

8153

I N S E N A T E

June 14, 2016

Introduced by Sen. BONACIC -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

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 ASSEMBLY, 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

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

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1 BECAUSE CONTESTANTS HAVE CONTROL OVER WHICH PLAYERS THEY CHOOSE AND THE  
2 OUTCOME OF EACH CONTEST IS NOT DEPENDENT UPON THE PERFORMANCE OF ANY ONE  
3 PLAYER OR ANY ONE ACTUAL TEAM. THE OUTCOME OF ANY FANTASY SPORTS CONTEST  
4 DOES NOT CORRESPOND TO THE OUTCOME OF ANY ONE SPORTING EVENT. INSTEAD,  
5 THE OUTCOME DEPENDS ON HOW THE PERFORMANCES OF PARTICIPANTS' FANTASY  
6 ROSTER CHOICES COMPARE TO THE PERFORMANCE OF OTHERS' ROSTER CHOICES.

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

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

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

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

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

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

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

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

37 6. "HIGHLY EXPERIENCED PLAYER" SHALL MEAN AN AUTHORIZED PLAYER WHO  
38 HAS:

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

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

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

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

55 9. "INTERACTIVE FANTASY SPORTS GROSS REVENUE" SHALL MEAN THE AMOUNT  
56 EQUAL TO THE TOTAL OF ALL ENTRY FEES NOT ATTRIBUTABLE TO NEW YORK STATE

1 PROHIBITED SPORTS EVENTS THAT A REGISTRANT COLLECTS FROM ALL PLAYERS,  
2 LESS THE TOTAL OF ALL SUMS NOT ATTRIBUTABLE TO NEW YORK STATE PROHIBITED  
3 SPORTS EVENTS PAID OUT AS WINNINGS TO ALL PLAYERS, MULTIPLIED BY THE  
4 RESIDENT PERCENTAGE FOR NEW YORK STATE; PROVIDED, HOWEVER, THAT THE  
5 TOTAL OF ALL SUMS PAID OUT AS WINNINGS TO PLAYERS SHALL NOT INCLUDE THE  
6 CASH EQUIVALENT VALUE OF ANY MERCHANDISE OR THING OF VALUE AWARDED AS A  
7 PRIZE.

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

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

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

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

20 14. "PROHIBITED PLAYER" SHALL MEAN:

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

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

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

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

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

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

34 (G) ANY MINOR.

35 15. "PROHIBITED SPORTS EVENT" SHALL MEAN ANY COLLEGIATE SPORT OR  
36 ATHLETIC EVENT, ANY HIGH SCHOOL SPORT OR ATHLETIC EVENT OR ANY HORSE  
37 RACING EVENT.

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

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

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

55 (B) ANY OPERATOR THAT WAS OFFERING CONTESTS TO PERSONS LOCATED IN NEW  
56 YORK STATE PRIOR TO THE TENTH OF NOVEMBER, TWO THOUSAND FIFTEEN, MAY

1 CONTINUE TO OFFER CONTESTS TO PERSONS LOCATED IN NEW YORK STATE UNTIL  
2 SUCH OPERATOR'S APPLICATION FOR REGISTRATION HAS BEEN APPROVED OR DENIED  
3 IN ACCORDANCE WITH SECTION FOURTEEN HUNDRED THREE OF THIS ARTICLE,  
4 PROVIDED THAT SUCH OPERATOR RECEIVES A TEMPORARY PERMIT PURSUANT TO  
5 SUBDIVISION TWO OF THIS SECTION AND FILES AN APPLICATION FOR REGISTRA-  
6 TION WITH THE COMMISSION WITHIN NINETY DAYS OF THE PROMULGATION OF REGU-  
7 LATIONS TO EFFECTUATE THIS ARTICLE.

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

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

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

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

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

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

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

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

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

41 (D) WHETHER SUCH CORPORATION OR ENTITY FILES INFORMATION AND REPORTS  
42 WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AS REQUIRED BY  
43 SECTION THIRTEEN OF THE SECURITIES EXCHANGE ACT OF 1934, 15 U.S.C. SS  
44 78A-78KK; OR WHETHER THE SECURITIES OF THE CORPORATION OR ENTITY ARE  
45 REGULARLY TRADED ON AN ESTABLISHED SECURITIES MARKET IN THE UNITED  
46 STATES;

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

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

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

54 3. UPON RECEIPT OF AN APPLICATION FOR REGISTRATION FOR EACH INDIVIDUAL  
55 LISTED ON SUCH APPLICATION AS AN OFFICER OR DIRECTOR, THE COMMISSION  
56 SHALL SUBMIT TO THE DIVISION OF CRIMINAL JUSTICE SERVICES A SET OF FING-

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

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

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

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

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

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

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

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

1 (A) LIMIT EACH AUTHORIZED PLAYER TO ONE ACTIVE AND CONTINUOUSLY USED  
2 ACCOUNT, AND PREVENT PROHIBITED PLAYERS FROM MAINTAINING ACCOUNTS OR  
3 PARTICIPATING IN ANY CONTEST OFFERED BY SUCH OPERATOR OR REGISTRANT;  
4 (B) PROHIBIT MINORS FROM PARTICIPATING IN ANY CONTEST, WHICH INCLUDES:  
5 (I) IF A REGISTRANT BECOMES OR IS MADE AWARE THAT A MINOR HAS PARTIC-  
6 IPATED IN ONE OF ITS CONTESTS, SUCH REGISTRANT SHALL PROMPTLY, WITHIN NO  
7 MORE THAN TWO BUSINESS DAYS, REFUND ANY DEPOSIT RECEIVED FROM THE MINOR,  
8 WHETHER OR NOT THE MINOR HAS ENGAGED IN OR ATTEMPTED TO ENGAGE IN A  
9 CONTEST; PROVIDED, HOWEVER, THAT ANY REFUND MAY BE OFFSET BY ANY PRIZES  
10 ALREADY AWARDED;  
11 (II) EACH REGISTRANT SHALL PUBLISH AND FACILITATE PARENTAL CONTROL  
12 PROCEDURES TO ALLOW PARENTS OR GUARDIANS TO EXCLUDE MINORS FROM ACCESS  
13 TO ANY CONTEST OR PLATFORM. SUCH PROCEDURES SHALL INCLUDE A TOLL-FREE  
14 NUMBER TO CALL FOR HELP IN ESTABLISHING SUCH PARENTAL CONTROLS; AND  
15 (III) EACH REGISTRANT SHALL TAKE APPROPRIATE STEPS TO CONFIRM THAT AN  
16 INDIVIDUAL OPENING AN ACCOUNT IS NOT A MINOR.  
17 (C) WHEN REFERENCING THE CHANCES OR LIKELIHOOD OF WINNING IN ADVER-  
18 TISEMENTS OR UPON CONTEST ENTRY, MAKE CLEAR AND CONSPICUOUS STATEMENTS  
19 THAT ARE NOT INACCURATE OR MISLEADING CONCERNING THE CHANCES OF WINNING  
20 AND THE NUMBER OF WINNERS;  
21 (D) ENABLE AUTHORIZED PLAYERS TO EXCLUDE THEMSELVES FROM CONTESTS AND  
22 TAKE REASONABLE STEPS TO PREVENT SUCH PLAYERS FROM ENTERING A CONTEST  
23 FROM WHICH THEY HAVE EXCLUDED THEMSELVES;  
24 (E) PERMIT ANY AUTHORIZED PLAYER TO PERMANENTLY CLOSE AN ACCOUNT  
25 REGISTERED TO SUCH PLAYER, ON ANY AND ALL PLATFORMS SUPPORTED BY SUCH  
26 OPERATOR OR REGISTRANT, AT ANY TIME AND FOR ANY REASON;  
27 (F) OFFER INTRODUCTORY PROCEDURES FOR AUTHORIZED PLAYERS, THAT SHALL  
28 BE PROMINENTLY DISPLAYED ON THE MAIN PAGE OF SUCH OPERATOR OR REGIS-  
29 TRANT'S PLATFORM, THAT EXPLAIN CONTEST PLAY AND HOW TO IDENTIFY A HIGHLY  
30 EXPERIENCED PLAYER;  
31 (G) IDENTIFY ALL HIGHLY EXPERIENCED PLAYERS IN ANY CONTEST BY A SYMBOL  
32 ATTACHED TO SUCH PLAYERS' USERNAMES, OR BY OTHER EASILY VISIBLE MEANS,  
33 ON ALL PLATFORMS SUPPORTED BY SUCH OPERATOR OR REGISTRANT;  
34 (H) DISCLOSE THE NUMBER OF ENTRIES A SINGLE AUTHORIZED PLAYER MAY  
35 SUBMIT TO EACH CONTEST;  
36 (I) DISCLOSE THE MAXIMUM NUMBER OF TOTAL ENTRIES ALLOWED FOR EACH  
37 CONTEST;  
38 (J) IMPLEMENT MEASURES TO PROTECT THE PRIVACY AND ONLINE SECURITY OF  
39 AUTHORIZED PLAYERS AND THEIR ACCOUNTS;  
40 (K) OFFER ALL AUTHORIZED PLAYERS ACCESS TO HIS OR HER ACCOUNT HISTORY  
41 AND ACCOUNT DETAILS;  
42 (L) ENSURE AUTHORIZED PLAYERS' FUNDS ARE PROTECTED UPON DEPOSIT AND  
43 SEGREGATED FROM THE OPERATING FUNDS OF SUCH OPERATOR OR REGISTRANT AND  
44 OTHERWISE PROTECTED FROM CORPORATE INSOLVENCY, FINANCIAL RISK, OR CRIMI-  
45 NAL OR CIVIL ACTIONS AGAINST SUCH OPERATOR OR REGISTRANT;  
46 (M) LIST ON EACH WEBSITE, IN A PROMINENT PLACE, INFORMATION CONCERNING  
47 ASSISTANCE FOR COMPULSIVE PLAY IN NEW YORK STATE, INCLUDING A TOLL-FREE  
48 NUMBER DIRECTING CALLERS TO REPUTABLE RESOURCES CONTAINING FURTHER  
49 INFORMATION, WHICH SHALL BE FREE OF CHARGE;  
50 (N) ENSURE THE VALUE OF ANY PRIZES AND AWARDS OFFERED TO AUTHORIZED  
51 PLAYERS SHALL BE ESTABLISHED AND MADE KNOWN TO SUCH PLAYERS IN ADVANCE  
52 OF THE CONTEST, AND SUCH VALUE SHALL NOT BE DETERMINED BY THE NUMBER OF  
53 AUTHORIZED PLAYERS OR THE AMOUNT OF ANY ENTRY FEES PAID BY SUCH PLAYERS;  
54 (O) ENSURE ALL WINNING OUTCOMES REFLECT THE RELATIVE KNOWLEDGE AND  
55 SKILL OF THE AUTHORIZED PLAYERS AND SHALL BE DETERMINED PREDOMINANTLY BY

1 ACCUMULATED STATISTICAL RESULTS OF THE PERFORMANCE OF INDIVIDUALS IN  
2 SPORTS EVENTS;

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

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

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

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

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

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

33 4. REGISTRANTS SHALL NOT OFFER ANY CONTEST BASED ON ANY PROHIBITED  
34 SPORTS EVENT.

35 5. REGISTRANTS SHALL NOT PERMIT ANY MINOR OR PROHIBITED PARTICIPANT TO  
36 ENTER ANY CONTEST.

37 6. ADVERTISEMENTS FOR CONTESTS AND PRIZES OFFERED BY A REGISTRANT  
38 SHALL NOT TARGET PROHIBITED PARTICIPANTS, MINORS, OR SELF-EXCLUDED  
39 PERSONS. REPRESENTATIONS OR IMPLICATIONS ABOUT AVERAGE WINNINGS FROM  
40 CONTESTS SHALL NOT BE UNFAIR OR MISLEADING. SUCH REPRESENTATIONS SHALL  
41 INCLUDE, AT A MINIMUM:

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

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

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

53 8. OPERATORS AND REGISTRANTS SHALL DEVELOP AND PROMINENTLY DISPLAY  
54 PROCEDURES ON THE MAIN PAGE OF SUCH OPERATOR'S OR REGISTRANT'S PLATFORM  
55 FOR THE FILING OF A COMPLAINT BY THE AUTHORIZED PLAYER AGAINST SUCH  
56 REGISTRANT. AN INITIAL RESPONSE SHALL BE GIVEN BY SUCH REGISTRANT TO

1 SUCH PLAYER FILING THE COMPLAINT WITHIN FORTY-EIGHT HOURS. A COMPLETE  
2 RESPONSE SHALL BE GIVEN BY SUCH REGISTRANT TO SUCH PLAYER FILING THE  
3 COMPLAINT WITHIN TEN BUSINESS DAYS. AN AUTHORIZED PLAYER MAY FILE A  
4 COMPLAINT ALLEGING A VIOLATION OF THE PROVISIONS OF THIS ARTICLE WITH  
5 THE COMMISSION.

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

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

19 2. THE COMMISSION SHALL HAVE THE FOLLOWING POWERS AND DUTIES FOR  
20 PURPOSES OF ADMINISTERING, REGULATING, AND ENFORCING THE PROVISIONS OF  
21 THIS ARTICLE:

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

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

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

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

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

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

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

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

40 (A) THE NUMBER OF ACCOUNTS HELD BY AUTHORIZED PLAYERS ON ALL PLATFORMS  
41 OFFERED BY THE REGISTRANT, AND THE NUMBER OF ACCOUNTS HELD BY HIGHLY  
42 EXPERIENCED PLAYERS ON ALL PLATFORMS OFFERED BY THE REGISTRANT;

43 (B) THE TOTAL NUMBER OF NEW ACCOUNTS ESTABLISHED IN THE PRECEDING  
44 YEAR, AS WELL AS THE TOTAL NUMBER OF ACCOUNTS PERMANENTLY CLOSED IN THE  
45 PRECEDING YEAR;

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

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

48 (E) THE TOTAL AMOUNT OF INTERACTIVE FANTASY SPORTS REVENUE RECEIVED BY  
49 THE REGISTRANT;

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

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

54 2. UPON THE SUBMISSION OF SUCH ANNUAL REPORT, TO SUCH EXTENT THAT THE  
55 COMMISSION DEEMS IT TO BE IN THE PUBLIC INTEREST, THE COMMISSION SHALL



1 BE AUTHORIZED TO CONDUCT A FINANCIAL AUDIT OF ANY REGISTRANT, AT ANY  
2 TIME, TO ENSURE COMPLIANCE WITH THIS ARTICLE.

3 3. THE COMMISSION SHALL ANNUALLY PUBLISH A REPORT BASED ON THE AGGRE-  
4 GATE INFORMATION PROVIDED BY ALL REGISTRANTS PURSUANT TO SUBDIVISION ONE  
5 OF THIS SECTION, WHICH SHALL BE PUBLISHED ON THE COMMISSION'S WEBSITE NO  
6 LATER THAN ONE HUNDRED EIGHTY DAYS AFTER THE DEADLINE FOR THE SUBMISSION  
7 OF INDIVIDUAL REPORTS AS SPECIFIED IN SUBDIVISION ONE OF THIS SECTION.

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

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

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

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

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

49 S 1411. CONTESTS AUTHORIZED. INTERACTIVE FANTASY SPORTS CONTESTS  
50 REGISTERED AND CONDUCTED PURSUANT TO THE PROVISIONS OF THIS CHAPTER ARE  
51 HEREBY AUTHORIZED.

52 S 1412. CONTESTS PROHIBITED. THE CONDUCT OF UNREGISTERED INTERACTIVE  
53 FANTASY SPORTS CONTESTS IS PROHIBITED.

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

1 23. TO REGISTER AND REGULATE INTERACTIVE FANTASY SPORTS IN NEW YORK  
2 STATE.  
3 S 3. This act shall take effect immediately.