

SS SCS HCS HB 1941 -- FANTASY SPORTS EXEMPTION

This bill created the Missouri Fantasy Sports Consumer Protection Act and requires the operators of websites engaged in daily fantasy sports games in Missouri to apply for and receive annual licenses from the Gaming Commission prior to operation. Operators will pay an annual application fee of \$10,000 or 10% of the applicant's net revenue from the previous calendar year, whichever is lower.

Licensed operators must hold amounts for their players in trust and must post procedures on their website that will prevent unauthorized withdrawals or commingling of the funds and provide procedures for a player to report a compromised account. Licensed operators may not issue credit to players and may not allow multiple accounts for one player.

All winning outcomes shall be determined by accumulated statistical results of fully completed contests or events rather than just a portion thereof, except that fantasy participants may be credited for statistical results accumulated in a suspended or shortened contest or event which has been called on account of weather or other natural or unforeseen event. Players shall not be allowed to select athletes through an auto-draft that does not involve any input or control by the player or to choose preselected teams of athletes. The fantasy sports contest operator cannot offer or award a prize to the winner of, or athletes in, the underlying competition itself. Contests cannot be based on the collegiate, high school, or youth athletics or performances.

Licensed operators shall verify players' states of residence and that players are over 21, the legal age of participation in Missouri. Licensed operators shall maintain exclusion lists and are subject to advertising restrictions.

Persons associated with licensed operations may not disclose proprietary or nonpublic information to individuals who are eligible to participate in fantasy sports games. Licensed operators must conduct and pay for an annual independent audit to ensure compliance with this bill.

Documents and information provided to the commission are closed records, but certain information must be disclosed to the public based on a written request. The commission shall oversee all licensed operators and has certain investigatory, licensing, and rule-making powers under these provisions.