
399 letter is received within 60 days of the request therefor, the applicant may submit a

400 statement under oath that the applicant is or was, during the period such activities were
401 conducted, in good standing with the regulatory body;

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

411 (A) Maintain a reserve of not less than \$500,000.00 or the amount required to cover
412 the outstanding liabilities for wagers accepted by the licensee, whichever is greater.
413 Outstanding liabilities for wagers shall mean the sum of patron account balances, the
414 amount paid by patrons for wagers that have not yet been determined, and the amount
415 owed but unpaid by licensees to patrons for wagers whose results have been
416 determined. The reserve may take the form of a bond, an irrevocable letter of credit,
417 payment processor reserves and receivables, cash or cash equivalents segregated from
418 operational funds, guaranty letter, or a combination thereof. Such reserve shall be
419 adequate to pay winning wagers to bettors when due. An applicant is presumed to have
420 met this standard if the applicant maintains, on a daily basis, subject to when banks are
421 open, a minimum reserve in an amount which is at least equal to the average daily
422 minimum reserve, calculated on a monthly basis, for the corresponding month in the
423 previous year;

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

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

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

431 (8) Information, as required by the rules and regulations of the corporation, regarding the
432 financial standing of the applicant;

433 (9) A nonrefundable application fee and annual licensing fee as follows:

434 (A) Applicants for a Type 1 sports betting license shall pay a nonrefundable
435 application fee in the amount of \$100,000.00 and an annual licensing fee in the amount
436 of \$1 million;

437 (B) Applicants for an online sports betting services provider license shall pay a
438 nonrefundable application fee in the amount of \$10,000.00 and an annual licensing fee
439 of \$100,000.00; provided, however, that an online sports betting services provider that
440 applies for and obtains a Type 1 sports betting license pursuant to paragraph (3) of
441 subsection (b) of Code Section 50-27-133 shall only be required to pay the
442 nonrefundable application fee and annual licensing fee applicable to the applicant's
443 Type 1 sports betting license; and

444 (C) Applicants for a sports betting supplier license shall pay a nonrefundable
445 application fee in the amount of \$2,000.00 and an annual licensing fee of \$20,000.00;
446 and

447 (10) Any additional information, documents, or assurances required by the rules and
448 regulations of the corporation.

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

451 50-27-131.

452 (a) A licensee may renew its license by submitting an application on a form in such
453 manner and in accordance with such requirements as may be prescribed by the rules and
454 regulations of the corporation. A licensee shall submit the nonrefundable application fee
455 prescribed under paragraph (9) of subsection (c) of Code Section 50-27-130 with its
456 application for license renewal.

457 (b) For each application for licensure or renewal of a license approved under this Code
458 section, the amount of the application fee shall be credited toward the licensee's annual
459 licensing fee and the licensee shall remit the balance of the annual license fee to the
460 corporation upon approval of a license.

461 (c) Each licensee shall have a continuing duty to promptly inform the corporation of any
462 change in status relating to any information that may disqualify the licensee from holding
463 a license under Code Section 50-27-132.

464 (d) A professional sports governing body and a Type 1 eligible entity may enter into
465 commercial agreements with an online sports betting services provider or other entities that
466 provide for such professional sports governing body and Type 1 eligible entity to share in
467 the amounts wagered or revenue derived from wagers on the sporting events of such
468 professional sports governing body and Type 1 eligible entity. A professional sports
469 governing body and a Type 1 eligible entity shall not be required to obtain any approval
470 or other form of authorization from the corporation to enter into such commercial
471 agreements or to lawfully accept such amounts or revenues. The corporation shall not
472 prescribe any terms or conditions that are required to be included in such commercial
473 agreements.

474 (e) A person that holds a license or permit to engage in sports betting issued by another
475 jurisdiction, either directly or through a parent company or affiliated subsidiary, may
476 submit a request to the corporation for a temporary license for such person to immediately
477 commence engagement in this state in sports betting. Such request shall include the

478 application fee and annual licensing fee required under paragraph (9) of subsection (c) of
479 Code Section 50-27-130.

480 (f) Upon receiving a request for a temporary license, the chief executive officer shall
481 review the request. If the chief executive officer reviews the request and determines that
482 the person requesting the temporary license holds a license or permit issued by another
483 jurisdiction to engage in sports betting and has paid the required application fee and annual
484 licensing fee, the chief executive officer may authorize such person to engage in sports
485 betting pursuant to this article under a temporary license for up to one year or until a final
486 determination on such person's application is made, whichever is later.

487 (g) All licenses issued under this article shall be valid for a term of five years, unless
488 suspended or revoked as provided under this article.

489 (h) The corporation may adopt rules and regulations prescribing the manner in which a
490 license may be transferred and a fee for a license transfer.

491 (i) A licensee may maintain the bond, letter of credit, or cash reserve at any bank lawfully
492 operating in this state and the licensee shall be the beneficiary of any interest accrued
493 thereon.

494 50-27-132.

495 (a) The following persons shall not be eligible to apply for or obtain a license under this
496 article:

497 (1) A member of the board of directors or employee of the corporation or an employee
498 of a corporation vendor; provided, however, that a corporation vendor as an entity may
499 be eligible to apply for or obtain a license;

500 (2) An employee of a professional sports team on which the applicant offers sports
501 betting;

- 502 (3) A coach of or player for a collegiate, professional, or Olympic sports team or sport
503 for which the applicant offers sports betting, or an entity that has an affiliation or interest
504 in such a sports team or sport;
- 505 (4) An individual who is a member or employee of any professional sports governing
506 body or sporting events operator for which the applicant offers sports betting;
- 507 (5) An individual or entity with an owner, officer, or director who has been convicted of
508 a crime of moral turpitude or similar degree as specified in rules and regulations
509 promulgated by the corporation pursuant to this article;
- 510 (6) A person having the ability to directly affect the outcome of a sporting event upon
511 which the applicant offers sports betting;
- 512 (7) A trustee or regent of a governing board of a public or private institution of higher
513 education;
- 514 (8) An individual prohibited by the rules or regulations of a professional sports
515 governing body or sporting events operator of a collegiate sports team, league, or
516 association from participating in sports betting;
- 517 (9) A student or an employee of a public or private institution of higher education who
518 has access to material nonpublic information concerning a student athlete or a sports
519 team, unless such access to information is deemed incidental; and
- 520 (10) Any other category of persons, established by the rules and regulations of the
521 corporation, that, if licensed, would negatively affect the integrity of sports betting in this
522 state.
- 523 (b) An individual listed in paragraphs (2) through (10) of subsection (a) of this Code
524 section may hold an ownership interest in an applicant or licensee without disqualifying
525 the applicant or licensee from obtaining or holding a license; provided, however, that such
526 an ownership interest of 25 percent or more shall require approval from the corporation.
527 In determining whether such an ownership interest shall be the basis of disqualification, the

528 corporation shall consider whether such interest would negatively affect the integrity of
529 sports betting in this state and any other factors the corporation shall deem relevant.

530 50-27-133.

531 (a) A Type 1 sports betting license authorizes the licensee, or its designated online sports
532 betting services provider, to offer online sports betting. If a Type 1 eligible entity
533 designates an online sports betting services provider, the designated online sports betting
534 services provider shall instead fulfill the application and operational requirements for sports
535 betting offered pursuant to this article. The corporation shall establish a procedure for a
536 Type 1 eligible entity to designate an online sports betting provider.

537 (b) The corporation shall issue not more than 16 Type 1 sports betting licenses as follows:

538 (1) Five Type 1 sports betting licenses shall be reserved for the Type 1 eligible entities
539 defined in subparagraph (A) of paragraph (41) of Code Section 50-27-122; provided,
540 however, that more than one license may be issued to an owner of multiple professional
541 sports teams;

542 (2) One Type 1 sports betting license shall be reserved for each of the Type 1 eligible
543 entities defined in subparagraphs (B) through (E) of paragraph (41) of Code Section
544 50-27-122; and

545 (3) The corporation shall award the remaining seven Type 1 sports betting licenses to
546 separate online sports betting services providers via a public procurement process.

547 (c) The master sports betting licensee shall be deemed a Type 1 licensee and shall not be
548 required to apply for a license; provided, however, that an online sports betting services
549 provider engaged by the master sports betting licensee shall be required to apply for an
550 online sports betting services provider license to operate online sports betting on behalf of
551 the master sports betting licensee. Any proceeds derived from the master sports betting
552 licensee from its activities as a Type 1 sports betting licensee shall be used in the same

553 manner as and subject to the same requirements of lottery proceeds under Article 1 of this
554 chapter.

555 (d) A Type 1 eligible entity may contract with no more than one online sports betting
556 services provider to operate online sports betting on behalf of the Type 1 eligible entity.

557 (e) A Type 1 eligible entity shall provide written notice to the corporation of its intention
558 to apply for a Type 1 sports betting license within 60 days of the effective date of this
559 article. The failure of a Type 1 eligible entity to provide such written notice shall result in
560 the permanent disqualification and prohibition of such Type 1 eligible entity from
561 obtaining a Type 1 sports betting license.

562 (f) A Type 1 sports betting licensee shall not offer online sports betting until the
563 corporation has issued a Type 1 sports betting license to at least one online sports betting
564 services provider via the public procurement process as determined by the corporation.

565 (g) The corporation shall begin to accept applications for all 16 Type 1 sports betting
566 licenses under subsection (b) of this Code section on the same date.

567 (h) All applicants for the 16 Type 1 sports betting licenses under subsection (b) of this
568 Code section that have submitted an application within 30 days of the date in which the
569 corporation began to accept applications for Type 1 sports betting licenses shall be given
570 an equal opportunity to first commence offering, conducting, or operating online sports
571 betting in this state on the same day, and in any event not later than July 31, 2027.

572 (i) A Type 1 eligible entity described in subparagraphs (A) through (D) of paragraph (41)
573 of Code Section 50-27-122 that becomes a Type 1 sports betting licensee or designates an
574 online sports betting services provider shall establish and maintain procedures with respect
575 to sporting events which the Type 1 eligible entity participates in or administers to ensure
576 avoidance of conflicts of interest in the operation of sports betting in this state.

577 50-27-134.

578 (a) An online sports betting services provider shall offer online sports betting only in
579 accordance with the provisions of this article and the rules and regulations adopted by the
580 corporation under this article.

581 (b) An online sports betting services provider shall obtain a license under this article
582 before offering online sports betting pursuant to a contract with a Type 1 sports betting
583 licensee or master sports betting licensee. An online sports betting services provider
584 license shall entitle the holder to contract with no more than one Type 1 sports betting
585 licensee.

586 (c) If the holder of a Type 1 sports betting license is a Type 1 eligible entity and is a
587 member of a league, association, or organization that prevents the holder from being
588 subject to the regulatory control of the corporation or from otherwise operating under the
589 license, such a Type 1 eligible entity may contractually appoint an online sports betting
590 services provider for all aspects of corporation oversight and operations under the Type 1
591 sports betting license.

592 (d) Institutional investors shall be exempt from any and all qualification and disclosure
593 requirements under this article or required under the rules and regulations promulgated by
594 the corporation pursuant to this article. Such exemption shall extend to the owners,
595 directors, and officers of such institutional investors.

596 50-27-135.

597 No licensee shall offer or accept any proposition bet on a collegiate sporting event.

598

Part 3599 50-27-150.

600 (a) Notwithstanding any other law to the contrary, there shall be imposed an annual
601 privilege tax of 24 percent of the adjusted gross income derived from online sports betting
602 in accordance with this Code section.

603 (b) The privilege tax described in subsection (a) of this Code section shall be paid by the
604 online sports betting services provider; provided, however, that, if a Type 1 sports betting
605 licensee does not contract with an online sports betting services provider, such privilege
606 tax shall be paid by such Type 1 sports betting licensee as provided for in subsection (c)
607 of this Code section. This subsection shall not apply to the master sports betting licensee.

608 (c) The privilege tax imposed under this Code section shall be paid monthly by the online
609 sports betting services provider based on its monthly adjusted gross income for the
610 immediately preceding calendar month. The privilege tax shall be paid to the corporation
611 in accordance with rules and regulations promulgated by the corporation. If the online
612 sports betting services provider's adjusted gross income for a month is a negative number,
613 such online sports betting services provider may carry over such negative amount to
614 subsequent months.

615 (d) The state treasurer shall establish a separate trust fund in the state treasury that shall
616 be known as the Georgia Sports Betting Proceeds Trust Fund. All moneys collected by the
617 corporation from the privilege tax imposed under this Code section shall be, on the
618 fifteenth day of each quarter, transferred by the corporation to the Georgia Sports Betting
619 Proceeds Trust Fund. The state treasurer shall invest the moneys held in such trust fund
620 in the same manner in which state funds are invested as authorized by the State Depository
621 Board pursuant to Article 3 of Chapter 17 of Title 50. Interest earned by the moneys held
622 in the Georgia Sports Betting Proceeds Trust Fund shall be accounted for separately and
623 shall be credited to such trust fund to be disbursed as other moneys in the trust fund. All

624 moneys held in the Georgia Sports Betting Proceeds Trust Fund shall be appropriated
625 annually by the General Assembly for the programs and purposes set forth in Article I,
626 Section II, Paragraph VIII(e) of the Constitution of Georgia.

627 (e) With the exception of application fees and annual licensing fees imposed by
628 paragraph (9) of subsection (c) of Code Section 50-27-130, the privilege tax imposed under
629 this Code section is in lieu of all other state and local sales and use taxes, income taxes, and
630 fees imposed on the operation of sports betting or on the proceeds from the operation of
631 sports betting in this state. This subsection shall not exempt goods and services purchased
632 by licensees in the ordinary course of business from the imposition of state or local sales
633 and use taxes that would otherwise apply, nor shall it exempt licensees from the payment
634 of taxes on real property owned by the licensee.

635 50-27-151.

636 All moneys collected by the corporation for fees, fines, and penalties imposed under this
637 article, including, but not limited to, the application fees and annual licensing fees imposed
638 by paragraph (9) of subsection (c) of Code Section 50-27-130; any fines imposed under
639 Code Sections 50-27-160, 50-27-162, and 50-27-193; and any penalties imposed under
640 Code Section 50-27-194, shall be separately accounted for and used to pay the operating
641 expenses of the corporation associated with the administration of the provisions of this
642 article; provided, however, that any such fees, fines, and penalties that are not used to pay
643 such operating expenses shall, at the end of each fiscal year, be transferred by the
644 corporation to the Georgia Sports Betting Proceeds Trust Fund less any amounts held by
645 the corporation as an operating reserve, which such amounts shall not exceed the greater
646 of \$5 million or 10 percent of all moneys collected by the corporation for fees, fines, and
647 penalties imposed under this article in the most recent fiscal year.

648 50-27-152.

649 (a) Each Type 1 licensee or its sports betting services provider shall report to the
650 corporation, no later than January 15 of each year:

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

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

655 (3) Any additional information required by the rules and regulations of the corporation
656 deemed in the public interest or necessary to maintain the integrity of sports betting in
657 this state.

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

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

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

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

665 (d) Upon receiving a report under this Code section or subsection (b) of Code
666 Section 50-27-191, the corporation may conduct a hearing in accordance with Code Section
667 50-27-193 to determine whether the licensee remains in compliance with this article.

668 Part 4

669 50-27-160.

670 (a) No person shall knowingly:

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

672 (2) Offer, accept, or extend credit to a bettor in the form of a marker or promotional
673 credit;

674 (3) Target minors in advertising or promotions for sports betting;

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

679 (5) Accept a wager from an individual who is prohibited from placing a wager or bet
680 under Code Section 50-27-162, if such person has notice or actual knowledge that such
681 individual is prohibited from placing such a wager or bet.

682 (b) If the corporation determines that a person has violated any provision of this Code
683 section, the corporation may impose an administrative fine not to exceed \$25,000.00 per
684 violation, or a total of \$50,000.00 for violations arising out of the same transaction or
685 occurrence.

686 50-27-161.

687 Except for those individuals ineligible to place bets under Code Section 50-27-162, an
688 individual who is 21 years of age or older and who is physically located in this state may
689 place a wager in the manner authorized under this article and the rules and regulations of
690 the corporation.

691 50-27-162.

692 (a) The following individuals and categories of individuals shall not, directly or indirectly,
693 place a wager on sporting events or online sports betting platforms in this state:

694 (1) A member, officer, or employee of the corporation shall not place a wager on any
695 sporting event or platform;

696 (2) A corporation vendor employee shall not place a wager on a sporting event using
697 their employer's platform;

698 (3) A licensee or principal owner, partner, member of the board of directors, officer, or
699 supervisory employee of a licensee shall not place a wager on the licensee's platform;

700 (4) A person that provides goods or services to a licensee or any principal owner, partner,
701 member of the board of directors, officer, or supervisory employee of a person that
702 provides such goods or services shall not place a wager on the licensee's platform;

703 (5) A contractor, subcontractor, or consultant or any officer or employee of a contractor,
704 subcontractor, or consultant of a licensee shall not place a wager on the licensee's
705 platform, if such individual is directly involved in the licensee's operation of sports
706 betting or the processing of sports betting claims or payments through the licensee's
707 platform;

708 (6) An individual subject to a contract with the corporation shall not place a wager on
709 any platform, if the contract contains a provision prohibiting the individual from
710 participating in sports betting;

711 (7) An individual with access to material nonpublic information that is known
712 exclusively by an individual who is prohibited from placing a wager in this state under
713 this Code section shall not use any such information to place a wager on any sporting
714 event or platform;

715 (8) An amateur or Olympic athlete shall not place a wager on any sporting event in
716 which the athlete participates;

717 (9) A professional athlete shall not place a wager on any sporting event overseen by such
718 athlete's professional sports governing body or sporting events operator;

719 (10) A principal owner of a team, employee of a team, player, umpire, or sports union
720 personnel, or employee, referee, coach, or official of a professional sports governing body
721 or sporting events operator shall not place a wager on any sporting event, if the wager is

722 based on a sporting event overseen by the individual's professional sports governing body
723 or sporting events operator;

724 (11) An individual having the ability to directly affect the outcome of a sporting event
725 shall not place a wager on such sporting event;

726 (12) A trustee or regent of a governing board of a public or private institution of higher
727 education shall not place a wager on a collegiate sporting event;

728 (13) An individual prohibited by the rules or regulations of a professional sports
729 governing body or sporting events operator of a collegiate sports team, league, or
730 association from participating in sports betting shall not place a wager on any sporting
731 event to which such prohibition applies; and

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

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

739 (c) The corporation shall prescribe by rules and regulations any measures necessary to
740 ensure individuals who are prohibited from placing a wager on specified sporting events
741 or online sports betting platforms in this state shall not be permitted to collude with
742 individuals not specifically enumerated in subsection (a) of this Code section to directly
743 affect the outcome of a sporting event.

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

745 (1) For a first offense, shall be:

746 (A) Indefinitely prohibited from placing a wager;

747 (B) Required to forfeit the proceeds of any illegal wager;

748 (C) Guilty of a misdemeanor; and

- 749 (D) Fined not less than \$500.00 nor more than \$1,000.00;
750 (2) For a second offense, shall be:
751 (A) Required to forfeit the proceeds of any illegal wager;
752 (B) Guilty of a misdemeanor; and
753 (C) Fined not less than \$5,000.00 or imprisoned for not less than one month nor more
754 than five months, or both; and
755 (3) For a third or subsequent offense, shall be:
756 (A) Required to forfeit the proceeds of any illegal wager;
757 (B) Guilty of a misdemeanor of a high and aggravated nature; and
758 (C) Fined not less than \$7,500.00 or imprisoned for not less than three months, or both.

759 50-27-163.

760 (a) The corporation shall by rules and regulations prohibit betting on injuries, penalties,
761 the outcome of player discipline rulings or replay reviews, and any other type or form of
762 betting under this article that is contrary to public policy or unfair to bettors.

763 (b)(1) A professional sports governing body or sporting events operator may submit to
764 the corporation in writing, by providing notice in such form and manner as the
765 corporation may require, a request to restrict, limit, or prohibit a certain type, form, or
766 category of sports betting with respect to its sporting events, if the professional sports
767 governing body or sporting events operator believes that such type, form, or category of
768 sports betting with respect to its sporting events may undermine the integrity or perceived
769 integrity of such professional sports governing body or sporting events operator or its
770 sporting events. The corporation shall request comments from sports betting licensees
771 and sports betting services provider licensees on all such requests it receives.

772 (2) After giving due consideration to all comments received, the corporation shall, upon
773 demonstration of good cause from the requestor that such type, form, or category of
774 sports betting is likely to undermine the integrity or perceived integrity of such

775 professional sports governing body or sporting events operator or its sporting events,
776 grant the request. The corporation shall respond to a request concerning a particular
777 sporting event before the start of the event, or if it is not feasible to respond before such
778 time, no later than seven days after the request is made. If the corporation determines that
779 the requestor is more likely than not to prevail in successfully demonstrating good cause
780 for its request, the corporation may provisionally grant the request of the professional
781 sports governing body or sporting events operator until the corporation makes a final
782 determination as to whether the requestor has demonstrated good cause. Absent such a
783 provisional grant by the corporation, sports betting licensees may continue to offer sports
784 betting on sporting events that are the subject of such a request during the pendency of
785 the corporation's consideration of the applicable request.

786

Part 5

787

50-27-170.

788

(a) Prior to placing a wager with a licensee via online sports betting, a bettor shall register

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and establish a player account with the licensee remotely during which the bettor shall

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attest that the individual meets the requirements to place a wager with a licensee in this

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state. Prior to verification of a bettor's identity in accordance with this Code section, a

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licensee shall not allow the bettor to place a wager, make a deposit, or process a withdrawal

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via online sports betting. A licensee shall implement commercially and technologically

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reasonable procedures to prevent access to sports betting by minors on its online sports

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betting platforms. A licensee may use information obtained from third parties to verify that

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an individual is authorized to open an account, place wagers, and make deposits and

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withdrawals.

- 798 (b) Each licensee shall adopt a registration policy to ensure that all bettors utilizing online
799 sports betting are authorized to place a wager with a licensee within this state. Such policy
800 shall include, without limitation, commercially reasonable mechanisms to:
- 801 (1) Verify the identity and age of the registrant;
 - 802 (2) Verify that the registrant is not knowingly prohibited from placing a wager under
803 Code Section 50-27-162; and
 - 804 (3) Obtain the following information from the registrant:
 - 805 (A) Legal name;
 - 806 (B) Date of birth;
 - 807 (C) Physical address other than a post office box;
 - 808 (D) Phone number;
 - 809 (E) A unique username; and
 - 810 (F) An active email account.
- 811 (c) Each licensee may in its discretion require a bettor to provide the licensee with a signed
812 and notarized document attesting that the bettor is qualified to engage in sports betting
813 under this article as part of the registration policy of the licensee.
- 814 (d) A bettor shall not register more than one account with a licensee, and each licensee
815 shall use commercially and technologically reasonable means to ensure that each bettor is
816 limited to one account.
- 817 (e) Each licensee, in addition to complying with state and federal law pertaining to the
818 protection of the private, personal information of registered bettors, shall use all other
819 commercially and technologically reasonable means to protect such information consistent
820 with industry standards.
- 821 (f) A bettor may fund an account through:
- 822 (1) Electronic bank transfer of funds, including such transfers through third parties;
 - 823 (2) Debit cards;
 - 824 (3) Online and mobile payment systems that support online money transfers; and

825 (4) Any other method approved by the rules and regulations of the corporation.
826 (g)(1) Licensees shall not allow bets to be placed until first verifying the identity of the
827 bettor pursuant to this Code section and by the rules promulgated by the corporation.
828 Further, and pursuant to the rules promulgated by the corporation, licensees shall
829 establish safeguards, including, but not limited to, access notifications and similar
830 security safeguards, to protect each bettor's account. Such safeguards shall include,
831 without limitation, the utilization of a two-factor authentication method each time a bettor
832 accesses their account. As used in this paragraph, the term 'two-factor authentication
833 method' means an authentication method that requires entry of a username and password
834 followed by entry of another method of identification.

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

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

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

843 (B) Retain any winnings attributable to the bettor; and

844 (C) Refund the affected balance of deposits made to the account to the source of such
845 deposit or by issuance of a check.

846 (h) A licensee shall utilize geofencing technology to ensure that online sports betting is
847 available only to bettors who are physically located in this state. Servers, including the use
848 of backup servers, may be located outside of this state, consistent with federal law. To the
849 extent required by federal law, a licensee shall maintain in this state the servers it uses to
850 accept wagers on a sporting event placed by bettors located in this state.

851 (i) Each licensee shall clearly and conspicuously display on its public website a statement
852 indicating that it is illegal for a person under 21 years of age to engage in sports betting in
853 this state.

854 (j) The corporation shall promulgate rules and regulations for purposes of regulating sports
855 betting via online sports betting.

856 50-27-171.

857 (a) Licensees shall allow bettors to limit their betting activity with the licensee by, at a
858 minimum, giving bettors the opportunity to place limits on the amounts deposited, the
859 amounts wagered, and the amount of time spent wagering. Licensees shall take reasonable
860 steps to prevent bettors from overriding their self-imposed responsible gambling limits.

861 (b) The corporation shall promulgate rules and regulations that require a licensee to
862 implement responsible sports betting programs. Such rules and regulations shall require
863 a licensee to develop a strategic implementation plan with details as to:

864 (1) The use of player data and technology to aid in identifying potential problem
865 gamblers;

866 (2) The use of automated triggers to identify and manage accounts of potential problem
867 gamblers; and

868 (3) The levels of intervention and education provided to identified at-risk players, which
869 shall include at a minimum:

870 (A) A first phase involving communications with the individual in order to educate the
871 individual on the availability of various responsible gaming features and resources
872 offered by the licensee;

873 (B) A second phase that includes a video tutorial displayed to the individual either as
874 one or multiple videos that provides education on the features and resources available;
875 and

876 (C) A third phase, when warranted, that includes access to a responsible gaming
877 professional provided by the licensee to advise the individual on possible corrective
878 actions to address at-risk behavior.

879 (c) The corporation shall work with national and local organizations to provide services
880 for individuals with problem gambling or a betting or gambling disorder and to establish
881 prevention initiatives to reduce the number of individuals with problem gambling or a
882 betting or gambling disorder, including, but not limited to, utilizing currently established
883 programs for problem gambling or betting or gambling disorders.

884 (d) All sports betting advertisements shall prominently display messaging designed to
885 prevent problem gambling and provide information about how to access resources related
886 to problem gambling, including the National Council on Problem Gambling's helpline or
887 other similar toll-free helpline.

888 (e) The corporation shall annually generate a report outlining activities with respect to
889 problem gambling and betting or gambling disorders, including, but not limited to,
890 descriptions of programs, grants, and other resources made available; the number of
891 individuals seeking assistance; the number of individuals who reported completing
892 programs and therapies; and the rate of recidivism, if known to the corporation. The
893 corporation shall file the annual report with the Governor, President of the Senate, and the
894 Speaker of the House of Representatives and shall publish such report on its public website
895 no later than January 30 of each year.

896 50-27-172.

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

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

- 902 (1) The manner in which a licensee accepts wagers from and issues payouts to bettors,
903 including payouts in excess of \$10,000.00; and
904 (2) Requirements for reporting suspicious wagers.

905 Part 6

906 50-27-180.

907 (a) Licensees shall not be required to use official league data or official event data for
908 determining the results of:

909 (1) Tier 1 sports wagers on events of any organization, whether headquartered in the
910 United States or elsewhere; or

911 (2) Tier 2 sports wagers on events of organizations that are not headquartered in the
912 United States.

913 (b)(1) A professional sports governing body or sporting events operator headquartered
914 in the United States may notify the corporation that it desires licensees to use official
915 league data or official event data for determining the results of tier 2 sports wagers on its
916 sporting events. A notification under this subsection shall be made in the form and
917 manner as the corporation shall require. The corporation shall notify each licensee within
918 five days after receipt of such notification from a professional sports governing body or
919 sporting events operator. If a professional sports governing body or sporting events
920 operator does not notify the corporation of its desire to supply official league data or
921 official event data, licensees are not required to use official league data or official event
922 data for determining the results of any tier 2 wagers on sporting events of that
923 professional sports governing body or sporting events operator.

924 (2) Within 60 days after the corporation notifies each licensee as provided under
925 paragraph (1) of this subsection, or within a longer period as may be agreed between such
926 professional sports governing body or sporting events operator and the applicable

927 licensee, each such licensee shall be required to use only official league data or official
928 event data, as applicable, to determine the results of tier 2 sports wagers on sporting
929 events sanctioned by such professional sports governing body or sporting events operator,
930 except when:

931 (A) The professional sports governing body or sporting events operator, or a designee
932 thereof, is unable to provide a feed of official league data or official event data to
933 determine the results of a particular type of tier 2 sports wager, in which case licensees
934 are not required to use official league data for determining the results of the applicable
935 tier 2 sports wager until the data feed becomes available on commercially reasonable
936 terms and conditions; or

937 (B) A licensee is able to demonstrate to the corporation that the professional sports
938 governing body or sporting events operator, or a designee thereof, will not provide a
939 feed of official league data or official event data to the licensee on commercially
940 reasonable terms and conditions.

941 (3) The following is a nonexclusive list of factors the corporation may consider in
942 evaluating whether official league data or official event data is being offered on
943 commercially reasonable terms and conditions for purposes of subparagraphs (A) and (B)
944 of paragraph (2) of this subsection:

945 (A) The extent to which licensees have purchased the same or similar official league
946 data or official event data on the same or similar terms, particularly in jurisdictions
947 where such purchase was not required by law or was required by law but only if offered
948 on commercially reasonable terms;

949 (B) The nature and quantity of the official league data or official event data, including,
950 without limitation, its speed, accuracy, reliability, and overall quality as compared to
951 comparable nonofficial data;

952 (C) The quality and complexity of the process used to collect and distribute the official
953 league data or official event data as compared to comparable nonofficial data;

954 (D) The availability of tier 2 official league data of a professional sports governing
955 body or tier 2 official event data of a sporting events operator to a licensee from more
956 than one authorized source;

957 (E) Market information, including, without limitation, price and other terms and
958 conditions, regarding the purchase of comparable data by licensees for the purpose of
959 settling sports wagers, for use in this state or other jurisdictions; and

960 (F) The extent to which professional sports governing bodies or sporting events
961 operators, or designees thereof, have made available to licensees the data used to settle
962 the results of tier 2 sports wagers and any terms and conditions relating to the use of
963 such data.

964 (4) Notwithstanding any provision to the contrary in this Code section, including,
965 without limitation, paragraph (2) of this subsection, while the corporation is evaluating
966 whether a professional sports governing body or a sporting events operator, or the
967 designee thereof, will provide a feed of official league data or official event data on
968 commercially reasonable terms and conditions pursuant to paragraph (3) of this
969 subsection, licensees are not required to use official league data or official event data for
970 determining the results of tier 2 sports wagers.

971 (5) The corporation shall make a determination under paragraph (3) of this subsection
972 within 60 days after the licensee notifies the corporation that it desires to demonstrate that
973 the professional sports governing body or sporting events operator, or a designee thereof,
974 will not provide a feed of official league data or official event data to such licensee on
975 commercially reasonable terms and conditions.

976

Part 7977 50-27-190.

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

984 50-27-191.

985 (a) The corporation, licensees, corporation vendors, and vendors shall use commercially
986 reasonable efforts to cooperate with investigations conducted by any professional sports
987 governing body, any sporting events operator, and law enforcement agencies, including,
988 but not limited to, using commercially reasonable efforts to provide or facilitate the
989 provision of betting information.

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

991 (1) Abnormal betting activity or patterns that may indicate a concern with the integrity
992 of a sporting event; and

993 (2) Conduct that corrupts the betting outcome of a sporting event for purposes of
994 financial gain, including match fixing.

995 (c) Licensees shall, as soon as is practicable, report any information relating to conduct
996 described in subsection (b) of this Code section to the professional sports governing body
997 or sporting events operator.

998 (d) Licensees shall use commercially reasonable efforts to maintain, in real time and at the
999 account level, anonymized information regarding a bettor; the amount and type of bet; the
1000 time the bet was placed; the location of the bet, including the internet protocol address if

1001 applicable; the outcome of the bet; and records of abnormal betting activity for three years
1002 after the sporting event occurs. The corporation may request such information in the form
1003 and manner required by the rules and regulations of the corporation. As used in this
1004 subsection, the term 'real time' means on a commercially reasonable periodic interval.
1005 (e) All records, documents, and information received by the corporation pursuant to this
1006 Code section shall be considered investigative records of a law enforcement agency, shall
1007 not be subject to Article 4 of Chapter 18 of this title, and shall not be released under any
1008 condition without the permission of the person providing such records, documents, or
1009 information.
1010 (f) Nothing in this Code section shall require a sports betting licensee to provide any
1011 information that is prohibited by federal, state, or local laws or rules and regulations,
1012 including, without limitation, laws and rules and regulations relating to privacy and
1013 personally identifiable information.
1014 (g) If a professional sports governing body or sporting events operator has notified the
1015 corporation that access to the information described in subsection (d) of this Code section
1016 for wagers placed on its sporting events is necessary to monitor the integrity of its sporting
1017 events and represents to the corporation that it specifically uses such data for the purpose
1018 of monitoring the integrity of sporting events of such professional sports governing body
1019 or sporting events operator, then licensees shall share, in a commercially reasonable
1020 frequency, form, and manner, with the professional sports governing body or sporting
1021 events operator, or a designee thereof, the same information the licensee is required to
1022 maintain under subsection (d) of this Code section with respect to sports wagers on such
1023 a body's or operator's sporting events. A professional sports governing body or sporting
1024 events operator, or a designee thereof, shall use information received under this subsection
1025 for integrity-monitoring purposes only and shall not use such information for commercial
1026 or any other purposes. Nothing in this subsection shall require a licensee to provide any
1027 information that is prohibited by federal, state, or local laws, rules, or regulations,

1028 including, but not limited to, laws, rules, or regulations relating to privacy and personally
1029 identifiable information.

1030 50-27-192.

1031 The corporation shall assist in any investigations by law enforcement to determine whether:

1032 (1) A licensee is accepting wagers from minors or other persons ineligible to place
1033 wagers under Code Section 50-27-162; and

1034 (2) An individual is unlawfully accepting wagers from another individual without a
1035 license or at a location in violation of this article.

1036 50-27-193.

1037 (a) The corporation may investigate and conduct a hearing with respect to a licensee upon
1038 information and belief that the licensee has violated the provisions of this article or upon
1039 the receipt of a credible complaint from any person that a licensee has violated the
1040 provisions of this article. The corporation shall conduct investigations and hearings in
1041 accordance with rules and regulations adopted by the corporation.

1042 (b) If the corporation determines that a licensee has violated any provision of this article
1043 or any rules and regulations of the corporation, the corporation may:

1044 (1) Suspend, revoke, or refuse to renew a license; or

1045 (2) Impose an administrative fine not to exceed \$25,000.00 per violation or a total of
1046 \$50,000.00 for violations arising out of the same transaction or occurrence, or both.

1047 (c) The corporation shall promulgate rules and regulations establishing a schedule of
1048 administrative fines that may be assessed in accordance with subsection (b) of this Code
1049 section for each violation of this article; provided, however, that, if the corporation finds
1050 that:

1051 (1) A licensee is knowingly accepting wagers from minors or other persons ineligible to
1052 place wagers in this state, the corporation shall impose a fine against the licensee as
1053 follows:

1054 (A) For a first offense, \$1,000.00;

1055 (B) For a second offense, \$2,000.00; and

1056 (C) For a third or subsequent offense, \$5,000.00; or

1057 (2) An individual is unlawfully accepting wagers from another individual without a
1058 license, the corporation shall impose a fine against the individual as follows:

1059 (A) For a first offense, \$10,000.00;

1060 (B) For a second offense, \$15,000.00; and

1061 (C) For a third or subsequent offense, \$25,000.00.

1062 (d) The corporation may refer conduct that it reasonably believes is a violation of Article 2
1063 of Chapter 12 of Title 16 to the appropriate law enforcement agency.

1064 50-27-194.

1065 (a) Any person that violates any provision of this article shall be liable for a civil penalty
1066 of not more than \$5,000.00 per violation, not to exceed \$50,000.00 for violations arising
1067 out of the same transaction or occurrence, which shall accrue to the corporation and may
1068 be recovered in a civil action brought by or on behalf of the corporation.

1069 (b) The corporation may seek and obtain an injunction in a court of competent jurisdiction
1070 for purposes of enforcing this article.

1071 (c) Costs shall not be taxed against the corporation or this state for actions brought under
1072 this article.

1073 50-27-195.

1074 The corporation may issue subpoenas to compel the attendance of witnesses and the
1075 production of relevant books, accounts, records, and documents for purposes of carrying
1076 out its duties under this article.

1077 50-27-196.

1078 (a) A licensee or other individual aggrieved by a final decision or action of the corporation
1079 may appeal such decision or action to the Superior Court of Fulton County.

1080 (b) The Superior Court of Fulton County shall hear appeals from decisions or actions of
1081 the corporation and, based upon the record of the proceedings before the corporation, may
1082 reverse the decision or action of the corporation only if the appellant proves the decision
1083 or action to be:

1084 (1) Clearly erroneous;

1085 (2) Arbitrary and capricious;

1086 (3) Procured by fraud;

1087 (4) A result of substantial misconduct by the corporation; or

1088 (5) Contrary to the United States Constitution, the Constitution of Georgia, or this article.

1089 (c) The Superior Court of Fulton County may remand an appeal to the corporation to
1090 conduct further hearings.

1091 50-27-197.

1092 (a) It shall be unlawful for any person, directly or indirectly, to knowingly receive, supply,
1093 broadcast, display, or otherwise transmit material nonpublic information for the purpose
1094 of betting on a sporting event or influencing another individual's or entity's wager on a
1095 sporting event.

1096 (b) This Code section shall not apply to the dissemination of public information as news,
1097 entertainment, or advertising.

1098 (c) Any person in violation of this Code section shall be indefinitely prohibited from
 1099 placing a wager, be required to forfeit the proceeds of any illegal wager, and be guilty of
 1100 a misdemeanor."

1101

PART III

1102

SECTION 3-1.

1103 Part 1 of Article 2 of Chapter 12 of Title 16 of the Official Code of Georgia Annotated,
 1104 relating to gambling, is amended by revising paragraph (1) of Code Section 16-12-20,
 1105 relating to definitions, as follows:

1106 "(1) 'Bet' means an agreement that, dependent upon chance even though accompanied
 1107 by some skill, one stands to win or lose something of value. A bet does not include:

1108 (A) Contracts of indemnity or guaranty or life, health, property, or accident insurance;

1109 or

1110 (B) An offer of a prize, award, or compensation to the actual contestants in any bona
 1111 fide contest for the determination of skill, speed, strength, or endurance or to the owners
 1112 of animals, vehicles, watercraft, or aircraft entered in such contest; or

1113 (C) Any consideration paid to participate in online sports betting offered pursuant to
 1114 Article 4 of Chapter 27 of Title 50."

1115

SECTION 3-2.

1116 Said part is further amended by revising Code Section 16-12-27, relating to advertisement
 1117 or solicitation for participation in lotteries, as follows:

1118 "16-12-27.

1119 (a) It shall be unlawful for any person, partnership, firm, corporation, or other entity to
 1120 sell, distribute, televise, broadcast, or disseminate any advertisement, television or radio
 1121 commercial, or any book, magazine, periodical, newspaper, or other written or printed

1122 matter containing an advertisement or solicitation for participation in any lottery declared
1123 to be unlawful by the laws of this state unless such advertisement, commercial, or
1124 solicitation contains or includes the words 'void in Georgia' printed or spoken so as to be
1125 clearly legible or audible to persons viewing or hearing such advertisement, commercial,
1126 or solicitation.

1127 (b) Any person, partnership, firm, corporation, or other entity violating subsection (a) of
1128 this Code section shall be guilty of a misdemeanor.

1129 (c) This Code section shall not apply to any advertisement or solicitation for participation
1130 in online sports betting by any person licensed under Article 4 of Chapter 27 of Title 50
1131 that is concerning such licensee's lawful activities."

1132 **SECTION 3-3.**

1133 Said part is further amended by revising Code Section 16-12-28, relating to communicating
1134 gambling information, as follows:

1135 "16-12-28.

1136 (a) A person who knowingly communicates information as to bets, betting odds, or
1137 changes in betting odds or who knowingly installs or maintains equipment for the
1138 transmission or receipt of such information with the intent to further gambling commits the
1139 offense of communicating gambling information.

1140 (b) A person who commits the offense of communicating gambling information, upon
1141 conviction thereof, shall be punished by imprisonment for not less than one nor more than
1142 five years or by a fine not to exceed \$5,000.00, or both.

1143 (c) This Code section shall not apply to the activities authorized under Article 4 of
1144 Chapter 27 of Title 50."

1145 **PART IV**
1146 **SECTION 4-1.**

1147 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is
1148 amended by revising paragraph (55) of Code Section 48-8-3, relating to exemptions from
1149 state sales and use tax, as follows:

1150 "(55) The sale of lottery tickets authorized by Chapter 27 of Title 50 or wagers
1151 authorized by Article 4 of Chapter 27 of Title 50;"

1152 **PART V**
1153 **SECTION 5-1.**

1154 This Act shall become effective on January 1, 2027, following the ratification of an
1155 amendment to the Constitution of Georgia authorizing the General Assembly to provide by
1156 law for the operation and regulation of sports betting activities; provided, however, to the
1157 extent that this Act conflicts with law in effect at the time of ratification, this Act and such
1158 amendment shall control, and to the extent such law is not in conflict, the law in effect at the
1159 time of ratification shall control and shall remain in full force and effect. If such amendment
1160 is not so ratified, then this Act shall stand automatically repealed.

1161 **SECTION 5-2.**
1162 All laws and parts of laws in conflict with this Act are repealed.