

Requested by Representative HACK

**PROPOSED AMENDMENTS TO
HOUSE BILL 2549**

1 On page 1 of the printed bill, line 5, after “that” insert “is offered to the
2 general public and that”.

3 Delete lines 7 through 8.

4 In line 9, delete “(b)” and insert “(a)”.

5 In line 12, delete “(c)” and insert “(b)” and delete “outcome is” and insert
6 “outcomes are”.

7 Delete lines 24 through 31 and delete pages 2 and 3 and insert:

8 **“SECTION 2. (1) The Oregon State Lottery Commission shall issue
9 a fantasy contest operator registration to an applicant that:**

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

13 **“(A) The state in which the applicant is registered as a business;
14 and**

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

16 **“(b) Pays a registration fee of \$1,000;**

17 **“(c) Submits evidence that the applicant has implemented com-
18 mercially reasonable procedures to:**

19 **“(A) Prohibit the applicant, the applicant’s employees and the
20 applicant’s immediate family members who reside in the same house-
21 hold as the applicant from participating in fantasy contests organized**

1 and offered by the applicant;

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

4 “(C) Ensure that an individual who performs in an actual event and
5 whose performance may determine the outcome of a fantasy contest
6 is not a fantasy contest player in that fantasy contest;

7 “(D) Provide fantasy contest players with information on responsi-
8 ble play and the availability of assistance for compulsive behavior;

9 “(E) Until the information is publicly available, not share with third
10 parties information that could affect fantasy contest play;

11 “(F) Limit the number of entries that a fantasy contest player may
12 submit to each fantasy contest; and

13 “(G)(i) Maintain fantasy contest player moneys in separate ac-
14 counts from fantasy contest operational moneys; or

15 “(ii) Maintain a reserve in an amount equal to or greater than the
16 aggregate fantasy contest player moneys;

17 “(d) Is not determined ineligible under section 3 of this 2017 Act for
18 registration as a fantasy contest operator; and

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

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

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

23 **“SECTION 3. In the manner prescribed in ORS chapter 183, the**
24 **Oregon State Lottery Commission may deny, suspend or revoke a**
25 **registration as a fantasy contest operator if the applicant or fantasy**
26 **contest operator, or an officer, director or principal stockholder of the**
27 **applicant or fantasy contest operator:**

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

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

30 “(3) Has been convicted, in this state or other jurisdiction, of a

1 **crime involving dishonesty or fraud within 10 years prior to the date**
2 **of application or at any time thereafter;**

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

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

7 **“(6) Has violated section 4 of this 2017 Act.**

8 **“SECTION 4. (1) A person may not organize or offer a fantasy**
9 **contest in this state unless the person is registered as a fantasy con-**
10 **test operator with the Oregon State Lottery Commission under section**
11 **2 of this 2017 Act.**

12 **“(2) A fantasy contest operator shall annually:**

13 **“(a) Cause an independent audit of the fantasy contest operator to**
14 **be performed in accordance with standards established by the Ameri-**
15 **can Institute of Certified Public Accountants and adopted by the**
16 **commission by rule; and**

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

18 **“(3) A fantasy contest operator may not offer a fantasy contest:**

19 **“(a) Based on the performances of participants in collegiate, sec-**
20 **ondary school or youth athletic events; or**

21 **“(b) That does not establish and make known in advance of the**
22 **fantasy contest all prizes and awards offered to winning fantasy con-**
23 **test players.**

24 **“(4) The commission may impose a civil penalty not to exceed:**

25 **“(a) \$1,000 for each violation of this section; and**

26 **“(b) \$10,000 for more than one violation resulting from the same**
27 **transaction or occurrence.**

28 **“SECTION 5. (1) The Oregon State Lottery Commission shall adopt**
29 **rules under sections 1 to 5 of this 2017 Act to:**

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

1 **“(b) Establish fees for renewal of registration and transfer of reg-**
2 **istration;**

3 **“(c) Determine qualifications for initial registration and renewal of**
4 **registration; and**

5 **“(d) Establish a process for the transfer of registration if two or**
6 **more fantasy contest operators merge with each other.**

7 **“(2) The commission may adopt other rules as necessary to carry**
8 **out the provisions of sections 1 to 5 of this 2017 Act.**

9 **“(3) The commission may not adopt rules relating to:**

10 **“(a) The administration or rules of play of any individual fantasy**
11 **contest;**

12 **“(b) The digital platform operated by or on behalf of a fantasy**
13 **contest operator; or**

14 **“(c) The statistical composition of any individual fantasy contest.**

15 **“SECTION 6. (1) A person that organized or offered a fantasy con-**
16 **test in this state prior to the effective date of this 2017 Act may con-**
17 **tinue to offer the fantasy contest for up to 60 days after the date on**
18 **which the Oregon State Lottery Commission makes available the ap-**
19 **plication for registration under section 2 of this 2017 Act.**

20 **“(2) A person that applies for registration in the first 60 days after**
21 **the date on which the commission makes available the application**
22 **may continue to organize and operate the fantasy contest while the**
23 **commission processes the application.**

24 **“(3) A person that does not apply for registration in the first 60 days**
25 **after the date on which the commission makes available the applica-**
26 **tion may not organize or offer a fantasy contest after the first 60 days**
27 **following the date on which the commission makes available the ap-**
28 **plication.**

29 **“(4) The commission may adopt rules to carry out this section.**

30 **“SECTION 7. Section 6 of this 2017 Act is repealed on December 31,**

1 2018.

2 **“SECTION 8. (1) Sections 1 to 5 of this 2017 Act become operative**
3 **on January 1, 2018.**

4 **“(2) The Oregon State Lottery Commission may take any action**
5 **before the operative date specified in subsection (1) of this section that**
6 **is necessary to enable the commission to exercise, on or after the op-**
7 **erative date specified in subsection (1) of this section, all of the duties,**
8 **functions and powers conferred on the commission by sections 1 to 5**
9 **of this 2017 Act.**

10 **“SECTION 9. This 2017 Act being necessary for the immediate**
11 **preservation of the public peace, health and safety, an emergency is**
12 **declared to exist, and this 2017 Act takes effect on its passage.”.**

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