



Delegate Vanessa E. Atterbeary
Chair, Ways and Means Committee
131 Taylor House Office Building
Annapolis, Maryland 21401

Re: House Bill 484- Fantasy Competitions - Alterations and Voluntary Exclusion
Requirements- FAVORABLE

Chair Atterbeary and Members of the Committee,

Thank you for the opportunity to provide testimony on the topic of skilled-based fantasy sports contests in support of House Bill 484. I write to you today on behalf of SidePrize LLC d/b/a PrizePicks (“PrizePicks”), the largest privately-held Daily Fantasy Sports (“DFS”) operator in the country. PrizePicks operates fantasy contests in more than 40 states and the District of Columbia. PrizePicks is currently not a fantasy competition operator under the authority of the Maryland Lottery and Gaming Control Agency (“MLGCA”). However, there are tens of thousands of active Maryland residents who play PrizePicks while they are in neighboring jurisdictions, mostly in D.C., and those revenues are being missed out on in Maryland. We project that if PrizePicks and the other similar fantasy operators were able to enter the Maryland market, the state would generate an additional millions in tax revenue.

Currently, Maryland law recognizes fantasy competitions as distinct from sports wagering, provided that they meet statutory requirements. On November 15, 2024, the MLGCA published proposed changes to COMAR 36.09 in the Maryland Register that would further discourage PrizePicks and similar operators from entering the Maryland market and offering our popular fantasy games to Marylanders.¹ The proposed rulemaking contains a number of prohibitions on features of fantasy competitions that would have the effect of freezing the fantasy sports landscape and making Maryland a difficult place for innovation in the fantasy sports category. The policy goal of a fantasy sports regulatory framework should be to encourage innovation and increase revenue to the state while ensuring appropriate consumer protections.

On December 23, 2024, Senator Jennings submitted a letter to The Joint Committee on Administrative, Executive, and Legislative Review (AELR) to hold the proposed regulations and hold a hearing. On January 20th, Delegate Ebersole filed HB 484 which

¹ *Maryland Register*, Volume 51, Issue 23, Pages 1029 - 1074, November 14, 2024



provides regulatory certainty to Maryland's growing fantasy sports market, allowing operators to innovate while maintaining consumer protections and responsible gaming initiatives.

HB 484 strengthens this distinction by explicitly stating that fantasy competitions do not constitute "sports wagering" under Maryland law. This is in line with how numerous other states regulate DFS, acknowledging that fantasy competitions are based on the relative skill of participants rather than games of pure chance. A key component of HB 484 is the clarification that participants may compete against either other players or statistical benchmarks established by the fantasy competition operator.

HB 484 introduces critical consumer protection measures by requiring the Maryland Lottery and Gaming Control Commission to establish a voluntary self-exclusion list. This program will allow individuals to voluntarily exclude themselves from participation in fantasy competitions, a safeguard that aligns with best practices in responsible gaming and is consistent with similar self-exclusion programs in regulated gaming markets.

Additionally, HB 484 mandates that fantasy competition operators develop and maintain programs to mitigate compulsive play. These initiatives include requiring operators to display responsible gaming messages on their platforms and marketing materials. Importantly, the bill ensures that individuals on the voluntary self-exclusion list cannot create accounts, participate in competitions, or collect winnings, with forfeited prizes directed to the Problem Gambling Fund.

These responsible gaming provisions reflect Maryland's commitment to ensuring a fair, transparent, and consumer-friendly fantasy sports market while reinforcing the distinction between fantasy sports and gambling. These provisions are in line with some of the best practices PrizePicks has been championing in the industry. In fact, in October of 2024, we announced a groundbreaking, first-of-its kind partnership with idPair, a safer gaming firm revolutionizing player health through innovative Responsible Gaming tools. This partnership enables a seamless self-exclusion solution between PrizePicks, Underdog Fantasy, Betr and Dabble - allowing individuals to choose to simultaneously self-exclude across all members' platforms, regardless of their location. Players will have the choice on whether they self-exclude on one platform, or on all member platforms.

Fantasy sports have evolved significantly since their inception, with modern formats offering new and innovative ways for consumers to engage. As of 2023, an estimated 55.7 million Americans participated in fantasy sports, with the industry projected to grow



from \$29 billion in 2024 to \$67 billion by 2033.^{2&3} The demand for fantasy sports in Maryland is undeniable, and HB 484 ensures that Maryland consumers continue to have access to a diverse range of fantasy contest formats.

By updating Maryland's regulatory framework to reflect current industry practices, HB 484 promotes fair market competition, prevents regulatory overreach, and ensures that Marylanders have access to a dynamic and consumer-friendly fantasy sports ecosystem.

For these reasons, I respectfully urge the Committee to issue a favorable report on HB 484.

Thank you for your time and consideration.
Sincerely,

Shane R. Saum
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² Fantasy Sports & Gaming Association Winter 2024 Survey.

³ Research and Markets, "Fantasy Sports Market Report by Sports Type, Platform, Demographics, and Region 2025-2033," January 2025.