

2024 Regular Session

HOUSE BILL NO. 758

BY REPRESENTATIVE DAVIS

GAMING: Provides relative to fantasy sports contests and sports wagering

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AN ACT

To amend and reenact R.S. 27:302(3) through (11) and 602(6) through (28) and to enact R.S. 27:302(12) through (14), 321, 321.1, 602(29) through (31), and Part V of Chapter 10 of Title 27 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 27:630 and 631, relative to gaming; to provide for definitions; to provide for the independent evaluation of fantasy sports contests and sports wagers; to provide for criteria to be an independent evaluator; to provide for duties of independent evaluators; to provide for prohibitions relative to independent evaluators; to provide for duties of the Louisiana Gaming Control Board; to provide relative to promulgation of rules and regulations; to provide for exceptions; to provide relative to accreditation procedures; to provide relative to services rendered; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 27:302(3) through (11) and 602(6) through (28) are hereby amended and reenacted and R.S. 27:302(12) through (14), 321, 321.1, 602(29) through (31), and Part V of Chapter 10 of Title 27 of the Louisiana Revised Statutes of 1950, comprised of R.S. 27:630 and 631, are hereby enacted to read as follows:

§302. Definitions

For purposes of this Chapter:

* * *

1 (3) "Content partner" means a platform or individual who creates content for
2 a fantasy sports contest licensee through a contracted work, affiliate, or other direct
3 and memorialized agreement, with the intent to encourage engaging in fantasy sports
4 contests within this state.

5 (4) "Entry fee" means cash or cash equivalent that is required to be paid by
6 a fantasy sports contest participant to a fantasy sports contest operator in order to
7 participate in a fantasy sports contest.

8 (5) "Expert" or "influencer" means any person including but not limited to
9 a media member, journalist, personality, celebrity, broadcast host, sharp, tout,
10 handicapper, or any other person who, for his own benefit, creates fantasy sports
11 contest content for fantasy sports contest licensees or content partners with the intent
12 to encourage engagement in fantasy sports contests within this state.

13 ~~(4)~~ (6) "Fantasy sports contest" means any fantasy or simulation sports game
14 or contest played through the internet or mobile device, whether or not it is provided
15 by an expert or an influencer to the general public at no cost or through a
16 subscription or other partnership, with all of the following elements:

17 (a) Participants create a simulation sports team based on the current
18 membership of real-world amateur or professional sports organizations.

19 (b) All prizes and awards offered to winning participants are established and
20 made known to the participants in advance of the game or contest, and the value of
21 the prizes or awards is not determined by the number of participants or the amount
22 of any fees paid by those participants.

23 (c) All winning outcomes reflect the relative knowledge and skill of the
24 participant and are predominantly determined by accumulated statistical results of
25 the performance of the individuals, including athletes in the case of sporting events.

26 (d) No winning outcome is based on either of the following:

27 (i) On the score, point-spread, or any performance or performances of any
28 single real-world team or any combination of such teams.

1 (ii) Solely on any single performance of an individual athlete in any single
2 real-world sporting or other event.

3 ~~(5)~~ (7) "Fantasy sports contest operator" or "operator" means a suitable
4 person domiciled in Louisiana or a domestic business entity or a foreign corporation
5 that is licensed by the board to offer a platform for the playing of fantasy sports
6 contests, to administer one or more fantasy sports contests with an entry fee, and to
7 award a prize of value.

8 ~~(6)~~ (8) "Fantasy sports contest player" or "player" means a person who
9 participates in a fantasy sports contest offered by a fantasy sports contest operator.

10 ~~(7)~~ (9) "Gross fantasy sports contest revenues" means the amount equal to
11 the total of all entry fees that a fantasy sports contest operator collects from all
12 fantasy sports contest players, multiplied by the location percentage for the state of
13 Louisiana.

14 (10) "Independent evaluator" shall mean a person, approved by the board,
15 who meets the criteria of R.S. 27:321 and assesses the content of fantasy sports
16 contests.

17 ~~(8)~~ (11) "Location percentage" means the percentage rounded to the nearest
18 tenth of a percent of the total of entry fees collected from fantasy sports contest
19 players located in the state of Louisiana, divided by the total entry fees collected
20 from all fantasy sports contest players participating in fantasy sports contests.

21 ~~(9)~~ (12) "Net revenue" means, for all fantasy sports contests, the amount
22 equal to the total entry fees collected from all participants entering such fantasy
23 sports contests, less the winnings paid to participants in the contests, multiplied by
24 the location percentage for the state of Louisiana.

25 ~~(10)~~ (13) "Operator's net revenue" means, for all fantasy sports contests, the
26 amount equal to the total entry fees collected from all participants entering such
27 fantasy sports contests, less the winnings paid to participants in the contests.

1 material, non-public information that could affect a betting market from an expert
2 or influencer.

3 (4) Disclose to the board all political contributions that he has made in the
4 prior twelve months.

5 (5) Report to the board on a quarterly basis.

6 (6) Swear or affirm that he has and shall continue to meet the necessary
7 criteria provided in this Subsection.

8 (7) Perform any other duties the board deems appropriate.

9 C. An independent evaluator is prohibited from doing any of the following:

10 (1) Having any direct or indirect financial interest, ownership, or
11 management in any activities involving fantasy sports contests. This includes the
12 holding of any stocks, bonds, or other similar financial interests.

13 (2) Receiving or sharing in, whether directly or indirectly, the receipts or
14 proceeds of any activities involving fantasy sports contests.

15 (3) Having any revenue-sharing relationship with or other financial interest
16 in a fantasy sports contest licensee or fantasy sports contest operator.

17 (4) Having any of the following conflicts:

18 (a) A controlling interest owner or employee who directly engages in fantasy
19 sports contests or a fantasy sports contest platform.

20 (b) A controlling interest owner or employee who derives financial benefit
21 from any fantasy sports contest licensee through a cost per acquisition or revenue
22 sharing affiliate relationship to a sports book operator, fantasy sports contest
23 operator, or peer-to-peer platforms.

24 D. No controlling interest owner or employee of an independent evaluator
25 shall participate in any fantasy sports contest.

26 E. Nothing in this Section shall limit a fantasy sports contest licensee from
27 marketing the performance rendered by the independent evaluator, provided those
28 marketing materials display accurate attributes.

1 F. Anyone who applies to be an independent evaluator shall apply annually
2 to the board and receive approval from the board to act as an independent evaluator.
3 Such approval shall require a review of the criteria provided in Subsection A of this
4 Section. Any person who applies to be an independent evaluator shall pay all
5 reasonable costs to the board relating to the investigation required pursuant to this
6 Section.

7 G.(1) The board may promulgate rules and regulations in accordance with
8 the Administrative Procedure Act to establish additional criteria and qualifications
9 for independent evaluators in accordance with this Section.

10 (2) Upon receipt of the report from an independent evaluator pursuant to
11 Paragraph (B)(5) of this Section, the board may utilize its regulatory authority to
12 address any issues contained in the report.

13 (3) The board shall issue regulations clarifying what qualifies as fantasy
14 sports contest content and such determination shall be within the sole discretion of
15 the board.

16 H. Nothing in this Section shall prohibit any of the following:

17 (1) The assessment of activities involving sports wagers as provided in R.S.
18 27:601, et seq, from an independent evaluator who has been accredited by the board.

19 (2) The right of freedom of speech granted to all persons under the First
20 Amendment of the Constitution of the United States.

21 §321.1. Accreditation; cost of services

22 A. The board shall accredit certain independent evaluators to assess the
23 content of fantasy sports contests, specifically content from experts or influencers
24 for fantasy sports contests and their content partners. The board shall have nine
25 months to identify and accredit independent evaluators.

26 B. Once the accreditation of an independent evaluator has occurred, fantasy
27 sports contest licensees, experts or influencers, and content partners shall have nine
28 months to contract directly with an accredited independent evaluator. The cost of
29 these services to the fantasy sports contest licensees shall not exceed one percent of

1 the annual gross gaming revenue for both fantasy sports contests and sports wagers
2 and shall be dispersed among the fantasy sports contest licensees at the discretion of
3 the board. The fantasy sports contest licensees shall contract with and pay the
4 accredited independent evaluator directly.

5 C. The board may, at its discretion, issue temporary accreditations if it deems
6 such issuance in the best interest of the state.

7 * * *

8 §602. Definitions

9 For purposes of this Chapter, the following terms shall have the following
10 meanings ascribed to them unless the context clearly indicates otherwise:

11 * * *

12 (6) "Content partner" means a platform or individual who creates content for
13 a sports wagering licensee or platform provider through a contracted work, affiliate,
14 or other direct and memorialized agreement, with the intent to encourage engaging
15 in sports wagers within this state.

16 (7) "Division" shall have the same meaning as that term is defined in R.S.
17 27:3.

18 (7) (8) "Electronic sports wagering" means sports wagering via a sports
19 wagering mechanism on a licensee's premises or through a website or mobile
20 application.

21 (9) "Expert" or "influencer" means any person, including but not limited to,
22 a media member, journalist, personality, celebrity, broadcast host, sharp, tout,
23 handicapper, or any other person who, for his own benefit, creates content relating
24 to sports wagers for sports wagering licensees, sport wagering platform providers,
25 or content partners with the intent to encourage the placing of sports wagers within
26 this state.

27 (10) "Independent evaluator" shall mean a person, approved by the board,
28 who meets the criteria of R.S. 27:630 and assesses the content of sports wagers.

1 ~~(8)~~ (11) "License" means a license or authorization to operate, or to contract
2 with a sports wagering platform provider to operate, a sports book in this state in
3 compliance with the provisions of this Chapter.

4 ~~(9)~~ (12) "Licensee" means any person issued a license by the board.

5 ~~(10)~~ (13) "Louisiana State Racing Commission" means the commission
6 established in R.S. 4:144.

7 ~~(11)~~ (14) "Mobile application" means an application on a mobile phone or
8 other device through which a player is able to register, fund, and place a wager with
9 an operator on a sports event and receive a credit on the player's sports wagering
10 account.

11 ~~(12)~~ (15) "Mobile wagering" means wagering on a sports event through a
12 website or mobile application.

13 ~~(13)~~ (16) "Net gaming proceeds" means the amount equal to the total gross
14 revenue of all wagers placed by patrons less the total amount of all winnings paid out
15 to patrons and the amount of eligible promotional play determined pursuant to R.S.
16 27:627. "Net gaming proceeds" shall not include wagers placed by patrons on
17 racehorse wagering or winnings paid out to patrons on racehorse wagering.

18 ~~(14)~~ (17) "Operator" or "sports wagering operator" means the entity that
19 actually books a sports wager. The operator may be:

20 (a) The licensee who manages and operates a sports book itself.

21 (b) The licensee's contracted sports wagering platform provider, in
22 accordance with the scope of that contract, when the licensee chooses to contract the
23 management and operation of all or a portion of its sports book line-of-business with
24 a platform provider.

25 ~~(15)~~ (18) "Patron" or "player" means an individual who places a wager on
26 a sports event.

27 ~~(16)~~ (19) "Permit" has the same meaning as that term is defined in R.S. 27:3.

28 ~~(17)~~ (20) "Permittee" has the same meaning as that term is defined in R.S.
29 27:3.

1 ~~(18)~~ (21) "Person" has the same meaning as that term is defined in R.S. 27:3.

2 ~~(19)~~ (22) "Racehorse wagering" means wagers placed on horse racing
3 conducted under the pari-mutuel form of wagering that are accepted by an offtrack
4 wagering facility licensee as defined in R.S. 4:211 in accordance with the provisions
5 of Chapter 4 of Title 4 of the Louisiana Revised Statutes of 1950, and a board and
6 Louisiana State Racing Commission approved agreement between the licensee and
7 the offtrack wagering facility licensee or a board and Louisiana State Racing
8 Commission approved plan of operation.

9 ~~(20)~~ (23) "Representation of value" means tokens, chips, vouchers, coupons,
10 or electronic cards that are issued by the licensee and authorized for use in sports
11 wagering by rules and regulations promulgated by the board.

12 ~~(21)~~ (24) "Sports book" means the offering of sports wagering by an operator
13 on a licensee's premises or through a sports wagering platform.

14 ~~(22)~~ (25) "Sports event" means any professional sport or athletic event, any
15 collegiate sport or athletic event, any amateur sport or athletic event, any Olympic
16 or international sports competition event, any competitive video game or other
17 electronic sports event, or any other special event or competition of relative skill as
18 authorized by the board to be a sports event for purposes of this Chapter. "Sports
19 event" shall not include high school sports, youth events, any international sports
20 events where the majority of the participants are under the age of eighteen years,
21 fantasy sports contests as provided in Chapter 6 of this Title, and any event
22 prohibited by law.

23 ~~(23)~~ (26) "Sports wager" or "sports bet" means a sum of money or
24 representation of value risked by a player on an occurrence associated with a sports
25 event for which the outcome is uncertain. The term includes but is not limited to
26 single-game bets, teaser bets, parlay bets, over-under bets, moneyline bets, pools,
27 exchange wagering, in-game wagering, in-play bets, proposition bets, ~~and~~ straight
28 bets, outcomes in total or in part, or otherwise, whether or not provided by an expert

1 or an influencer to the general public at no cost or through a subscription or other
2 partnership.

3 ~~(24)~~ (27) "Sports wagering" means the acceptance of wagers on sports events
4 or on portions of a sports event or on the individual performance or statistics of
5 athletes or participants in a sports event or a combination of sports events, by any
6 system or method of wagering.

7 ~~(25)~~ (28) "Sports wagering account" means an electronic financial record
8 established with an operator for an individual patron in which the patron may deposit
9 and withdraw funds for sports wagering and other authorized purchases and to which
10 the operator may credit winnings or other amounts due to that patron or authorized
11 by that patron.

12 ~~(26)~~ (29) "Sports wagering mechanism" or "kiosk" means a board-approved
13 self-service mechanical, electrical, or computerized terminal, device, apparatus, or
14 piece of equipment that is directly tied to a licensee's approved sports wagering
15 platform that allows a patron to place a sports wager in a board-approved location
16 on a licensee's premises. "Sports wagering mechanism" does not include a personal
17 computer, mobile phone, or other device owned and used by a player to wager on a
18 sports event.

19 ~~(27)~~ (30) "Sports wagering platform" means an integrated system of
20 hardware, software, or applications, including mobile applications and servers,
21 through which an operator conducts the business of offering sports wagering in
22 accordance with this Chapter.

23 ~~(28)~~ (31) "Sports wagering platform provider" means a suitable business or
24 legal entity that holds a permit from the board to engage in the operation of a sports
25 book on behalf of a licensee.

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PART V. INDEPENDENT EVALUATORS

§630. Regulation of sports wagers through independent evaluations

A. A person shall meet the following criteria in order to be approved by the board to act as an independent evaluator of sports wagers in this state:

(1) Have experience and expertise in evaluating and rating the content of sports wagers as well as in conducting audits, to the satisfaction of the board.

(2) Maintain an audit process that is constructed, executed, and maintained by no less than one in-house certified public accountant who is both licensed and active in practice with the expertise necessary to conduct the audit. The audit process shall receive approval from the board that it properly tests for internal controls and all key assertions, subject to the discretion of the board, including completeness, existence, accuracy, valuation, occurrence, and presentation.

(3) Meet any other criteria the board deems appropriate.

B. The duties of the independent evaluator shall be as follows:

(1) Have evaluation and rating procedures that are unable to be adjusted, duplicated, or altered by any person, employed by or associated with a sports wagering operator, who has the specific intent to deceive or confuse the general public regarding the accuracy of the content of the influencer's or expert's sports wagers after the results of the content of the related sports wagers are known to the general public.

(2) Be able to determine the success or failure rate of the content of a sports wager.

(3) Ensure a sports wagering sports wagering licensee or platform provider has appropriate firewalls, organizational structures, and standard operating procedures so that an influencer or expert is not capable of receiving any material, non-public information from the applicable sports wagering licensee or platform provider and that the sports wagering platform provider does not receive material, non-public information that could affect a betting market from an expert or influencer.

1 (4) Disclose to the board all political contributions that he has made in the
2 prior twelve months.

3 (5) Report to the board on a quarterly basis.

4 (6) Swear or affirm that he has and shall continue to meet the necessary
5 criteria provided in this Subsection.

6 (7) Perform any other duties the board deems appropriate.

7 C. An independent evaluator is prohibited from doing any of the following:

8 (1) Having any direct or indirect financial interest, ownership, or
9 management in any activities involving sports wagers. This includes the holding of
10 any stocks, bonds, or other similar financial interests.

11 (2) Receiving or sharing in, whether directly or indirectly, the receipts or
12 proceeds of any activities involving sports wagers.

13 (3) Having any revenue-sharing relationship with or other financial interest
14 in a sports wagering licensee or sports wagering operator.

15 (4) Having any of the following conflicts:

16 (a) A controlling interest owner or employee who directly engages in sports
17 wagers or a sports wagering platform.

18 (b) A controlling interest owner or employee who derives financial benefit
19 from any sports wagering licensee through a cost per acquisition or revenue sharing
20 affiliate relationship to a sports book operator, sports wagering operator, or
21 peer-to-peer platforms.

22 D. No controlling interest owner or employee of an independent evaluator
23 shall participate in any sports wager.

24 E. Nothing in this Section shall limit a sports wagering platform provider
25 from marketing the performance rendered by the independent evaluator, provided
26 those marketing materials display accurate attributes.

27 F. Anyone who applies to be an independent evaluator shall apply annually
28 to the board and receive approval from the board to act as an independent evaluator.

29 Such approval shall require a review of the criteria provided in Subsection A of this

1 Section. Any person who applies to be an independent evaluator shall pay all
2 reasonable costs to the board relating to the investigation required pursuant to this
3 Section.

4 G.(1) The board may promulgate rules and regulations in accordance with
5 the Administrative Procedure Act to establish additional criteria and qualifications
6 for independent evaluators in accordance with this Section.

7 (2) Upon receipt of the report from an independent evaluator pursuant to
8 Paragraph (B)(5) of this Section, the board may utilize its regulatory authority to
9 address any issues contained in the report.

10 (3) The board shall issue regulations clarifying what qualifies as content that
11 constitutes as a sports wager and such determination shall be within the sole
12 discretion of the board.

13 H. Nothing in this Section shall prohibit any of the following:

14 (1) The assessment of activities involving fantasy sports contests as provided
15 in R.S. 27:301, et seq, from an independent evaluator who has been accredited by the
16 board.

17 (2) The right of freedom of speech granted to all persons under the First
18 Amendment of the Constitution of the United States.

19 §631. Accreditation; cost of services

20 A. The board shall accredit certain independent evaluators to assess the
21 content of sports wagers, specifically content from experts or influencers for sports
22 wagers and their content partners. The board shall have nine months to identify and
23 accredit independent evaluators.

24 B. Once the accreditation of an independent evaluator has occurred, sports
25 wagering platform providers, experts or influencers, and content partners shall have
26 nine months to contract directly with an accredited independent evaluator. The cost
27 of these services to the sports wagering platform providers shall not exceed one
28 percent of the annual gross gaming revenue for both fantasy sports contests and
29 sports wagers and shall be dispersed among the sports wagering platform providers

- 1 at the discretion of the board. The sports wagering platform providers shall contract
 2 with and pay the accredited independent evaluator directly.
 3 C. The board may, at its discretion, issue temporary accreditations if it deems
 4 such issuance in the best interest of the state.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 758 Original

2024 Regular Session

Davis

Abstract: Provides relative to regulation of fantasy sports contests and sports wagers.

Present law (R.S. 27:301, et seq.) provides for the La. Fantasy Sports Contests Act.

Proposed law retains present law in general.

Present law (R.S. 27:302) provides for definitions.

Proposed law retains present law and defines the term "content partner", "expert" or "influencer", and "independent evaluator". Further clarifies the definition of "fantasy sports contest".

Proposed law provides that a person shall meet the following criteria in order to be approved by the board to act as an independent evaluator of fantasy sports contests in this state:

- (1) Have experience and expertise in evaluating and rating the content of fantasy sports contests as well as in conducting audits, to the satisfaction of the board.
- (2) Maintain an audit process that is constructed, executed, and maintained by no less than one in-house certified public accountant who is both licensed and active in practice with the expertise necessary to conduct the audit. The audit process shall receive approval from the board that it properly tests for internal controls and all key assertions, subject to the discretion of the board, including completeness, existence, accuracy, valuation, occurrence, and presentation.
- (3) Meet any other criteria the board deems appropriate.

Proposed law provides that the duties of the independent evaluator shall be as follows:

- (1) Have evaluation and rating procedures that are unable to be adjusted, duplicated, or altered by any person, employed by or associated with a fantasy sports contest operator, who has the specific intent to deceive or confuse the general public regarding the accuracy of the content of the influencer's or expert's fantasy sports contest after the results of the content of the related fantasy sports contest are known to the general public.
- (2) Be able to determine the success or failure rate of the content of a fantasy sports contest.
- (3) Ensure a fantasy sports contest licensee has appropriate firewalls, organizational structures, and standard operating procedures so that an influencer or expert is not

capable of receiving any material, non-public information from the applicable licensee and that the fantasy sports contest licensee does not receive material, non-public information that could affect a betting market from an expert or influencer.

- (4) Disclose to the board all political contributions that he has made in the prior 12 months.
- (5) Report to the board on a quarterly basis.
- (6) Swear or affirm that he has and shall continue to meet the necessary criteria provided in proposed law.
- (7) Perform any other duties the board deems appropriate.

Proposed law provides that an independent evaluator is prohibited from doing any of the following:

- (1) Having any direct or indirect financial interest, ownership, or management in any activities involving fantasy sports contests. This includes the holding of any stocks, bonds, or other similar financial interests.
- (2) Receiving or sharing in, whether directly or indirectly, the receipts or proceeds of any activities involving fantasy sports contests.
- (3) Having any revenue-sharing relationship with or other financial interest in a fantasy sports contest licensee or fantasy sports contest operator.
- (4) Having any of the following conflicts:
 - (a) A controlling interest owner or employee who directly engages in fantasy sports contests or a fantasy sports contest platform.
 - (b) A controlling interest owner or employee who derives financial benefit from any fantasy sports contest licensee through a cost per acquisition or revenue sharing affiliate relationship to a sports book operator, fantasy sports contest operator, or peer-to-peer platforms.

Proposed law provides that no controlling interest owner or employee of an independent evaluator shall participate in any fantasy sports contest.

Proposed law shall not limit a fantasy sports contest licensee from marketing the performance rendered by the independent evaluator, provided those marketing materials display accurate attributes.

Proposed law provides that anyone who applies to be an independent evaluator shall apply annually to the board and receive approval from the board to act as an independent evaluator. Further provides that such approval shall require a review of the criteria provided in proposed law.

Proposed law provides that any person who applies to be an independent evaluator shall pay all reasonable costs to the board relating to the investigation required pursuant to proposed law.

Proposed law provides that the board may promulgate rules and regulations in accordance with the Administrative Procedure Act to establish additional criteria and qualifications for independent evaluators in accordance with proposed law.

Proposed law provides that upon receipt of the report from an independent evaluator pursuant to proposed law, the board may utilize its regulatory authority to address any issues contained in the report.

Proposed law provides that the board shall issue regulations clarifying what qualifies as fantasy sports contest content and such determination shall be within the sole discretion of the board.

Proposed law shall not prohibit any of the following:

- (1) The assessment of activities involving sports wagers as provided in present law (R.S. 27:601, et seq.) from an independent evaluator who has been accredited by the board.
- (2) The right of freedom of speech granted to all persons under the First Amendment of the Constitution of the US.

Proposed law provides that the board shall accredit certain independent evaluators to assess the content of fantasy sports contests, specifically content from experts or influencers for fantasy sports contests and their content partners. Further provides that the board shall have nine months to identify and accredit independent evaluators.

Proposed law provides that once the accreditation of an independent evaluator has occurred, fantasy sports contest licensees, experts or influencers, and content partners shall have nine months to contract directly with an accredited independent evaluator.

Proposed law provides that the cost of these services to the fantasy sports contest licensees shall not exceed 1% of the annual gross gaming revenue for both fantasy sports contests and sports wagers and shall be dispersed among the fantasy sports contest licensees at the discretion of the board. Further provides that the fantasy sports contest licensees shall contract with and pay the accredited independent evaluator directly.

Proposed law provides that the board may, at its discretion, issue temporary accreditations if it deems such issuance in the best interest of the state.

Present law (R.S. 27:601, et seq.) provides for the La. Sports Wagering Act.

Proposed law retains present law in general.

Present law (R.S. 27:602) provides for definitions.

Proposed law retains present law and defines the term "content partner", "expert" or "influencer", and "independent evaluator". Further clarifies the definition of "sports wager" or "sports bet".

Proposed law provides that a person shall meet the following criteria in order to be approved by the board to act as an independent evaluator of sports wagers in this state:

- (1) Have experience and expertise in evaluating and rating the content of sports wagers as well as in conducting audits, to the satisfaction of the board.
- (2) Maintain an audit process that is constructed, executed, and maintained by no less than one in-house certified public accountant who is both licensed and active in practice with the expertise necessary to conduct the audit. The audit process shall receive approval from the board that it properly tests for internal controls and all key assertions, subject to the discretion of the board, including completeness, existence, accuracy, valuation, occurrence, and presentation.
- (3) Meet any other criteria the board deems appropriate.

Proposed law provides that the duties of the independent evaluator shall be as follows:

- (1) Have evaluation and rating procedures that are unable to be adjusted, duplicated, or altered by any person, employed by or associated with a sports wagering operator, who has the specific intent to deceive or confuse the general public regarding the accuracy of the content of the influencer's or expert's sports wagers after the results of the content of the related sports wagers are known to the general public.
- (2) Be able to determine the success or failure rate of the content of a sports wager.
- (3) Ensure a sports wagering licensee or platform provider has appropriate firewalls, organizational structures, and standard operating procedures so that an influencer or expert is not capable of receiving any material, non-public information from the applicable sports wagering licensee or platform provider and that the sports wagering platform provider does not receive material, non-public information that could affect a betting market from an expert or influencer.
- (4) Disclose to the board all political contributions that he has made in the prior 12 months.
- (5) Report to the board on a quarterly basis.
- (6) Swear or affirm that he has and shall continue to meet the necessary criteria provided in proposed law.
- (7) Perform any other duties the board deems appropriate.

Proposed law provides that an independent evaluator is prohibited from doing any of the following:

- (1) Having any direct or indirect financial interest, ownership, or management in any activities involving sports wagers. This includes the holding of any stocks, bonds, or other similar financial interests.
- (2) Receiving or sharing in, whether directly or indirectly, the receipts or proceeds of any activities involving sports wagers.
- (3) Having any revenue-sharing relationship with or other financial interest in a sports wagering licensee or sports wagering operator.
- (4) Having any of the following conflicts:
 - (a) A controlling interest owner or employee who directly engages in sports wagers or a sports wagering platform.
 - (b) A controlling interest owner or employee who derives financial benefit from any sports wagering licensee through a cost per acquisition or revenue sharing affiliate relationship to a sports book operator, sports wagering operator, or peer-to-peer platforms.

Proposed law provides that no controlling interest owner or employee of an independent evaluator shall participate in any sports wager.

Proposed law shall not limit a sports wagering platform provider from marketing the performance rendered by the independent evaluator, provided those marketing materials display accurate attributes.

Proposed law provides that anyone who applies to be an independent evaluator shall apply annually to the board and receive approval from the board to act as an independent evaluator. Further provides that such approval shall require a review of the criteria provided in proposed law.

Proposed law provides that any person who applies to be an independent evaluator shall pay all reasonable costs to the board relating to the investigation required pursuant to proposed law.

Proposed law provides that the board may promulgate rules and regulations in accordance with the Administrative Procedure Act to establish additional criteria and qualifications for independent evaluators in accordance with proposed law.

Proposed law provides that upon receipt of the report from an independent evaluator pursuant to proposed law, the board may utilize its regulatory authority to address any issues contained in the report.

Proposed law provides that the board shall issue regulations clarifying what qualifies as content that constitutes as a sports wager and such determination shall be within the sole discretion of the board.

Proposed law shall not prohibit any of the following:

- (1) The assessment of activities involving fantasy sports contests as provided in present law (R.S. 27:301, et seq.) from an independent evaluator who has been accredited by the board.
- (2) The right of freedom of speech granted to all persons under the First Amendment of the Constitution of the U.S.

Proposed law provides that the board shall accredit certain independent evaluators to assess the content of sports wagers, specifically content from experts or influencers for sports wagers and their content partners. Further provides that the board shall have nine months to identify and accredit independent evaluators.

Proposed law provides that once the accreditation of an independent evaluator has occurred, sports wagering licensees, experts or influencers, and content partners shall have nine months to contract directly with an accredited independent evaluator.

Proposed law provides that the cost of these services to the sports wagering licensees shall not exceed 1% of the annual gross gaming revenue for both fantasy sports contests and sports wagers and shall be dispersed among the sports wagering platform providers at the discretion of the board. Further provides that the sports wagering platform providers shall contract with and pay the accredited independent evaluator directly.

Proposed law provides that the board may, at its discretion, issue temporary accreditations if it deems such issuance in the best interest of the state.

(Amends R.S. 27:302(3)-(11) and 602(6)-(28); Adds R.S. 27:302(12)-(14), 321, 321.1, 602(29)-(31), 630, and 631)