



1                   (2) "Confidential information" means information related to the play of a  
2                   fantasy sports contest by fantasy sports contest players that is obtained as a result of  
3                   or by virtue of a person's employment.

4                   (3) "Entry fee" means cash or cash equivalent that is required to be paid by  
5                   a fantasy sports contest participant to a fantasy sports contest operator in order to  
6                   participate in a fantasy sports contest.

7                   ~~(2)~~(4) "Fantasy sports contest" means any fantasy or simulation sports game  
8                   or contest played through the internet or mobile device with all of the following  
9                   elements:

10                   (a) Participants create a simulation sports team based on the current  
11                   membership of actual amateur or professional sports organizations.

12                   (b) All prizes and awards offered to winning participants are established and  
13                   made known to the participants in advance of the game or contest, and the value of  
14                   the prizes or awards is not determined by the number of participants or the amount  
15                   of any fees paid by those participants.

16                   (c) All winning outcomes reflect the relative knowledge and skill of the  
17                   participant and are predominantly determined by accumulated statistical results of  
18                   the performance of the individuals, including athletes in the case of sporting events.

19                   (d) No winning outcome is based on either of the following:

20                   (i) On the score, point-spread, or any performance or performances of any  
21                   single real-world team or any combination of such teams.

22                   (ii) Solely on any single performance of an individual athlete in any single  
23                   real-world sporting or other event.

24                   (5) "Fantasy sports contest operator" or "operator" means a person or entity  
25                   that is licensed by the board to offer a platform for the playing of fantasy sports  
26                   contests, to administer one or more fantasy sports contests with an entry fee, and to  
27                   award a prize of value.

28                   (6) "Fantasy sports contest player" or "player" means a person who  
29                   participates in a fantasy sports contest offered by a fantasy sports contest operator.



1 sanctions which may be imposed by the board against an operator or any other  
2 licensee or permittee of the board.

3 (5) A procedure requiring the withholding of winnings of persons who have  
4 outstanding child support arrearages or owing child support overpayments.  
5 Winnings shall include only payments for which the operator licensed under this  
6 Chapter is required to file form W2-G, or a substantially equivalent form, with the  
7 United States Internal Revenue Service.

8 (a) The board may require that the agency reporting current child support  
9 arrearages or overpayments provide information relating to such arrearages or  
10 overpayments in a manner, format, or record approved by the board that gives the  
11 operator licensed under the Chapter real-time or immediate electronic database  
12 access to the information. If the information relating to such arrearages or  
13 overpayments by the agency reporting current child support arrearages or  
14 overpayments is not available through real-time or immediate electronic database  
15 access, the operator shall not be responsible for withholding cash gaming winnings  
16 in accordance with the provisions of this Subparagraph.

17 (b) The board or operator licensed under this Chapter, including any of its  
18 officers, employees, attorneys, accountants, or other agents, shall not be civilly or  
19 criminally liable to any person, including any player, for any disclosure of  
20 information made in accordance with this Section, for encumbering or surrendering  
21 assets in response to information provided by the Department of Children and Family  
22 Services, or for any claims for damages arising from withholding or failing to  
23 withhold any winnings, based upon information provided to it.

24 (c) If any operator licensed under this Chapter determines that the winner is  
25 a player who has outstanding child support arrearages or owes child support  
26 overpayments, the operator licensed under this Chapter shall deduct the child support  
27 arrearage or child support overpayment from the payment of the winnings. The  
28 deducted amount shall be forwarded to the Department of Children and Family  
29 Services within seven days and the operator licensed under this Chapter shall pay the  
30 remainder to the player who has outstanding child support arrearages or owes child

1 support overpayments. If the remainder is equal to or less than zero, the player who  
2 has an outstanding child support arrearage or child support overpayment shall not  
3 receive a payment.

4 (d) Any operator licensed under this Chapter may deduct an administrative  
5 fee from each payment of winnings, of players who have outstanding child support  
6 arrearsages or owe child support overpayments per singular or periodic payment, not  
7 to exceed thirty-five dollars.

8 (e) The board shall also require that the operator licensed under this Chapter  
9 to adopt procedures designed to prevent employees from willfully failing to withhold  
10 payments of winnings from players who have outstanding child support arrearsages  
11 or child support overpayments, based upon the information provided by the  
12 Department of Children and Family Services that allows the operator to identify such  
13 persons.

14 (f) Not later than July 1, 2019, the board shall institute rulemaking procedures  
15 as necessary to implement the provisions of this Paragraph.

16 C.(1) Subject to the provisions of Article VII, Section 2.1 of the Constitution  
17 of Louisiana, and in accordance with the Administrative Procedure Act, the board  
18 may assess and provide for the imposition and collection of such fees as may be  
19 necessary to defray administrative costs associated with the application for and the  
20 investigation, granting, or renewal of licenses and permits.

21 (2) Any fine or other monetary penalty collected by the board or its staff shall  
22 be remitted to state treasury for deposit into the state general fund.

23 D. Upon direction of the board, the office of state police and the attorney  
24 general shall submit proposed rules to the board for consideration, modification, and  
25 promulgation as provided in this Section.

26 E. The board shall not adopt rules and regulations pertaining to campaign  
27 finance and contributions which are more restrictive than the provisions of law found  
28 generally in Chapter 11 of Title 18 of the Louisiana Revised Statutes of 1950, and  
29 specifically in R.S. 18:1505.2(L).

30 \* \* \*

1           §306. Licensing of fantasy sports contest operators

2                   A. No fantasy sports contest operator shall offer any fantasy sports contest  
3                   in this state without first being licensed by the board. Applications for licensure  
4                   shall be on forms provided by the board.

5                   B. Before obtaining a license to offer fantasy sports contests in this state, a  
6                   fantasy sports contest operator shall:

7                           (1) Be a person domiciled in Louisiana or a domestic business entity with a  
8                           certificate of existence from the Secretary of State and in good standing or a foreign  
9                           corporation with a certificate of authority to transact business in this state from the  
10                           Secretary of State and in good standing.

11                           (2) Demonstrate to the board that the operator is suitable for licensing  
12                           pursuant to R.S. 27:28.

13                   C. Any fantasy sports contest operator that allows its license to lapse,  
14                   without requesting an extension of time to file for renewal of the license, shall be  
15                   required to resubmit an initial application for licensure. An extension may be  
16                   granted by the board upon receipt of a written request prior to the lapse of the  
17                   license.

18                   D. A license issued by the board to a fantasy sports contest operator shall not  
19                   be transferable.

20           §307. Issuance or denial of license

21                   A. The board shall consider all applications for licensure and shall issue a  
22                   valid license to an applicant that meets the criteria set forth in this Chapter.

23                   B. The board shall deny a license to any applicant who does not meet the  
24                   criteria as set forth in this Chapter and as established by the board.

25                   C. The board shall issue or deny an operator's license within sixty days of  
26                   receipt of an application for licensure. If a license is not issued, the board shall  
27                   provide the operator with specific reasons for not issuing a license.

28                   D. A license issued by the board to a fantasy sports contest operator shall not  
29                   be transferable.

30           §308. License requirements

1           A. As a condition of licensure, a fantasy sports contest operator shall submit  
2           evidence to the board that the operator has established and will implement  
3           commercially reasonable procedures for fantasy sports contests with an entry fee  
4           that:

5           (1) Prevent employees of the fantasy sports contest operator, and relatives  
6           of an employee living in the same household as an employee of an operator, from  
7           competing in fantasy sports contests offered by an operator in which the operator  
8           offers a cash prize to the general public.

9           (2) Prevent sharing of confidential information that could affect fantasy  
10          sports contests with third parties until the information is made publicly available.

11          (3) Provide that no winning outcome is based on the score, point spread, or  
12          any performance of any single actual sports team or combination of such teams or  
13          solely on any single performance of an individual athlete or participant in any single  
14          actual sporting event.

15          (4) Ensure that any of following persons do not participate in fantasy sports  
16          contests:

17          (a) Athletes and individuals who participate in or officiate a game or  
18          competition that is the subject of a fantasy sports contest.

19          (b) Any sports agent, team employee, referee, or league official associated  
20          with a sport or athletic event.

21          (5) Verify that a fantasy sports contest player is twenty-one years of age or  
22          older.

23          (6) Provide fantasy sports contest players with access to information on  
24          responsible play.

25          (7) Provide fantasy sports contest players with access to information on  
26          seeking assistance regarding compulsive or problem gambling.

27          (8) Provide fantasy sports contest players with access to the fantasy sports  
28          contest player's play history and account details.

1           (9) Allow individuals to restrict themselves from entering a fantasy sports  
2           contest upon request and provide reasonable steps to prevent the person entering  
3           fantasy sports contests offered by an operator.

4           (10) Disclose the limit on the number of entries that a fantasy sports contest  
5           player may submit in a fantasy sports contest and provide reasonable steps to prevent  
6           players from submitting more than the limit.

7           (11) Segregate fantasy sports contest player funds from operational funds or  
8           maintain a reserve that exceeds the amount of player funds on deposit, which may  
9           not be used for operational activities. Reserve funds may take the form of cash , cash  
10           equivalents, payment process reserves, payment processor receivables, an  
11           irrevocable letter of credit, a bond, or a combination thereof, in the amount that must  
12           exceed the total balances of the fantasy sports contest players' accounts.

13           B. A fantasy sports contest operator shall not offer fantasy sports contests  
14           based on the performances of participants in high school or youth athletic events.

15           C. A fantasy sports contest operator shall not offer a fantasy sports contest  
16           to the general public that does not establish and make known all prizes and awards  
17           offered to winning participants in advance of the game or contest.

18           D. A licensed fantasy sports contest operator shall:

19           (1) Annually contract with a certified public accountant to conduct an  
20           independent audit that is consistent with the standards accepted by the American  
21           Institute of Certified Public Accountants.

22           (2) Submit to the board a copy of the audit report.

23           §309. Allowing underage persons to play fantasy sports contests; penalties;  
24           revocation hearing

25           A.(1) No person licensed pursuant to the provisions of this Chapter, or any  
26           agent or employee thereof, shall allow a person under the age of twenty-one years  
27           to be a fantasy sports contest player.

28           (2) No person licensed pursuant to the provisions of this Chapter, or any  
29           agent or employee thereof, shall allow a person to participate in a fantasy sports  
30           contest in a parish in which, at the election held pursuant to R.S. 27:303, a majority



1 of the qualified electors in the parish voting on the proposition to authorize fantasy  
2 sports contests in the parish voted against the proposition.

3 B.(1) The person licensed pursuant to the provisions of this Chapter shall  
4 withhold all winnings from fantasy sports contest players who are determined to be  
5 under the age of twenty-one years and from fantasy sports contest players  
6 participating in a fantasy sports contest in a parish in which, at the election held  
7 pursuant to R.S. 27:303, a majority of the qualified electors in the parish voting on  
8 the proposition to authorize fantasy sports contests in the parish voted against the  
9 proposition.

10 (2) The person licensed pursuant to the provisions of this Chapter shall each  
11 quarter report and remit to the division all winnings withheld from fantasy sports  
12 contest players pursuant to the provisions of this Section.

13 C.(1) Violations of Paragraph (A)(1) of this Section shall be penalized by the  
14 division as follows:

15 (a) If the licensee, his employee, or agent reasonably believed that the person  
16 was twenty-one years of age or older:

17 (i) For a first or second violation, a fine of one thousand dollars shall be  
18 imposed.

19 (ii) For a third or subsequent violation, a license revocation hearing shall be  
20 conducted at which time the board shall determine whether or not there are  
21 extenuating circumstances pursuant to which a license suspension or revocation  
22 should not be imposed. At the conclusion of the hearing, the board may revoke or  
23 suspend the license or, in lieu of the revocation or suspension of a license, the board  
24 may impose a civil penalty not to exceed fifty thousand dollars for each violation.  
25 Payment of the civil penalty shall be a requirement for the retention of the license  
26 held by the entity.

27 (b) If the licensee, his employee, or agent is shown to have known or  
28 reasonably believed he was allowing a person under the age of twenty-one years to  
29 be a fantasy sports contest player, or for allowing a person under the age of fifteen

1           years to be a fantasy sports contest player regardless of what the licensee, his  
 2           employee, or agent knew or reasonably believed about the age of that person:

3                     (i) For a first or second violation, license revocation may be imposed.

4                     (ii) For a first or second violation, a fine of one thousand dollars shall be  
 5                     imposed if the license is not revoked.

6                     (iii) For a third or subsequent violation, a license revocation hearing shall be  
 7                     conducted at which time the board shall determine whether or not there are  
 8                     extenuating circumstances pursuant to which a license suspension or revocation  
 9                     should not be imposed. At the conclusion of the hearing, the board may revoke or  
 10                    suspend a license or, in lieu of the revocation or suspension of a license, the board  
 11                    may impose a civil penalty not to exceed fifty thousand dollars for each violation.  
 12                    Payment of the civil penalty shall be a requirement for the retention of the license  
 13                    held by the entity.

14                    (2) Violations of Paragraph (A)(2) of this Section shall be penalized by the  
 15                    division as follows:

16                             (a) For a first or second violation, license revocation may be imposed.

17                             (b) For a first or second violation, a fine of one thousand dollars shall be  
 18                             imposed if the license is not revoked.

19                             (c) For a third or subsequent violation, a license revocation hearing shall be  
 20                             conducted at which time the board shall determine whether or not there are  
 21                             extenuating circumstances pursuant to which a license suspension or revocation  
 22                             should not be imposed. At the conclusion of the hearing, the board may revoke or  
 23                             suspend a license or, in lieu of the revocation or suspension of a license, the board  
 24                             may impose a civil penalty not to exceed fifty thousand dollars for each violation.  
 25                             Payment of the civil penalty shall be a requirement for the retention of the license  
 26                             held by the entity.

27                             D.(1) A licensee shall be provided notice of the charged violation and may  
 28                             concede the violation and accept the penalty or may deny the violation and demand  
 29                             a hearing be held, pursuant to R.S. 27:25, to make a determination regarding the  
 30                             charge.

1                   (2) A violation shall have occurred only if the charged violation is conceded  
 2                   by the licensee to have occurred or is found to have occurred at a hearing held for  
 3                   that purpose.

4                   (3) For the purposes of determining whether a second or subsequent  
 5                   violation has occurred, every violation shall have occurred on a separate occasion,  
 6                   at the same licensed location, and only violations that have occurred within a one-  
 7                   year period, regardless of when they were charged, conceded, or found to have  
 8                   occurred, shall be considered.

9                   (4) For persons having more than one license issued pursuant to the  
 10                   provisions of this Chapter, license revocation as provided in this Subsection, shall  
 11                   apply only to the license of the fantasy sports contest operator of the platform on  
 12                   which the violation occurred.

13                   E.(1) It is unlawful for any person under twenty-one years of age to be a  
 14                   fantasy sports contest player.

15                   (2) Whoever violates the provisions of this Subsection shall be fined not  
 16                   more than one hundred dollars.

17                   (3) Any person apprehended while violating the provisions of this  
 18                   Subsection may be issued a citation by the apprehending law enforcement officer,  
 19                   which shall be paid in the same manner as provided for the offenders of local traffic  
 20                   violations.

21                   §310. Reporting of gaming proceeds

22                   An operator shall periodically report the following information to the  
 23                   division, which is not confidential and shall be available for public inspection:

24                   (1) The operator's gross fantasy sports contest revenues.

25                   (2) The operator's net revenue.

26                   (3) Quarterly and annual financial statements regarding their operations in  
 27                   Louisiana submitted to the division that present historical data, including annual  
 28                   financial statements that have been audited by an independent certified public  
 29                   accountant as required by R.S. 27:308(D).

1           §311. Child support orders

2                   A. The legislature further finds and declares it to be the public policy of the  
3                   state that parents should provide financial support to their minor children who cannot  
4                   care for themselves. Thus, intervention by the state, through the enforcement of child  
5                   support orders and the collection of child support, is in the best interest of its citizens  
6                   and is necessary when the parents fail to meet their support obligations. Since  
7                   children are adversely affected when parents who have outstanding support  
8                   obligations divert their financial support to gaming, a parent's winnings from money  
9                   diverted from a child's support should be applied to the parent's outstanding support  
10                  obligations. The legislature further finds and declares that this policy is consistent  
11                  with the public policy of protecting the general welfare of the state's people.

12                  B. In accordance with this finding, the Department of Children and Family  
13                  Services shall report to the joint committees on Civil Law and Procedure and  
14                  Judiciary A, no later than fifteen days following the commencement of the regular  
15                  legislative session each year, on the interception and seizure of gaming winnings for  
16                  the payment of child support and overpayments owed to the department. This report  
17                  shall be a public record and shall include but not be limited to the total dollar amount  
18                  of winnings intercepted pursuant to this Section and the dollar amount of each  
19                  intercepted.

20           §312. Civil penalties; adoption of schedule of penalties

21                   A.(1) All civil penalties for violations of this Chapter or any rule of the board  
22                   governing this Chapter shall be adopted as a schedule of penalties.

23                   (2) The Louisiana Gaming Control Board shall adopt as a rule the schedule  
24                   of penalties provided for by this Subsection. All rules shall be adopted pursuant to  
25                   the provisions of the Administrative Procedure Act.

26                   B.(1) The board or division, as may be applicable, shall review the penalty  
27                   schedule provided for in Subsection A of this Section to determine whether a penalty  
28                   provided for in the penalty schedule is appropriate and applicable to a particular  
29                   violation and, if the issuance of a civil penalty is warranted, may impose the  
30                   applicable appropriate penalty.

1           (2) Any hearing officer of the board shall review the penalty schedule  
2           provided for in Subsection A of this Section to determine whether a penalty provided  
3           for in the penalty schedule and issued by the board or division, as may be applicable,  
4           is appropriate and applicable to a particular violation.

5           C. A civil penalty shall not exceed fifty thousand dollars for each violation  
6           of any provision of this Chapter or rule of the board.

7           D.(1) For the purposes of this Chapter violations shall be determined as  
8           follows:

9           (a) An operator shall be provided notice of the charged violation and may  
10          admit the violation and accept the penalty or may deny the violation and demand a  
11          hearing be held, pursuant to R.S. 27:25, to make a determination regarding the  
12          charge.

13          (b) For the purposes of determining whether a second or subsequent violation  
14          has occurred, each violation of the same rule or statutory provision shall have  
15          occurred on a separate occasion, by the same operator, and only violations that have  
16          occurred within a one-year period, regardless of when they were charged, admitted,  
17          or found to have occurred, shall be considered.

18          (2) For operators having more than one license issued pursuant to the  
19          provisions of this Chapter, civil penalties as provided in this Subsection shall apply  
20          only to the license incurring the violation.

21          E.(1) Payment of the civil penalty shall be a requirement for the retention of  
22          any permit or license held by the entity which violated any such provisions.

23          (2)(a) Failure to remit civil penalties shall result in the shutdown of the  
24          platform of the operator who refused to remit the civil penalty. The provisions of this  
25          Subparagraph shall apply only in those instances where no administrative hearing  
26          has been timely requested.

27          (b) Upon payment of the penalty, the platform may be reactivated.

28          F. If the operator contests the imposition of the civil penalty, the penalty shall  
29          be imposed only after an adjudicatory hearing is conducted pursuant to R.S. 27:25  
30          and a basis for imposition of the penalty is determined to exist.

1           §313. Revocation or suspension of a license; civil penalty

2                   A. The board or division, as may be applicable, shall initiate an  
3                   administrative action and may revoke or suspend the license or permit of any person  
4                   or the approval of any device issued pursuant to the provisions of this Chapter for  
5                   any of the following:

6                           (1) The failure to meet the requirements of suitability as defined in this  
7                           Chapter or in any rules adopted by the board.

8                           (2) The failure to meet the requirements for the issuance of a license as  
9                           provided for in this Chapter or in any rules adopted by the board.

10                           (3) Repeated violations of any of the provisions of this Chapter or any rule  
11                           of the board governing this Chapter. "Repeated violations" shall mean three  
12                           violations of the same rule or statutory provision which have occurred on separate  
13                           occasions by the same operator within a one-year period. The date of a violation  
14                           shall be considered to be the date the citation for that violation is issued.

15                           B. For all other violations not listed in Subsection A of this Section, the  
16                           board or division, as may be applicable, may issue a civil penalty pursuant to the  
17                           provisions of this Section.

18                           C. In addition to or in lieu of the revocation or suspension of a license issued  
19                           pursuant to the provisions of this Chapter, the board or division, as may be  
20                           applicable, may impose a civil penalty not to exceed fifty thousand dollars for each  
21                           violation of any provision of this Chapter or any rule of the board governing this  
22                           Chapter.

23                           D. In lieu of revocation or suspension of a license, the licensee may enter  
24                           into a consent agreement or settlement to pay a penalty not to exceed fifty thousand  
25                           dollars. No consent agreement or settlement shall exceed fifty thousand dollars.

26                           E. No suspension imposed pursuant to the provisions of this Chapter shall  
27                           exceed a period of thirty days.

28           §314. Investigations and violations

29                           A. The division shall conduct such investigations, hearings, and inquiries as  
30                           it deems necessary to fulfill its responsibilities under the provisions of this Chapter.

1           A license may be suspended prior to a hearing upon a written finding of danger to  
 2           public health and welfare.

3           B. As a condition of receiving a license under the provisions of this Chapter,  
 4           each operator agrees that the division and its agents and employees shall have  
 5           unrestricted access and the right to inspect any premises under the control of the  
 6           operator in which any activity relating to the provisions of this Chapter is conducted.

7           §315. Limitation on active accounts; obligations to participants

8           An operator shall:

9           (1) Limit each authorized player to one active and continuously used  
 10          account.

11          (2) Publish and facilitate parental control procedures to allow parents or  
 12          guardians to exclude minors from access to any contest or platform. The procedures  
 13          shall include a toll-free number to call for help in establishing such parental controls.

14          (3) Make clear conspicuous statements that are not inaccurate or misleading  
 15          concerning the chances of winning and the number of winners when referencing the  
 16          chances or likelihood of winning.

17          (4) Permit any authorized player to permanently close an account registered  
 18          to the player, on any and all platforms supported by the operator or registrant, at any  
 19          time and for any reason.

20          (5) Identify all highly experienced players in any contest by a symbol  
 21          attached to the players' username, or by other visible means, on all platforms  
 22          supported by the operator or registrant.

23          (6) Disclose the number of entries a single authorized player may submit to  
 24          each contest.

25          (7) Disclose the maximum number of total entries allowed for each contest.

26          (8) Implement measures to protect the privacy and online security of  
 27          authorized players, their account, and their personal financial information.

28          §316. Charging for inactive accounts

29          A. An operator shall not charge players for inactive accounts.

1                    B. An operator shall charge players only for entry fees placed or contests  
 2                    entered. No player shall be charged for failure to enter on a fantasy sports contest  
 3                    or for failure to deposit certain amounts of cash or cash equivalent into any account.  
 4                    Section 2. This Act shall become effective on July 1, 2019.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_