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**SB 470- Fantasy Competitions - Alterations and Voluntary Exclusion Requirements By:
Senators Rosapepe and Corderman- FAVORABLE**

Senator Guzzone and Member of the Budget and Taxation Committee,

Below is a copy of the regulation governing Fantasy Competition Operators. The Legislature enacted HB 940 in the 2021 session- HB 940- Gaming - Regulation of Fantasy Gaming Competitions and Implementation of Sports Wagering - Supplementary Appropriation. Under HB 940, the Lottery and Gaming Control Agency was given authority to adopt regulations to implement the fantasy and gaming provisions of the Act.

We believe the MLGCA exceeded its authority when it adopted Section 36.09.01.02, specifically subsection 3(e). the language in bold letters below was not in the legislation. It was added by the MLGCA. Subsection 3(e) is substantive, not technical.

The language in 3(e) favors Sports Wagering Licensees to the detriment of Fantasy Competition Operators. It is the very language that is prohibiting PrizePicks and many other significant fantasy competition operators from entering the Maryland fantasy arena.

The MLGCA usurped legislative prerogative and unfairly, without legislative authority, added the language which is a subject matter that should be decided by the General Assembly.

FANTASY SPORTS REGULATION- 36.09.01.02

Section 36.09.01.02 - Definitions

A. In addition to the terms defined in COMAR 36.01.01, in this chapter the following terms have the meanings indicated.

B. Terms Defined.

(1) "Beginner player" means any fantasy competition player who:

(a) Has entered fewer than 51 fantasy competitions offered by a single fantasy competition operator; and

(b) Does not meet the definition of highly experienced player.

(2) "Entry fee" has the meaning stated in State Government Article, § 9-1D-01, Annotated Code of Maryland.

(3) "Fantasy competition" has the meaning stated in State Government Article, § 9-1D-01, Annotated Code of Maryland, and includes a competition in which:

(a) A prize is awarded;

(b) One or more players are subject to and may pay an entry fee;

(c) The fantasy competition operator offering the competition receives compensation in connection with the competition regardless of the outcome;

(d) The winning outcome is not based on:

(i) The score, point spread, or any performance of any single actual team;

(ii) The score, point spread, or any performance of any combination of teams; or

(iii) Any single performance of an individual athlete or player in any single actual event; and

(e) **FANTASY COMPETITION PLAYERS COMPETE AGAINST OTHER FANTASY COMPETITION PLAYERS AND NOT THE FANTASY COMPETITION OPERATOR.**

(4) "Fantasy competition operator" has the meaning stated in State Government Article, § 9-1D-01, Annotated Code of Maryland.

The language in (3)(e) was not in the legislation that passed the General Assembly. It was added by the Lottery and Gaming Control Agency without authorization.



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