

10736

I N A S S E M B L Y

June 14, 2016

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Pretlow) --
read once and referred to the Committee on Racing and Wagering

AN ACT to amend the racing, pari-mutuel wagering and breeding law, in
relation to the registration and regulation of interactive fantasy
sports contests

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. The racing, pari-mutuel wagering and breeding law is
2 amended by adding a new article 14 to read as follows:

3 ARTICLE 14

4 INTERACTIVE FANTASY SPORTS

5 SECTION 1400. LEGISLATIVE FINDINGS AND PURPOSE.

6 1401. DEFINITIONS.

7 1402. REGISTRATION.

8 1403. SCOPE OF REGISTRATION REVIEW.

9 1404. REQUIRED SAFEGUARDS, MINIMUM STANDARDS.

10 1405. POWERS AND DUTIES OF THE COMMISSION.

11 1406. ANNUAL REPORT.

12 1407. STATE TAX.

13 1408. ADDITIONAL REGULATORY COSTS.

14 1409. DISPOSITION OF TAXES.

15 1410. DETERMINATION OF TAX LIABILITY.

16 1411. CONTESTS AUTHORIZED.

17 1412. CONTESTS PROHIBITED.

18 S 1400. LEGISLATIVE FINDINGS AND PURPOSE. 1. THE LEGISLATURE HEREBY
19 FINDS AND DECLARES THAT:

20 (A) INTERACTIVE FANTASY SPORTS ARE NOT GAMES OF CHANCE BECAUSE THEY
21 CONSIST OF FANTASY OR SIMULATION SPORTS GAMES OR CONTESTS IN WHICH THE
22 FANTASY OR SIMULATION SPORTS TEAMS ARE SELECTED BASED UPON THE SKILL AND
23 KNOWLEDGE OF THE PARTICIPANTS AND NOT BASED ON THE CURRENT MEMBERSHIP OF
24 AN ACTUAL TEAM THAT IS A MEMBER OF AN AMATEUR OR PROFESSIONAL SPORTS
25 ORGANIZATION;

26 (B) INTERACTIVE FANTASY SPORTS CONTESTS ARE NOT WAGERS ON FUTURE
27 CONTINGENT EVENTS NOT UNDER THE CONTESTANTS' CONTROL OR INFLUENCE
28 BECAUSE CONTESTANTS HAVE CONTROL OVER WHICH PLAYERS THEY CHOOSE AND THE
29 OUTCOME OF EACH CONTEST IS NOT DEPENDENT UPON THE PERFORMANCE OF ANY ONE
30 PLAYER OR ANY ONE ACTUAL TEAM. THE OUTCOME OF ANY FANTASY SPORTS CONTEST

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 DOES NOT CORRESPOND TO THE OUTCOME OF ANY ONE SPORTING EVENT. INSTEAD,
2 THE OUTCOME DEPENDS ON HOW THE PERFORMANCES OF PARTICIPANTS' FANTASY
3 ROSTER CHOICES COMPARE TO THE PERFORMANCE OF OTHERS' ROSTER CHOICES.

4 2. BASED ON THE FINDINGS IN SUBDIVISION ONE OF THIS SECTION, THE
5 LEGISLATURE DECLARES THAT INTERACTIVE FANTASY SPORTS DO NOT CONSTITUTE
6 GAMBLING IN NEW YORK STATE AS DEFINED IN ARTICLE TWO HUNDRED TWENTY-FIVE
7 OF THE PENAL LAW.

8 3. THE LEGISLATURE FURTHER FINDS THAT AS THE INTERNET HAS BECOME AN
9 INTEGRAL PART OF SOCIETY, AND INTERACTIVE FANTASY SPORTS A MAJOR FORM OF
10 ENTERTAINMENT FOR MANY CONSUMERS, ANY INTERACTIVE FANTASY SPORTS
11 ENFORCEMENT AND REGULATORY STRUCTURE MUST BEGIN FROM THE BEDROCK PREMISE
12 THAT PARTICIPATION IN A LAWFUL AND LICENSED INTERACTIVE FANTASY SPORTS
13 INDUSTRY IS A PRIVILEGE AND NOT A RIGHT, AND THAT REGULATORY OVERSIGHT
14 IS INTENDED TO SAFEGUARD THE INTEGRITY OF THE GAMES AND PARTICIPANTS AND
15 TO ENSURE ACCOUNTABILITY AND THE PUBLIC TRUST.

16 S 1401. DEFINITIONS. AS USED IN THIS ARTICLE, THE FOLLOWING TERMS
17 SHALL HAVE THE FOLLOWING MEANINGS:

18 1. "AUTHORIZED PLAYER" SHALL MEAN AN INDIVIDUAL LOCATED IN NEW YORK
19 STATE, WHO IS NOT A PROHIBITED PLAYER, THAT PARTICIPATES IN AN INTERAC-
20 TIVE FANTASY SPORTS CONTEST OFFERED BY A REGISTRANT.

21 2. "COLLEGIATE SPORT OR ATHLETIC EVENT" SHALL MEAN A SPORT OR ATHLETIC
22 EVENT OFFERED OR SPONSORED BY OR PLAYED IN CONNECTION WITH A PUBLIC OR
23 PRIVATE INSTITUTION THAT OFFERS EDUCATION SERVICES BEYOND THE SECONDARY
24 LEVEL.

25 3. "COMMISSION" SHALL MEAN THE NEW YORK STATE GAMING COMMISSION.

26 4. "ENTRY FEE" SHALL MEAN CASH OR CASH EQUIVALENT THAT IS PAID BY AN
27 AUTHORIZED PLAYER TO AN OPERATOR OR REGISTRANT TO PARTICIPATE IN AN
28 INTERACTIVE FANTASY SPORTS CONTEST OFFERED BY SUCH OPERATOR OR REGIS-
29 TRANT.

30 5. "HIGH SCHOOL SPORT OR ATHLETIC EVENT" SHALL MEAN A SPORT OR ATHLET-
31 IC EVENT OFFERED OR SPONSORED BY OR PLAYED IN CONNECTION WITH A PUBLIC
32 OR PRIVATE INSTITUTION THAT OFFERS EDUCATION SERVICES AT THE SECONDARY
33 LEVEL.

34 6. "HIGHLY EXPERIENCED PLAYER" SHALL MEAN AN AUTHORIZED PLAYER WHO
35 HAS:

36 (A) ENTERED MORE THAN ONE THOUSAND CONTESTS OFFERED BY A SINGLE OPERA-
37 TOR OR REGISTRANT; OR

38 (B) WON MORE THAN THREE PRIZES VALUED AT ONE THOUSAND DOLLARS EACH OR
39 MORE FROM A SINGLE OPERATOR OR REGISTRANT.

40 7. "HORSE RACING EVENT" SHALL MEAN ANY SPORT OR ATHLETIC EVENT
41 CONDUCTED IN NEW YORK STATE SUBJECT TO THE PROVISIONS OF ARTICLES TWO,
42 THREE, FOUR, FIVE, SIX, NINE, TEN AND ELEVEN OF THIS CHAPTER, OR ANY
43 SPORT OR ATHLETIC EVENT CONDUCTED OUTSIDE OF NEW YORK STATE, WHICH IF
44 CONDUCTED IN NEW YORK STATE WOULD BE SUBJECT TO THE PROVISIONS OF THIS
45 CHAPTER.

46 8. "INTERACTIVE FANTASY SPORTS CONTEST" OR "CONTEST" SHALL MEAN A GAME
47 OF SKILL WHEREIN ONE OR MORE CONTESTANTS COMPETE AGAINST EACH OTHER BY
48 USING THEIR KNOWLEDGE AND UNDERSTANDING OF ATHLETIC EVENTS AND ATHLETES
49 TO SELECT AND MANAGE ROSTERS OF SIMULATED PLAYERS WHOSE PERFORMANCE
50 DIRECTLY CORRESPONDS WITH THE ACTUAL PERFORMANCE OF HUMAN COMPETITORS ON
51 SPORTS TEAMS AND IN SPORTS EVENTS.

52 9. "INTERACTIVE FANTASY SPORTS GROSS REVENUE" SHALL MEAN THE AMOUNT
53 EQUAL TO THE TOTAL OF ALL ENTRY FEES NOT ATTRIBUTABLE TO NEW YORK STATE
54 PROHIBITED SPORTS EVENTS THAT A REGISTRANT COLLECTS FROM ALL PLAYERS,
55 LESS THE TOTAL OF ALL SUMS NOT ATTRIBUTABLE TO NEW YORK STATE PROHIBITED
56 SPORTS EVENTS PAID OUT AS WINNINGS TO ALL PLAYERS, MULTIPLIED BY THE

1 RESIDENT PERCENTAGE FOR NEW YORK STATE; PROVIDED, HOWEVER, THAT THE
2 TOTAL OF ALL SUMS PAID OUT AS WINNINGS TO PLAYERS SHALL NOT INCLUDE THE
3 CASH EQUIVALENT VALUE OF ANY MERCHANDISE OR THING OF VALUE AWARDED AS A
4 PRIZE.

5 10. "INTERACTIVE FANTASY SPORTS OPERATOR" OR "OPERATOR" SHALL MEAN ANY
6 PERSON OR ENTITY THAT OFFERS ANY INTERACTIVE FANTASY SPORTS CONTEST TO
7 ANY AUTHORIZED PLAYER THROUGH ANY INTERACTIVE FANTASY SPORTS PLATFORM.

8 11. "INTERACTIVE FANTASY SPORTS PLATFORM" OR "PLATFORM" SHALL MEAN THE
9 COMBINATION OF HARDWARE, SOFTWARE, AND DATA NETWORKS USED TO MANAGE,
10 ADMINISTER, OR CONTROL CONTESTS AND ANY ASSOCIATED ENTRY FEES.

11 12. "INTERACTIVE FANTASY SPORTS REGISTRANT" OR "REGISTRANT" SHALL MEAN
12 AN OPERATOR THAT IS REGISTERED BY THE COMMISSION. A REGISTRANT MAY
13 UTILIZE MULTIPLE INTERACTIVE FANTASY SPORTS PLATFORMS AND OFFER MULTIPLE
14 CONTESTS, PROVIDED THAT EACH PLATFORM AND EACH CONTEST HAS BEEN REVIEWED
15 AND APPROVED BY THE COMMISSION.

16 13. "MINOR" SHALL MEAN ANY PERSON UNDER THE AGE OF EIGHTEEN YEARS.

17 14. "PROHIBITED PLAYER" SHALL MEAN:

18 (A) ANY MEMBER, OFFICER, EMPLOYEE OR AGENT OF AN OPERATOR OR REGIS-
19 TRANT;

20 (B) ANY SPOUSE, CHILD, BROTHER, SISTER OR PARENT RESIDING AS A MEMBER
21 OF THE SAME HOUSEHOLD IN THE PRINCIPAL PLACE OF ABODE OF ANY MEMBER,
22 OFFICER, EMPLOYEE OR AGENT OF AN OPERATOR OR REGISTRANT;

23 (C) ANY INDIVIDUAL WITH ACCESS TO NON-PUBLIC CONFIDENTIAL INFORMATION
24 ABOUT CONTESTS;

25 (D) ANY AMATEUR OR PROFESSIONAL ATHLETE WHOSE PERFORMANCE MAY BE USED
26 TO DETERMINE THE OUTCOME OF A CONTEST;

27 (E) ANY SPORTS AGENT, TEAM EMPLOYEE, REFEREE, OR LEAGUE OFFICIAL ASSO-
28 CIATED WITH ANY SPORT OR ATHLETIC EVENT ON WHICH CONTESTS ARE BASED;

29 (F) ANY INDIVIDUAL LOCATED IN A STATE WHERE THE CONDUCT OF CONTESTS IS
30 EXPRESSLY PROHIBITED; OR

31 (G) ANY MINOR.

32 15. "PROHIBITED SPORTS EVENT" SHALL MEAN ANY COLLEGIATE SPORT OR
33 ATHLETIC EVENT, ANY HIGH SCHOOL SPORT OR ATHLETIC EVENT OR ANY HORSE
34 RACING EVENT.

35 16. "RESIDENT PERCENTAGE" SHALL MEAN, FOR EACH INTERACTIVE FANTASY
36 SPORTS CONTEST, THE PERCENTAGE, ROUNDED TO THE NEAREST TENTH OF A
37 PERCENT, OF THE TOTAL ENTRY FEES COLLECTED FROM PLAYERS LOCATED IN NEW
38 YORK STATE, DIVIDED BY THE TOTAL ENTRY FEES COLLECTED FROM ALL PLAYERS
39 IN INTERACTIVE FANTASY SPORTS CONTESTS NOT PROHIBITED IN NEW YORK STATE.

40 17. "SPORTS EVENT" SHALL MEAN ANY AMATEUR OR PROFESSIONAL SPORT OR
41 ATHLETIC EVENT, EXCEPT A PROHIBITED SPORTS EVENT.

42 S 1402. REGISTRATION. 1. (A) NO OPERATOR SHALL ADMINISTER, MANAGE, OR
43 OTHERWISE MAKE AVAILABLE AN INTERACTIVE FANTASY SPORTS PLATFORM TO
44 PERSONS LOCATED IN NEW YORK STATE UNLESS REGISTERED WITH THE COMMISSION
45 PURSUANT TO SECTION FOURTEEN HUNDRED THREE OF THIS ARTICLE. A REGISTRANT
46 MAY USE MULTIPLE INTERACTIVE FANTASY SPORTS PLATFORMS AND OFFER MULTIPLE
47 TYPES OF CONTESTS, PROVIDED THAT EACH PLATFORM AND EACH TYPE OF CONTEST
48 HAS BEEN REVIEWED AND APPROVED BY THE COMMISSION. THIS ARTICLE, AND ANY
49 AND ALL RULES AND REGULATIONS ADOPTED UNDER THE AUTHORITY OF THIS ARTI-
50 CLE, SHALL APPLY ONLY TO INTERACTIVE FANTASY SPORTS CONTESTS FOR WHICH
51 AN AUTHORIZED PLAYER PAYS AN ENTRY FEE.

52 (B) ANY OPERATOR THAT WAS OFFERING CONTESTS TO PERSONS LOCATED IN NEW
53 YORK STATE PRIOR TO THE TENTH OF NOVEMBER, TWO THOUSAND FIFTEEN, MAY
54 CONTINUE TO OFFER CONTESTS TO PERSONS LOCATED IN NEW YORK STATE UNTIL
55 SUCH OPERATOR'S APPLICATION FOR REGISTRATION HAS BEEN APPROVED OR DENIED
56 IN ACCORDANCE WITH SECTION FOURTEEN HUNDRED THREE OF THIS ARTICLE,

1 PROVIDED THAT SUCH OPERATOR RECEIVES A TEMPORARY PERMIT PURSUANT TO
2 SUBDIVISION TWO OF THIS SECTION AND FILES AN APPLICATION FOR REGISTRA-
3 TION WITH THE COMMISSION WITHIN NINETY DAYS OF THE PROMULGATION OF REGU-
4 LATIONS TO EFFECTUATE THIS ARTICLE.

5 2. THE COMMISSION SHALL PROVIDE A TEMPORARY PERMIT TO EACH OPERATOR
6 THAT WAS OFFERING CONTESTS PURSUANT TO PARAGRAPH (B) OF SUBDIVISION ONE
7 OF THIS SECTION TO ALLOW SUCH OPERATOR TO CONTINUE TO OFFER SUCH
8 CONTESTS, ON A PROVISIONAL BASIS, UNTIL SUCH OPERATOR'S APPLICATION FOR
9 REGISTRATION HAS BEEN APPROVED OR DENIED IN ACCORDANCE WITH SECTION
10 FOURTEEN HUNDRED THREE OF THIS ARTICLE, PROVIDED THAT SUCH OPERATOR
11 MEETS ALL THE REQUIREMENTS IN SECTION FOURTEEN HUNDRED FOUR OF THIS
12 ARTICLE.

13 3. REGISTRATIONS ISSUED BY THE COMMISSION SHALL REMAIN IN EFFECT FOR
14 THREE YEARS. THE COMMISSION SHALL ESTABLISH A PROCESS FOR RENEWAL.

15 4. INTERACTIVE FANTASY SPORTS CONTESTS OFFERED BY A REGISTRANT IN
16 ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE SHALL NOT CONSTITUTE
17 GAMBLING AS DEFINED IN ARTICLE TWO HUNDRED TWENTY-FIVE OF THE PENAL LAW.

18 5. THE COMMISSION SHALL PUBLISH A LIST OF ALL OPERATORS REGISTERED IN
19 NEW YORK STATE PURSUANT TO THIS SECTION ON THE COMMISSION'S WEBSITE FOR
20 PUBLIC USE.

21 6. THE COMMISSION SHALL PROMULGATE REGULATIONS TO IMPLEMENT THE
22 PROVISIONS OF THIS ARTICLE, INCLUDING THE DEVELOPMENT OF THE INITIAL
23 FORM OF THE APPLICATION FOR REGISTRATION. SUCH REGULATIONS SHALL
24 PROVIDE FOR THE REGISTRATION AND OPERATION OF CONTESTS IN NEW YORK STATE
25 AND SHALL INCLUDE, BUT NOT BE LIMITED TO, RESPONSIBLE PROTECTIONS WITH
26 REGARD TO COMPULSIVE PLAY AND SAFEGUARDS FOR FAIR PLAY.

27 S 1403. SCOPE OF REGISTRATION REVIEW. 1. THE COMMISSION SHALL
28 PRESCRIBE THE INITIAL FORM OF THE APPLICATION FOR REGISTRATION WHICH
29 SHALL REQUIRE, BUT NOT BE LIMITED TO:

30 (A) THE FULL NAME AND PRINCIPAL ADDRESS OF THE OPERATOR;

31 (B) IF A CORPORATION, THE NAME OF THE STATE IN WHICH INCORPORATED AND
32 THE FULL NAMES AND ADDRESSES OF ANY PARTNER, OFFICER, DIRECTOR, SHARE-
33 HOLDER HOLDING TEN PERCENT OR MORE EQUITY, AND ULTIMATE EQUITABLE
34 OWNERS;

35 (C) IF A BUSINESS ENTITY OTHER THAN A CORPORATION, THE FULL NAMES AND
36 ADDRESSES OF THE PRINCIPALS, PARTNERS, SHAREHOLDERS HOLDING FIVE PERCENT
37 OR MORE EQUITY, AND ULTIMATE EQUITABLE OWNERS;

38 (D) WHETHER SUCH CORPORATION OR ENTITY FILES INFORMATION AND REPORTS
39 WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AS REQUIRED BY
40 SECTION THIRTEEN OF THE SECURITIES EXCHANGE ACT OF 1934, 15 U.S.C. SS
41 78A-78KK; OR WHETHER THE SECURITIES OF THE CORPORATION OR ENTITY ARE
42 REGULARLY TRADED ON AN ESTABLISHED SECURITIES MARKET IN THE UNITED
43 STATES;

44 (E) THE TYPE AND ESTIMATED NUMBER OF CONTESTS TO BE CONDUCTED ANNUAL-
45 LY;

46 (F) A STATEMENT OF THE ASSETS AND LIABILITIES OF THE OPERATOR.

47 2. THE COMMISSION MAY REQUIRE THE FULL NAMES AND ADDRESSES OF THE
48 OFFICERS AND DIRECTORS OF ANY CREDITOR OF THE OPERATOR, AND OF THOSE
49 STOCKHOLDERS WHO HOLD MORE THAN TEN PERCENT OF THE STOCK OF THE CREDI-
50 TOR.

51 3. UPON RECEIPT OF AN APPLICATION FOR REGISTRATION FOR EACH INDIVIDUAL
52 LISTED ON SUCH APPLICATION AS AN OFFICER OR DIRECTOR, THE COMMISSION
53 SHALL SUBMIT TO THE DIVISION OF CRIMINAL JUSTICE SERVICES A SET OF FING-
54 ERPRINTS, AND THE DIVISION OF CRIMINAL JUSTICE SERVICES PROCESSING FEE
55 IMPOSED PURSUANT TO SUBDIVISION EIGHT-A OF SECTION EIGHT HUNDRED THIR-
56 TY-SEVEN OF THE EXECUTIVE LAW AND ANY FEE IMPOSED BY THE FEDERAL BUREAU

1 OF INVESTIGATION. UPON RECEIPT OF THE FINGERPRINTS, THE DIVISION OF
2 CRIMINAL JUSTICE SERVICES SHALL PROMPTLY FORWARD A SET OF THE INDIVID-
3 UAL'S FINGERPRINTS TO THE FEDERAL BUREAU OF INVESTIGATION FOR THE
4 PURPOSE OF A NATIONWIDE CRIMINAL HISTORY RECORD CHECK TO DETERMINE
5 WHETHER SUCH INDIVIDUAL HAS BEEN CONVICTED OF A CRIMINAL OFFENSE IN ANY
6 STATE OTHER THAN NEW YORK OR IN A FEDERAL JURISDICTION. THE DIVISION OF
7 CRIMINAL JUSTICE SERVICES SHALL PROMPTLY PROVIDE THE REQUESTED CRIMINAL
8 HISTORY INFORMATION TO THE COMMISSION. FOR THE PURPOSES OF THIS SECTION,
9 THE TERM "CRIMINAL HISTORY INFORMATION" SHALL MEAN A RECORD OF ALL
10 CONVICTIONS OF CRIMES AND ANY PENDING CRIMINAL CHARGES MAINTAINED ON AN
11 INDIVIDUAL BY THE DIVISION OF CRIMINAL JUSTICE SERVICES AND THE FEDERAL
12 BUREAU OF INVESTIGATION. ALL SUCH CRIMINAL HISTORY INFORMATION SENT TO
13 THE COMMISSION PURSUANT TO THIS SUBDIVISION SHALL BE CONFIDENTIAL AND
14 SHALL NOT BE PUBLISHED OR IN ANY WAY DISCLOSED TO PERSONS OTHER THAN THE
15 COMMISSION, UNLESS OTHERWISE AUTHORIZED BY LAW.

16 4. UPON RECEIPT OF CRIMINAL HISTORY INFORMATION PURSUANT TO SUBDIVI-
17 SION THREE OF THIS SECTION, THE COMMISSION SHALL MAKE A DETERMINATION TO
18 APPROVE OR DENY AN APPLICATION FOR REGISTRATION; PROVIDED, HOWEVER, THAT
19 BEFORE MAKING A DETERMINATION ON SUCH APPLICATION, THE COMMISSION SHALL
20 PROVIDE THE SUBJECT OF THE RECORD WITH A COPY OF SUCH CRIMINAL HISTORY
21 INFORMATION AND A COPY OF ARTICLE TWENTY-THREE-A OF THE CORRECTION LAW
22 AND INFORM SUCH PROSPECTIVE APPLICANT SEEKING TO BE CREDENTIALLED OF HIS
23 OR HER RIGHT TO SEEK CORRECTION OF ANY INCORRECT INFORMATION CONTAINED
24 IN SUCH CRIMINAL HISTORY INFORMATION PURSUANT TO THE REGULATIONS AND
25 PROCEDURES ESTABLISHED BY THE DIVISION OF CRIMINAL JUSTICE SERVICES.
26 THE COMMISSION SHALL DENY ANY APPLICATION FOR REGISTRATION, OR SUSPEND,
27 REFUSE TO RENEW, OR REVOKE ANY EXISTING REGISTRATION ISSUED PURSUANT TO
28 THIS ARTICLE, UPON THE FINDING THAT THE OPERATOR OR REGISTRANT, OR ANY
29 PARTNER, OFFICER, DIRECTOR, OR SHAREHOLDER:

30 (A) HAS KNOWINGLY MADE A FALSE STATEMENT OF MATERIAL FACT OR HAS
31 DELIBERATELY FAILED TO DISCLOSE ANY INFORMATION REQUIRED BY THE COMMISS-
32 SION;

33 (B) HAS HAD A REGISTRATION OR LICENSE TO OFFER OR CONDUCT CONTESTS
34 DENIED, SUSPENDED, OR REVOKED IN ANY OTHER STATE OR COUNTRY FOR JUST
35 CAUSE;

36 (C) HAS LEGALLY DEFAULTED IN THE PAYMENT OF ANY OBLIGATION OR DEBT DUE
37 TO ANY STATE OR POLITICAL SUBDIVISION; OR

38 (D) HAS AT ANY TIME KNOWINGLY FAILED TO COMPLY WITH ANY REQUIREMENT
39 OUTLINED IN SECTION FOURTEEN HUNDRED FOUR OF THIS ARTICLE, ANY OTHER
40 PROVISION OF THIS ARTICLE, ANY REGULATIONS PROMULGATED BY THE COMMISSION
41 OR ANY ADDITIONAL REQUIREMENTS OF THE COMMISSION.

42 5. ALL DETERMINATIONS TO APPROVE OR DENY AN APPLICATION PURSUANT TO
43 THIS ARTICLE SHALL BE PERFORMED IN A MANNER CONSISTENT WITH SUBDIVISION
44 SIXTEEN OF SECTION TWO HUNDRED NINETY-SIX OF THE EXECUTIVE LAW AND ARTI-
45 CLE TWENTY-THREE-A OF THE CORRECTION LAW. WHEN THE COMMISSION DENIES AN
46 APPLICATION, THE OPERATOR SHALL BE AFFORDED NOTICE AND THE RIGHT TO BE
47 HEARD AND OFFER PROOF IN OPPOSITION TO SUCH DETERMINATION IN ACCORDANCE
48 WITH THE REGULATIONS OF THE COMMISSION.

49 S 1404. REQUIRED SAFEGUARDS, MINIMUM STANDARDS. 1. AS A CONDITION OF
50 REGISTRATION IN NEW YORK STATE, EACH OPERATOR AND REGISTRANT SHALL
51 IMPLEMENT THE FOLLOWING MEASURES:

52 (A) LIMIT EACH AUTHORIZED PLAYER TO ONE ACTIVE AND CONTINUOUSLY USED
53 ACCOUNT, AND PREVENT PROHIBITED PLAYERS FROM MAINTAINING ACCOUNTS OR
54 PARTICIPATING IN ANY CONTEST OFFERED BY SUCH OPERATOR OR REGISTRANT;

55 (B) PROHIBIT MINORS FROM PARTICIPATING IN ANY CONTEST, WHICH INCLUDES:

1 (I) IF A REGISTRANT BECOMES OR IS MADE AWARE THAT A MINOR HAS PARTIC-
2 IPATED IN ONE OF ITS CONTESTS, SUCH REGISTRANT SHALL PROMPTLY, WITHIN NO
3 MORE THAN TWO BUSINESS DAYS, REFUND ANY DEPOSIT RECEIVED FROM THE MINOR,
4 WHETHER OR NOT THE MINOR HAS ENGAGED IN OR ATTEMPTED TO ENGAGE IN A
5 CONTEST; PROVIDED, HOWEVER, THAT ANY REFUND MAY BE OFFSET BY ANY PRIZES
6 ALREADY AWARDED;

7 (II) EACH REGISTRANT SHALL PUBLISH AND FACILITATE PARENTAL CONTROL
8 PROCEDURES TO ALLOW PARENTS OR GUARDIANS TO EXCLUDE MINORS FROM ACCESS
9 TO ANY CONTEST OR PLATFORM. SUCH PROCEDURES SHALL INCLUDE A TOLL-FREE
10 NUMBER TO CALL FOR HELP IN ESTABLISHING SUCH PARENTAL CONTROLS; AND

11 (III) EACH REGISTRANT SHALL TAKE APPROPRIATE STEPS TO CONFIRM THAT AN
12 INDIVIDUAL OPENING AN ACCOUNT IS NOT A MINOR.

13 (C) WHEN REFERENCING THE CHANCES OR LIKELIHOOD OF WINNING IN ADVER-
14 TISEMENTS OR UPON CONTEST ENTRY, MAKE CLEAR AND CONSPICUOUS STATEMENTS
15 THAT ARE NOT INACCURATE OR MISLEADING CONCERNING THE CHANCES OF WINNING
16 AND THE NUMBER OF WINNERS;

17 (D) ENABLE AUTHORIZED PLAYERS TO EXCLUDE THEMSELVES FROM CONTESTS AND
18 TAKE REASONABLE STEPS TO PREVENT SUCH PLAYERS FROM ENTERING A CONTEST
19 FROM WHICH THEY HAVE EXCLUDED THEMSELVES;

20 (E) PERMIT ANY AUTHORIZED PLAYER TO PERMANENTLY CLOSE AN ACCOUNT
21 REGISTERED TO SUCH PLAYER, ON ANY AND ALL PLATFORMS SUPPORTED BY SUCH
22 OPERATOR OR REGISTRANT, AT ANY TIME AND FOR ANY REASON;

23 (F) OFFER INTRODUCTORY PROCEDURES FOR AUTHORIZED PLAYERS, THAT SHALL
24 BE PROMINENTLY DISPLAYED ON THE MAIN PAGE OF SUCH OPERATOR OR REGIS-
25 TRANT'S PLATFORM, THAT EXPLAIN CONTEST PLAY AND HOW TO IDENTIFY A HIGHLY
26 EXPERIENCED PLAYER;

27 (G) IDENTIFY ALL HIGHLY EXPERIENCED PLAYERS IN ANY CONTEST BY A SYMBOL
28 ATTACHED TO SUCH PLAYERS' USERNAMES, OR BY OTHER EASILY VISIBLE MEANS,
29 ON ALL PLATFORMS SUPPORTED BY SUCH OPERATOR OR REGISTRANT;

30 (H) DISCLOSE THE NUMBER OF ENTRIES A SINGLE AUTHORIZED PLAYER MAY
31 SUBMIT TO EACH CONTEST;

32 (I) DISCLOSE THE MAXIMUM NUMBER OF TOTAL ENTRIES ALLOWED FOR EACH
33 CONTEST;

34 (J) IMPLEMENT MEASURES TO PROTECT THE PRIVACY AND ONLINE SECURITY OF
35 AUTHORIZED PLAYERS AND THEIR ACCOUNTS;

36 (K) OFFER ALL AUTHORIZED PLAYERS ACCESS TO HIS OR HER ACCOUNT HISTORY
37 AND ACCOUNT DETAILS;

38 (L) ENSURE AUTHORIZED PLAYERS' FUNDS ARE PROTECTED UPON DEPOSIT AND
39 SEGREGATED FROM THE OPERATING FUNDS OF SUCH OPERATOR OR REGISTRANT AND
40 OTHERWISE PROTECTED FROM CORPORATE INSOLVENCY, FINANCIAL RISK, OR CRIMI-
41 NAL OR CIVIL ACTIONS AGAINST SUCH OPERATOR OR REGISTRANT;

42 (M) LIST ON EACH WEBSITE, IN A PROMINENT PLACE, INFORMATION CONCERNING
43 ASSISTANCE FOR COMPULSIVE PLAY IN NEW YORK STATE, INCLUDING A TOLL-FREE
44 NUMBER DIRECTING CALLERS TO REPUTABLE RESOURCES CONTAINING FURTHER
45 INFORMATION, WHICH SHALL BE FREE OF CHARGE;

46 (N) ENSURE THE VALUE OF ANY PRIZES AND AWARDS OFFERED TO AUTHORIZED
47 PLAYERS SHALL BE ESTABLISHED AND MADE KNOWN TO SUCH PLAYERS IN ADVANCE
48 OF THE CONTEST, AND SUCH VALUE SHALL NOT BE DETERMINED BY THE NUMBER OF
49 AUTHORIZED PLAYERS OR THE AMOUNT OF ANY ENTRY FEES PAID BY SUCH PLAYERS;

50 (O) ENSURE ALL WINNING OUTCOMES REFLECT THE RELATIVE KNOWLEDGE AND
51 SKILL OF THE AUTHORIZED PLAYERS AND SHALL BE DETERMINED PREDOMINANTLY BY
52 ACCUMULATED STATISTICAL RESULTS OF THE PERFORMANCE OF INDIVIDUALS IN
53 SPORTS EVENTS;

54 (P) ENSURE NO WINNING OUTCOME SHALL BE BASED ON THE SCORE, POINT
55 SPREAD, OR PERFORMANCE OF A SINGLE SPORTS TEAM, OR ANY COMBINATION OF
56 SUCH TEAMS;

1 (Q) ENSURE NO WINNING OUTCOME SHALL BE BASED SOLELY ON ANY SINGLE
2 PERFORMANCE OF AN INDIVIDUAL ATHLETE IN A SINGLE SPORT OR ATHLETIC
3 EVENT; AND

4 (R) ENSURE NO GAME OR CONTEST SHALL BE BASED ON A PROHIBITED SPORTS
5 EVENT.

6 2. EACH REGISTRANT SHALL RESTRICT THE NUMBER OF ENTRIES SUBMITTED BY A
7 SINGLE AUTHORIZED PLAYER FOR ANY CONTEST TO A MAXIMUM OF ONE HUNDRED
8 FIFTY ENTRIES PER PLAYER PER CONTEST, OR A MAXIMUM OF THREE PERCENT OF
9 THE TOTAL NUMBER OF ENTRIES BY ALL PLAYERS FOR ANY CONTEST, WHICHEVER IS
10 LESS, OR AS DETERMINED BY THE COMMISSION. REGISTRANTS SHALL TAKE REASON-
11 ABLE STEPS TO PREVENT AUTHORIZED PLAYERS FROM SUBMITTING MORE THAN THE
12 ALLOWABLE NUMBER OF ENTRIES PER CONTEST. THE COMMISSION SHALL PROMUL-
13 GATE REGULATIONS TO FURTHER EFFECTUATE THIS SUBDIVISION TO ENSURE THAT
14 THE NUMBER OF ENTRIES SUBMITTED BY A SINGLE AUTHORIZED PLAYER FOR ANY
15 CONTEST WILL LEAD TO A FAIR AND EQUITABLE DISTRIBUTION OF NUMBER OF
16 ENTRIES.

17 3. (A) OPERATORS SHALL NOT DIRECTLY OR INDIRECTLY OPERATE, PROMOTE, OR
18 ADVERTISE ANY PLATFORM OR CONTEST TO PERSONS LOCATED IN NEW YORK STATE
19 UNLESS REGISTERED PURSUANT TO THIS ARTICLE.

20 (B) UNLESS OTHERWISE APPROVED BY REGULATION OF THE COMMISSION, OPERA-
21 TORS AND REGISTRANTS SHALL NOT DIRECTLY OR INDIRECTLY PROMOTE OR ADVER-
22 TISE ANY ONLINE FANTASY OR SIMULATION SPORTS GAMES OR CONTESTS WITH AN
23 ENTRY FEE DURING THE CONDUCT OF ANY ONLINE FANTASY OR SIMULATION SPORTS
24 GAMES OR CONTESTS WITHOUT AN ENTRY FEE. THIS PARAGRAPH SHALL NOT APPLY
25 TO ANY OPERATOR OR REGISTRANT THAT PROHIBITS PROHIBITED PLAYERS FROM
26 PARTICIPATING IN ONLINE FANTASY OR SIMULATION SPORTS GAMES OR CONTESTS
27 WITHOUT AN ENTRY FEE.

28 4. REGISTRANTS SHALL NOT OFFER ANY CONTEST BASED ON ANY PROHIBITED
29 SPORTS EVENT.

30 5. REGISTRANTS SHALL NOT PERMIT ANY MINOR OR PROHIBITED PARTICIPANT TO
31 ENTER ANY CONTEST.

32 6. ADVERTISEMENTS FOR CONTESTS AND PRIZES OFFERED BY A REGISTRANT
33 SHALL NOT TARGET PROHIBITED PARTICIPANTS, MINORS, OR SELF-EXCLUDED
34 PERSONS. REPRESENTATIONS OR IMPLICATIONS ABOUT AVERAGE WINNINGS FROM
35 CONTESTS SHALL NOT BE UNFAIR OR MISLEADING. SUCH REPRESENTATIONS SHALL
36 INCLUDE, AT A MINIMUM:

37 (A) THE MEDIAN AND MEAN NET WINNINGS OF ALL AUTHORIZED PLAYERS PARTIC-
38 IPATING IN CONTESTS OFFERED BY SUCH REGISTRANT; AND

39 (B) THE PERCENTAGE OF WINNINGS AWARDED BY THE REGISTRANT TO HIGHLY
40 EXPERIENCED PLAYERS PARTICIPATING IN CONTESTS OFFERED BY SUCH REGISTRANT
41 WITHIN THE PRECEDING CALENDAR YEAR.

42 7. REGISTRANTS SHALL PROHIBIT THE USE OF THIRD-PARTY SCRIPTS OR
43 SCRIPTING PROGRAMS FOR ANY CONTEST AND ENSURE THAT MEASURES ARE IN PLACE
44 TO DETER, DETECT AND, TO THE EXTENT REASONABLY POSSIBLE, PREVENT CHEAT-
45 ING, INCLUDING COLLUSION, AND THE USE OF CHEATING DEVICES, INCLUDING USE
46 OF SOFTWARE PROGRAMS THAT SUBMIT ENTRY FEES OR ADJUST THE ATHLETES
47 SELECTED BY AN AUTHORIZED PLAYER.

48 8. OPERATORS AND REGISTRANTS SHALL DEVELOP AND PROMINENTLY DISPLAY
49 PROCEDURES ON THE MAIN PAGE OF SUCH OPERATOR'S OR REGISTRANT'S PLATFORM
50 FOR THE FILING OF A COMPLAINT BY THE AUTHORIZED PLAYER AGAINST SUCH
51 REGISTRANT. AN INITIAL RESPONSE SHALL BE GIVEN BY SUCH REGISTRANT TO
52 SUCH PLAYER FILING THE COMPLAINT WITHIN FORTY-EIGHT HOURS. A COMPLETE
53 RESPONSE SHALL BE GIVEN BY SUCH REGISTRANT TO SUCH PLAYER FILING THE
54 COMPLAINT WITHIN TEN BUSINESS DAYS. AN AUTHORIZED PLAYER MAY FILE A
55 COMPLAINT ALLEGING A VIOLATION OF THE PROVISIONS OF THIS ARTICLE WITH
56 THE COMMISSION.

1 9. REGISTRANTS SHALL MAINTAIN RECORDS OF ALL ACCOUNTS BELONGING TO
2 AUTHORIZED PLAYERS AND RETAIN SUCH RECORDS FOR FIVE YEARS FROM THE DATE
3 AN ACCOUNT WAS CREATED.

4 S 1405. POWERS AND DUTIES OF THE COMMISSION. 1. THE COMMISSION SHALL
5 PROMULGATE REGULATIONS TO IMPLEMENT THE PROVISIONS OF AND EFFECTUATE THE
6 POLICY AND OBJECTIVES OF THIS ARTICLE AS THE COMMISSION MAY DEEM NECES-
7 SARY OR ADVISABLE, INCLUDING THE DEVELOPMENT OF THE INITIAL FORM OF THE
8 APPLICATION FOR REGISTRATION. SUCH REGULATIONS SHALL PROVIDE FOR THE
9 REGISTRATION AND OPERATION OF CONTESTS IN NEW YORK STATE AND SHALL
10 INCLUDE, WITHOUT LIMITATION, RESPONSIBLE PROTECTIONS WITH REGARD TO
11 COMPULSIVE PLAY AND SAFEGUARDS FOR FAIR PLAY. SUCH REGULATIONS MAY REGU-
12 LATE THE CONDUCT AND OPERATION OF CONTESTS AND PLATFORMS, PROTECT
13 CONTESTANTS AND PROMOTE THE FAIRNESS, HONESTY AND INTEGRITY OF CONTESTS.

14 2. THE COMMISSION SHALL HAVE THE FOLLOWING POWERS AND DUTIES FOR
15 PURPOSES OF ADMINISTERING, REGULATING, AND ENFORCING THE PROVISIONS OF
16 THIS ARTICLE:

17 (A) ALL POWERS AND DUTIES ASSIGNED BY THIS ARTICLE, AS WELL AS ALL
18 POWERS NECESSARY AND PROPER TO FULLY AND EFFECTIVELY EXECUTE THIS ARTI-
19 CLE;

20 (B) TO APPROVE AND DENY APPLICATIONS FOR REGISTRATION TO CONDUCT
21 CONTESTS IN NEW YORK STATE, AND TO SUSPEND, REFUSE OR RENEW, OR REVOKE
22 ANY REGISTRATION ISSUED TO A REGISTRANT UNDER THIS ARTICLE;

23 (C) TO REVIEW AND APPROVE EACH PLATFORM AND EACH CONTEST OFFERED BY AN
24 OPERATOR OR REGISTRANT;

25 (D) TO ACCEPT AND INVESTIGATE COMPLAINTS OF ANY KIND FROM AN AUTHOR-
26 IZED PLAYER AND ATTEMPT TO MEDIATE SUCH COMPLAINTS WHERE APPROPRIATE;

27 (E) TO INVESTIGATE ALLEGED VIOLATIONS OF THIS ARTICLE;

28 (F) TO INITIATE PROPER ENFORCEMENT PROCEEDINGS WHERE SUCH ACTION IS
29 DEEMED BY THE COMMISSION TO BE NECESSARY OR APPROPRIATE; AND

30 (G) ALL POWERS AND DUTIES ASSIGNED BY THIS CHAPTER.

31 S 1406. ANNUAL REPORT. 1. EACH REGISTRANT SHALL ANNUALLY SUBMIT A
32 REPORT TO THE COMMISSION NO LATER THAN THE THIRTIETH OF JUNE OF EACH
33 YEAR, WHICH SHALL INCLUDE THE FOLLOWING INFORMATION AS IT SHALL APPLY TO
34 ACCOUNTS HELD BY AUTHORIZED PLAYERS LOCATED IN NEW YORK STATE:

35 (A) THE NUMBER OF ACCOUNTS HELD BY AUTHORIZED PLAYERS ON ALL PLATFORMS
36 OFFERED BY THE REGISTRANT, AND THE NUMBER OF ACCOUNTS HELD BY HIGHLY
37 EXPERIENCED PLAYERS ON ALL PLATFORMS OFFERED BY THE REGISTRANT;

38 (B) THE TOTAL NUMBER OF NEW ACCOUNTS ESTABLISHED IN THE PRECEDING
39 YEAR, AS WELL AS THE TOTAL NUMBER OF ACCOUNTS PERMANENTLY CLOSED IN THE
40 PRECEDING YEAR;

41 (C) THE TOTAL AMOUNT OF ENTRY FEES RECEIVED FROM AUTHORIZED PLAYERS;

42 (D) THE TOTAL AMOUNT OF PRIZES AWARDED TO AUTHORIZED PLAYERS;

43 (E) THE TOTAL AMOUNT OF INTERACTIVE FANTASY SPORTS REVENUE RECEIVED BY
44 THE REGISTRANT;

45 (F) THE TOTAL NUMBER OF AUTHORIZED PLAYERS THAT REQUESTED TO EXCLUDE
46 THEMSELVES FROM CONTESTS;

47 (G) ANY ADDITIONAL INFORMATION THAT THE COMMISSION DEEMS NECESSARY TO
48 CARRY OUT THE PROVISIONS OF THIS ARTICLE.

49 2. UPON THE SUBMISSION OF SUCH ANNUAL REPORT, TO SUCH EXTENT THAT THE
50 COMMISSION DEEMS IT TO BE IN THE PUBLIC INTEREST, THE COMMISSION SHALL
51 BE AUTHORIZED TO CONDUCT A FINANCIAL AUDIT OF ANY REGISTRANT, AT ANY
52 TIME, TO ENSURE COMPLIANCE WITH THIS ARTICLE.

53 3. THE COMMISSION SHALL ANNUALLY PUBLISH A REPORT BASED ON THE AGGRE-
54 GATE INFORMATION PROVIDED BY ALL REGISTRANTS PURSUANT TO SUBDIVISION ONE
55 OF THIS SECTION, WHICH SHALL BE PUBLISHED ON THE COMMISSION'S WEBSITE NO

1 LATER THAN ONE HUNDRED EIGHTY DAYS AFTER THE DEADLINE FOR THE SUBMISSION
2 OF INDIVIDUAL REPORTS AS SPECIFIED IN SUBDIVISION ONE OF THIS SECTION.

3 S 1407. STATE TAX. FOR THE PRIVILEGE OF CONDUCTING INTERACTIVE FANTA-
4 SY SPORTS CONTESTS IN THE STATE, REGISTRANTS SHALL PAY A TAX EQUIVALENT
5 TO FIFTEEN PERCENT OF THEIR INTERACTIVE FANTASY SPORTS GROSS REVENUE
6 GENERATED WITHIN THE STATE; IN ADDITION, REGISTRANTS SHALL PAY A TAX
7 EQUAL TO ONE-HALF OF ONE PERCENT, BUT NOT TO EXCEED FIFTY THOUSAND
8 DOLLARS ANNUALLY.

9 S 1408. ADDITIONAL REGULATORY COSTS. THE COMMISSION MAY ASSESS ANNUAL-
10 LY, IN ARREARS, ON EACH REGISTRANT PROPORTIONAL TO THE INTERACTIVE
11 FANTASY SPORTS GROSS REVENUE OF SUCH REGISTRANT IN THE PRECEDING YEAR
12 COMPARED TO THE AGGREGATE INTERACTIVE FANTASY SPORTS GROSS REVENUE OF
13 ALL REGISTRANTS IN THE PRECEDING YEAR ACTUAL COSTS NECESSARY TO REGULATE
14 IN ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE. SUCH ASSESSMENTS
15 SHALL BE MADE ONLY WITHIN AMOUNTS APPROPRIATED THEREFOR.

16 S 1409. DISPOSITION OF TAXES. 1. THE COMMISSION SHALL PAY INTO THE
17 STATE LOTTERY FUND ALL TAXES IMPOSED BY THIS ARTICLE; ANY INTEREST AND
18 PENALTIES IMPOSED BY THE COMMISSION RELATING TO THOSE TAXES; ALL PENAL-
19 TIES LEVIED AND COLLECTED BY THE COMMISSION; AND THE APPROPRIATE FUNDS,
20 CASH OR PRIZES FORFEITED FROM INTERACTIVE FANTASY SPORTS.

21 2. THE COMMISSION SHALL REQUIRE AT LEAST MONTHLY DEPOSITS BY THE
22 INTERACTIVE FANTASY SPORTS OPERATOR OF ANY PAYMENTS PURSUANT TO SECTION
23 FOURTEEN HUNDRED SEVEN OF THIS ARTICLE, AT SUCH TIMES, UNDER SUCH CONDI-
24 TIONS, AND IN SUCH DEPOSITORIES AS SHALL BE PRESCRIBED BY THE STATE
25 COMPTROLLER. THE DEPOSITS SHALL BE DEPOSITED TO THE CREDIT OF THE STATE
26 LOTTERY FUND. THE COMMISSION SHALL REQUIRE A MONTHLY REPORT AND RECON-
27 CILIATION STATEMENT TO BE FILED WITH IT ON OR BEFORE THE TENTH DAY OF
28 EACH MONTH, WITH RESPECT TO GROSS REVENUES AND DEPOSITS RECEIVED AND
29 MADE, RESPECTIVELY, DURING THE PRECEDING MONTH.

30 S 1410. DETERMINATION OF TAX LIABILITY. THE COMMISSION MAY PERFORM
31 AUDITS OF THE BOOKS AND RECORDS OF AN INTERACTIVE FANTASY SPORTS OPERA-
32 TOR WITH A PERMIT OR REGISTRANT, AT SUCH TIMES AND INTERVALS AS IT DEEMS
33 APPROPRIATE, FOR THE PURPOSE OF DETERMINING THE SUFFICIENCY OF TAX
34 PAYMENTS. IF A RETURN REQUIRED WITH REGARD TO OBLIGATIONS IMPOSED IS NOT
35 FILED, OR IF A RETURN WHEN FILED OR IS DETERMINED BY THE COMMISSION TO
36 BE INCORRECT OR INSUFFICIENT WITH OR WITHOUT AN AUDIT, THE AMOUNT OF TAX
37 DUE SHALL BE DETERMINED BY THE COMMISSION. NOTICE OF SUCH DETERMINATION
38 SHALL BE GIVEN TO THE INTERACTIVE FANTASY SPORTS OPERATOR LIABLE FOR THE
39 PAYMENT OF THE TAX. SUCH DETERMINATION SHALL FINALLY AND IRREVOCABLY FIX
40 THE TAX UNLESS THE PERSON AGAINST WHOM IT IS ASSESSED, WITHIN THIRTY
41 DAYS AFTER RECEIVING NOTICE OF SUCH DETERMINATION, SHALL APPLY TO THE
42 COMMISSION FOR A HEARING IN ACCORDANCE WITH THE REGULATIONS OF THE
43 COMMISSION.

44 S 1411. CONTESTS AUTHORIZED. INTERACTIVE FANTASY SPORTS CONTESTS
45 REGISTERED AND CONDUCTED PURSUANT TO THE PROVISIONS OF THIS CHAPTER ARE
46 HEREBY AUTHORIZED.

47 S 1412. CONTESTS PROHIBITED. THE CONDUCT OF UNREGISTERED INTERACTIVE
48 FANTASY SPORTS CONTESTS IS PROHIBITED.

49 S 2. Section 104 of the racing, pari-mutuel wagering and breeding law
50 is amended by adding a new subdivision 23 to read as follows:

51 23. TO REGISTER AND REGULATE INTERACTIVE FANTASY SPORTS IN NEW YORK
52 STATE.

53 S 3. This act shall take effect immediately.