

The House Committee on Economic Development and Tourism offers the following substitute to HB 86:

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 require the
9 implementation of responsible sports wagering programs that include training related to
10 gambling disorders; to provide for the collection and disposition of taxes; to amend Chapter
11 8 of Title 48 of the Official Code of Georgia Annotated, relating to sales and use taxes, so
12 as to exempt wagers placed as part of the lottery game of sports wagering; to provide for
13 violations and penalties; to provide for related matters; to provide for an effective date; to
14 repeal conflicting laws; and for other purposes.

15 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

PART I**SECTION 1-1.**

18 Chapter 27 of Title 50 of the Official Code of Georgia Annotated, relating to lottery for
19 education, is amended by revising paragraphs (7), (13), and (20) of Code Section 50-27-3,
20 relating to definitions related to lottery for education, as follows:

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

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

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

SECTION 1-2.

36 Said chapter is further amended by revising Code Section 50-27-9, relating to general powers
37 of the Georgia Lottery Corporation, as follows:
38

39 "50-27-9.

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

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

46 (2) To adopt and alter a seal;

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

54 (4) To procure or to provide insurance;

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

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

60 (7) To enter into written agreements with one or more other states or sovereigns for the
61 operation, participation in marketing, and promotion of a joint lottery or joint lottery
62 games;

63 (8) To conduct such market research as is necessary or appropriate, which may include
64 an analysis of the demographic characteristics of the players of each lottery game and an

65 analysis of advertising, promotion, public relations, incentives, and other aspects of
66 communication;

67 (9) To acquire or lease real property and make improvements thereon and acquire by
68 lease or by purchase personal property, including, but not limited to, computers;
69 mechanical, electronic, and ~~on-line~~ online equipment and terminals; and intangible
70 property, including, but not limited to, computer programs, systems, and software;

71 (10) To enter into contracts to incur debt in its own name and enter into financing
72 agreements with the state, agencies or instrumentalities of the state, or with any
73 commercial bank or credit provider; provided, however, that any such debt must be
74 approved by the Georgia State Financing and Investment Commission;

75 (11) To be authorized to administer oaths, take depositions, issue subpoenas, and compel
76 the attendance of witnesses and the production of books, papers, documents, and other
77 evidence relative to any investigation or proceeding conducted by the corporation;

78 (12) To appoint and select officers, agents, and employees, including professional and
79 administrative staff and personnel and hearing officers to conduct hearings required by
80 this chapter, and to fix their compensation, pay their expenses, and provide a benefit
81 program, including, but not limited to, a retirement plan and a group insurance plan;

82 (13) To select and contract with vendors and retailers;

83 (14) To enter into contracts or agreements with state or local law enforcement agencies,
84 including the Department of Revenue, for the performance of law enforcement,
85 background investigations, security checks, and auditing and enforcement of license
86 requirements required by ~~Article 3 of~~ under this chapter;

87 (15) To enter into contracts of any and all types on such terms and conditions as the
88 corporation may determine;

89 (16) To establish and maintain banking relationships, including, but not limited to,
90 establishment of checking and savings accounts and lines of credit;

91 (17) To advertise and promote ~~the lottery and~~ lottery games;

92 (18) To act as a retailer, to conduct promotions which involve the dispensing of lottery
 93 tickets or shares, and to establish and operate a sales facility to sell lottery tickets or
 94 shares and any related merchandise; and
 95 (19) To offer the lottery game of sports wagering and to regulate sports wagering in this
 96 state; and
 97 ~~(19)~~(20) To adopt and amend such regulations, policies, and procedures as necessary to
 98 carry out and implement its powers and duties, organize and operate the corporation,
 99 regulate the conduct of lottery games in general, and any other matters necessary or
 100 desirable for the efficient and effective operation of the lottery or the convenience of the
 101 public. The promulgation of any such regulations, policies, and procedures shall be
 102 exempt from the requirements of Chapter 13 of this title, the 'Georgia Administrative
 103 Procedure Act.'
 104 (b) The powers enumerated in subsection (a) of this Code section are cumulative of and
 105 in addition to those powers enumerated elsewhere in this chapter, and no such powers limit
 106 or restrict any other powers of the corporation."

107 **PART II**
 108 **SECTION 2-1.**

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

110 "ARTICLE 4

111 Part 1

112 50-27-120.

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

115 50-27-121.

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

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

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

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

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

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

134 50-27-122.

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

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

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

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

- 141 (A) Twenty-one years of age or older;
142 (B) Physically present in this state when placing a wager with a licensee; and
143 (C) Not prohibited from placing a wager or bet under Code Section 50-27-151.
- 144 (4) 'Bond' means a bond held in escrow for the purpose of maintaining adequate reserves
145 to account for losses suffered by a licensee and owed to bettors.
- 146 (5) 'Cheating' means improving the chances of winning or altering the outcome by
147 deception, interference, or manipulation of a sporting event or of any equipment,
148 including software pertaining to or used in relation to the equipment, used for or in
149 connection with the sporting event on which wagers are placed or invited, including
150 attempts and conspiracy to cheat.
- 151 (6) 'Collegiate sporting event' means a sporting or athletics event involving a sports or
152 athletics team of a public or private institution of higher education.
- 153 (7) 'Corporation vendor' means a contractor, subcontractor, or independent contractor
154 hired by or contracted with the corporation or a licensee for the purpose of facilitating the
155 business of the corporation or licensee under this article.
- 156 (8) 'E-sport' means any multiplayer video game played competitively for spectators,
157 either in-person or via remote connection, in which success principally depends upon the
158 superior knowledge, training, experience, and adroitness of the players.
- 159 (8.1) 'Fantasy or simulated contest' means a game or event in which players compete
160 against each other and winning outcomes reflect the relative knowledge and skill of the
161 players and are determined predominately by accumulated statistical results of the
162 performance of individuals, which may include, but shall not be limited to, athletes in
163 sporting events.
- 164 (9) 'Fixed-odds betting' means bets made at predetermined odds or on the spread where
165 the return to the bettor is unaffected by any later change in odds or the spread.
- 166 (10) 'Future bet' means a wager made on the occurrence of an event in the future relating
167 to a sporting event.

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

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

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

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

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

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

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

186 (18) 'Official league data' means statistics, results, outcomes, and other data related to
187 a sporting event obtained pursuant to an agreement with the relevant:

188 (A) Sports governing body whose corporate headquarters are based in the United States
189 or an entity expressly authorized by such sports governing body to provide such
190 information to licensees for purposes of live betting; or

191 (B) Sporting events operator whose corporate headquarters are based in the United
192 States or an entity expressly authorized by such sporting events operator to provide
193 such information to licensees for purposes of live betting.

194 (19) 'Online sports wagering platform' or 'platform' means the combination of hardware,
195 software, and data networks used to manage, administer, or control sports wagering and
196 any associated wagers accessible by any electronic means, including mobile applications
197 and internet websites accessed via a mobile device or computer.

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

200 (20.1) 'Principal owner' means a person that owns an interest of 10 percent or more of
201 the entity.

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

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

207 (23) 'Sporting event' means any:

208 (A) Professional sporting or professional athletic event, including motor sports and
209 e-sports, sanctioned by a national or international organization or association;

210 (B) Olympic sporting or athletic event;

211 (C) Sporting or athletic event sanctioned by a national or international organization or
212 association; or

213 (D) Other event authorized by the corporation.

214 Such term shall not include horse racing, a collegiate sporting event, or a fantasy or
215 simulated contest.

216 (24) 'Sporting events operator' means a person that conducts or organizes a sporting
217 event for athletes or other participants that is not held or sanctioned as an official sporting
218 event of a sports governing body.

219 (25) 'Sports betting' or 'sports wagering' means placing one or more wagers for a sporting
220 event.

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

224 (27) 'Spread' means the predicted scoring differential between two persons or teams
225 engaged in a sporting event.

226 (28) 'Supervisory employee' means a principal owner or employee having the authority
227 to act on behalf of a licensee or whose judgment is relied upon to manage and advance
228 the business operations of a licensee.

229 (29) 'Wager' or 'bet' means a sum of money that is risked by a bettor on the unknown
230 outcome of one or more sporting events, including, but not limited to, the form of
231 fixed-odds betting, a future bet, live betting, a money line bet, pari-mutuel betting, a
232 parlay bet, pools, a proposition bet, or a spread bet or any other form as authorized by
233 rules and regulations of the corporation. Such term shall not include entry fees paid to
234 participate in a fantasy or simulated contest. For purposes of this paragraph, the term
235 'pari-mutuel betting' means a type of bet in which all wagers on a particular occurrence
236 are pooled and winnings are paid in accordance with the size of the pool and the number
237 of winners.

238 Part 2

239 50-27-130.

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

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

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

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

254 (4) To enter upon, investigate, and have free access to all places of business of any
255 licensee under this article and to compel the production of any books, ledgers, documents,
256 records, memoranda, or other information of any licensee to ensure that this article and
257 the rules and regulations promulgated by the corporation pursuant to this article are
258 complied with;

259 (5) To promulgate any rules and regulations as the corporation deems necessary and
260 proper pursuant to Chapter 13 of this title, the 'Georgia Administrative Procedure Act,'
261 to administer the provisions of this article; provided, however, that the initial rules and
262 regulations governing sports betting shall be promulgated and adopted by the corporation
263 within 90 days of the effective date of this article after an opportunity has been provided
264 for public comment. The promulgation and adoption of such initial rules and regulations
265 shall not be subject to Chapter 13 of this title;

266 (6) To issue subpoenas for the attendance of witnesses before the corporation, administer
267 oaths, and compel production of records or other documents and testimony of witnesses
268 whenever, in the judgment of the corporation, it is necessary to do so for the effectual
269 discharge of the duties of the corporation;

270 (7) To compel any person licensed by the corporation to file with the corporation such
271 data, documents, and information as shall appear to the corporation to be necessary for

272 the performance of the duties of the corporation, including, but not limited to, financial
273 statements and information relative to stockholders and all others with a pecuniary
274 interest in such person;

275 (8) To prescribe the manner in which books and records of persons licensed or permitted
276 by the corporation shall be kept;

277 (9) To enter into arrangements with any foreign or domestic government or
278 governmental agency for the purposes of exchanging information or performing any other
279 act to better ensure the proper conduct of wagering under this article;

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

282 (11) Upon the receipt of a complaint of an alleged criminal violation of this article, to
283 immediately report the complaint to the Attorney General for appropriate action;

284 (12) To provide for the reporting of the applicable amount of state and federal income
285 tax of persons claiming a prize or payoff for a winning wager;

286 (13) To establish and administer a program for providing assistance to compulsive
287 gamblers, including, but not limited to, requiring that signs or notifications which bear
288 a toll-free number for an organization which provides assistance to compulsive gamblers
289 be posted in a conspicuous place in facilities at which sports wagering is conducted and
290 on online sports wagering platforms;

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

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

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

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

305 Part 3

306 50-27-140.

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

311 (b)(1) The corporation shall issue no fewer than six licenses to qualified applicants able
312 to meet the duties of a license holder under this article and that the corporation
313 determines will be best able to maximize tax revenue for the state; provided, however,
314 that, if fewer than six qualified applicants seek licenses, the corporation shall issue as
315 many licenses as there are qualified applicants, and the absence of six issued licenses
316 shall not preclude licensees from engaging in the lottery game of sports wagering in
317 accordance with this article. If a license is revoked, expires, or otherwise becomes
318 ineffective, such license shall not be included in the number of licenses issued.

319 (2) Although six licenses is the minimum number of licenses the corporation shall issue,
320 there is no maximum limitation.

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

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

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

327 (2) Satisfactory results from a fingerprint records check conducted by the Georgia Crime
328 Information Center and the Federal Bureau of Investigation, as determined by the
329 corporation. Application for a license under this Code section shall constitute express
330 consent and authorization for the corporation or its representatives to perform a criminal
331 background check. Each applicant who submits an application to the corporation for
332 licensure shall provide the corporation with any and all information necessary to run a
333 criminal background check, including, but not limited to, classifiable sets of fingerprints.
334 Applicants shall be responsible for all fees associated with the performance of such
335 background checks. If the applicant is an entity, all individuals who are principal owners
336 shall provide classifiable sets of fingerprints;

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

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

346 (5) Letters of reference from law enforcement agencies having jurisdiction of the
347 applicant's place of residence and principal place of business. Each such letter of
348 reference shall indicate that the law enforcement agency does not have any pertinent

349 information concerning the applicant or, if such law enforcement agency does have
350 information pertaining to the applicant, shall provide such information;

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

357 (7) Information, documentation, and assurances concerning financial background and
358 resources as may be required to establish by clear and convincing evidence the financial
359 stability, integrity, and responsibility of the applicant, including, but not limited to, bank
360 references, business and personal income and disbursement schedules, tax returns and
361 other reports filed with governmental agencies, and business and personal accounting and
362 check records and ledgers. Each applicant shall, in writing, authorize the examination of
363 all bank accounts and records as may be deemed necessary by the corporation. The
364 corporation may consider any relevant evidence of financial stability. The applicant is
365 presumed to be financially stable if the applicant establishes by clear and convincing
366 evidence the ability to:

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

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

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

376 (8) Information, documentation, and assurances as may be required to establish by clear
377 and convincing evidence that the applicant has sufficient business ability and sports
378 wagering experience to establish the likelihood of the creation and maintenance of
379 successful, efficient sports wagering operations in this state;

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

383 (10) A nonrefundable application fee in the amount of \$50,000.00 and an annual
384 licensing fee in the amount of \$900,000.00; and

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

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

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

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

399 (g) Except as provided in subsection (f) of this Code section, annual licensing and
400 application fees collected by the corporation shall be distributed to the general fund of the
401 state treasury for deposit into the Lottery for Education Account established pursuant to
402 Code Section 50-27-13.

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

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

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

418 (j) Any sports governing body or sporting events operator on whose sporting event the
419 corporation has authorized wagering may also enter into commercial agreements with
420 sports wagering operators or other entities that provide for such sports governing body or
421 sporting events operator to share in the amount bet from sports wagering on sporting events
422 of such sports governing body or sporting events operator. A sports governing body or
423 sporting events operator shall not be required to obtain a license or any other approval from
424 the corporation to enter into such commercial agreements.

425 50-27-141.

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

427 (1) A member or employee of the corporation, an employee of a vendor, or an employee
428 of a corporation vendor; provided, however, that a vendor or a corporation vendor as an
429 entity may be eligible to apply for or obtain a license;

430 (2) An employee of a professional sports team;

431 (3) An individual or entity that has an ownership interest of 25 percent or more in a
432 professional sports team on which the applicant offers sports wagering or an employee
433 of such individual or entity;

434 (4) An individual who is a member or employee of any sports governing body or
435 sporting events operator or an entity that has an affiliation with any sports governing
436 body or sporting events operator;

437 (5) An individual or entity with an owner, officer, or director who has been convicted of
438 a crime as specified in rules and regulations promulgated by the corporation;

439 (6) A person having the ability to directly affect the outcome of a sporting event upon
440 which the applicant offers sports wagering; and

441 (7) Any other category of persons, established by rules and regulations of the
442 corporation, that, if licensed, would affect the integrity of sports wagering in this state.

443 (b) A person listed in paragraphs (2) through (8) of subsection (a) of this Code section may
444 hold an ownership interest in an applicant or licensee without disqualifying the applicant
445 or licensee from obtaining or holding a license; provided, however, that such an ownership
446 interest of 25 percent or more shall require approval from the corporation. In determining
447 whether such an ownership interest shall be the basis of disqualification, the corporation
448 shall consider whether such interest would affect the integrity of sports wagering in this
449 state and any other factors the corporation shall deem relevant.

450 50-27-142.

451 (a) A licensee shall not knowingly:

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

- 453 (2) Offer, accept, or extend credit to a bettor;
454 (3) Target minors in advertising or promotions for sports wagering;
455 (4) Offer or accept a wager on any event, outcome, or occurrence other than a sporting
456 event, including, without limitation, a high school sporting event offered, sponsored, or
457 played in connection with a public or private institution that offers education at the
458 secondary level; or
459 (5) Accept a wager from an individual who is on the registry created and maintained by
460 the corporation under Code Section 50-27-151.
- 461 (b) A person that knowingly violates this Code section:
462 (1) For a first offense, shall be guilty of a misdemeanor; and
463 (2) For a second or subsequent offense, shall be guilty of a misdemeanor of a high and
464 aggravated nature.
- 465 50-27-143.
466 The corporation may adopt rules and regulations prescribing the manner in which a license
467 may be transferred and a fee for a license transfer.
- 468 50-27-144.
469 (a) The corporation shall prescribe by rules and regulations:
470 (1) The amount of a bond in escrow, letter of credit, or cash that shall be kept on hand
471 by licensees to ensure that adequate reserves exist by licensees to pay off bettors;
472 (2) Any insurance requirements for a licensee;
473 (3) Minimum requirements by which each licensee shall exercise effective control over
474 its internal fiscal affairs, including, without limitation, requirements for:
475 (A) Safeguarding assets and revenues, including evidence of indebtedness;
476 (B) Maintaining reliable records relating to accounts, transactions, profits and losses,
477 operations, and events; and

- 478 (C) Global risk management;
479 (4) Requirements for internal and independent audits of licensees;
480 (5) The manner in which periodic financial reports shall be submitted to the corporation
481 from each licensee, including the financial information to be included in the reports;
482 (6) The type of information deemed to be confidential financial or proprietary
483 information that is not subject to any reporting requirements under this article;
484 (7) Policies, procedures, and processes designed to mitigate the risk of cheating and
485 money laundering; and
486 (8) Any post-employment restrictions necessary to maintain the integrity of sports
487 wagering in this state.
- 488 (b) The licensee may maintain the bond, letter of credit, or cash reserve at any bank
489 lawfully operating in this state, and the licensee shall be the beneficiary of any interest
490 accrued thereon.

491 Part 4

492 50-27-150.

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

499 50-27-151.

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

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

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

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

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

511 (6) A contractor, subcontractor, or consultant or any officer or employee of a contractor,
512 subcontractor, or consultant of a licensee shall not place a wager on the licensee's
513 platform, if such individual is directly involved in the licensee's operation of sports
514 wagering or the processing of sports wagering claims or payments through the licensee's
515 platform.

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

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

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

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

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

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

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

536 (c) The corporation shall maintain a confidential registry of individuals and categories of
537 individuals who are ineligible to place a wager in this state and shall provide the registry
538 to each licensee in this state. The corporation shall provide each updated registry to the
539 licensees as soon as practicable. Each licensee shall maintain the registry provided by the
540 corporation confidentially. Such registry shall not be considered a record open to the
541 public pursuant to Article 4 of Chapter 18 of this title and shall be exempt from such
542 provisions.

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

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

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

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

550 50-27-152.

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

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

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

555 50-27-153.

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

559 (b)(1) A sports governing body or sporting events operator may submit to the corporation
560 in writing, by providing notice in such form and manner as the corporation may require,
561 a request to restrict, limit, or prohibit a certain type, form, or category of sports wagering
562 with respect to sporting events of such sports governing body or sporting events operator,
563 if the sports governing body or sporting events operator believes that such type, form, or
564 category of sports wagering with respect to sporting events of such sports governing body
565 or sporting events operator may undermine the integrity or perceived integrity of such
566 sports governing body or sporting events operator or sporting events of such sports
567 governing body or sporting events operator. The corporation shall request comments
568 from sports wagering operators on all such requests it receives.

569 (2) After giving due consideration to all comments received, the corporation shall, upon
570 a demonstration of good cause from the requestor that such type, form, or category of
571 sports wagering is likely to undermine the integrity or perceived integrity of such sports
572 governing body or sporting events operator or sporting events of such sports governing
573 body or sporting events operator, grant the request. The corporation shall respond to a
574 request concerning a particular event before the start of the event, or if it is not feasible
575 to respond before then, no later than seven days after the request is made. If the

576 corporation determines that the requestor is more likely than not to prevail in successfully
577 demonstrating good cause for its request, the corporation may provisionally grant the
578 request of the sports governing body or sporting events operator until the corporation
579 makes a final determination as to whether the requestor has demonstrated good cause.
580 Absent such a provisional grant by the corporation, sports wagering operators may
581 continue to offer sports wagering on sporting events that are the subject of such a request
582 during the pendency of the corporation's consideration of the applicable request.

583 50-27-154.

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

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

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

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

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

600 (A) A physical address other than a post office box;

601 (B) A date of birth;

602 (C) A unique username; and

603 (D) An email account.

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

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

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

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

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

616 (2) Debit cards;

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

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

619 (g)(1) Each financial transaction with respect to an account between a bettor and licensee
620 must be confirmed by email, telephone, text message, or other means agreed upon by the
621 account holder. A licensee shall use commercially and technologically reasonable means
622 to independently verify the identity of the bettor making a deposit or withdrawal.

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

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

- 629 (A) Immediately suspend the bettor's account and not allow the bettor to place wagers;
630 (B) Retain any winnings attributable to the bettor;
631 (C) Refund the balance of deposits made to the account to the source of such deposit
632 or by issuance of a check; and
633 (D) Suspend the account.
- 634 (h) A licensee shall utilize geolocation or geofencing technology to ensure that interactive
635 sports wagering is only available to bettors who are physically located in this state. A
636 licensee shall maintain in this state the servers it uses to transmit information for purposes
637 of accepting wagers on a sporting event placed by bettors located in this state.
- 638 (i) A licensee shall clearly and conspicuously display on its website a statement indicating
639 that it is illegal for a person under 21 years of age to engage in sports wagering in this state.
- 640 (j) The corporation shall promulgate rules and regulations for purposes of regulating sports
641 wagering via interactive sports wagering.

642 50-27-155.

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

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

651 50-27-156.

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

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

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

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

659 (2) Reporting requirements for suspicious wagers.

660 50-27-157.

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

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

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

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

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

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

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

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

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

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

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

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

707 sporting events operator. A sports governing body or sporting events operator, or a
708 designee of such sports governing body or sporting events operator, shall only use
709 information received under this subsection for integrity-monitoring purposes and shall not
710 use such information for any other purpose. Nothing in this subsection shall require a
711 licensee to provide any information that is prohibited by federal, state, or local laws, rules,
712 or regulations, including, but not limited to laws, rules, or regulations relating to privacy
713 and personally identifiable information.

714 50-27-158.

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

717 (b)(1) A sports governing body or sporting events operator headquartered in the United
718 States may notify the corporation that it desires licensees to use official league data for
719 determining the results of live betting. A notification under this subsection shall be made
720 in the form and manner as the corporation shall require. The corporation shall notify each
721 licensee within five days after receipt of such notification from a sports governing body
722 or sporting events operator. If a sports governing body or sporting events operator does
723 not notify the corporation of its desire to supply official league data, a licensee may use
724 any data source for determining the results of any live betting on athletic events of that
725 sports governing body or sporting events operator.

726 (2) Within 60 days after the corporation notifies each licensee of the desire of a sports
727 governing body or sporting events operator to require official league data as provided
728 under paragraph (1) of this subsection, each such licensee shall be required to use only
729 official league data to determine the results of live betting on sporting events sanctioned
730 by such sports governing body or sporting events operator, except when:

731 (A) The sports governing body or sporting events operator, or a designee of such sports
732 governing body or sporting events operator, is unable to provide a feed of official

733 league data to determine the results of a particular type of live betting, in which case
734 licensees may use any data source for determining the results of the applicable live
735 betting until the data feed becomes available on commercially reasonable terms; or
736 (B) A licensee is able to demonstrate to the corporation that the sports governing body
737 or sporting events operator, or a designee of such sports governing body or sporting
738 events operator, will not provide a feed of official league data to the licensee on
739 commercially reasonable terms. The corporation may consider the following factors
740 in evaluating whether official league data is being provided by the sports governing
741 body or sporting events operator on commercially reasonable terms:

742 (i) The availability of official league data of a sports governing body or a sporting
743 events operator on live betting to a licensee from more than one authorized source;
744 (ii) Market information regarding the purchase by licensees of comparable data for
745 the purpose of settling sports wagers, for use in this state or other jurisdictions;
746 (iii) The nature and quantity of data, including the quality and complexity of the
747 process used for collecting such data;
748 (iv) The extent to which sports governing bodies or sporting events operators, or
749 designees of sports governing bodies or sporting events operators, have made data
750 used to determine the results of live betting available to licensees; and
751 (v) Any other factors considered by the corporation to be relevant and proper to its
752 determination.

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

756 (4) The corporation shall make a determination under paragraph (2) of this subsection
757 within 120 days after the licensee notifies the corporation that it desires to demonstrate
758 that the sports governing body or sporting events operator, or a designee of such sports

759 governing body or sporting events operator, will not provide a feed of official league data
760 to such licensee on commercially reasonable terms.

761 Part 5

762 50-27-170.

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

765 (b) There shall be imposed upon the adjusted gross income of a licensee a tax of
766 20 percent.

767 (c) The tax imposed under this Code section shall be paid monthly by a licensee based on
768 its monthly adjusted gross income for the immediately preceding calendar month. The tax
769 shall be paid to the corporation in accordance with rules and regulations promulgated by
770 the corporation. If the licensee's adjusted gross income for a month is a negative number,
771 such licensee may carry over such negative amount to returns filed for subsequent months.

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

775 Part 6

776 50-27-180.

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

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

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

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

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

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

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

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

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

796 50-27-181.

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

803 50-27-182.

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

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

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

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

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

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

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

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

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

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

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

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

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

824 (d) Nothing in this Code section shall limit the ability for an individual to be prosecuted
825 under Title 16.

826 50-27-183.

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

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

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

835 (2) For any violation by a licensee, impose an administrative fine not to exceed
836 \$25,000.00 per violation.

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

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

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

845 50-27-184.

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

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

851 (1) Clearly erroneous;

852 (2) Arbitrary and capricious;

853 (3) Procured by fraud;

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

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

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

858 50-27-185.

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

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

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

866 50-27-186.

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

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

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

876

PART III

877

SECTION 3-1.

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

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

882

PART IV

883

SECTION 4-1.

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

885 without such approval.

886

SECTION 4-2.

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