

House Bill 86

By: Representatives Stephens of the 164th, Mitchell of the 88th, Hawkins of the 27th, Hutchinson of the 107th, Dollar of the 45th, and others

A BILL TO BE ENTITLED

AN ACT

1 To amend Chapter 27 of Title 50 of the Official Code of Georgia Annotated, relating to
2 lottery for education, so as to provide for the lottery game of sports wagering in this state;
3 to provide for and revise certain definitions; to provide for oversight of such lottery game by
4 the Georgia Lottery Corporation and its board of directors; to provide for a short title; to
5 provide for legislative findings; to provide for additional powers and duties of the
6 corporation and its board of directors; to provide for procedures, limitations, requirements,
7 qualifications, and licensing; to regulate wagers and provide requirements for bettors; to
8 provide for bettors to restrict themselves from placing certain wagers; to provide certain
9 resources for individuals with a gambling problem or a gambling disorder; to provide for the
10 collection and disposition of taxes; to provide for violations and penalties; to provide for
11 related matters; to provide for an effective date; to repeal conflicting laws; and for other
12 purposes.

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

PART I
SECTION 1-1.

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

19 "50-27-3.

20 As used in this chapter, the term:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

121 **SECTION 1-2.**

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

124 "50-27-9.

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

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

131 (2) To adopt and alter a seal;

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

139 (4) To procure or to provide insurance;

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

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

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

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

192 **PART II**

193 **SECTION 2-1.**

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

195 "ARTICLE 4

196 Part 1

197 50-27-120.

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

200 50-27-121.

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

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

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

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

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

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

219 50-27-122.

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

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

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

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

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

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

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

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

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

236 (6) 'Collegiate sporting event' means a sporting or athletics event involving a sports or
237 athletics team of a public or private institution of higher education.

238 (7) 'Corporation vendor' means a contractor, subcontractor, or independent contractor
239 hired by or contracted with the corporation or a licensee for the purpose of facilitating the
240 business of the corporation or licensee under this article.

241 (8) 'E-sport' means any multiplayer video game played competitively for spectators,
242 either in-person or via remote connection, in which success principally depends upon the
243 superior knowledge, training, experience, and adroitness of the players.

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

246 (10) 'Future bet' means a wager made on the occurrence of an event in the future relating
247 to a sporting event.

248 (11) 'Interactive sports wagering' means placing a wager on a sporting event via the
249 internet, a mobile device, or any other telecommunications platform.

250 (12) 'License' means a license to accept wagers from bettors on sporting events issued
251 under Code Section 50-27-140.

252 (13) 'Licensee' means a person that holds a license issued under Code Section 50-27-140.

253 (14) 'Live betting' means a type of wager that is placed after the sporting event being
254 wagered on has commenced and whose odds on events occurring are adjusted in real
255 time.

256 (15) 'Material nonpublic information' means information that has not been disseminated
257 publicly concerning an athlete, contestant, prospective contestant, or athletic team,
258 including, without limitation, confidential information related to medical conditions or
259 treatment, physical or mental health or conditioning, physical therapy or recovery,
260 discipline, sanctions, academic status, education records, eligibility, playbooks, signals,
261 schemes, techniques, game plans, practices, strategies, assessments, systems, drills, or
262 recordings of practices or other athletic activities.

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

264 (17) 'Money line' means the fixed odds in relation to a dollar amount that a team or
265 person participating in a sporting event will win outright, regardless of the spread.

266 (18) 'Official league data' means statistics, results, outcomes, and other data related to
267 a sporting event obtained pursuant to an agreement with the relevant governing body of
268 a sport or sports league, organization, or association whose corporate headquarters are
269 based in the United States or an entity expressly authorized by such governing body to
270 provide such information to licensees for purposes of live betting.

271 (19) 'Online sports wagering platform' means the combination of hardware, software, and
272 data networks used to manage, administer, or control sports wagering and any associated

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

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

277 (21) 'Professional sports team' means a major or minor league professional baseball,
278 football, basketball, soccer, or hockey franchise or a professional motor sport.

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

282 (23) 'Sporting event' means any professional sporting or athletic event, including motor
283 sports and e-sports, or any Olympic sporting or athletic event sanctioned by a national or
284 international organization or association, or any other event authorized by the
285 corporation. Such term shall not include horse racing or a collegiate sporting event.

286 (24) 'Sports betting' or 'sports wagering' means placing one or more wagers for a sporting
287 event.

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

291 (26) 'Spread' means the predicted scoring differential between two persons or teams
292 engaged in a sporting event.

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

296 (28) 'Wager' or 'bet' means a sum of money that is risked by a bettor on the unknown
297 outcome of one or more sporting events, including, but not limited to, the form of
298 fixed-odds betting, a future bet, live betting, a money line bet, pari-mutuel betting, a
299 parlay bet, pools, a proposition bet, or a spread bet or any other form as authorized by

300 rules and regulations of the corporation. For purposes of this paragraph, pari-mutuel
301 betting means a type of bet in which all wagers on a particular occurrence are pooled and
302 winnings are paid in accordance with the size of the pool and the number of winners.

303 Part 2

304 50-27-130.

305 In addition to the powers and duties otherwise specified in this chapter, the corporation
306 shall have all powers and duties necessary to carry out the provisions of this article and to
307 exercise the control of sports betting in this state as authorized by this article. Such powers
308 and duties shall include, but shall not be limited to, the following:

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

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

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

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

- 323 (5) To promulgate any rules and regulations as the corporation deems necessary and
324 proper pursuant to Chapter 13 of this title, the 'Georgia Administrative Procedure Act,'
325 to administer the provisions of this article;
- 326 (6) To issue subpoenas for the attendance of witnesses before the corporation, administer
327 oaths, and compel production of records or other documents and testimony of witnesses
328 whenever, in the judgment of the corporation, it is necessary to do so for the effectual
329 discharge of the duties of the corporation;
- 330 (7) To compel any person licensed by the corporation to file with the corporation such
331 data, documents, and information as shall appear to the corporation to be necessary for
332 the performance of the duties of the corporation, including, but not limited to, financial
333 statements and information relative to stockholders and all others with a pecuniary
334 interest in such person;
- 335 (8) To prescribe the manner in which books and records of persons licensed or permitted
336 by the corporation shall be kept;
- 337 (9) To enter into arrangements with any foreign or domestic government or
338 governmental agency for the purposes of exchanging information or performing any other
339 act to better ensure the proper conduct of wagering under this article;
- 340 (10) To order such audits, in addition to those otherwise required by this article, as the
341 corporation deems necessary and desirable;
- 342 (11) Upon the receipt of a complaint of an alleged criminal violation of this article, to
343 promptly report the complaint to the Attorney General for appropriate action;
- 344 (12) To provide for the withholding of the applicable amount of state and federal income
345 tax of persons claiming a prize or payoff for a winning wager and to establish the
346 thresholds for such withholdings;
- 347 (13) To establish and administer a program for providing assistance to compulsive
348 gamblers, including, but not limited to, requiring that signs or notifications which bear
349 a toll-free number for an organization which provides assistance to compulsive gamblers

350 be posted in a conspicuous place in facilities at which sports wagering is conducted and
351 on online sports wagering platforms;

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

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

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

364 Part 3

365 50-27-140.

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

370 (b) The corporation shall issue no fewer than six licenses to qualified applicants able to
371 meet the duties of a license holder under this article and that the corporation determines
372 will be best able to maximize tax revenue for the state; provided, however, that, if fewer
373 than six qualified applicants seek licenses, the corporation shall issue as many licenses as
374 there are qualified applicants, and the absence of six issued licenses shall not preclude

375 licensees from engaging in the lottery game of sports wagering in accordance with this
376 article. If a license is revoked, expires, or otherwise becomes ineffective, such license shall
377 not be included in the number of licenses issued.

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

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

381 (2) Satisfactory results from a fingerprint records check conducted by the Georgia Crime
382 Information Center and the Federal Bureau of Investigation, as determined by the
383 corporation. Application for a license under this Code section shall constitute express
384 consent and authorization for the corporation or its representatives to perform a criminal
385 background check. Each applicant who submits an application to the corporation for
386 licensure shall provide the corporation with any and all information necessary to run a
387 criminal background check, including, but not limited to, classifiable sets of fingerprints.
388 Applicants shall be responsible for all fees associated with the performance of
389 background checks. If the applicant is an entity, all individuals who own 5 percent or
390 more of the entity shall provide classifiable sets of fingerprints;

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

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

400 (5) Letters of reference from law enforcement agencies having jurisdiction of the
401 applicant's place of residence and principal place of business. Each such letter of

402 reference shall indicate that the law enforcement agency does not have any pertinent
403 information concerning the applicant or, if such law enforcement agency does have
404 information pertaining to the applicant, shall provide such information;

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

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

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

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

429 (C) Pay, as and when due, all state and federal taxes;
430 (8) Information, documentation, and assurances as may be required to establish by clear
431 and convincing evidence that the applicant has sufficient business ability and sports
432 wagering experience to create and maintain successful, efficient sports wagering
433 operations in this state;
434 (9) Information, as required by rules and regulations of the corporation, regarding the
435 financial standing of the applicant, including, without limitation, each person or entity
436 that has provided loans or financing to the applicant;
437 (10) A nonrefundable application fee in the amount of \$50,000.00 and an annual
438 licensing fee in the amount of \$900,000.00; and
439 (11) Any additional information required by rules and regulations of the corporation.
440 (d) The corporation shall review and approve or deny an application for a license not more
441 than 90 days after receipt of an application.
442 (e) A licensee may renew its license by submitting an application on a form in such
443 manner and in accordance with such requirements as may be prescribed by rules and
444 regulations of the corporation. A licensee shall submit the nonrefundable annual licensing
445 and application fees prescribed under paragraph (10) of subsection (c) of this Code section
446 with its application for license renewal.
447 (f) For each application for licensure or renewal of a license approved under this Code
448 section, the amount of the application fee must be credited toward the licensee's annual
449 licensing fee and the licensee shall remit the balance of the annual fee to the corporation
450 upon approval of a license. The fees collected from licensees under this Code section shall
451 be used by the corporation to pay the actual operating and administrative expenses incurred
452 pursuant to this article.
453 (g) Except as provided in subsection (f) of this Code section, annual licensing and
454 application fees collected by the corporation shall be distributed to the general fund of the

455 state treasury for deposit into the Lottery for Education Account established pursuant to
456 Code Section 50-27-13.

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

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

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

472 (j) Any sports governing body on whose sporting event the corporation has authorized
473 wagering may also enter into commercial agreements with sports wagering operators or
474 other entities that provide for such sports governing body to share in the amount bet from
475 sports wagering on sporting events of such sports governing body. A sports governing
476 body shall not be required to obtain a license or any other approval from the corporation
477 to enter into such commercial agreements.

478 50-27-141.

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

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

- 481 (2) An employee of a professional sports team or an entity that owns or has an ownership
482 interest in a professional sports team;
- 483 (3) A coach of or player for a professional or Olympic sports team or sport or an entity
484 that has an affiliation or interest in such a sports team or sport;
- 485 (4) An individual who is a member or employee of any governing body of a sports team,
486 league, or association or an entity that has an affiliation with any governing body of a
487 sports team, league, or association;
- 488 (5) An individual or entity with an owner, officer, or director who has been convicted of
489 a crime as specified in rules and regulations promulgated by the corporation;
- 490 (6) A person having the ability to directly affect the outcome of a sporting event; and
491 (7) Any other category of persons, established by rules and regulations of the
492 corporation, that, if licensed, would affect the integrity of sports wagering in this state.

493 50-27-142.

494 (a) A licensee shall not knowingly:

- 495 (1) Allow a minor to place a wager;
- 496 (2) Offer, accept, or extend credit to a bettor;
- 497 (3) Target minors in advertising or promotions for sports wagering;
- 498 (4) Offer or accept a wager on any event, outcome, or occurrence other than a sporting
499 event, including, without limitation, a high school sporting event offered, sponsored, or
500 played in connection with a public or private institution that offers education at the
501 secondary level; or
- 502 (5) Accept a wager from an individual who is on the registry created and maintained by
503 the corporation under Code Section 50-27-151.

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

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

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

508 50-27-143.

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

511 50-27-144.

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

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

515 (2) Any insurance requirements for a licensee;

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

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

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

521 (C) Global risk management;

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

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

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

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

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

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

533 Part 4

534 50-27-150.

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

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

541 50-27-151.

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

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

545 (2) Any vendor or corporation vendor;

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

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

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

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

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

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

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

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

566 (11) Any individual having the ability to directly affect the outcome of a sporting event
567 if the wager is based on such sporting event.

568 (b) The corporation may prescribe by rules and regulations additional categories of
569 individuals who are prohibited from placing a wager on specified sporting events or
570 platforms in this state.

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

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

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

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

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

585 50-27-152.

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

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

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

590 50-27-153.

591 (a) The corporation shall by rules and regulations prohibit wagering on injuries, penalties,
592 and other types or forms of wagering under this article that are contrary to public policy or
593 unfair to bettors.

594 (b)(1) A sports governing body may submit to the corporation in writing, by providing
595 notice in such form and manner as the corporation may require, a request to restrict, limit,
596 or exclude a certain type, form, or category of sports wagering with respect to sporting
597 events of such body, if the sports governing body believes that such type, form, or
598 category of sports wagering with respect to sporting events of such body may undermine
599 the integrity or perceived integrity of such body or sporting events of such body. The
600 corporation shall request comments from sports wagering operators on all such requests
601 it receives.

602 (2) After giving due consideration to all comments received, the corporation shall, upon
603 a demonstration of good cause from the requestor that such type, form, or category of
604 sports wagering is likely to undermine the integrity or perceived integrity of such body

605 or sporting events of such body, grant the request. The corporation shall respond to a
606 request concerning a particular event before the start of the event, or if it is not feasible
607 to respond before then, no later than seven days after the request is made. If the
608 corporation determines that the requestor is more likely than not to prevail in successfully
609 demonstrating good cause for its request, the corporation may provisionally grant the
610 request of the sports governing body until the corporation makes a final determination as
611 to whether the requestor has demonstrated good cause. Absent such a provisional grant
612 by the corporation, sports wagering operators may continue to offer sports wagering on
613 sporting events that are the subject of such a request during the pendency of the
614 corporation's consideration of the applicable request.

615 50-27-154.

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

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

628 (1) Verify the name, age, and active email address of the registrant;

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

- 631 (3) Obtain the following information from the registrant:
- 632 (A) A physical address other than a post office box;
- 633 (B) A date of birth;
- 634 (C) A unique username; and
- 635 (D) An email account that has been verified as belonging to the registrant.
- 636 (c) A licensee may in its discretion require a bettor to provide the licensee with a signed
- 637 and notarized document attesting that the bettor is qualified to engage in sports wagering
- 638 under this article as part of the registration policy of the licensee.
- 639 (d) A bettor shall not register more than one account with a licensee, and a licensee shall
- 640 use commercially and technologically reasonable means to ensure that each bettor is
- 641 limited to one account.
- 642 (e) A licensee, in addition to complying with state and federal law pertaining to the
- 643 protection of the private, personal information of registered bettors, shall use all other
- 644 commercially and technologically reasonable means to protect such information consistent
- 645 with industry standards.
- 646 (f) Once a bettor's account is created, a bettor may fund the account through:
- 647 (1) Electronic bank transfer of funds, including such transfers through third parties;
- 648 (2) Debit cards;
- 649 (3) Online and mobile payment systems that support online money transfers; and
- 650 (4) Any other method approved by rules and regulations of the corporation.
- 651 (g)(1) Each financial transaction with respect to an account between a bettor and licensee
- 652 must be confirmed by email, telephone, text message, or other means agreed upon by the
- 653 account holder. A licensee shall use commercially and technologically reasonable means
- 654 to independently verify the identity of the bettor making a deposit or withdrawal.
- 655 (2) If a licensee determines that the information provided by a bettor to make a deposit
- 656 or process a withdrawal is inaccurate or incapable of verification or violates the policies

657 and procedures of the licensee, the licensee shall, within ten days, require the submission
658 of additional information that can be used to verify the identity of the bettor.

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

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

662 (B) Retain any winnings attributable to the bettor;

663 (C) Refund the balance of deposits made to the account to the source of such deposit
664 or by issuance of a check; and

665 (D) Suspend the account.

666 (h) A licensee shall utilize geolocation or geofencing technology to ensure that interactive
667 sports wagering is only available to bettors who are physically located in this state. A
668 licensee shall maintain in this state the servers used to transmit information for purposes
669 of accepting bets or wagers on a sporting event placed by bettors located in this state.

670 (i) A licensee shall clearly and conspicuously display on its website a statement indicating
671 that it is illegal for a person under 21 years of age to engage in sports wagering in this state.

672 (j) The corporation shall promulgate rules and regulations for purposes of regulating
673 interactive sports wagering in accordance with this Code section.

674 50-27-155.

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

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

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

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

696 50-27-156.

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

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

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

704 (2) Reporting requirements for suspicious wagers.

705 50-27-157.

706 (a) The corporation, licensees, and vendors shall cooperate with investigations conducted
707 by sports governing bodies and law enforcement agencies, including, but not limited to,

708 providing or facilitating the provision of account-level betting information and data files
709 relating to individuals placing wagers.

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

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

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

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

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

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

722 (c) Licensees shall also promptly report any information relating to conduct described in
723 paragraphs (2) through (4) of subsection (b) of this Code section to the relevant sports
724 governing body.

725 (d) Licensees shall share with the corporation, in real time and at the account level,
726 information regarding a bettor; the amount and type of bet; the time the bet was placed; the
727 location of the bet, including the internet protocol address if applicable; the outcome of the
728 bet; and records of abnormal betting activity. Information shared under this subsection
729 shall be submitted in the form and manner as required by rules and regulations of the
730 corporation. For purposes of this subsection, the term 'real time' shall mean on a
731 commercially reasonable periodic interval.

732 (e) If a sports governing body has notified the corporation that real-time information
733 sharing for wagers placed on its sporting events is necessary and desirable, licensees shall
734 share the same information with the sports governing body or its designee with respect to

735 wagers on its sporting events. Such information shall be provided in anonymized form and
736 shall be used by a sports governing body solely for integrity purposes. For purposes of this
737 subsection, the term 'real-time information' shall mean information provided on a
738 commercially reasonable periodic interval.

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

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

747 50-27-158.

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

750 (b)(1) A sports governing body headquartered in the United States may notify the
751 corporation that it desires licensees to use official league data for determining the results
752 of live betting. A notification under this subsection shall be made in the form and manner
753 as the corporation shall require. The corporation shall notify each licensee within five
754 days after receipt of such notification from a sports governing body. If a sports governing
755 body does not notify the corporation of its desire to supply official league data, a licensee
756 may use any lawful data source for determining the results of any live betting on athletic
757 events of that sports governing body.

758 (2) Within 60 days after the corporation notifies each licensee of a sports governing
759 body's desire to require official league data as provided under paragraph (1) of this
760 subsection, each such licensee shall be required to use only official league data to

761 determine the results of live betting on sporting events sanctioned by such sports
762 governing body, except when:

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

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

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

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

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

780 (iv) The extent to which sports governing bodies or their designees have made data
781 used to determine the results of live betting available to licensees; and

782 (v) Any other factors considered by the corporation to be relevant and proper to its
783 determination.

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

787 (4) The corporation shall make a determination under paragraph (2) of this subsection
788 within 60 days after the licensee notifies the corporation that it desires to demonstrate that
789 the sports governing body or its designee will not provide a feed of official league data
790 to such licensee on commercially reasonable terms.

791 Part 5

792 50-27-170.

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

795 (b) There shall be imposed upon the adjusted gross income of a licensee a tax of 16
796 percent.

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

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

807 (e) All of the tax collected under this Code section shall be distributed by the corporation
808 to the general fund of the state treasury for deposit into the Lottery for Education Account
809 established pursuant to Code Section 50-27-13.

810 Part 6811 50-27-180.812 (a) Each licensee shall report to the corporation, no later than January 15 of each year:813 (1) The total amount of wagers received from bettors for the immediately preceding
814 calendar year;815 (2) The adjusted gross income of the licensee for the immediately preceding calendar
816 year; and817 (3) Any additional information required by rules and regulations of the corporation
818 deemed in the public interest or necessary to maintain the integrity of sports wagering in
819 this state.820 (b) A licensee shall promptly report to the corporation any information relating to:821 (1) The name of any newly elected officer or director of the board of the licensed entity;
822 and823 (2) The acquisition by any person of 5 percent or more of any class of corporate stock.824 (c) With respect to information reported under subsection (b) of this Code section, a
825 licensee shall include with the report a statement of any conflict of interest that may exist
826 as a result of such election or acquisition.827 (d) Upon receiving a report under this Code section or subsection (b) of Code
828 Section 50-27-157, the corporation may conduct a hearing in accordance with Code
829 Section 50-27-183 to determine whether the licensee remains in compliance with this
830 article.831 50-27-181.832 Members of the corporation or designated employees thereof may, during normal business
833 hours, enter the premises of any facility of a licensee or third party utilized by the licensee
834 to operate and conduct business in accordance with this article for the purpose of inspecting

835 books and records kept as required by this article, to ensure that the licensee is in
836 compliance with this article, or to make any other inspection of the premises necessary to
837 protect the public interest of this state.

838 50-27-182.

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

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

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

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

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

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

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

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

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

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

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

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

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

859 50-27-183.

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

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

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

868 (2) For any violation by a licensee, impose an administrative fine not to exceed
869 \$25,000.00 per violation.

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

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

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

878 50-27-184.

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

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

884 (1) Clearly erroneous;

885 (2) Arbitrary and capricious;
886 (3) Procured by fraud;
887 (4) A result of substantial misconduct by the corporation; or
888 (5) Contrary to the United States Constitution, the Constitution of Georgia, or this article.
889 (c) The Superior Court of Fulton County may remand an appeal to the corporation to
890 conduct further hearings.

891 50-27-185.

892 (a) It shall be unlawful for any individual or entity, directly or indirectly, to knowingly
893 receive, supply, broadcast, display, or otherwise transmit material nonpublic information
894 for the purpose of wagering on a sporting event or influencing another individual's or
895 entity's wager on a sporting event.
896 (b) This Code section shall not apply to the dissemination of public information as news,
897 entertainment, or advertising.
898 (c) Any person that violates this Code section shall be guilty of a misdemeanor.

899 50-27-186.

900 (a) A licensee or other individual who violates this article shall be liable for a civil penalty
901 of not more than \$5,000.00 per violation, not to exceed \$50,000.00 for violations arising
902 out of the same transaction or occurrence, which must accrue to the corporation and may
903 be recovered in a civil action brought by the Attorney General in the name of the
904 corporation.
905 (b) The Attorney General may seek and obtain an injunction in a court of competent
906 jurisdiction for purposes of enforcing this article.
907 (c) Costs shall not be taxed against the Attorney General or this state for actions brought
908 under this Code section."

909

PART III

910

SECTION 3-1.

911 This Act shall become effective upon its approval by the Governor or upon its becoming law

912 without such approval.

913

SECTION 3-2.

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