

HB1404_L.008

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Finance.

HB16-1404 be amended as follows:

1 Amend printed bill, page 3, line 4, strike "OFFICE." and substitute
2 "DIVISION OF PROFESSIONS AND OCCUPATIONS WITHIN THE DEPARTMENT
3 OF REGULATORY AGENCIES OR HIS OR HER DESIGNEE."

4 Page 4, strike lines 4 through 17 and substitute:

5 "(7) "SMALL FANTASY CONTEST OPERATOR" MEANS A FANTASY
6 CONTEST OPERATOR THAT HAS NO MORE THAN SEVEN THOUSAND FIVE
7 HUNDRED FANTASY CONTEST PLAYERS IN COLORADO WITH ACTIVE
8 ACCOUNTS.

9 **12-15.5-103. Fantasy contests - director - rules.** (1) THE
10 DIRECTOR SHALL PROMULGATE REASONABLE RULES FOR".

11 Renumber succeeding subsection accordingly.

12 Page 4, line 18, strike "APPLICANTS" and substitute "APPLICANTS FOR
13 LICENSURE."

14 Page 4, strike lines 19 and 20.

15 Page 5, lines 1 and 2, strike "FINDINGS AND REPORT THEM TO THE
16 DIRECTOR." and substitute "FINDINGS."

17 Page 5, strike lines 3 through 10 and substitute:

18 **"12-15.5-104. Registration.** (1) ON AND AFTER JULY 1, 2017, AN
19 ENTITY SHALL NOT OPERATE AS A SMALL FANTASY CONTEST OPERATOR
20 UNLESS THE ENTITY IS REGISTERED WITH THE DIRECTOR. ON AND AFTER
21 JULY 1, 2017, AN INDIVIDUAL WHO IS NOT OPERATING THROUGH AN
22 ENTITY SHALL NOT OPERATE AS A SMALL FANTASY CONTEST OPERATOR
23 UNLESS THE ENTITY IS REGISTERED WITH THE DIRECTOR.

24 (2) A SMALL FANTASY CONTEST OPERATOR IS SUBJECT TO ALL OF
25 THE PROVISIONS OF THIS ARTICLE; EXCEPT THAT:

26 (a) A SMALL FANTASY CONTEST OPERATOR NEED ONLY BE
27 REGISTERED, NOT LICENSED, IN ORDER TO OFFER FANTASY CONTESTS FOR
28 ~~A FEE; AND~~

29 (b) THE DIRECTOR SHALL:

30 (I) ESTABLISH A REGISTRATION PROCESS FOR SMALL FANTASY



1 CONTEST OPERATORS; AND
2 (II) NOT INITIATE AN INVESTIGATION OF A POTENTIAL VIOLATION
3 OF THIS ARTICLE BY A SMALL FANTASY CONTEST OPERATOR EXCEPT UPON
4 THE FILING OF A COMPLAINT WITH THE DIRECTOR THAT THE DIRECTOR
5 REASONABLY BELIEVES WARRANTS INVESTIGATION.
6 **12-15.5-105. Licensing.** (1) ON AND AFTER JULY 1, 2017, AN
7 ENTITY SHALL NOT OPERATE AS A FANTASY CONTEST OPERATOR UNLESS
8 THE ENTITY IS LICENSED BY THE DIRECTOR. ON AND AFTER JULY 1, 2017,
9 AN INDIVIDUAL WHO IS NOT OPERATING THROUGH AN ENTITY SHALL NOT
10 OPERATE AS A FANTASY CONTEST OPERATOR UNLESS THE INDIVIDUAL IS
11 LICENSED AS A FANTASY CONTEST OPERATOR BY THE DIRECTOR. AN
12 APPLICANT FOR LICENSURE MUST PAY LICENSE, RENEWAL, AND
13 REINSTATEMENT FEES ESTABLISHED BY THE DIRECTOR CONSISTENT WITH
14 SECTION 24-34-105, C.R.S., AND OTHER AUTHORITIES. A LICENSEE MUST
15 RENEW THE LICENSE IN ACCORDANCE WITH A SCHEDULE ESTABLISHED BY
16 THE DIRECTOR PURSUANT TO SECTION 24-34-102 (8), C.R.S. IF A LICENSEE
17 FAILS TO RENEW THE LICENSE PURSUANT TO THE SCHEDULE ESTABLISHED
18 BY THE DIRECTOR, THE LICENSE EXPIRES AND THE ENTITY SHALL NOT
19 PRACTICE UNDER THIS ARTICLE UNTIL THE REINSTATEMENT FEES ARE PAID
20 AND THE DIRECTOR REINSTATES THE LICENSE. A PERSON THAT CONTINUES
21 TO PRACTICE ONCE A LICENSE HAS EXPIRED IS SUBJECT TO THE PENALTIES
22 PROVIDED IN THIS ARTICLE AND SECTION 24-34-102 (8), C.R.S."

23 Renumber succeeding C.R.S. sections accordingly.

24 Page 5, line 14, strike "OFFICE" and substitute "DIRECTOR".

25 Page 5, line 15, strike "OFFICE" and substitute "DIRECTOR".

26 Page 5, line 16, strike "OFFICE;" and substitute "DIRECTOR;".

27 Page 5, line 17, strike "OFFICE" and substitute "DIRECTOR".

28 Page 5, line 18, strike "OFFICE" and substitute "DIRECTOR".

29 Page 5, line 21, strike the second "AND".

30 Page 5, line 26, strike "OFFICE." and substitute "DIRECTOR; AND
31 (III) A DESIGNATION OF THE RESPONSIBLE PARTY WHO IS THE
32 AGENT FOR THE LICENSEE FOR ALL COMMUNICATIONS WITH THE
33 DIRECTOR."



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- 11 Page 5. . . fantasy. "
- 1 Page 5, line 27, strike "AN APPLICANT IS NOT" and substitute "(a) AN
- 2 APPLICANT MAY NOT BE".
- 3 Page 6, line 1, strike "ANY OF THE FOLLOWING" and substitute "THE
- 4 APPLICANT OR ANY OF ITS OFFICERS, DIRECTORS, OR GENERAL PARTNERS".
- 5 Page 6, line 3, strike "FELONY:" and substitute "FELONY.".
- 6 Page 6, strike lines 4 through 8 and substitute:
- 7 "(b) THE DIRECTOR IS GOVERNED BY SECTION 24-5-101, C.R.S., IN
- 8 CONSIDERING THE CONVICTION OR PLEA OF NOLO CONTENDERE TO A
- 9 FELONY FOR ANY INDIVIDUAL SUBJECT TO A CRIMINAL HISTORY RECORD
- 10 CHECK PURSUANT TO SUBSECTION (4) OF THIS SECTION.".
- 11 Page 6, line 10, strike "APPLICANT" and substitute "APPLICANT AND ITS
- 12 OFFICERS, DIRECTORS, AND GENERAL PARTNERS".
- 13 Page 6, lines 11 and 12, strike "THE OFFICE. THE OFFICE SHALL SUBMIT
- 14 THE FINGERPRINTS TO".
- 15 Page 6, line 17, strike "OFFICE" and substitute "DIRECTOR".
- 16 Page 6, lines 18 and 19, strike "AN APPLICANT OR A LICENSE HOLDER" and
- 17 substitute "A PERSON".
- 18 Page 6, line 21, strike "AN APPLICANT" and substitute "A PERSON".
- 19 Page 6, line 23, strike "OFFICE" and substitute "DIRECTOR".
- 20 Page 6, line 27, strike "OFFICE" and substitute "DIRECTOR".
- 21 Page 7, line 16, strike "OPERATOR" and substitute "OPERATOR, INCLUDING
- 22 A SMALL FANTASY CONTEST OPERATOR,".
- 23 Page 7, line 19, strike "OPERATOR," and substitute "OPERATOR, INCLUDING
- 24 A SMALL FANTASY CONTEST OPERATOR,".
- 25 Page 7, strike lines 26 and 27.
- 26 Reletter succeeding paragraphs accordingly.

- 1 Page 8, line 12, strike "OPERATOR;" and substitute "OPERATOR, INCLUDING
2 A SMALL FANTASY CONTEST OPERATOR;".
- 3 Page 8, line 14, strike "CONTEST AND" and substitute "CONTEST,".
- 4 Page 8, line 16, strike "NUMBER;" and substitute "NUMBER, AND, IN ANY
5 CONTEST INVOLVING AT LEAST ONE HUNDRED ONE ENTRIES, NOT ALLOW
6 A PLAYER TO SUBMIT MORE THAN THE LESSER OF THREE PERCENT OF ALL
7 ENTRIES OR ONE HUNDRED FIFTY ENTRIES;".
- 8 Page 8, line 22, strike "ACCOUNTS." and substitute "ACCOUNTS;
9 (h) DISTINGUISH HIGHLY EXPERIENCED PLAYERS AND BEGINNER
10 PLAYERS AND ENSURE THAT HIGHLY EXPERIENCED PLAYERS ARE
11 CONSPICUOUSLY IDENTIFIED AS SUCH TO ALL PLAYERS;
12 (i) PROHIBIT THE USE OF SCRIPTS IN FANTASY CONTESTS THAT GIVE
13 A PLAYER AN UNFAIR ADVANTAGE OVER OTHER PLAYERS AND MAKE ALL
14 AUTHORIZED SCRIPTS READILY AVAILABLE TO ALL FANTASY CONTEST
15 PLAYERS;
16 (j) CLEARLY AND CONSPICUOUSLY DISCLOSE ALL RULES THAT
17 GOVERN ITS CONTESTS, INCLUDING THE MATERIAL TERMS OF EACH
18 PROMOTIONAL OFFER AT THE TIME THE OFFER IS ADVERTISED; AND
19 (k) USE TECHNOLOGICALLY REASONABLE MEASURES TO LIMIT
20 EACH FANTASY CONTEST PLAYER TO ONE ACTIVE ACCOUNT WITH THAT
21 OPERATOR.".
- 22 Page 9, line 2, strike "OFFICE." and substitute "DIRECTOR.".
- 23 Page 9, line 8, strike "OFFICE" and substitute "DIRECTOR".
- 24 Page 10, line 8, strike "LICENSURE." and substitute "LICENSURE OR
25 OTHERWISE IN OPERATING OR OFFERING TO OPERATE A FANTASY CONTEST.
26 (2) IF IT APPEARS TO THE DIRECTOR, BASED UPON CREDIBLE
27 EVIDENCE AS PRESENTED IN A WRITTEN COMPLAINT, THAT A PERSON IS
28 OPERATING OR OFFERING TO OPERATE A FANTASY CONTEST WITHOUT
29 HAVING OBTAINED A LICENSE, THE DIRECTOR MAY ISSUE AN ORDER TO
30 CEASE AND DESIST THE ACTIVITY. THE DIRECTOR SHALL SET FORTH IN THE
31 ORDER THE STATUTES AND RULES ALLEGED TO HAVE BEEN VIOLATED, THE
32 FACTS ALLEGED TO HAVE CONSTITUTED THE VIOLATION, AND THE
33 REQUIREMENT THAT ALL UNLICENSED PRACTICES IMMEDIATELY CEASE.
34 WITHIN TEN DAYS AFTER SERVICE OF THE ORDER TO CEASE AND DESIST
35 PURSUANT TO THIS SUBSECTION (2), THE PERSON MAY REQUEST A HEARING



1 ON THE QUESTION OF WHETHER ACTS OR PRACTICES IN VIOLATION OF THIS
2 ARTICLE HAVE OCCURRED. THE HEARING SHALL BE CONDUCTED PURSUANT
3 TO SECTION 24-4-105, C.R.S."

4 Page 10, line 9, strike "penalties. A" and substitute "fines. IN ADDITION
5 TO ANY OTHER REMEDY PROVIDED BY LAW, A".

6 Page 10, line 11, strike "PENALTY" and substitute "FINE".

7 Page 10, line 13, strike "OFFICE" and substitute "DIRECTOR".

8 Page 10, line 14, strike "PENALTY." and substitute "FINE.

9 **12-15.5-111. Applicability.** THIS ARTICLE APPLIES TO CONDUCT
10 OCCURRING ON OR AFTER JULY 1, 2017."

11 Page 10, strike lines 15 through 19 and substitute:

12 **"SECTION 2. Act subject to petition - effective date -**
13 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
14 the expiration of the ninety-day period after final adjournment of the
15 general assembly (August 10, 2016, if adjournment sine die is on May 11,
16 2016); except that, if a referendum petition is filed pursuant to section 1
17 (3) of article V of the state constitution against this act or an item, section,
18 or part of this act within such period, then the act, item, section, or part
19 will not take effect unless approved by the people at the general election
20 to be held in November 2016 and, in such case, will take effect on the
21 date of the official declaration of the vote thereon by the governor.

22 (2) This act applies to conduct occurring on or after July 1, 2017."

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