

House committee hears testimony on daily fantasy sports

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AUSTIN—An attorney general’s opinion declaring daily fantasy sports an unlawful expansion of gambling did not prevent a House committee from hearing testimony on a bill to legalize it in Texas.

The House Licensing and Administrative Procedures Committee held an April 3 hearing on [HB 1457](#). The measure, introduced by Rep. Richard Peña Raymond, D-Laredo, has eight sponsors in the House of Representatives.

Last year, Texas Attorney General Ken Paxton issued an [opinion](#) ruling paid daily fantasy sports violate Texas prohibitions on games of chance.

“The attorney general got it right,” said Rob Kohler, consultant with the Texas Baptist Christian Life Commission. “We hope members of the House will recognize this as an expansion of gambling, and that would require a constitutional amendment.”

Daily fantasy sports sites permit players to pay a fee to enter a game in which they create a fantasy sports team using real professional athletes. The athletes’ performance in various statistical categories determines how a fantasy league team fares. The fantasy player wins or loses money accordingly, with the sponsor site claiming a percentage.

“Simply put, it is prohibited gambling in Texas if you bet on the performance of a participant in a sporting event and the house takes a cut,” Paxton said.

Opponents of the measure drew a sharp distinction between season-long recreational fantasy leagues—a social activity in which little or no money changes hands—and daily fantasy sports, a huge commercial operation.

Advocates of daily fantasy sports emphasize the skill involved in selecting players.

“If you don’t think fantasy football is a game of skill, then you haven’t played it,” Raymond told the [Texas Tribune](#).

However, in Texas, unlike some other states, chance does not have to predominate over skill in order for an activity to be defined as gambling.

“It is beyond reasonable dispute that daily fantasy leagues involve an element of chance regarding how a selected player will perform on game day,” Paxton said—a point Rodger Weems, chair of the Texas chapter of Stop Predatory Gambling, emphasized in his testimony before the House committee.

“This is a high-stakes shell game,” Weems he said.

Furthermore, permitting daily fantasy sports leagues to operate in Texas would open the door to other illegal gambling, he added.

“This will come back to bite you,” he predicted.