

Daily Fantasy Sports & Responsible Play

By Keith Whyte

While much of the legal, legislative and regulatory debate around fantasy sports has resolved around questions regarding skill or interpretations of the Unlawful Internet Gambling Enforcement Act (UIGEA), consumer protection issues are increasingly coming to the fore. In the complaint the New York Attorney General filed against daily fantasy sports operators he stated he has been “concerned to learn from health and gambling experts that daily fantasy sports appear to be creating the same public health and economic problems associated with gambling, particularly for populations prone to gambling addiction and individuals who are unprepared to sustain losses lured by the promise of easy money.” Consumer protection was central in the fantasy sports regulations proposed by the Massachusetts Attorney General Martha Healy and in numerous bills filed around the country.

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 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.

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.

The National Council on Problem Gambling

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has been working with companies like DraftDay, Fan Duel and DraftKings to develop responsible play programs based on the NCPG Fantasy Sports Consumer Protection Guidelines. While there is considerable variation in the law at the state level this voluntary national standard provides operators, players and the public with clear guidance.

It is clear the vast majority of DFS play is low-risk gambling, but some is high-risk and leads to negative consequences. The National Council on Problem Gambling encourages everyone to come to the table to develop common-sense, practical steps to minimize harm. Whether those policies take form as voluntary guidelines or mandatory regulations, whether they are adopted state by state or are promulgated at the federal level, it is essential that fantasy sports operators provide responsible play provisions. ♣



Keith Whyte

Keith Whyte is Executive Director of the National Council on Problem Gambling. NCPG's 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. NCPG is neither for nor against legalized gambling.

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