



State of New Jersey

DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF GAMING ENFORCEMENT
1300 ATLANTIC AVENUE
ATLANTIC CITY, NJ 08401

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November 25, 2025

Pacifico Agnellini, Esq.
Brownstein Hyatt Farber Schreck, LLP
650 New Road, Suite C
Linwood, NJ 08221

Re: Action in Lieu of Complaint

Dear Pacifico Agnellini:

The Division of Gaming Enforcement (“Division”) brings this Action in Lieu of Complaint against Crown NJ Gaming Inc. d/b/a DraftKings (“DraftKings”) concerning non compliance with N.J. Const. art. IV, §7, ¶2, *N.J.S.A. 5:12A-10*, *N.J.A.C. 13:69N-1.3(e)*, *N.J.A.C. 13:69N-1.9(k)(7)*, *N.J.A.C. 13:69N-1.9(n)*, *N.J.A.C. 13:69N-1.9(q)*, *N.J.A.C. 13:69N-1.11(c)(1)*, and *N.J.A.C. 13:69N-1.11(c)(4)* in that it failed to prevent the acceptance of wagers on prohibited sports events, offered a market for wagering that included an incorrect participant, and accepted past-posted wagers.

In August 2021, DraftKings accepted wagers on a National Collegiate Athletic Association (“NCAA”) football market entitled, “Season Win Totals,” which included statistics from Rutgers University which is located in New Jersey. After identifying the error, DraftKings removed the market, voided the wagers, and refunded the stakes to the patrons who had placed wagers.

In April 2024 and May 2024, DraftKings accepted wagers on the Connecticut Suns, a Women’s National Basketball Association team. DraftKings was prohibited from accepting wagers on the Connecticut Suns pursuant to *N.J.A.C. 13:69N-1.3(e)*. After identifying the error, DraftKings voided the wagers and returned the stakes to the patrons.

In November 2024, DraftKings accepted wagers on republished NCAA Women’s Volleyball markets. DraftKings failed to prevent the reopening of the markets for the NCAA women’s volleyball games which had concluded on the previous day.

In June 2024, DraftKings accepted wagers on markets for the F1 Austrian Grand Prix that included an incorrect participant. Specifically, the participant was listed by a misspelled name. All wagers were voided, and the patrons’ bets were refunded.

In August 2024, a soccer match was abandoned after the first half of the match had been completed. The second half of the match was then scheduled to resume in November 2024. Despite



these facts, in November 2024, DraftKings accepted wagers on the first half of the soccer match that had already occurred in August 2024; the markets published by DraftKings in November 2024 included first half markets, thereby allowing patrons to place wagers on outcomes that were already known. DraftKings therefore accepted past-posted wagers. Several of the past-posted wagers were parlays that lost due to containing losing legs and the remaining straight wagers were voided.

N.J. Const. art. IV, §7, ¶2 explicitly prohibits wagering on a sport or athletic event in which any New Jersey college team participates regardless of where the event takes place. Moreover, *N.J.S.A. 5:12A-10* defines a “prohibited event” as “any collegiate sport or athletic event that takes place in New Jersey or a sport or athletic event in which any New Jersey college team participates regardless of where the event takes place. Additionally, *N.J.A.C. 13:69N-1.9(k)(7)* provides that, “A sports pool system shall be capable of...preventing the acceptance of wagers on prohibited sports events.” Moreover, *N.J.A.C. 13:69N-1.11(c)(4)* provides that “a wagering operator shall only accept wagers on wagering events for which the event is conducted in conformity with all applicable laws.” Furthermore, *N.J.A.C. 13:69N-1.3(e)* prohibits “any person who is a direct or indirect legal or beneficial owner of 10 percent or greater of a sports governing body or any of its member teams” from accepting wagers on “a sports event in which any member team of that sports governing body participates.” Additionally, *N.J.A.C. 13:69N-1.9(n)* requires that sports pool systems “shall prevent past posting of wagers and the voiding or cancellation of wagers after the outcome of an event is known.” Moreover, *N.J.A.C. 13:69N-1.9(q)* requires that a sports pool system shall “have controls in place to review the accuracy and timeliness of any data feeds used to offer or settle wagers.” Finally, *N.J.A.C. 13:69N-1.11(c)(1)* provides that, “a wagering operator shall only accept wagers on wagering events for which...the outcome can be verified.” Based upon these incidents, DraftKings violated these regulations by failing to prevent the acceptance of wagers on prohibited sports events, offering a market for wagering that included an incorrect participant, and accepting past-posted wagers. These failures are not only problematic and unacceptable, but they also violate the policies of the Casino Control Act, *N.J.S.A. 5:12-1 et seq.*

The Division therefore accepts the offer of DraftKings to render a civil monetary penalty in the total amount of \$32,500. Additionally, DraftKings shall submit a remedial action plan setting forth the manner in which it will prevent the reoccurrence of similar republishing errors within five business days of the date of this Action in Lieu of Complaint. While the Division agrees that it will not institute further regulatory action beyond this Action in Lieu of Complaint based on the above-described matters, any additional violations of N.J. Const. art. IV, §7, ¶2, *N.J.S.A. 5:12A-10*, *N.J.A.C. 13:69N-1.3(e)*, *N.J.A.C. 13:69N-1.9(k)(7)*, *N.J.A.C. 13:69N-1.9(n)*, *N.J.A.C. 13:69N-1.9(q)*, *N.J.A.C. 13:69N-1.11(c)(1)*, and *N.J.A.C. 13:69N-1.11(c)(4)*, no matter how de minimis, will result in further disciplinary action by the Division.

Sincerely,

Mary Jo Flaherty
Interim Director

By: *Louis S. Rogacki*

Louis S. Rogacki
Deputy Director