

**NEW YORK STATE SENATE
INTRODUCER'S MEMORANDUM IN SUPPORT
submitted in accordance with Senate Rule VI. Sec 1**

BILL NUMBER: S6092

SPONSOR: RANZENHOFER

TITLE OF BILL: An act to amend the penal law, in relation to excluding participation in any fantasy or simulation sports game or educational game or contest meeting certain conditions from the definition of "contest of chance"

PURPOSE OR GENERAL IDEA OF BILL:

To clarify that certain skill games that meet specific criteria are not games of chance.

SUMMARY OF SPECIFIC PROVISIONS:

Section One - Amends subdivision 1 of Section 225.00 of the Penal Law, which is the definition of "contest of chance" to specifically indicate that so-called fantasy or simulated sports games or educational games or contests shall not be considered a contest of chance for the purposes of the Penal Law.

Section Two - Effective date.

JUSTIFICATION:

This bill uses the same language used in the federal law regulating internet gaming to exclude fantasy sports leagues that meet certain criteria which make them games of skill rather than games of chance. Recently the Attorney General has indicated that he believes that fantasy football sites are illegal gambling sites, in contradiction to federal law, and in apparent contradiction to the current definition of a contest of chance. This bill simply seeks to clarify, using federal language, that fantasy sports team activities are games of skill rather than games of chance. Time and time again, New York has stood in the way, whether by overregulation or outright banning of activities that are legal and enjoyed in most states across the country. It is important at this time to clarify that participation in fantasy skill games is legal and to protect the rights of businesses and individuals who wish to engage in this type of commerce.

PRIOR LEGISLATIVE HISTORY:

New bill.

FISCAL IMPLICATIONS:

None.

EFFECTIVE DATE:

This act shall take effect immediately.

11/12/15

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13169-01-5

1 Section 1. Subdivision 1 of section 225.00 of the penal law is amended
2 to read as follows:

3 1. "Contest of chance" means any contest, game, gaming scheme or
4 gaming device in which the outcome depends in a material degree upon an
5 element of chance, notwithstanding that skill of the contestants may
6 also be a factor therein. "Contest of chance" shall not include partic-
7 ipation in any fantasy or simulation sports game or educational game or
8 contest in which (if the game or contest involves a team or teams) no
9 fantasy or simulation sports team is based on the current membership of
10 an actual team that is a member of an amateur or professional sports
11 organization as those terms are defined in section thirty-seven hundred
12 one of title twenty-eight of the United States code and that meets the
13 following conditions:

14 (a) all prizes and awards offered to winning participants are estab-
15 lished and made known to the participants in advance of the game or
16 contest and their value is not determined by the number of participants
17 or the amount of any fees paid by those participants.

18 (b) all winning outcomes reflect the relative knowledge and skill of
19 the participants and are determined predominantly by accumulated statis-
20 tical results of the performance of individuals (athletes in the case of
21 sports events) in multiple real-world sporting or other events.

22 (c) no winning outcome is based on the score, point-spread, or any
23 performance or performances of any single real-world team or any combi-
24 nation of such teams; or solely on any single performance of an individ-
25 ual athlete in any single real-world sporting or other event.

26 § 2. This act shall take effect on the first of November next succeed-
27 ing the date on which it shall have become a law.