

**Testimony  
Before the Ohio  
House Government Accountability and Oversight Committee  
May 10, 2017**

**By  
Peter Schoenke  
Chairman, Fantasy Sports Trade Association**

Good morning Chairman Blessing and members of the committee. Thank you for the opportunity to testify today. My name is Peter Schoenke and I am the Chairman of the Fantasy Sports Trade Association, an owner/operator of a leading fantasy sports business and an avid fantasy sports player.

I'm the founder and president of RotoWire.com, a leading information web site for fantasy sports. I founded the web site 20 years ago when fantasy sports were just starting to be played on the Internet. I'm a small business owner based in Madison, Wisconsin who made this industry my profession because I'm passionate about playing fantasy sports and helping so many to enjoy the hobby.

The trade association I help lead has 200 members that provide fantasy sports games and software used by virtually all of the players in North America. The FSTA's members include such major media companies as ESPN, CBS, Yahoo!, NBC and Fox Sports, content and data companies such as USA Today and Stats, Inc. and major daily fantasy contest operators such as FanDuel, DraftKings and FantasyDraft.

Over 57 million Americans participate in some form of fantasy sports. And they do so because it is a form of entertainment that gives them a deeper appreciation for the sports that they love.

All the major sports leagues recognize fantasy sports as a legitimate and fun hobby – in all its forms whether season-long, free, paid or daily fantasy sports. In fact, the NBA, NHL, MLB and MLS are investors in FanDuel or DraftKings. And major corporations support and advertise on fantasy sports properties.

H.B. No. 132 is an important bill for our industry. While fantasy sports are a game of skill and legal under Ohio law, there's no specific mention of fantasy sports. As a result our industry's ability to offer paid fantasy sports contests in the state, as we have for more than 20 years, has been called into question. This uncertainty limits the ability of companies to operate in Ohio as relationships with vendors, such as payment processors, may be impacted.

Ohio is an important state for our industry. We estimate that just under 1.9 million Ohio residents participate in these contests each year. Several prominent businesses are also located in the state. Pro Football Focus, a leading fantasy football information source owned by Cris Collinsworth, is headquartered in Cincinnati. The fantasy sports division of FoxSports, called WhatifSports, is also located in Cincinnati. The state also offers a strong tech community that has contributed companies such as FantasyFootballCalculator in Cleveland.

States have shown that fantasy sports is an activity that can be regulated to ensure a fair and balanced playing field. Eleven states have passed laws clarifying that fantasy sports are legal games of skill, including eight last year and another, Arkansas, this year. In addition, 24 states this year have considered bills to clarify fantasy sports are legal games of skill and to add common-sense consumer protection measures.

H.B. No. 132 adds important consumer protection measures similar to these laws including

limiting the age of participants in paid fantasy sports contests, safeguarding that prizes will be awarded at the end of the contests and ensuring contests are run fairly.

And that's important, because paid fantasy sports contests are something Ohioans want to play. In a 2016 poll conducted by Ipsos, 65% of Ohioans age 18 or older supported a law that would make playing fantasy sports for cash prizes legal.

The FSTA supports H.B. No. 312 as it sets up a framework that will allow our industry to continue to operate in the state, while providing our players with a safe environment. We encourage you to support H.B. No. 132 to ensure that the 1.9 million fantasy sports players in Ohio can continue to play the games they love.

Thank you and I am happy to answer any questions.