

The House Committee on Higher Education offers the following substitute to SB 386:

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 change
4 certain provisions relating to the shortfall reserves maintained within the Lottery for
5 Education Account; to increase funding to the state's Pre-K programs; to provide for the
6 corporation to engage in certain activities related to sports betting; to provide for a short title;
7 to provide for legislative findings; to provide for definitions; to provide for the corporation's
8 powers and duties relative to sports betting; to provide for the procedures, limitations,
9 requirements, and qualifications of the licensing of any person offering, operating, or
10 managing sports betting in this state; to provide for rules and regulations promulgated by the
11 corporation; to provide for a privilege tax; to require certain reports; to regulate wagers and
12 provide requirements for bettors; to provide for bettors to restrict themselves from placing
13 certain wagers; to provide certain resources for individuals with problem gambling or a
14 betting or gambling disorder; to provide for the collection and disposition of fees and fines;
15 to prohibit certain conduct by the corporation, employees of the corporation, licensees, and
16 other persons; to provide for certain penalties; to provide for construction; to amend Part 1
17 of Article 2 of Chapter 12 of Title 16 of the Official Code of Georgia Annotated, relating to
18 gambling, so as to exclude any consideration paid to a sports betting licensee from the

S. B. 386 (SUB)

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

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

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

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

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

36 ~~(19)~~(20) To adopt and amend such regulations, policies, and procedures as necessary to
 37 carry out and implement its powers and duties, organize and operate the corporation,
 38 regulate the conduct of lottery games in general, and any other matters necessary or
 39 desirable for the efficient and effective operation of the lottery or the convenience of the
 40 public. The promulgation of any such regulations, policies, and procedures shall be
 41 exempt from the requirements of Chapter 13 of this title, the 'Georgia Administrative
 42 Procedure Act.'"

SECTION 1-2.

43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68

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

"(3)(A) Beginning in Fiscal Year 2025, a ~~A~~ shortfall reserve shall be maintained within the Lottery for Education Account in an amount equal to at least the greater of 50 percent of the average amount of the appropriations from such account for the preceding three fiscal years or 10 percent of net proceeds deposited into such account for the preceding fiscal year, with such amount hereinafter being referred to as the minimum reserve. Beginning in Fiscal Year 2025 and for each fiscal year thereafter, if on the last day of the preceding fiscal year the total reserve fund balance exceeds the minimum reserve, an amount equal to 10 percent of the excess reserve funds, meaning the amount that the total reserve fund balance exceeds the minimum reserve, shall be appropriated for educational purposes and programs.

(B) If the net proceeds paid into the Lottery for Education Account in any year are not sufficient to meet the amount appropriated for ~~education~~ educational purposes and programs, the shortfall reserve may be drawn upon to meet the deficiency and any amount so drawn may count for purposes of appropriations in subparagraph (A) of this paragraph.

(C) If ~~In the event~~ the shortfall reserve is drawn upon and falls below the greater of 50 percent of the average amount of the appropriations from ~~of~~ net proceeds deposited into such account for the preceding three fiscal year years or 10 percent of the net proceeds deposited into such account for the preceding fiscal year, the shortfall reserve shall be replenished to the level required by subparagraph (A) of this paragraph in the next fiscal year and the ~~lottery-funded~~ lottery funded programs shall be reviewed and adjusted accordingly."

69

PART II

70

SECTION 2-1.

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

73

"ARTICLE 4

74

Part 175 50-27-120.76 This article shall be known and may be cited as the 'Georgia Sports Betting Act.'77 50-27-121.78 The General Assembly finds that:

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

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

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

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

90 (5) In accordance with Code Section 50-27-2, sports betting shall be conducted in a
91 manner so as to safeguard the fiscal soundness of the state, to enhance public welfare, and

92 to support the funding authorized by Article I, Section II, Paragraph VIII(c) of the
93 Constitution.

94 50-27-122.

95 As used in this article, the term:

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

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

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

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

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

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

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

106 (5) 'Cheating' means improving the chances of winning or altering the outcome through
107 deception, interference, or manipulation of a sporting event or of any equipment,
108 including software, pertaining to or used in relation to the equipment used for or in
109 connection with the sporting event on which wagers are placed or invited. Such term
110 shall include match fixing and attempts and conspiracy to cheat.

111 (6) 'Collegiate sporting event' means a sporting or athletic event involving a sports or
112 athletic team of a public or private institution of higher education.

113 (7) 'Esports event' means an organized video game competition between players who
114 play individually or as teams.

115 (8) 'Fantasy or simulated contest' means a game or event in which one or more players
116 compete based on winning outcomes that reflect the relative knowledge and skill of the

- 117 players and are determined predominately by accumulated statistical results of the
118 performance of individuals, including, but not limited to, athletes in sporting events.
- 119 (9) 'Fixed-odds betting' means bets made at predetermined odds or on the spread where
120 the return to the bettor is unaffected by any later change in odds or the spread.
- 121 (10) 'Futures wager' means a wager made on the occurrence of an event in the future
122 relating to a sporting event.
- 123 (11) 'Institutional investor' means:
- 124 (A) A retirement fund administered by a public agency for the exclusive benefit of
125 federal, state, or local public employees;
- 126 (B) An investment company registered under the Investment Company Act of 1940;
127 (C) A chartered or licensed life insurance company or property and casualty insurance
128 company;
- 129 (D) A banking and other chartered or licensed lending institution;
- 130 (E) An investment advisor registered under the Investment Advisers Act of 1940; or
131 (F) A pension investment board.
- 132 (12) 'License' means any of the licenses issued by the corporation under this article.
- 133 (13) 'Licensee' means a person that holds a license issued by the corporation under this
134 article.
- 135 (14) 'Master sports betting licensee' means the Georgia Lottery Corporation.
- 136 (15) 'Material nonpublic information' means information that has not been disseminated
137 publicly concerning an athlete, contestant, prospective contestant, or athletic team,
138 including, without limitation, confidential information related to medical conditions or
139 treatment, physical or mental health or conditioning, physical therapy or recovery,
140 discipline, sanctions, academic status, education records, eligibility, playbooks, signals,
141 schemes, techniques, game plans, practices, strategies, assessments, systems, drills, or
142 recordings of practices or other athletic activities.

143 (16) 'Merchandise' means any goods or services provided to bettors free of charge, at a
144 discounted rate, or in the form of a rebate or credit.

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

146 (18) 'Moneyline wager' means the fixed odds in relation to a dollar amount that a team
147 or person participating in a sporting event will win outright regardless of the spread.

148 (19) 'Official event data' means statistics, results, outcomes, and other data related to a
149 sporting event obtained pursuant to an agreement with the relevant sporting events
150 operator whose corporate headquarters is based in the United States or an entity expressly
151 authorized by such sporting events operator to provide such information to licensees for
152 purposes of determining the outcome of tier 2 sports wagers on such sporting event.

153 (20) 'Official league data' means statistics, results, outcomes, and other data related to
154 a sporting event obtained pursuant to an agreement with the relevant professional sports
155 governing body whose corporate headquarters is based in the United States or an entity
156 expressly authorized by such professional sports governing body to provide such
157 information to licensees for purposes of determining the outcome of tier 2 sports wagers.

158 (21) 'Online sports betting' means a wager on a sporting event that is placed via the
159 internet through any electronic device and accepted through an online sports betting
160 platform.

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

164 (23) 'Online sports betting services provider' means a person that contracts with the
165 master sports betting licensee or a Type 1 sports betting licensee under Code Section
166 50-27-133 to operate online sports betting on behalf of such licensee and that is licensed
167 by the corporation.

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

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

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

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

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

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

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

184 (A) Based in this state;

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

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

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

192 (32) 'Relative' means a spouse, father, mother, son, daughter, grandfather, grandmother,
193 brother, sister, uncle, aunt, cousin, nephew, niece, father-in-law, mother-in-law,

194 son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother,
195 stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister.

196 (33) 'Sporting event' means any:

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

199 (B) Collegiate sporting event;

200 (C) Olympic sporting or athletic event;

201 (D) Sporting or athletic event sanctioned by a national or international organization or
202 association;

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

204 (F) Esports event; or

205 (G) Other event authorized by the corporation.

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

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

212 (35) 'Sports betting' means online sports betting.

213 (36) 'Sports betting equipment' means any of the following that is directly used in
214 connection with the operation of sports betting:

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

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

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

218 (37)(A) 'Sports betting supplier' means a person that provides sports betting equipment
219 necessary for the creation of sports betting markets and the determination of bet

220 outcomes, directly to any licensee involved in the acceptance of bets, including any of
221 the following:

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

223 (ii) Platform providers;

224 (iii) Risk management providers;

225 (iv) Integrity monitoring providers; and

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

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

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

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

233 (38) 'Spread' means the predicted scoring differential between two persons or teams
234 engaged in a sporting event.

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

238 (40) 'Tier 1 sports wager' means a sports wager that is determined solely by the final
239 score or final outcome of the sporting event and is placed before the sporting event has
240 begun.

241 (41) 'Tier 2 sports wager' means a wager that is not a tier 1 sports wager.

242 (42) 'Type 1 eligible entity' means any of the following:

243 (A) Any professional sports team;

244 (B) A professional sports governing body that holds one or more sanctioned annual
245 golf tournaments on a national tour of professional golf in this state, and has held one

246 or more of the same or different sanctioned annual golf tournaments on a national tour
247 of professional golf in this state for at least 30 years;

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

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

254 (E) The Georgia Lottery Corporation.

255 (43) 'Type 1 sports betting licensee' means the master sports betting licensee, an online
256 sports betting services provider awarded a Type 1 license via the public procurement
257 process by the master sports betting licensee, or a Type 1 eligible entity licensed or
258 authorized by the corporation to directly or indirectly offer online sports betting.

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

267 50-27-123.

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

- 271 (1) To have jurisdiction, supervision, and regulatory authority over sports betting,
272 including, but not limited to, regulation, licensure, and offering of sports betting on
273 mobile applications available state wide via the internet and through a limited number of
274 licenses to be awarded to Type 1 sports betting licensees;
- 275 (2) To appoint and employ such persons as the corporation deems essential to perform
276 its duties under this article and to ensure that such sports betting is conducted with order
277 and the highest integrity. Such employees shall possess such authority and perform such
278 duties as the corporation shall prescribe or delegate to them. Such employees shall be
279 compensated as provided by the corporation;
- 280 (3) To enter upon, investigate, and have free access to all places of business of any
281 licensee under this article and to compel the production of any books, ledgers, documents,
282 records, memoranda, or other information of any licensee to ensure such licensee's
283 compliance with the rules and regulations promulgated by the corporation pursuant to this
284 article;
- 285 (4) To promulgate any rules and regulations as the corporation deems necessary and
286 proper to administer the provisions of this article; provided, however, that the initial rules
287 and regulations governing sports betting shall be promulgated, provided for a period of
288 public comment, and adopted by the corporation within 90 days of the effective date of
289 this article. Such initial rules and regulations and all other rules and regulations of the
290 corporation promulgated and adopted pursuant to this article shall not be subject to
291 Chapter 13 of this title, the 'Georgia Administrative Procedure Act';
- 292 (5) To issue subpoenas for the attendance of witnesses before the corporation, administer
293 oaths, and compel production of records or other documents and testimony of witnesses
294 whenever, in the judgment of the corporation, it is necessary to do so for the effectual
295 discharge of the duties of the corporation under this article;
- 296 (6) To compel any person licensed by the corporation to file with the corporation such
297 data, documents, and information as shall appear to the corporation to be necessary for

298 the performance of the duties of the corporation under this article, including, but not
299 limited to, financial statements and information relative to stockholders and all others
300 with a pecuniary interest in such person;

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

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

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

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

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

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

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

317 (B) Establishing and administering programs for educating potential gamblers about
318 responsible gambling, the warning signs of problem gambling or betting or gambling
319 disorders and how to prevent and treat problem gambling or betting or gambling
320 disorders;

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

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

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

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

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

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

344 (I) Requiring, through the promulgation of rules and regulations, limitations on the
345 amount of bets a bettor can place when such bettor has exhibited signs of problem
346 gambling or a betting or gambling disorder. Such rules and regulations shall require
347 the implementation of systems to monitor betting and provide customers with guidance,
348 information, and options when their betting may be problematic;

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

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

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

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

358 50-27-124.

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

360 (1) The reserves that must be kept by licensees to comply with subparagraph (c)(7)(A)
361 of Code Section 50-27-130 to pay off bettors;

362 (2) Any insurance requirements for a licensee;

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

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

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

368 (C) Global risk management;

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

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

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

- 374 (7) Policies, procedures, and processes designed to mitigate the risk of cheating and
375 money laundering; and
376 (8) Any post-employment restrictions necessary to maintain the integrity of sports
377 betting in this state.

378 Part 2

379 50-27-130.

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

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

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

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

387 (3) Past relevant experience of the applicant;

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

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

391 (6) Demonstrated commitment to and plans for the promotion of responsible gaming;
392 and

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

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

- 398 (1) If the applicant is an entity, identification of the applicant's principal owners, board
399 of directors, officers, and supervisory employees;
- 400 (2) Information, documentation, and assurances as may be required by the corporation
401 to establish by clear and convincing evidence the applicant's good character, honesty, and
402 integrity, including, but not limited to, information pertaining to family, habits, character,
403 reputation, criminal and arrest records, business activities, financial affairs, and business,
404 professional, and personal associates, covering at least the ten-year period immediately
405 preceding the filing of the application. No license shall be issued to an applicant, if such
406 applicant or a principal owner of such applicant, has been convicted of, has been found
407 guilty of, or has pled guilty to, regardless of adjudication and in any jurisdiction, any
408 felony or any misdemeanor that is directly related to gambling, dishonesty, theft, or fraud;
- 409 (3) Notice and a description of civil judgments obtained against the applicant pertaining
410 to antitrust or security regulation laws of the federal government, this state, or any other
411 state, jurisdiction, province, or country;
- 412 (4) To the extent available, letters of reference or the equivalent from law enforcement
413 agencies having jurisdiction of the applicant's place of residence and principal place of
414 business. Each such letter of reference shall indicate that the law enforcement agency
415 does not have any pertinent information concerning the applicant or, if such law
416 enforcement agency does have information pertaining to the applicant, shall provide such
417 information, to the extent permitted by law;
- 418 (5) If the applicant has conducted sports betting operations in another jurisdiction, a
419 letter of reference from the regulatory body that governs sports betting that specifies the
420 standing of the applicant with such regulatory body; provided, however, that, if no such
421 letter is received within 60 days of the request therefor, the applicant may submit a
422 statement under oath that the applicant is or was, during the period such activities were
423 conducted, in good standing with the regulatory body;

424 (6) Information, documentation, and assurances concerning financial background and
425 resources as may be required to establish by clear and convincing evidence the financial
426 stability, integrity, and responsibility of the applicant, including, but not limited to, bank
427 references, business and personal income and disbursement schedules, tax returns and
428 other reports filed with governmental agencies, and business and personal accounting and
429 check records and ledgers. Each applicant shall, in writing, authorize the examination of
430 all bank accounts and records as may be deemed necessary by the corporation. The
431 corporation may consider any relevant evidence of financial stability. In addition, the
432 applicant shall:

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

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

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

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

451 betting experience to establish the likelihood of the creation and maintenance of
452 successful, efficient sports betting operations in this state;

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

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

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

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

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

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

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

473 50-27-131.

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

477 prescribed under paragraph (10) of subsection (c) of Code Section 50-27-130 with its
478 application for license renewal.

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

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

486 (d) A professional sports governing body and a Type 1 eligible entity may enter into
487 commercial agreements with an online sports betting services provider or other entities that
488 provide for such professional sports governing body and Type 1 eligible entity to share in
489 the amounts wagered or revenue derived from wagers on the sporting events of such
490 professional sports governing body and Type 1 eligible entity. A professional sports
491 governing body and a Type 1 eligible entity shall not be required to obtain any approval
492 or other form of authorization from the corporation to enter into such commercial
493 agreements or to lawfully accept such amounts or revenues. The corporation shall not
494 prescribe any terms or conditions that are required to be included in such commercial
495 agreements.

496 (e) A person that holds a license or permit to engage in sports betting issued by another
497 jurisdiction, either directly or through a parent company or affiliated subsidiary, may
498 submit a request to the corporation for a temporary license for such person to immediately
499 commence engagement in this state in sports betting. Such request shall include the
500 application fee and annual licensing fee required under paragraph (10) of subsection (c) of
501 Code Section 50-27-130.

502 (f) Upon receiving a request for a temporary license, the chief executive officer shall
503 review the request. If the chief executive officer reviews the request and determines that

504 the person requesting the temporary license holds a license or permit issued by another
505 jurisdiction to engage in sports betting and has paid the required application fee and annual
506 licensing fee, the chief executive officer may authorize such person to engage in sports
507 betting pursuant to this article under a temporary license for up to one year or until a final
508 determination on such person's application is made, whichever is later.

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

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

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

516 50-27-132.

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

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

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

524 (3) A coach of or player for a collegiate, professional, or Olympic sports team or sport
525 for which the applicant offers sports betting, or an entity that has an affiliation or interest
526 in such a sports team or sport;

527 (4) An individual who is a member or employee of any professional sports governing
528 body or sporting events operator for which the applicant offers sports betting;

529 (5) An individual or entity with an owner, officer, or director who has been convicted of
530 a crime of moral turpitude or similar degree as specified in rules and regulations
531 promulgated by the corporation pursuant to this article;

532 (6) A person having the ability to directly affect the outcome of a sporting event upon
533 which the applicant offers sports betting;

534 (7) A trustee or regent of a governing board of a public or private institution of higher
535 education;

536 (8) An individual prohibited by the rules or regulations of a professional sports
537 governing body or sporting events operator of a collegiate sports team, league, or
538 association from participating in sports betting;

539 (9) A student or an employee of a public or private institution of higher education who
540 has access to material nonpublic information concerning a student athlete or a sports
541 team, unless such access to information is deemed incidental; and

542 (10) Any other category of persons, established by rules and regulations of the
543 corporation, that, if licensed, would negatively affect the integrity of sports betting in this
544 state.

545 (b) An individual listed in paragraphs (2) through (10) of subsection (a) of this Code
546 section may hold an ownership interest in an applicant or licensee without disqualifying
547 the applicant or licensee from obtaining or holding a license; provided, however, that such
548 an ownership interest of 25 percent or more shall require approval from the corporation.

549 In determining whether such an ownership interest shall be the basis of disqualification, the
550 corporation shall consider whether such interest would negatively affect the integrity of
551 sports betting in this state and any other factors the corporation shall deem relevant.

552 50-27-133.

553 (a) A Type 1 sports betting license authorizes the licensee, or its designated online sports
554 betting services provider, to offer online sports betting. If a Type 1 eligible entity

555 designates an online sports betting services provider, the designated online sports betting
556 services provider shall instead fulfill the application and operational requirements for sports
557 betting offered pursuant to this article. The corporation shall establish a procedure for a
558 Type 1 eligible entity to designate an online sports betting provider.

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

560 (1) Five Type 1 sports betting licenses shall be reserved for the Type 1 eligible entities
561 defined in subparagraph (A) of paragraph (42) of Code Section 50-27-122; provided,
562 however, that more than one license may be issued to an owner of multiple professional
563 sports teams;

564 (2) One Type 1 sports betting license shall be reserved for each of the Type 1 eligible
565 entities defined in subparagraphs (B) through (E) of paragraph (42) of Code Section
566 50-27-122; and

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

569 (c) The master sports betting license shall be deemed a Type 1 licensee and shall not be
570 required to apply for a license; provided, however, that an online sports betting services
571 provider engaged by the master sports betting licensee shall be required to apply for an
572 online sports betting services provider license to operate online sports betting on behalf of
573 the master sports betting licensee.

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

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

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

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

586 (h) All applicants for the 16 Type 1 sports betting licenses under subsection (b) of this
587 Code section that have submitted an application within 30 days of the date in which the
588 corporation began to accept applications for Type 1 sports betting licenses shall be given
589 an equal opportunity to first commence offering, conducting, or operating online sports
590 betting in this state on the same day, and in any event not later than January 31, 2025.

591 (i) A Type 1 eligible entity described in subparagraphs (A) through (D) of paragraph (42)
592 of Code Section 50-27-122 that becomes a Type 1 sports betting licensee or designates an
593 online sports betting services provider shall establish and maintain procedures with respect
594 to sporting events which the Type 1 eligible entity participates in or administers to ensure
595 avoidance of conflicts of interest in the operation of sports betting in this state.

596 50-27-134.

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

600 (b) An online sports betting services provider shall obtain a license under this article
601 before offering online sports betting pursuant to a contract with a Type 1 sports betting
602 licensee or master sports betting licensee. An online sports betting services provider
603 license shall entitle the holder to contract with no more than one Type 1 sports betting
604 licensee.

605 (c) If the holder of a Type 1 sports betting license is a Type 1 eligible entity and is a
606 member of a league, association, or organization that prevents the holder from being

607 subject to the regulatory control of the corporation or from otherwise operating under the
608 license, such a Type 1 eligible entity may contractually appoint an online sports betting
609 services provider for all aspects of corporation oversight and operations under the Type 1
610 sports betting license.

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

615 50-27-135.

616 Proposition wagers shall only be offered on online sports betting platforms by the master
617 sports betting licensee, an online sports betting services provider that contracts with the
618 master sports betting licensee, or a Type 1 sports betting licensee.

619 Part 3

620 50-27-150.

621 (a) Notwithstanding any other law to the contrary, there shall be imposed an annual
622 privilege tax of 25 percent of the adjusted gross income derived from online sports betting
623 in accordance with this Code section.

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

629 (c) The privilege tax imposed under this Code section shall be paid monthly by the online
630 sports betting services provider based on its monthly adjusted gross income for the

631 immediately preceding calendar month. The privilege tax shall be paid to the corporation
632 in accordance with rules and regulations promulgated by the corporation. If the online
633 sports betting services provider's adjusted gross income for a month is a negative number,
634 such online sports betting services provider may carry over such negative amount to
635 subsequent months.

636 (d) All moneys from privilege taxes and fees collected under this Code section shall be
637 distributed and used as provided under Article I, Section II, Paragraph VIII(c) of the
638 Constitution.

639 (e) With the exception of application fees and annual licensing fees imposed by paragraph
640 (10) of subsection (c) of Code Section 50-27-130, this privilege tax is in lieu of all other
641 state and local sales and use taxes, income taxes, and fees imposed on the operation of
642 sports betting or on the proceeds from the operation of sports betting in this state. This
643 subsection shall not exempt goods and services purchased by licensees in the ordinary
644 course of business from the imposition of state or local sales and use taxes that would
645 otherwise apply, nor shall it exempt licensees from the payment of taxes on real property
646 owned by the licensee.

647 50-27-151.

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

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

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

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

- 657 (b) A licensee shall promptly report to the corporation any information relating to:
658 (1) The name of any newly elected officer or director of the board of the licensed entity;
659 and
660 (2) The acquisition by any person of 10 percent or more of any class of corporate stock.
661 (c) With respect to information reported under subsection (b) of this Code section, a
662 licensee shall include with such report a statement of any conflict of interest that may exist
663 as a result of such election or acquisition.
664 (d) Upon receiving a report under this Code section or subsection (b) of Code
665 Section 50-27-191, the corporation may conduct a hearing in accordance with Code Section
666 50-27-193 to determine whether the licensee remains in compliance with this article.

667 Part 4

668 50-27-160.

- 669 (a) No person shall knowingly:
670 (1) Allow a minor to place a wager;
671 (2) Offer, accept, or extend credit to a bettor in the form of a marker; provided, however,
672 that promotions and promotional credits shall be permitted to be offered and extended to
673 bettors;
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 indefinitely prohibited from placing a wager, be required
746 to forfeit the proceeds of any illegal wager, be guilty of a misdemeanor, and be fined not
747 less than \$500.00 nor more than \$1,000.00;

748 (2) For a second offense, shall be:

749 (A) Required to forfeit the proceeds of any illegal wager;

750 (B) Guilty of a misdemeanor; and

751 (C) Fined not less than \$5,000.00 or imprisoned for not less than one month nor more
752 than five months, or both; and

753 (3) For a third or subsequent offense, shall be:

754 (A) Required to forfeit the proceeds of any illegal wager;

755 (B) Guilty of a misdemeanor of a high and aggravated nature; and

756 (C) Fined not less than \$7,500.00 or imprisoned for not less than three months, or both.

757 50-27-163.

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

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

770 (2) After giving due consideration to all comments received, the corporation shall, upon
771 demonstration of good cause from the requestor that such type, form, or category of
772 sports betting is likely to undermine the integrity or perceived integrity of such
773 professional sports governing body or sporting events operator or its sporting events,
774 grant the request. The corporation shall respond to a request concerning a particular
775 sporting event before the start of the event, or if it is not feasible to respond before then,
776 no later than seven days after the request is made. If the corporation determines that the
777 requestor is more likely than not to prevail in successfully demonstrating good cause for
778 its request, the corporation may provisionally grant the request of the professional sports
779 governing body or sporting events operator until the corporation makes a final
780 determination as to whether the requestor has demonstrated good cause. Absent such a
781 provisional grant by the corporation, sports betting licensees may continue to offer sports
782 betting on sporting events that are the subject of such a request during the pendency of
783 the corporation's consideration of the applicable request.

784

Part 5785 50-27-170.

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

796 (b) Each licensee shall adopt a registration policy to ensure that all bettors utilizing online
797 sports betting are authorized to place a wager with a licensee within this state. Such policy
798 shall include, without limitation, commercially reasonable mechanisms to:

799 (1) Verify the identity and age of the registrant;800 (2) Verify that the registrant is not knowingly prohibited from placing a wager under
801 Code Section 50-27-162; and802 (3) Obtain the following information from the registrant:803 (A) Legal name;804 (B) Date of birth;805 (C) Physical address other than a post office box;806 (D) Phone number;807 (E) A unique username; and808 (F) An active email account.

809 (c) Each licensee may in its discretion require a bettor to provide the licensee with a signed
810 and notarized document attesting that the bettor is qualified to engage in sports betting
811 under this article as part of the registration policy of the licensee.

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

815 (e) Each licensee, in addition to complying with state and federal law pertaining to the
816 protection of the private, personal information of registered bettors, shall use all other
817 commercially and technologically reasonable means to protect such information consistent
818 with industry standards.

819 (f) A bettor may fund an account through:

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

821 (2) Debit cards;

822 (3) Online and mobile payment systems that support online money transfers; and

823 (4) Any other method approved by rules and regulations of the corporation.

824 (g)(1) Licensees shall not allow bets to be placed until first verifying the identity of the
825 bettor pursuant to this Code section and by rules promulgated by the corporation.

826 Further, and pursuant to rules promulgated by the corporation, licensees shall establish
827 safeguards, including, but not limited to, access notifications and similar security
828 safeguards, to protect each bettor's account.

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

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

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

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

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

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

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

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

850 50-27-171.

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

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

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

- 860 (2) The use of automated triggers to identify and manage accounts of potential problem
861 gamblers; and
- 862 (3) The levels of intervention and education provided to identified at-risk players, which
863 shall include at a minimum:
- 864 (A) A first phase involving communications with the individual in order to educate him
865 or her on the availability of various responsible gaming features and resources offered
866 by the licensee;
- 867 (B) A second phase that includes a video tutorial displayed to the individual either as
868 one or multiple videos that provides education on the features and resources available;
869 and
- 870 (C) A third phase, when warranted, that includes access to a responsible gaming
871 professional provided by the licensee to advise the individual on possible corrective
872 actions to address at-risk behavior.
- 873 (c) The corporation shall work with national and local organizations to provide services
874 for individuals with problem gambling or a betting or gambling disorder and to establish
875 prevention initiatives to reduce the number of individuals with problem gambling or a
876 betting or gambling disorder, including, but not limited to, utilizing currently established
877 programs for problem gambling or betting or gambling disorders.
- 878 (d) All sports betting advertisements shall prominently display messaging designed to
879 prevent problem gambling and provide information about how to access resources related
880 to problem gambling, including the National Council on Problem Gambling's helpline or
881 other similar toll-free helpline.
- 882 (e) The corporation shall annually generate a report outlining activities with respect to
883 problem gambling and betting or gambling disorders, including, but not limited to,
884 descriptions of programs, grants, and other resources made available; the number of
885 individuals seeking assistance; the number of individuals who reported completing
886 programs and therapies; and the rate of recidivism, if known to the corporation. The

887 corporation shall file the annual report with the Governor, the Lieutenant Governor, and
888 the Speaker of the House of Representatives and shall publish such report on its website
889 no later than January 30 of each year.

890 50-27-172.

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

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

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

898 (2) Requirements for reporting suspicious wagers.

899 Part 6

900 50-27-180.

901 (a) Licensees are not required to use official league data or official event data for
902 determining the results of:

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

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

907 (b)(1) A professional sports governing body or sporting events operator headquartered
908 in the United States may notify the corporation that it desires licensees to use official
909 league data or official event data for determining the results of tier 2 sports wagers on its
910 sporting events. A notification under this subsection shall be made in the form and

911 manner as the corporation shall require. The corporation shall notify each licensee within
912 five days after receipt of such notification from a professional sports governing body or
913 sporting events operator. If a professional sports governing body or sporting events
914 operator does not notify the corporation of its desire to supply official league data or
915 official event data, licensees are not required to use official league data or official event
916 data for determining the results of any tier 2 wagers on sporting events of that
917 professional sports governing body or sporting events operator.

918 (2) Within 60 days after the corporation notifies each licensee as provided under
919 paragraph (1) of this subsection, or within a longer period as may be agreed between such
920 professional sports governing body or sporting events operator and the applicable
921 licensee, each such licensee shall be required to use only official league data or official
922 event data, as applicable, to determine the results of tier 2 sports wagers on sporting
923 events sanctioned by such professional sports governing body or sporting events operator,
924 except when:

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

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

935 (3) The following is a nonexclusive list of factors the corporation may consider in
936 evaluating whether official league data or official event data is being offered on

937 commercially reasonable terms and conditions for purposes of subparagraphs (A) and (B)
938 of paragraph (2) of this subsection:

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

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

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

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

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

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

958 (4) Notwithstanding any provisions to the contrary in this Code section, including,
959 without limitation, paragraph (2) of this subsection, while the corporation is evaluating
960 whether a professional sports governing body or a sporting events operator, or the
961 designee thereof, will provide a feed of official league data or official event data on
962 commercially reasonable terms and conditions pursuant to paragraph (3) of this

963 subsection, licensees are not required to use official league data or official event data for
964 determining the results of tier 2 sports wagers.

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

970 Part 7

971 50-27-190.

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

978 50-27-191.

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

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

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

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

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

992 (d) Licensees shall use commercially reasonable efforts to maintain, in real time and at the
993 account level, anonymized information regarding a bettor; the amount and type of bet; the
994 time the bet was placed; the location of the bet, including the internet protocol address if
995 applicable; the outcome of the bet; and records of abnormal betting activity for three years
996 after the sporting event occurs. The corporation may request such information in the form
997 and manner required by rules and regulations of the corporation. For purposes of this
998 subsection, the term 'real time' means on a commercially reasonable periodic interval.

999 (e) All records, documents, and information received by the corporation pursuant to this
1000 Code section shall be considered investigative records of a law enforcement agency, shall
1001 not be subject to Article 4 of Chapter 18 of this title, and shall not be released under any
1002 condition without the permission of the person providing such records, documents, or
1003 information.

1004 (f) Nothing in this Code section shall require a sports betting licensee to provide any
1005 information that is prohibited by federal, state, or local laws or rules and regulations,
1006 including, without limitation, laws and rules and regulations relating to privacy and
1007 personally identifiable information.

1008 (g) If a professional sports governing body or sporting events operator has notified the
1009 corporation that access to the information described in subsection (d) of this Code section
1010 for wagers placed on its sporting events is necessary to monitor the integrity of its sporting
1011 events and represents to the corporation that it specifically uses such data for the purpose
1012 of monitoring the integrity of sporting events of such professional sports governing body
1013 or sporting events operator, then licensees shall share, in a commercially reasonable

1014 frequency, form, and manner, with the professional sports governing body or sporting
1015 events operator, or a designee thereof, the same information the licensee is required to
1016 maintain under subsection (d) of this Code section with respect to sports wagers on such
1017 a body's or operator's sporting events. A professional sports governing body or sporting
1018 events operator, or a designee thereof, shall use information received under this subsection
1019 for integrity-monitoring purposes only and shall not use such information for commercial
1020 or any other purposes. Nothing in this subsection shall require a licensee to provide any
1021 information that is prohibited by federal, state, or local laws, rules, or regulations,
1022 including, but not limited to, laws, rules, or regulations relating to privacy and personally
1023 identifiable information.

1024 50-27-192.

1025 The corporation shall assist in any investigations by law enforcement to determine whether:

1026 (1) A licensee is accepting wagers from minors or other persons ineligible to place
1027 wagers in this state; and

1028 (2) An individual is unlawfully accepting wagers from another individual without a
1029 license or at a location in violation of this article.

1030 50-27-193.

1031 (a) The corporation may investigate and conduct a hearing with respect to a licensee upon
1032 information and belief that the licensee has violated this article or upon the receipt of a
1033 credible complaint from any person that a licensee has violated this article. The
1034 corporation shall conduct investigations and hearings in accordance with rules and
1035 regulations adopted by the corporation.

1036 (b) If the corporation determines that a licensee has violated any provision of this article
1037 or any rules and regulations of the corporation, the corporation may suspend, revoke, or
1038 refuse to renew a license; impose an administrative fine not to exceed \$25,000.00 per

1039 violation or a total of \$50,000.00 for violations arising out of the same transaction or
1040 occurrence; or both.

1041 (c) The corporation shall promulgate rules and regulations establishing a schedule of
1042 administrative fines that may be assessed in accordance with subsection (b) of this Code
1043 section for each violation of this article; provided, however, that, if the corporation finds
1044 that:

1045 (1) A licensee is knowingly accepting wagers from minors or other persons ineligible to
1046 place wagers in this state, the corporation shall impose a fine against the licensee as
1047 follows:

1048 (A) For a first offense, \$1,000.00;

1049 (B) For a second offense, \$2,000.00; and

1050 (C) For a third or subsequent offense, \$5,000.00; or

1051 (2) An individual is unlawfully accepting wagers from another individual without a
1052 license, the corporation shall impose a fine against the individual as follows:

1053 (A) For a first offense, \$10,000.00;

1054 (B) For a second offense, \$15,000.00; and

1055 (C) For a third or subsequent offense, \$25,000.00.

1056 (d) The corporation may refer conduct that it reasonably believes is a violation of Article 2
1057 of Chapter 12 of Title 16 to the appropriate law enforcement agency.

1058 50-27-194.

1059 (a) Any person that violates any provisions of this article shall be liable for a civil penalty
1060 of not more than \$5,000.00 per violation, not to exceed \$50,000.00 for violations arising
1061 out of the same transaction or occurrence, which shall accrue to the corporation and may
1062 be recovered in a civil action brought by or on behalf of the corporation.

1063 (b) The corporation may seek and obtain an injunction in a court of competent jurisdiction
1064 for purposes of enforcing this article.

1065 (c) Costs shall not be taxed against the corporation or this state for actions brought under
1066 this article.

1067 50-27-195.

1068 (a) Fines assessed under this article shall be accounted for separately for use by the
1069 corporation in a manner consistent with rules and regulations of the corporation.

1070 (b) The corporation may issue subpoenas to compel the attendance of witnesses and the
1071 production of relevant books, accounts, records, and documents for purposes of carrying
1072 out its duties under this article.

1073 50-27-196.

1074 (a) A licensee or other individual aggrieved by a final decision or action of the corporation
1075 may appeal such decision or action to the Superior Court of Fulton County.

1076 (b) The Superior Court of Fulton County shall hear appeals from decisions or actions of
1077 the corporation and, based upon the record of the proceedings before the corporation, may
1078 reverse the decision or action of the corporation only if the appellant proves the decision
1079 or action to be:

1080 (1) Clearly erroneous;

1081 (2) Arbitrary and capricious;

1082 (3) Procured by fraud;

1083 (4) A result of substantial misconduct by the corporation; or

1084 (5) Contrary to the United States Constitution, the Constitution of Georgia, or this article.

1085 (c) The Superior Court of Fulton County may remand an appeal to the corporation to
1086 conduct further hearings.

1087 50-27-197.

1088 (a) It shall be unlawful for any person, directly or indirectly, to knowingly receive, supply,
 1089 broadcast, display, or otherwise transmit material nonpublic information for the purpose
 1090 of betting on a sporting event or influencing another individual's or entity's wager on a
 1091 sporting event.

1092 (b) This Code section shall not apply to the dissemination of public information as news,
 1093 entertainment, or advertising.

1094 (c) Any person in violation of this Code section shall be indefinitely prohibited from
 1095 placing a wager, be required to forfeit the proceeds of any illegal wager, and be guilty of
 1096 a misdemeanor."

1097

PART III

1098

SECTION 3-1.

1099 Part 1 of Article 2 of Chapter 12 of Title 16 of the Official Code of Georgia Annotated,
 1100 relating to gambling, is amended by revising paragraph (1) of Code Section 16-12-20,
 1101 relating to definitions, as follows:

1102 "(1) 'Bet' means an agreement that, dependent upon chance even though accompanied
 1103 by some skill, one stands to win or lose something of value. A bet does not include:

1104 (A) Contracts of indemnity or guaranty or life, health, property, or accident insurance;
 1105 or

1106 (B) An offer of a prize, award, or compensation to the actual contestants in any bona
 1107 fide contest for the determination of skill, speed, strength, or endurance or to the owners
 1108 of animals, vehicles, watercraft, or aircraft entered in such contest; or

1109 (C) Any consideration paid to participate in online sports betting offered pursuant to
 1110 Article 4 of Chapter 27 of Title 50."

SECTION 3-2.

1111
1112 Said part is further amended by revising Code Section 16-12-27, relating to advertisement
1113 or solicitation for participation in lotteries, as follows:

1114 "16-12-27.

1115 (a) It shall be unlawful for any person, partnership, firm, corporation, or other entity to
1116 sell, distribute, televise, broadcast, or disseminate any advertisement, television or radio
1117 commercial, or any book, magazine, periodical, newspaper, or other written or printed
1118 matter containing an advertisement or solicitation for participation in any lottery declared
1119 to be unlawful by the laws of this state unless such advertisement, commercial, or
1120 solicitation contains or includes the words 'void in Georgia' printed or spoken so as to be
1121 clearly legible or audible to persons viewing or hearing such advertisement, commercial,
1122 or solicitation.

1123 (b) Any person, partnership, firm, corporation, or other entity violating subsection (a) of
1124 this Code section shall be guilty of a misdemeanor.

1125 (c) This Code section shall not apply to any advertisement or solicitation for participation
1126 in online sports betting by any person licensed by the Georgia Lottery Corporation under
1127 Article 4 of Chapter 27 of Title 50 that is concerning such licensee's lawful activities."

SECTION 3-3.

1128
1129 Said part is further amended by revising Code Section 16-12-28, relating to communicating
1130 gambling information, as follows:

1131 "16-12-28.

1132 (a) A person who knowingly communicates information as to bets, betting odds, or
1133 changes in betting odds or who knowingly installs or maintains equipment for the
1134 transmission or receipt of such information with the intent to further gambling commits the
1135 offense of communicating gambling information.

1136 (b) A person who commits the offense of communicating gambling information, upon
1137 conviction thereof, shall be punished by imprisonment for not less than one nor more than
1138 five years or by a fine not to exceed \$5,000.00, or both.

1139 (c) This Code section shall not apply to the activities of a person licensed by the Georgia
1140 Lottery Corporation under Article 4 of Chapter 27 of Title 50 or an employee, agent, or
1141 other person acting in furtherance of his or her employment by such licensee."

1142 **PART IV**

1143 **SECTION 4-1.**

1144 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is
1145 amended by revising paragraph (55) of Code Section 48-8-3, relating to exemptions from
1146 state sales and use tax, as follows:

1147 "(55) The sale of lottery tickets authorized by Chapter 27 of Title 50 or wagers
1148 authorized by Article 4 of Chapter 27 of Title 50;"

1149 **PART V**

1150 **SECTION 5-1.**

1151 This Act shall become effective on January 1, 2025, following the ratification of an
1152 amendment to the Constitution of Georgia authorizing the General Assembly to provide by
1153 law for the operation and regulation of sports betting activities; provided, however, to the
1154 extent that this Act conflicts with law in effect at the time of ratification, this Act and such
1155 amendment shall control, and to the extent such law is not in conflict, the law in effect at the
1156 time of ratification shall control and shall remain in full force and effect. If such amendment
1157 is not so ratified, then this Act shall stand automatically repealed.

1158

SECTION 5-2.

1159 All laws and parts of laws in conflict with this Act are repealed.