

ONE HUNDRED FOURTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**

COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6115

Majority (202) 225-2927  
Minority (202) 225-3641

October 22, 2015

Mr. Nigel Eccles  
Chief Executive Officer  
FanDuel, Inc.  
19 Union Square West  
9th Floor  
New York, NY 10003

Dear Mr. Eccles:

Last month, I called on the Committee on Energy and Commerce to hold hearings to examine the relationship between professional sports and fantasy sports to review the legal status of fantasy sports and sports betting. The deep involvement of professional sports with daily fantasy sports raises questions about whether these practices are truly distinguishable from prohibited sports betting and other forms of gambling.

Twenty-eight National Football League (NFL) teams and the NFL Players Association have formalized sponsorship deals with daily fantasy sports operators.<sup>1</sup> But the NFL is the only major U.S. sports league that has not barred its athletes from participating in daily fantasy games within in its sport. It has been reported, however, that NFL players and personnel cannot “accept prizes with a value in excess of Two Hundred Fifty Dollars (\$250) in any fantasy football game.”<sup>2</sup>

At the same time, Major League Baseball (MLB), the National Basketball Association (NBA), and the National Hockey League (NHL) prohibit their players from participating in daily

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<sup>1</sup> Legal Sports Report, *DFS Partnership/Sponsorship Tracker* (accessed Oct. 21, 2015).

<sup>2</sup> *NFL Players Can Play Daily Fantasy, They Just Can't Win Much*, NBC Sports (Sept. 29, 2015). See also *The NFL's Embrace of Daily Fantasy Sports is Beyond Hypocritical*, Forbes (Sept. 29, 2015); *NFL Players Will Make a Lot of Money as Daily-Fantasy Pitchmen, But Not a Lot of Money Playing It*, Washington Post (Sept. 29, 2015).

fantasy games within their respective sports.<sup>3</sup> The National Collegiate Athletic Association (NCAA) also prohibits its athletes from wagering on daily fantasy sports.<sup>4</sup>

According to an October 20, 2015, New York Times article, the NCAA has taken specific steps to “distance itself from daily fantasy sports websites” and “opposes the websites’ offering of fantasy contests based on college sports because it considers them gambling.”<sup>5</sup> The NCAA wrote to both FanDuel and Draft Kings to ask that they stop offering fantasy games based on college sports.

The article further explains that DraftKings and FanDuel will provide NCAA with information about whether NCAA-connected individuals are participating in their contests. To comply with the NCAA request, the NFL’s prize limits, and the other leagues’ prohibition policies, your company must have a system in place that tracks information about the participants. Therefore, please answer the following questions:

1. Please provide a detailed explanation as to how your company informs the sports leagues (i.e., NCAA, NFL, NBA, NHL, and MLB) about participation so that the leagues can enforce their internal policies.
  - a. Please describe in detail how all participants are tracked on your website.
  - b. For each sports league, explain in detail the process by which your company helps that league verify compliance with its fantasy sports policy. Do each of these leagues provide your company with a list of league and team personnel from which to cross-check your system? If not, what is the alternative process?
  - c. Explain in detail the process by which your company provides the NFL with information regarding prizes won by NFL and team personnel so that the NFL can determine whether they have accepted prizes over \$250.
2. For each of the following NFL and team personnel who have participated in paid daily fantasy sports games within the past 12 months, please provide the name, total amount of entry fees paid in the past 12 months, and total winnings earned in the past 12 months.
  - a. Players
  - b. Referees and other game officials, including replay officials
  - c. Coaches
  - d. Trainers and other medical staff

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<sup>3</sup> *MLB, NBA, and NHL Players Cannot Play Daily Fantasy; NFL Takes Position It’s Not an Issue*, The Big Lead (Apr. 10, 2015).

<sup>4</sup> *N.C.A.A. Distances Itself from Daily Fantasy Websites*, New York Times (Oct. 20, 2015).

<sup>5</sup> *Id.*

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e. Team management, including owners

The Committee has a long history of working with confidential and classified material in a sensitive manner, and we are happy to work with you and your staff to ensure that this is the case in this investigation. I ask that you provide a response no later than October 30, 2015. Please contact Jeff Carroll at (202) 225-3641 if you have any questions.

Sincerely,



Frank Pallone, Jr.  
Ranking Member