

STATE OF MAINE Department of Public Safety Gambling Control Unit 87 State House Station Augusta, Maine 04333-0087

JANET T. MILLS GOVERNOR MICHAEL SAUSCHUCK COMMISSIONER

MILTON CHAMPION EXECUTIVE DIRECTOR

Legislative Testimony Veterans and Legal Affairs Committee Milton F. Champion III – Executive Director Gambling Control Unit Department of Public Safety February 10, 2024, 11:00 am, Room 437, State House

Senator Hickman, Representative Supica and Distinguished Members of the Veterans and Legal Affairs Committee, I am Milton Champion, Executive Director of the Gambling Control Unit within the Department of Public Safety. I am here today on behalf of the Department of Public Safety to testify "In Favor of" LD 33 which is "An Act to Amend the Laws Governing Fantasy Contests". And I thank Senator Hickman for sponsoring this important measure.

This bill updates the definition of "fantasy contest" to mean a contest in which 6 or more contestants pay an entry fee to participate and adds a definition of "proposition bet." It also updates the initial and renewal fee for a license for a fantasy contest operator to \$5,000 and repeals the law allowing a fantasy contest operator to operate a fantasy contest while an initial license, license renewal or license transfer is pending. The bill requires all operators to pay 10% of gross fantasy contest revenues by removing the \$100,000 threshold before paying revenue to the state. The bill also prohibits fantasy contests based on proposition betting.

Oversight in this area has been completed with an auditor working part time in this area and myself to this point. Last year I was able to hire a Deputy Director to assist. A lot of time has been spent in this area without funds to support. Additionally, in my view, fantasy operators have been pushing the boundaries with offerings that are sports wagers and not within the scope of fantasy contests.

Thank you for the opportunity to appear before the committee today, and I would be happy to answer any questions you may have at this time.

Respectfully