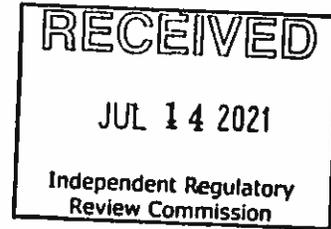


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**EMBARGOED MATERIAL**

July 13, 2021



**Via Electronic Mail to [cwzimmerma@pa.gov](mailto:cwzimmerma@pa.gov)**

Chad Zimmermann, Esquire  
Assistant Chief Counsel  
Pennsylvania Gaming Control Board  
P.O. Box 69060  
Harrisburg, PA 17106

**RE: PA Gaming Control Board Final-Form Regulation #125-234**  
**Section 1408a.3(b)(21)**

Dear Mr. Zimmermann:

As a sports wagering operator licensee which is a subsidiary of a public company, Crown PA Gaming Inc. d/b/a "DraftKings" ("DraftKings") submits this comment to respectfully request that the Independent Regulatory Review Commission ("IRRC") and the Pennsylvania Gaming Control Board ("PGCB") review and reconsider Section 1408a.3(b)(21) of the proposed final-form regulations for sports wagering, which requires the submission of internal controls identifying persons that hold 10% or less of the direct or indirect ownership interest in a certificate holder or sports wagering operator that are also in a position to influence a sporting event.

Public companies can have tens or even hundreds of thousands of shareholders and ownership interests change by the minute as shares are bought and sold. Public companies may not have complete information as to who holds shares at a given time, let alone whether those shareholders are in a position to exert influence over participants in a sporting event. This is particularly the case where there is no minimum threshold at which the analysis applies, such as holding 5% of the direct or indirect ownership in an operator or certificate holder.

Furthermore, the restrictions imposed in Section 1408a.3(b)(21) of the proposed final regulations could be interpreted in a way that is overbroad to achieve the intent of preserving the integrity of the wagering activity. Rather than limiting the restrictions to activities related to the sporting event with which the individual is affiliated, Section 1408a.3(b)(21) can be read to broadly prohibit the individual from being a customer of the licensee as to *any* sporting event, and participating in *any* management or operations of



the licensee rather than those directly connected to the relevant sporting event. The impact of this restriction would be felt not only by typical common stockholders, but also by employees and executives of the licensee if they are deemed to have the ability to influence participants in any sporting events.

DraftKings respectfully requests that this regulation be amended to narrow the scope of shareholders to which these restrictions apply, and to modify the restrictions so that they are more narrowly tailored to address the sporting events to which the individual is connected. In the alternative, DraftKings respectfully requests that the PGCB issue guidance with a narrowly tailored interpretation as to the individuals and sporting events to which the restrictions apply and guidelines for how public companies are to satisfy this requirement in the absence of a mechanism to determine a shareholder's ability to influence a sporting event. Thank you for your consideration.

Sincerely,

/s/ Griffin Finan

Griffin Finan, Vice President—Government Affairs, Associate General Counsel  
DraftKings Inc.

cc: Ms. Corinne Brandt, Regulatory Analyst  
Independent Regulatory Review Commission