

25108130D

HOUSE BILL NO. 2493**AMENDMENT IN THE NATURE OF A SUBSTITUTE**(Proposed by the Governor
on March 24, 2025)

(Patron Prior to Substitute—Delegate Krizek)

*A BILL to amend and reenact § 59.1-557 of the Code of Virginia, relating to gaming; fantasy contests; age restrictions.***Be it enacted by the General Assembly of Virginia:****1. That § 59.1-557 of the Code of Virginia is amended and reenacted as follows:****§ 59.1-557. Registration of fantasy contest operators required; application for registration; issuance of registration certificate; penalty.**

A. No fantasy contest operator shall offer any fantasy contest in the Commonwealth without first being registered with the Department. Applications for registration shall be on forms prescribed by the Department. Any registration issued by the Department shall be valid for one year from the date of issuance.

B. The application for registration submitted by a fantasy contest operator shall contain the following information:

1. The name and principal address of the applicant; if a corporation, the state of its incorporation, the full name and address of each officer and director thereof, and, if a foreign corporation, whether it is qualified to do business in the Commonwealth; if a partnership or joint venture, the name and address of each officer thereof;

2. The address of any offices of the applicant in the Commonwealth and its designated agent for process within the Commonwealth. If no such agent is designated, the applicant shall be deemed to have designated the Commissioner of the Department. If the operator does not maintain an office, the name and address of the person having custody of its financial records;

3. The place where and the date when the applicant was legally established and the form of its organization;

4. The names and addresses of the officers, directors, trustees, and principal salaried executive staff officer;

5. The name and address of each principal stockholder or member of such corporation; and

6. Such information as the Department deems necessary to ensure compliance with the provisions of this chapter.

C. Every registration filed under this chapter shall be accompanied by a nonrefundable, initial application fee set by the Department.

D. As a condition of registration, a fantasy contest operator shall submit evidence satisfactory to the Department that the operator has established and will implement procedures for fantasy contests that:

1. Prevent him or his employees and relatives living in the same household as the operator from competing in any public fantasy contest offered by such operator in which the operator offers a cash prize;

2. Prevent the sharing of confidential information that could affect fantasy contest play with third parties until the information is made publicly available;

3. Verify that any fantasy contest player is ~~18~~ 21 years of age or older;

4. Ensure that players who are the subject of a fantasy contest are restricted from entering a fantasy contest that is determined, in whole or part, on the accumulated statistical results of a team of individuals in which such players are participants;

5. Allow individuals to restrict themselves from entering a fantasy contest upon request and take reasonable steps to prevent those individuals from entering the operator's fantasy contests;

6. Disclose the number of entries a single fantasy contest player may submit to each fantasy contest and take reasonable steps to prevent such players from submitting more than the allowable number; and

7. Segregate player funds from operational funds in separate accounts and maintain a reserve in the form of cash, cash equivalents, irrevocable letter of credit, bond, or a combination thereof in an amount sufficient to pay all prizes and awards offered to winning participants.

E. If the registration forms are filed online using a website approved by the Commissioner of the Department, the operator shall follow the procedures on that website for signing the forms.

F. Any operator that allows its registration to lapse, without requesting an extension of time to file, shall be required to resubmit an initial registration. An extension may be granted by the Department upon receipt of a written request.

2. That the provisions of § 59.1-557 of the Code of Virginia, as amended by this act, shall not apply to any individual between the ages of 18 and 21 who created a fantasy contest account with a registered fantasy account operator prior to July 1, 2025.