STATE OF NEW YORK

9251--A

2025-2026 Regular Sessions

IN ASSEMBLY

November 7, 2025

Introduced by M. of A. VANEL, SHIMSKY, STECK, HYNDMAN -- 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 general business law and the racing, pari-mutuel wagering and breeding law, in relation to prediction markets

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

Section 1. The general business law is amended by adding a new article 48 to read as follows:

ARTICLE 48

PREDICTION MARKETS

Section. 1800. Short title.
1801. Definitions.
1802. Age restrictions.
1803. Exclusions from participation.
1804. Certain markets prohibited.
1805. Settlement sources.
1806. At-risk trading measures.
1807. Advertising restrictions.
1808. Restrictions on credit-based products and gift certificates.
1809. Restrictions on market making.
1810. Certain contract provisions void.
1811. Insider trading and market manipulation.
1812. Penalties.
1813. Rulemaking authority.

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

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§ 1800. Short title. This article shall be known and may be cited as the "oversight and regulation of activity for contracts linked to events (ORACLE) act".

§ 1801. Definitions. As used in this article, the following terms have the following meanings:

1. "Consumer" means an individual who is a resident of the state of New York.

2. "Prediction market platform" means any platform or service that provides consumers with the ability to open, close, trade, or settle speculative positions on prediction markets. A prediction market platform shall not include a platform operated by an entity that (a) is licensed in this state, (b) would otherwise be required to be licensed to operate in this state, or (c) that is prohibited from operating in this state under the racing, pari-mutuel wagering and breeding law.

3. "Prediction market" means a system that allows consumers to open a speculative position on the outcome of future events, in a bid-ask format. This definition shall include all forms of prediction markets regardless of the mechanisms or structures used for opening speculative positions on future events.

4. "Bid-ask format" shall mean a format in which parties submit offers to buy positions on a prediction market at a specific price or range of prices and offers to sell positions at a specific price or range of prices, with market prices determined through the matching of these offers.

5. "Catastrophic event market" means a prediction market that enables a consumer to open a speculative position on an outcome that relates to war, state or national emergencies, natural or human-made disasters, mass shootings, acts of terrorism, or public health crises or the ancillary effects thereof.

6. "Political market" means a prediction market that enables a consumer to open a speculative position that relates to:

(a) a federal election, a statewide election in New York, or an election held by a municipality within the state; or

(b) the actions or conduct of the federal government, its agencies, employees, officers or leaders, the New York state government or any of its agencies, employees, officers or leaders, or a municipal government or any of its agencies, employees, officers or leaders in their official government capacity.

7. "Death market" means a prediction market that enables a consumer to open a speculative position on the death, assassination, or attempted killing of a person or group of persons, or on mass casualty events. This shall not include a prediction market where the outcome could indirectly depend on a death as a consequence of a person's inclusion in the market, such as a lawful prediction market which depends on a person engaging in some action where their death would naturally settle the market as such person not engaging in such action.

8. "Security market" means a prediction market that enables a consumer to open a speculative position on the price of a publicly traded company.

9. "Speculative position" means a financial commitment made by a participant in a prediction market.

10. "Athletic event market" means a prediction market that enables a consumer to open a speculative position on the outcome of a specific athletic event or events or events within an athletic event or events. Athletic events shall include horse racing and prop betting.

11. "Athletic event" means an organized competition between two or more persons or groups of persons that involves physical or mental skill.

12. "Athletic tournament" means a series of athletic events in which the winners of individual events progress to compete in subsequent events until a final overall winner is determined.

13. "Settlement source" means an entity from which the prediction market platform obtains or sources information for the purpose of determining the outcome of a market.

14. "Liquidity provider" or "market maker" shall mean any person or entity that, directly or indirectly, and whether manually or through automated means, offers to buy or sell position in a prediction market with the primary purpose of facilitating trading, supporting price discovery, or maintaining market liquidity by posting bids and asks.

§ 1802. Age restrictions. 1. No prediction market platform provider shall permit any consumer under the age of twenty-one years to register or to open any speculative position on a prediction market.

2. If the provider has inadvertently permitted a user that is under the age of twenty-one to use the provider's platform and such provider discovers the error, the provider shall immediately suspend that account, close all positions on that account, pay out to the consumer any funds on the account, and prohibit the individual from further use of the provider's platform until such consumer has attained the age of twenty-one.

§ 1803. Exclusions from participation. 1. A provider shall maintain and enforce policies to exclude certain individuals from participation, including:

(a) any person who has self-excluded from using the platform;

(b) any officer, director, employee, or agent of the provider or its affiliated companies;

(c) any officer, director, employee, or agent of a source settlement provider;

(d) any person who has insider information on a particular market or markets; and

(e) any other category of persons the attorney general by regulation designates as excluded.

2. Such exclusion shall be enforced until such person no longer meets the criteria required for exclusion under this section.

§ 1804. Certain markets prohibited. A prediction market platform provider shall not permit New York users to open a speculative position on the following types of markets:

1. Catastrophic event markets;

2. Political markets;

3. Death markets;

4. Security markets; and

5. Athletic event markets.

§ 1805. Settlement sources. 1. Every provider shall maintain a comprehensive list of all settlement sources that the provider uses to determine the outcomes of the provider's prediction markets and shall make this list readily accessible to consumers at all stages of the registration process.

2. Each provider shall display, on every section of the provider's website in which a person can open a speculative position on a specific prediction market, the settlement source for the settlement of such market.

3. No provider shall settle a market based on proprietary or confidential information.

§ 1806. At-risk trading measures. 1. Every provider shall implement and adhere to responsible trading measures to protect consumers who may be at risk of at-risk trading behavior. Such measures shall include, at a minimum:

(a) Providing a mechanism by which an individual can voluntarily self-exclude from the platform for a definite or indefinite period. If a consumer self-excludes, the provider must immediately block such consumer's access to opening a speculative position and take reasonable steps to prevent the consumer from creating new accounts.

(b) Allowing consumers to set daily, weekly, or monthly limits on the amount they can deposit or spend in opening speculative positions, if they so choose. The platform may not encourage consumers to remove or increase limits once set; any request to increase a self-imposed limit shall have a fourteen day waiting period.

(c) Providing features that allow consumers to limit the amount of time spent on the platform, and periodic notifications that remind consumers of how long they have been active and their net spendings/winnings during that session.

(d) Clearly posting and providing the toll-free HOPE NY hotline on the platform's website and apps and in any advertisements. No other hotline may be displayed.

(e) All advertisements and marketing materials must include a at-risk trading message and the HOPE NY hotline number in a clear and conspicuous manner, consistent with New York law requiring addiction warnings on all advertisements.

2. Every provider shall implement training for employees to recognize and respond to indications of at-risk trading and how they can direct consumers to resources for help.

3. Every provider shall implement policies to identify at-risk trading and shall, upon making a determination that a user is engaged in at-risk trading, prohibit access to the provider's service.

4. Every prediction market platform provider shall comply with the advertising standards set forth in section eighteen-hundred seven of this article.

§ 1807. Advertising restrictions. 1. All advertising by a prediction market platform shall be truthful and not misleading.

2. A prediction market provider shall be prohibited from sending push notifications to users which pertain to bonuses or prediction markets which the user does not currently have an open speculative position on.

3. No advertisement shall depict a person under the age of twenty-one, except incidentally.

4. No advertisements shall target persons under the age of twenty-one or other vulnerable classes of persons, which the attorney general may designate by regulation.

5. A provider shall not advertise in a manner that is calculated to reach individuals on the self-exclusion list or individuals known to have engaged in at-risk trading.

6. Every advertisement for a prediction market platform shall include the HOPE NY hotline. Where such advertisement is a video, the message and hotline shall be visible for the entire duration of the video. Where the advertisement is auditory only in nature, the message shall be stated at the beginning and end of the advertisement.

7. No advertisement may suggest that the prediction market product is endorsed by the state of New York or any government agency, except that it may state that the platform is within the state.

8. A provider shall provide consumers with a readily accessible way to opt out of direct marketing. Upon a consumer's request, the provider shall cease sending them promotional material.

9. No promotion may be advertised as "risk-free" or of similar language.

10. If the provider offers bonuses, free credits, referral rewards, or other promotions to consumers, the terms and conditions of these offers must be described in plain language and shall be readily available to the consumer prior to the consumer accepting such bonuses, free credits, referral rewards, or other promotions.

11. Where a provider uses affiliate marketers or third-party promoters to promote the provider's platform, the provider shall be responsible for ensuring such third parties also comply with the advertising standards required by this section and are liable for non-compliance with the provisions of this section.

12. The attorney general may promulgate additional rules and regulations pertaining to advertising by prediction market providers.

§ 1808. Restrictions on credit-based products and gift certificates. 1. No prediction market provider or another, whether affiliated or otherwise, shall sell physical or digital gift certificates in relation to their platform.

2. No prediction market provider shall permit a consumer to use a credit card or other credit-based product to add funds to such consumer's account or, in any way, wager on a prediction market.

§ 1809. Restrictions on market making. 1. A prediction market provider shall not offer a prediction market in the state if the market includes, as a liquidity provider or market maker, any person or entity who knowingly engages in gaming activities in the ordinary course of business, whether within or outside the state. This prohibition shall also apply to any affiliated entities, subsidiaries, parent companies, joint ventures, partnerships, agents, employees, or any entity acting at the direction of, in cooperation with, or for the financial benefit of such a person or entity.

2. A prediction market provider shall not offer markets to residents where in such markets there is a contract or share of revenue with a person or entity who knowingly engages in gaming activities in the ordinary course of business, whether within or outside the state. This prohibition shall also apply to any affiliated entities, subsidiaries, parent companies, joint ventures, partnerships, agents, employees, or any entity acting at the direction of, in cooperation with, or for the financial benefit of such a person or entity.

§ 1810. Certain contract provisions void. 1. A provider's terms of service shall not alter or eliminate any right provided to a consumer under this article.

2. Any agreement which violates any provision within this article shall be deemed void.

§ 1811. Insider trading and market manipulation. 1. A prediction market platform provider shall implement commercially reasonable and technically feasible measures to detect and prevent any fraudulent or manipulative conduct by participants or others. If the provider detects potential manipulation, insider trading, or fraud, it shall report it to the attorney general and, if appropriate, to law enforcement.

2. A person who engages in insider trading or market manipulation may be subject to penalties as prescribed by section three hundred fifty-two of this chapter.

§ 1812. Penalties. 1. Any prediction market provider who violates any provision of this article, or any rule, regulation, or order promulgated thereunder, shall be liable for a civil penalty not to exceed ten thousand dollars for each violation. Where the attorney general determines that the provider has engaged in a persistent course of conduct in violation of this section, the attorney general may impose a civil penalty not to exceed fifty thousand dollars for each violation.

2. Where a prediction market provider violated the provisions of sections eighteen-hundred three or eighteen-hundred nine of this article, such civil penalty shall be the greater of two times such profits derived from such market or fifty thousand dollars.

3. Whenever the attorney general shall believe from evidence satisfactory to them that a prediction market provider has engaged in a persistent course of conduct in violation of this article, they may bring an action in the name and on behalf of the people of the state of New York, in a court of justice having jurisdiction to issue an injunction, to enjoin and restrain the continuation of such violation. In such action, preliminary relief may be granted under article sixty-three of the civil practice law and rules. In such action the court shall order such provider to cease operations in the state.

4. Where a prediction market provider continues to operate in the state after an order pursuant to subdivision three of this section is made, such provider shall incur a civil penalty of one million dollars per day that such provider is operating in violation of such order.

5. Nothing in this article shall be construed to preclude criminal prosecution under any other law.

6. The fact that a prediction market provider did not charge money or earn profit from such activities in violation of this section shall not be a defense to a violation of this article.

7. Nothing in this article shall be construed as limiting the commissioner of the New York state gaming commission or the attorney general from penalizing prediction platforms for violating any law under the jurisdiction of each. The commissioner of gaming shall have concurrent jurisdiction with respect to any violation of section nine hundred thirteen of the racing, pari-mutuel wagering and breeding law.

8. The remedies and penalties in this article are cumulative. Imposition of a penalty under this section does not preclude the attorney general from taking any other action authorized for the same violation.

§ 1813. Rulemaking authority. The attorney general shall promulgate rules and regulations as are necessary to effectuate and enforce the provisions of this article.

§ 2. The racing, pari-mutuel wagering and breeding law is amended by adding a new section 913 to read as follows:

§ 913. Prohibition of licensed entities engaging in prediction market activity. 1. For the purposes of this section, the following terms shall have the following meanings:

(a) "Prediction market" means a system that allows consumers to open a speculative position on the outcome of future events, in a bid-ask format. This definition shall include all forms of prediction markets regardless of the mechanisms or structures used for opening speculative positions on future events.

(b) "Bid-ask format" shall mean a format in which parties submit offers to buy positions on a prediction market at a specific price or

range of prices and offers to sell positions at a specific price or range of prices, with market prices determined through the matching of these offers.

(c) "Speculative position" means a financial commitment made by a participant in a prediction market.

2. No entity that (a) is licensed in this state, (b) would otherwise be required to be licensed to operate in this state, or (c) is prohibited from operating in this state under this chapter shall offer prediction markets to consumers in this state.

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

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

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

(b) The state gaming commission, state police or attorney general's office may conduct investigations, hold hearings, issue cease and desist letters, and issue subpoenas to ensure compliance with the provisions of this section, provided however that the attorney general may engage in such activity only with respect to any concurrent violation of article forty-eight of the general business law.

§ 3. Severability. If any clause, sentence, paragraph, section, or part of this article shall be adjudged by any court of competent jurisdiction to be invalid. Such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section, or part thereof directly involved in the controversy in which such judgment has been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted if such invalid provisions had not been included therein.

§ 4. This act shall take effect one year after it shall have become a law.