

SECTION-BY-SECTION SUMMARY OF DISCUSSION DRAFT

Section 1. Short Title

Section 1 provides that the short title of the bill is the “Gaming Accountability and Modernization Enhancement Act” or the “GAME Act.”

Section 2. No Federal Liability for Gaming Activity Lawful Under State Law

Section 2(a) provides that a person or governmental entity is not criminally or civilly liable under federal law for engaging in gaming activity that is legal under state law.

Section 2(b) provides that section 2(a) does not apply unless the law of the state also provides for certain consumer protections. Such consumer protections include requirements for licensing or certification, transparency and integrity, age and location verification, appropriate tax collection, and privacy and data security as well as safeguards against crime and compulsive play. The consumer protections must also include a method of consumer redress for consumers affected by noncompliance with these consumer protections.

Section 2(c) requires that a gaming facility that accepts bets or wagers from people in more than one state submit to the Federal Trade Commission (FTC) a description of how the gaming facility complies with each of the consumer protections described in section 2(b) in each state in which it operates.

Section 3. Use of Credit Card to Verify Age Prohibited

Section 3 makes it unlawful for any person to accept a credit card payment as a method of age verification for placing any bet or wager.

Section 4. Enforcement

Section 4 provides for enforcement by the FTC or state attorneys general and establishes that a violation of sections 2(c) or 3 shall be treated as an unfair or deceptive act or practice in violation of a regulation under section 18 of the FTC Act. It also allows the FTC to promulgate rules to implement sections 2(c) and 3.

Section 5. Gambling Addiction Prevention and Treatment

Section 5(a) amends the Public Health Service Act to give the Secretary of Health and Human Services the authority to establish and implement programs for prevention and treatment of gambling addiction.

Section 5(b) permits the Secretary to establish a Gambling Addiction Research Advisory Committee within the National Institutes of Health to coordinate research conducted or supported by the Department of Health and Human Services on gambling addiction. The Committee, if established, must include representatives of the National Institute on Drug Abuse,

the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, the Indian Health Service, the Substance Abuse and Mental Health Services Administration, and the Centers for Disease Control and Prevention.

Section 5(c) requires the Centers for Disease Control and Prevention to set up a surveillance system for gambling addiction.

Section 6. Definitions

Section 6 contains the definitions that apply to the Act, including the following:

The discussion draft defines “bet or wager” to mean the risking of something of value, including virtual currency or virtual items, upon the outcome of a contest of others, a sporting event, or a game of skill or a game of chance, on the expectation that the person will receive something of value in the event of a certain outcome. The term includes participation in lotteries, sports betting, and participation in fantasy sports and fantasy e-sports.

The draft defines “gaming facility” as physical locations for betting or wagering as well as websites and apps used for betting or wagering.

Section 7. Effect on Other Law

Section 7 provides that nothing in this Act shall be construed to have any effect on state law or tribal-state compacts relating to gambling, the Indian Gaming Regulatory Act, the Illegal Gambling Business Act, or the Interstate Horse Racing Act.

Section 8. Repeal

Section 8 repeals the Professional and Amateur Sports Protection Act.