STATE OF NEW YORK

10479

IN SENATE

May 15, 2026

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

AN ACT to amend chapter 697 of the laws of 2025, amending the general municipal law relating to electronic bell jar games, to amend the general municipal law, in relation to permitting certain fraternal organizations to conduct charitable gaming by operating electronic bell jar vending machines; and to repeal certain provisions of such law relating thereto

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

Section 1. Section 1 of chapter 697 of the laws of 2025, amending the general municipal law relating to electronic bell jar games, as amended by chapter 4 of the laws of 2026, is amended to read as follows:

Section 1. Legislative findings and purpose. 1. The legislature hereby finds that:

(a) bell jar games are a popular and profitable fundraising mechanism for bona fide not-for-profit organizations across the state, generating millions of dollars in net revenues for charitable purposes every year;

(b) organizations that offer bell jars and other games of chance must meet strict standards established by the New York state general municipal law and the New York state gaming commission, including receiving a license to conduct charitable gaming activities; and

(c) while other types of gaming in New York state have continued to expand and improve, the operation of charitable gaming activities has largely remained the same over the last several decades.

2. (a) For the aforementioned reasons, the legislature hereby declares that veteran organizations**, fraternal organizations,** and volunteer fire companies licensed to conduct charitable gaming would greatly benefit from the ability to operate electronic bell jar vending machines, which display and dispense pre-printed bell jar tickets that have predetermined winners and predetermined values for prizes, in order to help increase charitable gaming profits across the state and attract more members to join such organizations; and

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

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(b) Provided further, the legislature also declares that this legislation includes appropriate safeguards to ensure that electronic bell jar vending machines remain a limited and controlled fundraising tool, distinct from video lottery terminals or slot machines in design and function. The machines authorized herein may only be operated by licensed veteran organizations**, fraternal organizations** and volunteer fire companies, are limited pursuant to the provisions of subdivision 6 of section 195-c of the general municipal law in order to prohibit casino-like gaming parlors, and are solely for use by members of such veteran organizations**, fraternal organizations,** and volunteer fire companies.

§ 2. Subdivision 23 of section 186 of the general municipal law, as added by chapter 4 of the laws of 2026, is amended to read as follows:

23. "Veteran organization" means a members-only organization comprising veterans and their family members, where the organization's focus is on the support of and advocacy for veterans and military service members [~~and that is licensed to operate bell jar games as of November thirtieth, two thousand twenty-five and shall not include any auxiliary organizations~~].

§ 3. Section 186 of the general municipal law is amended by adding a new subdivision 25 to read as follows:

25. "Fraternal organization" means any society, order, state headquarters, or association within this state, except a college or high school fraternity, that is not organized for profit, that is a branch, lodge, or chapter of a national or state organization, and that exists exclusively for the common business or sodality of its members.

§ 4. Subdivision 10 of section 189 of the general municipal law, as amended by chapter 574 of the laws of 1978, is amended to read as follows:

10. No person except a bona fide member of the licensed authorized organization [~~shall participate in the management of such games; no person except a bona fide member of the licensed authorized organization,~~] **or** its auxiliary or affiliated organization, shall participate in the operation of such game, as set forth in section one hundred ninety-five-c of this article.

§ 5. The section heading and subdivisions 1 and 6 of section 195-c of the general municipal law, as amended by chapter 4 of the laws of 2026, are amended to read as follows:

Persons operating **and managing** games; equipment; expenses; compensation. 1. No person shall [~~operate~~] **manage** any game of chance under any license issued under this article except a bona fide member of the authorized organization to which the license is issued, or a bona fide member of an organization or association which is an auxiliary to the licensee or a bona fide member of an organization or association of which such licensee is an auxiliary or a bona fide member of an organization or association which is affiliated with the licensee by being, with it, auxiliary to another organization or association. Nothing herein shall be construed to limit the number of games of chance licensees for whom such persons may operate games of chance nor to prevent nonmembers from assisting the licensee in any activity other than managing [~~or operating~~] games. No game of chance shall be conducted with any equipment except such as shall be owned or leased by the authorized organization so licensed or used without payment of any compensation therefor by the licensee. However, in no event shall bell jar tickets be transferred from one authorized organization to another, with or without payment of any compensation thereof. The head or heads of the authorized organization shall upon request certify, under oath, that the persons

[~~operating~~] **managing** any game of chance are bona fide members of such authorized organization, auxiliary or affiliated organization. Upon request by an officer or the department any such person involved in such games of chance shall certify that they have no criminal record. No items of expense shall be incurred or paid in connection with the conducting of any game of chance pursuant to any license issued under this article except those that are reasonable and are necessarily expended for games of chance supplies and equipment, prizes, security personnel, stated rental if any, bookkeeping or accounting services according to a schedule of compensation prescribed by the commission, janitorial services and utility supplies if any, and license fees, and the cost of bus transportation, if authorized by such clerk or department. No commission, salary, compensation, reward or recompense shall be paid or given to any person for the sale or assisting with the sale of raffle.

6. (a) The maximum number of electronic bell jar vending machines that a veteran organization**, fraternal organization** or volunteer fire company may operate shall be determined by the commission, but shall in no event exceed three machines.

(b) (i) The use of an electronic bell jar vending machine shall not be approved or permitted in any location restricted by a compact between an Indian tribe and the state of New York, as determined by the commission.

(ii) In cities with a population of one million or more as of the latest federal decennial census, the following geographic considerations shall apply, notwithstanding any other provision of this paragraph or paragraph (a) of this subdivision:

For any veteran organization**, fraternal organization,** or volunteer fire company at a premises located within two thousand five hundred feet of any gaming facility, the maximum number of electronic bell jar vending machines that may be operated shall be one. The commission shall establish procedures for measuring such distance. For any veteran organization or volunteer fire company at a premises located more than two thousand five hundred feet but not more than one mile from any gaming facility, the maximum number of electronic bell jar vending machines that may be operated shall be two, provided that the commission, in authorizing such machines, considers local market conditions and the objectives of preventing market oversaturation. For any veteran organization**, fraternal organization,** or volunteer fire company at a premises located more than one mile from any gaming facility, the maximum number of electronic bell jar vending machines shall be three, provided that the commission shall retain the discretion to impose stricter limitations based on local density of veteran organizations**, fraternal organizations,** and/or volunteer fire companies operating such machines, potential impact on existing gaming facilities, and the determination of the commission of what will best serve public convenience, consistent with the objectives set forth in paragraph (c) of this subdivision. The commission shall, by rule or regulation, further define the methodology for assessing local density and market conditions within such cities and may establish specific zones or areas where the placement of electronic bell jar vending machines is further limited or requires enhanced review, to ensure the responsible integration of such charitable gaming opportunities.

(iii) The commission shall have the authority to establish, by rule or regulation, specific proximity zones around gaming facilities and to modify the limitations provided in subparagraphs (i) and (ii) of this paragraph based upon the determination of the commission of what will

best serve public convenience, potential impact on existing gaming facilities, and the need to prevent loss of employment at such facilities, provided that any such modification shall be consistent with the objective of supporting charitable fundraising while maintaining the existing gaming landscape and preventing market oversaturation; provided however, that any such modification shall constitute only a reduction of the thresholds established by this subdivision.

(c) (i) Notwithstanding any other provision of this article, the commission shall have the discretion to determine the number of electronic bell jar vending machines that may be operated by any veteran organization**, fraternal organization,** or volunteer fire company, and the location of such machines; provided, however, that such number of machines shall not exceed the limits established in this subdivision. Such discretion shall be exercised to ensure that the introduction and operation of electronic bell jar vending machines occurs exclusively to the fundraising capabilities of legitimate veteran organizations**, fraternal organizations,** or volunteer fire companies while maintaining the stability of existing regulated gaming sectors and revenue to the state, and avoiding any loss of employment at existing gaming facilities.

(ii) The commission shall deny, revoke, or limit the number of electronic bell jar vending machines a veteran organization**, fraternal organizations,** or volunteer fire company may operate if the commission determines that such organization has been established, structured, or is being utilized, directly or indirectly, to obtain a greater number of machines than otherwise would be permitted. This consideration includes, but is not limited to, the creation of subsidiary entities, shell organizations, or any other arrangement where the facts and circumstances indicate an intent to circumvent the limitations set forth in this subdivision. The commission is empowered to scrutinize the governance, operational control, and financial interdependence of organizations to make such determinations.

(iii) The co-siting or joint housing of multiple veteran organizations**, fraternal organizations** and/or volunteer fire companies at a single premises or contiguous premises for the primary purpose of increasing the aggregate number of electronic bell jar vending machines at such location beyond what would otherwise be permitted for a single veteran organization**, fraternal organization,** or volunteer fire company operating at such premises is prohibited, unless explicitly authorized by the commission upon a finding that such arrangement is consistent with the public interest and the objectives of this article. The commission shall promulgate rules and regulations to effectuate this provision, considering factors such as shared operational control, membership overlap, and the primary purpose of the co-siting arrangement.

§ 6. Subdivision 8 of section 195-c of the general municipal law is REPEALED.

§ 7. Subdivisions 1 and 4 of section 195-o of the general municipal law, as amended by chapter 4 of the laws of 2026, are amended to read as follows:

1. Distribution; distributors. Any distributor licensed in accordance with section one hundred eighty-nine-a of this article to distribute bell jar tickets or electronic bell jar vending machines shall purchase such tickets and vending machines only from licensed manufacturers and may manufacture coin boards and merchandise boards only as authorized in subdivision one-a of this section. Licensed distributors of bell jar

tickets shall sell such tickets and vending machines only to not-for-profit, charitable or religious organizations registered by the commission and shall sell, lease or otherwise distribute electronic bell jar vending machines only to eligible veteran organizations**, fraternal organizations,** or volunteer fire companies as set forth in this article. Any licensed distributor who willfully violates the provisions of this section shall: (a) upon such first offense, have their license suspended for a period of thirty days; (b) upon such second offense, participate in a hearing to be conducted by the commission, and surrender their license for such period as recommended by the commission; and (c) upon such third or subsequent offense, have their license suspended for a period of one year and shall be guilty of a class E felony. Any unlicensed distributor who violates this section shall be guilty of a class E felony.

4. Invoices; agreements. (a) A distributor shall supply with each sale of a bell jar product an itemized invoice showing the distributor's name and address, the purchaser's name, address, and license number, the date of the sale, the account number identifying the sale from the manufacturer to distributor and the account number identifying the sale from the distributor to the licensed organization, and the description of the deals, including the form number, the serial number and the ideal gross from every deal of bell jar or similar game.

(b) Prior to the sale, lease, or distribution of an electronic bell jar vending machine to a veteran organization**, fraternal organization,** or volunteer fire company, the distributor or manufacturer shall provide the contract or agreement for such sale, lease or distribution to the commission for approval and any modification to such contract or agreement thereafter. Such contract or agreement shall show, at minimum:

(i) the name and address of the veteran organization**, fraternal organization,** or volunteer fire company;

(ii) the date of sale, lease or distribution;

(iii) the serial number of each such machine;

(iv) the material terms and conditions of such contract or agreement; and

(v) any additional information as the commission may require.

(c) The commission may promulgate rules and regulations relating to the terms of any contract or agreement for the sale, lease, or distribution of an electronic bell jar vending machine to a veteran organization**, fraternal organization,** or volunteer fire company, including, but not limited to, regulations to ensure that revenue from play on such machines appropriately benefits the veteran organization**, fraternal organization, or volunteer fire company,** and does not, instead, primarily or unduly benefit any other entity, including the distributor or manufacturer. The commission, in its sole discretion, may approve or deny such contract or agreement and any material modification to such contract or agreement thereafter. If the commission denies approval for such contract, agreement or modification, it shall provide the reasons for such determination.

§ 8. Subdivision 3 of section 195-q of the general municipal law, as amended by chapter 4 of the laws of 2026, is amended to read as follows:

3. (a) A veteran organization**, fraternal organization,** or volunteer fire company may operate electronic bell jar vending machines only on premises that it owns or leases. All such locations must be identified by the veteran organization**, fraternal organization,** or volunteer fire company and approved by the commission prior to the placement of any electronic bell jar machine at those premises.

(b) A veteran organization, fraternal organization, or volunteer fire company may operate no more machines than the number permitted in section one hundred ninety-five-c of this article.

(c) No veteran organization, fraternal organization, or volunteer fire company shall operate an electronic bell jar vending machine unless such veteran organization, fraternal organization, or volunteer fire company is a games-of-chance licensee authorized by the commission to operate an electronic bell jar vending machine. The commission may promulgate rules and regulations as the commission deems necessary for the approval of a veteran organization, fraternal organization, or volunteer fire company to operate an electronic bell jar vending machine. If the commission denies such request, it shall provide the reasons for such determination.

(d) The commission may authorize a veteran organization, fraternal organization, or volunteer fire company to operate electronic bell jar games [~~only if such veteran organization or volunteer fire company was licensed to operate bell jar games as of November thirtieth, two thousand twenty five~~].

(e) Each electronic bell jar vending machine shall generate sales reports and such other information that the commission may direct by regulation. The commission shall have access to the server of each electronic bell jar vending machine for the purpose of monitoring and auditing at no cost to the state.

(f) Any unclaimed funds or tickets left in any electronic bell jar vending machine shall be retained by the authorized organization and reported as net proceeds.

§ 9. This act shall take effect immediately; provided, however, if chapter 697 of the laws of 2025 shall not have taken effect on or before such date then this act shall take effect on the same date and in the same manner as such chapter of the laws of 2025 takes effect.