

STATE OF NEW YORK

10069

IN SENATE

April 27, 2026

Introduced by Sen. ADDABBO -- read twice and ordered printed, and when printed to be committed to the Committee on Racing, Gaming and Wagering

AN ACT to amend the racing, pari-mutuel wagering and breeding law, in relation to enhancing know your customer requirements and responsible gaming procedures

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 1367-b to read as follows:

3 § 1367-b. Know your customer requirements for mobile sports wagering
4 licensees. 1. The terms used in this section shall have the same mean-
5 ings as set forth in subdivision one of section thirteen hundred sixty-
6 seven and subdivision one of section thirteen hundred sixty-seven-a of
7 this title. For the purposes of this section, section thirteen hundred
8 sixty-seven and section thirteen hundred sixty-seven-a of this title,
9 the following terms shall have the following meanings:

10 (a) "At-risk sports bettor" shall mean an authorized sports bettor
11 who, following completion of a risk assessment conducted pursuant to
12 subdivision seven of this section, has been determined to be at signif-
13 icant risk of gambling-related harm and is designated as such;

14 (b) "Account sharing" shall mean the use of an authorized sports
15 bettor's account by any person other than the authorized sports bettor
16 for whom such account was created;

17 (c) "Elevated-risk sports bettor" shall mean an at-risk sports bettor
18 who, following completion of a risk assessment conducted pursuant to
19 subdivision seven of this section, is determined to be at persistent or
20 escalating risk of significant gambling-related harm;

21 (d) "Gambling-related harm" shall mean significant psychological,
22 self-inflicted physical, occupational, financial, legal, domestic, or
23 familial harm resulting from or reasonably attributable to gambling-re-
24 lated actions or patterns of behavior, including problem gambling and
25 gambling addiction;

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

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1 (e) "High-risk sports bettor" shall mean an at-risk sports bettor who,
2 following completion of a risk assessment conducted pursuant to subdivi-
3 sion seven of this section, is determined to be at chronic or acute risk
4 of severe or imminent gambling-related harm;

5 (f) "Prospective sports bettor" shall mean a person seeking to partic-
6 ipate in mobile sports wagering who has not been verified as an author-
7 ized sports bettor;

8 (g) "Proxy betting" shall mean an authorized sports bettor placing a
9 sports wager on behalf of another person;

10 (h) "Responsible gaming" means policies, procedures, and controls
11 reasonably designed and implemented to promote informed decision making,
12 identify and assess risk of gambling-related harm, and mitigate such
13 harm;

14 (i) "Risk assessment" shall mean a documented, comprehensive examina-
15 tion of the nature, frequency, and severity of risk factors, both indi-
16 vidually and in combination, associated with an authorized sports bettor
17 to determine whether such authorized sports bettor is at significant
18 risk of gambling-related harm pursuant to subdivision seven of this
19 section; and

20 (j) "Risk factor" shall mean behavioral, transactional, or financial
21 patterns that may reasonably indicate risk of gambling-related harm,
22 including those identified pursuant to subdivision six of this section.

23 2. (a) Prior to activating an account or permitting a prospective
24 sports bettor to place a sports wager, a mobile sports wagering licensee
25 shall require such prospective sports bettor to provide, at a minimum,
26 the following:

27 (i) full legal name;

28 (ii) physical residential address, including zip code;

29 (iii) date of birth;

30 (iv) the last four digits of the social security number; provided,
31 however, that: (A) such prospective sports bettor may voluntarily
32 provide the full social security number or a driver license number in
33 lieu of the last four digits; or (B) if such prospective sports bettor
34 does not possess a social security number, such prospective sports
35 bettor may provide an equivalent government-issued identification
36 number, such as a passport number or taxpayer identification number;

37 (v) a valid email address;

38 (vi) a valid telephone number;

39 (vii) a photograph of a driver license or other government-issued
40 identification card; and

41 (viii) a live photograph.

42 (b) All information required pursuant to paragraph (a) of this subdivi-
43 vision shall be directly and affirmatively provided by the prospective
44 sports bettor. A mobile sports wagering licensee shall not pre-populate,
45 auto-fill, suggest, derive, or otherwise present such required informa-
46 tion for confirmation or selection by a prospective sports bettor.

47 (c) A mobile sports wagering licensee shall request, on a voluntary
48 basis and not as a condition of account creation or wagering, the
49 following information, which may be used in aggregate form only for
50 purposes of research, regulatory oversight, and responsible gaming anal-
51 ysis:

52 (i) race and ethnicity;

53 (ii) gender; and

54 (iii) estimated annual income.

55 (d) No account shall be activated and no sports wager shall be permit-
56 ted unless the mobile sports wagering licensee has verified the identity

1 of the prospective sports bettor pursuant to subdivision three of this
2 section.

3 (e) Prior to placing an initial sports wager, an authorized sports
4 bettor shall affirmatively acknowledge and attest, at a minimum, the
5 following:

6 (i) the information provided in connection with the creation of the
7 account is accurate and complete;

8 (ii) such authorized sports bettor is at least twenty-one years of
9 age;

10 (iii) such authorized sports bettor is not a prohibited sports bettor;

11 (iv) only such authorized sports bettor shall access the account and
12 such authorized sports bettor shall not permit any other person to
13 access or use the account or engage in account sharing or proxy betting;

14 (v) the account is the only mobile sports wagering account such
15 authorized sports bettor owns with the particular skin and that such
16 account is not transferable;

17 (vi) no sports wager on the account shall be made by computerized
18 software or other automated or unauthorized mechanisms; and

19 (vii) such authorized sports bettor accepts the terms and conditions
20 of opening an account and agrees to comply with applicable law.

21 (f) A mobile sports wagering licensee shall permit an authorized
22 sports bettor to permanently close such authorized sports bettor's
23 account at any time and for any reason.

24 (i) Upon closure of an account, any funds remaining in such account,
25 less any amounts lawfully withheld pursuant to this chapter or commis-
26 sion regulation, shall be returned to the authorized sports bettor with-
27 out unreasonable delay and in accordance with commission regulation.

28 (ii) A mobile sports wagering licensee shall not impose unnecessary
29 barriers, conditions, or delays on the closure of an account or the
30 return of funds.

31 3. (a) A mobile sports wagering licensee shall establish and maintain
32 written identity verification procedures reasonably designed to form a
33 reasonable belief that such mobile sports wagering licensee knows the
34 true identity of each prospective sports bettor prior to activating an
35 account or accepting sports wagers from such prospective sports bettor.

36 (b) Such identity verification procedures shall: (i) be incorporated
37 into the mobile sports wagering licensee's system of internal controls;
38 (ii) ensure that no prohibited sports bettor is permitted to activate or
39 access an account or place sports wagers; and (iii) include measures
40 reasonably designed to detect and prevent identity theft, fraud, and
41 duplicate or otherwise unlawful accounts.

42 (c) Such identity verification procedures shall, at a minimum and to
43 the extent reasonably practicable, include the following:

44 (i) verification of the authenticity of identifying information
45 obtained pursuant to subdivision two of this section through one or more
46 independent and reliable data sources, including commercially available
47 fraud-detection databases, public records, or other comparable sources;

48 (ii) identification of material discrepancies in identifying informa-
49 tion and documented resolution of such discrepancies prior to account
50 activation;

51 (iii) provision for verification through documentary methods, non-do-
52 documentary methods, or a combination thereof, as appropriate; and

53 (iv) application of enhanced verification procedures where identifying
54 information is inconsistent, incomplete, associated with multiple
55 accounts, or otherwise indicative of an elevated threat of fraud or
56 unlawful activity.

1 (d) The use of a third-party service provider to perform identity
2 verification shall not relieve a mobile sports wagering licensee of its
3 responsibility to comply with this subdivision.

4 (e) Where a mobile sports wagering licensee cannot form a reasonable
5 belief that it knows the true identity of a prospective sports bettor,
6 such licensee shall not activate the account or permit the placement of
7 sports wagers and shall take such further action as may be required by
8 the commission.

9 4. (a) Each authorized sports bettor shall be required to use a user-
10 name and password or other primary login credential, together with at
11 least one additional authentication factor that is independent of such
12 username and password or other primary login credential, to verify such
13 authorized sports bettor's identity, which shall include one or more of
14 the following:

15 (i) biometric data, including fingerprint, facial or voice recogni-
16 tion;

17 (ii) an authorization code sent by phone call, text message or email
18 to the appropriate contact information provided at the opening of the
19 account;

20 (iii) knowledge-based authentication methods, including security ques-
21 tions, where approved by the commission;

22 (iv) device-based authentication tied to a previously verified device;
23 or

24 (v) any other authorization types as approved by the commission.

25 (b) Following successful multi-factor authentication, a mobile sports
26 wagering licensee may permit continued access to the same account on the
27 same verified device without re-authentication for a period not to
28 exceed one hour.

29 (c) No single authentication factor shall satisfy both the primary and
30 additional authentication requirements of this subdivision.

31 (d) A mobile sports wagering licensee shall promptly re-verify infor-
32 mation required pursuant to paragraph (a) of subdivision two of this
33 section after such information is modified and as required by the
34 commission.

35 (e) A mobile sports wagering licensee shall implement written monitor-
36 ing procedures reasonably designed to detect suspicious activity,
37 account compromise, fraud, account sharing, proxy betting, placement of
38 a sports wager by a prohibited sport bettor, or other unlawful activity.

39 (f) Where monitoring conducted pursuant to paragraph (e) of this
40 subdivision identifies activity reasonably indicating a material risk of
41 account compromise, fraud, account sharing, proxy betting, the placement
42 of a sports wager by a prohibited sports bettor, or other unlawful
43 activity, the mobile sports wagering licensee shall promptly suspend the
44 affected account pending review. If, following such review, the mobile
45 sports wagering licensee determines that such activity is likely to have
46 occurred or be occurring, the commission shall be notified, and the
47 account shall remain suspended until corrective measures required pursu-
48 ant to commission regulation have been implemented.

49 (g) If a mobile sports wagering licensee or the commission determines
50 that an authorized sports bettor or any other person has, in connection
51 with mobile sports wagering, knowingly engaged in fraud, account shar-
52 ing, proxy betting, or other unlawful activity, such authorized sports
53 bettor, and any other person determined to have knowingly participated
54 in such activity, may be designated a prohibited sports bettor in
55 accordance with commission regulation.

1 5. (a) A mobile sports wagering licensee shall establish, implement,
2 and maintain written responsible gaming procedures reasonably designed
3 to identify, assess, and mitigate gambling-related harm, including
4 through risk assessments conducted pursuant to this section.

5 (b) Such procedures shall be incorporated into the mobile sports
6 wagering licensee's system of internal controls and subject to review by
7 the commission and approval as required by commission regulation.

8 (c) Each mobile sports wagering licensee shall designate a responsible
9 gaming lead who shall be a senior employee or officer with sufficient
10 authority and resources to implement, oversee, and enforce such mobile
11 sports wagering licensee's responsible gaming procedures and ensure that
12 such procedures comply with this section and applicable commission regu-
13 lations.

14 (i) Such responsible gaming lead shall ensure that risk assessments
15 are conducted in accordance with this section and applicable commission
16 regulations.

17 (ii) Such responsible gaming lead shall oversee documentation, record
18 retention, internal review, and reporting obligations pursuant to this
19 section.

20 (iii) The designation of a responsible gaming lead shall not relieve a
21 mobile sports wagering licensee of ultimate responsibility for compli-
22 ance.

23 (iv) The responsible gaming lead shall provide periodic written
24 reports, no less than annually, to senior management of the mobile
25 sports wagering licensee regarding the following:

26 (A) the effectiveness of responsible gaming procedures;

27 (B) trends in risk assessments and risk designations, including
28 at-risk, elevated-risk, and high-risk sports bettor designations;

29 (C) responsible gaming actions and interventions undertaken; and

30 (D) recommendations for modifications or improvements to responsible
31 gaming procedures.

32 (v) Such reports shall be documented and retained in accordance with
33 subdivision eight of this section and made available to the commission
34 upon request.

35 (d) Responsible gaming procedures shall include training for relevant
36 employees regarding risk factors, risk assessment, documentation, and
37 responsible gaming obligations in accordance with commission regu-
38 lations.

39 (e) Responsible gaming procedures shall include periodic internal
40 review of the effectiveness of risk assessments, responsible gaming
41 actions taken pursuant to this section, and other procedures as
42 prescribed by the commission. Such review shall be documented and made
43 available to the commission upon request.

44 6. (a) Responsible gaming procedures shall include ongoing monitoring
45 and documentation reasonably designed to identify risk factors associ-
46 ated with an authorized sports bettor, including but not limited to the
47 following:

48 (i) escalation in wager size or loss exposure, or patterns of
49 sustained wagering losses;

50 (ii) increases in deposit frequency or amounts, including rapid or
51 repeated redeposit behavior following losses;

52 (iii) extended duration, high-frequency, or repeated late-night wager-
53 ing sessions, or other patterns of intensified engagement with the
54 mobile sports wagering platform;

55 (iv) frequent modification or removal of deposit, wager, or time
56 limits or reversal of withdrawals from an account;

1 (v) repeated failed payment transactions or other indicators of finan-
2 cial distress;

3 (vi) frequent interactions with responsible gaming tools or resources
4 that may indicate heightened risk; and

5 (vii) any other risk factor established by regulation of the commis-
6 sion.

7 (b) The commission shall promulgate regulations establishing guidance
8 regarding the identification, weighting, and evaluation of risk factors
9 consistent with this section.

10 7. (a) Responsible gaming procedures shall include a documented risk
11 assessment conducted when risk factors, individually or in combination,
12 reach objective, evidence-based thresholds established pursuant to
13 commission regulation, which may be qualitative, quantitative, or both,
14 and reasonably indicate that an authorized sports bettor is at signif-
15 icant risk of gambling-related harm.

16 (i) Such review shall evaluate the nature, frequency, and severity of
17 the risk factors.

18 (ii) The results of such review shall be documented and retained in
19 accordance with subdivision eight of this section.

20 (b) If, following completion of a risk assessment conducted pursuant
21 to paragraph (a) of this subdivision, a mobile sports wagering licensee
22 determines that an authorized sports bettor is at significant risk of
23 gambling-related harm, such authorized sports bettor shall be designated
24 as an at-risk sports bettor.

25 (c) The commission shall establish additional criteria, including
26 objective, evidence-based thresholds, to determine whether an at-risk
27 sports bettor qualifies as an elevated-risk or high-risk sports bettor.

28 (d) A prior risk assessment or risk designation of an authorized
29 sports bettor shall not relieve a mobile sports wagering licensee of its
30 obligation to continue monitoring such authorized sports bettor pursuant
31 to subdivision six of this section or to conduct subsequent risk assess-
32 ments where such monitoring identifies risk factors that meet or exceed
33 objective, evidence-based thresholds established pursuant to commission
34 regulation. Risk assessments shall be conducted on an ongoing basis as
35 warranted by such monitoring and may result in the maintenance, esca-
36 lation, or reduction of an authorized sports bettor's risk designation.

37 8. (a) A mobile sports wagering licensee shall document, in a manner
38 sufficient to demonstrate compliance with this section and applicable
39 commission regulations, the following:

40 (i) suspicious activity associated with an account, such as indicators
41 of account sharing, proxy betting, fraud, or otherwise unlawful activ-
42 ity, including the investigation and disposition of such activity;

43 (ii) documentation relating to identity verification procedures and
44 resolution of discrepancies pursuant to subdivision three of this
45 section;

46 (iii) documentation of re-verification actions taken pursuant to
47 subdivision four of this section;

48 (iv) documentation of periodic internal reviews conducted pursuant to
49 subdivision five of this section;

50 (v) documentation of reports provided to senior management pursuant to
51 subdivision five of this section;

52 (vi) risk factors identified pursuant to subdivision six of this
53 section associated with authorized sports bettors;

54 (vii) risk assessments conducted pursuant to subdivision seven of this
55 section;

1 (viii) determinations regarding whether an authorized sports bettor
2 qualifies as an at-risk sports bettor, elevated-risk sports bettor, or
3 high-risk sports bettor;

4 (ix) any responsible gaming actions and interventions taken in
5 response to such determinations; and

6 (x) other information required pursuant to commission regulation
7 consistent with this section.

8 (b) The responsible gaming lead shall establish and periodically
9 update a list of at-risk sports bettors, which shall be provided to the
10 commission upon request.

11 (i) An at-risk sports bettor may be removed from such list if, pursu-
12 ant to a subsequent risk assessment conducted in accordance with this
13 section, such authorized sports bettor is determined to no longer quali-
14 fy as an at-risk sports bettor.

15 (ii) If an authorized sports bettor meets or exceeds thresholds estab-
16 lished pursuant to commission regulations under subdivision seven of
17 this section that trigger a risk assessment and is subsequently deter-
18 mined not to qualify as an at-risk sports bettor, the documented risk
19 assessment shall include the specific reasons for such determination.

20 (c) All records required pursuant to this section shall be retained
21 for not less than five years, or such longer period as may be required
22 by regulations promulgated by the commission, except as provided in
23 paragraph (c) of subdivision nine of this section.

24 (d) The commission may require periodic reporting, in anonymized or
25 aggregated form, regarding demographic information, risk factors, risk
26 assessments, responsible gaming actions and interventions, and related
27 outcomes for the purpose of:

28 (i) evaluating compliance with this section and applicable commission
29 regulations;

30 (ii) assessing the effectiveness of responsible gaming procedures; and

31 (iii) informing public policy development related to mobile sports
32 wagering, responsible gaming, and gambling-related harm.

33 (e) No personally identifiable information collected pursuant to this
34 section shall be disclosed unless otherwise required by law.

35 (f) The commission may audit compliance with this section and regu-
36 lations promulgated hereunder.

37 (g) Nothing in this section shall require a mobile sports wagering
38 licensee to verify an authorized or prospective sports bettor's income,
39 assets, or credit history.

40 (h) The commission shall promulgate regulations establishing minimum
41 standards for documentation, record retention, testing, and auditing of
42 responsible gaming procedures required pursuant to this section.

43 9. (a) No mobile sports wagering licensee shall sell, share or other-
44 wise allow third-party access to consumer data required to be collected
45 by this section with third parties unless such selling or sharing is
46 strictly necessary to provide, maintain, improve, or update the services
47 requested by an authorized sports bettor, to comply with applicable law,
48 or as otherwise required by this section or commission regulation.

49 (b) Upon receipt of a verifiable request from an authorized sports
50 bettor, a mobile sports wagering licensee shall, without undue delay,
51 make available a copy of all consumer data that such mobile sports
52 wagering licensee has collected about such authorized sports bettor
53 pursuant to this section.

54 (c) Upon the deletion of an authorized sports bettor's account, such
55 authorized sports bettor may request that the mobile sports wagering

1 licensee delete all consumer data that the mobile sports wagering licen-
2 see has collected about such authorized sports bettor.

3 (i) Upon receiving such request, the mobile sports wagering licensee
4 shall delete all such consumer data within thirty days and provide such
5 authorized sports bettor with confirmation that all such consumer data
6 has been deleted.

7 (ii) Notwithstanding subdivision eight of this section or any other
8 provision of state law relating solely to record retention requirements
9 of this section, the deletion requirements of this paragraph shall
10 control.

11 (iii) A mobile sports wagering licensee shall not be required to
12 comply with the deletion requirements of this paragraph to the extent
13 that retaining such consumer data is required by federal law, a judicial
14 order, or an ongoing regulatory investigation or enforcement action.

15 (d) Each mobile sports wagering licensee shall develop, implement, and
16 maintain reasonable administrative, technical, and physical safeguards
17 to protect consumer data against unauthorized access, disclosure, alter-
18 ation, or destruction, consistent with commission regulations. Such
19 safeguards shall be appropriate to the nature and scope of such mobile
20 sports wagering licensee's activities and the sensitivity of the consum-
21 er data collected.

22 10. (a) The commission shall promulgate such rules and regulations as
23 are necessary and appropriate to implement, maintain, and enforce the
24 provisions of this section, including but not limited to rules and regu-
25 lations:

26 (i) establishing standards governing account creation and closure
27 pursuant to subdivision two of this section;

28 (ii) establishing minimum standards for identity verification proce-
29 dures pursuant to subdivision three of this section;

30 (iii) establishing standards for multi-factor authentication and ongo-
31 ing verification pursuant to subdivision four of this section;

32 (iv) governing the review and approval of responsible gaming proce-
33 dures pursuant to subdivision five of this section;

34 (v) establishing guidance and requirements concerning the identifica-
35 tion, weighting, evaluation, and documentation of risk factors pursuant
36 to subdivision six of this section;

37 (vi) establishing objective, evidence-based thresholds and additional
38 criteria for risk assessments pursuant to subdivision seven of this
39 section;

40 (vii) establishing documentation, record retention, reporting, test-
41 ing, and auditing requirements pursuant to subdivision eight of this
42 section; and

43 (viii) establishing standards for data security and safeguards pursu-
44 ant to this subdivision.

45 (b) In addition to any other authority provided by law, the commission
46 may:

47 (i) conduct examinations, investigations, and audits of mobile sports
48 wagering licensees to determine compliance with this section and regu-
49 lations promulgated pursuant to this section;

50 (ii) require the submission of records, reports, or other information
51 necessary to evaluate compliance;

52 (iii) issue written findings of deficiency;

53 (iv) require corrective action plans within such timeframes as the
54 commission may prescribe; and

55 (v) order the suspension or modification of practices found to be in
56 violation of this section or commission regulation.

1 (c) A violation of this section or regulations promulgated pursuant to
2 this section shall constitute a violation of this chapter and shall be
3 subject to civil penalties, license conditions, suspension, revocation,
4 or other disciplinary action as authorized under this chapter and regu-
5 lations of the commission.

6 (d) In determining the appropriate enforcement action or penalty, the
7 commission may consider:

8 (i) the nature and severity of the violation;

9 (ii) whether the violation was knowing, reckless, or negligent;

10 (iii) the duration and frequency of the violation;

11 (iv) the mobile sports wagering licensee's history of prior
12 violations;

13 (v) the degree of harm or risk of harm to authorized sports bettors;
14 and

15 (vi) the mobile sports wagering licensee's cooperation and corrective
16 efforts.

17 (e) Nothing in this section shall be construed to limit any other
18 authority of the commission under this chapter or other applicable law.

19 (f) Nothing in this section shall be construed to create a private
20 right of action.

21 § 2. Subparagraph (xv) of paragraph (a) of subdivision 4 of section
22 1367-a of the racing, pari-mutuel wagering and breeding law, as added by
23 section 4 of part Y of chapter 59 of the laws of 2021, is amended to
24 read as follows:

25 (xv) submit annually a problem gaming plan that was approved by the
26 commission in consultation with the office of addiction services and
27 supports that includes: the objectives of and timetables for implement-
28 ing the plan; identification of the persons responsible for implementing
29 and maintaining the plan; procedures for identifying users with
30 suspected or known problem gaming behavior; procedures for providing
31 information to users concerning problem gaming identification and
32 resources; procedures to prevent gaming by minors and self-excluded
33 persons; and such other problem gaming information as the commission may
34 require by rule; provided further, that such problem gaming plan shall
35 include responsible gaming procedures pursuant to section thirteen
36 hundred sixty-seven-b of this title.

37 § 3. The opening paragraph of subdivision 1 of section 1367 of the
38 racing, pari-mutuel wagering and breeding law, as amended by section 3
39 of part Y of chapter 59 of the laws of 2021, is amended to read as
40 follows:

41 As used in this section [~~and in~~], section thirteen hundred sixty-sev-
42 en-a, and section thirteen hundred sixty-seven-b of this title:

43 § 4. Paragraph (a) of subdivision 1 of section 1367-a of the racing,
44 pari-mutuel wagering and breeding law, as added by section 4 of part Y
45 of chapter 59 of the laws of 2021, is amended to read as follows:

46 (a) Except as provided in this subdivision, the terms in this section
47 shall have the same meanings as such terms are defined in subdivision
48 one of section thirteen hundred sixty-seven and subdivision one of
49 section thirteen hundred sixty-seven-b of this title.

50 § 5. Subdivision 8 of section 1367 of the racing, pari-mutuel wagering
51 and breeding law, as amended by section 1 of part 00 of chapter 59 of
52 the laws of 2025, is amended to read as follows:

53 8. Notwithstanding section thirteen hundred fifty-one of this article,
54 mobile sports wagering gross gaming revenue and tax revenue shall be
55 excluded from sports wagering gross gaming revenue and tax revenue.
56 Mobile sports wagering tax revenue shall be separately maintained and

1 returned to the state for deposit into the state lottery fund for educa-
2 tion aid except as otherwise provided in this subdivision. Any interest
3 and penalties imposed by the commission relating to those taxes, all
4 penalties levied and collected by the commission, and the appropriate
5 funds, cash or prizes forfeited from sports wagering shall be deposited
6 into the state lottery fund for education; provided, however, that
7 penalties levied against mobile sports wagering licensees for violations
8 of problem gaming plan requirements pursuant to subdivision four of
9 section one thousand three hundred sixty-seven-a of this title and
10 responsible gaming procedures pursuant to section one thousand three
11 hundred sixty-seven-b of this title shall be deposited as follows: one-
12 third to the state lottery fund for education aid; one-third to be
13 collected by the commission and deposited into the commercial gaming
14 revenue fund, established in section ninety-seven-nnnn of the state
15 finance law, to be distributed for problem gambling education and treat-
16 ment purposes pursuant to paragraph a of subdivision four of such
17 section; and one-third shall be retained by the commission for the
18 administration and enforcement of such problem gaming plan and responsi-
19 ble gaming procedure requirements. In fiscal year two thousand twenty-
20 two, the commission shall pay into the commercial gaming fund one
21 percent of the state tax imposed on mobile sports wagering by this
22 section to be distributed for problem gambling education and treatment
23 purposes pursuant to paragraph a of subdivision four of section ninety-
24 seven-nnnn of the state finance law; provided however, that such amount
25 shall be equal to six million dollars for each fiscal year through
26 fiscal year two thousand twenty-six and twelve million dollars for each
27 fiscal year thereafter, provided that this amount may only be expended
28 pursuant to a plan approved by the director of the budget. In fiscal
29 year two thousand twenty-two, the commission shall pay one percent of
30 the state tax imposed on mobile sports wagering by this section to the
31 general fund, a program to be administered by the office of children and
32 family services for a statewide youth sports activities and education
33 grant program for the purpose of providing annual awards to sports
34 programs for underserved youth under the age of eighteen years; provided
35 however, that such amount shall be equal to five million dollars for
36 each fiscal year thereafter. The commission shall require at least
37 monthly deposits by a platform provider of any payments pursuant to
38 subdivision seven of this section, at such times, under such conditions,
39 and in such depositories as shall be prescribed by the state comp-
40 troller. The deposits shall be deposited to the credit of the state
41 commercial gaming revenue fund. The commission shall require a monthly
42 report and reconciliation statement to be filed with it on or before the
43 tenth day of each month, with respect to gross revenues and deposits
44 received and made, respectively, during the preceding month.

45 § 6. This act shall take effect on the one hundred eightieth day after
46 it shall have become a law.