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AN
ACT

providing for the regulation of daily fantasy sports and supplementing P.L.1977, c.110 (C.5:12-1 et seq.).

Provides Division of Gaming Enforcement will regulate daily fantasy sports in New Jersey.

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Same as _____ 12/13

Same as _____ 14/15

AN ACT providing for the regulation of daily fantasy sports and supplementing P.L.1977, c.110 (C.5:12-1 et seq.).

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. a. As used in this section:

“daily fantasy sports game” means any fantasy or simulated game or contest involving athletic events in which a participant owns or manages an imaginary sports team and competes against other participants or a target score for a predetermined prize with the outcome reflecting the relative skill of the participants and determined by statistics generated based on performance by actual individuals participating in actual professional or collegiate athletic events, provided that the outcome shall not be based solely on the performance of an individual athlete, or on the score, point spread, or any performance of any single real team or combination of real teams; and

“daily fantasy sports provider” means a business entity, other than a casino licensee, that has been issued a permit by the Division of Gaming Enforcement, established pursuant to section 55 of P.L. 1977, c. 110 (C.5:12-55), to offer persons who are physically present in this State the opportunity to participate in a daily fantasy sports game.

b. A casino licensee or a daily fantasy sports provider seeking to conduct daily fantasy sports games shall apply to the division for a permit to conduct such games on such forms and in such manner as the division shall require. The division shall promptly investigate each application, inspect and examine all premises where daily fantasy sports games are conducted, and oversee the conduct of games. The division shall charge a permit fee to each casino licensee or daily fantasy sports provider that is awarded a permit in an amount sufficient to cover the division’s cost in issuing daily fantasy sports permits and overseeing the conduct of such games. An entry fee, management fee, or other revenue generated from a fantasy sports game shall not be considered “gross revenue,” as defined section 24 of P.L. 1977, c.110 (C.5:12-24).

c. A daily fantasy sports game shall be a game of skill and shall not be considered to be a game of chance.

d. All equipment used by the holder of a permit, including computers and servers, to conduct daily fantasy sports games shall be physically located within the boundaries of the municipality specified in section 20 of P.L. 2013, c.27 (C.5:12-95.22) for the location of Internet gambling equipment.

e. The division shall regulate the conduct of daily fantasy sports games by casino licensees and daily fantasy sports providers that have been issued a permit by the division to conduct daily fantasy sports games.

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f. The division shall permit a casino licensee or a daily fantasy sports provider to conduct daily fantasy sports games subject to the following conditions:

the outcome shall be determined by statistics generated by actual individuals participating in real professional or collegiate athletic events;

all prizes offered to winning participants shall be established and disclosed in advance to all participants;

the outcome shall not be based solely on the performance of an individual athlete, or on the score, point spread, or any performance of a single real team or combination of real teams;

a casino licensee or a daily fantasy sports provider may permit patrons to use a mobile wagering account or a patron deposit account;

a casino licensee may use its facilities to accept entry fees and to pay winners;

a casino licensee may partner with, or enter into a contract with, one or more daily fantasy sports providers to offer daily fantasy sports games, notwithstanding the provisions of section 104 of P.L. 1977, c.110 (C. 5:12-104);

a participant in a daily fantasy sports game shall be at least 21 years of age;

a person listed on the division’s self-exclusion list or Internet gaming self-exclusion list shall not be allowed to participate in a daily fantasy sports game; and

a casino or a daily fantasy sports provider shall not market daily fantasy sports to any person listed on the division’s self-exclusion list or Internet gaming self-exclusion list.

g. Daily fantasy sports games shall be conducted in New Jersey only in accordance with the provisions of this section.

2. This act shall take effect on the 90th day after the date of enactment, except that the Division of Gaming Enforcement may take any anticipatory administrative actions in advance as shall be necessary for the implementation of this act.

STATEMENT

This bill provides that the Division of Gaming Enforcement will issue permits to casino licensees and other business entities that desire to conduct daily fantasy sports games in New Jersey and will be responsible for regulating that activity. The division will charge each participating casino or daily fantasy sports provider a permit fee in an amount sufficient to cover the division’s cost in issuing daily fantasy sports permits and overseeing the conduct of such games. An entry fee, management fee, or other revenue generated from a fantasy sports game will not be considered part of a casino’s gross revenue.

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The bill provides that a daily fantasy sports game will be a game of skill and will not be considered to be a game of chance. All equipment used by the holder of a permit, including computers and servers, to conduct daily fantasy sports games shall be physically located within the boundaries of the municipality specified in N.J.S.A.5:12-95.22 for the location of Internet gambling equipment.

The bill also provides that:

the outcome of a game will be determined by statistics generated based on the performance of actual individuals participating in real professional or collegiate athletic events;

all prizes offered to winning participants will be established and disclosed in advance to all participants;

the outcome will not be based solely on the performance of an individual athlete, or on the score, point spread, or any performance of a single real team or combination of real teams;

a casino licensee or a daily fantasy sports provider may permit patrons to use a mobile wagering account or a patron deposit account;

a casino licensee may use its facilities to accept entry fees and to pay winners;

a casino licensee may partner with, or enter into a contract with, one or more daily fantasy sports providers to offer daily fantasy sports games;

a participant in a daily fantasy sports game must be at least 21 years of age;

a person listed on the division’s self-exclusion list or Internet gaming self-exclusion list will not be allowed to participate in a daily fantasy sports game; and

a casino or a daily fantasy sports provider will not market daily fantasy sports to any person listed on the division’s self-exclusion list or Internet gaming self-exclusion list.

Daily fantasy sports games will be conducted in New Jersey only in accordance with the bill’s provisions.

The bill will take effect on the 90th day after the date of enactment, but the Division of Gaming Enforcement may take any anticipatory administrative actions in advance as may be necessary for the bill’s implementation.

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Provides Division of Gaming Enforcement will regulate daily fantasy sports in New Jersey.