



**Testimony of Newell Augur
On behalf of PrizePicks**

**Before the Joint Standing Committee on Veterans and Legal Affairs
In Opposition to LD 33, An Act to Amend the Laws Governing Fantasy Contests**

Sponsored by Senator Hickman

February 10, 2025

Senator Hickman, Representative Supica, and members of the Committee on Veterans and Legal Affairs, my name is Newell Augur. I am a resident of Yarmouth and a lawyer with Pierce Atwood. On behalf of PrizePicks, a daily fantasy sports platform operating in Maine and 44 other states and the District of Columbia, I am here to testify against LD 33, An Act to Amend the Laws Governing Fantasy Contests.

Fantasy sports is no longer just a group of friends picking players in a basement to form one team that lasts over the course of a whole season. The pen-and-paper fantasy sports of the 1980s made room for daily fantasy sports in the early 2010s when smartphones gave us the technology to research and build teams more quickly than before. From the start, there have been multiple forms of daily fantasy sports, including games with one player, games with thousands of players, and all sorts in between.

PrizePicks offers a fantasy sports product in Maine called Arena. Players put together a fantasy lineup by skillfully assessing player projections. We have a current license pending with the Gambling Control Unit and pursuant to 8 MRSA §1103 (9), we are allowed to offer Arena in Maine until the GCU has completed its review of our application.

Although fantasy sports and traditional sports betting are both regulated by the GCU, fantasy sports is different from traditional sports betting and is regulated differently. Traditional sports betting or "wagering" tend to be "all or nothing" parlays that primarily revolve around sides and totals, or chance-oriented propositions. In 2006, the Federal Government passed the Unlawful Internet Gambling Enforcement Act (also known as UIGEA). The law recognized the difference between sports wagering and fantasy sports by exempting fantasy sports from the definition of "bet" or "wager". The UIGEA framework was adopted broadly across the country by many other states, including Maine.

PrizePicks has designed its Arena fantasy product to be consistent with both federal criteria and Maine law. It is for that reason that we are opposed to the language in Sections 2 and 7, which would introduce the word "proposition bet" into the existing legal framework for Maine. Specifically, Section 7 would prohibit any fantasy product that has "the effect of mimicking a proposition bet." We believe this language is so vague it could jeopardize the approval of the Arena product. While we are confident that Arena is not sports betting and is not a "proposition bet," the language proposed could easily be interpreted by a future GCU to restrict our opportunity to offer this fantasy product in Maine. Further, if the GCU's concern is to prohibit "proposition bets" in fantasy sports, we believe that existing state law achieves this.

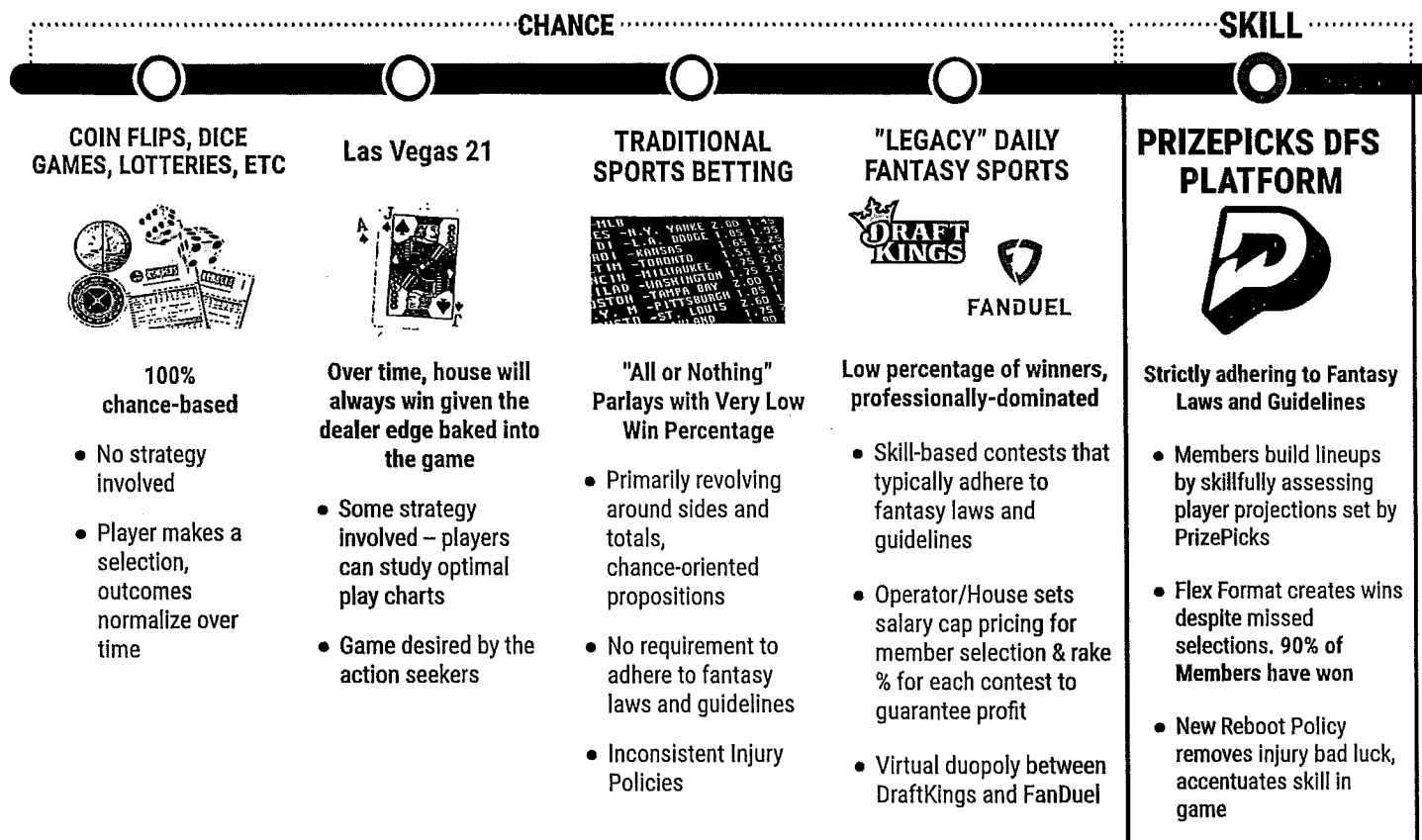
The GCU have been incredibly helpful and responsive in the receipt and processing of our application, which we filed last year. In addition, we have had productive discussions with Director Champion and his staff about these sections in LD 33 and we believe that, with additional time and discussion, we can arrive at language that provides the GCU with the authority it believes it needs to prevent proposition wagers in fantasy sports, in a manner that would not jeopardize the Arena product. PrizePicks have excellent relations with regulators in all states where we operate, and Maine will be no exception to that record.

With respect to the changes proposed in Sections 3, 4 and 6 – the removal of an applicant's ability to operate in Maine pending approval of its license - we do not take a position as to the merits of that provision going forward. There may be justifiable reasons for keeping it, especially given the significant amount of time and research that the GCU must conduct on an applicant before formally issuing a license, but we defer to the GCU as how it believes the application process should be conducted. Our request is simply that an applicant that has already filed and is operating lawfully under 8 MRSA §1103 (9), as PrizePicks is doing currently, should be permitted to continue under this provision pending approval of its license. If the Committee removes 8 MRSA §1103 (9), we believe it would be appropriate to add language that clarifies our circumstances so as to avoid any confusion.

Thank you for the opportunity to provide this testimony. I'd be happy to answer any questions and will be present at your work session.

PrizePicks: How Our Platform Differs from Legacy Fantasy Sports Products

Game of Chance vs. Game of Skill Spectrum



Key Differences Between Online Sports Betting and PrizePicks DFS Platform

Online Sports Betting Products	PrizePicks DFS Platform
Wide variety of bet offerings No requirements to meet Fantasy Laws and Guidelines	Offerings strictly adhere to Fantasy Laws and Guidelines <ul style="list-style-type: none"> ✓ Must include multiple players from multiple teams ✓ Winning results are based on the statistical accumulation of the roster of athletes ✓ Prizes defined and made known to contest before submitting entry
Many types of exclusively "chance-based" bets such as yes/no, odd/even, and coin-flip-esque wagers	Build skill-based lineups solely on player performance & statistical accumulation
Dynamic payouts that constantly change	Fixed payouts established in advance
"All-or-nothing" Parlays (if you miss one, you LOSE)	Most popular format is "Flex Play" (multiple ways to win)
No consistent injury policy on player props	New "Reboot Policy" for NFL and NBA (removes "bad luck or chance" based on injuries)

PrizePicks: Protecting Consumers is our Top Priority

Industry Leading Responsible Gaming (RG) tools

We have a robust set of customizable features that allow members to add safeguards around their play.

- ✓ Deposit limits
- ✓ Frequency limits
- ✓ Self-imposed timeouts
- ✓ Self-exclusion
- ✓ Problem hotline
- ✓ No paid advertising to people under the age of 21

