

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

H. B. 686 (SUB)

- 1 -

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, (†) the promulgation of any form of licensure,
 45 rules, regulations, policies, or procedures under Article 3 of this chapter, and (‡) all
 46 administrative hearings regarding Article 3 of this chapter, except as otherwise
 47 specifically provided by law, shall be subject to and governed by the provisions of
 48 Chapter 13 of this title. Hearings under Code Section 50-27-102 shall be held in
 49 accordance with the provisions of Part 1 of Article 1 of Chapter 9 of Title 9, the 'Georgia
 50 Arbitration Code.'"

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

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

55 "ARTICLE 4

56 Part 1

57 50-27-120.

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

59 50-27-121.

60 The General Assembly finds that:

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

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

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

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

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

77 50-27-122.

78 As used in this article, the term:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

167 (A) Based in this state;

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

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

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

175 (32) 'Sporting event' means any:

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

178 (B) Collegiate sporting event;

179 (C) Olympic sporting or athletic event;

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

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

183 (F) Esports event; or

184 (G) Other event authorized by the corporation.

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

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

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

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

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

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

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

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

- 201 (i) Providers of data feeds and odds services;
- 202 (ii) Platform providers;
- 203 (iii) Risk management providers;
- 204 (iv) Integrity monitoring providers; and
- 205 (v) Other providers of sports betting supplier services as determined by the
206 corporation.

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

- 208 (i) Provides official league data concerning its own sporting event to a sports betting
209 licensee solely on that basis; or
- 210 (ii) Provides raw statistical match data to one or more designated and licensed
211 suppliers of data feeds and odds services solely on that basis.

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

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

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

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

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

- 222 (A) Any professional sports team;

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

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

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

233 (E) The Georgia Lottery Corporation.

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

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

246 50-27-123.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

337 50-27-124.

338 The corporation shall prescribe by rules and regulations:

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

341 (2) Any insurance requirements for a licensee;

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

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

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

347 (C) Global risk management;

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

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

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

357 Part 2

358 50-27-130.

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

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

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

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

366 (3) Past relevant experience of the applicant;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 428 (7) Information, documentation, and assurances as may be required to establish by clear
429 and convincing evidence that the applicant has sufficient business ability and sports
430 betting experience to establish the likelihood of the creation and maintenance of
431 successful, efficient sports betting operations in this state;
- 432 (8) Information, as required by the rules and regulations of the corporation, regarding the
433 financial standing of the applicant;
- 434 (9) A nonrefundable application fee and annual licensing fee as follows:
- 435 (A) Applicants for a Type 1 sports betting license shall pay a nonrefundable
436 application fee in the amount of \$100,000.00 and an annual licensing fee in the amount
437 of \$1 million;
- 438 (B) Applicants for an online sports betting services provider license shall pay a
439 nonrefundable application fee in the amount of \$10,000.00 and an annual licensing fee
440 of \$100,000.00; provided, however, that an online sports betting services provider that
441 applies for and obtains a Type 1 sports betting license pursuant to paragraph (3) of
442 subsection (b) of Code Section 50-27-133 shall only be required to pay the
443 nonrefundable application fee and annual licensing fee applicable to the applicant's
444 Type 1 sports betting license; and
- 445 (C) Applicants for a sports betting supplier license shall pay a nonrefundable
446 application fee in the amount of \$2,000.00 and an annual licensing fee of \$20,000.00;
447 and
- 448 (10) Any additional information, documents, or assurances required by the rules and
449 regulations of the corporation.
- 450 (d) The corporation shall review and approve or deny an application for a license not more
451 than 90 days after receipt of an application.

452 50-27-131.

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

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

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

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

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

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

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

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

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

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

495 50-27-132.

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

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

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

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

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

531 50-27-133.

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

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

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

543 (2) One Type 1 sports betting license shall be reserved for each of the Type 1 eligible
544 entities defined in subparagraphs (B) through (E) of paragraph (41) of Code Section
545 50-27-122; and

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

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

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

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

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

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

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

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

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

578 50-27-134.

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

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

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

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

597 50-27-135.

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

599

Part 3600 50-27-150.

601 (a) Notwithstanding any other law to the contrary, there shall be imposed an annual
602 privilege tax of 27.5 percent of the adjusted gross income derived from online sports
603 betting in accordance with this Code section.

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

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

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

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

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

636 50-27-151.

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

649 50-27-152.

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

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

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

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

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

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

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

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

666 (d) Upon receiving a report under this Code section or subsection (b) of Code
667 Section 50-27-191, the corporation may conduct a hearing in accordance with Code Section
668 50-27-193 to determine whether the licensee remains in compliance with this article.

669 Part 4

670 50-27-160.

671 (a) No person shall knowingly:

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

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

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

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

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

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

687 50-27-161.

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

692 50-27-162.

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

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

- 697 (2) A corporation vendor employee shall not place a wager on a sporting event using
698 their employer's platform;
- 699 (3) A licensee or principal owner, partner, member of the board of directors, officer, or
700 supervisory employee of a licensee shall not place a wager on the licensee's platform;
- 701 (4) A person that provides goods or services to a licensee or any principal owner, partner,
702 member of the board of directors, officer, or supervisory employee of a person that
703 provides such goods or services shall not place a wager on the licensee's platform;
- 704 (5) A contractor, subcontractor, or consultant or any officer or employee of a contractor,
705 subcontractor, or consultant of a licensee shall not place a wager on the licensee's
706 platform, if such individual is directly involved in the licensee's operation of sports
707 betting or the processing of sports betting claims or payments through the licensee's
708 platform;
- 709 (6) An individual subject to a contract with the corporation shall not place a wager on
710 any platform, if the contract contains a provision prohibiting the individual from
711 participating in sports betting;
- 712 (7) An individual with access to material nonpublic information that is known
713 exclusively by an individual who is prohibited from placing a wager in this state under
714 this Code section shall not use any such information to place a wager on any sporting
715 event or platform;
- 716 (8) An amateur or Olympic athlete shall not place a wager on any sporting event in
717 which the athlete participates;
- 718 (9) A professional athlete shall not place a wager on any sporting event overseen by such
719 athlete's professional sports governing body or sporting events operator;
- 720 (10) A principal owner of a team, employee of a team, player, umpire, or sports union
721 personnel, or employee, referee, coach, or official of a professional sports governing body
722 or sporting events operator shall not place a wager on any sporting event, if the wager is

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

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

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

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

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

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

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

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

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

747 (A) Indefinitely prohibited from placing a wager;

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

749 (C) Guilty of a misdemeanor; and

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

760 50-27-163.

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

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

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

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

787 Part 5

788 50-27-170.

789 (a) Prior to placing a wager with a licensee via online sports betting, a bettor shall register
790 and establish a player account with the licensee remotely during which the bettor shall
791 attest that the individual meets the requirements to place a wager with a licensee in this
792 state. Prior to verification of a bettor's identity in accordance with this Code section, a
793 licensee shall not allow the bettor to place a wager, make a deposit, or process a withdrawal
794 via online sports betting. A licensee shall implement commercially and technologically
795 reasonable procedures to prevent access to sports betting by minors on its online sports
796 betting platforms. A licensee may use information obtained from third parties to verify that
797 an individual is authorized to open an account, place wagers, and make deposits and
798 withdrawals.

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

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

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

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

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

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

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

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

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

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

857 50-27-171.

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

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

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

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

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

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

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

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

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

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

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

897 50-27-172.

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

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

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

906 Part 6

907 50-27-180.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

977

Part 7978 50-27-190.

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

985 50-27-191.

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

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

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

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

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

999 (d) Licensees shall use commercially reasonable efforts to maintain, in real time and at the
1000 account level, anonymized information regarding a bettor; the amount and type of bet; the
1001 time the bet was placed; the location of the bet, including the internet protocol address if

1002 applicable; the outcome of the bet; and records of abnormal betting activity for three years
1003 after the sporting event occurs. The corporation may request such information in the form
1004 and manner required by the rules and regulations of the corporation. As used in this
1005 subsection, the term 'real time' means on a commercially reasonable periodic interval.

1006 (e) All records, documents, and information received by the corporation pursuant to this
1007 Code section shall be considered investigative records of a law enforcement agency, shall
1008 not be subject to Article 4 of Chapter 18 of this title, and shall not be released under any
1009 condition without the permission of the person providing such records, documents, or
1010 information.

1011 (f) Nothing in this Code section shall require a sports betting licensee to provide any
1012 information that is prohibited by federal, state, or local laws or rules and regulations,
1013 including, without limitation, laws and rules and regulations relating to privacy and
1014 personally identifiable information.

1015 (g) If a professional sports governing body or sporting events operator has notified the
1016 corporation that access to the information described in subsection (d) of this Code section
1017 for wagers placed on its sporting events is necessary to monitor the integrity of its sporting
1018 events and represents to the corporation that it specifically uses such data for the purpose
1019 of monitoring the integrity of sporting events of such professional sports governing body
1020 or sporting events operator, then licensees shall share, in a commercially reasonable
1021 frequency, form, and manner, with the professional sports governing body or sporting
1022 events operator, or a designee thereof, the same information the licensee is required to
1023 maintain under subsection (d) of this Code section with respect to sports wagers on such
1024 a body's or operator's sporting events. A professional sports governing body or sporting
1025 events operator, or a designee thereof, shall use information received under this subsection
1026 for integrity-monitoring purposes only and shall not use such information for commercial
1027 or any other purposes. Nothing in this subsection shall require a licensee to provide any
1028 information that is prohibited by federal, state, or local laws, rules, or regulations,

1029 including, but not limited to, laws, rules, or regulations relating to privacy and personally
1030 identifiable information.

1031 50-27-192.

1032 The corporation shall assist in any investigations by law enforcement to determine whether:

1033 (1) A licensee is accepting wagers from minors or other persons ineligible to place
1034 wagers under Code Section 50-27-162; and

1035 (2) An individual is unlawfully accepting wagers from another individual without a
1036 license or at a location in violation of this article.

1037 50-27-193.

1038 (a) The corporation may investigate and conduct a hearing with respect to a licensee upon
1039 information and belief that the licensee has violated the provisions of this article or upon
1040 the receipt of a credible complaint from any person that a licensee has violated the
1041 provisions of this article. The corporation shall conduct investigations and hearings in
1042 accordance with rules and regulations adopted by the corporation.

1043 (b) If the corporation determines that a licensee has violated any provision of this article
1044 or any rules and regulations of the corporation, the corporation may:

1045 (1) Suspend, revoke, or refuse to renew a license; or

1046 (2) Impose an administrative fine not to exceed \$25,000.00 per violation or a total of
1047 \$50,000.00 for violations arising out of the same transaction or occurrence, or both.

1048 (c) The corporation shall promulgate rules and regulations establishing a schedule of
1049 administrative fines that may be assessed in accordance with subsection (b) of this Code
1050 section for each violation of this article; provided, however, that, if the corporation finds
1051 that:

1052 (1) A licensee is knowingly accepting wagers from minors or other persons ineligible to
1053 place wagers in this state, the corporation shall impose a fine against the licensee as
1054 follows:

1055 (A) For a first offense, \$1,000.00;

1056 (B) For a second offense, \$2,000.00; and

1057 (C) For a third or subsequent offense, \$5,000.00; or

1058 (2) An individual is unlawfully accepting wagers from another individual without a
1059 license, the corporation shall impose a fine against the individual as follows:

1060 (A) For a first offense, \$10,000.00;

1061 (B) For a second offense, \$15,000.00; and

1062 (C) For a third or subsequent offense, \$25,000.00.

1063 (d) The corporation may refer conduct that it reasonably believes is a violation of Article 2
1064 of Chapter 12 of Title 16 to the appropriate law enforcement agency.

1065 50-27-194.

1066 (a) Any person that violates any provision of this article shall be liable for a civil penalty
1067 of not more than \$5,000.00 per violation, not to exceed \$50,000.00 for violations arising
1068 out of the same transaction or occurrence, which shall accrue to the corporation and may
1069 be recovered in a civil action brought by or on behalf of the corporation.

1070 (b) The corporation may seek and obtain an injunction in a court of competent jurisdiction
1071 for purposes of enforcing this article.

1072 (c) Costs shall not be taxed against the corporation or this state for actions brought under
1073 this article.

1074 50-27-195.

1075 The corporation may issue subpoenas to compel the attendance of witnesses and the
1076 production of relevant books, accounts, records, and documents for purposes of carrying
1077 out its duties under this article.

1078 50-27-196.

1079 (a) A licensee or other individual aggrieved by a final decision or action of the corporation
1080 may appeal such decision or action to the Superior Court of Fulton County.

1081 (b) The Superior Court of Fulton County shall hear appeals from decisions or actions of
1082 the corporation and, based upon the record of the proceedings before the corporation, may
1083 reverse the decision or action of the corporation only if the appellant proves the decision
1084 or action to be:

1085 (1) Clearly erroneous;

1086 (2) Arbitrary and capricious;

1087 (3) Procured by fraud;

1088 (4) A result of substantial misconduct by the corporation; or

1089 (5) Contrary to the United States Constitution, the Constitution of Georgia, or this article.

1090 (c) The Superior Court of Fulton County may remand an appeal to the corporation to
1091 conduct further hearings.

1092 50-27-197.

1093 (a) It shall be unlawful for any person, directly or indirectly, to knowingly receive, supply,
1094 broadcast, display, or otherwise transmit material nonpublic information for the purpose
1095 of betting on a sporting event or influencing another individual's or entity's wager on a
1096 sporting event.

1097 (b) This Code section shall not apply to the dissemination of public information as news,
1098 entertainment, or advertising.

1099 (c) Any person in violation of this Code section shall be indefinitely prohibited from
 1100 placing a wager, be required to forfeit the proceeds of any illegal wager, and be guilty of
 1101 a misdemeanor."

1102

PART III

1103

SECTION 3-1.

1104 Part 1 of Article 2 of Chapter 12 of Title 16 of the Official Code of Georgia Annotated,
 1105 relating to gambling, is amended by revising paragraph (1) of Code Section 16-12-20,
 1106 relating to definitions, as follows:

1107 "(1) 'Bet' means an agreement that, dependent upon chance even though accompanied
 1108 by some skill, one stands to win or lose something of value. A bet does not include:

1109 (A) Contracts of indemnity or guaranty or life, health, property, or accident insurance;

1110 or

1111 (B) An offer of a prize, award, or compensation to the actual contestants in any bona
 1112 fide contest for the determination of skill, speed, strength, or endurance or to the owners
 1113 of animals, vehicles, watercraft, or aircraft entered in such contest; or

1114 (C) Any consideration paid to participate in online sports betting offered pursuant to
 1115 Article 4 of Chapter 27 of Title 50."

1116

SECTION 3-2.

1117 Said part is further amended by revising Code Section 16-12-27, relating to advertisement
 1118 or solicitation for participation in lotteries, as follows:

1119 "16-12-27.

1120 (a) It shall be unlawful for any person, partnership, firm, corporation, or other entity to
 1121 sell, distribute, televise, broadcast, or disseminate any advertisement, television or radio
 1122 commercial, or any book, magazine, periodical, newspaper, or other written or printed

1123 matter containing an advertisement or solicitation for participation in any lottery declared
1124 to be unlawful by the laws of this state unless such advertisement, commercial, or
1125 solicitation contains or includes the words 'void in Georgia' printed or spoken so as to be
1126 clearly legible or audible to persons viewing or hearing such advertisement, commercial,
1127 or solicitation.

1128 (b) Any person, partnership, firm, corporation, or other entity violating subsection (a) of
1129 this Code section shall be guilty of a misdemeanor.

1130 (c) This Code section shall not apply to any advertisement or solicitation for participation
1131 in online sports betting by any person licensed under Article 4 of Chapter 27 of Title 50
1132 that is concerning such licensee's lawful activities."

1133 **SECTION 3-3.**

1134 Said part is further amended by revising Code Section 16-12-28, relating to communicating
1135 gambling information, as follows:

1136 "16-12-28.

1137 (a) A person who knowingly communicates information as to bets, betting odds, or
1138 changes in betting odds or who knowingly installs or maintains equipment for the
1139 transmission or receipt of such information with the intent to further gambling commits the
1140 offense of communicating gambling information.

1141 (b) A person who commits the offense of communicating gambling information, upon
1142 conviction thereof, shall be punished by imprisonment for not less than one nor more than
1143 five years or by a fine not to exceed \$5,000.00, or both.

1144 (c) This Code section shall not apply to the activities authorized under Article 4 of
1145 Chapter 27 of Title 50."

1146

PART IV

1147

SECTION 4-1.

1148 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is
1149 amended by revising paragraph (55) of Code Section 48-8-3, relating to exemptions from
1150 state sales and use tax, as follows:

1151 "(55) The sale of lottery tickets authorized by Chapter 27 of Title 50 or wagers
1152 authorized by Article 4 of Chapter 27 of Title 50;"

1153

PART V

1154

SECTION 5-1.

1155 This Act shall become effective on January 1, 2027, following the ratification of an
1156 amendment to the Constitution of Georgia authorizing the General Assembly to provide by
1157 law for the operation and regulation of sports betting activities; provided, however, to the
1158 extent that this Act conflicts with law in effect at the time of ratification, this Act and such
1159 amendment shall control, and to the extent such law is not in conflict, the law in effect at the
1160 time of ratification shall control and shall remain in full force and effect. If such amendment
1161 is not so ratified, then this Act shall stand automatically repealed.

1162

SECTION 5-2.

1163 All laws and parts of laws in conflict with this Act are repealed.