

STATE OF NEW YORK

8433--A

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 -- recommitted to the Committee on Racing, Gaming and Wagering in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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:

1 Section 1. Paragraphs (bb) and (cc) of subdivision 1 of section 1367
2 of the racing, pari-mutuel wagering and breeding law, as amended by
3 section 3 of part Y of chapter 59 of the laws of 2021, are amended and
4 two new paragraphs (dd) and (ee) are added to read as follows:
5 (bb) "Suspicious wagering activity" means unusual wagering activity
6 that cannot be explained and is indicative of match fixing, the manipu-
7 lation of an event, misuse of inside information, or other prohibited
8 activity; ~~and~~
9 (cc) "Independent integrity monitor" means an independent individual
10 or entity approved by the commission to receive reports of unusual
11 wagering activity from a casino, mobile sports wagering licensee, or
12 commission for the purpose of assisting in identifying suspicious wager-
13 ing activity~~[-]~~;
14 (dd) "Horse racing event" means any sport or athletic event conducted
15 in New York state subject to the provisions of article two, three, five,
16 nine, or ten of this chapter, as well as any sport or athletic event
17 conducted outside of New York state which would otherwise be subject to
18 the provisions of articles two, five, nine, or ten of this chapter.

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

LBD13379-02-6

"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 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

1 horse racing event and on which horse racing events wagers may be
2 placed.

3 (iii)(1) Notwithstanding any provision of law, rule, or regulation to
4 the contrary, any and all gross payments made by a mobile sports wager-
5 ing operator, mobile sports wagering licensee, or operator pursuant to
6 any fixed odds sports wagering agreement as defined in paragraph (ee) of
7 subdivision one of this section, shall be allocated in the following
8 amounts for any amount generated during a calendar year: two-thirds to
9 the thoroughbred industry and the remaining one-third to harness racing
10 associations and corporations. For purposes of this paragraph, all gross
11 payments pursuant to a fixed odds sports wagering agreement shall
12 include, without limitation, wagering revenue, signing or other start-up
13 fees, exclusivity fees, market go live fees, horse racing content fees
14 and any other amounts paid in consideration of the fixed odds sports
15 wagering agreement, in each case without any deduction or offset, but
16 shall not include any revenue generated for sponsorships.

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

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

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

50 § 4. This act shall take effect April 1, 2027 and shall expire March
51 31, 2030 when upon such date the provisions of this act shall be deemed
52 repealed.