

Requested by Representative HOLVEY

**PROPOSED AMENDMENTS TO
A-ENGROSSED HOUSE BILL 4153**

1 In line 2 of the printed A-engrossed bill, after the semicolon insert “cre-
2 ating new provisions; and”.

3 After line 17, insert:

4 **“SECTION 2. As used in sections 2 to 6 of this 2020 Act:**

5 **“(1) ‘Fantasy contest’ means a fantasy or simulated game that is**
6 **playable on a mobile phone, personal computer or other personal**
7 **electronic device and that requires an entry fee for participation, in**
8 **which:**

9 **“(a) The value of awards or prizes offered to the winner is estab-**
10 **lished and known to the participants in advance of the game;**

11 **“(b) The winning outcomes reflect the knowledge and skill of the**
12 **participants and are determined by accumulated statistical perform-**
13 **ance results of individuals, including athletes in actual sporting**
14 **events; and**

15 **“(c) The winning outcome is not based on a score, point spread or**
16 **performance of a single actual team or combination of actual teams**
17 **or solely on the performance of a single athlete in an actual event.**

18 **“(2) ‘Fantasy contest operator’ means the person or entity that or-**
19 **ganizes and offers fantasy contests.**

20 **“(3) ‘Fantasy contest player’ means a person who participates in a**
21 **fantasy contest.**

1 “(4) ‘Principal stockholder’ means a person who individually, or in
2 combination with the person’s immediate family members:

3 “(a) Owns or controls 15 percent or more of the equity ownership
4 of a fantasy contest operator; or

5 “(b) Has the power to vote, or cause the vote of, 15 percent or more
6 of the equity ownership of a fantasy contest operator.

7 “SECTION 3. (1) The Oregon State Lottery Commission shall issue
8 a fantasy contest operator registration to an applicant that:

9 “(a) Submits to the commission the name and address of the ap-
10 plicant and, if the applicant is not an individual, the following infor-
11 mation:

12 “(A) The state in which the applicant is registered as a business;

13 “(B) The names and addresses of officers and directors;

14 “(C) The names and addresses of principal stockholders; and

15 “(D) The name and address of any registered agent;

16 “(b) Pays a registration fee;

17 “(c) Submits evidence that the applicant will:

18 “(A) Prohibit the applicant, the applicant’s employees and the
19 applicant’s immediate family members from participating in fantasy
20 contests organized and offered by the applicant;

21 “(B) Verify that each fantasy contest player is at least 18 years of
22 age;

23 “(C) Ensure that an individual on whose performance in an actual
24 event a fantasy contest is based is not a fantasy contest player in that
25 fantasy contest;

26 “(D) Maintain fantasy contest player moneys in separate accounts
27 from fantasy contest operational moneys;

28 “(E) Maintain a reserve in an amount sufficient to pay all awards
29 and prizes offered to winning fantasy contest players;

30 “(F) Until the information is publicly available, not share with third

1 parties information that could affect fantasy contest play; and

2 “(G) Limit the number of entries that a fantasy contest player may
3 submit to each fantasy contest;

4 “(d) Is not ineligible under section 4 of this 2020 Act for registration
5 as a fantasy contest operator; and

6 “(e) Meets other requirements specified by the commission by rule.

7 “(2) The commission shall issue or deny a registration under this
8 section within 60 days of the date of application.

9 “(3) A registration issued under this section is valid for one year.

10 **“SECTION 4.** In the manner prescribed in ORS chapter 183, the
11 Oregon State Lottery Commission may deny, suspend or revoke a
12 registration as a fantasy contest operator if the applicant or fantasy
13 contest operator, or an officer, director or principal stockholder of the
14 applicant or fantasy contest operator:

15 “(1) Makes a false statement of material fact;

16 “(2) Fails to disclose information required by the commission;

17 “(3) Has been convicted, in this state or other jurisdiction, of a
18 crime involving dishonesty or fraud within 10 years prior to the date
19 of application or at any time thereafter;

20 “(4) Has had an authorization to organize or offer a fantasy contest
21 in another jurisdiction revoked;

22 “(5) Has defaulted on a payment of obligation or debt to the State
23 of Oregon; or

24 “(6) Has violated section 5 of this 2020 Act.

25 **“SECTION 5.** (1) A person may not organize or offer a fantasy
26 contest in this state unless the person is registered as a fantasy con-
27 test operator with the Oregon State Lottery Commission under section
28 3 of this 2020 Act.

29 “(2) A fantasy contest operator shall annually:

30 “(a) Cause an independent audit of the fantasy contest operator to

1 be performed; and

2 “(b) Submit an audit report to the commission.

3 “(3) The commission may impose a civil penalty not to exceed \$1,000
4 for each violation of this section.

5 **“SECTION 6. (1) The Oregon State Lottery Commission shall adopt
6 rules under sections 2 to 6 of this 2020 Act to:**

7 **“(a) Establish a process for issuance of registrations;**

8 **“(b) Establish registration fees; and**

9 **“(c) Determine qualifications for initial registration and renewal of
10 registration.**

11 **“(2) The commission may adopt other rules as necessary to carry
12 out the provisions of sections 2 to 6 of this 2020 Act.**

13 **“SECTION 7. (1) Sections 2 to 6 of this 2020 Act become operative
14 on January 1, 2022.**

15 **“(2) The Oregon State Lottery Commission may take any action
16 before the operative date specified in subsection (1) of this section that
17 is necessary to enable the commission to exercise, on or after the op-
18 erative date specified in subsection (1) of this section, all of the duties,
19 functions and powers conferred on the commission by sections 2 to 6
20 of this 2020 Act.”.**

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