May 13, 2025

The Honorable Marvin L. Abney, Chair House Finance Committee State House Providence, RI 02903

RE:

2025 H 6076 (An Act Relating to Businesses and Professions - Fantasy Sports Consumer

Protection Act)

Dear Chair Abney:

I am writing on behalf of the Rhode Island Lottery to express opposition to the above-captioned legislation, which would allow fantasy sports operators to conduct fantasy sports contests in Rhode Island.

It is the Lottery's position that, if enacted, the law may be unconstitutional. Section 15 of Article VI of the Rhode Island Constitution requires the State to operate all lotteries, including those related to sporting events. By way of background, the State, through the Rhode Island Lottery, is the only authorized entity to operate, conduct, and control sports wagering at the two casino gaming facilities (see R.I. Gen Laws § 42-61.2-2.4) and sports wagering is a Class III casino game. Notably, the definitions of "sporting event" (see R.I. Gen Laws § 42-61.2-1 (38)) and "sports wagering" (see R.I. Gen Laws § 42-61.2-1 (39)) capture the conduct involved in fantasy sports, particularly with daily fantasy sports, because the conduct involves "individual performance statistics of athletes in a sports event or combination of sports events" and the acceptance of wagers related thereto. Further, Rhode Island law prohibits gambling, including any "game" played for the purpose of "disposing of any money" (see R.I. Gen Laws § 11-19-1) and also prohibits bets, wagers, or pools sold "upon the result of any trial or contest of skill, speed, or power of endurance of man or beast" (see R.I. Gen Laws § 11-19-14) unless such activity is conducted by the State. Since this proposed legislation authorizes private parties to operate such a lottery, the conduct is prohibited by the Rhode Island Constitution. This prohibition against private lotteries ensures that the proceeds of all such gaming are collected by the State and used for the public good.

To the extent an argument is made that the conduct at issue does not involve gambling on sports wagering events, the activities proposed under the legislation still involve gambling and would then constitute an expansion of gambling in the State. Such an expansion is explicitly prohibited

under Section 22 of Article VI of the Rhode Island Constitution absent voter approval for such an expansion via both local and statewide referenda.

Based on the foregoing, the Rhode Island Lottery respectfully urges you not to pass the proposed legislation and stands ready to answer any questions you may have with respect to the concerns laid out above.

Sincerely,

Mark A. Furcolo

Director

cc: The Honorable Members of the House Committee on Finance

The Honorable Scott A. Slater

Nicole McCarty, Esq., Chief Legal Counsel to the Speaker

Thomas A. Verdi, Director, Department of Revenue