

STATE OF NEW YORK

8221

2019-2020 Regular Sessions

IN ASSEMBLY

June 7, 2019

Introduced by M. of A. PRETLOW -- read once and referred to the Committee on Racing and Wagering

AN ACT to amend the racing, pari-mutuel wagering and breeding law, in relation to state gaming commission occupational licenses

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 section 104-a to read as follows:

3 § 104-a. Registration to engage in gaming activity. Notwithstanding
4 any provision of law to the contrary, the commission may require any
5 person, corporation or association intending to engage in any gaming
6 activity regulated by the commission to submit a primary registration to
7 the commission.

8 1. For the purposes of this section, when a person is required to
9 submit a registration, any and all licenses, registrations, certifi-
10 icates, permits or approvals issued to such person as required under
11 this chapter or under article thirty-four of the tax law shall be
12 considered sub-registrations or sub-licenses to the aforementioned
13 registration. No individual shall engage in any gaming activity without
14 a valid sub-registration or sub-license authorizing such activity.

15 2. The primary registration to engage in gaming activities shall sole-
16 ly be an informational return containing such information the commission
17 deems applicable to all sub-registrations or sub-licenses. The commis-
18 sion shall require separate applications for all sub-registrations or
19 sub-licenses containing all supplemental information that the commission
20 deems necessary.

21 All commission determinations shall be made on an applicant's sub-re-
22 gistration or sub-license and not on the primary registration. Any
23 information obtained for or contained in the primary registration and
24 all associated sub-registrations or sub-licenses may be used in any
25 subsequent licensing and registration determinations.

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

LBD11770-01-9

1 3. Pursuant to the commission's authority granted by subdivisions
2 thirteen and fourteen of section one hundred four of this article, the
3 commission may require a background investigation and a criminal history
4 record search for any primary or sub-registration or sub-license sought.
5 The commission shall have the right to request new information upon
6 submission of any new sub-registration or sub-license application.

7 For the purposes of this section, upon an initial sub-registration or
8 sub-license application and any subsequent sub-applications as may be
9 required by the commission, each applicant shall submit to the commis-
10 sion the applicant's name, address, fingerprints and written consent for
11 criminal history information as defined in paragraph (c) of subdivision
12 one of section eight hundred forty-five-b of the executive law, to be
13 performed. The commission is hereby authorized to exchange fingerprint
14 data with and receive criminal history record information from the state
15 division of criminal justice services and the federal bureau of investi-
16 gation consistent with applicable state and federal laws, rules and
17 regulations. The applicant shall pay the fee for such criminal history
18 information as established pursuant to article thirty-five of the execu-
19 tive law. The state division of criminal justice services shall promptly
20 notify the commission in the event a current or prospective licensee,
21 who was the subject of such criminal history information pursuant to
22 this section, is arrested for a crime or offense in this state after the
23 date the check was performed.

24 4. Primary registrations shall expire five years from the date of
25 submission, provided, however, any sub-registration or sub-license shall
26 continue through its expiration. Notwithstanding this provision, the
27 commission may suspend any sub-registration or sub-license that has an
28 expired primary registration until such primary registration is renewed.
29 The commission shall establish a schedule to register any individual or
30 entity who possessed a sub-registration or sub-license prior to the
31 implementation of this section.

32 5. The commission shall promulgate rules and regulations to implement
33 the provisions of this section and ensure that all licensing and regis-
34 tration requirements of this chapter and article thirty-four of the tax
35 law are adequately addressed in the implementation.

36 § 2. Section 1301 of the racing, pari-mutuel wagering and breeding law
37 is amended by adding a new subdivision 31-a to read as follows:

38 31-a. "Non-gaming employee". Any natural person, not otherwise
39 included in the definition of casino key employee or gaming employee,
40 who is employed by a gaming facility licensee, or a holding or interme-
41 diary company of a gaming facility licensee, and performs services and
42 duties upon the premises of a gaming facility, whose duties do not
43 relate to the operation of gaming activities, and who is not regularly
44 required to work in restricted areas such that registration of a non-
45 gaming employee is appropriate.

46 § 3. Paragraph (c) of subdivision 1 of section 1318 of the racing,
47 pari-mutuel wagering and breeding law, as added by chapter 174 of the
48 laws of 2013, is amended to read as follows:

49 (c) the conviction of the applicant, or of any person required to be
50 qualified under this article as a condition of a license, of any offense
51 in any jurisdiction which is or would be a [~~felony or other~~] crime
52 involving public integrity, embezzlement, theft, fraud, [~~ex~~] perjury,
53 represents a significant threat to public safety, or would otherwise
54 pose a threat to the effective regulation of casino gaming;

§ 4. Subdivision 4 of section 1322 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:

4. All applicants, licensees, registrants, and any other person who shall be qualified pursuant to this article shall have the continuing duty to provide any assistance or information required by the commission, and to cooperate in any inquiry, investigation or hearing conducted by the commission. If, upon issuance of a formal request to answer or produce information, evidence or testimony, any applicant, licensee, registrant, or any other person who shall be qualified pursuant to this article refuses to comply, the application, license, registration or qualification of such person may be suspended, denied or revoked.

§ 5. Subdivision 3 of section 1323 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:

3. The commission shall deny a casino key employee license to any applicant who is disqualified on the basis of the criteria contained in section ~~[one-thousand-three]~~ thirteen hundred eighteen of this ~~[title]~~ article, subject to notice and hearing. Provided that, no casino key employee license shall be denied or revoked on the basis of a conviction of any of the offenses enumerated in this article as disqualification criteria or the commission of any act or acts which would constitute any offense under section thirteen hundred eighteen of this article, provided that the applicant has affirmatively demonstrated the applicant's rehabilitation, pursuant to article twenty-three-A of the correction law.

§ 6. Subdivision 4 of section 1323 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:

4. Upon ~~[receipt of such criminal history information]~~ determination that an applicant is disqualified on the basis of the applicant's criminal history, the commission shall provide such applicant with a copy of such criminal history information, together with a copy of article twenty-three-A of the correction law, and inform such applicant of his or her right to seek correction of any incorrect information contained in such criminal history information pursuant to regulations and procedures established by the division of criminal justice services. Except as otherwise provided by law, such criminal history information shall be confidential and any person who willfully permits the release of such confidential criminal history information to persons not permitted to receive such information shall be guilty of a misdemeanor.

§ 7. Section 1324 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:

§ 1324. Gaming and non-gaming employee registration. 1. No person may commence employment as a gaming or non-gaming employee unless such person has a valid registration ~~[on file with the]~~ issued by the commission, which registration shall be prepared and filed in accordance with the regulations promulgated hereunder.

2. A gaming or non-gaming employee registrant shall produce such information as the commission by regulation may require. ~~[Subsequent to the registration of a gaming employee, the executive director may]~~ The commission may deny, revoke, suspend, limit, or otherwise restrict the registration upon a finding that the registrant is disqualified on the basis of the criteria contained in section ~~[one-thousand-three]~~ thirteen

1 hundred eighteen of this [~~title~~] article. If a gaming or non-gaming
2 employee registrant has not been employed in any position within a
3 gaming facility for a period of three years, the registration of that
4 gaming or non-gaming employee shall lapse.

5 3. No gaming or non-gaming employee registration shall be denied or
6 revoked on the basis of a [~~misdemeanor~~] conviction of any of the
7 offenses enumerated in this article as disqualification criteria or the
8 commission of any act or acts which would constitute any offense under
9 section [~~one thousand three~~] thirteen hundred eighteen of this [~~title~~]
10 article, provided that the registrant has affirmatively demonstrated the
11 registrant's rehabilitation, pursuant to article twenty-three-A of the
12 correction law.

13 4. For the purposes of this section, each gaming or non-gaming regis-
14 trant shall submit to the commission the registrant's name, address,
15 fingerprints and written consent for a criminal history information to
16 be performed. The commission is hereby authorized to exchange finger-
17 print data with and receive criminal history information as defined in
18 paragraph (c) of subdivision one of section eight hundred forty-five-b
19 of the executive law from the state division of criminal justice
20 services and the federal bureau of investigation consistent with appli-
21 cable state and federal laws, rules and regulations. The registrant
22 shall pay the fee for such criminal history information as established
23 pursuant to article thirty-five of the executive law. The state division
24 of criminal justice services shall promptly notify the commission in the
25 event a current or prospective licensee or registrant, who was the
26 subject of a criminal history information pursuant to this section, is
27 arrested for a crime or offense in this state after the date the check
28 was performed.

29 5. Upon [~~receipt of such criminal history information~~] determination
30 that an applicant is disqualified on the basis of the applicant's crimi-
31 nal history, the [~~Commission~~] commission shall provide such applicant
32 with a copy of such criminal history information, together with a copy
33 of article twenty-three-A of the correction law, and inform such appli-
34 cant of his or her right to seek correction of any incorrect information
35 contained in such criminal history information pursuant to regulations
36 and procedures established by the division of criminal justice services.
37 Except as otherwise provided by law, such criminal history information
38 shall be confidential and any person who willfully permits the release
39 of such confidential criminal history information to persons not permit-
40 ted to receive such information shall be guilty of a misdemeanor.

41 6. Each applicant for a gaming registration shall produce such infor-
42 mation, documentation and assurances as may be required to establish by
43 clear and convincing evidence the applicant's good character, honesty
44 and integrity. Such information shall include data pertaining to charac-
45 ter, reputation, criminal history information and prior associations
46 with gaming operations in any capacity, position, or employment in a
47 jurisdiction that permits such activity.

48 § 8. Section 1325 of the racing, pari-mutuel wagering and breeding
49 law, as added by chapter 174 of the laws of 2013, is amended to read as
50 follows:

51 § 1325. Approval, denial and renewal of employee licenses and regis-
52 trations. 1. Upon the filing of an application for a casino key employee
53 license or gaming employee registration required by this article and
54 after submission of such supplemental information as the commission may
55 require, the commission shall conduct or cause to be conducted such
56 investigation into the qualification of the applicant, and the commis-

1 sion shall conduct such hearings concerning the qualification of the
2 applicant, in accordance with its regulations, as may be necessary to
3 determine qualification for such license or registration. Upon the
4 filing of an application for a non-gaming employee registration, and
5 after submission of such supplemental information as the commission may
6 require, the commission may, in its discretion, conduct or cause to be
7 conducted an investigation into the qualification of such applicant.

8 2. After such investigation, the commission may either deny the appli-
9 cation or grant a license or registration to an applicant whom it deter-
10 mines to be qualified to hold such license or registration. The granting
11 of any such license or registration shall apply only to the job title
12 included in the application and to its associated duties. The commission
13 may, upon request and at its sole discretion, allow transfer of the
14 license or registration to another job title upon determination that the
15 original application would have been satisfactory had it been submitted
16 for the new title.

17 3. The commission shall have the authority to deny any application
18 pursuant to the provisions of this article following notice and opportu-
19 nity for hearing.

20 4. When the commission grants [~~an application~~] a license or registra-
21 tion, the commission may limit or place such restrictions thereupon as
22 it may deem necessary in the public interest.

23 5. After an application for a casino key employee license is submit-
24 ted, final action of the commission shall be taken within ninety days
25 after completion of all hearings and investigations and the receipt of
26 all information required by the commission.

27 6. Licenses and registrations of casino key employees and gaming and
28 non-gaming employees issued pursuant to this article shall remain valid
29 for five years unless suspended, revoked or voided pursuant to law. Such
30 licenses and registrations may be renewed by the holder thereof upon
31 application, on a form prescribed by the commission, and payment of the
32 applicable fee. Notwithstanding the [~~forgoing~~] foregoing, if a gaming or
33 non-gaming employee registrant has not been employed in any position
34 within a gaming facility for a period of three years, the registration
35 of that gaming or non-gaming employee shall lapse.

36 7. Subsequent to the issuance of a license or registration, the
37 commission may suspend, revoke, or limit the license or registration
38 upon a finding that an applicant is no longer qualified to hold such
39 license or registration in accordance with this article, or as it may
40 deem necessary to protect the public interest, following notice and an
41 opportunity for a hearing. The commission may temporarily suspend a
42 license or registration pending any investigation, prosecution, or hear-
43 ing if it is deemed necessary to do so to protect the integrity of
44 gaming activities.

45 8. The commission shall establish by regulation appropriate fees to be
46 paid upon the filing of the required applications. Such fees shall be
47 deposited into the commercial gaming revenue fund.

48 § 9. Subdivision 3 of section 1326 of the racing, pari-mutuel wagering
49 and breeding law, as added by chapter 174 of the laws of 2013, is
50 amended to read as follows:

51 3. Vendors providing goods and services to gaming facility licensees
52 or applicants ancillary to gaming, including vendors with access to the
53 player database or sensitive player information, vendors with heightened
54 security access or information, and junket enterprises shall be required
55 to be licensed as an ancillary casino vendor enterprise and shall comply
56 with the standards for casino vendor license applicants. The commission

1 may also require any vendor regularly conducting over two hundred fifty
2 thousand dollars of business with a gaming licensee or applicant within
3 a twelve-month period or one hundred thousand dollars of business within
4 a three-month period to be licensed as an ancillary gaming vendor.

5 § 10. Subdivision 4 of section 1326 of the racing, pari-mutuel wager-
6 ing and breeding law, as added by chapter 174 of the laws of 2013, is
7 amended to read as follows:

8 4. Each casino vendor enterprise required to be licensed pursuant to
9 subdivision one of this section, as well as its owners; management and
10 supervisory personnel~~[, and employees if such employees have responsi-~~
11 ~~bility for services to a gaming facility applicant or licensee,]~~ must
12 qualify under the standards, except residency, established for quali-
13 fication of a casino key employee under this article. Employees of such
14 vendors that have responsibility for services to a gaming facility
15 applicant or licensee must qualify under the standards established for
16 qualification of a gaming employee registration under this article.

17 Each ancillary casino vendor enterprise required to be licensed pursu-
18 ant to subdivision three of this section, as well as its owners; manage-
19 ment; supervisory personnel and employees that have responsibility for
20 services to a gaming facility applicant or licensee must qualify under
21 the standards established for qualification of a gaming employee regis-
22 tration under this article.

23 § 11. Subdivision 5 of section 1326 of the racing, pari-mutuel wager-
24 ing and breeding law, as added by chapter 174 of the laws of 2013, is
25 amended to read as follows:

26 5. Any vendor that offers goods or services to a gaming facility
27 applicant or licensee in excess of twenty-five thousand dollars within a
28 twelve-month period that is not included in subdivision one ~~[or]~~, two or
29 three of this section including, but not limited to site contractors and
30 subcontractors, shopkeepers located within the facility, gaming schools
31 that possess slot machines for the purpose of instruction, ~~[and any~~
32 ~~non-supervisory employee of a junket enterprise licensed under subdivi-~~
33 ~~sion three of this section]~~ vending machine providers, linen suppliers,
34 garbage handlers, maintenance companies, limousine services, and food
35 purveyors, shall be required to register with the commission in accord-
36 ance with the regulations promulgated under this article.

37 Prior to conducting business with any vendor not included in subdivi-
38 sion one or two of this section, which is providing business worth less
39 than the thresholds provided in this subdivision, a gaming facility
40 applicant or licensee shall notify the commission of the intended trans-
41 action, along with any history of transactions with such vendor, to
42 allow for verification that the licensing requirements of this section
43 do not apply.

44 All employees of a vendor registered pursuant to this section that
45 provide services upon the premises of a gaming facility are required to
46 be registered as and meet the standards of a non-gaming employee.

47 Notwithstanding the provisions aforementioned, the executive director
48 may, consistent with the public interest and the policies of this arti-
49 cle, direct that individual vendors registered pursuant to this subdivi-
50 sion be required to apply for either a casino vendor enterprise license
51 pursuant to subdivision one of this section, or an ancillary vendor
52 industry enterprise license pursuant to subdivision three of this
53 section, as directed by the commission. The executive director may also
54 order that any enterprise licensed as or required to be licensed as an
55 ancillary casino vendor enterprise pursuant to subdivision three of this
56 section be required to apply for a casino vendor enterprise license

1 pursuant to subdivision one of this section. The executive director may
2 also, in his or her discretion, order that an independent software
3 contractor not otherwise required to be registered be either registered
4 as a vendor pursuant to this subdivision or be licensed pursuant to
5 either subdivision one or three of this section.

6 ~~[Each ancillary casino vendor enterprise required to be licensed~~
7 ~~pursuant to subdivision three of this section, as well as its owners,~~
8 ~~management and supervisory personnel, and employees if such employees~~
9 ~~have responsibility for services to a gaming facility applicant or~~
10 ~~licensee, shall establish their good character, honesty and integrity by~~
11 ~~clear and convincing evidence and shall provide such financial informa-~~
12 ~~tion as may be required by the commission. Any enterprise required to be~~
13 ~~licensed as an ancillary casino vendor enterprise pursuant to this~~
14 ~~section shall be permitted to transact business with a gaming facility~~
15 ~~licensee upon filing of the appropriate vendor registration form and~~
16 ~~application for such licensure.]~~

17 § 12. Subdivision 6 of section 1326 of the racing, pari-mutuel wager-
18 ing and breeding law, as added by chapter 174 of the laws of 2013, is
19 amended to read as follows:

20 6. Any applicant, licensee or qualifier of a casino vendor enterprise
21 license or of an ancillary casino vendor enterprise license under subdi-
22 vision one of this section, and any vendor registrant under subdivision
23 five of this section shall be disqualified in accordance with the crite-
24 ria contained in section ~~[one thousand three]~~ thirteen hundred eighteen
25 of this article, except that no such ~~[ancillary casino vendor enterprise~~
26 ~~license under subdivision three of this section or vendor registration~~
27 ~~under subdivision five of this section]~~ applicant, licensee or qualifier
28 shall be denied or revoked if such ~~[vendor registrant]~~ applicant, licen-
29 see or qualifier can affirmatively demonstrate rehabilitation pursuant
30 to article twenty-three-A of the correction law.

31 § 13. Section 1326 of the racing, pari-mutuel wagering and breeding
32 law is amended by adding a new subdivision 11 to read as follows:

33 11. Notwithstanding the preceding subdivisions, the executive director
34 may, in his or her discretion, waive any of the requirements of this
35 section when a gaming facility applicant or licensee can demonstrate
36 that the business relationship with any individual vendor will be limit-
37 ed in scope and duration and that the public interest and the policies
38 of this article would not be diminished by such waiver. In requesting
39 such waiver, the gaming facility applicant or licensee shall provide any
40 and all information needed to make such determination and any and all
41 information needed as a condition of such waiver. The executive director
42 may revoke any such waiver at any time upon a determination that the
43 circumstances upon which such waiver was granted have changed.

44 § 14. This act shall take effect immediately.