SENATE AMENDMENT NO. ___

Offered by _____ **Of** _____

Amend SS/Senate **Bill No.** 30, **Page** 1, **Section** TITLE, **Line** 4,

by striking "sports wagering" and inserting in lieu thereof the following: "gaming"; and

Further amend said bill, page 7, Section 313.842, line 31, by inserting after all of said line the following:

"313.905. As used in sections 313.900 to 313.955, the following terms shall mean:

(1) "Authorized internet website", an internet website or any platform operated by a licensed operator;

(2) "Commission", the Missouri gaming commission;

(3) "Entry fee", anything of value including, but not limited to, cash or a cash equivalent that a fantasy sports contest operator collects in order to participate in a fantasy sports contest;

(4) "Fantasy sports contest", any fantasy or simulated game or contest with an entry fee in which:

(a) The value of all prizes and awards offered to the winning participants is established and made known in advance of the contest;

(b) All winning outcomes reflect in part the relative knowledge and skill of the participants and are determined predominantly by the accumulated statistical results of the performance of individuals, including athletes in the case of sports events; and

(c) No winnings outcomes are based on the score, point spread, or any performance of any single actual team or

combination of teams or solely on any single performance of an individual athlete or player in any single actual event.

The term "fantasy sports contest" shall also include peer-to-peer fantasy sports contests;

(5) "Fantasy sports contest operator", any person, entity, or division of a corporate entity that offers a platform for the playing of fantasy contests, administers one or more fantasy contests with an entry fee, and awards a prize of value;

(6) "Highly experienced player", a person who has either:

(a) Entered more than one thousand contests offered by a single fantasy sports contest operator; or

(b) Won more than three fantasy sports prizes of one thousand dollars or more;

(7) "In-game outcome", the result of any play, performance, or other aspect of an athletic or sporting event occurring during the course of such event that is unrelated to the event's outcome;

(8) "Licensed operator", a fantasy sports contest operator licensed pursuant to section 313.910 to offer fantasy sports contests for play on an authorized internet website in Missouri;

[(8)**]** (9) "Location", the geographical position of a person as determined within a degree of accuracy consistent with generally available internet protocol address locators;

[(9)**]** (10) "Location percentage", for all fantasy sports contests, the percentage, rounded to the nearest one-tenth of one percent, of the total entry fees collected from registered players located in the state of Missouri at the time of entry into a fantasy contest, divided by the total entry fees collected from all players, regardless of the players' location, of the fantasy sports contests;

[(10)**]** (11) "Minor", any person less than eighteen years of age;

[(11)**]** (12) "Net revenue", for all fantasy sports contests, the amount equal to the total entry fees collected from all participants entering such fantasy sports contests less winnings paid to participants in the contests, multiplied by the location percentage;

(13) "Peer-to-peer fantasy sports contest", any fantasy or simulated game or contest with an entry fee in which one registered player places a wager with one or more registered players based on the outcome of the contest. Peer-to-peer fantasy sports contests shall include any contest in which:

(a) Winning outcomes reflect in part the relative knowledge and skill of the participants and are determined predominantly by the accumulated statistical results of the performance of individuals, including athletes in the case of sports events, and in which no winning outcomes are based on the score, point spread, or any performance of any single actual team or combination of teams or solely on any single performance of an individual athlete or player in any single actual event; or

(b) Winning outcomes are based on the score, point spread, any performance of any single actual team or combination of teams, any single performance of an individual athlete or player in any single actual event, or any in-game outcome;

[(12)**]** (14) "Player", a person who participates in a fantasy sports contest offered by a fantasy sports contest operator;

[(13)**]** (15) "Prize", anything of value including, but not limited to, cash or a cash equivalent, contest credits, merchandise, or admission to another contest in which a

prize may be awarded. Such term shall also include winnings from wagers placed in peer-to-peer fantasy sports contests;

[(14)**]** (16) "Registered player", a person registered pursuant to section 313.920 to participate in a fantasy sports contest;

[(15)**]** (17) "Script", a list of commands that a fantasy-sports-related computer program can execute to automate processes on a fantasy sports contest platform.

313.915. 1. In order to ensure the protection of registered players, an authorized internet website shall identify the person or entity that is the licensed operator.

2. A licensed operator shall ensure that fantasy sports contests on its authorized internet website comply with all of the following:

(1) All winning outcomes are determined by accumulated statistical results of fully completed contests or events, and not merely any 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;

(2) Registered players shall not select athletes through an autodraft that does not involve any input or control by a registered player, or to choose preselected teams of athletes;

(3) A prize shall not be offered to or awarded to the winner of, or athletes in, the underlying competition itself; and

(4) Fantasy sports contests shall not be based on the performances of participants in high school or youth athletics.

3. (1) In addition to the provisions of subsection 2 of this section, a licensed operator shall ensure that

wagers placed by registered players in peer-to-peer fantasy sports contests on the licensed operator's authorized internet website shall comply with any limits placed on such wagers by the licensed operator.

(2) In addition to the entry fee for a peer-to-peer fantasy sports contest, a licensed operator shall ensure that wagers placed on such peer-to-peer fantasy sports contest are remitted in advance of the contest, except that wagers placed on in-game outcomes shall be remitted in advance of the in-game outcome on which the wager is placed. Such wagers shall be kept segregated from player funds and operational funds as provided under subsections 5 and 6 of this section.

(3) A licensed operator shall deposit any wager won by a registered player into such registered player's account as other prizes are deposited under subdivision (4) of subsection 4 of this section.

4. A licensed operator shall have procedures approved by the commission before operating in Missouri that:

(1) Prevent unauthorized withdrawals from a registered player's account by the licensed operator or others;

(2) Make clear that funds in a registered player's account are not the property of the licensed operator and are not available to the licensed operator's creditors;

(3) Segregate player funds from operational funds as provided under subsections **[**4**]** 5 and **[**5**]** 6 of this section;

(4) Ensure any prize won by a registered player from participating in a fantasy sports contest is deposited into the registered player's account within forty-eight hours or mailed within five business days of winning the prize except as provided under section 313.917;

(5) Ensure registered players can withdraw the funds maintained in their individual accounts, whether such

accounts are open or closed, within five business days of the request being made, unless the licensed operator believes in good faith that the registered player engaged in either fraudulent conduct or other conduct that would put the licensed operator in violation of sections 313.900 to 313.955, in which case the licensed operator may decline to honor the request for withdrawal for a reasonable investigatory period until its investigation is resolved if it provides notice of the nature of the investigation to the registered player. For the purposes of this provision, a request for withdrawal will be considered honored if it is processed by the licensed operator but delayed by a payment processor, credit card issuer or by the custodian of a financial account;

(6) Allow a registered player to permanently close their account at any time for any reason; and

(7) Offer registered players access to their play history and account details.

[4.**]** 5. A properly constituted special purpose entity shall be approved by the commission as a sufficient means of segregating player funds from operational funds and wagers placed in peer-to-peer fantasy sports contests. A properly constituted special purpose entity shall:

(1) Have a governing board that includes one or more corporate directors who are independent of the fantasy sports contest operator and of any corporation controlled by the fantasy sports contest operator;

(2) Hold, at a minimum, the sum of all authorized player funds held in player accounts for use in fantasy sports contests;

(3) Reasonably protect the funds against claims of the operator's creditors other than the authorized players for

whose benefit and protection the special purpose entity is established;

(4) Distribute funds only for the following purposes:

(a) For player account balance withdrawals or partial balance withdrawals made upon the specific request of the player;

(b) For income earned on the account, and owed to the fantasy sports operator, calculated as the remainder of all entry fees paid by users for fantasy sports contests minus all user winnings and cash bonuses paid or owed to users, payable to the fantasy sports contest operator;

(c) To the Missouri gaming commission in the event that the fantasy sports operator's license expires, is surrendered, or is otherwise revoked. The Missouri gaming commission may interplead the funds in the Cole County circuit court for distribution to the authorized players for whose protection and benefit the account was established and to other such persons as the court determines are entitled thereto, or shall take such other steps as necessary to effect the proper distribution of the funds, or may do both; or

(d) As authorized in writing in advance by any agreement approved by the Missouri gaming commission;

(5) Require a unanimous vote of all corporate directors to file bankruptcy;

(6) Obtain permission from the Missouri gaming commission prior to filing bankruptcy or entering into receivership;

(7) Have corporate governance requirements which prohibit commingling of funds with that of the fantasy sports contest operator except as necessary to reconcile the accounts of players with sums owed by those players to the fantasy sports contest operator;

(8) Be restricted from incurring debt other than to fantasy sports players under the rules that govern their accounts for contests;

(9) Be restricted from taking on obligations of the fantasy sports contest operator other than obligations to players under the rules that govern their accounts for contests; and

(10) Be prohibited from dissolving, merging, or consolidating with another company without the written approval of the Missouri gaming commission while there are unsatisfied obligations to fantasy sports contest players.

[5.**]** 6. The commission, at its discretion, may approve other commercially reasonable approaches to segregation of funds so long as they adequately protect Missouri player accounts.

[6.**]** 7. A licensed operator shall establish procedures for a registered player to report complaints to the licensed operator regarding whether his or her account has been misallocated, compromised, or otherwise mishandled, and a procedure for the licensed operator to respond to those complaints.

[7.**]** 8. A registered player who believes his or her account has been misallocated, compromised, or otherwise mishandled should notify the commission. Upon notification, the commission may investigate the claim and may take any action the commission deems appropriate under subdivision (4) of section 313.950.

[8.**]** 9. A licensed operator shall not issue credit to a registered player.

[9.**]** 10. A licensed operator shall not allow a registered player to establish more than one account or user name on its authorized internet website."; and

Further amend the title and enacting clause accordingly.