

STATE OF NEW YORK

17--B

2019-2020 Regular Sessions

IN SENATE

(Prefiled)

January 9, 2019

Introduced by Sens. ADDABBO, FUNKE, RAMOS -- read twice and ordered printed, and when printed to be committed to the Committee on Racing, Gaming and Wagering -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- reported favorably from said committee and committed to the Committee on Finance -- committee discharged, bill amended, 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:

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

4 § 1367. Sports wagering. 1. As used in this section:

5 (a) "Affiliate" means any off-track betting corporation, franchised
6 corporation, or race track licensed pursuant to this chapter, an opera-
7 tor of video lottery gaming at Aqueduct licensed pursuant to section
8 sixteen hundred seventeen-a of the tax law, which has an affiliate
9 agreement with a casino pursuant to section thirteen hundred sixty-sev-
10 en-a of this title. In a county that does not have an "affiliate", any
11 professional sports stadium or arena in that county may serve as an
12 affiliate;

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

16 (c) "Authorized sports bettor" means an individual who is physically
17 present in this state when placing a sports wager, who is not a prohib-
18 ited sports bettor, that participates in sports wagering offered by a
19 casino. All sports wagers placed in accordance with this section are

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

LBD05498-12-9

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

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

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

12 ~~(b)~~ (f) "Commission" means the commission established pursuant to
13 section one hundred two of this chapter;

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

18 ~~(d)~~ (h) "Exchange wagering" means a form of wagering in which an
19 authorized sports bettor, on the one hand, and one or more authorized
20 sports bettors, a casino or an agent or an operator, on the other hand
21 place identically opposing sports wagers on an exchange operated by a
22 casino or an agent or an operator;

23 (i) "Global risk management" means the direction, management, consul-
24 tation and/or instruction for purposes of managing risks associated with
25 sports wagering conducted pursuant to this section and includes the
26 setting and adjustment of betting lines, point spreads, or odds and
27 whether to place layoff bets as permitted by this section;

28 (j) "High school sport or athletic event" means a sport or athletic
29 event offered or sponsored by or played in connection with a public or
30 private institution that offers education services at the secondary
31 level;

32 (k) "Horse racing event" means any sport or athletic event conducted
33 in New York state subject to the provisions of articles two, three,
34 four, five, six, nine, ten and eleven of this chapter, or any sport or
35 athletic event conducted outside of New York state, which if conducted
36 in New York state would be subject to the provisions of this chapter;

37 (l) "In-play sports wager" means a sports wager placed on a sports
38 event after the sports event has begun and before it ends;

39 (m) "Layoff bet" means a sports wager placed by a casino sports pool
40 with another casino sports pool;

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

42 (o) "Mobile sports wagering platform" or "platform" means the combina-
43 tion of hardware, software, and data networks used to manage, adminis-
44 ter, or control sports wagering and any associated wagers accessible by
45 any electronic means including mobile applications and internet websites
46 accessed via a mobile device or computer;

47 (p) "Official league data" means statistics, results, outcomes, and
48 other data relating to a sporting event that have been obtained from the
49 relevant sports governing body or an entity expressly authorized by the
50 sports governing body to provide such information to casinos;

51 (q) "Operator" means a casino which has elected to operate a sports
52 pool (or agent of such casino) or an Indian Tribe (or an agent of such
53 Indian Tribe) that has entered into a tribal-state gaming compact in
54 accordance with the Indian Gaming Regulatory Act 25 U.S.C. 2710, that is
55 in effect and has been ratified by the state and has entered into a

1 sports wagering agreement pursuant to section thirteen hundred sixty-
2 seven-a of this title;

3 [~~e~~] (r) "Professional sport or athletic event" means an event at
4 which two or more persons participate in sports or athletic events and
5 receive compensation in excess of actual expenses for their partic-
6 ipation in such event;

7 (s) "Professional sports stadium or arena" means a venue that regular-
8 ly hosts professional sports events, as defined in this section;

9 [~~f~~] (t) "Prohibited sports bettor" means:

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

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

13 (iii) any casino gaming or non-gaming employee at the casino that
14 employs such person and at any operator that has an agreement with that
15 casino;

16 (iv) any contractor, subcontractor, or consultant, or officer or
17 employee of a contractor, subcontractor, or consultant, of a casino if
18 such person is directly involved in the operation or observation of
19 sports wagering, or the processing of sports wagering claims or
20 payments;

21 (v) Any person subject to a contract with the commission if such
22 contract contains a provision prohibiting such person from participating
23 in sports wagering;

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

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

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

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

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

39 (xi) any minor;

40 (u) "Prohibited sports event" means any collegiate sport or athletic
41 event that takes place in New York or a sport or athletic event in which
42 any New York college team participates regardless of where the event
43 takes place, or high school sport or athletic event;

44 [~~g~~] (v) "Registered sports governing body" means a sports governing
45 body that is headquartered in the United States and who has registered
46 with the commission to receive royalty fee revenue in such form as the
47 commission may require;

48 (w) "Sports event" means any professional sport or athletic event and
49 any collegiate sport or athletic event, except a prohibited sports event
50 or a horse racing event;

51 [~~h~~] (x) "Sports governing body" means the organization that
52 prescribes final rules and enforces codes of conduct with respect to a
53 sporting event and participants therein;

54 (y) "Sports pool" means the business of accepting wagers on any sports
55 event by any system or method of wagering; [~~and~~]

1 ~~(i)~~ (z) "Sports wager" means cash or cash equivalent that is paid by
2 an authorized sports bettor to a casino to participate in sports wager-
3 ing offered by such casino;

4 (aa) "Sports wagering" means wagering on sporting events or any
5 portion thereof, or on the individual performance statistics of athletes
6 participating in a sporting event, or combination of sporting events, by
7 any system or method of wagering, including, but not limited to, in-per-
8 son communication and electronic communication through internet websites
9 accessed via a mobile device or computer and mobile device applications.
10 Any wager through electronic communication shall be deemed to take place
11 at the physical location of the server or other equipment used by an
12 operator to accept mobile sports wagering, regardless of the authorized
13 sports bettor's physical location within the state at the time the wager
14 is initiated. The term "sports wagering" shall include, but is not
15 limited to, single-game bets, teaser bets, parlays, over-under bets,
16 money line, pools, exchange wagering, in-game wagering, in-play bets,
17 proposition bets and straight bets;

18 (bb) "Sports wagering gross revenue" means: (i) the amount equal to
19 the total of all sports wagers not attributable to prohibited sports
20 events that an operator collects from all players, less the total of all
21 sums not attributable to prohibited sports events paid out as winnings
22 to all sports bettors, however, that the total of all sums paid out as
23 winnings to sports bettors shall not include the cash equivalent value
24 of any merchandise or thing of value awarded as a prize, or (ii) in the
25 case of exchange wagering pursuant to this section, the commission on
26 winning sports wagers by authorized sports bettors retained by the oper-
27 ator. The issuance to or wagering by authorized sports bettors at a
28 casino of any promotional gaming credit shall not be taxable for the
29 purposes of determining sports wagering gross revenue;

30 (cc) "Sports wagering lounge" means an area wherein a sports pool is
31 operated;

32 (dd) "Tier one sports wager" means a sports wager that is determined
33 solely by the final score or final outcome of the sports event;

34 (ee) "Tier two sports wager" means an in-play sports wager that is not
35 a tier one sports wager;

36 (ff) "Tier three sports wager" means a sports wager that is neither a
37 tier one nor a tier two sports wager; and

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

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

46 ~~3-]~~ (a) In addition to authorized gaming activities, a [~~licensed~~
47 ~~gaming facility~~] casino may [~~when authorized by subdivision two of this~~
48 ~~section~~] operate a sports pool upon the approval of the commission and
49 in accordance with the provisions of this section and applicable regu-
50 lations promulgated pursuant to this article. The commission shall hear
51 and decide promptly and in reasonable order all applications for a
52 license to operate a sports pool, shall have the general responsibility
53 for the implementation of this section and shall have all other duties
54 specified in this section with regard to the operation of a sports pool.
55 The license to operate a sports pool shall be in addition to any other
56 license required to be issued to operate a [~~gaming facility~~] casino. No

1 license to operate a sports pool shall be issued by the commission to
2 any entity unless it has established its financial stability, integrity
3 and responsibility and its good character, honesty and integrity.

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

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

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

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

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

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

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

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

38 [~~f~~] (i) The holder of a license to operate a sports pool may
39 contract with [~~an entity~~] an agent to conduct any or all aspects of that
40 operation, or the operation of mobile sports wagering offered pursuant
41 to section thirteen hundred sixty-seven-a of this title, including but
42 not limited to brand, marketing and customer service, in accordance with
43 the regulations of the commission. [~~That entity~~] Each agent shall obtain
44 a license as a casino vendor enterprise prior to the execution of any
45 such contract, and such license shall be issued pursuant to the
46 provisions of section one thousand three hundred twenty-seven of this
47 article and in accordance with the regulations promulgated by the
48 commission.

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

54 [~~4~~] 3. (a) All persons employed directly in wagering-related activ-
55 ities conducted within a sports wagering lounge shall be licensed as a
56 casino key employee or registered as a gaming employee, as determined by

1 the commission. All other employees who are working in the sports wager-
2 ing lounge may be required to be registered, if appropriate, in accord-
3 ance with regulations of the commission.

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

8 ~~[5-]~~ 4. Except as otherwise provided by this article, the commission
9 shall have the authority to regulate sports pools and the conduct of
10 sports wagering under this article to the same extent that the commis-
11 sion regulates other gaming. No casino shall be authorized to operate a
12 sports pool unless it has produced information, documentation, and
13 assurances concerning its financial background and resources, including
14 cash reserves, that are sufficient to demonstrate that it has the finan-
15 cial stability, integrity, and responsibility to operate a sports pool.
16 In developing rules and regulations applicable to sports wagering, the
17 commission shall examine the regulations implemented in other states
18 where sports wagering is conducted and shall, as far as practicable,
19 adopt a similar regulatory framework. The commission shall promulgate
20 regulations necessary to carry out the provisions of this section,
21 including, but not limited to, regulations governing the:

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

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

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

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

28 (e) method of issuing tickets;

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

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

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

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

33 (j) the use of global risk management;

34 (k) type of system for wagering; and

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

36 ~~[6-]~~ 5. Each operator shall adopt comprehensive house rules governing
37 sports wagering transactions with its ~~[patrons]~~ authorized sports
38 bettors. The rules shall specify the amounts to be paid on winning
39 wagers and the effect of schedule changes. The house rules, together
40 with any other information the commission deems appropriate, shall be
41 conspicuously displayed in the sports wagering lounge and included in
42 the terms and conditions of the account wagering system, and copies
43 shall be made readily available to ~~[patrons]~~ authorized sports bettors.

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

47 (i) the total amount of sports wagers received from authorized sports
48 bettors;

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

50 (iii) the total amount of sports wagering gross revenue received by
51 the casino;

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

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

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

1 (vii) the total number of new accounts established in the preceding
2 year, as well as the total number of accounts permanently closed in the
3 preceding year;

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

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

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

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

17 7. (a) Within thirty days of the end of each calendar quarter, a casi-
18 no offering sports wagering shall remit to the commission a sports
19 wagering royalty fee of one-fifth (.20) of one percent of the amount
20 wagered on sports events conducted by registered sports governing
21 bodies. The fee shall be remitted on a form as the commission may
22 require, on which the casino shall identify the percentage of wagering
23 during the reporting period attributable to each registered sport
24 governing body's sports events.

25 (b) No later than the thirtieth of April of each year, a registered
26 sports governing body may submit a claim for disbursement of the royalty
27 fee funds remitted by casinos in the previous calendar year on their
28 respective sports events. Within thirty days of submitting its claim
29 for disbursement, the registered sports governing body shall meet with
30 the commission to provide the commission with evidence of policies,
31 procedures and training programs it has implemented to protect the
32 integrity of its sports events.

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

36 (d) Before any registered sports governing body may receive any such
37 disbursement of the royalty fee funds, such sports governing body shall
38 have in place procedures or processes that address the protection of
39 athletes, players, umpires, referees, club officials and personnel or
40 officials of such sports league and members of their families and asso-
41 ciates from physical attacks, verbal threats, or other forms of harass-
42 ment occurring in the workplace or elsewhere.

43 8. For the privilege of conducting sports wagering in the state, casi-
44 nos shall pay a tax equivalent to eight and one-half percent of their
45 sports wagering gross revenue, excluding sports wagering gross revenue
46 attributed to mobile sports wagering offered pursuant to section thir-
47 teen hundred sixty-seven-a of this title. Casinos shall pay a tax equiv-
48 alent of twelve percent of their sports wagering gross revenue attri-
49 buted to mobile sports wagering offered pursuant to section thirteen
50 hundred sixty-seven-a of this title.

51 9. The commission shall pay into the commercial gaming revenue fund
52 established pursuant to section ninety-seven-nnnn of the state finance
53 law eighty-five percent of the state tax imposed by this section; any
54 interest and penalties imposed by the commission relating to those
55 taxes; all penalties levied and collected by the commission; and the
56 appropriate funds, cash or prizes forfeited from sports wagering. The

1 commission shall pay into the commercial gaming fund five percent of the
2 state tax imposed by this section to be distributed for problem gambling
3 education and treatment purposes pursuant to paragraph a of subdivision
4 four of section ninety-seven-nnnn of the state finance law. The commis-
5 sion shall pay into the commercial gaming fund five percent of the state
6 tax imposed by this section to be distributed for the cost of regulation
7 pursuant to paragraph c of subdivision four of section ninety-seven-nnnn
8 of the state finance law. The commission shall pay into the commercial
9 gaming fund five percent of the state tax imposed by this section to be
10 distributed in the same formula as market origin credits pursuant to
11 section one hundred fifteen-b of this chapter. The commission shall
12 require at least monthly deposits by the casino of any payments pursuant
13 to subdivision eight of this section, at such times, under such condi-
14 tions, and in such depositories as shall be prescribed by the state
15 comptroller. The deposits shall be deposited to the credit of the state
16 commercial gaming revenue fund. The commission shall require a monthly
17 report and reconciliation statement to be filed with it on or before the
18 tenth day of each month, with respect to gross revenues and deposits
19 received and made, respectively, during the preceding month.

20 10. The commission may perform audits of the books and records of a
21 casino, at such times and intervals as it deems appropriate, for the
22 purpose of determining the sufficiency of tax payments. If a return
23 required with regard to obligations imposed is not filed, or if a return
24 when filed or is determined by the commission to be incorrect or insuf-
25 ficient with or without an audit, the amount of tax due shall be deter-
26 mined by the commission. Notice of such determination shall be given to
27 the casino liable for the payment of the tax. Such determination shall
28 finally and irrevocably fix the tax unless the casino against whom it is
29 assessed, within thirty days after receiving notice of such determi-
30 nation, shall apply to the commission for a hearing in accordance with
31 the regulations of the commission.

32 11. Nothing in this section shall apply to interactive fantasy sports
33 offered pursuant to article fourteen of this chapter. Nothing in this
34 section authorizes any entity that conducts interactive fantasy sports
35 offered pursuant to article fourteen of this chapter to conduct sports
36 wagering unless it separately qualifies for, and obtains, authorization
37 pursuant to this section.

38 12. A casino that is also licensed under article three of this chap-
39 ter, and must maintain racing pursuant to paragraph (b) of subdivision
40 one of section thirteen hundred fifty-five of this chapter, shall be
41 allowed to offer pari-mutuel wagering on horse racing events in accord-
42 ance with their license under article three of this chapter. Notwith-
43 standing subparagraph (ii) of paragraph c of subdivision two of section
44 one thousand eight of this chapter, a casino located in the city of
45 Schenectady shall be allowed to offer pari-mutuel wagering on horse
46 racing events, provided such wagering is conducted by the regional off-
47 track betting corporation in such region as the casino is located. Any
48 other casino shall be allowed to offer pari-mutuel wagering on horse
49 racing events, provided such wagering is conducted by the regional off-
50 track betting corporation in such region as the casino is located. Any
51 physical location where pari-mutuel wagering on horse racing events is
52 offered by a casino and conducted by a regional off-track betting corpo-
53 ration in accordance with this subdivision shall be deemed to be a
54 branch location of the regional off-track betting corporation in accord-
55 ance with section one thousand eight of this chapter. Mobile sports
56 betting kiosks located on the premises of affiliates in accordance with

1 paragraph (d) of subdivision five of section thirteen hundred sixty-sev-
2 en-a of this chapter shall not be allowed to offer pari-mutuel wagering
3 on horse racing events.

4 13. A sports governing body may notify the commission that it desires
5 to restrict, limit, or exclude wagering on its sporting events by
6 providing notice in the form and manner as the commission may require.
7 Upon receiving such notice, the commission shall review the request in
8 good faith, seek input from the casinos on such a request, and if the
9 commission deems it appropriate, promulgate regulations to restrict such
10 sports wagering. If the commission denies a request, the sports govern-
11 ing body shall be afforded notice and the right to be heard and offer
12 proof in opposition to such determination in accordance with the regu-
13 lations of the commission. Offering or taking wagers contrary to
14 restrictions promulgated by the commission is a violation of this
15 section. In the event that the request is in relation to an emergency
16 situation, the executive director of the commission may temporarily
17 prohibit the specific wager in question until the commission has the
18 opportunity to issue temporary regulations addressing the issue.

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

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

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

32 (d) The commission and casinos shall cooperate with investigations
33 conducted by sports governing bodies or law enforcement agencies,
34 including but not limited to providing or facilitating the provision of
35 account-level betting information and audio or video files relating to
36 persons placing wagers; provided, however, that the casino be required
37 to share any personally identifiable information of an authorized sports
38 bettor with a sports governing body only pursuant to an order to do so
39 by the commission or a law enforcement agency or court of competent
40 jurisdiction.

41 (e) Casinos shall promptly report to the commission any information
42 relating to:

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

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

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

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

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

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

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

7 (g) The commission, by regulation, may authorize and promulgate any
8 rules necessary to implement agreements with other states, or authorized
9 agencies thereof to enable the sharing of information to facilitate
10 integrity monitoring and the conduct of investigations into abnormal
11 betting activity, match fixing, and other conduct that corrupts a
12 betting outcome of a sporting event or events for purposes of financial
13 gain.

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

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

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

29 (c) A sports governing body may notify the commission that it desires
30 to require casinos to use official league data in sports wagering
31 involving specific tier three sports wagers by providing notice in the
32 form and manner as the commission may require. Upon receiving such
33 notice, the commission shall review the request, seek input from the
34 casinos on such a request, and if the commission deems it appropriate,
35 promulgate regulations to require casinos to use official league data on
36 sports wagering involving such tier three sports wagers if the relevant
37 sports governing body possesses a feed of official league data, and
38 makes such feed available for purchase by the casinos on commercially
39 reasonable terms as determined by the commission.

40 (d) When determining whether or not a supplier of official league data
41 is offering commercially reasonable terms, the commission shall consider
42 the amount charged by the supplier of official league data to gaming
43 operators in other jurisdictions. This information shall be provided to
44 the commission by the supplier of official league data upon request of
45 the commission. Any entity providing data to a casino for the purpose of
46 tier two sports wagers, other than a supplier of official league data,
47 shall obtain a license as a casino vendor enterprise and such license
48 shall be issued pursuant to the provisions of section thirteen hundred
49 twenty-seven of this article and in accordance with the regulations
50 promulgated by the commission.

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

54 (f) The commission shall promulgate regulations to allow an authorized
55 sports bettor to file a complaint alleging an underpayment or non-pay-
56 ment of a winning sports wager. Any such regulations shall provide that

1 the commission utilize the statistics, results, outcomes, and other data
2 relating to a sporting event that have been obtained from the relevant
3 sports governing body in determining the validity of such claim.

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

6 17. Sports wagering conducted pursuant to the provisions of this
7 section is hereby authorized.

8 18. The commission shall promulgate rules that require an operator to
9 implement responsible gaming programs that include comprehensive employ-
10 ee trainings on responding to circumstances in which individuals present
11 signs of a gambling addiction and requirements for casinos and operators
12 under section thirteen hundred sixty-seven-a of this title to assess,
13 prevent, and address problem gaming by users under the age of thirty.
14 The commission shall establish a hotline or other method of communi-
15 cation that will allow any person to confidentially report information
16 about prohibited conduct to the commission. The commission shall promul-
17 gate rules governing the investigation and resolution of a charge of any
18 person purported to have engaged in prohibited conduct.

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

21 20. (a) In addition to any criminal penalties provided for under arti-
22 cle two hundred twenty-five of the penal law, any person, firm, corpora-
23 tion, association, agent, or employee, who is not authorized to offer
24 sports wagering under this section or section thirteen hundred sixty-
25 seven-a of this title, and who knowingly offers or attempts to offer
26 sports wagering or mobile sports wagering in New York shall be liable
27 for a civil penalty of not more than one hundred thousand dollars for
28 each violation, not to exceed five million dollars for violations aris-
29 ing out of the same transaction or occurrence, which shall accrue to the
30 state and may be recovered in a civil action brought by the commission.

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

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

40 § 1367-a. Mobile sports wagering. 1. (a) Except as provided in this
41 subdivision, the terms in this section shall have the same meanings as
42 such terms are defined in subdivision one of section thirteen hundred
43 sixty-seven of this title.

44 (b) "Operator" for purposes of this section, means a casino which has
45 elected to offer a mobile sports wagering platform, an Indian Tribe (or
46 agent of such Indian Tribe) that has entered into a tribal-state gaming
47 compact in accordance with the Indian Gaming Regulatory Act, 25 U.S.C.
48 2710, that is in effect and has been ratified by the state and has
49 entered into a sports wagering agreement to operate with the commission
50 pursuant to this section, or the agent of such licensed gaming facility
51 or such Indian Tribe.

52 2. (a) No casino shall administer, manage, or otherwise make available
53 a mobile sports wagering platform to persons located in New York state
54 unless registered with the commission pursuant to this section. A casino
55 may use one mobile sports wagering platform and brand provided that such
56 platform and brand has been reviewed and approved by the commission. A

1 casino may contract with an independent operator to provide its mobile
2 sports wagering platform.

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

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

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

14 3-a. (a) As a condition of registration as an operator, each casino
15 shall agree, upon request of an Indian Tribe that has not entered into
16 an agreement for mobile sports wagering with another casino, to provide
17 a site for a mobile sports wagering server and related equipment for the
18 Indian Tribe as directed by the commission, at no cost to the Indian
19 Tribe except the direct and actual cost of hosting the server or other
20 equipment used by the Indian Tribe as determined by the commission.

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

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

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

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

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

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

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

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

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

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

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

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

22 3-b.(a) The commission shall promulgate regulations to implement the
23 provisions of this section, including:

24 (i) the development of the initial form of the application for regis-
25 tration;

26 (ii) responsible protections with regard to compulsive play safeguards
27 for fair play;

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

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

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

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

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

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

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

45 (iv) whether such corporation or entity files information and reports
46 with the United States Securities and Exchange Commission as required by
47 section thirteen of the Securities Exchange Act of 1934, 15 U.S.C. §§
48 78a-78kk; or whether the securities of the corporation or entity are
49 regularly traded on an established securities market in the United
50 States;

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

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

54 (c) The commission may require the full names and addresses of the
55 officers and directors of any creditor of the operator, and of those

1 stockholders who hold more than ten percent of the stock of the credi-
2 tor.

3 (d) Upon receipt of an application for registration for each individ-
4 ual listed on such application as an officer or director, the commission
5 shall submit to the division of criminal justice services a set of fing-
6 erprints, and the division of criminal justice services processing fee
7 imposed pursuant to subdivision eight-a of section eight hundred thir-
8 ty-seven of the executive law and any fee imposed by the federal bureau
9 of investigation. Upon receipt of the fingerprints, the division of
10 criminal justice services shall promptly forward a set of the individ-
11 ual's fingerprints to the federal bureau of investigation for the
12 purpose of a nationwide criminal history record check to determine
13 whether such individual has been convicted of a criminal offense in any
14 state other than New York or in a federal jurisdiction. The division of
15 criminal justice services shall promptly provide the requested criminal
16 history information to the commission. For the purposes of this section,
17 the term "criminal history information" shall mean a record of all
18 convictions of crimes and any pending criminal charges maintained on an
19 individual by the division of criminal justice services and the federal
20 bureau of investigation. All such criminal history information sent to
21 the commission pursuant to this subdivision shall be confidential and
22 shall not be published or in any way disclosed to persons other than the
23 commission, unless otherwise authorized by law.

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

38 (i) has knowingly made a false statement of material fact or has
39 deliberately failed to disclose any information required by the commis-
40 sion;

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

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

45 (iv) has at any time knowingly failed to comply with any requirement
46 outlined in this section, any other provision of this article, any regu-
47 lations promulgated by the commission or any additional requirements of
48 the commission.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

49 (xii) ensure no sports wagering shall be based on a prohibited sports
50 event;

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

55 (xiv) when an account holder's lifetime deposits exceed two thousand
56 five hundred dollars, the operator shall prevent any wagering until the

1 patron immediately acknowledges, and acknowledges each year thereafter,
2 that the account holder has met the deposit threshold and may elect to
3 establish responsible gaming limits or close the account, and the
4 account holder has received disclosures from the operator concerning
5 problem gambling resources;

6 (xv) maintain a publicly accessible internet page dedicated to respon-
7 sible play, a link to which must appear on the operator's website and in
8 any mobile application or electronic platform on which a bettor may
9 place wagers. The responsible play page shall include: a statement of
10 the operator's policy and commitment to responsible gaming; information
11 regarding, or links to information regarding, the risks associated with
12 gambling and the potential signs of problem gaming; the availability of
13 self-imposed responsible gaming limits; a link to a problem gaming
14 webpage maintained by the office of alcohol and substance abuse
15 services; and such other information or statements as the commission may
16 require by rule; and

17 (xvi) submit annually a problem gaming plan to the commission that
18 includes: the objectives of and timetables for implementing the plan;
19 identification of the persons responsible for implementing and maintain-
20 ing the plan; procedures for identifying users with suspected or known
21 problem gaming behavior; procedures for providing information to users
22 concerning problem gaming identification and resources; procedures to
23 prevent gaming by minors and self-excluded persons; and such other prob-
24 lem gaming information as the commission may require by rule.

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

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

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

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

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

41 (g) Operators shall develop and prominently display procedures on the
42 main page of such operator's platform for the filing of a complaint by
43 an authorized sports bettor against such operator. An initial response
44 shall be given by such operator to such bettor filing the complaint
45 within forty-eight hours. A complete response shall be given by such
46 operator to such bettor filing the complaint within ten business days.
47 An authorized sports bettor may file a complaint alleging a violation of
48 the provisions of this article with the commission.

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

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

55 (j) All mobile sports wagering initiated in this state shall be deemed
56 to take place at the licensed gaming facility where the server or other

1 equipment used by an operator to accept mobile sports wagering is
2 located, regardless of the authorized sports bettor's physical location
3 within this state.

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

6 (l) Permit an Indian Tribe pursuant to paragraph (a) of subdivision
7 three-a of this section to place at the licensed gaming facility the
8 server or other equipment by which the Indian Tribe may accept mobile
9 sports wagering, and to make commercially reasonable accommodations as
10 may be necessary to place and operate the Indian Tribe's server or other
11 equipment.

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

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

20 (c) Authorized sports bettors may deposit and withdraw funds in their
21 account on a mobile sports wagering platform in person at a casino, or
22 an affiliate, electronically recognized payment methods, or via any
23 other means approved by the commission.

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

30 (e) All agreements entered into between casinos and affiliates in
31 relation to the provisions of this section shall be approved by the
32 commission prior to taking effect and shall include a plan for the time-
33 ly payment of liabilities due to the affiliate under the agreement;
34 provided, however, that the commission shall not approve any such agree-
35 ment between a casino and a racetrack licensed pursuant to this chapter
36 or an operator of video lottery gaming at Aqueduct licensed pursuant to
37 section one thousand six hundred seventeen-a of the tax law, until
38 twelve months after the effective date of this paragraph; and provided,
39 further, that the commission shall not approve any such agreement
40 between a casino and a professional sports stadium or arena, until twen-
41 ty months after the effective date of this paragraph.

42 6. The commission shall annually cause a report to be prepared and
43 distributed to the governor and the legislature on the impact of mobile
44 sports wagering on problem gamblers in New York. The report shall
45 include an assessment of problem gaming among persons under the age of
46 thirty. The report shall be prepared by a non-governmental organization
47 or entity with expertise in serving the needs of persons with gambling
48 addictions. The report shall be prepared and distributed under the
49 supervision of and in coordination with the commission. The costs asso-
50 ciated with the preparation and distribution of the report shall be
51 borne by operators and the commission shall be authorized to assess a
52 fee against operators for these purposes. The commission shall also
53 report periodically to the governor and the legislature on the effec-
54 tiveness of the statutory and regulatory controls in place to ensure the
55 integrity of mobile sports wagering operations.

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

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

4 § 4. Subdivision 15 of section 1401 of the racing, pari-mutuel wager-
5 ing and breeding law, as added by chapter 237 of the laws of 2016, is
6 amended to read as follows:

7 15. "Prohibited sports event" shall mean any [~~collegiate sport or~~
8 ~~athletic event, any~~] high school sport or athletic event or any horse
9 racing event.

10 § 5. Severability clause. If any provision of this act or application
11 thereof shall for any reason be adjudged by any court of competent
12 jurisdiction to be invalid, such judgment shall not affect, impair, or
13 invalidate the remainder of the act, but shall be confined in its opera-
14 tion to the provision thereof directly involved in the controversy in
15 which the judgment shall have been rendered.

16 § 6. This act shall take effect immediately.