

# STATE OF NEW YORK

8538--A

2021-2022 Regular Sessions

## IN ASSEMBLY

December 13, 2021

Introduced by M. of A. PRETLOW -- read once and referred to the Committee on Racing and Wagering -- recommitted to the Committee on Racing and Wagering in accordance with Assembly Rule 3, sec. 2 -- 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 wagers on certain horse racing events and authorizing agreements between a mobile sports wagering operator and an affiliate

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

1 Section 1. Subdivision 1 of section 1367 of the racing, pari-mutuel  
2 wagering and breeding law is amended by adding three new paragraphs  
3 (dd), (ee) and (ff) to read as follows:

4 (dd) "Horse racing event" means any sport or athletic event conducted  
5 in New York state subject to the provisions of article two, three, five,  
6 nine, or ten of this chapter, as well as any sport or athletic event  
7 conducted outside of New York state, which if conducted in New York  
8 state, would be subject to the provisions of such articles.

9 (ee) "Affiliate" means any off-track betting corporation, professional  
10 sports stadium or arena, automobile racing facility that hosts a  
11 national association for stock car auto racing national touring race,  
12 franchised corporation, thoroughbred racing corporation or other race  
13 track licensed pursuant to this chapter, or an operator of video lottery  
14 gaming at Aqueduct licensed pursuant to section sixteen hundred seven-  
15 teen-a of the tax law, which has an affiliate agreement with a mobile  
16 sports wagering operator pursuant to section thirteen hundred sixty-sev-  
17 en-a of this title.

18 (ff) "Fixed odds sports wagering agreement" means an agreement between  
19 a mobile sports wagering operator or mobile sports wagering licensee and  
20 an entity that possesses a license awarded pursuant to article two or  
21 three of this chapter that has the authority to conduct pari-mutuel

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

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1 wagering on the form of racing involved in the relevant horse racing  
2 event and subject to the approval of the commission.

3 § 2. Paragraph (s) of subdivision 1 of section 1367 of the racing,  
4 pari-mutuel wagering and breeding law, as amended by section 3 of part Y  
5 of chapter 59 of the laws of 2021, is amended to read as follows:

6 (s) "Prohibited sports event" means (i) a sport or athletic event in  
7 which any New York college team participates regardless of where the  
8 event takes place, [~~or~~] (ii) a high school sport or athletic event, or  
9 (iii) a horse racing event. [~~The~~] Notwithstanding the foregoing, the  
10 following shall not be considered prohibited sports events: [~~(i)~~] a  
11 collegiate tournament, [~~and (ii)~~] a sports event within such tournament  
12 so long as no New York college team is participating in that particular  
13 sports event, and a horse racing event that is offered pursuant to a  
14 fixed odds sports wagering agreement;

15 § 3. Subdivision 2 of section 1367 of the racing, pari-mutuel wager-  
16 ing and breeding law is amended by adding a new paragraph (e-1) to read  
17 as follows:

18 (e-1)(i)(1) A mobile sports wagering operator or mobile sports wager-  
19 ing licensee may accept a fixed odds wager on a horse racing event if  
20 such mobile sports wagering operator or mobile sports wagering licensee  
21 has entered into a fixed odds sports wagering agreement with an entity  
22 that has the authority to provide the content of such horse racing event  
23 pursuant to article two or three of this chapter. In furtherance of any  
24 fixed odds sports wagering agreement, an entity that holds a franchise  
25 or license pursuant to article two of this chapter may only offer  
26 content involving thoroughbred races and an entity that holds a license  
27 pursuant to article three of this chapter may only offer content involv-  
28 ing standardbred races.

29 (2) All fixed odds sports wagering agreements must be approved by the  
30 commission prior to taking effect. Any content offered pursuant to an  
31 approved fixed odds sports wagering agreement shall subsequently be made  
32 available to any interested mobile sports wagering operator or mobile  
33 sports wagering licensee on commercially reasonable terms, as determined  
34 by the commission.

35 (ii) Any holder of a pari-mutuel wagering franchise or license pursu-  
36 ant to article two or three of this chapter that enters into a fixed  
37 odds sports wagering agreement shall separately maintain an agreement  
38 with the applicable horsemen's association, setting forth the type of  
39 wagers that may be placed on a horse racing event and the manner in  
40 which revenue generated pursuant to the agreement or agreements with the  
41 mobile sports wagering operator or mobile sports wagering licensee shall  
42 be distributed.

43 § 4. Section 1367-a of the racing, pari-mutuel wagering and breeding  
44 law is amended by adding a new subdivision 8 to read as follows:

45 8. (a) For purposes of this subdivision, an "affiliate agreement"  
46 shall mean an agreement entered into between an affiliate and an opera-  
47 tor, mobile sports wagering operator, or mobile sports wagering licensee  
48 to locate self-service sports betting kiosks that are owned, operated  
49 and maintained by the operator, mobile sports wagering operator, or  
50 mobile sports wagering licensee, and connected via the internet to the  
51 mobile sports wagering operator or licensee's server or other equipment  
52 used to accept mobile sports wagers at a licensed gaming facility pursu-  
53 ant to this section upon the premises of the affiliate. Authorized  
54 sports bettors may place account wagers, place and redeem non-account  
55 cash wagers, and deposit and withdraw account funds at such kiosks.

1 (b) All affiliate agreements shall be subject to regulations promul-  
2 gated by the commission and must be approved by the commission prior to  
3 taking effect. Any such affiliate agreement shall include a plan for the  
4 timely payment of liabilities due to the affiliate under the agreement;  
5 provided, however, that such payment of liabilities related to a wager  
6 shall take place no later than sixty days after a wager is received at a  
7 kiosk; and provided further, that the commission shall not approve any  
8 such agreement between a mobile sports wagering operator and a profes-  
9 sional sports stadium or arena until six months after the effective date  
10 of this paragraph. For purposes of this paragraph, "liabilities" shall  
11 not include any potential winnings.

12 § 5. This act shall take effect on the ninetieth day after it shall  
13 have become a law. Effective immediately, the addition, amendment and/or  
14 repeal of any rule or regulation necessary for the implementation of  
15 this act on its effective date are authorized to be made and completed  
16 on or before such effective date.