

STATE OF NEW YORK

5935--A

Cal. No. 567

2025-2026 Regular Sessions

IN SENATE

March 4, 2025

Introduced by Sen. ADDABBO -- read twice and ordered printed, and when printed to be committed to the Committee on Racing, Gaming and Wagering -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the racing, pari-mutuel wagering and breeding law, in relation to prohibiting online sweepstakes games and revenue from illegal markets

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

1 Section 1. Legislative purpose. It is the purpose of this legislation
2 to prohibit certain persons from operating, conducting, or promoting
3 certain online sweepstakes games or supporting the operation, conduct-
4 ing, or promotion of certain online sweepstakes games. This legislation
5 requires the New York state gaming commission and/or the New York state
6 attorney general to deny a person from commencing or continuing oper-
7 ations if such person or an affiliate of such person knowingly accepts
8 revenue that is directly or indirectly derived from online sweepstakes
9 games, and enforce penalties on behalf of any findings of prohibited
10 engagement.

11 § 2. The racing, pari-mutuel wagering and breeding law is amended by
12 adding a new section 912 to read as follows:

13 § 912. Prohibition of online sweepstakes games and revenue from ille-
14 gal markets. 1. Definitions. For the purposes of this section, the
15 following terms shall have the following meanings:

16 (a) "Online sweepstakes game" shall mean any game, contest, or
17 promotion that is available on the internet and/or accessible on a
18 mobile phone, computer terminal, or similar access device, that utilizes
19 a dual-currency system of payment allowing the player to exchange the
20 currency for any cash prize, cash award or cash equivalents, or any
21 chance to win any cash prize, cash award or cash equivalents, and simu-

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

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1 lates casino-style gaming, including but not limited to, slot machines,
2 video poker, table games, lottery games, bingo, or sports wagering. The
3 state gaming commission shall determine what constitutes a dual-currency
4 system pursuant to this paragraph.

5 (b) "Table games" shall include, but not be limited to, blackjack,
6 roulette, craps, and poker.

7 (c) "Lottery games" shall include, but not be limited to, draw games,
8 instant win games, and keno.

9 2. Prohibition. (a) It shall be unlawful for any applicant, licensed
10 entity, gaming employee, key employee, individual investor or investment
11 firm, board member, or any other person or entity to operate, conduct,
12 or promote online sweepstakes games within the state of New York.

13 (b) It shall be unlawful for any applicant, licensed entity, financial
14 institution, payment processor, geolocation provider, gaming content
15 supplier, platform provider, or media affiliate to support the opera-
16 tion, conduct, or promotion of online sweepstakes games within the state
17 of New York.

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

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

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

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

38 § 3. This act shall take effect immediately.