STATE OF NEW YORK

6655

2025-2026 Regular Sessions

IN ASSEMBLY

March 6, 2025

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

AN ACT to amend the tax law, in relation to unsold instant lottery game tickets

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

Section 1. Section 1602 of the tax law is amended by adding a new subdivision 7 to read as follows:

7. "Instant lottery game" shall mean any lottery game played by removing the rub-off coating from one or more play spots on a game ticket issued by the commission.

§ 2. Subdivision b of section 1604 of the tax law, as added by chapter 92 of the laws of 1976, is amended to read as follows:

b. **1.** The division is authorized to license agents to sell tickets for the state lottery. The division may require a bond from any licensed agent, in an amount to be determined by the division. Every licensed agent shall prominently display [~~his~~] **their** license, or a copy thereof, as may be determined by rules and regulations of the division, in each place of business or activity where lottery tickets are sold.

2. When a licensed agent goes out of business or sells their business to another person as defined in section one thousand six hundred five of this article, their license shall expire and any unsold instant lottery tickets in their possession shall be returned to the division and redistributed to other licensed sales agents, unless such instant lottery game has been terminated by the commissioner.

§ 3. Section 1607 of the tax law, as amended by chapter 2 of the laws of 1995, subdivision g as added by chapter 701 of the laws of 1996, subdivision h as amended by chapter 162 of the laws of 2002, paragraph 1 of subdivision h as amended by section 7 of part EE of chapter 56 of the laws of 2020, is amended to read as follows:

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

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§ 1607. Suspension and revocation of licenses. a. The division may suspend or revoke, after notice and an opportunity for a hearing pursuant to the state administrative procedure act, any license issued pursuant to this article. Such license may, however, be temporarily suspended by the division without prior notice, pending any prosecution, investigation or hearing. A license may be suspended or revoked by the division for one or more of the following reasons:

[a.] 1. Failure to account for lottery tickets received or the proceeds of the sale of lottery tickets or to file a bond if required by the division or to comply with instructions of the division concerning the licensed activity;

[b.] 2. Conviction of any offense as defined in the penal law, or any felony under the laws of the United States or under the laws of the state of New York or any other state or foreign jurisdiction or any crime relating to gaming activities;

[c.] 3. Failure to file any return or report, to keep records or to pay any tax required by any article of this chapter;

[d.] 4. Fraud, deceit, misrepresentation or conduct prejudicial to public confidence in the state lottery;

[e.] 5. With respect to a lottery sales agent, the number of lottery tickets sold by the lottery sales agent is insufficient to meet administrative costs and public convenience is adequately served by other licensees;

[f.] 6. A material change, since issuance of the license, with respect to any matters required to be considered by the division under subdivision d or e of section sixteen hundred five of this article[.];

[g.] 7. Conviction for misuse of food stamps pursuant to section one hundred forty-seven of the social services law[.]; or

[h.] 8. A violation of article thirteen-F of the public health law as provided in this subdivision:

[1.] (i) A license shall be suspended for a period of one year upon notification to the division by the commissioner of health of a lottery sales agent's accumulation of three or more points pursuant to subdivision three of section thirteen hundred ninety-nine-ee of the public health law.

[2.] (ii) A license shall be revoked for one year upon notification to the division by the commissioner of health of a lottery sales agent's fourth violation of article thirteen-F of the public health law within a three year period.

b. In any case in which a sales agent's license has been suspended or revoked, any unsold instant lottery game tickets shall be returned to the division and redistributed to other licensed sales agents for sale to the public, unless such instant lottery game has been terminated by the commission.

§ 4. This act shall take effect immediately.