



July 6, 2016

Dear Governor Cuomo:

The National Council on Problem Gambling recognizes A1036 incorporates significant elements of NCPG's CARE Responsible Play amendments for Fantasy Sports Legislation. CARE stands for **C**onsumer protection; **A**ge & identity verification; **R**ule making authority; and **E**valuation. The CARE Responsible Play Amendments provide a set of minimum consumer protection guidelines and are based on NCPG's more extensive Fantasy Sports Consumer Protection Guidelines. Several of the major DFS operators, including Draft Day, Draft Kings and FanDuel have incorporated the majority of these Guidelines into their website operations. NCPG also strongly suggests a portion of public revenue from any DFS taxes or fees be allocated to problem gambling services and enforcement of the responsible play provisions.

One reason consumer protection is important is the potential for compulsive behavior among DFS players. Our concerns are based on player demographics, game characteristics, research, recovery groups and first-person accounts. Fantasy sports players are frequently described as predominantly young, male, sports enthusiasts who are likely to gamble. Each of these groups is known to be at higher risk for gambling addiction. Characteristics of fantasy sports games associated with higher risk for addiction are high frequency of contests, large number of entries per contest, high entry fees, larger and more frequent payouts.

The few published studies to date show that daily fantasy sports players are more likely to have gambling problems than non-players. A 2012 study of 23,000 college student athletes (when DFS was in its infancy) reported that those who played fantasy sports players had a significantly higher prevalence of gambling problems. Male student athletes who had gambling problems were also much more likely to play fantasy sports for money. More recently a study of 1,556 college students found males who played fantasy sports for money, and females who played fantasy sports for money or not, were more likely to experience gambling-related problems. In a study published this month of 692 college students participation in fantasy sports was strongly correlated with past year gambling and with gambling problems among students and student athletes.

Gamblers Anonymous, the self-help fellowship for problem gamblers, has added fantasy sports to the list of activities it defines as gambling and urges individuals in recovery to avoid due to the risk of triggering a gambling addiction. In addition actual cases of severe gambling problems stemming from daily fantasy participation have been documented by gambling counselors and reported in national media.

Therefore NCPG has been working to develop responsible play programs based on the NCPG Fantasy Sports Consumer Protection Guidelines and the subsequent CARE responsible play legislation. These voluntary national guidelines provide legislators, regulators, operators, players and the public with clear and common-sense guidance.

It is clear that while the vast majority of DFS play is at low-risk for gambling problems it is also clear that some DFS play is high-risk and does lead to negative consequences. We therefore encourage everyone to come to the table to develop practical steps to minimize harm which allows everyone to maximize benefits. Our mission is to lead state and national stakeholders in the development of comprehensive policy and programs for all those affected by problem gambling. Our purpose is to serve as the national advocate for programs and services to assist problem gamblers and their families with the vision to improve health and wellness by reducing the personal, social and economic costs of problem gambling. We will further discuss these important issues at our 30<sup>th</sup> National Conference on Problem Gambling July 13-16 in Tarrytown, NY including at our Summit on Sports & Gambling on June 13. I would like to personally thank you for your July 2016 letter to our conference attendees and to Lieutenant Governor Kathy Hochul for providing a welcome at the conference next week.

NCPG is neither for nor against legalized gambling. NCPG does not take a position on whether fantasy sports contests are, or should be, legal. Please feel free to contact me with any questions or comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith Whyte", is centered on a light yellow rectangular background.

Keith S. Whyte, Executive Director

Cc: Jim Maney, New York Council on Problem Gambling

Encl: CARE Responsible Play Amendments

Summit on Sports & Gambling Flyer

# NCPG CARE Responsible Play Amendments

As of March 2016

## CONSUMER PROTECTION

- a. Provide access to information on responsible play and where to seek assistance for compulsive behavior;
- b. Offer access to the fantasy contest player's play history and account details;
- c. Not misrepresent the frequency or extent of winning or target excluded players or minors in their advertising.

## AGE & IDENTITY VERIFICATION

- a. Verify that contest participants are 18 years of age or older through the use of a commercially available database or aggregate of databases that is regularly used for the purpose of age and identity verification and authentication.

## RULE MAKING AUTHORITY

- a. The [regulator] shall adopt regulations to protect consumers who play fantasy sports contests. Such regulations shall include but are not limited to responsible play protections.

## EVALUATION

- a. Within one year of the date of enactment the [regulator] shall commission a report assessing potential or actual compulsive behavior among fantasy sports players, in conjunction with experts in compulsive behavior and fantasy sports operators.