PETION FOR WRIT OF MANDATE AND COMPLAINT FOR INJUNCTIVE RELIEF

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Petitioner Underdog Sports, LLC, d/b/a Underdog Fantasy, pursuant to California Code of Civil Procedure § 1085, petitions this court for a writ of mandate and injunctive relief against Respondents Rob Bonta, in his official capacity as Attorney General of California, and the California Department of Justice, and alleges as follows:

INTRODUCTION

- 1. Fantasy sports are accepted as a ubiquitous part of the sports landscape. Often, the athletes themselves participate in fantasy contests—the Dodgers, for example, hold an annual fantasy football draft that is widely reported on every year. Sports leagues have partnerships with numerous fantasy sports purveyors. Most sports teams have partnerships with fantasy sports platforms. Major brands sponsor fantasy sports contests. And most importantly, more than 60 million people throughout the United States and Canada participate in fantasy sports each year. Tens of millions of Californians have participated in digital fantasy sports contests. Doing so brings people together—fantasy sports are a highly social form of entertainment.
- 2. All fantasy sports are contests of skill. To be successful, contestants must engage in significant research, taking into account statistics, matchups, and all of the other factors that cause teams and athletes to succeed (or fail) across a set of games or throughout a season. Contestants are akin to General Managers of their respective "teams," using their skill and knowledge to outperform the competition. Thus, even in states like California where sports betting is currently illegal, fantasy sports operate lawfully.
- 3. Since 2015, the California Legislature has considered but not enacted legislation to regulate or expand California law to cover certain types of fantasy sports contests. Attorney General Harris was asked to issue an opinion that deemed certain fantasy sports contests unlawful under California law and declined to do so.² On information and belief, Attorney General Becerra was also asked to do so and declined to do so.

¹ Sportsnet LA Staff, *Backstage: Dodgers' fantasy football draft* (Sept. 16, 2023) MyNews13 https://mynews13.com/fl/orlando/sports/2023/09/16/backstage--dodgers--fantasy-football-draft-

² California Attorney General Investigating Daily Fantasy Sports Legality (Nov. 27, 2023) Vixio https://www.vixio.com/insights/gc-california-attorney-general-investigating-daily-fantasy-sports-legality.

- 4. There is no dispute, then, that at present, fantasy sports contests of all kinds are legal in California. In reliance on that understanding, an entire industry of fantasy sports-related businesses operates openly in California. Because of its size, California is an extremely important market for nearly all of these businesses: the State provides a meaningful percentage of their revenue, which in turn has guided corporate policies and practices on a wide range of business activities. It is not a stretch to say that thousands of employees in the industry owe their jobs to the fact that fantasy sports in California is understood to be legal.
- 5. Underdog is a high-growth company that is one of the many that organize fantasy sports contests throughout California. Founded in 2020, Underdog already has millions of customers across the country, more than half a million of whom reside in California. Underdog has more than 500 employees who work daily in various roles to facilitate its contests. Underdog depends on access to the capital markets to raise funds. It also must depend on a wide network of service providers and vendors to make its business work. These service providers and vendors, from app stores to payment processors, are multinational corporations who can quickly end Underdog's business by denying them access to customers or denying customers access to their funds.
- 6. Despite the enduring popularity of fantasy sports and the significance of fantasy sports to the economy, Underdog and its competitors in California face an imminent, existential threat. "Within a matter of days"—and no later than July 3—California Attorney General Rob Bonta plans to issue an opinion finding that certain fantasy contests, which he deems counterfactually to be "daily fantasy sports" (or "DFS"), are prohibited under California law.³
- 7. The opinion, which Bonta's predecessors declined to issue, will satisfy only one constituency, a small handful of the powerful tribes that maintain a monopoly on gaming in the State. On information and belief, the tribes have met numerous times with Attorney General Bonta and his representatives and lobbied for the opinion to be issued.

³ Zavala, *Online fantasy sports platforms may soon be illegal in California* (Jun. 25, 2025) KCRA https://www.kcra.com/article/online-fantasy-sports-platforms-california/65196468.

8. If issued, the opinion will poison a thriving industry that serves millions of Californians. It will cast a legal cloud over the companies that organize digital fantasy sport contests and deter the businesses who make those contests possible by processing payments, hosting the platforms that Californians use to participate in digital fantasy sports, and providing critical financing. In short, it will cost jobs, squander investments, and deprive Californians of an activity that millions enjoy.

- 9. But the opinion should never be issued because doing so would violate clear statutory constraints on the Attorney General's authority to issue the opinion. The source of that authority is California Government Code § 12519, which authorizes the Attorney General to issue written opinions in response to requests from certain state officials. The scope of those opinions, however, is limited to pure legal questions ("any question of law") that "relat[e]" to the office of the requesting official. Gov. Code, § 12519. Moreover, the Attorney General must "give" the opinion "to" the particular public official who "requested" it. *Id.* The Attorney General himself states in published guidelines and on his website that these constraints bound the scope of his opinion authority—*i.e.*, that he "declines requests under section 12519 that do not satisfy these ... statutory criteria." Indeed, the Attorney General has confirmed that "[r]equests that require factual investigations or that would require the resolution of a factual dispute are declined."
- 10. None of the conditions that Section 12519 imposes are met here. Whether a particular fantasy sports contest—much less a collection of different fantasy sports contests, all under the umbrella of DFS—is prohibited under California law necessarily is a factual question that is improper for an Attorney General opinion. That is because answering the question requires a careful factual assessment of both the relative role of skill and chance in DFS contests and the differences among the many kinds of contests that are often considered to fall within the meaning of DFS. Notably, the Attorney General has engaged in a factual inquiry in preparing the opinion.

⁴ Bonta, Guidelines Regarding Attorney General Opinions Under Government Code Section 12519 (2022), *available at* https://oag.ca.gov/system/files/media/ag-opinion-guidelines.pdf.

⁵ Legal Opinions of the Attorney General - Frequently Asked Questions CA OAG https://oag.ca.gov/opinions/faqs [as of June 29, 2025] ("Legal Opinion FAQs").

- 11. Moreover, the request for an opinion on the legality of DFS does not relate to the office of the official who requested it. The request did not come from a state or local official charged with enforcing California's gaming laws—*i.e.*, someone with executive responsibility—but rather from a legislator, then-State Senator Scott Wilk, who is no longer even in office to receive the opinion. A request about whether particular conduct violates the law is not a legislative inquiry; it is an executive one. This case illustrates the danger of conflating the two: a former state senator, with a political interest in stifling the digital fantasy sports industry, is on the verge of coopting the executive branch to achieve his goal.
- 12. Because the Attorney General has a clear duty not to accept a request for, and not to issue, an opinion that raises a non-legal question, much less one submitted by a (now former) state legislator stepping outside his legislative lane, this Court should issue the requested writ of mandate prohibiting the Attorney General from issuing an opinion that responds to then-Senator Wilk's request and should issue an injunction enforcing that prohibition. Moreover, because Underdog faces imminent irreparable harm if the Attorney General proceeds with issuance of the opinion, this Court should expeditiously issue a temporary restraining order prohibiting the Attorney General from issuing an opinion that responds to the request or that otherwise addresses the legality of digital fantasy sports platforms under California law.

THE PARTIES

A. <u>Petitioner</u>

- 13. Petitioner Underdog Sports, LLC, d/b/a Underdog Fantasy ("Underdog"), is a digital sports fantasy company organized and existing under the laws of the State of Delaware with its principal place of business at 150 Waterbury Street, Brooklyn, New York, 11206.
- 14. Underdog offers fantasy sports in California and in states across the country. Underdog has been operating in California since 2020. Underdog currently has more than a half-million active users in the state of California and employs more than 70 employees across the state.

B. Respondents

15. Respondent Rob Bonta is the Attorney General of California. He is the "chief law officer of the State." Cal. Const., art. V, § 13. Attorney General Bonta is a resident of California,

and his principal place of business is 1300 I Street, Sacramento, California. At all relevant times, Attorney General Bonta, as well as those subject to his supervision, direction, or control, are and will be acting under color of state law. He is sued in his official capacity.

16. Respondent California Department of Justice is a department in the California executive branch under the leadership of the California Attorney General. It is headquartered in Sacramento, California.

JURISDICTION AND VENUE

- 17. This Court has jurisdiction over the matters alleged in this Complaint pursuant to Code of Civil Procedure sections 1085 and 1086.
- 18. Venue for this action properly lies in the Superior Court for the State of California, County of Sacramento, pursuant to Code of Civil Procedure sections 393.

STANDING

- 19. Underdog is a "beneficially interested" party in this dispute. *Doe v. Albany Unified Sch. Dist.* (2010) 190 Cal.App.4th 668, 682 [118 Cal.Rptr.3d 507, 518] (citing Code Civ. Proc., § 1086)). Underdog, a digital sports fantasy company, has a "special interest to be served" in the Attorney General's decision to issue an opinion in response to a request about whether California law prohibits DFS platforms. *Save the Plastic Bag Coal. v. City of Manhattan Beach* (2011) 52 Cal.4th 155, 165 [127 Cal.Rptr.3d 710, 717]. Because the Attorney General's issuance of the opinion will have "direct and substantial" consequences for Underdog's business and the future of the industry in which it operates, Underdog has a "particular right to be preserved or protected over and above the interest held in common with the public at large." *Id.*
- 20. In addition, the issue implicated in this petition—the Attorney General's compliance with California Government Code § 12519—is "one of public right," and "the object of the mandamus is to procure the enforcement of a public duty." *Save the Plastic Bag*, 52 Cal.4th at 166. The purpose of the petition is the enforcement of the Attorney General's public duty to comply with a law—California Government Code § 12519—that sets out the scope and limits of his official responsibilities with respect to giving opinions. It is a matter of public right that the Attorney General comply with such limits. As such, "it is sufficient that [Underdog] is interested

as a citizen in having the laws executed and the duty in question enforced." *Id.* Factual allegations detailing the harm that Underdog will likely suffer if the opinion is issued are set forth beginning at Paragraph 58.

FACTUAL ALLEGATIONS

On information and belief, and as grounds for their complaint, Petitioner alleges as follows:

A. Underdog and Digital Fantasy Sports Contests

- 21. Underdog was founded in 2020 by veterans of the fantasy sports industry.
- 22. Underdog organizes paid fantasy sports contests in 41 states, the District of Columbia, and parts of Canada. It has applied for and obtained licenses and permits to offer fantasy sports contests in all states where they are required (17). In just five years, Underdog has attracted millions of customers nationwide.
- 23. California is Underdog's largest market by both the number of customers and revenue. Underdog earns a substantial portion of its corporate revenue from its large customer base in the state.
- 24. In California, Underdog operates the Underdog Fantasy mobile application, currently available for customers to download on Apple iOS and Google Play, as well as a website (together, "Underdog Fantasy"). With Underdog Fantasy, Underdog offers customers the opportunity to enter and play a variety of skill-based fantasy sports contests, including daily, weekly, tournament-long, and season-long contests. Underdog charges customers an administrative or entry fee to participate in contests on Underdog Fantasy, just as participants in other contests—from celebrity golf charity events to chess tournaments—are charged when competing for a prize.
- 25. Underdog Fantasy is one of the many ways that millions of Americans participate in digital fantasy sports each year. In 2022, over 60 million people participated in online fantasy sports in the United States and Canada.
- 26. Unlike sports wagering, which involves the placing of bets or wagers on the outcome of a real sporting event, participants in fantasy sports do not bet on the outcome of a specific sporting event, or even bet at all. *See* Pen. Code, § 337a (prohibiting bets and wagers on

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the outcome of a single event or trial). Rather, fantasy sports participants draft and manage virtual rosters of athletes from multiple teams, and they set a lineup with the goal of scoring the highest number of points. The outcome of a fantasy sports contest is determined not by the result of a single sporting event or statistic of a single athlete, but by the collective performance of the fantasy sports roster assembled by the participant. Indeed, Underdog Fantasy prohibits participants from creating a lineup based entirely on a single athlete or athletes from a single sports team.

- Underdog's offerings showcase the range of digital fantasy contests available, and 27. the variety of skill and strategy required of participants in each. For instance, Underdog offers "Best Ball" contests, in which participants participate in a "snake draft" against each other to assemble the highest-scoring roster for a specific slate of games or sport season. These contests are typically tournament-style, in which participants advance in tranches over the course of the contest until a winner is determined. Underdog's "Battle Royale" contests also involve a snake draft among a handful of entrants, but then all entrants compete against each other for the contest period to accumulate the highest score, without a tournament-style advancement component. By comparison, Underdog's individual draft contests are played only among the participants in the same draft, typically 6 or 12 participants, and often involve a limited slate of athletic events (e.g., a day or weekend of NFL football). Underdog also offers "Pick'em" style contests, in which participants select rosters of 2 to 8 (or more athletes) and win by predicting how their athletes will collectively perform in real-world athletic contests. The contest calls for participants to use their knowledge of sports to decide which players to put on their roster and skillfully select the metrics upon which their roster will win or lose.
- 28. Underdog's contests vary widely in duration, from single-day matchups to full sports seasons. Their prizes go from just a few dollars to millions of dollars. Contests can have as few as two participants, up to thousands. Their winning criteria also vary. As do the types of real-world sports covered by the contests, which can include anything from the NFL to NASCAR to WNBA and eSports. Other fantasy sports organizers offer even more contest types, including popular salary cap formats.

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- 29. Each of these contests rewards a different set of skills. But regardless of the format of the contest, participants win by relying upon their analytical skills and their understanding of the athletes, the teams, and other factors (e.g., weather, historical dynamics between teams or players, event location). *Cf. People v. Settles* (1938) 29 Cal.App2d Supp. 781 [78 P.2d 274] (holding that, in California, the primary test of whether a game requiring payment for participation constitutes an illegal lottery is whether "chance or skill ... is dominant in determining the result.").
- 30. Statistical and economic experts who have studied fantasy sports contests have concluded that their outcomes turn on the skill of the contestant in assembling the best fantasy roster. See, e.g., Chu, Study: There's real skill in fantasy sports (Nov. 7, 2018) MIT News Office https://news.mit.edu/2018/hosoi-study-skill-fantasy-sports-1107; Bhansali et al., Skill over chance: A comparative study of legal recognition of fantasy sports in India & USA (2024), available https://thedialogue.co/wp-content/uploads/2024/09/Skill-Over-Chance-A- at Comparative-Study.pdf> ("The comprehensive analysis of Indian and American precedents along with the review of statistical studies, ascertain that fantasy sports are games of skill, distinct from betting, gambling, and wagering"); Aishvarya et al., Decision support system for policy-making: Quantifying skill and chance in daily fantasy sports (2024) 182 Decision Support Sys., available at < https://doi.org/10.1016/j.dss.2024.114237 > ("We find that skill plays a dominant role in determining winnability in cricket-based DFS contests."); Bergner, Daily Fantasy Sports: Chance Skill?, or **Bryant** University Honors Thesis (2017),available at https://digitalcommons.bryant.edu/cgi/viewcontent.cgi?params=/context/honors_mathematics/a rticle/1027/&path_info=DailyFantasySports.pdf> ("[T]he statistical tests run on the results show that online daily fantasy sports are games predominantly based off skill").
- 31. Courts that have examined the facts surrounding digital fantasy sports have reached the same conclusion. The Illinois Supreme Court determined that a user's skill "in using their knowledge of statistics and the relevant sport to select a fantasy team that will outperform the opponent" is "always the dominant factor' in head-to-head [daily fantasy sports] contests involving NBA games." *Dew-Becker v. Wu* (Ill. 2020) 178 N.E.3d 1034, 1040. The New York Court of Appeals found "resounding support" for the New York state legislature's determination

skilled players achieve "significantly more success" than unskilled players or players using randomly generated lineups. *White v. Cuomo* (2022) 38 N.Y.3d 209, 223 [192 N.E.3d 300, 313].

32. In all cases, determining whether a fantasy sports contest is permissible under a

that fantasy sports contests are predominantly skill-based, including credible studies showing that

32. In all cases, determining whether a fantasy sports contest is permissible under a state's anti-gaming law requires a factual inquiry that includes an examination of the game itself, its rules, and the games' outcome distribution.

B. The Request for an Opinion on the Legality of DFS in California

- 33. The California Attorney General has authority to issue legal opinions only under limited conditions pursuant to California Government Code § 12519. Section 12519 states that: "The Attorney General shall give the Attorney General's opinion in writing to any Member of the Legislature, the Governor, Lieutenant Governor, Secretary of State, Controller, Treasurer, State Lands Commission, Superintendent of Public Instruction, Insurance Commissioner, any state agency, and any county counsel, district attorney, or sheriff when requested, upon *any question of law relating to their respective offices*." Gov. Code, § 12519 (emphasis added).
- 34. By the terms of § 12519, a legal opinion issued by the Attorney General must address only "question[s] of law," and the Attorney General has separately confirmed that he will not accept any requests for opinions "that require factual investigations or that would require the resolution of a factual dispute." Accordingly, an opinion request that poses a mixed question of law and fact is beyond the appropriate scope of Attorney General opinions because mixed questions require factual investigations to permit "the application of the rule to the facts and the consequent determination whether the rule is satisfied." *People ex rel. City of Com. v. Argumedo* (2018) 28 Cal.App.5th 274, 280 [239 Cal. Rptr. 3d 128, 133].
- 35. A second limit is that the Attorney General "shall give [his] opinion in writing to any Member of the Legislature" who has "requested" the opinion. Gov. Code, § 12519 (emphasis added); see also Guidelines ("Section 12519 directs the Attorney General to provide opinions only to the public officials and agencies listed in the statute, and not to private individuals[.]" (emphasis added)).

⁶ Legal Opinion FAQs, supra note 5.

- 36. The final limit that Section 12519 imposes is that the Attorney General may not accept a request for an opinion when the request is not "relat[ed] to the [requesting official's] office[]." See also Legal Opinion FAQs, supra note 5 ("When it is apparent that there is no connection [to the requesting official's office], the request will be declined.").
- 37. Together, these limits place important constraints on the circumstances in which the State's top law enforcement official can issue blanket opinions about what California law does, or does not, require. Limiting the scope of opinions to "any question of law" ensures that the Attorney General does not prejudge the outcome of any fact-dependent dispute in a setting devoid of procedural protections for the people and businesses affected by his opinions. In other words, it ensures the Attorney General cannot simply brand particular conduct illegal without having the facts, and the factfinding process, necessary to make that determination.
- 38. Similarly, requiring the Attorney General to only give opinions "to" a particular public official, and insisting that the public official's request "relat[e] to their respective office[]," ensures that the Attorney General does not needlessly set down new legal markers. Instead the Attorney General will set out his views only when a need arises in relation to the demands of a particular state official's duties. In the context of requests from Members of the Legislature, this limit preserves the separation of powers by preventing legislators from using an opinion request about a purely executive function to dictate the State's use of executive branch resources. *See* Cal. Const., art. III, § 3 ("The powers of state government are legislative, executive, and judicial. Persons charged with the exercise of one power may not exercise either of the others except as permitted by this Constitution.").
- 39. These limits are particularly important in light of the effect the Attorney General's opinions can have when issued under appropriate circumstances. Although the opinions are not binding, courts often accord them meaningful weight.
- 40. Digital fantasy sports have been offered in California for decades. During that time, to Underdog's knowledge, no law or regulation has barred, and no governmental enforcement action has challenged the legality of digital fantasy sports contests in California.

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- ⁷California Attorney General Investigating Daily Fantasy Sports Legality, supra note 2. ⁸ Legal Opinions of the Attorney General - Monthly Opinion Report CA OAG
- https://oag.ca.gov/opinions/monthly-report [as of June 29, 2025].
- ¹⁰ Zavala, *supra* note 3.
- ¹¹ California Attorney General Investigating Daily Fantasy Sports Legality, supra note 8.

However, on October 5, 2023, then-Senator Scott Wilk submitted a request, under

- 42. The content of the request makes its purpose clear. Then-Senator Wilk contrasts the fact that "sports wagering in all forms remains illegal in California," with the claim that "online daily fantasy sports betting is proliferating." Id. He then expresses his view that "daily fantasy sports appears to be a game of chance not otherwise permitted by the laws of California." *Id.* The aim, then, was plainly to nudge the Attorney General towards finding that the operators of digital fantasy sports contests are breaking the law. That aim was likely consistent with then-Senator Wilk's political interests, given that public reporting indicates that he "has notably been a supporter of tribal gaming backed initiatives in the past."⁷
- 43. The Attorney General accepted the request for an opinion, which is now identified as "pending" on the Attorney General's website as Opinion No. 23-1001, and has been for more than 18 months.8 The opinion has been assigned to a Deputy Attorney General who reports to Defendant Rob Bonta, acting in his official capacity. Media has reported that Assemblyman Lackey, who is currently in office, "took over the effort" when Senator Wilk's term ended and that he has "been following up with the [Department] about the request." ¹⁰ But the Attorney General's website reflects that the original 2023 request from Senator Wilk is the only pending opinion request pertaining to fantasy sports. 11

Id.

44. The question under consideration, according to the Attorney General's website,
uses the same wording as Senator Wilk did in his request—namely, whether "California law
prohibit[s] the offering and operation of daily fantasy sports betting platforms with players
physically located within the State of California, regardless of whether the operators and associated
technology are located within or outside of the State."12 Answering the question posed requires,
at minimum, (1) a detailed factual assessment of the characteristics of different DFS contests, and
(2) an empirical examination of whether skill or chance predominates in each individual DFS
contest offered in the marketplace.

- 45. First, the request requires a careful examination of different DFS fantasy contests because the terminology the request uses—daily fantasy sports betting platforms—does not have a consensus factual, much less legal, definition. There is no agreed upon set of contests that fall under the umbrella of "daily fantasy sports." *See* Declaration of Dustin Cooper ("Cooper Decl.") ¶ 11. And that is in part because the rules and terms of different fantasy contests vary widely.
- 46. Some contests require ongoing management of the participant's roster over the length of a season, whereas others restrict the changes a participant might make to the roster after the initial drafting, necessitating greater upfront research and time investment in creating the initial roster. *Id.* ¶ 8; Gringer Petition Decl., Ex. 2 (Underdog Website Rules). The calculation of which players to draft in a season-long or tournament-format contest will vary wildly from the strategic calculations that go into a short-duration contest. Even within similar sports and formats, the rules for scoring different contests may vary. For example, in one baseball contest, a pitcher's win might be worth 5 points and each strikeout is worth 3; in another, wins are not a factor but WHIP (a metric that assesses a pitcher's walks + hits per inning pitched) and xERA (a pitcher's expected earned run average) are. Like an amateur general manager, a skilled participant must weigh the strengths and weaknesses of multiple players and teams to craft the strongest roster under the specific contest rules. *See* Cooper Decl. ¶ 8.
- 47. The question under consideration for Opinion No. 23-1001, whether "daily fantasy sports" platforms are prohibited, therefore elides the distinctions between the different kinds of

contests that have been labeled "daily fantasy sports" and necessarily requires factual investigation to decide the scope of the opinion's applicability. *See* Opinion Request.

- 48. Second, providing a response to Senator Wilk's request requires an examination of the relative role of skill versus chance across the many different kinds of contests that companies like Underdog offer. Indeed, Senator Wilk highlighted California's prohibition on operating an unlicensed "game of chance" in framing his question for the Attorney General. *Id.*
- 49. When courts have confronted questions about whether specific contests or games are unlawful, they have engaged in factfinding—including by relying on evidence from statistical experts and from participants in the contest or game—to determine whether skill predominates over chance. For example, in *Bell Gardens Bicycle Club v. Department of Justice*, the court considered whether a form of poker called "jackpot poker" was a game of skill or an "illegal lottery." (1995) 36 Cal.App.4th 717, 756 [42 Cal.Rptr.2d 730, 755]. To evaluate this question, the court relied on extensive expert testimony in the record, including from a professional poker player and a statistics professor from U.C. Berkeley. *Id.* at 752. These experts testified about how players of different levels of skill approached the game differently, their personal experiences playing jackpot poker, and computer simulations evaluating the precise likelihood of certain game outcomes. *Id.* at 726-27. In light of this testimony, the court rejected the conclusion "that poker participants win the jackpot prize through skill and not by chance." *Id.* at 753.
- have arisen in other states, courts have carefully weighed the factual evidence about whether the most successful digital fantasy sports players rely on skill or luck to succeed. In *White v. Cuomo*, the Court of Appeals of New York noted that "the legislature's *factual determination* that [interactive fantasy sport] contests are a game of 'skill,' not of 'chance'... and therefore are not 'gambling' has resounding support." *supra*, 38 N.Y.3d 209 at p. 223 (emphasis added). In support of the proposition that "interactive fantasy sport" ("IFS") contests are games of skill, the court cited "[s]tudies show[ing] that skilled players achieve significantly more success in IFS contests and that rosters of skilled human players were more successful in IFS contests than randomly generated lineups over 80% of the time." *Id.* The *White* court also relied on an expert

opinion arguing that "IFS games 'have an inherent and vast character of skill where chance is overwhelmingly immaterial in the probability of winning' and winning a prize in such contests 'strongly depends more on skill than on chance.' In fact, it is now 'widely recognized' that IFS contests are predominately skill-based competitions." *Id.* at 224.

- Similarly, when asked to determine whether certain DFS platforms were legal in Illinois, the state's Supreme Court said the central question it had to answer was "whether head-to-head DFS contests are predominately determined by the skill of the participants in using their knowledge of statistics and the relevant sport to select a fantasy team that will outperform the opponent. Several recent, peer-reviewed studies have established that they are." *Dew-Becker v. Wu., supra,* 178 N.E.3d at p. 1040. The *Wu* court proceeded to cite those peer-reviewed studies and articles in support of its factual determination that "skill is always the dominant factor' in head-to-head DFS contests involving NBA games." *Id.* Indeed, the state Supreme Court rejected the opinion of the state's Attorney General—which had "concluded DFS contests are illegal gambling under Illinois law"—precisely because the opinion had not considered important factual information about the degree to which skill predominates over chance in fantasy sports. *See id.* at 1041.
- 52. Ultimately, the Attorney General cannot determine whether DFS contests are prohibited under California law without *some* consideration and ascertainment of the relevant facts. In other words, at the core of the requested opinion, the Attorney General is being asked "whether the facts satisfy the [relevant legal] standard," which is not a purely legal question. *People v. Uribe* (2011) 199 Cal.App.4th 836, 855 [132 Cal.Rptr.3d 102, 118].
- 53. And indeed, on information and belief, the Attorney General *has* conducted a factual investigation in preparation for issuing the opinion, albeit a limited and flawed one. Specifically, he has received submissions from representatives of the digital fantasy sports industry about the details of different various contests and the degree to which skill predominates over chance; he has considered the specifics of those submissions; and he has discussed facts pertaining to digital fantasy sports with market participants.

54. Upon information and belief, representatives of the Department of Justice have told stakeholders that these submissions have been "helpful" in developing the Attorney General's understanding of the underlying facts as a necessary component in answering the question presented.

C. The Upcoming Publication of the Opinion and Imminent Irreparable Harm

- 55. On June 25, 2025, KCRA reported that "multiple sources" have confirmed that "California Attorney General Rob Bonta is soon expected to deem all online fantasy sports platforms illegal in the state" and that "[w]ithin a matter of days, Bonta is expected to release a legal opinion with more details and why he came to this conclusion." KCRA reports that "the opinion ... could put billions of dollars at risk for the companies that have been operating in the state for a decade."
- 56. The Attorney General's office has confirmed to Underdog's counsel that the opinion will be very broad in its applicability, and that it will find all daily fantasy sports to be illegal under California law. *See* Gringer Decl. ¶¶ 2-4.
- 57. Underdog has a significant interest in preventing the unlawful issuance of a legal opinion that would jeopardize its ability to continue operating in California.
- 58. Specifically, the issuance of the opinion would severely and irreparably impair Underdog's relationships with service providers, business partners, and investors, both in California and nationally. It would also cause many of Underdog's customers in California to withdraw money from their accounts and irreparably damage the Company's reputation and goodwill among its customers in the State. None of these harms would be compensable through monetary damages.
- 59. Indeed, when attorneys general in Texas and Alabama issued a legal opinion or otherwise addressed the legality of daily fantasy sports in their respective states, it forced some daily fantasy sports companies to withdraw all of their paid contests from the states. A

¹³ Zavala, *supra* note 3.

 $^{^{14}}$ Id

representative of Attorney General Bonta has already informed Underdog's counsel that it wishes to achieve the same outcome here. *See* Gringer Decl. ¶ 4.

FIRST CAUSE OF ACTION (WRIT OF MANDATE)

Traditional Mandamus (Code Civ. Proc., § 1085):

Violation of Government Code Section 12519

- 60. Petitioner incorporates paragraphs 1 through 59 as though fully set forth herein.
- 61. A writ of mandate is "the traditional remedy for the failure of a public official to perform a legal duty." *Common Cause v. Board of Supervisors* (1989) 49 Cal.3d 432 [261 Cal.Rptr. 574]. To obtain relief under traditional mandamus, a petitioner must demonstrate "(1) no plain, speedy, and adequate alternative remedy exists; (2) a clear, present, ... ministerial duty on the part of the respondent; and (3) a correlative clear, present and beneficial right in the petitioner to the performance of that duty." *Loeber v. Lakeside Joint Sch. Dist.* (2024) 103 Cal.App.5th 552, 567 [323 Cal.Rptr.3d 18, 30], rev. den. (Sept. 11, 2024) (internal citations and quotations omitted). Underdog meets all three requirements.
- 62. Underdog has no alternative remedy to ensure the Attorney General adheres to the limits of his authority under Section 12519. Absent issuance of the writ and accompanying injunction, Opinion No. 23-1001 will issue and Underdog will suffer irreparable harm.
- 63. A ministerial duty "is an act that a public officer is required to perform in a prescribed manner in obedience to the mandate of legal [duty] and without regard to his own judgment or opinion concerning such act's propriety or impropriety, when a given state of facts exists." *Kavanaugh v. West Sonoma County Union High School Dist.* (2003) 29 Cal.4th 911, 916 [129 Cal.Rptr.2d 811, 814], as mod. (Apr. 16, 2003).
- 64. California Government Code Section 12519 authorizes the Attorney General to "give" an opinion "to" certain state officials (including legislators) when requested, and it prescribes the circumstances in which such opinions can issue—limiting them to "any question of law relating to [the requester's] office[]." The Attorney General has confirmed that these limits in fact restrict the opinions he agrees to issue.¹⁵

¹⁵ See Bonta, supra note 4; Legal Opinion FAQs, supra note 5.

- 65. The Attorney General does not have discretion in adhering to the limits of Section 12519. Although he may have discretion in determining the *contents* of an opinion that he has (lawfully) agreed to write, the threshold determination of whether an opinion request is appropriate under the statute is ministerial.
- 66. Respondents have exceeded their authority under Section 12519 by deciding to accept the request for, and to imminently issue, Opinion No. 23-1001 because (1) the request does not raise a "question of law," (2) the Attorney General cannot "give" the opinion to the "Member of the Legislature" who "requested it," and (3) the request does not "relate[]" to the requesting (former) state senator's "office[]." Gov. Code, § 12519.
- 67. Answering the question whether "California law prohibit[s] the offering and operating of daily fantasy supports betting platforms" requires both an examination of the empirical question whether skill or chance predominates in those contests and a detailed factual assessment of the characteristics of different DFS contests. *See supra* ¶ 29-32; 42-54. The opinion request therefore poses a mixed question of law and fact.
- 68. Courts in California have recognized that "[m]ixed questions of law and fact concern the application of the rule to the facts and the consequent determination whether the rule is satisfied." *People ex rel. City of Com., supra*, 28 Cal.App.5th at p. 280. Even questions that sound "legal" in their framing often are, at their core, mixed. For example, "[w]hether governmental action constituted a taking" is a mixed question of law and fact. *Lafayette Bollinger Dev. LLC v. Town of Moraga* (2023) 93 Cal.App.5th 752, 777 [311 Cal.Rptr.3d 273, 296]. So too are questions about the "establishment of a partnership." *Halperin v. Raville* (1986) 176 Cal. App.3d 765, 772 [222 Cal.Rptr. 350, 354].
- 69. The Attorney General is being asked "whether the facts satisfy the [relevant legal] standard" for prohibited gambling in California, which is a mixed question of law and fact. *People v. Uribe*, *supra*, 199 Cal.App.4th at p. 855. The answer then-Senator Wilk requested is contingent on determining numerous underlying facts. For example, the Attorney General cannot determine whether chance or skill predominates in DFS without actual analysis of the details of different

DFS contests and the degree to which the outcomes of those contests turn on chance versus skill. The Attorney General's efforts to gather facts in preparation for issuing the opinion confirm this.

- 70. California law also limits legal opinions from the Attorney General to requests from officials that "relat[e] to their respective offices." Gov. Code, § 12519. The request made by then-Senator Wilk does not relate to his former legislative office but instead asks California's top law enforcement officer to stake out a position about whether a longstanding business activity in the State is legal. That question goes to the core of executive branch power. *See, e.g., People v. Boyd* (1979) 24 Cal.3d 285, 291 [594 P.2d 484, 487] ("[T]he prosecutorial functions [are] vested in the executive branch").
- 71. In sum, by accepting opinion request No. 23-1001, and deciding to issue the forthcoming opinions, Respondents have violated their ministerial duty to adhere to the limits on their authority under Section 12519.
- 72. Alternatively, a writ of mandate can be used "to correct abuses of discretion." *People for Ethical Operation of Prosecutors etc. v. Spitzer*, 53 Cal. App. 5th 391, 407 (Cal. Ct. App. 2020), *as modified* (Sept. 8, 2020). Respondents have abused their discretion by accepting an opinion request that flouts the key limits on Attorney General authority under § 12519.
- 73. Underdog has a clear, present, and beneficial right to Respondents' adherence to the limits of Section 12519 for all of the reasons it has standing to seek a writ of mandate. *See, e.g., Carsten v. Psychology Examining Com.*, (1980) 27 Cal.3d 793, 796 [166 Cal.Rptr. 844, 846] (considering whether petitioner "lacked standing" on ground that she was "not a 'beneficially interested' party").

SECOND CAUSE OF ACTION (INJUNCTIVE RELIEF)

Injunctive Relief (Code Civ. Proc., § 526)

- 74. Petitioner incorporates paragraphs 1 through 73 as though fully set forth herein.
- 75. Respondents have violated a clear and mandatory duty under California Government Code § 12519 by accepting opinion request No. 23-1001 even though (1) the request does not raise a "question of law" but instead a mixed question of law and fact; and (2) the request does not "relate[]" to the requesting state senator's "office[]."

Attorneys for Petitioner

UNDERDOG SPORTS, LLC, d/b/a Underdog Fantasy

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PETITION FOR WRIT OF MANDATE AND COMPLAINT FOR INJUNCTIVE RELIEF

VERIFICATION

- I, Nicholas G. Green, declare that:
- I am the General Counsel and an officer of Petitioner Underdog Sports, LLC, d/b/a
 Underdog Fantasy.
- 2. I have read the foregoing Verified Petition for Writ of Mandate and Injunctive Relief and know the contents thereof. They are true to the best of my knowledge except those allegations on information and belief, which I believe to be true.
- 3. I declare under penalty of perjury under the laws of California that the foregoing is true and correct.

Executed this 30th day of June, 2025, in Charleston, South Carolina.

By:

Nicholas G. Green

General Counsel

UNDERDOG SPORTS, LLC, d/b/a Underdog Fantasy