

1 TO THE HONORABLE SENATE:

2 The Committee on Finance to which was referred Senate Bill No. 136
3 entitled “An act relating to miscellaneous consumer protection provisions”
4 respectfully reports that it has considered the same and recommends that the
5 bill be amended as follows:

6 First: In Sec. 3, 9 V.S.A. chapter 116, in § 4185, by adding two new
7 subdivisions to be (6) and (7) to read:

8 (6) “Net fantasy sports contest revenues” means the amount equal to the
9 total of all entry fees that a fantasy sports operator collects from all fantasy
10 sports players, less the total of all sums paid out as winnings to all fantasy
11 sports players, multiplied by the location percentage for Vermont.

12 (7) “Location percentage” mean the percentage, rounded to the nearest
13 tenth of a percent, of the total of all entry fees collected from fantasy sports
14 players located in Vermont, divided by the total entry fees collected from all
15 fantasy sports players in fantasy sports contests.

16 Second: In Sec. 3, 9 V.S.A. chapter 116, by striking out sections
17 4188–4190 in their entirety and inserting in lieu thereof new sections
18 4188–4190 to read:

19 § 4188. EXEMPTION

20 The provisions of 13 V.S.A. chapter 51, relating to gambling and lotteries,
21 shall not apply to a fantasy sports contest.

1 § 4189. ANNUAL REGISTRATION

2 In addition to applicable requirements under Titles 11–11C for a business
3 organization to register with the Secretary of State, a fantasy sports operator
4 that offers one or more fantasy sports contests to consumers in this State shall
5 register with the Secretary of State on a form adopted for that purpose and pay
6 an annual \$250.00 registration fee on or before July 1 of each year.

7 § 4190. ENFORCEMENT

8 (a) A person that violates a provision of this chapter commits an unfair and
9 deceptive act in commerce in violation of section 2453 of this title.

10 (b) The Attorney General has the authority to adopt rules to implement the
11 provisions of this chapter and to conduct civil investigations, enter into
12 assurances of discontinuance, and bring civil actions as provided under
13 chapter 63, subchapter 1 of this title.

14 Third: By inserting a Sec. 3a to read:

15 Sec. 3a. 32 V.S.A. § chapter 221 is added to read:

16 CHAPTER 221. FANTASY SPORTS

17 § 9001. DEFINITIONS

18 The terms used in this chapter shall have the same mean as the terms
19 defined in 9 V.S.A. chapter 116.

1 § 9002. TAX IMPOSED

2 A fantasy sports operator shall annually pay six percent of its annual net
3 fantasy sports contest revenue to the Department of Taxes for deposit in the
4 General Fund. The tax shall be on annual net fantasy sports contest revenue
5 for each calendar year. To the extent it does not conflict with the terms of this
6 chapter, the tax imposed by this section shall be implemented under the
7 administrative and appeal provisions related to Vermont’s personal income tax
8 under chapter 151 of this title.

9 § 9003. RETURNS

10 Any person liable for the tax imposed by this chapter shall, on or before the
11 15th day of March, return to the Commissioner under oath of a person with
12 legal authority to bind the fantasy sports operator a statement containing its
13 name and place of business, its net fantasy sports contest revenues for the
14 preceding year, and any other information required by the Commissioner,
15 along with the tax due for the prior calendar year.

16 § 9004. PENALTIES

17 (a) Any person subject to the provisions of this chapter who fails to pay the
18 tax imposed by this chapter by the date that payment is due or fails to submit a
19 return as required by this chapter is subject to the provisions of section 3202 of
20 this title.

1 (b) A person that violates a provision of this chapter commits an unfair and
2 deceptive act in commerce in violation of 9 V.S.A. § 2453.

3 Fourth: By striking out Sec. 4 (effective date) in its entirety, and inserting
4 in lieu thereof the following:

5 Sec. 4. EFFECTIVE DATES

6 This act shall take effect on July 1, 2017, except Sec. 3a, which shall take
7 effect on January 1, 2018 and apply to calendar year 2018 and after.

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14 (Committee vote: _____)

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Senator _____

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FOR THE COMMITTEE