

STATE OF NEW YORK

9044--A

2025-2026 Regular Sessions

IN ASSEMBLY

September 5, 2025

Introduced by M. of A. VANEL -- read once and referred to the Committee on Consumer Affairs and Protection -- recommitted to the Committee on Consumer Affairs and Protection 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 prohibited practices related to loot boxes

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 913 to read as follows:

3 § 913. Prohibition of instant cash loot boxes and revenue from illegal
4 markets. 1. Definitions. The following terms shall have the following
5 meanings:

6 (a) "Loot box" shall mean any physical or digital container or equiv-
7 alent that, when opened, awards the purchaser one or more randomized
8 rewards.

9 (b) "Person" shall mean any natural person, entity, or group or
10 persons or entities acting in concert, including but not limited to any
11 third-party providers, affiliated entities, subsidiaries, parent compa-
12 nies, joint ventures, partnerships, agents, or employees thereof, or any
13 entity or individual acting at the direction of, in cooperation with,
14 under contract or in partnership with, or financially benefitting from
15 another person or entity. Multiple persons in partnership or under
16 contract, where one or more persons financially benefit from such part-
17 nership or contract shall be treated as one person for purposes of this
18 section.

19 (c) "Liquid digital item" shall mean any digital item for which the
20 platform or service offering the loot box, or any affiliated entity,
21 directly or indirectly provides, enables, facilitates, materially
22 assists, or makes readily available a means for a consumer to sell,
23 resell, transfer, exchange, auction, or otherwise monetize the item,
24 including through any third-party marketplace, exchange, broker, or
25 other intermediary.

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

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1 (d) "Repurchase" shall mean the act of offering a consumer money, cash
2 equivalents, cryptocurrency, including non-fungible tokens, another loot
3 box or similar item, a liquid digital item, any right, privilege,
4 status, service, experience, or access, or points that can be redeemed
5 to purchase another loot box, item, cash or cash equivalent, cryptocur-
6 rency or a liquid digital item in exchange for some or all of the
7 contents of a loot box.

8 2. Prohibition. (a) It shall be unlawful for any applicant, licensed
9 entity, gaming employee, key employee, individual investor or investment
10 firm, board member, or any other person or entity to operate, conduct,
11 or promote loot boxes to consumers within the state where such consumer
12 can repurchase the contents of any such loot box whether directly them-
13 selves or indirectly through a third-party provider, affiliated entity,
14 subsidiary, parent company, joint venture, partnership, agent, or
15 employee thereof, or through any other contractual arrangement with
16 another in exchange for money, cash equivalents, cryptocurrency, includ-
17 ing non-fungible tokens, another loot box or similar item, a liquid
18 digital item, any right, privilege, status, service, experience or
19 access, or points that can be redeemed to purchase another loot box,
20 item, or other thing of value, or an otherwise equivalent incentive used
21 primarily as an artifice or subterfuge to evade the requirements of this
22 section. Nor may any third-party provider, affiliated entity, subsid-
23 iary, parent company, joint venture, partnership, agent, or employee
24 thereof, or another through any other contractual arrangement repurchase
25 or redeem those contents for such value within the state of New York.

26 (b) No loot box shall contain money or any cash equivalent or crypto-
27 currency, including non-fungible tokens, any status, tier, membership
28 level, or credential, or points that can be redeemed to purchase another
29 loot box, item, cash or cash equivalent, cryptocurrency, a liquid
30 digital item, or other thing of value.

31 (c) It shall be unlawful for any applicant, licensed entity, financial
32 institution, payment processor, geolocation provider, gaming content
33 supplier, platform provider, or media affiliate to support the opera-
34 tion, conduct, or promotion of loot boxes covered under this section
35 within the state of New York.

36 3. Penalties. (a) Any applicant, licensed entity, gambling employee,
37 key employee, individual investor or investment firm, board member, or
38 any other person or entity found in violation of this section shall be
39 subject to a fine of not less than ten thousand dollars and not more
40 than one hundred thousand dollars for each violation and shall be
41 subject to the loss of a gaming license and/or be ineligible for a
42 gaming license.

43 (b) All fines resulting from violations of this section shall be
44 collected by the state gaming commission and deposited into the commer-
45 cial gaming revenue fund, established in section ninety-seven-nnnn of
46 the state finance law, to be distributed for problem gambling education
47 and treatment purposes pursuant to paragraph a of subdivision four of
48 such section.

49 4. Enforcement. (a) The state gaming commission, the state police, or
50 the attorney general's office shall have the authority to enforce the
51 provisions of this section.

52 (b) The state gaming commission, state police or attorney general's
53 office may conduct investigations, hold hearings, issue cease and desist
54 letters, and issue subpoenas to ensure compliance with the provisions of
55 this section.

56 § 2. This act shall take effect immediately.