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Introduced by M. of A. PRETLOW, TAGUE, SCHMITT, JOYNER, WOERNER, SANTA-BARBARA, LUPARDO, PHEFFER AMATO, DILAN, WEPRIN, PERRY, FALL, AUBRY, STIRPE, TAYLOR, DenDEKKER, BURKE -- Multi-Sponsored by -- M. of A. HEVESI, PICHARDO, D. ROSENTHAL, ROZIC, SIMOTAS, STERN, VANEL -- read once and referred to the Committee on Racing and Wagering -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- reported and referred to the Committee on Codes -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the racing, pari-mutuel wagering and breeding law, in relation to regulation of sports betting

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

Section 1. Section 1367 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013, is amended to read as follows:

§ 1367. Sports wagering. 1. As used in this section:

(a) "Affiliate" means any off-track betting corporation, franchised corporation, or race track licensed pursuant to this chapter, an operator of video lottery gaming at Aqueduct licensed pursuant to section sixteen hundred seventeen-a of the tax law, which has an affiliate agreement with a casino pursuant to section thirteen hundred sixty-seven-a of this title. Any professional sports stadium or arena may serve as an affiliate;

(b) "Agent" means an entity that is party to a contract with a casino authorized to operate a sports pool and is approved by the commission to operate a sports pool on behalf of such casino;

(c) "Authorized sports bettor" means an individual who is physically present in this state when placing a sports wager, who is not a prohib-

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

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1 ited sports bettor, that participates in sports wagering offered by a
2 casino. All sports wagers placed in accordance with this section are
3 considered placed or otherwise made when received by the operator at the
4 licensed gaming facility, regardless of the authorized sports bettor's
5 physical location at the time the sports wager is initiated. The inter-
6 mediate routing of electronic data in connection with mobile sports
7 wagering shall not determine the location or locations in which a wager
8 is initiated, received or otherwise made;

9 (d) "Brand" means the name and logo on the interface of a mobile
10 application or internet website accessed via a mobile device or computer
11 which authorized sports bettors use to access a sports betting platform;

12 (e) "Casino" means a licensed gaming facility at which gambling is
13 conducted pursuant to the provisions of this article;

14 ~~[(b)]~~ (f) "Commission" means the commission established pursuant to
15 section one hundred two of this chapter;

16 ~~[(c)]~~ (g) "Collegiate sport or athletic event" means a sport or
17 athletic event offered or sponsored by or played in connection with a
18 public or private institution that offers educational services beyond
19 the secondary level;

20 ~~[(d)]~~ (h) "Covered persons" includes: athletes; players; umpires;
21 referees; officials; personnel associated with players, clubs, teams,
22 leagues, and athletic associations; medical professionals, including
23 athletic trainers who provide services to athletes and players; and the
24 family members and associates of these persons where required to serve
25 the purposes of this title;

26 (i) "Exchange wagering" means a form of wagering in which an author-
27 ized sports bettor, on the one hand, and one or more authorized sports
28 bettors, a casino or an agent or an operator, on the other hand place
29 identically opposing sports wagers on an exchange operated by a casino
30 or an agent or an operator;

31 (j) "Global risk management" means the direction, management, consul-
32 tation and/or instruction for purposes of managing risks associated with
33 sports wagering conducted pursuant to this section and includes the
34 setting and adjustment of betting lines, point spreads, or odds and
35 whether to place layoff bets as permitted by this section;

36 (k) "High school sport or athletic event" means a sport or athletic
37 event offered or sponsored by or played in connection with a public or
38 private institution that offers education services at the secondary
39 level;

40 (l) "Horse racing event" means any sport or athletic event conducted
41 in New York state subject to the provisions of articles two, three,
42 four, five, six, nine, ten and eleven of this chapter, or any sport or
43 athletic event conducted outside of New York state, which if conducted
44 in New York state would be subject to the provisions of this chapter;

45 (m) "In-play sports wager" means a sports wager placed on a sports
46 event after the sports event has begun and before it ends;

47 (n) "Layoff bet" means a sports wager placed by a casino sports pool
48 with another casino sports pool;

49 (o) "Minor" means any person under the age of twenty-one years;

50 (p) "Mobile sports wagering platform" or "platform" means the combina-
51 tion of hardware, software, and data networks used to manage, adminis-
52 ter, or control sports wagering and any associated wagers accessible by
53 any electronic means including mobile applications and internet websites
54 accessed via a mobile device or computer;

55 (q) "Official league data" means statistics, results, outcomes, and
56 other data relating to a sporting event that have been obtained from the

1 relevant sports governing body or an entity expressly authorized by the
2 sports governing body to provide such information to casinos;

3 (r) "Operator" means a casino which has elected to operate a sports
4 pool (or agent of such casino) or an Indian Tribe (or an agent of such
5 Indian Tribe) that has entered into a tribal-state gaming compact in
6 accordance with the Indian Gaming Regulatory Act 25 U.S.C. 2710, that is
7 in effect and has been ratified by the state and has entered into a
8 sports wagering agreement pursuant to section thirteen hundred sixty-
9 seven-a of this title;

10 (s) "Persons who present sporting contests" includes sports governing
11 bodies and associations, their members and affiliates, and other persons
12 who present sporting contests to the public;

13 ~~(t)~~ (t) "Professional sport or athletic event" means an event at
14 which two or more persons participate in sports or athletic events and
15 receive compensation in excess of actual expenses for their partic-
16 ipation in such event;

17 (u) "Prohibited conduct" means any statement, action, and other commu-
18 nication intended to influence, manipulate, or control a betting outcome
19 of a sporting contest or of any individual occurrence or performance in
20 a sporting contest in exchange for financial gain or to avoid financial
21 or physical harm. "Prohibited conduct" includes statements, actions, and
22 communications made to a covered person by a third party, such as a
23 family member or through social media;

24 (v) "Professional sports stadium or arena" means a stadium, ballpark,
25 or arena that is the permanent home of a professional sports team play-
26 ing at the highest professional level in its sport and has a seating
27 capacity for such contests exceeding fifteen thousand seats;

28 ~~(w)~~ (w) "Prohibited sports bettor" means:

29 (i) any officer or employee of the commission;

30 (ii) any principal or key employee of a casino or operator, except as
31 may be permitted by the commission for good cause shown;

32 (iii) any casino gaming or non-gaming employee at the casino that
33 employs such person and at any operator that has an agreement with that
34 casino;

35 (iv) any contractor, subcontractor, or consultant, or officer or
36 employee of a contractor, subcontractor, or consultant, of a casino if
37 such person is directly involved in the operation or observation of
38 sports wagering, or the processing of sports wagering claims or
39 payments;

40 (v) Any person subject to a contract with the commission if such
41 contract contains a provision prohibiting such person from participating
42 in sports wagering;

43 (vi) Any spouse, child, brother, sister or parent residing as a member
44 of the same household in the principal place of abode of any of the
45 foregoing persons at the same casino where the foregoing person is
46 prohibited from participating in sports wagering;

47 (vii) any individual with access to non-public confidential informa-
48 tion about sports wagering;

49 (viii) any amateur or professional athlete if the sports wager is
50 based on any sport or athletic event overseen by the athlete's sports
51 governing body;

52 (ix) any sports agent, owner or employee of a team, player and umpire
53 union personnel, and employee referee, coach or official of a sports
54 governing body, if the sports wager is based on any sport or athletic
55 event overseen by the individual's sports governing body;

1 (x) any individual placing a wager as an agent or proxy for an other-
2 wise prohibited sports bettor; or

3 (xi) any minor;

4 (x) "Prohibited sports event" means any collegiate sport or athletic
5 event that takes place in New York or a sport or athletic event in which
6 any New York college team participates regardless of where the event
7 takes place, or high school sport or athletic event;

8 ~~[(g)]~~ (y) "Registered sports governing body" means a sports governing
9 body that is headquartered in the United States and who has registered
10 with the commission to receive royalty fee revenue in such form as the
11 commission may require;

12 (z) "Sports event" means any professional sport or athletic event and
13 any collegiate sport or athletic event, except a prohibited sports event
14 or a horse racing event;

15 ~~[(h)]~~ (aa) "Sports governing body" means the organization that
16 prescribes final rules and enforces codes of conduct with respect to a
17 sporting event and participants therein;

18 (bb) "Sports pool" means the business of accepting wagers on any
19 sports event by any system or method of wagering; [and

20 ~~(i)]~~ (cc) "Sports wager" means cash or cash equivalent that is paid by
21 an authorized sports bettor to a casino to participate in sports wager-
22 ing offered by such casino;

23 (dd) "Sports wagering" means wagering on sporting events or any
24 portion thereof, or on the individual performance statistics of athletes
25 participating in a sporting event, or combination of sporting events, by
26 any system or method of wagering, including, but not limited to, in-per-
27 son communication and electronic communication through internet websites
28 accessed via a mobile device or computer and mobile device applications.
29 Any wager through electronic communication shall be deemed to take place
30 at the physical location of the server or other equipment used by an
31 operator to accept mobile sports wagering, regardless of the authorized
32 sports bettor's physical location within the state at the time the wager
33 is initiated. The term "sports wagering" shall include, but is not
34 limited to, single-game bets, teaser bets, parlays, over-under bets,
35 money line, pools, exchange wagering, in-game wagering, in-play bets,
36 proposition bets and straight bets;

37 (ee) "Sports wagering gross revenue" means: (i) the amount equal to
38 the total of all sports wagers not attributable to prohibited sports
39 events that an operator collects from all players, less the total of all
40 sums not attributable to prohibited sports events paid out as winnings
41 to all sports bettors, however, that the total of all sums paid out as
42 winnings to sports bettors shall not include the cash equivalent value
43 of any merchandise or thing of value awarded as a prize, or (ii) in the
44 case of exchange wagering pursuant to this section, the commission on
45 winning sports wagers by authorized sports bettors retained by the oper-
46 ator. The issuance to or wagering by authorized sports bettors at a
47 casino of any promotional gaming credit shall not be taxable for the
48 purposes of determining sports wagering gross revenue;

49 (ff) "Sports wagering lounge" means an area wherein a sports pool is
50 operated;

51 (gg) "Tier one sports wager" means a sports wager that is determined
52 solely by the final score or final outcome of the sports event;

53 (hh) "Tier two sports wager" means an in-play sports wager that is not
54 a tier one sports wager;

55 (ii) "Tier three sports wager" means a sports wager that is neither a
56 tier one nor a tier two sports wager; and

(jj) "Indian Tribe" means an Indian Tribe (or an agent of such tribe) that has entered into a tribal-state gaming compact in accordance with the Indian Gaming Regulatory Act of 1988 (18 U.S.C. Sec. 1166 to 1168, inclusive, and 25 U.S.C. Sec. 2701 et seq.) which has been ratified by the state.

~~2. [No gaming facility may conduct sports wagering until such time as there has been a change in federal law authorizing such or upon a ruling of a court of competent jurisdiction that such activity is lawful.~~

~~3.]~~ (a) In addition to authorized gaming activities, a [~~licensed gaming facility~~] casino may [~~when authorized by subdivision two of this section~~] operate a sports pool upon the approval of the commission and in accordance with the provisions of this section and applicable regulations promulgated pursuant to this article. The commission shall hear and decide promptly and in reasonable order all applications for a license to operate a sports pool, shall have the general responsibility for the implementation of this section and shall have all other duties specified in this section with regard to the operation of a sports pool. The license to operate a sports pool shall be in addition to any other license required to be issued to operate a [~~gaming facility~~] casino. No license to operate a sports pool shall be issued by the commission to any entity unless it has established its financial stability, integrity and responsibility and its good character, honesty and integrity.

No later than five years after the date of the issuance of a license and every five years thereafter or within such lesser periods as the commission may direct, a licensee shall submit to the commission such documentation or information as the commission may by regulation require, to demonstrate to the satisfaction of the executive director of the commission that the licensee continues to meet the requirements of the law and regulations.

(b) As a condition of licensure the commission shall require that each agent authorized to conduct sports wagering pay a one-time fee of twelve million dollars. Such fee shall be paid within thirty days of gaming commission approval prior to license issuance and deposited into the commercial gaming revenue fund established pursuant to section thirteen hundred fifty-two of this article.

(c) A sports pool shall be operated in a sports wagering lounge located at a casino. The lounge shall conform to all requirements concerning square footage, design, equipment, security measures and related matters which the commission shall by regulation prescribe.

~~(e)]~~ (d) The operator of a sports pool shall establish or display the odds at which wagers may be placed on sports events.

~~(d)]~~ (e) An operator shall accept wagers on sports events only from persons physically present in the sports wagering lounge, or through mobile sports wagering offered pursuant to section thirteen hundred sixty-seven-a of this title. A person placing a wager shall be at least twenty-one years of age.

~~(e)]~~ (f) An operator may also accept layoff bets as long as the authorized sports pool places such wagers with another authorized sports pool or pools in accordance with regulations of the commission. A sports pool that places a layoff bet shall inform the sports pool accepting the wager that the wager is being placed by a sports pool and shall disclose its identity.

(g) An operator may utilize global risk management pursuant to the approval of the commission.

(h) An operator shall not admit into the sports wagering lounge, or accept wagers from, any person whose name appears on the exclusion list.

1 ~~[(f)]~~ (i) The holder of a license to operate a sports pool may
2 contract with ~~[an entity]~~ an agent to conduct any or all aspects of that
3 operation, or the operation of mobile sports wagering offered pursuant
4 to section thirteen hundred sixty-seven-a of this title, including but
5 not limited to brand, marketing and customer service, in accordance with
6 the regulations of the commission. ~~[That entity]~~ Each agent shall obtain
7 a license as a casino vendor enterprise prior to the execution of any
8 such contract, and such license shall be issued pursuant to the
9 provisions of section one thousand three hundred twenty-seven of this
10 article and in accordance with the regulations promulgated by the
11 commission.

12 ~~[(g)]~~ (j) If any provision of this article or its application to any
13 person or circumstance is held invalid, the invalidity shall not affect
14 other provisions or applications of this article which can be given
15 effect without the invalid provision or application, and to this end the
16 provisions of this article are severable.

17 ~~[4-]~~ 3. (a) All persons employed directly in wagering-related activ-
18 ities conducted within a sports wagering lounge shall be licensed as a
19 casino key employee or registered as a gaming employee, as determined by
20 the commission. All other employees who are working in the sports wager-
21 ing lounge may be required to be registered, if appropriate, in accord-
22 ance with regulations of the commission.

23 (b) Each operator of a sports pool shall designate one or more casino
24 key employees who shall be responsible for the operation of the sports
25 pool. At least one such casino key employee shall be on the premises
26 whenever sports wagering is conducted.

27 ~~[5-]~~ 4. Except as otherwise provided by this article, the commission
28 shall have the authority to regulate sports pools and the conduct of
29 sports wagering under this article to the same extent that the commis-
30 sion regulates other gaming. No casino shall be authorized to operate a
31 sports pool unless it has produced information, documentation, and
32 assurances concerning its financial background and resources, including
33 cash reserves, that are sufficient to demonstrate that it has the finan-
34 cial stability, integrity, and responsibility to operate a sports pool.
35 In developing rules and regulations applicable to sports wagering, the
36 commission shall examine the regulations implemented in other states
37 where sports wagering is conducted and shall, as far as practicable,
38 adopt a similar regulatory framework. The commission shall promulgate
39 regulations necessary to carry out the provisions of this section,
40 including, but not limited to, regulations governing the:

41 (a) amount of cash reserves to be maintained by operators to cover
42 winning wagers;

43 (b) acceptance of wagers on a series of sports events;

44 (c) maximum wagers which may be accepted by an operator from any one
45 patron on any one sports event;

46 (d) type of wagering tickets which may be used;

47 (e) method of issuing tickets;

48 (f) method of accounting to be used by operators;

49 (g) types of records which shall be kept;

50 (h) use of credit and checks by ~~[patrons]~~ authorized sports bettors;

51 (i) the process by which a casino may place a layoff bet;

52 (j) the use of global risk management;

53 (k) type of system for wagering; and

54 ~~[(j)]~~ (l) protections for a person placing a wager.

55 ~~[6-]~~ 5. Each operator shall adopt comprehensive house rules governing
56 sports wagering transactions with its ~~[patrons]~~ authorized sports

1 bettors. The rules shall specify the amounts to be paid on winning
2 wagers and the effect of schedule changes. The house rules, together
3 with any other information the commission deems appropriate, shall be
4 conspicuously displayed in the sports wagering lounge and included in
5 the terms and conditions of the account wagering system, and copies
6 shall be made readily available to ~~[patrons]~~ authorized sports bettors.

7 6. (a) Each casino that offers sports wagering shall annually submit a
8 report to the commission no later than the twenty-eighth of February of
9 each year, which shall include the following information:

10 (i) the total amount of sports wagers received from authorized sports
11 bettors;

12 (ii) the total amount of prizes awarded to authorized sports bettors;

13 (iii) the total amount of sports wagering gross revenue received by
14 the casino;

15 (iv) the total amount contributed in sports betting royalty revenue
16 pursuant to subdivision eight of this section;

17 (v) the total amount of wagers received on each sports governing
18 body's sporting events;

19 (vi) the number of accounts held by authorized sports bettors;

20 (vii) the total number of new accounts established in the preceding
21 year, as well as the total number of accounts permanently closed in the
22 preceding year;

23 (viii) the total number of authorized sports bettors that requested to
24 exclude themselves from sports wagering; and

25 (ix) any additional information that the commission deems necessary to
26 carry out the provisions of this article.

27 (b) Upon the submission of such annual report, to such extent that the
28 commission deems it to be in the public interest, the commission shall
29 be authorized to conduct a financial audit of any casino, at any time,
30 to ensure compliance with this article.

31 (c) The commission shall annually publish a report based on the aggre-
32 gate information provided by all casinos pursuant to paragraph (a) of
33 this subdivision, which shall be published on the commission's website
34 no later than one hundred eighty days after the deadline for the
35 submission of individual reports as specified in such paragraph (a).

36 7. (a) Within thirty days of the end of each calendar quarter, a casi-
37 no offering sports wagering shall remit to the commission a sports
38 wagering royalty fee of one-fifth (.20) of one percent of the amount
39 wagered on sports events conducted by registered sports governing
40 bodies. The fee shall be remitted on a form as the commission may
41 require, on which the casino shall identify the percentage of wagering
42 during the reporting period attributable to each registered sport
43 governing body's sports events.

44 (b) No later than the thirtieth of April of each year, a registered
45 sports governing body may submit a claim for disbursement of the royalty
46 fee funds remitted by casinos in the previous calendar year on their
47 respective sports events. Within thirty days of submitting its claim
48 for disbursement, the registered sports governing body shall meet with
49 the commission to provide the commission with evidence of policies,
50 procedures and training programs it has implemented to protect the
51 integrity of its sports events.

52 (c) Within thirty days of its meeting with the registered sports
53 governing body, the commission shall approve a timely claim for
54 disbursement.

55 (d) (i) Persons who present sporting contests shall have authority to
56 remove spectators and others from any facility for violation any appli-

1 cable codes of conduct, and to deny persons access to all facilities
2 they control, to revoke season tickets or comparable licenses, and to
3 share information about such persons with others who present sporting
4 contests and with the appropriate jurisdictions' law enforcement author-
5 ities.

6 (ii) Persons who present sporting contests shall provide notice to the
7 general public and those who attend sporting contests or visit their
8 facilities of any applicable codes of conduct and the potential penal-
9 ties for violating such codes.

10 8. For the privilege of conducting sports wagering in the state, casi-
11 nos shall pay a tax equivalent to eight and one-half percent of their
12 sports wagering gross revenue, excluding sports wagering gross revenue
13 attributed to mobile sports wagering offered pursuant to section thir-
14 teen hundred sixty-seven-a of this title. Casinos shall pay a tax equiv-
15 alent of twelve percent of their sports wagering gross revenue attri-
16 buted to mobile sports wagering offered pursuant to section thirteen
17 hundred sixty-seven-a of this title.

18 9. The commission shall pay into the commercial gaming revenue fund
19 established pursuant to section ninety-seven-nnnn of the state finance
20 law eighty-five percent of the state tax imposed by this section; any
21 interest and penalties imposed by the commission relating to those
22 taxes; all penalties levied and collected by the commission; and the
23 appropriate funds, cash or prizes forfeited from sports wagering. The
24 commission shall pay into the commercial gaming fund five percent of the
25 state tax imposed by this section to be distributed for problem gambling
26 education and treatment purposes pursuant to paragraph a of subdivision
27 four of section ninety-seven-nnnn of the state finance law. The commis-
28 sion shall pay into the commercial gaming fund five percent of the state
29 tax imposed by this section to be distributed for the cost of regulation
30 pursuant to paragraph c of subdivision four of section ninety-seven-nnnn
31 of the state finance law. The commission shall pay into the commercial
32 gaming fund five percent of the state tax imposed by this section to be
33 distributed in the same formula as market origin credits pursuant to
34 section one hundred fifteen-b of this chapter. The commission shall
35 require at least monthly deposits by the casino of any payments pursuant
36 to subdivision eight of this section, at such times, under such condi-
37 tions, and in such depositories as shall be prescribed by the state
38 comptroller. The deposits shall be deposited to the credit of the state
39 commercial gaming revenue fund. The commission shall require a monthly
40 report and reconciliation statement to be filed with it on or before the
41 tenth day of each month, with respect to gross revenues and deposits
42 received and made, respectively, during the preceding month.

43 10. The commission may perform audits of the books and records of a
44 casino, at such times and intervals as it deems appropriate, for the
45 purpose of determining the sufficiency of tax payments. If a return
46 required with regard to obligations imposed is not filed, or if a return
47 when filed or is determined by the commission to be incorrect or insuf-
48 ficient with or without an audit, the amount of tax due shall be deter-
49 mined by the commission. Notice of such determination shall be given to
50 the casino liable for the payment of the tax. Such determination shall
51 finally and irrevocably fix the tax unless the casino against whom it is
52 assessed, within thirty days after receiving notice of such determi-
53 nation, shall apply to the commission for a hearing in accordance with
54 the regulations of the commission.

55 11. Nothing in this section shall apply to interactive fantasy sports
56 offered pursuant to article fourteen of this chapter. Nothing in this

1 section authorizes any entity that conducts interactive fantasy sports
2 offered pursuant to article fourteen of this chapter to conduct sports
3 wagering unless it separately qualifies for, and obtains, authorization
4 pursuant to this section.

5 12. A casino that is also licensed under article three of this chap-
6 ter, and must maintain racing pursuant to paragraph (b) of subdivision
7 one of section thirteen hundred fifty-five of this article, shall be
8 allowed to offer pari-mutuel wagering on horse racing events in accord-
9 ance with their license under article three of this chapter. Notwith-
10 standing subparagraph (ii) of paragraph c of subdivision two of section
11 one thousand eight of this chapter, a casino located in the city of
12 Schenectady shall be allowed to offer pari-mutuel wagering on horse
13 racing events, provided such wagering is conducted by the regional off-
14 track betting corporation in such region as the casino is located. Any
15 other casino shall be allowed to offer pari-mutuel wagering on horse
16 racing events, provided such wagering is conducted by the regional off-
17 track betting corporation in such region as the casino is located. Any
18 physical location where pari-mutuel wagering on horse racing events is
19 offered by a casino and conducted by a regional off-track betting corpo-
20 ration in accordance with this subdivision shall be deemed to be a
21 branch location of the regional off-track betting corporation in accord-
22 ance with section one thousand eight of this chapter. Mobile sports
23 betting kiosks located on the premises of affiliates in accordance with
24 paragraph (d) of subdivision five of section thirteen hundred sixty-sev-
25 en-a of this title shall not be allowed to offer pari-mutuel wagering on
26 horse racing events.

27 13. A sports governing body may notify the commission that it desires
28 to restrict, limit, or exclude wagering on its sporting events by
29 providing notice in the form and manner as the commission may require.
30 Upon receiving such notice, the commission shall review the request in
31 good faith, seek input from the casinos on such a request, and if the
32 commission deems it appropriate, promulgate regulations to restrict such
33 sports wagering. If the commission denies a request, the sports govern-
34 ing body shall be afforded notice and the right to be heard and offer
35 proof in opposition to such determination in accordance with the regu-
36 lations of the commission. Offering or taking wagers contrary to
37 restrictions promulgated by the commission is a violation of this
38 section. In the event that the request is in relation to an emergency
39 situation, the executive director of the commission may temporarily
40 prohibit the specific wager in question until the commission has the
41 opportunity to issue temporary regulations addressing the issue.

42 14. (a) The commission shall designate the division of the state
43 police to have primary responsibility for conducting, or assisting the
44 commission in conducting, investigations into abnormal betting activity,
45 match fixing, and other conduct that corrupts a betting outcome of a
46 sporting event or events for purposes of financial gain.

47 (b) Casinos shall maintain records of sports wagering operations in
48 accordance with regulations promulgated by the commission. These regu-
49 lations shall, at a minimum, require a casino to adopt procedures to
50 obtain personally identifiable information from any individual who plac-
51 es any single wager in an amount of ten thousand dollars or greater.

52 (c) The commission shall cooperate with a sports governing body and
53 casinos to ensure the timely, efficient, and accurate sharing of infor-
54 mation.

55 (d) The commission and casinos shall cooperate with investigations
56 conducted by sports governing bodies or law enforcement agencies,

1 including but not limited to providing or facilitating the provision of
2 account-level betting information and audio or video files relating to
3 persons placing wagers; provided, however, that the casino be required
4 to share any personally identifiable information of an authorized sports
5 bettor with a sports governing body only pursuant to an order to do so
6 by the commission or a law enforcement agency or court of competent
7 jurisdiction.

8 (e) Casinos shall promptly report to the commission any information
9 relating to:

10 (i) criminal or disciplinary proceedings commenced against the casino
11 in connection with its operations;

12 (ii) abnormal betting activity or patterns that may indicate a concern
13 with the integrity of a sporting event or events;

14 (iii) any potential breach of the relevant sports governing body's
15 internal rules and codes of conduct pertaining to sports wagering, as
16 they have been provided by the sports governing body to the casino;

17 (iv) any other conduct that corrupts a betting outcome of a sporting
18 event or events for purposes of financial gain, including match fixing;
19 and

20 (v) suspicious or illegal wagering activities, including use of funds
21 derived from illegal activity, wagers to conceal or launder funds
22 derived from illegal activity, using agents to place wagers, using
23 confidential non-public information, and using false identification.

24 The commission shall also promptly report information relating to
25 conduct described in subparagraphs (ii), (iii) and (iv) of this para-
26 graph to the relevant sports governing body.

27 (f) Casinos shall maintain the confidentiality of information provided
28 by a sports governing body to the casino, unless disclosure is required
29 by this section, the commission, other law, or court order.

30 (g) The commission, by regulation, may authorize and promulgate any
31 rules necessary to implement agreements with other states, or authorized
32 agencies thereof to enable the sharing of information to facilitate
33 integrity monitoring and the conduct of investigations into abnormal
34 betting activity, match fixing, and other conduct that corrupts a
35 betting outcome of a sporting event or events for purposes of financial
36 gain.

37 (h) The commission shall study the potential for the creation of an
38 interstate database of all sports wagering information for the purpose
39 of integrity monitoring, and shall create a final report regarding all
40 findings and recommendations to be delivered upon completion of all
41 objectives described herein, but in no event later than March first, two
42 thousand twenty, to the governor, the speaker of the assembly and the
43 temporary president of the senate.

44 (i) The commission shall investigate all reasonable allegations of
45 prohibited conduct and refer any allegations it deems credible to the
46 appropriate law enforcement entity.

47 (j) The commission shall establish a hotline or other method of commu-
48 nication that allows any person to confidentially report information
49 about prohibited conduct to the commission. The identity of any person
50 reporting prohibited conduct to the commission shall remain confidential
51 unless that person authorizes disclosure of his or her identity or until
52 such time as the allegation of prohibited conduct is referred to law
53 enforcement.

54 15. (a) Casinos shall use whatever data source they deem appropriate
55 for determining the result of sports wagering involving tier one sports
56 wagers.

1 (b) Casinos shall only use official league data in all sports wagering
2 involving tier two sports wagers, if the relevant sports governing body
3 possesses a feed of official league data, and makes such feed available
4 for purchase by the casinos on commercially reasonable terms as deter-
5 mined by the commission.

6 (c) A sports governing body may notify the commission that it desires
7 to require casinos to use official league data in sports wagering
8 involving specific tier three sports wagers by providing notice in the
9 form and manner as the commission may require. Upon receiving such
10 notice, the commission shall review the request, seek input from the
11 casinos on such a request, and if the commission deems it appropriate,
12 promulgate regulations to require casinos to use official league data on
13 sports wagering involving such tier three sports wagers if the relevant
14 sports governing body possesses a feed of official league data, and
15 makes such feed available for purchase by the casinos on commercially
16 reasonable terms as determined by the commission.

17 (d) When determining whether or not a supplier of official league data
18 is offering commercially reasonable terms, the commission shall consider
19 the amount charged by the supplier of official league data to gaming
20 operators in other jurisdictions. This information shall be provided to
21 the commission by the supplier of official league data upon request of
22 the commission. Any entity providing data to a casino for the purpose of
23 tier two sports wagers shall obtain a license as a casino vendor enter-
24 prise and such license shall be issued pursuant to the provisions of
25 section thirteen hundred twenty-seven of this article and in accordance
26 with the regulations promulgated by the commission.

27 (e) No casino shall enter into an agreement with a sports governing
28 body or an entity expressly authorized to distribute official league
29 data to be the exclusive recipient of their official league data.

30 (f) The commission shall promulgate regulations to allow an authorized
31 sports bettor to file a complaint alleging an underpayment or non-pay-
32 ment of a winning sports wager. Any such regulations shall provide that
33 the commission utilize the statistics, results, outcomes, and other data
34 relating to a sporting event that have been obtained from the relevant
35 sports governing body in determining the validity of such claim.

36 16. A casino shall not permit sports wagering by anyone they know, or
37 should have known, to be a prohibited sports bettor.

38 17. Sports wagering conducted pursuant to the provisions of this
39 section is hereby authorized.

40 18. The commission shall promulgate rules that require an operator to
41 implement responsible gaming programs that include comprehensive employ-
42 ee trainings on responding to circumstances in which individuals present
43 signs of a gambling addiction and requirements for casinos and operators
44 under section thirteen hundred sixty-seven-a of this title to assess,
45 prevent, and address problem gaming by users under the age of thirty.
46 The commission shall establish a hotline or other method of communi-
47 cation that will allow any person to confidentially report information
48 about prohibited conduct to the commission. The commission shall promul-
49 gate rules governing the investigation and resolution of a charge of any
50 person purported to have engaged in prohibited conduct.

51 19. The conduct of sports wagering in violation of this section is
52 prohibited.

53 20. (a) In addition to any criminal penalties provided for under arti-
54 cle two hundred twenty-five of the penal law, any person, firm, corpo-
55 ration, association, agent, or employee, who is not authorized to offer
56 sports wagering under this section or section thirteen hundred sixty-

1 seven-a of this title, and who knowingly offers or attempts to offer
2 sports wagering or mobile sports wagering in New York shall be liable
3 for a civil penalty of not more than one hundred thousand dollars for
4 each violation, not to exceed five million dollars for violations aris-
5 ing out of the same transaction or occurrence, which shall accrue to the
6 state and may be recovered in a civil action brought by the commission.

7 (b) Any person, firm, corporation, association, agent, or employee who
8 knowingly violates any procedure implemented under this section, or
9 section thirteen hundred sixty-seven-a of this title, shall be liable
10 for a civil penalty of not more than five thousand dollars for each
11 violation, not to exceed fifty thousand dollars for violations arising
12 out of the same transaction or occurrence, which shall accrue to the
13 state and may be recovered in a civil action brought by the commission.

14 § 2. The racing, pari-mutuel wagering and breeding law is amended by
15 adding a new section 1367-a to read as follows:

16 § 1367-a. Mobile sports wagering. 1. (a) Except as provided in this
17 subdivision, the terms in this section shall have the same meanings as
18 such terms are defined in subdivision one of section thirteen hundred
19 sixty-seven of this title.

20 (b) "Operator" for purposes of this section, means a casino which has
21 elected to offer a mobile sports wagering platform, an Indian Tribe (or
22 agent of such Indian Tribe) that has entered into a tribal-state gaming
23 compact in accordance with the Indian Gaming Regulatory Act, 25 U.S.C.
24 2710, that is in effect and has been ratified by the state and has
25 entered into a sports wagering agreement to operate with the commission
26 pursuant to this section, or the agent of such licensed gaming facility
27 or such Indian Tribe.

28 2. (a) No casino shall administer, manage, or otherwise make available
29 a mobile sports wagering platform to persons located in New York state
30 unless registered with the commission pursuant to this section. A casino
31 may use one mobile sports wagering platform and brand provided that such
32 platform and brand has been reviewed and approved by the commission. A
33 casino may contract with an independent operator to provide its mobile
34 sports wagering platform. The independent operator may display its brand
35 on the platform in addition to the casino's brand.

36 (b) Registrations issued by the commission shall remain in effect for
37 five years. The commission shall establish a process for renewal.

38 (c) The commission shall publish a list of all operators and casinos
39 registered to offer mobile sports wagering in New York state pursuant to
40 this section on the commission's website for public use.

41 3. In the event that a casino contracts with an operator to provide
42 its mobile sports wagering platform and brand, such operator shall
43 obtain a license as a casino vendor enterprise prior to the execution of
44 any such contract, and such license shall be issued pursuant to the
45 provisions of section thirteen hundred twenty-seven of this article and
46 in accordance with the regulations promulgated by the commission.

47 3-a. (a) As a condition of registration as an operator, each casino
48 shall agree, upon request of an Indian Tribe that has not entered into
49 an agreement for mobile sports wagering with another casino, to provide
50 a site for a mobile sports wagering server and related equipment for the
51 Indian Tribe as directed by the commission, at no cost to the Indian
52 Tribe except the direct and actual cost of hosting the server or other
53 equipment used by the Indian Tribe as determined by the commission.

54 (b) As a condition of registration as an operator in New York state,
55 an Indian Tribe shall enter into an agreement with the commission with
56 respect to mobile sports wagering:

(i) To follow the requirements imposed on casinos and operators under this section and section thirteen hundred sixty-seven of this title with respect to the Indian Tribe's mobile sports wagering; to adhere to the regulations promulgated by the commission pursuant to this section with respect to mobile sports wagering, and to submit to the commission's enforcement of this section and section thirteen hundred sixty-seven of this title and regulations promulgated thereunder with respect to mobile sports wagering, including by waiving tribal sovereign immunity for the sole and limited purpose of such enforcement. Nothing herein shall be construed as requiring an Indian Tribe's agreement to adhere to the requirements of section thirteen hundred sixty-seven of this title for gaming conducted on tribal lands as a condition of offering mobile sports wagering under this section;

(ii) To waive the Indian Tribe's exclusive geographic right to offer and conduct mobile sports wagering, but not otherwise;

(iii) To remit payment to the state equal to tax on sports wagering revenue imposed under section thirteen hundred sixty-seven of this title with respect to mobile sports wagering;

(iv) Not to offer or to conduct mobile gaming other than mobile sports wagering pursuant to this section unless such mobile gaming is otherwise authorized by state or federal law; and

(v) To locate the server or other equipment used by the Indian Tribe or its agent to accept mobile sports wagering at a casino as defined in paragraph (d) of subdivision one of section thirteen hundred sixty-seven of this title that has applied for and is eligible to register as an operator of mobile sports wagering pursuant to this section and to pay the actual cost of hosting the server or other equipment as determined by the commission.

(c) All agreements entered into casinos and Indian Tribes with respect to hosting mobile sports wagering platforms for an Indian Tribe:

(i) Must be approved by the commission prior to taking effect and before registration of the casino or Indian Tribe as an operator under this section;

(ii) Must provide that the Indian Tribe may, at its sole discretion, terminate the agreement and all commitments, undertakings and waivers made by the Indian Tribe thereunder, except that the Indian Tribe's waiver of its exclusive geographic right to offer and conduct mobile sports wagering shall survive the termination of the agreement;

(iii) Shall be limited in applicability solely to the Indian Tribe's operation of mobile sports betting and shall not extend to any other operation or activity of the Indian Tribe; and

(iv) Shall not create any rights or privileges to any third party who is not a party to the agreement, except that the commission shall have the power to enforce the agreement including by revoking or suspending the registration of a party that fails to comply with its obligations under the agreement.

(d) No mobile sports wagering may be conducted within an Indian Tribe's exclusive geographic area unless the Indian Tribe with exclusive geographic right to that area is registered as an operator under this section. Operators shall use geo-location and geo-fencing technology to ensure that mobile sports wagering is not available to persons who are physically located in an Indian Tribe's exclusive geographic area, unless the Indian Tribe with exclusive geographic right to that area is registered as an operator under this section.

3-b.(a) The commission shall promulgate regulations to implement the provisions of this section, including:

1 (i) the development of the initial form of the application for regis-
2 tration;

3 (ii) responsible protections with regard to compulsive play safeguards
4 for fair play;

5 (iii) requiring that operators adopt controls to prevent minors from
6 creating accounts and placing wagers;

7 (iv) requiring that operators adopt controls to maintain the efficien-
8 cy of self-exclusion limits; and

9 (v) requiring that operators utilize commercially reasonable techno-
10 logical means of verifying account holders' identities.

11 (b) The commission shall prescribe the initial form of the application
12 for registration, for operators, which shall require, but not be limited
13 to:

14 (i) the full name and principal address of the operator;

15 (ii) if a corporation, the name of the state in which incorporated and
16 the full names and addresses of any partner, officer, director, share-
17 holder holding ten percent or more equity, and ultimate equitable
18 owners;

19 (iii) if a business entity other than a corporation, the full names
20 and addresses of the principals, partners, shareholders holding five
21 percent or more equity, and ultimate equitable owners;

22 (iv) whether such corporation or entity files information and reports
23 with the United States Securities and Exchange Commission as required by
24 section thirteen of the Securities Exchange Act of 1934, 15 U.S.C. §§
25 78a-78kk; or whether the securities of the corporation or entity are
26 regularly traded on an established securities market in the United
27 States;

28 (v) the type and estimated number of contests to be conducted annual-
29 ly; and

30 (vi) a statement of the assets and liabilities of the operator.

31 (c) The commission may require the full names and addresses of the
32 officers and directors of any creditor of the operator, and of those
33 stockholders who hold more than ten percent of the stock of the credi-
34 tor.

35 (d) Upon receipt of an application for registration for each individ-
36 ual listed on such application as an officer or director, the commission
37 shall submit to the division of criminal justice services a set of fing-
38 erprints, and the division of criminal justice services processing fee
39 imposed pursuant to subdivision eight-a of section eight hundred thir-
40 ty-seven of the executive law and any fee imposed by the federal bureau
41 of investigation. Upon receipt of the fingerprints, the division of
42 criminal justice services shall promptly forward a set of the individ-
43 ual's fingerprints to the federal bureau of investigation for the
44 purpose of a nationwide criminal history record check to determine
45 whether such individual has been convicted of a criminal offense in any
46 state other than New York or in a federal jurisdiction. The division of
47 criminal justice services shall promptly provide the requested criminal
48 history information to the commission. For the purposes of this section,
49 the term "criminal history information" shall mean a record of all
50 convictions of crimes and any pending criminal charges maintained on an
51 individual by the division of criminal justice services and the federal
52 bureau of investigation. All such criminal history information sent to
53 the commission pursuant to this subdivision shall be confidential and
54 shall not be published or in any way disclosed to persons other than the
55 commission, unless otherwise authorized by law.

(e) Upon receipt of criminal history information pursuant to paragraph (d) of this subdivision, the commission shall make a determination to approve or deny an application for registration; provided, however, that before making a determination on such application, the commission shall provide the subject of the record with a copy of such criminal history information and a copy of article twenty-three-A of the correction law and inform such prospective applicant seeking to be credentialed of his or her right to seek correction of any incorrect information contained in such criminal history information pursuant to the regulations and procedures established by the division of criminal justice services. The commission shall deny any application for registration, or suspend, refuse to renew, or revoke any existing registration issued pursuant to this article, upon the finding that the operator or registrant, or any partner, officer, director, or shareholder:

(i) has knowingly made a false statement of material fact or has deliberately failed to disclose any information required by the commission;

(ii) has had a gaming registration or license denied, suspended, or revoked in any other state or country for just cause;

(iii) has legally defaulted in the payment of any obligation or debt due to any state or political subdivision; or

(iv) has at any time knowingly failed to comply with any requirement outlined in this section, any other provision of this article, any regulations promulgated by the commission or any additional requirements of the commission.

(f) All determinations to approve or deny an application pursuant to this article shall be performed in a manner consistent with subdivision sixteen of section two hundred ninety-six of the executive law and article twenty-three-A of the correction law. When the commission denies an application, the operator shall be afforded notice and the right to be heard and offer proof in opposition to such determination in accordance with the regulations of the commission.

4. (a) As a condition of registration in New York state, each operator shall implement the following measures:

(i) limit each authorized sports bettor to one active and continuously used account on their platform, and prevent anyone they know, or should have known to be a prohibited sports bettor from maintaining accounts or participating in any sports wagering offered by such operator;

(ii) adopt appropriate safeguards to ensure, to a reasonable degree of certainty, that authorized sports bettors are physically located within the state when engaging in mobile sports betting;

(iii) prohibit minors from participating in any sports wagering, which includes:

(1) if an operator becomes or is made aware that a minor has created an account, or accessed the account of another, such operator shall promptly, within no more than two business days, refund any deposit received from the minor, whether or not the minor has engaged in or attempted to engage in sports wagering; provided, however, that any refund may be offset by any prizes already awarded;

(2) each operator shall provide parental control procedures to allow parents or guardians to exclude minors from access to any sports wagering or platform. Such procedures shall include a toll-free number to call for help in establishing such parental controls; and

(3) each operator shall take appropriate steps to confirm that an individual opening an account is not a minor;

1 (iv) when referencing the chances or likelihood of winning in adver-
2 tisements or upon placement of a sports wager, make clear and conspicu-
3 ous statements that are not inaccurate or misleading concerning the
4 chances of winning and the number of winners;

5 (v) enable authorized sports bettors to exclude themselves from sports
6 wagering and take reasonable steps to prevent such bettors from engaging
7 in sports wagering from which they have excluded themselves;

8 (vi) permit any authorized sports bettor to permanently close an
9 account registered to such bettor, on any and all platforms supported by
10 such operator, at any time and for any reason;

11 (vii) offer introductory procedures for authorized sports bettors,
12 that shall be prominently displayed on the main page of such operator
13 platform, that explain sports wagering;

14 (viii) implement measures to protect the privacy and online security
15 of authorized sports bettors and their accounts;

16 (ix) offer all authorized sports bettors access to his or her account
17 history and account details;

18 (x) ensure authorized sports bettors' funds are protected upon deposit
19 and segregated from the operating funds of such operator and otherwise
20 protected from corporate insolvency, financial risk, or criminal or
21 civil actions against such operator;

22 (xi) list on each website, in a prominent place, information concern-
23 ing assistance for compulsive play in New York state, including a toll-
24 free number directing callers to reputable resources containing further
25 information, which shall be free of charge;

26 (xii) ensure no sports wagering shall be based on a prohibited sports
27 event;

28 (xiii) permit account holders to establish self-exclusion gaming
29 limits on a daily, weekly, and monthly basis that enable the account
30 holder to identify the maximum amount of money an account holder may
31 deposit during such period of time;

32 (xiv) when an account holder's lifetime deposits exceed two thousand
33 five hundred dollars, the operator shall prevent any wagering until the
34 patron immediately acknowledges, and acknowledges each year thereafter,
35 that the account holder has met the deposit threshold and may elect to
36 establish responsible gaming limits or close the account, and the
37 account holder has received disclosures from the operator concerning
38 problem gambling resources;

39 (xv) maintain a publicly accessible internet page dedicated to respon-
40 sible play, a link to which must appear on the operator's website and in
41 any mobile application or electronic platform on which a bettor may
42 place wagers. The responsible play page shall include: a statement of
43 the operator's policy and commitment to responsible gaming; information
44 regarding, or links to information regarding, the risks associated with
45 gambling and the potential signs of problem gaming; the availability of
46 self-imposed responsible gaming limits; a link to a problem gaming
47 webpage maintained by the office of alcohol and substance abuse
48 services; and such other information or statements as the commission may
49 require by rule; and

50 (xvi) submit annually a problem gaming plan to the commission that
51 includes: the objectives of and timetables for implementing the plan;
52 identification of the persons responsible for implementing and maintain-
53 ing the plan; procedures for identifying users with suspected or known
54 problem gaming behavior; procedures for providing information to users
55 concerning problem gaming identification and resources; procedures to

1 prevent gaming by minors and self-excluded persons; and such other prob-
2 lem gaming information as the commission may require by rule.

3 (b) Operators shall not directly or indirectly operate, promote, or
4 advertise any platform or sports wagering to persons located in New York
5 state unless registered pursuant to this article.

6 (c) Operators shall not offer any sports wagering based on any prohib-
7 ited sports event.

8 (d) Operators shall not permit sports wagering by anyone they know, or
9 should have known, to be a prohibited sports bettor.

10 (e) Advertisements for contests and prizes offered by an operator
11 shall not target prohibited sports bettors, minors, or self-excluded
12 persons.

13 (f) Operators shall prohibit the use of third-party scripts or script-
14 ing programs for any exchange wagering contest and ensure that measures
15 are in place to deter, detect and, to the extent reasonably possible,
16 prevent cheating, including collusion, and the use of cheating devices,
17 including use of software programs that submit exchange wagering sports
18 wagers unless otherwise approved by the commission.

19 (g) Operators shall develop and prominently display procedures on the
20 main page of such operator's platform for the filing of a complaint by
21 an authorized sports bettor against such operator. An initial response
22 shall be given by such operator to such bettor filing the complaint
23 within forty-eight hours. A complete response shall be given by such
24 operator to such bettor filing the complaint within ten business days.
25 An authorized sports bettor may file a complaint alleging a violation of
26 the provisions of this article with the commission.

27 (h) Operators shall maintain records of all accounts belonging to
28 authorized sports bettors and retain such records of all transactions in
29 such accounts for the preceding five years.

30 (i) The server or other equipment which is used by an operator to
31 accept mobile sports wagering shall be located in the licensed gaming
32 facility in accordance with regulations promulgated by the commission.

33 (j) All mobile sports wagering initiated in this state shall be deemed
34 to take place at the licensed gaming facility where the server or other
35 equipment used by an operator to accept mobile sports wagering is
36 located, regardless of the authorized sports bettor's physical location
37 within this state.

38 (k) All mobile sports wagering shall be conducted in compliance with
39 this section and section thirteen hundred sixty-seven of this title.

40 (l) Permit an Indian Tribe pursuant to paragraph (a) of subdivision
41 three-a of this section to place at the licensed gaming facility the
42 server or other equipment by which the Indian Tribe may accept mobile
43 sports wagering, and to make commercially reasonable accommodations as
44 may be necessary to place and operate the Indian Tribe's server or other
45 equipment.

46 5. (a) Subject to regulations promulgated by the commission, casinos
47 may enter into agreements with operators or affiliates to allow for
48 authorized bettors to sign up to create and fund accounts on mobile
49 sports wagering platforms offered by the casino.

50 (b) Authorized sports bettors may sign up to create their account on a
51 mobile sports wagering platform in person at a casino, or an affiliate,
52 or through an operators internet website accessed via a mobile device or
53 computer, or mobile device applications.

54 (c) Authorized sports bettors may deposit and withdraw funds in their
55 account on a mobile sports wagering platform in person at a casino, or

1 an affiliate, electronically recognized payment methods, or via any
2 other means approved by the commission.

3 (d) In accordance with regulations promulgated by the commission,
4 casinos may enter into agreements with affiliates to locate self-service
5 mobile sports betting kiosks, which are owned, operated and maintained
6 by the casino, and connected via the internet to the casino, upon the
7 premises of the affiliate. Authorized sports bettors may place account
8 wagers, and place and redeem non-account cash wagers, at such kiosks.

9 (e) All agreements entered into between casinos and affiliates in
10 relation to the provisions of this section shall be approved by the
11 commission prior to taking effect and shall include a plan for the time-
12 ly payment of liabilities due to the affiliate under the agreement;
13 provided, however, that the commission shall not approve any such agree-
14 ment between a casino and a racetrack licensed pursuant to this chapter
15 or an operator of video lottery gaming at Aqueduct licensed pursuant to
16 section one thousand six hundred seventeen-a of the tax law, until
17 twelve months after the effective date of this paragraph; and provided,
18 further, that the commission shall not approve any such agreement
19 between a casino and a professional sports stadium or arena, until twen-
20 ty months after the effective date of this paragraph.

21 6. The commission shall annually cause a report to be prepared and
22 distributed to the governor and the legislature on the impact of mobile
23 sports wagering on problem gamblers in New York. The report shall
24 include an assessment of problem gaming among persons under the age of
25 thirty. The report shall be prepared by a non-governmental organization
26 or entity with expertise in serving the needs of persons with gambling
27 addictions. The report shall be prepared and distributed under the
28 supervision of and in coordination with the commission. The costs asso-
29 ciated with the preparation and distribution of the report shall be
30 borne by operators and the commission shall be authorized to assess a
31 fee against operators for these purposes. The commission shall also
32 report periodically to the governor and the legislature on the effec-
33 tiveness of the statutory and regulatory controls in place to ensure the
34 integrity of mobile sports wagering operations.

35 § 3. Section 104 of the racing, pari-mutuel wagering and breeding law
36 is amended by adding a new subdivision 24 to read as follows:

37 24. To regulate sports wagering in New York state.

38 § 4. Severability clause. If any provision of this act or application
39 thereof shall for any reason be adjudged by any court of competent
40 jurisdiction to be invalid, such judgment shall not affect, impair, or
41 invalidate the remainder of the act, but shall be confined in its opera-
42 tion to the provision thereof directly involved in the controversy in
43 which the judgment shall have been rendered.

44 § 5. This act shall take effect immediately.