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SENATE BILL NO. 474

INTRODUCED BY F. MANDEVILLE, K. BOGNER

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING GAMBLING LAWS; REVISING FANTASY SPORTS LEAGUES LAWS; REVISING THE DEFINITION OF "FANTASY SPORTS TEAM"; AND AMENDING SECTION 23-5-801, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 23-5-801, MCA, is amended to read:

"23-5-801. Fantasy sports leagues defined. As used in this part, a "fantasy sports league" means a ~~gambling simulated game or contest~~ activity conducted in the following manner:

(1) A fantasy sports league consists of a ~~limited number of~~ no fewer than two persons ~~or groups of persons~~ who pay an entrance fee for membership in the league. ~~The entrance fee may include an administrative fee.~~ For fantasy sports league contests being administered by an entity other than a commercial establishment, the entrance fee may include an administrative fee notwithstanding the provisions of 23-5-805.

(2) ~~Each league member creates a fictitious team composed of athletes from a given professional sport, such as baseball, basketball, or football. Player selection is conducted through random drawings, a bidding process, or by selection from a roster prepared by the parimutuel network coordinator.~~ A fantasy sports team may not be composed entirely of individual contestants who are members of the same real-world sports team.

(3) ~~Except for fantasy sports leagues operated under Title 23, chapter 4, after the initial teams are selected, interim replacement of players may occur by trade or purchase. A specific fee, which may not exceed the total entrance fee, is charged for each transaction.~~

(4) ~~A method, as defined by league rules, is devised to permit each team to compete against other teams in the league. Points are awarded to a team according to the performance of individual players or teams or both during a designated time period.~~

(3) Each prize and award or the value of all prizes and awards offered to winning fantasy sports

1 contest players must be made known to the fantasy sports contest players in advance of the fantasy sports
2 contest.

3 (4) Each winning outcome reflects the relative knowledge and skill of the fantasy sports contest
4 players and is determined by the aggregated statistical results of the performance of multiple individual
5 contestants whom each fantasy sports contest player has selected to form that player's fantasy sports contest
6 team. The individual performances of the contestants in the fantasy sports contest directly correspond with the
7 actual performances of those contestants in a real-world sporting event in which those individuals participated.

8 ~~(5)(4)(5)~~ A league member may be eligible to receive a payout based on the number of points
9 accumulated. Payouts, which may be in the form of cash or prizes, are awarded according to league rules. A
10 winning outcome is not based on the performance of a single real-world sports team, any combination of real-
11 world sports teams, or a single player in a real-world sporting event, or based on the score or point spread of
12 one or more real-world sporting events.

13 ~~(6)~~ The roster of eligible participants prepared by the parimutuel network must be provided to each
14 league member.

15 ~~(7)~~ Rules governing the conduct of the fantasy sports league must be provided in writing to each
16 league member.

17 ~~(5)(6)~~ The Unless operated by the state lottery, the fantasy sports contest does not constitute or
18 involve a slot machine or a fixed, commercial electrical gaming device.

19 ~~(7)~~ This section does not permit an authority that administers fantasy sports league contests to
20 conduct sports wagering as authorized in 23-7-104, or "gambling" or "gambling activity," as defined in 23-5-112.

21 ~~(8)~~ As used in this part, "commercial establishment" means any premises used for the purpose of
22 carrying on or exercising any trade, business, profession, vocation, or commercial or charitable activity,
23 including but not limited to laundries, hospitals, hotels, motels, and food or restaurant establishments."

24 - END -