

STATE OF NEW YORK

6970

2025-2026 Regular Sessions

IN SENATE

March 27, 2025

Introduced by Sen. ADDABBO -- read twice and ordered printed, and when printed to be committed to the Committee on Racing, Gaming and Wagering

AN ACT to amend the tax law, in relation to unsold instant lottery game tickets

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision b of section 1604 of the tax law, as added by
2 chapter 92 of the laws of 1976, is amended to read as follows:

3 b. 1. The division is authorized to license agents to sell tickets for
4 the state lottery. The division may require a bond from any licensed
5 agent, in an amount to be determined by the division. Every licensed
6 agent shall prominently display [~~his~~] their license, or a copy thereof,
7 as may be determined by rules and regulations of the division, in each
8 place of business or activity where lottery tickets are sold.

9 2. When a licensed agent goes out of business or sells their business
10 to another person as defined in section one thousand six hundred five of
11 this article, their license shall expire and any unsold instant lottery
12 game tickets in their possession shall be returned to the division and
13 redistributed to other licensed sales agents, unless such instant
14 lottery game has been terminated by the commission. For the purposes of
15 this subdivision, "instant lottery game" shall mean any lottery game
16 conducted on a game ticket authorized or issued by the commission that
17 includes one or more instant play features, such as rub-off coatings,
18 pull-tabs, or other concealed play areas, which, when revealed, indi-
19 cate whether the player has won a prize.

20 § 2. Section 1607 of the tax law, as amended by chapter 2 of the laws
21 of 1995, subdivision g as added by chapter 701 of the laws of 1996,
22 subdivision h as amended by chapter 162 of the laws of 2002, paragraph 1
23 of subdivision h as amended by section 7 of part EE of chapter 56 of the
24 laws of 2020, is amended to read as follows:

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

LBD10449-05-5

1 § 1607. Suspension and revocation of licenses. a. The division may
2 suspend or revoke, after notice and an opportunity for a hearing pursu-
3 ant to the state administrative procedure act, any license issued pursu-
4 ant to this article. Such license may, however, be temporarily suspended
5 by the division without prior notice, pending any prosecution, investi-
6 gation or hearing. A license may be suspended or revoked by the division
7 for one or more of the following reasons:

8 [~~a-~~] 1. Failure to account for lottery tickets received or the
9 proceeds of the sale of lottery tickets or to file a bond if required by
10 the division or to comply with instructions of the division concerning
11 the licensed activity;

12 [~~b-~~] 2. Conviction of any offense as defined in the penal law, or any
13 felony under the laws of the United States or under the laws of the
14 state of New York or any other state or foreign jurisdiction or any
15 crime relating to gaming activities;

16 [~~c-~~] 3. Failure to file any return or report, to keep records or to
17 pay any tax required by any article of this chapter;

18 [~~d-~~] 4. Fraud, deceit, misrepresentation or conduct prejudicial to
19 public confidence in the state lottery;

20 [~~e-~~] 5. With respect to a lottery sales agent, the number of lottery
21 tickets sold by the lottery sales agent is insufficient to meet adminis-
22 trative costs and public convenience is adequately served by other
23 licensees;

24 [~~f-~~] 6. A material change, since issuance of the license, with respect
25 to any matters required to be considered by the division under subdivi-
26 sion d or e of section sixteen hundred five of this article[~~-~~];

27 [~~g-~~] 7. Conviction for misuse of food stamps pursuant to section one
28 hundred forty-seven of the social services law[~~-~~]; or

29 [~~h-~~] 8. A violation of article thirteen-F of the public health law as
30 provided in this subdivision:

31 [~~i-~~] (i) A license shall be suspended for a period of one year upon
32 notification to the division by the commissioner of health of a lottery
33 sales agent's accumulation of three or more points pursuant to subdivi-
34 sion three of section thirteen hundred ninety-nine-ee of the public
35 health law.

36 [~~j-~~] (ii) A license shall be revoked for one year upon notification to
37 the division by the commissioner of health of a lottery sales agent's
38 fourth violation of article thirteen-F of the public health law within a
39 three year period.

40 b. In any case in which a sales agent's license has been suspended or
41 revoked, any unsold instant lottery game tickets shall be returned to
42 the division and redistributed to other licensed sales agents for sale
43 to the public, unless such instant lottery game has been terminated by
44 the commission. For the purposes of this section, "instant lottery game"
45 shall mean any lottery game conducted on a game ticket authorized or
46 issued by the commission that includes one or more instant play
47 features, such as rub-off coatings, pull-tabs, or other concealed play
48 areas, which, when revealed, indicate whether the player has won a
49 prize.

50 § 3. This act shall take effect immediately.