

Congress of the United States
Washington, DC 20510

November 10, 2015

Edith Ramirez
Chairwoman
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Dear Chairwoman Ramirez:

Thank you for your response to our October 6, 2015, letter regarding possible use of nonpublic information by employees of FanDuel and DraftKings. We appreciate your acknowledgment that the Federal Trade Commission (FTC) has the investigative and enforcement authority to take action for unfair or deceptive practices in the context of daily fantasy sports websites. We understand that the FTC cannot comment on pending investigations, but we urge you to use all available tools to ensure that consumers are protected in this space.

You stated in your response that you do not believe that additional regulations or legislation is necessary. It is clear, however, that new proactive consumer protections should be considered. And the industry's attempt to establish a self-regulatory scheme through the recently announced Fantasy Sports Control Agency is simply not enough. In fact, just days after that announcement, FanDuel CEO Nigel Eccles sent a letter to customers last week asserting that fantasy sports "needs strong, common sense, enforceable consumer protection requirements" for its own success as well as for the welfare of consumers. And the commissioners of the National Football League, Major League Baseball, and the National Basketball Association, have agreed that daily fantasy sports games need regulations. While traditional gambling establishments are highly regulated through both state and federal law and online gambling and sports betting is severely restricted, daily fantasy sports remains completely uncontrolled.

Congressional hearings may lead to a determination that additional regulation is needed. As the FTC is charged with the broad mission of protecting consumers, we believe that you would be in the best position to promulgate common sense regulations that govern the conduct of daily fantasy sports websites and other organizations, including the professional sports leagues and their personnel, which can materially affect the outcome of these games. Federal regulations could ensure uniform rules governing conduct and could set uniform consumer expectations about these fantasy games.

In preparation for Congressional hearings, we therefore request you specify the powers FTC would need to prescribe regulations in a timely manner and in particular to the agency's expertise, including age verification, compulsive gambling safeguards, privacy protection, data

security, and deceptive advertising practices. Please include necessary changes to general authorities, such as rulemaking under the Administrative Procedure Act, as well as any specific authorities needed to regulate in this context.

As acknowledged in your letter, the sophistication of online fantasy sports contests and the amount of money at stake has increased dramatically. Protecting the American people from harmful unfair and deceptive practices is of critical importance to our society. Thank you for your attention to this matter. If you have any questions, please contact Senator Menendez's Counsel, Andrew Geibel, at (202) 224-4744 or Representative Pallone's Counsel, Lisa Goldman at (202) 226-3400. We look forward to hearing from you.

Sincerely,



Robert Menendez
United States Senator



Frank Pallone
Member of Congress