STATE OF NEW YORK

8433

2025-2026 Regular Sessions

IN SENATE

June 11, 2025

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

AN ACT to amend the racing, pari-mutuel wagering and breeding law, in relation to wagers on certain horse racing events and authorizing agreements between a mobile sports wagering operator, mobile sports wagering licensee, or operator and certain entities; and providing for the repeal of such provisions upon expiration thereof

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

Section 1. Paragraphs (bb) and (cc) of subdivision 1 of section 1367 of the racing, pari-mutuel wagering and breeding law, as amended by section 3 of part Y of chapter 59 of the laws of 2021, are amended and two new paragraphs (dd) and (ee) are added to read as follows:

(bb) "Suspicious wagering activity" means unusual wagering activity that cannot be explained and is indicative of match fixing, the manipulation of an event, misuse of inside information, or other prohibited activity; [~~and~~]

(cc) "Independent integrity monitor" means an independent individual or entity approved by the commission to receive reports of unusual wagering activity from a casino, mobile sports wagering licensee, or commission for the purpose of assisting in identifying suspicious wagering activity[~~.~~]**;**

(dd) "Horse racing event" means any sport or athletic event conducted in New York state subject to the provisions of article two, three, five, nine, or ten of this chapter, as well as any sport or athletic event conducted outside of New York state which would otherwise be subject to the provisions of articles two, five, nine, or ten of this chapter. "Horse racing event" shall not include harness races conducted outside of New York state; and

(ee) "Fixed odds sports wagering agreement" means an agreement between a mobile sports wagering operator, mobile sports wagering licensee, or

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

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operator and an entity that possesses a license awarded pursuant to article two or three of this chapter that has the authority to conduct pari-mutuel wagering on the form of racing involved in the relevant horse racing event, involving wagers to be made solely by residents of the state of New York while located within New York, and subject to the approval of the commission.

§ 2. Paragraph (s) of subdivision 1 of section 1367 of the racing, pari-mutuel wagering and breeding law, as amended by section 3 of part Y of chapter 59 of the laws of 2021, is amended to read as follows:

(s) "Prohibited sports event" means a sport or athletic event in which any New York college team participates regardless of where the event takes place, [~~or~~] a high school sport or athletic event, or a horse racing event, unless such horse racing event is being offered pursuant to a fixed odds sports wagering agreement, as defined in paragraph (ee) of this subdivision. The following shall not be considered prohibited sports events: (i) a collegiate tournament, and (ii) a sports event within such tournament so long as no New York college team is participating in that particular sports event;

§ 3. Subdivision 2 of section 1367 of the racing, pari-mutuel wagering and breeding law is amended by adding a new paragraph (e-1) to read as follows:

(e-1)(i)(1) A mobile sports wagering operator, mobile sports wagering licensee, or operator may accept a fixed odds wager on a horse racing event if such mobile sports wagering operator, mobile sports wagering licensee, or operator has entered into a fixed odds sports wagering agreement with an entity that has the authority to provide the content of such horse racing event pursuant to article two or three of this chapter. In furtherance of any fixed odds sports wagering agreement, an entity that holds a franchise or license pursuant to article two of this chapter may only offer content involving thoroughbred races and an entity that holds a license pursuant to article three of this chapter may only offer content involving standardbred races, except that an entity that holds a license pursuant to article three of this chapter may authorize an entity that holds a franchise or license pursuant to article two of this chapter to negotiate on its behalf, subject to final approval of the entity that holds a license pursuant to article three of this chapter. Any fixed odds sports wagering agreement with an entity that has the authority to provide the content of a horse racing event shall require the approval of the applicable horsemen's association.

(2) All fixed odds sports wagering agreements must be approved by the commission prior to taking effect. Any content offered pursuant to an approved fixed odds sports wagering agreement shall subsequently be made available to any interested mobile sports wagering operator, mobile sports wagering licensee, or operator on commercially reasonable terms, as determined by the commission.

(ii) Any holder of a pari-mutuel wagering franchise or license pursuant to article two or three of this chapter that enters into a fixed odds sports wagering agreement shall: (1) make a copy of such sports wagering agreement available to the applicable horsemen's association; and (2) separately maintain an agreement with the applicable horsemen's association, setting forth the type of wagers that may be placed on a horse racing event and on which horse racing events wagers may be placed.

(iii)(1) Notwithstanding any provision of law, rule, or regulation to the contrary, any and all payments made by a mobile sports wagering operator, mobile sports wagering licensee, or operator pursuant to any

fixed odds sports wagering agreement as defined in paragraph (ee) of subdivision one of this section, shall be allocated in the following amounts for any amount generated during a calendar year: two-thirds to the thoroughbred industry and the remaining one-third to harness racing associations and corporations. For purposes of this paragraph, payments made pursuant to a fixed odds sports wagering agreement shall include wagering revenue, signing or other start-up fees, exclusivity fees, market go live fees, and any other horse racing content fees, but shall not include any revenue generated for sponsorships or other payments unrelated to the terms of a fixed odds sports wagering agreement, as defined in subdivision one of this section.

(2) a. Of the payments allocated to the thoroughbred industry, five-sixths shall be allocated to the franchised corporation and one-sixth shall be allocated to a thoroughbred racing association. Of those funds, payment of an amount equal to forty-three percent of the allocated payment shall be paid into an account for enhancing purses at such racing association or corporation or franchised corporation, and seven percent shall be contributed to the New York state thoroughbred breeding and development fund corporation established pursuant to section two hundred fifty-two of this chapter.

b. Of the payments allocated to the harness racing associations and corporations, payment of an amount equal to forty-three percent of the allocated payment shall be paid into an account for enhancing purses at such racing associations or corporations, and seven percent shall be contributed to the agriculture and New York state horse breeding development fund established pursuant to section three hundred thirty of this chapter. The remaining forty-three percent to be allocated for enhancing purses and the remaining fifty percent of the funds allocated for harness racing associations and corporations, shall be allocated to individual harness racing associations and corporations based on a ratio where the numerator is the association's or corporation's total in-state handle on live racing for the previous calendar year as calculated by the commission and the denominator is the total in-state on live handle for all harness racing associations and corporations for the previous calendar year as calculated by the commission.

(3) In order to ensure appropriate distribution by and among the tracks, each holder of a pari-mutuel wagering franchise or license pursuant to article two or three of this chapter that enters into a fixed odds sports wagering agreement shall notify each other thoroughbred and harness track on or prior to the twentieth day of each month, of any and all payments made by a mobile sports wagering operator, mobile sports wagering licensee, or operator pursuant to any fixed odds sports wagering agreement, including but not limited to horse racing content fees, generated during the prior month.

§ 4. This act shall take effect April 1, 2026 and shall expire March 31, 2029 when upon such date the provisions of this act shall be deemed repealed.